



## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	7.00	7.00
Fiscal year ending March 31, 2024	-	0.00	-		
Fiscal year ending March 31, 2024 (Forecast)				5.00	5.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	28,000	5.9	1,250	37.3	1,300	(17.4)	900	1.5	29.84

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

#### (1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

#### (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

#### (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

#### (4) Total number of issued shares (common shares)

##### 1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 30,301,784 shares

March 31, 2023: 30,301,784 shares

##### 2) Number of treasury shares at the end of the period:

December 31, 2023: 17,967 shares

March 31, 2023: 17,762 shares

##### 3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 30,167,031 shares

Nine months ended December 31, 2022: 30,153,391 shares

(Note) The Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) related to the "Board Benefit Trust (BBT)" plan are included in the treasury shares to be deducted in calculating the average number of shares during the period, but not included in the total number of treasury shares at the end of the period above.

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Financial results forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual performance and other results may be significantly different from the forecasts due to various factors. For details on the assumptions for financial results forecasts and notes on the use of financial results forecasts, etc., please refer to “1. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 4 of the attachments of this quarterly financial results report.

Table of Contents – Attachments

1. Qualitative Information on Quarterly Financial Results .....	2
(1) Explanation of Operating Results .....	2
(2) Explanation of Financial Position .....	3
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information.....	4
2. Quarterly Consolidated Financial Statements and Principal Notes .....	5
(1) Quarterly Consolidated Balance Sheets .....	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income .....	7
(3) Notes to Quarterly Consolidated Financial Statements .....	9
(Notes on going concern assumption) .....	9
(Notes in case of significant changes in shareholders' equity) .....	9

## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

During the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023), the Japanese economy showed signs of improvement in consumer confidence and people's traffic, mainly as a result of the reclassification of COVID-19's category to Class 5 under the Infectious Diseases Control Act, which removed the legal requirement to refrain from leaving the house, as well as the measures to economic promotion activities by the governments and an increase in the number of foreign tourists visiting Japan.

On the other hand, the outlook of the Japanese economy remained uncertain, mainly due to the unstable international situation, as well as rising prices of supplies resulting from the continuous depreciation of the yen in the exchange market and an increase in labor costs primarily caused by the staff shortage.

In the food service industry, in line with the reclassification of COVID-19's category to Class 5 under the Infectious Diseases Control Act, we saw an improvement in customer gathering, mainly due to the increased domestic consumption and a rising demand for food services as a result of the resumption of various events for the first time since the pre-COVID-19 pandemic and increased occasions of going out, as well as an expansion of inbound consumption.

Meanwhile, in the same as economic trends, the business environment remained challenging, with rising costs, including food supplies, labor, utilities, and logistics, as well as difficult conditions in recruitment, which have become noticeable since the COVID-19 pandemic.

Under these circumstances, the Group is implementing the Medium-term Management Plan 2023-2025, "Together". In accordance with the Plan, we are striving to improve our basic value of "deliciousness and hospitality" and to "pursue to provide values by food" aiming for good health both in "mind and body" under the theme of pursuing "sustainability" and realizing "regrowth". In addition, we will endeavor to achieve the "material and spiritual richness" of our human resources, our greatest management resource, and support employees so that they can feel both "worth living" and "rewarding" in their works. In this way, we will remain committed to improve the value we provide to our customers and our corporate value.

### (Overview of business segments)

#### 1) Sagami

Sagami held a "Cooking Fair" six times as sales promotion measures in all restaurants. In addition, we carried out "Golden Week Coupon Distribution" promotion and "Distribution of Advertising Inserts of New Menu" each once in April, "Father's Day" promotion once in June to promote items using eel, "Summer Gratitude Fair" once in July, "Silver Week Coupon Distribution" promotion and "Respect for the Aged Day Fair" each once in September, "Winter Gratitude Fair" once in November, and "Year-End and New Year Discount Coupon Distribution" promotion once in December. Additionally, we broadcasted television advertisements for "Summer Gratitude Fair" in July, for "Hokkaido Taste Tour Menu" in August, for "Winter Gratitude Fair" in November, and for "Year-End and New Year Menu" in December. As the local sales promotions limited to some areas, we conducted "Senkyowari (Election Day Discount)" campaign in April and "Invitation to Misono-za" project in July. During the year-end season in December, we carried out "All-you-can-eat Soba" promotion and "Toshikoshi Soba (soba noodles eaten at night on New Year's Eve)" promotion as seasonal projects.

As a result of these measures, the number of customers at existing restaurants increased by 9.2% year on year, the average spending per customer increased by 3.4% year on year, and sales from existing restaurants increased by 13.0% year on year.

As for restaurants, the Company opened "Sagami Kawana Restaurant" (in May), "Sagami Anjo Sakurai Restaurant" (in July), "Sagami Togo Restaurant" (in September), "Sagami Tokoname Restaurant" (in October), "Sagami Tsushima Umeda Restaurant" (in October), and "Sagami Gifu Motosu Restaurant" (in December). On the other hand, the Company closed "Sagami Koshigayaminami Restaurant" (in July) and "Sagami Shimizu Restaurant" (in November).

The number of Sagami restaurants was 137 at the end of the third quarter of the fiscal year under review.

## 2) Ajino-Mingei

Ajino-Mingei held a “Cooking Fair” six times as a sales promotion project for all restaurants. In addition, we offered “Mother’s Day Set Meal” menu in May, held “Father’s Day Fair” in June, “All-you-can-eat Tenobe Udon (hand-stretched udon noodles)” promotion for six days in total in June and July, “Summer Delicacy Fair”, in which Tebasaki (chicken wing-tip) foods and alcoholic beverages were sold at a reasonable price, in July, “Respect for the Aged Day Fair” in September, “Autumn Delicacy Fair” in October, and “Japanese Food Day Fair” in November, and distributed promoting inserts of seasonal menus (Toshikoshi Soba and banquet) in December, each once, respectively.

Furthermore, we participated in the “Eat and support! Seafood Campaign” in November, targeting 18 Ajino-Mingei restaurants in Tokyo.

As for restaurants, the Company closed “Ajino-Mingei Higashiyamato Restaurant” (in June).

The number of Ajino-Mingei restaurants, including franchise restaurants, was 50 at the end of the third quarter of the fiscal year under review.

## 3) Don Don An

Don Don An held a “Cooking Fair” nine times as a sales promotion project for all restaurants. In addition, we held “Don Don Festival Fair” in April and conducted “Go! Don Don An Campaign” in November.

As for restaurants, the Company closed “Don Don An Meiekinishi Restaurant” (in October), with the conversion of the type of business operation.

The number of Don Don An restaurants, including franchise restaurants, was 31 at the end of the third quarter of the fiscal year under review.

## 4) Other Restaurants

In the Other Restaurants segment, Aiso-Ya held a “Cooking Fair” six times. Large-sized, self-service-type Udon noodles restaurant “Seimen-Daigaku” held a “Cooking Fair” nine times. Self-service-type Juwari Soba noodles restaurant “Chosuke” held a “Cooking Fair” at “Kakiage Juwari Soba Chosuke” eight times and at “Juwari Soba Second Generation Chosuke” seven times. In addition, we carried out “All-you-can-eat Juwari Soba” promotion at “Juwari Soba Second Generation Chosuke Noda Store” seven times.

As for restaurants in Japan, the Company opened “SUIZAN Shinjuku Kinokuniya Restaurant” (in October), “JINJIN Shinjuku Kinokuniya Restaurant” (in October), and “Kakiage Juwari Soba Chosuke Meiekinishi Restaurant” (in December). On the other hand, the Company closed “Dela PASTA Kitchen Toki Restaurant” (in August). We closed “Aiso-Ya Togo Restaurant” (in August) and “Aiso-Ya Tsushima Restaurant” (in October) as well, with the conversion of the type of business operation.

As for restaurants overseas, the Company opened “SAGAMI Verona” (in August) as a franchise restaurant in Verona, Italy.

The number of restaurants, including franchise restaurants, was 25 in Japan and 10 overseas, for a total of 35 restaurants at the end of the third quarter of the fiscal year under review.

As a result, for the nine months ended December 31, 2023, net sales were ¥22,943 million, operating profit was ¥1,486 million, ordinary profit was ¥1,546 million, and profit attributable to owners of parent was ¥1,055 million. In addition, the number of group restaurants was 253 at the end of the third quarter of the fiscal year under review.

\* In the nine months ended December 31 2022 (from April 1, 2022 to December 31, 2022), we posted the subsidy for cooperation to prevent the spread of COVID-19 of ¥566 million as “subsidy income” under non-operating income.

## (2) Explanation of Financial Position

The total assets at the end of the third quarter of the fiscal year under review were ¥24,765 million, an increase of ¥608 million from the end of the previous fiscal year. Current assets decreased by ¥325 million from the end of the previous fiscal year to ¥12,143 million, while non-current assets increased by ¥933 million to ¥12,621 million. Current liabilities increased by ¥208 million from the end of the previous fiscal year to ¥4,909 million,

while non-current liabilities decreased by ¥539 million to ¥2,979 million. Net assets increased by ¥939 million from the end of the previous fiscal year to ¥16,875 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

No revisions have been made to the consolidated financial results forecasts for the fiscal year ending March 31, 2024, from the forecasts which were announced on November 6, 2023.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	10,725,470	9,924,937
Accounts receivable - trade	693,270	971,265
Merchandise and finished goods	148,159	191,090
Raw materials and supplies	401,068	625,788
Other	501,235	430,629
Total current assets	12,469,205	12,143,711
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,138,535	2,687,968
Machinery, equipment and vehicles, net	382,679	503,044
Land	6,442,133	6,442,133
Other, net	251,124	573,352
Total property, plant and equipment	9,214,472	10,206,499
Intangible assets		
Other	94,603	96,616
Total intangible assets	94,603	96,616
Investments and other assets		
Investment securities	712,077	771,727
Long-term loans receivable	43,017	39,696
Guarantee deposits	1,414,253	1,372,052
Deferred tax assets	129,853	90,266
Other	79,284	44,504
Total investments and other assets	2,378,485	2,318,245
Total non-current assets	11,687,561	12,621,361
Total assets	24,156,766	24,765,072

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	772,579	992,910
Current portion of long-term borrowings	1,160,629	972,296
Accounts payable - other	1,841,692	2,037,878
Income taxes payable	124,524	195,723
Contract liabilities	98,248	70,386
Provision for bonuses	246,107	97,478
Provision for loss on store closings	10,711	-
Other	445,971	542,657
<b>Total current liabilities</b>	<b>4,700,464</b>	<b>4,909,330</b>
Non-current liabilities		
Long-term borrowings	2,681,188	2,138,472
Long-term accounts payable - other	165,952	163,650
Provision for share awards	84,511	87,283
Asset retirement obligations	477,123	481,919
Long-term guarantee deposits	69,129	70,272
Other	41,835	38,335
<b>Total non-current liabilities</b>	<b>3,519,739</b>	<b>2,979,933</b>
<b>Total liabilities</b>	<b>8,220,204</b>	<b>7,889,263</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,090,653	9,090,653
Capital surplus	6,192,923	6,192,923
Retained earnings	633,337	1,476,698
Treasury shares	(184,531)	(147,911)
<b>Total shareholders' equity</b>	<b>15,732,382</b>	<b>16,612,363</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	204,695	263,734
Foreign currency translation adjustment	(515)	(288)
<b>Total accumulated other comprehensive income</b>	<b>204,179</b>	<b>263,445</b>
<b>Total net assets</b>	<b>15,936,562</b>	<b>16,875,809</b>
<b>Total liabilities and net assets</b>	<b>24,156,766</b>	<b>24,765,072</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	19,684,427	22,943,513
Cost of sales	6,287,987	7,493,178
Gross profit	13,396,440	15,450,334
Selling, general and administrative expenses	12,468,665	13,963,526
Operating profit	927,774	1,486,808
Non-operating income		
Interest income	511	1,184
Dividend income	26,066	24,822
Foreign exchange gains	47,714	7,394
Insurance claim income	19,670	1,963
Subsidy income	566,950	-
Miscellaneous income	20,495	32,948
Total non-operating income	681,408	68,313
Non-operating expenses		
Interest expenses	4,883	4,336
Loss on cancellation of insurance policies	-	4,014
Miscellaneous losses	152	359
Total non-operating expenses	5,036	8,710
Ordinary profit	1,604,146	1,546,411
Extraordinary income		
Gain on sale of investment securities	-	2,433
Total extraordinary income	-	2,433
Extraordinary losses		
Loss on retirement of non-current assets	719	2,735
Impairment losses	143,757	179,047
Loss on liquidation of subsidiaries and associates	18,296	-
Loss on sale of investment securities	-	1,201
Loss on midterm cancellation of contracts	35,168	-
Total extraordinary losses	197,942	182,984
Profit before income taxes	1,406,204	1,365,860
Income taxes - current	225,409	282,966
Income taxes - deferred	9,229	27,544
Total income taxes	234,638	310,510
Profit	1,171,565	1,055,349
Profit attributable to owners of parent	1,171,565	1,055,349

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousands of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	1,171,565	1,055,349
Other comprehensive income		
Valuation difference on available-for-sale securities	167,598	59,038
Foreign currency translation adjustment	3,253	227
Total other comprehensive income	170,852	59,265
Comprehensive income	1,342,418	1,114,615
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,342,534	1,114,615
Comprehensive income attributable to non-controlling interests	(115)	-

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.