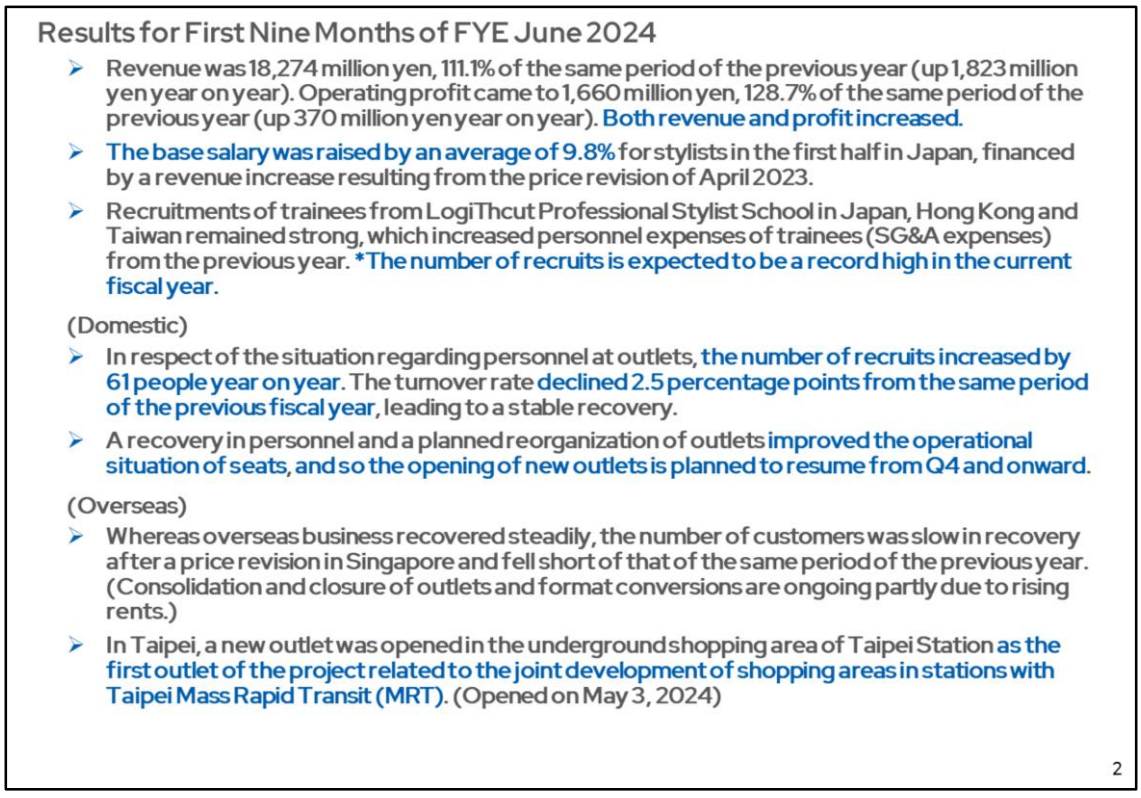


I would like to outline the results for the first nine months of the fiscal year ending June 2024 and efforts for the fourth quarter of QB Net Holdings Co., Ltd.

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Let me explain the results for the first nine months of the fiscal year ending June 2024.

Both consolidated revenue and operating profit increased primarily due to price revisions made in the previous fiscal year (excluding Hong Kong).

Domestic recruitment remained steady at a pace that outperformed the plan. In addition, the domestic turnover rate has steadily declined from 9.2% in the first quarter to 8.1% in the second quarter and 6.2% in the third quarter. Moreover, regarding the consolidation and closure of domestic outlets, we have so far strategically advanced reorganization while considering the need to have a balance in the number of personnel. The effort was mostly completed in the third quarter, and we plan to increase the number of outlets on a net basis from the fourth quarter. Seeing steady progress in recruitment, the turnover rate and the net increase in the number of personnel, we conclude that the foundation for a stable expansion in the number of outlets and growth has been achieved.

As for Singapore, a recovery in the number of customers was delayed due to the impact of competition after the price revision in the previous year. However, we are seeing signs of a moderate recovery after the Lunar New Year, which is the busiest period of the year. Furthermore, in Taiwan, we have concluded a comprehensive outlet opening contract with Taipei MRT, the subway operator in Taipei (for five years) related to the joint development of shopping areas within stations. Going forward, we plan to open outlets in the prime zone of stations.

Consolidated Group Earnings (Summary)

- **Both revenue and operating profit increased** to 111.1% and 128.7% of the same period of the previous year, respectively.
- Although operating profit fell short of the plan at 95.8% of it due to a delayed overseas recovery, the initial plan remains unchanged.

Consolidated Group Earnings (Summary)

Unit: Million yen	Total for first nine months of FYE June 2024				Full-year FYE June 2024 Forecast		
	Results	Year on year	Initial plan	vs. Plan	Initial plan	Year on year	Progress rate
Revenue	18,274	111.1%	18,282	100.0%	24,730	108.7%	73.9%
Operating profit	1,660	128.7%	1,733	95.8%	2,400	112.3%	69.2%
Profit before tax	1,551	132.0%	-	-	2,264	113.7%	68.5%
Profit	1,078	132.8%	-	-	1,600	110.8%	67.4%
Basic earnings per share	82.39 yen				121.89 yen		
Dividend per share	-				22.00 yen		

3

Next, I will move on to an overview of consolidated group earnings for the first nine months of the fiscal year ending June 2024.

Revenues were 18,274 million yen, 111.1% of a year earlier, operating profit came to 1,660 million yen, 128.7% of a year earlier, and profit recorded 1,078 million yen, 132.8% of a year earlier.

We carried out price revisions in Japan, Singapore, Taiwan and the U.S. in the previous fiscal year, leading consolidated revenue to increase compared with the previous fiscal year.

Revenue in the first nine months of the fiscal year ending June 2024 reached 100% of the plan thanks to the positive effect of foreign exchange. Operating profit for first nine months managed to be 95.8% of the plan, a result very close to our target.

I will go into detail later.

Revenue is almost as planned. Although operating profit is below the plan at 95.8% due to a delayed recovery overseas, we have kept the full-year forecast unchanged at this moment.

[Consolidated] Track Records of New and Closed Outlets

[Domestic] **The outlet reorganization was mostly completed** despite two unplanned closures for reasons related to the facilities that housed the outlets.

[Overseas] We plan to curb openings in Q3, which is a busy season in three Asian regions, and open outlets in Q4.

Unit: Outlets	Business format	End of FYE June 2023	New outlets	Relocation	Business format change	Closures	Change	End of Q3 FYE June 2024
Japan	QB HOUSE	557	2			-17	-15	542
	QB PREMIUM	6	1			0	1	7
	FaSS	12	0			0	0	12
Subtotal in Japan		**575**	**3**			**-17**	**-14**	**561**
Singapore	QB HOUSE	21	0		-2	-1	-3	18
	QB PREMIUM	8	0	1	2	0	3	11
	QB HOUSE Kids	1	0			0	0	1
Hong Kong	QB HOUSE	61	3	1		-3	1	62
Taiwan	QB HOUSE	30	2			0	2	32
U.S.	QB HOUSE	5	0			0	0	5
Subtotal of overseas		**126**	**5**	**2**		**-4**	**3**	**129**
Consolidated group total		**701**	**8**	**2**		**-21**	**-11**	**690**

4

I will explain an outline of new and closed outlets as the whole of the group.

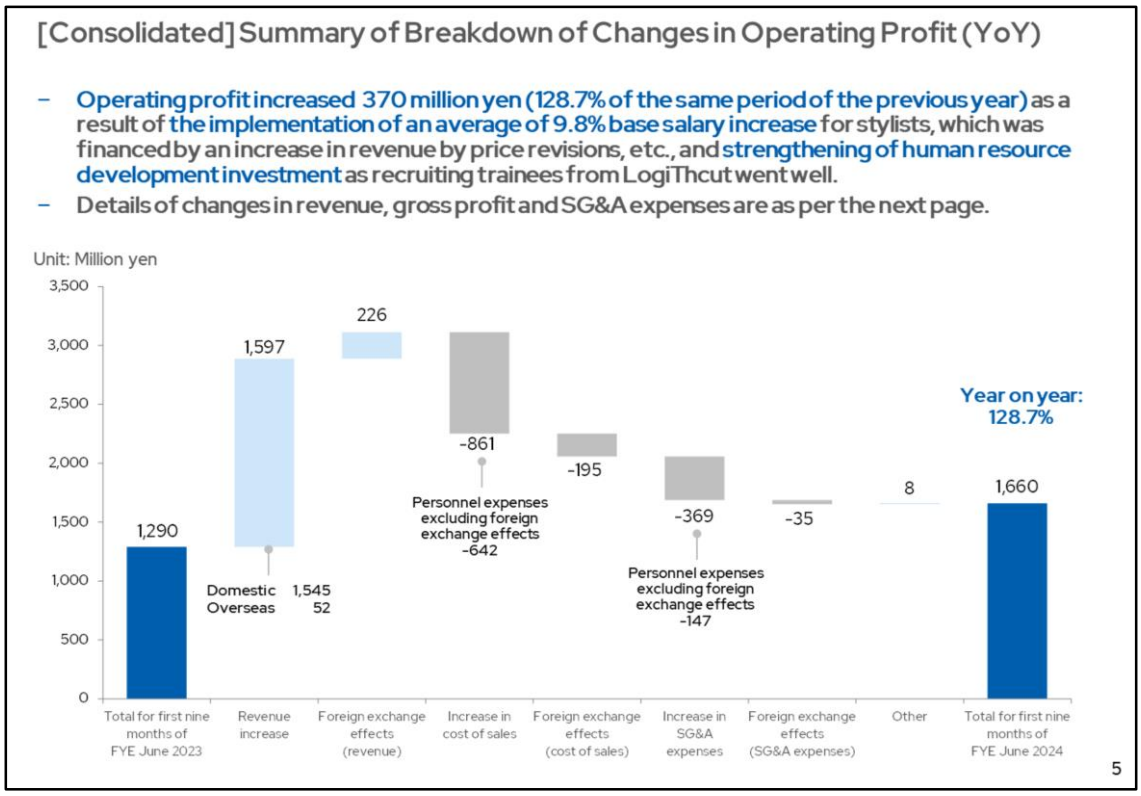
In Japan, we opened three outlets and closed 17. Accordingly, the total number of outlets in Japan as of the end of March 2024 decreased by 14 from the end of the previous fiscal year to 561.

I will break down the 17 closures. We closed nine outlets as a strategic consolidation and closure. The nine outlets were picked out from ones that had failed to return to the previous level due to the impact of the COVID-19 pandemic. We had continued countermeasures against personnel shortages there until the first half of the current year because customers of such nine stores could be redirected to our neighboring outlets. We decided that consolidating and closing them could lead to larger revenue and higher efficiency in personnel allocation. Another eight outlets were closed for reasons related to the facility owners, such as reconstruction of their aged commercial facilities and removal of hindrances to the construction of railway stations. Next, overseas, we opened three outlets in Hong Kong and two in Taiwan. We also relocated one outlet each in Singapore and Hong Kong.

As for closures, we closed one outlet in Singapore and three in Hong Kong. Accordingly, the total number of outlets as the whole of overseas increased by three from the end of the previous fiscal year to 129.

Additionally, we altered the business format of two outlets from QB House to QB Premium in Singapore in the first half of the current year. Regarding the reasons for the closures overseas, one outlet was closed for a reason related to the facility that housed it. One closure was the result of the expiration of a contract and two closures were associated with relocation.

As a result, the total number of outlets in the Group was 690 as of the end of March 31, 2024.

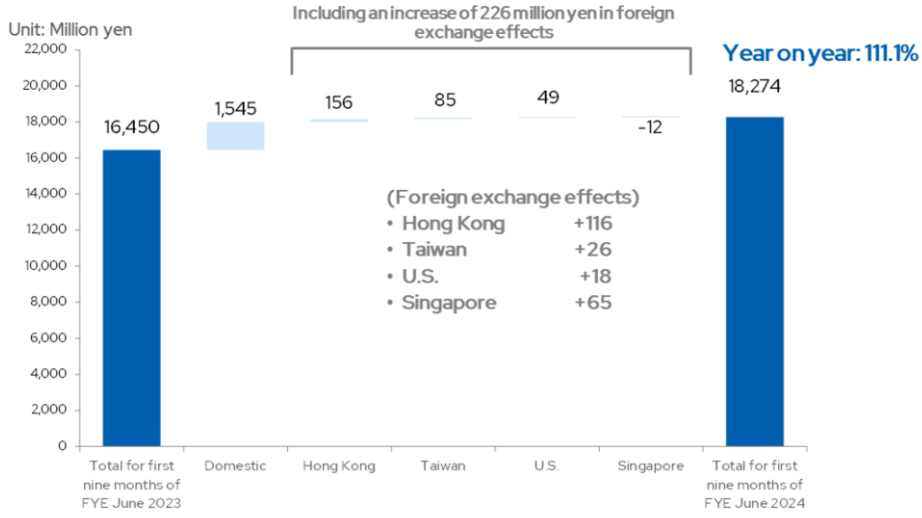


Regarding the year-on-year comparison of the results for the first nine months, domestic and overseas revenue increased 1,545 million yen and 52 million yen, respectively, to a total increase of 1,597 million yen. This was thanks to price revisions made in Japan, Singapore, Taiwan and the U.S. in the previous fiscal year. Cost of sales rose 861 million yen mainly due to salary improvements for stylists, financed by a revenue increase primarily caused by price revisions, and increases in rents associated with the revenue increase. The most significant factor in the increase in cost of sales was a rise in personnel expenses, which amounted to 642 million yen (excluding foreign exchange effects). SG&A expenses grew 369 million yen. A factor in this was an increase of 147 million yen in personnel expenses due to more staff in LogiThcut Professional Stylist School and a drive for training.

As a result of the above, operating profit for the first nine months of the fiscal year under review was up 370 million yen year on year to 1,660 million yen.

[Consolidated] Breakdown of Changes in Revenue (YoY)

- Revenue **increased 1,823 million yen year on year on a consolidated basis** mainly owing to price revisions.
- Overseas total increased. **Only Singapore** experienced a delayed recovery in the number of customers visiting outlets after a price revision.
- Details of revenue are provided on pages 26 to 28 of the Appendix.



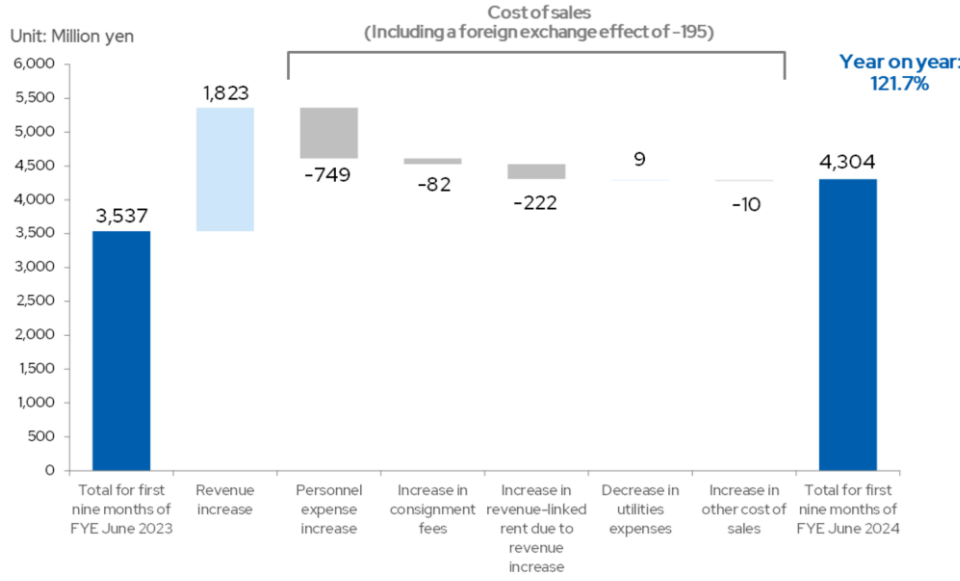
6

Revenue rose 1,823 million yen from a year earlier to 18,274 million yen on a consolidated basis due to increases of 1,545 million yen in Japan, 156 million yen in Hong Kong, 85 million yen in Taiwan and 49 million yen in the U.S. and a decrease of 12 million yen in Singapore alone.

These numbers include a foreign exchange positive effect of 226 million yen.

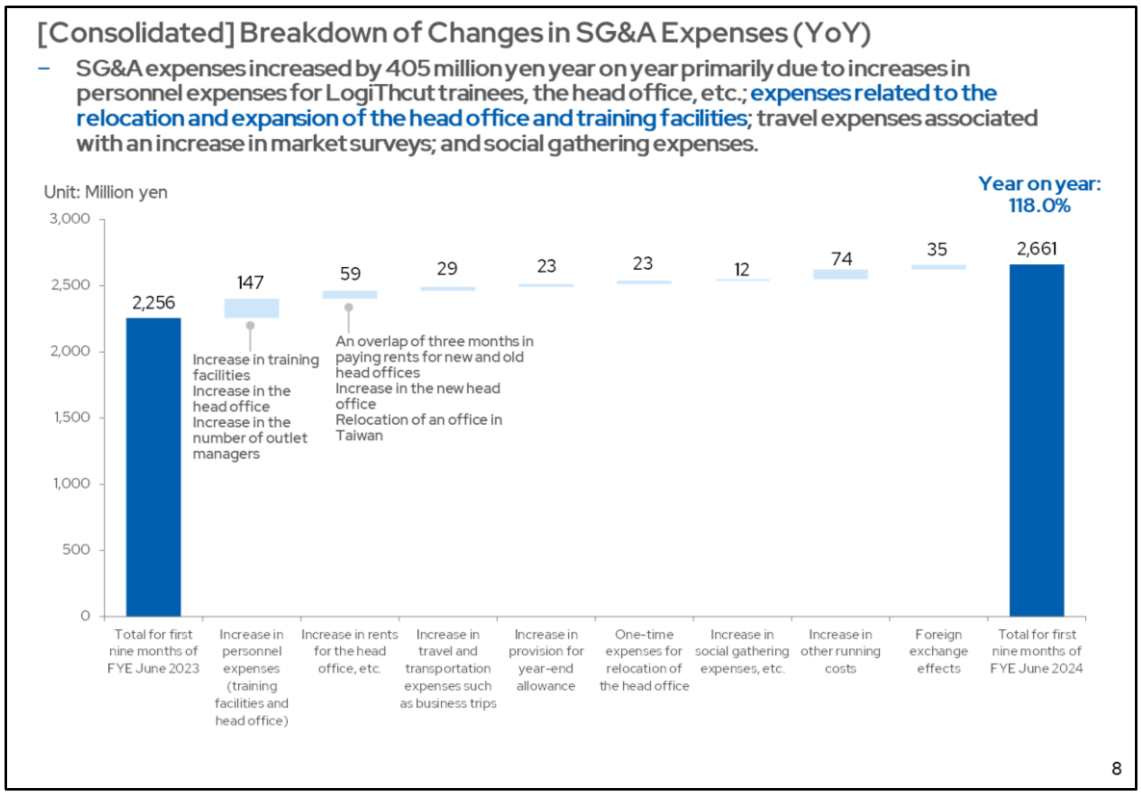
[Consolidated] Breakdown of Changes in Gross Profit (YoY)

– Gross profit increased by 767 million yen year on year due to an increase in revenue and growth in personnel expenses associated with the domestic wage hikes (an average 7.4% base salary increase in August and a regular wage hike in October, totaling an average increase of 9.8%) and a rise in revenue-based rent.



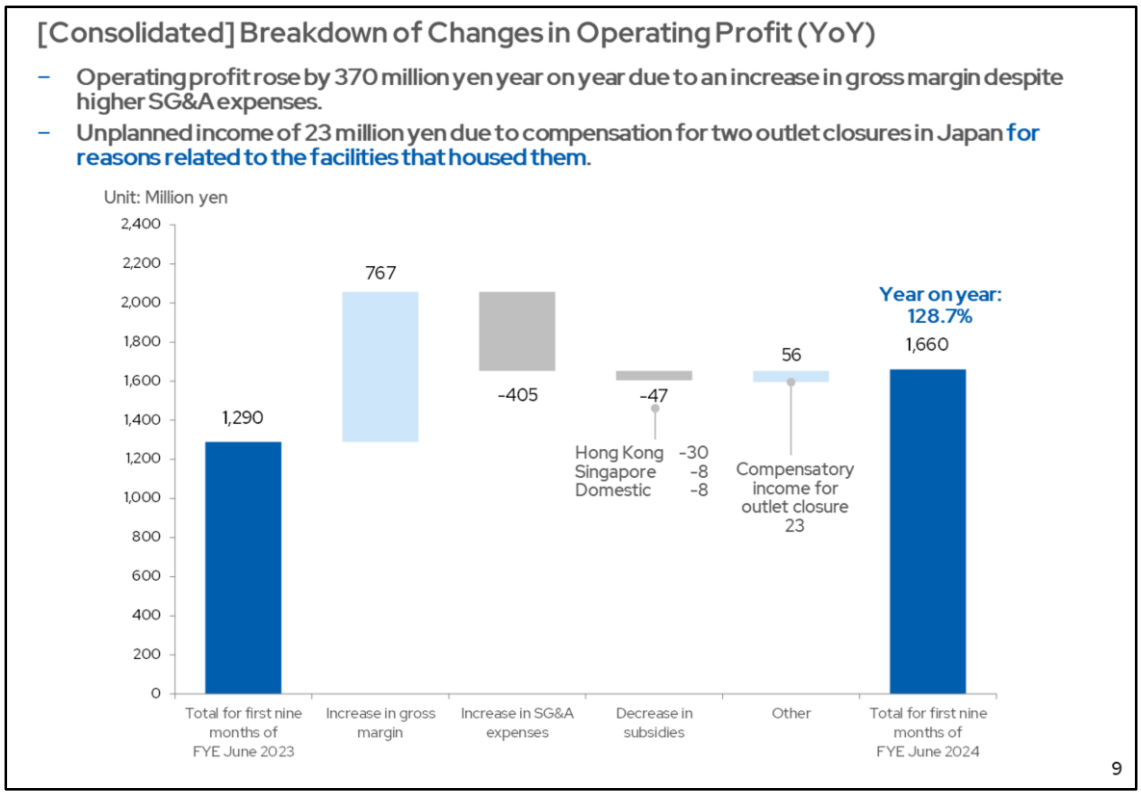
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Whereas revenue rose, in respect of gross profit, the base salary increased by an average of 7.4% in August 2023, and a performance-based regular wage was raised in October in the same year mainly in Japan. As a result, salary was raised by an average of 9.8% in total, which caused an increase of 749 million yen from a year earlier in personnel expenses. There was also an increase of 82 million yen in consignment fees due to a revenue increase and an increase of 222 million yen in revenue-based rents for outlets. After absorbing the above increases in costs of sales, gross profit was up 767 million yen year on year to 4,304 million yen.



As for SG&A expenses, personnel expenses rose by 147 million yen primarily associated with increases in trainees of LogiThcut Professional School, which attracted a steady flow of recruits, staff in the head office and outlet managers.

Moreover, we relocated to a new head office last November since it was decided to demolish the former head office building. In accordance with international accounting standards, rent shall start to be amortized from the first month when the contract comes into effect, causing an overlap of three months in paying rents for the new and old head offices. Moreover, we extended the floor space of a training facility inside the head office by about 150% at the time of the relocation. Consequently, rents rose and relocation expenses were incurred. Additionally, including an increase in travel and transportation expenses associated with more business trips, higher social gathering expenses caused by the resumption of year-end parties, New Year's parties and outlet managers meetings, etc., foreign exchange effects and others, SG&A expenses increased 405 million yen from a year earlier to 2,661 million yen.

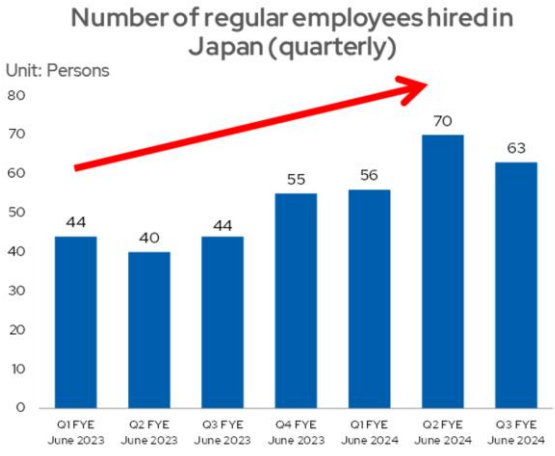


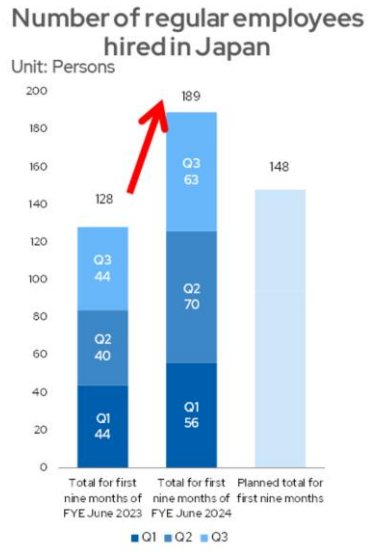
Regarding operating profit, other than the factors that I have already explained in the breakdown of changes in gross profit and SG&A expenses, there was an impact from the end of subsidies mainly in Hong Kong, and compensatory income was recorded when two domestic outlets were closed for reasons related to the facilities that housed them. Including them, SG&A expenses increased 370 million yen from a year earlier to 1,660 million yen.

[Domestic] Situation Regarding Personnel (Trend in the Number of Recruits)

Recruitment **remained strong, outpacing the same period of the previous year and the plan.**

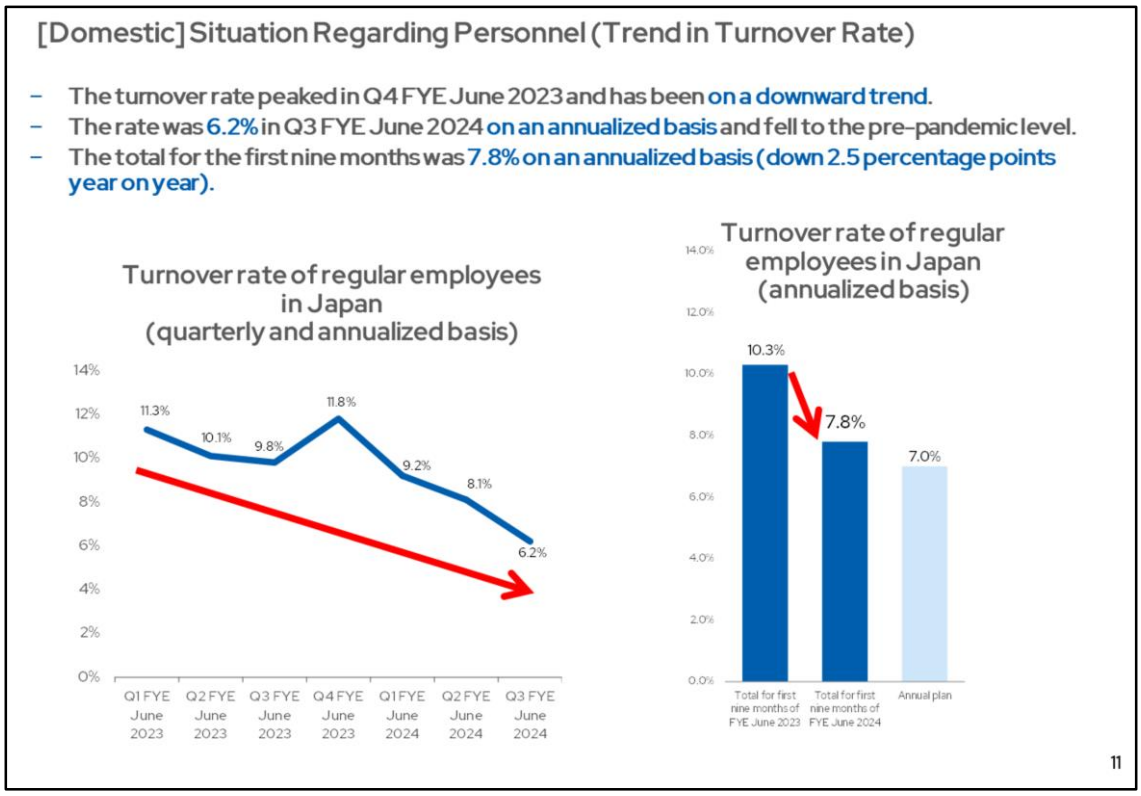
- The number of recruits is **on an upward trend**, centered on LogiThcut trainees.
- The number of regular employees **hired was 189 people (up 61 from the previous fiscal year and up 41 from the plan)**. The net increase was 88 people.





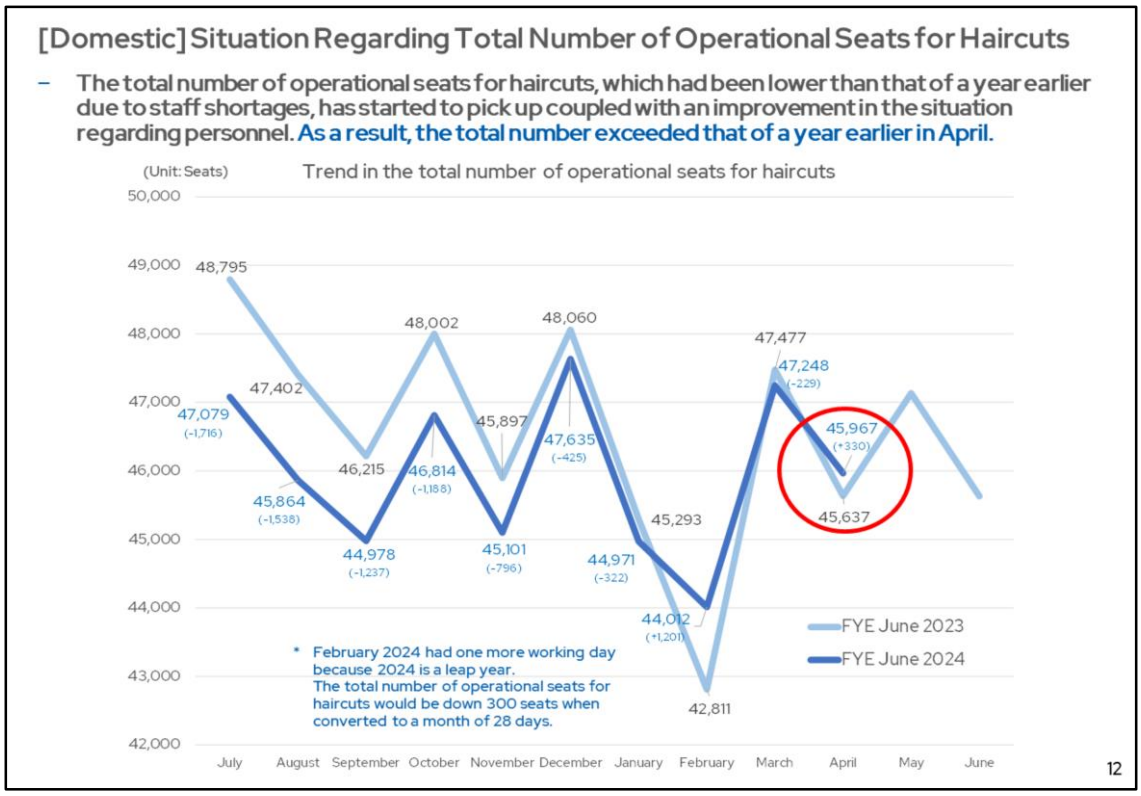
10

Regarding domestic recruitment, enhanced employment offers, accompanying treatment improvements for existing stylists implemented last August and October, boosted salary competitiveness, resulting in the number of job applicants rising. Consequently, the hiring of both people with previous experience in haircutting and without experience (LogiThcut trainees) increased year on year.



The domestic turnover rate peaked at 11.8% in the fourth quarter of the previous fiscal year, then started declining. The rate decreased to as low as 6.2%, when limited to the third quarter of the fiscal year under review, almost returning to the pre-pandemic level. With regard to improving the turnover rate, the situation regarding personnel has improved as a result of raising salary and taking comprehensive measures including ensuring less physical burden by shortening outlet business hours. The turnover rate is closing to 7.0%, which is our target for the current fiscal year.

To further lower the turnover rate, we think that it is necessary to build an environment for career advancement that allows employees to envision their future, create and expand opportunities for improving skills, and establish a follow-up scheme. We have incorporated specific measures for them into the medium-term management plan, under consideration currently, in order to continue improving with an eye to creating an employee-friendly working place. Through these efforts, we intend to secure an annual net increase of just over 100 personnel and aim for a sustainable increase in the number of outlets, sales expansion and revenue growth.



Let me explain the operating status of domestic outlets.

The total number of operational seats for haircuts had been below that of a year earlier until the first half, in the face of extreme personnel shortages, caused by a rapid recovery in demand after the pandemic and intensified competition in recruitment.

We had improved the working conditions such as shortening business hours in addition to upgrading salary for stylists in the first half, which drove improvements to the number of new recruits and the turnover rate. As a result, the total number of operational seats for haircuts started rising gradually and reached a level above the same period of the previous year in April for the first time in the current fiscal year (excluding the effect of a leap year that occurred this past February).

Judging that the personnel system is ready for opening new outlets from such an ongoing operational situation, we have resumed the opening of new outlets from the fourth quarter.

[Overseas] Business Situation

	Revenue for Q3 YoY	Number of customers for Q3 YoY	Situation
Hong Kong	113.5%	101.0%	➢ **The number of customers, after quarantine measures were lifted at the end of December 2022, recovered moderately partly due to the impact of stagnant consumption.** ➢ The number of customers before and after the Lunar New Year (a busy season) was almost the same as a year earlier. ➢ Partly affected by a cold wave in late January.
Singapore	94.4%	91.8%	➢ **The number of customers after a price revision was slow to recover due in part to the decreased number of outlets and a competitive situation, but the number showed signs of recovery after the Lunar New Year.** ➢ Efforts were made for outlet consolidation and closure and business format conversion in order to respond to the changing environment after the pandemic. ➢ The recruitment of stylists remained steady and **the trend was for a net increase**.
Taiwan	112.9%	103.7%	➢ The number of customers remained strong in a busy period and March. ➢ **An outlet opening is planned in the prime zone of a railway station in connection with a project related to joint development shopping areas within stations with Taipei MRT (an outlet will be opened in Taipei Station in May).** ➢ People kept joining the Company constantly even after the Lunar New Year, a time when recruitment is low in usual years.
U.S.	115.7%	103.1%	➢ **The number of customers, revenue and operating profit all hit March records.** ➢ Even after a price revision, the number of customers stayed on an upward trend. ➢ Partly affected by a cold wave in late January.

* Revenue includes foreign exchange effects. Comparison with Q3 only

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I will move on to explaining the overseas situation.

Regarding Hong Kong, in which we operate 62 outlets at present, the number of customers and revenue recovered up to 101.0% and 113.5%, respectively, compared with the same period of the previous year. In Hong Kong, the trend is a gradual recovery mainly due to sluggish consumption after the lifting of quarantine measures.

Next, regarding Singapore, in which we operate 30 outlets currently, the number of customers and revenue came to 91.8% and 94.4% of the results of a year earlier, respectively. The number of customers was slow to recover after the price revision amid severe competition, but signs of recovery have started showing after the Lunar New Year, which is the busiest period of the year.

Next, regarding Taiwan, in which we operate 32 outlets at the moment, the number of customers and revenue was 103.7% and 112.9% of the results of a year earlier, respectively. Outlet openings are planned in the prime zone of railway stations in connection with a project with Taipei MRT related to joint development shopping areas within stations.

Finally, about the U.S. We now operate five outlets in New York. The number of customers and revenue was 103.1% and 115.7% of the results of a year earlier, respectively. In New York, where we carried out price revisions three times in the past, our service quality is highly recognized, and this has attracted more new customers. As a result, the number of customers, revenue and operating profit all posted monthly record highs in March.

Please note that the year-on-year comparison of revenue includes foreign exchange effects.

[Overseas] Situation Regarding Taiwan after Price Revision

The Taiwan business aims at becoming the second largest site after Hong Kong.

- A price revision was made in January 2023 for the first time after expanding into Taiwan. Afterward, the number of customers increased steadily.
- LogiThcut School Taiwan was opened in December 2022, which led to an increase in the number of recruits.
- The first outlet from the joint project with Taipei MRT was opened on May 3, 2024.



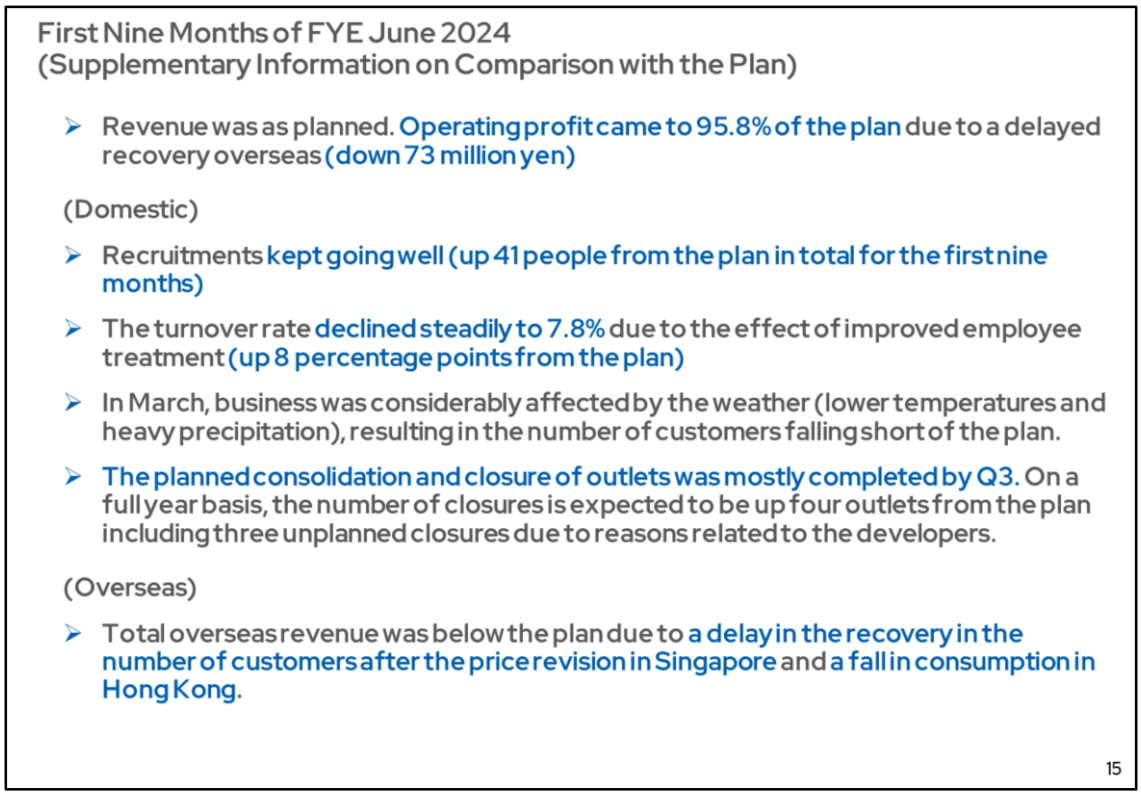




14

I would like to explain the situation regarding the Taiwan business after the price revision.

In January 2023, we made the first price revision after we expanded into Taiwan. Afterward, the number of customers kept rising without any big loss of existing customers. We opened a LogiThcut Professional School in Taiwan in December 2022, prior to the price revision in an effort to boost HR development investment. The numbers of recruits too is on the increase. Furthermore, we concluded a comprehensive contract with Taipei MRT in February 2024 concerning the joint development of shopping areas within stations. Accordingly, we have embarked on opening outlets in new locations. We aim at developing the Taiwan business into the most important site after Hong Kong through executing these strategies.



I would like to touch on supplementary matters concerning the comparison between the plan and the results for the first nine months of the fiscal year ending June 2024.

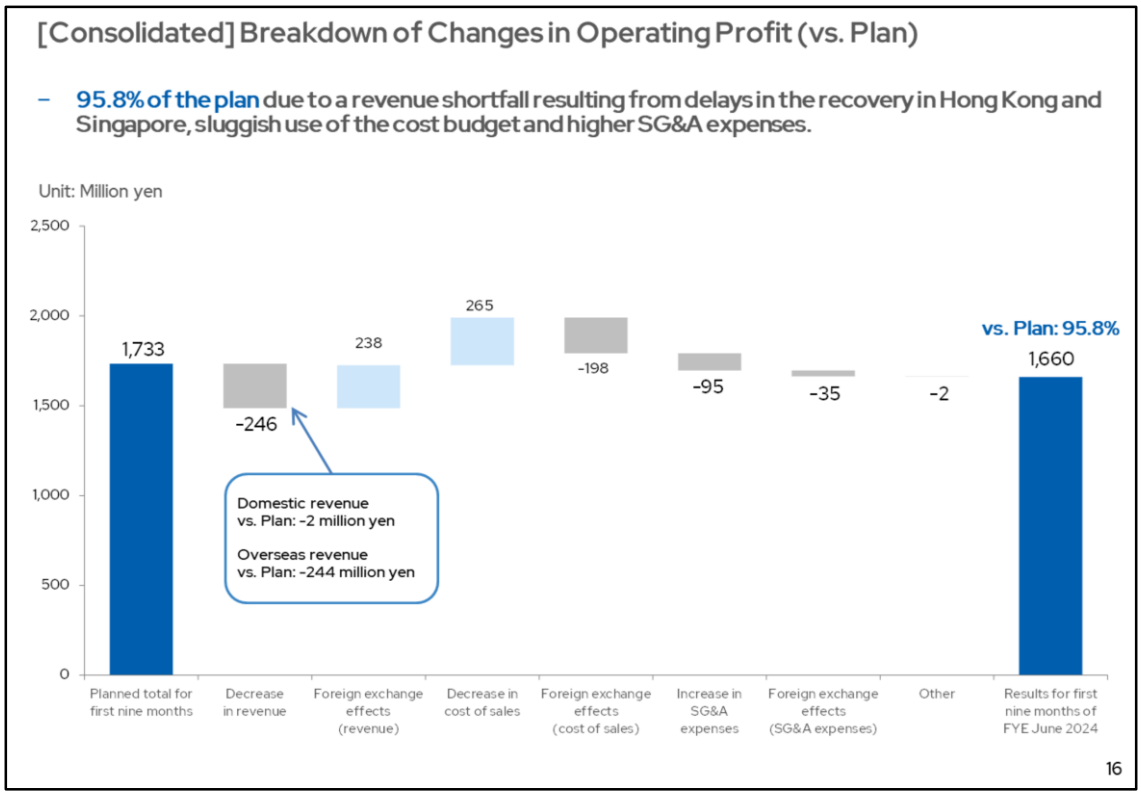
When we compare the consolidated results to the plan, revenue is almost in line with the plan including foreign exchange effects. Operating profit was 95.8% of the plan, down 73 million yen, mainly owing to a delayed recovery overseas.

Recruitment has remained steady at a pace that outperforms the plan. In addition, the turnover rate has steadily declined from 9.2% in the first quarter to 8.1% in the second quarter and 6.2% in the third quarter although the results are 0.8 percentage points above the plan.

The number of customers in March ended up at 98.7% as it was considerably influenced by the weather. However, the April number was almost as per planned.

Although the consolidation and closure of outlets was mostly completed, we expect to have four closures on a full year basis including three due to reasons related to the developers in addition to the plan.

As for Singapore, the number of customers was slow to recover from a fall after the price revision in the previous year. That was due to the impact of competition. However, we have also started seeing signs of a moderate recovery after the Lunar New Year, which was the busiest period of the year. In addition, although we remained affected by quarantine measures in Hong Kong until the end of December 2022, the number has been certainly on a recovery trend despite the impact of sluggish consumption and other factors.



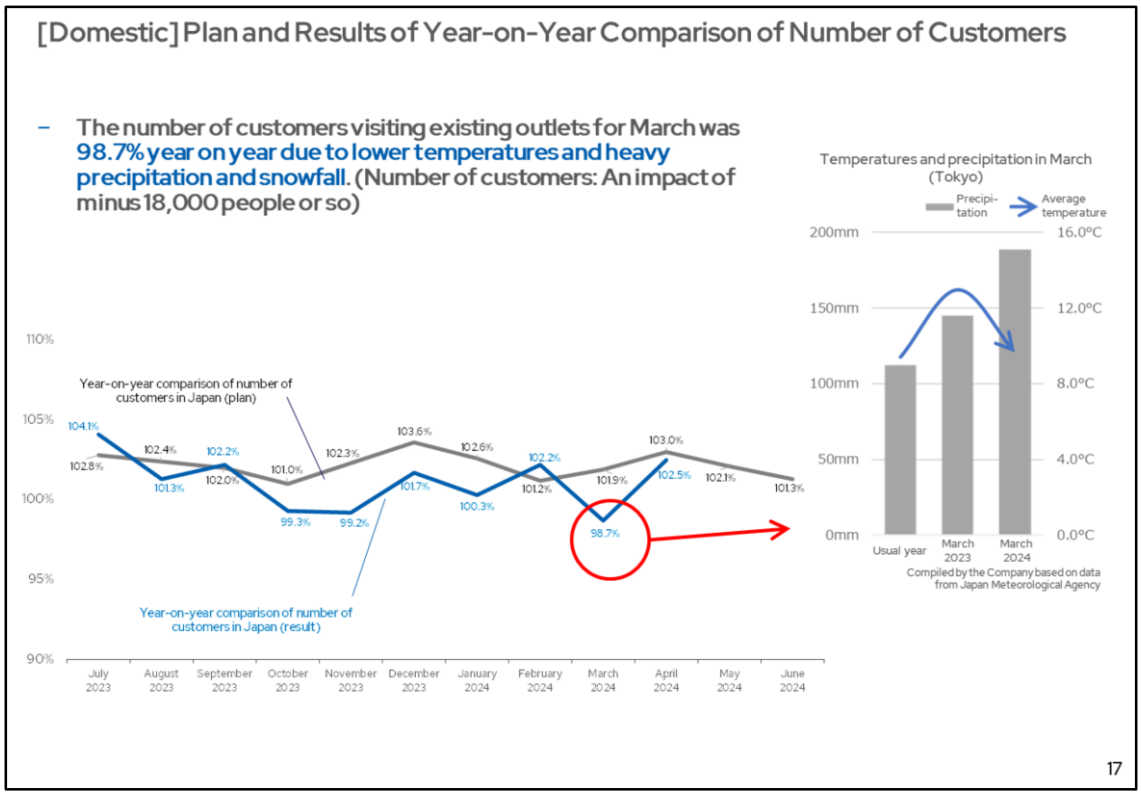
Let me show you a comparison of operating profit between the results and the initial plan.

Revenue was down 246 million yen from the plan excluding foreign exchange effects, failing to reach the plan. Whereas domestic revenue remained largely in line with the plan, overall revenue was affected by a delayed recovery in revenue of Hong Kong and Singapore.

Cost of sales too was down 265 million yen from the plan excluding foreign exchange effects, failing to reach the plan. This was mainly due to an unused portion of budgeted outlet personnel expenses in Japan.

SG&A expenses were up 95 million yen from the plan excluding foreign exchange effects.

As a result, operating profit decreased 72 million yen from the plan.



I will explain a year-on-year comparison of the number of customers visiting domestic existing outlets.

In the first quarter, there was an impact from the temporary closure of some outlets that enabled stylists to go back to their home towns in August (a traditional time in Japan for people to do this). However, the number of customers remained above the plan as particularly the temperature, which is highly correlated with the number of customers, remained above usual years.

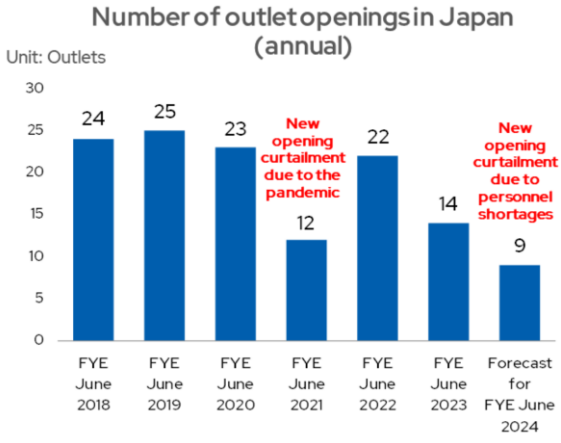
Concerning the second quarter, from October to November, which is an off season, we saw the manifestation of the impact of our continued effort to shorten outlet business hours as an improvement to working conditions and the fact that the number of outlets with regular holidays stayed flat.

In the third quarter, the number of customers was significantly affected by the weather such as lower temperatures and higher precipitation, especially in March, in addition to the continued impact of shorter business hours. Although it was relatively warm in March in the previous fiscal year, temperatures returned to normal this past March with higher precipitation. The number of customers declined due to the rainfall and snowfall. Currently, with an increase in the number of personnel, we will further drive a recovery in existing outlets by starting to operate unused seats and rolling back ongoing regular holidays.

We continue with the system of shorter business hours since its purpose is to improve working conditions.

[Domestic] Situation Regarding New and Closed Outlets

- New openings were curbed from Q1 to Q3 as planned, but will be resumed from Q4 after the situation regarding personnel has improved.
- One of the openings scheduled for Q4 was delayed to the next fiscal year, and a total of nine outlet openings are planned.
- Regarding closures, the unplanned closure of four outlets including three due to reasons related to the developers is expected, in addition to the initially planned closure of 17 outlets.



Outlet opening and closure in Japan (Unit: Outlets)

	Results for Q1	Results for Q2	Results for Q3	Forecast for Q4	Total
New outlets	1	1	1	6	9
Closures	-6	-3	-8	-4	-21
Net change	-5	-2	-7	2	-12

Outlet opening and closure plan in Japan (Unit: Outlets)

	Q1 Plan	Q2 Plan	Q3 Plan	Q4 Plan	Total
Openings	2	0	1	8	11
Closures	-6	-5	-5	-1	-17
Change	-4	-5	-4	7	-6

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With regard to the situation of outlet opening in Japan, we have prioritized a recovery in the seat operational rate in order to improve the situation regarding personnel in existing outlets, rather than expanding the scale via new openings, until the third quarter. Accordingly we opened three outlets as planned.

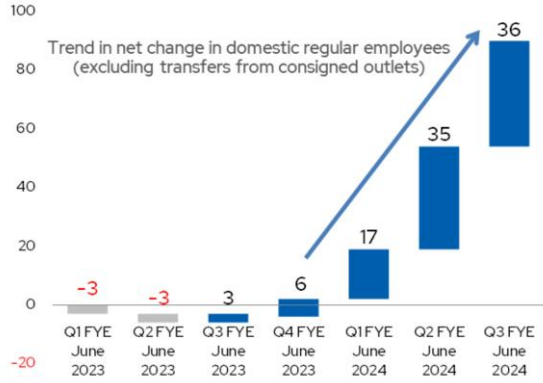
With signs of improvements to acquiring and retaining personnel showing up from the latter half of the fiscal year, we expect to open six outlets in the fourth quarter (a total of six outlets, instead of the planned seven, since one opening was postponed to the next fiscal year as of the second quarter).

Regarding the full-year forecast, the total number of closures is expected to be 21 outlets because of the addition of four unplanned closures including three closures due to reasons related to the developers. Since we resumed development for opening outlets, we have been invited to open some in good locations for the next fiscal year and the year after next. Down the road, we will try to expand into new areas and gain a market share in customer bases by opening outlets in residential areas with a large night-time population and untapped areas and combining various brands (QB HOUSE, QB PREMIUM and FaSS). Through the above efforts, we will proceed to roll out outlets with much higher accuracy in outlet opening.

Efforts for Q4 FYE June 2024

(Domestic)

- Due to the improvement of employee treatment in terms of salary, the working environment, etc., domestic hiring has steadily recovered. According to the improvement of the situation regarding personnel, outlet openings will be resumed, and nationwide sales promotions will be also stepped up.





Visuals for campaigns ©Sunstar Inc.

(Overseas)

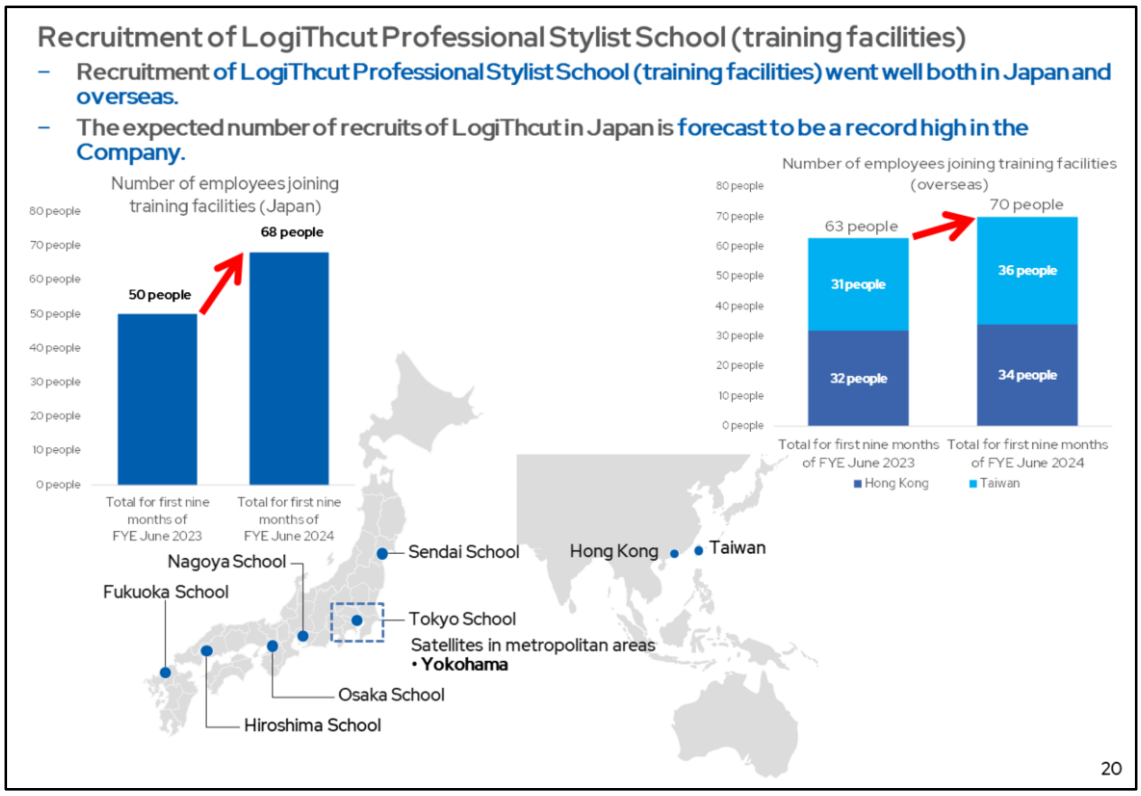
- An initially planned price revision in Hong Kong has been postponed in the face of a consumption slump in Hong Kong (postponed from April in the current term to the next term)
- A subsidiary has been established in Canada, and the first outlet is planned to open in Toronto in June.

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I will now elaborate on our efforts for the fourth quarter of the current fiscal year.

In Japan, we raised the base salary in August last year and also made a performance-based regular wage hike in October. The salary hikes totaled an average increase of 9.8%. As a result, recruitment is going well, and the turnover rate is on a downward trend, resulting in a net increase of personnel surpassing the plan. Taking these situations into account, we will bring the speed of outlet opening back to the usual pace from the fourth quarter. Regarding sales promotional activities as well that we have curbed in view of personnel shortages, we will step up activities from the fourth quarter, beginning with a large-scale sales promotion that is planned to start in May.

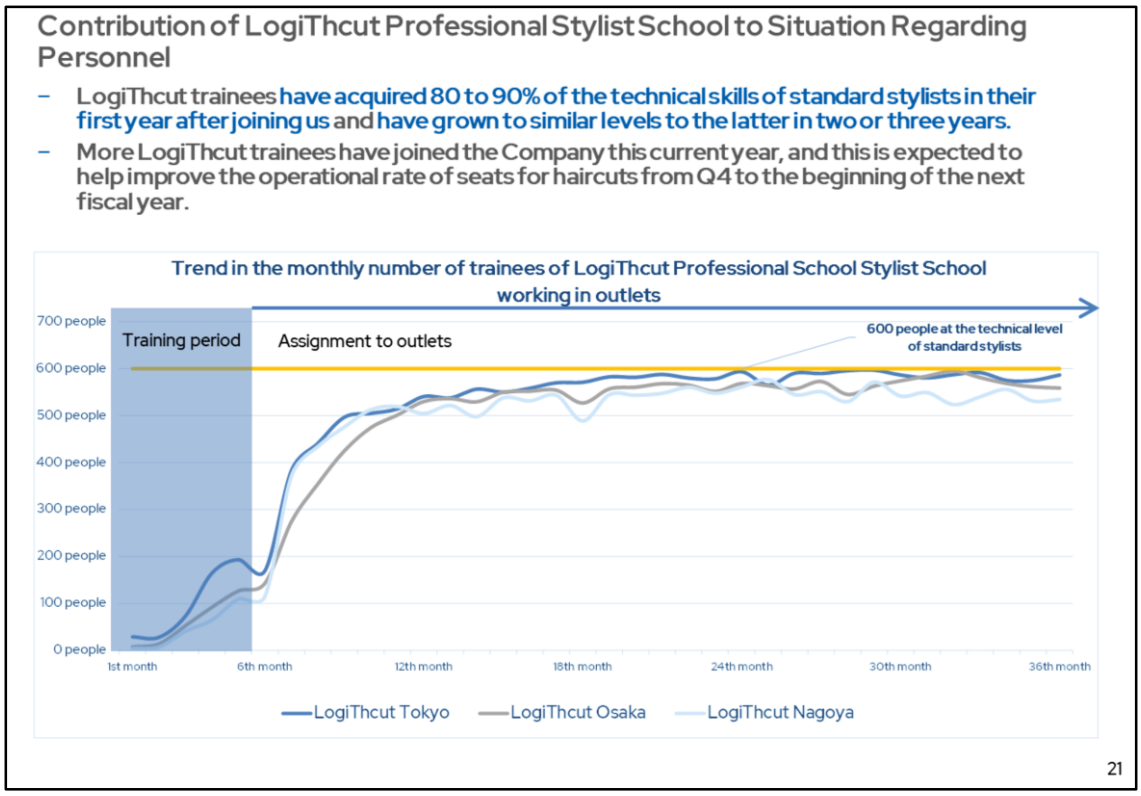
Overseas, we have pushed the timing of a price revision back to the next fiscal year since we will conduct a marketing survey again in the face of sluggish consumption in Hong Kong. We expect the first outlet in Canada to start business in June.



Recruitment of LogiThcut Professional Stylist School (LogiThcut trainees), which trains inexperienced people without haircutting skills, increased steadily compared with the same period of the previous fiscal year. We extended the floor space of LogiThcut facilities in Japan and Taiwan during the first half and kept boosting training investment.

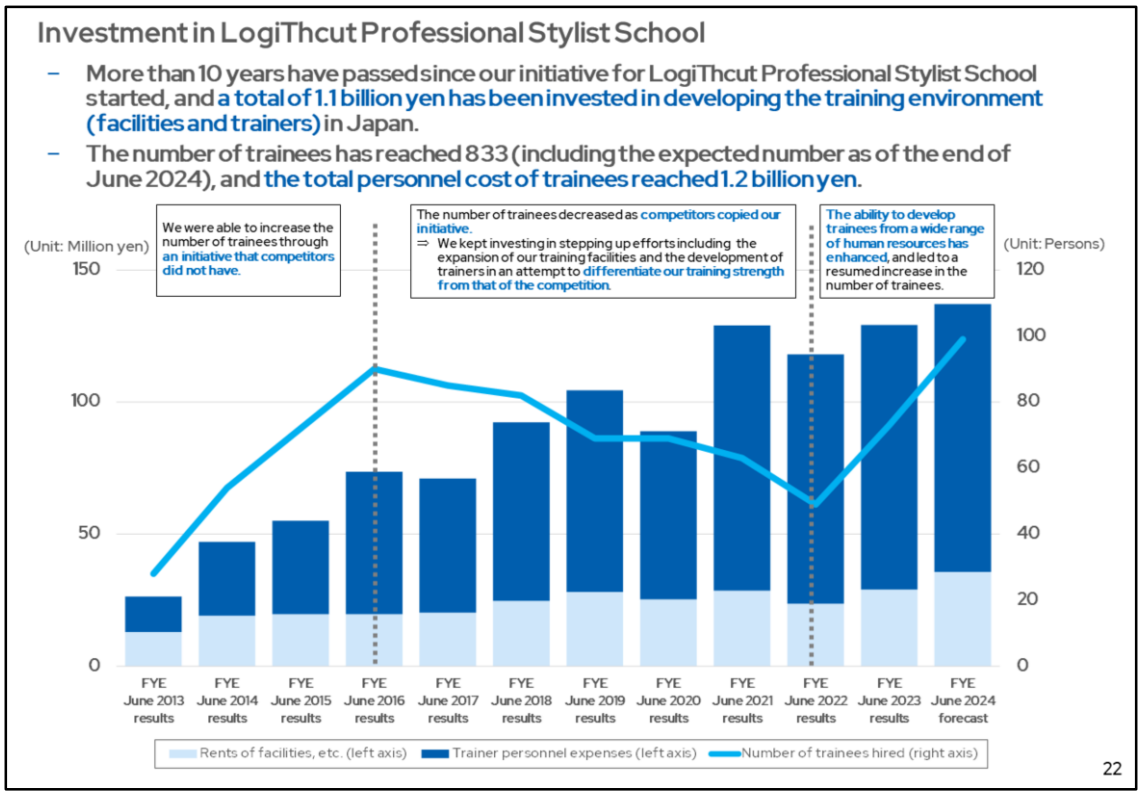
A factor in driving domestic recruitment is an increase in new recruits in their 20s joining us after leaving their first job. They found there was a big difference between their job expectations and the reality after joining their former company (such as the period of working as an assistant being much longer than they thought and the problem of chapped and cracked skin on their hands). And they were strongly attracted by the fulfilling training environment that is our strength, and the chance to have an earlier debut as a stylist at outlets. In addition, recruitment accompanied by relocation has increased as we expand our training facilities geographically. The expansion of regions to which recruits can be assigned has also become a driver in increasing recruits.

HR development is a strength of our group, and as I will explain on the next page, new recruits become human resources that are equipped with a similar level of skills to existing stylists in two to three years. Therefore, in the belief that this initiative will be a pillar for our long-term and stable growth, we will ramp this up globally.



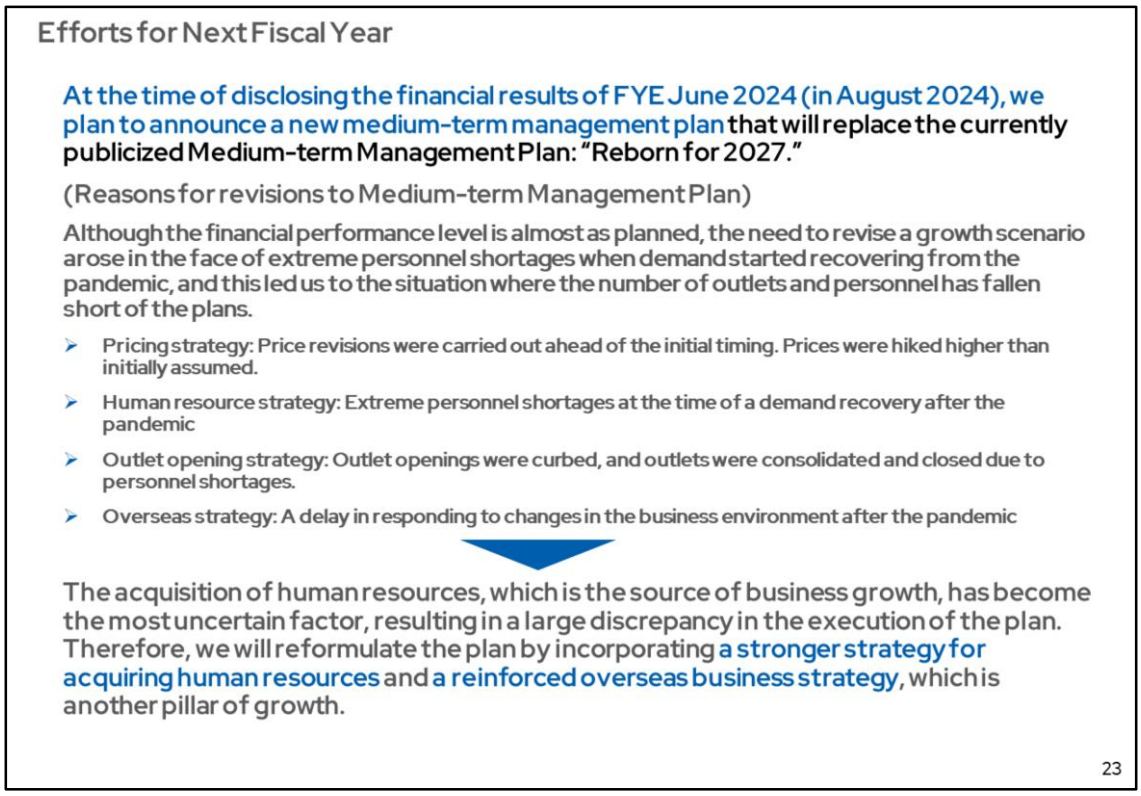
Human resources that join LogiThcut Professional Stylist School will be assigned to outlets after six months of intensive training.

At a time when they are assigned to outlets, their skill levels are 80 to 90% of existing stylists. However, they can develop their skills up to the level of existing stylists after two to three years. Human resources that joined us during the current fiscal year are ones that will make a significant contribution to business growth from the fourth quarter to the next fiscal year and beyond. Since a great number of human resources are in training now, we think that they will contribute to outlet opening and business growth in the future.



More than 10 years have passed since we launched LogiThcut Professional Stylist School in September 2012, and we have invested approximately 2.3 billion yen in total.

We have continued to invest in developing a fulfilling training system and preparing training programs and have also raised the amount of investment per person. As I laid out on the previous page, it has become possible for a person without any experience in haircutting to acquire 80% to 90% of the technical ability of our existing stylists after six months of training. After we started the initiative of LogiThcut Professional Stylist School, we struggled to increase the number of recruits due to the impact of other chain stores that copied just the framework of our system. Afterward, however, we were highly recognized for our curriculum and system, which is increasing the number of people joining the Company and also broadening their age groups. Moreover, we believe that our system will play a major role in the development of human resources in foreign countries where there is no qualification system for barbers or hairstylists. We have established sites in Hong Kong and Taiwan, where human resource development will become a key point to our growth in the future.



Lastly, I want to elaborate on our efforts for the next fiscal year.

We are now in the middle of reviewing our medium-term management plan, and plan to announce a revised version in the financial results briefing scheduled for mid-August.

I will talk about why we came to the point of revising the medium-term management plan, which we are working on. Although our financial performance level is almost as planned, the need to revise a growth scenario arose in the face of extreme personnel shortages when demand started recovering after the pandemic, and this led us to a situation where the numbers of outlets and personnel fell short of the plans. Then, we realized there was a need to revise the plan afresh.

In the medium-term management plan after revision, the acquisition of human resources, which is the source of business growth, has become the most uncertain factor, resulting in a large discrepancy between the expected and actual results. Therefore, we will incorporate in it a stronger strategy for acquiring human resources and a reinforced overseas business strategy, which is another pillar of growth. We will follow the above and formulate a plan again.

Appendix

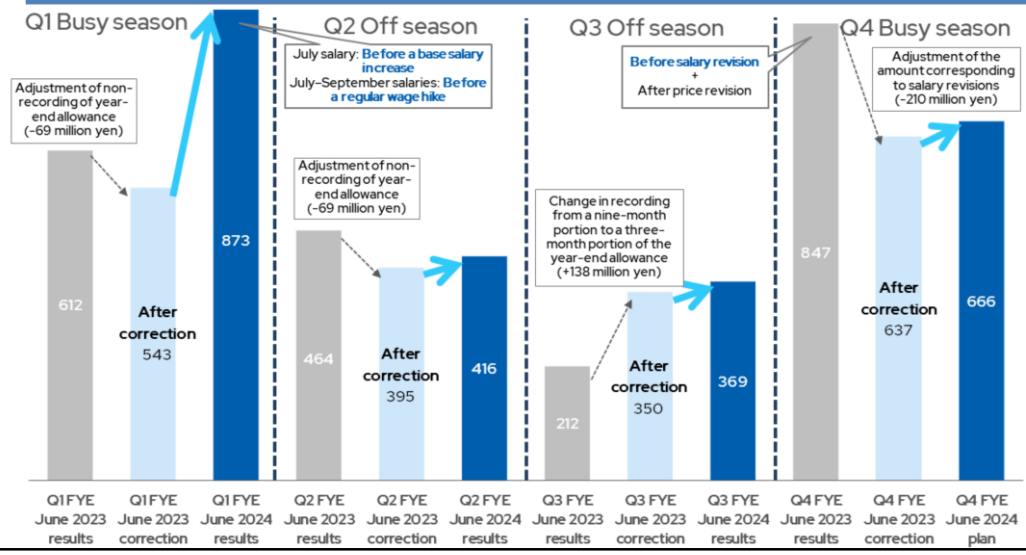
[Consolidated] Supplementary Explanation of Quarterly Operating Profit

– **Profits are expected to grow in each quarter** when excluding the impacts from the timing of recording a provision for year-end allowance and the implementation of salary revisions.

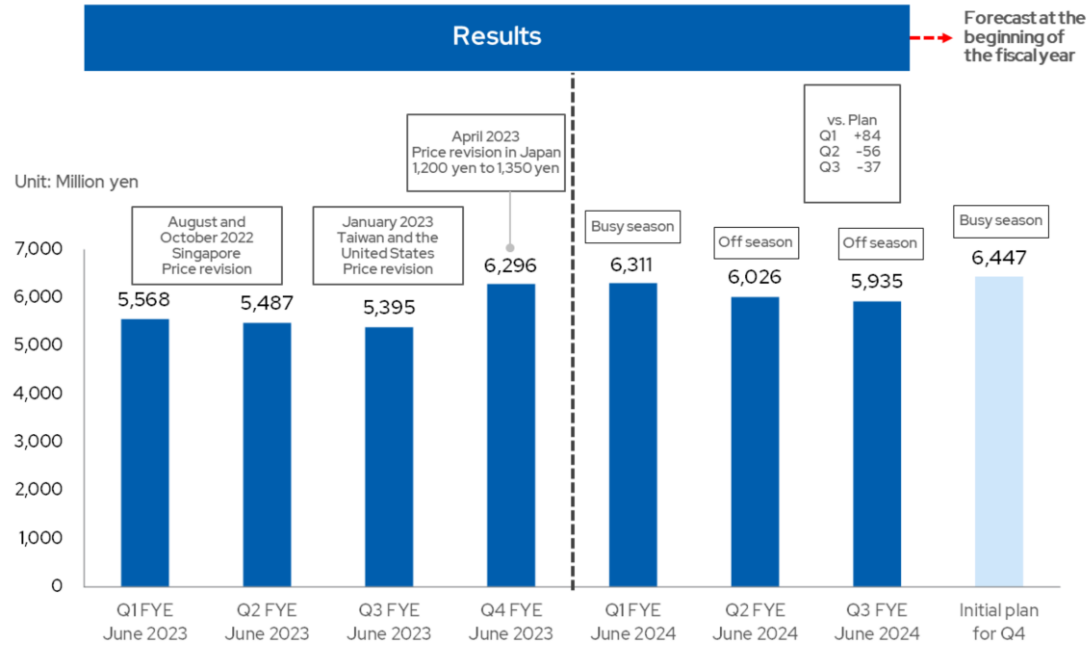
① Impact of year-end allowance
FYE June 2023: Payment of 280 million yen. Taking the impact of the pandemic into account, **there was no recording in the H1 of the previous fiscal year, and a nine-month portion was recorded in the Q3 of the previous fiscal year**.
FYE June 2024: Planned payments of 300 million yen. The amount is to be recorded as an expense every month.

② Impact of salary revisions: A base salary increase in August 2023 and a regular wage hike based on performance evaluation in October 2023.

"After correction" shows numbers after correcting ① and ②. Unit: Million yen



[Consolidated] Trend in Revenue

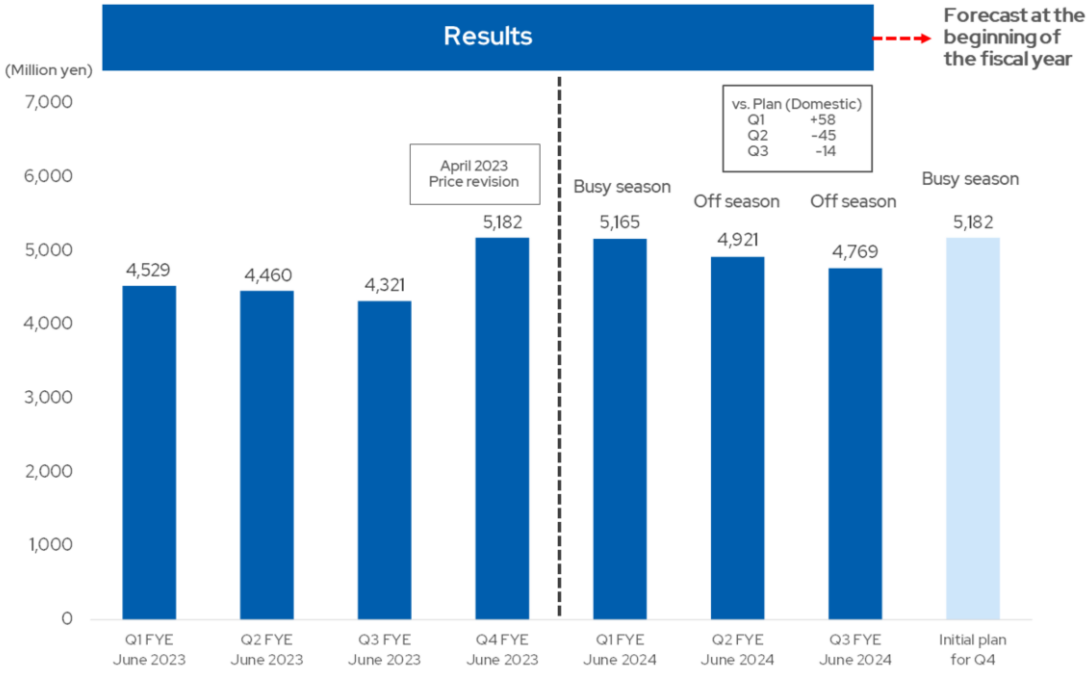


* Revenue includes foreign exchange effects

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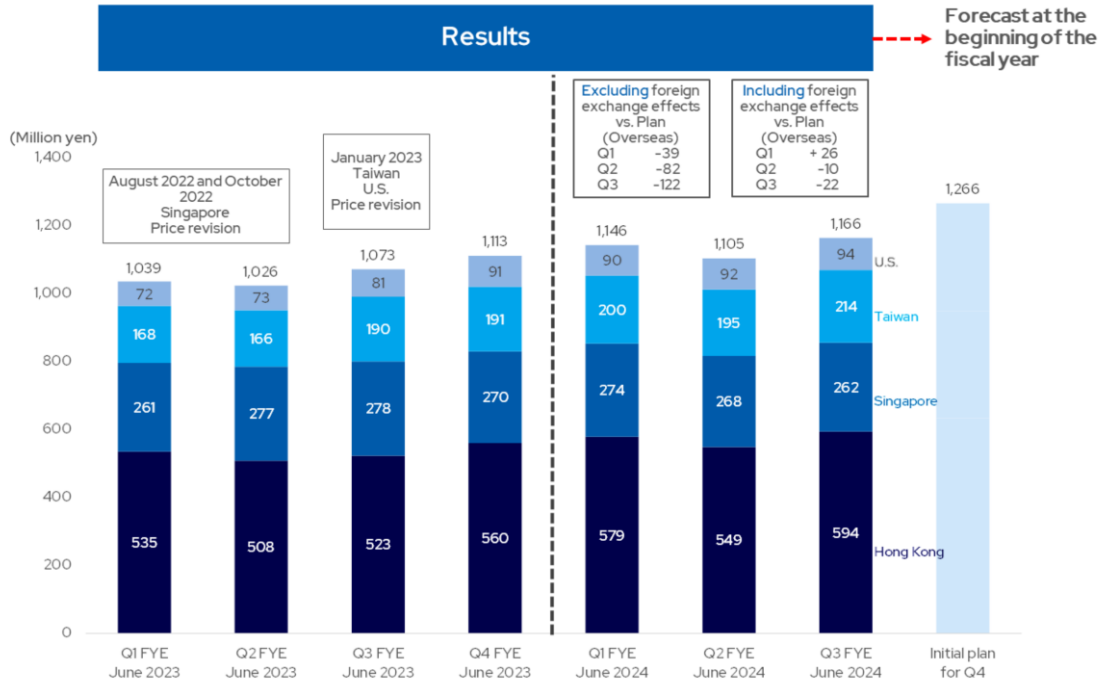
[Domestic] Trend in Revenue

- For domestic revenue, Q1 and Q4 are busy seasons.



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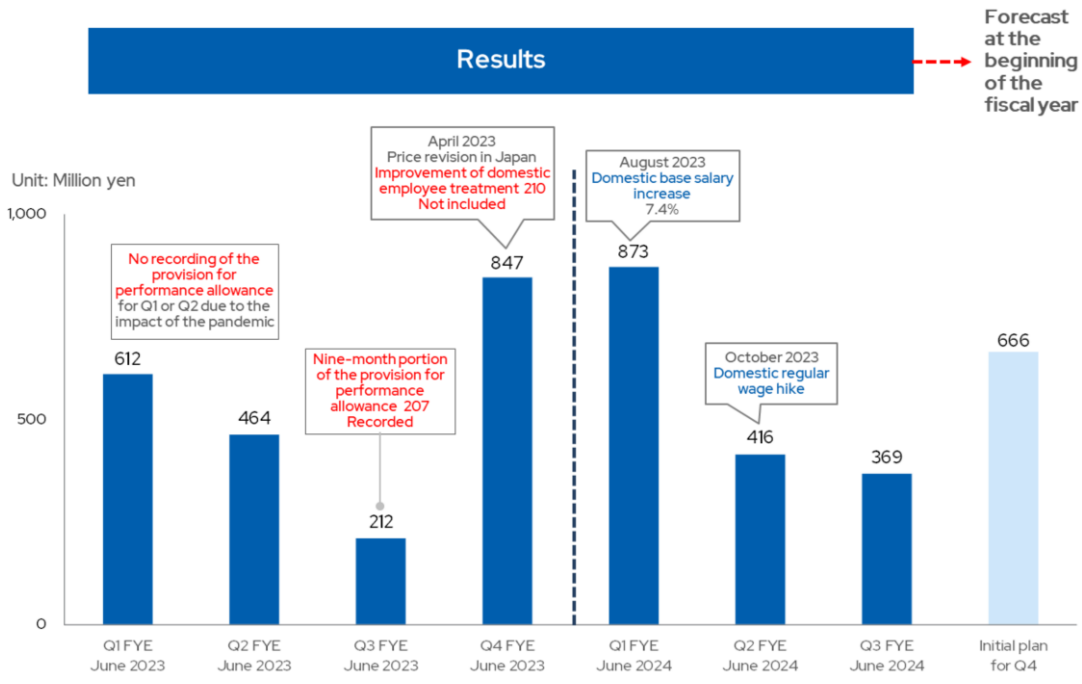
[Overseas] Trend in Revenue



* Revenue includes foreign exchange effects

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[Consolidated] Trend in Operating Profit



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Overview of Consolidated Group Earnings

Consolidated statement of profit or loss

Unit: Million yen	Total for first nine months of FYE June 2023		Total for first nine months of FYE June 2024			
	Results	vs. Revenue	Results	vs. Revenue	Changes	Year on year
Revenue	**16,450**	**100.0%**	**18,274**	**100.0%**	**1,823**	**111.1%**
Cost of sales	-12,912		-13,969		-1,056	108.2%
Gross profit	**3,537**	**21.5%**	**4,304**	**23.6%**	**767**	**121.7%**
Other operating income	61		41		-19	
Selling, general and administrative expenses	-2,256		-2,661		-405	118.0%
Other operating expenses	-52		-24		28	
Operating profit	**1,290**	**7.8%**	**1,660**	**9.1%**	**370**	**128.7%**
Finance income	13		17		4	133.1%
Finance costs	-128		-127		1	99.1%
Profit before tax	**1,175**	**7.1%**	**1,551**	**8.5%**	**376**	**132.0%**
Income tax	-362		-472		-109	130.3%
Profit	**812**	**4.9%**	**1,078**	**5.9%**	**266**	**132.8%**

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Overview of Consolidated Group Earnings

Consolidated statement of financial position

Unit: Million yen	End of FYE June 2023	End of Q3 FYE June 2024	Changes	
Total current assets	**5,800**	**5,921**	**120**	
Cash and cash equivalents	4,432	4,066	- 365	
Trade and other receivables	972	1,284	312	Differences in the timing of debt collection due to the holiday of banks at the end of the month
Inventories	237	338	101	
Other	158	231	73	
Total non-current assets	**25,308**	**25,626**	**318**	
Property, plant and equipment	1,213	1,299	86	
Right-of-use assets	5,605	5,856	251	
Goodwill	15,430	15,430	-	
Other financial assets	2,004	1,971	- 32	
Deferred tax assets	822	823	1	
Other	233	245	12	
Total assets	**31,108**	**31,547**	**439**	
Total liabilities	**18,233**	**17,732**	**- 501**	
Trade and other payables	261	253	- 7	
Interest-bearing liabilities	9,407	8,387	- 1,019	Scheduled repayment of loans
Lease obligations	5,464	5,758	293	
Other	3,100	3,331	231	
Total equity	**12,874**	**13,815**	**941**	
Total liabilities and equity	**31,108**	**31,547**	**439**	

Overview of Consolidated Group Earnings

Consolidated statement of cash flows

Unit: Million yen	Total for first nine months of FYE June 2023	Total for first nine months of FYE June 2024	Changes
Cash flows from operating activities	**2,864**	**3,388**	**523**
Profit before tax	1,175	1,551	376
Depreciation and amortization	2,443	2,565	121
Decrease (increase) in trade and other receivables	55	- 279	- 335
Interest paid	- 102	- 121	- 19
Proceeds from subsidy income	51	3	- 47
Income taxes refund	-	20	20
Income taxes paid	- 706	- 640	66
Other	- 52	289	341
Cash flows from investing activities	**- 417**	**- 530**	**- 112**
Purchase of property, plant and equipment	- 293	- 540	- 247
Purchase of intangible assets	- 43	- 28	14
Other	- 81	39	120
Free cash flows	**2,447**	**2,857**	**410**
Cash flows from financing activities	**- 2,721**	**- 3,295**	**- 573**
Net increase (decrease) in short-term borrowings	-	- 400	- 400
Repayments of long-term borrowings	- 525	- 625	- 100
Dividends paid	- 130	- 260	- 130
Repayments of lease obligations	- 2,110	- 2,159	- 48
Other	44	150	105
Exchange differences of cash and cash equivalents	**- 17**	**71**	**89**
Net increase (decrease) in cash and cash equivalents	**- 292**	**- 365**	**- 73**
Cash and cash equivalents at end of period	**3,432**	**4,066**	**634**

Borrowings in the former commitment line during the pandemic Repayment from 1 billion yen to 600 million yen

The repayment of 100 million yen before the due date in the case that operating profit exceeds 2 billion yen

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Reference: History of Price Revisions

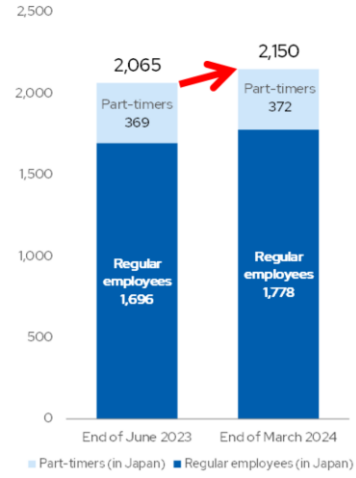
Region		History of price revisions (including tax)
Domestic	• April 2014:	1,000 yen to 1,080 yen (1,000 yen on weekdays for customers aged 65 or over)
	• February 2019:	1,080 yen to 1,200 yen (1,100 yen on weekdays for customers aged 65 or over)
	• March 2022:	The special price of 1,100 yen for senior customers was terminated.
	• April 2023:	QB HOUSE: 1,200 yen to 1,350 yen, QB PREMIUM: 1,650 yen to 1,800 yen, FaSS: 2,200 yen to 2,400 yen
	• February 2024:	QB PREMIUM: 1,800 yen to 2,000 yen (2 outlets only)
Singapore	• December 2012:	SG$10 (about 1,130 yen) to SG$12 (about 1,360 yen)
	• August 2022:	QB PREMIUM: SG$15 (about 1,700 yen) to SG$18 (about 2,050 yen)
	• October 2022:	QB HOUSE: SG$12 (about 1,360 yen) to SG$14 (about 1,590 yen)
	• September 2023:	QB HOUSE: SG$14 to SG$18 (about 2,050 yen) for female customers only QB PREMIUM: SG$18 to SG$22 (about 2,500 yen) for female customers only
Hong Kong	• July 2014:	HK$50 (about 980 yen) to HK$60 (about 1,180 yen)
	• July 2019:	HK$60 (about 1,180 yen) to HK$70 (about 1,370 yen)
Taiwan	• January 2023:	300 yuan (about 1,420 yen) to 350 yuan (about 1,660 yen)
New York	• June 2020:	$20 (about 3,080 yen) to $23 (about 3,540 yen)
	• November 2020:	$23 (about 3,540 yen) to $25 (about 3,850 yen)
	• July 2022:	$30 (about 4,620 yen) only for online booking
	• December 2022:	$30 to $35 (about 5,390 yen) only for online booking
	• January 2023:	$25 (about 3,850 yen) to $30 (about 4,610 yen)

* Exchange rates as of May 7

[Domestic] Number of Employees and Turnover Rate

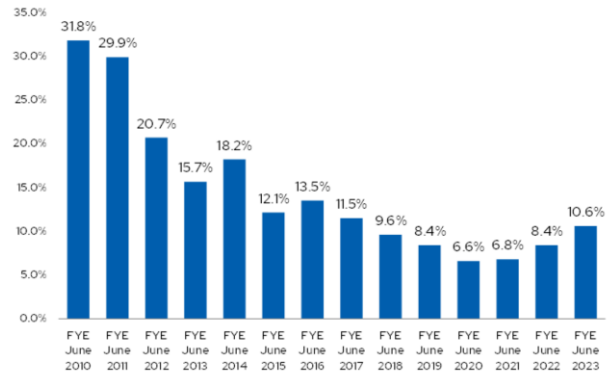
Number of employees in Japan

Unit: Persons



* Excluding the head office. Including training facilities (LogiThcut Professional Stylist School). Including changes from regular employees to part-timers or vice versa

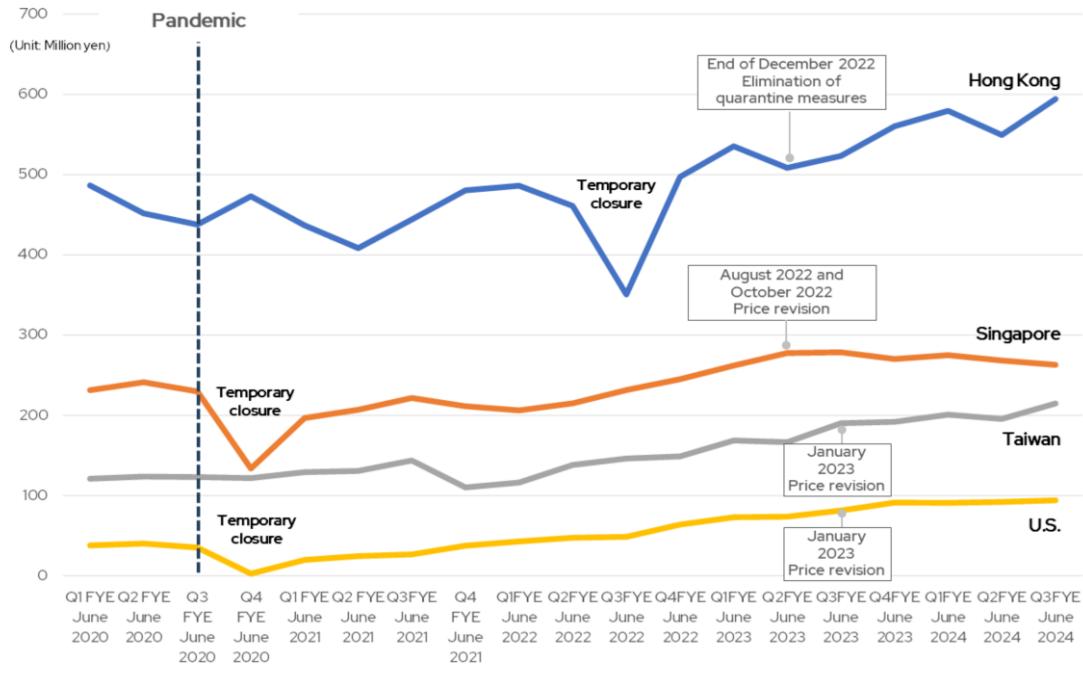
[Reference] Trends of turnover rate of regular employees in Japan (annual results)



* Excluding the head office and overseas outlets
* Including training facilities (LogiThcut Professional Stylist School).

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[Overseas] Trend in Revenue (Quarterly in Yen Terms)



* Revenue includes foreign exchange effects

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Reference: Outlet Opening and Closure Plan for FYE June 2024 (Initial Plan)

Plan for new openings and closures of outlets for FYE June 2024

Unit: Outlets	Business format	End of FYE June 2023	New outlets	Closures	Change	End of FYE June 2024
Japan	QB HOUSE QB PREMIUM	563	10	-17	-7	556
	FaSS	12	1	0	1	13
Subtotal in Japan		**575**	**11**	**-17**	**-6**	**569**
Singapore	QB HOUSE QB PREMIUM QB HOUSE Kids	30	3	-2	1	31
Hong Kong	QB HOUSE	61	4	-1	3	64
Taiwan	QB HOUSE	30	4	0	4	34
U.S.	QB HOUSE	5	1	0	1	6
Canada	QB HOUSE	0	1	0	1	1
Subtotal of overseas		**126**	**13**	**-3**	**10**	**136**
Consolidated group total		**701**	**24**	**-20**	**4**	**705**

This document has been created for the purpose of disclosure of information on the Company and its subsidiaries and does not constitute a solicitation to sell or buy.

The document contains forward-looking statements related to the QB Group that are based on our assumptions and judgment made on the basis of information currently available to the Company and may include known and unknown risks, uncertainties and other factors. Due to such risks, uncertainties and other factors, the Company's actual results or financial position may differ materially from any future performance or financial position expressed or implied by these forward-looking statements.











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