

October 11, 2019

Notice of Revisions to Business Forecasts (Upward Revision)

In view of recent trend in operating results, create restaurants holdings inc. made upward revisions to its business forecasts that were announced on July 12, 2019 (the second time of the current fiscal year). Details are as follows.

● **Revisions to business forecasts**

(1) Revisions to business forecasts for the fiscal year ending February 2020 (March 1, 2019 to February 29, 2020)
(Million yen)

	Revenue	Operating profit	Profit before taxes	Profit for the year	Profit attributable to owners of parent	Basic profit per share (Yen)	(Reference) Adjusted EBITDA (Note 3)
Previous forecasts (A) (announced on July 12, 2019)	130,000	6,700	6,300	4,000	3,300	35.34	22,700
Revised forecasts (B)	140,000	7,500	7,000	4,500	3,700	39.62	25,000
Increase/decrease (B-A)	+10,000	+800	+700	+500	+400		+2,300
Percentage change (%)	+7.7	+11.9	+11.1	+12.5	+12.1		+10.1
(Reference) Previous results (FY2/19)	119,281	3,975	3,688	2,072	1,321	14.05	10,814

(Note 1) The Company has voluntarily adopted the International Financial Reporting Standards (IFRS) accounting from the full-year business results for the fiscal year ended February 2019.

(Note 2) From the first quarter of the fiscal year ending February 2020, the Company has adopted the IFRS No.16 Leases standard.

(Note 3) The adjusted EBITDA is presented as a useful indicator of business performance. The formula for adjusted EBITDA is as follows:

Adjusted EBITDA= Operating profit + Other operating expenses - Other operating revenues (excluding sponsorship income) + Depreciation and amortization + non-recurring expense items (advisory expenses related to share acquisition, etc.)

(2) Reasons for the revision

The Company expects that the performance will exceed its previous forecasts, reflecting the contribution from the consolidation of 2 new subsidiaries as announced on September 2, 2019 in the "Notice of Acquisition of Shares of Icchou Inc." and on September 12, 2019 in the "Notice of Acquisition of Il Fornaio (America) LLC (to make it a Subsidiary)", in addition to the steady performance of the most recent fiscal year.

*The above forecasts are based on information available at the time this report was released. Actual results may differ from these forecasts for various factors.