

# (Translation)



## Consolidated Financial Results for the Nine Months Ended September 30, 2025

November 7, 2025

### McDonald's Holdings Company (Japan), Ltd.

Company code number: 2702 (URL <https://www.mcd-holdings.co.jp/en/>)  
Stock market: Tokyo Securities Exchange, Standard  
Representative: Thomas Ko  
Representative Director, President and CEO  
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Schedule of dividends payment: —  
Preparation of supplementary materials for quarterly financial results: Yes  
Quarterly results briefing: None

### 1. Consolidated operating results (From January 1, 2025 to September 30, 2025)

#### (1) Consolidated financial results

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
September 30, 2025	312,325	2.9	42,901	15.5	42,430	12.6	26,992	11.3
September 30, 2024	303,613	7.5	37,160	14.8	37,679	17.5	24,252	20.8

(Note) Comprehensive income:

Nine months ended September 30, 2025: 26,972 million yen <11.3%>

Nine months ended September 30, 2024: 24,233 million yen <20.8%>

	Net income per share	Net income per share, fully diluted
	(Yen)	(Yen)
September 30, 2025	203.01	—
September 30, 2024	182.40	—

#### (2) Consolidated financial position

	Total assets	Total net assets	Equity ratio
	(Millions of yen)	(Millions of yen)	%
As of September 30, 2025	337,986	273,501	80.9
As of December 31, 2024	337,094	253,044	75.1

(Note) Owner's equity:

As of September 30, 2025: 273,501million yen

As of December 31, 2024: 253,044 million yen

## 2. Dividends

	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of year	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
December 31, 2024	—	0.00	—	49.00	49.00
December 31, 2025	—	0.00	—		
December 31, 2025 (Forecast)				56.00	56.00

(Note) Changes to the dividend forecast from the most recently announced figures: None

## 3. Consolidated earnings forecasts for the year ending December 31, 2025 (From January 1, 2025 to December 31, 2025)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Annual	412,500	1.7	51,000	6.2	49,500	4.5	31,000	(3.0)	233.15

(Note) Change to the earnings forecast from the most recently announced figures: None

## 4. Others

### (1) Changes in significant subsidiaries (Changes in scope of consolidation): None

Newly consolidated: — Excluded: —

### (2) Application of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes

### (3) Changes in accounting policies and accounting estimates

- Changes caused by revision of accounting standards: None
- Changes other than (3) - 1. above: None
- Changes in accounting estimates: None
- Restatements: None

### (4) Number of shares outstanding (common stock)

- Number of shares outstanding (including treasury stock)
 

As of September 30, 2025: 132,960,000 shares	As of December 31, 2024: 132,960,000 shares
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- Number of treasury stock
 

As of September 30, 2025: 1,231 shares	As of December 31, 2024: 1,173 shares
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- Average number of common shares outstanding
 

As of September 30, 2025: 132,958,814 shares	As of September 30, 2024: 132,958,867 shares
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(Indication of quarterly review procedure implementation status)

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

(Forward - looking statements)

The financial forecasts and estimates in this release are based on information available at the time of disclosure and certain assumptions judged to be reasonable by the Company. Actual results may differ materially from expectations due to various factors.

The governing language of this quarterly earnings report is Japanese. An English translation hereof is provided for reference purpose only.

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## **1. Qualitative information on financial results for the third quarter ended September 30, 2025**

### **(1) Qualitative information on consolidated operating results**

In February 2025, McDonald's Holdings Company (Japan) Ltd. and its subsidiary (the "Group" or "we") announced its medium-term management plan (from 2025 to 2027) with the aim of sustainable growth, stronger profitability, and further enhancement of the corporate value of the Group. We will focus and expand our community-rooted franchise business and aim for further growth to meet the increasingly diverse and growing expectations of our customers and continue to be the most beloved restaurant brand in Japan. Specifically, we will focus on the three strategic areas of "Menu & Value", "Restaurant Portfolio & Digital" and "Sustainability & People" with the aim of continuous sales growth and stronger restaurant profitability and realize community-rooted and sustainable growth. Our financial targets include achieving an average annual growth rate of 4–6% in system-wide sales and 4–6% in operating income, with an operating income margin of 13% and a return on equity (ROE) of 11% or higher.

During the first nine months of 2025, we continued to listen to customer feedback and focused on enhancing QSC and overall convenience. At the same time, we made proactive investments in marketing, restaurant development, and human resources, resulting in year-on-year growth in system-wide sales. Same-store sales also rose for the 40th consecutive quarter, from the fourth quarter of fiscal 2015 through the third quarter of fiscal 2025. With regard to income, operating income increased year-on-year despite rising restaurant operating costs, supported by higher system-wide sales and improved operational efficiency.

Our actions based on the Medium-Term Management Plan are as follows:

#### **(1) Menu & Value**

We will continue to offer appealing and delicious menu items that meet customer needs throughout the day, alongside McDonald's signature standard menu items, and will introduce limited-time offerings that bring the seasonal flavors and enjoyment of Japan's four seasons to our customers. We will also strengthen investments in our restaurants, maintain high QSC standards, and implement marketing promotions to enhance customers' restaurant experience, consistently delivering Value (value beyond price).

During the first nine months of 2025, we worked to expand McDonald's fan base by delivering a great deal of fun and excitement to our customers, while continuously improving operations and service to enhance the restaurant experience. Following the March 2025 price revision to enhance restaurant experience and satisfaction, many customers have continued to visit McDonald's for menus that offer a sense of affordability and promotions that meet their expectations, enabling us to sustain business growth.

#### **(2) Restaurant Portfolio & Digital**

We will strengthen new restaurant development and close restaurants with limited capacity and other issues to increase the number of locations that offer an even better dining experience for our customers. We will aim for a net increase of 100 restaurants or more in the next 3 years starting in 2025, optimize restaurant portfolio, and aim to increase sales and profitability per restaurant. We will also continue to strengthen and expand our franchise business, which remains closely connected to each community.

Another key focus of our restaurant development activities is advancing remodels (renovations) of existing restaurants. We, across the entire McDonald's system, will invest in restaurant layout redesigns, aiming to enhance customer experience through increased capacity and more efficient operations. We will pursue system-wide efforts to achieve our target of remodeling 1,000 restaurants by 2027 and maximizing their potential. We will also focus on digital initiatives to further enhance and evolve the customer experience, ensuring sustainable growth over the medium to long term. By expanding sales channels to meet customer needs—such as mobile ordering, delivery, and self-service touch-screen kiosks—we have significantly improved convenience for our customers. These developments have enabled our employees to provide more

hospitable service, while kitchen operations have become more efficient. We will continue to accelerate the Fusion of Digital and People at all our restaurants to enhance restaurant experiences for our customers and employees.

During the first nine months of 2025, we opened 54 new restaurants and closed 39. As reflected in the increase in system-wide sales, restaurant turnover is progressing smoothly, and we are moving forward in building an optimized restaurant portfolio. Additionally, 77 restaurants underwent remodels. We are steadily implementing layouts and investments tailored to each restaurant to both enhance the restaurant experience and improve profitability.

In addition, we launched the rewards program MyMcDonald's Rewards, which allows customers to earn points through purchases made via the official McDonald's app and redeem them for various rewards. From October 2025, we began a full-scale rollout of the program, expanding its use to provide enhanced experience for our valued, regular customers and leveraging it to support a variety of activities.

Classification	Previous year-end	Newly opened	Closed	Classification change		Current reporting period
				Increase	Decrease	
Company-operated	787	22	(17)	15	(28)	779
Franchised	2,201	32	(22)	28	(15)	2,224
Total	2,988	54	(39)	43	(43)	3,003

### (3) Sustainability & People

To realize our guiding principle of Feeding and Fostering Communities, we have identified four key sustainability priority areas—Food Quality & Sourcing, Our Planet, Community Connection and Jobs, Inclusion and Empowerment— and are actively advancing initiatives in each.

In pursuit of achieving net-zero greenhouse gas emissions by 2050, we have introduced corporate PPAs utilizing solar power in the Kansai and Kanto regions, advancing the procurement of renewable energy for our restaurants. We are also making steady progress in reducing plastics. We have set a goal to transition all packaging provided to customers to renewable, recycled, or certified materials by the end of 2025 and have already replaced spoons, stirrers, and other items with environmentally friendly materials. In addition, we are gradually rolling out strawless lids made from 100% recycled PET nationwide and introducing plastic takeaway bags made of 95% biomass plastic across all McDonald's restaurants in Japan.

In community activities, we continue to expand support through charitable initiatives such as Blue McDonald's Day in aid of the Ronald McDonald House, while also enabling cashless donations at our restaurants to support ongoing fundraising efforts.

We believe that the people behind our business are what sustain McDonald's. To accurately understand the ever-changing needs of our customers and deliver a superior restaurant experience, the engagement of approximately 210,000 crew members nationwide and all individuals involved in the McDonald's system is essential. We will continue to provide growth opportunities for all employees, promote ways of working that enable everyone to thrive and build a more supportive and comfortable workplace environment.

As a result of the above initiatives, same-store sales grew by 5.7% during the consolidated cumulative third quarter of this year. System-wide sales were 660,563 million yen (a 44,252 million yen increase from the same period last year), revenue was 312,325 million yen (a 8,711 million yen increase from the same period last year), and operating income was 42,901 million yen (a 5,741 million yen increase from the same period last year), ordinary income was 42,430 million yen (a 4,751 million yen increase from the same period last

year). Net income attributable to owners of the parent was 26,992 million yen (a 2,740 million yen increase from the same period last year).

(\*) 1. Same-store sales are the total sales of restaurants operating for 13 months or longer.

2. System-wide sales are the combined net sales of company-operated and franchised restaurants; the amount does not equal to net sales presented in the quarterly consolidated statements of operations.

3. Operating results are not presented in relation to the segment information as the business of our Group is based solely on operations of hamburger restaurants.

The sales and the cost-of-sales ratio for the third quarter are as follows.

(In millions of yen)

		Nine months ended September 30, 2024		Nine months ended September 30, 2025		Year-on-year change	
		Amount	%	Amount	%	Amount	%
Sales by Company-operated restaurants		205,935	—	204,623	—	(1,312)	—
Company-operated restaurants' cost of sales		182,566	88.7%	180,117	88.0%	(2,448)	(0.6)%
(Breakdown)	Raw material	75,926	36.9%	76,239	37.3%	313	0.4%
	Labor	54,896	26.7%	52,425	25.6%	(2,470)	(1.0)%
	Other	51,743	25.1%	51,451	25.1%	(291)	0.0%
Revenue from franchised restaurants		97,677	—	107,702	—	10,024	—
Franchised restaurants -occupancy expenses		59,334	60.7%	65,101	60.4%	5,767	(0.3)%
Total net sales		303,613	—	312,325	—	8,711	—
Total cost of sales		241,900	79.7%	245,219	78.5%	3,319	(1.2)%

(Note) 1. Sales by Company-operated restaurants do not include sales by Franchised-operated restaurants.

2. Revenue from franchised restaurants is Royalty income, Rental income, Marketing revenue and Gain on Store Sales and etc.

Selling, general and administrative expenses for the third quarter are as follows.

(In millions of yen)

		Nine months ended September 30, 2024		Nine months ended September 30, 2025		Year-on-year change	
		Amount	%	Amount	%	Amount	%
Selling, general & administrative expenses		24,553	7.9%	24,204	7.7%	(348)	(0.1)%
(Breakdown)	Advertising & selling	6,183	2.0%	5,596	1.8%	(586)	(0.2)%
	Other	18,370	5.9%	18,607	6.0%	237	0.1%

## **(2) Qualitative information on consolidated financial position**

At the end of the third quarter, current assets totaled 103,947 million yen, a 7,729 million yen decrease from the end of the previous fiscal year. This was mainly due to a 3,935 yen decrease in current portion of long-term deferred accounts receivable, a 2,076 yen decrease in other and a 1,190 million yen decrease in cash and deposits.

Non-current assets totaled 234,039 million yen, a 8,622 million yen increase from the end of the previous fiscal year. This was primarily due to a 7,906 million yen increase in property and equipment.

Current liabilities were 56,948 million yen, a 19,120 million yen decrease from the end of the previous fiscal year. This was mainly due to a 12,972 million yen decrease in accounts payable-other and a 5,581 million yen decrease in other.

Non-current liabilities totaled 7,536 million yen, a 444 million yen decrease from the end of the previous fiscal year. This was mainly due to a 157 yen decrease in provision for directors' retirement benefits and a 101 million yen decrease in asset retirement obligations.

## **(3) Qualitative information on consolidated earnings forecasts**

No change has been made to the forecast on the consolidated operating results for the fiscal year ending December 31, 2025, announced on August 8, 2025.

## 2. Quarterly consolidated financial statements

### (1) Quarterly consolidated balance sheets

Millions of yen	December 31, 2024	September 30, 2025
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	67,327	66,136
Accounts receivable-trade	25,229	25,001
Current portion of long-term deferred accounts receivable	5,142	1,207
Securities	4,000	4,000
Raw materials and supplies	1,660	1,362
Other	8,323	6,246
Allowance for doubtful accounts	(6)	(6)
Total current assets	111,677	103,947
<b>Non-current assets</b>		
<b>Property and equipment</b>		
Buildings and structures, net	93,483	100,707
Machinery and equipment, net	17,754	16,631
Tools, furniture and fixtures, net	9,170	8,920
Land	27,352	28,488
Lease assets, net	218	162
Construction in progress	1,532	2,508
Total property and equipment	149,512	157,418
<b>Intangible assets</b>		
Goodwill	640	1,149
Software	9,515	9,309
Other	694	694
Total intangible assets	10,850	11,154
<b>Investments and other assets</b>		
Investment securities	12,056	11,026
Long-term loans receivable	9	9
Deferred tax assets	7,669	7,774
Lease and guarantee deposits	40,944	42,364
Other	5,573	5,486
Allowance for doubtful accounts	(1,198)	(1,193)
Total investments and other assets	65,054	65,466
Total non-current assets	225,416	234,039
<b>Total assets</b>	<b>337,094</b>	<b>337,986</b>



Millions of yen	December 31, 2024	September 30, 2025
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Accounts payable-trade	354	49
Lease obligations	147	112
Accounts payable-other	35,532	22,559
Accrued expenses	8,738	8,374
Income taxes payable	7,633	8,410
Consumption taxes payable	3,614	3,586
Contract liabilities	5,644	5,666
Provision for bonuses	2,228	1,652
Provision for loss on disposal of inventories	17	24
Asset retirement obligations	84	18
Other	12,074	6,492
Total current liabilities	76,069	56,948
<b>Non-current liabilities</b>		
Lease obligations	116	82
Provision for bonuses	89	1
Provision for directors' bonuses	34	1
Provision for directors' retirement benefits	214	56
Liabilities for retirement benefits	1,174	1,100
Asset retirement obligations	5,832	5,731
Deferred tax liabilities	37	27
Deferred tax liabilities due to land revaluation	289	311
Other	191	222
Total non-current liabilities	7,981	7,536
<b>Total liabilities</b>	<b>84,050</b>	<b>64,485</b>
<b>(Net assets)</b>		
<b>Shareholders' equity</b>		
Common stock	24,113	24,113
Capital surplus	42,124	42,124
Retained earnings	190,936	211,407
Treasury stock	(3)	(3)
Total shareholders' equity	257,171	277,641
<b>Accumulated other comprehensive income</b>		
Revaluation reserve for land	(4,202)	(4,195)
Remeasurements of retirement benefits	75	56
Total accumulated other comprehensive income	(4,126)	(4,139)
Total net assets	253,044	273,501
<b>Total liabilities and net assets</b>	<b>337,094</b>	<b>337,986</b>

**(2) Quarterly consolidated statements of income and comprehensive income**

Quarterly consolidated statements of income for the Nine months ended September 30, 2024 and 2025

Millions of yen	Nine months ended September 30, 2024	Nine months ended September 30, 2025
<b>Net sales</b>	303,613	312,325
<b>Cost of sales</b>	241,900	245,219
<b>Gross profit</b>	61,713	67,106
<b>Selling, general and administrative expenses</b>	24,553	24,204
<b>Operating income</b>	37,160	42,901
<b>Non-operating income</b>		
Interest income	108	197
Compensation income	234	89
Insurance income	282	222
Other	678	552
Total non-operating income	1,304	1,061
<b>Non-operating expenses</b>		
Interest expenses	7	6
Provision of allowance for doubtful accounts	3	1
Loss on disposal of company-operated restaurants	484	1,136
Loss on cancellation of leasehold contracts	222	120
Other	67	266
Total non-operating expenses	785	1,532
<b>Ordinary income</b>	37,679	42,430
<b>Special income</b>		
Gain on sale of shares of subsidiaries	1,209	—
Gain on sale of non-current assets	263	128
Total special income	1,473	128
<b>Special loss</b>		
Loss on disposal of non-current assets	596	515
Impairment loss	608	484
Total special loss	1,205	1,000
<b>Income before income taxes</b>	37,947	41,558
Income taxes	13,695	14,566
<b>Net income</b>	24,252	26,992
<b>Net income attributable to owners of parent</b>	24,252	26,992

**Quarterly consolidated statements of comprehensive income**

For the nine months ended September 30, 2024 and 2025

Millions of yen	Nine months ended September 30, 2024	Nine months ended September 30, 2025
<b>Net income</b>	24,252	26,992
<b>Other comprehensive income</b>		
Remeasurements of defined benefit plans	(18)	(19)
Total accumulated other comprehensive loss	(18)	(19)
<b>Comprehensive income</b>	24,233	26,972
<b>Comprehensive income attributable to:</b>		
Owners of parent	24,233	26,972

### **(3) Notes to quarterly consolidated financial statements**

#### **(Notes for assumption of going concern)**

None

#### **(Notes for significant changes in the amount of shareholders' equity)**

None

#### **(Application of accounting procedures specific to preparation of quarterly consolidated financial statements)**

Income taxes:

Income taxes are determined based on an effective tax rate, multiplied by the estimated annual pre-tax income.

Deferred taxes are included in income taxes.

#### **(Notes for consolidated quarterly statements of cash flows)**

No Quarterly Consolidated Statements of Cash Flows are prepared for the third quarter.

Depreciation and amortization (including depreciation of intangible assets, excluding goodwill) and amortization of goodwill are as follows.

	(In millions of yen)	
	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Depreciation and amortization	12,646	13,601
Amortization of goodwill	178	258

#### **(Segment information)**

Business segment of the Group is only hamburger restaurant operation therefore business segment information is omitted.