

February 21, 2019

Notice of Section Transfer of its Consolidated Subsidiary
(SFP Holdings Co., Ltd.)

create restaurants holdings inc. announces that SFP Holdings Co., Ltd., our consolidated subsidiary, will transfer its listing market from the Second Section of the Tokyo Stock Exchange to the First Section of the Tokyo Stock Exchange, effective on February 28, 2019, upon approval by the Tokyo Stock Exchange. Details are as follows.

February 21, 2019

**Notice of Approval for Section Transfer to the
Tokyo Stock Exchange 1st Section**

SFP Holdings Co., Ltd. announces that our company received approval today from Tokyo Stock Exchange, Inc. for listing on the First Section of the Tokyo Stock Exchange from the Second Section of the same market as of February 28, 2019.

We would like to express our sincere gratitude for the support and cooperation of our shareholders, business partners, and many other stakeholders.

To meet your expectations, we will continue to work to expand our business and enhance our corporate value. We appreciate your continued support.

For more details about the section transfer to the First Section of the Tokyo Stock Exchange, please refer to the Japan Exchange Group website (<https://www.jpx.co.jp/>).

(Reference) About business forecasts

As of January 11, 2019, our company downwardly revised its business forecasts for the current fiscal year. In light of this situation, in the next fiscal year (FY2/20), we intend to curtail new outlet openings and undertake a strategic review of our existing outlets, as well as aggressively withdraw from unprofitable outlets, in order to enhance our earnings base. As a result, we expect profits to decline for the next fiscal year, as we cannot compensate for the higher personnel expenses due to an increase in the number of employees, the increase in renovation and repair expenses at existing outlets, and the impact of the closure of outlets.

On the other hand, in addition to these measures, we will further develop the "SFP Food Alliance Initiative" through M&A, that we are currently promoting, to achieve stable profit growth from the next fiscal year onwards.

Details including specific figures will be announced at the time of the disclosure of the financial results for the current fiscal year, which is scheduled on April 12, 2019.