

YOSHINOYA HOLDINGS
CORPORATE PROFILE
2017



TOP MESSAGE

We strive to achieve our management philosophy through the creation of a new business model.

Yasutaka Kawamura
President



Keywords for achieving our long-term vision “From competition to co-creation”

The Yoshinoya Holdings Group is striving to create new value for the future under our long-term vision “NEW BEGINNINGS 2025.” This is to create a new business model that will lead to re-defining the restaurant industry, eyeing 10 years after the establishment of the vision, in order to overcome changes in the business environment and achieve our management philosophy, “For the People.” Our main theme for creating value is “From competition to co-creation,” and to achieve this, we keep in mind not to unilaterally impose our values, but to join hands with our customers and to utilize the Group’s diversity and external know-how.

How will this business model which will help re-define the restaurant industry materialize, and what kind of value would it bring in the future? After relentless searching, the answer we have come up with lies in the three elements of “People, Health and Technology.”

“People, Health and Technology” provides us the ideal

direction for change in line with our long-term vision, and prioritizes growth and development alongside all our stakeholders, including customers, shareholders, trading partners, employees, and regional companies. By harnessing these three elements which will become important in future society, we shall differentiate ourselves from competitors both in the same and different industries, while also accumulating outside expertise and know-how crucial to creating a new business model, widely calling for co-creation.

Tackling “People, Health and Technology” In our medium-term management plan

“NEW BEGINNINGS 2025” divides the 10 years up until 2025 into three stages: “Experiment (first stage),” “Expansion (second stage),” and “Harvesting (third stage).” The medium-term plans in each of the three stages advances our new business model, step by step.

We are currently in the first stage, a 3-year medium-term management plan starting from fiscal 2016. Our motto for this

Long-term vision of
Yoshinoya Holdings

NEW-BEGINNINGS
2025 From COMPETITION to CO-CREATION

Three joint creations to achieve vision goals

- 1 Jointly create values with customers instead of unilaterally attempting to create them
- 2 Jointly create new business models and services by leveraging connections beyond boundaries between divisions, business corporations and national borders
- 3 Jointly create new values going beyond hedges between industries and businesses

For the People

Companies only exist to serve the needs of society and to contribute to the greater happiness of mankind.

The Yoshinoya Holdings Group is an enterprise that spans national and regional borders, treating people from every nation as its customers. Our customers and employees share the same human spirit and come from every part of society.

We serve people, we value people, and we want to be a valued part of people's lives.

We strive to provide our customers with products that deliver excellent value for money.

We endeavor to foster a spirit of enthusiasm and fulfillment in our employees.

We aspire to operate in harmony with society and to protect the global environment.

Our slogan "For the People" sums up these aspirations of the Yoshinoya Holdings Group.

For the people...

plan is "TRY FIRST, THINK NEXT," promoting the idea of taking up challenges without fear of failure, and initializing many "People, Health and Technology" oriented initiatives. We work to connect challenges with the results of co-creation by trying to provide new value of "food culture" to customers and the whole of society, as well as by strengthening relationships with employees and trading partners, and creating structures to grow together.

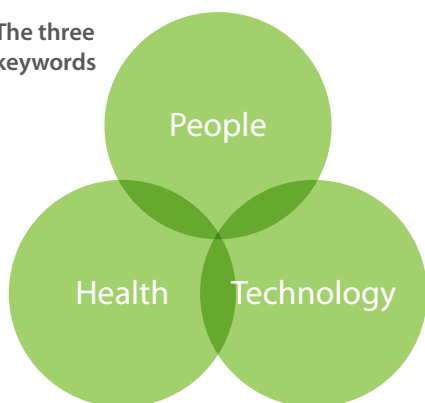
Along with these "experiments," we set out to raise the profitability of our existing business through the medium-term management plan. Our policy is to introduce new menus and new marketing methods, improve shop operations, as well as focus on providing value that leads to increased profit margins on sales. At the same time, we are increasing the number of stores in Japan while accelerating the establishment of stores overseas focusing on Asia, aiming to maintain growth and expand our business scale.

To be a business that engages people

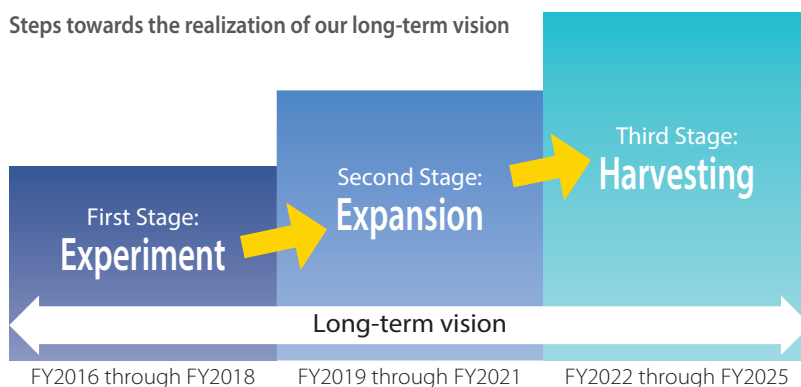
With the rapid evolution of robot and AI technology in recent years, a world in which many types of work and services are replaced by such technologies is becoming a reality. Even in the restaurant industry, a business that provides the same value regardless of who does it will sooner or later depend on robots and AI, and we believe this nullifies the essence of a business which involves people. With this in mind, and eyeing 10 years into the future, our group management philosophy, "For the People," takes on that much more weight.

Our goal of "re-definition of the restaurant industry" cannot be achieved without reinvigorating people through the provision of food, walking alongside our customers, and jointly creating value with all our stakeholders. To realize this, each and every one of the Group's employees has to act on their own initiative. We hope that our shareholders will lend us their support as we take up these challenges, and look forward to our future development.

The three keywords



Steps towards the realization of our long-term vision





Path to Growth

The value we deliver through our particular focus on taste since our founding, as well as Yoshinoya's evolution, is well-received by people across borders and generations. We plan to make further progress toward future, spreading Japan's food culture to the world.

Yoshinoya Holdings

Establishment
1899

"Yoshinoya" founded in Nihonbashi ①



1958 Establishment of YOSHINOYA CO., LTD. (currently Yoshinoya Holdings)

1980 YOSHINOYA CO., LTD. files for corporate reorganization, and begins corporate reorganization proceedings

1987 Completion of corporate reorganization proceedings ②



1990 Approval of stock for over-the-counter trading

Yoshinoya



1926 Yoshinoya moves to Tsukiji to coincide with the relocation of the fish market from Nihonbashi to Tsukiji ④

1968 Shop opening in Shinbashi, aiming to become a domestic chain ⑤

1991 Launch of "Tokumori" beef bowl ⑥

1996 Establishment of 500th store



Hanamaru

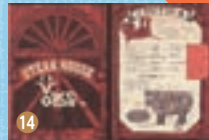


Establishment
1970

Opening of first Volks ⑩

1990 Opening of first Shabu Shabu Don-tei

Arcmeal



The Volks menu, soon after establishment

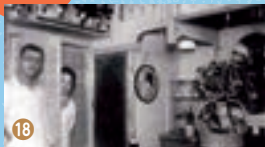
1976 Opening of first Steak-no-Don ⑮



Kyotaru

Establishment
1932

Started as a Japanese cuisine restaurant in Kyoto ⑮



1951 Invention of the "chakinzushi," sushi wrapped in thin omelette ⑲



1970 Participation in Osaka Expo '70

1984 Listing on the First Section of the Tokyo Stock Exchange

1997 KYOTARU CO., LTD. files for corporate reorganization proceedings

Opening of conveyor belt sushi shop "Kaisen Misakiko" in Meguro ⑳



Overseas

1975 Opening of the first Yoshinoya in Denver ㉓



1979 Opening of the first Yoshinoya in Los Angeles

1988 Opening of the first Yoshinoya in Taiwan ㉔



1991 Commencement of development of the Yoshinoya franchise in Asia (Opening of the first Yoshinoya in Hong Kong)

We are a conglomeration of diverse talents.

2000 Listing on the First Section of the Tokyo Stock Exchange³ **2007** Establishment of YOSHINOYA HOLDINGS CO., LTD.



2004 Prohibition of beef imports from the U.S.; cancellation of beef bowl sales

2006 Ban on beef imports lifted; subsequent return of beef bowl sales⁷



Establishment 2000 Opening of first Hanamaru in Takamatsu¹⁰

2004 Operation of largest domestic plant in Shizuoka¹¹

2011 Opening of first Volks in Taiwan¹⁶



2001 Opening of standing sushi shop "Sushi Misakimaru" in Koiwa

2002 Completion of corporate reorganization proceedings

2005 Listing on JASDAQ

2011 Delisting

2002 Opening of first Yoshinoya in Shanghai²⁵



2004 Opening of first Yoshinoya in Shenzhen

2008 Opening of first Yoshinoya in Fujian

2013 Sale of beef sukiyaki set⁸

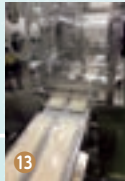


2015 Sale of barley rice set with grated yam and beef⁹



2013 Introduction of Hanamaru's dietary fiber noodles into all shops¹²

2016 Reform and automation of the noodle production line of the Chiba plant¹³

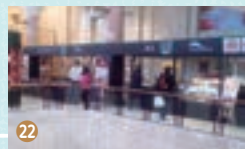


2015 Opening of first Don-tei in Taiwan¹⁷



2015 Exhibition at the Expo 2015 Milan²¹

2016 Opening of take-away shop in Dalian; commencement of development in Asia²²



2010 Exhibition of Yoshinoya and Hanamaru at the Expo Shanghai 2010²⁶



2014 Opening of first Yoshinoya in Qingdao; opening of first Yoshinoya and Hanamaru Udon in Wuhan

2015 Opening of first Yoshinoya and Hanamaru Udon in Malaysia²⁷



Chain operation

We develop multiple branches while utilizing knowhow from all Group companies

Japanese cuisine

We spread the taste of Japanese cuisine to the world through convenient ways

Toward a global group brimming with hospitality

Delivering Japanese food culture, we hope to spread happiness among people around the world!

Localization

Our employees are not only from Japan, but are also from local regions

Overseas Expansion

Our stores are being opened all over the world, from Japan to America, East Asia, and South-East Asia, and we are continuing to grow in scale. We strive to deliver the taste of Japan and its services to more and more people through promoting market strategies that meet local needs.

Number of stores in and outside Japan, by brand (As of February 28, 2017)

Yoshinoya	1,910 stores (year-on-year +66)
Hanamaru	462 stores (year-on-year +53)
Arcmeal	184 stores (year-on-year -2)
Kyotaru	329 stores (year-on-year +14)
Others	189 stores (year-on-year +20)

Total
3,074 stores
(year-on-year +151)

Number of stores in Japan

Yoshinoya	1,207 stores
Hanamaru	432 stores
Arcmeal	181 stores
Kyotaru	328 stores
Others	184 stores

Wuhan

Yoshinoya	9 stores
Hanamaru	3 stores

Shenzhen

Yoshinoya	28 stores
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Thailand

Yoshinoya	15 stores
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Malaysia

Yoshinoya	9 stores
Hanamaru	9 stores

Singapore

Yoshinoya	12 stores
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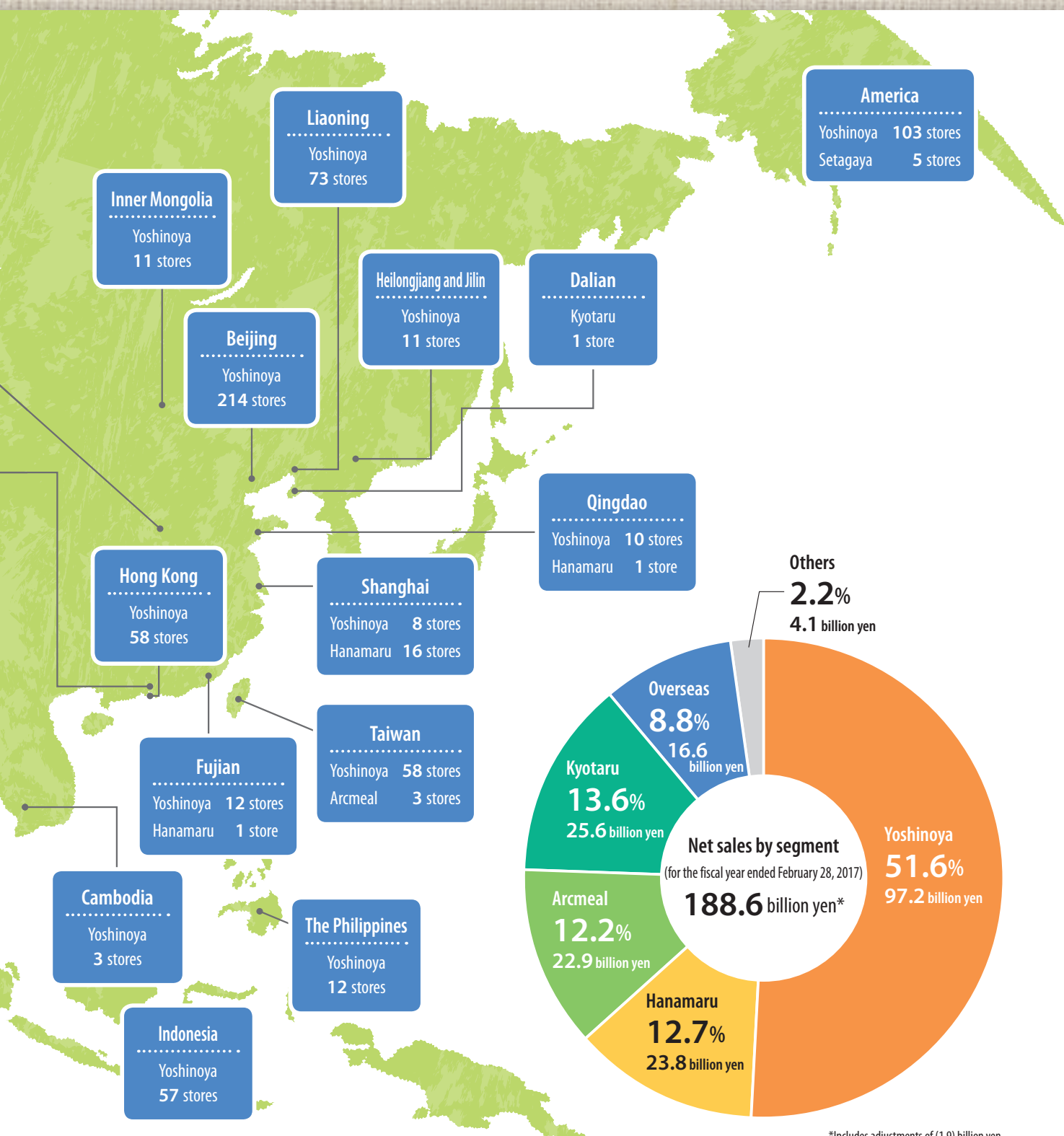
Company Profile

Company Name	YOSHINOYA HOLDINGS CO., LTD.
Established	December 27, 1958
Paid-in Capital	10,265,480,000 yen
President	Yasutaka Kawamura
Head Office	18F Rivergate, 36-2 Nihonbashihakozakicho, Chuo-ku, Tokyo, 103-0015, Japan
TEL	+81-3-5651-8800 (main)
URL	http://www.yoshinoya-holdings.com/
Stock Listing	Tokyo Stock Exchange First Section (Securities Code: 9861)

Number of Employees

Yoshinoya	1,380 (Male: 1,195; female: 185)
Hanamaru	418 (Male: 329; female: 89)
Arcmeal	399 (Male: 350; female: 49)
Kyotaru	518 (Male: 457; female: 61)
Overseas	1,068 (Male: 586; female: 482)
Others	468 (Male: 388; female: 80)

Introducing



**“convenient Japanese cuisine”
to the world.**



Group Companies (As of February 28, 2017)

The Yoshinoya Holdings Group is made up of diverse restaurant companies with their own unique cultures. Polishing our brand value which utilizes the originality of the various Group companies, we demonstrate a combined strength like no other by leveraging Group synergy.

Yoshinoya

Taking up the challenge of providing new value, with a continuing focus on “tastiness”



Main Operating Company
YOSHINOYA CO., LTD.

Yoshinoya, with its branches all over Japan, is a restaurant chain that provides Japanese fast food, as represented by its famous beef bowl. We shall continue our unending pursuit in improving customer satisfaction, such as increasing service value, not to mention focusing on our food’s “tastiness.”



Hanamaru

Serving healthy, authentic Sanuki udon that pampers the taste buds



Main Operating Company
Hanamaru, Inc.

Since April 1, 2013, all noodles used in Hanamaru dishes have been “Hanamaru’s dietary fiber noodles,” one serving of which is equivalent to one whole lettuce in dietary fiber. After 5 years of development, we have kept the taste of authentic Sanuki udon, while evolving it into a healthier choice for customers.



“Rich salad udon,” a dish for the beauty and health conscious

Arcmeal

A restaurant chain serving meat dishes, focusing on "hospitality"



Main Operating Company
ARCMEAL Co., Ltd.



Family steakhouse "Steak-no-Don"



Arcmeal is currently expanding business in the Northern Kanto region with its 3 main brands: steak restaurants "Steak-no-Don" and "Volks," and shabu shabu and sukiyaki restaurant "Don-tei."



Shabu shabu and sukiyaki restaurant "Don-tei"



Authentic steakhouse "Volks"



Kyotaru

Providing sushi that fulfills diverse needs with all our hearts



Main Operating Company
KYOTARU CO., LTD.

Kyotaru manages online stores in its external sales business, aside from the Kamigata sushi shop "Kyotaru" and conveyor belt sushi shop "Kaisen Misakiko."



Conveyor belt sushi shop "Kaisen Misakiko," which is expanding primarily in the metropolitan area



Take-out sushi shop "Kyotaru," specializing in Kamigata and Edomae sushi.



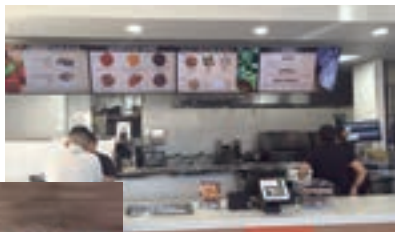
Overseas

Business development taking root in 18 areas over the world



Main Operating Companies
YOSHINOYA AMERICA, INC.
ASIA YOSHINOYA INTERNATIONAL SDN. BHD.
YOSHINOYA China Holdings Co., Ltd.

We have established overseas stores that match the needs of their respective regions.



YOSHINOYA AMERICA, INC. is popular in its area due to the refurbishing of the shop's front into a format that matches the needs of American customers.



ASIA YOSHINOYA INTERNATIONAL SDN. BHD. manages the Asian region. In 2016, the directly-managed Singapore branch was refurbished into a self-service style restaurant.



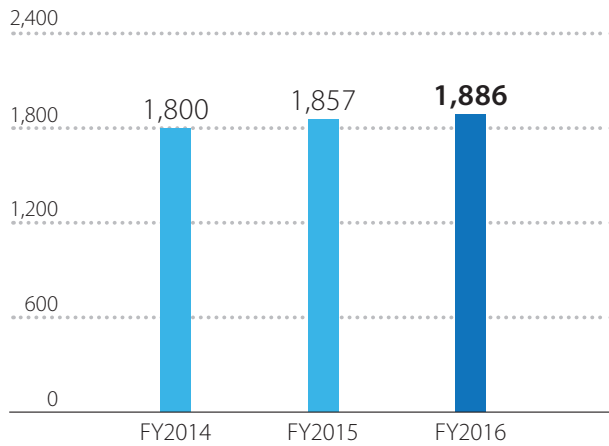
YOSHINOYA China Holdings Co., Ltd. manages stores in China, and is developing "Hanamaru Udon" mainly in Shanghai.

Hanamaru overseas (Malaysian) specialty dish, "Chicken soup udon"

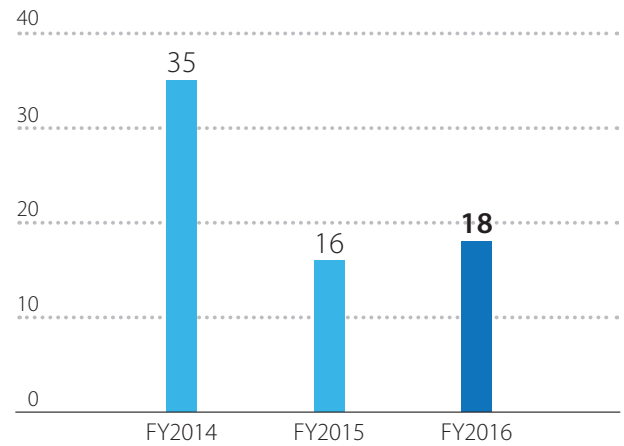


Financial highlights

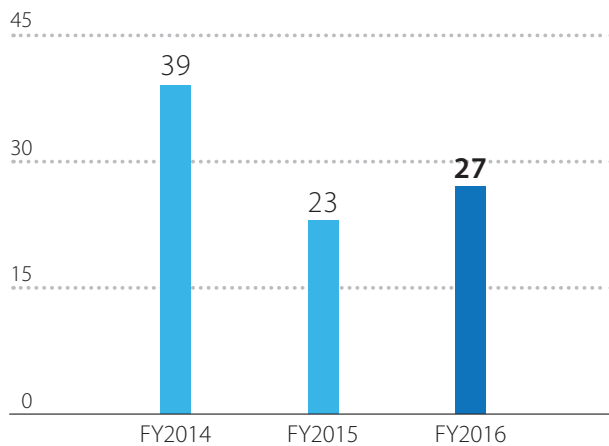
Net sales (100 million yen)



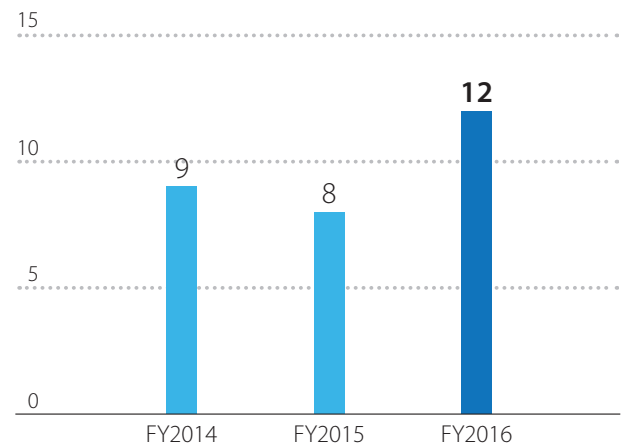
Operating income (100 million yen)



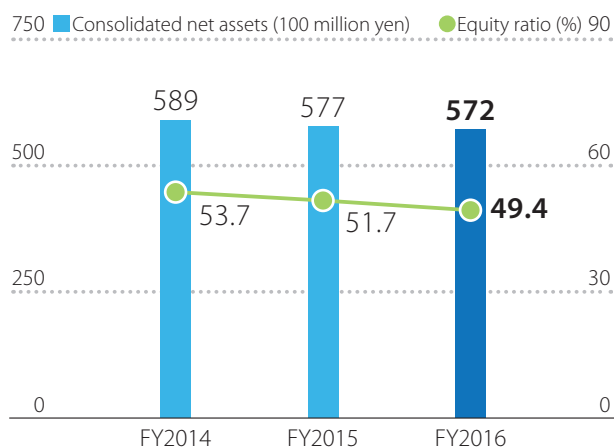
Ordinary income (100 million yen)



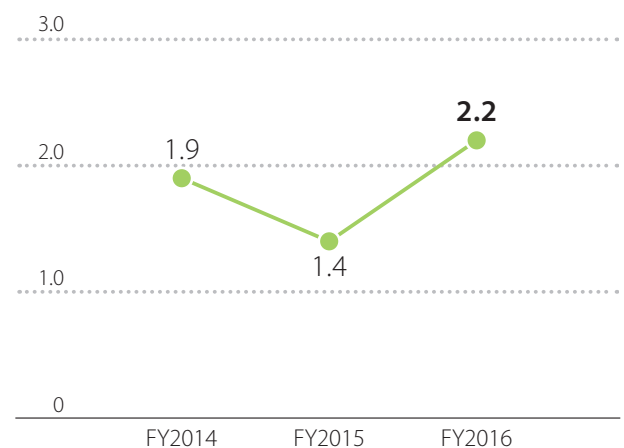
Net income attributable to owners of the parent (100 million yen)



Consolidated net assets and equity ratio



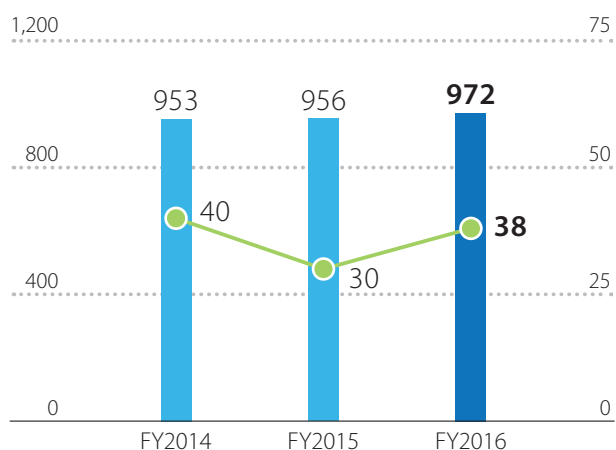
ROE (return on equity) (%)



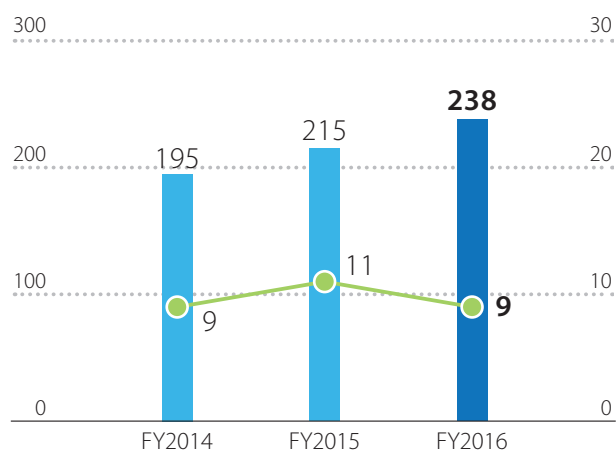
Information by segment

Left axis: ■ Net sales (100 million yen) Right axis: ● Segment income (100 million yen)

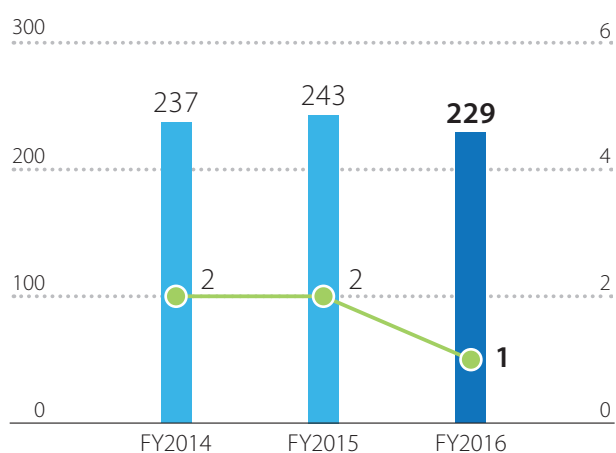
Yoshinoya



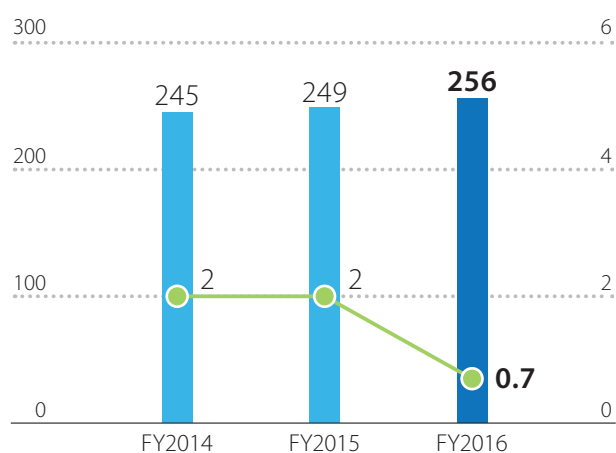
Hanamaru



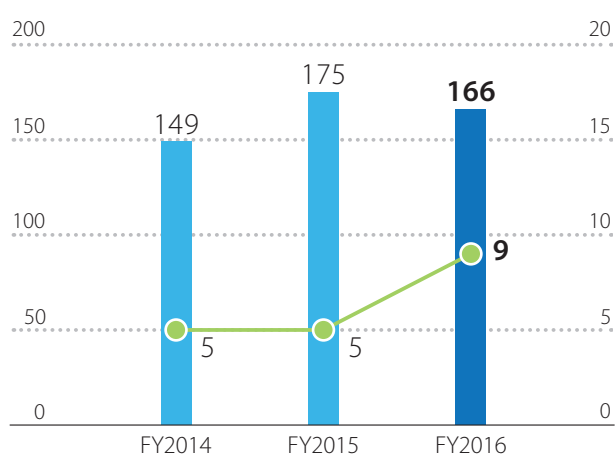
Arcmeal



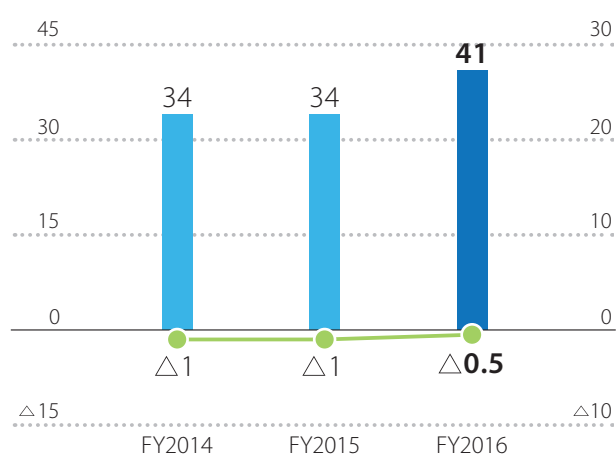
Kyotaru



Overseas



Other



YOSHINOYA HOLDINGS

<http://www.yoshinoya-holdings.com>

