

Summary of Business Results for the Third Quarter Ending November 30, 2023 [IFRS] (Consolidated)

January 12, 2024

Company **create restaurants holdings inc.** Listed on the TSE
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 Expected date of filing of quarterly report: January 15, 2024 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: Yes
 Quarterly results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the nine months ending November 2023 (March 1, 2023 through November 30, 2023)

(1) Consolidated results of operations (Cumulative)

(% change from the previous corresponding period)

	Revenue		Operating profit		Profit before taxes		Profit for the period		Profit attributable to owners of parent		Total comprehensive profit for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ending Nov. 2023	108,448	29.1	5,763	1.4	5,379	-0.8	4,199	-0.1	3,901	3.0	4,713	-14.3
Nine months ending Nov. 2022	84,022	50.8	5,681	-51.5	5,421	-52.7	4,204	-49.9	3,786	-49.2	5,502	-37.5

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Nine months ending Nov. 2023	18.55	-	-	-
Nine months ending Nov. 2022	18.01	-	-	-

(Reference) Adjusted EBITDA: Nine months ending Nov. 2023: 19,229 million yen (3.7%)

Nine months ending Nov. 2022: 18,545 million yen (-23.4%)

(Note 1) "Basic earnings per share" are calculated based on "Profit attributable to owners of parent".

(Note 2) "Diluted earnings per share" are not presented because there are no dilutive securities.

(Note 3) Adjusted EBITDA is disclosed as useful comparative information on the business performance of the Group. For definitions and calculation methods of adjusted EBITDA, please refer to "1. Qualitative information on Results for the Current Quarter

(1) Qualitative information on the consolidated financial results" on page 2 of the attached document.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	Million yen	Million yen	Million yen	%
As of Nov. 2023	131,371	37,746	34,596	26.3
As of Feb. 2023	133,555	34,443	29,606	22.2

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ending Feb. 2023	-	3.00	-	3.00	6.00
Year ending Feb. 2024	-	3.50	-	-	-
Year ending Feb. 2024 (forecast)	-	-	-	3.50	7.00

(Note) Revisions to dividend forecast for the current quarter: None

**3. Forecast of consolidated business results for the fiscal year ending February 2024
(March 1, 2023 through February 29, 2024)**

(% change from the previous corresponding period)

	Revenue		Operating profit		Profit before taxes		Profit for the year		Profit attributable to owners of parent		Basic profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending Feb. 2024	143,000	20.9	7,400	45.6	6,900	51.1	5,500	41.8	5,000	47.7	23.78

(Note) Revisions to business forecast for the current quarter: None

(Reference) Adjusted EBITDA: Year ending February 2024 (Forecast): 24,700 million yen (4.4%)

***Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

(2) Changes in accounting policies and estimates

- ① Changes in accounting policies required under IFRS : Yes
- ② Changes in accounting policies due to reasons other than ① : None
- ③ Changes in accounting estimates : None

(3) Number of shares outstanding (common stock)

① Number of shares outstanding at the end of period (including treasury stock)

As of November 2023 212,814,284 shares

As of February 2023 212,814,284 shares

② Treasury stock at the end of period

As of November 2023 2,492,751 shares

As of February 2023 2,607,751 shares

③ Average number of stock during period (quarterly cumulative period)

Nine months ending November 2023 210,274,656 shares

Nine months ending November 2022 210,177,625 shares

(Note) Treasury stocks to be deducted for the calculation of the number of treasury stocks at the end of the period and the average number of stocks during the period (quarterly cumulative period) include the Company's shares held by the Custody Bank of Japan, Ltd. (trust account) as a trust asset related to the Employee Incentive Plan "Trust-type ESOP for Employees".

***Quarterly financial summary is not subject to the quarterly review procedures by certified public accountants or auditing firms.**

***Explanation regarding appropriate use of business forecasts and other special instructions**

(1) Our Group adopts International Financial Reporting Standards ("IFRS").

(2) Forecasts regarding future performance in this material are based on information currently available to the Company and certain assumptions deemed to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors. Please refer to page 3 of the attached material for the assumptions upon which the forecasts are based and the cautionary statements regarding the use of the forecasts.

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1. Qualitative information on results for the current quarter

(1) Qualitative information on the consolidated financial results

During the consolidated cumulative third quarter under review, the Japanese economy continued to normalize due to factors such as the relaxation of action restrictions in response to the slowdown in the spread of COVID-19, and the reduction of the classification of COVID-19 to Class 5 in the Infections Act on May 8, 2023. Private consumption also showed signs of picking up, supported by factors such as the increased activity in domestic travel due to the ongoing depreciation of the yen and the resumption of inbound demand due to an increase in foreign visitors to Japan. However, economic trends remain uncertain due to the continuation of rising raw material and resource prices based on the factors such as the ongoing depreciation of the yen, logistics constraints caused by the 2024 problem, geopolitical risks in Russia, Ukraine and the Middle East, a decrease in the labor population due to the declining birthrate aging population and, etc., in addition to the retention of selective consumption due to the long-term-lasting impact of the COVID-19 and heightened consumer awareness of the need to defend their lives due to the continued dropping of real wages.

In the restaurant industry, while the impact of a new type of coronavirus infectious disease shows a tendency to converge, room for raising sales prices is approaching its limits due to the heightened awareness of lifestyle defense among customers. In addition to the rising of raw materials prices, the shortage of human resources is becoming more serious in response to strong demand for food services, the business environment is expected to remain challenging. Furthermore, changing customer lifestyles are taking root due to the penetration of remote work and the acceleration of digitization triggered by the Corona Incident, and we are required to respond flexibly in accordance with this environment.

Against this backdrop, our Group is working to further improve the quality of existing stores, with the aim of establishing a lean cost structure cultivated by responding to changes in the COVID-19 disaster and moving forward with a shift from location business to brand business with the aim of achieving a new stage. Specifically, in the 25 core brands that form the core of our group, we have clarified our concepts and are actively employing outside advisors to devise high-value-added menus as part of efforts to strengthen our expertise. In addition, we are striving to improve customer satisfaction, optimize sales prices, and maintain and improve the number of customers by implementing strategic business format changes and store renovations. In addition, in order to shift from "defensive" to "offensive," as part of our efforts to invest in DX, we are promoting promotions through the introduction of marketing automation, expanding mobile orders, utilizing serving and serving robots, and improving the efficiency and sophistication of back-office operations. Furthermore, we are making large-scale investments unique to our group and creating concepts with high designs, centered on the newly established "Create Brand Laboratory" on October 1, 2023, which is a specialized organization responsible for developing new business formats and concepts such as "wakuwaku."

In terms of new store openings, the Group opened new stores centered on core brands such as "shabu SAI" (all-you-can-eat), "MACCHA HOUSE, Matcha-kan", seafood izakaya "Isomaru Suisan", popular izakaya "Go-no-Go, goma-soba (sesami soba noodle) "Yuzuru", Yakiniku "YOROZU-YA", Bakery "Cent Varie", and "Tsukemen TETSU". Furthermore, while we are changing our business format to Core Brands, we have restarted investing both in quality and quantity at the same time with the simultaneous revision of four stores, including three new brands, for "Marche de Metro", a bulk food court in Omotesando, Tokyo. At the same time, we have opened franchised stores in Hong Kong that do not involve investment and aggressively opened contract business stores, including restaurants in golf courses.

As a consequence, the Group opened 27 new stores, changed the format of 16 stores, and closed 44 stores, mainly closures and unprofitable stores due to the expiration of contracts. As a result, the number of consolidated stores, including contract business stores and other stores, stood at 1,128 at the end of the third quarter.

In addition, the Human Resources Project Team, which was established on March 1, 2023, invests in human resources equity to expand employee salary increases, increase hourly wages for crews, and strengthen the hiring of foreign employees. The Group is also working to improve employee retention rates by enhancing its training system, promoting personnel exchanges on a regional basis, and creating a comfortable working environment.

As a result of the above, the net sales for the third quarter cumulative period of the current fiscal year were 108,448 million yen (up 29.1% year-on-year), the operating profit was 5,763 million yen (up 1.4% year on year), the profit before taxes was 5,379 million yen (down 0.8% year-on-year), quarterly profit was 4,199 million yen (down 0.1% year-on-year), and quarterly profit attributable to owners of parent 3,901 million yen (up 3.0% year-on-year). In addition, adjusted EBITDA was 19,229 million (up

3.7% year-on-year), adjusted EBITDA margins were 17.7% (22.1% in the same period of the previous year), and adjusted ratio of equity attributable to owners of parent (adjusted equity ratio) was 39.6% (34.7% in the same period of the previous year) (Note).

(Note) We use adjusted EBITDA, adjusted EBITDA margin and adjusted ratio of equity attributable to owners of parent (adjusted equity ratio) as useful indicators of our group's performance.

Adjusted EBITDA, adjusted EBITDA margin and adjusted equity attributable to owners of parent (adjusted equity ratio) are calculated as follows.

- Adjusted EBITDA = operating profit + other operating expenses - other operating revenues (excluding sponsorship income, employment adjustment subsidies, and subsidy for cooperation of shorten operating hours, rent reductions and exemptions, etc.) + depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)
- Adjusted EBITDA margin = Adjusted EBITDA/revenue × 100
- Adjusted ratio of equity attributable to owners of parent (adjusted equity ratio): Ratio of equity attributable to owners of parent (equity ratio) excluding the impact of IFRS No. 16.

(2) Qualitative information on consolidated financial position

(1) Assets, liabilities and equity

(Assets)

The balance of current assets at the end of the third quarter of the current fiscal year decreased by 1,984 million yen from the end of the previous fiscal year to 30,282 million yen. This was mainly due to increases of 1,094 million yen in income taxes receivable and 1,006 million yen in trade and other receivables, while there was a decrease of 4,241 million yen in cash and cash equivalents.

The balance of non-current assets at the end of the third quarter of the current fiscal year increased by 199 million yen from the end of the previous fiscal year to 101,089 million yen. This was mainly due to decreases of 151 million yen in guarantee deposits included in other financial assets and 99 million yen in intangible assets, while there was an increase of 149 million yen in property, plant and equipment.

(Liabilities)

The balance of liabilities at the end of the third quarter of the current fiscal year decreased by 5,487 million yen from the end of the previous fiscal year to 93,624 million yen. This was mainly due to an increase of 538 million yen in income taxes payable, while there was a decrease of 6,331 million yen in bonds and borrowings.

(Equity)

The balance of equity at the end of the third quarter of the current fiscal year increased by 3,303 million yen from the end of the previous fiscal year to 37,746 million yen. This was mainly due to an increase of 2,539 million yen in retained earnings and 514 million yen in other components of equity. The ratio of equity attributable to owners of parent (equity ratio) is 26.3%.

(2) Consolidated results of cash flows

Cash and cash equivalents (hereinafter referred to as "Net cash") at the end of the third quarter of the current fiscal year decreased by 4,241 million yen from the end of the previous fiscal year to 19,653 million yen.

The status of each cash flow and their factors for the third quarter of the current fiscal year are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities at the end of the third quarter of the current fiscal year was 16,222 million yen (down 21.9% year-on-year). This was mainly due to the recording of depreciation of 11,616 million yen and profit before taxes of 5,379 million yen.

(Cash flows from investing activities)

Net cash used in investing activities for the third quarter of the current fiscal year was 2,913 million yen (up 80.9% year-on-year). This was mainly due to purchase of property, plant and equipment assets of 2,619 million yen.

(Cash flows from financing activities)

Net cash used in financing activities for the third quarter of the current fiscal year was 17,704 million yen (up 2.4% year-on-

year). This was mainly due to repayments of lease liabilities of 9,823 million yen and repayments of long-term debt of 5,934 million yen.

(3) Qualitative information on the consolidated business forecasts

As for the outlook for the current fiscal year, economic activity will continue to recover gradually due to the lowering of the status of COVID-19 to category 5 under the Infectious Diseases Control Law in May 2023, the intensification of domestic travel due to the depreciation of the yen, and the further increase in foreign visitors to Japan, particularly in China. However, the outlook is expected to remain uncertain due to the continuing depreciation of the yen, logistics constraints associated with the 2024 problem, high prices of raw materials and resources stemming from geopolitical risks associated with the situation in Russia, Ukraine and the Middle East, a decrease in the labor population due to the declining birthrate and aging population and, etc.

While the gap between supply and demand is becoming increasingly serious, the room for raising sales prices is approaching its limits due to the heightened awareness of lifestyle defense among customers. Accordingly, our Group will place top priority on quickly eliminating the supply shortage in terms of human resources and increasing the number of customers. Furthermore, the Group will continue to maintain and strengthen our muscular management structure, while aiming for sustainable profitable growth based on the three pillars of our growth strategy: “reviewing the portfolio with an eye toward the Post-Covid, “further evolving the Group Federal Management”, and “improving productivity and addressing human resource shortages by promoting DX”.

The full-year earnings forecasts for the fiscal year ending February 2024 are now generally in line with the forecasts, and there is no change from the consolidated earnings forecasts announced on October 13, 2023.

2. Condensed quarterly consolidated financial statements and major notes

(1) Condensed quarterly consolidated statements of financial position

(Million yen)

	Previous Fiscal Year (February 28, 2023)	Current Third Quarter (November 30, 2023)
Assets		
Current assets		
Cash and cash equivalents	23,895	19,653
Trade and other receivables	5,240	6,246
Other financial assets	499	469
Inventories	1,054	1,069
Corporate income taxes receivable	216	1,310
Other current assets	1,361	1,532
Total current assets	32,266	30,282
Non-current assets		
Property, plant and equipment	57,584	57,736
Goodwill	23,688	23,629
Intangible assets	6,177	6,078
Other financial assets	9,390	9,162
Deferred tax assets	3,766	3,822
Other non-current assets	681	661
Total non-current assets	101,288	101,089
Total assets	133,555	131,371

(Million yen)

	Previous Fiscal year (February 28, 2023)	Current Third Quarter (November 30, 2023)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	4,538	4,557
Bonds and borrowings	8,608	7,852
Lease liabilities	10,855	11,343
Other financial liabilities	—	3
Corporate income taxes payable	472	1,010
Provisions	2,326	1,891
Other current liabilities	10,039	10,331
Total current liabilities	36,841	36,991
Non-current liabilities		
Bonds and borrowings	26,766	21,191
Lease liabilities	29,298	29,238
Obligations for retirement pay	1,162	1,087
Provision	3,045	2,995
Deferred tax liabilities	1,630	1,714
Other non-current liabilities	366	406
Total non-current liabilities	62,270	56,633
Total liabilities	99,112	93,624
Equity		
Capital Stock	50	50
Capital surplus	22,744	24,649
Retained earnings	6,509	9,049
Treasury stock	-1,217	-1,185
Other equity components	1,519	2,033
Total equity attributable to owners of parent	29,606	34,596
Non-controlling equity	4,836	3,150
Total equity	34,443	37,746
Total liabilities and equity	133,555	131,371

(2) Condensed quarterly consolidated statements of income and statements of comprehensive income

Condensed quarterly consolidated statements of income

Consolidated cumulative third quarter

(Million yen)

	Previous Third Quarter (March 1, 2022 - November 30, 2022)	Current Third Quarter (March 1, 2023 - November 30, 2023)
Revenue	84,022	108,448
Cost of sales	-23,640	-31,222
Gross profit	60,381	77,225
Selling, general and administrative expenses	-59,542	-69,949
Other operating revenues	6,706	619
Other operating expenses	-1,863	-2,131
Operating profit	5,681	5,763
Finance income	253	154
Financing cost	-513	-537
Profit before taxes	5,421	5,379
Corporate income tax expenses	-1,216	-1,179
Profit for the period	4,204	4,199
Net profit attributable to		
Owners of parent	3,786	3,901
Non-controlling equity	418	298
Profit for the period	4,204	4,199
Profit per share attributable to owners of parent (yen)		
Basic earnings per share	18.01	18.55
Diluted earnings per share	—	—

Current Third Quarter

(Million yen)

	Previous Third Quarter (September 1, 2022 - November 30, 2022)	Current Third Quarter (September 1, 2023 - November 30, 2023)
Revenue	29,614	35,465
Cost of sales	-8,319	-10,229
Gross profit	21,294	25,235
Selling, general and administrative expenses	-20,328	-23,370
Other operating revenues	443	193
Other operating expenses	-815	-455
Operating profit (loss)	593	1,603
Finance income	0	19
Financing cost	-199	-169
Profit (loss) before taxes	394	1,453
Corporate income tax expenses	-82	-523
Profit for the period	312	929
Net profit attributable to		
Owners of parent	275	863
Non-controlling equity	37	66
Profit for the period	312	929
Profit per share attributable to owners of parent (yen)		
Basic earnings per share	1.31	4.10
Diluted earnings per share	—	—

Consolidated statements of comprehensive profit
 Consolidated cumulative third quarter

(Million yen)

	Previous Third Quarter (March 1, 2022 - November 30, 2022)	Current Third Quarter (March 1, 2023 - November 30, 2023)
Profit for the period	4,204	4,199
Other comprehensive profit		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation adjustments	1,297	514
Total	1,297	514
Total other comprehensive profit	1,297	514
Comprehensive profit	5,502	4,713
Comprehensive profit attributable to		
Owners of parent	5,083	4,415
Non-controlling equity	418	298
Comprehensive profit	5,502	4,713

Current Third Quarter

(Million yen)

	Previous Third Quarter (September 1, 2022 - November 30, 2022)	Current Third Quarter (September 1, 2023 - November 30, 2023)
Profit for the period	312	929
Other comprehensive profit		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation adjustments	37	65
Total	37	65
Total other comprehensive profit	37	65
Comprehensive profit	350	994
Comprehensive profit attributable to		
Owners of parent	312	928
Non-controlling equity	37	66
Comprehensive profit	350	994

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Previous Third Quarter (March 1, 2022 to November 30, 2022)

(Million yen)

	Total equity attributable to owners of parent						Total	Non-controlling equity	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other equity components				
					Foreign currency translation adjustments	Total			
Balance at March 1, 2022	50	22,628	4,381	-1,246	330	330	26,143	4,587	30,730
Profit for the period	—	—	3,786	—	—	—	3,786	418	4,204
Other comprehensive profit	—	—	—	—	1,297	1,297	1,297	—	1,297
Comprehensive profit	—	—	3,786	—	1,297	1,297	5,083	418	5,502
Dividend	—	—	-1,261	—	—	—	-1,261	-187	-1,448
Changes in equity of the parent company related to transactions with non-controlling shareholders	—	-60	—	—	—	—	-60	-59	-120
Share-based payment transactions	—	136	—	—	—	—	136	—	136
Other	—	-1	—	22	—	—	21	0	22
Total transactions with owners	—	74	-1,261	22	—	—	-1163	-245	-1,409
Balance at November 30, 2022	50	22,703	6,907	-1,224	1,627	1,627	30,063	4,759	34,823

Current Third Quarter (March 1, 2023 to November 30, 2023)

(Million yen)

	Total equity attributable to owners of parent						Total	Non-controlling equity	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other equity components				
					Foreign currency translation adjustments	Total			
Balance at March 1, 2023	50	22,744	6,509	-1,217	1,519	1,519	29,606	4,836	34,443
Profit for the period	—	—	3,901	—	—	—	3,901	298	4,199
Other comprehensive profit	—	—	—	—	514	514	514	—	514
Comprehensive profit	—	—	3,901	—	514	514	4,415	298	4,713
Dividend	—	—	-1,366	—	—	—	-1,336	-196	-1,563
Changes in owners' interests in consolidated subsidiaries without loss of control	—	1,782	—	—	—	—	1,782	-1,782	—
Share-based payment transactions	—	137	—	2	—	—	139	—	139
Other	—	-15	5	29	—	—	19	-5	13
Total transactions with owners	—	1,904	-1,361	31	—	—	575	-1,985	-1,410
Balance at November 30, 2023	50	24,649	9,049	-1,185	2,033	2,033	34,596	3,150	37,746

(4) Condensed quarterly consolidated statement of cash flows

	(Million yen)	
	Previous Third Quarter (March 1, 2022 - November 30, 2022)	Current Third Quarter (March 1, 2023 - November 30, 2023)
Cash flows from operating activities		
Profit before taxes	5,421	5,379
Depreciation and amortization	11,368	11,616
Impairment losses	1,662	1,960
Interest income	-7	-32
Interest expenses	424	450
Loss (gain) on sale of fixed assets	-18	-19
Loss on retirement of fixed assets	26	95
Decrease (increase) in inventories	-134	-4
Decrease (increase) in trade and other receivables	-114	-1,106
Increase (decrease) in trade and other payables	2,201	-136
Increase (decrease) in net retirement benefit liability	-28	-74
Increase (decrease) in provision	-884	-390
Other changes	1,622	449
Sub-total	21,537	18,187
Interest and dividend received	3	33
Interest expenses paid	-203	-183
Corporate income taxes paid	-892	-2,159
Corporate income taxes refunded	327	345
Cash flows from operating activities	20,773	16,222
Cash flow from investing activities		
Payments into time deposits	-35	-9
Proceeds from withdrawal of time deposits	15	61
Purchase of property, plant and equipment	-1,342	-2,619
Proceeds from sales of property, plant and equipment	34	7
Payments for asset retirement obligations	-247	-154
Purchase of intangible asset	-49	-121
Payment for guaranty deposit	-208	-228
Proceeds from collection of guarantee deposit	296	239
Others	-71	-89
Cash flow from investing activities	-1,610	-2,913

(Million yen)

	Previous Third Quarter (March 1, 2022 - November 30, 2022)	Current Third Quarter (March 1, 2023 - November 30, 2023)
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	-	-300
Repayment of long-term loans payable	-6,261	-5,934
Redemption of bonds	-135	-100
Repayments of lease liabilities	-9,349	-9,823
Cash dividends paid	-1,247	-1,353
Dividends paid to non-controlling interests	-183	-193
Payment for acquisition of subsidiaries' equity from non-controlling interests	-120	-
Cash flow from financing activities	-17,296	-17,704
Effect of exchange rate change on cash and cash equivalents	230	154
Net increase (decrease) in cash and cash equivalents	2,096	-4,241
Cash and cash equivalents at beginning of period	21,502	23,895
Cash and cash equivalents at period-end	23,599	19,653

(5) Notes on the Condensed Quarterly Consolidated Financial Statements

(Notes on the going concern assumptions)

None

(Material Accounting Policies)

The important accounting policies applied by our group in the condensed quarterly consolidated financial statements, with the exception of the following new standards, are identical to the accounting policy applied in the consolidated financial statements for the previous fiscal year. The corporate income tax for the third quarter of the current fiscal year is calculated based on the estimated annual effective tax rate. The group, beginning with 1Q of the current fiscal year, has adopted the following standards.

Statement of Standards	Standard name	Outline of New Establishment and Revision
IAS No. 1	Presentation of Financial Statements	<ul style="list-style-type: none">• Require disclosure of material accounting policies rather than significant accounting policies
IAS No. 8	Changes in accounting policies, estimates and errors	<ul style="list-style-type: none">• Clarify how changes in accounting policies should be distinguished from changes in accounting estimates
IAS No. 12	Corporate income tax	<ul style="list-style-type: none">• Clarify accounting for deferred taxes on transactions that recognize both assets and liability, such as leasing and abandonment obligations• Introduction of temporary exceptions to income tax accounting and disclosure requirements resulting from tax laws enacted to introduce the second pillar model rule published by the Organization for Economic Co-operation and Development

The adoption of the aforementioned pronouncements did not have a material impact on the condensed quarterly consolidated financial statements.

(Segment Information)

The description is omitted because the Group's business is categorized as restaurant business and there are no segments to be classified.

(Per-Stock Information)

(Million yen)

	Previous Third Quarter (March 1, 2022 - November 30, 2022)	Current Third Quarter (March 1, 2023 - November 30, 2023)
Profit attributable to owners of parent	3,786	3,901
Weighted average number of common shares outstanding (shares)	210,177,625	210,274,656
Basic earnings per share (yen)	18.01	18.55

(Note) 1. Based on the calculation of “Basic earnings per share”, we include our stock owned by “Trust-Type ESOP for Employees” in the calculation of the mean number of stocks during the period (The previous third quarter consolidated cumulative period: 1,970,107 shares, and the current third quarter consolidated cumulative period: 1,912,999 shares).

2. Diluted earnings per share are not presented because there are no dilutive securities.

(Million yen)

	Previous Third Quarter (September 1, 2022 - November 30, 2022)	Current Third Quarter (September 1, 2023 - November 30, 2023)
Profit attributable to owners of parent	275	863
Weighted average number of common shares outstanding (shares)	210,191,822	210,316,885
Basic earnings per share (yen)	1.31	4.10

- (Note) 1. Based on the calculation of “Basic earnings per share”, we include our stock owned by “Trust-Type ESOP for Employees” in the calculation of the mean number of stocks during the period (The previous third quarter consolidated cumulative period: 1,955,910 shares, and the current third quarter consolidated cumulative period: 1,897,847 shares).
2. Diluted earnings per share are not presented because there are no dilutive securities.

(Significant subsequent events)

None