

DISCLAIMER

This English translation is only for reference purpose. When there are any discrepancies between original Japanese version and English translation version, the original Japanese version always prevails.

November 10, 2025

Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under Japanese GAAP)

Company name: SRS HOLDINGS CO., LTD.	Listing: Tokyo Stock Exchange
Securities code: 8163	URL: https://srs-holdings.co.jp/
Representative: Masahiko Shigesato, President & Chief Executive Officer	
Inquiries: Katsunori Natsui, Executive Officer & Head of Corporate Strategy Division	
Telephone: +81-6-7222-3101	
Scheduled date to file semi-annual securities report:	November 12, 2025
Scheduled date to commence dividend payments:	-
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 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	%
Six months ended September 30, 2025	37,212	18.2	1,613	1.0	1,600	5.9	860	(8.9)
September 30, 2024	31,481	7.8	1,597	64.7	1,512	56.3	944	32.2

Note: Comprehensive income For the six months ended September 30, 2025: 1,049 million yen [21.3%]
For the six months ended September 30, 2024: 865 million yen [-4.9%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2025	20.81	18.69
September 30, 2024	22.83	21.44

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	44,673	17,760	38.5
March 31, 2025	45,944	17,021	35.9

Reference: Shareholders' equity

As of September 30, 2025: 17,194 million yen
As of March 31, 2025: 16,494 million yen

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	-	7.50	7.50
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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026)
(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	%
Full year	76,000	12.6	3,000	12.0	2,800	10.3	1,600	72.8

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

Notes

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

Newly included: One company SUSHI BENKEI CO., LTD.

Note: For details, please refer to “2. Semi-Annual Consolidated Financial Statements and Notes (4) Notes to Semi-Annual Consolidated Financial Statements (Changes in the Scope of Consolidation or Application of the Equity Method)” on page 12 of the Attachments.

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 30, 2025	41,470,184 shares
As of March 31, 2025	41,470,184 shares

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

As of September 30, 2025	119,008 shares
As of March 31, 2025	119,043 shares

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

Six months ended September 30, 2025	41,351,171 shares
Six months ended September 30, 2024	41,351,141 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts and other special matters

Forecasts regarding future performance in this document are based on certain assumptions judged to be valid and information currently available to us. Actual performance may differ significantly from these forecasts for a number of factors.

Contents of Attachments

1. Overview of Operating Results.....	2
(1) Semi-Annual Operating Results.....	2
(2) Semi-Annual Financial Position.....	5
(3) Semi-Annual Cash Flows.....	5
(4) Consolidated Earnings Forecasts and Other Forward-looking Statements.....	5
2. Semi-Annual Consolidated Financial Statements and Notes.....	6
(1) Semi-Annual Consolidated Balance Sheet.....	6
(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income.....	8
Semi-Annual Consolidated Statement of Income.....	8
Semi-Annual Consolidated Statement of Comprehensive Income.....	9
(3) Semi-Annual Consolidated Statement of Cash Flows.....	10
(4) Notes to Semi-Annual Consolidated Financial Statements.....	12
(Changes in the Scope of Consolidation or Application of the Equity Method).....	12
(Significant Changes in Shareholders' Equity).....	12
(Going Concern Assumption).....	12

1. Overview of Operating Results**(1) Semi-Annual Operating Results**

(Millions of yen)

	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)			First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)		
	Results	YoY change (Amount)	YoY change (%)	Results	YoY change (Amount)	YoY change (%)
Net sales	31,481	2,278	7.8	37,212	5,731	18.2
Operating profit	1,597	627	64.7	1,613	16	1.0
Ordinary profit	1,512	544	56.3	1,600	88	5.9
Profit attributable to owners of parent	944	229	32.2	860	(83)	(8.9)

During the first half of the fiscal year, sales in the restaurant industry were on an increasing trend due to an improvement in the income and employment environments, an increase in inbound demand in part from the effect of the Expo 2025 Osaka, Kansai, Japan, and an increase in per-customer spending due to menu price revisions. However, business conditions remained challenging due to factors such as persistently high purchase prices, including rice prices, cost-push from rising labor, logistics and construction costs, heightened geopolitical risks, and the impact of U.S. tariff policy trends on foreign exchange rates and the economy, and an increased risk of a downturn in consumer confidence due to rising prices.

During the same period, the Group's net sales increased year on year due to the positive impact of the trend in the restaurant industry described above, as well as the effect of increased revenue from M&As conducted in the previous fiscal year and the contribution of new store openings. The cost of sales ratio increased caused by the rapid rise in raw materials prices and labor costs increased due to human resource procurement and strengthened training in anticipation of future store openings. However, operating profit and ordinary profit increased year on year due to improved profitability in existing restaurants from various measures implemented in the previous fiscal year and the favorable performance in net sales described above. Profit attributable to owners of parent decreased year on year due to an increase in tax expenses.

Under these circumstances, on May 9, 2025, the Group announced “SRS VISION 2030,” a new five-year Medium-term Business Plan that began in the fiscal year ending March 31, 2026, with the aim of achieving sustainable growth in corporate value. The basic policy of the new Medium-term Business Plan is “Dramatically develop existing businesses and establish a new earnings base to become the unrivaled No. 1 Japanese restaurant chain” and it will promote four key strategies: (1) turning “Washoku Sato” into a national brand, (2) “Nigiri Chojiro” and “Umai Sushikan” to become the overwhelming No. 1 gourmet sushi chain (3) establish businesses as the third and fourth pillars of earnings, and (4) strengthen group functions and promote sustainable management to support net sales of more than 100 billion yen. These strategies aim to respond to the above-mentioned business conditions, as well as further improve profitability and expand the scale of operations.

In September 2025, the Group acquired all outstanding shares of SUSHI BENKEI CO., LTD., which operates six “Kaiten Sushi Hokkaido” and “Sushi Benkei” gourmet conveyor belt sushi restaurants in Tottori and Shimane Prefectures as we aim to become the “overwhelming No. 1 gourmet sushi chain” by expanding our network of gourmet conveyor belt sushi restaurants. SUSHI BENKEI CO., LTD. uses fresh fish purchased from Sakaiminato and other ports to serve its fresh sushi with large toppings, something it has been particular about since its founding, and is well supported by customers in the Sanin region. Specific initiatives and overviews of each major business category are as follows.

Washoku Sato restaurants

As the first step in “turning “Washoku Sato” into a national brand,” one of the key strategies in the new Medium-term Business Plan, we opened the Washoku Sato Kurashiki Higashitomii Store in Okayama Prefecture, in the Chugoku region, which we aim to develop into a new sales area. As a measure to strengthen the brand to embody “heartwarming gathering,” we provided a free baby food service for children under one year of age and free soft serve ice cream to children of elementary school age and under. In addition, to capture sales, we sold high-value-added merchandise such as the “All-you-can-eat Matsutake Mushroom & Salmon Dishes” in the all-you-can-eat courses such as Sato-shabu and Sato-shiki Yakiniiku. We also introduced marketing automation (MA) tools to

automate the execution of marketing measures with the aim of increasing the frequency of store visits by providing a brand experience optimized for each customer. During the six months under review, we opened one store, closed one store and renovated five stores. The number of stores at the end of the second quarter consolidated accounting period was 198. As a result, net sales increased by 103.6% year on year to 14,083 million yen.

“Nigiri Chojiro” restaurants

We changed mobile orders for take-out on the “Nigiri Chojiro App” to enable ordering in real time to improve customer satisfaction, as well as introduced a self-checkout system and continued the table service robot experiment to improve productivity. We also actively disseminated information and distributed discount coupons using the “Nigiri Chojiro App” with the aim of increasing the frequency of store visits. In addition, we held the “A Journey with Chojiro - Summer Dishes” fair to further acquire sales and implemented a variety of menu measures including the sale of isaki (chicken grunt), a fish characterized by its good fiber content and soft texture, Maruhime beef, a brand beef from Hachinohe, Aomori, and hamo (daggertooth pike conger), a summer delicacy in the Kansai region, which is oily and rich in flavor. During the six months under review, we renovated one store. The number of stores at the end of the second quarter consolidated accounting period was 72. As a result, net sales increased by 106.8% year on year to 7,468 million yen.

Kazokutei restaurants

To increase the frequency of store visits, we actively published information and distributed coupons using the “Kazokutei App,” and registered LINE members. We also actively distributed videos using social media tools such as Instagram, X, and TikTok. In addition, to improve customer convenience, we expanded the number of stores that accept mobile orders using a product number entry method to 46 stores. Aiming to acquire sales, we also held the “Delicious Shikoku Food Travelogue” fair to support the region. We sold “Delicious Shikoku Tenzaru,” which used Ehime hamo (daggertooth pike conger) and Shikoku-grown vegetables and “Shimanto Pork and Shikoku Vegetable Tsukemen,” which used pork from Shimanto, Kochi Prefecture. During the six months under review, we renovated one store. The number of stores at the end of the second quarter consolidated accounting period was 59. As a result, net sales increased by 113.7% year on year to 2,840 million yen.

Amino sushi business restaurants

In Umai Sushikan business, to gain sales, we held a “Tuna vs. Salmon” fair at all stores, and tuna and salmon were carefully selected by our purchasing team. These were sold as sushi with large-cut toppings and a specially priced three-piece taster. In addition, a “Capsule Lottery” was held to win discount coupons, and active promotions were carried out such as leaflets and TV commercials to local communities. We also introduced a new time and attendance management system and further systemized shift management in order to improve productivity by improving the efficiency of store operations. During the six months under review, we closed one store and renovated one store. The number of Amino Sushi stores at the end of the second quarter consolidated accounting period was 31. As a result, net sales were 3,367 million yen.

Segment information is not provided because the SRS Group has only the food service business segment.

SRS Group: Opening and closure of restaurants

(Number of restaurants)

Name	FY3/25 (As of Mar. 31, 2025)	Increase/ decrease due to M&A	Newly opened restaurants	Closed restaurants	First six months of FY3/25 (As of Sep. 30, 2025)	Restaurants planned to open during FY3/25
Washoku Sato	198 (-)	- (-)	1 (-)	1 (-)	198 (-)	5
Nigiri Chojiro/CHOJIRO	72 (-)	- (-)	- (-)	- (-)	72 (-)	4
Kazokutei*	59 (7)	- (-)	- (-)	- (-)	59 (7)	1
Tokutoku	57 (45)	- (-)	1 (-)	- (-)	58 (45)	4
Katsuya	51 (17)	- (-)	1 (1)	- (-)	52 (18)	5
Tendon Tempura Honpo Santen	34 (1)	- (-)	- (-)	- (-)	34 (1)	1
Amino sushi business*	32 (-)	- (-)	- (-)	1 (-)	31 (-)	2

<i>Miyamoto Munashi</i>	24 (-)	- (-)	- (-)	- (-)	24 (-)	0
Sushi delivery business	11 (3)	- (-)	- (-)	- (-)	11 (3)	0
<i>Karayama</i>	11 (-)	- (-)	1 (-)	- (-)	12 (-)	2
<i>Himawari</i>	8 (-)	- (-)	1 (-)	- (-)	9 (-)	2
<i>Beefsteak Ushinofuku</i>	7 (-)	- (-)	- (-)	- (-)	7 (-)	3
<i>Kaiten Sushi Hokkaido /Sushi Benkei</i>	- (-)	6 (-)	- (-)	- (-)	6 (-)	-
M&S FC Business*	32 (1)	- (-)	2 (-)	- (-)	34 (1)	6
Others	12 (-)	- (-)	- (-)	- (-)	12 (-)	1
<i>Torisho</i>	148 (148)	- (-)	5 (5)	15 (15)	138 (138)	31
Domestic total	756 (222)	6 (-)	12 (6)	17 (15)	757 (213)	67
Overseas restaurants	24 (23)	- (-)	1 (1)	1 (1)	24 (23)	8
Worldwide total	780 (245)	6 (-)	13 (7)	18 (16)	781 (236)	75

Note: Numbers in parentheses include franchised, leased-band and joint venture restaurants.

* *Kazokutei* includes *Kashunan*, *Sanpoan*, *Kazokuan*, *Kyoshun*, and *Kyosai* restaurants.

* Amino sushi business includes *Umai Sushikan*, *Umai Sushikan Yutorogi*, *Umai Sushikan Bekkan Sushimasa*, *Ginza Sushimasa*, *Kaiten Sushi Marukuni* and *Hokkai Sanriku Sumibiyaki Marukan* restaurants.

* M&S FC Business is the total number of stores operated by M&S FOODSERVICE CO., LTD. in the *Popolamama*, *Mister Donut*, *Doutor Coffee*, *Oogamaya* and *Shinpachi Shokudo* restaurants.

(2) Semi-Annual Financial Position

Total assets at the end of the first six months decreased by 1,270 million yen from the end of the previous fiscal year to 44,673 million yen.

Current assets decreased by 1,428 million yen from the end of the previous fiscal year to 16,661 million yen. This was mainly due to decreases of 1,316 million yen in cash and deposits and 139 million yen in accounts receivable - trade.

Non-current assets increased by 170 million yen from the end of the previous fiscal year to 27,913 million yen. This was mainly due to a decrease of 906 million yen in deferred tax assets and increases of 429 million yen in goodwill and 244 in buildings, net.

Current liabilities decreased by 616 million yen from the end of the previous fiscal year to 10,567 million yen. This was mainly due to decreases of 385 million yen in other current liabilities, 269 million yen in accounts payable - other and 164 million yen in accounts payable - trade.

Non-current liabilities decreased by 1,392 million yen from the end of the previous fiscal year to 16,345 million yen. This was mainly due to decreases of 740 million yen in long-term borrowings, 573 million yen in deferred tax liabilities, and 343 million yen in bonds payable.

Net assets increased by 738 million yen from the end of the previous fiscal year to 17,760 million yen.

(3) Semi-Annual Cash Flows

At the end of the first six months, cash and cash equivalents (hereinafter, “net cash”) decreased by 1,420 million yen from the end of the previous fiscal year to 11,147 million yen.

Cash flows and the factors contributing to them during the fiscal year under review were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 2,014 million yen, compared with 1,062 million yen provided in the same period of the previous fiscal year. This was mainly due to profit before income taxes of 1,580 million yen, depreciation of 1,035 million yen and income taxes paid of 359 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,669 million yen, compared with 9,312 million yen used in the same period of the previous fiscal year. This was mainly due to purchase of property, plant and equipment of 1,275 million yen and purchase of shares of subsidiaries resulting in change in scope of consolidation of 313 million yen.

(Cash flows from financing activities)

Net cash used in financing activities was 1,766 million yen, compared with 5,488 million yen provided by financing activities in the same period of the previous fiscal year. This was mainly due to repayments of long-term borrowings of 814 million yen and redemption of bonds of 543 million yen.

(4) Consolidated Earnings Forecasts and Other Forward-looking Statements

There are no revisions to the full-year consolidated earnings forecast for the fiscal year ending March 31, 2026 that was announced on May 9, 2025.

2. Semi-Annual Consolidated Financial Statements and Notes**(1) Semi-Annual Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/25 (As of Mar. 31, 2025)	First six months of FY3/26 (As of Sep. 30, 2025)
Assets		
Current assets		
Cash and deposits	12,567,643	11,251,254
Accounts receivable - trade	3,184,789	3,044,799
Merchandise	59,140	62,852
Raw materials and supplies	1,384,438	1,400,699
Current portion of long-term loans receivable	68,204	71,336
Other	826,898	832,160
Allowance for doubtful accounts	(600)	(1,531)
Total current assets	18,090,516	16,661,572
Non-current assets		
Property, plant and equipment		
Buildings, net	4,702,664	4,947,512
Land	3,329,650	3,438,760
Other, net	3,052,524	3,135,082
Total property, plant and equipment	11,084,839	11,521,354
Intangible assets		
Goodwill	5,318,844	5,748,015
Trademark rights	2,590,680	2,493,284
Other	529,699	523,658
Total intangible assets	8,439,224	8,764,958
Investments and other assets		
Investment securities	1,188,514	1,382,342
Long-term loans receivable	590,286	606,306
Guarantee deposits	4,246,627	4,285,942
Deferred tax assets	1,585,370	678,424
Other	612,212	683,300
Allowance for doubtful accounts	(3,267)	(8,740)
Total investments and other assets	8,219,745	7,627,576
Total non-current assets	27,743,808	27,913,889
Deferred assets	109,725	98,214
Total assets	45,944,050	44,673,675

	(Thousands of yen)	
	FY3/25 (As of Mar. 31, 2025)	First six months of FY3/26 (As of Sep. 30, 2025)
Liabilities		
Current liabilities		
Accounts payable - trade	2,142,550	1,977,886
Short-term borrowings	-	20,000
Current portion of bonds payable	1,087,500	1,207,500
Current portion of long-term borrowings	1,620,700	1,650,388
Accounts payable - other	3,348,440	3,078,619
Income taxes payable	402,213	474,193
Provision for bonuses	598,810	561,649
Provision for loss on store closings	1,463	-
Other	1,982,789	1,597,240
Total current liabilities	11,184,467	10,567,478
Non-current liabilities		
Bonds payable	8,511,250	8,167,500
Long-term borrowings	5,441,328	4,700,908
Deferred tax liabilities for land revaluation	85,305	85,305
Deferred tax liabilities	695,664	122,131
Provision for retirement benefits for directors (and other officers)	214,593	321,398
Provision for share awards for directors (and other officers)	56,670	64,650
Retirement benefit liability	132,465	190,256
Asset retirement obligations	1,435,986	1,486,702
Other	1,164,634	1,206,692
Total non-current liabilities	17,737,898	16,345,544
Total liabilities	28,922,366	26,913,022
Net assets		
Shareholders' equity		
Share capital	11,077,683	11,077,683
Capital surplus	4,481,953	4,481,953
Retained earnings	1,322,637	1,872,087
Treasury shares	(119,707)	(119,672)
Total shareholders' equity	16,762,566	17,312,051
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	633,815	765,480
Deferred gains or losses on hedges	14,915	43,303
Revaluation reserve for land	(926,256)	(926,256)
Foreign currency translation adjustment	9,396	(558)
Total accumulated other comprehensive income	(268,127)	(118,029)
Share acquisition rights	3,986	3,986
Non-controlling interests	523,259	562,644
Total net assets	17,021,684	17,760,652
Total liabilities and net assets	45,944,050	44,673,675

(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income
(Semi-Annual Consolidated Statement of Income)

	(Thousands of yen)	
	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Net sales	31,481,223	37,212,524
Cost of sales	10,583,864	12,671,996
Gross profit	20,897,358	24,540,528
Selling, general and administrative expenses	19,300,290	22,927,322
Operating profit	1,597,068	1,613,206
Non-operating income		
Interest income	3,506	4,213
Dividend income	13,435	22,448
Rental income from buildings	23,438	23,588
Foreign exchange gains	-	12,183
Miscellaneous income	26,112	63,745
Total non-operating income	66,491	126,178
Non-operating expenses		
Interest expenses	55,856	76,015
Rental expenses on real estate	14,393	14,919
Foreign exchange losses	1,079	-
Miscellaneous losses	80,207	47,535
Total non-operating expenses	151,538	138,470
Ordinary profit	1,512,022	1,600,914
Extraordinary income		
Gain on sales of non-current assets	599	42
Total extraordinary income	599	42
Extraordinary losses		
Loss on retirement of non-current assets	14,587	10,704
Impairment losses	235	8,323
Loss on store closings	212	641
Provision for loss on store closings	1,227	-
Loss on cancellation of rental contracts	-	612
Total extraordinary losses	16,262	20,282
Profit before income taxes	1,496,359	1,580,675
Income taxes - current	298,125	405,809
Income taxes - deferred	210,872	275,007
Total income taxes	508,997	680,816
Profit	987,361	899,858
Profit attributable to non-controlling interests	43,337	39,384
Profit attributable to owners of parent	944,024	860,473

(Semi-Annual Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Profit	987,361	899,858
Other comprehensive income		
Valuation difference on available-for-sale securities	(28,436)	131,665
Deferred gains or losses on hedges	(93,866)	28,388
Foreign currency translation adjustment	675	(9,954)
Total other comprehensive income	(121,627)	150,098
Comprehensive income	865,733	1,049,957
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	822,396	1,010,572
Comprehensive income attributable to non-controlling interests	43,337	39,384

(3) Semi-Annual Consolidated Statement of Cash Flows

(Thousands of yen)

	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Cash flows from operating activities		
Profit before income taxes	1,496,359	1,580,675
Depreciation	841,249	1,035,086
Amortization of goodwill	70,014	223,160
Impairment losses	235	8,323
Increase (decrease) in provision for bonuses	(185,558)	(64,067)
Increase (decrease) in allowance for doubtful accounts	(3,302)	6,405
Increase (decrease) in provision for loss on store closings	1,227	(1,463)
Increase (decrease) in retirement benefit liability	-	7,632
Interest and dividend income	(16,941)	(26,661)
Interest expenses	55,856	76,015
Gain on sale of non-current assets	(599)	(42)
Loss on retirement of non-current assets	14,587	10,704
Decrease (increase) in trade receivables	233,084	175,640
Decrease (increase) in inventories	66,357	(4,604)
Decrease (increase) in accounts receivable - other	10,069	(29,933)
Increase (decrease) in trade payables	(309,689)	(243,628)
Increase (decrease) in accounts payable - other	(313,252)	(340,622)
Increase (decrease) in accrued consumption taxes	(197,383)	(94,716)
Decrease (increase) in consumption taxes refund receivable	(1,450)	(3,093)
Other, net	(207,019)	88,096
Subtotal	1,553,845	2,402,907
Interest and dividends received	13,506	23,180
Interest paid	(53,653)	(75,302)
Income taxes paid	(456,998)	(359,355)
Income taxes refund	6,244	23,051
Net cash provided by (used in) operating activities	1,062,943	2,014,482
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,215,386)	(1,275,051)
Proceeds from sale of property, plant and equipment	599	43
Purchase of intangible assets	(39,428)	(37,650)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(8,074,842)	(313,764)
Payments for asset retirement obligations	(7,536)	(20,238)
Payments of guarantee deposits	(32,045)	(72,468)
Proceeds from refund of guarantee deposits	32,929	25,428
Payments of construction assistance fund receivables	-	(15,000)
Proceeds from collection of construction assistance fund receivables	35,712	37,481
Other, net	(12,623)	2,036
Net cash provided by (used in) investing activities	(9,312,620)	(1,669,182)

	(Thousands of yen)	
	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)	First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)
Cash flows from financing activities		
Proceeds from long-term borrowings	500,000	-
Repayments of long-term borrowings	(592,609)	(814,957)
Repayments of finance lease liabilities	(92,332)	(96,635)
Issuance of bonds	6,453,321	-
Redemption of bonds	(472,500)	(543,750)
Proceeds from issuance of share acquisition rights	3,428	-
Dividends paid	(311,023)	(311,023)
Net cash provided by (used in) financing activities	5,488,283	(1,766,367)
Effect of exchange rate change on cash and cash equivalents	640	827
Net increase (decrease) in cash and cash equivalents	(2,760,753)	(1,420,240)
Cash and cash equivalents at beginning of period	12,371,553	12,567,643
Cash and cash equivalents at end of period	9,610,800	11,147,403

(4) Notes to Semi-Annual Consolidated Financial Statements**Changes in the Scope of Consolidation or Application of the Equity Method**

Significant changes in the scope of consolidation

During the interim period under review, the Company acquired all of the shares of SUSHI BENKEI CO., LTD. and made it a subsidiary. As a result, the company is included in the scope of consolidation.

Significant Changes in Shareholders' Equity**I. First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)****1. Dividend payment**

Resolution	Type of share	Total dividends (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date	Source of funds
Board of Directors Meeting on May 21, 2024	Common shares	311,023	7.50	March 31, 2024	June 28, 2024	Retained earnings

Note: Total dividends paid in accordance with a resolution approved by the SRS Holdings Board of Directors on May 21, 2024 includes a payment of 890 thousand yen for shares held by Custody Bank of Japan, Ltd. (trust account) as trust assets of the Officers' Share Benefit Trust.

2. Significant changes in shareholders' equity

Not applicable.

II. First six months of FY3/26 (Apr. 1, 2025 – Sep. 30, 2025)**1. Dividend payment**

Resolution	Type of share	Total dividends (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date	Source of funds
Board of Directors Meeting on May 20, 2025	Common shares	311,023	7.50	March 31, 2025	June 27, 2025	Retained earnings

Note: Total dividends paid in accordance with a resolution approved by the SRS Holdings Board of Directors on May 20, 2025 includes a payment of 890 thousand yen for shares held by Custody Bank of Japan, Ltd. (trust account) as trust assets of the Officers' Share Benefit Trust.

2. Significant changes in shareholders' equity

Not applicable.

Going Concern Assumption

Not applicable.

This financial report is solely a translation of the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.