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Summary of Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2027 (Japanese Accounting Standards)

August 7, 2026

Company Name:	**Zensho Holdings Co., Ltd.**	Stock Listings	Tokyo Stock Exchange
Code Number:	7550	URL	https://www.zensho.co.jp/
Representative:	Mr. Yohei Ogawa, Representative Director, President & CEO		
Inquiries:	Mr. Gen Iwamoto, Chief Financial Officer, Executive Officer, Senior General Manager of Group Finance and Accounting Division	(TEL)	+81-3-6833-1600

Scheduled date for payment of dividends: —

Supplementary documents for financial results : Yes

Financial results briefing : None

(Figures rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter (April 1, 2026 to June 30, 2026)

(1) Consolidated Financial Results

(Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	324,808	16.8	24,815	57.5	23,762	52.6	15,172	89.2
June 30, 2025	278,151	4.3	15,754	(8.7)	15,570	(8.5)	8,020	(25.7)

Note: Comprehensive income Three months ended June 30, 2026 21,846 million yen (912.2 %)
Three months ended June 30, 2025 2,158 million yen ((91.3) %)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	91.20	—
June 30, 2025	48.61	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per share
As of	Million yen	Million yen	%	Yen
June 30, 2026	994,181	355,060	35.7	1,758.27
March 31, 2026	960,362	341,449	35.5	1,665.94

Reference: Shareholders' Equity: June 30, 2026 354,506 million yen March 31, 2026 340,963 million yen

2. Dividends

	Dividend per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Full year
Fiscal Year ended March 31, 2026	Yen —	Yen 35.00	Yen —	Yen 40.00	Yen 75.00
Fiscal Year ending March 31, 2027	—				
Fiscal Year ending March 31, 2027 (forecast)		40.00		40.00	80.00

Note: Revisions to dividend forecasts published recently: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit attributable to owners of parent per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Q2 (Cumulative)	686,000	16.6	53,000	31.1	50,000	27.3	30,900	32.9	185.89
Full year	1,402,000	15.6	102,000	25.2	94,600	20.9	54,000	17.9	321.99

Note: Revisions to consolidated financial forecasts published recently: Yes

Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Application of particular accounting procedures in the preparation of quarterly consolidated financial statements : None

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

(i) Changes in accounting policies caused by revision of accounting standards : None

(ii) Changes in accounting policies other than (i) : Yes

(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 June 30, 2026	160,733,225 shares	As of March 31, 2026	160,733,225 shares
(ii) Number of treasury shares at the end of the period	As of June 30, 2026	4,271,016 shares	As of March 31, 2026	4,270,938 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Three months ended June 30, 2026	156,462,278 shares	Three months ended June 30, 2025	156,663,675 shares

Note: In the calculation of the number of treasury stocks at the end of the period and the average number of shares outstanding during the term, the number of shares of the Company's common stock held by Custody Bank of Japan, Ltd. (Trust Account) as assets in the Board Benefit Trust (BBT) are treated as treasury shares to be deducted.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified accountants and/or auditing firms : None

* Explanation and other special notes concerning the appropriate use of forecasted business performance

(Notes on forecast business performance and others)

The forecast figures indicated above are projections based on the information available at the time of the announcement and certain assumptions include some degree of uncertainty. Actual business performance and other results may differ from the forecast depending on the changes in business conditions and others. Please refer to p.4 of the Appendix for information on the above forecast.

Dividends for Class Shares

The details of dividends per share for class shares with different rights from common stock are as follows.

Class A preferred share	Dividend per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Full year
Fiscal Year ended March 31, 2026	Yen —	Yen 2,707,397.26	Yen —	Yen 2,692,602.74	Yen 5,400,000.00
Fiscal Year ending March 31, 2027	—				
Fiscal Year ending March 31, 2027 (forecast)		2,707,397.26	—	2,692,602.74	5,400,000.00

Note: Class A preferred share was issued on September 29, 2023.

Series 1 Bond-type class share	Dividend per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Full year
Fiscal Year ending March 31, 2026	Yen —	Yen —	Yen —	Yen 99.72	Yen 99.72
Fiscal Year ending March 31, 2027	—				
Fiscal Year ending March 31, 2027 (forecast)		100.27	—	99.72	199.99

Note: Series 1 Bond-type class share was issued on October 1, 2025.

Policy on acquisition of preferred/class share

The Company may acquire (call) the Series 1 Bond-type class shares in exchange for cash pursuant to term of acquisition on or after October 1, 2030. Additionally, the Company may acquire (call) the Class A preferred shares on or after September 29, 2028 in exchange for cash pursuant to term of acquisition.

Whether the Company will acquire (call) the Series 1 Bond-type class shares and the Class A preferred shares will be determined based on a comprehensive assessment of factors including its business and financial strategy and market conditions at that time. The Company recognizes that many investors (including the Series 1 Bond-type class shareholders and Class A preferred shareholders) expect the Series 1 Bond-type class shares and the class A preferred shares will be acquired (called) promptly at the time when the acquisition (call) becomes possible, as a market practice for hybrid financing.

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1. Qualitative Information on Results for the First Quarter Ended June 30, 2026

The Group has applied a change in accounting policy relating to revenue recognition in the "Global Prepared Food" segment from the beginning of the current fiscal year. This change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements for the first quarter of the previous fiscal year are presented following retrospective application.

For details of the impact of this change in accounting policy on the Group's financial position and operating results, please refer to "2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes on Quarterly Consolidated Financial Statements (Changes in Accounting Policies)."

(1) Details of Consolidated Financial Results

In the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026), consolidated business performance was net sales of 324,808 million yen (up 16.8% year-on-year), operating profit of 24,815 million yen (up 57.5% year-on-year), ordinary profit of 23,762 million yen (up 52.6% year-on-year), and profit attributable to owners of parent of 15,172 million yen (up 89.2% year-on-year).

The business environment surrounding the Group remained uncertain due to the prolonged impact of the situation in the Middle East, as well as developments in U.S. trade policy and fluctuations in foreign exchange rates and financial markets. In the domestic economy, although improvements were seen in employment and income conditions, consumer sentiment remained weak amid persistent inflation. Under these circumstances, fluctuations in raw material prices, together with increases in various costs, including labor expenses, affected the Group's business operations.

Under these circumstances, year-on-year comparisons of the same restaurant and store sales in each reporting segment were 112.9% in Global Sukiya, 109.8% in Global Hamasushi, 103.8% in Global Fast Food, 107.1% in Restaurants, and 98.8% in Retail.

As of the end of the first quarter ended June 30, 2026, the number of restaurants and stores was 15,122 (including 8,265 franchised stores), the result of 366 restaurant and store openings and 191 closures.

An overview of conditions by business segment is provided below. Additionally, references to net sales are net sales to external customers.

(Global Sukiya)

Net sales of Global Sukiya during the three months ended June 30, 2026, were 81,075 million yen (up 22.7% year-on-year) with operating profit of 2,372 million yen (operating loss of 768 million yen in the three months ended June 30, 2025).

"Sukiya" has locations in Japan, China, Southeast Asia, and Central and South America, providing its mainstay Gyudon to families and groups with safety, good flavor, and reasonable pricing.

As part of its product initiatives, domestic "Sukiya," provided "Gyudon with Tender-crisp Veggies," "Spicy Keema Curry Rice Bowl ," "Gyudon with Mekabu Seaweed," "Pork Miso Soup Ramen," and "Bibimbap-Style Gyudon w/ Soft-Boiled Egg," among others.

The number of restaurants in this reporting segment as of the end of the first quarter ended June 30, 2026, was 2,656 (2,010 domestic, 646 overseas), the result of 26 restaurant openings and 20 closures.

(Global Hamasushi)

Net sales of Global Hamasushi during the three months ended June 30, 2026, were 93,515 million yen (up 32.2% year-on-year) with operating profit of 8,808 million yen (up 70.4% year-on-year).

"Hamasushi" has locations mainly in Japan and China. In addition to sushi using fresh seafood, it offers a wide range of side dishes such as noodles, desserts, and drinks, which are enjoyed by both children and adults. These foods are enjoyed by everyone, from children to adults.

The number of restaurants in this reporting segment as of the end of the first quarter ended June 30, 2026, was 914 (677 domestic, 237 overseas), the result of 52 restaurant openings.

(Global Prepared Food)

Net sales of Global Prepared Food during the three months ended June 30, 2026, were 48,102 million yen (up 10.7% year-on-year) with operating profit of 8,567 million yen (up 10.3% year-on-year).

As main brands, "AFC (ZENSHI)," "SNOWFOX," "YO!," "Bento" and "Sushi Circle" provide sushi and other takeout foods mainly in North America and Europe.

The number of stores in this reporting segment as of the end of the first quarter ended June 30, 2026, was 9,088 (including 8,134 franchises), the result of 274 store openings and 156 closures.

(Global Fast Food)

Net sales of Global Fast Food during the three months ended June 30, 2026, were 28,728 million yen (up 5.8% year-on-year) with operating profit of 604 million yen (down 32.2% year-on-year).

"Nakau," a Japanese fast food chain, provides a wide variety of foods at affordable prices, mainly with oyakodon rice bowl dishes and Kyoto style udon noodles. This reporting segment also includes "Zetteria," a hamburger restaurant chain, "Katsuan," a tonkatsu specialty restaurant, "Kyubeiya," which serves Musashino style udon noodles and "The Chicken Rice Shop," a halal certified chicken rice specialty restaurant.

The number of restaurants and stores in this reporting segment as of the end of the first quarter ended June 30, 2026, was 1,140 (877 domestic, 263 overseas; including 55 franchises), the result of 7 restaurant openings and 12 closures.

(Restaurants)

Net sales of Restaurants during the three months ended June 30, 2026, were 43,147 million yen (up 7.5% year-on-year) with operating profit of 2,799 million yen (down 5.6% year-on-year).

"Coco's," a standard restaurant chain, has made efforts to improve its business performance by enhancing product competitiveness through active introduction of fair menus with a focus on seasonality, pursuing authentic taste rivaling specialty restaurants, and improving the standard of services to enable customers to enjoy meals with satisfaction. This reporting segment also includes "Jolly Pasta," a pasta specialty restaurant chain, "Big Boy," a chain of hamburger steak and steak restaurants, "Jukusei Yakiniku Ichiban," a barbeque chain that offers carefully selected beef, "OLIVE HILL," a casual Italian restaurant chain, and "Hanaya Yohei," a Japanese cuisine chain.

The number of restaurants in this reporting segment as of the end of the first quarter ended June 30, 2026, was 1,184 (1,183 domestic, 1 oversea; including 76 franchises), the result of 6 restaurants opening and 3 closures.

(Retail)

Net sales of Retail during the three months ended June 30, 2026, were 19,212 million yen (up 0.3% year-on-year) with operating loss of 174 million yen (operating loss of 599 million yen in the three months ended June 30, 2025).

This reporting segment includes "Joy Foods" and "Maruya," supermarkets with locations primarily in the North Kanto area, and "United Veggies," which operates fruit and vegetable stores.

The number of stores in this reporting segment as of the end of the first quarter ended June 30, 2026, was 121, the result of 1 store opening.

(Corporate and Support)

Net sales of Corporate and Support during the three months ended June 30, 2026, were 2,808 million yen (up 54.3% year-on-year) with operating profit of 1,719 million yen (operating loss of 3 million yen in the three months ended June 30, 2025).

This reporting segment includes GFF Co., Ltd, which manufactures and processes food, Global Fresh Supply Co., Ltd., which handles logistics functions, and Global Table Supply Co., Ltd., which procures uniforms, equipment, etc.

(Others)

Net sales of Others during the three months ended June 30, 2026, were 8,217 million yen (down 14.7% year-on-year) with operating loss of 84 million yen (operating profit of 27 million yen in the three months ended June 30, 2025).

This segment includes Tolona Japan Co., Ltd., which plans, develops, and sells frozen foods for home use, etc., Sanbishi Co., Ltd., which manufactures and sells soy sauce and dressing, etc., Kagayaki Co., Ltd., which operates the nursing business, and Zensho Rice Co., Ltd., which sells brown and milled rice.

(2) Details of Consolidated Financial Position

(Assets)

Assets amounted to 994,181 million yen as of the end of the first quarter ended June 30, 2026, an increase of 33,818 million yen compared with the previous fiscal year-end. This was mainly due to increases in property, plant and equipment.

(Liabilities)

Liabilities amounted to 639,120 million yen as of the end of the first quarter ended June 30, 2026, an increase of 20,208 million yen compared with the previous fiscal year-end. This was mainly due to an increase in interest-bearing liabilities.

(Net Assets)

Net Assets came at 355,060 million yen as of the end of the first quarter ended June 30, 2026, an increase of 13,610 million yen compared with the previous fiscal year-end. This was mainly due to increases in retained earnings and foreign currency translation adjustment.

(3) Information on Future Outlook, Including Consolidated Business Performance Forecast

For the consolidated business performance forecasts for the fiscal year ending March 31, 2027, please refer to 「Notice Concerning Revisions to Consolidated Forecasts for the Fiscal Year Ending March 31, 2027」 announced on August 7, 2026.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance sheets

(Million yen)

	End of Previous fiscal year (As of March 31, 2026)	End of 1Q Current fiscal year (As of June 30, 2026)
Assets		
Current Assets		
Cash and deposits	128,054	123,285
Accounts receivable - trade	58,676	63,213
Securities	15,011	7,082
Merchandise and finished goods	4,763	5,041
Work in process	3,488	3,319
Raw materials and supplies	78,858	79,614
Other	31,227	35,978
Allowance for doubtful accounts	(472)	(490)
Total current assets	319,606	317,046
Non-current assets		
Property, plant and equipment, net		
Buildings and structures	317,944	331,213
Accumulated depreciation	(164,651)	(167,702)
Buildings and structures, net	153,292	163,511
Machinery, equipment and vehicles	34,979	37,278
Accumulated depreciation	(17,590)	(19,186)
Machinery, equipment and vehicles, net	17,388	18,091
Other	315,535	340,369
Accumulated depreciation	(144,082)	(150,398)
Other, net	171,453	189,971
Total property, plant and equipment	342,134	371,573
Intangible assets		
Trade mark right	212,331	214,981
Goodwill	10,096	16,789
Other	6,845	7,134
Total intangible assets	229,274	238,904
Investments and other assets		
Investment securities	1,198	634
Guarantee deposits	41,158	41,756
Other	26,533	23,909
Allowance for doubtful accounts	(61)	(61)
Total investments and other assets	68,828	66,239
Total non-current assets	640,237	676,717
Deferred assets	518	417
Total assets	960,362	994,181

(Million yen)

	End of Previous fiscal year (As of March 31, 2026)	End of 1Q Current fiscal year (As of June 30, 2026)
Liabilities		
Current Liabilities		
Accounts payable - trade	58,790	63,909
Short-term borrowings	3,942	6,449
Current portion of bonds payable	5,000	15,000
Current portion of long-term borrowings	22,582	24,366
Income taxes payable	9,815	5,770
Contract liabilities	860	881
Provisions	5,147	2,871
Other	94,972	97,424
Total current liabilities	201,111	216,674
Non-current liabilities		
Bonds payable	50,000	40,000
Long-term borrowings	228,518	238,222
Provisions	216	261
Retirement benefit liability	383	438
Asset retirement obligations	8,300	8,404
Other	130,381	135,118
Total non-current liabilities	417,801	422,446
Total liabilities	618,912	639,120
Net assets		
Shareholders’ equity		
Share capital	47,497	47,497
Capital surplus	122,613	122,613
Retained earnings	147,070	153,876
Treasury shares	(15,632)	(15,632)
Total shareholders’ equity	301,548	308,354
Accumulated other comprehensive income		
Deferred gains or losses on hedges	341	413
Foreign currency translation adjustment	39,073	45,738
Total accumulated other comprehensive income	39,414	46,151
Non-controlling interests	486	554
Total net assets	341,449	355,060
Total liabilities and net assets	960,362	994,181

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(Three months ended June 30)

(Million yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Net sales	278,151	324,808
Cost of sales	121,958	138,262
Gross profit	156,193	186,546
Selling, general and administrative expenses	140,438	161,731
Operating profit	15,754	24,815
Non-operating income		
Interest income	589	748
Dividend income	9	3
Foreign exchange losses	978	113
Share of profit of entities accounted for using equity method	8	8
Other	467	639
Total non-operating income	2,054	1,512
Non-operating expenses		
Interest expenses	1,587	1,981
Other	650	583
Total non-operating income	2,238	2,565
Ordinary profit	15,570	23,762
Extraordinary income		
Gain on sale of non-current assets	19	1
Other	6	12
Total extraordinary income	26	14
Extraordinary losses		
Loss on retirement of non-current assets	371	917
Loss on withdrawal from business	2,910	—
Other	367	617
Total extraordinary losses	3,649	1,534
Profit before income taxes	11,947	22,242
Income taxes - current	2,521	5,442
Income taxes - deferred	1,421	1,639
Total income taxes	3,943	7,082
Profit	8,003	15,159
Profit (loss) attributable to non-controlling interests	(16)	(12)
Profit attributable to owners of parent	8,020	15,172

(Quarterly Consolidated Statements of Comprehensive Income)

(Three months ended June 30)

(Million yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Profit	8,003	15,159
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	–
Deferred gains or losses on hedges	(129)	35
Foreign currency translation adjustment	(5,701)	6,645
Share of other comprehensive income of entities accounted for using equity method	(13)	5
Total other comprehensive income	(5,845)	6,687
Comprehensive income	2,158	21,846
(Breakdown)		
Comprehensive income attributable to owners of parent	2,165	21,858
Comprehensive income attributable to non-controlling interests	(7)	(11)

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Case Where Shareholders' Equity Underwent Significant Changes in Value)

Not applicable.

(Changes in Accounting Policies)

(Revenue recognition for the "Global Prepared Food" segment)

In the "Global Prepared Food" segment, the Group operates directly-managed and franchised takeout sushi stores, etc. within food retail stores, mainly in North America and Europe. Effective from the first quarter of the current fiscal year, certain consolidated subsidiaries in this segment have changed the accounting policy for certain revenue arising from franchise agreements. Under the new policy, rent paid to food retail stores, which had previously been recognized as cost of sales, is deducted from net sales (net presentation).

This change follows the Group's decision, prompted by the restructuring of the management structure overseeing the brands in the "Global Prepared Food" segment, to standardize its management and operating policies for matters such as store continuation within the segment from the first quarter of the current fiscal year and, in conjunction with this, to commence a review of the related franchise agreements.

As a result, the principal role of the relevant subsidiaries in relation to franchisees has changed from securing and maintaining store space to arranging store leases. Accordingly, the Group determined that presenting transactions under franchise agreements on a net basis more appropriately reflects the substance of those transactions, and therefore adopted the new accounting policy from the first quarter of the current fiscal year.

This change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements for the first quarter of the previous fiscal year are presented following retrospective application. As a result, net sales and cost of sales in the quarterly consolidated statement of income for the first quarter of the previous fiscal year each decreased by 12,270 million yen compared with amounts prior to retrospective application. There was no impact on gross profit, operating profit, ordinary profit, profit before income taxes, or per share information.

The impact on segment information is described in "Notes (Segment Information)."

(Segment Information)

I Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)

1. Information on net sales, profit or loss by reporting segment

(Million yen)

	Reporting segment							
	Global Sukiya	Global Hamasushi	Global Prepared Food	Global Fast Food	Restaurants	Retail	Corporate and Support	Total
Net sales								
Net sales to external customers	66,088	70,726	43,444	27,153	40,126	19,161	1,820	268,520
Intersegment sales or transfers (Note 4)	82	44	—	3	85	190	107,136	107,541
Total	66,171	70,770	43,444	27,156	40,211	19,351	108,957	376,062
Segment profit (loss)	(768)	5,169	7,767	892	2,966	(599)	(3)	15,423

	Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on Quarterly Consolidated Statements of Income (Note 3)
Net sales				
Net sales to external customers	9,631	278,151	—	278,151
Intersegment sales or transfers (Note 4)	3,858	111,399	(111,399)	—
Total	13,489	389,551	(111,399)	278,151
Segment profit (loss)	27	15,451	302	15,754

(Notes) 1. The “Other” category is a business segment not included in the reporting segments, and includes the Manufacturing and wholesaling business for external sales, Nursing care business, and Livestock and aquaculture business.
2. The adjustment of 302 million yen to segment profit (loss) primarily consists of elimination of intersegment transactions and inventory adjustments.
3. The total amount of segment profit (loss) is adjusted with the operating profit in the quarterly consolidated statements of income.
4. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information by reporting segment on impairment loss or goodwill on non-current assets

(Significant impairment loss on non-current assets)

Not applicable.

(Significant change in goodwill)

Not applicable.

(Significant profit on negative goodwill)

Not applicable.

II Three months ended June 30, 2026 (April 1, 2026 to June 30, 2026)

1. Information on net sales, profit or loss by reporting segment

(Million yen)

	Reporting segment							
	Global Sukiya	Global Hamasushi	Global Prepared Food	Global Fast Food	Restaurants	Retail	Corporate and Support	Total
Net sales								
Net sales to external customers	81,075	93,515	48,102	28,728	43,147	19,212	2,808	316,591
Intersegment sales or transfers (Note 4)	104	49	—	2	59	368	129,684	130,268
Total	81,180	93,565	48,102	28,730	43,206	19,580	132,492	446,859
Segment profit (loss)	2,372	8,808	8,567	604	2,799	(174)	1,719	24,699

	Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on Quarterly Consolidated Statements of Income (Note 3)
Net sales				
Net sales to external customers	8,217	324,808	—	324,808
Intersegment sales or transfers (Note 4)	4,817	135,085	(135,085)	—
Total	13,034	459,894	(135,085)	324,808
Segment profit (loss)	(84)	24,614	201	24,815

(Notes)
1. The “Other” category is a business segment not included in the reporting segments, and includes the Manufacturing and wholesaling business for external sales, Nursing care business, and Livestock and aquaculture business.
2. The adjustment of 201 million yen to segment profit (loss) primarily consists of elimination of intersegment transactions and inventory adjustments.
3. The total amount of segment profit (loss) is adjusted with the operating profit in the quarterly consolidated statements of income.
4. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information by reporting segment on impairment loss or goodwill on non-current assets

(Significant impairment loss on non-current assets)

Not applicable.

(Significant change in goodwill)

Not applicable.

(Significant profit on negative goodwill)

Not applicable.

3. Matters concerning changes to reporting segments, etc.

As described in “Changes in Accounting Policies,” effective from the first quarter of the current fiscal year, certain consolidated subsidiaries in the “Global Prepared Food” segment have changed the accounting policy for certain revenue arising from franchise agreements. Under the new policy, rent paid to food retail stores, which had been recognized as cost of sales, is deducted from net sales (net presentation). This change in accounting policy has been applied retrospectively, and the segment information for the first quarter of the previous fiscal year is presented following retrospective application.

As a result, net sales to external customers for the first quarter of the previous fiscal year decreased by 12,270 million yen compared with the amounts before retrospective application. There was no impact on segment profit.

(Notes on Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2026 have not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2026 are as follows.

(Million yen)

	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Depreciation	12,278	15,288
Amortization of goodwill	301	286

(Matters related to business combination, etc.)

(Business combination through acquisition (Sushi & Food Factor Sp. z o.o.))

Wonderfield Group Limited, a wholly owned subsidiary of the Company, entered into a share transfer agreement to acquire all shares of Sushi & Food Factor Sp. z o.o. (hereinafter, “SFF”) at a meeting of its Board of Directors held on March 17, 2026, and acquired all shares on May 29, 2026.

1. Overview of business combination

(1) Name and description of business of acquired company

Name of acquired company	Details of business
Sushi & Food Factor Sp. z o.o.	Manufacture and wholesale of Asian food products

(2) Primary reasons for the business combination

Under its corporate philosophy of taking responsibility for the stability and development of human society through food and eradicating hunger and poverty from the world, the Group operates a wide range of food businesses and expands globally with the mission of providing safe and delicious food at affordable prices to people around the world. In addition to its food service businesses, including Sukiya and Hamasushi, the Group has in recent years been expanding its Global Prepared Food business, which consists of takeout sushi businesses in North America and Europe. This acquisition of shares further advances the Group’s strategy for its Global Prepared Food business.

SFF counts major retail chains, etc., in Europe among its customers and operates one of the largest packaged sushi manufacturing plants in the region. The Group acquired SFF, having determined that, by incorporating SFF’s production capacity and network into the Group and realizing synergies between SFF and the Group in areas such as menu development, ingredient procurement, and logistics, it could expect further expansion of its business.

(3) Date of the business combination

May 29, 2026 (Deemed acquisition date: June 30, 2026)

(4) Legal form of the business combination

Acquisition of shares for cash consideration

(5) Name of the entity after the business combination

No change.

(6) Percentage of voting rights acquired

Percentage of voting rights held immediately before the business combination: –

Percentage of voting rights acquired at the date of the business combination: 100.0%

Percentage of voting rights held after the acquisition: 100.0%

(7) Primary basis for determining the acquiring entity

The acquiring entity was determined based on the acquisition of shares for cash consideration.

2. Period of the acquired company’s operating results included in the quarterly consolidated statement of income for the three months ended June 30, 2026

As June 30, 2026 was used as the deemed acquisition date, only the acquired company’s quarterly balance sheet was included in the consolidation, and its operating results were not included in the quarterly consolidated statement of income for the three months ended June 30, 2026.

3. Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for the acquisition	Cash	8,094 million yen
Acquisition cost		8,094 million yen

4. Amount of goodwill recognized, reason for recognition, amortization method, and amortization period

(1) Amount of goodwill recognized

6,974 million yen

The amount of goodwill is provisional because the allocation of the acquisition cost had not been completed as of the end of the first quarter ended June 30, 2026.

(2) Reason for recognition

The goodwill arose from the excess earning power expected from future business development.

(3) Amortization method and amortization period

The goodwill will be amortized using the straight-line method over the period during which its effects are expected to be realized.