

November 20, 2018

Notice of Acquisition of New York Restaurants "ABURIYA KINNOSUKE" and "SOBA TOTTO"

create restaurants NY Inc. (hereinafter referred to as "CRNY"), a wholly owned subsidiary of the Company, has decided to acquire and operate two Japanese restaurants in New York, "ABURIYA KINNOSUKE" and "SOBA TOTTO". Details are as follows.

1. Purpose of acquisition

"ABURIYA KINNOSUKE" (opened in June 2005) and "SOBA TOTTO" (opened in December 2007) are genuine Japanese restaurants located in the center of Manhattan, and these have been gained wide acceptance by New Yorkers since its opening.

With acquiring both restaurants, we have determined that we can expect following synergies: (1) steady performance can be expected in the future, and (2) further growth can be expected by utilizing the experience and know-how of our Group as a Japanese restaurant, and leveraging our strengths in menu development, store management, and cost management, etc.

In addition, from the perspective of promoting global expansion, which is one of our growth strategies, the Company believes that this initiative will contribute to establishing the management foundation of CRNY, the operation base in North American. It will strengthen the promotion of overseas M&A strategies in the future, which will lead to the enhancement of the corporate value of the Group.

[Brands to acquire]



2. Schedule

December 1, 2018

Commencement of operation of "ABURIYA KINNOSUKE"

December 15, 2018

Commencement of operation of "SOBA TOTTO"

3. Future outlook

The impact of this acquisition on the consolidated results for the current term (FY2/19) is expected to be minor. The Company will promptly notify you of any impact on its business results.