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Consolidated Financial Results for the Nine Months Ended June 30, 2026 [IFRS]

August 7, 2026

Listed company name: FOOD & LIFE COMPANIES LTD. Listing: TSE
Securities code: 3563 URL: https://www.food-and-life.co.jp/en/
Representative: Masahiro Yamamoto President & CEO
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Scheduled date to commence dividend payment —
Supplementary briefing materials on financial results prepared: Yes
Financial results presentation meeting held: No

(Amounts are rounded to nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended June 30, 2026 (October 1, 2025 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit for the period attributable to owners of the parent		Total comprehensive income for the period	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Nine Months Ended June 30, 2026	390,421	24.7	42,022	43.9	40,489	47.5	28,272	46.7	26,578	47.1	31,795	60.5
Nine Months Ended June 30, 2025	313,149	18.3	29,205	68.4	27,453	67.5	19,269	76.5	18,072	74.3	19,816	57.1

	Adjusted EBITDA		Basic earnings per share	Diluted earnings per share
	millions of yen	%	yen	yen
Nine Months Ended June 30, 2026	56,177	38.7	117.09	115.68
Nine Months Ended June 30, 2025	40,502	47.8	79.87	78.86

Note:
Effective July 1, 2026, the Company conducted a stock split at a ratio of two shares for every one share of its common stock.
Basic earnings per share and diluted earnings per share have been calculated based on the assumption that the stock split took place at the beginning of the previous consolidated fiscal year.

(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
	millions of yen	millions of yen	millions of yen	%
Nine Months Ended June 30, 2026	445,693	129,474	124,578	27.5
Fiscal year ended September 30, 2025	398,596	100,902	97,869	24.0

2. Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended September 30, 2025	—	0.00	—	35.00	35.00
Fiscal year ending September 30, 2026	—	0.00			
Fiscal year ending September 30, 2026 (forecast)			—	20.00	20.00

Note:

Revisions to the most recently announced dividend forecasts: No

1. Assuming that the stock split described below had been carried out at the beginning of the previous consolidated fiscal year, the annual dividend amount for that year would be 17.5 yen.
2. Effective July 1, 2026, the Company conducted a stock split at a ratio of two shares for every one share of its common stock. The year-end dividend per share for the fiscal year ending September 30, 2026 (forecast) is calculated based on the stock split.

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
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
Fiscal year ending September 30, 2026	505,000	17.6	71,000	36.3	50,500	39.9	31,500	37.3	138.73

Note:

Revisions to the most recently announced earnings forecasts: Yes

Basic earnings per share is calculated based on the number of shares after the aforementioned stock split.

* Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

New: —

Excluded: —

(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 stock)	Nine Months ended June 30, 2026	232,138,368 shares	Fiscal year ended September 30, 2025	232,138,368 shares
b. Number of treasury stock at the end of the period	Nine Months ended June 30, 2026	4,868,864 shares	Fiscal year ended September 30, 2025	5,629,262 shares
c. Average number of shares during the period (cumulative from the start of the fiscal year)	Nine Months ended June 30, 2026	226,988,425 shares	Nine Months ended June 30, 2025	226,269,084 shares

Effective July 1, 2026, the Company conducted a stock split at a ratio of two shares for every one share of its common stock. Assuming that the stock split described below had been carried out at the beginning of the previous consolidated fiscal year, a. Total number of issued shares at the end of the period, b. Number of treasury stock at the end of the period and c. Average number of shares during the period are calculated based on the stock split.

The year-end dividend per share for the fiscal year ending September 30, 2026 (forecast) is calculated based on the stock split.

(4) Formulas for various indicators

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

* These financial results are outside the scope of interim review 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 ‘(3) Explanation of consolidated earnings forecasts and other forward-looking statements’ under ‘1. Qualitative Information on Financial Results for the Period Under Review’ on page 5 of the attached materials.

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1. Qualitative Information on Financial Results for the Period Under Review

(1) Explanation of operating results

During the first nine months of the current consolidated fiscal year, the Japanese economy saw a gradual recovery in economic activity, supported by such factors as a pickup in personal consumption driven by wage increases. However, the outlook remains uncertain, driven by consumers' increasingly defensive mindset about finances due to sluggish growth in real wages amid rising prices stemming from global political instability and the prolonged depreciation of the yen.

The restaurant sector also continued to face challenging conditions due to soaring prices for rice and other raw materials and soaring energy prices and other factors associated with supply constraints on certain international shipping routes, 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 2025	Store openings	Store closures	Nine months ended June 30 2026
Japan: Sushiro (takeout)	667 (8)	10	9 (7)	668 (1)
Japan: Sugidama (FC)	95 (17)	10 (7)	—	105 (24)
Japan: Kyotaru	100 (—)	2	16	86 (—)
Japan: Kaiten Sushi Misaki and Misakimaru	87 (—)	—	2	85 (—)
Japan: Others	15 (—)	—	6	9 (—)
Japan total	964 (25)	22 (7)	33 (7)	953 (25)
International: Sushiro (takeout)	227 (—)	78 (1)	1	304 (1)
International: Others	7 (—)	—	1	6 (—)
International total	234 (—)	78 (1)	2	310 (1)
Total	1,198 (25)	100 (8)	35 (7)	1,263 (26)

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

As a result, revenue for this third quarter of the consolidated fiscal year ending September 30, 2026 totaled 390,421 million yen (+24.7% year on year), operating profit 42,022 million yen (+43.9% year on year), profit before income taxes 40,489 million yen (+47.5% year on year), and profit for the period attributable to owners of the parent 26,578 million yen (+47.1% year on year).

Operating results by segment are as follows.

(Japan Sushiro Business)

Japan Sushiro Business under the theme of "Mastering the Art of Sushi!" has focused on the deliciousness that it has been dedicated to since the foundation of the brand, and has been working to provide products and campaigns that would satisfy our customers.

As June marks our founding month, we held Sushiro Day 2026 (Thanks a Bellyful) , our annual campaign to express our deep gratitude to our customers. Round One of the campaign held from June 3 featured "Ikura Wrap (Salmon Roe)" (from 110 yen including tax), which allows customers to directly savor the rich, sticky flavor of the salmon roe wrapped inside, and "Double-Up Toro (Fatty Tuna)" (from 180 yen including tax), a version of “Special Chutoro” (Fatty Tuna), which Sushiro, a company with a strong commitment to tuna, prepared with deep gratitude to customers by thawing the tuna in-store and carefully slicing it piece by piece. It was offered at roughly double the usual size for the same price. Also in Round Two held from June 15, we served up "Jumbo Toro Salmon" (from 110 yen including tax), a jumbo portion of fatty salmon, and "Double-Cut Grilled Unagi (Eel) Kabayaki" (from 180 yen including tax) prepared with Sushiro’s special kabayaki sauce and about twice the size of the usual portion.

In addition, we carried out our second collaboration, “The Golden Dish,” with the space fantasy RPG “Honkai: Star Rail,” a game with rich storylines and distinctive characters that have earned it a large fanbase not only in Japan but around the world, and sold sushi with limited-edition collaboration food picks and products that came with limited-edition collaboration sushi plates. We continued to provide not only the enjoyment of sushi at Sushiro, but also content that customers could enjoy alongside their sushi.

As a result of the above, net sales of the Japan Sushiro Business were 216,932 million yen (+10.7% year on year), and segment profit was 17,168 million yen (+12.4% year on year).

(International Sushiro Business)

In the International Sushiro Business, we are maintaining new store openings at one of our fastest paces ever to steadily expand our business operations. In April, we opened “Sushiro Hanxi K11 Store” in Guangzhou and “Sushiro Capital Tianfu Store” in Chengdu, reaching a total of 100 stores in mainland China. We also marked our first entries into five cities, including Shaoxing and Wenzhou. In Taiwan, we opened “Sushiro To Go Station Front Store” in May, marking our first takeout specialty store in Taiwan.

From the spring through the summer seasons, we implemented strategic promotional and marketing initiatives aimed at further increasing customer traffic. In Thailand, as part of our 5th anniversary celebrations, we ran a campaign featuring a range of menu items such as “Ootoro” (Fatty Tuna) and “Aka-ebi” (Red Rice Shrimp) at special prices. We developed collaborations with Cardcaptor Sakura in Taiwan and JoJo’s Bizarre Adventure in Hong Kong. In Thailand, we collaborated with Pokémon. As part of the promotion, we distributed items such as Poké Balls and Pokémon cards as bonus gifts, in an effort to provide even greater experience value through dining at Sushiro.

As a result of the above, net sales of the International Sushiro Business were 150,638 million yen (+61.8% year on year) and segment profit was 20,368 million yen (+83.2% year on year).

(Kyotaru Business)

The Kyotaru brand continued to enhance e-commerce sales and close unprofitable stores in efforts to bolster profitability. The brand ran ongoing campaigns allowing customers to enjoy seasonal products, offering reservations of "Mother's Day Limited Edition Kaiseki Bento" in May, and starting from June, the brand offered "Unagi Wappa Sushi" and "Unagi Nishiki Chirashi" limited-edition products for summer allowing customers to fully savor eel.

The Misaki brand also worked on evolving its brand identity and improving performance by leveraging its flagship store as a benchmark to enhance product quality and customer service across all locations. The brand held the Misaki Hokkaido Fair, where Hokkaido items were enjoyed with Misaki's signature "Aka-shari" and Misaki's Delicious Pick! festival, featuring delicious sushi from all over Japan, which were both well received by customers.

As a result of the above, net sales of the Kyotaru Business were 16,429 million yen (-8.1% year on year) and segment profit was 441 million yen (+137.9% year on year)

Furthermore, at the Board of Directors meeting held on August 7, 2026, we resolved to transfer all shares of KYOTARU CO., LTD., which belongs to this segment. Following this resolution, the Kyotaru business is scheduled to be classified as a discontinued operation starting from the fourth quarter of the consolidated fiscal year. For details, please refer to "(Important subsequent events)."

(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. In the ninth year since the brand's inception, it exceeded 100 locations in Japan, and we are working to further expand the store network through a combination of company-owned and franchise operations. To ensure guests fully enjoy their dining experience in our meticulously crafted wood-grain accented interiors and spaces, the brand consistently runs promotional campaigns.

In May, the brand offered popular alcoholic beverages at great prices in the Bottle Keep festival while in June we held an eel and conger eel fair as limited-time menu items for early summer. Sugidama's signature eel dish uses the "jiyaki" method of cooking the eel directly over heat without steaming it first. This results in a crispy, aromatic skin and a plump succulent fillet bursting with rich, savory flavor to deliver an authentic taste. The brand also offered the "Blissful Set Meal with Eel and Conger Eel" as a lunchtime item at many of its restaurants, allowing customers to enjoy both this high-quality eel and seasonal conger eel at the same time.

As a result of the above, net sales of the Japan Sugidama Business were 6,574 million yen (+8.9% year on year) and segment profit was 241 million yen (+717.5% year on year).

(2) Explanation of financial position

1) Assets, liabilities and equity

(Assets)

The balance of total assets increased 47,097 million yen from the end of the previous consolidated fiscal year to 445,693 million yen.

The balance of current assets increased 20,393 million yen from the end of the previous consolidated fiscal year to 108,789 million yen. This mainly reflected a 5,636 million yen increase in cash and cash equivalents and a 8,409 million yen increase in other financial assets.

The balance of non-current assets increased 26,704 million yen from the end of the previous consolidated fiscal year to 336,904 million yen. This mainly reflected a 24,900 million yen increase in property, plant and equipment.

(Liabilities)

Total liabilities increased 18,525 million yen from the end of the previous consolidated fiscal year to 316,219 million yen.

The balance of current liabilities increased 12,194 million yen from the end of the previous consolidated fiscal year to 97,050 million yen. This mainly reflected a 5,190 million yen increase in trade and other payables and a 3,956 million yen increase in lease liabilities.

The balance of non-current liabilities increased 6,331 million yen from the end of the previous consolidated fiscal year to 219,169 million yen. This mainly reflected a 8,576 million yen increase in lease liabilities.

(Equity)

Total equity increased 28,572 million yen from the end of the previous consolidated fiscal year to 129,474 million yen. This mainly reflected the booking of 26,578 million yen in profit for the period, alongside a 3,964 million yen decrease resulting from cash dividends paid.

2) Cash flows

During this third quarter of the current consolidated fiscal year, cash and cash equivalents (hereinafter “Cash”) increased 5,636 million yen from the end of the previous consolidated fiscal year to 64,458 million yen.

The breakdown of cash flows by activities and underlying factors for this third quarter of the current consolidated fiscal year is shown below.

(Cash flows from operating activities)

Cash provided by operating activities totaled 62,249 million yen (+37.8% year on year).

This mainly reflected the booking of 40,489 million yen in profit before income taxes and the booking of 32,081 million yen in depreciation and amortization.

(Cash flows from investing activities)

Cash used in investing activities came to 33,446 million yen (+83.0% year on year).

This was mainly attributable to 23,443 million yen in purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash used in financing activities totaled to 25,050 million yen (+11.7% year on year).

This mainly reflected a 18,377 million yen in repayments of lease liabilities and a 3,958 million yen in cash dividends paid.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

In the first nine months of the current consolidated fiscal year, consolidated profits at all levels exceeded the Company’s expectations, with the International Sushiro segment being the key driver. Based on this situation, we have revised the FY26/9 earnings forecasts upward. For more details, please refer to the ‘Revision of FY26/9 Earnings Forecast’ announced today (August 7, 2026). Please note that the impact of the transfer of all shares of our consolidated subsidiary, KYOTARU CO., LTD., which was also announced today, has been incorporated into the FY26/9 earnings forecasts.

2. Condensed Interim Consolidated Financial Statements and Important Notes

(1) Condensed consolidated statement of financial position

(Unit: millions of yen)

	Fiscal year ended September 30, 2025	Nine Months ended June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	58,822	64,458
Trade and other receivables	15,284	17,648
Inventories	10,242	13,143
Other financial assets	690	9,100
Other current assets	3,357	4,440
Total current assets	88,396	108,789
Non-current assets		
Property, plant and equipment	203,820	228,720
Goodwill	30,371	30,371
Intangible assets	57,002	56,816
Equity method investment	52	52
Lease and guarantee deposits	15,795	17,243
Other financial assets	801	773
Deferred tax assets	1,664	1,676
Other non-current assets	694	1,252
Total non-current assets	310,200	336,904
Total assets	398,596	445,693
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	42,091	47,282
Bonds and borrowings	4,009	4,009
Income taxes payable	4,926	7,242
Lease liabilities	21,685	25,641
Other financial liabilities	1,339	2,006
Provisions	4,381	4,088
Other current liabilities	6,426	6,783
Total current liabilities	84,857	97,050
Non-current liabilities		
Trade and other payables	22	7
Bonds and borrowings	76,519	73,470
Lease liabilities	116,447	125,023
Other financial liabilities	100	110
Provisions	5,462	5,950
Deferred tax liabilities	14,287	14,609
Total non-current liabilities	212,837	219,169
Total liabilities	297,694	316,219

	Fiscal year ended September 30, 2025	Nine Months ended June 30, 2026
Equity		
Capital stock	100	100
Capital surplus	15,806	15,601
Retained earnings	85,355	107,970
Treasury stock	(8,749)	(7,567)
Other components of equity	5,357	8,475
Total equity attributable to owners of the parent	97,869	124,578
Non-controlling interests	3,032	4,896
Total equity	100,902	129,474
Total liabilities and equity	398,596	445,693

(2) Condensed consolidated statement of profit and loss

(Unit: millions of yen)

	Nine Months ended June 30, 2025 (From October 1, 2024 to June 30, 2025)	Nine Months ended June 30, 2026 (From October 1, 2025 to June 30, 2026)
Revenue	313,149	390,421
Cost of sales	(134,019)	(168,293)
Gross profit	179,130	222,128
Selling, general and administrative expenses	(149,697)	(180,620)
Other income	541	1,135
Other expenses	(769)	(621)
Operating profit	29,205	42,022
Finance income	176	857
Finance expenses	(1,928)	(2,390)
Profit before income taxes	27,453	40,489
Income taxes	(8,184)	(12,217)
Profit for the period	19,269	28,272
Profit attributable to:		
Owners of the parent	18,072	26,578
Non-controlling interests	1,197	1,693
Profit for the period	19,269	28,272
Earnings per share		
Basic earnings per share (yen)	79.87	117.09
Diluted earnings per share (yen)	78.86	115.68

Note:

Effective July 1, 2026, the Company conducted a stock split at a ratio of two shares for every one share of its common stock. Basic earnings per share and diluted earnings per share have been calculated based on the assumption that the stock split took place at the beginning of the previous consolidated fiscal year.

(3) Condensed consolidated statement of comprehensive income

(Unit: millions of yen)

	Nine Months ended June 30, 2025 (From October 1, 2024 to June 30, 2025)	Nine Months ended June 30, 2026 (From October 1, 2025 to June 30, 2026)
Profit for the period	19,269	28,272
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	(2)	—
Total of items that will not be reclassified to profit or loss	(2)	—
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	549	3,523
Total of items that may be reclassified to profit or loss	549	3,523
Other comprehensive income after taxes	547	3,523
Total comprehensive income for the period	19,816	31,795
Attributable to:		
Owners of the parent	18,613	29,931
Non-controlling interests	1,202	1,864
Total comprehensive income for the period	19,816	31,795

(4) Condensed consolidated statement of changes in equity

Nine Months Ended June 30, 2025 (From October 1, 2024 to June 30, 2025)

(Unit: millions of yen)

	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, 2024	100	15,734	65,818	(9,156)	4,073	76,568	1,269	77,837
Profit for the period			18,072			18,072	1,197	19,269
Other comprehensive income					541	541	5	547
Total comprehensive income	—	—	18,072	—	541	18,613	1,202	19,816
Disposal of treasury stock		30		222	(69)	184		184
Purchase of treasury stock				(1)		(1)		(1)
Forfeiture of share acquisition rights		18			(18)	—		—
Share-based payment transactions					385	385		385
Dividends			(3,394)			(3,394)		(3,394)
Transfer to retained earnings			(6)		6	—		—
Purchase of shares of consolidated subsidiaries		(17)				(17)	(20)	(37)
Total transactions with the owners	—	31	(3,399)	222	304	(2,843)	(20)	(2,863)
Balance as of June 30, 2025	100	15,766	80,490	(8,935)	4,918	92,339	2,451	94,790

Nine Months Ended June 30, 2026 (From October 1, 2025 to June 30, 2026)

(Unit: millions of yen)

	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, 2025	100	15,806	85,355	(8,749)	5,357	97,869	3,032	100,902
Profit for the period			26,578			26,578	1,693	28,272
Other comprehensive income					3,353	3,353	170	3,523
Total comprehensive income	—	—	26,578	—	3,353	29,931	1,864	31,795
Disposal of treasury stock		(471)		1,182	(423)	287		287
Purchase of treasury stock				(0)		(0)		(0)
Forfeiture of share acquisition rights		265			(265)	—		—
Share-based payment transactions					454	454		454
Dividends			(3,964)			(3,964)		(3,964)
Total transactions with the owners	—	(206)	(3,964)	1,182	(235)	(3,223)	—	(3,223)
Balance as of June 30, 2026	100	15,601	107,970	(7,567)	8,475	124,578	4,896	129,474

(5) Condensed consolidated statement of cash flows

(Unit: millions of yen)

	Nine Months ended June 30, 2025 (From October 1, 2024 to June 30, 2025)	Nine Months ended June 30, 2026 (From October 1, 2025 to June 30, 2026)
Cash flows from operating activities		
Profit before income taxes	27,453	40,489
Depreciation and amortization	26,270	32,081
Impairment losses	561	275
Finance income	(176)	(857)
Finance expenses	1,928	2,390
Increase (decrease) in provision for bonuses	(2,503)	(381)
Amount of rent offset by lease and guarantee deposits	197	―
Decrease (increase) in trade and other receivables	(1,668)	(2,569)
Decrease (increase) in inventories	(2,660)	(2,739)
Increase (decrease) in trade and other payables	5,326	4,223
Others	182	1,039
Subtotal	54,908	73,953
Interest and dividend income received	138	228
Interest paid	(1,924)	(2,411)
Income taxes paid	(7,957)	(9,876)
Income taxes refund	0	355
Net cash from operating activities	45,166	62,249
Cash flows from investing activities		
Purchase of property, plant and equipment	(18,407)	(23,443)
Proceeds from sale of property, plant and equipment	13	13
Purchase of intangible assets	(1,069)	(851)
Payments into time deposits	(2,323)	(7,942)
Proceeds from withdrawal of time deposits	4,455	300
Payments for lease and guarantee deposits	(1,560)	(1,632)
Others	614	108
Cash flows from investing activities	(18,277)	(33,446)
Cash flows from financing activities		
Redemption of bonds	(5,000)	―
Proceeds from issuance of bonds	4,974	―
Repayments of long-term borrowings	(3,007)	(3,007)
Repayments of lease liabilities	(16,142)	(18,377)
Payments for commission fees	(13)	(12)
Purchase of treasury stock	(1)	(0)
Proceeds from exercise of share acquisition rights	184	287
Cash dividends paid	(3,387)	(3,958)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(37)	―
Others	11	16
Cash flows from financing activities	(22,418)	(25,050)
Net increase (decrease) in cash and cash equivalents	4,471	3,753
Cash and cash equivalents at beginning of the period	48,695	58,822
Effect of exchange rate changes on cash and cash equivalents	67	1,883
Cash and cash equivalents at end of the period	53,233	64,458

(6) Notes on condensed consolidated financial statements

(Notes regarding assumption of a going concern)

Not applicable.

(Segment information)

(1) Overview of Reportable 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 internationally

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

Japan Sugidama Business: 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

(2) Reportable segment revenues and operating results

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

Nine Months Ended June 30, 2025 (October 1, 2024 to June 30, 2025)

(Unit: millions of yen)

	Reportable segment					Total	Total adjustments Notes 2	Consolidated total
	Japan Sushiro Business	International Sushiro Business	Kyotaru Business	Japan Sugidama Business	Other			
Revenue								
External revenue	195,990	93,102	17,800	5,938	319	313,149	—	313,149
Intersegment revenue	—	2	71	101	—	174	(174)	—
Total	195,990	93,105	17,871	6,038	319	313,323	(174)	313,149
Segment profit (loss) Notes 1	15,271	11,116	185	29	(162)	26,440	2,765	29,205
Other Items								
Depreciation and amortization	13,202	10,300	1,285	661	5	25,453	817	26,270
Impairment loss	17	479	50	15	—	561	—	561

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

2. Adjustment of 2,765 million yen in segment profit (loss) is mainly for intersegment eliminations and corporate expenses not attributable to any reportable segment.

Nine Months Ended June 30, 2026 (October 1, 2025 to June 30, 2026)

(Unit: millions of yen)

	Reportable segment					Total	Total adjustments Notes 2	Consolidated total
	Japan Sushiro Business	International Sushiro Business	Kyotaru Business	Japan Sugidama Business	Other			
Revenue								
External revenue	216,932	150,637	16,281	6,484	86	390,421	—	390,421
Intersegment revenue	—	1	148	90	—	239	(239)	—
Total	216,932	150,638	16,429	6,574	86	390,659	(239)	390,421
Segment profit (loss) Notes 1	17,168	20,368	441	241	(43)	38,176	3,846	42,022
Other Items								
Depreciation and amortization	14,465	14,753	1,222	745	3	31,188	894	32,081
Impairment loss	105	109	51	9	—	275	—	275

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

2. Adjustment of 3,846 million yen in segment profit (loss) is mainly for intersegment eliminations and corporate expenses not allocated to any reportable segment.

(Selling, general and administrative expenses)

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

(Unit: millions of yen)

	Nine Months Ended June 30, 2025 (From October 1, 2024 to June 30, 2025)	Nine Months Ended June 30, 2026 (From October 1, 2025 to June 30, 2026)
Employee benefits	83,254	101,832
Depreciation and amortization	26,207	32,013
Utilities expenses	7,207	7,786
Commission expenses	5,958	7,209
Other	27,071	31,779
Total	149,697	180,620

(Earnings per share)

	Nine Months Ended June 30, 2025 (From October 1, 2024 to June 30, 2025)	Nine Months Ended June 30, 2026 (From October 1, 2025 to June 30, 2026)
Profit for the period attributable to common shareholders of the parent (millions of yen)	18,072	26,578
Profit for the period attributable to common shares used in calculations for basic earnings per share (millions of yen)	18,072	26,578
Profit for the period attributable to common shares used in calculations for diluted earnings per share (millions of yen)	18,072	26,578
Average number of shares during the period	226,269,084	226,988,425
Increase in number of common shares used in calculation for diluted earnings per share	2,906,879	2,760,534
Average number of common shares during the period after dilution	229,175,963	229,748,959
Basic earnings per share (yen)	79.87	117.09
Diluted earnings per share (yen)	78.86	115.68
Outline of potentially dilutive shares excluded from the calculation of diluted earnings per share due to the absence of dilutive effects	1 kind of subscription rights to shares (Common shares 166 thousand shares)	1 kind of subscription rights to shares (Common shares 61 thousand shares)

Note:
Effective July 1, 2026, the Company conducted a stock split at a ratio of two shares for every one share of its common stock. Assuming that the stock split had been carried out at the beginning of the previous consolidated fiscal year, total equity attributable to owners of the parent per share, basic earnings per share and diluted earnings per share are calculated based on the stock split.

(Important subsequent events)
(Transfer All Shares of KYOTARU CO LTD.)

We resolved to transfer all shares of our consolidated subsidiary, KYOTARU CO LTD. (“KYOTARU”), to SRS HOLDINGS CO LTD. at the meeting of the Board of Directors held on August 7, 2026, and entered into a share transfer agreement on the same day.

The shares transfer is scheduled to take place on September 1, 2026.

In accordance with this resolution, we plan to classify Kyotaru Business as a discontinued operation starting with the fourth quarter of the consolidated fiscal year.

1. Reason for Shares Transfer

We acquired all shares of KYOTARU (which operates the well-known takeout sushi brand “KYOTARU” as well as the revolving-lane sushi restaurants “KAISEN MISAKIKOU” (current “KAITEN SUSHI MISAKI”) and “SUSHI MISAKIMARU” (current “SUSHI MISAKI”) mainly in Kanto/Tokyo region) from YOSHINOYA HOLDINGS CO LTD. on April 1, 2021. Since the acquisition, we have promoted comprehensive rebranding and worked to enhance KYOTARU’s corporate value by leveraging the know-how cultivated through the “SUSHIRO” business. These initiatives have included improving productivity, upgrading the red vinegar rice, strengthening product development capabilities, increasing brand recognition through active sales promotions, and renovating stores.

As the business environment of the takeout sushi market has undergone significant changes, it has become increasingly important for KYOTARU to update its strategies and make timely investments in order to achieve further growth. Under these circumstances, we have determined that transferring KYOTARU to a partner capable of further accelerating its growth would be the optimal way to realize KYOTARU’s sustainable growth and further enhance its corporate value. In addition, we believe that focusing its management resources on the “SUSHIRO” business, in both domestic and overseas markets, will contribute to the medium- to long-term enhancement of our group’s corporate value. Accordingly, we have decided to enter into the share transfer agreement.

2. Number of Transferred Shares, Transfer Price, and Status of Shareholding Before and After Transfer

(1) Number of shares owned before transfer	202 shares (Rate of holding voting rights：100%)
(2) Number of transferred shares	202 shares
(3) Transfer price	JPY3,745 million
(4) Number of shares owned after transfer	－shares (Rate of holding voting rights：－%)

[Note] As of August 7, 2026, the number of issued shares of KYOTARU is 201 shares. However, KYOTARU plans to conduct a capital increase through third-party allotment of new shares to us, and the number of issued shares at the time of the share transfer is expected to be 202 shares.

3. Future Prospects

The impact of this share transfer on our consolidated financial results for the fiscal year ending September 2026 is expected to be minor.

(Stock Split and Partial Amendment to the Articles of Incorporation)

We conducted a Stock Split and partially amended the Articles of Incorporation in connection with the stock split effective as of July 1, 2026 in accordance with the resolution at the meeting of Board of Directors held on May 8, 2026.

1. Stock Split

(1) Purpose of the Stock Split

We aim to improve market accessibility and stock liquidity by reducing the minimum investment per trading unit (100 shares). This initiative is geared toward cultivating a more diverse and expansive shareholder community.

(2) Overview of the Stock Split

a) Method of the Stock Split

The shares were split at a ratio of two shares for every one share held by shareholders listed or recorded in the final shareholder registry as of June 30, 2026.

b) The Number of Shares To Be Issued as a Result of the Stock Split

Total Number of Outstanding Shares Before the Stock Split	116,069,184 shares
Increase in the Number of Shares as a Result of the Stock Split	116,069,184 shares
Total Number of Outstanding Shares After the Stock Split	232,138,368 shares
Total Number of Authorized Shares After the Stock Split	872,000,000 shares

c) Schedule of the Stock Split

Record Date / Announcement Date	June 12, 2026 (Fri)
Record Date	June 30, 2026 (Tue)
Effective Date	July 1, 2026 (Wed)

(3) Other

There is no increase in the Company's capital in connection with this stock split.

2. Partial Amendment to the Articles of Incorporation in Connection With the Stock Split

(1) Background of the Amendment

In connection with the stock split described above, pursuant to the provisions of Article 184, Paragraph 2 of the Companies Act, we amended certain provisions of our Articles of Incorporation as follows, effective as of July 1, 2026.

(2) Details of the Amendment

The changes are as follows. (underlined text indicates the changes)

Before Change	After Change
(Total Number of Authorized Shares) Article 7 : The total number of authorized shares of the Company shall be <u>436,000,000 shares</u>.	(Total Number of Authorized Shares) Article 7 : The total number of authorized shares of the Company shall be <u>872,000,000 shares</u>.

(3) Date of the Amendment

Date of Board of Directors' resolution	May 8, 2026 (Fri)
Effective Date	July 1, 2026 (Wed)