



Agreement on Strategic Business and Capital Alliance

~Continuous Pursuit of Customer Satisfaction ~

Kyokuyo Co., Ltd.

Unison Capital Group

Akindo Sushiro Co., Ltd.

August 27, 2007

Today's Agenda

1. Purpose of the Strategic Business and Capital Alliance
2. Overview of the Strategic Business and Capital Alliance
3. Overview of the Medium Term Business Plan

1. Purpose of the Strategic Business and Capital Alliance

Summary

Management Credo:

Continuous Pursuit of Customer Satisfaction

“Enriching People’s Lives Through Kaiten Sushi”

Reasonable Prices (¥105 per plate)

High Quality (COGS Ratio of 51%)

Goal: #1 Kaiten-Sushi Operator in Japan

Sales Target for Fiscal Year Ending Sep. 2012:

ca. ¥100 Billion

Our Business Environment

External Environment

**New Store Opening
Competition**

**Tightening Supply of
Seafood**

**Falling Birth Rate
Aging Population**

あきんど スシロ

Current Situation

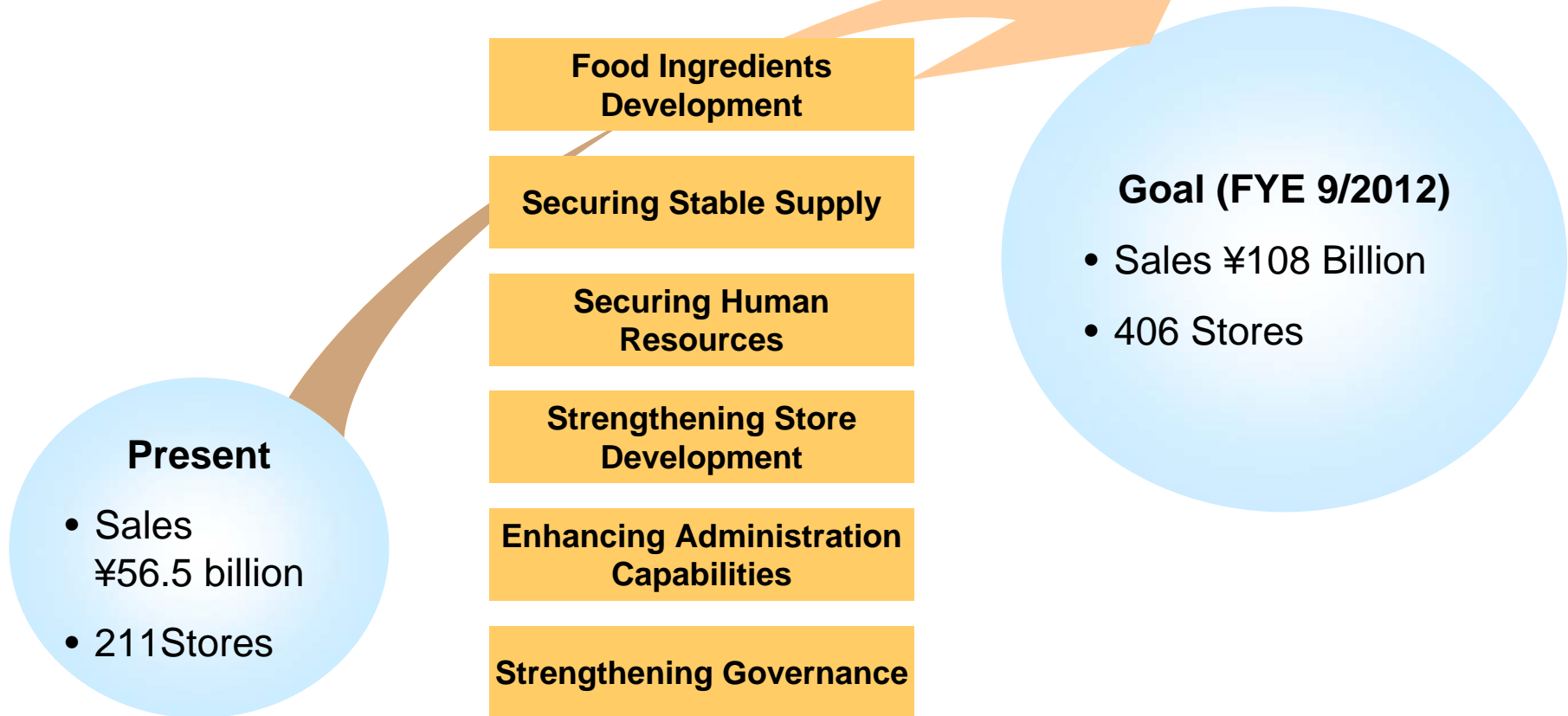
- Expecting sales and profit increases for 5 consecutive years (FYE 9/2007)
- One of the highest sales per store in the industry
- #2 in the Kaiten Sushi industry
 - Sales of ¥56.5 billion (FYE 9/2007)
 - 211 stores (FYE 9/2007)

**Increase
Shareholder
Value through
Improvement in
Customer
Satisfaction**

Goal (FYE 9/2012)

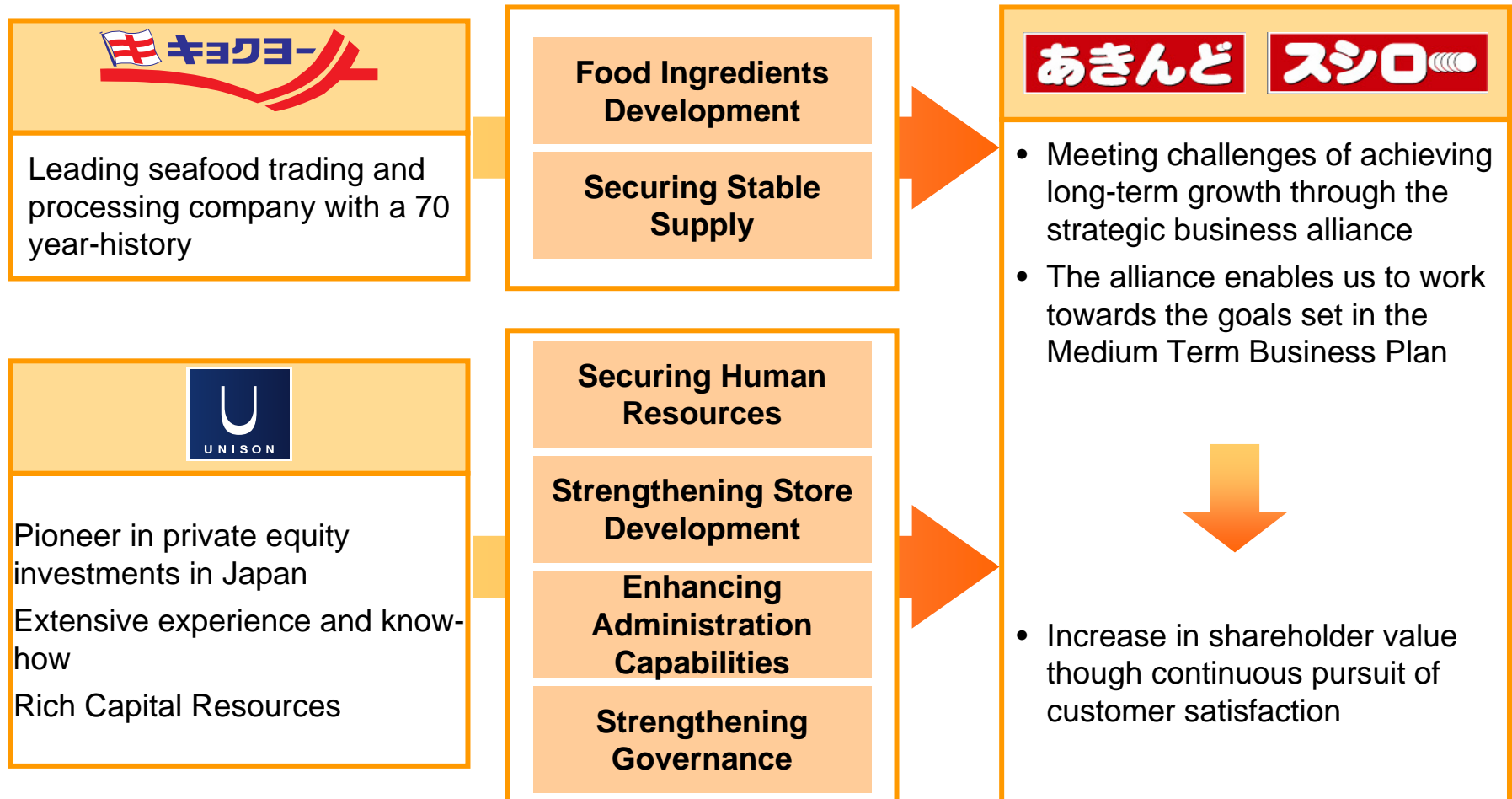
- #1 in the Kaiten Sushi industry
- Sales of ¥108 billion
- 406 stores

The Challenges We Face



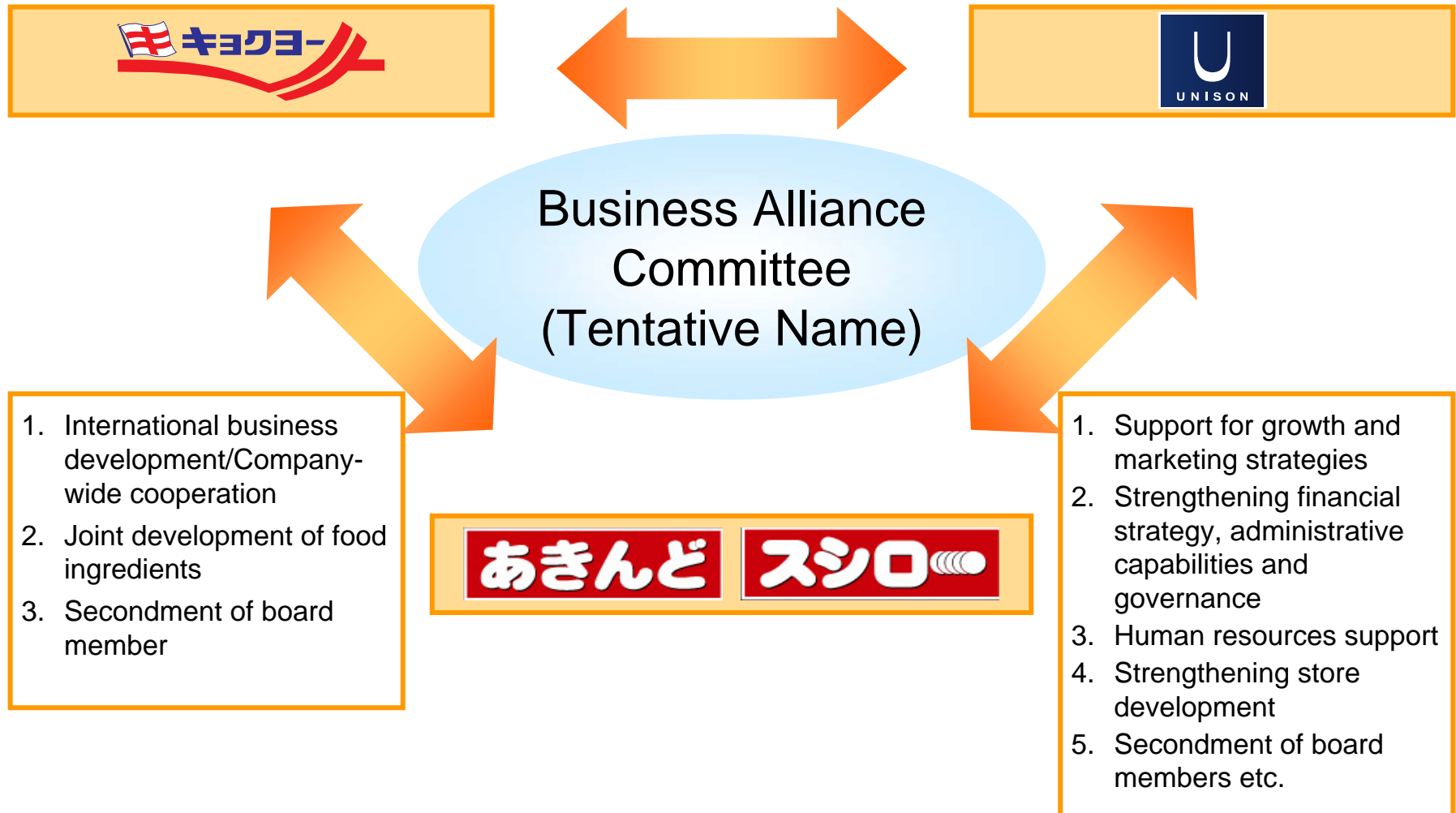
Several challenges will have to be overcome to achieve the goal we have set

Overview of Strategic Business and Capital Alliance



2. Overview of Strategic Business and Capital Alliance

Overview of Strategic Business and Capital Alliance



Overview of Business Alliance <Kyokuyo>

International Business Development/ Company-wide Cooperation

- Expecting to instituting a framework for comprehensive cooperation, including the development our international business
- Supporting expansion of Kyokuyo's frozen sushi menu and building up know-how of sushi industry outside Japan

Joint Development of Food Ingredients

- Sharing of Akindo Sushiro's seafood consumption data with Kyokuyo to better meet customer's needs
- Securing stable supply of seafood through strengthened relationship with Kyokuyo

Secondment of Board Member

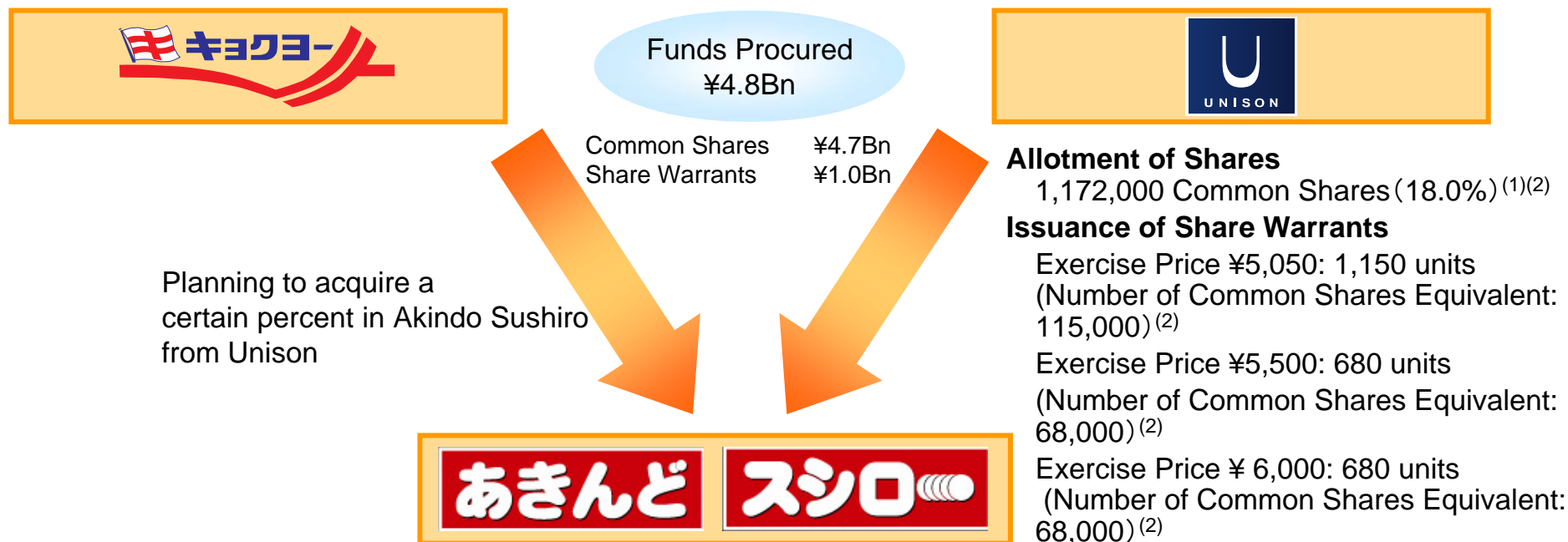
- Strengthening relationship with Kyokuyo and our corporate governance function
- Planning to have one outside board member from Kyokuyo

Overview of Business Alliance<Unison>

Support for Growth and Marketing Strategies	<ul style="list-style-type: none">• Support for implementing a growth strategy to achieve ¥100 billion in sales and a necessary marketing strategy
Strengthening Financial Strategy, Administrative Capabilities and Governance	<ul style="list-style-type: none">• Building up a strong growth-enabling business platform
Human Resources Support	<ul style="list-style-type: none">• Recruit and retain employees using Unison's human resource network
Strengthening Store Development	<ul style="list-style-type: none">• Strengthening of store development through corporation with Cosmos Initia, a portfolio company of Unison
Secondment of Board Members etc.	<ul style="list-style-type: none">• Strengthening of business administration and corporate governance function• Planning to have 2 outside directors and 1 outside auditor from Unison

Overview of Capital Alliance

- Procurement of funds necessary to achieve the Medium Term Business Plan, to grow and enhance our business and increase corporate and shareholder value
- Increasing the effects of the business alliance and enhancing relationships



Note 1. Shareholding ratio post the third party allotment of primary shares to Unison, but prior to exercise of share warrants (Reference: Outstanding shares before the third party allotment 5,337,400). Corresponds to 17.3% of common shares and 3.7% of share warrants post exercise of share warrants

Major Planned Expenditures

Incorporated in Medium Term Business Plan		
FYE 9/2008	New Stores, Store Renewals, System Upgrade, etc.	¥4.9Bn
FYE 9/2009	New Stores, Store Renewals, Seafood Processing Facility, etc.	¥5.2Bn
FYE 9/2010	New Stores, etc.	¥4.6Bn
FYE 9/2011	New Stores, etc.	¥4.6Bn
FYE 9/2011	New Stores, etc.	¥5.1Bn
Sub-Total		¥24.4Bn
Not Incorporated in Medium Term Business Plan		
FYE 9/2008 - FYE 9/2010	M&A	¥2.5Bn
FYE 9/2010- FYE 9/2012	Overseas Store Development	¥1.0Bn
Sub-Total		¥3.5Bn
Total		¥27.9Bn

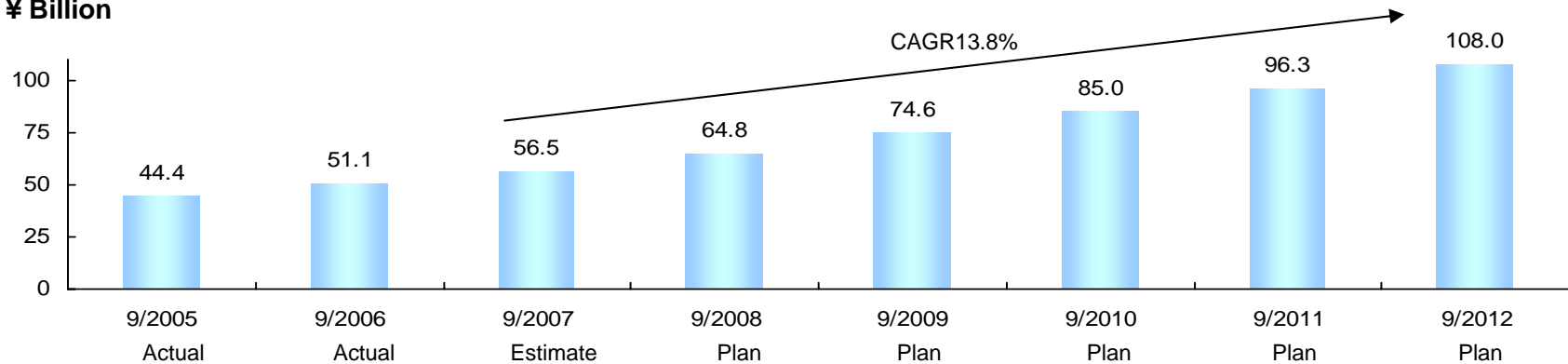
3. Overview of Medium Term Business Plan

Overview of Medium Term Business Plan

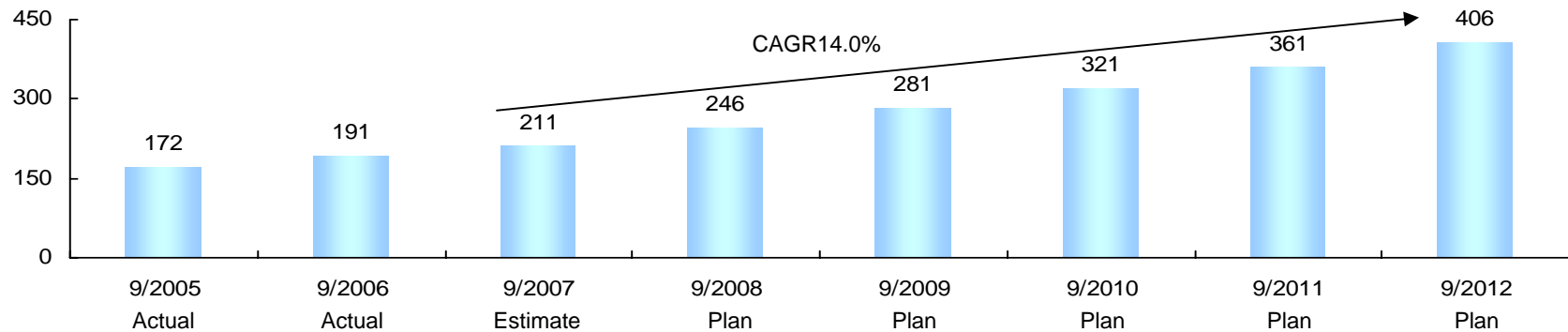
Our 5-Year Medium Term Business Plan, running from FYE 9/2008 to FYE 9/2012, aims to achieve sales of ¥100 Billion in FYE 9/2012

Sales

¥ Billion



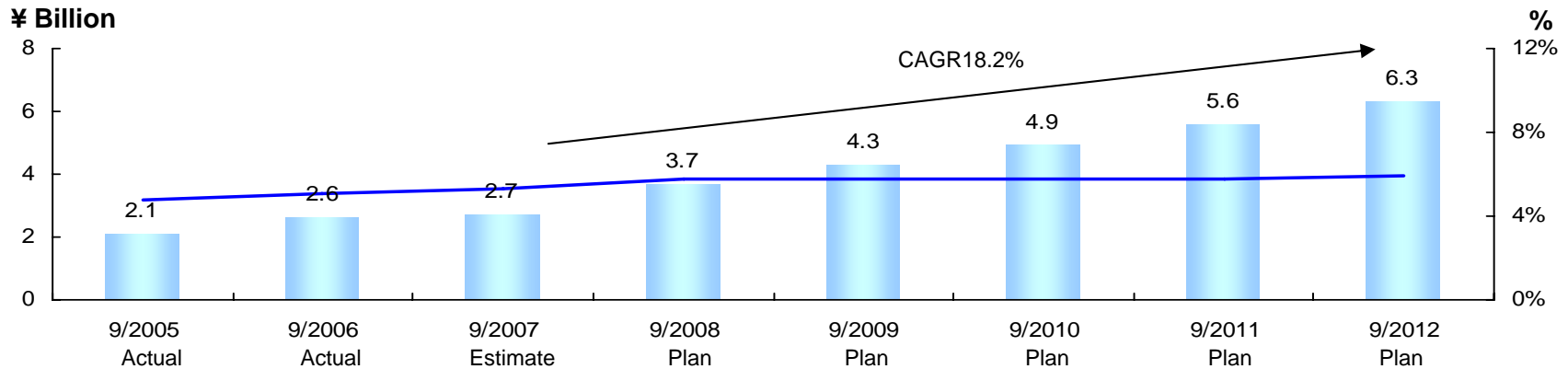
Number of Stores



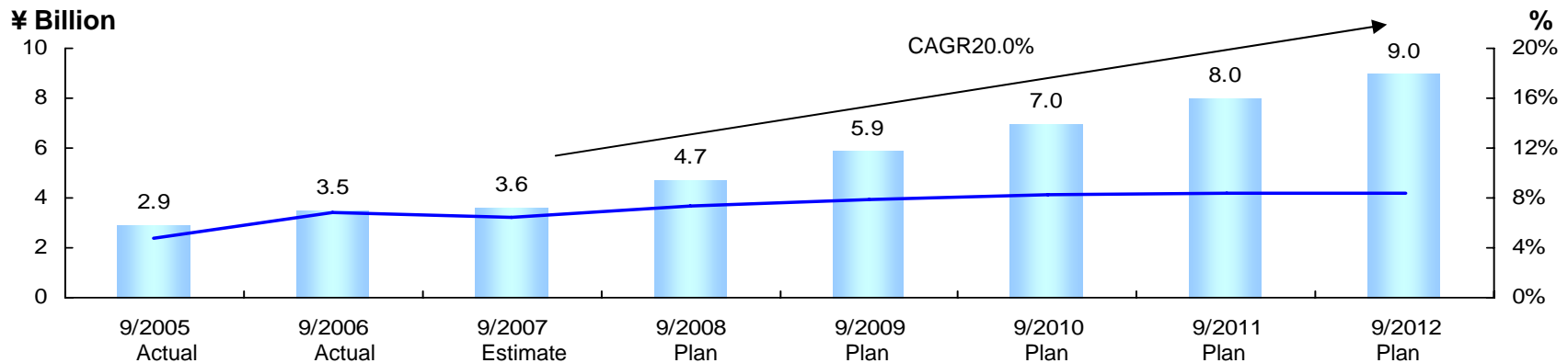
Overview of Medium Term Business Plan (Cont'd)

Through our sales growth, we aim to achieve EBIT and EBITDA CAGR of ca. 20%

EBIT and EBIT Margin



EBITDA and EBITDA Margin



Other Growth Strategies

Strategic M&A / Business Alliances

Study/ Implement strategic investments to increase size of business

Overseas Store Development

Study/ Implement business expansion into America, Asia, etc.

Reference

Overview of Kyokuyo

- Name Kyokuyo Co., Ltd.
- Stock Exchange Tokyo Stock Exchange 1st Section
- Headquarters Akasaka, Minato-ku, Tokyo
- Representative Kiyokazu Fukui, President & CEO
- Established September, 1937
- Business Seafood Trading, Processed Food Products, Logistics, Fishing
- Sales ⁽¹⁾ ¥157,088 million
- Capital ⁽¹⁾ ¥5,664 million
- Employees ⁽¹⁾ 514 (Total group figure: 2,791)

Overview of Unison Capital Group

- Fund Name Unison Capital Partners II, L.P. and Unison Capital Partners II(F), L.P.
- Total Funds Committed ¥75.0 billion (¥135.0 billion including joint investment funds)
- Advisor Unison Capital, Inc.
- Headquarters (Advisor) Kioi-cho, Chiyoda-ku, Tokyo
- Representative (Advisor) Nobuyoshi Ehara, President
- Established (Advisor) 1998
- Business Private equity investments and related businesses in Japan

Overview of Akindo Sushiro

- Name Akindo Sushiro Co., Ltd.
- Stock Exchange Tokyo Stock Exchange 2nd Section
- Headquarters Esaka, Suita-shi, Osaka
- Representative Keiji Yaso, President and Representative Director
- Established October 1984
- Business Operation of Kaiten Sushi Restaurants, “Sushiro” and “Akindo”
- Sales ⁽¹⁾ ¥51,098 million
- Capital ⁽¹⁾ ¥1,555 million
- Employees ⁽¹⁾ 610

Disclaimer

- The material contains statements that constitute forward-looking statements, plans for the future, management targets, etc. relating to the company. These forward-looking statements are based on current assumptions of future events and trends, which may be incorrect. Actual results may differ materially from those in the statements as a result of various factors
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