



**FY2025~FY2029**

# **Mid-Term Management Plan**

**『Transformation』 & 『Growth』**

~Transformation for Sustainable Growth~

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YOSHINOYA HOLDINGS CO. LTD.



- ◆ **Mid-Term Plan Theme**
- ◆ **2022 - 2024 Plan Review**
- ◆ **Business Environment & Key Challenges**
- ◆ **2025 - 2029 Strategic Roadmap**
- ◆ **2025 - 2029 Core Elements**
- ◆ **2029 Performance Indicators**
- ◆ **Business Strategy Overview**
  - Yoshinoya
  - Packaged Product Sales
  - Hanamaru
  - Overseas Business
  - Ramen Business
- ◆ **Business Portfolio Transition**
- ◆ **Segment-Based Target**
- ◆ **Financial Strategy**
  - Investment Policy & Plan
  - Cash Allocation Strategy
- ◆ **ROIC Improvement**
- ◆ **Human Capital Strategy**
- ◆ **IT & Digital Strategy**
- ◆ **Sustainability Initiatives**

## 『Transformation』 & 『Growth』

~ Continuous Evolution with Founding Spirit ~

~ “Your Smile, Our Value” ~

Key Strategic:『Transformation』

- ◆ Inorganic Growth investment
- ◆ IT & Digital Infrastructure Enhancement
- ◆ Store Network Expansion
- ◆ Seamless Management between corporate and Brands

## 『Evolution』 & 『Revitalization』

### Core Policy: Capital Efficiency Improvement

#### Enhance Business Model

- ◆ C&C Format Expansion
- ◆ Fried Chicken as Second Pillar
- ◆ Hanamaru Profitability Recovery
- ◆ LTV Growth via Sales Strategy
- ◆ Store Expansion Challenges

#### Grow Emerging Business

- ◆ U.S. Recovery Stalls in FY2024
- ◆ China Slowdown Impact
- ◆ First Europe Entry via Withlink
- ◆ New Format Development
- ◆ External Sales Channel Expansion

#### Increase Strategic M&A

- ◆ Ramen Business Growth Target
- ◆ Takara Sangyo Co., Ltd. Acquisition (Mfg & R&D)
- ◆ Kirameki no Mirai Co., Ltd. Acquisition
- ◆ PMI Advancement

KPIs	FY2021	FY2022	FY2023	FY2024	Target Value
Revenue (Unit: billion yen)	153.6	168	187.4	204.9	180
Operation Profit (Unit: billion yen)	2.3	3.4	7.9	7.3	7.0
# of Stores	2,845	2,726	2,766	2,821	3,120
ROIC	1.7%	2.9%	7.0%	6.3%	5% or Higher
DE Ratio	0.72x	0.44x	0.30x	0.27x	0.60x
DPS (Unit: yen)	10	10	18	20	20

**Beef Bowl (Gyudon)  
Overdependence**

**Demographic Aging &  
Labor Shortage**

**Minimum Wage &  
Labor Costs Inflation**

**Beef & Rice Prices  
Inflation**

**Digital Shift  
Acceleration**

**For the People**  

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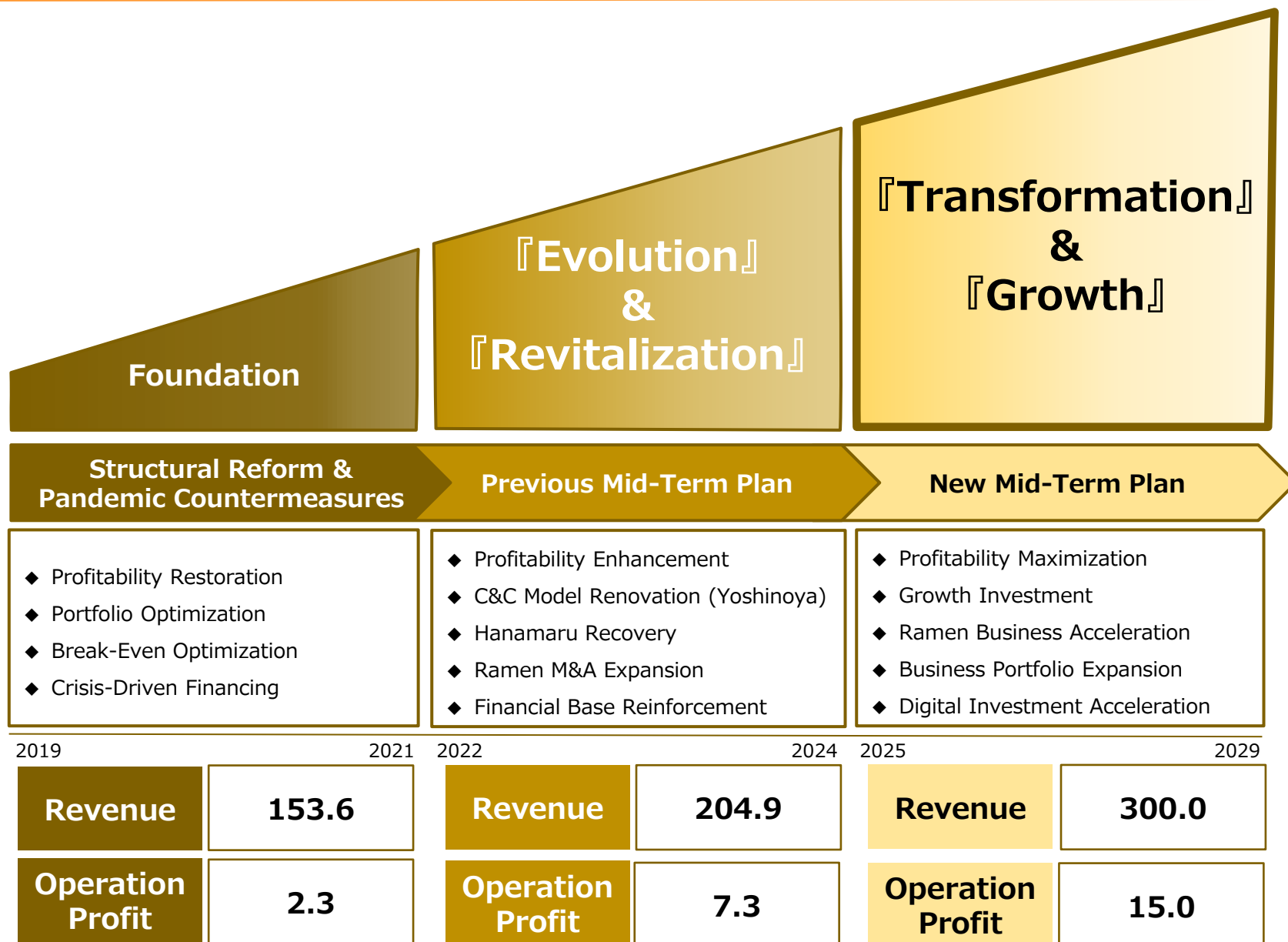
**YOSHINOYA**  
**HOLDINGS**

**Post-COVID  
Consumption Shift**

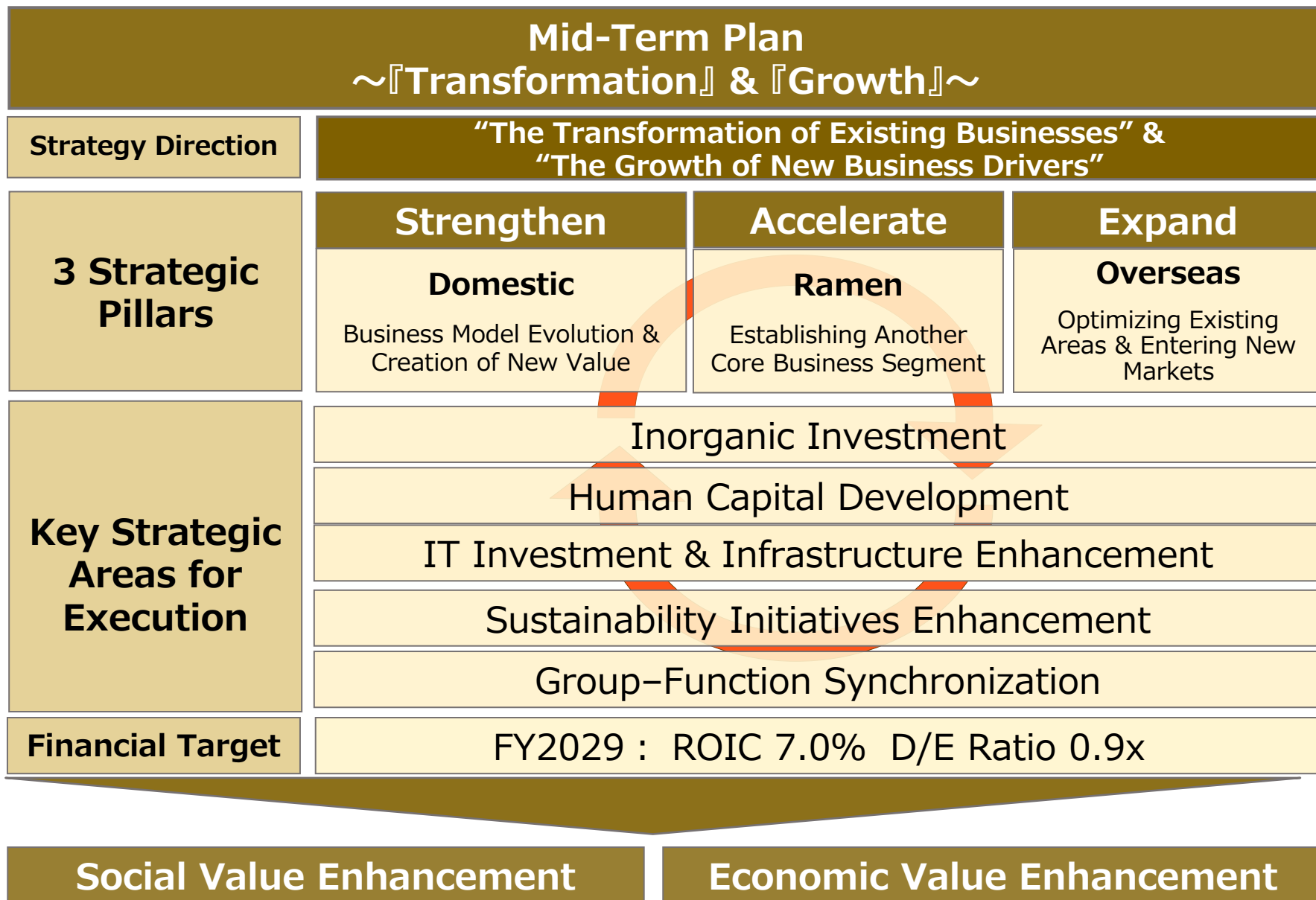
**Social & Environmental  
Challenges**

**Geopolitical Risk  
Escalation**

# 2025-2029 Strategic Roadmap



# 2025-2029 Core Elements of the Mid-Term Plan



**Enhancing  
Profitability**

**Revenue 300.0**  
**Operation Profit 15.0**

(Unit: billion yen)

**Improving Capital  
Efficiency**

**ROIC 7.0%**

**Maintaining Financial  
Stability**

**D/E Ratio  $\leq$  0.9x**

**Establishing New  
Growth Drivers**

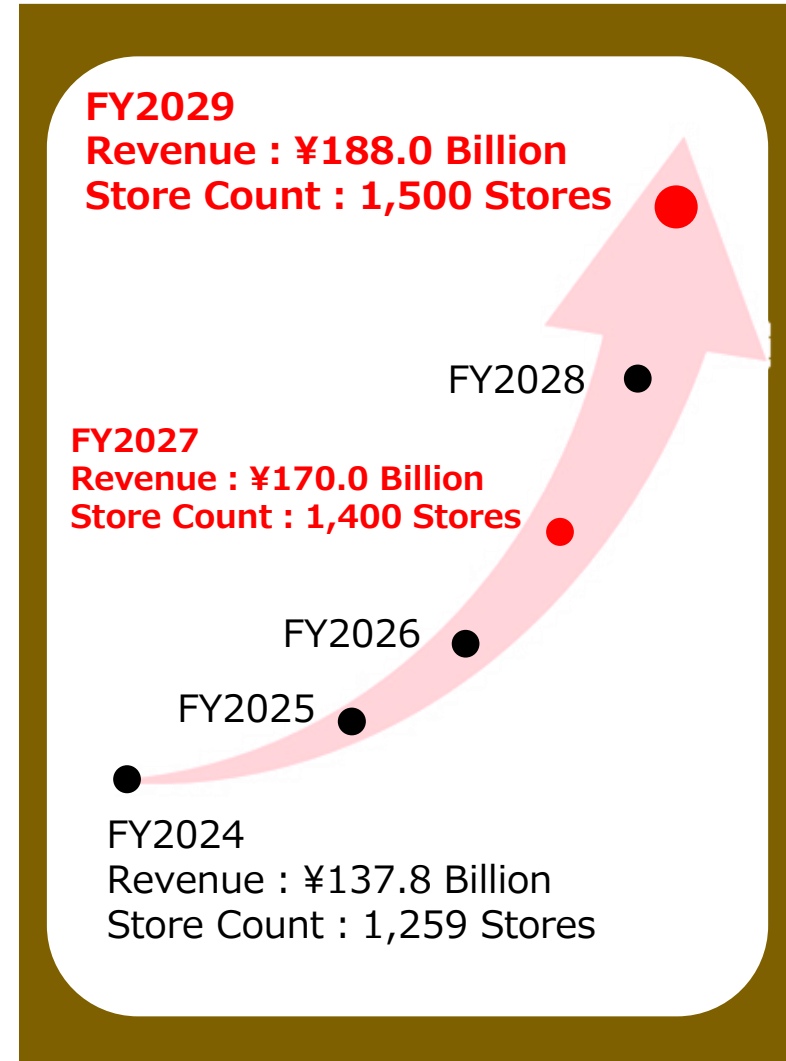
**Ramen Revenue 40.0**

(Unit: billion yen)



## Transformation & Growth Initiatives

<b>Revitalize</b>	<ul style="list-style-type: none"><li>✓ Customer Traffic Growth</li><li>✓ 「Tasty, Affordable, Fast」</li></ul>
<b>Expand</b>	<ul style="list-style-type: none"><li>✓ 「Convenience-Focused」<ul style="list-style-type: none"><li>• 900 Store Model Upgrades</li><li>• 1,300 Flyer Installs</li><li>• 1,400 Tablet Installs</li></ul></li><li>✓ 350 New Store Openings</li></ul> <div><div>New Service Model Stores</div><div>+</div><div>Takeout Delivery Format</div></div>
<b>Challenge</b>	<ul style="list-style-type: none"><li>✓ Newly Developed Brands</li><li>✓ Multi-Brand Expansion</li><li>✓ Packaged Product Growth</li><li>✓ Labor Efficiency Gains</li></ul>



# Business Strategy Overview: Yoshinoya

## Detailed Initiatives

### New Service Model Stores



Storefront



Interior

### Fried Chicken Product Line

Fried Chicken Meal



Fried Chicken Bowl

### Multi-Brand Stores



## Newly Developed Brands

### Karubi no Toriko

Specialty brand for

- 『Beef Kalbi Rice Bowl』
- 『Korean-style Tofu Stew』
- 6 locations in Saitama & Chiba



### Deikara

Specialty brand for

- 『Crispy Fried Chicken』
- 『Handmade Rice Balls (Onigiri)』
- 2 locations in Kanagawa



### Moo~Toriko

Specialty brand for

- 『Beef Curry』
- 1 location in Tokyo



## Packaged Product Sales

### 4,000 Store Distribution by 2029 (150% vs. 2025)

#### ① Shelf-Stable Market Expansion

Customer Segment Expansion Beyond Frozen



#### ② Group Brand Commercialization

Brand Value Enhancement via EC

Customer Touchpoint Expansion via Supermarkets

## Upcoming Group Brand Product



Fall 2024 Launch  
Senkichi  
Curry Hot Pot Broth



## Transformation & Growth Initiatives

### Revitalize

- ✓ Location-Based Sales Strategy
- ✓ Store Visit Maximization
- ✓ Data-Driven Products & Promotions

### Expand

- ✓ Urban Expansion
- ✓ Top 3 Urban Market Store Expansion
- ✓ New Format Development (Kishimen & Bistro)

### Challenge

- ✓ Multi-Format Brand Innovation
- ✓ Japanese Noodle Format Development (Soba, Somen)
- ✓ Compact Store Format Deployment
- ✓ Hiring Channel Diversification
- ✓ Digital Integration for Labor Efficiency

**FY2029**

**Revenue : JPY 48.0 Billion**  
**Store Count : 600 Stores**

**FY2027**

**Revenue : JPY 40.0 Billion**  
**Store Count : 500 Stores**

FY2028

FY2026

FY2025

FY2024

Revenue : JPY 30.9 Billion  
Store Count : 415 Stores



## Transformation & Growth Initiatives

### New Value in Existing Business

- ◆ Location-Based Sales Strategy
  - Suburban Area...Relaxed Comfort
    - Sophisticated Renovations
    - Made-to-Order Satisfaction
  - Office District...Everyday Vibes
    - Value-Focused Menu
  - Food Court...Menu Optimization
- ◆ Data-Driven Product Development & Promotion



### Store Expansion Strategy

- ◆ Top 3 Urban Markets Expansion
- ◆ Kishimen Concept
  - ZZZ Brand Expansion from Hoshigaoka Noodle Factory
- ◆ Western-Style Izakaya Expansion
- ◆ Japanese Noodle Fusion



### Strengthen Growth Foundation

- ◆ Hiring Channels Diversification
  - Overseas Japanese School Partnerships
  - High School Graduate Hiring Reinforcement
  - Senior Talent Utilization
- ◆ System Development
  - Overseas Training Center Launch
  - Udon School, Kids' Cafeteria Activities



## Expansion Initiatives

### Key Overseas Strategies

- **Product:** Japanese Items, Localization
- **Pricing:** Regional Pricing, Competitive Edge
- **Sales:** Store Model Customization
- **Promotion:** Area-Specific SNS Usage
- **Franchise:** Local Partner Collaboration

### Mid-Term Initiatives



#### Revitalize

- ✓ U.S.: Commissary-led cost & quality upgrade
- ✓ Taiwan: Profit model shift & format change

#### Expand

- ✓ Localized beef bowl-based product development
- ✓ China, Hong Kong: Joint procurement through franchise collaboration
- ✓ U.S.: Expansion in California and neighboring states
- ✓ Singapore: Traffic enhancement via Halal recognition
- ✓ Indonesia: Store expansion through franchise model

#### Challenge

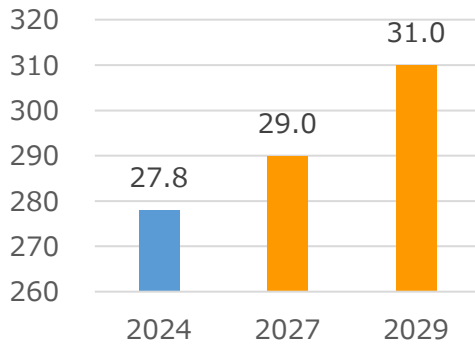
- ✓ Market entry strategy for regional dominance
- ✓ Global deployment of successful domestic models



# Business Strategy Overview: Oversea

## Revenue

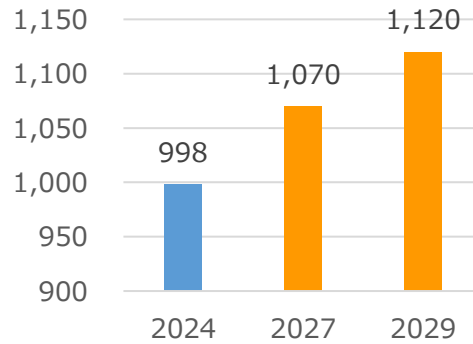
Unit: Billion Yen



Apply proven domestic formats abroad to create successful international models

## Store Count

Unit: Store



Actively open stores in promising areas such as Mainland China and Southeast Asia

## Sales Promotion: China/U.S.



Balancing Authentic Japan with Global Fit

## New Stores: Southeast Asia/China



## Frozen Beef Bowl Factory in China



## Ramen Business Strategy: Targeting Global No.1 in Ramen Dining

- Ramen as the Third Business Pillar
- Brand Expansion & Strategic M&A Execution
- Global Demand Capture via In-House Manufacturing & R&D (Takara Sangyo)

**FY2024**

**FY2025 - FY2029**

**FY2034**

### Ramen Dining



- Regional Dominance Strategy
- Domestic Brands Expansion
- New Brand Development
- Global Franchise Expansion
- Takara Sangyo Product Utilization
- Human Resource Synergy

### Manufacturing



- Global Production Capacity Enhancement
- International Halal-Certified Operations
- European Production Site Expansion
- Sales Resource Enhancement

### Inorganic Growth

- Domestic Regional M&A Strategy
- International M&A Strategy

**FY2029**

**Revenue**  
**JPY 40.0**  
**Billion**

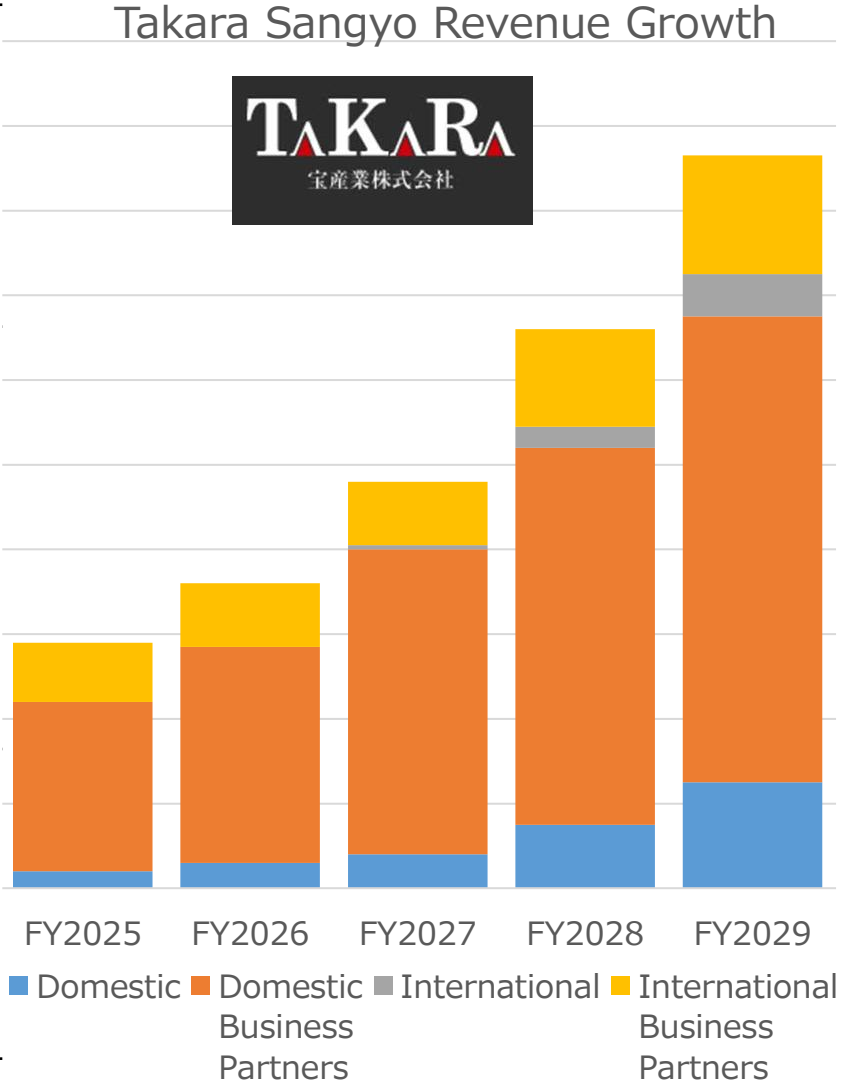
**Store**  
**Count**  
**500**  
**Stores**

**Global**  
**No.1 in**  
**Ramen**  
**Dining**



## Ramen Business Strategy: Targeting Global No.1 in Ramen Dining

Revitalize	<ul style="list-style-type: none"> <li>✓ Location-Based Sales Strategy</li> <li>✓ Store Visit Maximization</li> <li>✓ Domestic Brand Expansion</li> <li>✓ Talent Synergy Enhancement</li> </ul>
Expand	<ul style="list-style-type: none"> <li>✓ Global Franchise Expansion</li> <li>✓ Takara Sangyo Product Utilization</li> <li>✓ Global Production site Enhancement</li> <li>✓ Takara Sangyo Sales Force Expansion</li> <li>✓ International Halal-Certified Operations</li> </ul>
Challenge	<ul style="list-style-type: none"> <li>✓ Domestic Regional M&amp;A Strategy</li> <li>✓ International M&amp;A Strategy</li> <li>✓ New Brand Development</li> <li>✓ Workforce Optimization via Technology</li> </ul>



## Revenue Stream Diversification through Ramen Expansion

Segment Expansion Supporting Sustainable Diversification

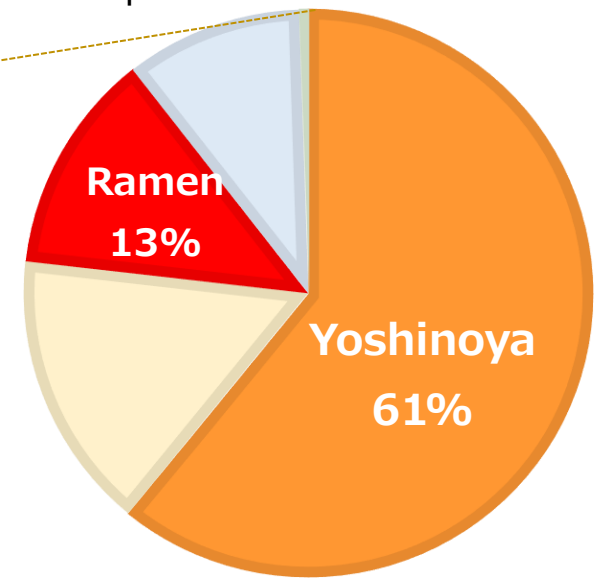
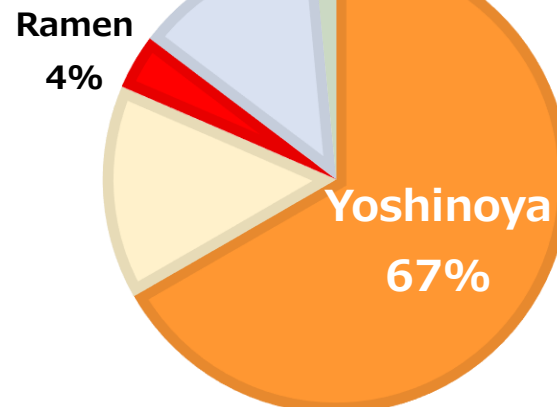
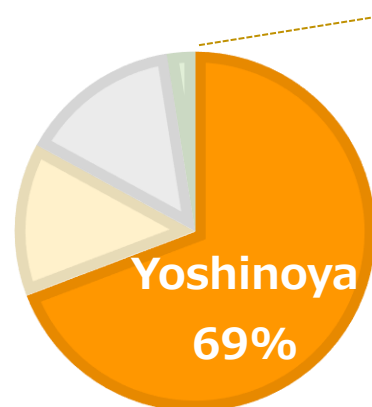
### Segment-Base Sales Contribution Breakdown

FY2021

FY2024

FY2029

Ramen Share Expansion



■ Yoshinoya ■ Hanamaru  
■ Overseas ■ その他

■ Yoshinoya ■ Hanamaru  
■ Ramen ■ Overseas  
■ Others

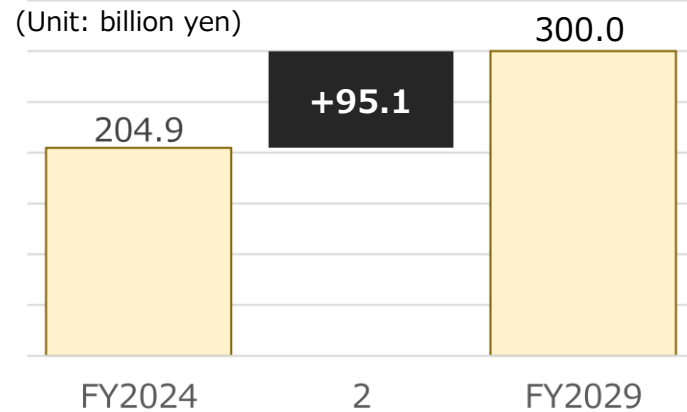
■ Yoshinoya ■ Hanamaru  
■ Ramen ■ Overseas  
■ Others

# Segment-Based Target

## Revenue CAGR : 7.9%

(Unit: billion yen)

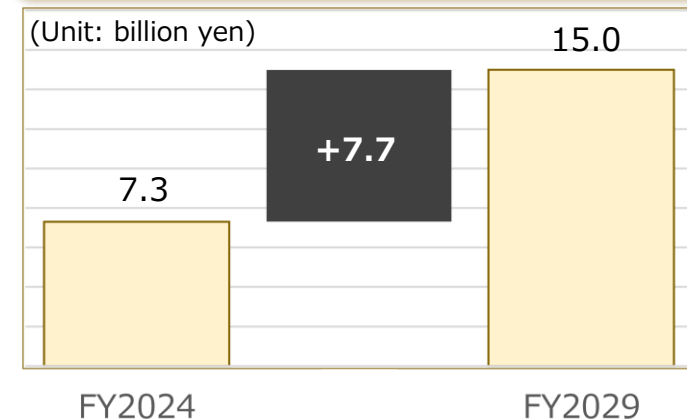
Segment	FY2024 Performance	FY2027 Target	FY2029 Target	CAGR
Yoshinoya	137.8	170.0	188.0	6.4%
Hanamaru	30.9	40.0	48.0	9.2%
Overseas	27.8	29.0	31.0	2.2%
Ramen	8.0	17.0	40.0	38.0%



## Operation Profit CAGR : 15.4%

(Unit: billion yen)

Segment	FY2024 Performance	FY2027 Target	FY2029 Target	CAGR
Yoshinoya	7.8	10.0	12.1	9.2%
Hanamaru	2.0	3.0	4.2	16.0%
Overseas	1.2	1.7	2.5	15.8%
Ramen	0.4	1.3	4.0	58.5%
Adjustment	△4.1	△6.0	△7.8	-

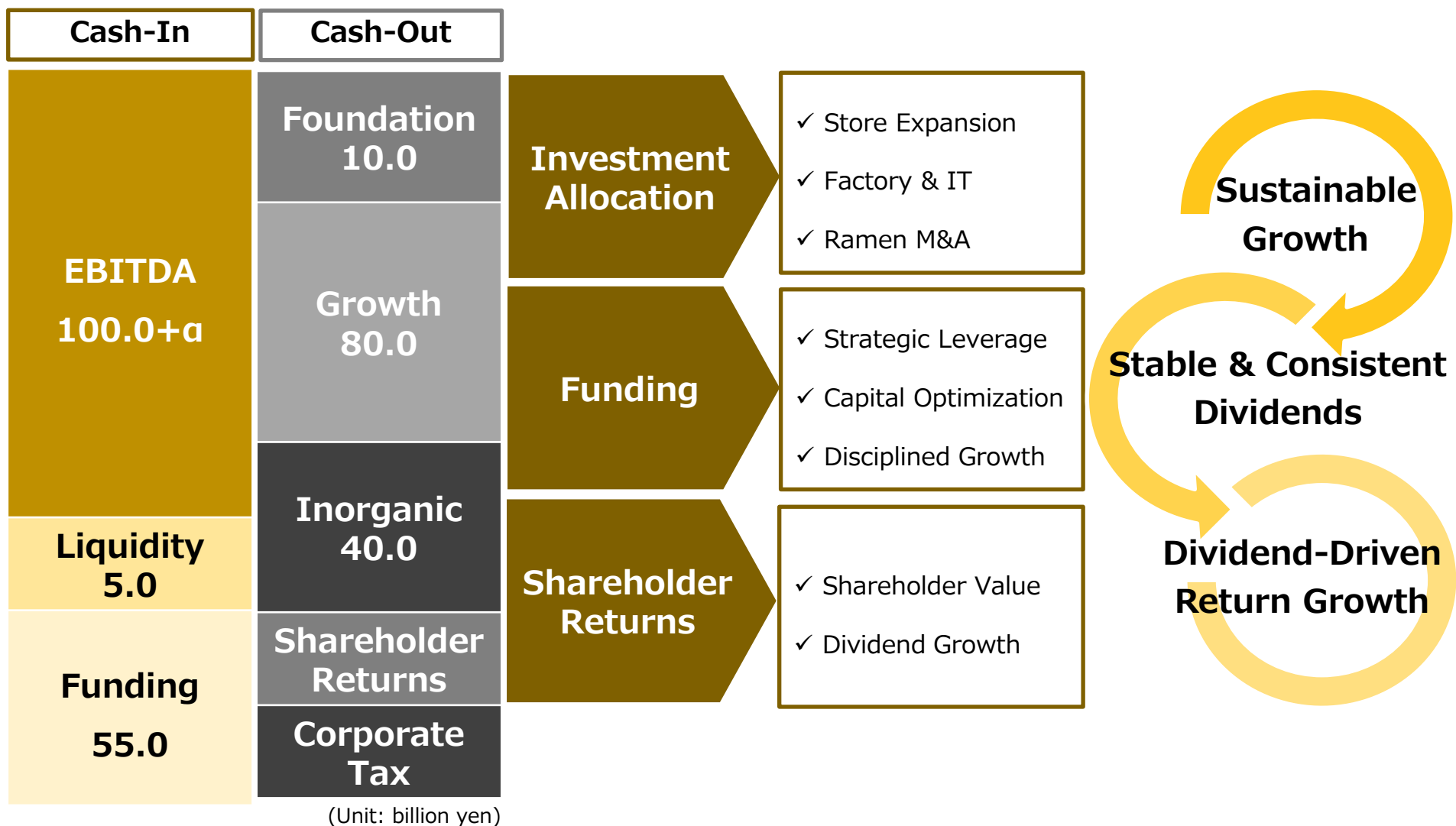


## CAPEX Policy & Plan

Enhance corporate value by maintain financial discipline and improve investment efficiency, while investing in brand evolution and expanding the business portfolio through proactive inorganic growth.

CAPEX Categories	5-Year Investment	Key Investment Areas
Existing Business Foundation	5.0	✓ Store & Facility Upgrades
	5.0	✓ Infrastructure & Security Reinforcement
Existing Business Growth	45.0	✓ New Store & Format Investment (Incl. Ramen)
	20.0	✓ Renovation Investment ✓ Yoshinoya C&C & Hanamaru Suburban Formats
	5.0	✓ Ramen Production Capacity Investment
	10.0	✓ Digital & IT Investment ✓ Convenience, Automation & Future-Oriented Investment
Inorganic	40.0	✓ Ramen M&A Investment (Domestic & Global) ✓ Other M&A and Strategic Alliances
5-Year Investment Plan	130.0	(Unit: billion yen)

## Cash Allocation Strategy ~Turning Cash Into Growth and Shareholder Value~



## Maximizing Capital Efficiency through Stable Cash Generation

- Strengthening Cash Generation from Core Businesses
- Optimizing Capital Allocation to Improve ROIC
- FY2029 Target ROIC 7.0%

### ROIC Improvement

ROIC (Return on Invested Capital) > WACC

#### Revenue Expansion via Strategic Investments



#### Capital Efficiency Improvement

- ✓ Growth Investment
- ✓ QHA-Driven Marketing Strategy
- ✓ HQ Cost Structure Optimization
- ✓ PDCA Acceleration for ROI Optimization

- ✓ Debt-Equity Balance Management
- ✓ Liquidity Cycle Optimization
- ✓ Shareholder Return Enhancement

### Group-Wide Management Approach

- ✓ Horizontal Best Practice Integration
- ✓ Profitability Risk Response Framework
- ✓ Group-Level Optimization Over Silo Thinking
- ✓ ROI-Based M&A and Post-Merger Integration

## Human Capital Management - Building a Workplace for Lifelong Commitment

### Building Pride in Belonging for Employees and Their Families

#### 01 Employee Loyalty Enhancement

##### Organizational Culture Reform

Developing Systems and Policies to Support Flexible and Diverse Workstyles

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Workplace Enhancement

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Engagement Survey Integration

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DE&I Program Implementation

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Employee Wellness Initiatives

#### 02 Human Capital Resilience Reinforcement

##### Employer Branding Enhancement

Building Strategic Recruitment Systems to Secure Growth-Oriented Talent

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Recruitment Media Optimization

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Diversified Recruitment Channels

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Compensation Optimization

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Hiring Process Optimization

#### 03 Market-Competitive Talent Development

##### Human Resource Data Utilization

Redesigning Group-Wide Education and Career Path Systems to Continuously Develop Sustainable Leadership Talent

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HR System Modernization

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Talent Data Analytics

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Tiered Training Redesign

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Cross-Group Talent Mobility

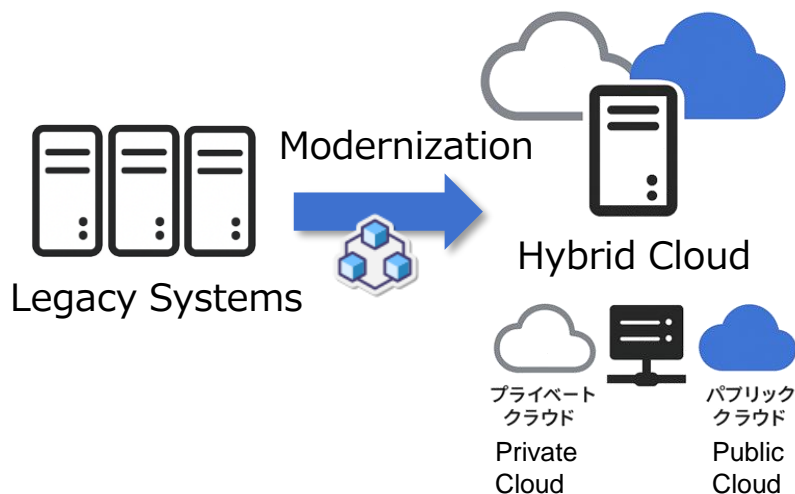
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External Secondment Programs

## ¥15 Billion IT Strategy for Group-Wide Innovation

### Customer-Centric Efficiency for Competitive Advantage

#### System Modernization



#### UX Enhancement

##### Information Visibility

- ✓ Instant Data Reachability
- ✓ Live Supply Visibility



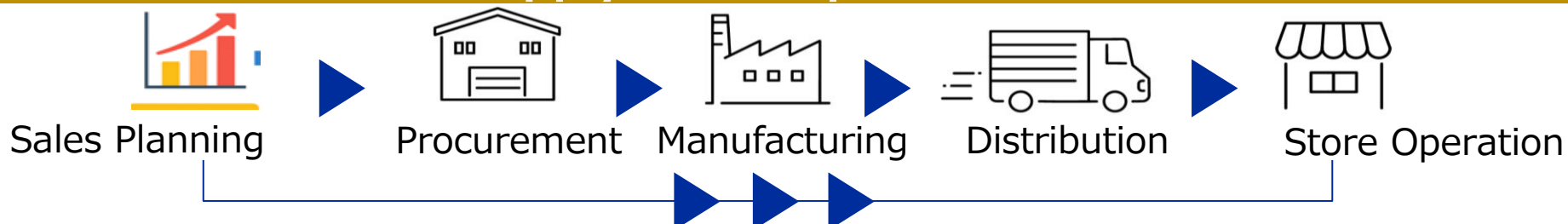
#### EX Enhancement

##### Operational Automation

- ✓ Demand Forecast Automation
- ✓ AI-Driven Interaction



#### Supply Chain Optimization



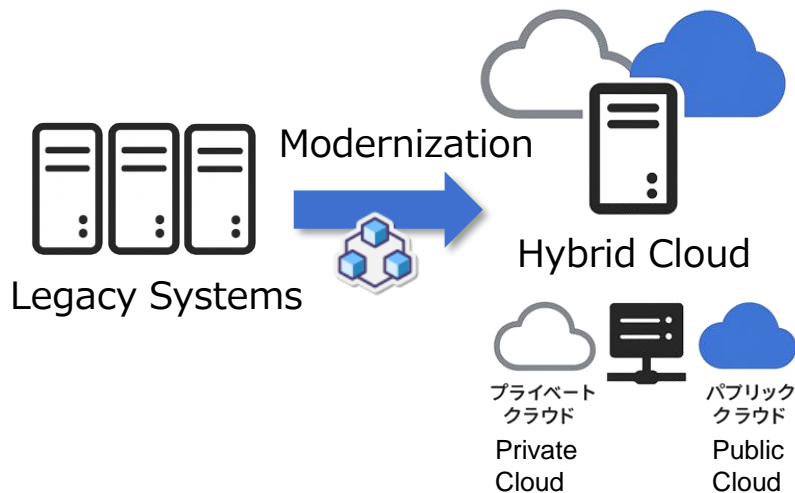
Automation of Planning/Cross-Site Logistics Efficiency/Cost Reduction 24



## Data-Driven Transformation

Enhancing Service, Quality, and Efficiency to Strengthen Group Competitiveness and Loyalty

### System Modernization



### UX Enhancement

#### Information Visibility

- ✓ Real-Time Access to Critical Data
- ✓ Fast Information Delivery (Stock Optimization / Waste Reduction)



### EX Enhancement

#### Operational Automation

- ✓ Order & Forecast Automation
- ✓ SNS and AI Response Infrastructure

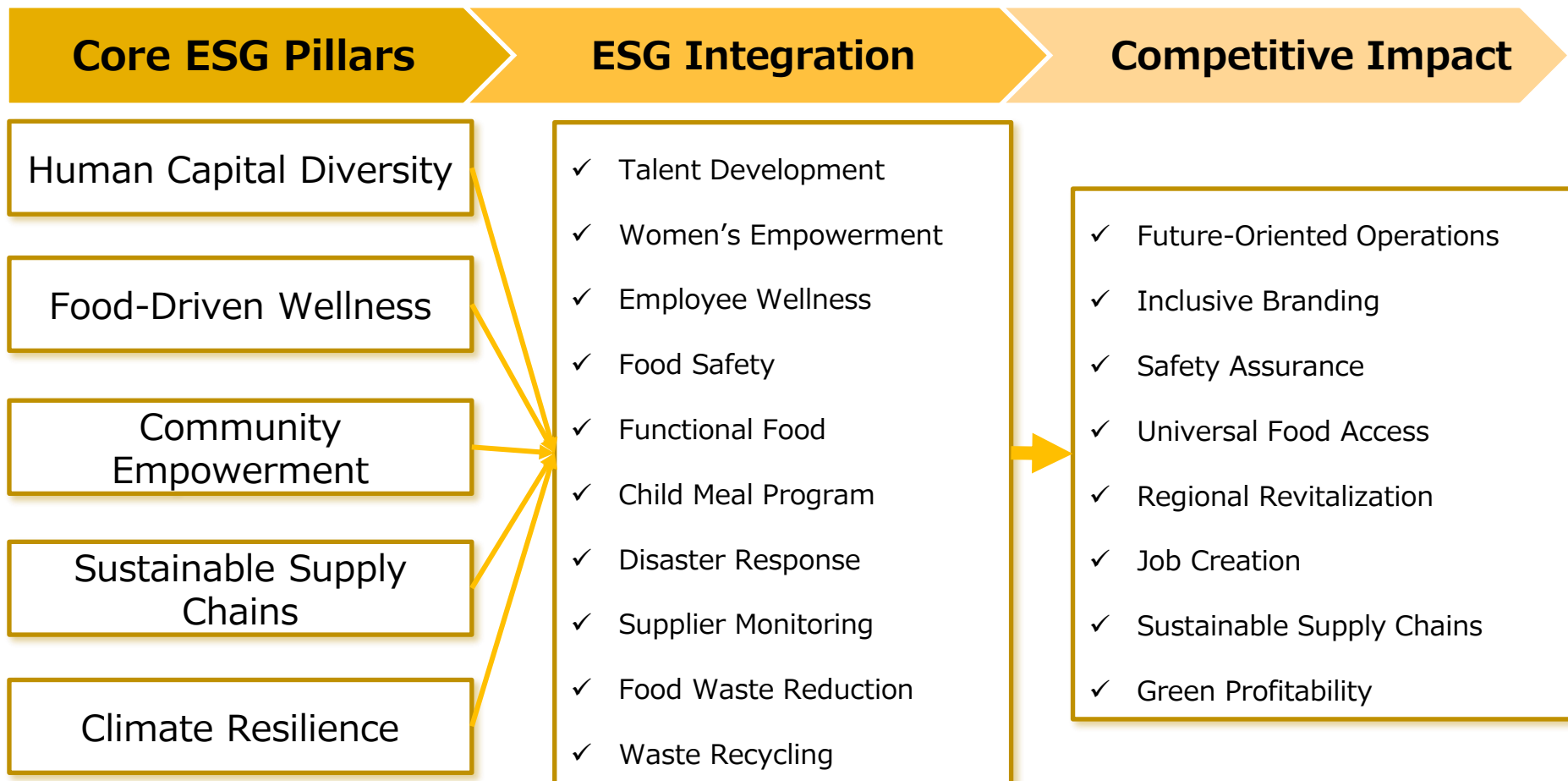


## Supply Chain Optimization



## Sustainability-Driven Competitive Advantage

- ESG Integration for Market Advantage
- Non-Financial Value Integration into Business Strategy



# For the People



# YOSHINOYA HOLDINGS

## Disclaimer

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