

**Saizeriya Co., Ltd.**  
**Financial Results Briefing Session**  
**for the Fiscal Year Ended August 31, 2015**  
(43rd term: from September 1, 2014 to August 31, 2015)



Code No. 7581  
Thursday, October 15, 2015



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Figures in this document are all calculated based on the consolidated accounting system, unless specified otherwise.

# 1. Financial Results for the Year Ended August 31, 2015

## (1) Financial Highlights

(millions of yen)

	Financial Results	Previous Year	Year-on-Year Ratio	Budget	Percentage of Budget
<b>Net Sales</b>	139,277	125,618	110.9%	136,800	101.8%
<b>Gross Net Sales</b>	87,219	79,403	109.8%	85,100	102.5%
<b>Operating Income</b>	7,511	5,488	136.9%	7,300	102.9%
<b>Ordinary Income</b>	8,004	5,917	135.3%	7,600	105.3%
<b>Net Income for This Year</b>	3,774	1,193	316.4%	3,400	111.0%

### Increased revenue and increased profit

Increases in both revenue and profit were posted for the first time in 5 years, since the fiscal year ended August 31, 2010.

Budget reflects the financial forecast announced on April 8, 2015.

# 1. Financial Results for the Current Term (2) Sales Ratio

(millions of yen)

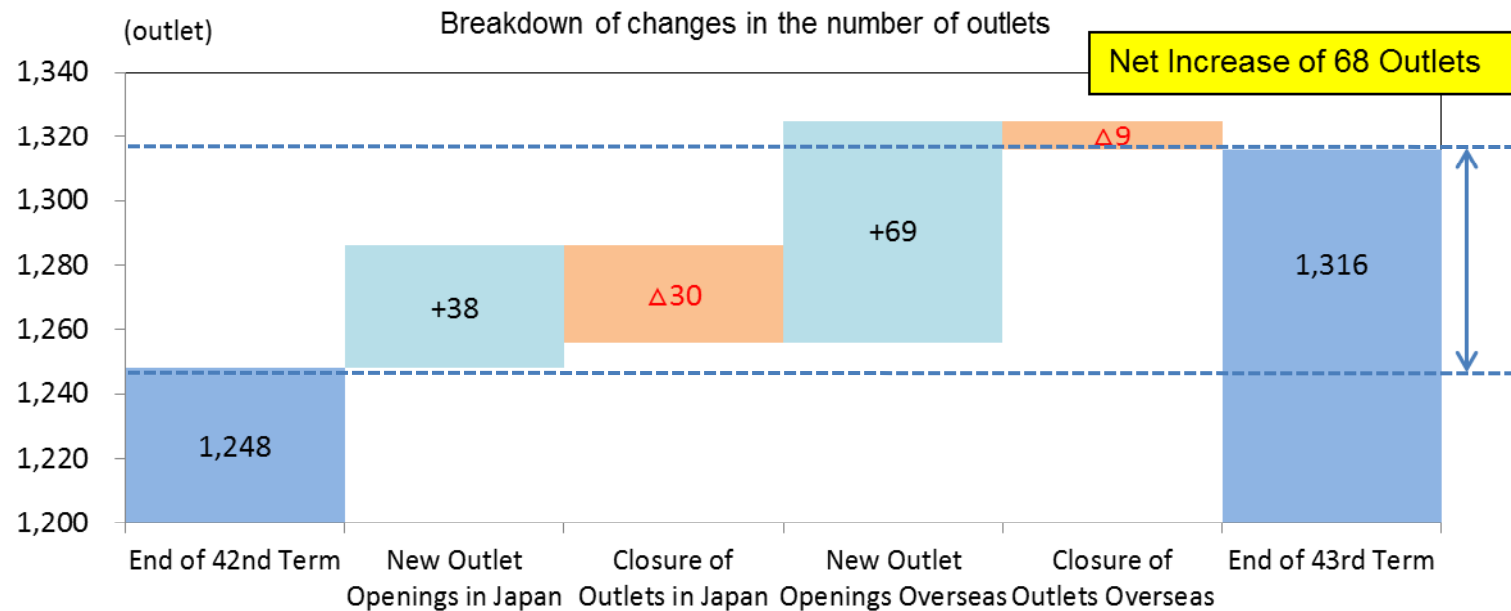
	Year Ended August 31, 2015		Year Ended August 31, 2014		Ratio Difference
	Amount	Net Sales Ratio	Amount	Net Sales Ratio	
<b>Net Sales</b>	139,277	100.0%	125,618	100.0%	-
<b>Sales Cost</b>	52,058	37.4%	46,214	36.8%	0.6%
<b>Gross Net Sales</b>	87,219	62.6%	79,403	63.2%	-0.6%
<b>Selling, General and Administrative Expenses (SG&amp;A)</b>	79,707	57.2%	73,914	58.8%	-1.6%
<b>Operating Income</b>	7,511	5.4%	5,488	4.4%	1.0%
<b>Ordinary Income</b>	8,004	5.7%	5,917	4.7%	1.0%
<b>Net Income for This Year</b>	3,774	2.7%	1,193	0.9%	1.8%

The cost of sales increased by 0.6 points and Selling, General and Administrative Expenses (SG&A) increased by 1.6 points.

## 2. Major Factors Lifting Business Performance

### (1) Net Sales - Number of outlets

#### Number of outlets



The total number of outlets is 1,316 (Domestic: 1,026; Overseas: 290). There was a net increase of 68 outlets since the 42nd Term. There was a net increase of 8 outlets in Japan and a net increase of 60 outlets overseas. The ratio of overseas outlets is 22.0%, and the influence of overseas outlets has grown larger.

## 2. Major Factors Lifting Business Performance

### (1) Net Sales - Number of outlets

#### Number of outlets

#### 1. Number of outlets

	No. of New Outlet Openings		No. of Closures of Outlets		No. of Outlets Outstanding	
	Current term	Previous term	Current term	Previous term	Current term	Previous term
Japan	38	66	30	30	1,026	1,018
Shanghai	21	26	3	2	100	82
Guangzhou	24	24	4	1	98	78
Beijing	10	10	2	1	46	38
Hong Kong	5	7	0	0	22	17
Taiwan	3	5	0	1	11	8
Singapore	6	1	0	0	13	7
Total	107	139	39	35	1,316	1,248

\*Overseas outlets only (69) (73) (9) (5) (290) (230)

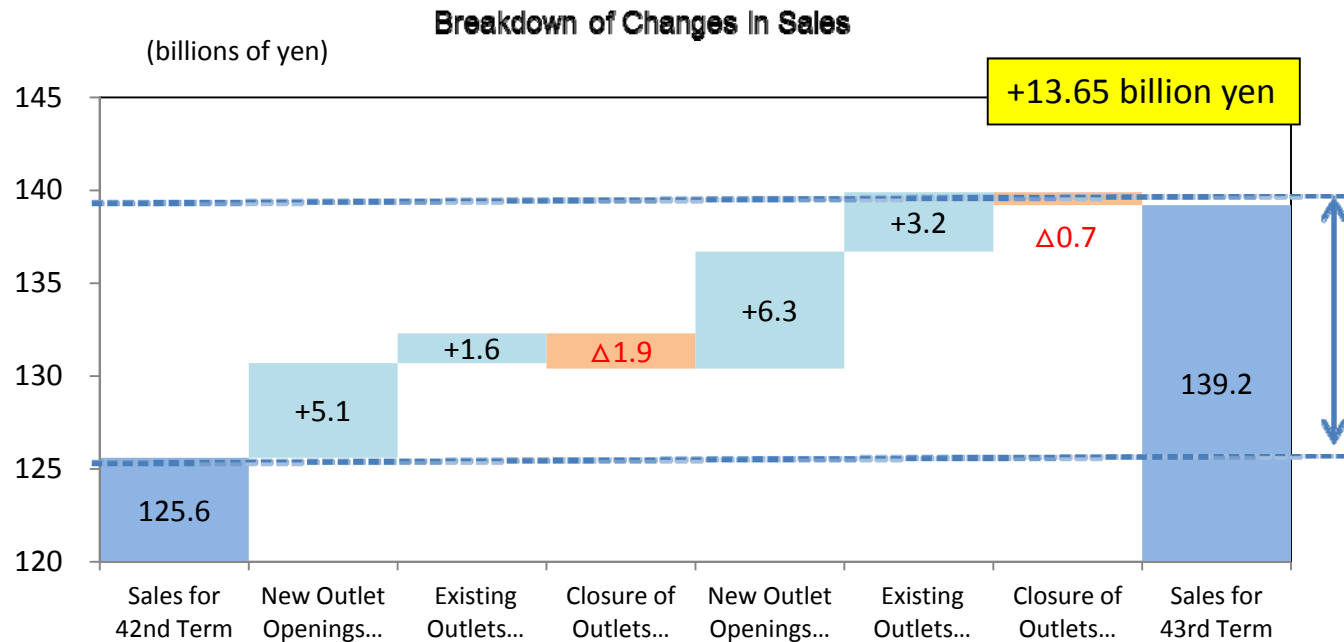
For Shanghai, Guangzhou, Beijing, Hong Kong and Taiwan, data for the period between July and June are used. For Japan and Singapore, data for the period between September and August are used.

The total number of overseas outlets is 290. The ratio of overseas outlets is 22.0%, and the influence of overseas outlets has grown larger.

## 2. Major Factors Lifting Business Performance

### (1) Net Sales

**Year-on-Year Ratio: 110.9% (+13.65 billion yen)**



Consolidated net sales amounted to 139.2 billion yen, registering a record-high level. Overseas sales were 29.3 billion yen, with an overseas sales ratio of 21.0%. The impact of overseas operations has grown larger.

## 2. Major Factors Lifting Business Performance

### (1) Net Sales

**Year-on-Year Ratio: 110.9% (+13.65 billion yen)**

Consolidated net sales amounted to 139.2 billion yen, registering a record-high level.

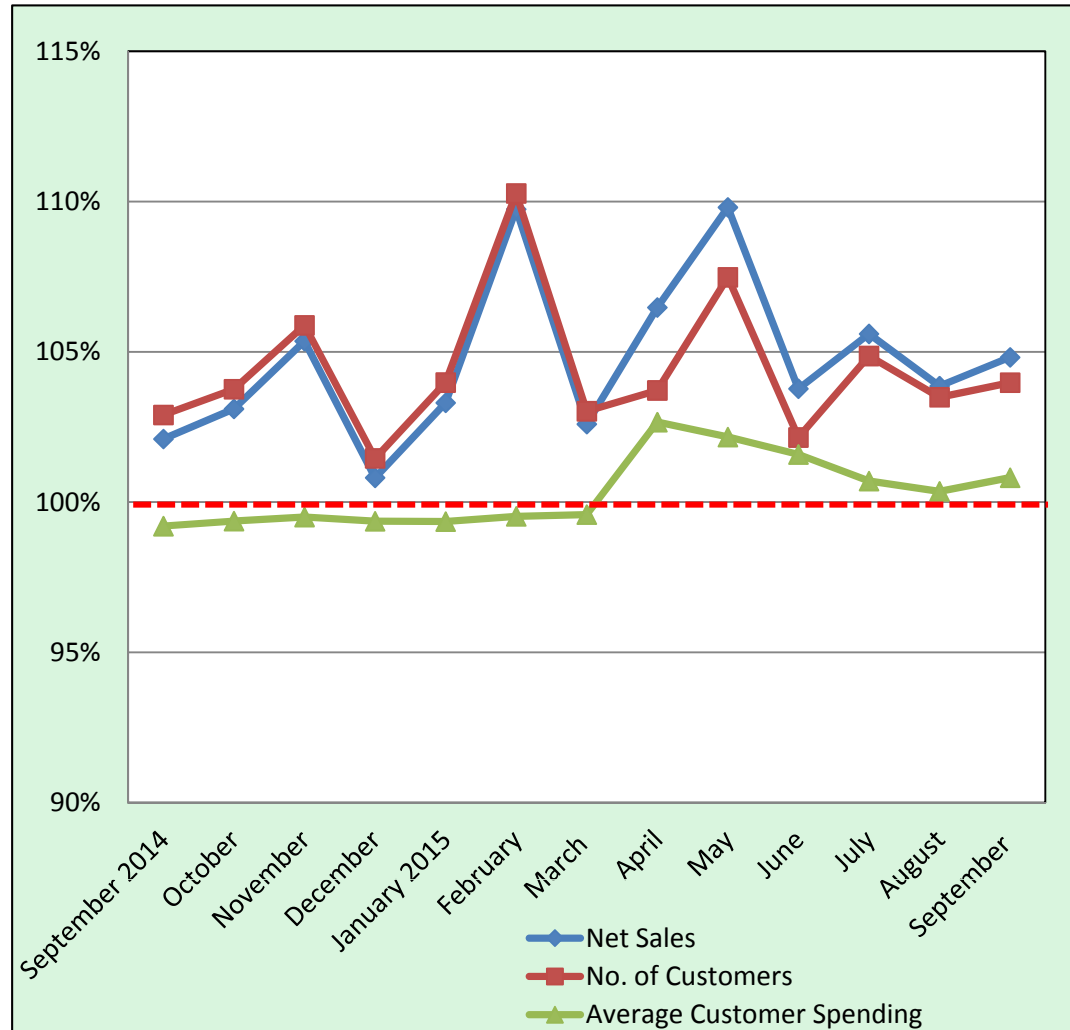
Overseas sales amounted to 29.3 billion yen. Percentage of overseas sales: 21.0%

#### 2. Primary factors contributing to net sales growth

Total consolidated sales	13.69 billion yen (+10.9 pts)
Total sales in Japan	4.87 billion yen (+4.6 pts)
New outlets	Increased by 5.12 billion yen
Existing outlets	Increased by 1.68 billion yen
Closure of outlets	Decreased by 1.93 billion yen
Total overseas sales	8.83 billion yen (+43.2 pts)
New outlets	Increased by 6.38 billion yen
Existing outlets	Increased by 3.24 billion yen
Closure of outlets	Decreased by 0.79 billion yen



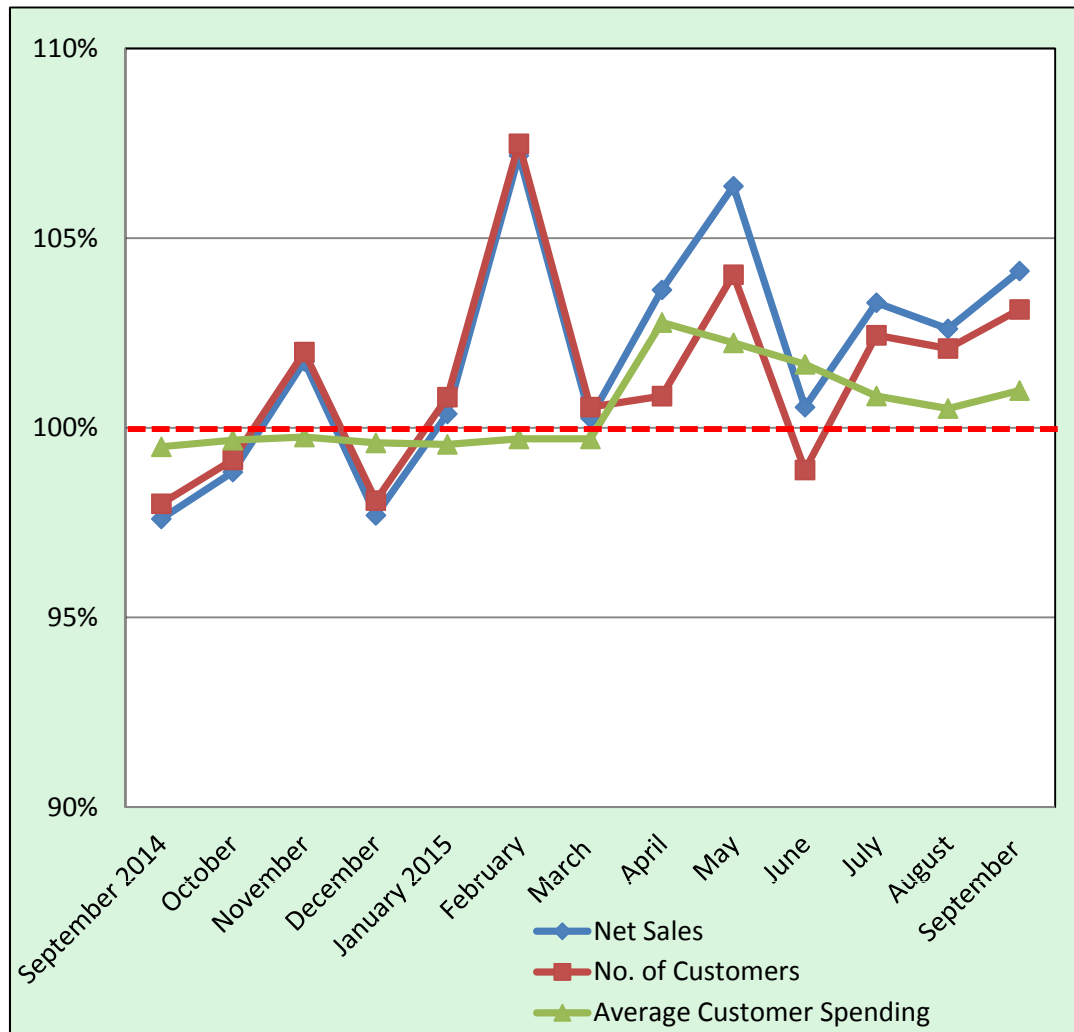
# Net Sales, Number of Customers, Average Customer Spending for All Outlets



	Net Sales	No. of Customers	Average Customer Spending
September 2014	102.1%	102.9%	99.2%
October	103.1%	103.8%	99.4%
November	105.4%	105.9%	99.5%
December	100.8%	101.5%	99.4%
January 2015	103.3%	104.0%	99.4%
February	109.7%	110.3%	99.5%
First-Half Cumulative Results	103.9%	104.5%	99.4%
March	102.6%	103.0%	99.6%
April	106.5%	103.7%	102.7%
May	109.8%	107.5%	102.2%
June	103.8%	102.2%	101.6%
July	105.6%	104.9%	100.7%
August	103.9%	103.5%	100.4%
Second-Half Cumulative Results	105.3%	104.1%	101.1%
Cumulative Total Results for 43rd term	104.6%	104.3%	100.3%
September 2015	104.8%	104.0%	100.8%

\* The graph above reflects only data on Saizeriya's restaurant business, and excludes other businesses of the company.

# Net Sales, Number of Customers, Average Customer Spending for Existing Outlets

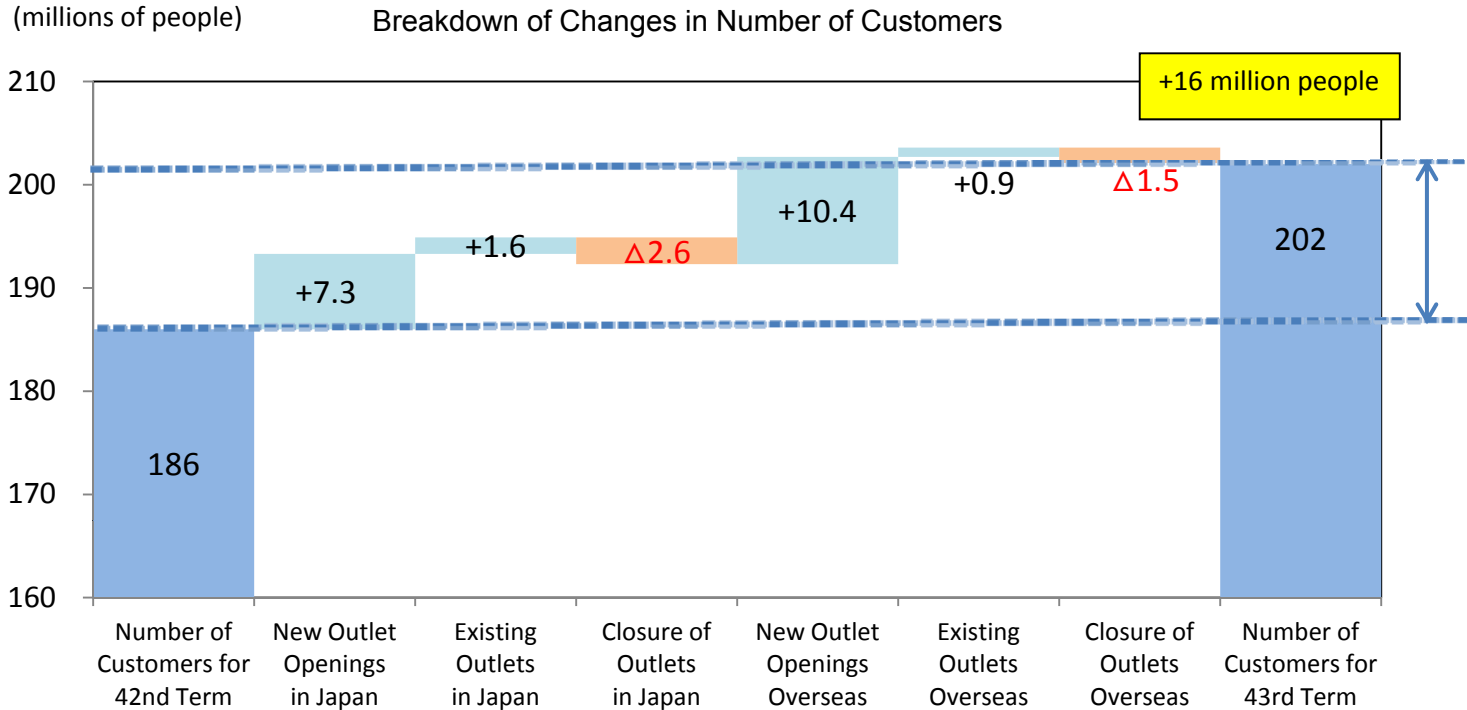


	Net Sales	No. of Customers	Average Customer Spending
September 2014	97.6%	98.0%	99.5%
October	98.8%	99.2%	99.7%
November	101.8%	102.0%	99.8%
December	97.7%	98.1%	99.6%
January 2015	100.4%	100.8%	99.6%
February	107.2%	107.5%	99.7%
First-Half Cumulative Results	100.4%	100.8%	99.6%
March	100.3%	100.5%	99.7%
April	103.6%	100.8%	102.8%
May	106.4%	104.0%	102.2%
June	100.5%	98.9%	101.7%
July	103.3%	102.4%	100.8%
August	102.6%	102.1%	100.5%
Second-Half Cumulative Results	102.8%	101.5%	101.2%
Cumulative Total Results for 43rd term	101.6%	101.2%	100.5%
September 2015	104.1%	103.1%	101.0%

\* The graph above reflects only data on Saizeriya's restaurant business, and excludes other businesses of the company.

# Number of Customers

**Total Number of Customers Per Year: 202 million people Increased by 16 million people Compared to Previous Term**

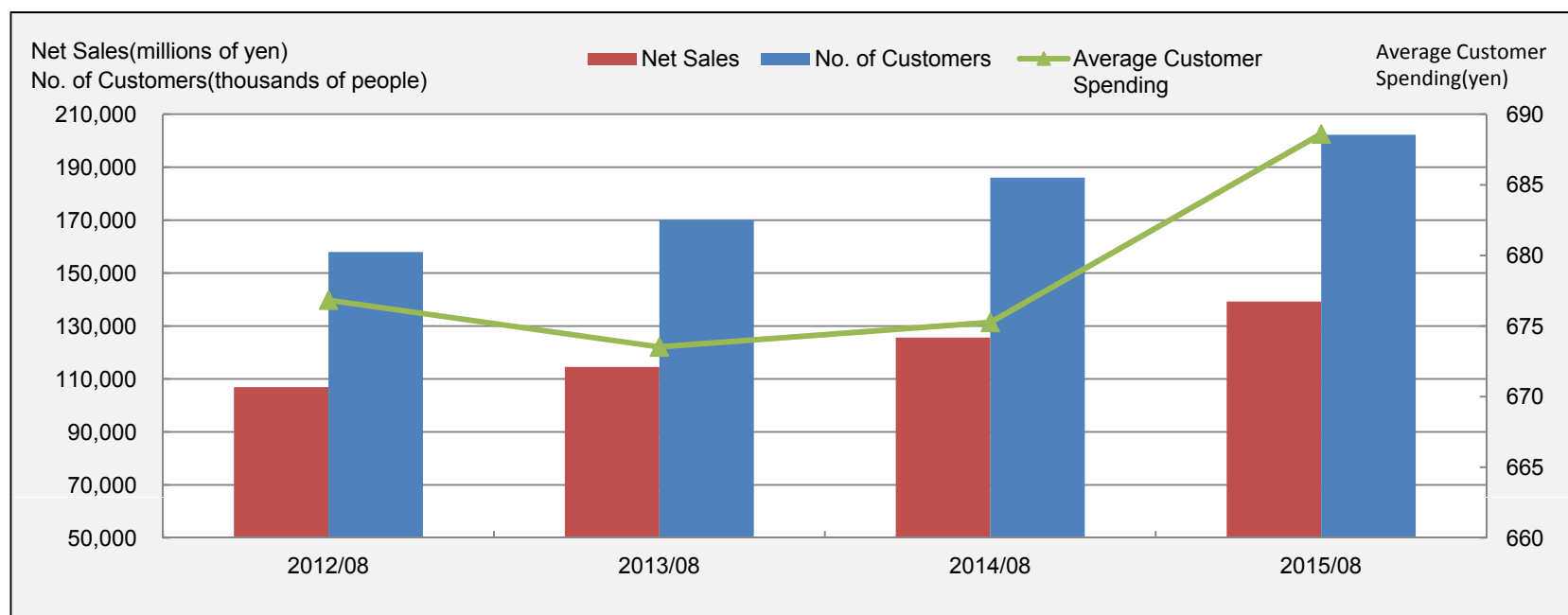


The total number of customers per year achieved a record high of 202 million people. Total overseas customers: 48 million people, percentage of overseas customers: 24.0%

## Trends in Net Sales, Number of Customers, Average Customer Spending (Consolidated)

Term	2012/08	2013/08	2014/08	2015/08
Net Sales (millions of yen)	106,916	114,568	125,618	139,277
No. of Customers (thousands of people)	157,965	170,103	186,029	202,261
Average Customer Spending (yen)	677	674	675	689

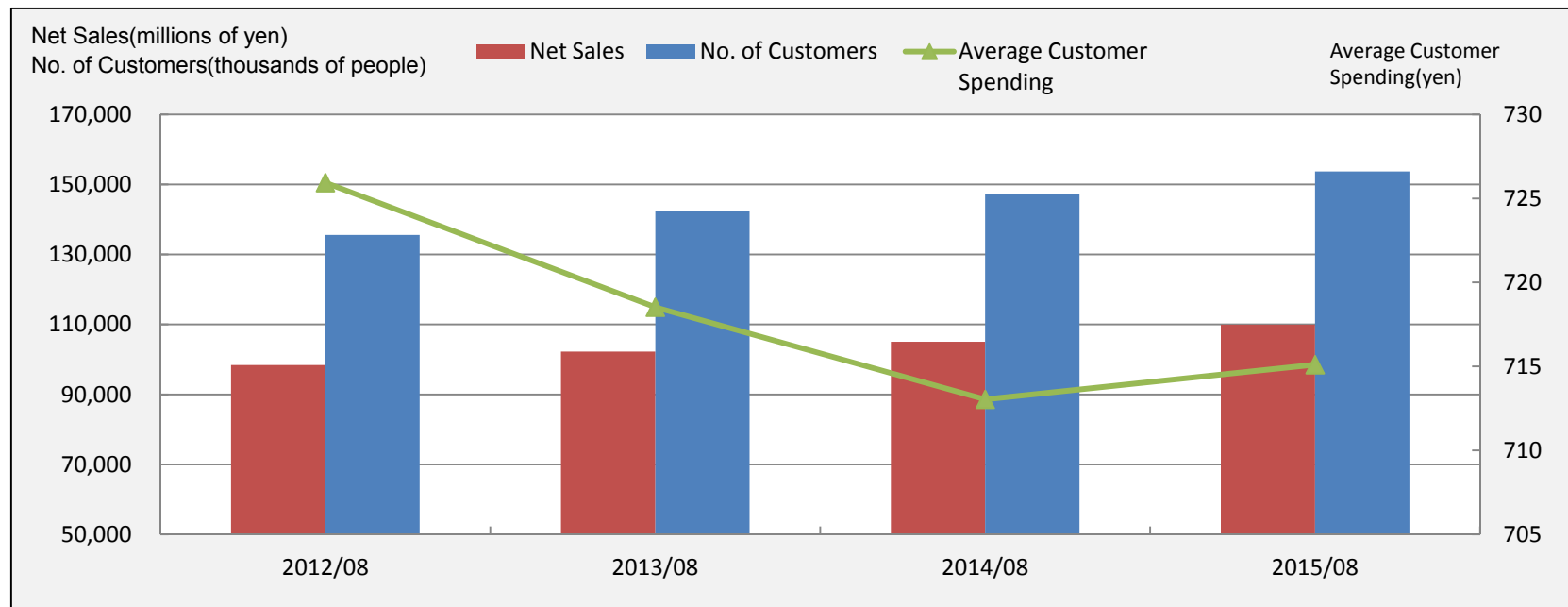
\*The above figure indicates consolidated value.



## Trends in Net Sales, Number of Customers, Average Customer Spending (Japan)

Term	2012/08	2013/08	2014/08	2015/08
Net Sales (millions of yen)	98,426	102,263	105,049	109,927
No. of Customers (thousands of people)	135,584	142,323	147,326	153,722
Average Customer Spending (yen)	726	719	713	715

\*The above figure indicates numerical value for each unit.

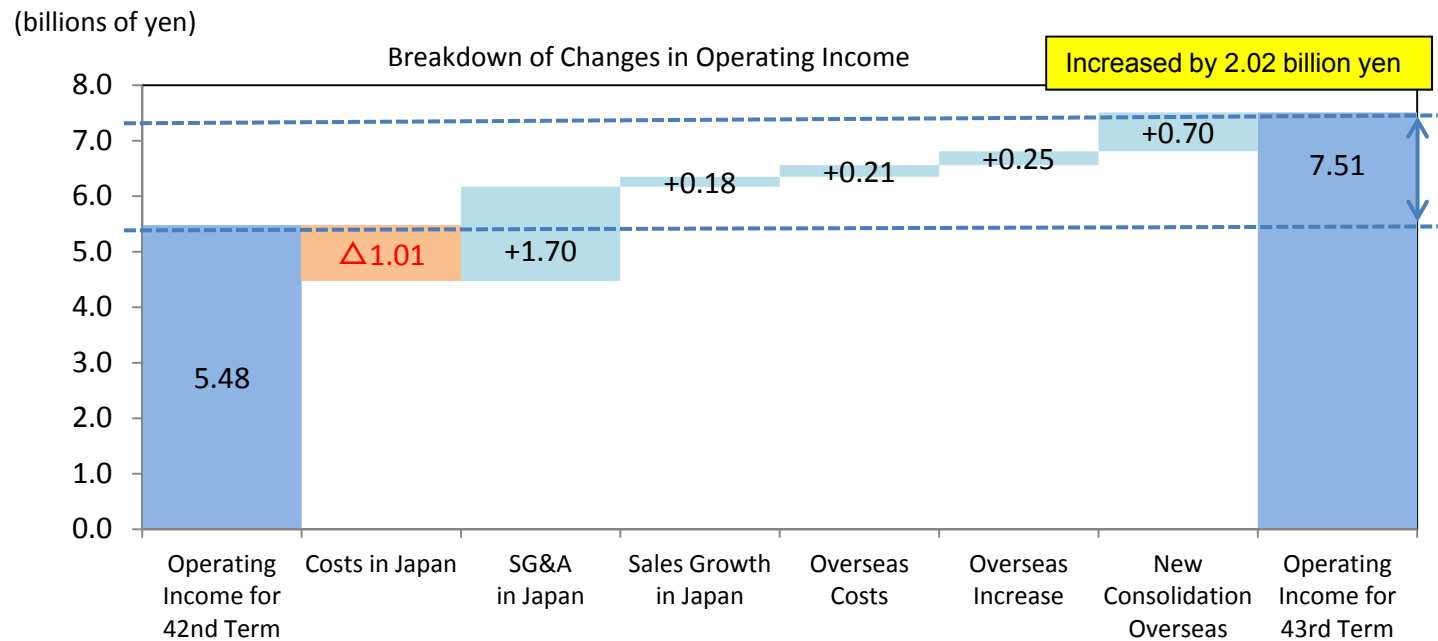


When consumption tax was raised in April 2014, prices were reduced in real terms, causing a decrease in average customer spending per visit.

## 2. Major Factors Lifting Business Performance

### (2) Operating Income

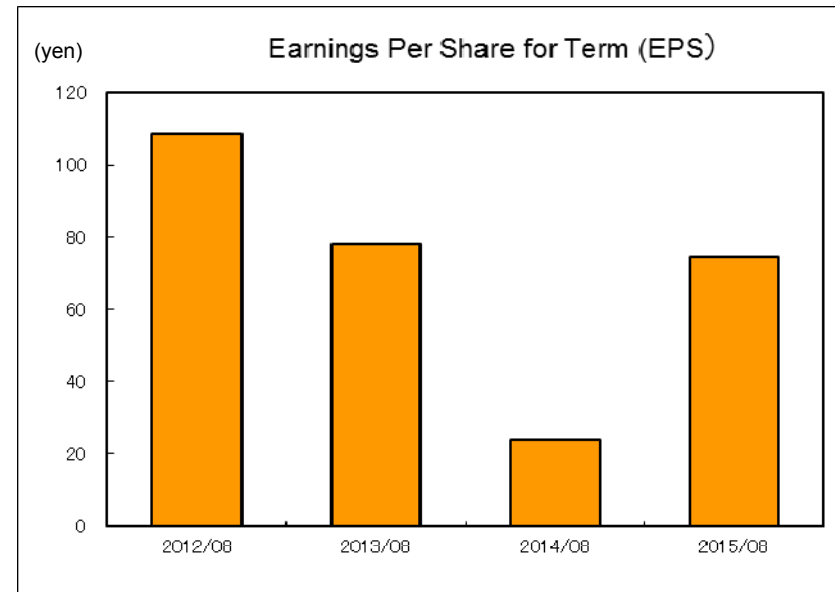
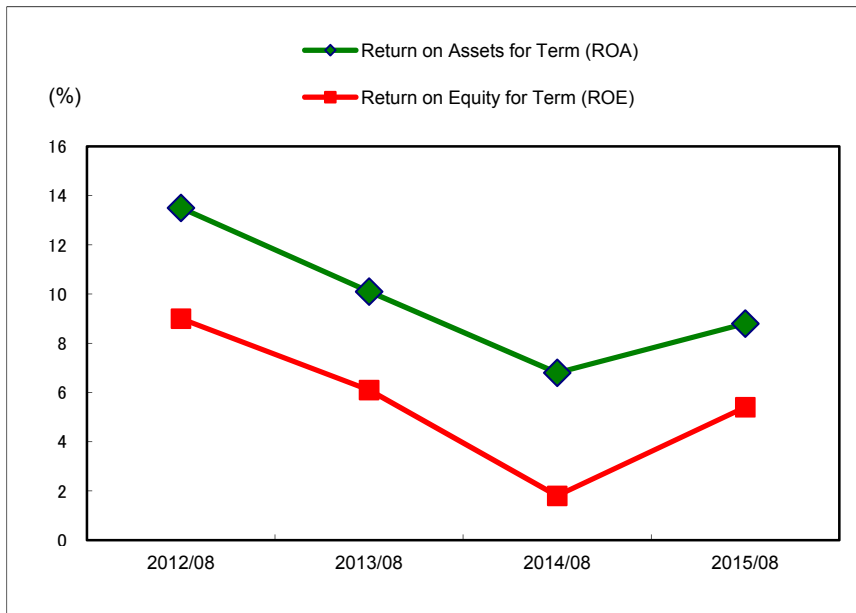
**Year-on-Year Ratio: 136.9% (+2.02 billion yen)**



Impact Amount (Japan)	870 million yen
Cost of Sales (Japan)	-1,010 million yen
Foreign exchange rates knock-on effects	-30 million yen
Increase in purchase costs (sweet shrimp, spicy chicken, cheese, steak, etc.)	-1,360 million yen
Manufacturing cost	250 million yen
Logistics cost	140 million yen
Selling, General and Administrative Expenses (Japan)	1,700 million yen
Labor costs	-70 million yen
Productivity improvements, increase in recruitment cost	
Facilities costs	1,250 million yen
Decrease in new outlet openings and depreciation cost	
Utility costs	230 million yen
Decline in gas unit prices, drop in volume of electricity used	
Other expenses	290 million yen
Amount of Increase in Sales (Japan)	180 million yen
Impact Amount (Overseas)	1,160 million yen
Cost of Sales (Overseas)	210 million yen
Selling, General and Administrative Expenses (Overseas)	250 million yen
Labor costs	-220 million yen
Facilities costs	130 million yen
Utility costs	-10 million yen
Other expenses	350 million yen
Amount of Increase in Sales (Overseas)	700 million yen
Increase in Operating Income	2,020 million yen

### 3. Trends in Major Financial Indicators

Classification		2012/08	2013/08	2014/08	2015/08
Return on Assets for Term (ROA)	(%)	13.5	10.1	6.8	8.8
Total Assets Turnover	(No. of times)	1.3	1.3	1.4	1.5
Earnings Per Share for Term (EPS)	(yen)	108.5	78.1	23.7	74.7
Book-value Per Share (BPS)	(yen)	1,245.9	1,331.9	1,356.7	1,423.3
Capital Adequacy Ratio	(%)	78.3	76.8	78.5	75.7
Return on Equity for Term (ROE)	(%)	9.0	6.1	1.8	5.4

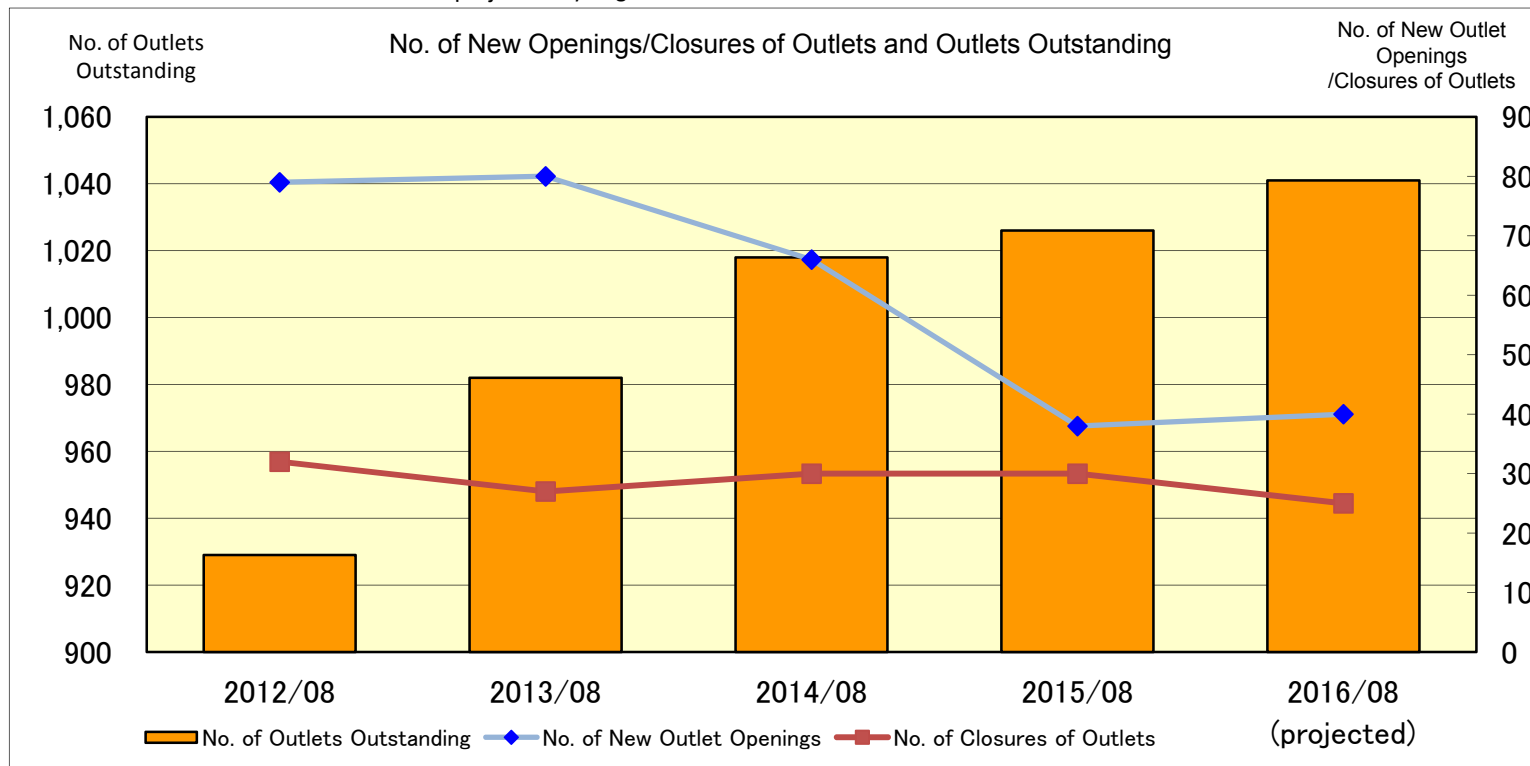




## 4. Trends in Number of New Outlet Openings and Closures of Outlets, Outlets Outstanding

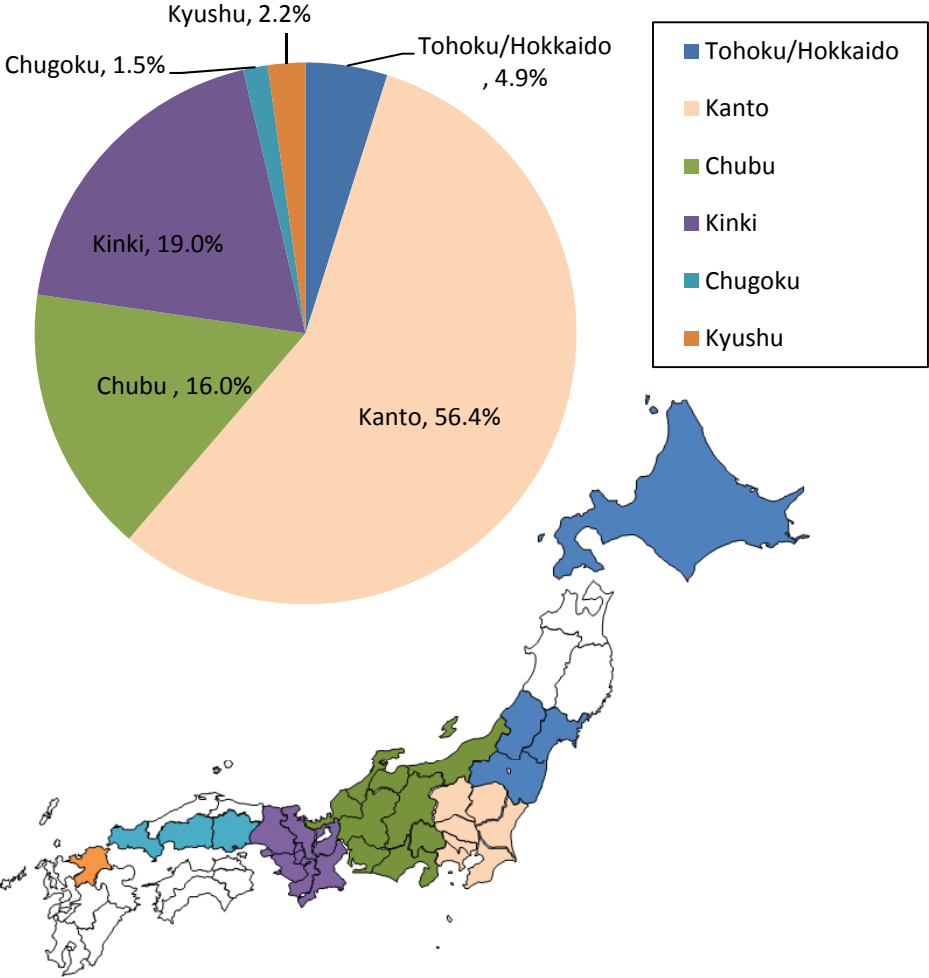
FY	2012/08	2013/08	2014/08	2015/08	2016/08 (projected)
No. of New Outlet Openings	79	80	66	38	40
No. of Closures of Outlets	32	27	30	30	25
No. of Outlets Outstanding	929	982	1,018	1,026	1,041

Note: The figures above indicates only the number of outlets in Japan.  
A net increase of 15 outlets is projected by August of FY 2016.



# 5. Number of Outlets in Japan by Region

Region	Subtotal	Ratio to total	Prefecture	No. of outlets			
Tohoku/Hokkaido	50	4.9%	Hokkaido	11			
			Miyagi	21			
			Fukushima	12			
			Yamagata	6			
Kanto	579	56.4%	Tokyo	213			
			Kanagawa	113			
			Chiba	111			
			Saitama	87			
			Ibaraki	30			
			Tochigi	16			
			Gunma	9			
			Aichi	74			
Chubu	164	16.0%	Shizuoka	26			
			Niigata	13			
			Gifu	13			
			Nagano	13			
			Ishikawa	11			
			Yamanashi	6			
			Toyama	5			
			Fukui	3			
			Kinki	195	19.0%	Osaka	88
						Hyogo	46
Kyoto	20						
Mie	19						
Shiga	9						
Nara	9						
Wakayama	4						
Chugoku	15	1.5%	Okayama	4			
			Hiroshima	10			
			Yamaguchi	1			
Kyushu	23	2.2%	Fukuoka	23			
<b>Total</b>	<b>1,026</b>	<b>100.0%</b>		<b>1,026</b>			



**Number of prefectures with outlets: 31**  
**Number of prefectures without outlets: 16**  
 Akita, Aomori, Ehime, Iwate, Kagawa, Kagoshima, Kochi, Kumamoto, Miyazaki, Nagasaki, Oita, Okinawa, Saga, Shimane, Tokushima, Tottori

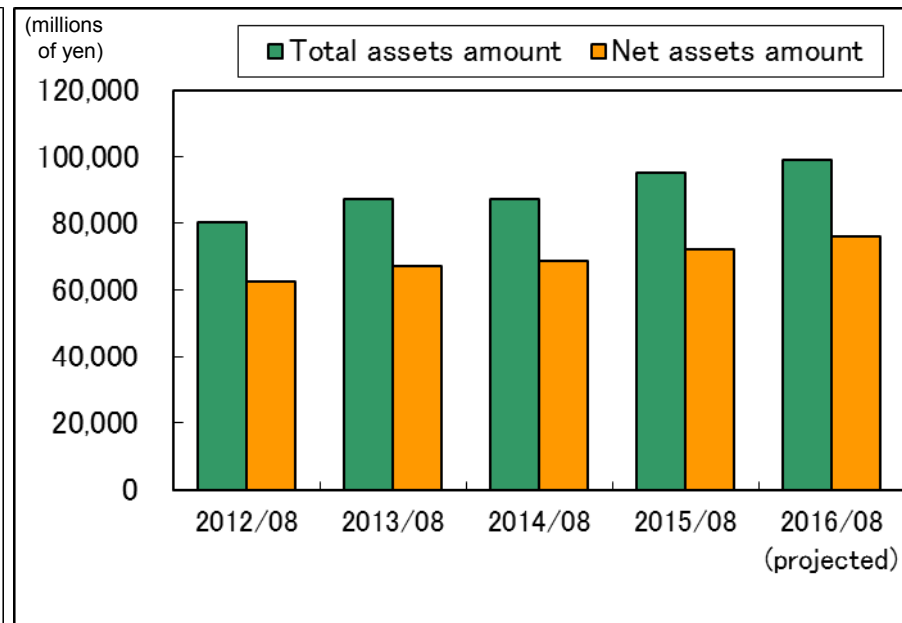
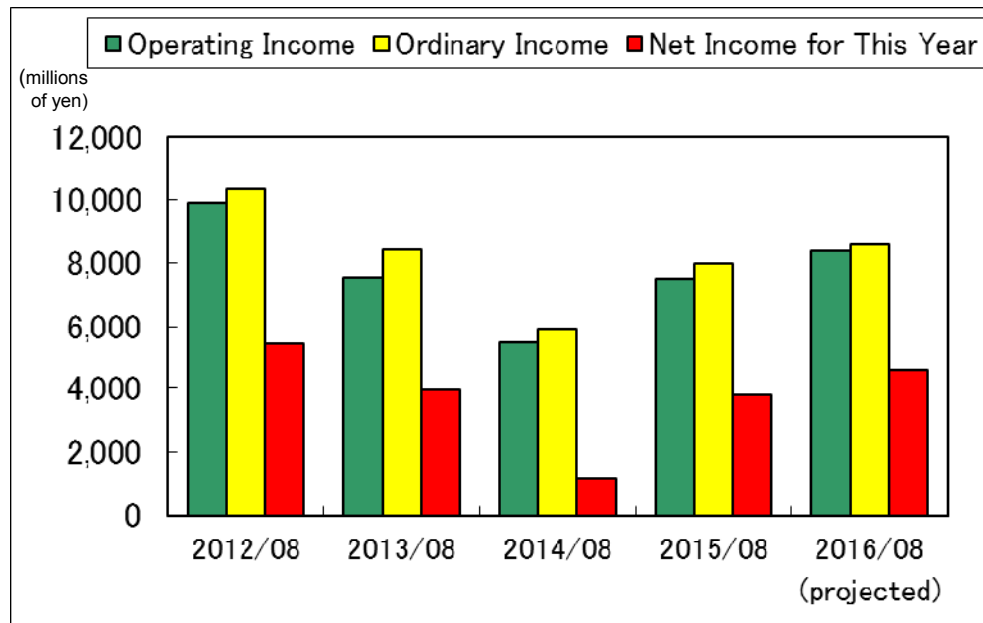
## 6. Trends in Financial Results

(millions of yen)

Fiscal Year Classification	2012/08		2013/08		2014/08		2015/08		2016/8(projected)	
	Results	Year-on-Year Ratio	Results	Year-on-Year Ratio	Results	Year-on-Year Ratio	Results	Year-on-Year Ratio	Plan	Year-on-Year Ratio
Net Sales	104,235	104.4%	110,428	105.9%	125,618	113.8%	139,277	110.9%	147,400	105.8%
Selling, General and Administrative Expenses (SG&A)	59,828	107.0%	64,630	108.0%	73,914	114.4%	79,707	107.8%	83,200	104.4%
Operating Income	9,884	85.6%	7,547	76.4%	5,488	72.7%	7,511	136.9%	8,400	111.8%
Ordinary Income	10,526	87.8%	8,450	80.3%	5,917	70.0%	8,004	135.3%	8,600	107.4%
Net Income for This Year	5,471	93.1%	3,937	72.0%	1,193	30.3%	3,774	316.4%	4,600	121.9%
Total Assets Amount	80,316	106.4%	87,472	108.9%	87,224	99.7%	95,485	109.5%	99,100	103.8%
Net Assets Amount	62,968	107.9%	67,344	107.0%	68,643	101.9%	72,424	105.5%	76,100	105.1%

\* Totals may not tally as figures are rounded down to nearest million yen.

\* Figures for 2016/8 (projected) are estimated values.



## 7. Financial Results for Subsidiaries

### (1) Financial Results for Consolidated Subsidiaries (by Segment)

(millions of yen)

Corporation	Net Sales			Operating Income		
	42nd term Previous term	43rd term Current term	% Year-on-Year Ratio	42nd term Previous term	43rd term Current term	% Year-on-Year Ratio
Saizeriya	105,049	109,927	104.6%	3,849	4,717	122.6%
Saizeriya Australia	4,420	4,758	107.6%	166	332	199.5%
Overseas outlets (Asia)	20,473	29,313	143.2%	1,500	2,521	168.1%
Consolidation Elimination	-4,326	-4,722	—	-27	-59	—
Total	125,618	139,277	110.9%	5,488	7,511	136.9%

\* Totals may not tally as figures are rounded down to nearest million yen.

## (2) Financial Results for Consolidated Subsidiaries Overseas Outlets (Asia) Breakdown

(millions of yen)

Corporation	Net Sales			Operating Income		
	42nd term Previous term	43rd term Current term	% Year-on-Year Ratio	42nd term Previous term	43rd term Current term	% Year-on-Year Ratio
Saizeriya Shanghai	6,460	8,929	138.2%	390	738	188.9%
Saizeriya Guangzhou	6,658	9,327	140.1%	585	958	163.8%
Saizeriya Beijing	2,825	4,048	143.3%	184	267	145.1%
Saizeriya Taiwan	507	784	154.5%	-90	-43	—
Saizeriya Hong Kong	3,168	4,756	150.1%	431	601	139.3%
Saizeriya Singapore	852	1,467	172.0%	-1	-0	—
Overseas outlets (Asia) Total	20,473	29,313	143.2%	1,500	2,521	168.1%

### (3) Development of Overseas Outlets

Region	2014/8	2015/8			2016/8		
		New Outlet Opening	Closure of Outlets	2015/8	New Outlet Opening (projected)	Closure of Outlets (projected)	2016/8 (projected)
Shanghai	82	21	3	100	35	5	130
Guangzhou	78	24	4	98	25	0	123
Beijing	38	10	2	46	16	0	62
Hong Kong	17	5	0	22	8	1	29
Taiwan	8	3	0	11	3	0	14
Singapore	7	6	0	13	4	0	17
Overseas Total	230	69	9	290	91	6	375

\*For Shanghai, Guangzhou, Beijing, Hong Kong, and Taiwan:  
Calculated based on the period from July 2014 to June 2015.

\*Net increase for full 43rd term: 60 outlets

\*Net increase for full 44th term: 85 outlets

## 8. Trends in Capital Expenditure and Cash Flow

(millions of yen)

	2012/8	2013/8	2014/8	2015/8	2016/8 (projected)
New Outlet Openings	4,857	4,966	4,239	2,303	2,400
Renovation of Existing Outlets	164	2,038	622	211	2,000
Yoshikawa Plant	19	33	1	0	55
Kanagawa Plant	132	105	608	41	350
Fukushima Plant	123	2	0	11	95
Hyogo Plant	13	122	5	4	60
Chiba Plant	1,301	4,569	40	8	350
Head Office and Others	318	962	116	671	450
Consolidated Subsidiaries	1,273	903	3,029	2,722	3,600
Capital Expenditure (=A)	8,200	13,700	8,660	5,970	9,360
Cash Flow (=B)	8,538	8,003	6,281	8,813	9,579
Depreciation	3,975	4,974	5,996	5,947	5,887
Balance (=B-A)	338	-5,697	-2,379	2,843	219

\* Totals may not tally as figures are rounded down to nearest million yen. Figures for 2016/8 (projected) are estimated values.

\* The figures above in the Cash Flow row are approximately calculated and therefore do not match those in our cash flow statement.

## 9. Projected Consolidated Business Performance

	First Half of Term	Year-on-Year Ratio	Full Year	Year-on-Year Ratio	(millions of yen)
Net Sales	69,900	106.8%	147,400	105.8%	
Operating Income	3,200	134.2%	8,400	111.8%	
Net Income	1,800	131.5%	4,600	121.9%	

### ■ Net sales

Japan: 112 billion yen, overseas: 35.4 billion yen

Net increase in Japan: 15 outlets, overseas net increase: 85 outlets

Existing outlets in Japan compared to previous year: 101.5 %

### ■ Operating income

Japan: 5 billion yen, Asia: 3.2 billion yen, Australia: 0.2 billion yen

Gross income percentage in Japan: 62.2%

Foreign exchange rates AUD: 86.55, EUR: 136.06, USD: 121.18

### ■ Net income

Japan: 1.8 billion yen, Asia: 2.6 billion yen, Australia: 0.2 billion yen

Classification		2016/8 (projected)
Return on Assets for Term (ROA)	(%)	8.8
Total Assets Turnover	(No. of times)	1.5
Earnings Per Share for Term (EPS)	(yen)	91.0
Book-value Per Share (BPS)	(yen)	1,497.8
Capital Adequacy Ratio	(%)	76.7
Return on Equity for Term (ROE)	(%)	6.2



# Agenda for 44th Term

Improve existing outlet facilities, and maintain/improve service quality

Enhance the foundation for overseas business

Enhance product development from the customer's perspective

Start operation of data warehouse

Research and develop a new marketing approach

Further enhancement of employee education and creation of foundation for education

Leverage production technologies and consider renovation of plants in Japan

Promote development of new business as the second main pillar of business in Japan



Saizeriya Shanghai



Saizeriya Hong Kong

Thank you.