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On **July 28, 2020**, Yoshinoya Holdings Co., Ltd. announced earnings results for Q1 FY02/21.

Cumulative (JPYmn)	FY02/19				FY02/20				FY02/21 Q1	FY02/21		FY02/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		% of Est.	1H Est.	% of Est.	FY Est.
Sales	49,794	100,339	150,016	202,385	52,799	107,066	159,876	216,201	39,681	47.9%	82,900	23.0%	172,300
YoY	2.7%	2.7%	2.4%	2.0%	6.0%	6.7%	6.6%	6.8%	-24.8%		-22.6%		-20.3%
Gross profit	31,977	64,416	96,311	129,581	34,387	69,524	103,697	139,949	24,362				
YoY	1.0%	1.1%	1.1%	0.5%	7.5%	7.9%	7.7%	8.0%	-29.2%				
Gross profit margin	64.2%	64.2%	64.2%	64.0%	65.1%	64.9%	64.9%	64.7%	61.4%				
SG&A expenses	32,156	64,361	96,873	129,476	33,343	66,588	100,807	136,023	29,317				
YoY	4.1%	4.5%	4.5%	3.7%	3.7%	3.5%	4.1%	5.1%	-12.1%				
SG&A ratio	64.6%	64.1%	64.6%	64.0%	63.2%	62.2%	63.1%	62.9%	73.9%				
Operating profit	-178	55	-562	104	1,044	2,936	2,890	3,926	-4,955	-	-6,800	-	-8,700
YoY	-	-97.4%	-	-97.4%	-	5238.2%	-	3675.0%	-	-	-	-	-
Operating profit margin	-0.4%	0.1%	-0.4%	0.1%	2.0%	2.7%	1.8%	1.8%	-12.5%	-	-	-	-
Recurring profit	-44	332	-129	349	1,254	3,023	3,351	3,369	-4,278	-	-5,900	-	-7,800
YoY	-	-86.4%	-	-92.4%	-	810.5%	-	865.3%	-	-	-	-	-
Recurring profit margin	-0.1%	0.3%	-0.1%	0.2%	2.4%	2.8%	2.1%	1.6%	-10.8%	-	-	-	-
Net income	-388	-850	-1,558	-6,000	1,097	1,879	1,774	713	-4,087	-	-7,300	-	-9,000
YoY	-	-	-	-	-	-	-	-	-	-	-	-	-
Net margin	-0.8%	-0.8%	-	-	2.1%	1.8%	1.1%	0.3%	-10.3%	-	-	-	-
Quarterly (JPYmn)	FY02/19				FY02/20				FY02/21				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1				
Sales	49,794	50,545	49,677	52,369	52,799	54,267	52,810	56,325	39,681				
Yoshinoya	24,909	25,933	25,490	27,275	26,656	28,057	27,406	29,566	26,124				
Hanamaru	7,355	7,466	7,107	7,077	7,783	8,112	7,402	7,596	3,982				
Arcmeal	5,346	4,990	4,730	5,181	5,291	4,967	4,570	5,082	-				
Kyotaru	6,958	6,727	6,634	7,004	7,275	7,034	6,743	7,492	3,670				
Overseas	5,005	5,207	5,558	5,392	5,283	5,521	5,710	5,431	4,529				
YoY	2.7%	2.7%	1.9%	0.6%	6.0%	7.4%	6.3%	7.6%	-24.8%				
Yoshinoya	3.8%	5.5%	2.0%	-0.9%	7.0%	8.2%	7.5%	8.4%	-2.0%				
Hanamaru	9.8%	8.1%	4.9%	6.0%	5.8%	8.7%	4.2%	7.3%	-48.8%				
Arcmeal	-7.1%	-13.1%	-10.3%	-9.2%	-1.0%	-0.5%	-3.4%	-1.9%	-				
Kyotaru	2.2%	2.5%	3.9%	0.9%	4.6%	4.6%	1.6%	7.0%	-49.6%				
Overseas	8.4%	6.1%	7.0%	7.6%	5.6%	6.0%	2.7%	0.7%	-14.3%				
Gross profit	31,977	32,439	31,895	33,270	34,387	35,137	34,173	36,252	24,362				
YoY	1.0%	1.2%	1.0%	-1.0%	7.5%	8.3%	7.1%	9.0%	-29.2%				
Gross profit margin	64.2%	64.2%	64.2%	63.5%	65.1%	64.7%	64.7%	64.4%	61.4%				
SG&A expenses	32,156	32,205	32,512	32,603	33,343	33,245	34,219	35,216	29,317				
YoY	4.1%	5.0%	4.5%	1.3%	3.7%	3.2%	5.3%	8.0%	-12.1%				
SG&A ratio	64.6%	63.7%	65.4%	62.3%	63.2%	61.3%	64.8%	62.5%	73.9%				
Operating profit	-178	233	-617	666	1,044	1,892	-46	1,036	-4,955				
Yoshinoya	511	732	910	1,369	1,445	1,844	1,113	1,533	-367				
Hanamaru	392	377	-93	-52	517	691	78	-34	-1,581				
Arcmeal	-86	-257	-397	-101	-147	-92	-243	173	-				
Kyotaru	206	-16	-57	29	283	48	-79	205	-1,330				
Overseas	114	200	272	220	284	255	332	101	-175				
YoY	-	-83.2%	-	-53.3%	-	712.0%	-	55.6%	-				
Yoshinoya	-44.2%	-30.3%	-24.4%	-27.8%	182.8%	151.9%	22.3%	12.0%	-				
Hanamaru	-15.5%	-31.6%	-	-	31.9%	83.3%	-	-	-				
Arcmeal	-	-	-	-	-	-	-	-	-				
Kyotaru	-15.6%	-	-	-81.6%	37.4%	-	-	606.9%	-				
Overseas	-63.7%	-44.1%	-34.6%	41.9%	149.1%	27.5%	22.1%	-54.1%	-				
Operating profit margin	-0.4%	0.5%	-1.2%	1.3%	2.0%	3.5%	-0.1%	1.8%	-12.5%				
Yoshinoya	2.1%	2.8%	3.6%	5.0%	5.4%	6.6%	4.1%	5.2%	-1.4%				
Hanamaru	5.3%	5.0%	-1.3%	-0.7%	6.6%	8.5%	1.1%	-0.4%	-39.7%				
Arcmeal	-1.6%	-5.2%	-8.4%	-1.9%	-2.8%	-1.9%	-5.3%	3.4%	-				
Kyotaru	3.0%	-0.2%	-0.9%	0.4%	3.9%	0.7%	-1.2%	2.7%	-36.2%				
Overseas	2.3%	3.8%	4.9%	4.1%	5.4%	4.6%	5.8%	1.9%	-3.9%				
Recurring profit	-44	376	-461	478	1,254	1,769	328	18	-4,278				
YoY	-	-76.7%	-	-70.3%	-	370.5%	-	-96.2%	-				
Recurring profit margin	-0.1%	0.7%	-	0.9%	2.4%	3.3%	0.6%	0.0%	-10.8%				
Net income	-388	-462	-708	-4,442	1,097	782	-105	-1,061	-4,087				
YoY	-	-	-	-	-	-	-	-	-				
Net margin	-0.8%	-	-	-	2.1%	1.4%	-	-	-10.3%				

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

## Yoshinoya monthly data

(YoY)		FY02/11	FY02/12	FY02/13	FY02/14	FY02/15	FY02/16	FY02/17	FY02/18	FY02/19	FY02/20	FY02/21	FY02/22	FY02/23
Comparable stores	Sales	-6.8%	-4.9%	-2.3%	7.3%	1.2%	0.8%	0.1%	1.4%	0.8%	6.7%			
	Customer count	1.0%	-3.9%	-6.8%	13.4%	-6.4%	-11.5%	1.7%	0.2%	-0.2%	2.0%			
	Customer spend	-7.2%	-1.1%	4.8%	-5.3%	8.2%	13.9%	-1.6%	1.3%	1.1%	4.6%			
All stores	Sales	-3.8%	-3.3%	1.7%	11.2%	5.3%	3.9%	3.8%	4.8%	3.7%	9.4%			
	Customer count	3.9%	-2.4%	-3.1%	17.4%	-2.6%	-9.0%	5.3%	3.5%	3.0%	4.8%			
	Customer spend	-7.0%	-0.9%	4.9%	-5.3%	8.2%	14.2%	-1.5%	1.3%	0.7%	4.4%			

FY02/21		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	FY
Comparable stores	Sales	-1.8%	-4.0%	-7.3%	-12.3%									-6.3%
	Customer count	0.1%	-1.0%	-9.2%	-18.9%									-7.3%
	Customer spend	-2.0%	-3.0%	2.1%	8.1%									1.0%
All stores	Sales	0.0%	-2.4%	-6.0%	-11.0%									-4.8%
	Customer count	2.1%	0.6%	-7.9%	-17.7%									-5.8%
	Customer spend	-2.0%	-3.0%	2.1%	8.1%									1.0%

FY02/20		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	FY
Comparable stores	Sales	8.1%	4.8%	5.2%	7.1%	2.6%	13.9%	4.6%	8.2%	7.3%	11.3%	9.5%	-2.1%	6.7%
	Customer count	2.3%	-0.9%	-0.6%	5.4%	-0.7%	10.3%	0.2%	4.0%	4.7%	10.8%	6.2%	-14.5%	2.0%
	Customer spend	5.6%	5.8%	5.8%	1.6%	3.4%	3.2%	4.3%	4.1%	2.5%	0.4%	3.1%	14.5%	4.6%
All stores	Sales	11.0%	7.8%	8.1%	10.6%	5.8%	17.3%	7.3%	10.4%	9.9%	13.6%	11.7%	0.1%	9.4%
	Customer count	5.6%	2.4%	2.6%	8.9%	2.3%	13.6%	2.8%	6.1%	7.3%	13.1%	8.4%	-12.6%	4.8%
	Customer spend	5.1%	5.3%	5.4%	1.6%	3.4%	3.2%	4.3%	4.1%	2.5%	0.4%	3.1%	14.5%	4.4%

FY02/19		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	FY
Comparable stores	Sales	3.3%	7.0%	2.1%	6.3%	3.3%	2.1%	4.7%	-0.7%	-3.0%	-1.2%	-3.3%	-7.4%	0.8%
	Customer count	3.6%	4.4%	2.9%	7.5%	2.9%	3.7%	3.0%	-0.8%	-5.4%	-2.9%	-4.5%	-10.0%	-0.2%
	Customer spend	-0.3%	2.5%	-0.8%	-1.2%	0.4%	0.3%	1.6%	0.1%	2.5%	1.8%	1.3%	3.0%	1.1%
All stores	Sales	6.6%	10.4%	5.3%	8.9%	6.3%	4.8%	7.5%	2.6%	-0.4%	1.5%	-0.8%	-4.7%	3.7%
	Customer count	7.3%	8.1%	6.6%	10.7%	6.3%	4.4%	6.2%	2.8%	-2.4%	0.1%	-1.6%	-7.1%	3.0%
	Customer spend	-0.7%	2.1%	-1.2%	-1.6%	0.0%	0.4%	1.3%	-0.3%	2.1%	1.4%	0.8%	2.6%	0.7%

FY02/18		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	FY
Comparable stores	Sales	1.1%	-8.4%	0.6%	-5.5%	-1.2%	0.2%	1.6%	-15.1%	5.7%	4.5%	6.3%	36.3%	1.4%
	Customer count	0.4%	-12.2%	-0.7%	-7.1%	-2.5%	-0.9%	0.9%	-21.6%	3.1%	2.3%	5.1%	54.0%	0.2%
	Customer spend	0.8%	4.4%	3.5%	1.7%	1.3%	1.1%	0.8%	8.2%	2.6%	2.1%	1.2%	-11.5%	1.3%
All stores	Sales	4.6%	-5.6%	3.6%	-2.1%	1.9%	3.3%	4.5%	-12.6%	8.3%	7.1%	9.3%	39.6%	4.8%
	Customer count	4.2%	-9.3%	0.4%	-3.6%	0.9%	2.6%	4.0%	-19.0%	6.0%	5.3%	8.5%	58.3%	3.5%
	Customer spend	0.4%	4.1%	3.2%	1.5%	1.0%	0.7%	0.4%	7.9%	2.2%	1.8%	0.8%	-11.8%	1.3%

FY02/17		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	FY
Comparable stores	Sales	-3.0%	6.7%	0.1%	4.7%	2.3%	-13.1%	-2.8%	15.1%	0.8%	-1.1%	-2.3%	-4.6%	0.1%
	Customer count	-4.6%	14.1%	3.2%	6.2%	3.5%	-12.2%	-1.3%	21.8%	0.9%	-1.6%	-2.8%	-5.9%	1.7%
	Customer spend	1.6%	-6.5%	-3.0%	-1.4%	-1.1%	-1.0%	-1.4%	-5.5%	-0.1%	0.5%	0.6%	1.5%	-1.6%
All stores	Sales	-0.2%	10.1%	3.6%	8.6%	5.8%	-10.0%	0.6%	19.2%	4.9%	2.7%	1.2%	-1.3%	3.8%
	Customer count	-1.8%	17.7%	6.7%	10.1%	7.0%	-9.3%	2.4%	26.5%	5.4%	2.5%	0.9%	-2.5%	5.3%
	Customer spend	1.6%	-6.4%	-2.9%	-1.4%	-1.2%	-0.8%	-1.8%	-5.8%	-0.5%	0.2%	0.2%	1.2%	-1.5%

Source: Shared Research, based on company data

## Q1 FY02/21 results

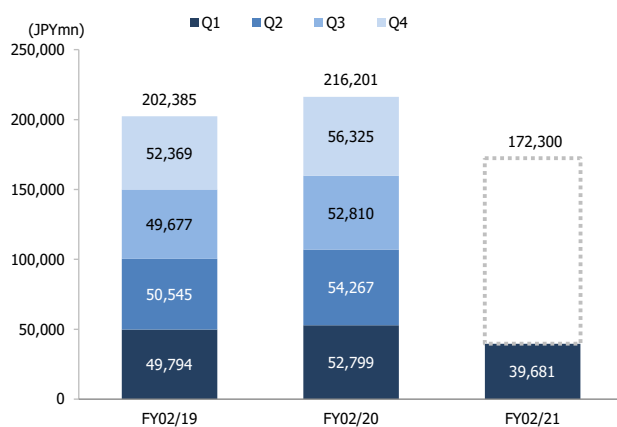
Consolidated results for Q1 FY02/21 (March 2020–May 2020)

- ▷ Sales: JPY39.7bn (-24.8% YoY)
- ▷ Gross profit: JPY24.4bn (-29.2% YoY)
- ▷ Operating loss: JPY5.0bn (versus profit of JPY1.0bn in Q1 FY02/20)
- ▷ Recurring loss: JPY4.3bn (versus profit of JPY1.3bn)
- ▷ Net loss\*: JPY4.1bn (versus net income of JPY1.1bn)

\*Net income/loss attributable to owners of the parent

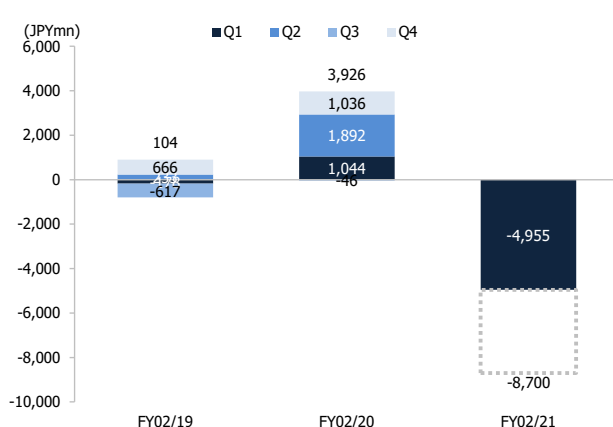
- ▷ Factors behind sales decline: The novel coronavirus outbreak had a significant impact on the company's business, which operates globally. In Japan, as a result of school closures, requests for temporary store closures by local governments, and the emergency declaration and extension, the company group companies shortened business hours and temporarily suspended operations at about 1,000 stores. Overseas, the company closed or shortened business hours at almost all of its stores in China after the Chinese New Year in February. In the US and ASEAN, the company shortened business hours and closed many stores in response to curfews starting in March. As a result, sales declined significantly in each segment due to shortened business hours and store closures as well as a substantial decline in in-store dining as a result of voluntary restraints from going out.
- ▷ Factors affecting profit: Despite implementing group-wide cost-cutting measures—such as reducing policy-related expenses and negotiating lower rents for temporarily closed stores—net income fell by JPY5.2bn YoY due to significant sales declines and JPY1.0bn in extraordinary losses, which included impairment losses related to store closures and decreased profitability of store assets as well as losses related to the novel coronavirus outbreak. In relation to the novel coronavirus outbreak, the company booked non-operating income of JPY639mn derived from the expected payment amount for employment adjustment subsidies. The company also posted extraordinary losses of JPY554mn due to the novel coronavirus outbreak as part of fixed costs incurred during store closures in accordance with governmental and administrative orders and guidelines.

Sales by quarter



Source: Shared Research based on company data

Operating profit by quarter



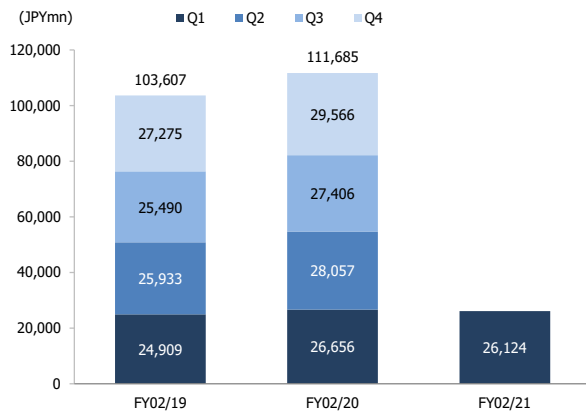
## Segment results for Q1 FY02/21

### Yoshinoya

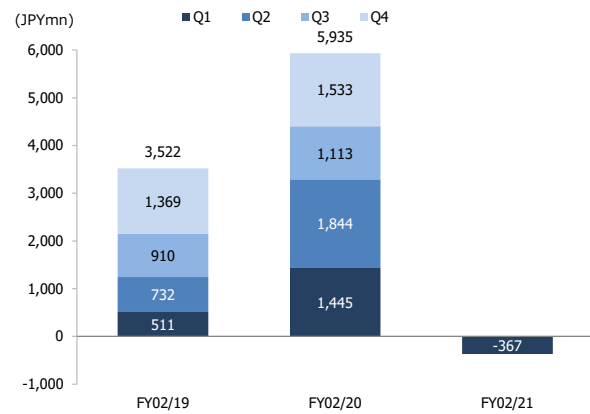
- ▷ Segment sales: JPY26.1bn (-2.0% YoY)
- ▷ Segment loss: JPY367mn (versus profit of JPY1.4bn in Q1 FY02/20)

- ▷ Segment sales were solid despite the effects of the novel coronavirus outbreak.
- ▷ Same store sales were down up 4.4% YoY. On a monthly basis, same store sales were down 1.8% YoY in March, 4.0% YoY in April, and 7.3% YoY in May. Customer traffic was up 0.1% YoY in March, down 1.0% YoY in April, and down 9.2% YoY in May. Average spending per customer was down 2.0% YoY in March, 3.0% YoY in April, and up 2.1% YoY in May. Customer traffic gradually decreased. The Yoshinoya segment had a total of 1,217 stores in operation at end-Q1 FY02/21, having opened seven new stores while closing four.
- ▷ Major initiatives during the period included the Children's Meal Support campaign in response to nationwide school closures from early March, which expanded to the Home Meal Support campaign following the government's requests to refrain from going out in late March. In April, the company carried out a 15% Off Beef Bowl Take-Out campaign and sold Take-Out Only Family Meal Sets in response to the emergency declaration and requests to refrain from going out. While flexibly implementing each initiative to support consumers during the pandemic as a part of the food infrastructure, the company responded swiftly to customer needs as they shifted from in-store dining to takeout. Further, to meet the growing demand for food delivery, the company aggressively expanded its home delivery service to 546 stores. On the menu front, in March the company introduced *Asagyu* Set (morning beef bowl set) to capture demand for breakfast, and in April it rolled out *Gyudaku Gyudon* (beef bowl with an extra serving of beef) in response to the needs of customers who wished to have more of Yoshinoya's beef and *Stamina Chomori Don*, the largest beef bowl ever put on menu since Yoshinoya's founding. As for sales initiatives, in May the company introduced *Pokemori* Set which was well received in FY02/20.

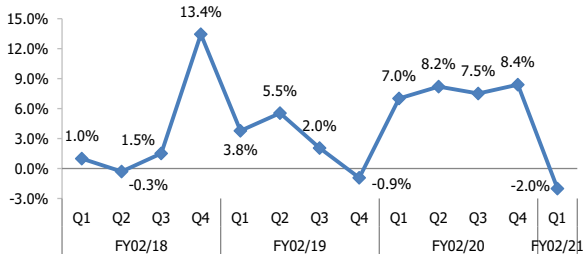
### Yoshinoya: Sales by quarter



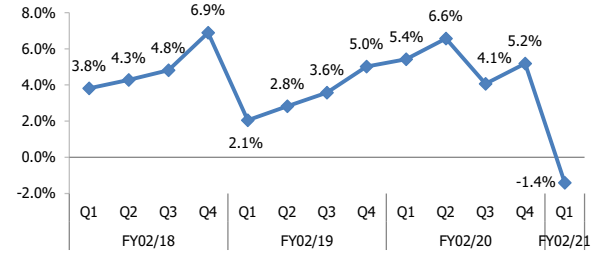
### Yoshinoya: Segment profit by quarter



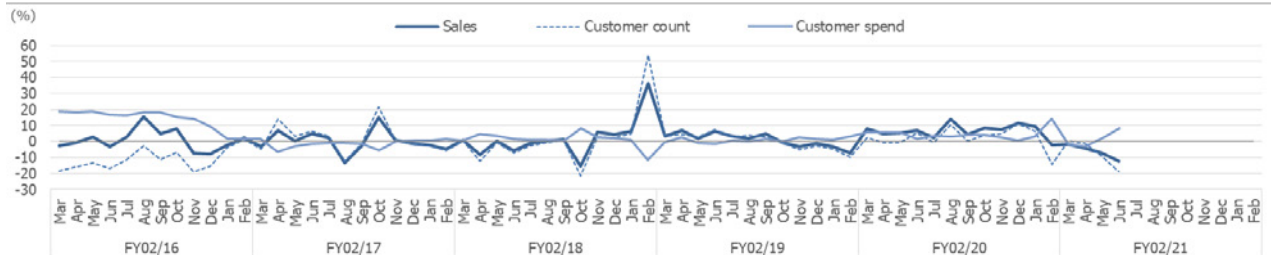
### Yoshinoya: Sales YoY



### Yoshinoya: Segment profit margin



### Yoshinoya: Existing store monthly sales



Source: Shared Research based on company data

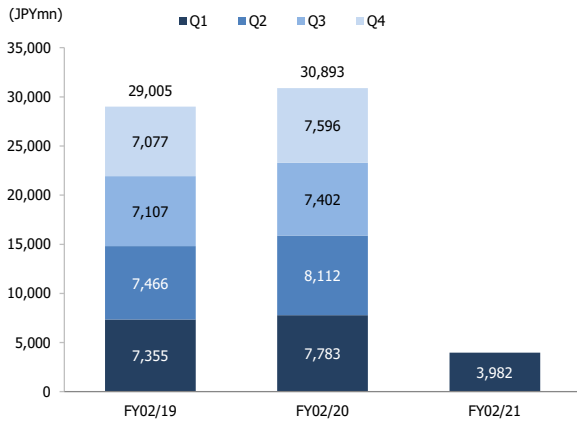
### Hanamaru

- ▷ Segment sales: JPY4.0bn (-48.8% YoY)
- ▷ Segment loss: JPY1.6bn (versus profit of JPY517mn in Q1 FY02/20)

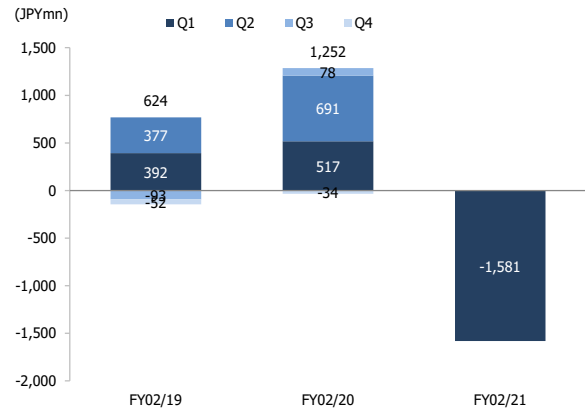
Sales declined due to large-scale closures and shortened business hours of stores inside commercial outlets as a result of the novel coronavirus outbreak. The Hanamaru segment had 525 stores in operation as of end-Q1 FY02/21, having opened seven new stores and closed four stores during the period.

Major initiatives during the period included product initiatives such as the Torotama Fair in March and a Takeout Only JPY500 (tax-included) Menu in April. For sales initiatives, the company sold its popular tempura season tickets. In addition to the expansion of takeout menus at stores that remained open and an increase in the number of stores offering takeout, the company extended tempura season ticket sales and revised the price of *Kake Udon* (udon noodles in a simple soup stock).

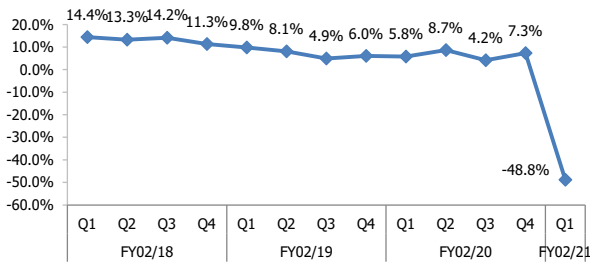
### Hanamaru: Sales by quarter



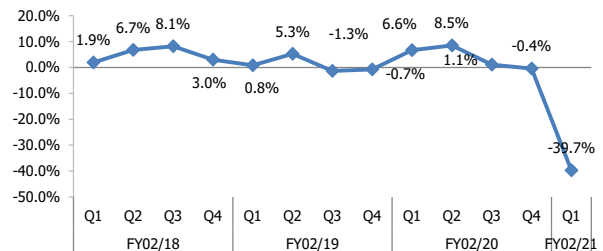
### Hanamaru: Segment profit by quarter



### Hanamaru: Sales YoY



### Hanamaru: Segment profit margin



Source: Shared Research based on company data

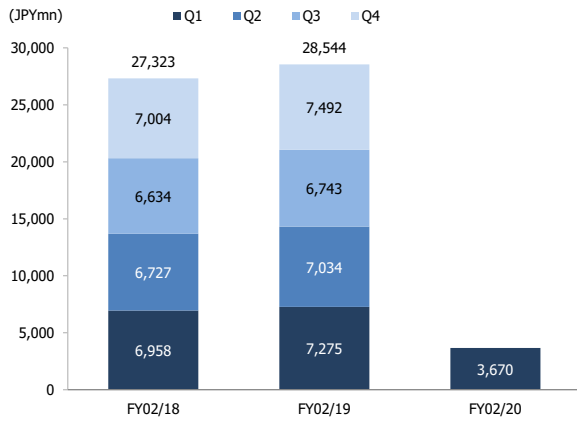
### Kyotaru

- ▷ Segment sales: JPY3.7bn (-49.6% YoY)
- ▷ Segment loss: JPY1.3bn (versus a profit of JPY283mn in Q1 FY02/20)

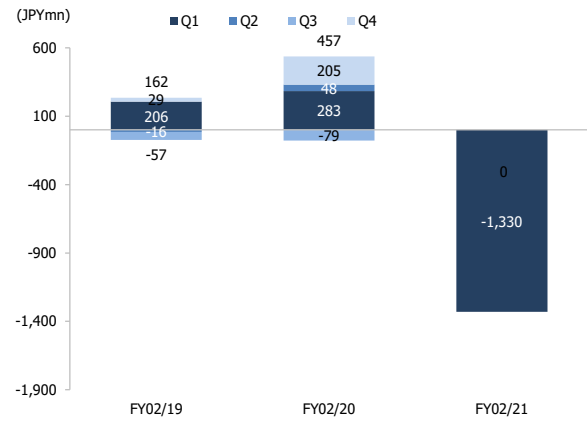
Sales declined due to large-scale closures and shortened business hours of stores as a result of the novel coronavirus outbreak. The Kyotaru segment had a total of 329 stores in operation at end-Q1 FY02/21, having opened five new stores and closed 11 during the period.

Major initiatives during the period included product initiatives that expanded the company's takeout product lineup such as the *Ouchi de Sushipa* (home sushi party set) across all restaurant formats, *Chokotto Sushi* aimed at kids for Kyotaru, and *Chirashizushi no Tane* for Kaisen Misakiko. Further, the company rolled out seasonal menus across all restaurant formats featuring seasonal ingredients particular to certain regions, such as *warayaki katsuo* (bonito roasted over a straw fire) from Shizuoka Prefecture. Sales initiatives included the 88th Anniversary Akafuji Sale, the popular Nakamaki Sale, and special day sales such as for *Hinamatsuri* (Girls' Day) in the takeout business, as well as the Bluefin Tuna Festival and the JPY99 Sale (for red plates usually priced at JPY110) in the restaurant business.

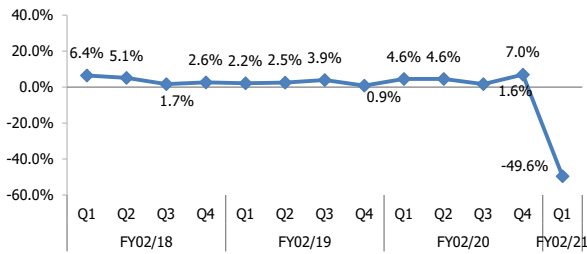
### Kyotaru: Sales by quarter



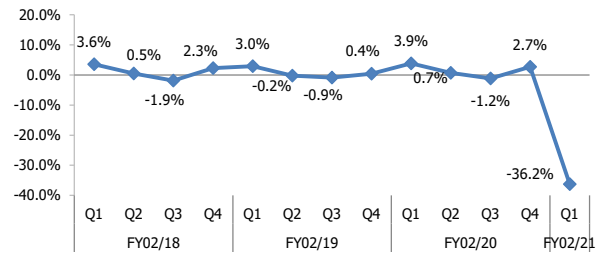
### Kyotaru: Segment profit by quarter



### Kyotaru: Sales YoY



### Kyotaru: Segment profit margin



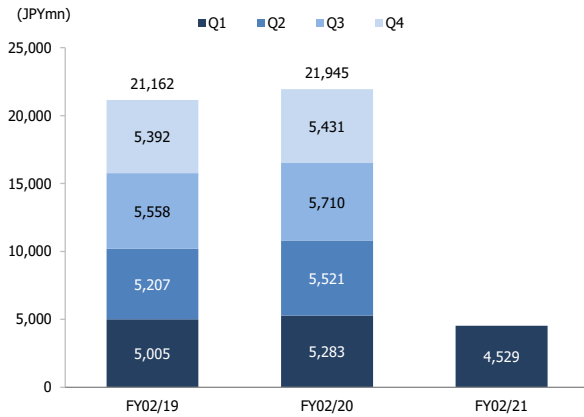
Source: Shared Research based on company data

### Overseas

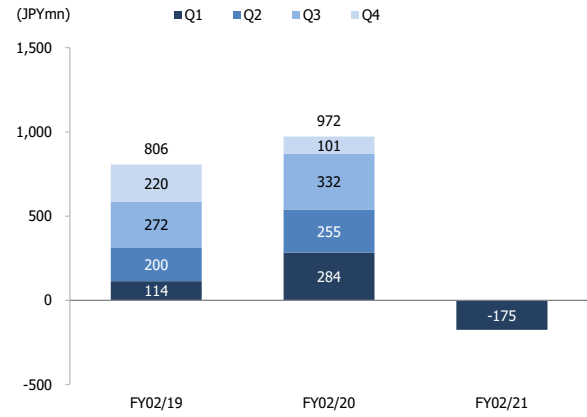
- ▷ Segment sales: JPY4.5bn (-14.3% YoY)
- ▷ Segment loss: JPY175mn (versus profit of JPY284mn in Q1 FY02/20)

Sales decline was attributed to store closures and shortened business hours due to curfews implemented in various areas as a result of the novel coronavirus outbreak. The total overseas store count at end-Q1 FY02/20 was 984, the company having opened 20 new stores while closing 30.

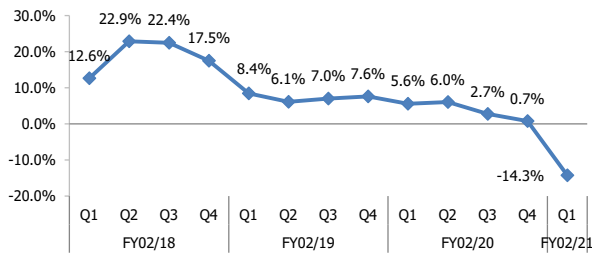
### Overseas: Sales by quarter



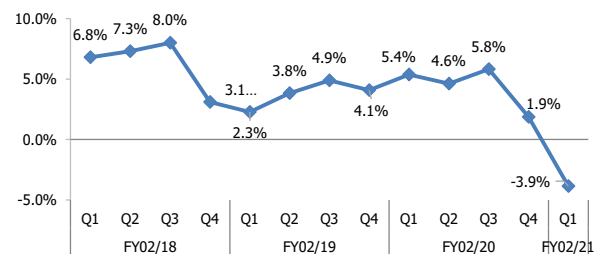
### Overseas: Segment profit by quarter



### Overseas: Sales YoY



### Overseas: Segment profit margin



Source: Shared Research based on company data

## Full-year company forecasts

### Results outlook

(JPYmn)	FY02/18			FY02/19			FY02/20			FY02/21		
	1H Act.	2H Act.	FY Act.	1H Act.	2H Act.	FY Act.	1H Act.	2H Act.	FY Act.	1H Est.	2H Est.	FY Est.
<b>Sales</b>	<b>97,689</b>	<b>100,814</b>	<b>198,503</b>	<b>100,339</b>	<b>102,046</b>	<b>202,385</b>	<b>107,066</b>	<b>109,135</b>	<b>216,201</b>	<b>82,900</b>	<b>89,400</b>	<b>172,300</b>
YoY	4.5%	6.0%	5.2%	2.7%	1.2%	2.0%	6.7%	6.9%	6.8%	-22.6%	-18.1%	-20.3%
Cost of sales	33,976	35,615	69,591	35,922	36,881	72,804	37,542	38,710	76,252			
<b>Gross profit</b>	<b>63,713</b>	<b>65,199</b>	<b>128,912</b>	<b>64,416</b>	<b>65,165</b>	<b>129,581</b>	<b>69,524</b>	<b>70,425</b>	<b>139,949</b>			
Gross profit margin	65.2%	64.7%	64.9%	64.2%	63.9%	64.0%	64.9%	64.5%	64.7%			
<b>SG&amp;A expenses</b>	<b>61,577</b>	<b>63,316</b>	<b>124,893</b>	<b>64,361</b>	<b>65,115</b>	<b>129,476</b>	<b>66,588</b>	<b>69,435</b>	<b>136,023</b>			
SG&A ratio	63.0%	62.8%	62.9%	64.1%	63.8%	64.0%	62.2%	63.6%	62.9%			
<b>Operating profit</b>	<b>2,136</b>	<b>1,883</b>	<b>4,019</b>	<b>55</b>	<b>49</b>	<b>104</b>	<b>2,936</b>	<b>990</b>	<b>3,926</b>	<b>-6,800</b>	<b>-1,900</b>	<b>-8,700</b>
YoY	126.0%	104.7%	115.5%	-97.4%	-97.4%	-97.4%	5238.2%	1920.4%	3675.0%	-	-	-
Operating profit margin	2.2%	1.9%	2.0%	0.1%	0.0%	0.1%	2.7%	0.9%	1.8%	-	-	-
<b>Recurring profit</b>	<b>2,448</b>	<b>2,156</b>	<b>4,604</b>	<b>332</b>	<b>17</b>	<b>349</b>	<b>3,023</b>	<b>346</b>	<b>3,369</b>	<b>-5,900</b>	<b>-1,900</b>	<b>-7,800</b>
YoY	107.8%	37.2%	67.4%	-86.4%	-99.2%	-92.4%	810.5%	1935.3%	865.3%	-	-	-
Recurring profit margin	2.5%	2.1%	2.3%	0.3%	0.0%	0.2%	2.8%	0.3%	1.6%	-	-	-
<b>Net income</b>	<b>1,290</b>	<b>201</b>	<b>1,491</b>	<b>-850</b>	<b>-5,150</b>	<b>-6,000</b>	<b>1,879</b>	<b>-1,166</b>	<b>713</b>	<b>-7,300</b>	<b>-1,700</b>	<b>-9,000</b>
YoY	-18.0%	-161.7%	19.5%	-	-	-	-	-	-	-	-	-
Net margin	1.3%	0.2%	0.8%	-0.8%	-5.0%	-3.0%	1.8%	-1.1%	0.3%	-	-	-

Source: Shared Research based on company data

Note: Figures may differ from company materials due to differences in rounding methods.

### The company announces full-year FY02/21 forecasts

The company's full-year FY02/21 forecast calls for sales of JPY172.3bn (-20.3% YoY), an operating loss of JPY8.7bn (versus a profit of JPY3.9bn in FY02/20), a recurring loss of JPY7.8bn (versus a profit of JPY3.4bn), and a net loss of JPY9.0bn (versus a profit of JPY713mn). The company refrained from issuing FY02/21 forecasts when announcing full-year FY02/20 results on April 14, 2020, but disclosed the forecast when announcing Q1 FY02/20 results on July 28, 2020.



With the lifting of the state of emergency, economic activity resumed, and the company calculated its forecast based on currently available information including monthly sales and the novel coronavirus outbreak situation in various regions. Calculation assumptions included a gradual recovery in the domestic business during FY02/21, but not to FY02/20 levels. The company expects consolidated sales to fall 13% YoY in 1H and 10% YoY in 2H. As for sales initiatives, in 2H the company plans to capture in-store dining demand and regain customer traffic by introducing new products and flexibly implementing various campaigns, which were difficult to carry out in 1H. The company expects cost improvements through quick and aggressive company-wide cost cutting efforts, which include reducing procurement costs, to contribute to greater improvement in performance in 2H over 1H. The company also factored in the closure of up to 150 stores both in Japan and overseas.

This note is the most recent addition to the [full report](#).

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