

Presentation Material for
FY2025 Q2 Financial Results

June 12, 2025



Securities code: 3038

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(Millions of yen)

	FY24 Nov.–Apr.	FY25 Nov.–Apr.	Percentage change	FY24 Feb.–Apr.	FY25 Feb.–Apr.	Percentage change	FY25 forecast	Progress towards full-year forecast
Net sales	248,123	272,306	+9.7%	127,218	139,881	+10.0%	525,000	51.9%
Gross profit (Gross margin)	29,239 (11.8%)	31,679 (11.6%)	+8.3%	15,008	16,363	+9.0%	–	–
SG&A expenses (SG&A ratio)	11,519 (4.6%)	12,593 (4.6%)	+9.3%	5,819	6,432	+10.5%	–	–
Operating profit (Operating margin)	17,720 (7.1%)	19,086 (7.0%)	+7.7%	9,188	9,931	+8.1%	37,700	50.6%
Ordinary profit (Ordinary margin)	18,036 (7.3%)	20,929 (7.7%)	+16.0%	9,972	5,419	–45.7%	37,800	55.4%
Profit attributable to owners of parent (Net margin)	12,345 (5.0%)	14,267 (5.2%)	+15.6%	6,821	3,678	–46.1%	24,000	59.5%

[Financial Overview]

● Net sales

Net sales increased by ¥24,183 million (9.7%) year on year with robust new store openings and continued strong product shipments to existing stores.

● Gross profit

Gross profit increased by ¥2,439 million (8.3%) year on year due to the continued strong net sales despite the yen's depreciation compared to the same period last year.

● SG&A expenses

SG&A expenses increased by ¥1,073 million (9.3%) year on year due to increases in freight costs along with increased net sales of the Gyomu Super Business and personnel expenses resulting from a wage increase to maintain talented employees.

● Operating profit

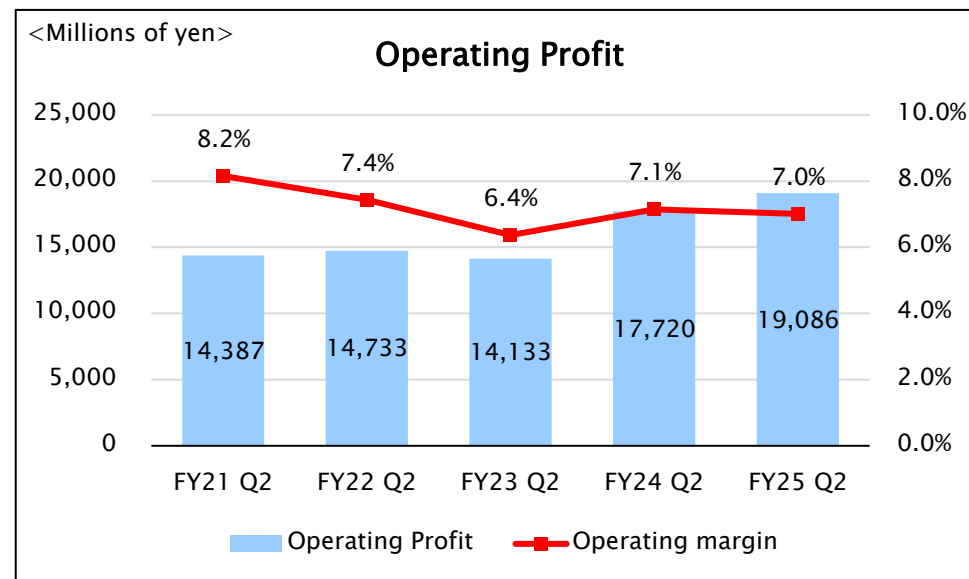
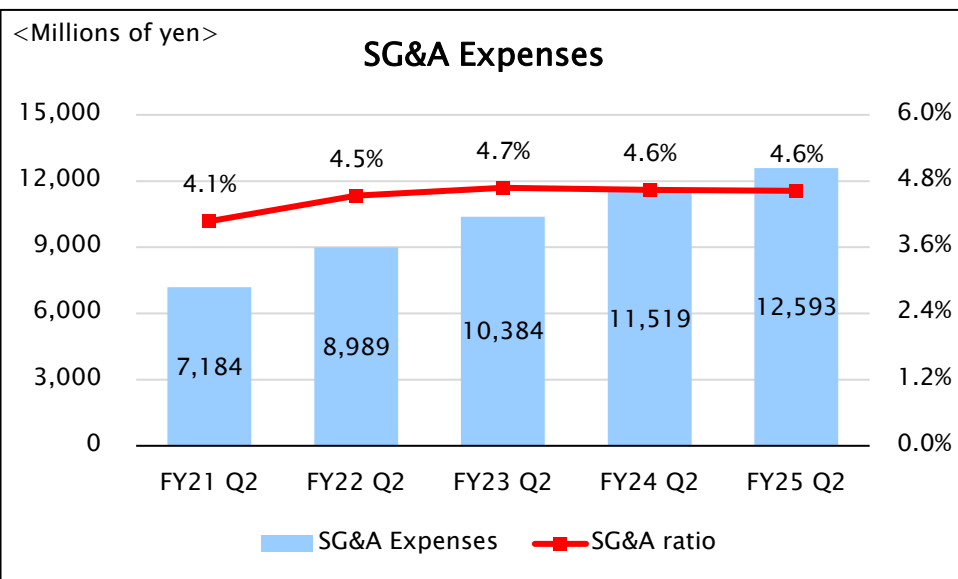
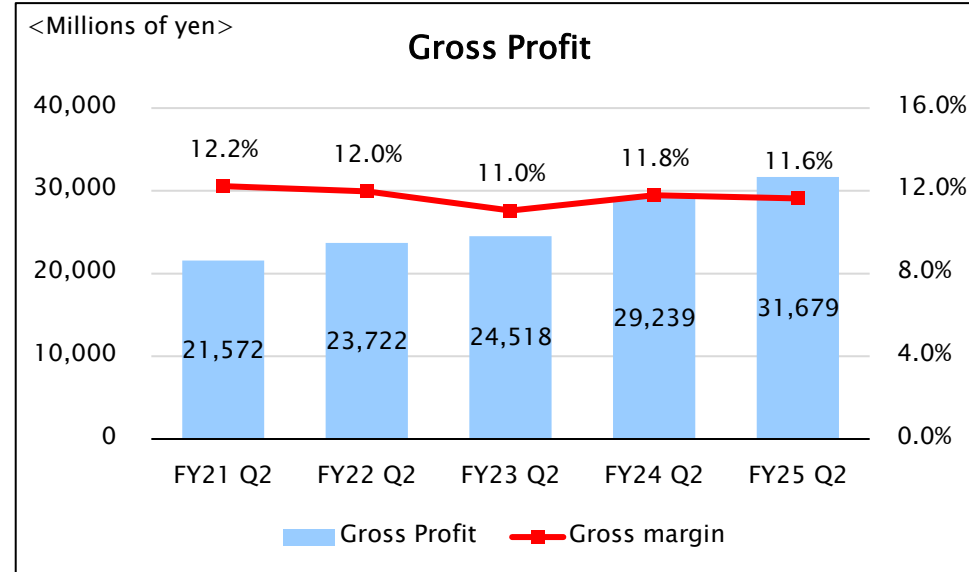
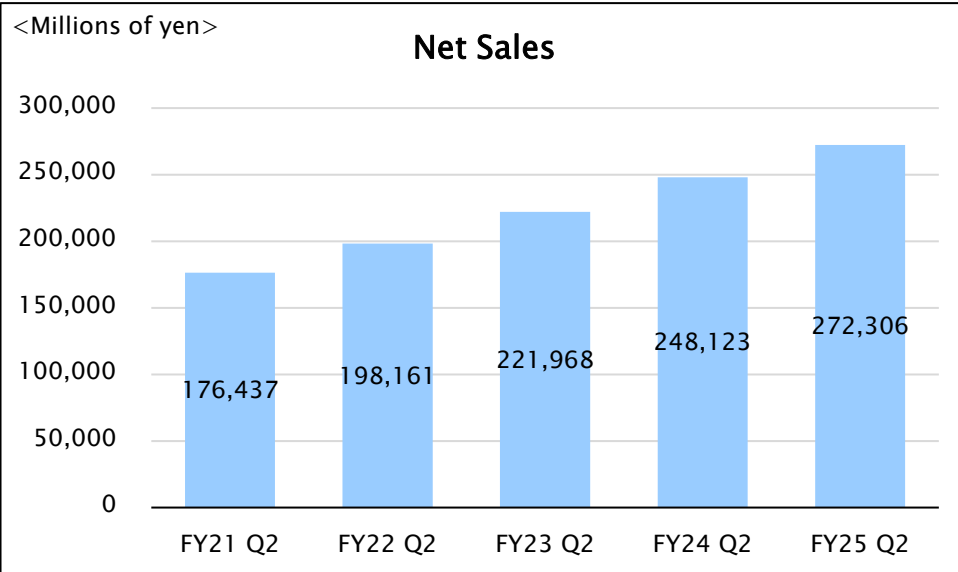
As a result of the factors above, operating profit increased by ¥1,365 million (7.7%) year on year.

● Ordinary profit

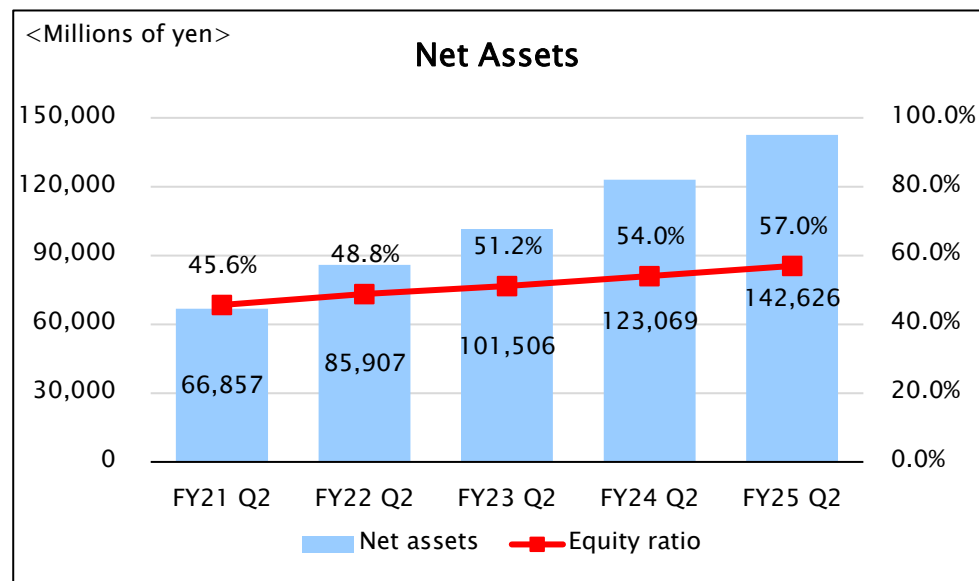
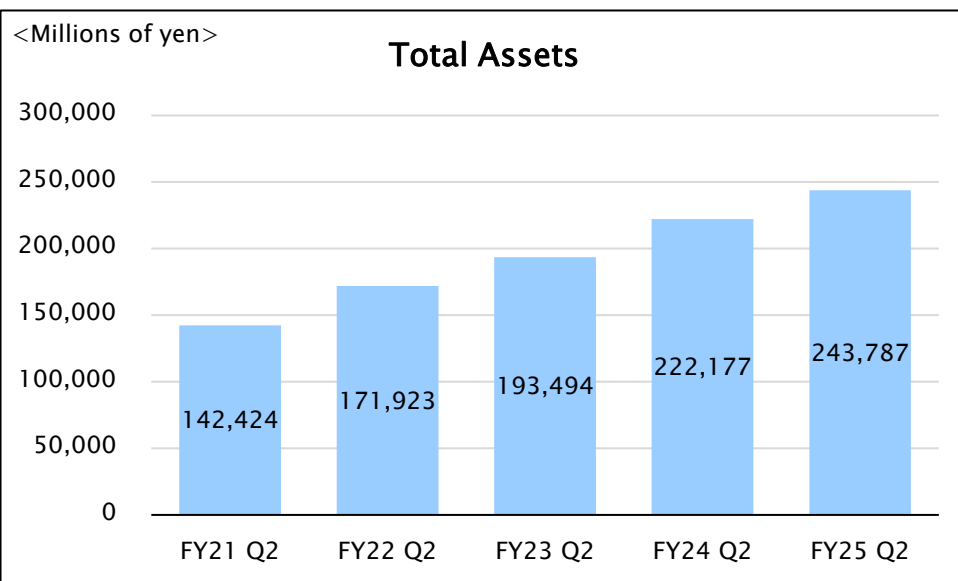
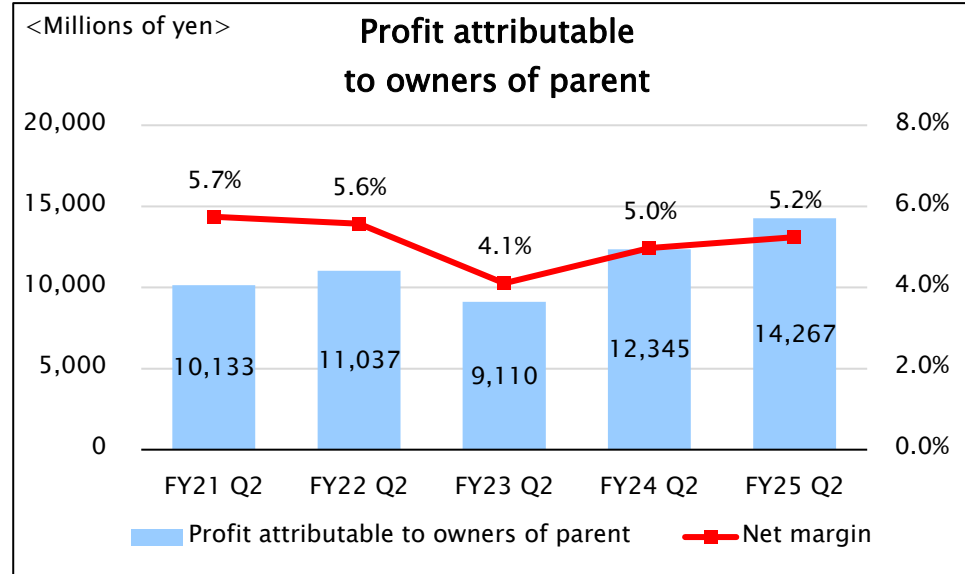
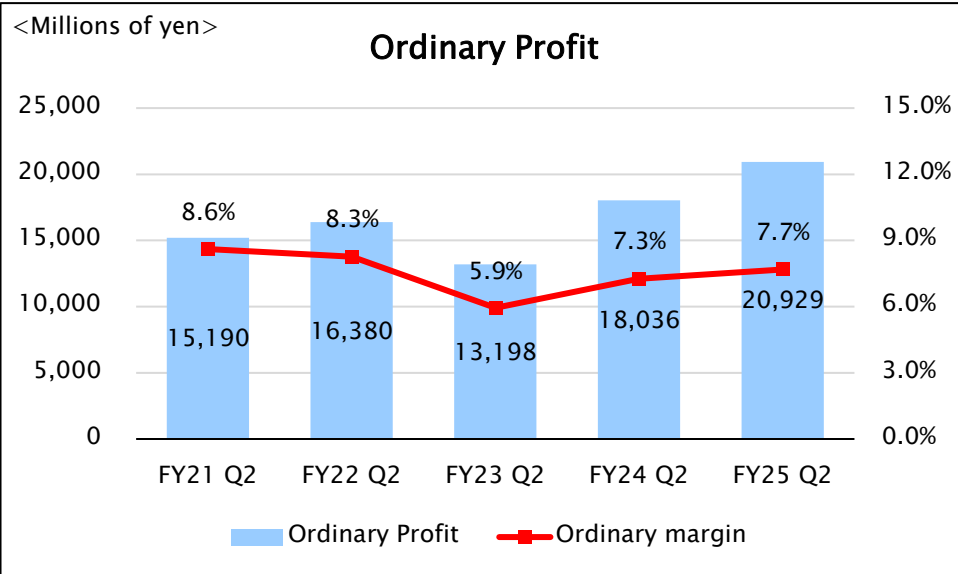
Ordinary profit increased by ¥2,893 million (16.0%) year on year, positively affected by the subsidy income and the mark-to-market valuation gains on forward exchange contracts.

● Profit attributable to owners of parent

As a result of the factors above, profit attributable to owners of parent increased by ¥1,921 million (15.6%) year on year.



Note: Fiscal year (FY) represents the one-year period from November 1 to October 31 of the following year.



Gyomu Super is our core business. Operating results of this business segment reflect wholesale sales to, and royalty fee from, Gyomu Super franchisees earned by Kobe Bussan, a franchisor (franchising headquarters), as well as earnings of Kobe Bussan Group's plants.

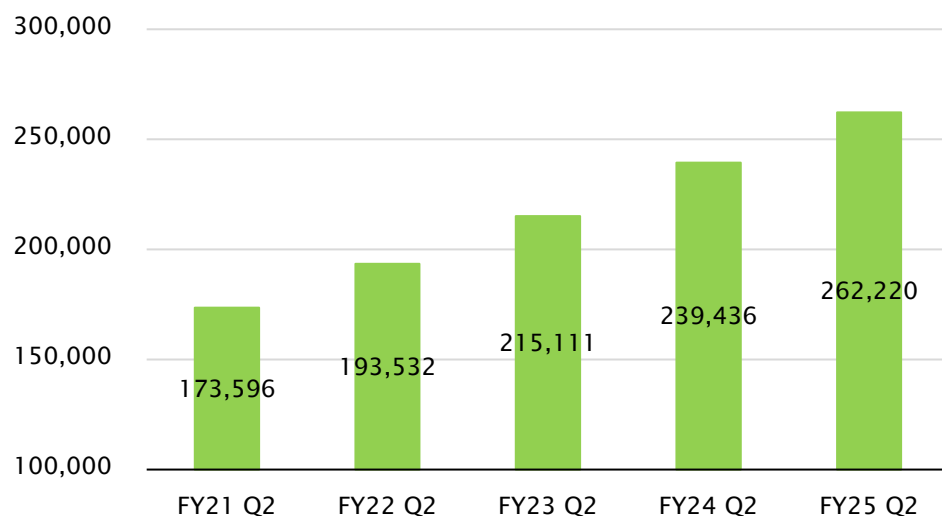
- Gyomu Super stores have expanded nationwide with 1,105 stores as of April 30, 2025.
- Net sales for FY2025 Q2 exceeded the planned amount due to strong performance of the existing stores.
- The promotional sale from March through April ended with favorable results partly due to the continued strong savings-oriented attitude of consumers.



Inside the Gyomu Super Yokohama Izumi Store

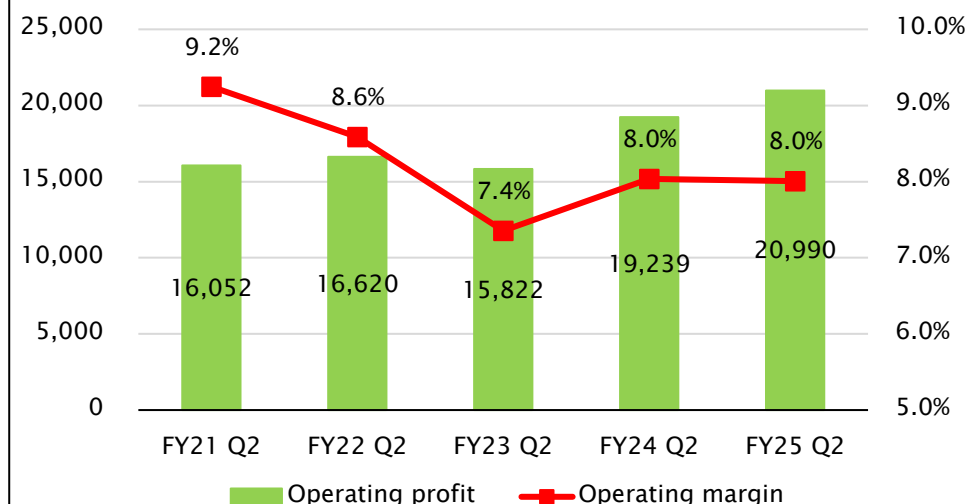
<Millions of yen>

Net Sales



<Millions of yen>

Operating Profit



We operate Gyomu Super stores under a franchise system except 4 stores of our own.

Our franchise agreement has 2 types as follows:

- General franchise contract, which allows a franchisee to open 1 store in our directly managed areas (*1).
- Area franchise contract, which allows a franchisee to open multiple stores in a defined prefecture in our indirectly managed areas (*2).

Also, we own 4 stores in Hyogo, Osaka and Kanagawa prefectures under direct operations.

*1 Directly managed areas

- Hokkaido area: Hokkaido prefecture
- Kanto area: Tokyo, Chiba, Kanagawa, and Saitama prefectures
- Kansai area: Osaka, Kyoto, Hyogo (excl. Awaji Island), Nara, Wakayama, and Shiga prefectures
- Kyushu area: Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, and Kagoshima prefectures

*2 Indirectly managed areas

- Other areas: Prefectures other than those listed above

Outline of Franchise Contract & Requirements (as of April 30, 2025)

	Directly managed areas	Indirectly managed areas
Number of franchisees	89	14
Type of franchise agreement	Single-unit franchise (A general franchisee can open 1 store per contract.)	Multi-unit franchise (An area franchisee has an exclusive right to open multiple stores in a prefecture defined under the contract.)
Initial franchise fee (excl. consumption taxes)	¥2,000,000	Population in the prefecture x ¥2
Franchise deposit	¥10,000,000	Population in the prefecture x ¥5
Royalty fee	1% of total purchase of goods	1% of purchase of defined goods
Facility expenses	It costs between ¥32 million and ¥38 million to construct racks for shelf-stable foods and refrigeration equipment (the above construction cost is a rough estimate and varies depending on properties). Equipment, construction work, POS registers, and other funds for start-up are required separately.	
Distribution expenses	Principally paid by franchise headquarters	Negotiable

Simulated Earnings (Standard Store Franchisees)

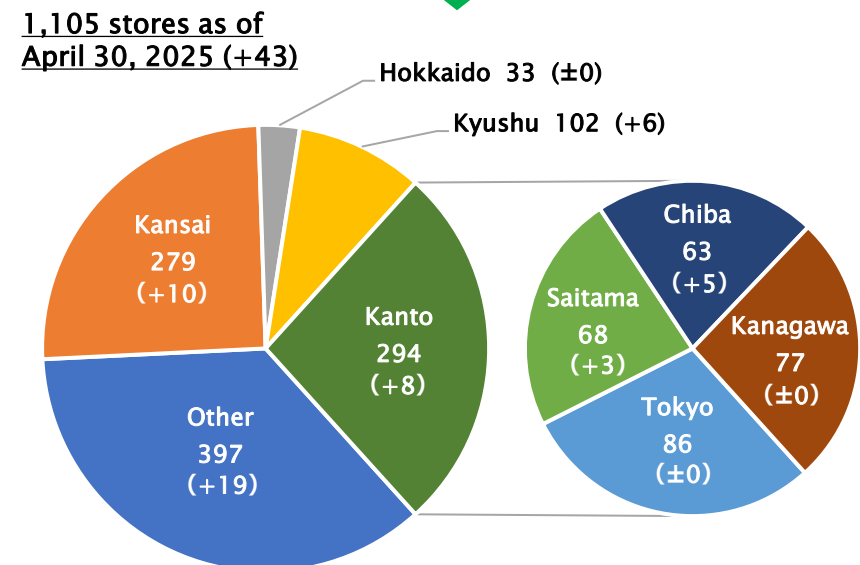
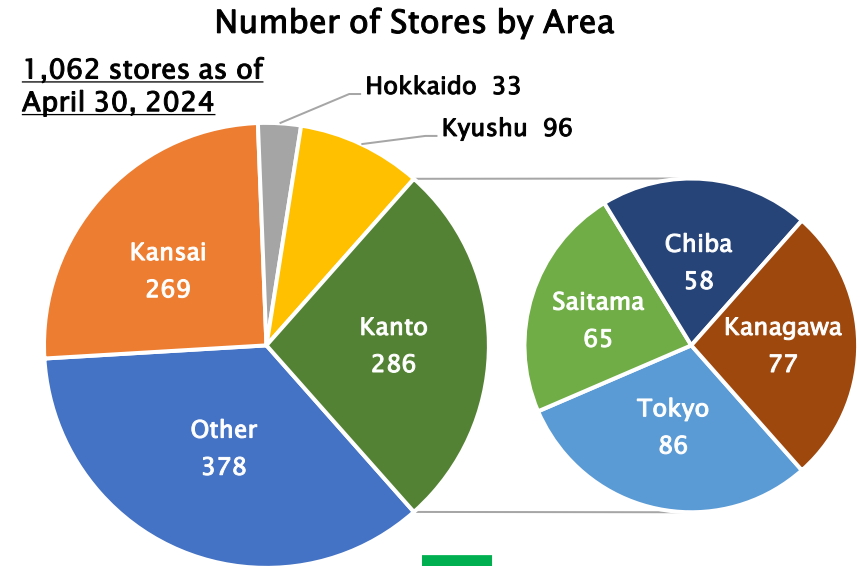
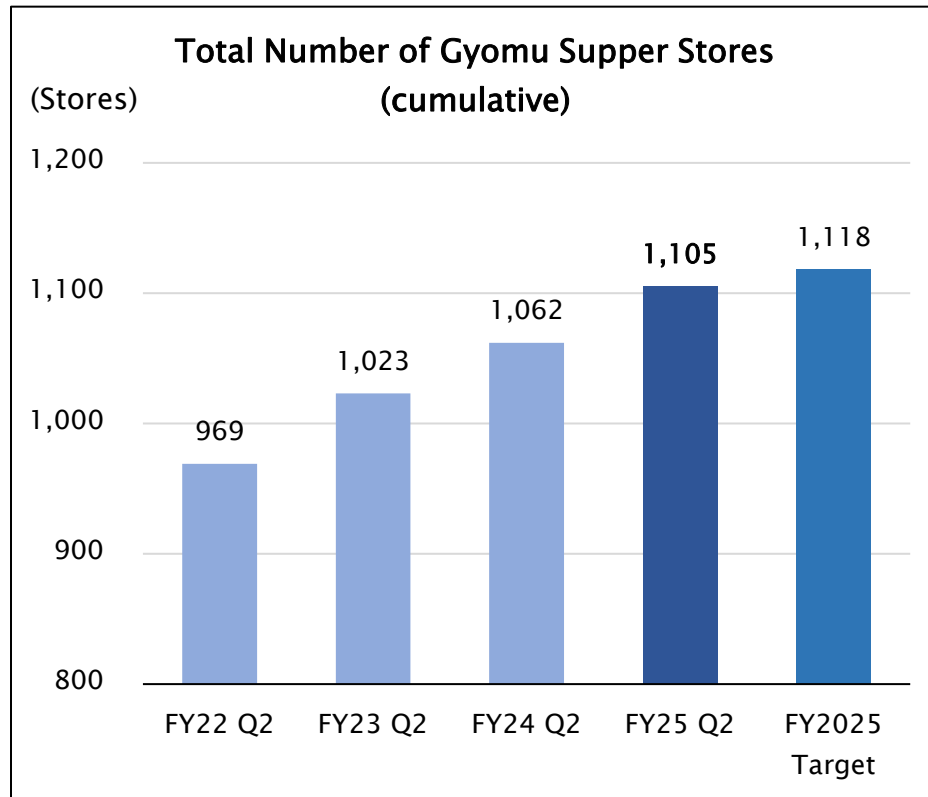
P&L account	Monthly amount	Composition
Net sales	¥43,500,000	100.0%
Gross profit	¥7,395,000	17.0%
SG&A expenses	¥6,499,000	14.9%
(Rent expenses)	¥1,300,000	3.0%
(Personnel expenses)	¥2,393,000	5.5%
Operating profit	¥896,000	2.1%

* By purchasing items such as fresh food separately, many of franchisees operate more efficiently than the above simulation.

Gyomu Super opened 27 stores and closed 6, resulting in a net increase of 21 stores during FY2025 Q2 cumulative, and opened 16 stores and closed 5 stores during FY2025 Q2 alone.

The progress at the end of FY2025 Q2 was 62% toward the full-year target of a net increase of 34 stores.

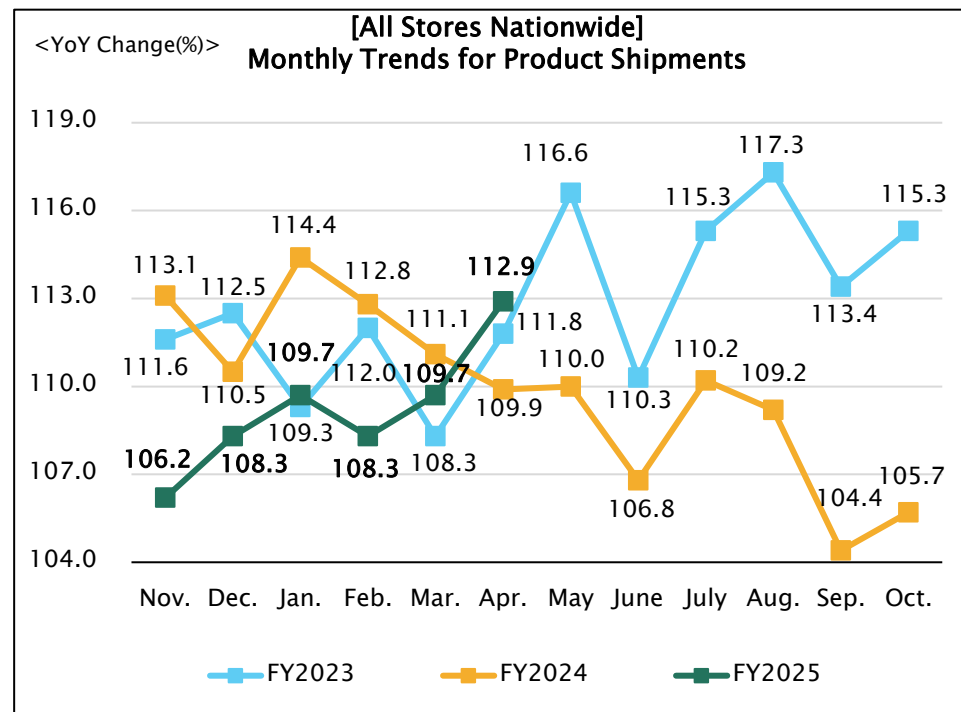
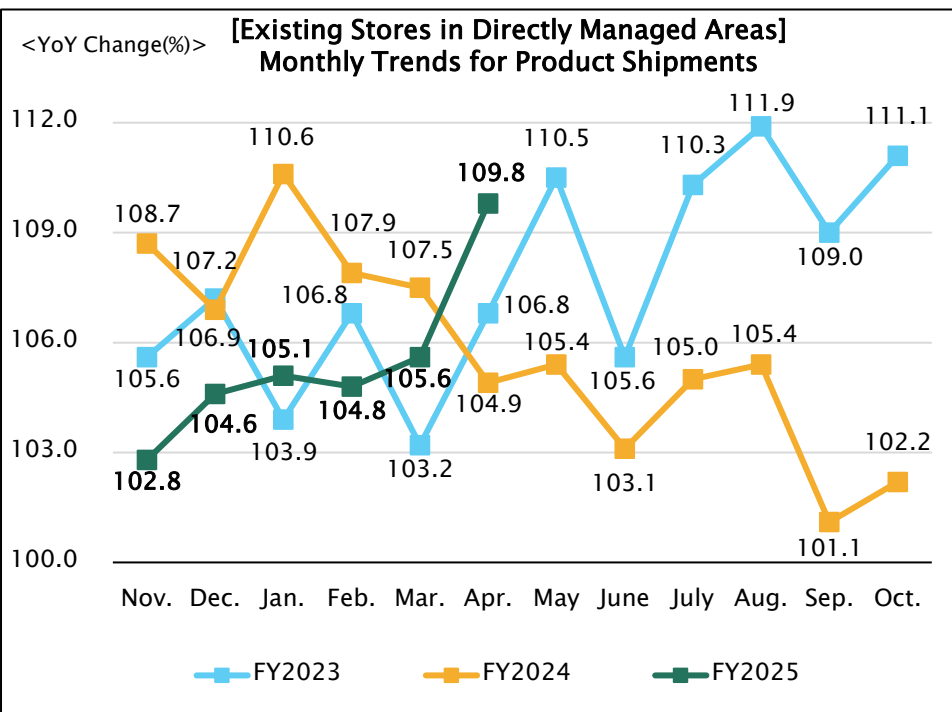
During Q2 alone, store openings progressed smoothly both in directly and indirectly managed areas.



Directly managed areas: Hokkaido, Kanto, Kansai, and Kyushu
Indirectly managed areas: Other

Year-on-year Changes in Product Shipments to Gyomu Super Stores

- Product shipments exceeded the previous year's level as customers became more thrifty and favored our relatively low prices compared to competitors.



[Year-on-year % Changes in Product Shipments to Gyomu Super Stores]

		FY2024			FY2025						
		H1	H2	Full	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1
Directly managed areas	Existing stores	107.7	103.7	105.6	102.8	104.6	105.1	104.8	105.6	109.8	105.5
	All stores	111.3	107.8	109.5	106.5	108.5	109.2	108.8	109.4	112.7	109.2
Nationwide	All stores	111.7	107.7	109.6	106.2	108.3	109.7	108.3	109.7	112.9	109.2

Products shipments to existing stores in directly managed areas for each quarter alone

Q1: 104.2%
Q2: 106.8%

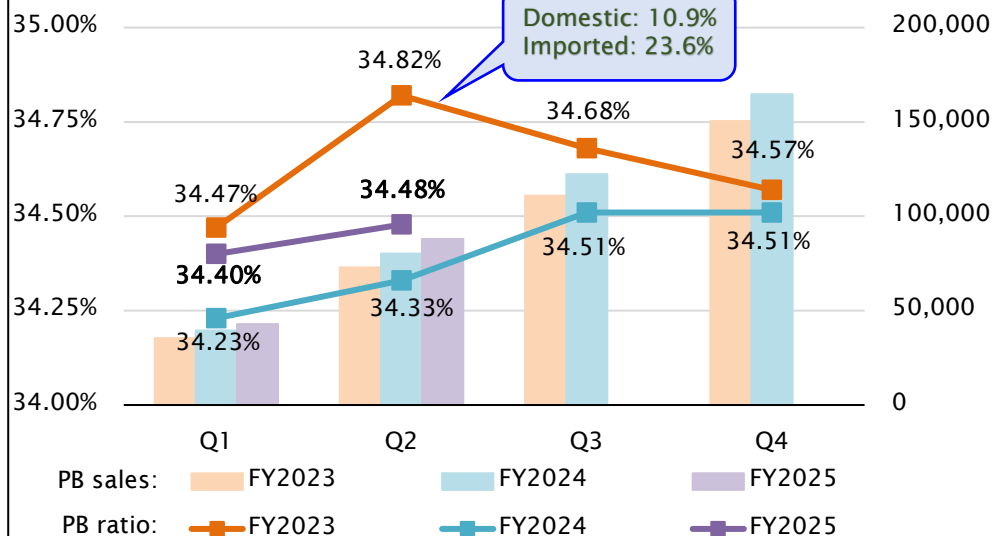
Note: "Nationwide" represents the product shipments to the stores in both directly and indirectly managed areas.

Kobe Bussan's Strengths: "Unique Products with Competitive Advantages"

Enhancing Original Products

Ratio of Private Label Products

<Millions of yen>



New Plant Started Operations

- On April 1, 2025, Uehara Foods Industry Co., Ltd. joined our group, bringing the total number of our domestic plants to 27.
- With this company as a production base for the Kanto area, we aim to further enhance our line-up of private label products.
- This base is planned to manufacture several of our own products, such as hot pot soup and chicken cutlets.

Private label products



Deep-fried marinated chicken
¥807 (1kg)



Organic broccoli
¥213 (400g)



Cheese in potato & corn dog
¥300 (1 stick)



Calcium-rich salmon flakes
¥257 (160g)



Whipped cream daifuku with smooth red bean paste
¥375 (650g)



Frozen Sanuki udon noodles
¥178 (200g x 5)

Note: All prices include tax.
Products and prices are different depending on stores and seasons.

Packaging changed from a bottle to a pouch for environmental reasons

The Restaurant & Delicatessen Business covers restaurants and delicatessen shops that we operate directly or as a franchisor (franchising headquarters). This business segment includes Kobe Cook World Buffet, a buffet-style restaurant chain; Premium Karubi, a served a-la-carte buffet style BBQ restaurant chain; and Chisouna, a delicatessen shop chain.

- The Nikke Parktown Kakogawa Restaurant, Kobe Cook World Buffet's first small-format location, has had a strong start.
- Premium Karubi tackled the rising purchase costs through menu revisions and other measures.
- Chisouna steadily opened new shops.



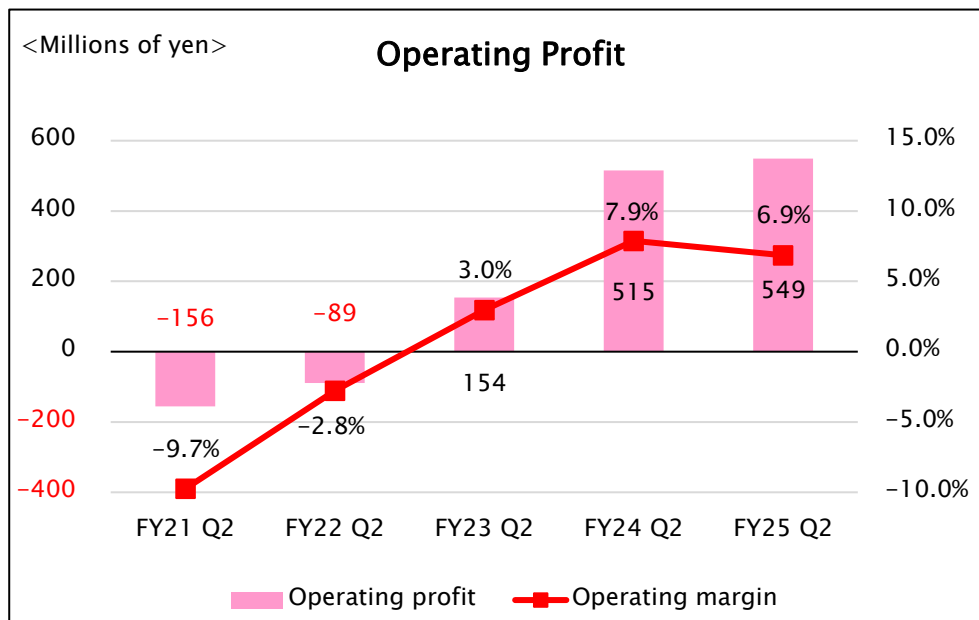
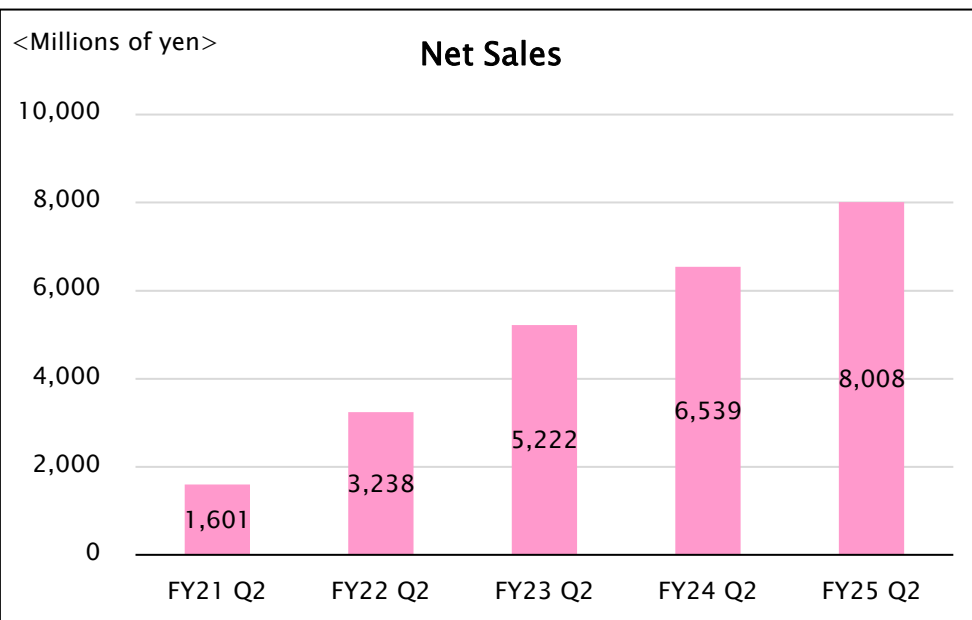
Kobe Cook World Buffet



Premium Karubi



Chisouna



Kobe Cook World Buffet

Kobe Cook World Buffet operates a network of 17 restaurants (as of April 30, 2025).

Kobe Cook World Buffet opened 1 restaurant and closed none, resulting in a net increase of 1 restaurant during FY2025 Q2 cumulative, and did not open or close any restaurants during FY2025 Q2 alone.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Measures for FY2025 Q2

We held the South Korea Fair from December 26 to March 31, which became one of the most popular fairs we have ever hosted. The Italia Fair, held from April 1 to May 28, introduced the *Order Pasta* system as a new initiative to provide freshly cooked pasta while serving popular Italian dishes. This system was well received by guests. Going forward, we plan to add desserts and sushi to the order system as well as noodles.

The Nikke Parktown Kakogawa Restaurant, which opened on January 30 under our own management, is running smoothly and has attracted many guests. We continue to evaluate the business feasibility of expanding small-format franchises going forward.

Business Strategy for FY2025

We will continuously develop and roll out menus targeted at female guests and families who continue supporting us. With the aim of consistently exceeding the previous year's sales and number of customers, we will encourage customers to visit the restaurant more frequently by offering services that satisfy customers with a dining experience unparalleled to any other restaurant chains in terms of the menu, volume of food, and price. While enhancing its own brand image with differentiation from competitors in mind, we will put more effort into the franchisee and restaurant development for further franchise expansion.



Seasonal special offer held through March:
South Korea Fair

Premium Karubi

Premium Karubi operates a network of 22 restaurants (as of April 30, 2025).

It did not open or close any restaurants during FY2025 H1 and Q2 alone.



Overview of FY2025 Q2

We have recently installed beverage stations at the Hiyoshi and Shinkoiwa restaurants, which has led to a reduction in the personnel cost ratio and an improvement in customer satisfaction. Therefore, we plan to install beverage stations at other restaurants as well.

To address the increase in purchase prices of meat and the continuous rise in labor costs, we will revise the menu and operations. Also, we will continue to work hard to franchise this brand.



Seasonal desserts from March to mid-May



Beverage station installed as a labor-saving measure

Chisouna

Chisouna operates a network of 142 shops (as of April 30, 2025).

It opened 12 shops and closed none, resulting in a net increase of 12 shops during FY2025 Q2 cumulative, and opened 8 shops and closed none during FY2025 Q2 alone.



Factors behind Strong Performance

Despite continuous soaring prices of rice and other raw materials, Chisouna maintains a price advantage by working on menu changes and improvement in cooking operations efficiency. In addition, a strong synergy effect on attracting more customers to Gyomu Super stores is accelerating the willingness of franchisees to open new shops.

The store policy of providing freshly prepared dishes by in-store cooking staff with large serving size keeps attracting customers.

To create more attractive products and shop floor that satisfies customers, we continue to expand a variety of menu items while increasing the number of shops along with Gyomu Super store openings.



Note: Products and prices may vary by shop and season.

7 AFFORDABLE AND CLEAN ENERGY



We provide eco-friendly, safe, and reliable renewable energy by operating solar and woody biomass power plants.

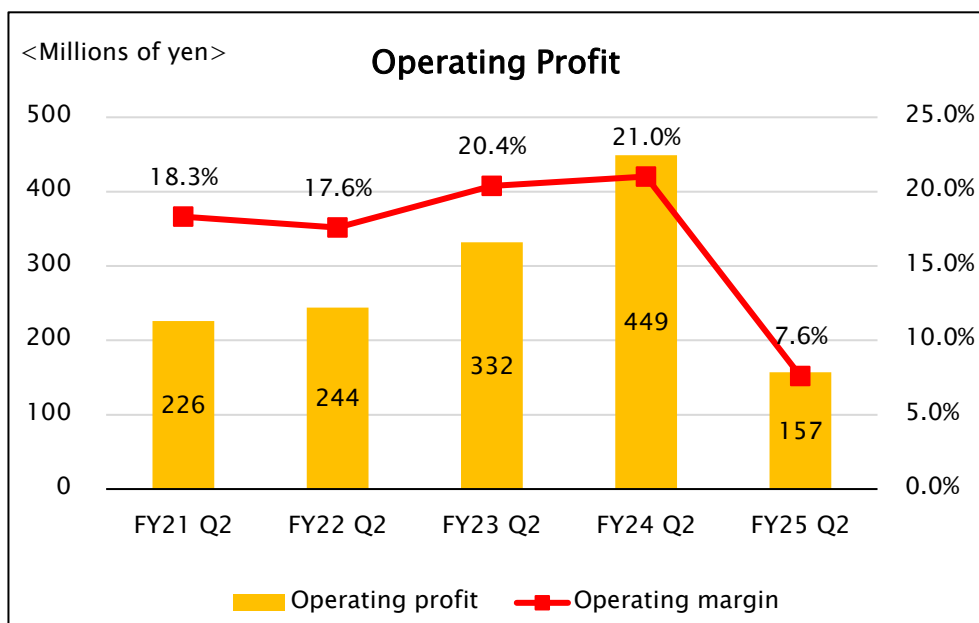
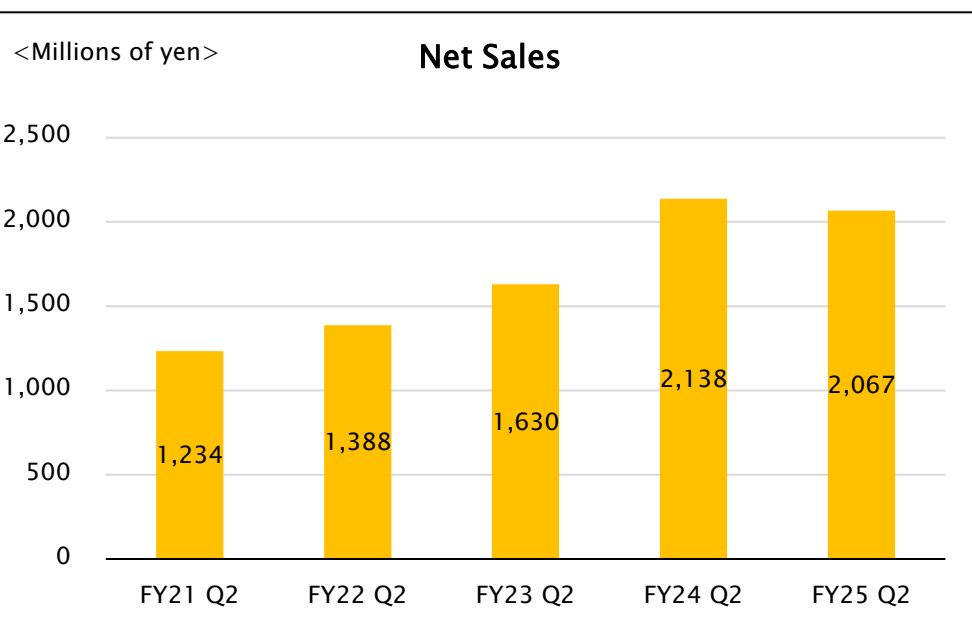
Solar Power Plant: 19 locations (81.0 MW)

Woody Biomass Power Plant: 1 location (6.2 MW)

- It was impacted by an increase in output restriction orders from electric power companies and a reduction in solar radiation caused by unseasonal weather.
- Operating profit still reflects the impact of the cost accounting method revisions implemented in Q1.



Photo: Awa Solar Power Plant in Tokushima

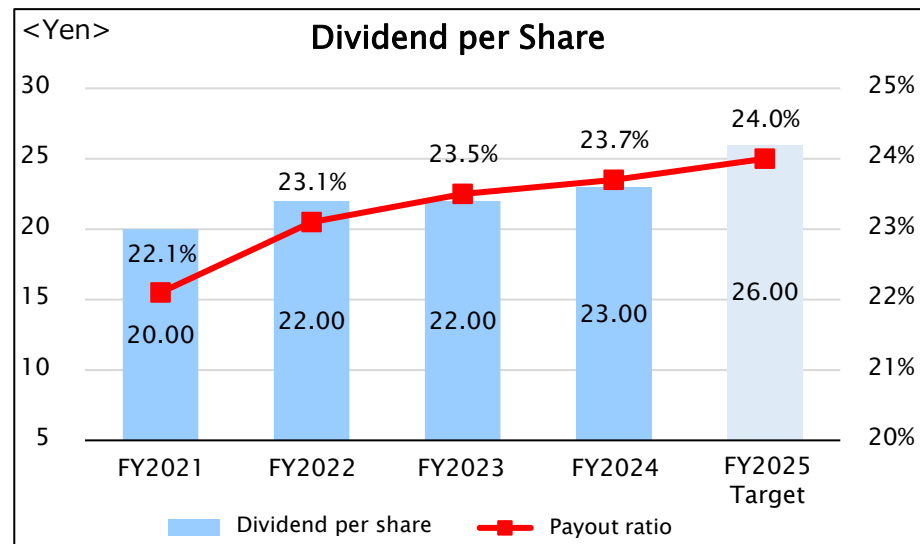


Dividends

Kobe Bussan regards returning profits to shareholders as one of key management issues. Our basic policy is to secure funds necessary for our business growth and distribute profits to shareholders according to the operating results.

For FY2024, we paid the annual year-end dividends of ¥23.00 per share according to the initial forecast.

For FY2025, we plan to pay the annual dividends of ¥26.00 per share.



Shareholder Benefit Program

We have introduced a shareholder benefit program to express our gratitude for the continued support of our shareholders and to enhance the attractiveness of investing in our shares. This time, in order to improve convenience for our shareholders and provide services that offer even greater satisfaction, we have decided to change the benefit contents.

We will send Gyomuca Card to shareholders listed or recorded in the shareholder register as of October 31, 2025, according to the number of years of ownership and the number of shares held.

Number of shares held	Shareholder incentives	
	Continuous ownership years Less than 3 years	Continuous ownership years 3 years or more
100-999	Gyomuca Card ¥1,000	Gyomuca Card ¥3,000
1,000-1,999	Gyomuca Card ¥10,000	Gyomuca Card ¥15,000
2,000 or more	Gyomuca Card ¥15,000	Gyomuca Card ¥20,000



Click here for more Gyomuca information

<https://www.gyomusuper.jp/gyomuca/index.php>

Note: shareholders may opt to exchange the Gyomuca Card for a VISA gift card or an assortment of our Group's private label products of equivalent value.

FY2025 Forecast

(Millions of yen)

	FY2025 Q2 actual	FY2025 forecast	Progress towards Full-year forecast
Net sales	272,306	525,000	51.9%
Operating profit	19,086	37,700	50.6%
Profit attributable to owners of parent	14,267	24,000	59.5%

Gyomu Super Business Guideline towards FY2025 Forecast

	FY2025 target	Action plan
Target of store openings	Net increase of 34 stores	Open new stores focusing on the Kanto area and encourage relocating stores Strengthen property data-gathering capability driven by headquarters.
Growth in existing store sales	101-2% YoY or higher	Acquire more savings-oriented consumers Aim for sales growth through strengthening guidance on store operations by our supervisors
Product development	Rise in PB ratio	Focus on private label products developed by our group plants and those imported directly by ourselves.

- This material contains forward-looking statements based on assumptions, estimates, and plans as of June 12, 2025.
- Please note that actual results may differ significantly from these forward-looking statements due to uncertain factors arising from changes in the economic climate.
- This material is not intended to solicit and encourage purchase of shares.
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