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## Consolidated Financial Results for the Nine Months Ended December 31, 2024 [Japanese GAAP]

February 13, 2025

Company name: Sagami Holdings Corporation

Listing: Tokyo, Nagoya

Securities code: 9900

URL: <https://www.sagami-holdings.co.jp/en/>

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President

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	26,179	14.1	1,753	17.9	1,817	17.5	1,290	22.3
December 31, 2023	22,943	16.5	1,486	60.2	1,546	(3.5)	1,055	(9.9)

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 1,254 million [ 12.5%]  
 Nine months ended December 31, 2023: ¥ 1,114 million [ (16.9)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	42.76	-
December 31, 2023	34.98	-

(Note) Diluted earnings per share are not provided as there are no potential shares with dilutive effect.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	25,151	17,767	70.6
March 31, 2024	24,943	16,815	67.4

(Reference) Equity: As of December 31, 2024: ¥ 17,767 million  
 As of March 31, 2024: ¥ 16,815 million

## 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, 2024	-	0.00	-	10.00	10.00
Fiscal year ending March 31, 2025	-	0.00	-		
Fiscal year ending March 31, 2025 (Forecast)				8.00	8.00

(Notes) 1. Revision to the forecast for dividends announced most recently: None

2. Breakdown of the year-end dividend for the fiscal year ended March 31, 2024:

Ordinary dividend	8.00 yen
Special dividend	2.00 yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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	34,000	9.6	2,050	23.7	2,100	21.8	1,350	48.4	44.72

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

December 31, 2024:	30,301,784 shares
March 31, 2024:	30,301,784 shares

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

December 31, 2024:	18,152 shares
March 31, 2024:	18,017 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024:	30,181,978 shares
Nine months ended December 31, 2023:	30,167,031 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.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

\* 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 consolidated financial results report.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Quarterly Period under Review

During the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024), the Japanese economy gradually recovered as social and economic activities were further normalized mainly against the backdrop of improvements in income with high wage hike rates. Meanwhile, the future outlook has remained unclear due to an increase in prices and fluctuations in exchange rates, increasing geopolitical risks through the unstable international situation, and other factors.

In the food service industry, a demand for food service steadily grew due to a recovery in people's traffic and an increase in inbound consumption.

However, the business environment remained harsh as most of costs for maintaining sales activities were increasing, for example, soaring material prices and labor costs, and consumers' awareness of saving increased due to continuously rising prices.

Under these circumstances, while firmly keeping the viewpoint of putting ourselves in customers' places, the Group is striving to improve basic value of the food service "deliciousness and hospitality" and to "pursue to provide values by food" aiming for good health both in "mind and body".

As stated in the Medium-term Management Plan "Together", 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 be committed to improving the value we provide to our customers and our corporate value, leading them to pursuit of "sustainability" and realization of "regrowth".

During the nine months ended December 31, 2024, we worked on activities such as opening 17 new restaurants and promoting introduction of digital equipment, as well as increasing wages and starting salaries of new graduates beginning from April for the purpose of ensuring and retaining human resources, and setting all-restaurant closure days with the aim of improving a working environment.

The overview of our business segments is as follows.

### (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 "Distribution of Advertising Inserts to Introduce Spring and Summer Grand Menu" and "Golden Week Coupon Distribution", and broadcasted television advertisements to promote the "Spring and Summer Grand Menu" in April, and broadcasted television advertisements for "Morning Menu" and carried out "Distribution of Advertising Inserts to Promote Items Using Bluefin Tuna and Father's Day Campaign" in May. We also broadcasted television advertisements for "Summer Gratitude Fair" and carried out the Fair in July, and broadcasted television advertisements for "Hokkaido and Kita no Megumi (blessings of the north) Menu" and carried out "Hida no Megumi (blessing of Hida) DE Nagoya Specialties Fair" as an in-store event in collaboration with the local regions at 19 restaurants in Nagoya City in August. We conducted "Silver Week Coupon Distribution" and "Distribution of Advertising Inserts to Promote Hokkaido and Kita no Megumi Menu", and broadcasted television advertisements for "Morning Menu" in September. We carried out "Distribution of Advertising Inserts to Introduce Autumn and Winter Grand Menu" in October, broadcasted television advertisements for "Winter Gratitude Fair" and carried out the Fair in November, and broadcasted television advertisements for "Year-End and New Year Menu", carried out "Distribution of Advertising Inserts to Introduce Year-End and New Year Menu" and "New Year's Gift Money Coupon Distribution" in December. All the above measures are conducted each once. In addition, we continuously provide information on campaigns on official SNSs and apps such as Instagram and X.

Apart from the measures above, beginning from November 1, 2024, we have adopted Ms. Akari Suda, an entertainer, as an official ambassador with the aim of increasing brand awareness on Sagami and strengthening its appeal to young people. In this project, we have conducted a variety of promotions, including using her in television advertisements, posting on advertising inserts, and opening an exclusive page on our official website.

As a result of these measures, sales from existing restaurants increased by 11.1% year on year, the number of customers at existing restaurants increased by 5.7% year on year, and the average spending per customer increased by 5.1% year on year.

As for restaurants, the Company opened “Sagami Higashiura Restaurant” and “Sagami Okazaki Daijuji Restaurant” (in April), “Sagami Toyota Nishiki Restaurant” (in May), “Sagami Minato Chita Restaurant” and “Sagami Kawagoe Restaurant” (in June), “Sagami Tendo Restaurant” (in July), “Sagami Yaizu Nishikogawa Restaurant” (in August), “Sagami Nodayokouchi Restaurant” (in October), “Sagami Yokaichi Restaurant” (in November), and “Sagami Toyama Yamamuro Restaurant” and “Sagami Higashi Osaka Zenkonji Restaurant” (in December).

The number of Sagami restaurants was 150 as of December 31, 2024.

## 2) Ajino-Mingei

Ajino-Mingei held a “Cooking Fair” six times as a sales promotion project for all restaurants. In addition, we broadcasted television advertisements to introduce “Spring Gratitude Fair”, and carried out “Spring Doyo Fair” each once in April, “Mother’s Day Fair” and “All-you-can-eat Tenobe Udon (hand-stretched udon noodles)” promotion each once in May, and carried out “Father’s Day Fair”, and broadcasted television advertisements to introduce the type of business operation of Ajino-Mingei and promote Seasonal Menu each once in June. We also held “Summer Delicacy Fair”, in which Tebasaki (chicken wing-tip) foods and alcoholic beverages were sold at a reasonable price, in July, and “Respect for the Aged Day Fair” in September, “Autumn Delicacy Fair” and “Autumn Doyo Fair” in October, and “Japanese Food Day Fair” in November, each once, respectively.

The number of Ajino-Mingei restaurants, including franchise restaurants, was 50 as of December 31, 2024.

## 3) Don Don An

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

As for restaurants, “Don Don An Kasugai Shirayama Restaurant” was closed (in July).

The number of Don Don An restaurants, including franchise restaurants, was 30 as of December 31, 2024.

## 4) Other Restaurants

Large-sized, self-service-type Udon noodles restaurant “Seimen-Daigaku” held a “Cooking Fair” seven times. Self-service-type Juwari Soba noodles restaurant “Chosuke” held “Cooking Fair” seven times. As a sales promotion project, we held “New Life Support Campaign” (at Juwari Soba Second Generation Chosuke) in April, and “Extra-large Helping Fair” (at Kakiage Juwari Soba Chosuke) and “New Menu Introduction Project” with some standard items changed (at Juwari Soba Second Generation Chosuke) in June and October. We also held “Hot Summer Great Gratitude Fair” (at Juwari Soba Second Generation Chosuke) in July, broadcasted television advertisement to promote “New Summer Menu” (at Juwari Soba Second Generation Chosuke) in August and September, and carried out “Customer Gratitude” project (at Juwari Soba Second Generation Chosuke) in September, and “Autumn Great Gratitude Fair” (at Juwari Soba Second Generation Chosuke) in November.

As for restaurants in Japan, the Company opened “Juwari Soba Second Generation Chosuke Gifu Kitagata Restaurant” (in June), “Juwari Soba Second Generation Chosuke Okazaki Miai Restaurant (in September), “Second Generation Chosuke Inazawa Orizu Restaurant” (in October), and “Second Generation Chosuke Ogaki Restaurant” (in November).

On the other hand, the Company closed “Aiso-Ya Higashiura Restaurant”, “Aiso-Ya Daijuji Restaurant”, and “Aiso-Ya Toyota Restaurant” (in April), “Aiso-Ya Minato Chita Restaurant” and “Aiso-Ya Kawagoe Restaurant” (in May), “Aiso-Ya Tendo Restaurant” (in June), and “Juwari Soba Second Generation Chosuke Noda Restaurant” (in September), with the conversion of the type of business operation.

As for restaurants overseas, the Company opened “SAGAMI Bologna” in Bologna, Italy (in April) and “SAGAMI Madrid” in Madrid, Spain (in August), as a franchise restaurant.

The number of restaurants, including franchise restaurants, was 24 in Japan and 11 overseas, for a total of 35 restaurants as of December 31, 2024.

As a result, for the nine months ended December 31, 2024, net sales were ¥26,179 million, operating profit was ¥1,753 million, ordinary profit was ¥1,817 million, and profit attributable to owners of parent was ¥1,290 million. In addition, the number of group restaurants was 265 as of December 31, 2024.

(2) Overview of Financial Position for the Quarterly Period under Review

As of December 31, 2024, the total assets were ¥25,151 million, an increase of ¥208 million from the end of the previous fiscal year. Current assets decreased by ¥1,041 million from the end of the previous fiscal year to ¥9,117 million, while non-current assets increased by ¥1,249 million to ¥16,034 million. Current liabilities decreased by ¥249 million from the end of the previous fiscal year to ¥5,039 million, and non-current liabilities decreased by ¥493 million to ¥2,345 million. Net assets increased by ¥951 million from the end of the previous fiscal year to ¥17,767 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, 2025, from the forecasts which were announced on November 5, 2024.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	8,011,517	6,473,457
Accounts receivable - trade	1,037,529	1,269,370
Merchandise and finished goods	155,418	246,138
Raw materials and supplies	520,028	622,351
Other	434,047	505,908
Total current assets	10,158,541	9,117,226
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,882,064	3,757,046
Machinery, equipment and vehicles, net	565,328	853,050
Land	6,442,133	6,442,133
Other, net	359,535	474,859
Total property, plant and equipment	10,249,062	11,527,089
Intangible assets		
Other	95,538	90,944
Total intangible assets	95,538	90,944
Investments and other assets		
Investment securities	872,278	840,487
Long-term loans receivable	38,889	39,372
Guarantee deposits	1,371,404	1,427,562
Long-term time deposits	2,000,000	2,000,000
Deferred tax assets	110,401	75,241
Other	47,017	33,686
Total investments and other assets	4,439,990	4,416,349
Total non-current assets	14,784,591	16,034,383
Total assets	24,943,132	25,151,610



(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	842,288	1,192,496
Current portion of long-term borrowings	808,802	767,157
Accounts payable - other	2,204,147	2,172,535
Income taxes payable	285,559	183,376
Contract liabilities	65,206	49,589
Provision for bonuses	510,544	106,203
Other	571,682	567,800
Total current liabilities	5,288,231	5,039,159
Non-current liabilities		
Long-term borrowings	1,908,892	1,371,315
Long-term accounts payable - other	163,650	146,166
Provision for share awards	100,665	140,810
Asset retirement obligations	559,097	588,225
Long-term guarantee deposits	70,381	68,134
Other	36,218	30,753
Total non-current liabilities	2,838,905	2,345,405
Total liabilities	8,127,137	7,384,565
Net assets		
Shareholders' equity		
Share capital	9,090,653	9,090,653
Capital surplus	6,192,923	6,192,923
Retained earnings	1,330,941	2,318,797
Treasury shares	(147,983)	(148,212)
Total shareholders' equity	16,466,534	17,454,161
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	354,054	324,075
Foreign currency translation adjustment	(4,594)	(11,192)
Total accumulated other comprehensive income	349,460	312,882
Total net assets	16,815,995	17,767,044
Total liabilities and net assets	24,943,132	25,151,610

(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, 2023	For the nine months ended December 31, 2024
Net sales	22,943,513	26,179,350
Cost of sales	7,493,178	8,357,815
Gross profit	15,450,334	17,821,535
Selling, general and administrative expenses	13,963,526	16,067,644
Operating profit	1,486,808	1,753,891
Non-operating income		
Interest income	1,184	713
Dividend income	24,822	26,455
Foreign exchange gains	7,394	-
Insurance claim income	1,963	22,800
Miscellaneous income	32,948	19,133
Total non-operating income	68,313	69,102
Non-operating expenses		
Interest expenses	4,336	1,820
Loss on cancellation of insurance policies	4,014	-
Foreign exchange losses	-	1,442
Miscellaneous losses	359	1,972
Total non-operating expenses	8,710	5,235
Ordinary profit	1,546,411	1,817,757
Extraordinary income		
Gain on sale of investment securities	2,433	-
Total extraordinary income	2,433	-
Extraordinary losses		
Loss on retirement of non-current assets	2,735	4,849
Impairment losses	179,047	180,235
Loss on sale of investment securities	1,201	-
Total extraordinary losses	182,984	185,085
Profit before income taxes	1,365,860	1,632,672
Income taxes - current	282,966	308,513
Income taxes - deferred	27,544	33,465
Total income taxes	310,510	341,978
Profit	1,055,349	1,290,693
Profit attributable to owners of parent	1,055,349	1,290,693

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

(Thousands of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	1,055,349	1,290,693
Other comprehensive income		
Valuation difference on available-for-sale securities	59,038	(29,979)
Foreign currency translation adjustment	227	(6,598)
Total other comprehensive income	59,265	(36,577)
Comprehensive income	1,114,615	1,254,116
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,114,615	1,254,116

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to segment information, etc.)

[Segment Information]

For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

The Group's only business segment is "food services". Since other business segments are considered to be immaterial, segment information is omitted.

For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

The Group's only business segment is "food services". Since other business segments are considered to be immaterial, segment information is omitted.

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

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to statements of cash flows)

Quarterly Consolidated Statements of Cash Flows for the nine months ended December 31, 2024 was not prepared.

Depreciation for the nine months ended December 31, 2024 (including amortization related to intangible assets) is as follows.

	(Thousands of yen)	
	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Depreciation	359,367	516,043