

February 13, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: WATAMI CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7522
 URL: <https://www.watami.co.jp/>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	69,348	4.9	4,181	4.9	5,233	3.6	4,162	4.1
December 31, 2024	66,126	5.7	3,986	17.2	5,050	8.0	3,996	9.4

Note: Comprehensive income For the nine months ended December 31, 2025: ¥3,065 million [(30.5)%
 For the nine months ended December 31, 2024: ¥4,409 million [(24.5)%]

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Nine months ended				
December 31, 2025	94.80	-	-	-
December 31, 2024	90.69	-	-	-

Note: At the end of the previous fiscal year, the provisional accounting treatment for the business combination was finalized, and the figures for the third quarter of the fiscal year ending March 31, 2025 reflect the details of the provisional accounting treatment.

(2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio		Net assets per share	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	%	Yen	Yen	
As of								
December 31, 2025	70,472	29,359	29,359	41.2	415.26			
March 31, 2025	71,491	27,134	27,134	37.5	357.28			

Reference: Equity
 As of December 31, 2025: ¥29,015 million
 As of March 31, 2025: ¥26,796 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	0.00	-	10.00	10.00
Fiscal year ending March 31, 2026	-	0.00	-		
Fiscal year ending March 31, 2026 (Forecast)				10.00	10.00

Note: Revisions to the forecast of cash dividends most recently announced: None

The above "Cash dividends" refers to dividends on common shares. Please refer to "Cash dividends on class shares" below for the status of dividends on class shares (unlisted) that have different rights from those of common shares issued by the Company.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	91,000	2.6	4,600	0.7	5,250	0.1	4,000	13.6	87.76

Note: Revisions to the earnings forecasts most recently announced: None

*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 2 companies (Watami US Franchise LLC、H&W Hospitality Partners, LLC)

Note: For details, please refer to Appendix P.13, "2. Quarterly Consolidated Financial Statements and Key Notes (4) Notes on Quarterly Consolidated Financial Statements (Notes on Changes to the Scope of Consolidation or Scope of Application by the Equity Method)"

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	42,684,880 shares
As of March 31, 2025	42,684,880 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	2,580,448 shares
As of March 31, 2025	2,618,843 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	40,086,327 shares
Nine months ended December 31, 2024	40,067,889 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are based on information available to the Company and certain assumptions that the Company deems reasonable, and are not intended to be a promise by the Company to realize them. Actual results may vary due to a variety of factors.

Status of Dividends on Class Shares

The breakdown of dividends per share for common shares and different class shares with rights is as follows.

Class A Preferred Shares	Annual Dividends				
	End of the first quarter	End of the second quarter	End of the third quarter	end of term	Total
	Yen	Yen	Yen	Yen	Yen
The fiscal year ending March 31, 2025	0.00	0.00	0.00	4,011,397.26	4,011,397.26
The fiscal year ending March 31, 2026	0.00	0.00	0.00		
The fiscal year ending March 31, 2026 (Forecast)				4,000,000.00	4,000,000.00

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	45,753	37,718
Trade receivables and contract asset	4,395	5,296
Securities	375	1,064
Merchandise and finished goods	1,424	1,584
Work in process	607	282
Raw materials and supplies	326	456
Other	3,570	2,178
Allowance for doubtful accounts	(47)	(69)
Total current assets	56,408	48,512
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,055	3,689
Machinery, equipment and vehicles	889	1,252
Land	323	327
Leased assets	1,044	986
Construction in progress	254	136
Other	593	738
Total property, plant and equipment	6,161	7,131
Intangible assets		
Goodwill	681	561
Other	1,425	1,296
Total intangible assets	2,107	1,857
Investments and other assets		
Investment securities	686	6,910
Guarantee deposits	4,683	4,522
Deferred tax assets	801	838
Invested fixed asset, invested other asset	1	2
Other	816	872
Allowance for doubtful accounts	(176)	(176)
Total investments and other assets	6,814	12,971
Total non-current assets	15,083	21,960
Total assets	71,491	70,472

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,554	4,082
Short-term borrowings	6,560	6,163
Lease liabilities	964	649
Accounts payable - other	2,793	4,990
Income taxes payable	602	596
Accrued expenses	2,365	2,415
Provision for bonuses	640	352
Provision for bonuses for directors (and other officers)	20	-
Provision for sales promotion cost reserve	9	22
Other	1,451	1,077
Total current liabilities	18,964	20,348
Non-current liabilities		
Long-term borrowings	21,000	16,479
Lease liabilities	552	490
Asset retirement obligations	1,653	1,655
Other	2,186	2,138
Total non-current liabilities	25,392	20,764
Total liabilities	44,357	41,113
Net assets		
Shareholders' equity		
Share capital	4,910	4,910
Capital surplus	15,633	15,618
Retained earnings	3,242	6,522
Treasury shares	(3,600)	(3,540)
Total shareholders' equity	20,186	23,511
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	49	86
Foreign currency translation adjustment	6,560	5,418
Total accumulated other comprehensive income	6,609	5,504
Non-controlling interests	338	344
Total net assets	27,134	29,359
Total liabilities and net assets	71,491	70,472

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	66,126	69,348
Cost of sales	28,490	30,654
Gross profit	37,636	38,694
Selling, general and administrative expenses	33,650	34,513
Operating profit	3,986	4,181
Non-operating income		
Interest income	558	616
Interest on securities	157	97
Income from facility leasing	99	139
Share of profit of entities accounted for using equity method	-	2
Subsidy income	55	37
Foreign exchange gains	466	542
Miscellaneous income	253	341
Total non-operating income	1,590	1,777
Non-operating expenses		
Interest expenses	345	400
Rental expenses on facilities	79	123
Share of loss of entities accounted for using equity method	3	-
Miscellaneous losses	97	200
Total non-operating expenses	526	724
Ordinary profit	5,050	5,233
Extraordinary losses		
Loss on retirement of non-current assets	22	15
Impairment losses	144	123
Total extraordinary losses	167	138
Profit before income taxes	4,883	5,095
Income taxes - current	854	935
Income taxes - deferred	(11)	(12)
Total income taxes	843	923
Profit	4,039	4,171
Profit attributable to non-controlling interests	43	9
Profit attributable to owners of parent	3,996	4,162

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	4,039	4,171
Other comprehensive income		
Valuation difference on available-for-sale securities	35	36
Foreign currency translation adjustment	333	(1,142)
Total other comprehensive income	369	(1,106)
Comprehensive income	4,409	3,065
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,365	3,056
Comprehensive income attributable to non-controlling interests	43	8

Quarterly consolidated statement of cash flows

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,883	5,095
Depreciation	1,658	1,748
Impairment losses	144	123
Amortization of goodwill	194	96
Increase (decrease) in provision for bonuses	(351)	(306)
Increase in sales promotion cost reserve	13	13
Interest and dividend income	(715)	(714)
Interest expenses	345	400
Foreign exchange losses (gains)	(784)	(771)
Loss on retirement of non-current assets	22	15
Amortization of guarantee deposits	14	19
Decrease (increase) in trade receivables	(730)	(906)
Decrease (increase) in inventories	(133)	23
Decrease (increase) in advances paid	83	(67)
Decrease (increase) in accounts receivable - other	59	4
Decrease (increase) in consumption taxes refund receivable	17	(26)
Increase (decrease) in trade payables	556	540
Increase (decrease) in accounts payable - other	(81)	195
Increase (decrease) in accrued expenses	54	68
Increase (decrease) in accrued consumption taxes	(59)	(111)
Increase (decrease) in deposits received	51	63
Other, net	501	183
Subtotal	5,746	5,686
Interest and dividends received	827	612
Interest paid	(344)	(401)
Income taxes paid	(1,059)	(1,132)
Income taxes refund	0	13
Net cash provided by (used in) operating activities	5,170	4,778

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,016)	(2,195)
Proceeds from sale of property, plant and equipment	607	-
Purchase of intangible assets	(117)	(129)
Payments for asset retirement obligations	(36)	(54)
Payments into time deposits	(40,806)	(44,540)
Proceeds from withdrawal of time deposits	36,708	48,662
Purchase of investment securities	(968)	(4,596)
Proceeds from redemption of investment securities	2,506	1,735
Payments of guarantee deposits	(356)	(222)
Proceeds from refund of guarantee deposits	349	340
Loan advances	(4)	(53)
Proceeds from collection of loans receivable	30	18
Payments for acquisition of businesses	(883)	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(265)	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(2)
Other, net	(31)	(85)
Net cash provided by (used in) investing activities	(4,284)	(1,124)
Cash flows from financing activities		
Proceeds from short-term borrowings	15	1
Repayments of short-term borrowings	(108)	-
Proceeds from long-term borrowings	900	-
Repayments of long-term borrowings	(4,761)	(4,918)
Redemption of bonds	(50)	-
Repayments of finance lease liabilities	(1,048)	(870)
Purchase of treasury shares	(0)	(0)
Dividends paid	(878)	(885)
Dividends paid to non-controlling interests	-	(301)
Net cash provided by (used in) financing activities	(5,931)	(6,974)
Effect of exchange rate change on cash and cash equivalents	28	(62)
Net increase (decrease) in cash and cash equivalents	(5,017)	(3,383)
Cash and cash equivalents at beginning of period	13,469	13,946
Cash and cash equivalents at end of period	8,452	10,563

(Notes on segment information, etc.)

I. The nine months of the previous fiscal year (April 1, 2024 to December 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments						Other (Note)	Total	Reconciling items	Quarterly Consolidated Statements of Income
	Domestic Restaurant business	Food Catering Business for Elderly People	Overseas business	Environment business	Agriculture business	Total				
Sales										
Japan	25,059	30,959	-	1,788	455	58,262	176	58,438	-	58,438
Southeast Asia	-	-	7,151	-	-	7,151	-	7,151	-	7,151
United States	240	-	295	-	-	536	-	536	-	536
Revenue generated from customer contracts	25,300	30,959	7,446	1,788	455	65,950	176	66,126	-	66,126
Other Earnings	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	25,300	30,959	7,446	1,788	455	65,950	176	66,126	-	66,126
Transactions with other segments	1	-	-	523	165	689	388	1,078	(1,078)	-
Total	25,301	30,959	7,446	2,311	621	66,640	564	67,205	(1,078)	66,126
Segment profit (loss)	1,177	3,884	214	162	(90)	5,348	3	5,352	(1,365)	3,986

Note: The "Other" category is a business segment that is not included in the reporting segments, and includes agricultural theme park business and worker dispatch business.

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(Millions of yen)

benefit	amount of money
Total Reporting Segments	5,348
Other	3
Company-wide expenses (Note)	(1,365)
Operating Income in Quarterly Consolidated Statements of Income	3,986

Note: Company-wide expenses are mainly related to administrative operations for the entire Group.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Impairment losses on store assets such as planned withdrawals were recorded in the "Domestic Restaurant business" segment of 94 million yen and in the "Overseas business" segment of 50 million yen.

The amount of the impairment loss recorded was 144 million yen in the nine months of the current fiscal year.

(Significant fluctuations in the amount of goodwill)

In the Overseas Business segment, two consolidated subsidiaries, Watami US Corp and Watami US Nevada LLC, recorded goodwill following the acquisition of assets of SONNY SUSHI COMPANY. In the nine months of the current fiscal year, the increase in goodwill due to this event was 403 million yen.

The amount of goodwill is the amount after the revision due to the finalization of the provisional accounting treatment related to the business combination.

(Significant Negative Goodwill Accrual)

There is nothing to be included.

II. The nine months of the current fiscal year (April 1, 2025 to December 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments						Other (Note) 1	Total	Reconciling items	Quarterly Consolidated Statements of Income
	Domestic Restaurant business	Food Catering Business for Elderly People	Overseas business	Environment business	Agriculture business	Total				
Sales										
Japan	27,724	30,912	-	1,479	579	60,697	143	60,840	-	60,840
Southeast Asia	-	-	7,712	-	-	7,712	73	7,786	-	7,786
United States	283	-	438	-	-	721	-	721	-	721
Revenue generated from customer contracts	28,008	30,912	8,150	1,479	579	69,131	217	69,348	-	69,348
Other Earnings	-	-	-	-	-	-	-	-	-	-
Revenues from external customers	28,008	30,912	8,150	1,479	579	69,131	217	69,348	-	69,348
Transactions with other segments	0	14	-	637	184	837	103	941	(941)	-
Total	28,009	30,927	8,150	2,116	764	69,969	321	70,290	(941)	69,348
Segment profit (loss)	1,792	3,580	(17)	218	(8)	5,565	15	5,581	(1,399)	4,181

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, and includes the agricultural theme park business and the worker dispatch business.

2. Segment information for the nine months of the previous fiscal year is disclosed after the revision of the initial allocation of acquisition costs due to the finalization of provisional accounting treatment is reflected.

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(Millions of yen)

benefit	amount of money
Total Reporting Segments	5,565
Other	15
Company-wide expenses (Note)	(1,399)
Operating Income in Quarterly Consolidated Statements of Income	4,181

Note: Company-wide expenses are mainly related to administrative operations for the entire Group.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Impairment losses on store assets such as planned withdrawals were recorded in the "Domestic Restaurant business" segment of 41 million yen and in the "Overseas business" segment of 82 million yen.

The amount of the impairment loss recorded was 123 million yen in the nine months of the current fiscal year.

(Significant fluctuations in the amount of goodwill)

There is nothing to be included.

(Significant Negative Goodwill Accrual)

There is nothing to be included.