FY2026 Results Briefing for the First Half: Q&A

- Date and Time	November 10, 2026 (Tue)　13:00 p.m. - 13:55 p.m.
- Method	Real-time streaming
- Q&A Panel	Hiroshi Urakami, Representative Director & President
	Yoshiyuki Osawa, Representative Director & Senior Managing Director
	Kotaro Kawasaki, Senior Managing Director
	Yoshiyuki Miyaoku, Director
	Atsushi Sakuma, Director
	Yuichi Okamoto, Director

Q1

Why did you start considering your options in relation to Ichibanya Co., Ltd.?

A1

In our view, it is difficult to generate sufficient synergies from our collaboration with Ichibanya Co., Ltd. under the existing parent-subsidiary listing structure. This prompted us to consider our options. While we are considering several options, including privatization, no specific decisions have been made at this time.

Q2

Am I right in understanding that you are entertaining the possibility of dissolution of the parent-subsidiary listing due to a synergy shortfall given actual return? Have you made progress in your discussions?

A2

We are currently in the process of discussing various points, including how best to realize synergies exceeding the share price and how to approach the situation if synergy realization is unlikely. Discussions are not at a standstill and we are making progress.

Q3

In the structural reform phase, are there any businesses that you are considering overhauling from a best owner perspective?

A3

We are making progress with the review of our business portfolio, although I cannot make disclosures about individual businesses affected. We also recognize that we are asset heavy, which is a problem, and we are considering the issues and growth potential of each business and measures to strengthen the revenue base.

Q4

Am I right in understanding in relation to the management of your three value chains, that you are, if anything, concentrating on the Spice Value Chain?

A4

Yes, that's correct. We are focusing on the Spice Value Chain based on the judgment that, in a VUCA age, it is better to concentrate on our strengths than to broaden the scope of our business. As for our other two value chains, we will discuss how to proceed in each individual business based on an assessment of the issues they face, their direction of growth and action to strengthen their revenue base.

Q5

In focusing on the Spice Value Chain, what will your winning strategy be? What are your thoughts on the future expansion of the Spice Value Chain?

A5

Our main growth strategies will be to (1) sharpen the competitive edge of our heating and processing technologies and (2) spread curry to the world. Above all, we will realize initiatives to expand the curry business globally and we intend to put this at the center of our next medium-to-long-term plan.

We have previously approached global expansion by value chain; however, we think we need to change the way we approach business expansion and, going forward, we will transition to a region-based implementation structure. Leveraging the experience we have amassed in China and ASEAN, we will also consider the United States and Europe as priority regions. Our business model will be a combination of our previous business model focused on local production for local consumption and a cross-border model, as we strive to accelerate growth. Additionally, given that it is difficult to capture local demand through exports alone, we are also proceeding with the development of a model that is somewhere between a model focused on local production for local consumption and a cross-border model.

Q6

What are the trends in the domestic curry market?

A6

While prices for leafy vegetables have gone up, rice, potatoes, onions and carrots are relatively affordable, acting as a tailwind for curry and stew products. We believe consumers have been reminded of the appeal of curry in terms of price and this has helped boost sales volume.

Q7

What action will you take to address continued cost increases?

A7

With cost increases ramping up under the impact of Middle East tensions, we will implement price increases for certain products in addition to cost-cutting activities. However, our policy is to take action carefully based on consideration of difference in demand by product and price bracket, and not to raise prices across-the-board.

Q8

If consumption tax cuts are implemented, what impact is this expected to have?

A8

There will likely be hesitancy buying before the cuts and changes in demand after the cuts; however, it is difficult to accurately forecast the impact. We will combine promotional campaigns focused on price with those not dependent on price and flexibly capture demand according to the action taken by each distributor. We also intend to cautiously reach out to customers in the Restaurant Business through sales promotions and other initiatives.

Q9

In the International Business, in which regions and based on what kind of timeframe will you aim for growth?

A9

While accelerating growth in China, Indonesia and ASEAN, we will aim for increases in the United States and Europe as priority regions. In China, we have achieved annual average growth of around 8-10% over the last two years and we are considering a plan of aiming for growth of around the mid-teens percent range for the entire International Business.

Q10

How will you get business off the ground in the United States and Europe?

A10

We expect to start through exports. However, we are also considering a hybrid business model combining local production and exports rather than just exports. Especially in the United States, the market for food service business use is huge. We think this is a strong candidate for the rollout of this kind of model and are going to put this plan into action.

Q11

How will you leverage your strengths when growing business in the United States?

A11

Leveraging our insights on the United States market and our local business base, we will review our allocation of resources to date and intensively invest resources in our Spice Value Chain. We will create a new growth style in our overseas expansion that will lead to growth in this promising market.

Q12

How has price competition impacted business in China?

A12

PB products and exclusive products are increasing in the market and the impact on NB products is starting to emerge. However, sales have fallen in distribution channels where they have switched to cheaper products, and there is also a tendency to want to switch back to our NB products. We are confident that we are currently striking the right balance between price and taste, and we will focus on meeting demand for NB products, new brand products and exclusive products among growing companies.

Q13

Are there any signs of positive change in the Food Service Business as a result of the start of operations at the Tohoku Factory?

A13

The factory went into operation without a hitch in June and we are implementing a structure that allows us to meet customer needs through collaboration between sales and development. While we cannot disclose actual sales figures due to initiatives with individual companies, contracts are gradually increasing and will lead to business growth in the future.

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