

# Annual Report 2017

Year ended August 31, 2017



Our Mission

# La Buona Tavola!



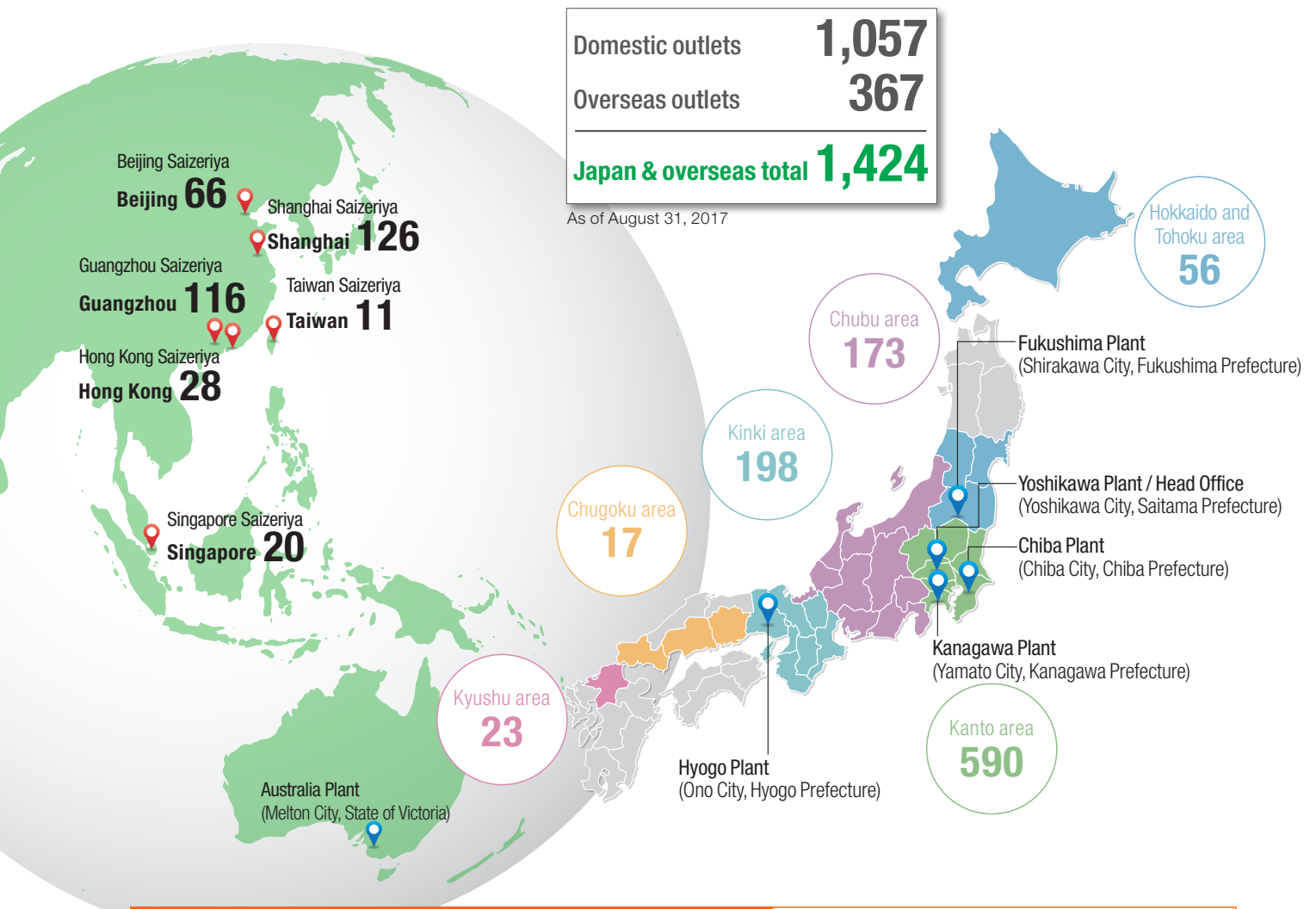
Our Philosophy

Our mission calls for a restaurant that brings joy and happiness to all customers and employees.

Our Principle

- For People
- Through Right Way
- With Love

# The number of restaurants



## New outlets opened one after another!

- 2017.Aug. 09 AEON Yamato (Kanagawa Prefecture)
- 2017.Sep. 01 AEON STYLE Toyota (Aichi Prefecture)
- 2017.Sep. 06 LABI1 Takasaki (Gunma Prefecture)
- 2017.Sep. 07 APITA Kozoji (Aichi Prefecture)
- 2017.Sep. 14 Fields MINAMI KASHIWA (Chiba Prefecture)
- 2017.Sep. 15 AEON Kumagaya (Saitama Prefecture)
- 2017.Sep. 16 AEON MALL Kobe Minami (Hyogo Prefecture)
- 2017.Sep. 20 AEON TOWN Yoshikawa Minami (Saitama Prefecture)
- 2017.Sep. 27 TERRASSE NAYABASHI (Aichi Prefecture)
- 2017.Oct. 26 TAIRAYA Shiki (Saitama Prefecture)

## Consolidated Financial Highlights

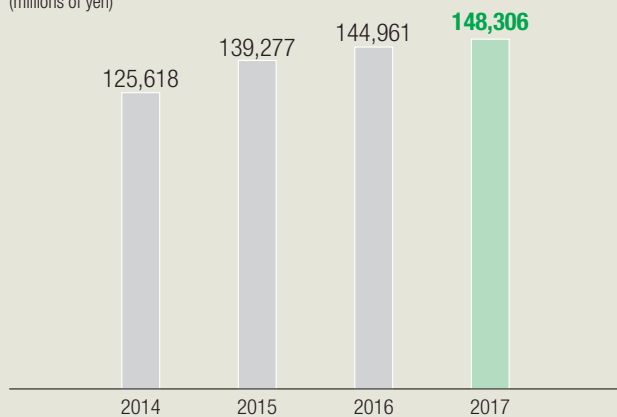
Years Ended August 31, 2017 and 2016

	2017	2016	2017
	Millions of Yen		Thousands of U.S. Dollars
<b>Operational Data:</b>			
Net Sales	¥148,306	¥144,961	\$1,343,108
Income before Income Taxes and Minority Interests	11,309	8,679	102,418
Profit Attributable to Owners of Parent	7,496	5,505	67,886
<b>Financial Data:</b>			
Total Assets	102,731	92,463	930,366
Net Assets	80,412	72,663	728,238
<b>Per Share Data (Yen and U.S. Dollars):</b>			
Net Income per Share	¥151.48	¥108.65	\$1.37
Dividends per Share	18.00	18.00	0.16

Note: The U.S. dollar amounts represent translations of Japanese yen amounts at the rate of ¥110.42=US\$1, the approximate rate of exchange on August 31, 2017.

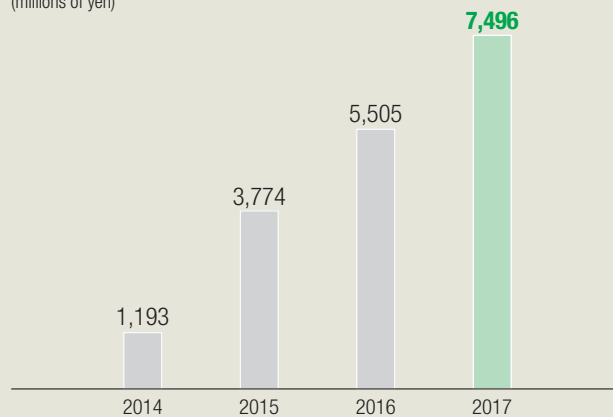
### Net Sales

(millions of yen)



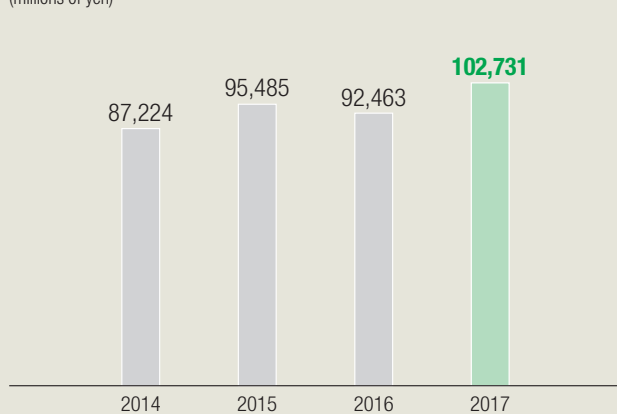
### Profit Attributable to Owners of Parent

(millions of yen)



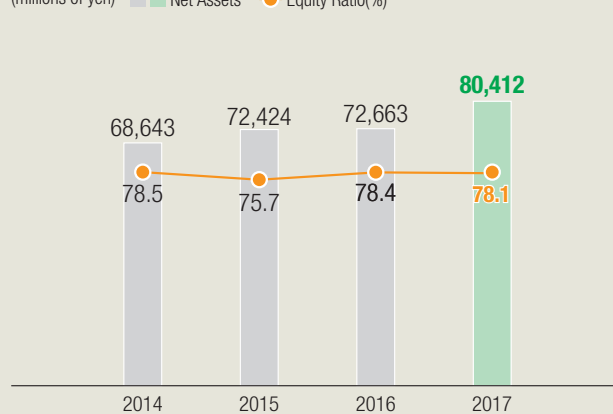
### Total Assets

(millions of yen)



### Net Assets / Equity Ratio

(millions of yen) ■ Net Assets ● Equity Ratio(%)



## ● To Our Shareholders

For the dining-out industry, the challenging environment continued, such as rises in personnel expenses due to labor shortage, and surging construction costs in line with preparations for hosting the Olympic Games. Against this background, Saizeriya has worked to build a solid corporate system in order to continue the steady provision of high quality products and services to our customers.

For the results of the current fiscal year, the Company achieved increases in both sales and income for the third year in a row, with consolidated net sales of ¥148.3 billion (up 2.3% from the previous fiscal year), operating income of ¥11.2 billion (up 24.5%). New outlets in Japan and overseas and existing outlets in Japan contributed to the increase in sales, achieving record-high consolidated net sales and domestic sales. The main reasons for the strong performance include the effects of our ongoing efforts to improve quality and services of existing outlets

in Japan and an increase in the number of customers at overseas outlets mainly owing to the introduction of e-money.

In the this term, the Company will work to strengthen organizational power, Focusing on management education and the inculcation of our philosophy, we will promote creation of worthwhile workplaces.

The Company will also work to develop attractive products unique to Saizeriya and enhance quality and productivity through technological improvement. At the same time, we will promote initiatives against waste loss, energy saving and environmental measures at our outlets, plants, and farms, and strive to operate with corporate sustainability in mind.

We seek your continued understanding of our efforts, and we look forward to the continued support of our shareholders.



**Yasuhiko Shougaki**  
Chairman and Representative Director

**Issei Horino**  
President and Representative Director

# Major innovation through accumulation of incremental improvements

## Issei Horino

President and Representative Director

### Business in Japan

#### Focusing on development of captivating products to attract more customers to our outlets

Regarding the restaurant business in Japan, we will continue our efforts to enhance services and quality while maintaining prices.

Regarding merchandising, we will launch an attractive menu unique to Saizeriya that reflects our specialization in Italian cuisine extending over many years. We will promote development of plant technologies and production method improvements in pursuit of taste and flavor unavailable at other restaurants while at the same time improving yields.

In recent years, ordinances to prevent passive smoking have been enforced by several municipalities in the Greater Tokyo Area. In light of the need to implement countermeasures for prevention of passive smoking at restaurants in view of such developments, we will shift our outlet development strategy to make all our outlets non-smoking. In the this term, starting with the new outlets to open in Tokyo and three prefectures, we intend to promote the positioning of all our outlets as non-smoking venues.

### New business format

#### Establish an implementation model enabling rapid opening of new outlets

Regarding the new business format in Japan, design of the profit model has been completed. In the this term, we will focus on establishing an implementation model as a prerequisite for rapid opening of new outlets from the next term onward.

Assuming rises in construction costs and rents in the runup to the Tokyo Olympics, we will promote standardization of outlet facilities in order to reduce the construction period. At the same time, we aim to reduce costs for opening new outlets by thorough streamlining of outlet operation and development of plant technologies necessary for such operation.



## Overseas business

### Developing outlets that delight local customers

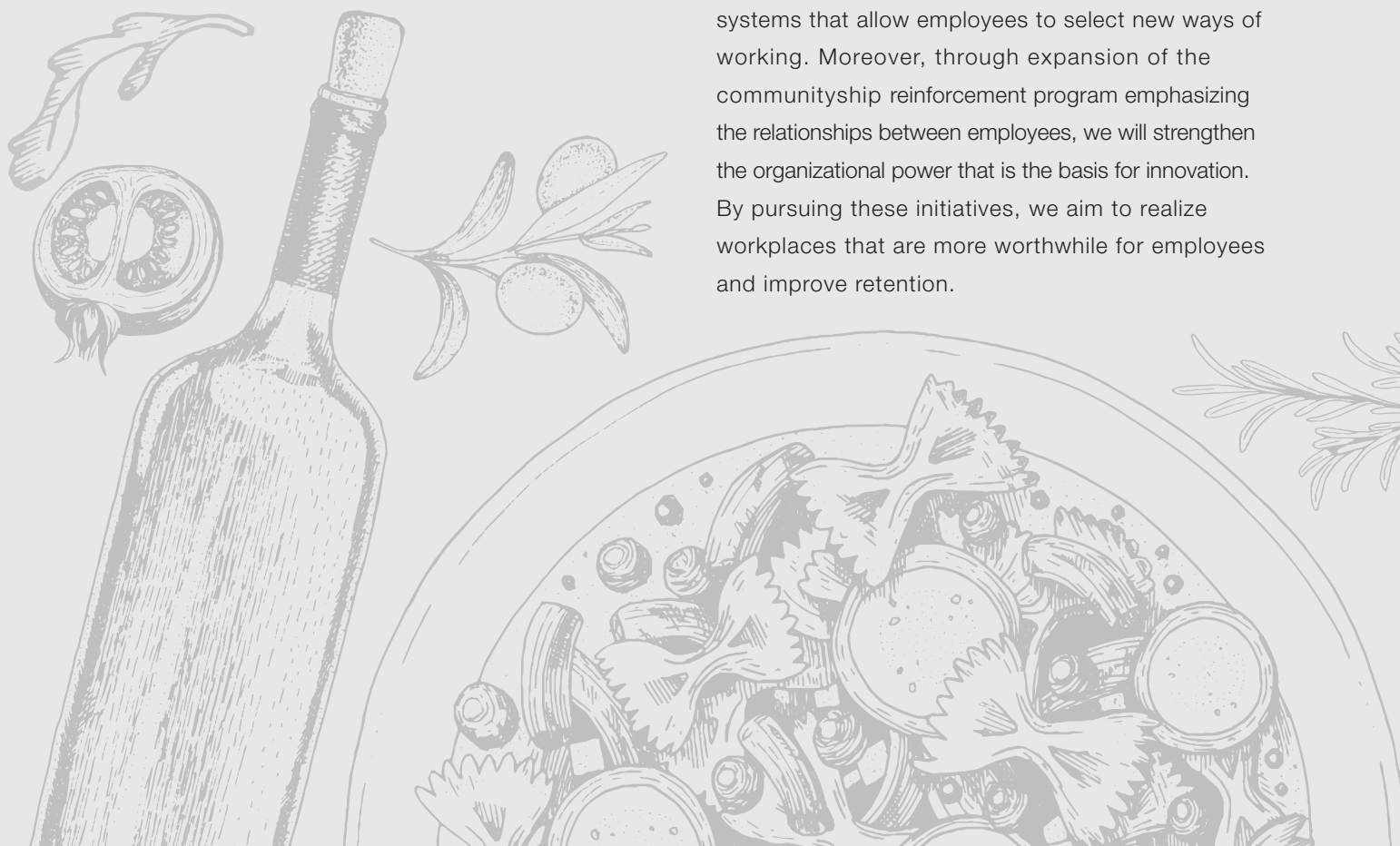
Improvement of services attuned to local needs, such as the introduction of e-money, has led to an increase in the number of customers. In the this term, we will emphasize localization of both services and quality by adapting to local values and lifestyles. Without being constrained by the norms and customs in Japan, we will promote development of outlets that delight local customers with the aim of achieving solid growth.

## Personnel and organization development

### Creating excellent places to work

We will focus on strengthening education and job satisfaction. In the this term, our emphasis is on management education and Philosophy education so as to inculcate habits of thinking and encourage the organization to learn.

As a new compensation scheme, we have introduced an employee stock ownership plan (J-ESOP), a retirement benefit plan for all employees including part-time workers. We are also working to establish systems that allow employees to select new ways of working. Moreover, through expansion of the communityship reinforcement program emphasizing the relationships between employees, we will strengthen the organizational power that is the basis for innovation. By pursuing these initiatives, we aim to realize workplaces that are more worthwhile for employees and improve retention.



## Consolidated Five-Year Summary

	2013	2014	2015	2016	2017
Net Sales (Millions of Yen)	110,428	125,618	139,277	144,961	<b>148,306</b>
Operating Income (Millions of Yen)	7,547	5,488	7,511	9,006	<b>11,216</b>
Ordinary Income (Millions of Yen)	8,450	5,917	8,004	9,134	<b>11,885</b>
Profit Attributable to Owners of Parent (Millions of Yen)	3,937	1,193	3,774	5,505	<b>7,496</b>
Total Assets (Millions of Yen)	87,472	87,224	95,485	92,463	<b>102,731</b>
Net Assets (Millions of Yen)	67,344	68,643	72,424	72,663	<b>80,412</b>
Shareholders' Equity Ratio (%)	76.8	78.5	75.7	78.4	<b>78.1</b>
Net Income per Share (Yen)	78.06	23.65	74.70	108.65	<b>151.48</b>
Cash Dividends per Share (Yen)	18.00	18.00	18.00	18.00	<b>18.00</b>

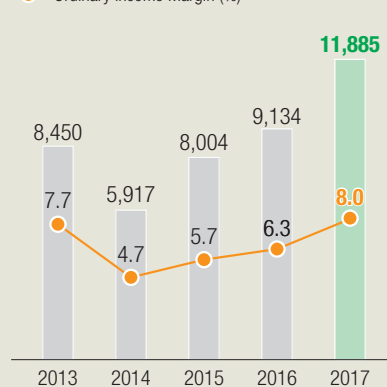
### Net Sales

(millions of yen)



### Ordinary Income / Ordinary Income Margin

■ Ordinary Income (millions of yen)  
● Ordinary Income Margin (%)



### Profit Attributable to Owners of Parent

(millions of yen)





## Segment Results

### Japan

Our efforts to strengthen the operation of existing outlets including the service improvements from the customers' perspective resulted in an increase in like-for-like sales for the 15th consecutive month. Total sales in Japan were ¥117,259 million (up 3.9% from the previous fiscal year) and operating income was ¥7,731 million (up 16.9%).

### Australia

Ingredients used by Saizeriya are manufactured in Australia. In line with the robust sales trends of the Company, total sales in Australia were ¥4,502 million (up 11.5% from the previous fiscal year) and operating income was ¥164 million (up 27.1%).

### Asia

Amidst the slowdown of sales and the surge in personnel expenses caused by the stagnant Chinese economy, Saizeriya offered services adapted to local preferences. As a result, total sales in Asia amounted to ¥30,973 million (down 3.4% from the previous fiscal year) and operating income was ¥3,318 million (up 51.8%).

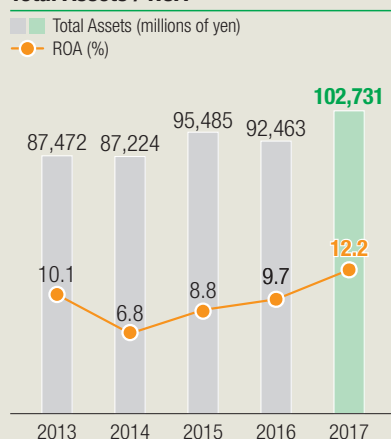
## Outlook for the This Term

Against the backdrop of the buoyant U.S. economy, the upward trend of the Japanese economy is expected to continue, reflecting the economic and financial policies of the Japanese government. However, prospects remain unclear in view of the persisting concerns about geopolitical risks due to tensions with North Korea. In addition, the surge in procurement costs and personnel expenses and staffing risks mean the situation will remain unpredictable. Accordingly, we forecast consolidated net sales of ¥156.0 billion, operating income of ¥12.5 billion, ordinary income of

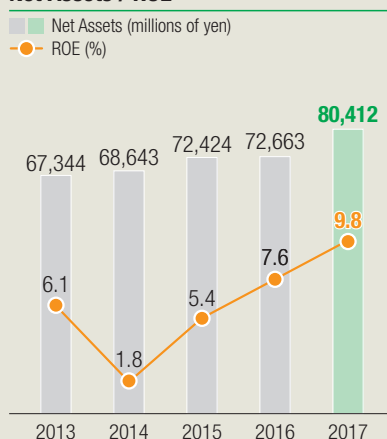
¥12.8 billion, and profit attributable to owners of parent of ¥8.4 billion.

	2017 results	2018 forecasts
Net Sales (Millions of Yen)	148,306	<b>156,000</b>
Operating Income (Millions of Yen)	11,216	<b>12,500</b>
Ordinary Income (Millions of Yen)	11,885	<b>12,800</b>
Profit Attributable to Owners of Parent (Millions of Yen)	7,496	<b>8,400</b>

### Total Assets / ROA

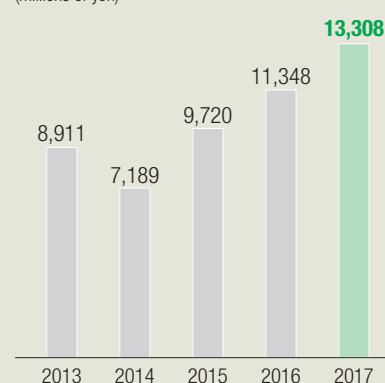


### Net Assets / ROE



### Cash Flows

(= Net Income + Depreciation and Amortization)  
(millions of yen)



# Consolidated Financial Statements

## Consolidated Balance Sheets

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
August 31, 2017 and 2016	2017	2016	2017
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and deposits with banks	¥ 37,410	¥ 30,217	\$ 338,797
Accounts receivable—tenants	1,217	1,120	11,022
Merchandise and finished goods	5,716	4,704	51,766
Raw materials and supplies	916	959	8,296
Deferred tax assets	669	614	6,059
Other	3,521	2,750	31,887
Total current assets	49,454	40,367	447,872
<b>FIXED ASSETS:</b>			
Tangible fixed assets			
Buildings and structures	25,386	24,395	229,904
Machinery, vehicle and equipment	2,020	2,156	18,294
Furniture and fixtures	4,370	4,047	39,576
Land	6,954	6,932	62,978
Lease assets, net	103	113	933
Construction in progress	434	263	3,930
Total tangible fixed assets	39,269	37,908	355,633
Intangible fixed assets	1,022	1,022	9,256
Investments and other assets			
Investment securities	259	339	2,346
Caution and guarantee money	9,912	9,656	89,766
Cooperative advances for construction	697	976	6,312
Deferred tax assets	1,948	1,834	17,642
Other	370	372	3,351
Allowance for doubtful accounts	(14)	(14)	(127)
Total Intangible fixed assets and investments and other assets	13,173	13,164	119,299
Total fixed assets	53,277	52,095	482,494
<b>TOTAL ASSETS</b>	¥ 102,731	¥ 92,463	\$ 930,366

Notes: (1) The U.S. dollar amounts represent translations of Japanese yen amounts at the rate of ¥110.42=US\$1, the approximate rate of exchange on August 31, 2017.  
(2) The financial statements are a translation of the Japanese annual securities report's financial statements.

August 31, 2017 and 2016	Millions of Yen	Thousands of U.S. Dollars (Note 1)	
	<b>2017</b>	<b>2016</b>	<b>2017</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable–trade	¥ 5,489	¥ 5,027	\$ 49,710.00
Current portion of long-term loans payable	—	485	—
Lease obligations	9	8	82
Income taxes payable	2,538	1,918	22,985
Accrued bonuses	1,371	1,433	12,416
Allowance for special benefit for shareholders	154	160	1,395
Asset retirement obligations	33	30	299
Derivatives liabilities	—	144	—
Other	6,938	6,185	62,833
Total current liabilities	<b>16,534</b>	15,393	<b>149,737</b>
<b>LONG-TERM LIABILITIES:</b>			
Provision for employee stock ownership plan	331	—	2,998
Lease obligations	104	113	942
Deferred tax liabilities	37	35	335
Asset retirement obligations	5,044	3,933	45,680
Other	267	323	2,418
Total long-term liabilities	<b>5,785</b>	4,406	<b>52,391</b>
Total liabilities	<b>22,319</b>	19,799	<b>202,128</b>
<b>NET ASSETS</b>			
<b>SHAREHOLDERS' EQUITY:</b>			
Capital stock	8,612	8,612	77,993
Capital surplus	10,556	9,215	95,599
Retained earnings	63,557	56,967	575,593
Treasury stock	(5,191)	(3,243)	(47,011)
Total shareholders' equity	<b>77,535</b>	71,552	<b>702,183</b>
<b>Accumulated other comprehensive income</b>			
Translation adjustments	2,654	985	24,036
Total accumulated other comprehensive income	<b>2,654</b>	985	<b>24,036</b>
Subscription rights to shares	222	126	2,011
Total net assets	<b>80,412</b>	72,663	<b>728,238</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>¥ 102,731</b>	¥ 92,463	<b>\$ 930,366</b>

## Consolidated Statements of Income

Millions of Yen

Thousands of U.S. Dollars (Note 1)

Years Ended August 31, 2017 and 2016	2017	2016	2017
<b>NET SALES</b>	<b>¥ 148,306</b>	¥ 144,961	<b>\$ 1,343,108</b>
<b>COST OF SALES</b>	<b>52,528</b>	53,398	<b>475,711</b>
Gross profit	<b>95,777</b>	91,563	<b>867,388</b>
<b>SELLING, GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>84,561</b>	82,557	<b>765,812</b>
Operating income	<b>11,216</b>	9,006	<b>101,576</b>
<b>NON-OPERATING INCOME:</b>	<b>737</b>	340	<b>6,675</b>
Interest income	<b>188</b>	217	<b>1,703</b>
Dividend income	<b>120</b>	—	<b>1,087</b>
Compensation income	<b>184</b>	46	<b>1,666</b>
Gain on valuation of derivatives	<b>144</b>	—	<b>1,304</b>
Other	<b>100</b>	76	<b>906</b>
<b>NON-OPERATING EXPENSES:</b>	<b>212</b>	212	<b>1,920</b>
Interest expenses	<b>2</b>	5	<b>18</b>
Foreign exchange loss	<b>14</b>	40	<b>127</b>
Loss on valuation of derivatives	<b>—</b>	144	<b>—</b>
Other	<b>51</b>	21	<b>462</b>
Ordinary income	<b>11,885</b>	9,134	<b>107,634</b>
<b>SPECIAL INCOME:</b>	<b>120</b>	177	<b>1,087</b>
Compensation income	<b>—</b>	174	<b>—</b>
Gain on sales of shares of subsidiaries and associates	<b>115</b>	—	<b>1,041</b>
Gain on reversal of subscription rights to shares	<b>4</b>	3	<b>36</b>
<b>SPECIAL LOSS:</b>	<b>697</b>	632	<b>6,312</b>
Impairment loss	<b>359</b>	541	<b>3,251</b>
Loss on retirement of fixed assets	<b>52</b>	77	<b>471</b>
Store closure loss	<b>57</b>	14	<b>516</b>
Provision for allowance of employee stock ownership plan	<b>227</b>	—	<b>2,056</b>
<b>INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS</b>	<b>11,309</b>	8,679	<b>102,418</b>
Current income taxes	<b>3,970</b>	3,071	<b>35,954</b>
Deferred income taxes	<b>(157)</b>	102	<b>(1,422)</b>
Total income taxes	<b>3,813</b>	3,173	<b>34,532</b>
Net income	<b>7,496</b>	5,505	<b>67,886</b>
<b>PROFIT ATTRIBUTABLE TO OWNERS OF PARENT</b>	<b>¥ 7,496</b>	¥ 5,505	<b>\$ 67,886</b>

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(2) The financial statements are a translation of the Japanese annual securities report's financial statements.

## Consolidated Statements of Cash Flows

Millions of Yen

Thousands of U.S. Dollars (Note 1)

Years Ended August 31, 2017 and 2016	2017	2016	2017
<b>OPERATING ACTIVITIES:</b>			
Income before income taxes and minority interests	¥ 11,309	¥ 8,679	\$ 102,418
Depreciation and amortization	5,812	5,843	52,635
Increase (decrease) in allowance for doubtful accounts	(0)	(0)	(0)
Increase (decrease) in accrued bonuses	(76)	176	(688)
Increase (decrease) in provision for employee stock ownership plan	331	—	2,998
Increase (decrease) in reserve for special benefit for shareholders	(6)	18	(54)
Interest income	(308)	(217)	(2,789)
Interest expenses	25	5	226
Foreign exchange loss (gain)	(43)	48	(389)
Loss (gain) on valuation of derivatives	(144)	144	(1,304)
Loss on retirement of fixed assets	52	77	471
Loss on sales of shares of subsidiaries and associates	(115)	(144)	(1,041)
Store closure loss	57	14	516
Impairment loss	359	541	3,251
Compensation income	—	(174)	—
Gain on reversal of subscription rights to shares	(4)	(3)	(36)
Decrease (increase) in accounts receivable—tenants	(97)	(78)	(878)
Decrease (increase) in inventories	(872)	1,408	(7,897)
Decrease (increase) in other current assets	(572)	(44)	(5,180)
Increase in accounts payable—trade	365	0	3,306
Increase (decrease) in other current liabilities	661	(116)	5,986
Other	144	76	1,304
Subtotal	16,854	16,398	152,635
Interest and dividends received	265	148	2,400
Interest paid	(2)	(4)	(18)
Income tax paid	(3,661)	(2,948)	(33,155)
Net cash provided by operating activities	13,456	13,767	121,862
<b>INVESTING ACTIVITIES:</b>			
Proceeds from sales of shares of subsidiaries and associates	195	—	1,766
Purchase of tangible fixed assets	(5,174)	(4,475)	(46,857)
Purchase of intangible fixed assets	(88)	(326)	(797)
Payments for caution money, guarantee money and cooperative advances for construction	(515)	(435)	(4,664)
Proceeds from collection of caution, guarantee money and cooperative advances for construction	611	687	5,533
Other payments	(179)	(236)	(1,621)
Net cash used in investing activities	(5,149)	(4,787)	(46,631)
<b>FINANCING ACTIVITIES:</b>			
Repayment of long-term loans payable	(485)	(3,008)	(4,392)
Purchase of treasury stock	(3,265)	(1,471)	(29,569)
Proceeds from sales of treasury stock	2,282	—	20,667
Proceeds from exercise of share options	263	196	2,382
Dividends paid	(909)	(913)	(8,232)
Net cash provided by (used in) financing activities	(5,196)	(5,196)	(47,057)
<b>TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS</b>	1,000	(1,679)	9,056
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	7,192	2,104	65,133
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	30,217	28,113	273,655
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	¥ 37,410	¥30,217	\$ 338,797

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## Consolidated Statement of Changes in Net Assets

Millions of Yen

Year Ended August 31, 2017	Shareholders' equity					Accumulated other comprehensive income		Subscription rights to shares	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Translation adjustments	Total accumulated other comprehensive income		
<b>BALANCE AS OF SEPTEMBER 1, 2016</b>	<b>¥8,612</b>	<b>¥9,215</b>	<b>¥56,967</b>	<b>¥(3,243)</b>	<b>¥71,552</b>	<b>¥ 985</b>	<b>¥ 985</b>	<b>¥ 126</b>	<b>¥72,663</b>
Changes during the term									
Dividends			(906)		(906)				(906)
Profit attributable to owners of parent			7,496		7,496				7,496
Acquisition of treasury stock				(983)	(983)				(983)
Disposal of treasury stock		61		315	376				376
Acquisition of treasury stock by employee stock ownership trust				(2,282)	(2,282)				(2,282)
Disposal of treasury stock by employee stock ownership trust		1,279		1,002	2,282				2,282
Net changes of items other than shareholders' equity						1,669	1,669	95	1,765
Total changes during the term	—	1,341	6,590	(1,947)	5,983	1,669	1,669	95	7,748
<b>BALANCE AS OF AUGUST 31, 2017</b>	<b>¥8,612</b>	<b>¥10,556</b>	<b>¥63,557</b>	<b>¥(5,191)</b>	<b>¥77,535</b>	<b>¥2,654</b>	<b>¥2,654</b>	<b>¥222</b>	<b>¥80,412</b>

Thousands of U.S. Dollars (Note 1)

Year Ended August 31, 2017	Shareholders' equity					Accumulated other comprehensive income		Subscription rights to shares	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Translation adjustments	Total accumulated other comprehensive income		
<b>BALANCE AS OF SEPTEMBER 1, 2016</b>	<b>\$77,993</b>	<b>\$83,454</b>	<b>\$515,912</b>	<b>\$(29,370)</b>	<b>\$647,999</b>	<b>\$8,920</b>	<b>\$8,920</b>	<b>\$1,141</b>	<b>\$658,060</b>
Changes during the term									
Dividends			(8,205)		(8,205)				(8,205)
Profit attributable to owners of parent			67,886		67,886				67,886
Acquisition of treasury stock				(8,902)	(8,902)				(8,902)
Disposal of treasury stock		552		2,853	3,405				3,405
Acquisition of treasury stock by employee stock ownership trust				(20,667)	(20,667)				(20,667)
Disposal of treasury stock by employee stock ownership trust		11,583		9,074	20,667				20,667
Net changes of items other than shareholders' equity						15,115	15,115	860	15,984
Total changes during the term	—	12,145	59,681	(17,633)	54,184	15,115	15,115	860	70,168
<b>BALANCE AS OF AUGUST 31, 2017</b>	<b>\$77,993</b>	<b>\$95,599</b>	<b>\$575,593</b>	<b>\$(47,011)</b>	<b>\$702,183</b>	<b>\$24,036</b>	<b>\$24,036</b>	<b>\$2,011</b>	<b>\$728,238</b>

Notes: (1) The U.S. dollar amounts represent translations of Japanese yen amounts at the rate of ¥110.42=US\$1, the approximate rate of exchange on August 31, 2017.

(2) The financial statements are a translation of the Japanese annual securities report's financial statements.

## Corporate Data and Shareholders' Information

### Corporate Data

as of August 31, 2017

Company Name	<b>Saizeriya Co., Ltd.</b>
Chairman and Representative Director	<b>Yasuhiko Shogaki</b>
President and Representative Director	<b>Issei Horino</b>
Head Office	<b>2-5, Asahi, Yoshikawa City, Saitama 342-0008, Japan</b>
Established	<b>May 1, 1973</b>
Capital Stock	<b>¥8,612,500,000</b>
Number of Employees	<b>4,261</b> (Full-Time employees; on a consolidated basis)
Number of Outlets	<b>1,424</b> (1,057 in Japan and 367 overseas)

#### Consolidated Subsidiaries

**Saizeriya Australia Pty. Ltd.**

**Shanghai Saizeriya Co., Ltd.**

**Guangzhou Saizeriya Co., Ltd.**

**Beijing Saizeriya Co., Ltd.**

**Taiwan Saizeriya Co., Ltd.**

**Hong Kong Saizeriya Co. Limited**

**Singapore Saizeriya Pte. Ltd.**

#### Board of Directors and Audit and Supervisory Committee Members

Chairman	<b>Yasuhiko Shogaki</b>
President	<b>Issei Horino</b>
Director	<b>Nobuyuki Masuoka</b>
Director	<b>Hideharu Matsutani</b>
Director	<b>Noboru Nagaoka</b>
Director	<b>Minoru Orido</b>
Outside Director	<b>Koji Shimazaki</b>
Director, Standing Audit and Supervisory Committee Member	<b>Ryohei Shibata</b>
Outside Director, Audit and Supervisory Committee Member	<b>Tsutomu Okada</b>
Outside Director, Audit and Supervisory Committee Member	<b>Susumu Watanabe</b>

as of November 28, 2017

### Shareholders' Information

as of August 31, 2017

Total Number of Shares Authorized	<b>73,208,000</b>
Number of Shares Issued	<b>52,272,342</b>
Shares Listed on	<b>The First Section of the Tokyo Stock Exchange</b>
Number of Shareholders	<b>32,349</b>

#### Principal Shareholders

	Number of Shares Held (Unit: 1,000 shares)	Percentage of Total Shares (%)
Yasuhiko Shogaki	15,253	29.18
Babette Co., Ltd.	4,455	8.52
Saizeriya Co., Ltd.	2,030	3.88
Saizeriya Employees' Stock Holding Association	1,859	3.55
Japan Trustee Services Bank, Ltd. (Trust Account)	1,272	2.43
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,152	2.20
THE BANK OF NEW YORK MELLON	835	1.59
Trust & Custody Services Bank, Ltd. (Trust E Account)	700	1.33
Japan Trustee Services Bank, Ltd. (Trust Account 9)	612	1.17
GOLDMAN, SACHS & CO. REG	548	1.05

#### Ownership of Shares by Category

	Number of Shareholders	Number of Shares Held* (Unit: 100 shares)	Percentage of Total Shares (%)
Japanese financial institutions	44	7,214,400	13.82
Japanese securities companies	30	573,000	1.10
Other Japanese corporations	176	4,586,400	8.79
Foreign corporations and individuals	206	10,731,800	20.56
Japanese individuals and others	31,893	29,092,400	55.73
<b>Total</b>	<b>32,349</b>	<b>52,198,000</b>	<b>100.00</b>

\*Odd-lot shares are excluded.



**Saizeriya Co., Ltd.**

2-5, Asahi, Yoshikawa City, Saitama 342-0008, Japan  
Phone: +81-48-991-9611 Fax: +81-48-991-9637

**URL <http://www.saizeriya.co.jp/>**