

## INPUT

### Management capital essential to the sustainable growth of our business

#### Natural capital

- Sustainable and diverse marine resources and agricultural produce
- Initiatives for sustainable procurement and collaboration with upstream partners

#### Social and relationship capital

- Producer of seafood and agricultural produce for sustainable procurement
- Stable supply chain
- Customer traffic: approx. 150 million customers served annually
- Partnerships with business partners engaged in the aquaculture business and startup companies and various manufacturers with cutting edge technologies

#### Manufacturing capital

- Superior restaurant and kitchen facilities
- Demand forecasting using AI
- Restaurants: 1,123 (986 in Japan and 137 in six countries and regions)
- Central kitchen for Kyotaru: 1 location

#### Human capital

- Diverse workforce
- Number of employees: Permanent employees 7,134 Part-time employees 20,779\*
- Work environment conducive to taking on new challenges (working overseas, internal recruitment system, etc.)

#### Intellectual capital

- Brand power exclusive to sushi
- Unique food business developed in Japan
- Auto Waiter in kitchens
- Contactless services, from app-based reservations to self-checkout and automated souvenir lockers

#### Financial capital

- Ability to generate cash for business operations and cash flow
- Total assets: 350.6 billion yen

## BUSINESS MODEL



### Seven Material Issues for Sustainability



## OUTPUT

Bringing sustainable Japanese food culture to Asia and the world



**SUSHIRO**

京樽



回転寿司 みつき



## OUTCOME

### Economic value

#### 2024 to 2026

Net sales	: 520.0 billion yen
EBITDA	: 57.0 billion yen
Operating profit	: 35.0 billion yen
Operating margin	: 6.7%
Ratio of overseas sales	: at least 40% of total sales

### Collaborative value with stakeholders

- Upstream value  
Achieve a 50:50 ratio of natural and aquaculture in marine resources
- Midstream value  
Thoroughly reduce food loss and waste
- Downstream value  
Expand globally to more than 400 restaurants in 8 countries and regions  
Evolve and deepen tastes
- Value with employees  
Encourage employees to proactively advance their career internationally
- Value for our planet  
Reduce our CO<sub>2</sub> emissions 50% by 2030 (compared to fiscal 2013)

## VISION

Increase our companies to become a top restaurant brand globally



**FOOD & LIFE COMPANIES**

Discovering new tastiness, Sharing moments of joy.

### External environment

#### Medium- to long-term opportunities

- Changing needs regarding diet (healthy choices and ethical consumption)
- Emergence of new food ingredients (food substitutes and certified sustainable food ingredients)
- Japan's outstanding food culture (sushi culture)
- Serious food challenges around the world (poverty, hunger, inequality, etc.)
- Evolution of ICT and DX

#### Medium- to long-term threats

- Declining seafood catch leading to reduced stock of natural fish (including marine pollution and impacts due to climate change)
- Growing interest in various social issues surrounding food (health damages caused by food poisoning/allergies and food waste and loss)
- Growing interest in climate change and environmental issues
- Soaring raw materials prices and energy costs
- Labor shortages
- Geopolitical risks

\* The number of part-time employees represents the average annual number of employees converted to eight hours per day