



Kura Sushi

TSE Prime

2695

Industry: Food service, retail

Detective Conan in April, Dragon Ball in May

April SSS: 110.0% vs. 2021, 99.5% vs. 2019 (pre-pandemic)

On May 9, Kura Sushi (2695, the company) disclosed monthly data for April (on a preliminary basis). Same-store sales were in line with the pre-pandemic levels, and our impression is neutral.

Same-store sales were 110.0% vs. April 2021 (106.3% for March), 191.6% vs. April 2020 (122.7% for March), and 99.5% vs. April 2019 (103.7% for March). The number of holidays (weekends and holidays) was one day more than in April 2021, April 2020, and April 2019. Compared to April 2021, the guest count was 110.7% (104.2% for March), and the average check was 99.4% (102.0% for March).

The collaboration campaign with "Detective Conan" seems to have supported the sales in April. Kura Sushi plans to run the "Dragon Ball Super Super Hero" campaign from May 10 to 31. The content is likely to be very popular, but the company has been unable to promote the campaign via social networking services since late April, which may be challenging, in our view.

Updates on revolving sushi and family restaurants: Sushiro announced price hikes

Same-store sales of other revolving sushi formats in April (compared to April 2021 and April 2019) were 105.3% and 104.2% for Sushiro (Food & Life Companies), 108.4% and 94.5% for Genki Sushi, and 103.7% and 87.1% for Kappa Sushi, respectively.

The same figures for family restaurants were 110.6% and 77.4% for Skylark HD, 124.4% and 92.3% for Saizeriya, and 120.0% and 96.8% for Royal Host. We believe that overall demand for restaurants has been improving since the lifting of the "priority measures to prevent the spread of the disease" in late March.

On May 9, Food & Life Companies announced that it will raise product prices at all Sushiro stores in Japan starting October 1. We will keep an eye on the reaction of Kura Sushi.

Store count

The number of stores at the end of April was 512 in Japan (+2MoM), 37 in the U.S. (+/-0 MoM), and 45 in Taiwan (+/-0 MoM). The total number of stores was 594 (+2 MoM). The company opened 25 stores in 1H (Nov-Apr).

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

MITA SECURITIES Co., Ltd.

Junichi Shimizu

Chief Analyst, Head of Research

jshimizu@mitasec.com

Update

Rating

Buy

Target price (JPY)	5,000
Stock price (JPY) (May 9)	3,060
Market cap (JPYbn)	126.7

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	63.8	31.1	21.8	16.8
PBR	x	2.8	2.5	2.4	2.2	2.0
Div. yield	%	0.6	0.7	0.8	1.0	1.3
ROA	%	-0.3	2.1	4.0	5.2	6.2
ROE	%	-0.6	4.1	7.9	10.5	12.4

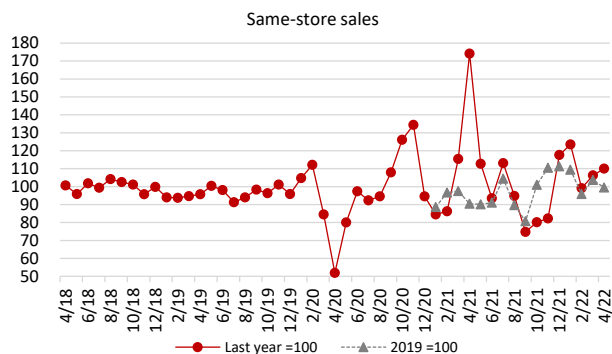
Source: Company data, Mita Securities

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-October 2021, the company had 567 stores (32 in the US and 40 in Taiwan). Sales in FY10/21 were 147.6bn yen.

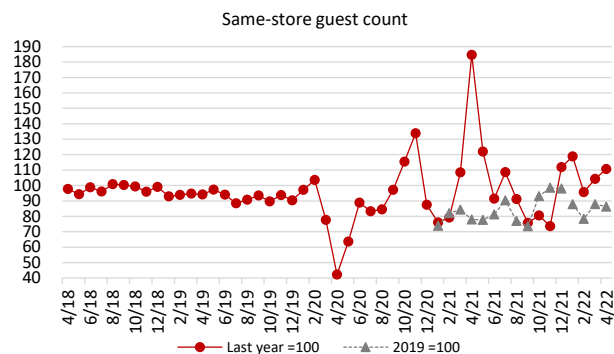
Monthly data for Kura Sushi

Figure: Same-store sales (%)



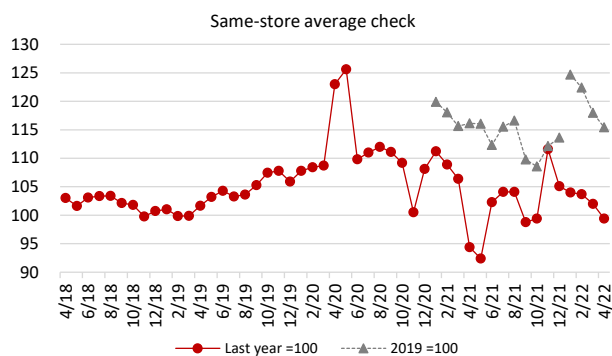
Source: Company data, Mita Securities

Figure: Same-store guest count (%)



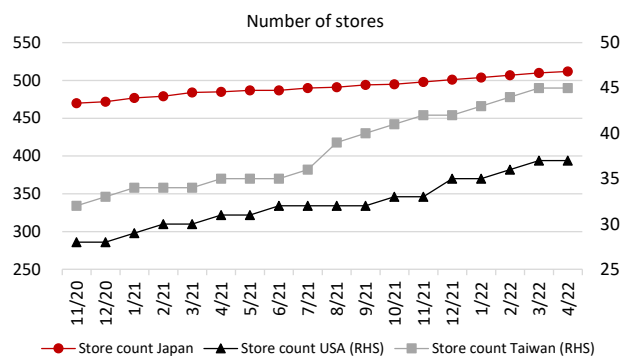
Source: Company data, Mita Securities

Figure: Same-store average check (%)



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		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	2/22	3/22	4/22
2695	Kura Sushi	vs. prevyr	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	123.5	99.1	106.3	110.0
		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	109.4	95.8	103.7	99.5
3097	Monogatari Corporation	vs. prevyr	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	125.0	102.9	108.2	
		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	101.5	88.2	91.4	
	Yakiniku division	vs. prevyr	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	103.6	109.4	
		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	95.2	96.1	
	Ramen division	vs. prevyr	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	113.8	112.7	
		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	93.6	89.7	
	Yuzuan division	vs. prevyr	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	100.4	116.8	90.4	101.7	
		vs. pre-COVID										73.7	74.4	79.9	76.0	69.3	68.3	87.2	60.6	59.9	95.4	91.2	89.8	86.0	67.2	81.2	
3193	Torikizoku HD	vs. prevyr	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	112.8	126.7	
		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	60.4	39.1	58.9	
3197	Skylark HD	vs. prevyr	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	93.0	99.0	110.6
		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	65.7	71.0	77.4
3543	Komeda HD	vs. prevyr	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	97.2	103.0	
		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	102.9	102.2	
9936	Ohsho Food Service	vs. prevyr	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	107.2	108.5	105.8	105.9
		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	104.6	108.1	97.9	100.5

Source: Companies' data, Mita Securities

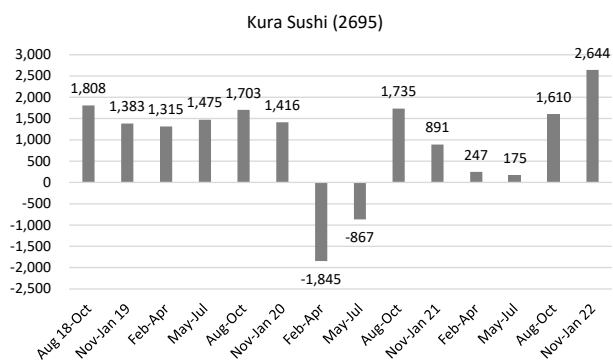
Note: Pre-COVID is indexed with same month in 2019 as 100

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

Ticker	Company name		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	2/22	3/22	4/22
2702	McDonald's HD Japan	vs. prevyr	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	115.3	112.6	111.3
		vs. pre-COVID										121.8	115.8	107.4	116.3	121.8	111.0	122.0	118.4	121.9	125.5	115.5	109.8	123.2	133.6	120.9	129.4
3053	Pepper Food Service (Ikinari! Steak)	vs. prevyr	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	106.3	92.1	95.5	
		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	45.7	40.4	42.4	
3085	Arcland Service HD (Katsuya)	vs. prevyr	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	101.9	110.4	101.7
		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	107.2	105.4	104.0
3087	Doutor Nichires HD (Doutor Coffee Shop)	vs. prevyr	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	117.6	103.6	105.8	
		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	80.9	73.3	80.3	
3397	Toridoll HD	vs. prevyr	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	104.0	109.4	120.4
		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	88.8	92.2	111.2
	Marugame Seimen	vs. prevyr	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	104.1	110.4	104.2
		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	93.9	95.0	96.4
3563	Food & Life Companies (Sushiro)	vs. prevyr	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	93.6	93.5	105.3
		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	104.7	96.8	104.2
7550	Zensho HD (Sukiya)	vs. prevyr	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	111.4	111.4	108.3
		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	112.9	107.4	109.0
7581	Saizeriya	vs. prevyr	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	109.1	117.0	124.4
		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	78.0	83.9	92.3
7611	Hiday Hidaka	vs. prevyr	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	110.2	118.1	132.8
		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	62.7	68.3	77.5
7630	Ichibanya	vs. prevyr	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	96.6	99.5	
		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	80.1	81.9	
8153	Mos Food Services	vs. prevyr	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	97.6	101.5	
		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	124.4	111.9	
8179	Royal HD																										
	Royal Host	vs. prevyr	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	140.6	104.9	110.0	120.0
		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	101.4	83.3	90.5	96.8
	Tendon Tenya	vs. prevyr	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	100.9	107.9	102.5
		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	95.7	92.8	93.9
8200	Ringer Hut	vs. prevyr	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	114.5	98.8	106.0	108.5
		vs. pre-COVID										67.9	74.4	72.0	73.9	69.9	72.0	80.7	71.8	74.8	87.6	87.8	86.7	77.7	73.5	76.3	80.1
9861	Yoshinoya HD (Yoshinoya)	vs. prevyr	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	104.0	106.1	111.9	111.6
		vs. pre-COVID										100.6	79.7	87.9	86.3	92.1	87.3	90.4	89.3	89.9	99.1	101.5	96.2	104.7	84.6	96.3	96.3
9887	Matsuya Foods HD (Matsuya)	vs. prevyr	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	93.9	89.7	89.1	96.5	100.2	96.8	101.8	105.7
		vs. pre-COVID										90.3	93.6	86.8	84.7	83.2	84.4	84.2	79.3	87.1	90.3	87.8	90.5	90.6	88.4	89.9	

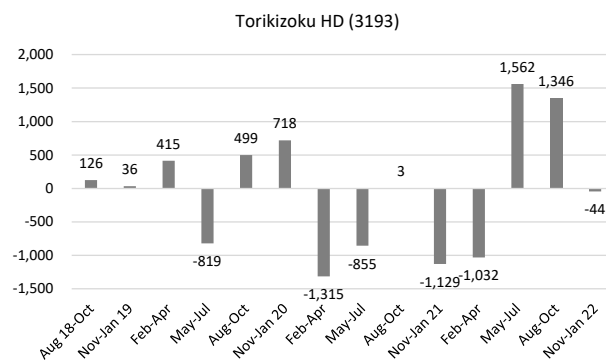
Pre-tax profits for food service companies covered by Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



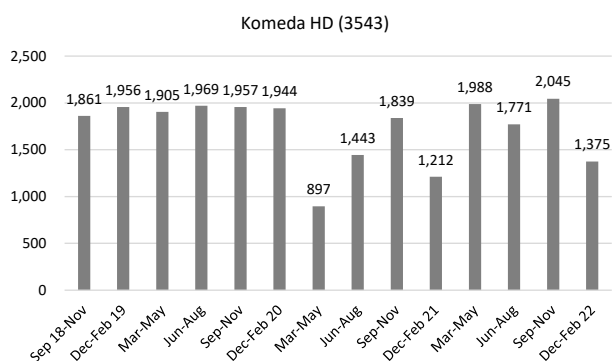
Source: Company data, Mita Securities

Figure: Quarterly pre-tax profit (JPYm)



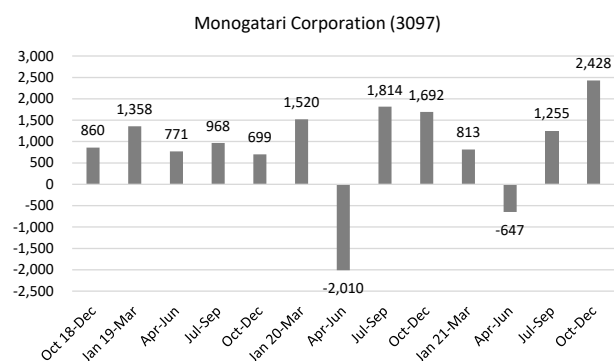
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Figure: Quarterly pre-tax profit (JPYm)



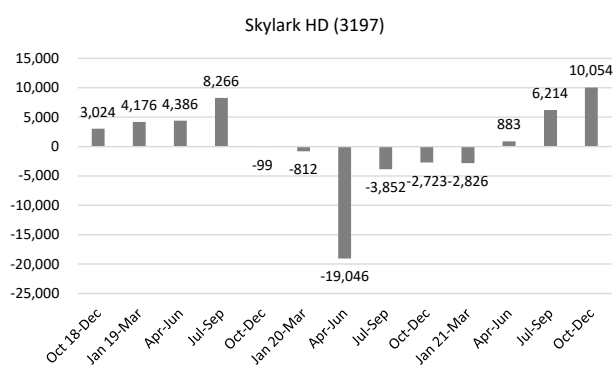
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Figure: Quarterly pre-tax profit (JPYm)



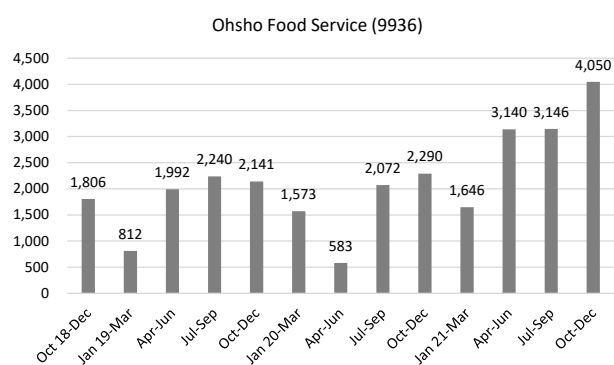
Source: Company data, Mita Securities

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 peers

Figure: Comparison of valuations for food service companies

Company name	Ticker	PX 9-May	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	3,060	126.7	0.1	11.8	2.3	6.4	8.0	10.0	40.2	30.7	22.2	2.4	11.9	0.7	0.7	-1.8	2.1	-21.5
MCDONALD'S HOLDINGS CO JAPAN	2702	5,050	671.4	-0.3	10.2	14.0	13.0	10.9	10.8	28.0	29.6	27.5	3.5	11.9	1.8	0.8	-1.8	2.1	1.0
OOTOA HOLDINGS CO LTD	2705	2,844	20.6	0.2	-0.4	11.7	NA	NA	NA	15.3	NA	NA	NA	NA	NA	NA	1.9	0.5	6.2
FUJIO FOOD GROUP INC	2752	1,332	59.5	1.7	-5.0	-9.6	16.3	15.9	NA	82.2	71.2	41.0	11.4	NA	2.1	0.0	4.7	-2.5	-7.9
AMIYAKI TEI CO LTD	2753	2,901	19.9	-0.2	-2.6	-13.9	3.1	2.7	NA	31.7	36.1	20.1	1.0	NA	0.4	1.0	-1.9	-1.5	1.3
HIRAMATSU INC	2764	190	14.2	4.1	23.5	-21.8	-48.7	NA	NA	NA	NA	NA	2.1	NA	NA	NA	-2.1	-2.6	17.3
PEPPER FOOD SERVICE CO LTD	3053	375	14.8	-0.1	NA	-8.4	20.7	NA	NA	47.3	NA	NA	4.5	NA	NA	NA	4.2	4.5	30.2
CHOUJIMARU CO LTD	3075	1,155	16.8	-0.8	0.7	9.9	13.8	NA	NA	15.6	NA	NA	2.0	NA	NA	0.5	1.0	3.0	-2.3
ARCLAND SERVICE HOLDINGS CO	3085	2,082	68.9	-0.7	9.8	8.2	9.7	13.2	12.6	30.4	19.7	19.4	2.9	9.3	1.2	1.4	-5.9	-6.3	-8.8
DOUTOR NICHIREI HOLDINGS CO	3087	1,490	68.0	-0.4	13.8	6.7	1.3	0.9	2.1	53.9	56.8	30.6	0.7	5.4	0.3	1.7	0.7	-7.5	-9.6
BRONCO BILLY CO LTD	3091	2,306	34.8	-0.3	6.5	15.3	6.0	NA	NA	33.2	NA	NA	1.9	NA	NA	0.7	1.9	1.2	-5.3
MONOGATARI CORP (TP 9,100 Buy)	3097	5,110	61.8	0.1	6.8	11.2	13.2	16.7	16.4	22.5	15.7	15.8	2.8	11.0	0.9	1.3	-11.4	-20.5	-23.2
CHIMNEY CO LTD	3178	1,163	22.5	0.8	-50.5	-28.7	-8.9	NA	NA	NA	NA	NA	3.3	NA	NA	NA	3.6	-0.8	-7.3
TORIKIZOKU HOLDINGS CO LTD (TP 2,100 Hold)	3193	1,739	20.2	0.6	NA	NA	NA	1.4	11.4	NA	143.7	31.5	3.3	NA	1.0	0.0	-2.2	-7.6	6.6
HOTLAND CO LTD	3196	1,371	29.6	0.3	3.3	6.2	28.1	13.6	NA	14.2	22.8	22.6	3.4	NA	1.0	0.4	3.9	6.1	0.3
SKYLARK HOLDINGS CO LTD (TP 1,600 Hold)	3197	1,534	349.0	1.1	-8.3	22.5	6.2	2.9	3.0	40.5	72.2	66.5	2.1	9.1	1.7	0.4	1.6	0.3	-5.8
SFP HOLDINGS CO LTD	3198	1,382	35.6	-0.4	-40.3	26.4	15.1	13.1	NA	20.4	19.8	25.5	2.9	NA	1.3	1.4	2.2	-4.6	4.4
CREATE RESTAURANTS HOLDINGS	3387	805	171.3	2.1	5.2	26.5	29.0	9.6	NA	24.9	40.3	31.9	7.1	NA	2.1	0.7	6.3	4.8	0.2
SAINT MARC HOLDINGS CO LTD	3395	1,487	33.9	-0.2	0.0	-6.4	-16.6	NA	NA	NA	NA	121.9	1.0	NA	0.5	3.0	-1.0	-7.4	-12.3
TORIDOLL HOLDINGS CORP	3397	2,223	194.9	3.0	9.3	15.8	14.2	13.1	6.1	34.9	31.2	38.9	4.0	9.9	2.0	0.3	-8.0	-7.1	26.7
KOMEDA HOLDINGS CO LTD (TP 3,000 Buy)	3543	2,261	104.4	1.1	15.5	26.8	13.6	13.5	13.8	21.1	19.6	17.9	2.8	15.3	4.0	2.4	11.6	4.6	10.2
KUSHIKATSU TANAKA HOLDINGS C	3547	1,647	15.5	1.6	-11.4	-20.8	16.1	36.7	38.0	65.5	28.2	24.0	10.0	333.1	1.4	0.9	-11.1	-22.3	-3.8
CHIKARANOMOTO HOLDINGS CO LT	3561	591	16.0	3.7	-0.9	7.7	-9.8	NA	NA	NA	NA	NA	5.2	NA	NA	NA	6.5	3.9	-3.7
FOOD & LIFE COMPANIES LTD	3563	2,950	342.4	2.2	21.4	14.1	17.7	18.3	21.1	31.2	28.6	20.9	5.2	11.9	1.7	0.8	-9.5	-18.4	-37.6
ATOM CORP	7412	741	143.4	0.2	-13.6	1.2	-9.5	NA	NA	NA	NA	NA	19.0	NA	NA	NA	-1.3	-4.4	-3.8
KAPPA CREATE CO LTD	7421	1,320	65.2	0.4	2.6	3.5	6.3	NA	NA	97.6	NA	NA	6.0	NA	NA	NA	-2.0	-5.3	-11.7
WATAMI CO LTD	7522	904	38.6	3.5	-9.8	-2.1	-43.2	NA	NA	NA	NA	NA	2.5	NA	NA	NA	-1.7	-3.0	-8.1
ZENSHO HOLDINGS CO LTD	7550	2,974	460.6	2.2	6.8	6.8	18.1	16.6	5.7	28.3	29.2	47.1	4.6	16.1	0.9	0.7	0.6	7.4	5.3
KOURAKUEN HOLDINGS CORP	7554	1,242	20.8	1.1	-11.2	8.4	30.2	13.6	NA	17.7	NA	NA	4.6	NA	NA	NA	0.0	-11.2	-24.1
ANRAKUTEI CO LTD	7562	6,410	13.7	1.6	5.1	-5.4	22.0	NA	NA	12.7	NA	NA	2.6	NA	NA	NA	-0.3	0.8	22.8
SAIZERIYA CO LTD	7581	2,350	122.8	-0.2	17.8	6.9	8.7	8.5	6.9	15.6	15.4	19.4	1.3	7.0	0.6	0.8	-4.7	-18.9	-4.5
HIDAY HIDAKA CORP	7611	1,903	72.6	-0.4	-10.7	-9.8	7.1	NA	NA	45.8	NA	NA	3.2	NA	NA	1.3	2.7	7.9	9.6
COLOWIDE CO LTD	7616	1,649	143.3	3.6	-4.4	13.1	-11.0	NA	NA	NA	NA	NA	4.0	NA	NA	NA	-3.5	-6.6	-11.4
UKAI CO LTD	7621	3,015	16.9	1.5	4.8	-5.1	-28.3	NA	NA	NA	NA	NA	6.1	NA	NA	NA	0.5	0.5	-1.8
GLOBAL-DINING INC	7625	276	2.9	0.1	60.0	12.0	30.8	NA	NA	3.4	NA	NA	0.9	NA	NA	NA	-13.5	-15.9	-22.9
ICHIBANYA CO LTD	7630	4,805	153.4	-0.5	1.8	10.3	9.7	NA	NA	52.5	39.8	37.4	5.1	NA	2.6	1.7	1.6	1.5	-1.9
ASAKUMA CO LTD	7678	1,540	8.3	-0.4	-22.1	-19.3	-21.5	NA	NA	NA	NA	NA	3.2	NA	NA	NA	0.8	-1.8	1.1
MOS FOOD SERVICES INC	8153	2,998	96.0	-0.2	9.9	11.1	8.4	6.9	NA	24.0	28.1	29.9	1.9	NA	1.0	0.9	2.1	-2.3	-2.4
KISOJI CO LTD	8160	2,077	57.5	0.0	0.1	NA	0.9	NA	NA	NA	NA	NA	2.2	NA	NA	NA	1.6	-7.8	-8.9
SRS HOLDINGS CO LTD	8163	816	32.8	0.5	-5.4	6.4	2.1	NA	NA	162.9	NA	NA	2.3	NA	NA	NA	1.6	-1.4	-1.7
ROYAL HOLDINGS CO LTD	8179	2,075	101.7	1.1	-0.6	-0.3	-11.8	1.0	5.4	NA	107.8	37.0	3.2	18.8	1.4	0.4	4.9	6.0	6.3
RINGER HUT CO LTD	8200	2,182	56.9	0.5	-0.4	-1.3	8.5	NA	NA	59.0	114.2	77.7	4.5	NA	1.7	0.5	-4.1	-6.6	-3.7
GIFT HOLDINGS INC	9279	2,142	21.3	0.0	22.2	10.2	37.9	32.3	NA	14.8	11.8	13.2	4.8	NA	1.3	1.2	-14.5	-12.3	-0.3
GENKI SUSHI CO LTD	9828	2,463	21.9	0.6	10.6	8.9	13.5	NA	NA	18.8	NA	NA	2.4	NA	NA	NA	-0.6	-3.9	0.4
GOURMET KINEYA CO LTD	9850	1,002	23.0	1.5	-8.2	11.2	-1.7	NA	NA	NA	NA	NA	2.5	NA	NA	NA	-1.2	-1.5	4.4
GINZA RENOIR CO LTD	9853	818	5.1	0.1	-13.2	-36.3	-16.3	NA	NA	NA	NA	NA	1.4	NA	NA	NA	0.2	-1.7	0.0
YOSHINOYA HOLDINGS CO LTD	9861	2,386	155.4	0.2	-9.8	14.0	18.5	6.3	4.8	19.0	59.5	57.9	3.2	15.7	1.0	0.6	0.8	-2.3	15.3
KFC HOLDINGS JAPAN LTD	9873	2,883	64.6	-0.8	9.9	8.0	16.7	NA	NA	15.7	NA	NA	2.5	NA	NA	NA	1.4	-1.6	-1.4
MATSUYAFOODS HOLDINGS CO LTD	9887	3,750	71.5	0.3	-4.5	-0.8	5.0	NA	NA	34.3	NA	NA	1.7	NA	NA	NA	-0.8	2.5	6.4
SAGAMI HOLDINGS CORP	9900	1,098	33.3	-0.2	-4.1	-6.2	1.5	NA	NA	405.2	NA	NA	2.2	NA	NA	NA	-4.8	-9.4	5.7
OHSO FOOD SERVICE CORP (TP 7,200 Buy)	9936	6,080	141.6	-0.2	0.9	11.0	14.8	14.7	7.9	14.1	13.5	21.1	2.0	14.2	1.5	1.7	0.3	1.3	6.9
JOYFULL CO LTD	9942	783	25.0	4.9	-17.5	-6.8	72.4	NA	NA	9.1	NA	NA	4.8	NA	NA	NA	0.3	-4.2	10.7
DAISOY CORP	9979	1,031	21.9	0.9	-10.9	12.3	-7.3	NA	NA	NA	NA	NA	1.9	NA	NA	NA	-3.9	-1.2	4.1
Average				0.8	0.5	3.5	6.7	12.1	11.0	44.8	43.4	35.3	3.7	33.4	1.4	1.0	-1.0	-3.6	-1.0
Median				0.3	0.1	6.9	8.5	13.1	8.9	28.2	29.6	28.7	2.9	11.9	1.3	0.8	0.2	-2.3	-1.4

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)

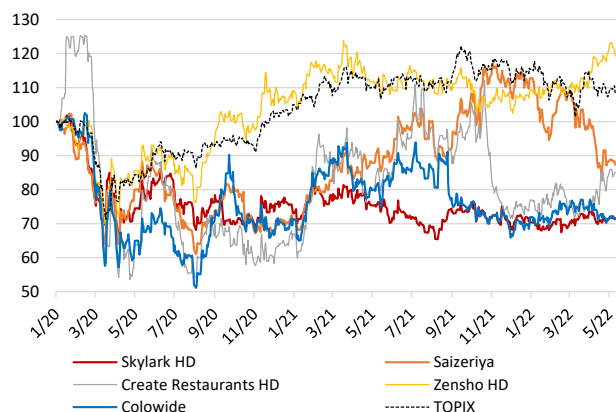


Figure: Stock price trends (Chinese restaurants)

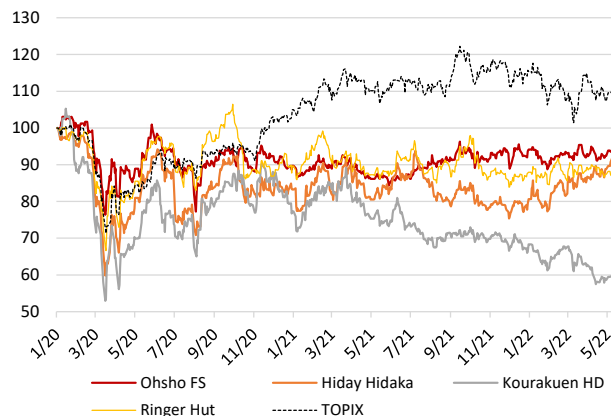


Figure: Stock price trends (Japanese BBQ)

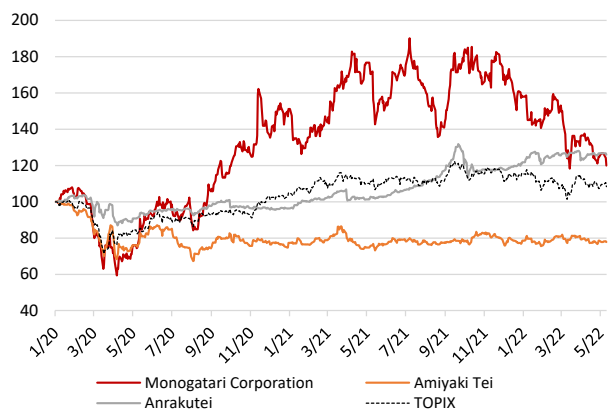


Figure: Stock price trends (Japanese style pubs)

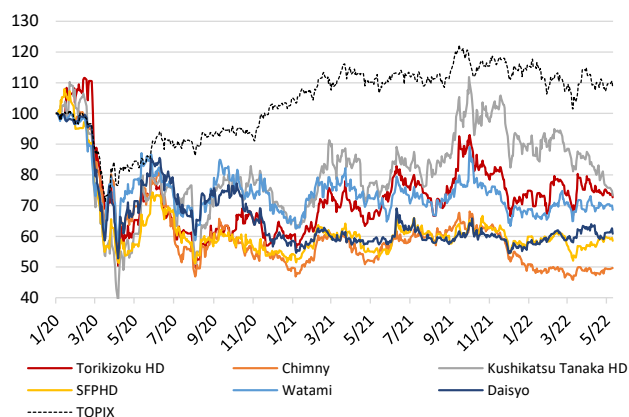


Figure: Stock price trends (sushi restaurants)

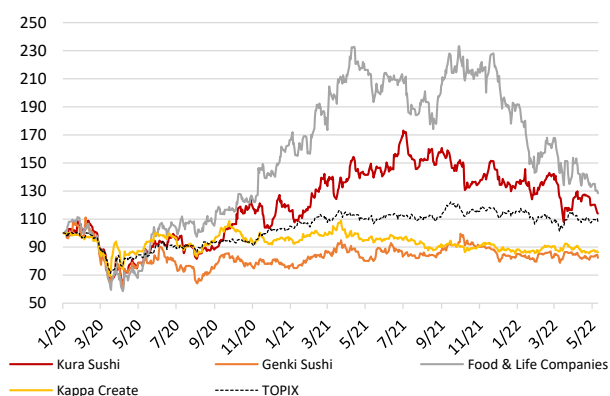
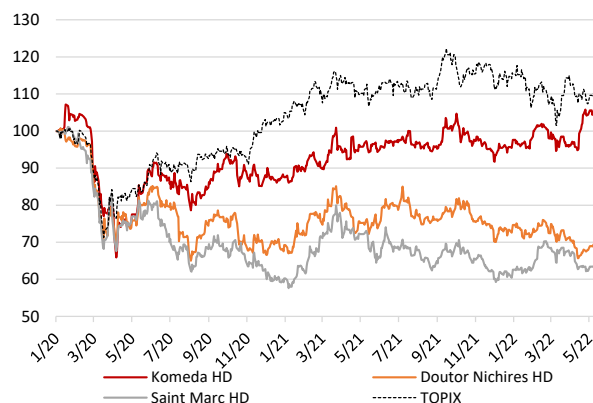


Figure: Stock price trends (coffee shops)



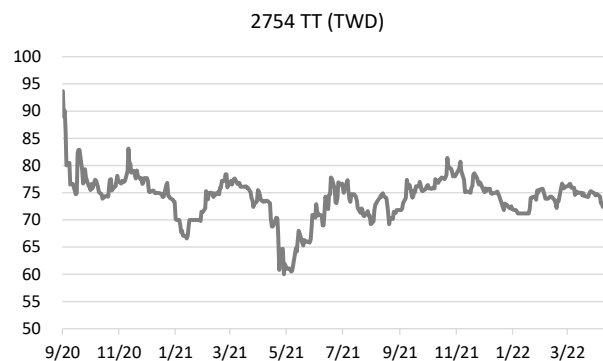
Stock price trends for overseas subsidiaries

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.

Buy: 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 more.

Hold: 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 between -15% and +15%.

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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