



K I W A M I  
S H I R O M A R U  
C L A S S I C

Chikaranomoto Holdings Co. Ltd. [Ticker# 3561]

# FY2023 Q2 FINANCIAL RESULTS BRIEFING

14<sup>th</sup> November 2023



K I W A M I  
A K A M A R U  
M O D E R N

IPPUDO 38<sup>th</sup>  
Anniversary

- 1. FY2023-24 Q2 Financial Results** P.2~P.22
- 2. FY2023-24 Revised Financial Plan** P.23~P.27
- 3. FY2027-28 Vision** P.28~P.29
- 4. Appendix** P.30~P.36

# 1 FY2023-24 Q2 Financial Results

# FY2023-24 Q2 Consolidated P&L Highlights

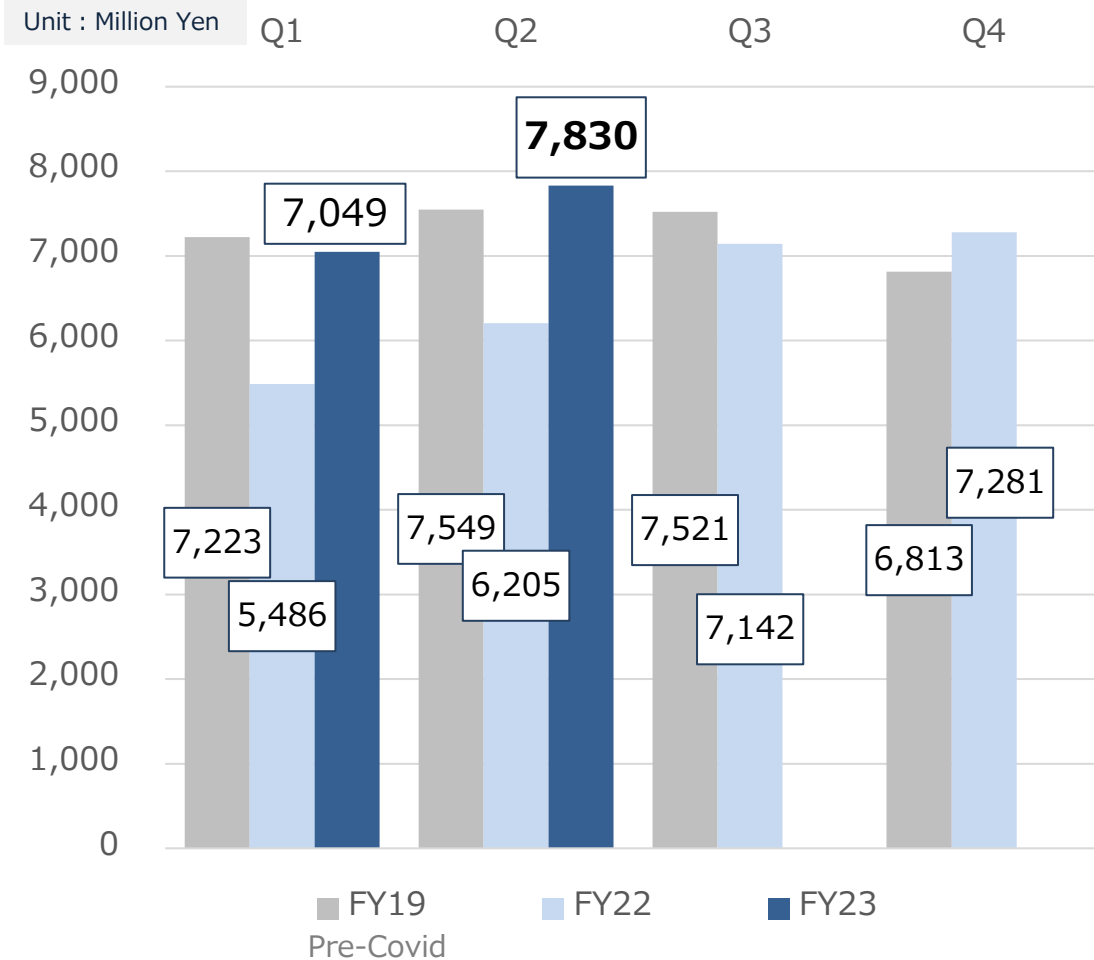
Consolidated revenue increased by 27.3% YoY and 0.7% vs. pre-Covid year.  
All income items reached a record high.

|                          |               |             | Vs. Q2 Plan                   | Vs. FY2022 Q2 Actual          | Vs. FY2019 Q2 Actual           |
|--------------------------|---------------|-------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Revenue</b>           | <b>14,879</b> | Million Yen | + 10.7 %                      | + 27.3 %                      | + 0.7 %                        |
| <b>Operating Income</b>  | <b>1,350</b>  | Million Yen | + 375 Million Yen<br>+ 38.5 % | + 551 Million Yen<br>+ 68.9 % | + 901 Million Yen<br>+ 200.3 % |
| <b>Operating margin</b>  | <b>9.1</b>    | %           | <b>7.3</b> %                  | <b>6.8</b> %                  | <b>3.0</b> %                   |
| <b>Net Income</b>        | <b>1,032</b>  | Million Yen | + 297 Million Yen<br>+ 40.4 % | + 338 Million Yen<br>+ 48.7 % | + 646 Million Yen<br>+ 167.1 % |
| <b>Net Income margin</b> | <b>6.9</b>    | %           | <b>5.5</b> %                  | <b>5.9</b> %                  | <b>2.6</b> %                   |

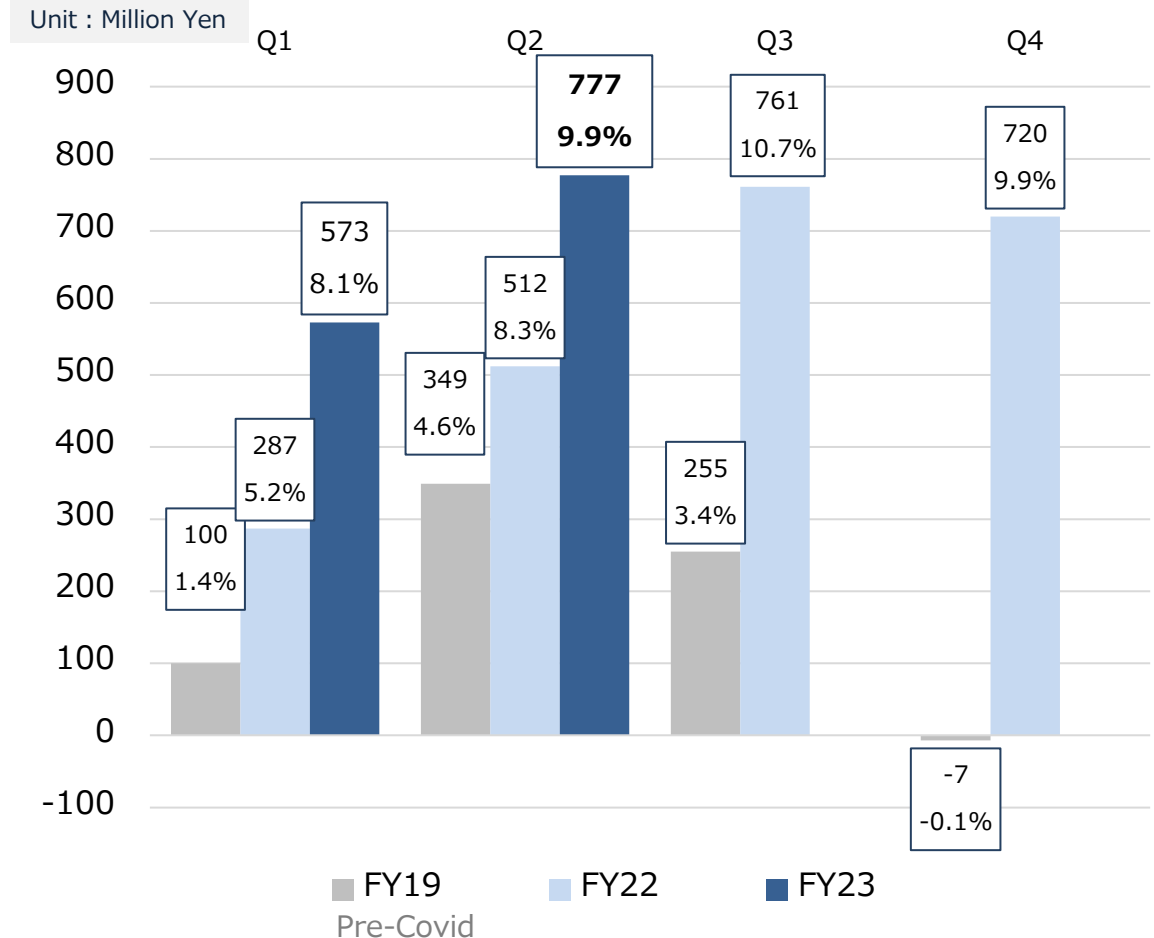
# Consolidated Quarterly Results vs Previous Years (Q2)

Both revenue and operating income reached a record high.  
 Revenue reached 126.2% YoY, and operating income reached 151.7% YoY.

## Revenue



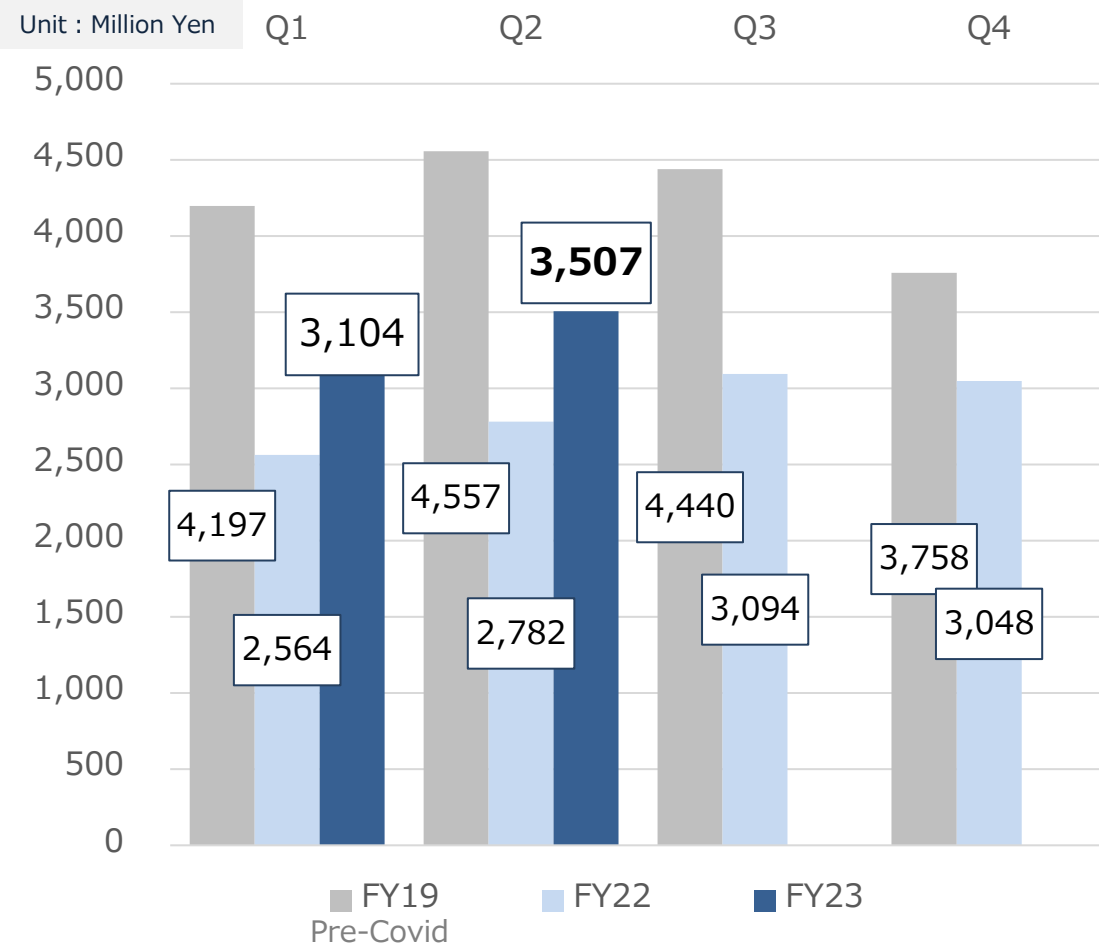
## Operating Income and Margin



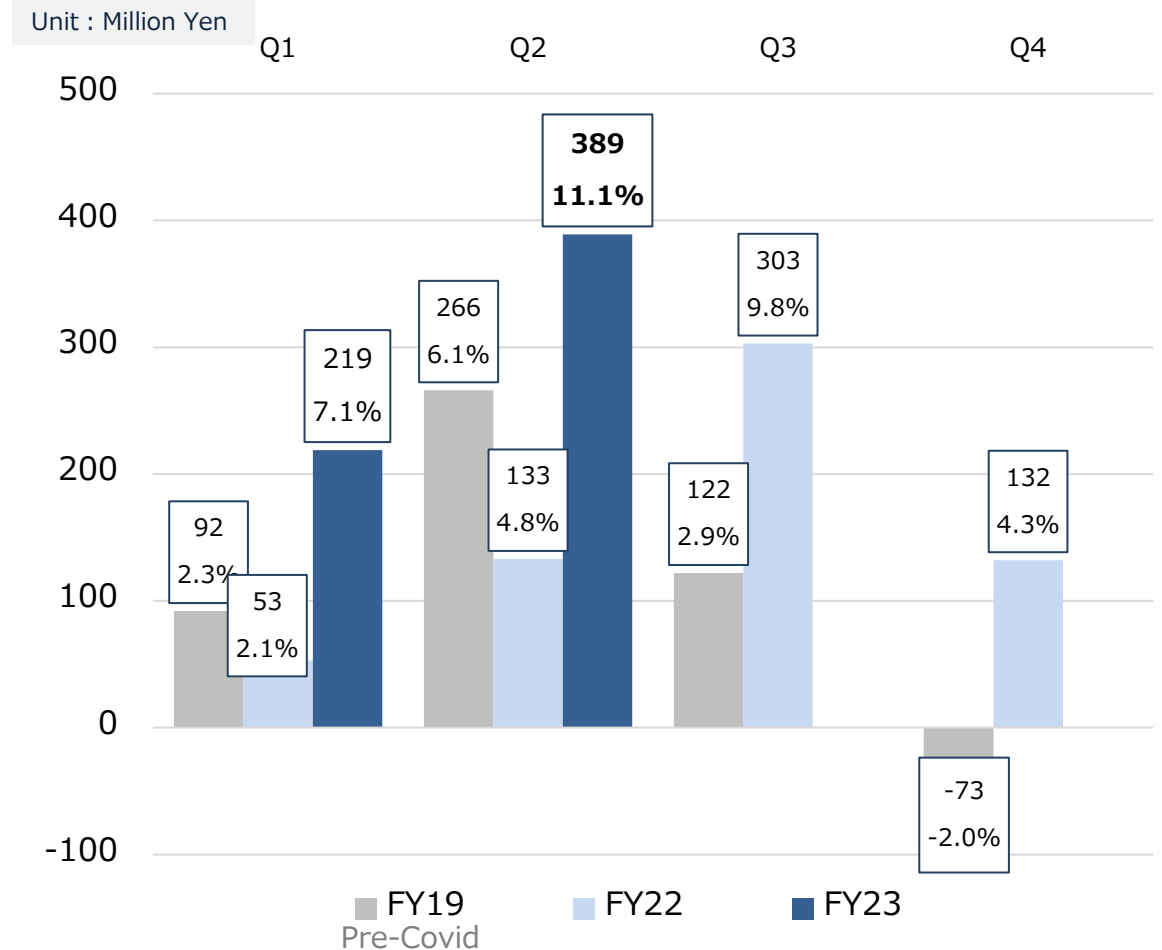
# Domestic Store Operations Quarterly Results (Jul-Sep 2023)

Domestic operating income reached a record high. Revenue reached 126.1% YoY, and operating income reached 292.3% YoY, with the recovery of inbound tourism, menu price revisions, and various cost reduction measures such as Digital Transformation initiatives.

## Revenue

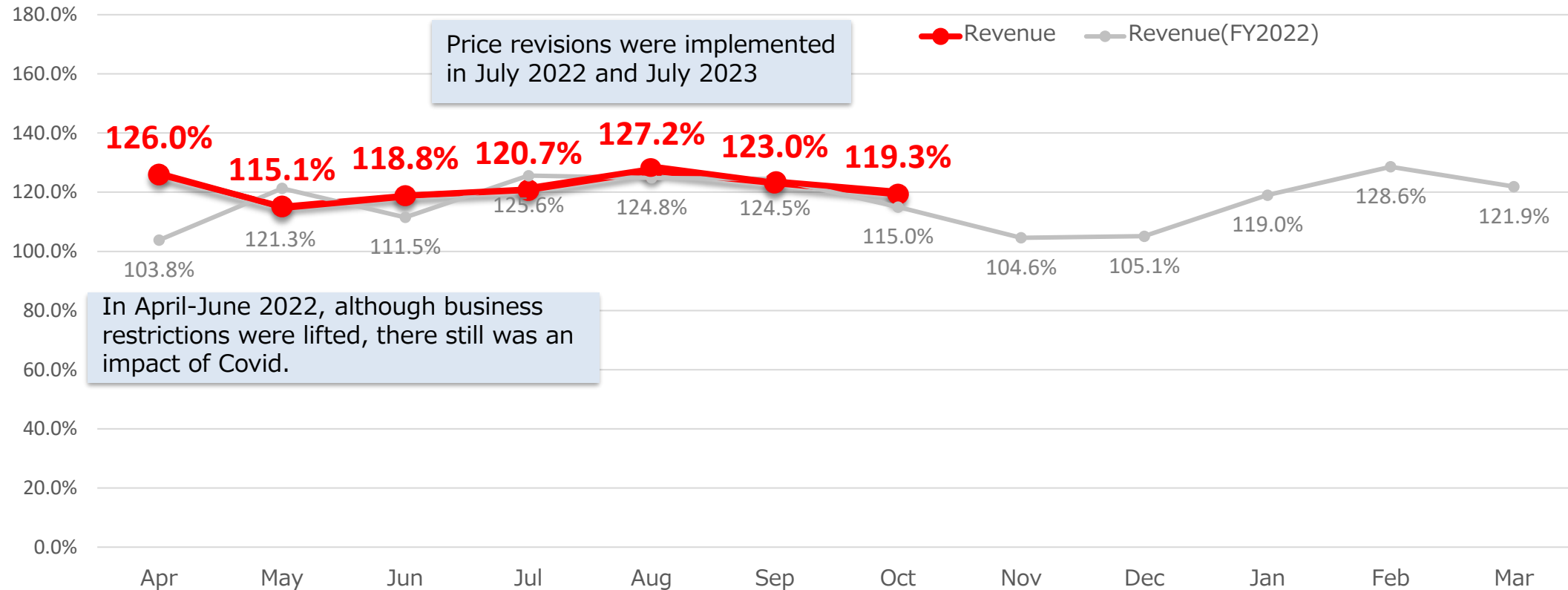


## Operating Income and Margin



# Domestic Existing Stores 121.9% YoY (Apr-Sep 2023)

## FY2023 Year-over-Year Sales/Number of Customers/Average Check



|                            | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov | Dec | Jan | Feb | Mar | Q2Total |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|-----|-----|-----|-----|-----|---------|
| <b>Revenue</b>             | 126.0% | 115.1% | 118.8% | 120.7% | 127.2% | 123.0% | 119.3% |     |     |     |     |     | 121.9%  |
| <b>Number of Customers</b> | 117.4% | 107.5% | 110.5% | 112.7% | 118.4% | 114.8% | 110.4% |     |     |     |     |     | 113.6%  |
| <b>Average Check</b>       | 107.3% | 107.1% | 107.5% | 107.1% | 107.4% | 107.2% | 108.1% |     |     |     |     |     | 107.3%  |

## ■ Revenue

- ✓ Full-scale menu price revisions were implemented in July to increase the price by 10 yen from 40 yen.  
Average check per customer 107% YoY.
- ✓ Sales increased in central Tokyo, tourist spots, and airports with the recovery of inbound tourism.
- ✓ 3 new stores (Youme Town Iizuka, Okegawa, Aeon Town Matsubara) successfully opened in Q2.

## ■ Operating income

- ✓ Profitability improved due to digital transformation initiatives such as QR ordering and tablet ordering systems, resulting in an increase in operating margin from 4.8% to 11.1% YoY.



IPPUDO Lumine Est Shinjuku  
Green Tea Salt Tsukemen



Tao Summer festival  
TAO KURO



Tablet order system  
(IPPUDO Aeon Town Matsubara)

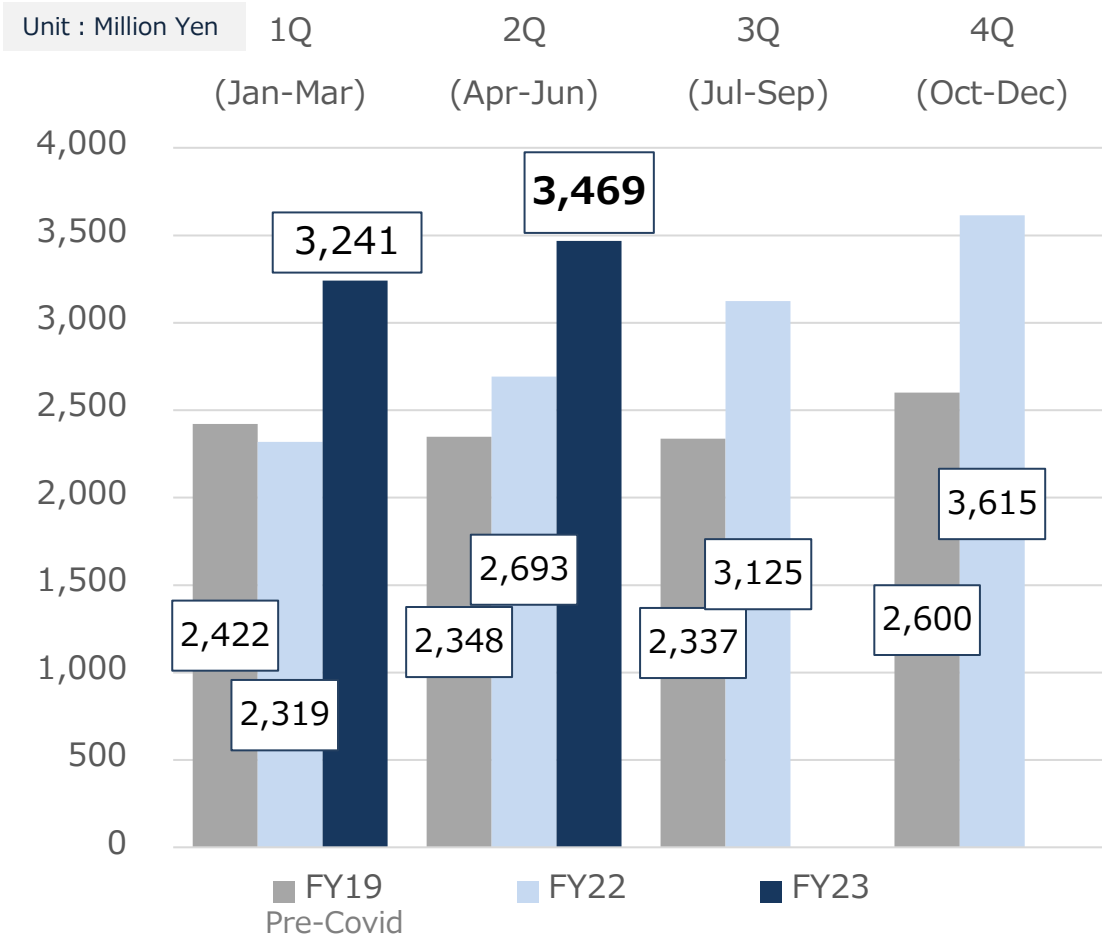


WAC-Fukuoka 2023  
Green Curry Ramen

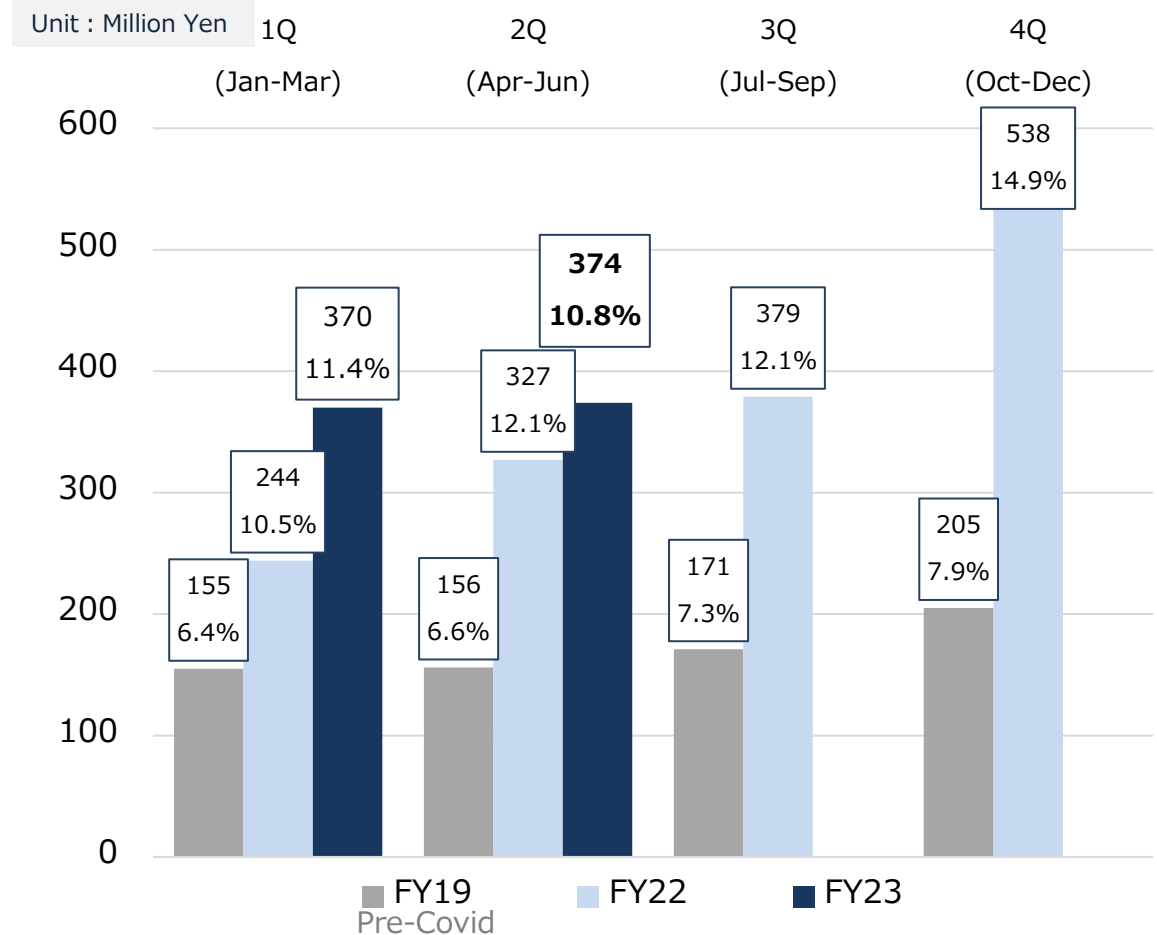


International revenue reached 128.8% and operating income 114.3% YoY with a thorough control of labor and COGS. Both revenue and operating income exceeded those of pre-Covid year partially because of the continued yen's depreciation from the previous year.

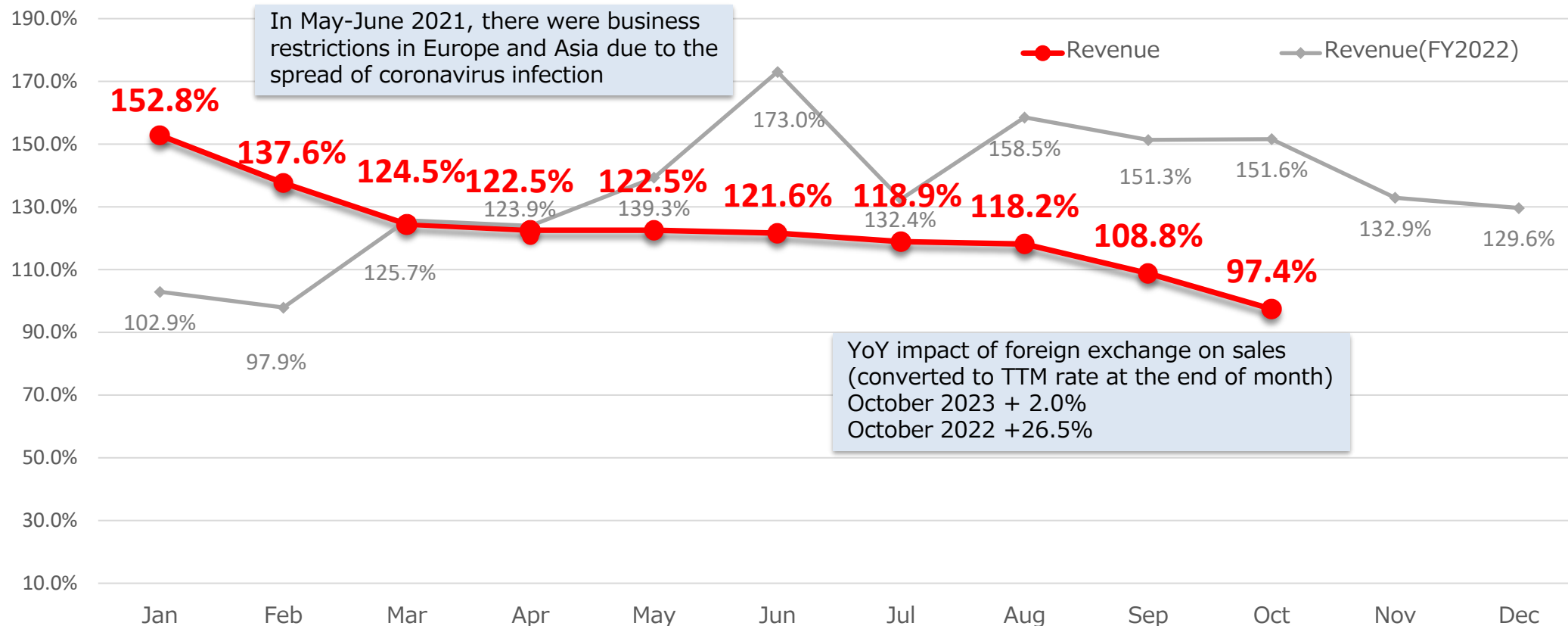
## Revenue



## Operating Income and Margin



## FY2023 Year-over-Year Sales/Number of Customers/Average Check



|                            | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov | Dec | Q2Total |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----|-----|---------|
| <b>Revenue</b>             | 152.8% | 137.6% | 124.5% | 122.5% | 122.5% | 121.6% | 118.9% | 118.2% | 108.8% | 97.4%  |     |     | 129.1%  |
| <b>Number of Customers</b> | 131.9% | 113.5% | 109.0% | 115.3% | 111.8% | 111.4% | 109.0% | 105.2% | 98.3%  | 92.7%  |     |     | 115.2%  |
| <b>Average Check</b>       | 115.8% | 121.2% | 114.2% | 106.2% | 109.6% | 109.1% | 109.1% | 112.3% | 110.7% | 105.0% |     |     | 112.1%  |

## ■ Revenue

- ✓ Launch of limited time products, full scale menu price revisions, grand menu revisions and holding events, etc.
- ✓ Both sales and income increased due to the yen's depreciation, which has continued since Q1.
- ✓ 1 store in the Company-operated market (France) and 1 store in the licensed area (Malaysia) opened.



Breakfast Special  
IPPUDO NEW YORK



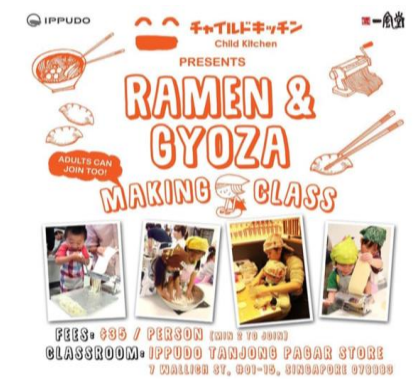
Veggie Ramen  
IPPUDO PARIS

## ■ Operating income

- ✓ In each area, full-scale menu price revisions and various cost reduction initiatives were implemented after the surge in raw materials and energy costs.
- ✓ Digital Transformation initiatives such as introduction of QR order system, etc.



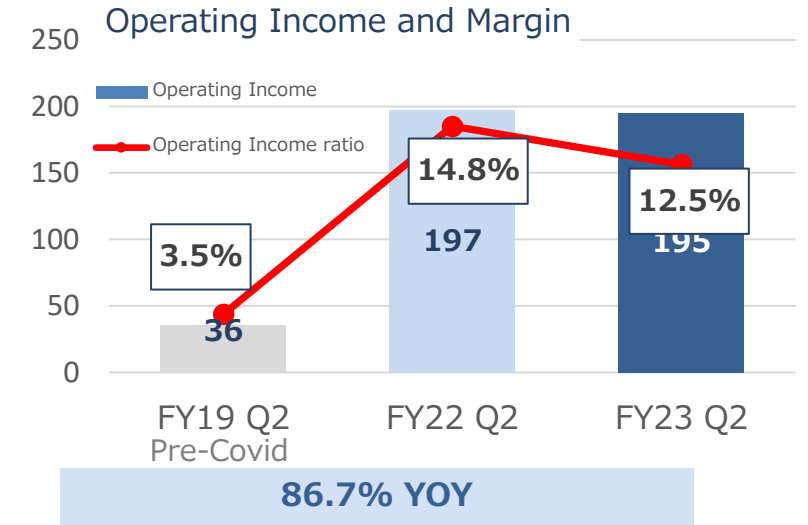
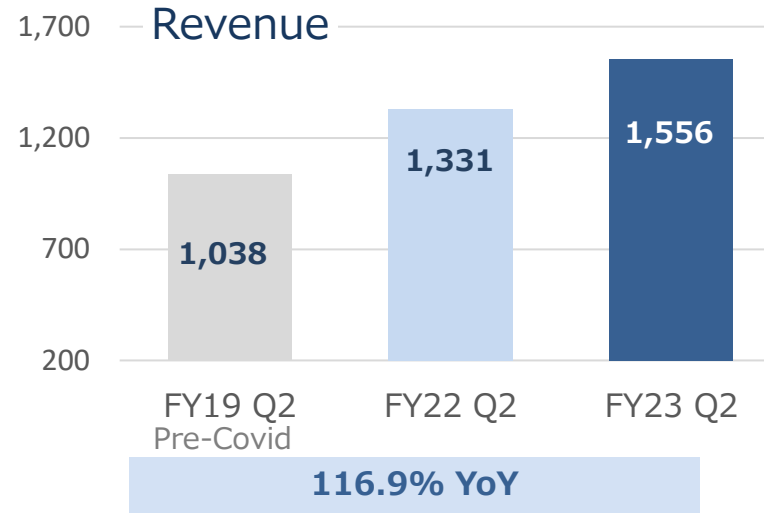
Collaboration Events  
IPPUDO AUSTRALIA



Workshops "Child Kitchen"  
IPPUDO SINGAPORE

## Production and Merchandise

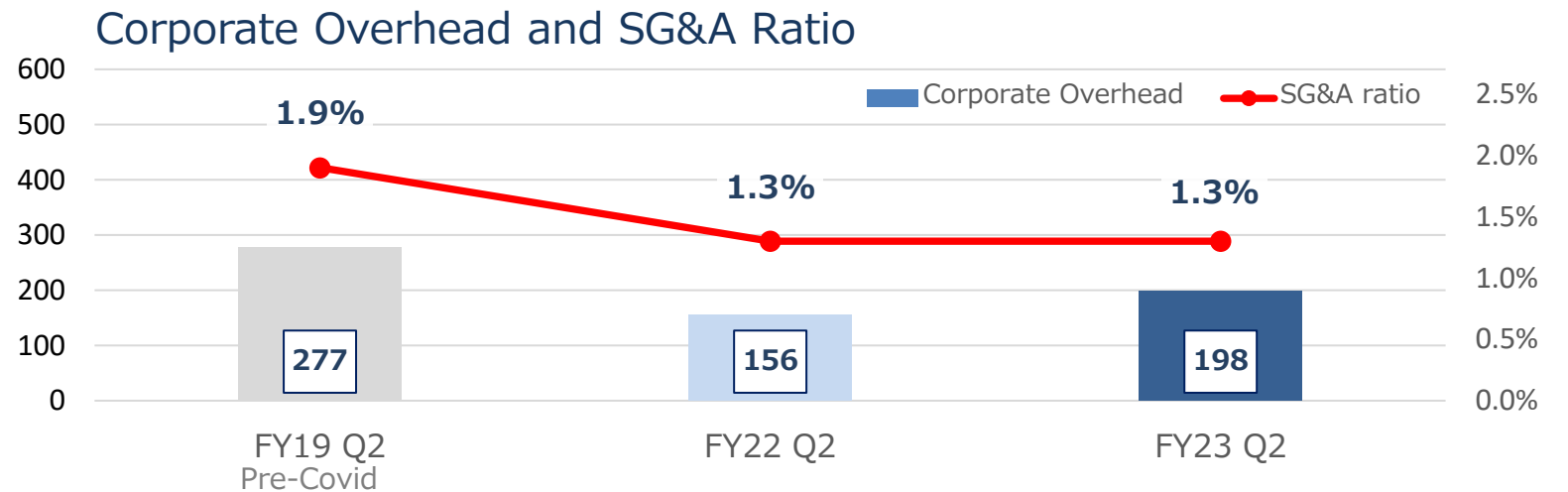
Revenue +16.9% YoY. E-Commerce site, IPPUDO branded products and exports are contributing. Cost ratio increased by 3.8%, branded due to Ippudo branded products' increase.



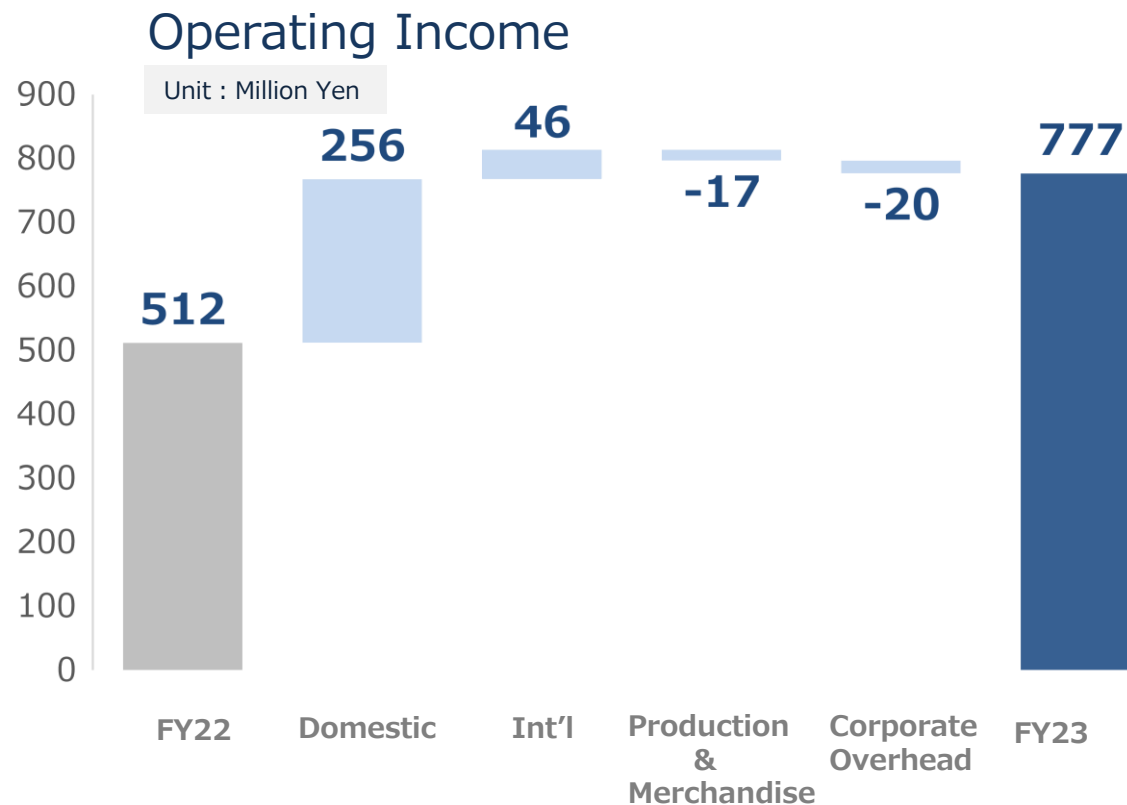
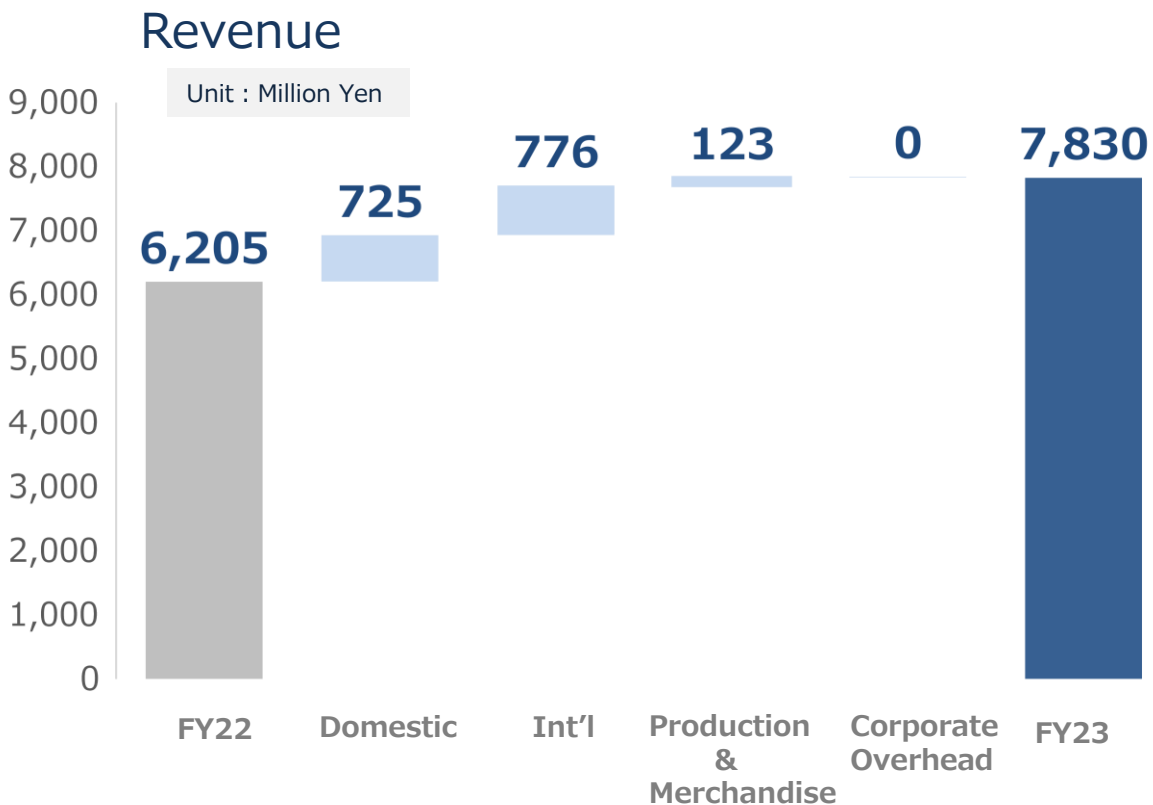
## Corporate Overhead

SG&A ratio maintained low level of 1.3%. Continue to invest in human capital, recruitment, education, overseas training, etc. to lay the foundation for the next stage of growth.

※SG&A ratio=Corporate Overhead/Consolidated Revenue



**In the main segments of domestic and international, both sales and operating income increased YoY.**



Segment operating margin

|      | Domestic | Int'l | Production & Merchandise | Others | Total |
|------|----------|-------|--------------------------|--------|-------|
| FY23 | 11.1%    | 10.8% | 13.4%                    | -      | 9.9%  |
| FY22 | 4.8%     | 12.2% | 18.1%                    | -      | 8.3%  |

# Consolidated Balance Sheet

Although cash and deposits decreased due to repayment of short-term loans and dividend payout, equity ratio improved to 50.1% with good results.

Unit : Million Yen

|                                       | Mar.<br>2023   | Sep.<br>2023   | GAP              |
|---------------------------------------|----------------|----------------|------------------|
| Current Assets<br>(Cash and Deposits) | 8,891<br>6,744 | 7,615<br>5,143 | -1,276<br>-1,601 |
| Property, Plant<br>and Equipment      | 5,488          | 5,900          | +412             |
| Intangible<br>Assets                  | 157            | 156            | -1               |
| Investments &<br>Others               | 2,940          | 2,971          | +31              |
| Non-Current<br>Assets                 | 8,586          | 9,028          | +442             |
| <b>Total Assets</b>                   | <b>17,477</b>  | <b>16,644</b>  | <b>-833</b>      |

|                                   |         |
|-----------------------------------|---------|
| ■ Assets                          |         |
| · Cash and deposits               | - 1,601 |
| · Tangible assets from new stores | + 410   |
| · Deferred tax assets             | - 88    |

|   | Mar.<br>2023            | Sep.<br>2023         | GAP                        |
|---|-------------------------|----------------------|----------------------------|
| Total Liabilities<br>(short-term loans)<br>(long-term loans ) | 9,837<br>2,500<br>2,918 | 8,304<br>40<br>3,426 | -1,533<br>- 2,460<br>+ 508 |
| Shareholders'<br>Equity                                       | 7,231                   | 7,673                | +442                       |
| Accumulated Other<br>Comprehensive<br>Income                  | 408                     | 666                  | +258                       |
| <b>Total Net Assets</b>                                       | <b>7,640</b>            | <b>8,339</b>         | <b>+699</b>                |
| <b>Total Liabilities and<br/>Net Assets</b>                   | <b>17,477</b>           | <b>16,644</b>        | <b>-833</b>                |

|                          |         |
|--------------------------|---------|
| ■ Liabilities            |         |
| · Interest bearing-loans | - 1,965 |

|                        |       |
|------------------------|-------|
| ■ Shareholders' Equity |       |
| · Capital              | + 15  |
| · Retained earnings    | + 581 |

※Equity Ratio 50.1% (43.7% as of end of March 2023)

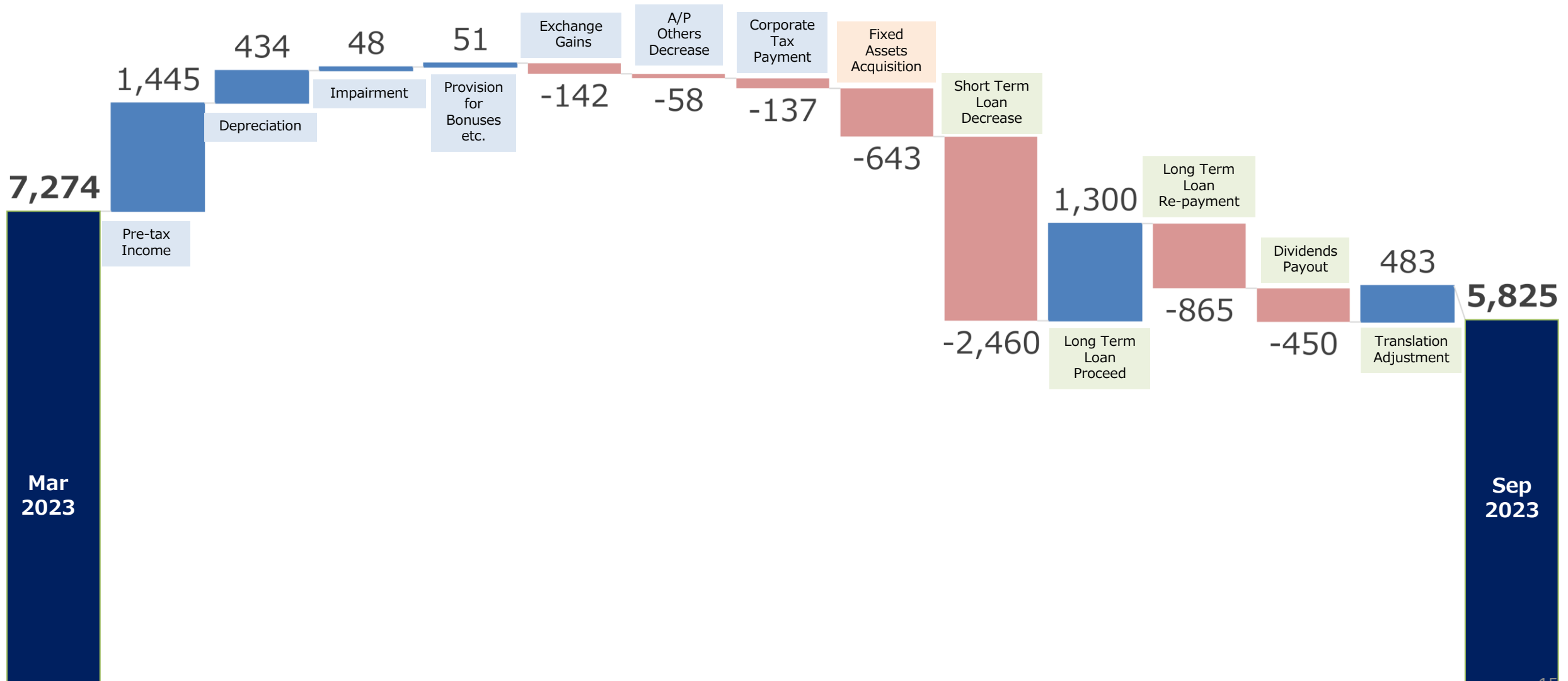
# Consolidated P&L

| Unit : Million Yen      | FY2023-24<br>Q2 Results | FY2023-24<br>Q2 Plan | FY2022-23<br>Q2 Results | FY2019-20<br>Q2 Results<br>(Pre-Covid) |
|-------------------------|-------------------------|----------------------|-------------------------|--|
| <b>Revenue</b>          | <b>14,879</b>           | <b>13,438</b>        | <b>11,691</b>           | <b>14,772</b>                          |
| Growth rate YoY         | +27.3%                  | -                    | -                       | -                                      |
| <b>Gross Profit</b>     | <b>10,523</b>           | <b>-</b>             | <b>8,257</b>            | <b>10,523</b>                          |
| SG&A Expenses           | <b>9,172</b>            | <b>-</b>             | <b>7,457</b>            | <b>10,073</b>                          |
| <b>Operating Income</b> | <b>1,350</b>            | <b>975</b>           | <b>799</b>              | <b>449</b>                             |
| Operating Margin        | 9.1%                    | 7.3%                 | 6.8%                    | 3.0%                                   |
| <b>Ordinary Income</b>  | <b>1,491</b>            | <b>988</b>           | <b>929</b>              | <b>399</b>                             |
| Ordinary Margin         | 10.0%                   | 7.4%                 | 8.0%                    | 2.7%                                   |
| <b>Pre-Tax Income</b>   | <b>1,445</b>            | <b>-</b>             | <b>944</b>              | <b>469</b>                             |
| <b>Net Income</b>       | <b>1,032</b>            | <b>735</b>           | <b>694</b>              | <b>386</b>                             |
| Net Income Margin       | 6.9%                    | 5.5%                 | 5.9%                    | 2.6%                                   |

# Consolidated Statement of Cash Flow

## Cash and Cash Equivalents -1,449

Unit: Million Yen



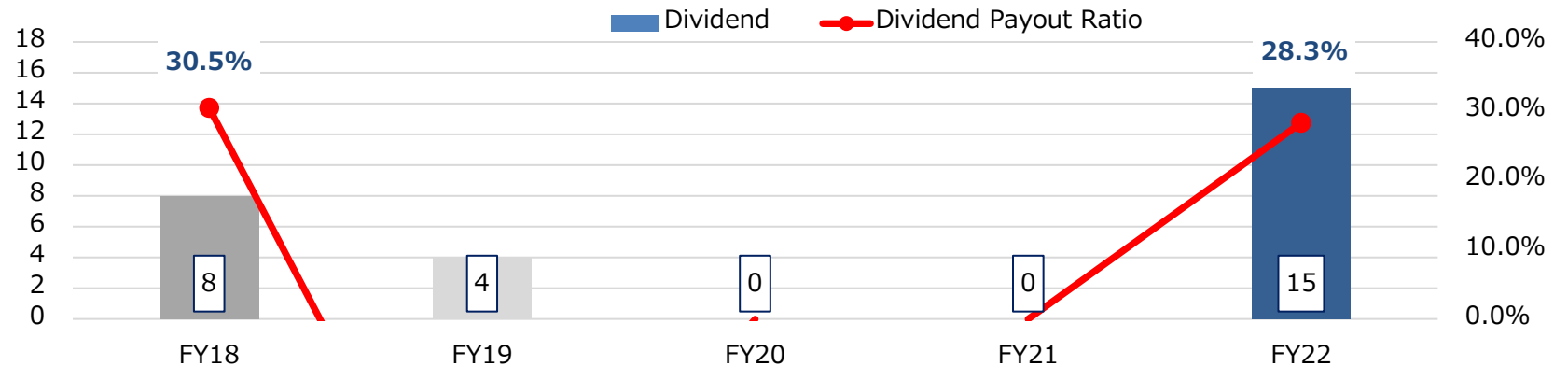


# Dividends Forecast

The interim dividend for the fiscal year ending March 2024 is 7 yen per share.  
The dividend forecast remains 7 yen at the end of the fiscal year and 14 yen for the year.

|                   | Q2       | Q4  | Total   |
|-------------------|----------|---|---|
| FY2023-24 Results | 7.00 yen | —   | —   |
| FY2023-24 Plan    | 7.00 yen | 7.00 yen  | 14.00 yen   |
| FY2022-23 Results | —        | 15.00 yen<br>(Ordinary:10.00 yen)<br>(Special : 5.00 yen) | 15.00 yen<br>(Ordinary:10.00 yen)<br>(Special : 5.00 yen) |

## Dividend Trends



# New Stores (Jul-Sep)

Domestic: IPPUDO 3, International: IPPUDO 5



**IPPUDO**  
Youme Town Iizuka



**IPPUDO**  
Okegawa



**IPPUDO**  
Aeon Town Matsubara



**IPPUDO INDONESIA**  
Pakuwon Mall Surabaya



**IPPUDO PARIS**  
Bastille



**IPPUDO Taiwan**  
Tainannanbo



**IPPUDO CHINA**  
Hainan Sanya CDF Mall



**IPPUDO PHILIPPINES**  
Kiwami Alabang Town Center

**279** Stores in **15** countries and regions  
 (+6 since the end of previous FY)

|               | Owned      | Licensed  | Total      |
|---------------|------------|-----------|------------|
| Domestic      | 119        | 23        | <b>142</b> |
| International | 68         | 69        | <b>137</b> |
| <b>Total</b>  | <b>187</b> | <b>93</b> | <b>279</b> |

## Europe (9)

|        |   |
|--------|---|
| UK     | 4 |
| France | 5 |

London  
Paris

## Japan (142)

|                           |            |
|---------------------------|------------|
| IPPUDO                    | 111        |
| RAMEN EXPRESS             | 20         |
| Inaba Udon                | 7          |
| Others                    | 4          |
| <b>Sub-total Domestic</b> | <b>142</b> |
| Including licensees       | 23         |

Tokyo  
Fukuoka

## North America (11)

|       |    |
|-------|----|
| U.S.A | 11 |
|-------|----|

San Francisco  
Los Angeles  
New York

## Asia (103)

|                           |    |
|---------------------------|----|
| Singapore                 | 13 |
| Malaysia <License>        | 11 |
| Thailand <License>        | 21 |
| Philippines <License>     | 11 |
| Indonesia                 | 9  |
| China/Hong Kong <License> | 18 |
| Taiwan                    | 17 |
| Myanmar <License>         | 2  |
| Vietnam <License>         | 1  |

CHINA (MAINLAND)  
HONG KONG  
MYANMAR  
THAILAND  
SINGAPORE  
INDONESIA  
MALAYSIA  
PHILIPPINES  
VIETNAM  
TAIWAN

## Oceania (14)

|                       |    |
|-----------------------|----|
| Australia             | 12 |
| <including licensees> |    |
| New Zealand           | 2  |
| <License>             |    |

Perth  
Melbourne  
Sydney  
NEW ZEALAND



報道関係者各位

「一風堂」および各ブランドにおける価格改定のお知らせ  
7月1日(土)より、各種ラーメン及びラーメン定食、トッピング価格等を10~40円変更します

## Price Revisions

Full-scale menu price revisions were implemented on July 1st amid rising raw materials, logistics and labor costs in order to keep our products and service quality unchanged.



## Events

Plant-based "Green Curry Ramen" was launched in tourism event "WELCOME Back to FUKUOKA", was held during the World Aquatics Championships.



## Products

Store's limited edition "Futo Tsukemen" a summer regular menu item, launched on June 20 for a limited time only.

## e-Commerce site (Domestic)

Sales of Soba, Ramen, and Udon.

■ e-Commerce site  
<https://mensmarket.jp/index.html>



創業1949年  
渡辺製麺  
夏の爽やかさをお届けします。  
**青しそそば**  
【夏季限定】



**博多うどん**  
博多うどんを  
ご家庭で。  
手間取った素材をご家庭でもお楽しみください。

## Convenience stores/Mass retailers (Domestic)

Selling products that meet a wide range of customer needs at convenience stores, airports, mass retailers, etc.



## Mass retailers (International)

Dry-noodle type ramen successfully launched





## Food Waste Reduction

Craft beer "KAEDAMA ALE" made from noodle scraps, was launched in limited stores on August 29<sup>th</sup>, reducing wastes by using ingredients just before disposal.



## Products

Plant-based ramen was served at "GOOD LIFE Fair 2023", which is one of the largest sustainable lifestyle events in Japan, during September 1<sup>st</sup>-3<sup>rd</sup>.



## Workshops

Workshops to convey the joy of making your own, the importance of the meal, and the importance of having dreams have resumed in domestic as well as overseas.

[Chikaranomoto Group initiatives](#)

# Topics from October

To commemorate the 38th anniversary of the founding, the flagship products have been significantly renewed.

In addition, to coincide with World Food Day on October 16<sup>th</sup>, our fundraising campaign "Kaedama donation" was launched. The sales proceeds of "Kaedama(Additional noodles)" during the period will be used for future workshops activities.



# FY2023-24 Revised Financial Plan

# 2





Projection for FY22-23 revised upward. Revenue and income are expected to steadily grow domestically and internationally thanks to various measures despite uncertainty factors such as pandemic, foreign exchange fluctuations, material and utility costs.

| Currency | Budgeted Rates |
|----------|----------------|
| USD      | 149.58         |
| EUR      | 159.84         |
| GBP      | 185.95         |
| SGD      | 108.38         |
| AUD      | 94.78          |

Unit : Million Yen

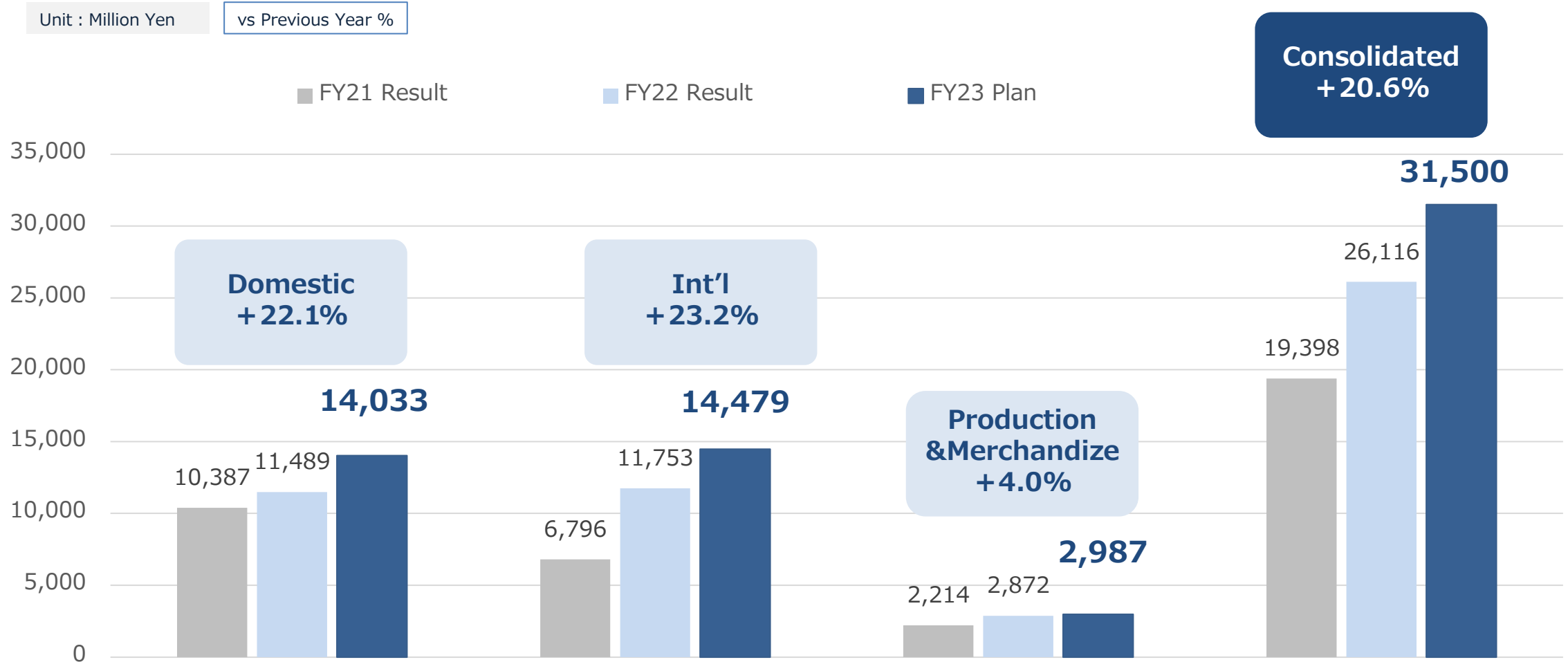
|   | FY2022-23<br>Result | FY2023-24<br>Initial Plan | FY2023-24<br>Revised Plan | vs Previous Year |        | vs Initial Plan |                | Progress ratio                 |                                   |
|---|---------------------|---------------------------|---------------------------|------------------|--------|-----------------|----------------|--------------------------------|-----------------------------------|
|   |                     |                           |                           | Gap              | %      | Results         | Progress ratio | Pre COVID<br>3-year<br>average | Current year<br>(vs revised plan) |
| Revenue                                       | 26,116              | 28,361                    | 31,500                    | 5,383            | +20.6% | +3,138          | +11.0%         | 48.9%                          | 47.2%                             |
| Operating Income                              | 2,281               | 2,540                     | 3,100                     | 818              | +35.9% | +559            | +22.0%         | 48.7%                          | 43.6%                             |
| Ordinary Income                               | 2,321               | 2,564                     | 3,250                     | 928              | +40.0% | +685            | +26.7%         | 51.8%                          | 45.9%                             |
| Net Income<br>Attributable to<br>Shareholders | 1,628               | 1,821                     | 2,250                     | 621              | +38.2% | +428            | +23.5%         | 59.8%                          | 45.9%                             |

# FY2023-2024 Revised Financial Plan: Revenue

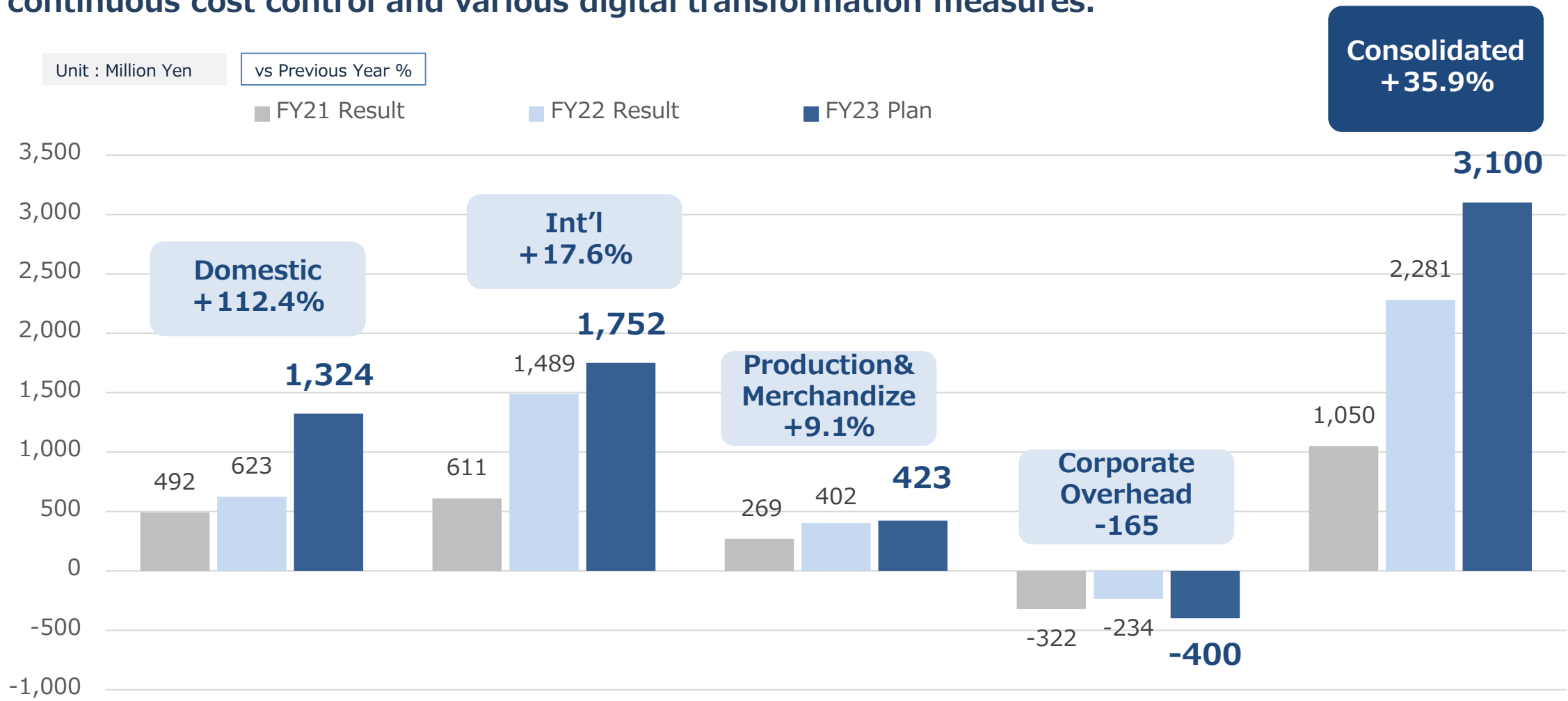
Revised upward



Both domestically and internationally, mild growth of existing stores and sales increase of new stores will be expected. Especially, opening new international stores will be accelerated. Production and Merchandise will see 20.6% revenue increase expanding IPPUDO related products.



Although both at home and abroad, cost-increase risks such as raw materials and energy costs affected by foreign exchange fluctuations and geopolitical risks are foreseen, profits will be increased by continuous cost control and various digital transformation measures.

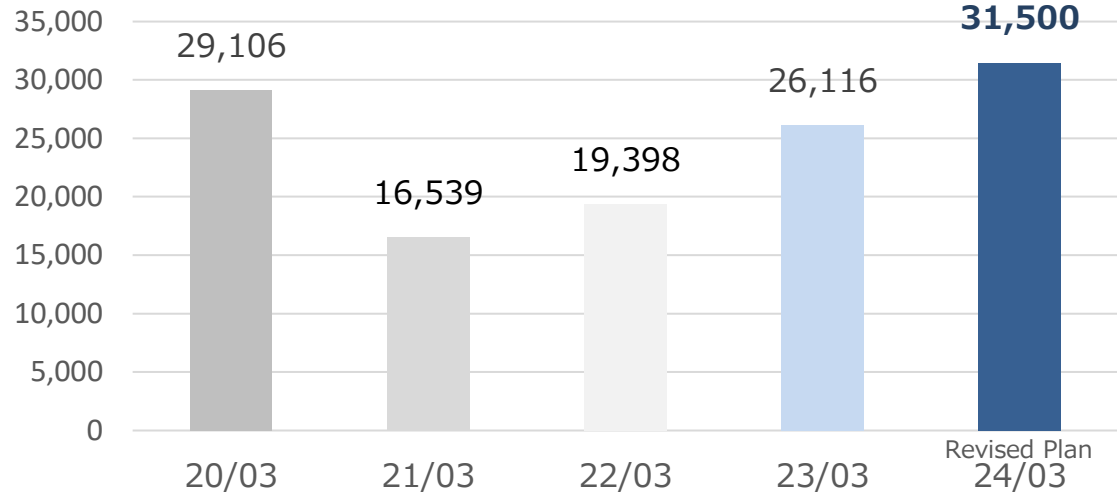


# Major Financial Indicators

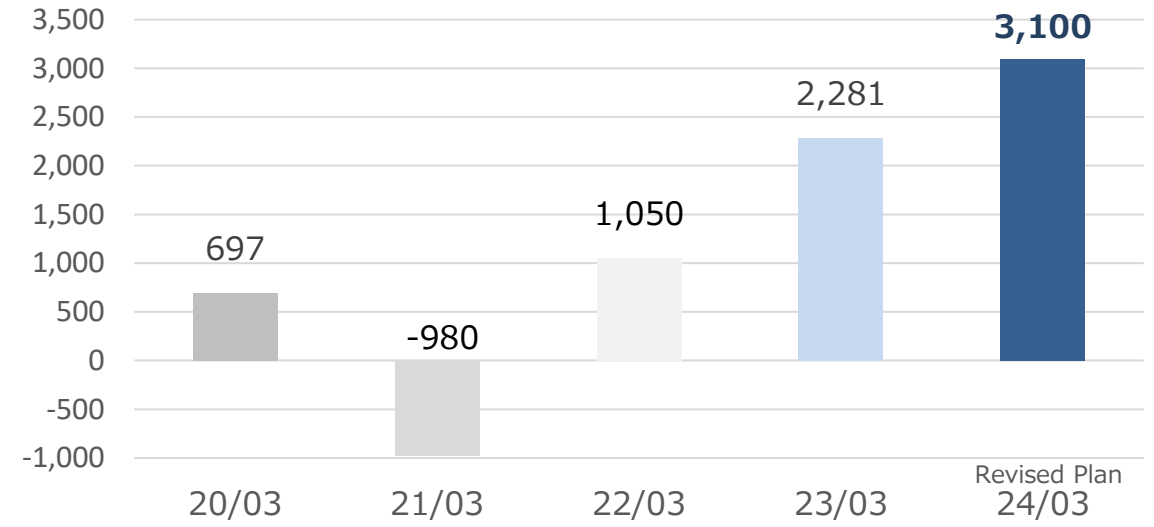
Revised  
upward



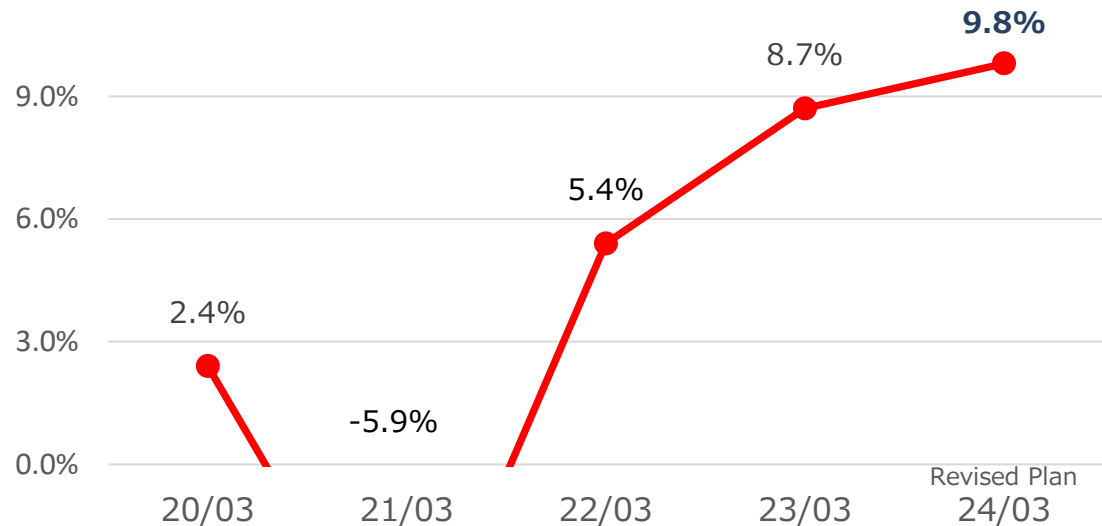
## Revenue



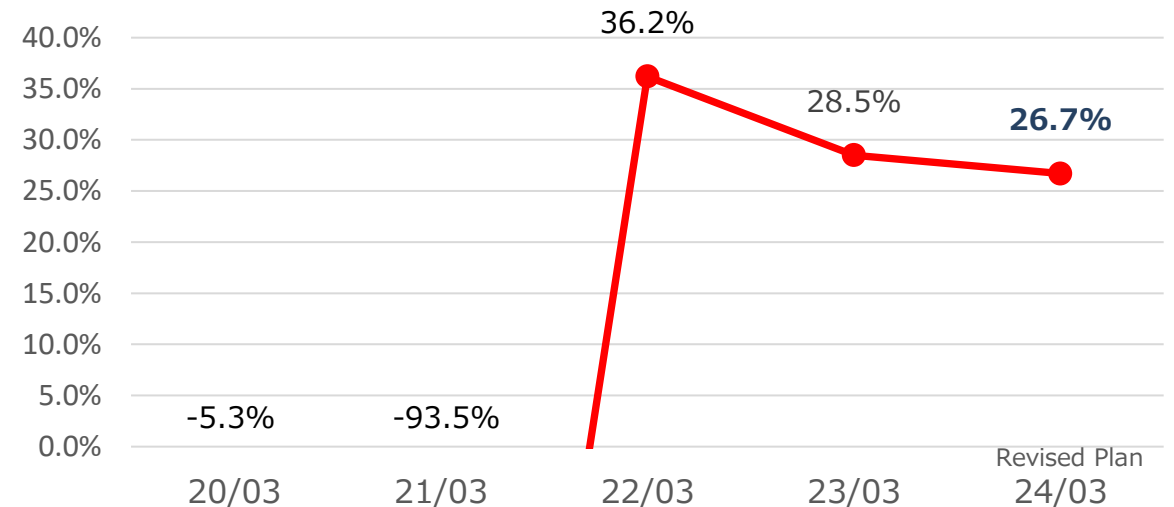
## Operating Income



## Operating Income Ratio



## ROE

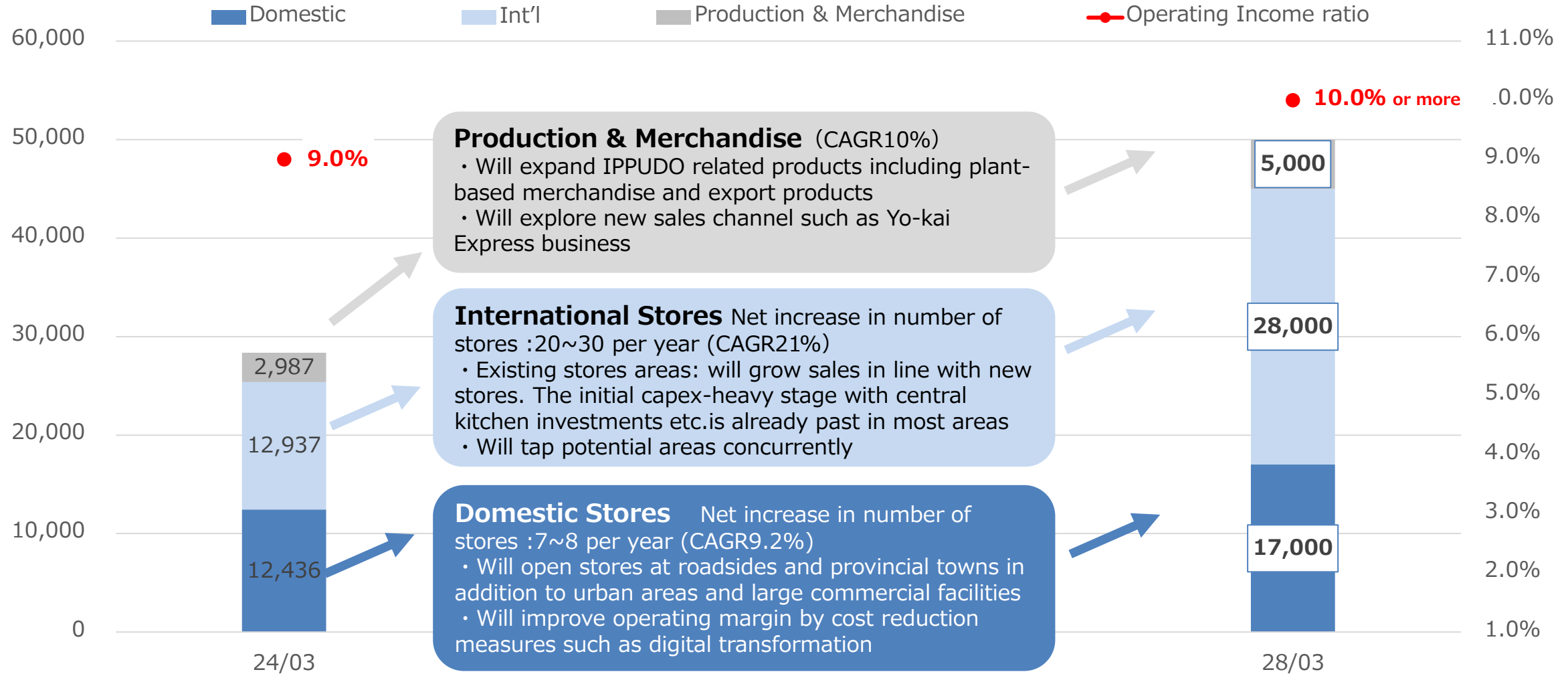


# FY2027-28 Vision

# 3

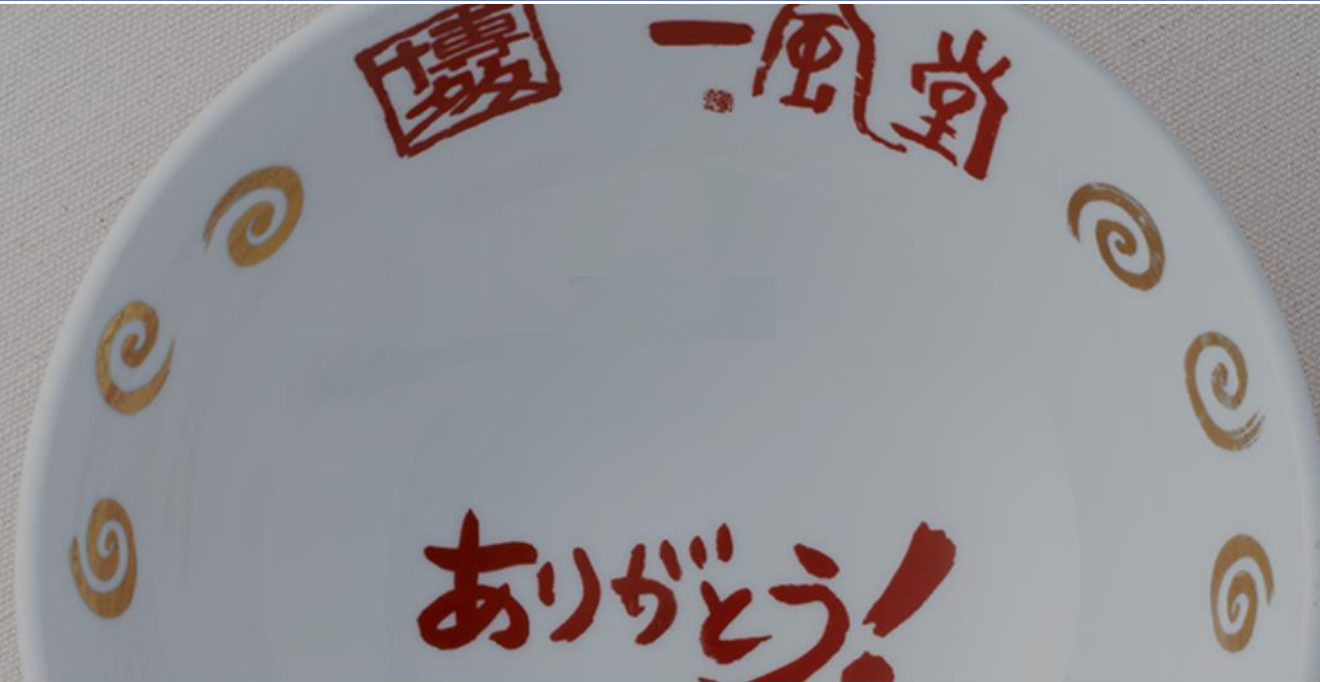
Unit : Million Yen

## Revenue 50 billion / Operating Profit 5 billion or more



Recruit and develop global human resources/Promote digital transformation at stores and offices/Build global supply chain managements/ Infiltrate management philosophy/Strengthen the financial basis

# Appendix 4



We will continuously create new values through food,  
and communicate those values to the world  
with “Smile” and “Arigatou”.

**Keep changing to remain unchanged.**



## Chikaranomoto Holdings Co., Ltd. (Ticker#:3561)

- Address Daimyo 1-13-14, Chuo-ku, Fukuoka City, Fukuoka, Japan
- Date of Establishment 30<sup>th</sup> October 1986
- Capital Stock JPY 3,125,380,000 (Number of issued shares: 30,134,400 shares)
- Fiscal Term End of March
- Number of Employees 23 (consolidated: 521) ※Permanent employees only
- List of Directors

Chairman and Founder  
President & CEO  
Senior Managing Director  
Director (Audit Committee)  
Director (Audit Committee, Independent)  
Director (Audit Committee, Independent)

Mr. Shigemi Kawahara  
Mr. Tomoyuki Yamane  
Mr. Toru Nakao  
Mr. Akihiro Saito  
Mr. Tetsuya Tsuji  
Mr. Shinji Tanabe

As of 30<sup>st</sup> September 2023



## KIWAMI SHIROMARU CLASSIC

IPPUDO original bowl.

Carrying the tradition all the way from the founding days, the original flavors are at the core of IPPUDO.

Smooth and silky tonkotsu soup match perfectly with the ultra-thin noodles typical of Hakata ramen.

## KIWAMI AKAMARU MODERN

IPPUDO modernized, deeper flavors of tonkotsu.

Depth and flavors of the soup until the last drop, with rich soy sauce, garlic flavored oil and special spicy miso.

Soft pork belly chashu melts in your mouth to your complete satisfaction.



## KIWAMI KARAKA

A bowl of stimulation, full of spiciness.

When slurping the noodles, a combination of umami of tonkotsu soup and spiciness explode in your mouth.

Also enjoy the toppings of mizuna leaves, niku (meat) miso and white onions.

# Our Milestones

Spreading 'Smile' and 'Arigatou' through  
Bowls of Ramen.



1979.11

Mr. Shigemi Kawahara started the bar "After the Rain" in Fukuoka

1985.10.16

**IPPUDO Daimyo: The first Ippudo restaurant in Fukuoka.**

1994.3

IPPUDO in Ramen Museum in Yokohama

1995.4

IPPUDO Ebisu: the first store in Tokyo

1997.1

Mr. Shigemi Karahara won championship 3 times consecutively in TV show by TV Tokyo "TV Champion Ramen Chef"

2008.3

IPPUDO New York: the first store overseas

2009.5

IPPUDO Singapore: the first store in Asia

2014.10

IPPUDO London: the first store in Europe

2015.10

30<sup>th</sup> anniversary event

2016.2

IPPUDO Paris:  
the first store in France

2017.3

Listed on Tokyo Stock Exchange  
Mothers Index

2018.3

**Listed on Tokyo Stock Exchange First Section**

2018.11

100<sup>th</sup> store overseas

2019.10

Global Leadership  
Conference

2022.4

Listed on Tokyo Stock  
Exchange Prime Market



This material is published solely for information purpose, and is not to be construed as an offer to sell or the solicitation of an offer to buy any security.

Any information expressed herein on this date is subject to change without notice. Without the written consent of Chikaranomoto Holdings Co., Ltd., information in this material shall not be disclosed to a third party for any purpose.

Certain statements in this material are forward-looking statements, including but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Chikaranomoto Holdings Co., Ltd..

Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results to differ materially from those expressed in the statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. The Company disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.

