



# Komeda Holdings

TSE 1st Section 3543 Industry: Food service, wholesale, retail

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## January wholesale sales on par with pre-pandemic levels; Food service industry update

**January data for Komeda HD: Same-store wholesale sales solid at 99.3% vs. 2019**  
Komeda Holdings (3543) disclosed monthly data for January. Wholesale sales to franchisees (same-store basis) in January were 109.4% vs. January 2021 (107.6% for December), 97.7% vs. January 2020, and 99.3% vs. January 2019. The number of holidays (weekends and national holidays) was the same as in January 2021, 2020, and 2019.

The total number of stores at the end of January was 955 (+2 MoM, +41 vs. end-FY2/21). The company opened two stores in January. The company has been opening new stores at a pace that exceeds its target of 940-950 stores at end-FY2/22.

**SSS vs. 2019 for restaurant companies: Mixed results as operating hour restrictions return**  
The table on page 3 summarizes the situation of major restaurant operators that have disclosed their same-store sales for January. In comparison to January 2019, before the COVID-19 pandemic, the major family restaurant formats showed a challenging result, with Skylark HD 75.5% and Saizeriya 81.6%. In the revolving sushi category, Kura Sushi continued to perform well at 109.5% thanks to the BTS campaign, but Sushiro was lower than the pre-pandemic level at 97.7%. In the yakiniku category, Monogatari Corporation achieved 101.6%, above the pre-pandemic level. In particular, the Yakiniku division, which includes Yakiniku King, showed overwhelming strength at 110.7%. In the Chinese cuisine category, Ohsho Food Service continued to dominate with 104.3%, far ahead of Hiday Hidaka's 72.5%. In the izakaya category, Torikizoku HD's 56.2% looks weaker than other restaurant formats, but we believe the company performed relatively well as izakaya under the operating hour restrictions.

### Stock price trends for restaurant companies

The average one month return on the stock prices of the 53 food service companies listed on page 5 was +2.4% (based on the closing price on February 9). The following are examples of major stocks whose share prices have fluctuated significantly.

- Torikizoku HD (3193): +12.2% MoM. January same-store sales were 200.1% vs. January 2021, and 56.2% vs. January 2019.
- Kushikatsu Tanaka HD (3547): +9.3% MoM.
- Komeda HD (3543): +5.7% MoM.
- Food & Life Companies (3563): -10.7% MoM. January same-store sales were 96.0% vs. January 2021, and 97.7% vs. January 2019. Competitor Kura Sushi (2695) posted strong sales of 123.7% vs. January 2021, and 109.5% vs. January 2019.

Please refer to the report dated July 8, 2021 for the rationale of the rating and target price.

## Update

Rating  
**Buy**

Target price (JPY)	3,000
Stock price (JPY) (Feb 10)	2,161
Market cap (JPYbn)	99.7

### Key changes

Rating	No
Target price	No
Earnings forecast	No

### Stock price (JPY)



Source: Bloomberg Finance LP

### Earnings

IFRS		2/20	2/21	2/22E	2/23E	2/24E
Sales	JPYbn	31.2	28.8	33.6	36.4	39.6
OP	JPYbn	7.9	5.5	7.3	8.1	9.0
Pre-tax Profit	JPYbn	7.8	5.4	7.2	8.0	8.9
NP	JPYbn	5.4	3.6	4.8	5.4	6.0
EPS	JPY	116.7	77.9	105.0	117.2	130.2
BPS	JPY	720	755	821	887	955
DPS	JPY	51.0	39.0	51.0	62.0	68.0
PER	x	15.7	24.4	20.5	18.3	16.5
PBR	x	2.5	2.5	2.6	2.4	2.2
Div. yield	%	2.8	2.1	2.4	2.9	3.2
ROA	%	6.5	3.5	4.4	4.8	5.2
ROE	%	17.2	10.6	13.3	13.7	14.1

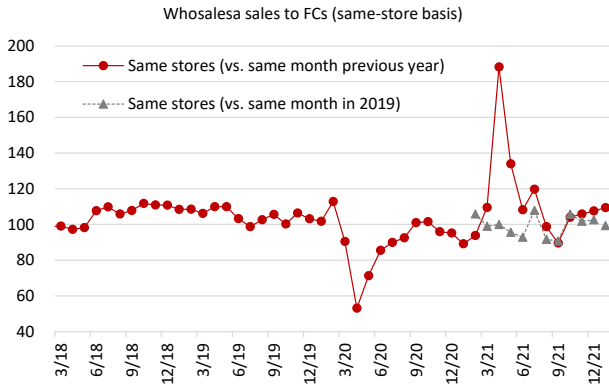
Source: Company data, Mita Securities

### Company profile

Komeda HD, based in Aichi Prefecture, operates "Komeda's Coffee" through franchise system nationwide. The company has 914 stores at the end of February 2021 and is the largest full-service coffee shop operator in Japan. FY2/21 sales were 28.8bn yen.

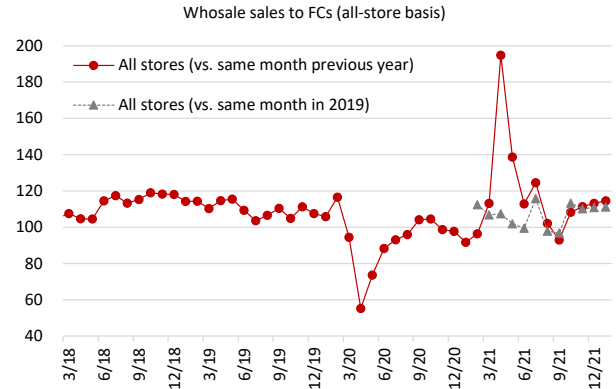
Komeda Holdings monthly wholesale sales data

Figure: Wholesale sales to FCs (same-store basis)



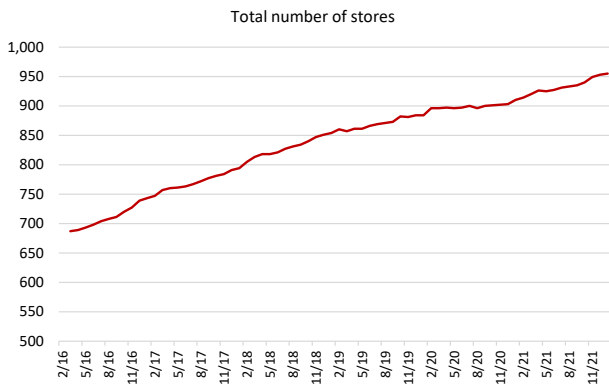
Source: Company data, Mita Securities

Figure: Wholesale sales to FCs (all-store basis)



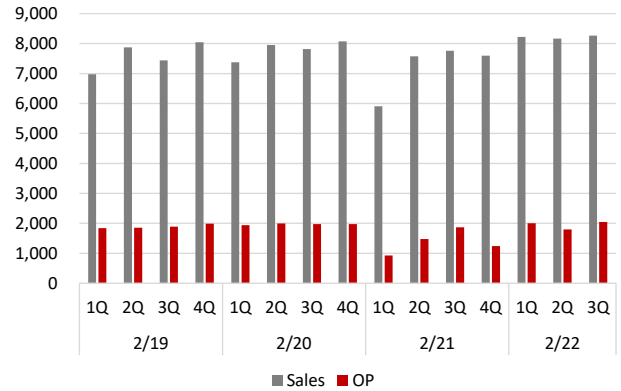
Source: Company data, Mita Securities

Figure: Store count



Source: Company data, Mita Securities

Figure: Quarterly earnings (JPYm)



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	1/22	
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	117.6	123.7	
		vs. pre-COVID														88.6	96.7	97.5	90.4	90.2	91.1	104.4	89.7	80.7	101.0	110.5	111.2	109.5
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	125.1	
		vs. pre-COVID														81.2	85.7	84.5	82.9	78.0	73.9	95.4	75.2	78.6	112.1	108.5	107.0	101.6
		Yakiniku division	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	129.9	
		vs. pre-COVID														85.2	91.9	87.8	86.0	82.0	76.4	102.0	82.8	91.7	126.7	119.6	117.8	110.7
		Ramen division	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	115.2	
		vs. pre-COVID														86.0	82.3	79.5	78.2	80.6	75.3	89.4	72.5	72.1	95.8	96.7	102.0	99.1
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	200.1	
		vs. pre-COVID													30.2	34.7	46.5	37.0	5.0	13.2	29.9	9.8	6.8	62.1	75.4	80.4	56.2	
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	115.8	
		vs. pre-COVID													65.3	70.7	70.9	70.0	67.1	64.7	74.7	61.5	62.5	82.5	81.0	89.8	75.5	
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	109.4	
		vs. pre-COVID													90.8	105.9	99.0	99.9	95.6	92.8	107.9	91.6	90.7	105.8	101.8	102.6	99.3	
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	105.4	106.9	
		vs. pre-COVID													97.6	99.6	92.5	94.9	91.5	95.7	98.2	87.6	85.7	102.6	98.1	101.3	104.3	

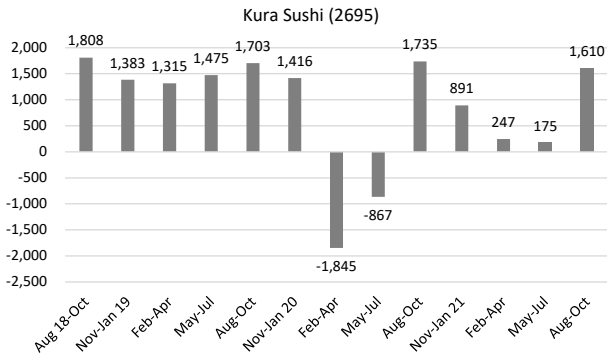
Source: Companies' data, Mita Securities

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	1/22
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	101.2
		vs. pre-COVID														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	104.4	
		vs. pre-COVID													43.0	43.8	44.4	54.1	77.8	46.4	52.0	49.5	51.2	62.9	69.8	70.6	
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	105.8
		vs. pre-COVID													104.5	105.2	95.5	102.2	102.4	97.6	114.2	98.2	94.5	104.4	108.3	104.8	110.6
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	110.6	
		vs. pre-COVID													68.8	70.7	75.9	73.5	70.2	76.2	77.9	67.0	69.1	81.4	83.5	85.7	
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	113.3
		vs. pre-COVID													84.2	85.4	84.3	92.4	93.3	90.5	97.0	83.5	89.0	96.4	95.0	92.4	95.4
		Marugame Seimen	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	112.0
		vs. pre-COVID													84.3	90.2	86.1	92.6	94.1	93.0	99.5	85.2	91.3	96.7	85.0	92.2	94.4
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	96.0
		vs. pre-COVID													101.8	111.9	103.6	99.0	91.7	93.3	99.9	84.5	87.4	98.0	91.2	98.8	97.7
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	110.9
		vs. pre-COVID													101.7	101.3	96.4	100.6	107.2	99.4	111.6	99.3	101.4	110.6	105.1	119.7	112.8
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	125.3
		vs. pre-COVID													65.2	71.5	71.7	74.2	66.8	65.8	73.7	59.6	59.3	88.9	87.9	87.1	81.6
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	129.2
		vs. pre-COVID													56.1	56.9	57.8	58.3	47.7	51.9	54.8	47.4	50.2	71.0	78.5	80.6	72.5
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	103.3	106.7
		vs. pre-COVID													84.5	82.9	82.4	87.8	87.5	81.5	85.7	81.3	79.2	91.9	87.5	94.0	90.1
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	113.7
		vs. pre-COVID													118.4	127.5	110.3	116.8	135.2	117.9	120.9	114.7	117.7	124.0	120.4	112.5	134.6
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	118.0	141.3
		vs. pre-COVID													72.1	79.4	82.3	80.7	80.6	78.0	83.7	69.8	71.1	95.5	96.2	94.2	101.9
		Tendon Tenya	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	111.3	111.3
		vs. pre-COVID													85.6	94.9	86.0	91.6	93.9	88.2	93.1	90.3	90.0	100.0	99.5	93.6	95.3
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										

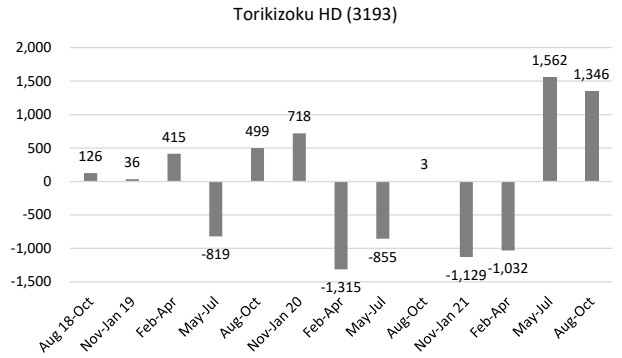
Pre-tax profits for food service companies covered by Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



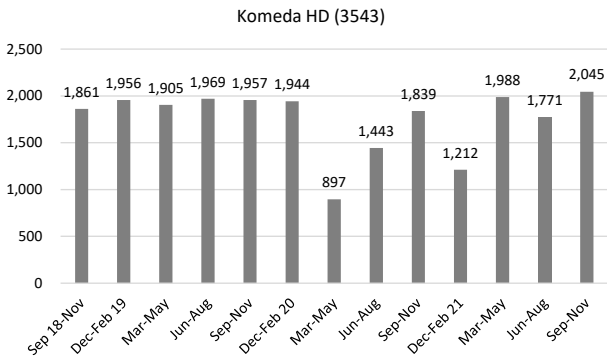
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



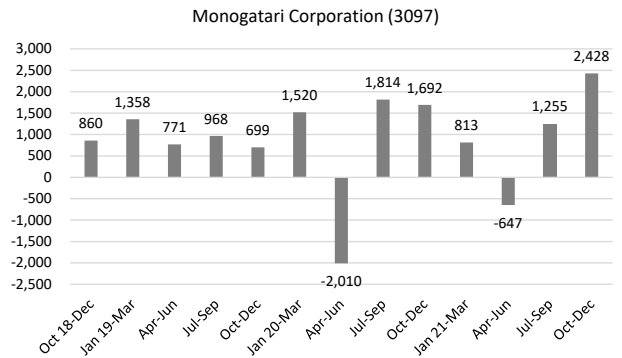
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



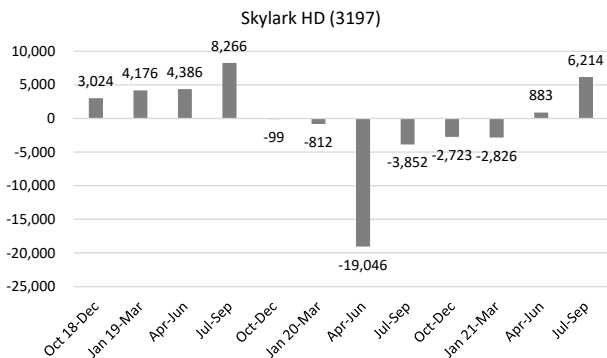
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Figure: Quarterly pre-tax profit (JPYm)



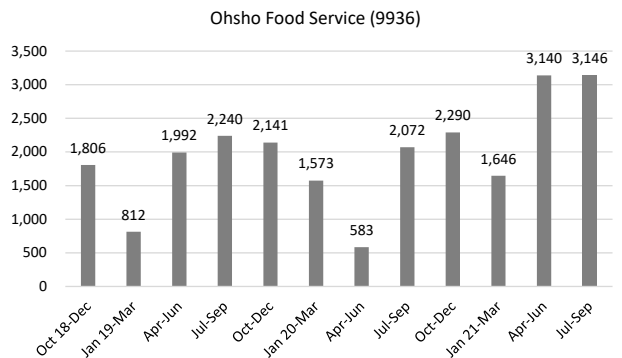
Source: Company data, Mita Securities

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 similar companies (reference)

Figure: Comparison of valuations for food service companies

Company name	Ticker	PX 9-Feb	Mkt cap JPYbn	Net D/E Last	Sales YoY LTM	EBITDA Mgn LTM	ROE LTM	ROE Cur E	ROE Nxt E	PER LTM	PER Cur E	PER Nxt E	PBR Last	EV/EBITDA Cur E	EV/Sales Cur E	Div yield Cur E	1M Chg	3M Chg	1YR Chg
KURA SUSHI INC (TP 5,000 Buy)	2695	3,605	149.2	0.1	8.7	2.3	4.1	8.3	10.6	75.2	36.5	25.4	2.9	12.7	0.9	0.6	-2.6	-2.8	2.9
MCDONALD'S HOLDINGS CO JAPAN	2702	4,990	663.5	-0.3	10.2	14.0	13.0	12.0	11.5	27.7	26.2	24.1	3.4	11.3	1.8	0.8	-2.0	-1.6	-3.5
OOTOYA HOLDINGS CO LTD	2705	2,825	20.5	0.2	-0.4	6.0	NA	NA	NA	14.9	NA	NA	7.8	NA	NA	NA	3.7	3.6	13.4
FUIJIO FOOD GROUP INC	2752	1,353	60.4	3.6	-12.3	8.8	-12.7	21.2	NA	NA	51.3	36.9	11.0	NA	2.6	0.0	5.5	-2.6	2.6
AMIYAKI TEI CO LTD	2753	2,912	19.9	-0.1	-14.5	-13.9	2.0	2.6	NA	49.1	38.4	36.9	1.0	NA	0.5	0.3	-2.0	-2.7	-1.7
HIRAMATSU INC	2764	195	14.6	4.1	9.1	-25.3	-67.3	NA	NA	NA	NA	NA	2.3	NA	NA	NA	10.8	-4.9	-12.1
PEPPER FOOD SERVICE CO LTD	3053	353	13.9	2.4	NA	-6.2	NA	NA	NA	NA	NA	NA	9.2	NA	NA	NA	9.0	-7.8	27.0
CHOUJIMARU CO LTD	3075	1,118	16.2	-0.8	-1.7	1.3	10.2	NA	NA	21.4	NA	NA	2.1	NA	NA	0.5	0.4	-4.4	2.2
ARCLAND SERVICE HOLDINGS CO	3085	2,194	72.6	-0.6	14.4	12.9	19.4	12.5	11.8	16.2	21.9	20.8	2.9	9.6	1.3	1.4	-0.8	-4.0	1.2
DOUTOR NICHRES HOLDINGS CO	3087	1,610	73.4	-0.3	3.3	5.0	-2.2	4.5	1.3	NA	16.5	50.5	0.7	16.1	0.4	1.6	1.4	-1.6	-4.1
BRONCO BILLY CO LTD	3091	2,248	33.9	-0.3	-8.7	8.0	5.4	NA	NA	35.5	NA	NA	1.9	NA	NA	0.8	-6.4	-7.4	-1.7
MONOGATARI CORP (TP 9,100 Buy)	3097	6,350	76.7	0.1	7.4	9.7	11.7	17.1	16.4	33.8	20.2	18.4	3.8	NA	1.1	1.1	2.4	-8.5	8.5
CHIMNEY CO LTD	3178	1,153	22.3	0.8	-50.5	-34.0	-8.9	NA	NA	NA	NA	NA	3.3	NA	NA	NA	2.5	-19.5	-17.1
TORIKIZOKU HOLDINGS CO LTD (TP 2,100 Hold)	3193	1,877	21.8	0.6	NA	NA	NA	8.1	11.4	NA	NA	38.3	3.6	NA	1.2	0.0	12.2	-3.3	8.7
HOTLAND CO LTD	3196	1,277	27.5	0.6	5.8	4.5	15.8	22.3	NA	23.0	15.7	26.7	3.3	NA	1.0	0.4	2.3	-6.1	2.4
SKYLARK HOLDINGS CO LTD (TP 1,600 Hold)	3197	1,533	348.8	2.1	-12.9	28.6	-0.2	6.3	4.3	NA	37.8	54.8	2.2	6.9	1.7	1.0	4.3	1.0	-9.1
SFP HOLDINGS CO LTD	3198	1,435	37.0	-0.1	-58.6	17.7	0.3	14.4	NA	919.9	20.6	52.8	2.9	NA	3.4	0.0	5.7	-0.9	-3.4
CREATE RESTAURANTS HOLDINGS	3387	741	157.7	3.5	-24.0	28.2	10.2	16.9	NA	60.2	23.2	39.8	4.0	NA	2.8	0.6	7.2	1.0	-15.3
SAINT MARC HOLDINGS CO LTD	3395	1,605	36.6	-0.2	0.0	-6.4	-16.6	NA	NA	NA	NA	131.6	1.0	NA	0.5	2.7	9.2	4.6	1.8
TORIDOLL HOLDINGS CORP	3397	2,347	205.6	3.0	5.7	12.5	5.1	8.3	6.0	122.8	57.4	46.3	5.9	11.6	2.1	0.3	0.8	-17.6	45.6
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,148	99.1	1.5	10.0	24.0	13.3	13.5	13.7	21.2	19.8	18.3	2.7	15.9	4.3	2.4	5.7	5.7	8.5
KUSHIKATSU TANAKA HOLDINGS C	3547	2,112	19.9	1.6	-42.8	-50.3	-38.2	51.1	35.2	NA	26.7	27.0	16.3	21.8	1.7	0.7	9.3	-8.1	17.6
CHIKARANOMOTO HOLDINGS CO LT	3561	562	15.2	3.7	-14.9	6.6	-15.0	NA	NA	NA	NA	NA	4.9	NA	NA	NA	-0.4	-9.1	-9.6
FOOD & LIFE COMPANIES LTD	3563	3,605	418.4	2.2	17.5	16.2	23.0	20.5	22.9	31.7	31.1	22.6	6.6	12.7	1.8	0.6	-10.7	-21.6	-18.1
ATOM CORP	7412	768	148.7	0.2	-13.6	1.2	-8.5	NA	NA	NA	NA	NA	15.4	NA	NA	NA	1.3	-1.3	-17.9
KAPPA CREATE CO LTD	7421	1,368	67.6	0.4	2.6	3.7	6.3	NA	NA	101.1	NA	NA	6.2	NA	NA	NA	3.1	-3.5	-11.2
WATAMI CO LTD	7522	922	39.4	3.5	-18.0	-7.4	-75.2	NA	NA	NA	NA	NA	2.9	NA	NA	NA	6.6	-5.0	-9.6
ZENSHO HOLDINGS CO LTD	7550	2,737	423.9	2.2	6.8	7.2	18.1	17.9	12.9	26.1	25.4	34.1	4.2	12.1	0.9	0.8	1.6	2.5	-4.1
KOURAKUEN HOLDINGS CORP	7554	1,378	23.1	1.1	-14.4	4.7	13.5	13.6	NA	46.8	41.5	1,968.6	5.9	NA	1.0	0.4	-1.2	-8.1	-20.3
ANRAKUTEI CO LTD	7562	6,320	13.5	1.6	27.2	-4.7	2.7	NA	NA	118.3	NA	NA	3.2	NA	NA	NA	-1.4	5.9	22.5
SAIZERIYA CO LTD	7581	2,855	149.2	-0.2	5.0	7.9	4.8	10.6	7.0	35.0	14.9	20.8	1.6	7.1	0.8	0.6	1.8	-5.9	33.9
HIDAY HIDAKA CORP	7611	1,738	66.3	-0.3	-24.5	-12.0	-1.2	NA	NA	NA	NA	NA	3.1	NA	NA	0.7	1.8	5.3	-4.8
COLOWIDE CO LTD	7616	1,678	145.8	3.6	-4.4	12.0	-16.2	NA	NA	NA	NA	NA	4.2	NA	NA	NA	4.3	3.2	-14.5
UKAI CO LTD	7621	3,025	15.9	1.5	4.8	-8.0	-28.3	NA	NA	NA	NA	NA	6.2	NA	NA	NA	1.0	0.5	0.3
GLOBAL-DINING INC	7625	326	3.4	0.9	34.8	7.0	25.6	NA	NA	5.1	NA	NA	1.1	NA	NA	NA	-18.7	-30.0	43.0
ICHIBANYA CO LTD	7630	4,680	149.4	-0.5	-3.7	9.2	8.7	8.9	NA	57.8	55.3	39.3	5.1	NA	3.0	1.7	1.6	1.1	-9.7
ASAKUMA CO LTD	7678	1,564	8.4	-0.4	-22.1	-22.4	-29.2	NA	NA	NA	NA	NA	3.3	NA	NA	NA	1.6	2.5	-0.9
MOS FOOD SERVICES INC	8153	3,045	97.5	-0.2	12.3	10.5	8.1	6.3	NA	25.5	31.6	30.4	2.0	NA	1.1	0.9	-1.6	-2.2	-1.0
KISOJI CO LTD	8160	2,261	60.6	0.0	-12.5	NA	-13.7	NA	NA	NA	NA	NA	2.5	NA	NA	NA	3.2	3.8	-4.8
SRS HOLDINGS CO LTD	8163	822	32.2	0.5	-5.4	8.0	2.1	NA	NA	164.3	NA	NA	2.4	NA	NA	NA	8.3	5.7	-4.9
ROYAL HOLDINGS CO LTD	8179	1,932	87.7	2.3	-15.6	-10.7	-47.6	-13.8	10.9	NA	NA	47.8	3.1	NA	1.6	0.0	6.0	-6.3	1.9
RINGER HUT CO LTD	8200	2,302	60.0	1.0	-10.6	-2.6	-6.8	6.3	NA	NA	91.3	225.7	5.1	NA	1.9	0.4	6.2	3.5	-7.1
GIFT INC	9279	2,405	23.9	0.0	22.7	9.0	29.8	28.0	NA	22.4	16.2	16.4	5.8	NA	1.4	1.0	-3.0	-22.3	16.1
GENKI SUSHI CO LTD	9828	2,536	22.5	0.6	10.6	6.1	13.5	NA	NA	19.3	NA	NA	2.5	NA	NA	NA	1.6	-4.8	0.4
GOURMET KINEYA CO LTD	9850	1,017	23.3	1.5	-20.1	6.3	-16.2	NA	NA	NA	NA	NA	2.8	NA	NA	NA	2.9	3.0	1.4
GINZA RENOIIR CO LTD	9853	830	5.2	0.1	-13.2	-39.4	-37.8	NA	NA	NA	NA	NA	1.7	NA	NA	NA	-0.4	0.6	0.6
YOSHINOYA HOLDINGS CO LTD	9861	2,427	158.1	0.8	-14.3	11.3	9.5	18.0	2.8	37.8	19.1	71.3	3.4	17.3	1.1	0.0	7.5	2.5	9.5
KFC HOLDINGS JAPAN LTD	9873	2,922	65.5	-0.8	11.3	8.6	16.5	NA	NA	16.4	NA	NA	2.6	NA	NA	NA	0.6	0.3	-0.4
MATSUYAFOODS HOLDINGS CO LTD	9887	3,635	69.3	0.3	-4.5	0.8	5.0	NA	NA	33.2	NA	NA	1.6	NA	NA	NA	1.3	-0.1	-0.3
SAGAMI HOLDINGS CORP	9900	1,176	35.6	-0.2	-4.1	-5.6	-5.7	NA	NA	NA	NA	NA	2.5	NA	NA	NA	14.6	12.2	-1.2
OHSO FOOD SERVICE CORP (TP 7,250 Buy)	9936	6,000	139.7	-0.2	0.9	11.0	14.8	12.1	10.1	13.9	15.5	19.1	2.0	NA	1.4	1.8	-0.3	-0.5	1.9
JOYFULL CO LTD	9942	817	26.1	4.9	-22.8	-6.6	105.9	NA	NA	10.0	NA	NA	6.1	NA	NA	NA	1.0	0.6	15.6
DAISOY CORP	9979	1,043	22.1	0.9	-23.9	13.1	-10.6	NA	NA	NA	NA	NA	1.7	NA	NA	NA	7.5	3.3	0.3
Average				1.0	-5.1	1.7	-0.8	13.4	11.8	72.8	31.4	116.5	4.1	12.9	1.6	0.8	2.4	-2.9	2.0
Median				0.6	-4.1	6.1	3.4	12.3	11.2	32.5	25.8	36.9	3.1	12.4	1.4	0.7	1.8	-1.6	0.3

Source: Bloomberg Finance LP data, Mita Securities

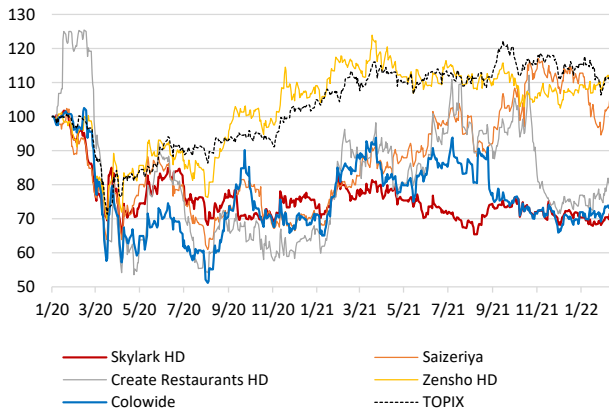
Note: Forecasts are based on Bloomberg consensus. Shading indicates stocks covered by Mita Securities

Figure: Comparison of valuations for FC business operators

Company name	Ticker	PX 9-Feb	Mkt cap JPYbn	Net D/E Last	Sales YoY LTM	EBITDA Mgn LTM	ROE LTM	ROE Cur E	ROE Nxt E	PER LTM	PER Cur E	PER Nxt E	PBR Last	EV/EBITDA Cur E	EV/Sales Cur E	Div yield Cur E	1M Chg	3M Chg	1YR Chg
KOBE BUSSAN CO LTD	3038	3,620	990.4	-0.3	6.2	8.6	28.5	25.6	25.3	40.0	37.5	32.8	10.1	26.8	2.4	0.6	-7.8	-14.3	23.4
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,148	99.1	1.5	10.0	24.0	13.3	13.5	13.7	21.2	19.8	18.3	2.7	15.9	4.3	2.4	5.7	5.7	8.5
IBJ INC (TP 1,450 Buy)	6071	785	33.0	-0.2	7.9	17.1	18.3	22.7	26.4	32.2	20.3	14.2	5.5	NA	1.9	1.4	-5.4	-29.3	-22.9
CURVES HOLDINGS CO LTD	7085	722	67.8	0.8	8.3	NA	19.3	21.8	31.8	42.7	32.5	19.3	7.4	NA	2.8	1.1	-3.7	-21.3	-25.9
FAST FITNESS JAPAN INC (TP 5,600 Buy)	7092	2,122	39.7	-0.2	NA	29.1	NA	15.9	18.0	21.3	28.4	21.6	4.4	NA	2.9				

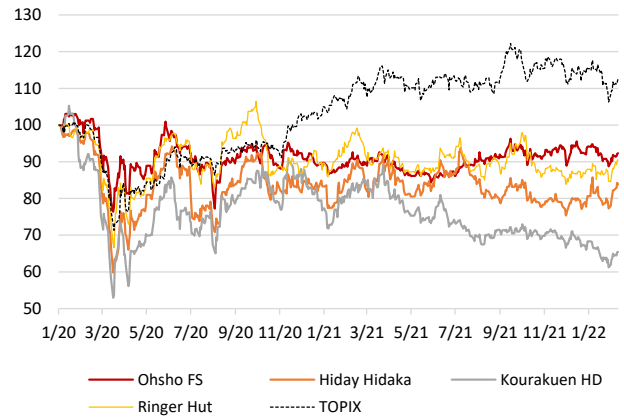
Stock price trends for food service companies

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



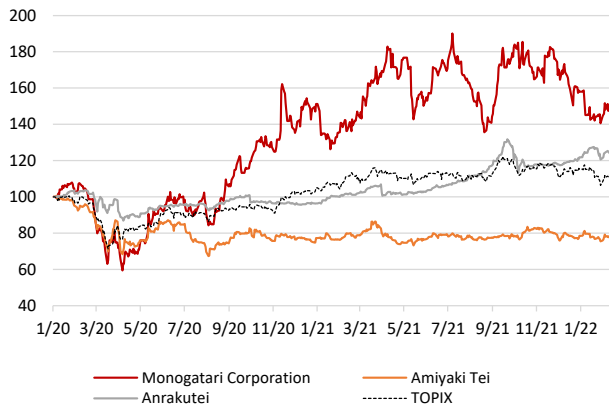
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Chinese restaurants)



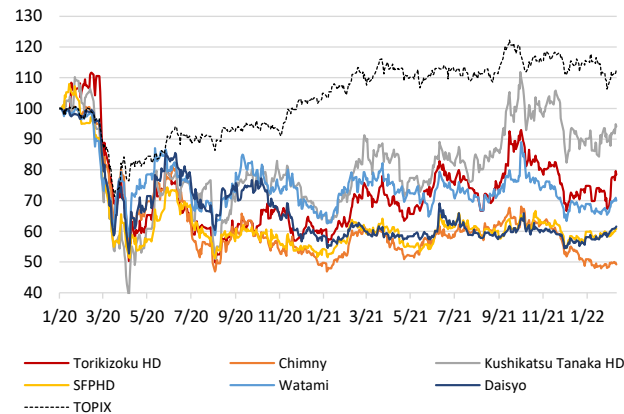
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese BBQ)



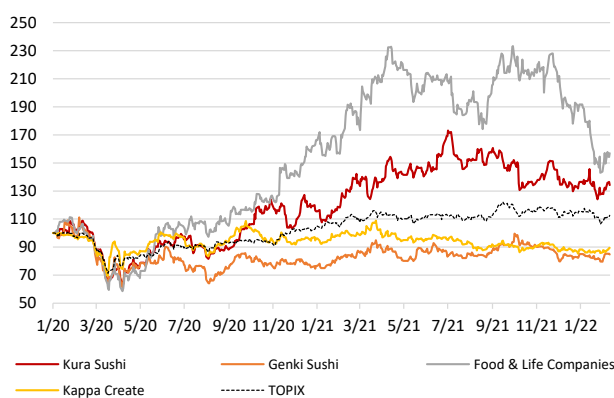
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

Figure: Stock price trends (Japanese style pubs)



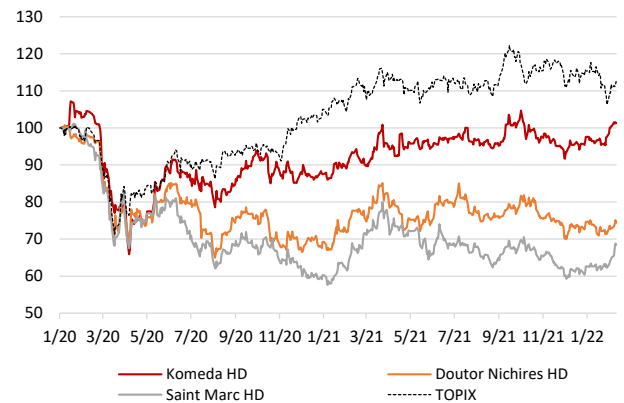
Source: Bloomberg Finance LP data, Mita Securities Note: Indexed to 100 at the end of 2019

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

### [Analyst Certification]

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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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