

Concept

Zensho Group Corporate Profile

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ZÉNSHO

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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-rice 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 mission 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 37 years Zensho has grown into a corporate group with 9,509 restaurants and other retail locations. Annual sales have reached 607.6 billion yen. After being listed on the Second Section of the Tokyo Stock Exchange in 1999, Zensho's sales grew by a factor of approximately 35 over the 19 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, 2019)

Consolidated sales

..... 607.6 billion yen

Consolidated operating profit

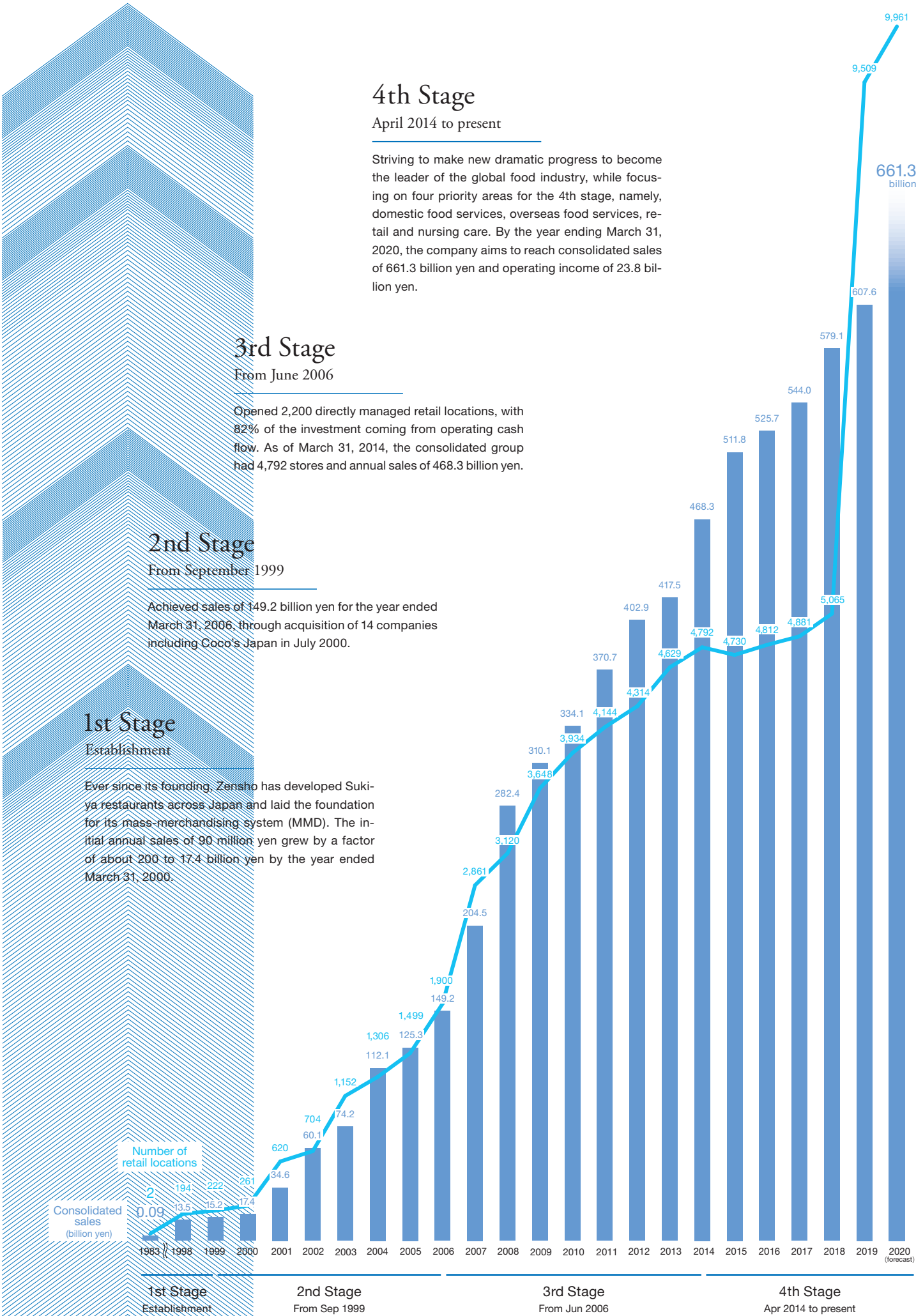
..... 18.8 billion yen

Number of retail locations

..... 9,509

Newly opened retail locations

..... 400 (from April 1, 2018 – March 31, 2019)



“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, 2019, the Zensho Group posted net sales of 607.6 billion yen and had 9,509 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 26 trillion yen food market. Looking at other industries, top companies in the automotive sector control about 30% or 40% 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 have grown by a factor of 35 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 just over 10% of its investment, the opening of directly managed company outlets accounted for the remaining almost 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,

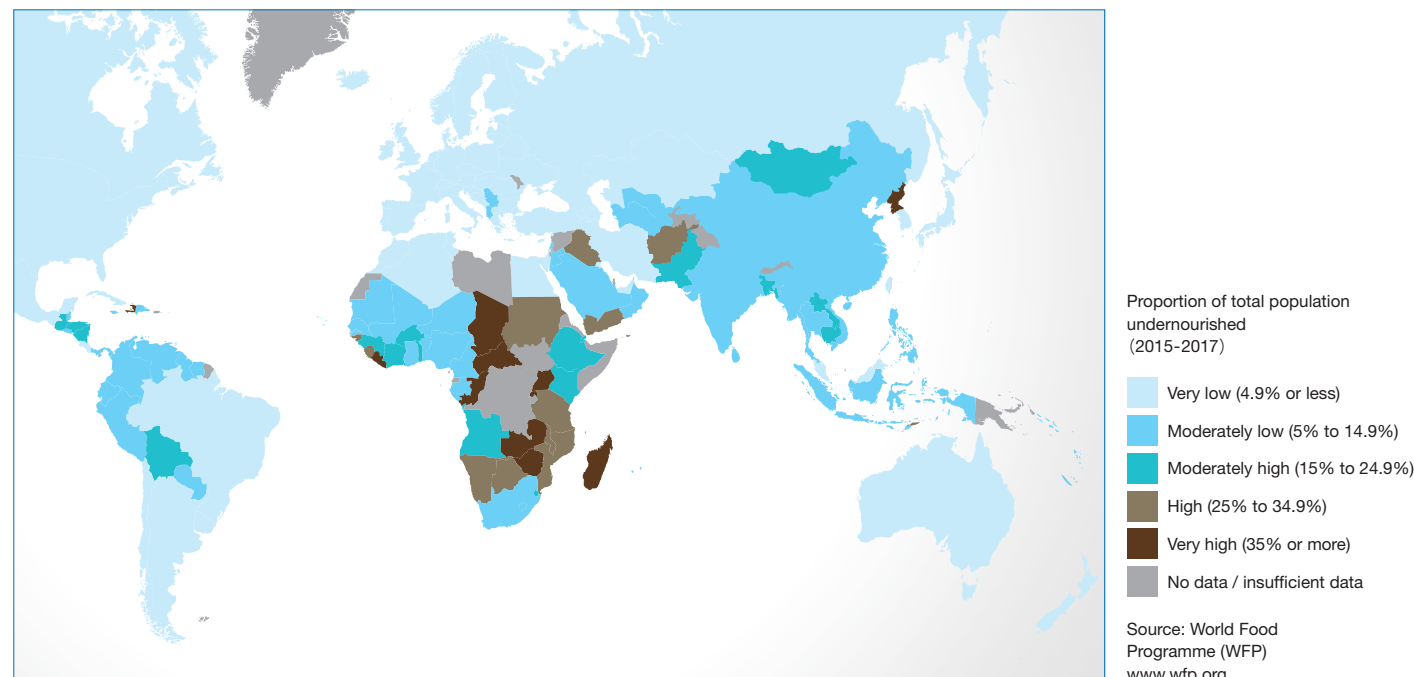
which has grown by 800 billion yen in the last 17 years. Meanwhile, there has been a decline in traditional establishments such as *ryokan* inns and *izakaya* pubs. Major restructuring is occurring in the industry. Many people have asked about the reason behind Zensho’s remarkable growth. Let me answer 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 821 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 7.6 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 35-fold, in just 19 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 7.6 billion people

As of March 31, 2019, Zensho has 489 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 7.6 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. Through the introduction of the industry's most advanced analysis equipment, the center 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 ingredi-

ents 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 system 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 marine 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.

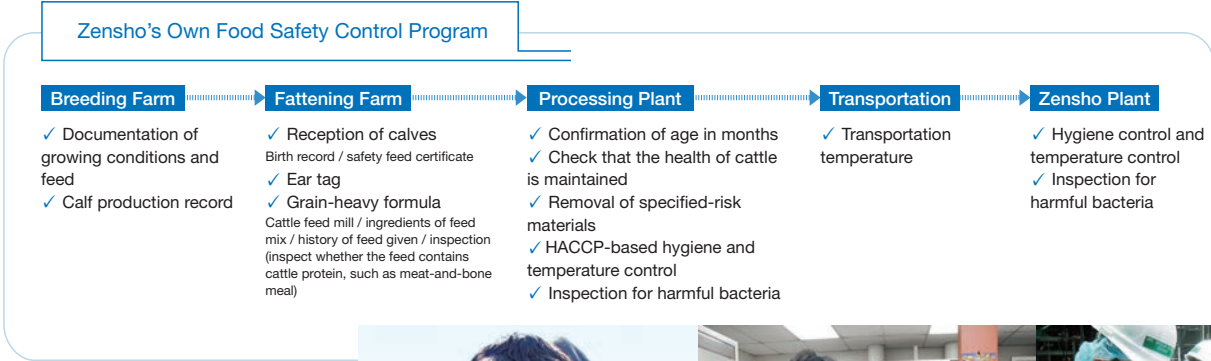


Scientific Management of Food Safety

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 kitchens.



Zensho's Global Expansion

In China, Zensho operates 343 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

Brazil



Sukiya has 24 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.



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

U.S.



In 2018, Advanced Fresh Concepts Corp. (AFC) joined the Zensho Group. AFC operates 4,329 to-go sushi bars in supermarkets and other retail establishments in the U.S., Canada, and Australia.

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

Zensho expands around the world

The Zensho Group has been expanding the Sukiya *gyudon* chain globally. As of March 31, 2019, there are a total of 489 Sukiya locations in China, Brazil, Thailand, Malaysia, Mexico, Taiwan, Indonesia and Vietnam. The *gyudon* (beef-rice bowl), a favorite that the Japanese people love, has moved beyond Japan and is fast becoming a favorite of people around the world.

In 2018, Advanced Fresh Concepts Corp. (AFC), which operates 4,329 to-go sushi bars in the U.S.,

Canada, and Australia, also joined the Zensho Group.

With new Sukiya locations overseas and the addition of AFC to the Group, Zensho is 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 eradicate hunger and poverty around the world through a truly global MMD system.

Note: All location numbers are current as of March 31, 2019.

Visit the website for more information

Fair Trade Zensho

Search



Tanzania

In Tanzania, where Zensho began purchasing fair trade coffee in February 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.

Nepal



In the wake of emergency recovery aid following the massive earthquake in 2015, Zensho launched a fair trade deal for tea in Nepal, which faces large numbers of people leaving the country as migrant workers and other social issues. The Group introduced a scholarship program in mountainous areas where many children end up leaving school for financial reasons. Over three years, this program has awarded scholarships to a total of 351 students.

Rwanda



In Rwanda, where Zensho began purchasing fair trade coffee in April 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.

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

Peru



Since May 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.

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-rice bowl) restaurants by number of locations, Zensho offers a great selection of dining options, including family dining restaurants specializing in chopped 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 *gyudon* (beef-rice 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: **1,931**

(As of March 31, 2019; 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 Kyoto-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: **456**

(including 445 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 Chopped Beef Steak, and Chopped Steak Foil Pack. There is also a "Premium Drink Bar" with an extensive selection, and customers can count on friendly service provided with a smile.



Locations: **587**

(including 508 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



Big Boy restaurants focus on grilled foods like chopped steaks and steaks. The Big Boy Otawara Chopped Steak is made of 100% minced beef and grilled on a special tabletop stove. The popular Big Boy Tender Chopped Steaks are individually formed and grilled in-restaurant to be thick, juicy, and delicious.



Locations: **266**

Victoria Station

Steaks and hamburger steaks

Victoria Station

Victoria Station, a restaurant chain whose strongest presence is in Hokkaido, offers a menu of steaks, chopped steaks, and other grilled items. The Victoria Otawara Chopped Steak is made of 100% minced beef and grilled on a special tabletop stove. In addition to the safe, delicious meat dishes, the popular salad bar offers an abundance of fresh vegetables.



Locations: **40**

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: **245**

Hanaya Yohei / Washoku Yohei

Japanese cuisine

Hanaya Yohei is a Japanese-style restaurant chain located in Tokyo and four other prefectures, serving tasty Japanese dishes such as authentic Edo-style sushi, *shabu-shabu* hotpot, *tempura*, *soba* noodles and other tasty Japanese dishes made with seasonal ingredients. The restaurant also features a party menu. 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: 113
Washoku Yohei: 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: 18

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

100-yen sushi chain

The motto of the 100-yen sushi chain Hamazushi 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 sushi chain of this type.



Locations: 501

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: 56

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: 17

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: 7
(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: 34



Maruya/Yamaguchi

Supporting the lifestyles of local customers

Operating a total of 36 supermarkets primarily in Saitama, Chiba, and Tochigi Prefectures, Maruya focuses on fresh groceries and produce. These supermarkets provide safe, good-quality food at reasonable prices and, in line with their motto of "developing stores that are loved and trusted by local communities," are committed to creating an inviting and hospitable atmosphere where customers feel at home.

Locations: 36



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



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



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



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 mottos 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.



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.



NYEREG

The utmost respect for each individual's dignity

Beginning with in-home nursing and rehabilitation visits in August 2004, NYEREG has since expanded to provide home-care support and respite care, as well as opening residential facilities with services for the elderly. These services help individuals live long, happy, enjoyable lives with companionship, a high level of care, and delicious meals.



Royalhouse Ishioka / Senior Support

Bringing beautiful smiles to faces

With the motto of "bright, healthy days and delicious meals," Royalhouse Ishioka and Senior Support operate private nursing homes with long-term care and provide respite care and other services. Fun and fulfillment is provided through companionable, warm communication with residents and their families, as well as seasonal outings, hobbies and activities. They are committed to helping individuals live the lives that suit them best.



Zenshoen

Refining cutting-edge livestock and dairy technology

A directly managed ranch in Tokachi, Hokkaido, Zenshoen raises 1,300 cows in a 650-hectare space. The ranch is a Zensho Group pilot farm, adopting cutting-edge technology in breeding and raising cattle and in-house production of pasture grasses. Zenshoen aims to continuously improve product quality to deliver safe and reliable beef and dairy products to customers.

ZENSHO NEWS

New initiatives by the Zensho Group



Creating an Environment Conducive to Good Work

Sixth On-Site Childcare Facility Opened in Chiba

The Zensho Group opened Kagayaki Nursery Tsukuba, its first on-site childcare facility in 2015, and now operates six such facilities in total. 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.



Supporting 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. This program, together with other projects, earned the First Prize in the National Teaching Achievement Award from the Chinese government in 2018.

Uber Eats

Delivery

Sukiya, Nakau, and Hamazushi Launch Delivery with Uber Eats

Uber Eats, the food delivery service that delivers customers' favorites with a single tap of an app, is now available at certain Sukiya, Nakau, and Hamazushi restaurants. Customers can now enjoy *gyudon*, *oyakodon* rice bowls, sushi, and more delivered not only to their home or office, but also on outings to parks and other public spaces, anytime, anywhere. Moving forward, the Zensho Group will continue to work on improving customer convenience in a variety of ways so that customers are even more comfortable using Zensho restaurants.



Expanding Overseas

Bringing in U.S. To-Go Sushi Bars

The Zensho Group acquired all shares of Advanced Fresh Concepts Corp. (AFC), a to-go sushi bar chain based in North America and established in 1986, for approximately US\$257 million (approx. ¥29 billion). AFC operates 4,329 shops, with 4,021 shops in the U.S., and others in Canada and Australia. These are to-go sushi bars operated primarily in supermarkets. Leveraging Zensho expertise in product development, the partnership between AFC and the Zensho Group is expected to create a mutually beneficial synergy.



Social Contribution Through Food

Supporting Relief Efforts in the Chugoku, Kansai, and Hokkaido Regions

In 2018, the islands of Japan suffered a succession of large-scale disasters due to torrential rainfall, typhoons, and earthquakes. The Zensho Group quickly restored its affected restaurants to help get the regions' food infrastructure back online and also provided relief to damaged areas through hot bowls of *gyudon* and *udon* delivered to people in shelters, fundraising in Zensho restaurants for relief efforts, and other activities. The Zensho Group will continue to provide warm meals to local residents as part of protecting Japan's food infrastructure.

History

Jun 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.
		May 2011	Zensho Split Preparation Company (currently Sukiya Co., Ltd.) established.
Jul 1982	Namamugi location opened in Tsurumi-ku, Yokohama City, Kanagawa Prefecture, as the first Lunchbox shop (a shop selling take-out boxed meals).	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.
Nov 1982	Namamugi Ekimae location opened as the first Sukiya “inside of a building” restaurant.	Dec 2011	GFF Co., Ltd. established to enhance central kitchen functions.
Aug 1986	Company Head Office moved to Higashi-kanagawa-cho (now Kanagawa-ku) in Kanagawa-ku, Yokohama City, Kanagawa Prefecture.	Mar 2012	Zensho Foods Malaysia Sdn. Bhd. established.
Apr 1987	Head Office moved to Kanagawa-ku (Tsuruya-cho), Yokohama City, Kanagawa Prefecture.	Apr 2012	Zensho Business Service Co., Ltd. established to promote employment and self-reliance support for people with disabilities.
Jul 1987	Sukiya Mito location (in Mito City, Ibaraki Prefecture) opened as the first Sukiya freestanding type restaurant.	Oct 2012	Zensho Clean Energy Co., Ltd. established to generate, supply and sell electric power from clean energy.
Jan 1989	Head Office moved to Nishi-ku, Yokohama City, Kanagawa Prefecture.	Nov 2012	Shares of Maruya Co., Ltd. acquired for retail business expansion.
Aug 1997	Zensho goes public on the OTC market.	Apr 2013	Zensho Taiwan Co., Ltd and Pt. Zensho Indonesia established.
Sep 1999	Listed on the second section of Tokyo Stock Exchange. Increased capital by 4.8 billion yen through a public offering.	May 2013	Shares of U.S. Pocino Foods Company acquired for business expansion and enhancing central kitchen functions.
Jul 2000	Shares of Coco's Japan Co., Ltd. acquired.	Sep 2013	Yamatomosuisan Co., Ltd. acquired.
Oct 2000	Techno Support Co., Ltd. established to streamline furnishing and maintenance.	Oct 2013	Maruei Co., Ltd. acquired.
Nov 2000	Global Foods, Ltd. (now Zensho Tradings Co., Ltd.) established to streamline ingredients procurement.	Nov 2013	Yamaguchi Supermarket acquired from Yamaguchi Honten Co., Ltd. through business transfer.
May 2001	Shares of Gyuan Co., Ltd. acquired.	Jan 2014	Kagayaki, a nursing care services company (now Kagayaki Co., Ltd.) acquired to expand business portfolio.
Jul 2001	Head Office moved to Minato-ku, Tokyo.	Mar 2014	Capital increased by 26.7 billion yen through public offering. Maruya Co., Ltd. made into a wholly-owned subsidiary and delisted.
Sep 2001	Listed on the First Section of the Tokyo Stock Exchange.		
Jun 2002	Global Table Supply Co., Ltd. established to streamline supplies and equipment procurement.	Jun 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.		
Dec 2002	Coco's Japan Co., Ltd. acquires shares of Big Boy Japan, Inc.	Aug 2014	Shares of Owariya Co., Ltd. acquired.
Feb 2004	Company Head Office moved to current location (2-18-1 Konan, Minato-ku, Tokyo) to consolidate the headquarters function.	Oct 2014	Name of Zensho Co., Ltd. changed to Sukiya Co., Ltd.
		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.		Name of Global Foods, Ltd. changed to Zensho Tradings Co., Ltd.
Mar 2005	Shares of Nakau Co., Ltd. acquired.	Jul 2015	TAG-1 Co., Ltd. established to strengthen <i>yakiniku</i> business. Zensho Cafe Co., Ltd. established to strengthen cafe business.
Sep 2005	Food Safety Pursuing Unit (currently Group Food Safety Assurance Division) established to enhance the approach to food safety.	Jan 2016	Zensho Vietnam Co., Ltd. established.
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.	Apr 2016	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.
Jun 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.	Nov 2016	Shares of Royalhouse Ishioka Co., Ltd. and Senior Support Co., Ltd., which operate nursing care services businesses, acquired.
Aug 2006	Global Fresh Supply Co., Ltd. established with the goal of streamlining logistics.		Zensho China Holdings Co., Ltd., which oversees the China business, established.
Feb 2007	Shares of greengrocer United Veggies Co., Inc. acquired to expand business portfolio.	Apr 2017	Shares of Fujita Corporation (currently Fresh Corporation Co., Ltd.) acquired.
Mar 2007	Shares of Sunday's Sun Co., Ltd. (now Jolly-Pasta Co., Ltd.) acquired. Launches fair trade initiatives with East Timor.	May 2017	Part of the Sukiya business transferred from Tokyo Sukiya Co., Ltd. to Kanagawa Sukiya Co., Ltd. in an absorption-type split.
Jul 2007	With the opening of the first Sukiya in Okinawa Prefecture, Sukiya establishes presence in all 47 prefectures of Japan.	Jul 2017	Zensho Insurance Service Co., Ltd. established to operate non-life insurance agency services.
Jan 2008	Zenshoen Co., Ltd. established to produce and sell agricultural products.		Part of the Sukiya business transferred from Chubu Sukiya Co., Ltd. to Chukyo Sukiya Co., Ltd. in an absorption-type split.
Jun 2008	Global IT Service Co., Ltd. established to streamline information system functions.	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.
Aug 2008	Zensho do Brasil Comercio de Alimentos Ltda. established.	Nov 2018	Shares of Advanced Fresh Concepts Corp. acquired.
Oct 2008	Shares of Hanaya Yohei Co., Ltd. acquired.	Jan 2019	Nihon Restaurant Holdings Co., Ltd. established to further enhance the restaurant business.
Mar 2010	Full ownership of Nakau 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, as of March 31, 2019): Full time: 12,521 Part time: 52,682 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)	Nursing Care
Sukiya Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-5783-8850	Kagayaki Co., Ltd. Head Office: Sapporo-shi, Hokkaido Prefecture Tel : +81-11-623-0027
Kita-Nihon Sukiya Co., Ltd. Head Office: Sendai-shi, Miyagi Prefecture / Tel: +81-22-722-0557	Royalhouse Ishioka Co., Ltd. Head Office: Ishioka-shi, Ibaraki Prefecture / Tel: +81-229-22-3317
Kanto Sukiya Co., Ltd. Head Office: Saitama-shi, Saitama Prefecture / Tel: +81-50-3772-1555	Senior Support Co., Ltd. Head Office: Kawaguchi-shi, Saitama Prefecture Tel: +81-48-222-0640
Tokyo Sukiya Co., Ltd., Kanagawa Sukiya Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-50-3772-1558	NYEREG Co., Ltd. Head Office: Ama-shi, Aichi Prefecture / Tel: +81-52-462-6193
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: +81-3-6833-8885	
Hamazushi Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-8032	
A・Dining Co., Ltd. Head Office: Minato-ku, Tokyo / Tel: +81-3-6833-6670	
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	
Food Service (Overseas)	
Zensho (China) Holdings Co., Ltd. Head Office: Changning District, Shanghai	
Zensho Taiwan Co., Ltd. Head Office: Datong District, 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: Benito Juarez, Mexico City	
Zensho Foods Malaysia Sdn. Bhd. Head Office: Cheras, Kuala Lumpur	
PT. ZENSHO INDONESIA Head Office: Bekasi, Jawa Barat	
Zensho Vietnam Co., Ltd. Head Office: Ben Nghe Ward, District 1, Ho Chi Minh City	
ZENSHO USA Corporation Head Office: Mission Viejo, California	
Advanced Fresh Concepts Corp. Head Office: Rancho Dominguez, California	

*As of March 31, 2019

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