

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



January 31, 2025

Company name: KEY COFFEE INC

Stock exchange listing: Tokyo Stock Exchange

Code number: 2594

URL: <https://www.keycoffee.co.jp/>

Representative: Yutaka Shibata, Representative Director and President

Contact: Takeshi Tezuka, General Manager, Finance Department

Phone: +81-3-3433-3311

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on financial results: Not available

Schedule of financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

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

### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	60,395	6.2	1,471	9.6	1,597	9.4	1,156	12.5
December 31, 2023	56,896	20.1	1,343	55.0	1,459	46.2	1,028	42.9

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥1,062 million [(10.6)%]

Nine months ended December 31, 2023: ¥1,189 million [36.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	54.01	–
December 31, 2023	48.03	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
December 31, 2024	61,626	31,795	51.1
March 31, 2024	54,832	30,971	55.9

(Reference) Equity: As of December 31, 2024: ¥31,477 million

As of March 31, 2024: ¥30,671 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	–	7.00	–	5.00	12.00
Fiscal year ending March 31, 2025	–	6.00	–		
Fiscal year ending March 31, 2025 (Forecast)				6.00	12.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	74,000	0.3	500	(34.6)	700	(19.3)	500	177.2	23.35

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

#### \* Notes:

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

Newly included: – (Company name: –)

Excluded: – (Company name: –)

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

December 31, 2024: 22,689,000 shares

March 31, 2024: 22,689,000 shares

2) Total number of treasury shares at the end of the period:

December 31, 2024: 1,275,847 shares

March 31, 2024: 1,275,856 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024: 21,413,117 shares

Nine months ended December 31, 2023: 21,413,144 shares

(Note) The total number of treasury shares at the end of the period includes the shares of the Company (266,600 shares on December 31, 2024, 266,600 shares on March 31, 2024) held by Custody Bank of Japan, Ltd. (Trust Account E). In addition, shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) are included in treasury shares that are subtracted in calculating the average number of shares outstanding during the period (266,600 shares on December 31, 2024, 266,600 shares on December 31, 2023).

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Explanation of the proper use of financial results forecast and other notes

Forward-looking statements and other statements about the future that are included in this material are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of the projections. Actual results and others may differ significantly due to various factors. For the assumptions for financial results forecast and precautions for using financial results forecasts, please refer to “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 6 of the attached document.

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# 1. Overview of Operating Results, etc.

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

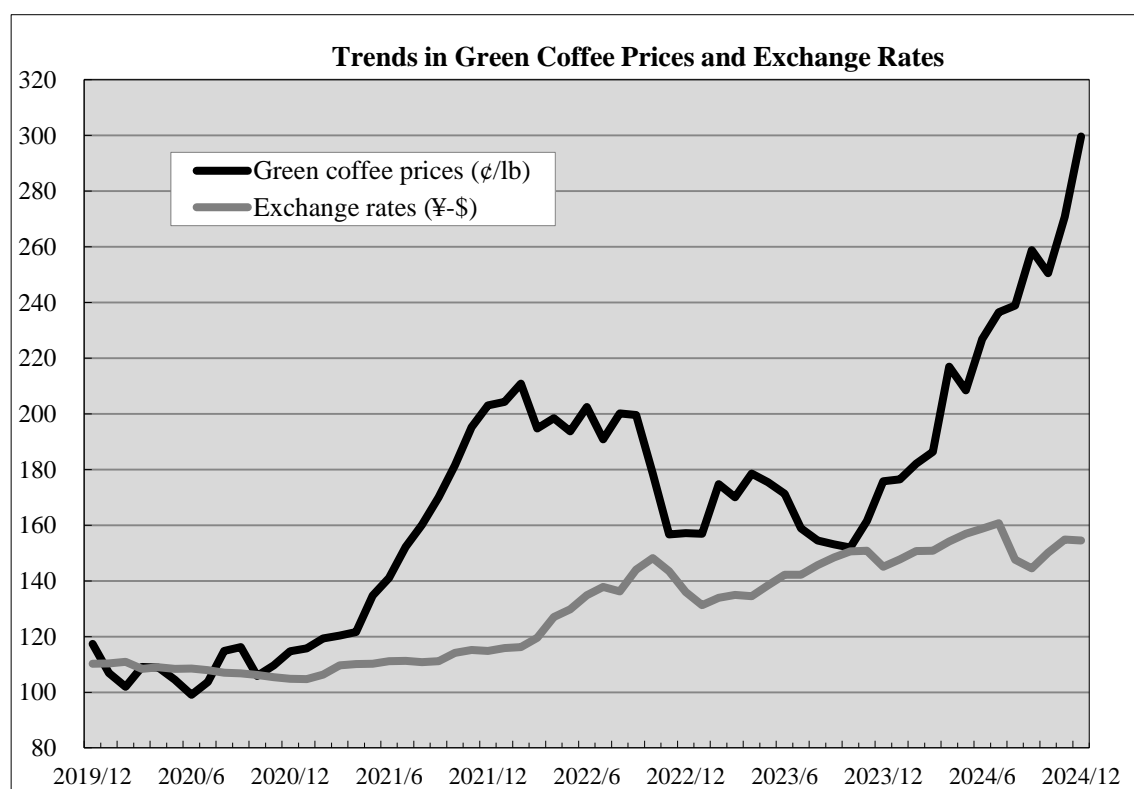
<Consolidated Operating Results>

(Unit: Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year increase (decrease)	Year-on-year percent increase (decrease)
Net sales	56,896	60,395	3,499	6.2%
Operating profit	1,343	1,471	128	9.6%
Ordinary profit	1,459	1,597	137	9.4%
Profit attributable to owners of parent	1,028	1,156	128	12.5%

During the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024), the Japanese economy continued a gradual recovery. Meanwhile, it is necessary to pay close attention to the influence that developments in overseas economies and resource prices, and fluctuation in exchange rates can have on the domestic economy and prices.

In the coffee industry, both imports and consumption of green beans grew in Japan from the same period of the previous fiscal year. Green bean prices have soared with the ICO Composite Indicator Price announced by the International Coffee Organization (ICO) above 200 US cents/lb since April 2024. After that, the price consistently increased over a short timeframe and as of the end of December it remained high, at nearly 300 US cents/lb. In the foreign exchange market, the depreciation of the yen continues as the yen has fallen against the dollar beyond the 150 yen mark since April 2024, and it was at the same level at the end of December. These two factors drove the prices of green beans to the highest level in the past five years.



(Green Coffee Price: ICO Composite Indicator Price)

Under these circumstances, the Company established the three pillars of “reforming the business structure,” “strengthening profitability,” and “reinforcing the comprehensive strengths of the Group,” based on our long held “quality-first principle,” and engaged in the creation of new demand, developed products which meet the needs of consumers, and promoted solution-oriented business activities that contribute to improving the financial results of clients, in order to fulfill our corporate philosophy, to “pursue the ultimate in coffee, focus on our customers, and create a coffee culture which enriches the heart.”

The Company has been engaged in business activities to keep the coffee culture alive and realize sustainable coffee production in accordance with a message set out as its vision for 2030, “Coffee and KISSA as a Sustainable Company.” The Company’s Chubu Factory, located in Kasugai City, Aichi Prefecture, has converted the source of electricity it consumes entirely to renewable energy by implementing measures such as installing solar panels. The “Future of Coffee Department,” which was established in 2022 under the direct control of the President with the aim of realizing sustainable coffee production, has been strengthening industry-academia-government collaboration. In May 2024, the Company’s Representative Director and President became the first Asian board member of World Coffee Research (WCR), an international research organization for coffee. The Company published KEY COFFEE Sustainability Report 2024 in September 2024, introducing the Company’s policy and initiatives concerning sustainability for the realization of a sustainable society. Celebrating its 100th anniversary in August 2020, the Company has taken on new challenges and is forging a new path as a company that has prospered for two centuries. That includes addressing the so-called 2050 problem for coffee, enhancing support for small-scale producers, and proactively promoting our initiatives to pass on the appeal of coffee to the next generation.

Net sales of the KEY COFFEE Group for the nine months ended December 31, 2024, were 60,395 million yen (a 6.2% increase compared with the same period of the previous fiscal year), operating profit was 1,471 million yen (a 9.6% increase compared with the same period of the previous fiscal year), ordinary profit was 1,597 million yen (a 9.4% increase compared with the same period of the previous fiscal year), and profit attributable to owners of parent was 1,156 million yen (a 12.5% increase compared with the same period of the previous fiscal year).

<Operating Results by Segment>

(Unit: Millions of yen)

Business segment	Net sales				Operating profit (loss)			
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year increase (decrease)	Year-on-year percent increase (decrease)	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year increase (decrease)	Year-on-year percent increase (decrease)
Coffee-related businesses	50,768	54,484	3,716	7.3%	1,553	1,595	41	2.7%
Restaurant-related businesses	3,119	3,058	(61)	(2.0%)	(36)	7	43	—
Other	3,008	2,852	(155)	(5.2%)	241	378	137	56.8%
Adjustment	—	—	—	—	(415)	(509)	(93)	—
Total	56,896	60,395	3,499	6.2%	1,343	1,471	128	9.6%

(Coffee-related businesses)

The coffee-related businesses consist of the HORECA market, the Household market, and the ingredient market.

In the HORECA market, we sell products mainly to coffee shops, hotels, restaurants, and other food service establishments, proposing wide-ranging products, including coffee as our mainstay product, as well as food items and drinks, according to the needs of clients.

Regarding product sales, we continued to promote sales of high value-added coffee products, such as TOARCO TORAJA, HYO-ON Aging Coffee, and coffee produced in certified plantations. We also worked to expand the marketing channels for the SHOTT flavored coffee syrups, which are produced in New Zealand from natural ingredients and have made their debut in the Japanese market, and for Lipton tea products. In addition, we held coffee

seminars for clients in many locations across Japan with a view to strengthening business relations with them. In September 2024, we also hosted an exhibition to propose our HORECA market commercial products as a way for our clients to invigorate their stores. For some of the products for the HORECA market, we have adopted environmentally conscious product packaging partially made from used jute coffee bags, which would otherwise have been discarded. This was the first attempt of this kind in the world and demonstrated our commitment to environmental initiatives, including reducing plastic consumption. One new cafe was opened, under “KEY’S CAFÉ” (Shop Opening Service), our model cafe package service that supports cafe openings in various location environments, while two cafes were closed. As a result, the number of KEY’S CAFÉ cafes became 67. The Company sequentially revised delivery prices of HORECA market products for clients in order to account for various cost increases including the sharp rise of the purchase price of green beans and facility investments related to environmental measures.

In the Household market, we sell coffee, tea, and other consumer packaged goods to food wholesalers, retailers, etc.

Regarding product sales, we have expanded the product line up for the “KEY DOORS+” household coffee brand, which recently marked the one-year anniversary of the brand launch, to serve the needs of an increasingly diverse coffee drinking scene. We released products including a bulk ground coffee FLEXIBLE PACK, a low-caffeine “DRIP ON” drip bag coffee in individual cup, a liquid coffee, and cold-brew coffee. In the fall of 2024, we conducted a nationwide campaign to promote the “KEY DOORS+” brand concept. Our shipping prices for consumer packaged goods were revised in August. For gift items, we marketed a lineup of 27 items for the mid-year gift season, with an emphasis on summer-only gift items, including the “HYO-ON Aging Liquid Coffee Gift.” For the winter gift season, we marketed a lineup of 21 items including assorted gifts in the “SINCE 1920” series which was released to commemorate the 100th anniversary of the founding of the company.

In the ingredient market, we sell coffee for use as an ingredient mainly to beverage manufacturers. The sales price is contracted based on the international market price for green coffee beans.

In the coffee-related businesses, both sales and profits increased compared with the same period of the previous fiscal year. Net sales exceeded the same period of the previous fiscal year due to the success of various measures. Cost of sales increased compared to the same period of the previous fiscal year due to the increase in the prices of raw materials, including rising green coffee prices. Selling, general and administrative expenses decreased compared with the same period of the previous fiscal year due to efforts to further improve operational efficiency.

Consequently, in the nine months ended December 31, 2024, net sales for our coffee-related businesses were 54,484 million yen (a 7.3% increase compared with the same period of the previous fiscal year), and operating profit was 1,595 million yen (a 2.7% increase compared with the same period of the previous fiscal year).

#### (Restaurant-related businesses)

The restaurant-related businesses are operated by our consolidated subsidiaries.

Italian Tomato Co., Ltd. introduced seasonal menu items featuring seasonal ingredients every month. We also worked to attract more customers through efforts such as opening temporary shops for events. We continued our commitment to shop operation improvement and reduction in food waste and loss. The business secured operating profits, showing a steady increase in profits. The number of the company’s shops stood at 136 (48 directly managed shops and 88 franchise shops). Note that the transfer of Italian Tomato Co., Ltd. (transfer of shares) and the transfer of claims were cancelled due to the cancel of the share transfer agreement.

Consequently, in the nine months ended December 31, 2024, net sales for the restaurant-related businesses, also including consolidated subsidiaries other than those mentioned above, were 3,058 million yen (a 2.0% decrease compared with the same period of the previous fiscal year), and operating profit was 7 million yen (the operating loss was 36 million yen in the same period of the previous fiscal year).

(Other)

The Other section consists of business segments not included in the coffee-related businesses or the restaurant-related businesses and includes beverage product manufacturing business and e-commerce business operated by our consolidated subsidiaries.

Nic Foods Co., Ltd., which is engaged mainly in the beverage product manufacturing business, has worked for improving productivity and labor environment through efforts such as automating the packaging process at its factory and eliminating night shift work to fulfill its management policy of “Sustainable Revenue Generation.” Both sales and profit increased compared with the same period of the previous fiscal year as a result of efforts to secure the workforce through diversity promotion, such as hiring foreign employees.

At honu KATO COFFEE Inc., which operates an e-commerce business, profit increased compared with the same period of the previous fiscal year as a result of efforts to secure profit, including raising sales prices, reducing sales promotion costs, and reviewing packaging, amid a significant rise in raw materials prices, logistics and other costs, a trend continuing from the previous fiscal year.

Consequently, in the nine months ended December 31, 2024, net sales for other businesses, also including consolidated subsidiaries other than those mentioned above, were 2,852 million yen (a 5.2% decrease compared with the same period of the previous fiscal year), and operating profit was 378 million yen (a 56.8% increase compared with the same period of the previous fiscal year).

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

### <Consolidated Financial Position>

(Unit: Millions of yen)

	As of March 31, 2024	As of December 31, 2024	Increase (decrease)
Current assets	36,473	43,250	6,776
Non-current assets	18,359	18,376	17
Total assets	54,832	61,626	6,793
Current liabilities	21,968	27,814	5,845
Non-current liabilities	1,892	2,017	124
Total liabilities	23,861	29,831	5,970
Net assets	30,971	31,795	823
Total liabilities and net assets	54,832	61,626	6,793

#### (Assets)

Assets increased by 6,793 million yen from the end of the previous consolidated fiscal year to 61,626 million yen.

Current assets increased by 6,776 million yen to 43,250 million yen. This was primarily due to increases in cash and deposits (up 554 million yen), notes and accounts receivable - trade (up 5,103 million yen), and merchandise and finished goods (up 869 million yen).

Non-current assets increased by 17 million yen to 18,376 million yen. Property, plant and equipment decreased by 198 million yen, while intangible assets increased by 155 million yen and investments and other assets increased by 60 million yen.

#### (Liabilities)

Liabilities increased by 5,970 million yen from the end of the previous consolidated fiscal year to 29,831 million yen.

Current liabilities increased by 5,845 million yen to 27,814 million yen. This was primarily due to increases in notes and accounts payable - trade (up 1,560 million yen) and short-term borrowings (up 5,000 million yen) and a decrease in accounts payable - other (down 359 million yen).

Non-current liabilities increased by 124 million yen to 2,017 million yen.

#### (Net assets)

Net assets increased by 823 million yen from the end of the previous consolidated fiscal year to 31,795 million yen. This was primarily due to an increase in retained earnings (up 918 million yen).

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

There are no changes with regard to the financial results forecast for the fiscal year ending March 31, 2025, which was

approximately 1,100 million yen.



## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Unit: Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,667	5,222
Notes and accounts receivable - trade	15,694	20,798
Merchandise and finished goods	3,204	4,073
Work in process	265	402
Raw materials and supplies	11,942	11,964
Other	800	906
Allowance for doubtful accounts	(102)	(117)
Total current assets	36,473	43,250
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,893	3,814
Machinery, equipment and vehicles, net	1,691	1,502
Land	6,428	6,428
Other, net	584	654
Total property, plant and equipment	12,597	12,399
Intangible assets		
Goodwill	119	106
Other	490	658
Total intangible assets	609	764
Investments and other assets		
Investment securities	3,843	3,877
Long-term loans receivable	28	24
Deferred tax assets	91	96
Guarantee deposits	740	713
Other	585	647
Allowance for doubtful accounts	(137)	(147)
Total investments and other assets	5,151	5,211
Total non-current assets	18,359	18,376
Total assets	54,832	61,626

(Unit: Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	12,323	13,884
Short-term borrowings	5,343	10,344
Accounts payable - other	2,266	1,907
Income taxes payable	211	235
Provision for bonuses	412	246
Other	1,410	1,196
Total current liabilities	21,968	27,814
Non-current liabilities		
Deferred tax liabilities	416	482
Deferred tax liabilities for land revaluation	478	478
Provision for share awards	86	104
Other provisions	4	6
Retirement benefit liability	176	181
Asset retirement obligations	417	403
Other	311	360
Total non-current liabilities	1,892	2,017
Total liabilities	23,861	29,831
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,628	4,628
Capital surplus	5,071	5,071
Retained earnings	25,194	26,112
Treasury shares	(2,539)	(2,539)
Total shareholders' equity	32,355	33,273
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	753	736
Revaluation reserve for land	(2,736)	(2,736)
Foreign currency translation adjustment	17	14
Remeasurements of defined benefit plans	282	189
Total accumulated other comprehensive income	(1,684)	(1,796)
Non-controlling interests	300	318
Total net assets	30,971	31,795
Total liabilities and net assets	54,832	61,626

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Unit: Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	56,896	60,395
Cost of sales	44,671	48,251
Gross profit	12,224	12,144
Selling, general and administrative expenses		
Advertising and sample expense	1,054	1,079
Packing and transportation costs	1,723	1,733
Vehicle expenses	309	294
Provision of allowance for doubtful accounts	22	19
Remuneration for directors (and other officers)	194	192
Salaries and bonuses	3,643	3,486
Provision for bonuses	150	172
Retirement benefit expenses	48	(53)
Welfare expenses	621	603
Rent expenses	551	569
Depreciation	218	226
Supplies expenses	159	161
Research and development expenses	165	139
Other	2,019	2,045
Total selling, general and administrative expenses	10,881	10,672
Operating profit	1,343	1,471
Non-operating income		
Interest income	1	1
Dividend income	23	29
Share of profit of entities accounted for using equity method	38	57
Foreign exchange gains	–	2
Rental income from real estate	60	53
Other	45	43
Total non-operating income	169	187
Non-operating expenses		
Interest expenses	30	45
Foreign exchange losses	3	–
Rental expenses on real estate	12	7
Other	6	8
Total non-operating expenses	53	62
Ordinary profit	1,459	1,597
Extraordinary income		
Gain on sale of investment securities	5	3
Total extraordinary income	5	3
Extraordinary losses		
Impairment losses	17	1
Total extraordinary losses	17	1
Profit before income taxes	1,447	1,599
Income taxes - current	305	311
Income taxes - deferred	92	111
Total income taxes	397	422
Profit	1,049	1,177
Profit attributable to non-controlling interests	21	20
Profit attributable to owners of parent	1,028	1,156

Quarterly Consolidated Statements of Comprehensive Income  
Nine Months Ended December 31

(Unit: Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	1,049	1,177
Other comprehensive income		
Valuation difference on available-for-sale securities	120	(21)
Foreign currency translation adjustment	28	(6)
Remeasurements of defined benefit plans, net of tax	(14)	(92)
Share of other comprehensive income of entities accounted for using equity method	4	4
Total other comprehensive income	139	(114)
Comprehensive income	1,189	1,062
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,165	1,044
Comprehensive income attributable to non-controlling interests	23	18

### (3) Notes to Quarterly Consolidated Financial Statements

#### (Changes in accounting policies)

##### (Application of Accounting Standard for Current Income Taxes and other standards)

The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”) and other standards from the beginning of the first quarter of the current consolidated fiscal year.

Regarding the revisions to the categories in which income taxes should be recorded (taxation on other comprehensive income), the Company follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Guidance”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

In addition, with regard to revisions related to the treatment in consolidated financial statements of gains or losses arising from the sale of subsidiary shares, etc. between consolidated companies when they are deferred for tax purposes, the Company has applied the 2022 Revised Guidance from the beginning of the first quarter of the current consolidated fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements and the consolidated financial statements for the previous consolidated fiscal year.

(Segment information, etc.)

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

1. Information on net sales and profit (loss) by reportable segment

(Unit: Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Coffee- related businesses	Restaurant- related businesses	Total				
Net sales							
Revenue from contracts with customers	50,758	3,119	53,878	3,008	56,886	—	56,886
Revenue from other sources	9	—	9	—	9	—	9
Net sales to outside customers	50,768	3,119	53,887	3,008	56,896	—	56,896
Inter-segment net sales or transfers	535	11	546	1,392	1,939	(1,939)	—
Total	51,303	3,130	54,434	4,401	58,835	(1,939)	56,896
Segment profit (loss)	1,553	(36)	1,517	241	1,758	(415)	1,343

- (Notes) 1. The “Other” section consists of business segments not included in reportable segments and includes beverage product manufacturing, office coffee service, e-commerce, transportation and logistics, and insurance agency businesses operated by consolidated subsidiaries.
2. The adjustment of negative 415 million yen to segment profit (loss) includes an elimination of internal transactions of negative 4 million yen, an inventories adjustment of 36 million yen, and corporate expenses not allocated to reportable segments of negative 447 million yen. Corporate expenses primarily consist of general and administrative expenses that do not belong to reportable segments.
3. Segment profit (loss) has been adjusted with operating profit in the quarterly consolidated statements of income.

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

1. Information on net sales and profit by reportable segment

(Unit: Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Coffee- related businesses	Restaurant- related businesses	Total				
Net sales							
Revenue from contracts with customers	54,451	3,058	57,509	2,852	60,362	—	60,362
Revenue from other sources	32	—	32	—	32	—	32
Net sales to outside customers	54,484	3,058	57,542	2,852	60,395	—	60,395
Inter-segment net sales or transfers	533	30	563	1,501	2,065	(2,065)	—
Total	55,018	3,088	58,106	4,354	62,461	(2,065)	60,395
Segment profit	1,595	7	1,602	378	1,981	(509)	1,471

- (Notes) 1. The “Other” section consists of business segments not included in reportable segments and includes beverage product manufacturing, office coffee service, e-commerce, transportation and logistics, and insurance agency businesses operated by consolidated subsidiaries.
2. The adjustment of negative 509 million yen to segment profit includes an elimination of internal transactions of 10 million yen, an inventories adjustment of negative 48 million yen, and corporate expenses not allocated to reportable segments of negative 471 million yen. Corporate expenses primarily consist of general and administrative expenses that do not belong to reportable segments.
3. Segment profit has been adjusted with operating profit in the quarterly consolidated statements of income.

(Notes in the event of significant changes in the amount of shareholders’ equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on Statements of Cash Flows)

Quarterly Consolidated Statements of Cash Flows for the nine months ended December 31, 2024 are not prepared. Depreciation (including amortization of intangible assets, excluding goodwill) and amortization of goodwill for the nine months ended December 31 are as follows.

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Depreciation	708 million yen	734 million yen
Amortization of goodwill	7 million yen	7 million yen