MEDIROM Group Reports Q3 2026 Results

TOKYO, November 5, 2026
Company: MEDIROM Healthcare Technologies Inc.
Headquarters: 2-3-1 Daiba, Minato-ku, Tokyo

This report presents an overview of our business performance and key performance indicators (KPIs) for the third quarter of 2026 (July–September 2026). It also highlights trends over the past five quarters (2025Q3–2026Q3) to provide investors with a broader perspective. Data includes salons with comparable financial and customer metrics.

1. Salon Operation Business

In the store operations business for the third quarter of 2026 (Q3 2026), the average spending per treatment was ¥7,546, representing a 1.0% increase year over year. This exceeded the Japanese relaxation industry averages of ¥5,222 for female customers and ¥4,948 for male customers (*1) by approximately ¥2,324 and ¥2,598, respectively.

We believe this higher average spending reflects customers' recognition of the quality and value of our services. Building on one of the largest training facilities in the industry and our proprietary training and development programs refined over 25 years, we continuously work to enhance the technical skills and customer service capabilities of each therapist. We believe these ongoing investments in human capital contribute to the delivery of high-quality services and high levels of customer satisfaction.

Furthermore, in September 2025, we began initiatives to promote the adoption of World ID. These efforts have included installing Orb verification devices at Re.Ra.Ku® stores nationwide, establishing dedicated booths at various events, and conducting outreach through distributors and partners. Leveraging the customer service expertise and customer engagement capabilities developed through our store operations, we surpassed 50,000 cumulative verifications using Orb as of July 2026. Since August 2026, we have operated these services using a hosting model, under which we provide locations for Orb devices and individuals complete the verification on a self-service basis. Under this model, we receive a fixed fee for each Orb device installed, and we no longer receive the fees based on the number of individuals verified.

Having reached this milestone, we have concluded the initial phase of intensive promotional activities, including large-scale events. Going forward, as a participating partner, we will focus on maintaining a stable verification environment, primarily through the continued installation of Orb devices at our stores. In addition, the treatment utilization rate for the quarter improved by 0.6 percentage points year over year, and compensation associated with these initiatives also contributed to net profit in our store operations business.

Key Performance Indicators (KPIs)

Metric	2026Q2	2026Q3
Number of Salons (*2)	282	281
Total Customers (*3)	192k	202k
Revenue Per Customer (*4)	7,597	7,546
Repeat Ratio (*5)	77.2%	76.5%
Operating Ratio (*6)	44.2%	46.8%

*(1) Industry Average: Weighted average calculated based on data published by Recruit Co., Ltd., Hot Pepper Beauty Academy, “Beauty Census 2026 First Half (Relaxation Salon Edition) Report.”
*(2) Number of Salons: Total number of directly operated and franchise salons at the end of each quarter.
*(3) Total Customers: Number of customers visiting the salons.
*(4) Revenue Per Customer: Average revenue calculated by dividing total sales by the number of customers. (To improve data accuracy, the calculation method was changed from a simple average to a weighted average from our previous method of disclosure which was used most recently in April 2026. Historical figures have been retroactively revised.)
*(5) Repeat Ratio: Ratio of repeat customers to total customers.
*(6) Operating Ratio: Ratio of treatment time to total working hours of therapists (excluding break times).

The average number of stores included in the data aggregation for each quarter was 264 in 26Q2 and 259 in 26Q3.

Furthermore, to support sustainable growth in our salon business and enhance service quality, we have been implementing a strategic update to our staffing model since 2025. In addition to the conventional employment model based on hourly and fixed wages, we have been expanding the use of professional contractor (independent contractor) arrangements.

As a result of advancing both the transition to contractor agreements and the hiring of independent contractors, the proportion of independent contractors among therapists reached 51.8% as of September 2026, a significant increase from 35.4% in the same period of the previous year (*7).

This model introduces a performance-based compensation structure without fixed salary caps, allowing therapists to better align their earnings with their efforts. We believe this approach supports higher motivation and contributes to improved retention. Through this hybrid staffing structure, we aim to build a foundation that enables diverse talent to thrive over the long term while maintaining stable KPI performance.

Looking ahead, we plan to continue to optimize this hybrid staffing model to further enhance therapist earnings. At the same time, we aim to strengthen our high-value, high-margin business model and enhance our corporate value over the medium to long term.

(*7) The number of therapists includes employees and independent contractors who worked as of the end of September 2025 and September 2026, respectively, at MEDIROM Wellness Co. and SAWAN Co., Ltd.



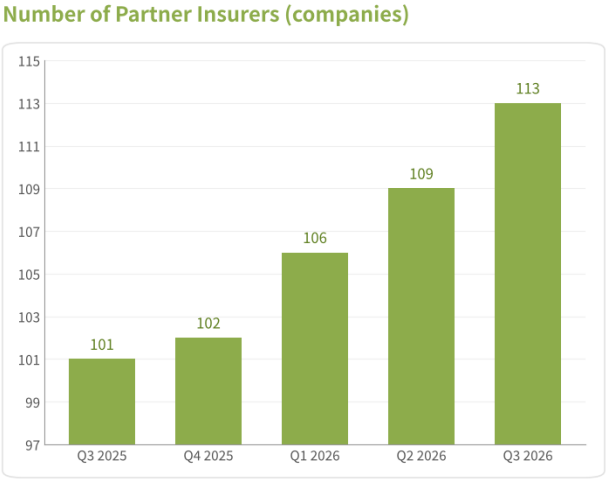


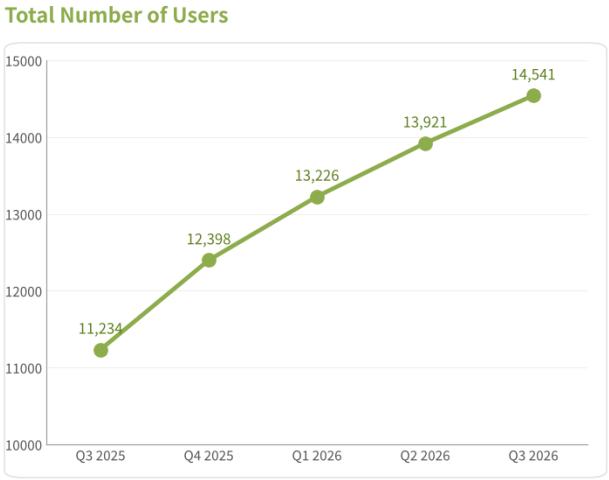
2. HealthTech Business (Lav®)

Our HealthTech division offers “Lav®,” a fully remote Specified Health Guidance service delivered through web-based interviews and app-based chat functions.

Therapists from our Re.Ra.Ku® salons also serve as Lav® coaches, creating operational synergies across our businesses. This structure reduces the need for external recruitment and provides additional income opportunities for therapists, contributing to a high-margin business model.

As of the end of September 2026, we serve 113 health insurance providers, with cumulative users reaching 14,541.





Furthermore, we are expanding our business to meet the diversifying needs of health insurance associations by seeking to grow our new contracts for voluntary lifestyle improvement programs. These programs target younger individuals under the age of 40, extending beyond the standard age range for Specified Health Guidance (40 and older).

The coaches responsible for Lav® program guidance are primarily comprised of active therapists from our salon business (Re.Ra.Ku® Group). By establishing a system where existing group staff can participate as coaches, we seek to reduce new recruitment costs for coaches and to further our efforts to achieve a profitable model. Consequently, therapists who serve as coaches receive higher compensation, which effectively boosts their overall income.

Since this coaching role is exclusively available to therapists currently working at Re.Ra.Ku®, the model encourages long-term retention, particularly among high-earning therapists. Our core Re.Ra.Ku® business and the Lav® business create close internal synergies, and this overall business model structure serves as one of our key competitive advantages.



About Specified Health Guidance

Specific Health Guidance is a public health program designed to prevent the onset and progression of lifestyle-related diseases. Based on the results of Specific Health Checkups, which are conducted for individuals aged 40 to 74, the program provides support for lifestyle improvements to individuals who are at high risk of developing lifestyle-related diseases and are expected to benefit from preventive measures. Qualified professionals, including public health nurses and registered dietitians, provide guidance to help participants improve their lifestyle habits. Since April 2008, health insurers, including National Health Insurance and employment-based health insurance providers, have been required to implement this program.

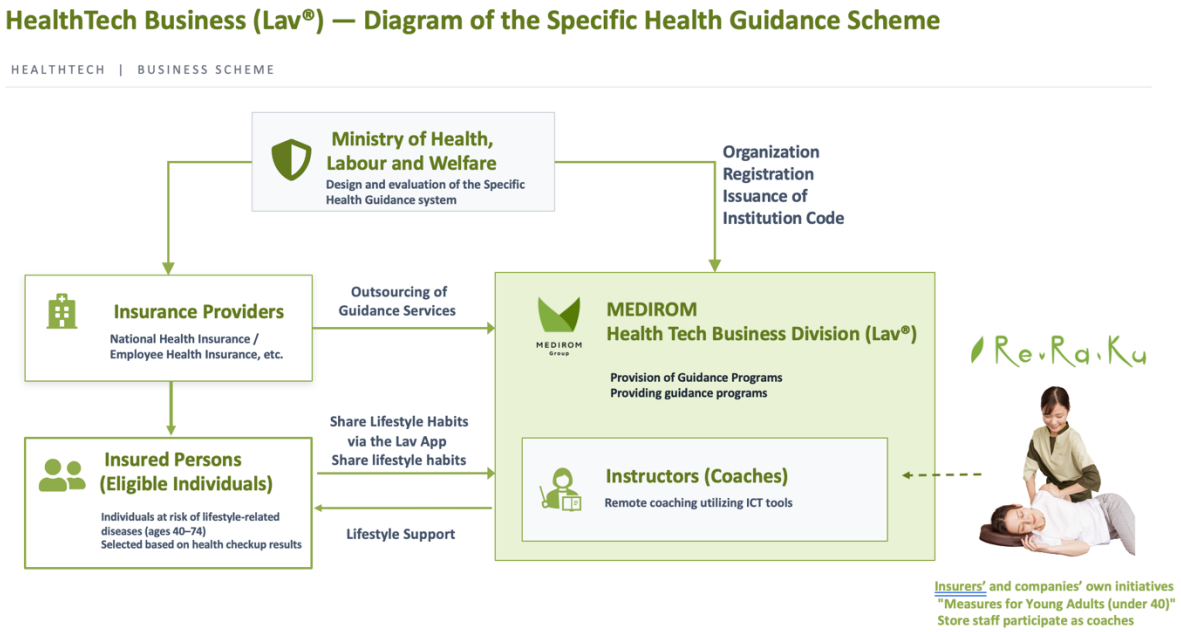
The Ministry of Health, Labour and Welfare (MHLW) has established national targets for fiscal year 2029 of a 70% or higher implementation rate for Specific Health Checkups and a 45% or higher implementation rate for Specific Health Guidance. However, according to the latest nationwide results for fiscal year 2024, the implementation rates remained at 61.5% for Specific Health Checkups and 28.9% for Specific Health Guidance. Although both rates have improved from the previous fiscal year, a significant gap remains between actual performance and the national targets. Continued efforts to increase implementation rates are therefore required, indicating substantial potential for further market expansion.

Furthermore, the use of ICT-based remote support and digital tools is expanding to enable more efficient and continuous health guidance. The MHLW has also identified the promotion of ICT utilization as a key initiative to improve implementation rates for Specific Health Checkups and Specific Health Guidance. Against this backdrop, demand for our ICT-enabled remote support model, which represents one of our core strengths, is expected to continue growing, supporting stable business growth.

HealthTech KPI Trends

Metric	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	YoY Change
Insurers	101	102	106	109	113	+11.9%
Cumulative Users (*8)	11,234	12,398	13,226	13,921	14,541	+3,307

*(8) Cumulative Users: The cumulative number of eligible individuals who have started using Specified Health Guidance. The Year-on-Year (YoY) Change/Increase reflects the difference in the cumulative total compared to the 2025 Q3 level.



3. Key Business Highlights for the Third Quarter (3Q)

■ "Stroke Rehabilitation Center Kashiwa" Opens on October 1, Expanding Service Coverage Through Franchise (FC) Development

In October 2026, we opened Stroke Rehabilitation Center Kashiwa. In addition to operating company-owned facilities, we will strengthen the expansion of franchise (FC) facilities to broaden our service coverage and create an environment in which more people can access and continue rehabilitation services.
Press Release: https://medirom.co.jp/news/20260928

■ Notice Regarding Merger

As part of the MEDIROM Group's organizational integration, MEDIROM Wellness Co. will absorb MEDIROM Shared Service Inc. through a merger effective November 1, 2026. Under the new organizational structure, we seek to continue to enhance service quality and increase corporate value across the Group.
Press Release: https://medirom.co.jp/news/20260929

■ Forward-Looking Statements Regarding MEDIROM

Certain statements in this press release are forward-looking statements for purposes of the safe harbor

provisions under the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements may include estimates or expectations about MEDIROM's possible or assumed operational results, financial condition, business strategies and plans, market opportunities, competitive position, industry environment, and potential growth opportunities. In some cases, forward-looking statements can be identified by terms such as "may," "will," "should," "designate," "target," "aim," "hope," "expect," "could," "intend," "plan," "anticipate," "estimate," "believe," "continue," "predict," "project," "potential," "goal," or other words that convey the uncertainty of future events or outcomes. These statements relate to future events or to MEDIROM's future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause MEDIROM's actual results, levels of activity, performance, or achievements to be different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond MEDIROM's control and which could, and likely will, affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects MEDIROM's current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to MEDIROM's operations, results of operations, growth strategy and liquidity. Some of the factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this press release include:

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- MEDIROM's ability to achieve its development goals for its business and execute and evolve its growth strategies, priorities and initiatives;
- Changes in Japanese and global economic conditions and financial markets, including their effects on MEDIROM's expansion in Japan and certain overseas markets;
- MEDIROM's ability to achieve and sustain profitability in its Digital Preventative Healthcare Segment;
- the fluctuation of foreign exchange rates, which affects MEDIROM's expenses and liabilities payable in foreign currencies;
- MEDIROM's ability to maintain and enhance the value of its brands and to enforce and maintain its trademarks and protect its other intellectual property;
- MEDIROM's ability to raise additional capital on acceptable terms or at all;
- MEDIROM's level of indebtedness and potential restrictions on MEDIROM under MEDIROM's debt instruments;
- changes in consumer preferences and MEDIROM's competitive environment;
- MEDIROM's ability to respond to natural disasters, such as earthquakes and tsunamis, and to global pandemics; and
- the regulatory environment in which MEDIROM operates.

More information on these risks and other potential factors that could affect MEDIROM's business, reputation, results of operations, financial condition, and stock price is included in MEDIROM's filings with the Securities and Exchange Commission (the "SEC"), including in the "Risk Factors" and "Operating and Financial Review and Prospects" sections of MEDIROM's most recently filed periodic report on Form 20-F and subsequent filings, which are available on the SEC website at www.sec.gov. MEDIROM assumes no obligation to update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ from those anticipated in these forward-looking statements, even if new information becomes available in the future.

■ About MEDIROM Group

MEDIROM Group operates approximately 281 wellness salons under the "Re.Ra.Ku®" brand nationwide. Since 2015, we have expanded into HealthTech, offering on-demand training apps like Lav® for specific health guidance and lifestyle improvement programs. In 2020, we started manufacturing the 24/7 recharge-free smart tracker "MOTHER Bracelet®," which is now used in REMONY, our remote monitoring system for various industries including caregiving, transportation, construction, and manufacturing.

About MEDIROM Healthcare Technologies Inc.
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