



GIFT

GIFT HOLDINGS INC. Securities Code 9279

FY2025 Second Quarter Financial Results Briefing (for the Six Months Ended April 30, 2025)



The opinions and forecasts contained in these materials are the judgments of the Company at the time of preparation of the materials and do not guarantee the accuracy of the information therein.
Actual performance and results may differ significantly due to changes in a variety of factors.



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**01 Financial Highlights for the Six Months
Ended April 30, 2025**



Financial Summary

Net sales

17,195 million yen

Year-on-year: **+26.9%**

Operating profit

1,547 million yen

Year-on-year: **+0.1%**

Ordinary profit

1,543 million yen

YoY: **-3.2%**

Overview of financial results

Among the unexpected costs that occurred in 1Q, we implemented price revisions in March in response to the rising cost of raw materials (cabbage and rice) and implemented measures from April to respond to the increase in labor costs. **As a result, we were able to achieve an increase in sales and profit in the first half of the year.**

Steady Progress in New Store Openings

The majority of **lease agreements** for the annual store opening target of company-owned stores have been **concluded**. We will proceed with securing human resources and continue opening stores in a steady manner during the current fiscal year as well.

Recruitment

Implemented **substantial wage increases** in January while proceeding with promoting cast to regular employees to **secure human resources** in a timely and appropriate manner.

Strengthening production systems

We are strengthening our production system to **improve the in-house production ratio** while strengthening the production system against increasing demand.

Financial Highlights for the Six Months Ended April 30, 2025



Growth and Profitability

Net sales growth

26.9%

(Annual goal: 20.0%)

Operating profit margin

9.0%

(Annual goal: 10.0%)

YoY Change in Net Sales of Company-owned Stores

All company-owned stores in Japan

130.3%

Existing company-owned stores in Japan

Full business day

107.8%

(Annual goal: 105.0%)

Excludes refurbished stores

107.5%

Stores Opened in the Period

Company-owned stores

21 stores

(Annual goal: 52 stores)

Produced & franchise stores

21 stores

(Annual goal: net increase of 52 stores)

Man-hour Productivity

Net sales per man-hour

Consolidated

6,671 yen

(Same period of the previous year : 6,600 yen)

Company-owned stores

6,694 yen

(Same period of the previous year : 6,403 yen)

Labor cost rate

Consolidated

26.8%

(Same period of the previous year : 26.5%)

Company-owned stores

23.5%

(Same period of the previous year : 24.2%)

Recruitment and Retention

Hiring employees

Newly hired **55** mid-career employees

Number of employees

Hired **59** new graduates

705 people

Retirement rate

12.5%

(Same period of the previous year: 17.1%)

26.6%
Industry average*

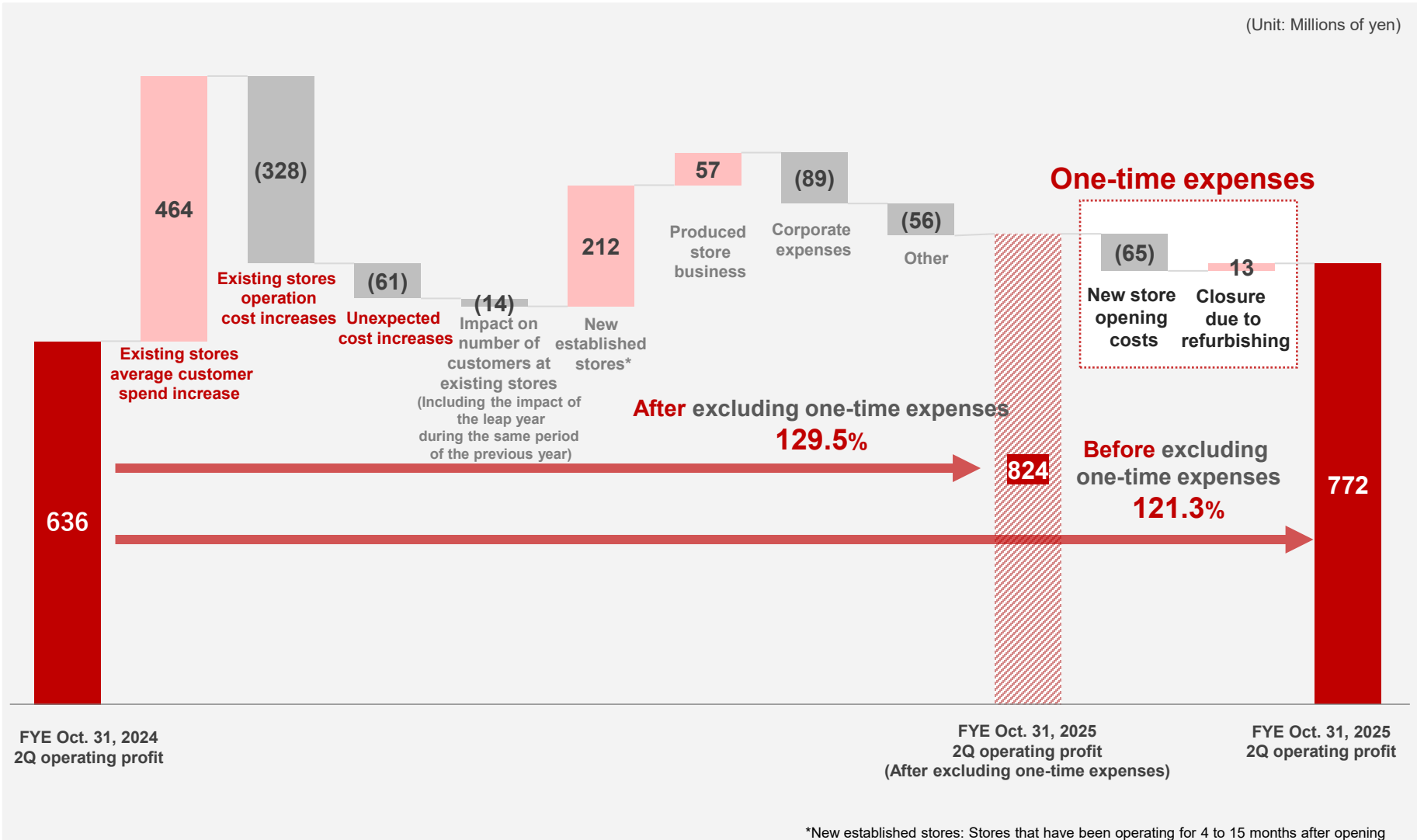


Analysis of Changes in Operating Profit (2Q, 3-months, year-on-year)

Covered cost increases with the profit effect created by the price increase effect at existing stores and contributions from new established stores.

Profit increased 121.3% year on year even after recording one-time expenses.

(Unit: Millions of yen)



*New established stores: Stores that have been operating for 4 to 15 months after opening



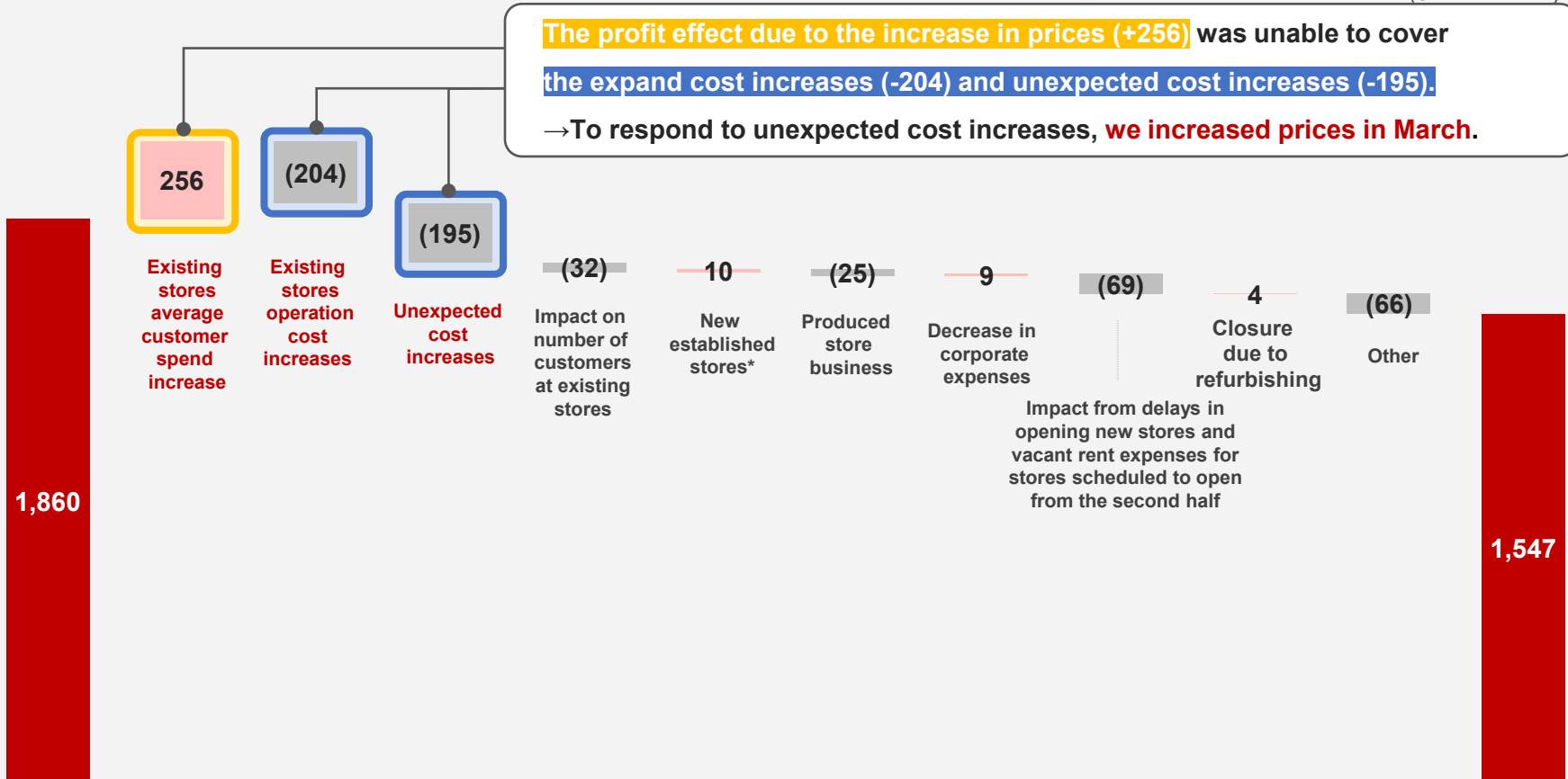
Analysis of Changes in Operating Profit (2Q, 6-months, compared to plan)

Profit was lower than planned because of the increase in ingredient costs and labor costs since these costs exceeded the profit effect created by the increase in prices.

(Unit: Millions of yen)

The profit effect due to the increase in prices (+256) was unable to cover the expand cost increases (-204) and unexpected cost increases (-195).

→To respond to unexpected cost increases, we increased prices in March.



FYE Oct. 31, 2025
2Q operating profit
(Plan)

FYE Oct. 31, 2025
2Q operating profit

*New established stores: Stores that have been operating for 4 to 15 months after opening

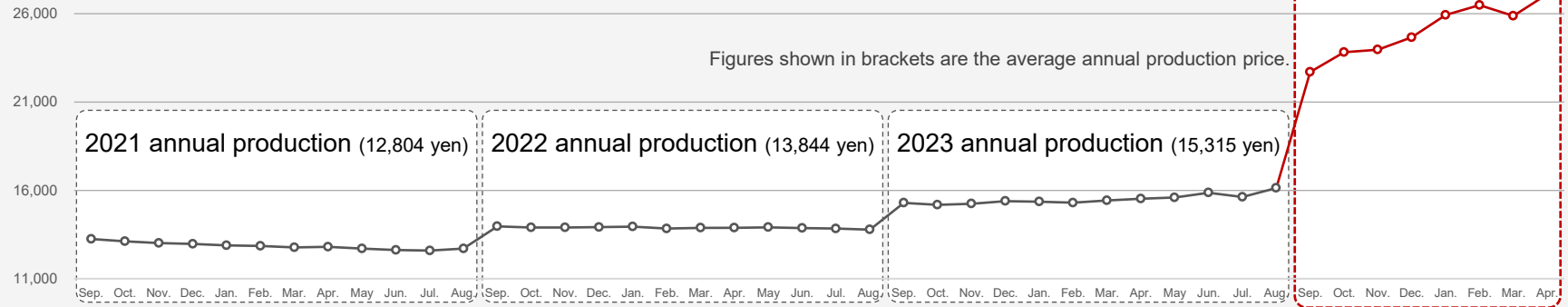
Unexpected Cost Increases (Raw Materials)

Rice prices remain high while the temporary surge in the price of cabbages has calmed.

As an emergency measure, we increased prices in March in response to the unexpected cost increases.

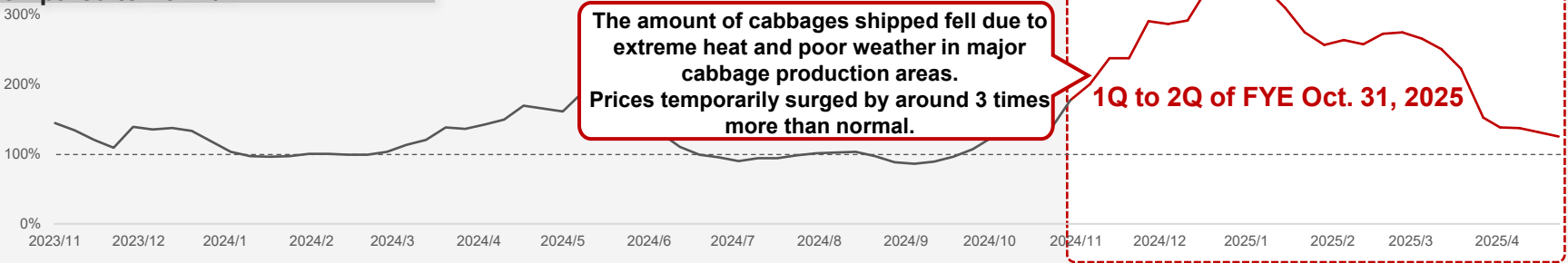
Change in negotiated trading price of rice*1 (Unit: Yen)

*1: The price of 1st grade rice, including shipping fees, packing costs and consumption tax equivalent based on the Ministry of Agriculture, Forestry and Fisheries "Report on Rice Trade."
The average annual production price is the average price for the full year from the supply of the relevant annual production until October of the following year (2024 annual production is a preliminary figure from supply until April 2025).



Change in cabbage price compared to normal*2 (Unit: %)

*2: Ministry of Agriculture, Forestry and Fisheries "Food Price Trend Survey (normal year comparison)"



Implemented appropriate price revisions in response to rising raw material prices.

July 2024
Approx. 5%

January 2025
Approx. 2%

March 2025
Approx. 1%



— Unexpected Cost Increases (Labor Cost)

- Until now, the employee working schedules for stores was set based on sales, and more cast employees* were allocated than was necessary due to price revisions that raised average customer spend while the number of customers remained unchanged.
- Changed to employee working schedule based on the number of customers to optimize cast employee allocation from April.

Year-on-year comparison of net sales per man-hour, average customer spend, and number of customers per man-hour

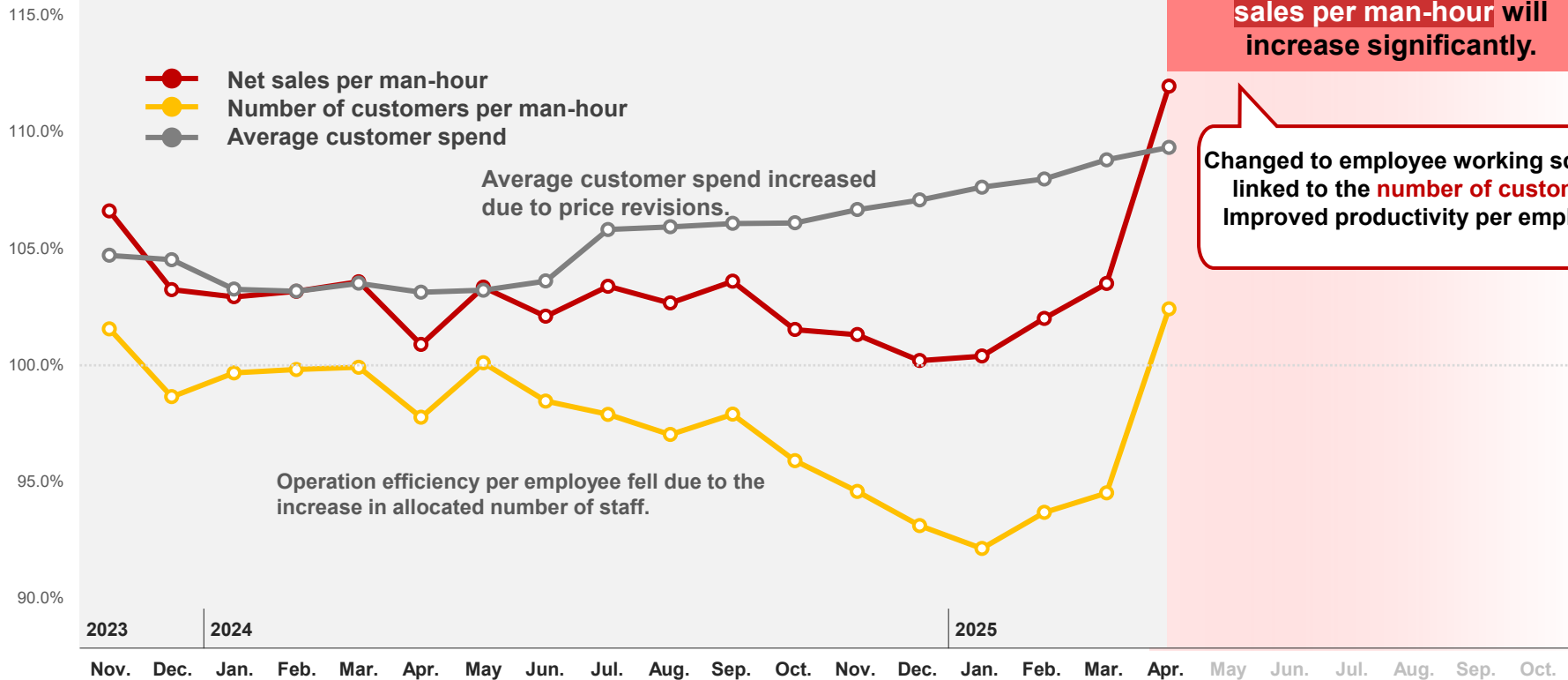
April 2025

Employee working schedule setting rules were changed.

Although there were signs that **net sales per man-hour** increased, the size of this increase was limited due to a decline in the **number of customers per man-hour**.

By improving the **number of customers per man-hour**, **net sales per man-hour** will increase significantly.

Changed to employee working schedule linked to the **number of customers**. Improved productivity per employee.



*Cast employee: Part-time staff



Impact on Operating Profit due to Refurbishing Closures and New Stores

From 2Q of the current fiscal year, the impact of refurbishing closures is expected to contribute positively to operating profit (year-on-year).

Thirty stores have not yet been refurbished and the refurbishment is expected to be completed for 16 stores during the current fiscal year and for 14 stores during the next fiscal year.

FYE Oct. 31, 2023

	1Q	2Q	3Q	4Q	Total	Impact on operating profit	
Refurbishing closure	0.9 months (1 store)	5.5 months (5 stores)	1.7 months (2 stores)	3.3 months (5 stores)	11.3 months (13 stores)	Full-year	-49 million yen
New stores	8 stores	9 stores	7 stores	4 stores	28 stores	Full-year	-207 million yen*

FYE Oct. 31, 2024

	1Q	2Q	3Q	4Q	Total	Impact on operating profit	
Refurbishing closure	1.9 months (1 store)	8.0 months (4 stores)	17.7 months (13 stores)	7.1 months (5 stores)	34.7 months (23 stores)	Full-year	-147 million yen YoY -98 million yen
New stores	6 stores	8 stores	12 stores	16 stores	42 stores	Full-year	-345 million yen YoY -137 million* yen

FYE Oct. 31, 2025 (1Q, 2Q is actual results, 3Q and later is projection.)

	1Q	2Q	3Q	4Q	Total	Impact on operating profit	
Number of refurbishing closure months	5.6 months (3 stores)	5.1 months (5 stores)	----- *Approx. 6.0 months/Q forecast	-----	23.1 months (16 stores)	Full-year (projection)	-101 million yen YoY +45 million yen
New stores	10 stores	11 stores	Pending	Pending	52 stores	Full-year (projection)	-427 million yen YoY -82 million yen*

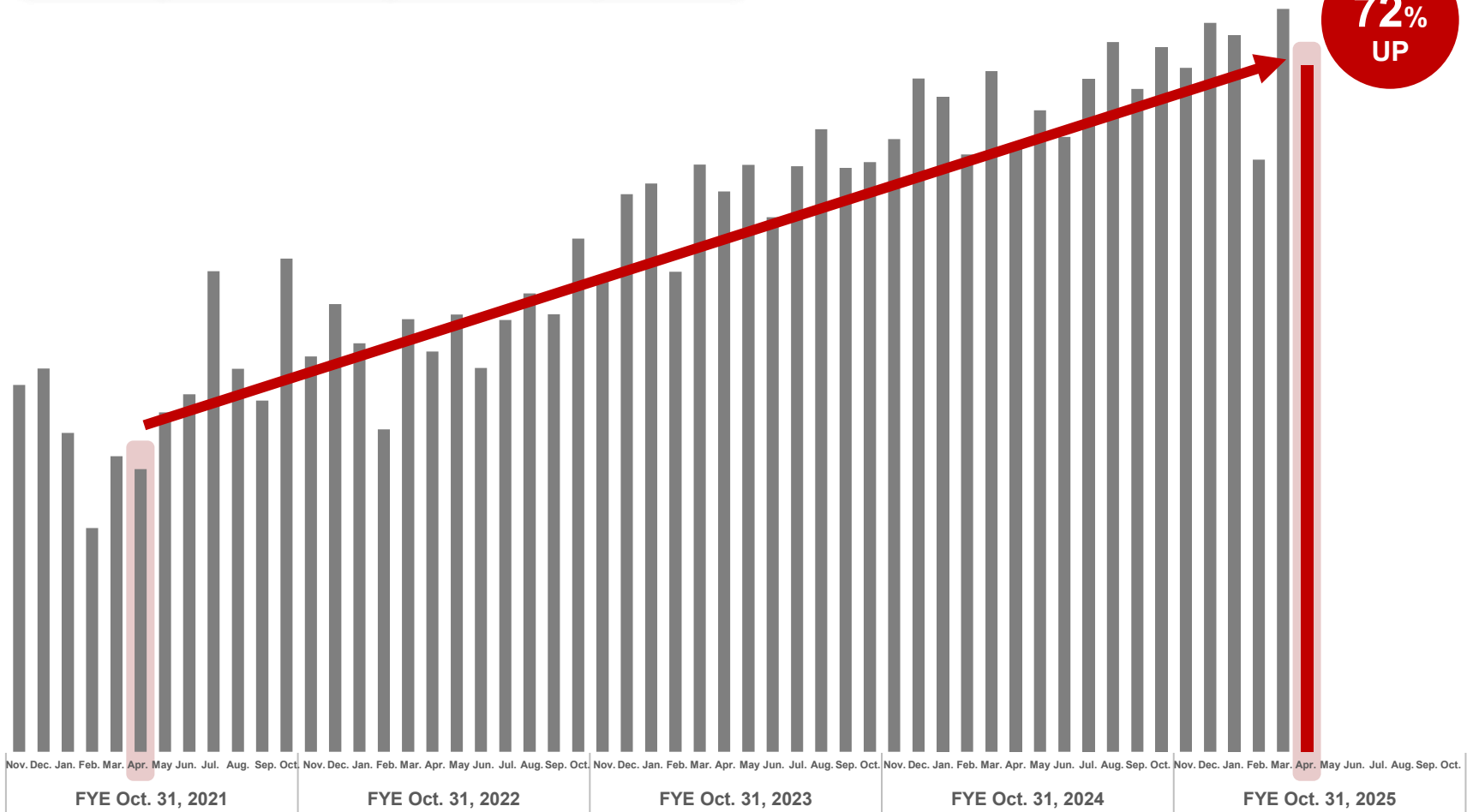
*The impact on operating profit for new stores is the cost involved in opening stores.

Existing Company-owned Domestic Stores: Average Net Sales per Store



Average monthly sales per company-owned domestic store continue to advance and expand thanks to initiatives to continuously improve store QSCA.

Existing stores: Average net sales by month



72%
UP

Overseas Expansion










Mainly opened company-owned stores in North America, which has a significant food service market. Mainly opened franchise stores in Asia.

Total number of stores overseas

29 stores

(+2 compared to the end of the previous fiscal year)

Company-owned stores		4 stores (-)	
		2Q of FYE Oct. 31, 2025	Compared to the end of the previous fiscal year
	US	3 stores	-
	China	1 store	-

Franchise stores		12 stores (+3)	
		2Q of FYE Oct. 31, 2025	Compared to the end of the previous fiscal year
	Thailand	1 store	-
	Vietnam	4 stores	+1
	Cambodia	1 store	-
	Philippines	2 stores	-
	Korea	2 stores	+1
	Hong Kong	1 store	-
	Mongolia	1 store	+1

Produced stores		13 stores (-1)	
		2Q of FYE Oct. 31, 2025	Compared to the end of the previous fiscal year
	US	1 store	-
	Malaysia	2 stores	-
	Philippines	2 stores	-
	Taiwan	5 stores	-1
	Hong Kong	1 store	-
	Thailand	1 store	-
	Vietnam	1 store	-

— Progress of Human Resource Recruitment

- We are actively working to secure human resources through means such as hiring and turnover prevention, and store openings are progressing steadily.

Promote cast to regular employees

(First half results for FYE Oct. 31, 2025)

New graduates
(joining in April 2025) **8** people

Mid-career **6** people

Total **14** people



Key points

- Ensures staff **have the ability to start work immediately**
- **Prevents mismatches when hiring**
- **Prolongs employment, long-term activity**

Overseas local recruiting

(Planned for June 2026)

Overseas

16 people



Key points

- The number of employees that cannot be covered by recruiting from within Japan **can be filled by acquiring global human resources.**

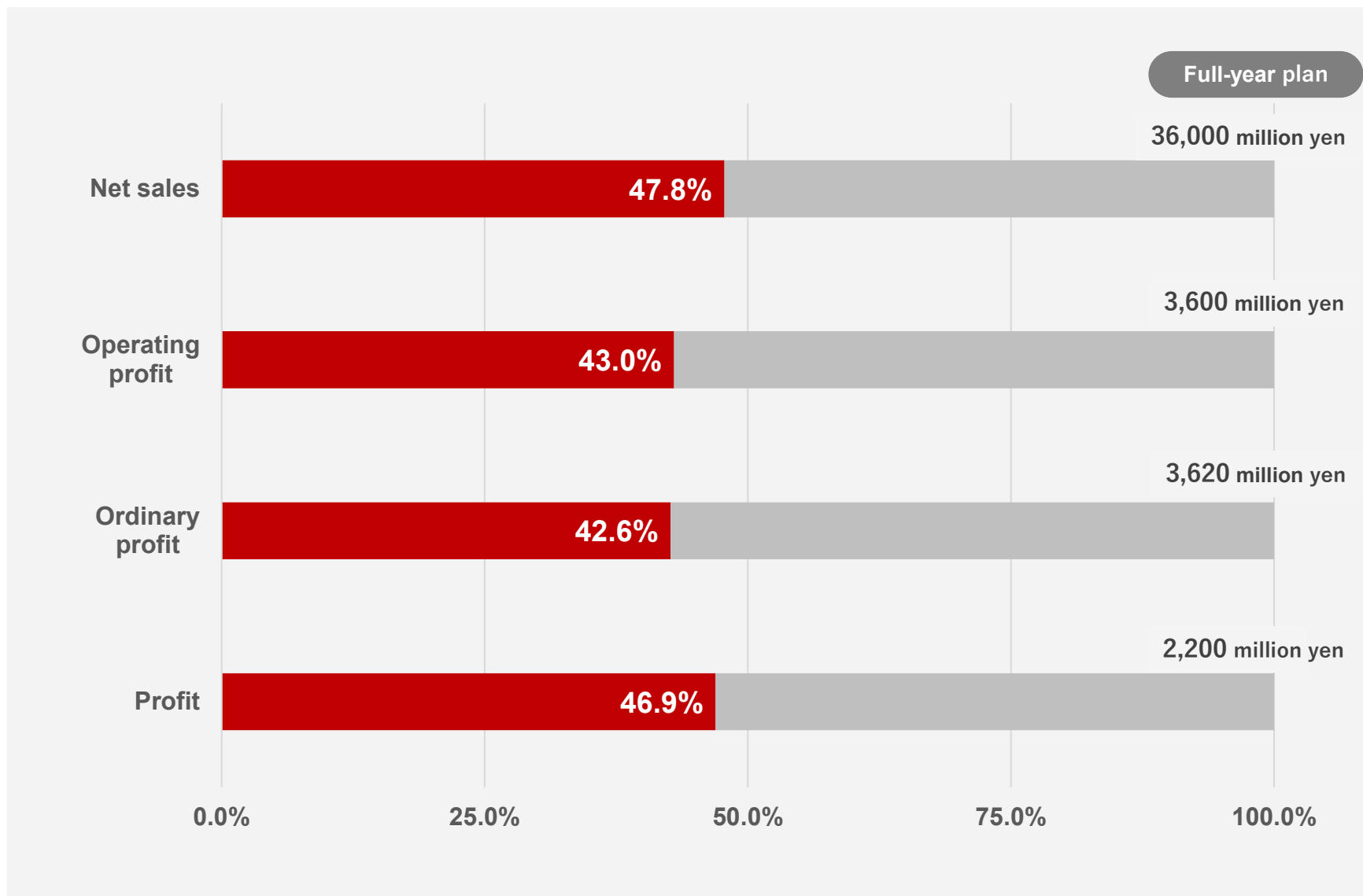
**0 2 Overview of Financial Results for the Six Months
Ended April 30, 2025**



Statements of Income

Cumulative 2Q in FYE Oct. 31, 2024			Cumulative 2Q in FYE Oct. 31, 2025			Compared to plan			
(Unit: Millions of yen)	Amount	Percentage to sales	Amount	Percentage to sales	Year-on-year % change	1H plan	Level of achievement	Full-year plan	Progress
Net sales	13,552	-	17,195	-	+26.9%	17,200	100.0%	36,000	47.8%
Cost of sales	4,367	32.2%	5,768	33.6%	+32.1%	-	-	-	-
Gross profit	9,185	67.8%	11,426	66.4%	+24.4%	-	-	-	-
Selling, general and administrative expenses	7,639	56.4%	9,878	57.5%	+29.3%	-	-	-	-
Operating profit	1,545	11.4%	1,547	9.0%	+0.1%	1,860	83.2%	3,600	43.0%
Ordinary profit	1,594	11.8%	1,543	9.0%	(3.2%)	1,880	82.1%	3,620	42.6%
Profit attributable to owners of parent	1,054	7.8%	1,032	6.0%	(2.1%)	1,240	83.3%	2,200	46.9%

Progress Rate vs. Full-year Plan





Progress Toward the Forecast for the Fiscal Year Ending October 31, 2025

Although results in the first half fell below the plan, improvement measures have been effective, and monthly performance in April and May has exceeded the plan.

We expect to cover the shortfall in the second half, so there is no change to the full-year forecast at this time.

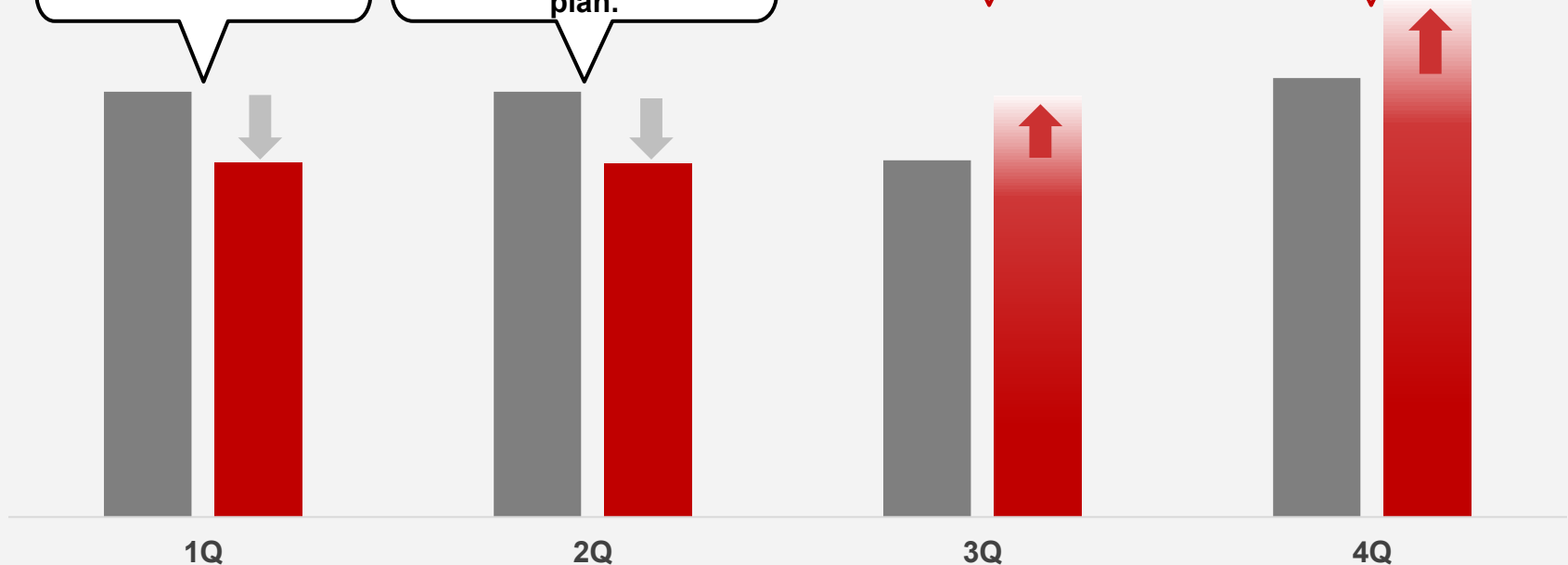
Quarterly operating profit forecast for FYE Oct. 31, 2025

■ Plan ■ Results, expectation

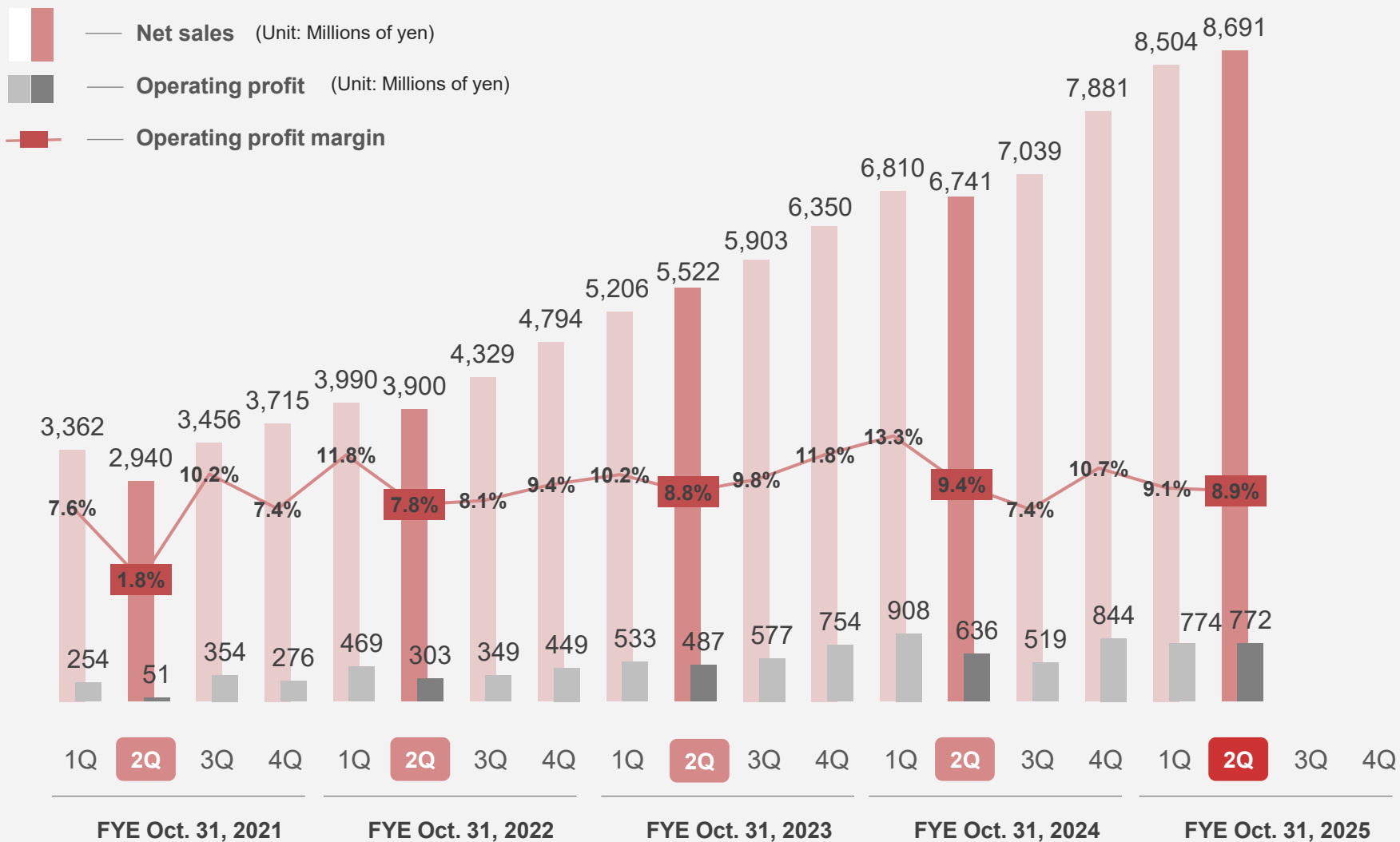
Unexpected costs such as rises in raw material prices occurred, causing us to fall short from the plan.

Improvements have been made since 1Q through price increases and employee working schedule changes. April alone exceeded the plan.

May results exceeded plan due to the increase in net sales per man-hour. If the current pace continues, the first half's shortfall is expected to be absorbed in the second half and the plan will be achieved.



Quarterly Trends in Net Sales and Operating Profit

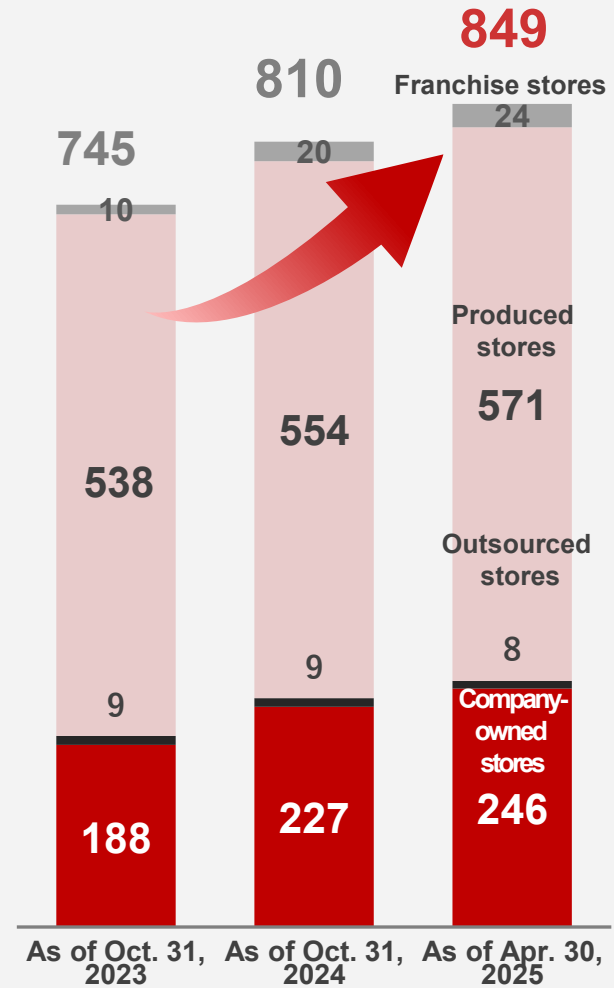


Open up Stores

+39 stores compared to the end of the previous fiscal year



	As of Oct. 31, 2024	As of Apr. 30, 2025
Produced stores	554 stores	571 stores
Franchise stores	20 stores	24 stores
Outsourced stores	9 stores	8 stores
Company-owned stores	227 stores	246 stores
Total number of stores	810 stores	849 stores



**0 3 Forecasts for the Fiscal Year Ending October 31,
2025 (Unchanged)**

Consolidated Earning Forecasts for the Fiscal Year Ending October 31, 2025



Plan significant increases in net sales and operating profit by steadily implementing the medium-term business plan.

	FYE Oct. 31, 2024 Results		FYE Oct. 31, 2025 Forecast		Change (%)
	(Unit: Millions of yen) Amount	Percentage to sales	Amount	Percentage to sales	
Net sales	28,472	-	36,000	-	+26.4%
Operating profit	2,909	10.2%	3,600	10.0%	+23.7%
Ordinary profit	2,972	10.4%	3,620	10.1%	+21.8%
Profit attributable to owners of parent	1,875	6.6%	2,200	6.1%	+17.3%



Existing stores sales

Company-owned stores

105.0%

(Number of customers 100.7%,
average customer spend 104.3%)

Produced stores

105.0%

Store opening plan

Company-owned stores

50 stores in Japan

2 stores overseas

Net increase of **51** stores

Franchise & produced stores

40 stores in Japan

12 stores overseas

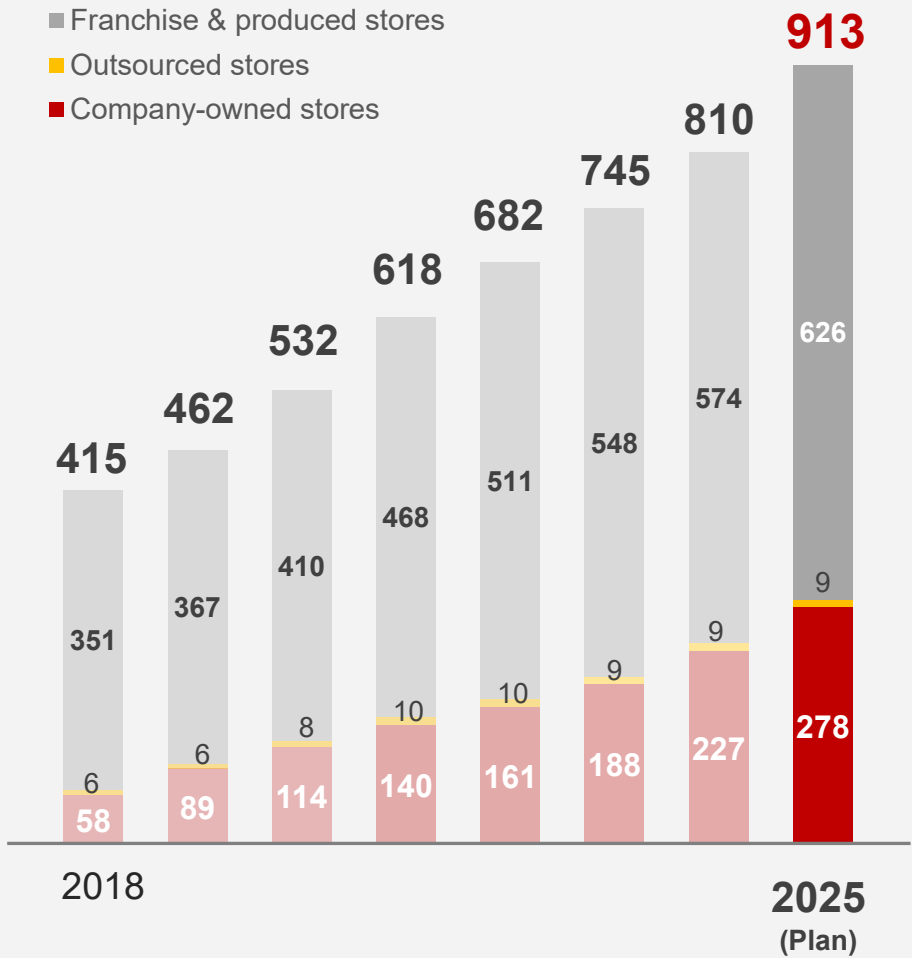
Net increase of **52** stores

Store Opening Plan



Number of stores

- Franchise & produced stores
- Outsourced stores
- Company-owned stores



Number of stores as of Oct. 31, 2025 (plan)

913 stores

Plan for **+103** stores year on year

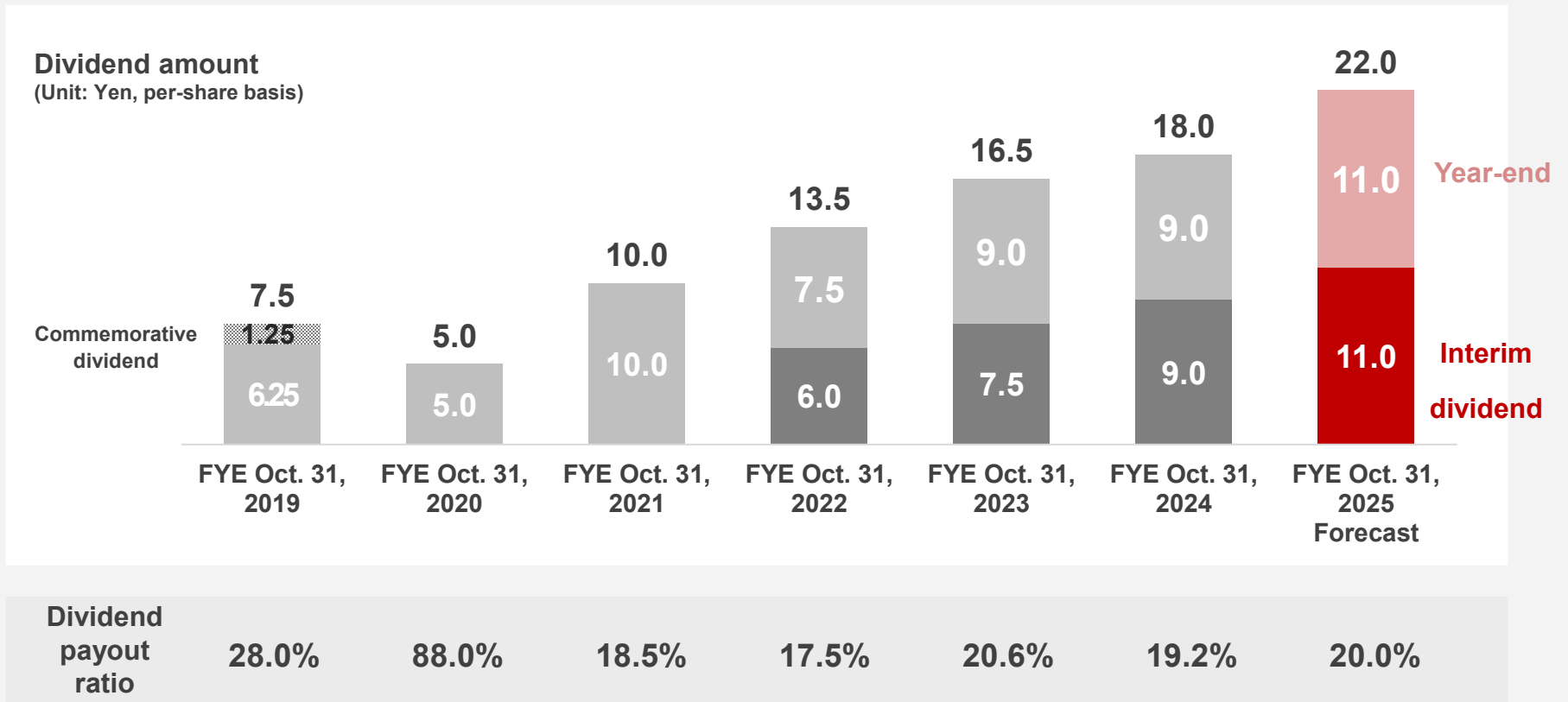
- Company-owned stores: **+51** stores
- Produced & franchise stores: **+52** stores



Returns to Shareholders

Consecutive increase in dividend accompanying expanded performance. For FYE October 31, 2025, at this point both interim and year-end will be 11.0 yen each, with annual dividend of 22.0 yen planned.

Aiming for a payout ratio of 20.0% or more.

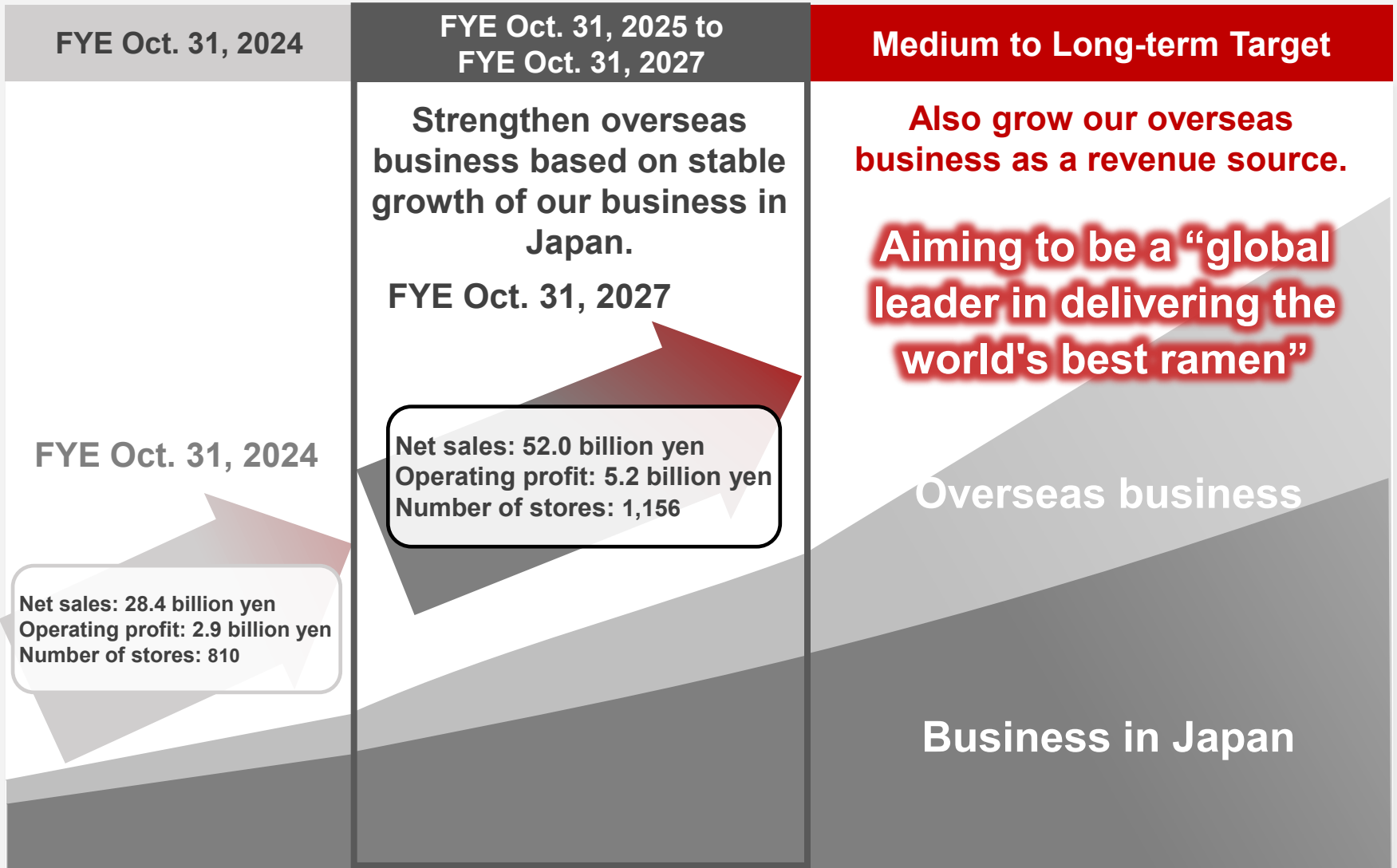


Note: We implemented stock splits on March 19, 2020, and August 1, 2023, wherein our common shares were split with a ratio of 1:2. The dividend figures per share in this briefing material have therefore been calculated retroactively based on the stock splits.

0 4 Medium-term Business Plan
(Fiscal Year Ending October 31, 2025 to Fiscal
Year Ending October 31, 2027)

— Medium to Long-term Target

- We are aiming to be a “global leader in delivering the world's best ramen” as a medium to long-term target by growing the organic business in Japan and aggressively expanding our business overseas.



Overseas Expansion

Invest revenue and experience earned from business in Japan into overseas business in an effective manner.

Business in Japan



Cash and Expertise acquired from business in Japan.



Invest

Overseas business



Steadily promote overseas expansion

- ① Establish a model for thriving stores
- ② Expand horizontally to various location types
- ③ Accelerate store openings



Targets to be achieved in FYE October 31, 2027

Net sales **52.0**
billion yen

Operating profit **5.2**
billion yen



Expansion of business and strengthening of structure



Promotion of digital transformation (DX)



— KPIs

With the strong performance of existing company-owned stores, we aim to restore the operating profit margin target to over 10%.

	KPI	Targets
Growth	1. Net sales growth	20% or above
Profitability	2. Operating profit margin	10.0% or above
Gain on investments	3. ROE (net profit)	20% or above
Returns to shareholders	4. Dividend payout ratio	20% or above

Relationship Between Store Opening Strategy and Sales, Profit and Profit Margin



By opening company-owned stores in areas with concentrated population that have large markets, and opening produced stores in regional areas, we aim to maximize net sales and profit and also maintain profit margin.

Company-owned stores

Store openings in population concentration areas and areas with high ramen consumption

Strengthening store openings

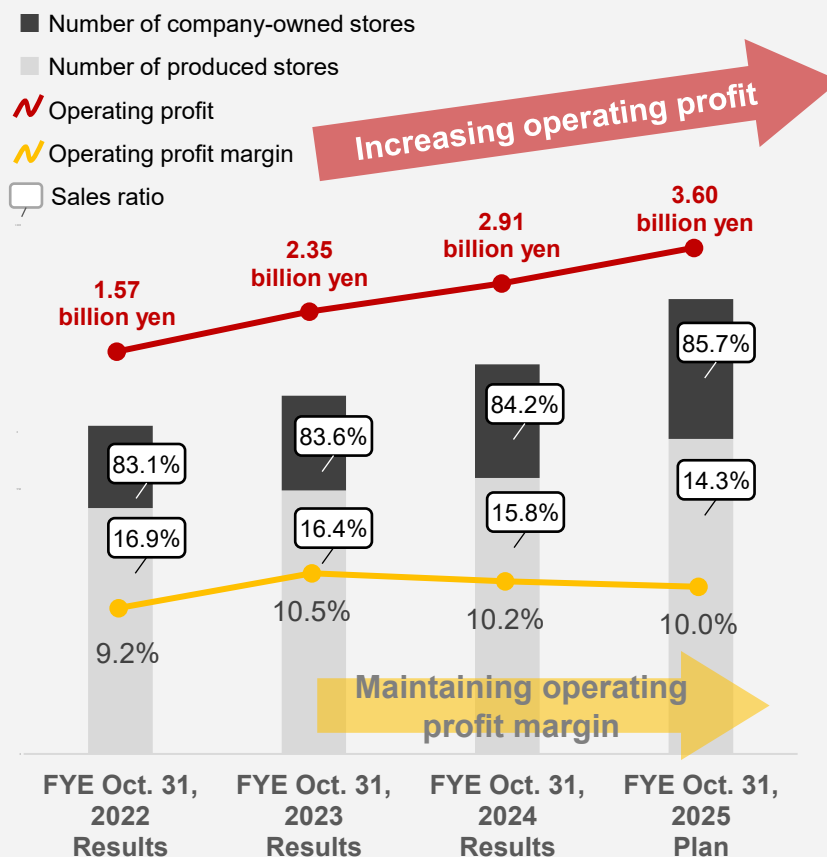
Aim to maximize net sales and profit

Franchise & produced stores

Open stores in regional areas

Aim to maximize profit margin

Percentage of stores (company-owned stores and produced stores), sales ratio, and the amount of profit and profit margin



Medium-term Business Plan (FYE October 31, 2025 to FYE October 31, 2027) / Quantitative Plan



Created a new three-year plan using the rolling method.

Aiming for operating profit of over 5 billion yen in 2027.

	2023	2024	2025	2026	2027
Net sales	22.9 (billion yen)	28.5 (billion yen)	36.0 (billion yen)	43.0 (billion yen)	52.0 (billion yen)
Operating profit	2.35 (billion yen)	2.90 (billion yen)	3.6 (billion yen)	4.3 (billion yen)	5.2 (billion yen)

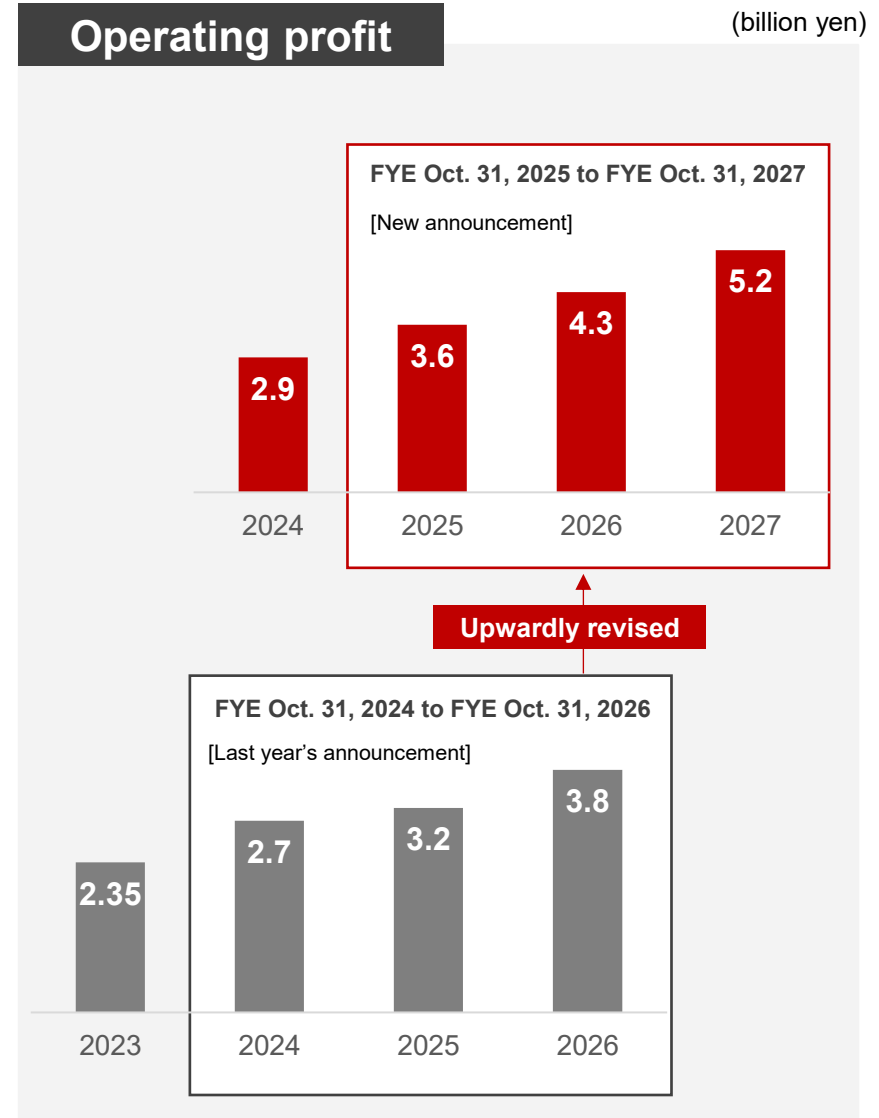
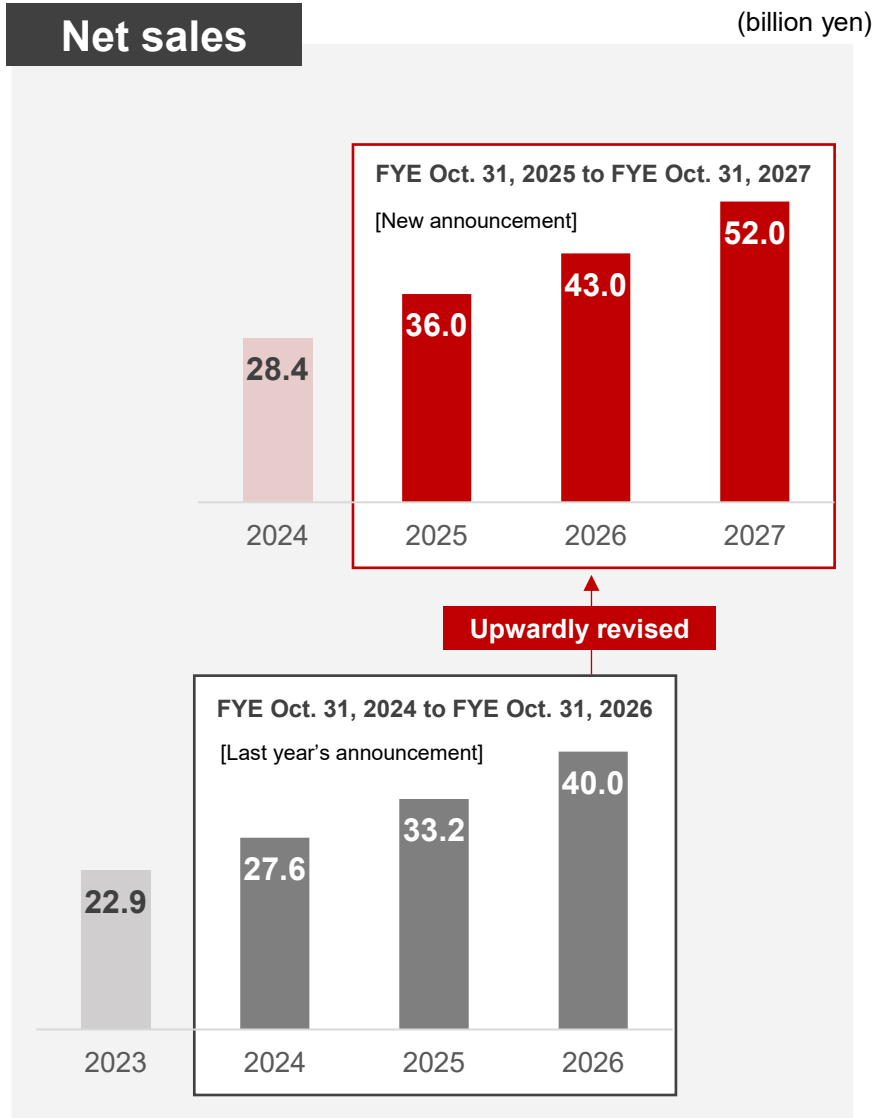
*For FYE October 31, 2026 and 2027, planned figures assume that existing store sales is 100% YoY.

Japan	Total number of stores	726 stores	783 stores	873 stores	973 stores	1,083 stores
	Company-owned stores	194 stores	232 stores	282 stores	342 stores	412 stores
	Franchise & produced stores	532 stores	551 stores	591 stores	631 stores	671 stores
Overseas	Total number of stores	19 stores	27 stores	40 stores	54 stores	73 stores
	Company-owned stores	3 stores	4 stores	5 stores	5 stores	5 stores
	Franchise & produced stores	16 stores	23 stores	35 stores	49 stores	68 stores
Total	Total number of stores	745 stores	810 stores	913 stores	1,027 stores	1,156 stores
	Company-owned stores	197 stores	236 stores	287 stores	347 stores	417 stores
	Franchise & produced stores	548 stores	574 stores	626 stores	680 stores	739 stores

Variance Against the Previously Announced Medium-term Business Plan



Upwardly revised from the previous announcement, backed by the achievement of the store opening plan and strong existing stores.



— Medium-term Business Plan



Key themes	Overview of initiatives
Expansion of existing business	(1) Quality enhancement at each store (2) Improvements in store operation NEW
Recruitment PICK UP	(3) Strengthening recruitment capability (4) Measures to reduce turnover (5) Improvement of education system (6) Reexamination of store operation system
Strengthening of ability to open stores	(7) Advancement of opening business development stores (8) Development of M&A and new business types
Overseas expansion	(9) Establishing an overseas promotion system (10) Recruitment and training of overseas human resources (11) Establishment of ingredient supply system overseas
Strengthening of manufacturing system	(12) Reduction of manufacturing costs (13) Enhancement of manufacturing quality (14) Enhancement of in-house production ratio NEW (15) Creation of stable supply systems (by area)
Strengthening of purchasing and logistics systems PICK UP	(16) Optimization of logistics costs (17) Stockout risk control (18) Improvement of distribution frequency and distribution quality (year-round next-day delivery) (19) Establishment of a scheme for automated ordering NEW (20) Improved quality and reduced costs of ingredients by scaling up purchasing
DX	(21) Improvement of customer convenience (22) Reduction of internal man hours and development of a secure work environment (23) Stronger data integration
Sustainability	(24) Promotion and disclosure of sustainability management

— Medium-term Business Plan

PICK UP

Recruitment

Initiatives to secure human resources

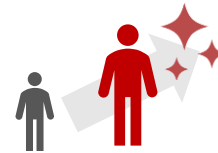
■ Strengthening recruitment capability

✓ Measure effect of relocating head office, strengthen employee conversions, strengthen foreigner recruitment



■ Measures to reduce turnover

✓ Wage increases, improve in-store working environment, improve overtime system



■ Improvement of education system

✓ Establish education system for foreigners in particular



■ Reexamination of store operation system

✓ Examine number of employees per store



Medium-term Business Plan

PICK UP

Strengthening of purchasing and logistics systems

To also improve distribution efficiency accompanying store expansion

Improvement of distribution frequency and distribution quality (year-round next-day delivery)



- Improve cost performance
- Maintain and improve quality by increasing the distribution frequency
- Improve operation at stores with limited stocking space



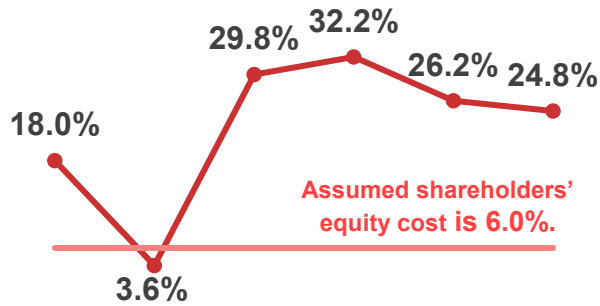
Management Initiatives That Consider the Capital Cost

- Maintain high ROE for the current capital cost of around 6%, and aim to control the shareholders' equity cost,

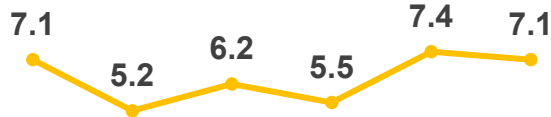
The Company's ROE and PBR trends

ROE (%)

PBR (multiplicative)



Assumed shareholders' equity cost is 6.0%.



FYE Oct. 31, 2019	FYE Oct. 31, 2020	FYE Oct. 31, 2021	FYE Oct. 31, 2022	FYE Oct. 31, 2023	FYE Oct. 31, 2024

Various assumptions

Shareholders' equity costs based on the Company's PBR and ROE

$$\frac{\text{ROE} - \text{Expected growth rate}}{\text{Capital cost} - \text{Expected growth rate}} = \text{PBR} \iff \frac{\text{ROE} - \text{Expected growth rate}}{\text{PBR}} + \text{Expected growth rate} = \text{Capital cost}$$

ROE	PBR	Expected growth rate	Capital cost
24.8%	7.1 times	2 to 3%	5.2% to 6.0%

Shareholders' equity costs based on CAPM

$$\text{Risk free rate} + \text{Stocks } \beta \times (\text{Risk premium} - \text{Expected growth rate}) = \text{Capital cost}$$

Risk free rate	Risk premium	Stocks β	Expected growth rate	Capital cost
0.95%	5%	0.97	2 to 3%	3.4% to 4.3%

ROE

Use FYE Oct. 31, 2024 average

Expected growth rate

Assumes 2 to 3% by adding our company's growth rate to the long-term economic growth rate.

Risk free rate

Refer to the standard 10-year Japanese bond yield.

Stocks β

Sensitivity of our stocks and TOPIX volatility

— Management Initiatives That Consider the Capital Cost

Create proper understanding of the business situation through appropriate information disclosure to investors and constructive dialogue, achieve improved corporate value by providing management with feedback from the dialogue contents, and aim to reduce the shareholders' equity cost.

Dialogue situation (annual)

Results for FYE Oct. 31, 2024

Individual meetings for analysts
and institutional investors

298 times

Of which in Japan **231** times

Of which overseas **67** times

Results Briefing for analysts
and institutional investors

2 times, interim and year-end

Main responders

President & Representative Director
Director & Corporate Planning Office Manager



Feedback to Board of Directors about
dialogue contents

Reflect dialogue contents

Foreign language support

- Simultaneous disclosure in English and Japanese of the Results Briefing Materials
- Increased scope of disclosure in English text

Enhanced disclosure contents

- Newly establish sustainability website, provide a wealth of descriptive content
- Restructure company website
- Create documents for new investors

05 Appendix

Company Overview



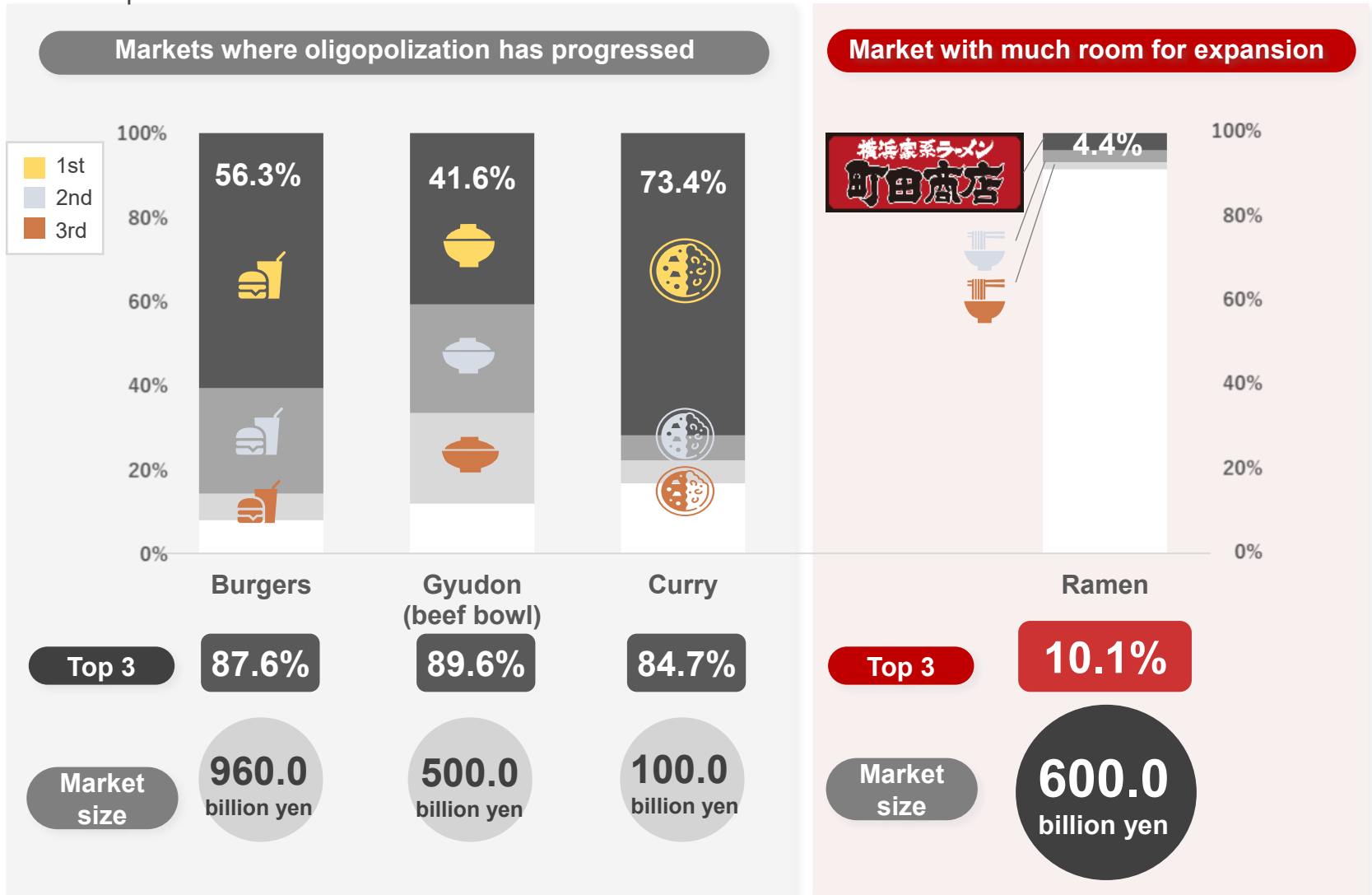
Company name	GIFT HOLDINGS INC.
Business details	Restaurant operation
Head office address	Shibuya Tower 36F, Shibuya Sakura Stage, 1-1 Sakuragaoka-cho, Shibuya-ku, Tokyo
Company factories	Noodle factories: Hiratsuka, Yokohama 1st, Kamisu 1st, Tamba-Sasayama Chasiu factory: Ayase Soup factory: Yokohama 2nd, Kamisu 2nd
Established	December 7, 2009 (Founded in January 2008)
Representative	President & Representative Director: Sho Tagawa
End of fiscal year	October
Share capital	862 million yen (as of April 30, 2025)
Group employees	705 employees, 5,672 part-time and casual workers (as of April 30, 2025)
Affiliates	Twenty consolidated subsidiaries (Names of major consolidated subsidiaries) GIFT INC. GIFT FOODS MATERIAL K.K. GIFT USA INC.



Characteristics of Main Restaurant Industries and Ramen Market in Japan



As opposed to items such as burgers, gyudon (beef bowl), and curry, which are concentrated on major companies, a large portion of the ramen market is taken up by individual stores, offering significant room for chain stores to expand their share.



Business Details

Operation of restaurant business through the two channels of company-owned stores and produced stores

Company-owned stores

254 stores *Including outsourced stores

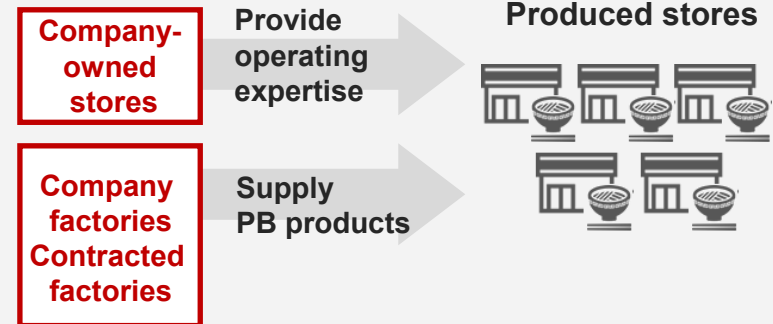
The Company operates stores under its own brands centered on EAK ramen brand Machida Shoten (Refer to the following pages for other brands).



Produced stores

595 stores *Including franchise stores

The Company provides support for making stores owned and operated by partners successful by leveraging operating expertise of company-owned stores and supplying ingredients (PB products).



* PB products: Private brand products (Noodles, sauce, soup, dumplings, chasiu)

Brand List (1/2)



Machida Shoten **IEKEI**

IEKEI Ramen characterized by creamy soup that you never tire of. A popular chain with over 100 stores nationwide offering a lively and transcendent space.



BUTAYAMA **Hearty type**

A “wild pork mountain ramen” characterized by thick and tender pork and a plentiful helping of vegetables. The powerful soup combined with the sweet soy sauce and chewy “washiwashi” noodles provide a filling experience!



GANSO ABURADO **Oil noodles**

“Soupleless ramen” using carefully made custom noodles that can be customized for your own original taste with tabletop condiments. The stylish atmosphere of the stores is also popular with women, and arrangements of flavor are limitless!



GATTON **Kyushu Tonkotsu**

“Kyushu tonkotsu ramen” characterized by soup matured by hours of cooking. The specially ordered ultra-thin noodles sought to match the rich and deeply flavored soup provide the ultimate flavor.



SHI-TEN-NOH **Soy sauce tonkotsu**

Very popular with visitors from foreign countries. “Pork bone broth ramen” characterized by its light richness.

Brand List (2/2)



NAGAOKA SHOKUDO Chinese Soba

“Chinese soba” with ginger soy sauce that is popular as a local ramen in Nagaoka City in Niigata. Popular with men and women of all ages due to the deep flavor of the light soup using carefully selected ingredients.



AKAMISOYA Miso

“Miso based ramen” with plenty of flavor of stir fried vegetables.

Overseas



E. A. K. RAMEN



E.A.K. RAMEN IEKEI

Providing a flavor to match local needs based on “IEKEI Ramen.”

Overseas

MACHIDA SHOTEN
JAPANESE RAMEN










Machida Shoten IEKEI

Provides “IEKEI” ramen overseas with the same quality as company-owned domestic stores in terms of taste, space and service!

— Making Successful Stores in Any Location









	Locations near train stations		Roadside
	Downtown areas/ business districts	Residential areas	
			
Competitor C		-	-
Competitor H		-	-
Competitor M	-	-	
Competitor K	-	-	

— Store Opening Strategy






Possible to operate successful stores both near train stations and roadside areas

Areas near train stations

Downtown areas	Residential areas	Business districts
<p>Ikebukuro Shoten</p> 	<p>Tsunashima Shoten</p> 	<p>Yotsuya Shoten</p> 
<p>Shibuya Store</p> 	<p>Kyodo Store</p> 	<p>Suidobashi Store</p> 

Roadside areas

Roadside

<p>Shimizu Interchange Store</p> 	<p>Nakamachidai Store</p> 
<p>Kyoto-Higashi Interchange Store</p> 	<p>Himeji Store</p> 
<p>Fujinomiya Store</p> 	

— Roadside Stores

Roadside stores are also popular with families.

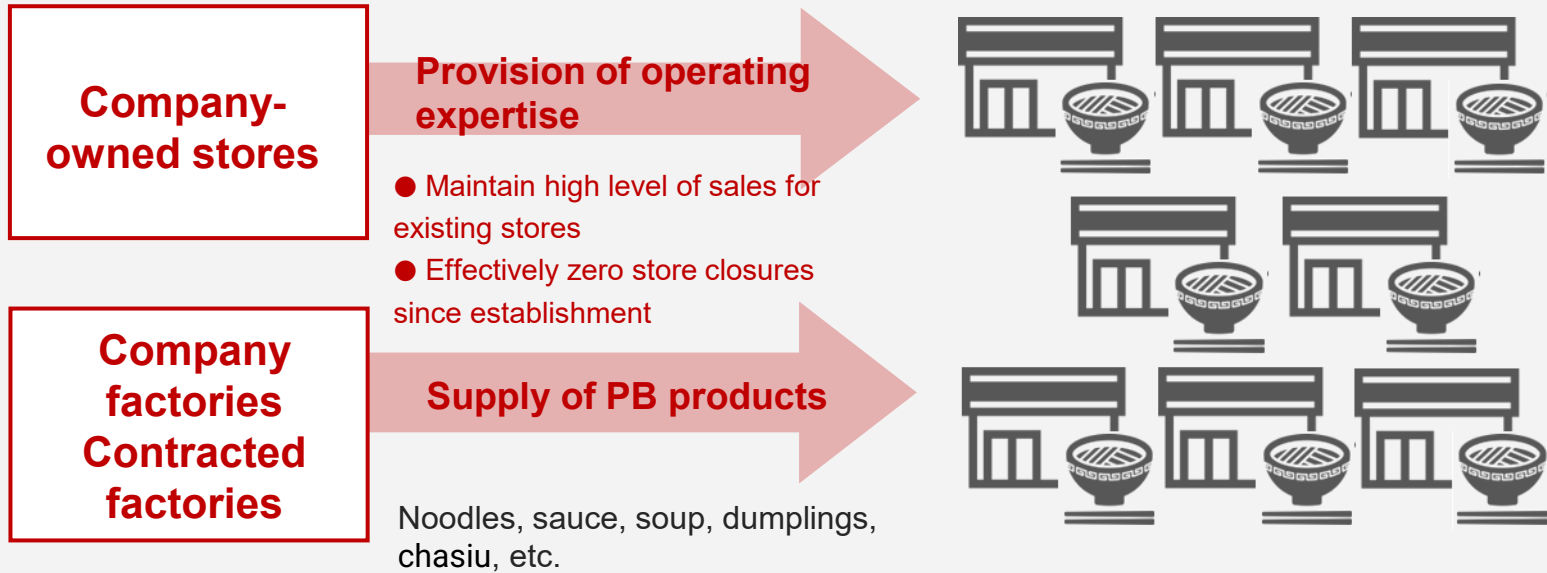
- Parking area (20-30 vehicles)
- Opening stores based on analysis of factors such as the state of competition, population of the trade area and traffic volume
- Creation of stores that can be enjoyed by families
- Improvement of menu for families
- Maintaining trend of increasing customer spend
- Roadside stores are more successful than stores near train stations.



Produced Stores

<The Company's original channel> Operating scheme of produced stores

The Company provides support for making stores owned and operated by partners successful by leveraging operating expertise of company-owned stores and supplying ingredients (PB products).



* In contrast to a franchise system, no guarantee money, franchise membership fee or consulting fee (royalties) are required. The production of stores at the time of their launch based on operating expertise of company-owned stores is provided free of charge as a general rule on the condition of purchase of ingredients.

Differences Between Produced Stores and Franchise Stores

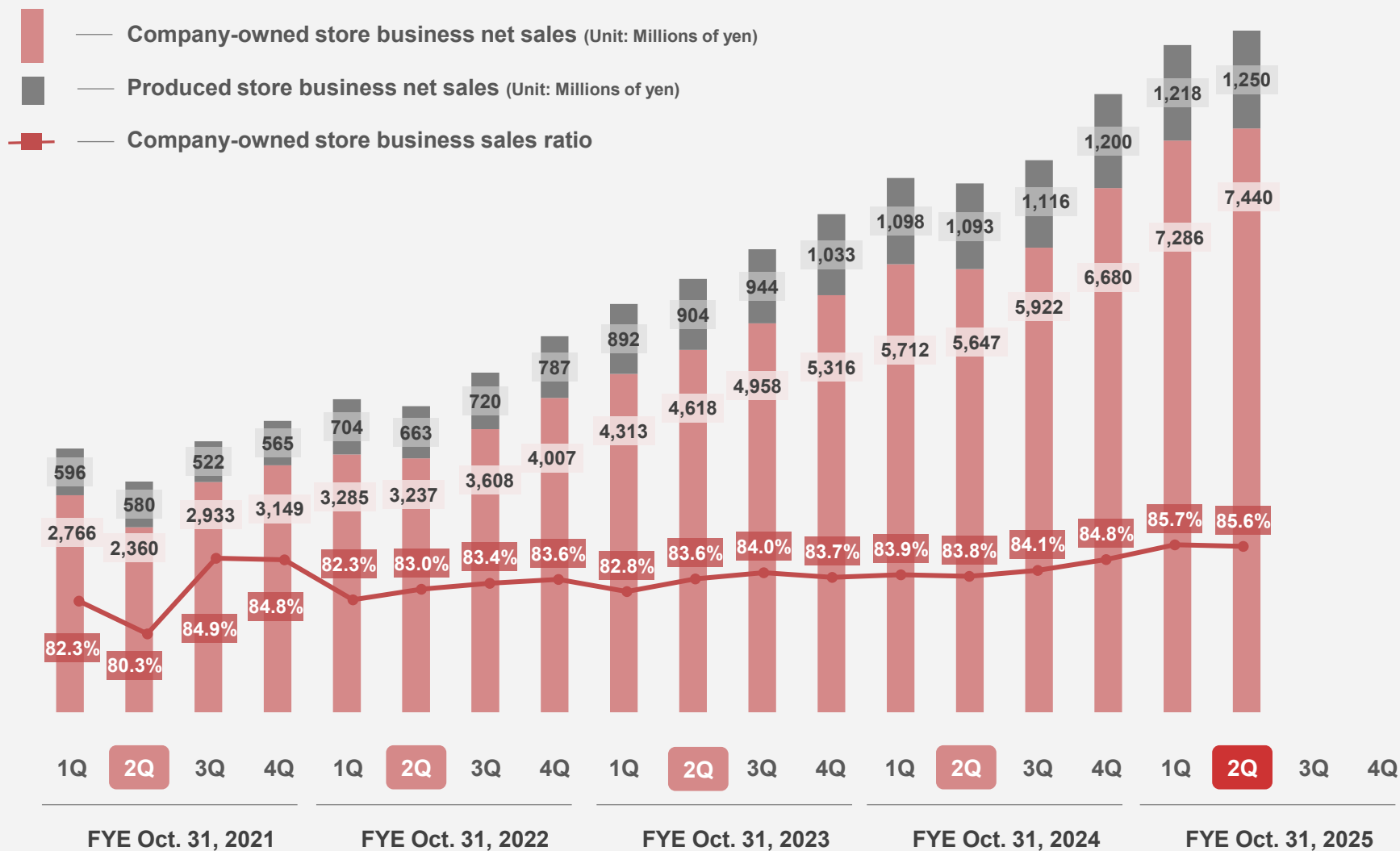
	Franchise stores	Produced stores
Trade name	Not selectable	Freely selectable
Membership fee	1-5 million yen	0 yen
Royalties	Approx. 5% of monthly sales	0 yen
Freedom of store operation and menu development	×	○
Risk of overall ripple effect of damage to brand by a member store	Large	Small
Various support*	Available	Available

* Various support: Property development, store design, employee training, opening support

Quarterly Net Sales in Company-owned Store Business and Produced Store Business



The sales ratio of the company-owned store business is increasing.



Other Quarterly Trends

		FYE Oct. 31, 2023				FYE Oct. 31, 2024				FYE Oct. 31, 2025			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Number of stores (stores)	Overall	709	730	741	745	755	773	797	810	831	849		
	Company-owned in Japan	165	174	181	185	190	197	209	223	232	242		
	Company-owned foreign	3	3	3	3	3	3	3	4	4	4		
	Outsourced stores	9	9	9	9	9	9	9	9	9	8		
	Produced & franchise	532	544	548	548	553	564	576	574	586	595		
Cost of sales rate (%)		31.8	32.4	32.6	32.1	32.5	32.0	32.5	31.6	33.6	33.5		
Selling, general and administrative expenses rate (%)		57.9	58.8	57.6	56.0	54.2	58.6	60.2	57.6	57.2	57.7		
Of which is labor cost rate (%)		25.8	26.6	27.6	25.8	25.8	27.1	27.6	26.7	26.7	26.9		



— Status of Stores (Breakdown of Change)

(Number of stores)		Number of stores as of October 31, 2024	Number of stores as of April 30, 2025	Change
Company-owned stores	Hokkaido	0	0	-
	Tohoku	22	26	+4
	Kanto and Koshin	147	160	+13
	Hokuriku	0	0	-
	Tokai	36	38	+2
	Kinki	17	17	-
	Chugoku and Shikoku	1	1	-
	Kyushu and Okinawa	0	0	-
	Overseas	4	4	-
	Subtotal	227	246	+19
Outsourced stores	9	8	-1	
Total	236	254	+18	
Produced stores	Hokkaido	18	20	+2
	Tohoku	18	18	-
	Kanto and Koshin	325	332	+7
	Hokuriku	14	14	-
	Tokai	59	60	+1
	Kinki	48	51	+3
	Chugoku and Shikoku	31	33	+2
	Kyushu and Okinawa	27	30	+3
	Overseas	14	13	-1
	Subtotal	554	571	+17
Franchise stores in Japan	11	12	+1	
Franchise stores overseas	9	12	+3	
Total	574	595	+21	
Total number of stores		810	849	+39




Net sales 14,726 million yen





Net sales 2,468 million yen

Status of Stores (Company-owned Stores + Franchise Stores / Breakdown of Change by Brand)



“Machida Shoten” and “GANSO ABURADO” are expanding.

Brand					
Number of stores	164	41	26	5	4
Change compared to the end of the previous fiscal year	+11	+2	+6	-1	-

Brand					Other
Number of stores	2	1	3	12	12
Change compared to the end of the previous fiscal year	-	-	-	+2	+3

B/S Summary



(Unit: Millions of yen)	As of Oct. 31, 2024	As of Apr. 30, 2025	Change
Current assets	4,368	4,843	+474
Cash and deposits	2,442	2,746	+304
Accounts receivable - trade	714	852	+137
Other	1,211	1,243	+32
Non-current assets	12,731	14,913	+2,182
Property, plant and equipment	9,450	11,427	+1,977
Intangible assets	236	211	(24)
Investments and other assets	3,044	3,274	+229
Total assets	17,099	19,756	+2,656

(Unit: Millions of yen)	As of Oct. 31, 2024	As of Apr. 30, 2025	Change
Current liabilities	5,356	5,746	+389
Accounts payable – trade	931	1,057	+126
Short-term borrowings	14	25	+11
Current portion of long-term borrowings	1,198	1,544	+345
Other	3,212	3,118	(93)
Non-current liabilities	3,365	4,558	+1,192
Long-term borrowings	2,786	3,879	+1,092
Other	578	678	+99
Total liabilities	8,722	10,304	+1,582
Total net assets	8,377	9,451	+1,074
Share capital	824	862	+37
Capital surplus	1,052	1,090	+37
Retained earnings	6,278	7,130	+852
Treasury shares	(1)	(1)	(0)
Accumulated other comprehensive income	217	329	+111
Non-controlling interests	5	39	+34
Total liabilities and net assets	17,099	19,756	+2,656

C/F Summary

(Unit: Millions of yen)	2Q of FYE Oct. 31, 2024	2Q of FYE Oct. 31, 2025	Change
Net cash provided by (used in) operating activities	1,455	1,239	(215)
Net cash provided by (used in) investing activities	(1,592)	(1,926)	(334)
Net cash provided by (used in) financing activities	194	1,303	+1,109
Effect of exchange rate change on cash and cash equivalents	9	7	(1)
Cash and cash equivalents at end of interim period	1,922	2,746	+824

Main
content of
1H of FYE
Oct. 31,
2025

■ Cash flows from operating activities

Profit before income taxes: 1,517 million yen
 Depreciation: 533 million yen
 Income taxes paid: (596 million yen)

■ Cash flows from investing activities

Proceeds from withdrawal of time deposits: 315 million yen
 Purchase of property, plant and equipment: (2,191 million yen)

■ Cash flows from financing activities

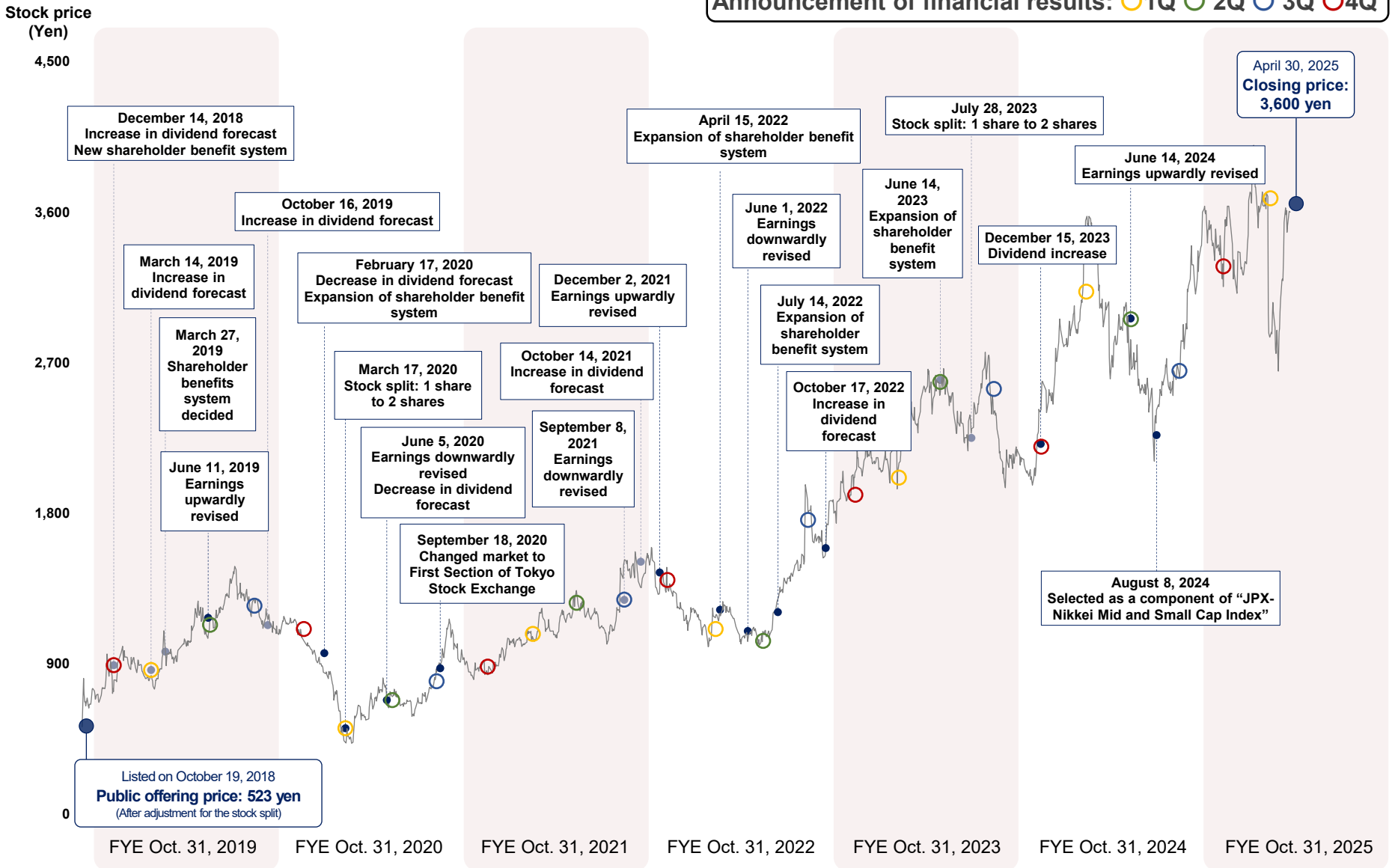
Net change in short-term borrowings: 10 million yen
 Proceeds from long-term borrowings: 2,100 million yen
 Repayments of long-term borrowings: (661 million yen)
 Dividends paid: (179 million yen)



Stock Price Trends (from Listing to April 30, 2025)

The stock price has risen by approximately 7 times since listing.

Announcement of financial results: ○1Q ○2Q ○3Q ○4Q



Information for the IR Website, QA Station and IR News Distribution Service



IR website

Other investor relations (IR) materials are available on our English IR website:



<https://www.gift-group.co.jp/english/>

Machida Shoten

For details of our main brand Machida Shoten, please refer to the following website:



<https://us.machidashoten.com>

IR news distribution service

The IR news distribution service delivers IR information e-mails to those registered for the service.



https://www.magicalir.net/9279/mail/index_en.php



— Disclaimer

Notice concerning forward-looking statements

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