



Monogatari Corporation

TSE 1st Section 3097 Industry: Food service, retail

Japanese BBQ extremely popular at year-end

December SSS 107.0% vs. 2019, of which Yakiniku division 117.8%

Monogatari Corporation (3097, the company) disclosed monthly data for December (on a preliminary basis). Sales were strong, like in November and October. In particular, we believe that Yakiniku King has grown into a format which consumers highly prefer in times of recovery in foot traffic. It is possible that an increasing number of people are enjoying small-group dinners, especially Japanese BBQ (yakiniku), as a new lifestyle at the end of the year, rather than large-group year-end parties.

Same-store sales for directly-owned stores were 107.0% vs. December 2019 (our estimate, same as follows; same month in year before last = 100%; 108.5% for November). The breakdown is as follows: 117.8% for Yakiniku division (Yakiniku King, etc.; 119.6% for November), 102.0% for Ramen division (96.7% for November), 89.9% for Yuzuan division (91.2% for November), and 87.7% for Okonomiyaki division (97.9% for November). The number of holidays was one less than in December 2019.

Same-store sales for directly-owned stores were 113.9% vs. December 2020 (same month last year = 100%; 95.2% for November). The breakdown is as follows: 118.7% for Yakiniku division (97.0% for November), 111.3% for Ramen division (100.0% for November), 100.6% for Yuzuan division (85.6% for November), and 104.5% for Okonomiyaki division (85.4% for November). The number of holidays was the same as in December 2020.

The number of domestic directly-owned stores at end of December was 352 (+3 MoM, +12 vs. end-FY6/21).

Near-term risk factors and medium-to long-term outlook

Many of the company's restaurant formats use an all-you-can-eat system with a time limit. In addition, they are not suitable for takeout or delivery. It is important to note that if more and more areas require restaurants to shorten their hours, table turnover should decrease and sales would likely be affected. However, this should be viewed as a temporary effect caused by external factors. The strong sales performance in the October-December period indicates the high popularity of the company's main formats, especially Yakiniku King. The secret to the popularity is the company's efforts to enhance the brand value of the formats and refine its operations, in our view. The company has been able to achieve both strong earnings at existing stores and aggressive new store openings, and we believe that there is significant room for growth in the medium to long term.

Please refer to the report dated June 22, 2021 for the rationale of the rating and target price.

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Update

Rating
Buy

Target price (JPY)	9,100
Stock price (JPY) (Jan 13)	6,070
Market cap (JPYbn)	73.4

Key changes

Rating	No
Target price	No
Earnings forecast	No

Stock price (JPY)



Source: Bloomberg Finance LP

Earnings

		6/19	6/20	6/21	6/22E	6/23E
Sales	JPYbn	58.9	58.0	64.0	74.9	83.8
OP	JPYbn	3.9	3.0	2.6	5.0	6.2
RP	JPYbn	4.7	3.0	4.3	6.0	6.2
NP	JPYbn	2.9	0.5	2.7	3.8	4.0
EPS	JPY	244.1	37.9	226.0	319.0	333.4
BPS	JPY	1,461	1,444	1,625	1,900	2,154
DPS	JPY	45.0	47.5	60.0	80.0	90.0
PER	x	17.6	110.7	26.9	19.0	18.2
PBR	x	2.9	2.9	3.7	3.2	2.8
Div. yield	%	1.0	1.1	1.0	1.3	1.5
ROA	%	9.4	1.3	6.3	7.9	7.5
ROE	%	17.9	2.6	14.7	18.0	16.4

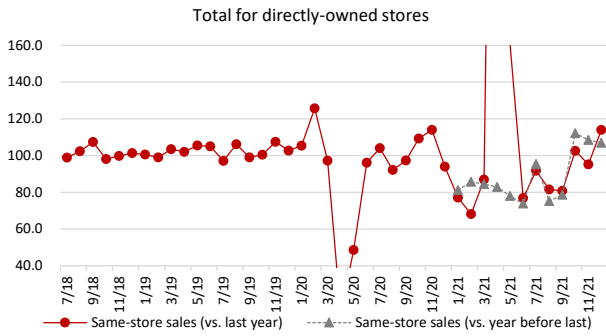
Source: Company data, Mita Securities

Company profile

Monogatari Corporation is a restaurant company based in Aichi Prefecture that operates "Yakiniku King" nationwide. As of June 30, 2021, the company had 584 stores in Japan (340 directly-owned stores and 229 FC stores) and 15 overseas stores (directly-owned). Sales in FY6/21 were 64.0bn yen.

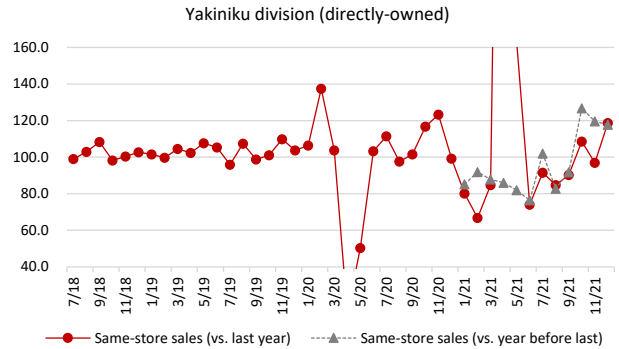
Monthly same-store sales data for Monogatari Corporation

Figure: Monthly data (directly-owned)



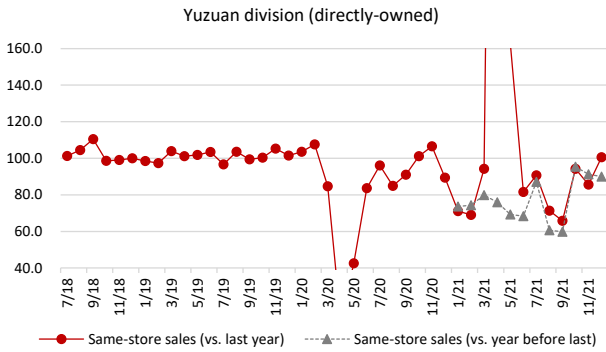
Source: Company data, Mita Securities

Figure: Monthly data (directly-owned)



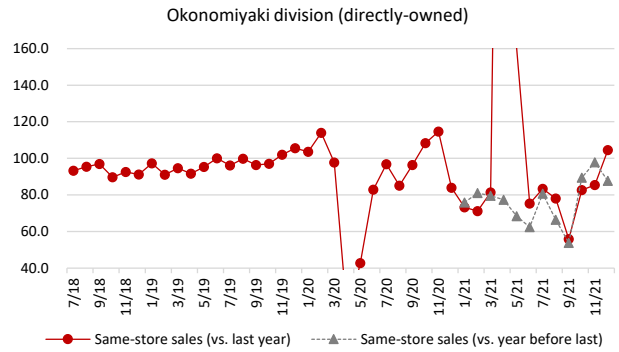
Source: Company data, Mita Securities

Figure: Monthly data (directly-owned)



Source: Company data, Mita Securities

Figure: Monthly data (directly-owned)



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	113.9	
		vs. 2019													81.2	85.7	84.5	82.9	78.0	73.9	95.4	75.2	78.6	112.1	108.5	107.0	
		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	118.7
		vs. 2019													85.2	91.9	87.8	86.0	82.0	76.4	102.0	82.8	91.7	126.7	119.6	117.8	
	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	100.0	111.3	
	vs. 2019													86.0	82.3	79.5	78.2	80.6	75.3	89.4	72.5	72.1	95.8	96.7	102.0		
	Yuzuan division	vs. prev yr	103.6	107.6	84.7	10.9	42.6	83.7	96.1	84.9	91.0	101.2	106.6	89.4	71.1	69.1	94.3	697.3	162.7	81.6	90.7	71.4	65.8	94.3	85.6	100.6	
	vs. 2019													73.7	74.4	79.9	76.0	69.3	68.3	87.2	60.6	59.9	95.4	91.2	89.9		
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	155.0	
	vs. 2019													30.2	34.7	46.5	37.0	5.0	13.2	29.9	9.8	6.8	62.1	75.4	80.4		
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	114.4	
	vs. 2019													65.3	70.7	70.9	70.0	67.1	64.7	74.7	61.5	62.5	82.5	81.0	89.8		
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	107.6	
	vs. 2019													90.8	105.9	99.0	99.9	95.6	92.8	107.9	91.6	90.7	105.8	101.8	102.6		
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		

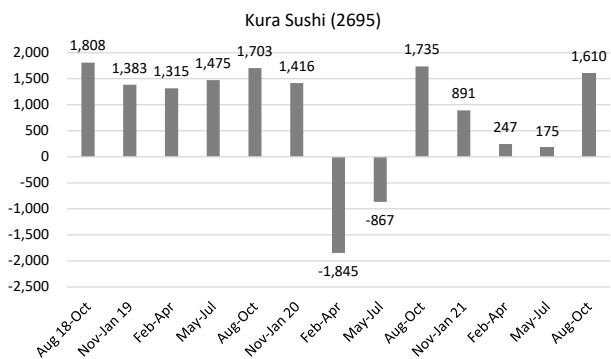
Source: Companies' data, Mita Securities

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	102.4	
		vs. 2019													121.8	115.8	107.4	116.3	121.8	111.0	122.2	118.4	121.9	125.5	115.5	109.8	
3053	Pepper Food Service (Ikinari! 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	106.2	
		vs. 2019													84.2	85.4	84.3	92.4	93.3	90.5	97.0	83.5	89.0	96.4	95.0	92.4	
		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	104.8
	vs. 2019													84.3	90.2	86.1	92.6	94.1	93.0	99.5	85.2	91.3	96.7	85.0	92.2		
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	103.5	
	vs. 2019													56.1	56.9	57.8	58.3	47.7	51.9	54.8	47.4	50.2	71.0	78.5	80.6		
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	103.3	
	vs. 2019													84.5	82.9	82.4	87.8	87.5	81.5	85.7	81.3	79.2	91.9	87.5	94.0		
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	98.5	
		vs. 2019													118.4	127.5	110.3	116.8	135.2	117.9	120.9	114.7	117.7	124.0	120.4	112.5	
8179	Royal HD	Royal Host	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	109.0	
	vs. 2019													67.9	74.4	72.0	73.9	69.9	72.0	80.7	71.8	74.8	87.6	87.8	86.7		
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													100.6	79.7	87.9	86.3	92.1	87.3	90.4	89.3	92.9	99.1	101.5	96.2		
9887	Matsuya Foods HD (Matsuya)	vs. prev yr	106.4	115.5	94.8	77.8	77.8	83.3	88.4	87.6	85.3	97.1	91.1	91.0	84.9	81.0	91.6	108.9	112.2	98.8	95.5	96.1	93.0	89.7	99.1	96.3	
		vs. 2019																									

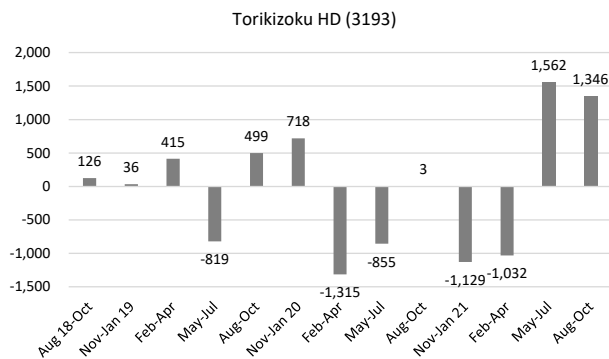
Pre-tax profits for food service companies covered by Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



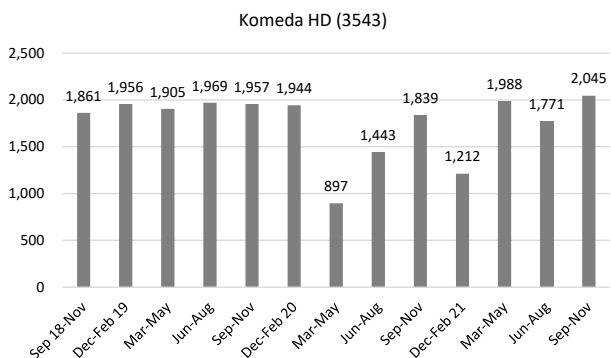
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



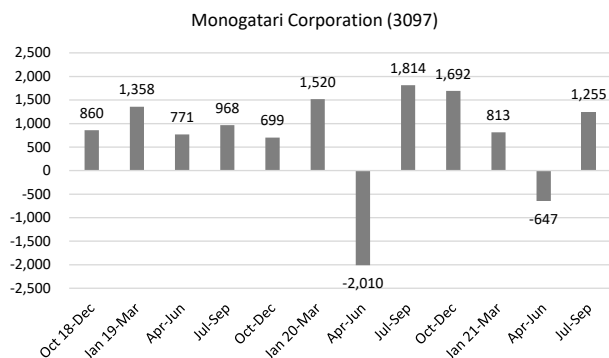
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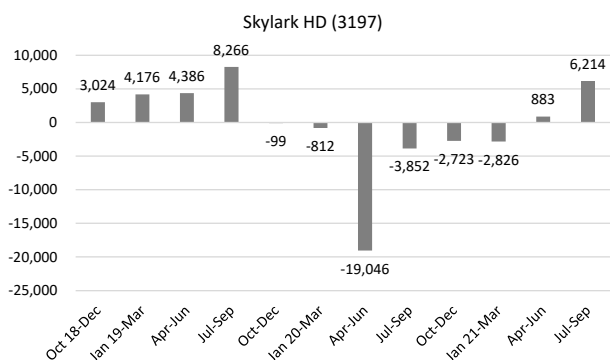
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Figure: Quarterly pre-tax profit (JPYm)



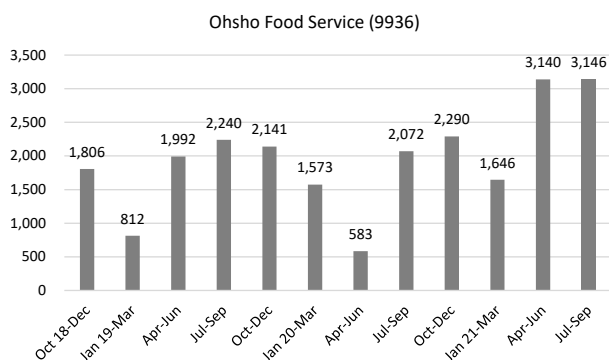
Source: Company data, Mita Securities

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

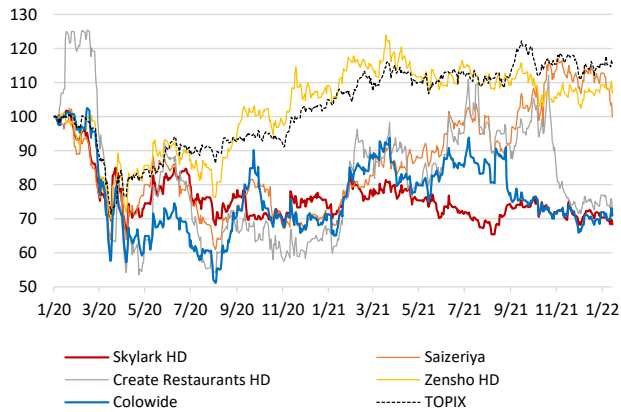
Company name	Ticker	PX 13-Jan	Mkt cap JPYbn	Net D/E	Sales YoY	EBITDA Mgn	ROE	ROE	ROE	PER	PER	PER	PBR	EV/EBITDA	EV/Sales	Div yield	1M	3M	1YR
				Last	LTM	LTM	LTM	Cur E	Nxt E	LTM	Cur E	Nxt E	Last	Cur E	Nxt E	Cur E	Cur E	Cur E	Chg
KURA SUSHI INC <i>(TP 5,000 Buy)</i>	2695	3,645	150.9	0.1	8.7	2.3	4.1	8.3	10.6	76.0	36.5	24.4	3.0	12.8	0.9	0.6	1.7	2.5	20.7
MCDONALD'S HOLDINGS CO JAPAN	2702	4,935	656.2	-0.2	9.1	14.4	12.3	12.0	12.0	29.8	29.1	25.9	3.5	12.2	1.9	0.8	-3.2	-4.0	-2.5
OOTOYA HOLDINGS CO LTD	2705	2,740	19.9	0.2	-12.1	6.0	NA	NA	NA	38.8	NA	NA	NA	NA	NA	NA	2.9	1.0	21.5
FUJIO FOOD GROUP INC	2752	1,278	57.0	3.6	-12.3	8.8	-12.7	21.2	NA	NA	48.4	34.8	10.4	NA	2.5	0.0	-9.2	-5.1	6.2
AMIYAKI TEI CO LTD	2753	2,896	19.8	-0.1	-14.5	-13.9	2.0	2.6	NA	48.8	38.2	36.7	1.0	NA	0.5	0.3	-1.3	-3.5	-2.1
HIRAMATSU INC	2764	178	13.3	4.1	9.1	-25.3	-67.3	NA	NA	NA	NA	NA	2.1	NA	NA	NA	-9.6	-17.6	19.5
PEPPER FOOD SERVICE CO LTD	3053	364	14.3	2.4	NA	-6.2	NA	NA	NA	NA	NA	NA	9.5	NA	NA	NA	-5.7	-6.4	51.7
CHOLUSHIMARU CO LTD	3075	1,110	16.1	-0.8	-1.7	1.3	10.2	NA	NA	21.2	NA	NA	2.1	NA	NA	NA	0.7	-5.5	9.3
ARCLAND SERVICE HOLDINGS CO	3085	2,153	71.3	-0.6	21.1	12.9	19.4	19.4	12.5	15.9	15.0	21.5	2.9	10.2	1.3	1.4	-7.4	-5.1	4.5
DOUTOR NICHIRETS HOLDINGS CO	3087	1,547	70.6	-0.3	-2.7	3.3	-3.2	4.2	1.5	NA	17.0	24.0	0.7	9.9	0.4	1.6	-1.9	-10.4	2.5
BRONCO BILLY CO LTD	3091	2,341	35.3	-0.3	-12.6	6.8	4.4	NA	NA	45.7	NA	NA	2.0	NA	NA	0.7	-3.4	-4.4	3.4
MONOGATARI CORP <i>(TP 9,100 Buy)</i>	3097	6,070	73.4	0.1	7.4	9.7	11.7	16.4	16.2	32.3	20.8	18.5	3.6	9.7	1.0	1.1	-12.2	-18.7	5.8
CHIMNEY CO LTD	3178	1,134	21.9	0.8	-61.2	-34.0	-43.7	NA	NA	NA	NA	NA	3.2	NA	NA	NA	-9.7	-21.2	-4.3
TORIKIZOKU HOLDINGS CO LTD <i>(TP 2,100 Hold)</i>	3193	1,771	20.6	0.6	NA	NA	NA	8.1	11.4	NA	NA	36.1	3.4	NA	1.2	0.0	4.1	-9.2	24.5
HOTLAND CO LTD	3196	1,245	26.8	0.6	5.8	4.5	15.8	22.3	NA	22.4	15.3	26.0	3.2	NA	1.0	0.4	-6.2	-9.1	3.9
SKYLARK HOLDINGS CO LTD <i>(TP 1,550 Hold)</i>	3197	1,469	334.2	2.1	-12.9	28.6	-0.2	2.6	5.1	NA	67.2	47.1	2.1	7.0	1.6	1.0	-5.9	-7.0	-6.7
SFP HOLDINGS CO LTD	3198	1,360	35.1	-0.1	-53.8	-1.0	-19.2	14.4	NA	NA	19.5	23.4	3.0	NA	2.4	0.0	0.7	-4.7	6.0
CREATE RESTAURANTS HOLDINGS	3387	689	146.6	3.5	-28.7	21.7	0.8	27.2	NA	1,111.3	20.4	31.3	6.0	NA	2.5	0.7	-2.8	-23.5	12.2
SAINT MARC HOLDINGS CO LTD	3395	1,443	32.9	-0.2	-7.3	-6.1	-22.2	-12.9	2.8	NA	NA	35.4	1.0	NA	0.5	3.0	0.7	-8.1	2.7
TORIDOLL HOLDINGS CORP	3397	2,325	203.7	3.0	5.7	12.5	5.1	8.3	6.0	121.6	54.2	42.9	5.8	10.8	2.1	0.3	-5.0	-13.2	66.4
KOMEDA HOLDINGS CO LTD <i>(TP 3,000 Buy)</i>	3543	2,050	94.6	1.5	10.0	24.0	13.3	13.5	13.7	20.2	18.9	17.4	2.6	15.6	4.2	2.5	1.0	-2.7	7.2
KUSHIKATSU TANAKA HOLDINGS C	3547	1,909	17.9	0.3	-38.7	-22.6	-36.9	2.7	31.4	NA	249.5	34.6	13.2	NA	3.9	0.3	-7.2	-11.9	30.5
CHIKARANOMOTO HOLDINGS CO LT	3561	573	15.5	3.7	-14.9	6.6	-15.0	NA	NA	NA	NA	NA	5.0	NA	NA	NA	-3.2	-6.8	2.1
FOOD & LIFE COMPANIES LTD	3563	3,935	456.7	2.2	17.5	16.2	23.0	21.3	23.5	34.6	31.9	24.4	7.2	13.6	2.0	0.6	-10.3	-20.7	4.2
ATOM CORP	7412	765	148.1	0.2	-19.3	1.6	-10.9	NA	NA	NA	NA	NA	18.7	NA	NA	NA	-0.1	2.1	-11.6
KAPPA CREATE CO LTD	7421	1,318	65.1	0.4	0.9	3.7	8.2	NA	NA	74.6	NA	NA	5.9	NA	NA	NA	-2.4	-1.9	-9.1
WATAMI CO LTD	7522	875	37.3	3.5	-18.0	-7.4	-75.2	NA	NA	NA	NA	NA	2.8	NA	NA	NA	-3.4	-13.1	-0.3
ZENSHO HOLDINGS CO LTD	7550	2,666	412.9	2.2	4.3	7.2	12.4	17.1	12.9	38.2	25.0	30.8	4.5	12.0	0.9	0.8	-0.4	1.8	-3.6
KOURAKUEN HOLDINGS CORP	7554	1,395	23.4	1.1	-14.4	4.7	13.5	13.6	NA	47.4	42.0	1,992.9	5.9	NA	1.0	0.4	-3.8	-6.0	-14.0
ANRAKUTEI CO LTD	7562	6,460	13.8	1.6	27.2	-4.7	2.7	NA	NA	120.9	NA	NA	3.2	NA	NA	NA	6.3	8.6	27.9
SAIZERIYA CO LTD	7581	2,689	140.6	-0.2	5.0	6.3	4.8	10.3	6.8	33.0	14.4	19.9	1.5	6.7	0.8	0.7	-12.7	-8.8	36.3
HIDAY HIDAKA CORP	7611	1,674	63.9	-0.3	-24.5	-12.0	-1.2	NA	NA	NA	NA	NA	3.0	NA	NA	0.7	1.3	2.0	2.4
COLOWIDE CO LTD	7616	1,635	142.1	3.6	-7.6	12.0	-16.2	NA	NA	NA	NA	NA	4.1	NA	NA	NA	1.4	-1.9	0.2
UKAI CO LTD	7621	3,000	15.7	1.5	-3.1	-8.0	-40.6	NA	NA	NA	NA	NA	7.0	NA	NA	NA	-0.5	-1.5	1.0
GLOBAL-DINING INC	7625	359	3.7	0.9	34.8	7.0	25.6	NA	NA	5.6	NA	NA	1.3	NA	NA	NA	-8.2	-43.4	79.5
ICHIBANAYA CO LTD	7630	4,530	144.6	-0.5	-3.7	9.4	8.7	8.9	NA	55.9	53.5	38.1	4.9	NA	2.9	1.8	-0.8	-1.0	-11.4
ASAKUMA CO LTD	7678	1,547	8.3	-0.4	-22.5	-22.4	-29.2	NA	NA	NA	NA	NA	3.2	NA	NA	NA	0.7	1.1	2.8
MOS FOOD SERVICES INC	8153	3,015	96.5	-0.2	12.3	10.5	8.1	6.3	NA	25.3	31.3	30.1	2.0	NA	1.1	0.9	-2.9	-4.1	-0.8
KISQJI CO LTD	8160	2,176	57.9	0.0	-12.5	NA	-13.7	NA	NA	NA	NA	NA	2.4	NA	NA	NA	-0.7	2.7	-7.9
SRS HOLDINGS CO LTD	8163	772	30.0	0.5	-0.7	8.0	8.8	NA	NA	29.3	NA	NA	2.2	NA	NA	NA	0.1	4.3	-6.1
ROYAL HOLDINGS CO LTD	8179	1,783	80.9	2.3	-15.6	-10.7	-47.6	-13.8	10.9	NA	NA	44.1	2.9	NA	1.5	0.0	-6.3	-14.0	4.6
RINGER HUT CO LTD	8200	2,216	57.8	1.0	-14.1	-2.2	-13.0	6.3	NA	NA	87.9	217.3	5.2	NA	1.9	0.5	0.3	-3.2	-3.2
GIFT INC	9279	2,475	24.6	0.0	22.7	9.2	29.8	28.0	NA	23.1	16.6	16.9	6.0	NA	1.4	1.0	-7.2	-12.5	38.7
GENKI SUSHI CO LTD	9828	2,473	22.0	0.6	6.7	5.8	6.3	NA	NA	41.9	NA	NA	2.6	NA	NA	NA	-1.4	-10.2	7.0
GOURMET KINEYA CO LTD	9850	989	22.7	1.5	-20.1	6.3	-16.2	NA	NA	NA	NA	NA	2.7	NA	NA	NA	-2.1	0.5	2.1
GINZA RENOIR CO LTD	9853	826	5.2	0.1	-25.9	-39.4	-37.8	NA	NA	NA	NA	NA	1.7	NA	NA	NA	0.1	0.1	1.5
YOSHINOYA HOLDINGS CO LTD	9861	2,276	148.2	0.8	-14.3	11.3	9.5	14.9	2.5	35.5	22.0	70.1	3.2	16.3	1.1	0.0	-2.9	0.0	11.6
KFC HOLDINGS JAPAN LTD	9873	2,865	64.2	-0.8	11.3	8.6	16.5	NA	NA	16.0	NA	NA	2.5	NA	NA	NA	-1.7	-4.2	2.5
MATSUYAFOODS HOLDINGS CO LTD	9887	3,580	68.2	0.3	-4.7	0.8	2.3	NA	NA	72.1	NA	NA	1.7	NA	NA	NA	1.3	-2.2	4.7
SAGAMI HOLDINGS CORP	9900	1,026	31.1	-0.2	-6.9	-5.6	-5.7	NA	NA	NA	NA	NA	2.2	NA	NA	NA	-3.0	3.0	-14.6
OHSHO FOOD SERVICE CORP <i>(TP 7,250 Buy)</i>	9936	5,960	138.8	-0.2	-0.3	11.6	12.8	12.0	10.1	16.3	16.2	19.3	2.0	NA	1.4	1.8	-4.0	1.2	5.3
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	1.3	20.4
DAISYO CORP	9979	977	20.7	0.9	-21.0	3.0	-35.7	NA	NA	NA	NA	NA	1.8	NA	NA	NA	2.6	-4.0	2.0
Average				1.0	-6.4	1.5	-3.3	10.9	11.2	78.1	41.3	110.5	4.0	11.4	1.6	0.8	-2.7	-6.0	8.6
Median				0.5	-6.9	4.7	2.5	12.0	10.9	34.6	27.1	30.8	3.0	11.4	1.4	0.7	-2.1	-4.2	3.4

Source: Bloomberg Finance LP data, Mita Securities

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

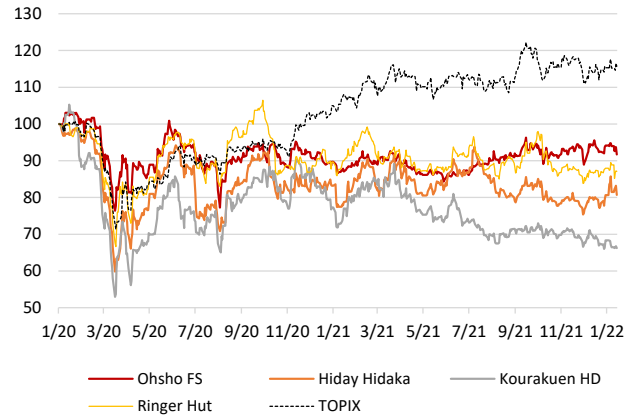
Stock price trends for food service companies

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



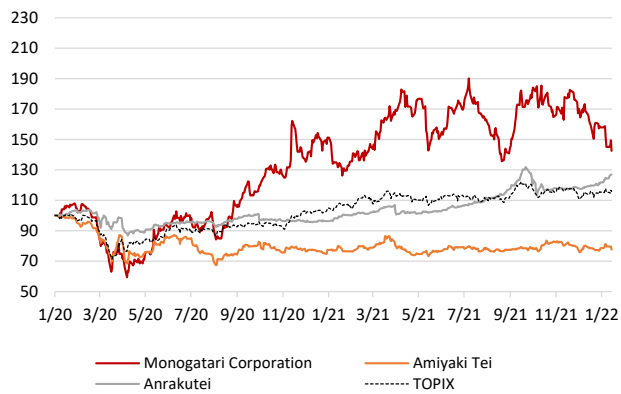
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Chinese restaurants)



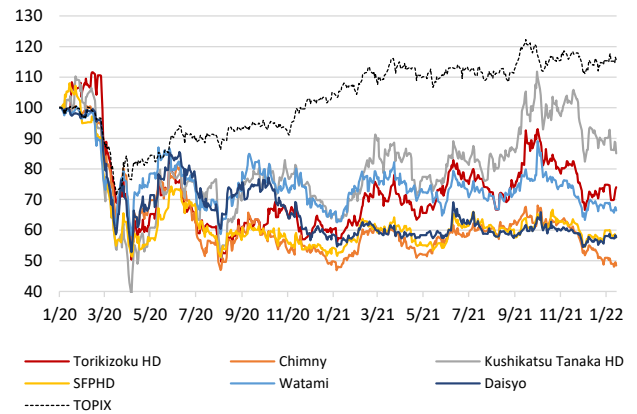
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese BBQ)



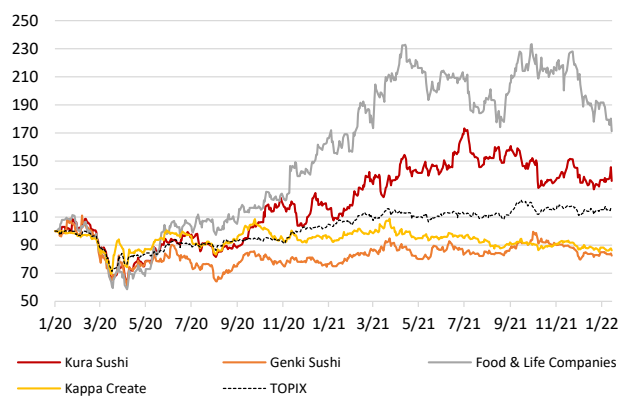
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese style pubs)



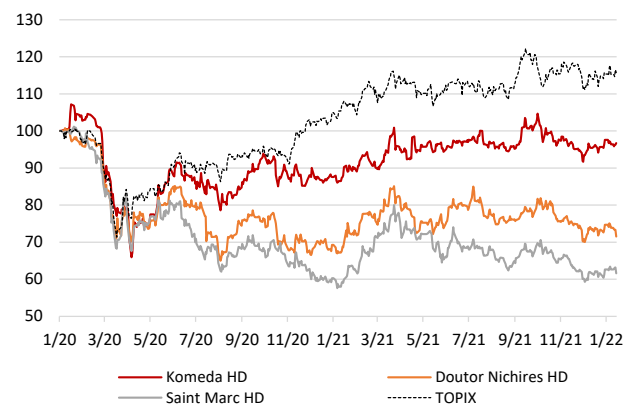
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

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

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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