

Concept

Zensho Group Corporate Profile



ZÉNSHO



Providing the world with safe, delicious food at affordable prices

As the top food service enterprise in Japan, Zensho plays a vital role in the nation's food provision infrastructure. Both in Japan and overseas, Zensho serves a diverse range of great-tasting meals at its restaurants in the *gyudon* (beef bowl), family dining and fast food categories. Fully committed to providing safe and delicious food, Zensho conducts meticulous food management not only in restaurants but also in all other

processes including ingredient procurement, manufacturing and logistics. To conduct this with complete accountability, Zensho has created a unique source-to-customer business model and promotes it for continuous innovation in every process from design planning to operation. Zensho's vision is to provide safe, delicious food to as many people as possible, throughout the world.



Aiming to be the world's top food company

Founded in 1982, over the last 36 years Zensho has grown into a corporate group with about 5,000 restaurants and other retail locations. Annual sales have reached 579.1 billion yen. After being listed on the Second Section of the Tokyo Stock Exchange in 1999, Zensho's sales grew by a factor of more than 30 over the 18 years since 2000. Zensho has firmly established

itself at the top position among food service companies in Japan. Becoming the largest food service company in Japan was a milestone in Zensho's quest to realize its corporate mission, which is to help eradicate global hunger and poverty, and this dominant position serves as a foundation for further growth. Our real work has just begun.

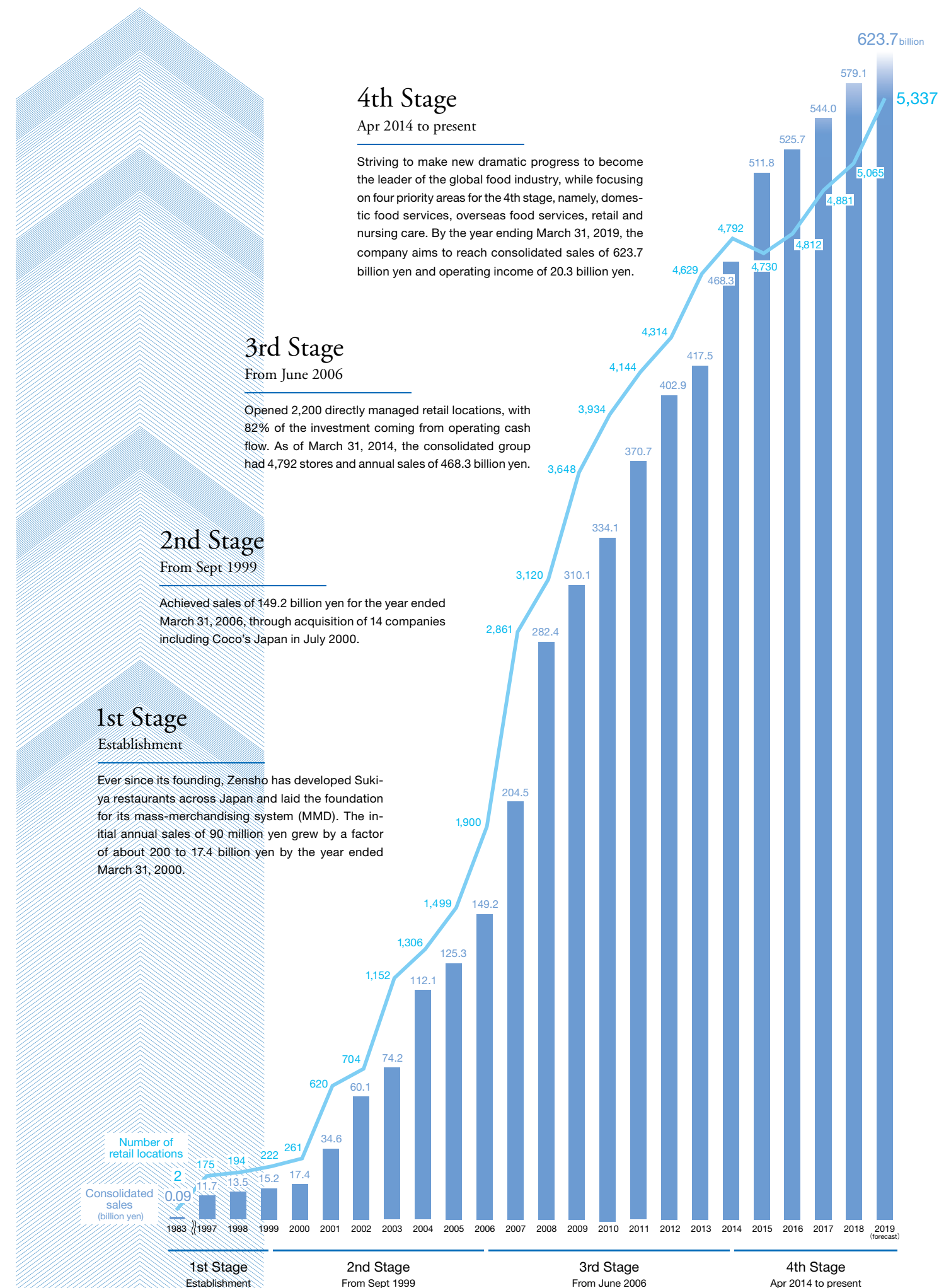
ZENSHO SUMMARY (as of March 31, 2018)

Consolidated sales
..... 579.1 billion yen

Consolidated operating profit
..... 17.6 billion yen

Number of retail locations
..... 5,065

Newly opened retail locations
..... 241 (from April 1, 2017–March 31, 2018)

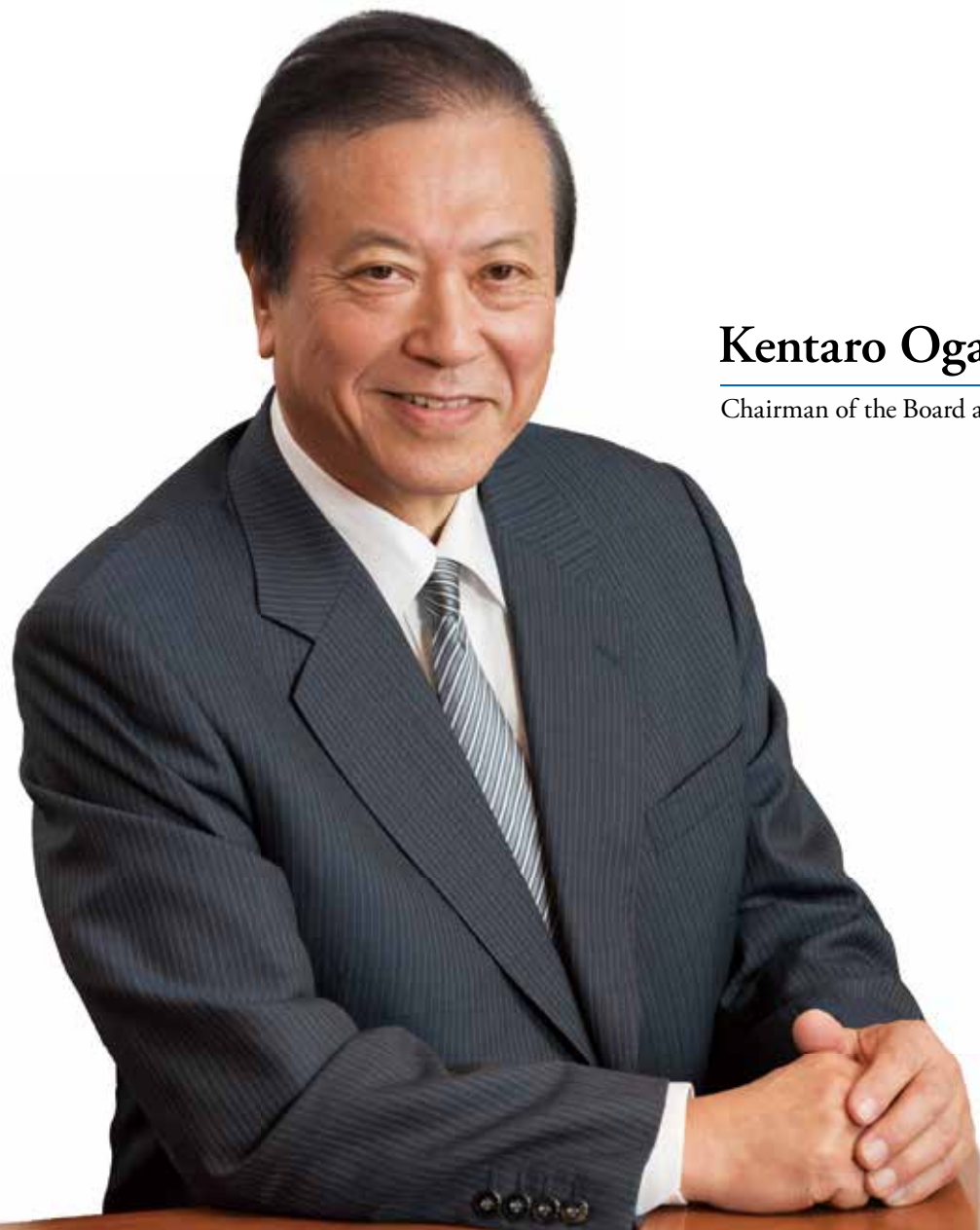


*Figures as of March 31 of the relevant fiscal year

“Our goal is to become the world’s No. 1 company in the food industry — a position from which we can help eradicate hunger and poverty from the world.”

Zensho’s corporate mission to eradicate hunger and poverty from the world may appear like a lofty goal for a company that operates popular restaurants serving delicious food. Yet this is the mission that has brought

the Zensho Group together to become the largest food service company in Japan. Our next step is to become the top food company in the world.



Kentaro Ogawa

Chairman of the Board and CEO

Achieving No. 1 in sales in Japan is just the beginning

On March 31, 2018, the Zensho Group posted net sales of 579.1 billion yen and had 5,065 retail locations worldwide. While being the No. 1 food service company in Japan by sales, Zensho also ranks among the top-ten food service companies in the world.

We are proud of these achievements, but our ultimate goal will require more efforts. Although Zensho leads the food service industry in Japan, it only accounts for 2% of total sales in the 25 trillion yen food market. Looking at other industries, top companies in the automotive sector control about 20% or 30% of their markets. It is clear that the industrialization of Japan’s food service sector is still far behind that of other sectors. We would first like to change this structure and become the top food service company in the world, just as Japanese carmakers have risen to the top in their global market. We believe this is exactly the step we need to take to move closer to fulfilling our founding vision, “to eradicate hunger and poverty from the world.”

Although our sales grew by a factor of more than 30 since 2000, we still need more growth to realize our mission. With our JASDAQ listing in 1997, our creditworthiness increased, thereby supporting our rapid growth. The Zensho Group then expanded through acquisition of a variety of businesses. Although many people see Zensho as a group that grew through M&A, the driving force behind our growth has been more through the opening of new retail locations. Reflecting on Zensho’s investments since 2007, while M&A accounted for only 10% of its investment, the opening of directly managed company outlets accounted for the remaining 90%.

Opening new retail locations is similar to planting seeds one by one by hand in a rice paddy. Thorough investigation must be carried out for each new restaurant before it can be opened. In the 3rd stage, which began in June 2006, a total of 2,200 directly managed retail locations were opened. Instead of using the franchise system to open new locations, Zensho believes in the direct management of its establishments. We believe this is the best way to fulfill our responsibilities to customers for safety, reliability and quality of the food we serve.

Management philosophy inspires our efforts

Although Japan’s food service market is said to be shrinking, our main focus is fast food, which has

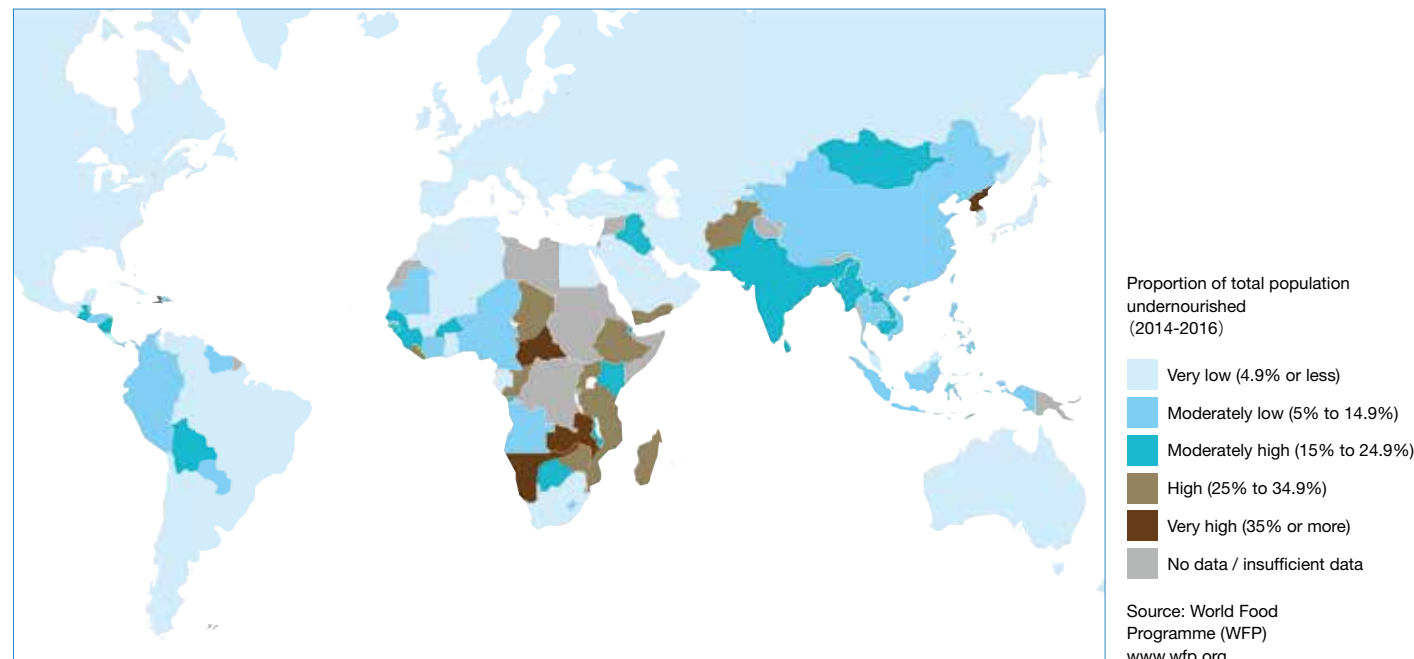
grown by 700 billion yen in the last 16 years. Meanwhile, there is a decline in traditional establishments such as *ryokan* inns and *izakaya* pubs. Major restructuring is occurring in the industry. Many people have asked about the reason behind Zensho’s remarkable growth. Let me answer that question without equivocation. Our growth is due to our unwavering founding vision to eradicate hunger and poverty from the world, which has enabled us to attract various talented employees that truly share this vision and work with passion to materialize this every day.

The world’s hungry are said to number 815 million, approximately 1 in 9 people. However, this is not due to an overall lack of food. The world produces enough food to sustain the global population of 7.5 billion. Unfortunately too much food ends up in developed countries where it sells for higher prices. This kind of uneven distribution is the biggest factor in food insecurity and hunger in developing countries. In order to eradicate hunger and poverty from the world, we need to eliminate food waste and inefficiency. That is why Zensho was founded—to create a sustainable mechanism that will prevent food shortages in all circumstances.

Most companies have some sort of management philosophy or mission, but frankly, they do not mean much unless the founder believes in them. Everyone at Zensho truly believes that we can help eradicate hunger and poverty from the world and in so doing, launch a new era in human history. It is due to our people’s earnest efforts to achieve this ultimate goal that we have been able to achieve such dramatic growth, more than 30-fold, in just 18 years.

As we strive to achieve our goal, our employees grow stronger in the process of overcoming individual challenges. Even though we have reached a large size, we have remained capable of carrying out dynamic organizational changes with flexibility at each new stage of our development. Through this process, the organizational flexibility and the skills developed by individual employees have become great assets for our enterprise. That is why we believe we can become the top food company in the world.

The Zensho Group has created its own mass-merchandising system (MMD) to perform management of everything from raw material procurement to processing, logistics and sales. The MMD system forms the foundation of our management, and it has integrated our mission into actual daily operations. For instance, we strive to completely eliminate food waste and inefficiency and to provide customers with safe and reliable



food at even more affordable prices. In order to achieve these goals, we decided that we had to design and create mechanisms to handle all the processes from ingredient procurement to food sales, and to do the hard work of carrying out these operations ourselves.

This system has achieved great results in Japan, and our goal now is to take it worldwide. A global presence will bring us much closer to realizing our vision of eradicating hunger and poverty from the world. We realize that we have a long way to go.

Taking on the global market of 7.5 billion people

As of March 31, 2018, Zensho has 385 Sukiya *gyudon* restaurant locations outside Japan, and the company is accelerating its strategy to open more. By expanding out of the Japanese market of 120 million people, Zensho is beginning full-scale development of a market that is about 60 times larger—the global market of 7.5 billion people. By establishing our MMD system in 200 countries and regions worldwide, we want to provide people everywhere with safe, convenient, delicious food. With a strong global presence, we will be better positioned to contribute to humanity by helping eradicate hunger and poverty.

The more the company expands globally, the more its spirit and culture, as well as the character of its employees, are tested. Japan has grown rapidly by learning from Western technology and thinking. In the 21st century, however, I believe we will have to create and export uniquely Japanese products and services, as well as our own work methods, division-of-labor mechanisms and organizational forms.

Of course, our employees will need skills that are different from those they have used in the past. We require even more human resources that can think for themselves and take responsibility for their own decisions. We will also have to change from the traditional top-down management style to one that is more like a soccer team, where each member has personal vision and imagination and is able to think and take action independently.

Once employees are used to thinking and acting independently, they can develop management skills that work in any business area. By cultivating a big team of these human resources, we can ensure that the company never wavers in its mission of eradicating hunger and poverty from the world. I believe that, with a group of spirited employees who really believe in our mission, we can replicate dedicated teams around the world who can, in turn, set up the Zensho MMD system in 200 countries and regions worldwide. Ambitious goals like these make Zensho thrive.

Starting with a rewarding purpose

In order to provide safe, reliable food, utmost care must be taken to ensure total purity from contaminants such as BSE, hazardous chemicals or radioactive materials. Food safety management is the highest priority for the Zensho Group. In 2005, we established a Food Safety Pursuing Unit (currently Group Food Safety Assurance Division) followed by a Central Research Center in 2006 to perform our own food inspection and analysis. In the following year, we established an annex in China to perform our food inspection in the

country. Through the introduction of the industry's most advanced analysis equipment, Zensho checks every day for contaminants such as pesticide residues, heavy metals and radiation.

As an initiative with an even longer term perspective, we directly operate a ranch called Zenshoen in Taiki-town in Hokkaido Prefecture. As a pilot farm of the Zensho Group, it conducts research on the best ways to feed and raise cattle and on vegetable and rice varieties in order to match them to the best growing locations and improve quality.

In order to help producers in developing countries, Zensho was early to adopt fair trade products. This involves ongoing direct purchases from producers in developing countries at reasonable prices. The aim is to improve the livelihoods of disadvantaged farmers and laborers in these countries. Zensho buys fair trade agricultural products such as coffee beans at fair prices that include a social premium surcharge, or what we call social development funds. The premium goes toward improving the living conditions for people in the production area. The social development funds are used to support health programs for mothers and young children in Tanzania and for construction of drinking water infrastructure and a home economics classroom in primary schools in Rwanda.

Eventually, Zensho plans to set up its MMD system in these developing countries and create a food infrastructure that can provide safe food for everyone. Although there are challenges involved in establishing agricultural and livestock businesses in developing countries, such as securing water resources, a solution can always be found by thinking carefully and through diligent work. The most realistic approach is to develop crops that are ideally suited to each individual climate and to organize worldwide production accordingly, while applying the best practices for agricultural and livestock farming. If this kind of food infrastructure can be built around the world, it would create more employment in many countries, and workers lives

would be enriched through the added value of their labor. This initiative is part of our effort to realize our vision of eradicating hunger and poverty worldwide.

4th stage priority areas: domestic / overseas food services, retail and nursing care

In April 2014, Zensho entered the 4th stage, positioning it as a new period of growth.

In the 1st stage, which began with the company's founding, the initial annual sales of 90 million yen laid the foundation for Zensho's MMD system, while expanding Sukiya across Japan. By the year ending March 31, 2000, the company had grown by a factor of about 200, achieving sales of 17.4 billion yen.

In the 2nd stage, which began in September 1999, Zensho acquired 14 companies including Coco's Japan in July 2000, and sales reached 149.2 billion yen by March 31, 2006.

In the 3rd stage, launched in June 2006, Zensho opened 2,200 directly managed retail locations, and 82% of the investment came from operating cash flow. Sales reached 468.3 billion yen by March 31, 2014.

In the 4th stage, which started in April 2014, by focusing on the four priority areas of domestic food services, overseas food services, retail and nursing care, Zensho has been aiming to make dramatic new progress and become the top company in the global food industry.

When a company grows and enters a new phase, issues which have been overlooked often come to light. At the Zensho Group, we are determined to tackle issues like this head on, as we take the next step toward providing all of our employees with a level of work and life satisfaction they can't find anywhere else. In fact, this is one of the keys to providing value to our shareholders and trading partners, and I am confident that we will continue to do that.



Expanding Zensho's MMD System Worldwide

Zensho's mass merchandising system (MMD) allows the company to fulfill its mission to "provide safe, delicious food to people around the world at affordable prices." Zensho plans, designs and operates the MMD system to integrate everything from procurement of raw ingredients to manufacturing, processing, logistics and retail sales. The MMD system enables Zensho to procure safe, high-quality raw ingredients at stable and appropriate prices. By centrally procuring ingredients

for the entire group, Zensho is able to eliminate intermediate steps, in turn offering customers delicious food at reasonable prices. The MMD system forms the foundation of Zensho's business, and it is the driving force behind the company's breakthrough successes. Zensho is now expanding its MMD beyond Japan with its sights set on the entire world, seeking to provide an essential food infrastructure for all humanity.



Zensho's Strict Safety Standards

Group Food Safety Assurance Division

Zensho regards food safety as its highest priority. It set up a Food Safety Pursuing Unit (now the Group Food Safety Assurance Division) in 2005, followed by a Central Research Center in 2006. The center is equipped with state-of-the-art analysis devices like no other in Japan's food service industry. The Central Research Center performs a range of inspections and analyses, including checks for residual agrochemicals in agricultural, livestock and fishery products, veterinary drugs, hazardous substances such as heavy metals, genetically modified crops and radioactive materials. When we newly procure ingredients, whether from Japan or overseas,

the center performs rigorous safety testing. It confirms that the farms and production factories meet Zensho Group's own food safety standards. Its staff travel to the site to carry out inspections in person. They perform independent food safety tests for agrochemical residues and other potential hazards and analyze soil and water quality to ensure high safety standards are met. Further, when domestically produced agricultural or livestock products are used in Zensho Group's outlets, we carry out on-going tests for radioactive residue to ensure that they meet our own stringent safety standards.



Scientific Management of Food Safety

Zensho Safe-feed Cattle Program

There are various ongoing threats to food safety worldwide, such as incidents of "mad cow disease" (bovine spongiform encephalopathy, or BSE), residual agrochemicals and radioactive contamination. Zensho ensures the safety of its food using strict standards so that customers can always enjoy delicious food with peace of mind.

One example of Zensho's safety commitment involves U.S. beef. In order to procure BSE-free beef, Zensho has introduced its own beef management program called Zensho Safe-feed Cattle (SFC). This program involves documenting the dates and locations of cattle births and ensuring that the animals

have not been given any feed that might cause BSE infection. These healthy cattle are then certified as SFC. The program is based on Zensho's ability to ascertain the history of livestock destined for Zensho at a supplier's ranch or processing plant. This history includes each steer's life history from its birthplace till its shipment. Under the company's SFC program, Zensho employees inspect production sites in person to perform certification. They carefully check for legal compliance at farms and processing plants including inspection systems to ensure the removal of specific risk material. Only beef checked for safety reaches our Zensho kitchen.



Zensho's Own Control Program

Breeding Farm	Fattening Farm	Processing Plant	Transportation	Zensho Plant
<ul style="list-style-type: none"> Documentation of growing conditions and feed Calf production record 	<ul style="list-style-type: none"> Reception of calves Birth record / safety feed certificate Ear tag Grain-heavy formula Cattle feed mill / ingredients of feed mix / history of feed given / inspection (inspect whether the feed contains cattle protein, such as meat-and-bone meal) 	<ul style="list-style-type: none"> Confirmation of age in months Check that the health of cattle is maintained Removal of specified-risk materials HACCP-based hygiene and temperature control Inspection for harmful bacteria 	<ul style="list-style-type: none"> Transportation temperature 	<ul style="list-style-type: none"> Hygiene control and temperature control Inspection for harmful bacteria



Zensho's Global Expansion

In China, Zensho operates 271 Sukiya restaurants. After starting in Shanghai, Sukiya began a full-scale expansion in China in 2012 with new locations opening in Tianjin, Beijing and other cities. Zensho has positioned China as the launch pad for its worldwide expansion. Naturally, Zensho ensures that food safety, reliability, delicious taste, speed and service levels in China are just as high as those in Japan.



China



Mexico

In September 2013, a Sukiya restaurant was opened in Mexico City, an economic and cultural hub for Central America with a population of 20 million. Zensho plans to keep opening locally tailored restaurants here to let many more people enjoy the great taste of Sukiya's *gyudon*.



Thailand

Thailand and Japan have long shared certain cultural similarities. In May 2011, the first Sukiya restaurant in Thailand was opened in a large shopping center in suburban Bangkok. Thai people love Sukiya's *gyudon* for its tender beef and delicious rice. Sukiya Thailand also has a strong reputation for speed and quality.



Malaysia

Brazil



Sukiya has 22 restaurants in the country, mainly located in Brazil's largest city, São Paulo. Sukiya is a popular choice not just with the community of Japanese Brazilians, who number more than one million, but also among all the locals. Zensho aims to open restaurants that welcome every customer to come in and enjoy the Japanese cuisine.

To cater to Malaysia's majority Muslim population, we serve halal-certified food, adhering to Islamic law and food preparation. In order to provide the world's first and only halal-certified *gyudon* beef-rice bowl, Sukiya Malaysia devised ways to process its beef and procure seasonings such as soy sauce that meet the certification criteria. We received halal certification in November 2014.

A Popular Japanese Comfort Food with Global Ambitions

Sukiya expands around the world

Gyudon has become a national food that the Japanese people cannot live without. It contains rice, the ultimate grain for its good balance of amino acids; beef, the crown of domesticated meats; and soy sauce, the best seasoning obtained through fermentation. The exquisite harmony produced by these three ingredients is catching on around the world.

The Zensho Group has been expanding the Sukiya *gyudon* chain globally. As of March 31, 2018, there are a total of 385 Sukiya locations in China,

Brazil, Thailand, Malaysia, Mexico, Taiwan, Indonesia and Vietnam. Zensho plans to aggressively open new locations in the future. While opening new locations overseas, Zensho is also setting up its MMD system, a mechanism perfected through day-to-day operations in Japan, in countries outside of Japan. This creates a safe, efficient food infrastructure in the countries concerned. Zensho's aspiration is to help enrich the lives of people living everywhere.

Note: All location numbers are current as of March 31, 2018.

Visit the website for more information

Fair Trade Zensho

Search



Tanzania

In Tanzania, where Zensho began purchasing fair trade coffee in 2009, social development funds* are used to train village health workers for a program designed to improve the health of mothers and children. The workers give advice to expecting mothers to help them protect their own health and that of their babies.



Ecuador

In Ecuador, where Zensho began to trade JAS certified organic coffee in November 2011, the company works to help improve the educational environment for local residents. To date, 13 primary schools and 15 classrooms in seven villages have been built, alleviating the shortage of school buildings and stemming the flow of young people out of the mountain villages.

Rwanda



In Rwanda, where Zensho began purchasing fair trade coffee in December 2011, the social development funds were used to build joint infrastructure to supply water to 6,000 village residents. This has freed the children from the task of fetching water, which used to take them an hour or more each day. An elementary school home economics classroom was also built in May 2017.



Peru

Since November 2010, Zensho has been buying JAS certified organic fair trade coffee and cocoa powder from Peru. Social development funds were used to build a library in the coffee growing region. In the cacao producing area, a cafeteria was renovated at a kindergarten and new play equipment was installed.

Countries where Zensho promotes fair trade

Kenya
Uganda
Rwanda
Burundi
Tanzania
Malawi
Democratic Republic of the Congo
India
Sri Lanka
Nepal
East Timor
Papua New Guinea
Mexico
Cuba
Costa Rica
Nicaragua
Ecuador
Peru

Fair Trade for Global Sustainable Development

Zensho practices fair trade

The Zensho Group serves and sells imported fair trade coffee, tea and cocoa at its restaurants and retail locations. While fair trade products tend to have a higher final selling price, they are still chosen by consumers for their social contribution value. Zensho's commitment to fair trade is not just about providing "aid," but rather about developing a long-term relationship with producers for the purpose of mutual growth and development. Zensho employees regularly travel to the production regions to meet directly with the grower groups. They check the growth of the crops and provide technical guidance when needed on cultivation and production. Quality improvement

and stable production brings revenue and technology to producers, helping to make them economically independent. Through these long-term supply relationships, Zensho also secures a stable supply of good quality raw materials, which it can offer to customers at reasonable prices. This is truly a business model of mutually beneficial long-term development.

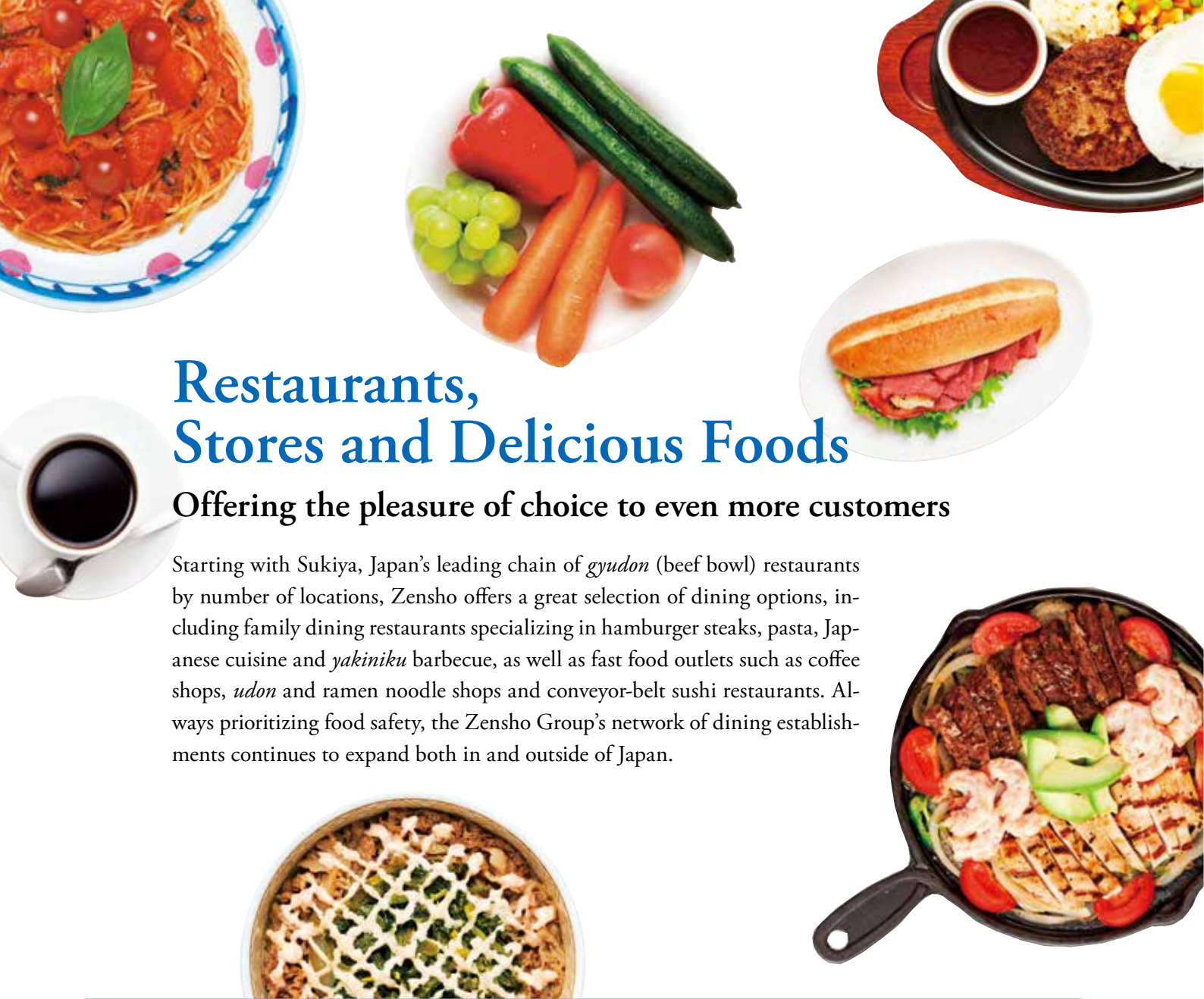
While expanding the number and diversifying country sourcing of its fair trade items, Zensho will also focus on human resources development in the countries and regions concerned, so that producers can use their revenues to invest in and manage things that the country or region needs.

*Social development funds: a portion of procurement price allotted for investment in projects for local communities to improve their living conditions

Restaurants, Stores and Delicious Foods

Offering the pleasure of choice to even more customers

Starting with Sukiya, Japan's leading chain of *gyudon* (beef bowl) restaurants by number of locations, Zensho offers a great selection of dining options, including family dining restaurants specializing in hamburger steaks, pasta, Japanese cuisine and *yakiniku* barbecue, as well as fast food outlets such as coffee shops, *udon* and ramen noodle shops and conveyor-belt sushi restaurants. Always prioritizing food safety, the Zensho Group's network of dining establishments continues to expand both in and outside of Japan.



Sukiya

Japan's leading *gyudon* chain



Sukiya is Japan's leading *gyudon* chain by number of locations. Sukiya offers delicious beef bowl dishes at affordable prices with great service. Customers can choose between casual counter seating or tables for families and small groups. Sukiya restaurants are open all day and operate year-round, every day, serving *gyudon* to order. Sukiya will continue to open new restaurants, to provide delicious food to even more people.



Locations: **1,944**

(As of March 31, 2018; the date also applies for all data on restaurants listed hereafter)

Nakau

Purely Japanese-style fast food chain



The affordable Nakau chain of restaurants satisfies customers with delicious rice bowl dishes and Kyo-to-style *udon* dishes. The classic *oyako* rice bowl is made by hand in each restaurant using Nakau's own broth and carefully selected eggs, with just the right touch of seasoning. It is a dish that rivals those of specialty restaurants. It is especially delicious with a bowl of Nakau's exquisite *udon* noodles in a Kansai-style broth.



Locations: **461**

(including 448 directly managed locations)

Coco's

Family dining restaurants



Originating in the U.S., Coco's restaurants are found across Japan, mainly in the Kanto and Kansai regions. It offers popular items such as Coco's Beef Hamburger Steak, and Hamburger en Papillote. There is also a "Premium Drink Bar" with an extensive selection, and customers can count on friendly service provided with a smile. Coco's delivers peace of mind by offering safe food and a comfortable dining environment to everyone from children to seniors.



Locations: **583**

(including 504 directly managed locations)

El Torito

Mexican cuisine restaurants



Zensho made sure that El Torito offers authentic Mexican cuisine that also appeals to Japanese tastes. The specialty is fajitas with freshly grilled tortillas, as well as frozen margaritas, the most popular cocktail. This is the place to enjoy an extraordinary food experience in a restaurant filled with the atmosphere of sunny Mexico.



Locations: **4**

Big Boy

Steaks and hamburger steaks



With 270 locations across Japan, from Hokkaido to Kyushu, Big Boy focuses on grilled foods including steaks and hamburger steaks. The popular Big Boy Hamburger Steaks are individually grilled in-store for a juicy, delicious texture. With a variety of all-you-can-eat options, such as the salad bar, soup bar and curry, Big Boy appeals to a wide range of customers.



Locations: **270**

Victoria Station

Steaks and hamburger steaks

Victoria Station

Offering a menu of steaks and hamburger steaks, the Victoria Station chain operates 42 restaurants across Japan, with the largest number of locations in Hokkaido. Popular menu choices include a beef sirloin steak, where carefully selected beef is served in a thick, satisfying portion as in the original restaurant. In addition to the safe, delicious meat dishes, the popular salad bar offers an abundance of fresh vegetables.



Locations: **42**

Jolly Pasta

Italian cuisine



Jolly Pasta offers 40 kinds of authentic spaghetti dishes, and the pasta is cooked especially for each order. There are a wide variety of pastas at affordable prices. Using original dried noodles made of a blend of several kinds of flour, Jolly Pasta serves authentic pasta at its best. Fair trade coffee is also available at the drink bar.



Locations: **238**

Hanaya Yohei / Washoku Yohei

Japanese cuisine

Hanaya Yohei is a Japanese-style restaurant chain located in Tokyo and four other prefectures, serving authentic Edo-style sushi, *shabu-shabu* hotpot made with domestic beef and many other tasty Japanese dishes made with seasonal ingredients. Washoku Yohei offers a wide variety of Japanese combo and *shabu-shabu* meals served in a casual setting where all customers are warmly welcomed, whether they come alone or in a large family group.



Hanaya Yohei Locations: 119
Washoku Yohei Locations: 14

Gyuan

Shabu-shabu, yakiniku and sukiyaki

A restaurant chain specializing in meat dishes where customers can enjoy *shabu-shabu* hotpot, *yakiniku* and *sukiyaki* made from choice beef and seasonal ingredients. Gyuan serves beef specially selected for its flavor at a reasonable price. The party course features an all-you-can-eat menu of your favorite dishes. Enjoy the variety of delicious flavors.



Locations: 22

Ichiban

Yakiniku restaurants

Yakiniku Club Ichiban is the perfect place for families and groups to enjoy *yakiniku*, Japanese-style barbecue, casually. While keeping prices reasonable, Ichiban is proud to offer quality meat that rivals those of an exclusive restaurant. Jukusei Yakiniku Ichiban is a restaurant that prides itself on its aged beef and pot-cooked rice. The all you can eat course also includes an extensive dessert bar.



Yakiniku Club Ichiban: 23
Jukusei Yakiniku Ichiban: 17

Takarajima

Yakiniku restaurants

Takarajima is perfect for families and groups of friends who want to enjoy delicious *yakiniku* at a reasonable price. There are a wide variety of combo meals, an affordable all-you-can-eat course and a wealth of a *la carte* menu options. This restaurant chain appeals to a diverse range of customers for its food safety and reliability, as well as value, portion size and delicious taste.



Locations: 34

Hamazushi

Conveyor-belt sushi

The motto of Hamazushi conveyor-belt sushi is "Serving safe and delicious sushi at an affordable price." Using only high-quality ingredients that have passed strict safety standards, it offers great value with sushi at 100 yen per plate, or only 90 yen on weekdays. There are also 150 yen plates for special items (all prices exclude tax). By leveraging the Zensho Group's economies of scale, Hamazushi has been aggressively opening new locations with the goal of becoming Japan's largest conveyor-belt sushi chain.

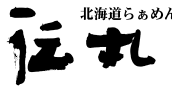


Locations: 491

Denmaru

Ramen restaurants

Denmaru is a chain of Hokkaido-style ramen noodle restaurants in the Kanto region. The restaurant's popularity derives from its distinct and delicious soup, made from chicken stock and using several types of miso with vegetables and spices. In addition to the safety and reliability of the ingredients, customers love the option of getting an extra portion of ramen noodles. A variety of side menus including fried rice and *gyoza* dumplings are also available. The restaurants feature booth seating, ideal for families with young children.



Locations: 59

Kyubei

Udon, tempura and shabu-shabu

This chain of specialty *udon* shops makes noodles in-house from a unique blend of flour and serves them in a slowly simmered broth flavored with carefully selected *kombu* kelp and four kinds of fish. It also serves *tempura*, prepared fresh for every order. Based on the concept of a "menu based on safe, reliable ingredients with a taste that only Kyubei can create," this chain serves *udon* with an emphasis on good ingredients.



Locations: 50

Seto Udon

Sanuki-style *udon*

This Sanuki-style *udon* restaurant is popular for its freshly prepared *udon* noodles that are crafted in the style developed in Sanuki, using good quality flour. Customers can select toppings such as crisp just-fried *tempura* or a half-boiled egg to create their own personal styles. The affordable prices and quick service make Seto Udon great for a casual bite to eat, any time.



Locations: 19

Tamon'an

Self-service Sanuki-style *udon*

Tamon'an is a self-service *udon* noodle chain that is expanding mainly in the food courts of shopping centers. The restaurant uses ingredients such as natural salt containing bitter and a flour blend made from high-quality wheat processed using its own milling method. Tamon'an serves authentic Sanuki-style *udon* with an emphasis on glistening noodles that retain a firm, smooth texture.



Locations: 8
(including 6 directly managed locations)

Moriva Coffee

Fair-trade café

Evoking the atmosphere of an enchanting beech forest, this chain of coffee shops seeks to give customers space to relax. Moriva Coffee uses only beans that have been personally checked for safety and quality by dedicated staff who visit the coffee fields. At 170 yen (before tax), the price of a cup of coffee is quite reasonable. The popular Moriva Sandwiches are prepared fresh for every order.



Locations: 16



United Veggies

Fruit and vegetable stores
offering safety and reliability

United Veggies operates greengrocer and florist shops from the Kanto to the Sanyo region. These convenient fruit and vegetable stores are located in train station buildings, supermarkets, shopping centers and discount stores. The fruit and vegetables purchased by customers every day are safe and of dependably good quality, yet eminently affordable.

Locations: 37



Yamaguchi Supermarket

Using the catchphrase,
“Happy Dinner Tables, 365 Days a Year”

This supermarket is managed by Maruya Co., Ltd. Located in Ashikaga, Tochigi Prefecture, Yamaguchi has expanded to eight stores around the city. As a supermarket with a proud history going back to 1950s, Yamaguchi's activities are rooted in the local community, and it supports local customers with fresh produce and good prices.

Locations: 8



Very Foods Owariya

Seeking the very best flavors

Very Foods Owariya is a supermarket with eight stores across Chiba Prefecture. In order to offer the best products to its customers, it delivers products at their best season as quickly as possible. The Zensho Group supports regional customers by selling safe, reliable and delicious products at low prices.

Locations: 8



Tolona Japan

Distribution of pizzas and
other food products

Established through a business alliance with Tolona of the U.S., Tolona Japan sells pizza, pasta, salads, prepared foods and popsicles. Utilizing its sales network across Japan, Tolona Japan also sells products from Zensho Group plants, such as ready-to-serve Sukiya-brand *gyudon* beef.



Yamatomosuisan

Fish cake products made
from carefully selected ingredients

Yamatomosuisan is headquartered in Shiogama, Miyagi Prefecture. Using the mottoes of “Pursuing Great Taste” and “Commitment to Taste,” the company delivers delicious Japanese fish cake products, including *sasa-kamaboko*, the local specialty. Yamatomosuisan continually pursues new flavors, forms and preparation methods, while maintaining its traditional techniques.



Maruya

Supporting the lifestyles of local customers

Maruya is a supermarket chain offering fresh foods mainly in Saitama and Chiba prefectures. With the motto of “developing stores that are loved and trusted by local communities,” Maruya provides safe, good-quality food while also pursuing the most affordable prices. With an atmosphere that is inviting and makes visitors feel at home, Maruya supermarkets are committed to enabling customers to buy what they need and as much as they need, whenever they need it.

Locations: 29



Maruei

Providing fresh products
at affordable prices

This supermarket has expanded mainly around Ichihara, Chiba Prefecture. It offers a wide range of fresh vegetables and seasonal fish caught locally. The company's motto is, “We provide fresh products at a low price,” and it is committed to operating stores that are closely connected to the community and much loved over the years.

Locations: 9



Fresh Corporation

Delivering convenience with
an extensive product range

Established in 1978, Fresh Corporation has steadily expanded locally-based supermarkets, mainly in Gunma Prefecture, and operates a total of 27 Fuji Mart, Avance and Marche stores. It provides a product selection and store operations that match local characteristics and the individual needs of customers along with original, high value-added delicatessen dishes prepared in its own kitchens.

Locations: 27



Sanbishi

Supporting Japanese food culture
with traditional seasonings

Based on the belief that soy sauce is the best seasoning ever created, Sanbishi continues to develop its brewing techniques. Sanbishi provides customers with safe and reliable value-added products such as the long-selling “Gold Label” soy sauce, which is made using the traditional method and has been sold for more than 40 years, as well as a low-salt product that pioneered the low-salt soy sauce market.



Kagayaki

Supporting comfortable senior living

Kagayaki operates private nursing homes and other seniors' housing with services, mainly in Hokkaido. The company helps seniors to live enjoyable, stress-free and comfortable lives during their advanced years. With awareness as senior-care professionals, the employees of Kagayaki aim to provide peace of mind, comfort, kindness, love, respect and dignity to their clients.

ZENSHO NEWS

New initiatives by the Zensho Group



Creating an Environment Conducive to Good Work

Fifth On-Site Childcare Facility Opened

Following the opening of Kagayaki Nursery Tsukuba, the Zensho Group's first on-site childcare facility, in Tsukuba City in 2015, the Group opened on-site childcare facilities in Ushiku and Toride in 2017, and in Ishioka and Mito in 2018. The nurseries were established as part of the Group's initiatives to support women in the workplace and are available for use by employees working at Zensho Group restaurants and offices. In addition to offering affordable childcare fees, the childcare facilities provide meals prepared by experienced cooks from the Zensho Group without using artificial flavorings, in appropriate portions and seasoned to appeal to young children. Going forward, the Zensho Group will continue creating an environment that makes work life easy on employees.



International Studies

Fostering Human Assets to Lead Friendly Japan-China and Japan-Vietnam Relations

The Zensho Group financially supports a course that was created by the University of Tokyo at the Vietnam National University, Hanoi, which aims to foster young and talented Japan-related researchers in Vietnam. The Group also financially supports a student exchange program between the University of Tokyo and Nanjing University, whose studies are aimed at fostering well-rounded individuals who are both pro-China and pro-Japan.



New service

Alipay Now Available at Approximately 2,900 Restaurants

Alipay, China's largest mobile payment service, can now be used at four restaurant chains: Sukiya, Hamazushi, Hanaya Yohei, and Big Boy. The Zensho Group has been creating an environment that enables foreign travelers to be more comfortable in its restaurants, including foreign language menus and websites launched in June 2016, the production of animated clips showing how to dine and order, and introducing Alipay payment at some stores in September 2017. Going forward, the Zensho Group aims to enhance convenience for customers in a variety of ways to ensure they are comfortable in the Group's restaurants.



Low-carb
gyu-men
noodles (Sukiya)

Low-carb carbonara
topped with truffle and
soft boiled egg (Coco's)



New products

Enjoy Choosing from a Wider Series of Low-Carb Products

In April 2017, Sukiya commenced sales of low-carb noodles, becoming the first nationwide food service chain in Japan to offer certified low-carb products. Four other restaurant chains went on to launch low-carb products in 2017 and beyond, first Kyubei, then Nakau, Jolly Pasta and Coco's. Going forward, the Zensho Group will continue to offer products that are delicious and filling without compromising on taste and volume while meeting the needs of customers who want low carbohydrate products that satisfy their increasing consciousness about health.

IT initiatives

Expanding Utilization of AI Assistants and Robots

The service robot Pepper has been introduced at all Hamazushi restaurants. Pepper asks arriving customers for the number of people in their party and their preferred seating and issues them a seating number ticket. In the future, Pepper will also support Chinese and English to guide customers from overseas. Sukiya has also started offering a Sukiya Bento Order skill supported by cloud-based voice service Amazon Alexa. It is possible to book a bento by simply talking to Amazon Echo. The Zensho Group will continue promoting the use of robots and AI assistants in the future to improve convenience and comfort for customers.



* This service, provided independently by the Zensho Group, uses SoftBank Robotics' Pepper.

History

June 1982	Zensho Co., Ltd. incorporated. Head Office and Yokohama Plant established in Tsurumi-ku, Yokohama City, Kanagawa Prefecture.	Feb 2011	Zensho (Thailand) Co., Ltd. established.
July 1982	Namamugi location opened in Tsurumi-ku, Yokohama City, Kanagawa Prefecture, as the first Lunchbox shop (a shop selling take-out boxed meals).	May 2011	Zensho Split Preparation Company (currently Sukiya Co., Ltd.) established.
Nov 1982	Namamugi Ekimae location opened as the first Sukiya “inside of a building” restaurant (beef bowl restaurant).	Oct 2011	Company name changed from Zensho Co., Ltd. to Zensho Holdings Co., Ltd. with shift from holding-operating company to holding company on October 1, 2011. Zensho Food de Mexico, S.A. de C.V. established.
Aug 1986	Company Head Office moved to Higashi-kanagawa-cho (now Kanagawa-ku) in Kanagawa City, Kanagawa Prefecture.	Dec 2011	GFF Co., Ltd. established to enhance central kitchen functions.
Apr 1987	Head Office moved to Kanagawa-ku (Tsuruya-cho), Yokohama City, Kanagawa Prefecture.	Mar 2012	Zensho Foods Malaysia Sdn. Bhd. established.
July 1987	Sukiya Mito location (in Mito City, Ibaraki Prefecture) opened as the first Sukiya freestanding type restaurant.	Apr 2012	Zensho Business Service Co., Ltd. established to promote employment and self-reliance support for people with disabilities.
Jan 1989	Head Office moved to Nishi-ku, Yokohama City, Kanagawa Prefecture.	July 2012	Zensho Fair Trade African Office established in Tanzania as a base for fair trade operations in Africa.
Aug 1997	Zensho goes public on the OTC market.	Oct 2012	Zensho Clean Energy Co., Ltd. established to generate, supply and sell electric power from clean energy.
Sep 1999	Listed on the second section of Tokyo Stock Exchange. Increased capital by 4.8 billion yen through a public offering.	Nov 2012	Shares of Maruya Co., Ltd. acquired for retail business expansion.
July 2000	Shares of Coco's Japan Co., Ltd. acquired.	Apr 2013	Zensho Taiwan Co., Ltd and Pt. Zensho Indonesia established.
Oct 2000	Techno Support Co., Ltd. established to streamline furnishing and maintenance.	Sep 2013	Yamatomosuisan Co., Ltd. acquired.
Nov 2000	Global Foods, Ltd. (now Zensho Tradings Co., Ltd.) established to streamline ingredients procurement.	Oct 2013	Maruei Co., Ltd. acquired.
May 2001	Shares of Gyuan Co., Ltd. acquired.	Nov 2013	Yamaguchi Supermarket acquired from Yamaguchi Honten Co., Ltd. through business transfer.
July 2001	Head Office moved to Minato-ku, Tokyo.	Jan 2014	Kagayaki, a nursing care services company (now Kagayaki Co., Ltd.) acquired to expand business portfolio.
Sep 2001	Listed on the First Section of the Tokyo Stock Exchange.	Mar 2014	Capital increased by 26.7 billion yen through public offering. Maruya Co., Ltd. made into a wholly-owned subsidiary and delisted.
June 2002	Global Table Supply Co., Ltd. established to streamline supplies and equipment procurement.	June 2014	Sukiya divided into seven regional operating companies: Kita-Nihon Sukiya, Kanto Sukiya, Tokyo Sukiya, Chubu Sukiya, Kansai Sukiya, Chu-Shikoku Sukiya and Kyushu Sukiya.
Oct. 2002	Hamazushi Co., Ltd. established to manage conveyor-belt sushi restaurant business.	Aug 2014	Shares of Owariya Co., Ltd. acquired.
Dec. 2002	Shares of Yamato Foods Co., Ltd. acquired. Coco's Japan Co., Ltd. acquires shares of Big Boy Japan, Inc.	Oct 2014	Name of Zensho Co., Ltd. changed to Sukiya Co., Ltd.
Feb 2004	Company Head Office moved to current location (2-18-1 Konan, Minato-ku, Tokyo) to consolidate the headquarters function.	Apr 2015	ZENSHO CooCa Co., Ltd. established to introduce proprietary prepaid card system for Group restaurants.
Dec 2004	Zensho America Corporation established.	May 2015	Kagayaki Nursery Facilities Co., Ltd. established to operate on-site childcare facilities.
Jan. 2005	Coco's Japan Co., Ltd. (a Zensho consolidated subsidiary) establishes Coco's Shanghai Co., Ltd. (now Zensho Restaurant (Shanghai) Co., Ltd.) for business expansion.	July 2015	Name of Global Foods, Ltd. changed to Zensho Tradings Co., Ltd.
Mar 2005	Shares of Nakau Co., Ltd. acquired.	Jan 2016	TAG-1 Co., Ltd. established to strengthen <i>yakiniku</i> business.
Sep 2005	Food Safety Pursuing Unit (currently Group Food Safety Assurance Division) established to enhance the approach to food safety.	Apr 2016	Zensho Cafe Co., Ltd. established to strengthen cafe business.
Apr 2006	UD Foods Co., Ltd. (a Zensho consolidated subsidiary, now Sanbishi Co., Ltd.) takes over the business rights of Sanbishi Co., Ltd. for business expansion.	Nov 2016	Zensho Vietnam Co., Ltd. established.
June 2006	Capital increased by 14.1 billion yen through a public offering. Global Pizza System Co., Ltd. (predecessor of Tolona Japan Co., Ltd.) established for business expansion.		All shares in Yamato Foods Co., Ltd. transferred to NIPPN Doughnuts Holdings, a subsidiary of Nippon Flour Mills Co., Ltd., due to business selection in Group management. With the opening of the first Hamazushi restaurant in Kyoto Prefecture (the 436th in the chain), Hamazushi establishes presence in all 47 prefectures of Japan.
Aug 2006	Global Fresh Supply Co., Ltd. established with the goal of streamlining logistics.		Shares of Royalhouse Ishioka Co., Ltd. and Senior Support Co., Ltd., which operate nursing care services businesses, acquired.
Feb 2007	Shares of greengrocer United Veggies Co., Inc. acquired to expand business portfolio.		Zensho China Holdings Co., Ltd., which oversees the China business, established.
Mar 2007	Shares of Sunday's Sun Co., Ltd. (now Jolly-Pasta Co., Ltd.) acquired.		Shares of Fujita Corporation (currently Fresh Corporation Co., Ltd.) acquired.
July 2007	With the opening of the first Sukiya (beef bowl restaurant) in Okinawa Prefecture, Sukiya establishes presence in all 47 prefectures of Japan.	Apr 2017	Part of the Sukiya business transferred from Tokyo Sukiya Co., Ltd. to Kanagawa Sukiya Co., Ltd. in an absorpion-type split.
Jan 2008	Zenshoen Co., Ltd. established to produce and sell agricultural products.	May 2017	Zensho Insurance Service Co., Ltd. established to operate non-life insurance agency services.
June 2008	Global IT Service Co., Ltd. established to streamline information system functions.	July 2017	Part of the Sukiya business transferred from Chubu Sukiya Co., Ltd. to Chukyo Sukiya Co., Ltd. in an absorpion-type split.
Aug 2008	Zensho do Brasil Comercio de Alimentos Ltda. established.	Sep 2017	With the opening of the first Coco's restaurant in Kagoshima Prefecture (the 581st in the chain), Coco's establishes presence in all 47 prefectures of Japan.
Oct 2008	Shares of Hanaya Yohei Co., Ltd. acquired.		
Mar 2010	Full ownership of Nakau Co., Ltd. and Yamato Foods Co., Ltd. acquired through a share exchange.		
Dec 2010	Zensho Best Crew Co., Ltd. established to streamline part-time job recruitment.		

Company Profile

Zensho Holdings Co., Ltd. Head Office: Minato-ku, Tokyo Established: June 1982 Stock Listing: Listed on the First Section of the Tokyo Stock Exchange Capital: ¥23,470 million Number of Employees(consolidated): Full time: 10,877 Part time: 50,837 as of March 31, 2018 Tel: +81-3-6833-1600 Website: https://www.zensho.co.jp/en/	Retail United Veggies Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5425-2855 Maruya Co., Ltd. Head Office: Kasukabe-shi, Saitama Prefecture Tel: +81-48-761-0808 Maruei Co., Ltd. Head Office: Ichihara-shi, Chiba Prefecture / Tel: +81-436-75-6365 Owariya Co., Ltd. Head Office: Kisarazu-shi, Chiba Prefecture / Tel: +81-438-20-6555 Fresh Corporation Co., Ltd. Head Office: Ota-shi, Gunma Prefecture / Tel: +81-276-55-1546
Food Service (Japan) Sukiya Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5783-8850 Kita-Nihon Sukiya Co., Ltd. Head Office: Sendai-shi, Miyagi Prefecture / Tel: +81-22-722-0557 Kanto Sukiya Co., Ltd. Head Office: Saitama-shi, Saitama Prefecture / Tel: +81-50-3772-1555 Tokyo Sukiya Co., Ltd., Kanagawa Sukiya Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-50-3772-1558 Chubu Sukiya Co., Ltd., Chukyo Sukiya Co., Ltd. Head Office: Nagoya-shi, Aichi Prefecture / Tel: +81-50-3772-1561 Kansai Sukiya Co., Ltd. Head Office: Osaka-shi, Osaka Prefecture / Tel: +81-50-3772-1564 Chu-Shikoku Sukiya Co., Ltd. Head Office: Hiroshima-shi, Hiroshima Prefecture / Tel: +81-50-3772-1567 Kyushu Sukiya Co., Ltd. Head Office: Fukuoka-shi, Fukuoka Prefecture / Tel: +81-50-3772-1570 Nakau Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8820 Coco's Japan Co., Ltd. Head Office: Minato-ku, Tokyo / Stock Listing: Listed on JASDAQ Tel: +81-3-6833-8000 Big Boy Japan, Inc. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8001 Hanaya Yohei Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8580 Jolly-Pasta Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8833 Stock Listing: Listed on the Second Section of the Tokyo Stock Exchange TAG-1 Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-4270 Hamazushi Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8032 A・Dining Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-6672 Kyubeiya Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-6672 Setoudon Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8223 Zensho Café Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8593	Nursing Care Kagayaki Co., Ltd. Head Office: Sapporo-shi, Hokkaido Prefecture Tel : +81-11-623-0027 Royalhouse Ishioka Co., Ltd. Head Office: Ishioka-shi, Ibaraki Prefecture / Tel: +81-229-22-3317 Senior Support Co., Ltd. Head Office: Kawaguchi-shi, Saitama Prefecture Tel: +81-48-240-2151 NYEREG Co., Ltd. Head Office: Ama-shi, Aichi Prefecture / Tel: +81-52-462-6193
Food Service (Overseas) Zensho (China) Holdings Co., Ltd. Head Office: Fengxian District, Shanghai Zensho Taiwan Co., Ltd. Head Office: Wugu District, New Taipei City Zensho do Brasil Comercio de Alimentos Ltda. Head Office: Liberdade, São Paulo Zensho (Thailand) Co., Ltd. Head Office: Khet Wattana, Bangkok Zensho Food de Mexico, S.A. de C.V. Head Office: Iztacalco, Mexico City Zensho Foods Malaysia Sdn. Bhd. Head Office: Taman Desaria, Petaling Jaya PT. ZENSHO INDONESIA Head Office: Bekasi, Jawa Barat Zensho Food Singapore Pte. Ltd. Head Office: Ubi Road, Singapore Zensho Vietnam Co., Ltd. Head Office: Ben Nghe Ward, District 1, Ho Chi Minh City	Support Companies Techno Support Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8029 Zensho Tradings Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-6675 Global Table Supply Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5783-8870 Global Fresh Supply Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-6660 Global IT Service Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8230 GFF Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5783-8758 Yamatomosuisan Co., Ltd. Head Office: Shiogama-shi, Miyagi Prefecture Tel +81-22-365-6231 Sanbishi Co., Ltd. Head Office: Toyokawa-shi, Aichi Prefecture Tel: +81-533-72-3111 Tolona Japan Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5461-7050 TR Factory Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-9501 Zenshoen Co., Ltd. Head Office: Taiki-cho, Hiroo-gun, Hokkaido Prefecture Mizushita Farm Inc. Head Office: Taiki-cho, Hiroo-gun, Hokkaido Prefecture Zensho Best Crew Co., Ltd. Head Office: Minato-ku, Tokyo Zensho Business Service Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8806 Pocino Foods Company Head Office: City of Industry, CA Nippon Agri Network Co., Ltd. Head Office: Minato-ku, Tokyo Zensho Rice Co., Ltd. Head Office: Minato-ku, Tokyo Kagayaki Nursery Facilities Co., Ltd. Head Office: Minato-ku, Tokyo ZENSHO CooCa Co., Ltd. Head Office: Minato-ku, Tokyo Zensho Insurance Service Co., Ltd. Head Office: Minato-ku, Tokyo

*As of March 31, 2018

*As of March 31, 2018



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