



Kura Sushi

TSE 1st Section 2695 Industry: Food service, retail

Significant sales growth due to "Demon Slayer" effect. Aggressive promotions to follow

December SSS: Powerful "Demon Slayer" effect continues

Kura Sushi (2695, the company) disclosed monthly data for December (on a preliminary basis). Same-store sales were 117.5% vs. December 2020 (December 2020 = 100%; 82.2% for November), and 111.2% vs. December 2019 (December 2019 = 100%; 110.5% for November). The number of holidays (weekends and national holidays) was the same as in December 2020 and one less than in December 2019. Compared to December 2020, the number of customers was 111.9%, and the average check was 105.0%. Compared to December 2019, the number of customers was 97.9%, and the average check was 113.5%.

Factors contributing to the strong sales were the general recovery of foot traffic and the company's "Demon Slayer (Kimetsu no Yaiba)" campaign. In particular, the increase in the average check was due to the following factors, in our view: 1) offering a Demon Slayer gift for every 2,500 yen spent (the average check is about 1,100 yen) and 2) using Demon Slayer goods as prizes for "Bikkura Pon!" (a lottery for every five dishes).

December same-store sales for its competitors vs. December 2019 were as follows: Sushiro (Food & Life Companies) 98.8% (91.2% in November), and Genki Sushi 96.6% (94.0% in November). Although they performed well in general, they underperformed Kura Sushi's large sales growth.

In January, the number of infections with the new coronavirus has been increasing rapidly. However, in the past period of infection spread, the company was able to attract customers to its stores and had strong take-out demand. We believe that there is little need to be overly concerned about the company's earnings.

Store count: Achieved over 500 stores in Japan

The number of stores at the end of December was as follows: 501 stores in Japan (+3 MoM); 35 stores in the U.S. (+2 MoM); and 42 stores in Taiwan (+/-0 MoM).

"BT21 campaign" in January and February

The company plans to run the "BT21 campaign" in January and February. BT21 is a globally popular character brand created through a collaboration between LINE FRIENDS and BTS (Bangtan Sonyeondan). BT21's characters are well-known for being used in free LINE stamps. In this campaign, for every 2,500 yen spent, a BT21 clear file and other prizes will be distributed during the first (Jan. 7-), second (Jan. 21-), third (Feb. 10-), and fourth (Feb. 25-) campaign periods. BT21 goods will also be used as prizes for "Bikkura Pon!" In addition, on February 3, the day of the Setsubun Festival, "BT21 Roll 3 Kinds Set" will be available.

Oma's tuna and natural kue fair to start, aiming to increase average spend per customer

The company plans to offer a limited time fair (one week to ten days) starting January 7th, featuring Oma's brand tuna, natural kue (longtooth grouper) and other premium ingredients at low prices. In addition, the company will offer its highest priced item, the "Five Pieces of Premium Domestic Natural Bluefin Tuna" (880 yen), for a limited time and quantity. We are watching these measures, along with the BT21 campaign, as they are expected to lead to higher average spend per customer.

Please refer to the report dated October 20, 2021 for the rationale of the rating and target price.

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Update

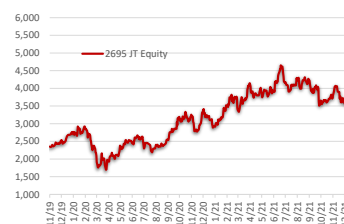
Rating
Buy

Target price (JPY)	5,000
Stock price (JPY) (Jan 5)	3,625
Market cap (JPYbn)	150.1

Key changes

Rating	No
Target price	No
Earnings forecast	No

Stock price (JPY)



Source: Bloomberg Finance LP

Earnings

		10/20	10/21	10/22E	10/23E	10/24E
Sales	JPYbn	135.8	147.6	176.7	198.8	223.4
OP	JPYbn	0.4	-2.7	5.5	8.0	10.6
RP	JPYbn	1.1	3.2	6.2	8.7	11.3
NP	JPYbn	-0.3	1.9	3.9	5.6	7.2
EPS	JPY	-6.6	47.9	98.4	140.4	181.9
BPS	JPY	1,116.1	1,216.4	1,280.4	1,396.8	1,548.7
DPS	JPY	20.0	20.0	24.0	30.0	40.0
PER	x	NA	75.6	36.8	25.8	19.9
PBR	x	2.8	3.0	2.8	2.6	2.3
Div. yield	%	0.6	0.6	0.7	0.8	1.1
ROA	%	-0.3	2.1	4.0	5.2	6.2
ROE	%	-0.6	4.1	7.9	10.5	12.4

Source: Company data, Mita Securities

Company profile

Kura Sushi is an Osaka-based restaurant company that operates the "Kura Sushi" revolving sushi bar chain nationwide. The company is also active in overseas business and has listed subsidiaries in the US and Taiwan. As of end-July 2021, the company had 556 stores (31 in the US and 35 in Taiwan). Sales in FY10/20 were 135.8bn yen.

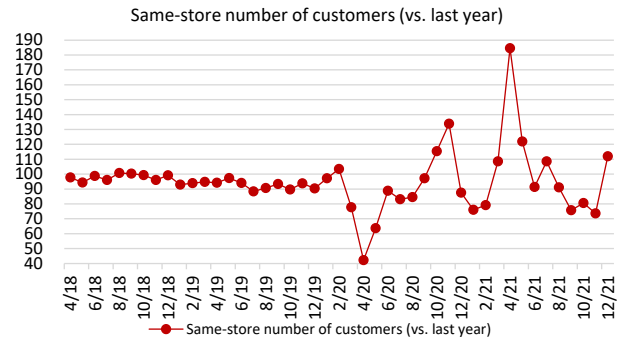
Monthly data for Kura Sushi

Figure: Same-store sales (%)



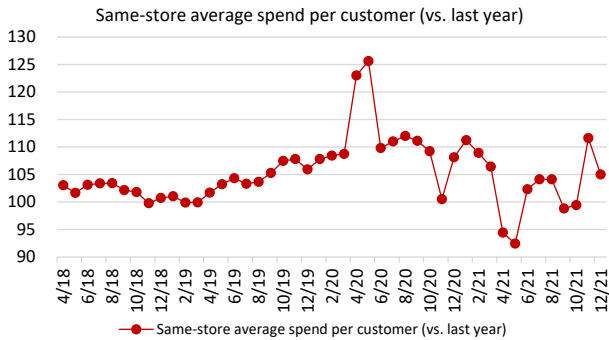
Source: Company data, Mita Securities Note: Solid line vs last yr, dotted line vs yr before last

Figure: Same-store number of customers (%)



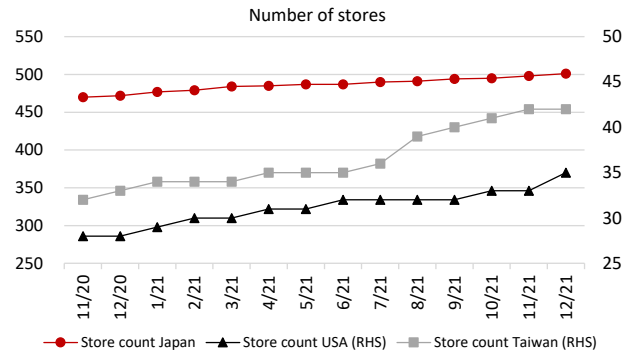
Source: Company data, Mita Securities

Figure: Same-store average spend per customers (%)



Source: Company data, Mita Securities

Figure: Number of stores



Source: Company data, Mita Securities

Monthly data for food service companies

Figure: Monthly data for food service companies covered by Mita Securities

Ticker	Company name		1/20	2/20	3/20	4/20	5/20	6/20	7/20	8/20	9/20	10/20	11/20	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21		
2695	Kura Sushi	vs. prev yr	104.8	112.2	84.5	51.9	80.0	97.4	92.3	94.6	107.9	126.1	134.4	94.6	84.5	86.2	115.4	174.2	112.7	93.5	113.1	94.8	74.8	80.1	82.2	117.5		
		vs. 2019													88.6	96.7	97.5	90.4	90.2	91.1	104.4	89.7	80.7	101.0	110.5	111.2		
3097	Monogatari Corporation	vs. prev yr	105.3	125.7	97.2	13.8	48.6	96.1	104.0	92.2	97.3	109.3	114.0	93.9	77.1	68.2	86.9	600.4	160.4	76.9	91.7	81.6	80.8	102.6	95.2			
		vs. 2019													81.2	85.7	84.5	82.9	78.0	73.9	95.4	75.2	78.6	112.1	108.5			
		Yakiniku division	vs. prev yr	106.4	137.5	103.7	14.9	50.3	103.3	111.5	97.6	101.6	116.7	123.3	99.2	80.1	66.8	84.7	577.0	163.1	74.0	91.5	84.8	90.3	108.6	97.0		
		vs. 2019													85.2	91.9	87.8	86.0	82.0	76.4	102.0	82.8	91.7	126.7	119.6			
		Ramen division	vs. prev yr	104.6	107.7	90.5	14.3	54.1	90.8	93.7	88.3	94.5	99.7	96.7	91.6	82.2	76.4	87.9	546.9	148.9	82.9	95.4	82.1	76.3	96.1	100.1		
vs. 2019													86.0	82.3	79.5	78.2	80.6	75.3	89.4	72.5	72.1	95.8	96.8					
3193	Torikizoku HD	vs. prev yr	107.5	106.0	83.9	3.9	12.1	73.2	76.8	59.1	77.2	93.1	81.3	51.9	28.1	32.7	55.4	948.7	41.5	18.0	38.9	16.6	8.8	66.7	92.7			
		vs. 2019													30.2	34.7	46.5	37.0	5.0	13.2	29.9	9.8	6.8	62.1	75.4			
3197	Skylark HD	vs. prev yr	97.6	99.6	76.1	41.8	52.2	69.4	73.6	73.2	78.3	88.4	85.1	78.1	66.5	70.9	93.7	164.6	128.6	92.5	100.3	83.3	79.4	92.9	95.3			
		vs. 2019													65.3	70.7	70.9	70.0	67.1	64.7	74.7	61.5	62.5	82.5	81.0			
3543	Komeda HD	vs. prev yr	101.8	112.9	90.5	53.1	71.3	85.5	89.9	92.5	101.0	101.6	96.0	95.2	89.2	93.8	109.5	188.1	134.0	108.2	119.7	98.7	89.6	104.0	105.9			
		vs. 2019													90.8	105.9	99.0	99.9	95.6	92.8	107.9	91.6	90.7	105.8	101.8			
9936	Ohsho Food Service	vs. prev yr	109.9	111.3	96.6	78.3	88.2	93.5	93.9	95.8	94.6	100.7	97.5	96.1	88.8	89.5	95.8	121.2	103.7	102.4	104.6	91.4	90.6	101.9	100.6	105.3		
		vs. 2019													97.6	99.6	92.5	94.9	91.5	95.7	98.2	87.6	85.7	102.6	98.1	101.2		

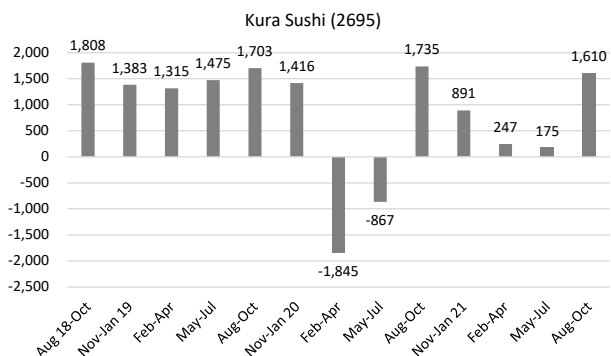
Source: Companies' data, Mita Securities

Figure: Monthly data for food service companies not covered by Mita Securities

Ticker	Company name		1/20	2/20	3/20	4/20	5/20	6/20	7/20	8/20	9/20	10/20	11/20	12/20	1/21	2/21	3/21	4/21	5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21	
2702	McDonald's HD Japan	vs. prev yr	102.6	114.7	99.9	106.5	115.2	96.8	101.0	112.4	106.3	110.7	109.6	107.2	118.7	101.0	107.5	109.2	105.7	114.7	121.0	105.3	114.7	113.4	105.4		
		vs. 2019													121.8	115.8	107.4	116.3	121.8	111.0	122.2	118.4	121.9	125.5	115.5		
3053	Pepper Food Service (Kinari! Steak)	vs. prev yr	66.5	61.3	51.1	37.4	49.4	57.6	64.0	62.0	67.1	74.6	71.1	67.6	64.6	71.5	86.9	144.7	157.4	80.5	81.2	79.9	76.3	84.3	98.2		
		vs. 2019													43.0	43.8	44.4	54.1	77.8	46.4	52.0	49.5	51.2	62.9	69.8		
3085	Arcland Service HD (Katsuya)	vs. prev yr	104.3	106.3	94.6	89.6	97.7	96.4	106.9	103.2	94.7	101.7	104.7	100.6	100.2	99.0	100.9	114.1	104.8	101.2	106.8	95.2	99.8	102.7	103.4	104.2	
		vs. 2019													104.5	105.2	95.5	102.2	102.4	97.6	114.2	98.2	94.5	104.4	108.3	104.8	
3087	Doutor Nichires HD (Doutor Coffee Shop)	vs. prev yr	100.6	96.2	77.9	35.9	36.5	67.0	68.8	69.3	71.8	79.6	76.2	77.2	68.4	73.5	97.4	204.6	192.3	113.5	112.8	96.3	95.9	102.0	109.2		
		vs. 2019													68.8	70.7	75.9	73.5	70.2	76.2	77.9	67.0	69.1	81.4	83.5		
3397	Toridoll HD	vs. prev yr	106.4	108.9	84.7	50.0	63.2	83.6	85.5	88.4	86.2	94.6	93.4	87.0	79.1	78.4	99.5	184.8	147.6	108.3	113.5	94.5	103.2	101.9	101.7		
		vs. 2019													84.2	85.4	84.3	92.4	93.3	90.5	97.0	83.5	89.0	96.4	95.0		
		Marugame Seimen	vs. prev yr	108.1	110.0	86.5	50.3	63.6	85.2	86.2	90.0	86.5	94.4	83.8	88.0	78.0	82.0	99.5	184.0	147.9	109.1	115.4	94.7	105.6	102.4	101.4	
vs. 2019													84.3	90.2	86.1	92.6	94.1	93.0	99.5	85.2	91.3	96.7	85.0				
3563	Food & Life Companies (Sushiro)	vs. prev yr	107.0	112.0	86.3	55.6	81.4	97.9	96.5	87.7	97.1	104.3	94.7	98.7	95.1	99.9	120.0	178.0	112.6	95.3	103.5	96.4	90.0	94.0	96.3	100.1	
		vs. 2019													101.8	111.9	103.6	99.0	91.7	93.3	99.9	84.5	87.4	98.0	91.2	98.8	
7550	Zensho HD (Sukiya)	vs. prev yr	101.9	110.0	92.2	88.1	90.8	91.3	102.7	98.8	98.4	104.9	100.5	101.3	99.8	92.1	104.6	114.2	118.1	108.9	108.7	100.5	103.0	105.4	104.6	118.2	
		vs. 2019													101.7	101.3	96.4	100.6	107.2	99.4	111.6	99.3	101.4	110.6	105.1	119.7	
7581	Saizeriya	vs. prev yr	105.1	106.6	78.5	38.6	47.8	66.5	72.9	71.5	77.3	90.1	84.0	75.2	62.0	67.1	91.3	192.3	139.7	98.9	101.1	83.4	76.7	98.7	104.6	115.8	
		vs. 2019													65.2	71.5	71.7	74.2	66.8	65.8	73.7	59.6	59.3	88.9	87.9	87.1	
7611	Hiday Hidaka	vs. prev yr	100.8	104.7	82.0	49.3	48.0	65.8	73.9	75.7	80.7	87.0	82.3	77.9	55.7	54.3	70.5	118.3	99.3	78.9	74.2	62.6	62.2	81.6	95.4		
		vs. 2019													56.1	56.9	57.8	58.3	47.7	51.9	54.8	47.4	50.2	71.0	78.5		
7630	Ichibanya	vs. prev yr	100.3	102.5	90.2	74.0	79.5	85.1	89.3	91.4	89.2	96.2	89.8	91.0	84.2	80.9	91.3	118.7	110.0	95.8	96.0	89.0	88.8	95.5	97.4		
		vs. 2019													84.5	82.9	82.4	87.8	87.5	81.5	85.7	81.3	79.2	91.9	87.5		
8153	Mos Food Services	vs. prev yr	108.7	115.9	100.9	103.7	112.2	106.2	106.6	102.9	100.3	107.7	123.5	114.2	108.9	110.0	109.3	112.6	120.5	111.0	113.4	111.5	117.3	115.1	97.5		
		vs. 2019													118.4	127.5	110.3	116.8	135.2	117.9	120.9	114.7	117.7	124.0	120.4		
8179	Royal HD	vs. prev yr	103.8	103.9	79.7	42.1	54.2	78.2	86.1	81.2	83.5	95.3	90.8	79.8	69.5	76.4	103.2	191.6	148.8	99.7	97.2	85.9	85.1	100.2	105.9	115.0	
		vs. 2019													72.1	79.4	82.3	80.7	80.6	78.0	83.7	69.8	71.1	95.5	96.2	91.8	
		Tendon Tenya	vs. prev yr	95.9	98.2	79.1	58.1	63.6	80.1	81.6	86.4	83.6	92.0	88.6	84.1	89.3	96.6	108.7	157.6	147.7	110.1	114.1	104.5	107.7	108.7	112.3	111.1
vs. 2019													85.6	94.9	86.0	91.6	93.9	88.2	93.1	90.3	90.0	100.0	99.5	93.4			
8200	Ringer Hut	vs. prev yr	98.1	97.5	74.8	42.6	51.3	70.9	74.9	73.3	76.9	87.2	84.7	79.5	69.2	76.3	96.2	173.4	136.2	101.6	107.8	98.0	97.3	100.5	103.7		
		vs. 2019													67.9	74.4	72.0	73.9	69.9	72.0	80.7	71.8	74.8	87.6	87.8		
9861	Yoshinoya HD (Yoshinoya)	vs. prev yr	109.5	97.9	98.2	96.0	92.7	87.7	94.3	83.2	90.9	100.4	93.4	89.6	91.9	81.4	89.5	89.9	99.4	99.6	95.9	107.3	102.2	98.7	108.7	107.4	
		vs. 2019																									

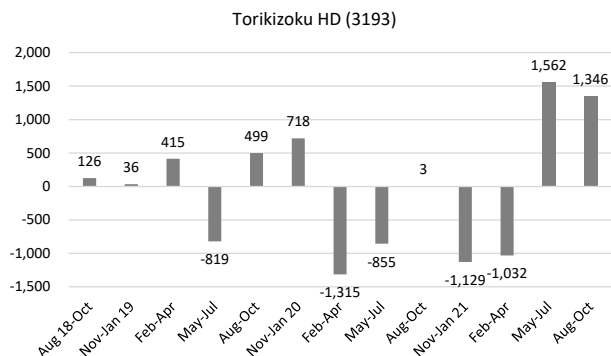
Pre-tax profits for food service companies covered by Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



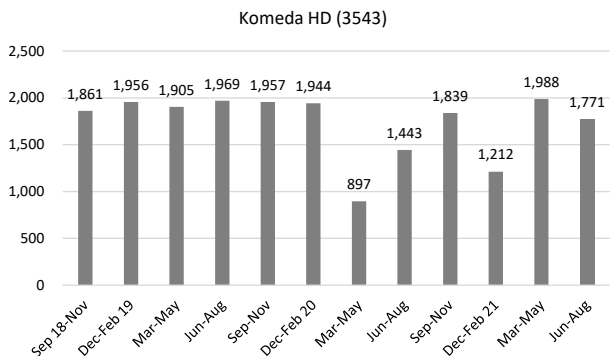
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



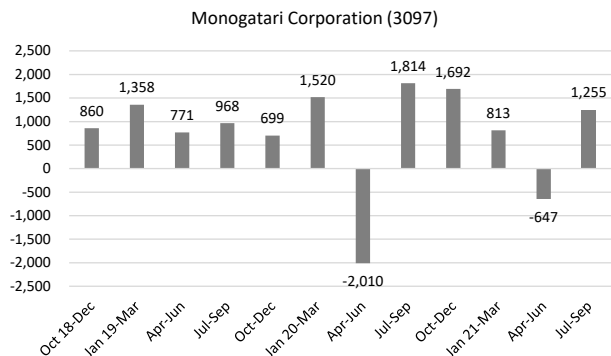
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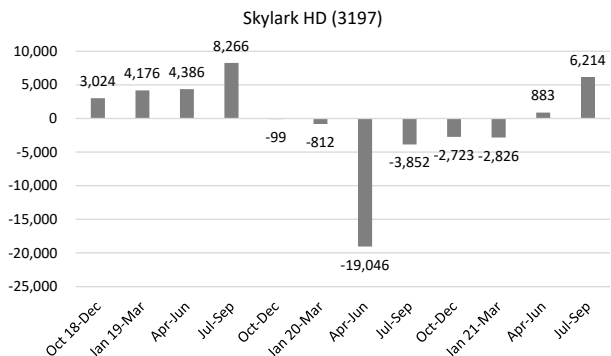
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Figure: Quarterly pre-tax profit (JPYm)



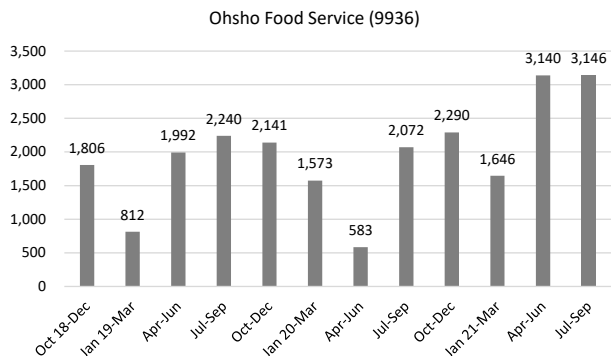
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



Source: Company data, Mita Securities

Comparison of valuations with peers

Figure: Comparison of valuations for food service companies

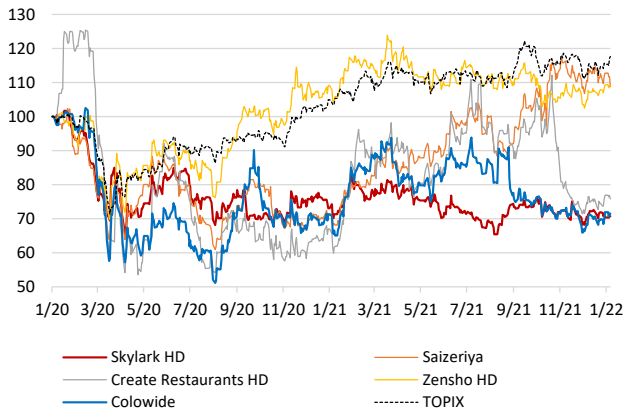
Company name	Ticker	PX	Mkt cap	Net D/E	Sales YoY	EBITDA Mn	ROE	ROE	ROE	PER	PER	PER	PBR	EV/EBITDA	EV/Sales	Div yield	1M	3M	1YR	
		5-Jan	JPYbn	Last	LTM	LTM	LTM	Cur E	Nxt E	LTM	Cur E	Nxt E	Last	Cur E	Cur E	Cur E	Chg	Chg	Chg	
KURA SUSHI INC (TP 5,000 Buy)	2695	3,625	150.1	0.1	8.7	2.3	4.1	8.3	10.6	75.5	35.8	23.7	3.0	12.7	0.9	0.6	-0.7	-0.3	25.4	
MCDONALD'S HOLDINGS CO JAPAN	2702	5,090	676.8	-0.2	9.1	14.4	12.3	12.0	12.0	30.7	30.0	26.7	3.6	12.6	1.9	0.7	1.9	-1.2	1.4	
OOTOYA HOLDINGS CO LTD	2705	2,756	20.0	0.2	-12.1	6.0	NA	NA	NA	39.0	NA	NA	NA	NA	NA	NA	4.2	2.2	24.1	
FUJIO FOOD GROUP INC	2752	1,334	59.5	3.6	-12.3	8.8	-12.7	21.2	NA	NA	50.5	36.3	10.8	NA	2.6	0.0	-3.3	-3.0	10.3	
AMIYAKI TEI CO LTD	2753	3,030	20.8	-0.1	-14.5	-13.9	2.0	NA	NA	51.1	39.9	11.0	1.0	NA	0.5	0.0	4.5	5.8	5.4	
HIRAMATSU INC	2764	186	13.9	4.1	9.1	-25.3	-67.3	NA	NA	NA	NA	NA	2.2	NA	NA	NA	-4.6	-13.1	34.8	
PEPPER FOOD SERVICE CO LTD	3053	340	13.4	2.4	NA	-6.2	NA	NA	NA	NA	NA	NA	8.9	NA	NA	NA	-13.5	-10.5	34.9	
CHOSHIMARU CO LTD	3075	1,122	16.3	-0.8	-1.7	1.3	10.2	NA	NA	21.5	NA	NA	2.1	NA	NA	NA	1.4	-3.7	10.3	
ARCLAND SERVICE HOLDINGS CO	3085	2,253	74.6	-0.6	21.1	12.9	19.4	19.4	12.5	16.6	15.7	22.5	3.0	10.7	1.4	1.3	-2.0	-0.2	6.2	
DOUTOR NICHIRENS HOLDINGS CO	3087	1,616	73.7	-0.3	-2.7	3.3	-3.2	2.6	1.6	NA	17.8	25.1	0.7	10.6	0.4	1.5	3.3	-7.0	10.5	
BRONCO BILLY CO LTD	3091	2,410	36.3	-0.3	-12.6	6.8	4.4	NA	NA	47.0	NA	NA	2.0	NA	NA	NA	0.7	2.6	-2.7	10.1
MONOGATARI CORP (TP 9,100 Buy)	3097	6,470	78.2	0.1	7.4	9.7	11.7	16.4	16.2	34.4	22.1	19.7	3.9	10.3	1.1	1.0	-9.5	-14.0	13.1	
CHIMNEY CO LTD	3172	1,178	22.6	0.8	-61.2	-34.0	-43.7	NA	NA	NA	NA	NA	3.4	NA	NA	NA	-5.8	-20.0	4.5	
TORIKIZOKU HOLDINGS CO LTD (TP 2,100 Hold)	3193	1,724	20.0	0.6	NA	NA	NA	8.1	11.4	NA	NA	35.2	3.3	NA	1.1	0.0	3.5	-13.7	25.4	
HOTLAND CO LTD	3196	1,264	27.3	0.6	5.8	4.5	15.8	22.3	NA	22.8	15.6	26.4	3.3	NA	1.0	0.4	-4.5	-6.4	8.4	
SKYLARK HOLDINGS CO LTD (TP 1,550 Hold)	3197	1,520	345.8	2.1	-12.9	28.6	-0.2	2.6	5.1	NA	69.5	48.7	2.2	7.2	1.7	0.9	0.7	-4.3	-0.8	
SFP HOLDINGS CO LTD	3198	1,408	36.3	-0.1	-53.8	-1.0	-19.2	14.4	NA	NA	20.2	24.2	3.1	NA	2.4	0.0	5.5	-2.7	13.8	
CREATE RESTAURANTS HOLDINGS	3387	717	152.6	3.5	-28.7	21.7	0.8	27.2	NA	1,156.5	21.3	32.6	6.2	NA	2.6	0.6	2.0	-21.7	23.4	
SAINT MARC HOLDINGS CO LTD	3395	1,486	33.8	-0.2	-7.3	-6.1	-22.2	-12.9	2.8	NA	NA	36.4	1.0	NA	0.5	3.0	6.1	-7.2	8.1	
TORIDOLL HOLDINGS CORP	3397	2,443	214.0	3.0	5.7	12.5	5.1	7.4	6.0	127.8	56.9	45.0	6.1	11.2	2.2	0.3	1.2	-5.1	79.1	
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,057	94.9	1.5	8.1	23.7	13.0	13.5	13.7	20.8	19.0	17.5	2.6	15.7	4.2	2.5	2.2	-1.4	12.6	
KUSHIKATSU TANAKA HOLDINGS C	3547	2,026	19.0	0.3	-38.7	-22.6	-36.9	2.7	31.4	NA	264.8	36.7	14.0	NA	4.1	0.3	4.7	-6.2	42.3	
CHIKARANOMOTO HOLDINGS CO LT	3561	586	15.8	3.7	-14.9	6.6	-15.0	NA	NA	NA	NA	NA	5.1	NA	NA	NA	-1.7	-1.8	7.1	
FOOD & LIFE COMPANIES LTD	3563	4,230	491.0	2.2	17.5	16.2	23.0	21.3	23.5	37.2	34.3	26.3	7.7	14.4	2.1	0.6	-2.4	-12.7	15.4	
ATOM CORP	7412	769	148.8	0.2	-19.3	1.6	-10.9	NA	NA	NA	NA	NA	18.8	NA	NA	NA	2.4	0.8	-9.0	
KAPPA CREATE CO LTD	7421	1,330	65.7	0.4	0.9	3.7	8.2	NA	NA	75.3	NA	NA	5.9	NA	NA	NA	-1.2	-1.7	-5.7	
WATAMI CO LTD	7522	892	38.1	3.5	-18.0	-7.4	-75.2	NA	NA	NA	NA	NA	2.8	NA	NA	NA	1.8	-15.8	6.7	
ZENSHO HOLDINGS CO LTD	7550	2,723	421.7	2.2	4.3	7.2	12.4	14.5	12.9	39.1	25.6	31.5	4.6	12.2	0.9	0.8	4.1	2.1	4.4	
KOURAKUEN HOLDINGS CORP	7554	1,415	23.7	1.1	-14.4	4.7	13.5	13.6	NA	48.1	42.6	2,021.4	6.0	NA	1.0	0.4	-2.5	-4.4	-6.5	
ANRAKUTEI CO LTD	7562	6,350	13.6	1.6	27.2	-4.7	2.7	NA	NA	118.8	NA	NA	3.2	NA	NA	NA	5.5	8.5	28.5	
SAIZERIYA CO LTD	7581	2,928	153.1	-0.2	-0.3	6.3	2.2	8.6	6.8	80.7	16.9	21.9	1.7	7.8	0.9	0.6	-1.4	6.0	58.8	
HIDAY HIDAKA CORP	7611	1,778	67.8	-0.3	-24.5	-10.2	-1.2	NA	NA	NA	NA	NA	3.1	NA	NA	NA	0.7	8.9	6.1	
COLOWIDE CO LTD	7616	1,647	143.1	3.6	-7.6	12.0	-16.2	NA	NA	NA	NA	NA	4.1	NA	NA	NA	4.6	-3.5	7.3	
UKAI CO LTD	7621	2,983	15.6	1.5	-3.1	-8.0	-40.6	NA	NA	NA	NA	NA	7.0	NA	NA	NA	-0.9	-2.0	-0.6	
GLOBAL-DINING INC	7625	332	3.4	0.9	34.8	7.0	25.6	NA	NA	5.2	NA	NA	1.2	NA	NA	NA	-15.3	-32.4	76.6	
ICHIBANYA CO LTD	7630	4,685	149.6	-0.5	-3.7	9.4	8.7	8.9	NA	57.8	55.4	39.4	5.1	NA	3.0	1.7	4.5	6.2	-8.9	
ASAKUMA CO LTD	7678	1,543	8.3	-0.4	-22.5	-22.4	-29.2	NA	NA	NA	NA	NA	3.2	NA	NA	NA	0.8	0.5	2.6	
MOS FOOD SERVICES INC	8153	3,105	99.4	-0.2	12.3	10.5	8.1	6.3	NA	26.0	32.2	31.0	2.0	NA	1.1	0.9	0.2	-1.6	8.1	
KISQII CO LTD	8160	2,218	59.0	0.0	-12.5	NA	-13.7	NA	NA	NA	NA	NA	2.5	NA	NA	NA	5.6	-2.0	-4.3	
SRS HOLDINGS CO LTD	8163	781	30.4	0.5	-0.7	8.0	8.8	NA	NA	29.7	NA	NA	2.2	NA	NA	NA	2.8	1.2	-1.1	
ROYAL HOLDINGS CO LTD	8179	1,941	88.1	2.3	-15.6	-10.7	-47.6	-13.8	10.9	NA	NA	48.0	3.1	NA	1.6	0.0	4.2	-9.9	14.6	
RINGER HUT CO LTD	8200	2,277	59.4	1.0	-14.1	-2.2	-13.0	6.3	NA	NA	90.4	223.2	5.3	NA	2.0	0.4	4.7	-4.4	2.9	
GIFT INC	9279	2,540	25.3	0.0	22.7	9.2	29.8	28.0	NA	23.7	17.1	17.3	6.1	NA	1.5	1.0	-8.4	-10.1	50.7	
GENKI SUSHI CO LTD	9828	2,533	22.5	0.6	6.7	5.8	6.3	NA	NA	42.9	NA	NA	2.7	NA	NA	NA	3.1	-10.2	12.8	
GOURMET KINEYA CO LTD	9850	1,003	23.0	1.5	-20.1	6.3	-16.2	NA	NA	NA	NA	NA	2.7	NA	NA	NA	-1.0	3.1	6.0	
GINZA RENOUR CO LTD	9853	831	5.2	0.1	-25.9	-39.4	-37.8	NA	NA	NA	NA	NA	1.7	NA	NA	NA	1.0	0.1	2.6	
YOSHINOYA HOLDINGS CO LTD	9861	2,310	150.4	0.8	-14.9	8.1	3.2	5.3	2.5	112.1	29.9	135.6	3.5	17.2	1.1	0.0	3.4	6.5	22.9	
KFC HOLDINGS JAPAN LTD	9873	2,929	65.7	-0.8	11.3	8.6	16.5	NA	NA	16.4	NA	NA	2.6	NA	NA	NA	1.1	1.3	1.6	
MATSUYAFOODS HOLDINGS CO LTD	9887	3,620	69.0	0.3	-4.7	0.8	2.3	NA	NA	72.9	NA	NA	1.7	NA	NA	NA	2.1	-1.9	9.2	
SAGAMI HOLDINGS CORP	9900	1,038	31.5	-0.2	-6.9	-5.6	-5.7	NA	NA	NA	NA	NA	2.2	NA	NA	NA	2.2	3.8	-10.1	
OHSO FOOD SERVICE CORP (TP 7,250 Buy)	9936	6,160	143.4	-0.2	-0.3	11.6	12.8	12.0	10.1	16.9	16.7	19.9	2.1	NA	1.5	1.8	2.5	3.4	9.4	
JOYFULL CO LTD	9942	809	25.8	4.9	-22.8	-6.6	105.9	NA	NA	9.9	NA	NA	6.0	NA	NA	NA	0.2	0.7	20.6	
DAISYO CORP	9979	976	20.7	0.9	-21.0	3.0	-35.7	NA	NA	NA	NA	NA	1.8	NA	NA	NA	3.0	-5.3	4.2	
Average				1.0	-6.5	1.5	-3.5	10.6	11.2	84.7	43.3	114.2	4.1	11.9	1.7	0.8	0.6	-3.9	14.0	
Median				0.5	-6.9	4.7	2.2	10.4	10.9	39.0	29.9	31.0	3.1	11.7	1.5	0.6	1.9	-2.0	9.2	

Source: Bloomberg Finance LP data, Mita Securities

Note: Forecasts are based on Bloomberg consensus. Shading indicates stocks covered by Mita Securities

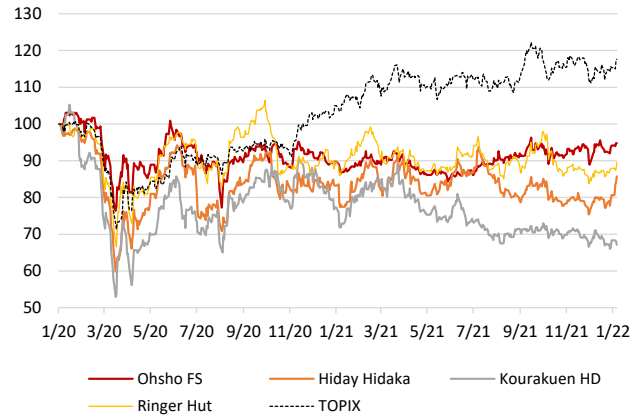
Stock price trends for food service companies

Figure: Stock price trends (family restaurants, general type)



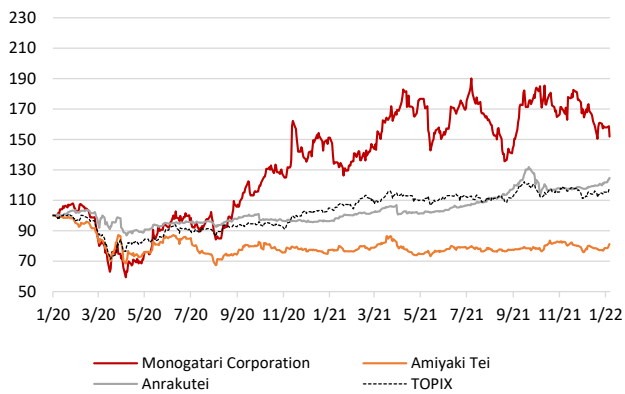
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Chinese restaurants)



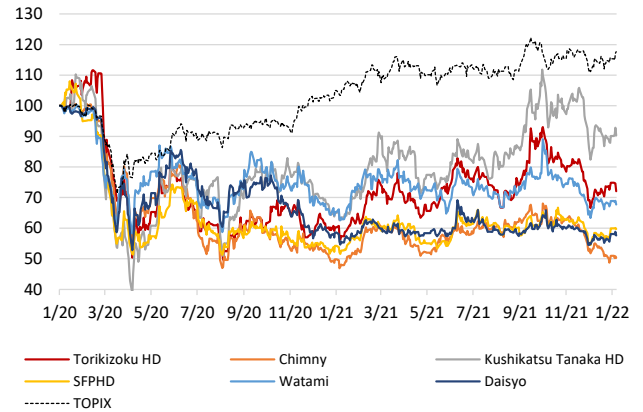
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese BBQ)



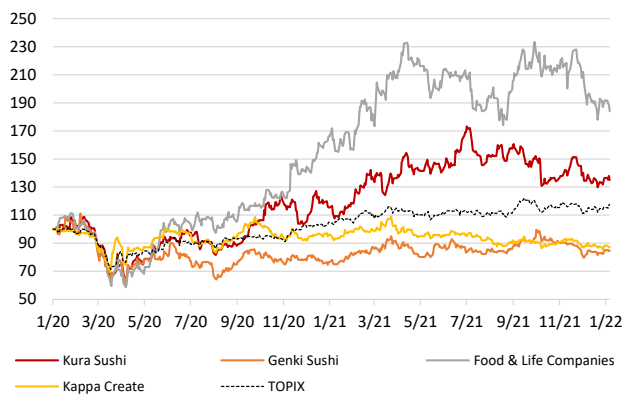
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese style pubs)



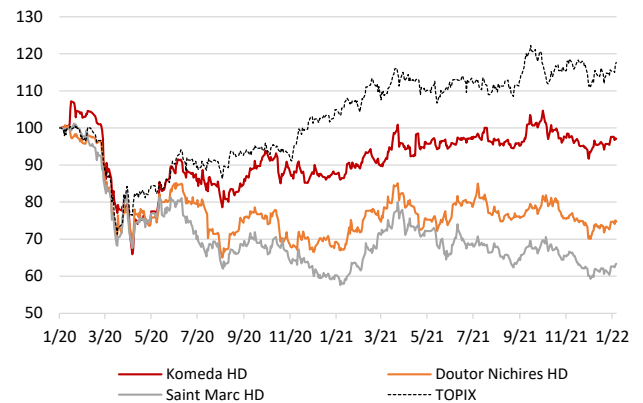
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (sushi restaurants)



Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (coffee shops)



Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

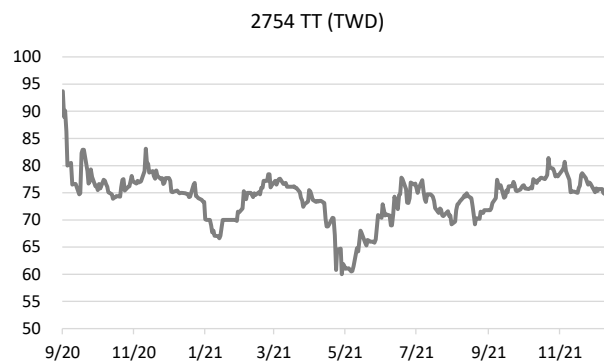
Stock price trends for overseas subsidiaries

Figure: Kura Sushi USA's stock price (USD)



Source: Bloomberg Finance LP data, Mita Securities

Figure: Kura Sushi Asia's stock price (TWD)



Source: Bloomberg Finance LP data, Mita Securities

APPENDIX

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The target price and ratings are based on our views for the next 12 months or so.

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Sell: Stocks whose total return (percentage change in share price from current price to projected target price plus projected dividend yield), as of the time the target price is set or changed, is expected to be -15% or less.

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