



Q&A for the Financial Results for the Nine Months Ended July 31, 2026

This document provides responses to anticipated questions regarding the Q3 financial results for the fiscal year ending October 31, 2026 (for the nine months ended July 31, 2026) announced today, and is disclosed for your reference.

Q1: Q3 net sales and profits increased substantially year on year. What were the main reasons?

A1: In Q3, growth in existing-store sales, together with contributions from newly opened stores, resulted in substantial year-on-year increases in net sales and profits.

As for existing-store sales, average spending per customer increased following the price revision implemented in December 2025, while customer traffic also remained strong, supported by continued improvements in QSCA (Quality, Service, Cleanliness, and Atmosphere) at stores and longer operating hours at certain stores.

On the profit side, store operating costs at existing stores improved year on year, driven by improved manufacturing efficiency at our factories, lower raw material costs resulting from optimized ingredient procurement methods, and controlled labor costs through disciplined work shift management based on customer traffic.

Although corporate expenses and costs associated with overseas operations and new store openings increased, the positive impact on profits from growth in existing-store sales, improvements in store operating costs, and contributions from newly opened stores more than offset these increases. As a result, operating profit increased from ¥828 million in the nine months ended July 31, 2025 to ¥1,078 million in the nine months ended July 31, 2026, up 30.1% year on year.

Based on this progress through Q3, performance has been tracking above both the previous fiscal year's results and the previous revised forecasts (announced on June 15, 2026). Accordingly, we upwardly revised the Full-Year Consolidated Earnings Forecasts. (See pages 3, 5, 6, 13, 14, 15, and 20 of the Financial Results Briefing Materials for more details.)

Q2: You have upwardly revised the forecasts following Q3. Do you expect Q4 performance to remain solid?

A2: In Q3, results exceeded the previous revised forecasts (announced on June 15, 2026), reflecting strong existing-store sales and an improved profit margin. This revision to the earnings forecasts incorporates the Q3 outperformance. For Q4, existing-store sales are also currently trending well, and the securing of properties for new store openings is proceeding smoothly, which is expected to support sales growth.



On the cost side, ingredient prices are currently stable. We have also responded to the impact of the suspension of imports of Spanish pork through alternative procurement and other measures, and are working to reduce ingredient costs, including by improving manufacturing efficiency at our factories. As for labor costs, as in the first half, we are maintaining appropriate control by thoroughly managing work shifts based on customer traffic.

Meanwhile, energy costs (electricity and gas) are subject to increases in unit prices due in part to developments in the Middle East. However, we will work to minimize the impact by utilizing government subsidies and implementing energy-saving measures.

Overall, we currently do not expect any major downside factors. We aim to further build earnings in Q4, but given uncertainty in the external environment, we have left the second-half outlook unchanged in this revision. We will promptly disclose any further revisions if they become necessary after considering the outlook for the business environment and the possibility of upfront investments. (See pages 5 and 20 of the Financial Results Briefing Materials for more details.)

Q3: Please provide an update on progress in the international business.

A3: For overseas company-owned and JV stores, we have stores in the United States, China, Switzerland, and Canada as of the end of July 2026.

In the United States, the New York No. 3 Store is performing steadily. For the New Jersey store, where there had been a mismatch between location and business format, we have completed measures to address the issues, but sales have been sluggish. Meanwhile, labor cost ratio is on an improving trend, as higher tip income is reducing the store's labor cost burden.

In China, we have established a store-opening format for shopping mall locations, and sales at all stores are performing well. Although profitability per store is gradually improving through multi-store development, we are still at the stage of continuing further store openings to secure procurement scale benefits and cover headquarters expenses, and certain upfront costs are being incurred.

In Switzerland, the first store opened in August 2025 and is achieving high average spend per customer against the backdrop of the country's high price levels. It has contributed to earnings from its first month of operation. We opened the second store at the end of June 2026, and it also got off to a strong start.

In Canada, we opened the first store at the end of May 2026, and in Q3, the primary impact came from upfront costs associated with preparations for the opening. At present, sales are taking some time to gain momentum, but we are pursuing initiatives to increase local awareness and establish a sales base.

In the franchise business, the number of stores is steadily increasing both in countries where we already have stores and in countries we have newly entered, and profitability is gradually improving.

In the international business, we will continue to actively open new stores, mainly in China, while advancing the development of local store operations, talent development, and



procurement systems, and work to strengthen the foundation supporting future business expansion. (See pages 7 and 9 of the Financial Results Briefing Materials for more details.)

Q4: What is the outlook for achieving the store-opening plan for the current fiscal year?

A4: Store openings through Q3 are progressing slightly below plan. The plan for FY10/2026 is to open 60 company-owned stores in Japan. At present, we have secured properties for the majority of them, and preparations are progressing steadily toward achieving the plan.

In the monthly disclosure of the August 2026 Monthly YoY Change in Sales and Number of Company-owned Stores (announced on September 3), the number of stores is significantly higher. This is because the “# of stores (Current year)” figure reported in the monthly disclosure includes not only newly opened company-owned stores in the ordinary course of business, but also stores newly added to the Group through M&A. Accordingly, the number of stores may increase significantly in months when M&A transactions take place. (See page 4 of the Financial Results Briefing Materials for more details.)

Q5: What is the status of your efforts to secure talent?

A5: We are continuously implementing measures to strengthen our recruiting capability and improve retention to secure talent. In January 2026, we implemented an average wage increase of approximately 6%, improving compensation and promoting the development of an employee-friendly work environment. The turnover rate (annualized) in Q3 remained well below the industry average (23.7%). We will continue working to reduce the turnover rate by creating an employee-friendly and rewarding workplace, and to strengthen our recruiting capability by increasing the number of applicants and improving the job-offer rate, thereby reinforcing our talent base that supports sustainable store expansion. (See pages 4 and 18 of the Financial Results Briefing Materials for more details.)

End.