

This is an English translation of the original Japanese-language document. Should there be any inconsistency between the translation and the original Japanese text, the latter shall prevail.

Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 [IFRS]

November 7, 2025

Listed company name	FOOD & LIFE COMPANIES LTD.	Listed stock exchange: TSE
Securities code:	3563 URL http://www.food-and-life.co.jp	
Representative:	President & CEO Masahiro Yamamoto	
Inquiries:	Corporate Officer Takeshi Yoshida	Phone: 06-6368-1001
Scheduled date of annual general meeting of shareholders:	December 23, 2025	Scheduled date to commence dividend payment: December 24, 2025
Scheduled filing date to file Annual Securities Report:	December 22, 2025	
Supplementary briefing materials on annual financial results prepared:	Yes	
Annual financial results presentation meeting held:	Yes (for institutional investors and analysts)	

(Amounts are rounded to nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (October 1, 2024 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit for the year attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended September 30, 2025	429,574	19.0	36,093	54.4	33,777	56.0	24,609	59.3	22,937	56.7	25,638	73.9
Fiscal year ended September 30, 2024	361,129	19.7	23,384	112.6	21,653	119.5	15,445	83.7	14,633	81.9	14,740	66.5

	Adjusted EBITDA		Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent	Ratio of profit before income taxes to total assets	Ratio of operating profit to revenue
	Million yen	%	Yen	Yen	%	%	%
Fiscal year ended September 30, 2025	52,079	38.9	202.71	199.97	26.9	8.8	8.4
Fiscal year ended September 30, 2024	37,485	45.7	127.46	126.32	20.1	6.0	6.5

(2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	Million yen	Million yen	Million yen	%	Yen
Fiscal year ended September 30, 2025	398,596	100,902	97,869	24.0	845.61
Fiscal year ended September 30, 2024	365,154	77,837	76,568	20.5	661.48

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended September 30, 2025	64,429	(25,436)	(29,235)	58,822
Fiscal year ended September 30, 2024	56,326	(24,066)	(34,322)	48,695

2. Dividends

	Annual dividends					Dividends paid (total)	Payout ratio (consol.)	Dividend on equity (consol.)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended September 30, 2024	—	0.00	—	30.00	30.00	3,394	23.5	4.7
Fiscal year ended September 30, 2025	—	0.00	—	35.00	35.00	3,964	17.3	4.6
Fiscal Year Ending September 30, 2026 (forecast)	—	0.00	—	35.00	35.00		—	

Breakdown of dividend for fiscal year ended September 30, 2024 Regular dividend : 27.50 yen Commemorative dividend : 2.50 yen

Notes:

For more information, refer to “(4) Basic policy on profit distribution, and dividends in current and next period” under “1. Overview of operating results” on page 6 of the attached materials.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2026 (October 1, 2025 to September 30, 2026)

(Percentages indicate year-on-year changes)

	Revenue		Adjusted EBITDA		Operating profit		Profit for the year attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
Fiscal Year Ending September 30, 2026	485,000	12.9	59,500	14.2	40,500	12.2	24,000	4.6	211.91

* Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Excluded: Dairen Kyotaru Restaurants Co., Ltd.

(2) Changes in accounting policies, changes in accounting estimates

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policy other than 1): None

3) Changes in accounting estimates: None

(3) Total number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)	Fiscal year ended September 30,2025	116,069,184 shares	Fiscal year ended September 30, 2024	116,069,184 shares
b. Number of treasury shares at the end of the period	Fiscal year ended September 30,2025	2,814,631 shares	Fiscal year ended September 30, 2024	2,945,764 shares
c. Average number of shares during the period (cumulative from the start of the fiscal year)	Fiscal year ended September 30,2025	113,152,113 shares	Fiscal year ended September 30,2024	114,808,427 shares

(4) Formulas for various indicators

Indicator	Formula
Adjusted EBITDA	Operating profit + Depreciation and amortization (excluding depreciation of right-of-use assets) + impairment loss

* These financial results are outside the scope of audit procedures by certified public accountants or accounting firms.

* Explanation of Proper Use of Financial Forecasts, and Other Special Matters

The earnings forecasts and other forward-looking statements presented in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. They do not constitute guarantees by the Company of future performance. Furthermore, actual results and performance may differ materially from these forecasts due to various factors.

In addition, for more details on earnings forecasts, please refer to “(2) Outlook for the next period” under “1. Overview of operating results” on page 4 of the attached materials.

Table of contents for attached materials

1. Overview of operating results	2
(1) Overview of operating results during the period	2
(2) Overview of financial position during the period	4
(3) Cash flows during the period	5
(4) Basic policy on profit distribution, and dividends in current and next period	6
2. Basic thinking on selection of accounting standards	6
3. Consolidated Financial Statements and Important Notes	7
(1) Consolidated statement of financial position	7
(2) Consolidated statement of profit and loss	9
(3) Consolidated statement of comprehensive income	10
(4) Consolidated statement of changes in equity	11
(5) Consolidated statement of cash flows	12
(6) Notes on consolidated financial statements	13
(Notes regarding assumption of a going concern)	13
(Segment information)	13
(Selling, general and administrative expenses)	15
(Earnings per share)	16
(Important subsequent events)	16

1. Overview of operating results

(1) Overview of operating results during the period

1) Operating results during the period

During the consolidated fiscal year ended September 30, 2025, the Japanese economy saw a gradual recovery in economic activity, due to factors including a recovery in personal consumption accompanying wage increases, and an increase in foreign tourist demand. Meanwhile, the outlook remains uncertain due to factors such as global political instability and price increases resulting from the longer-than-expected depreciation in the yen.

The restaurant sector also continued to face challenging conditions due to soaring prices for rice and other raw materials and energy, as well as chronic labor shortages.

Under such circumstances, FOOD & LIFE COMPANIES LTD. worked to enhance product development, in-store food preparation, and health and safety initiatives and services with ‘Discovering new tastiness, Sharing moments of joy’ as our vision, and the desire to surprise and move our customers with delicious sushi.

In addition, store count by business format is as follows.

Group store count by business format

Name of brand	Fiscal year ended September 30 2024	Store openings	Store closures	Nine-month period ended June 30 2025
Japan: Sushiro (TOGO)	655 (9)	15	3 (1)	667 (8)
Japan: Sugidama (FC)	87 (17)	13 (1)	5 (1)	95 (17)
Japan: Kyotaru	117 (—)	—	17	100 (—)
Japan:Kaiten Sushi Misaki/Misakimaru	95 (—)	1	9	87 (—)
Japan: Others	18 (—)	1	4	15 (—)
Japan total	972 (26)	30 (1)	38 (2)	964 (25)
International: Sushiro (TOGO)	174 (—)	55	2	227 (—)
International: Others	9 (—)	—	2	7 (—)
International total	183 (—)	55	4	234 (—)
Total	1,155 (26)	85 (1)	42 (2)	1,198 (25)

Figures in parentheses show the number of take out only and FC stores.

As a result, revenue for the consolidated fiscal year ended September 30, 2025 totaled 429,574 million yen (+19.0% year on year), operating profit 36,093 million yen (+54.4% year on year), profit before income taxes 33,777 million yen (+56.0% year on year), and profit for the period attributable to owners of the parent 22,937 million yen (+56.7% year on year). Both revenue and profits reached record highs for the consolidated fiscal year.

Operating results by segment are as follows.

(Japan Sushiro Business)

During the consolidated fiscal year ended September 30, 2025, Japan Sushiro under the theme of "Mastering the Art of Sushi!" focused on the deliciousness that it has been dedicated to since its foundation, and worked to provide products and campaigns that would satisfy our customers.

During the summer vacation period starting from mid-July, our "Once-a-Year Exceptional Tuna Festival," endorsed by three famous sushi chefs, was a great success. Sushiro sold carefully selected large-cut albacore tuna sushi (starting from 110 yen w/tax), and also held our all-time popular red-vinegared sushi rice campaign. We also collaborated with "HAPIDANBUI," a Sanrio character unit loved by all generations, and "BTS Island: In the SEOM," a puzzle adventure game developed with the participation of the globally popular group BTS. Four of our domestic stores (in Tokyo, Aichi, and Osaka prefectures) were transformed into special collaboration stores where customers could enjoy the world of BTS Island: In the SEOM. This was part of our ongoing effort to provide content that can be enjoyed alongside our sushi. Additionally, we made steady progress in rolling out 'Digital Sushiro Vision (known as 'Digi-ro' for short),' digitally recreating the fun of discovering and choosing sushi on the revolving lane which used to be a key feature of revolving sushi restaurant. By the end of the consolidated fiscal year, we had completed the implementation of 'Digi-ro' in 123 stores in Japan.

As a result of the above, net sales of the Japan Sushiro Business were 265,903 million yen, (+11.6% year on year) and segment profit was 18,008 million yen (26.7% year on year).

(International Sushiro Business)

The International Sushiro Business has been expanding steadily, driven by a selective approach to opening new locations based on carefully chosen properties and sites. In Southeast Asia, our fourth market, Malaysia, saw a huge response to its first store opening in February. We even received letters of thanks from customers who had long been waiting for a Sushiro to open, and the store has continued to perform well. Meanwhile, the business in Mainland China has moved beyond the recovery trend of the previous fiscal year (FY24) and entered a phase of expansion/growth this fiscal year (FY25). We are steadily increasing the store count and maintaining high performance levels, indicating that the strong momentum in our international Sushiro business continues. To further increase customer count, we've carried out attractive promotional and marketing initiatives in each region. In Singapore, our July 'Summer Festival' featured the luxurious "Sushiya no Unagyu" (grilled eel and beef), perfect for the hot summer. In Taiwan, 'Late Summer Flavor Fair' of August offered 'Salmon Mountain,' a must-try for salmon fans. In Hong Kong, we collaborated with 'Ninomae Ina'nis,' a very popular VTuber from 'hololive English,' to continuously provide customers with a high-value dining experience.

As a result of the above, net sales of the International Sushiro Business were 131,420 million yen (+42.6% year on year) and segment profit was 16,324 million yen (+126.9% year on year).

(Kyotaru Business)

The Kyotaru brand continued to strengthen its e-commerce sales and to close unprofitable stores to further improve profitability. Kyotaru brand carried out back-to-back campaigns offering seasonal items at value prices. In September, coinciding with 'Respect for the Aged Day,' we offered a special celebratory bento box for a limited three-day period. This bento contained a selection of Kyotaru's best, including cute, bite-sized sushi and norimaki (rolled sushi). The Misaki brand also held its own 'Always a Great Deal Fair' throughout August. In addition, we ran a special promotion titled "Midsummer Sushi Festival" where customers could participate in a prediction contest to guess which item – Hon-Maguro (Bluefin Tuna) or Nodoguro (Blackthroat Seaperch) – would have the highest total number of plates sold during the campaign. Furthermore, we conducted special anniversary promotions at new and some of the renovated stores, such as tuna cutting shows and other special sales, which were extremely well-received by our customers. Misaki performance had been strong throughout this fiscal year. Misaki will continue to work on enhancing its brand image by further improving the quality of its products and customer service, with the Misaki flagship store located in Ningyocho, Tokyo leading the action.

As a result of the above, net sales of the Kyotaru Business were 23,532 million yen (1.9% year on year) and segment loss was 60 million yen (segment loss was 350 million yen in the same period of previous fiscal year).

(Japan Sugidama Business)

Leveraging the strengths of FOOD & LIFE COMPANIES, the popular sushi izakaya restaurant "Sugidama" offers sushi that is meticulously crafted for freshness, taste, and appearance, along with classic izakaya dishes and drinks that pair perfectly with a meal. By successfully growing through a combination of company-owned and franchise locations, Sugidama's domestic store count approached 100, reaching 95 stores as of the end of this fiscal year - its eighth year in business. We consistently run promotional campaigns to make dining even more enjoyable in our Japanese-style, modern and unique interiors. For example, during the "Sugidama Collection 2025 Summer" campaign, we offered popular menu items at a special limited-time prices. We also sold "Maguro no Ohagi," a tuna dish featuring medium fatty tuna that the president of Sugidama endorsed, during the "Sugidama Autumn Festival." These efforts reflect our commitment to creating an experience that makes customers want to return.

As results of the above, net sales of the Japan Sugidama Business were 8,284 million yen (+20.1% year on year) and segment profit was 64 million yen (-51.1% year on year).

2) Outlook for the next period

The Company forecasts revenue of 485,000 million yen (+12.9% year on year), adjusted EBITDA of 59,500 million yen (+14.2% year on year), operating profit of 40,500 million yen (+12.2% year on year), and profit for the year attributable to owners of the parent of 24,000 million yen (+4.6% year on year).

(2) Overview of financial position during the period

1) Assets, liabilities and equity

(Assets)

The balance of total assets increased 33,441 million yen from the end of the previous consolidated fiscal year to 398,596 million yen.

The balance of current assets increased 13,740 million yen from the end of the previous consolidated fiscal year to 88,396 million yen. This mainly reflected a 10,127 million yen increase in cash and cash equivalents.

The balance of non-current assets increased 19,701 million yen from the end of the previous consolidated fiscal year to 310,200 million yen. This mainly reflected a 18,884 million yen increase in property, plant and equipment.

(Liabilities)

Total liabilities increased 10,377 million yen from the end of the previous consolidated fiscal year to 297,694 million yen.

The balance of current liabilities decreased 4,013 million yen from the end of the previous consolidated fiscal year to 84,857 million yen. This mainly reflected a 5,000 million yen decrease in bonds and borrowings, alongside a 6,522 million yen increase in trade and other payables, and a 2,161 million yen increase in lease liabilities.

The balance of non-current liabilities increased 6,363 million yen from the end of the previous consolidated fiscal year to 212,837 million yen. This mainly reflected a 3,609 million yen increase in lease liabilities and a 1,005 million yen increase in bonds and borrowings.

(Equity)

Total equity increased 23,064 million yen from the end of the previous consolidated fiscal year to 100,902 million yen. This mainly reflected a 3,394 million yen resulting from cash dividends paid, alongside the booking of 22,937 million yen in profit for the period.

(3) Cash flows during the period

In the consolidated fiscal year ended September 30, 2025, cash and cash equivalents (hereinafter “Cash”) increased 10,127 million yen from the end of the previous consolidated fiscal year to 58,822 million yen.

The breakdown of cash flows by activities and underlying factors for the consolidated fiscal year ended September 30, 2025 is shown below.

(Cash flows from operating activities)

Cash provided by operating activities totaled 64,429 million yen (+14.4% year on year).

This mainly reflected the booking of 33,777 million yen in profit before income taxes, the booking of 35,776 million yen in depreciation and amortization, a 1,213 million yen in impairment losses and a 6,287 million yen increase in trade and other payables, alongside a 3,720 million yen increase in inventories and a 8,257 million yen in income tax paid.

(Cash flows from investing activities)

Cash used in investing activities came to 25,436 million yen (+5.7% year on year).

This was mainly attributable to 25,177 million yen in purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash used in financing activities amounted to 29,235 million yen (14.8% year on year). This mainly reflected a 5,000 million yen in redemption for bonds, a 4,974 million yen in proceeds from issuance of bonds, a 22,117 million yen in repayments of lease liabilities and a 4,009 million yen in repayments of long-term borrowings.

Reference: Trends in cash flow indicators

	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024	Fiscal year ended September 30, 2025
Ratio of equity attributable to owners of the parent (%)	20.1	20.5	24.0
Ratio of equity attributable to owners of the parent on market value basis (%)	82.7	89.2	219.8
Cash flows to interest-bearing debt ratio (%)	523.0	385.1	339.4
Interest coverage ratio (x)	29.7	28.1	24.7

Note:

Ratio of equity attributable to owners of the parent: $\text{Equity attributable to owners of the parent} / \text{Total assets}$

Ratio of equity attributable to owners of the parent on market value basis: $\text{Market capitalization} / \text{Total assets}$

Cash flows to interest-bearing debt ratio: $\text{Interest-bearing debt} / \text{Cash flows}$

Interest coverage ratio: $\text{Cash flows} / \text{Interest payment}$

* All indicators have been calculated using consolidated financial figures based on IFRS.

* Market capitalization is calculated as the share price at the fiscal year-end multiplied by the number of shares outstanding (excluding treasury stock) at the fiscal year-end.

* Cash flow figures reflect the cash flows from operating activities included in the consolidated statement of cash flows. Interest-bearing debt reflects debts subject to interest payments recorded on the consolidated statement of financial position. In addition, interest payments refer to interest payments recorded on the consolidated statement of cash flows.

(4) Basic policy on profit distribution, and dividends in current and next period

The Company regards the return of profits to its shareholders as an important management issue. Our basic policy is to continuously enhance performance and provide ongoing, appropriate profit distribution in line with performance. In terms of our dividend policy, we aim to provide stable dividends based on performance once a year as an apportionment of surplus while comprehensively taking into consideration matters such as earnings trends and the replenishment of internal reserves.

Internal reserves are used to fund aggressive investments to support the implementation of a range of measures geared toward strengthening our operating base.

Based on the above basic policy and after comprehensively considering the balance of business conditions during the current consolidated fiscal year and the return of profits to shareholders, the Company has decided to pay a year-end dividend of 35.00 yen per share for the fiscal year ended September 30, 2025.

In the next fiscal year, the Company plans an annual dividend per share of 35.00 yen assuming the outlook for the next period described on page 4 of the attached materials is achieved.

2. Basic thinking on selection of accounting standards

The Sushiro Group has adopted the International Financial Reporting Standards (IFRS) since the year ended September 30, 2016 with the aim of enhancing the international comparability of its financial information in capital markets as well as overall convenience.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated statement of financial position

(in millions, JPY)

	Fiscal Year Ended September 30, 2024	Fiscal Year Ended September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	48,695	58,822
Trade and other receivables	13,882	15,284
Inventories	6,512	10,242
Other financial assets	2,940	690
Other current assets	2,627	3,357
Total current assets	74,656	88,396
Non-current assets		
Property, plant and equipment	184,936	203,820
Goodwill	30,371	30,371
Intangible assets	57,016	57,002
Equity method investment	52	52
Lease and guarantee deposits	14,766	15,795
Other financial assets	1,232	801
Deferred tax assets	1,552	1,664
Other non-current assets	574	694
Total non-current assets	290,499	310,200
Total assets	365,154	398,596
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	35,569	42,091
Bonds and Borrowings	9,009	4,009
Income taxes payable	4,710	4,926
Lease liabilities	19,523	21,685
Other financial liabilities	1,006	1,339
Provisions	5,275	4,381
Other current liabilities	5,750	6,426
Total current liabilities	80,843	84,857
Non-current liabilities		
Trade and other payables	22	22
Bonds and Borrowings	75,514	76,519
Lease liabilities	112,838	116,447
Other financial liabilities	105	100
Provisions	4,730	5,462
Deferred tax liabilities	13,264	14,287
Total non-current liabilities	206,474	212,837
Total liabilities	287,317	297,694

	Fiscal Year Ended September 30, 2024	Fiscal Year Ended September 30, 2025
Equity		
Capital stock	100	100
Capital surplus	15,734	15,806
Retained earnings	65,818	85,355
Treasury stock	(9,156)	(8,749)
Other components of equity	4,073	5,357
Total equity attributable to owners of the parent	76,568	97,869
Non-controlling interests	1,269	3,032
Total equity	77,837	100,902
Total liabilities and equity	365,154	398,596

(2) Consolidated statement of profit and loss

(in millions, JPY)

	Fiscal Year Ended September 30, 2024 (From October 1, 2023 to September 30, 2024)	Fiscal Year Ended September 30, 2025 (From October 1, 2024 to September 30, 2025)
Revenue	361,129	429,574
Cost of sales	(155,796)	(184,567)
Gross profit	205,334	245,007
Selling, general and administrative expenses	(179,848)	(208,629)
Other income	1,084	1,192
Other expenses	(3,186)	(1,478)
Operating profit	23,384	36,093
Finance income	461	407
Finance expenses	(2,191)	(2,723)
Profit before income taxes	21,653	33,777
Income taxes	(6,209)	(9,168)
Profit for the year	15,445	24,609
Profit attributable to:		
Owners of the parent	14,633	22,937
Non-controlling interests	811	1,672
Profit for the year	15,445	24,609
Earnings per share		
Basic earnings per share (yen)	127.46	202.71
Diluted earnings per share (yen)	126.32	199.97

(3) Consolidated statement of comprehensive income

(in millions, JPY)

	Fiscal Year Ended September 30, 2024 (From October 1, 2023 to September 30, 2024)	Fiscal Year Ended September 30, 2025 (From October 1, 2024 to September 30, 2025)
Profit for the period	15,445	24,609
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of finance assets measured at fair value through other comprehensive income	(143)	(307)
Total of items that will not be reclassified to profit or loss	(143)	(307)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(561)	1,336
Total of items that may be reclassified subsequently to profit or loss	(561)	1,336
Other comprehensive income after taxes	(704)	1,029
Total comprehensive income for the year	14,740	25,638
Attributable to:		
Owners of the parent	13,863	23,855
Non-controlling interests	878	1,783
Total comprehensive income for the year	14,740	25,638

(4) Consolidated statement of changes in equity

(in millions, JPY)

	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of October 1, 2023	100	15,676	53,787	(1,840)	4,544	72,268	391	72,659
Profit for the year			14,633			14,633	811	15,445
Other comprehensive income					(771)	(771)	67	(704)
Total comprehensive income	—	—	14,633	—	(771)	13,863	878	14,740
Disposal of treasury stock		(130)		184	(40)	14		14
Purchase of treasury stock		(2)		(7,500)		(7,503)		(7,503)
Forfeiture of stock acquisition rights		190			(190)	—		—
Share-based payment transactions					529	529		529
Dividends			(2,603)			(2,603)		(2,603)
Total transactions with the owners	—	58	(2,603)	(7,317)	300	(9,562)	—	(9,562)
Balance as of September 30, 2024	100	15,734	65,818	(9,156)	4,073	76,568	1,269	77,837
Profit for the year			22,937			22,937	1,672	24,609
Other comprehensive income					918	918	111	1,029
Total comprehensive income	—	—	22,937	—	918	23,855	1,783	25,638
Disposal of treasury stock		69		408	(131)	345		345
Purchase of treasury stock		—		(1)		(1)		(1)
Forfeiture of stock acquisition right		21			(21)	—		—
Share-based payment transactions					513	513		513
Dividends			(3,394)			(3,394)		(3,394)
Transfer to retained earnings			(6)		6	—		—
Purchase of stock of consolidated subsidiaried		(17)				(17)	(20)	(37)
Total transactions with the owners	—	72	(3,399)	407	366	(2,554)	(20)	(2,574)
Balance as of September 30, 2025	100	15,806	85,355	(8,749)	5,357	97,869	3,032	100,902

(5) Consolidated statement of cash flows

(in millions, JPY)

	Fiscal Year Ended September 30, 2024 (From October 1, 2023 to September 30, 2024)	Fiscal Year Ended September 30, 2025 (From October 1, 2024 to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	21,653	33,777
Depreciation and amortization	30,760	35,776
Impairment losses	2,192	1,213
Finance income	(461)	(407)
Finance expenses	2,191	2,723
Increase (decrease) in provision for bonuses	2,040	(858)
Amount of rent offset by lease and guarantee deposits	540	264
Decrease (increase) in trade and other receivables	(2,535)	(982)
Decrease (increase) in inventories	(2,558)	(3,720)
Increase (decrease) in trade and other payables	4,459	6,287
Others	1,411	1,013
Subtotal	59,691	75,086
Interest and dividend income received	139	213
Interest paid	(2,008)	(2,613)
Income taxes paid	(2,580)	(8,257)
Income taxes refund	1,083	0
Net cash from operating activities	56,326	64,429
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,530)	(25,177)
Proceeds from sales of property, plant and equipment	14	13
Purchase of intangible assets	(1,196)	(1,161)
Payments into time deposits	(3,207)	(2,323)
Proceeds from withdrawal of time deposits	1,796	4,456
Payments for lease and guarantee deposits	(1,642)	(1,999)
Purchase of investment securities	(1,035)	—
Others	734	754
Cash flows from investing activities	(24,066)	(25,436)
Cash flows from financing activities		
Redemption of bonds	(20,000)	(5,000)
Proceeds from issuance of bonds	19,494	4,974
Repayments of long-term borrowings	(4,009)	(4,009)
Repayments of lease liabilities	(19,716)	(22,117)
Payments for commission fees	(15)	(15)
Purchase of treasury stock	(7,504)	(1)
Proceeds from exercise of share acquisition rights	14	347
Cash dividends paid	(2,599)	(3,388)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(37)
Others	12	12
Cash flows from financing activities	(34,322)	(29,235)
Net increase (decrease) in cash and cash equivalents	(2,062)	9,759
Cash and cash equivalents at beginning of year	51,228	48,695
Effect of exchange rate changes on cash and cash equivalents	(471)	368
Cash and cash equivalents at end of year	48,695	58,822

(6) Notes on condensed consolidated financial statements

(Notes regarding assumption of a going concern)

Not applicable.

(Segment information)

(1) Overview of Reportable Segments

The Group's reportable segments consist mainly of business segments.

The major brands included in each reportable segment are as follows.

Japan Sushiro Business: Sushiro and takeout specialty stores operating in Japan

International Sushiro Business: Sushiro and takeout specialty stores operating international

Kyotaru Business: All brands managed by KYOTARU CO., LTD. (major brands: Kyotaru, Kaiten Sushi Misaki, and Kaisen Misakiko)

Japan Sugidama Businesses: All brands managed by FOOD & LIFE INNOVATIONS LTD. (major brand: Sugidama)

Other Businesses: 'Sushiro To The Future EXPO Edition Store' and external sales of product inventories

Effective from the current fiscal year, F&LC has changed its reportable segments from the previous four categories ("Japan Sushiro Business," "International Sushiro Business," "Kyotaru Business," and "Other Businesses") to five categories ("Japan Sushiro Business," "International Sushiro Business," "Kyotaru Business," "Japan Sugidama Business," and "Other Businesses"). This change was made to reflect the future importance of the "Japan Sugidama Business," which was previously included in the "Other Businesses" segment, and to establish it as an independent reporting segment. Segment information for the fiscal year ended September 30, 2024 has been disclosed based on the reportable segment classifications after the change.

(2) Reportable segment revenues and operating results

Revenues and operating results for the Group's reportable segments are as follows.

Fiscal Year Ended September 30, 2024 (October 1, 2023 to September 30, 2024)

(in millions, JPY)

	Reportable segment					Total	Total adjustments (Notes 2)	Consolidated total
	Japan Sushiro Business	International Sushiro Business	Kyotaru Business	Japan Sugidama Business	Other			
Revenue								
External revenue	238,173	92,138	23,939	6,806	74	361,129	—	361,129
Intersegment revenue	—	—	47	91	—	139	(139)	—
Total	238,173	92,138	23,986	6,897	74	361,268	(139)	361,129
Segment profit (loss) (Notes 1)	14,217	7,194	(350)	131	74	21,267	2,116	23,384
Other Items								
Depreciation and amortization	16,401	11,010	1,738	728	—	29,876	885	30,760
Impairment loss	582	1,179	400	30	—	2,192	—	2,192

Notes 1. Segment profit (loss) is reconciled with operating profit on the consolidated statement of profit and loss.

2. Adjustment of 2,116 million yen in segment profit (loss) is mainly for intersgment eliminations and corporate expenses not attributable to any reportable segment.

Fiscal Year Ended September 30, 2025 (October 1, 2024 to September 30, 2025)

(in millions, JPY)

	Reportable segment					Total	Total adjustments (Notes 2)	Consolidated total
	Japan Sushiro Business	International Sushiro Business	Kyotaru Business	Japan Sugidama Business	Other			
Revenue								
External revenue	265,903	131,420	23,425	8,153	674	429,574	—	429,574
Intersegment revenue	—	3	106	131	—	240	(240)	—
Total	265,903	131,422	23,532	8,284	674	429,814	(240)	429,574
Segment profit (loss) (Notes 1)	18,008	16,324	60	64	(366)	34,090	2,002	36,093
Other Items								
Depreciation and amortization	17,840	14,202	1,706	907	10	34,665	1,111	35,776
Impairment loss	112	698	227	108	—	1,144	68	1,213

Notes 1. Segment profit (loss) is reconciled with operating profit on the consolidated statement of profit and loss.

2. Adjustment of 2,002 million yen in segment profit (loss) is mainly for intersgment eliminations and corporate expenses not attributable to any reportable segment.

(3) Information by product and service

Revenue by product and service is omitted because our group sells a single product and service.

(4) Information about geographic areas

The breakdown of revenues and non-current assets by geographic areas are as follows.

Fiscal Year Ended September 30, 2024 (October 1, 2023 to September 30, 2024)

(i) External revenue

(in millions, JPY)

Japan	International	Total
268,992	92,138	361,129

(ii) Non-current assets(Excluding financial instruments, deferred tax assets and rights arising from insurance contracts)

(in millions, JPY)

Japan	International	Total
233,853	53,810	287,663

Fiscal Year Ended September 30, 2025 (October 1, 2024 to September 30, 2025)

(i) External revenue

(in millions, JPY)

Japan	International	Total
298,154	131,420	429,574

(ii) Non-current assets(Excluding financial instruments, deferred tax assets and rights arising from insurance contracts)

(in millions, JPY)

Japan	International	Total
241,022	66,660	307,682

(5) Information about major customers

Disclosure is omitted because there is no single external customer that accounts for more than 10% of our revenue.

(Selling, general and administrative expenses)

The breakdown of selling, general and administrative expenses is as shown below.

(in millions, JPY)

	Fiscal Year Ended September 30, 2024 (From October 1, 2023 to September 30, 2024)	Fiscal Year Ended September 30, 2025 (From October 1, 2024 to September 30, 2025)
Employee benefits	99,672	114,592
Depreciation and amortization	30,686	35,693
Utilities expenses	9,020	10,126
Other	40,471	48,219
Total	179,848	208,629

(Earnings per share)

	Fiscal Year Ended September 30, 2024 (From October 1, 2023 to September 30, 2024)	Fiscal Year Ended September 30, 2025 (From October 1, 2024 to September 30, 2025)
Profit for the period attributable to common shareholders of the parent (million yen)	14,633	22,937
Profit for the period attributable to common shareholders used in calculations for basic earnings per share (million yen)	14,633	22,937
Profit for the period attributable to common shareholders used in calculations for diluted earnings per share (million yen)	14,633	22,937
Average number of shares during the period	114,808,427	113,152,113
Increase in number of common shares used in calculation for diluted earnings per share	1,032,418	1,549,806
Average number of common shares during the period after dilution	115,840,845	114,701,919
Basic earnings per share (yen)	127.46	202.71
Diluted earnings per share (yen)	126.32	199.97
Outline of potentially dilutive shares excluded from the calculation of diluted earnings per share due to the absence of dilutive effects	4 kinds of subscription rights to shares (Common shares 293 thousand shares)	—

(Important subsequent events)

Not applicable.