



Ohsho Food Service Corp.

Corporate Profile and Annual Report 2009



Profile

Ohsho Food Service Corp. has long been one of the leading Chinese restaurant chains in Japan. The Company opened its first restaurant in Kyoto in 1967 and, by 1974, had grown to encompass 18 outlets. In 1995, Ohsho was listed on the Second Section of the Osaka Securities Exchange. And in 2006, Ohsho was listed on the First Section of the Osaka Securities Exchange. Today, Ohsho has a nationwide network of 527 outlets, wherein more than 200,000 people a day dine on the Company's renowned gyoza dumplings.

Ohsho's success is based upon the concept of "better taste, lower price and faster service."

Since its inception, the Company has maintained a unique and consistent strategy that focuses on the provision of tasty, reasonably priced gyoza. A central kitchen system, featuring bulk purchasing of ingredients and intensive primary processing, enables comprehensive quality control while lowering production costs. Open kitchens at most outlets allow customers to watch final preparation and cooking. Local and regional specialties at each location meet the preferences of local clientele, at prices 30-50% lower than that of competition. And convenient takeout service is available for all menu items.

Steadfast adherence to this strategy has resulted in solid profits and steady growth, in sharp contrast to the stagnant business environment of the restaurant sector as a whole.

Gyoza

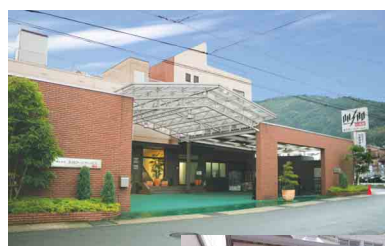


Gyoza, a type of Chinese dumplings, are a traditional favorite food among Japanese people.

Consisting of a thin, wheat dough wrapped around a filling of minced pork and chopped vegetables, these savory morsels are served either fried or steamed. The Japanese Characters in the Ohsho logo mean "King of gyoza."



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Three Key Ingredients

Central Kitchen System

The Kumiya Plant, located in a suburban area Kyoto, and three other food processing plants purchase raw materials in bulk and perform primary processing for nightly delivery of partially prepared ingredients to outlets in the respective regions. Using this centralized system, we have been able to hold the retail price of a dish of gyoza, our core menu item, to ¥220 in the Tokyo metropolitan area and ¥200. The menu prices are 30-50% below the price at other restaurants.



Open Kitchen System



In line with our philosophy of offering “fresh from the kitchen” taste, most of our outlets have introduced an open kitchen system, whereby customers can watch the preparation and cooking of select dishes. This system allows us to directly judge the degree of customer satisfaction and to respond to current customer tastes by creating menu items precisely attuned to local preferences.



Franchise System

Under our franchise system, franchisees are not required to pay Ohsho any royalty fees. Instead, they are committed to purchasing primary-processed food from us at a gross margin of approximately 30%. This system makes it relatively easy for employees, particularly younger staff, to open their own franchises. For the Company, almost all gross profit derived from these sales to franchise outlets translates into operation income, as our franchise operational expenses are minimal. Thus, the expansion of franchise outlets should never adversely affect our profit ratio.



Ohsho Food Service Corp.

*Consolidated Financial Statements for the
Years Ended March 31, 2009 and 2008, and
Independent Auditors' Report*

Ohsho Food Service Corp.

**Consolidated Balance Sheets
March 31, 2009 and 2008**

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)	LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2009	2008	2009		2009	2008	2009
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents	¥ 6,073	¥ 2,658	\$ 61,969	Short-term bank loans (Note 8)	¥ 200	¥ 280	\$ 2,041
Receivables:				Current portion of long-term debt (Note 8)	6,378	6,209	65,082
Trade accounts (Note 13)	116	95	1,184	Payables:			
Other (Note 13)	127	101	1,296	Trade accounts	1,400	1,278	14,286
Inventories (Note 3)	220	258	2,245	Construction	463	463	4,724
Deferred tax assets (Note 14)	374	358	3,816	Accrued payroll and bonuses	1,499	1,312	15,296
Other	416	395	4,245	Income taxes payable	1,590	1,721	16,224
				Other	1,380	1,149	14,082
Total current assets	<u>7,326</u>	<u>3,865</u>	<u>74,755</u>	Total current liabilities	<u>12,910</u>	<u>12,412</u>	<u>131,735</u>
PROPERTY, PLANT AND EQUIPMENT:				LONG-TERM LIABILITIES:			
Land	21,479	21,228	219,173	Long-term debt (Note 8)	9,744	9,118	99,429
Buildings and structures	34,809	34,230	355,194	Guarantee deposits received	524	523	5,347
Machinery and equipment	2,208	2,062	22,531	Liability for retirement benefits (Note 9)	769	621	7,847
Fixtures and other	3,354	3,050	34,225	Deferred tax liabilities on land revaluation (Note 6)	1,076	1,076	10,979
Total	<u>61,850</u>	<u>60,570</u>	<u>631,123</u>	Other		10	
Accumulated depreciation	<u>(26,329)</u>	<u>(25,351)</u>	<u>(268,663)</u>	Total long-term liabilities	<u>12,113</u>	<u>11,348</u>	<u>123,602</u>
Net property, plant and equipment	<u>35,521</u>	<u>35,219</u>	<u>362,460</u>	COMMITMENTS AND CONTINGENT LIABILITIES			
INVESTMENTS AND OTHER ASSETS:				(Notes 7 and 15)			
Investment securities (Note 4)	1,235	1,610	12,602	EQUITY (Notes 11, 12 and 17):			
Long-term loans (Note 13)	366	379	3,735	Common stock,			
Lease deposits (Note 7)	3,950	3,871	40,306	authorized, 90,000,000 shares;			
Deferred tax assets (Note 14)	1,472	1,334	15,020	issued, 23,286,230 shares in both 2009 and 2008	8,166	8,166	83,327
Other	529	566	5,398	Capital surplus	9,027	9,027	92,112
Allowance for doubtful receivables	<u>(103)</u>	<u>(125)</u>	<u>(1,051)</u>	Stock acquisition rights	68	58	694
Total investments and other assets	<u>7,449</u>	<u>7,635</u>	<u>76,010</u>	Retained earnings	14,536	12,193	148,326
				Unrealized loss on available-for-sale securities	(402)	(375)	(4,102)
				Land revaluation difference (Note 6)	(3,572)	(3,572)	(36,449)
				Foreign currency translation adjustments	3	16	31
				Treasury stock - at cost: 1,452,393 shares in 2009 and 1,453,111 shares in 2008	<u>(2,553)</u>	<u>(2,554)</u>	<u>(26,051)</u>
				Total equity	<u>25,273</u>	<u>22,959</u>	<u>257,888</u>
TOTAL	<u>¥ 50,296</u>	<u>¥ 46,719</u>	<u>\$ 513,225</u>	TOTAL	<u>¥50,296</u>	<u>¥46,719</u>	<u>\$ 513,225</u>

See notes to consolidated financial statements.

Ohsho Food Service Corp.

Consolidated Statements of Income Years Ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	<u>2009</u>	<u>2008</u>	<u>2009</u>
NET SALES (Note 13)	¥54,986	¥49,768	\$ 561,081
COST OF SALES	<u>17,009</u>	<u>15,258</u>	<u>173,561</u>
Gross profit	37,977	34,510	387,520
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>31,889</u>	<u>29,273</u>	<u>325,398</u>
Operating income	<u>6,088</u>	<u>5,237</u>	<u>62,122</u>
OTHER INCOME (EXPENSES):			
Interest and dividend income (Note 13)	54	38	551
Interest expense	(187)	(226)	(1,908)
Gain on sales of investment securities - net (Note 4)	35		357
Loss on devaluation of investment securities	(143)		(1,459)
Loss on sales and disposals of property, plant, equipment and investment property held for rental	(273)	(164)	(2,786)
Loss on impairment of long-lived assets (Note 5)	(32)	(113)	(326)
Other - net	<u>261</u>	<u>202</u>	<u>2,663</u>
Other expenses - net	<u>(285)</u>	<u>(263)</u>	<u>(2,908)</u>
INCOME BEFORE INCOME TAXES	5,803	4,974	59,214
INCOME TAXES (Note 14):			
Current	2,722	2,453	27,776
Deferred	<u>(135)</u>	<u>(192)</u>	<u>(1,378)</u>
Total income taxes	<u>2,587</u>	<u>2,261</u>	<u>26,398</u>
NET INCOME	<u>¥ 3,216</u>	<u>¥ 2,713</u>	<u>\$ 32,816</u>
	<u>Yen</u>		<u>U.S. Dollars</u>
PER SHARE OF COMMON STOCK (Notes 2 and 16):			
Basic net income	¥147.31	¥124.32	\$1.50
Diluted net income	147.17	124.15	1.50
Cash dividends applicable to the year	40.00	35.00	0.41

See notes to consolidated financial statements.

Ohsho Food Service Corp.

Consolidated Statements of Changes in Equity
Years Ended March 31, 2009 and 2008

	Thousands	Millions of Yen								
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Unrealized Gain (Loss) on Available-for-sale Securities	Land Revaluation Difference	Foreign Currency Translation Adjustments	Treasury Stock	Total Equity
BALANCE, APRIL 1, 2007	21,821	¥8,166	¥9,027	¥24	¥10,293	¥ 47	¥(3,572)	¥ 15	¥(2,575)	¥21,425
Net income					2,713					2,713
Cash dividends, ¥37 per share					(807)					(807)
Disposal of treasury stock	12				(6)				21	15
Net change in the year				34		(422)		1		(387)
BALANCE, MARCH 31, 2008	21,833	8,166	9,027	58	12,193	(375)	(3,572)	16	(2,554)	22,959
Net income					3,216					3,216
Cash dividends, ¥40 per share					(873)					(873)
Disposal of treasury stock	1								1	1
Net change in the year				10		(27)		(13)		(30)
BALANCE, MARCH 31, 2009	<u>21,834</u>	<u>¥8,166</u>	<u>¥9,027</u>	<u>¥68</u>	<u>¥14,536</u>	<u>¥(402)</u>	<u>¥(3,572)</u>	<u>¥ 3</u>	<u>¥(2,553)</u>	<u>¥25,273</u>

	Thousands of U.S. Dollars (Note 1)									
	Common Stock	Capital Surplus	Stock Acquisition Rights	Retained Earnings	Unrealized Gain (Loss) on Available-for-sale Securities	Land Revaluation Difference	Foreign Currency Translation Adjustments	Treasury Stock	Total Equity	
BALANCE, MARCH 31, 2008	\$83,327	\$92,112	\$592	\$124,418	\$(3,827)	\$(36,449)	\$ 163	\$(26,061)	\$234,275	
Net income				32,816					32,816	
Cash dividends, \$0.41 per share				(8,908)					(8,908)	
Disposal of treasury stock								10	10	
Net change in the year			102		(275)		(132)		(305)	
BALANCE, MARCH 31, 2009	<u>\$83,327</u>	<u>\$92,112</u>	<u>\$694</u>	<u>\$148,326</u>	<u>\$(4,102)</u>	<u>\$(36,449)</u>	<u>\$ 31</u>	<u>\$(26,051)</u>	<u>\$257,888</u>	

See notes to consolidated financial statements.

Ohsho Food Service Corp.

Consolidated Statements of Cash Flows
Years Ended March 31, 2009 and 2008

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	<u>2009</u>	<u>2008</u>	<u>2009</u>
OPERATING ACTIVITIES:			
Income before income taxes	¥ 5,803	¥ 4,974	\$ 59,214
Adjustments for:			
Income taxes - paid	(2,860)	(2,388)	(29,184)
Depreciation and amortization	2,300	2,023	23,469
Net increase in allowance for doubtful receivables	13	37	133
Loss on sales and disposals of property, plant, equipment and investment property held for rental	273	164	2,786
Gain on sales of investment securities	(35)		(357)
Loss on devaluation of investment securities	143		1,459
Loss on impairment of long-lived assets	32	113	326
Changes in assets and liabilities:			
Increase in trade accounts receivable	(21)	(2)	(214)
Decrease in inventories	38	9	388
Increase in trade accounts payable	123	105	1,255
Increase in accrued payroll and bonuses	187	76	1,908
Increase (decrease) in liability for retirement benefits	148	(51)	1,510
Decrease in interest payable	(4)	(11)	(41)
Other - net	212	163	2,164
Total adjustments	<u>549</u>	<u>238</u>	<u>5,602</u>
Net cash provided by operating activities	<u>6,352</u>	<u>5,212</u>	<u>64,816</u>
INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	(2,809)	(2,979)	(28,663)
Proceeds from sales of property, plant and equipment	1	17	10
Purchases of investment securities	(50)	(325)	(510)
Proceeds from sales of investment securities	272		2,776
Increase in lease deposits	(183)	(155)	(1,867)
Increase of long-term loans receivable	(83)	(186)	(847)
Collection of long-term loans receivable	90	47	918
Other - net	(14)	(67)	(143)
Net cash used in investing activities	<u>(2,776)</u>	<u>(3,648)</u>	<u>(28,326)</u>
FINANCING ACTIVITIES:			
Decrease in short-term borrowings - net	(80)		(816)
Proceeds from issuance of long-term debt	8,347	7,000	85,173
Repayment of long-term debt	(7,553)	(8,637)	(77,071)
Cash dividends paid	(873)	(807)	(8,908)
Other - net	1	15	10
Net cash used in financing activities	<u>(158)</u>	<u>(2,429)</u>	<u>(1,612)</u>
FOREIGN CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	(3)		(31)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,415	(865)	34,847
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,658</u>	<u>3,523</u>	<u>27,122</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>¥ 6,073</u>	<u>¥ 2,658</u>	<u>\$ 61,969</u>

See notes to consolidated financial statements.

Ohsho Food Service Corp.

Notes to Consolidated Financial Statements Years Ended March 31, 2009 and 2008

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2008 financial statements to conform to the classifications used in 2009.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Ohsho Food Service Corp. (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥98 to \$1, the approximate rate of exchange at March 31, 2009. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidation - The consolidated financial statements include the accounts of the Company and its sole subsidiary as of March 31, 2009 and 2008 (together, the "Group").

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is eliminated.

Cash Equivalents - Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include time deposits, certificates of deposits, commercial paper and bond funds, all of which mature or become due within three months of the date of acquisition.

Inventories - Prior to April 1, 2008, inventories were stated at cost, determined by the average method. In July 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Statement No. 9, "Accounting Standard for Measurement of Inventories". This standard requires that inventories held for sale in the ordinary course of business be measured at the lower of cost or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses. The replacement cost may be used in place of the net selling value, if appropriate. The standard also requires that inventories held for trading purposes be measured at the market price. The standard was effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

The Company applied this new accounting standard for measurement of inventories effective April 1, 2008. There was no effect of this new accounting standard.

Property, Plant and Equipment - Property, plant and equipment are stated at cost. Depreciation is computed by the declining-balance method at rates based on the estimated useful lives of the assets. The range of useful lives is principally from 10 to 31 years for buildings and structures, from 6 to 10 years for machinery and equipment.

Long-lived Assets - The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

Land Revaluation - Under the "Law of Land Revaluation", the Company elected a one-time revaluation of its own-use land to a value based on real estate appraisal information as of March 31, 2002.

Investment Securities - Investment securities are classified and accounted for, depending on management's intent, as available-for-sale securities, and are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported as a separate component of shareholders' equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

Allowance for Doubtful Receivables - The allowance for doubtful receivables is stated in amounts considered to be appropriate based on the companies' past credit loss experience and an evaluation of potential losses in the receivables outstanding.

Retirement Benefits - The Group has a funded non-contributory retirement and severance plan, covering full time employees of the Group. The Group accounts for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date.

Retirement benefits to directors and corporate auditors are provided at the amount which would be required if all directors and corporate auditors retired at the balance sheet date.

Stock Options - On December 27, 2005, the ASBJ issued ASBJ Statement No. 8, "Accounting Standard for Stock Options" and related guidance. The new standard and guidance are applicable to stock options newly granted on and after May 1, 2006. This standard requires companies to recognize compensation expense for employee stock options based on the fair value at the date of grant and over the vesting period as consideration for receiving goods or services. The standard also requires companies to account for stock options granted to non-employees based on the fair value of either the stock option or the goods or services received. In the balance sheet, the stock option is presented as a stock acquisition right as a separate component of equity until exercised. The standard covers equity-settled, share-based payment transactions, but does not cover cash-settled, share-based payment transactions. In addition, the standard allows unlisted companies to measure options at their intrinsic value if they cannot reliably estimate fair value.

The Company adopted this accounting standard for stock options to those granted on and after May 1, 2006.

Leases - In March 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions", which revised the previous accounting standard for lease transactions issued in June 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted for fiscal years beginning on or after April 1, 2007.

Under the previous accounting standard, finance leases that deem to transfer ownership of the leased property to the lessee were to be capitalized. However, other finance leases were permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the note to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions should be capitalized to recognize lease assets and lease obligations in the balance sheet. In addition, the accounting standard permits leases which existed at the transition date and do not transfer ownership of the leased property to the lessee to be accounted for as operating lease transactions.

The Company applied the revised accounting standard effective April 1, 2008. In addition, the Company accounted for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions. There was no effect of the revised accounting standard.

Income Taxes - The provision for income taxes is computed based on the pretax income included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

Foreign Currency Financial Statements - The balance sheet accounts of the consolidated foreign subsidiary are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate. Differences arising from such translation were shown as "Foreign currency translation adjustments" in a separate component of equity. Revenue and expense accounts of consolidated foreign subsidiary are translated into yen at the average exchange rate.

Derivatives and Hedging Activities - The Group uses interest rate swaps to manage its exposures to fluctuations in interest rates. The Group does not enter into derivatives for trading or speculative purposes.

Derivative financial instruments are classified and accounted for as follows: a) all derivatives are recognized as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the statement of income and b) for derivatives used for hedging purposes, if such derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on those derivatives are deferred until maturity of the hedged transactions.

The interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements are recognized and included in interest expenses or income.

Per Share Information - Basic net income per share is computed by dividing net income available to common shareholders, by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share reflects the potential dilution that could occur if securities were exercised or converted into common stock. Diluted net income per share of common stock assumes full conversion of the outstanding convertible notes and bonds at the beginning of the year (or at the time of issuance) with an applicable adjustment for related interest expense, net of tax, and full exercise of outstanding warrants.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

New Accounting Pronouncements

Asset Retirement Obligations - On March 31, 2008, the ASBJ published a new accounting standard for asset retirement obligations, ASBJ Statement No. 18 "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting for Asset Retirement Obligations". Under this accounting standard, an asset retirement obligation is defined as a legal obligation imposed either by law or contract that results from the acquisition, construction, development and the normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an increase or a decrease in the carrying amount of the liability and the capitalized amount of the related asset retirement cost. This standard is effective for fiscal years beginning on or after April 1, 2010 with early adoption permitted for fiscal years beginning on or before March 31, 2010.

3. INVENTORIES

Inventories at March 31, 2009 and 2008 consisted of the following:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
Merchandise	¥ 17	¥ 17	\$ 174
Finished food products	59	54	602
Raw materials	144	178	1,469
Supplies	—	9	—
Total	<u>¥220</u>	<u>¥258</u>	<u>\$2,245</u>

4. INVESTMENT SECURITIES

Investment securities as of March 31, 2009 and 2008 consisted of the following:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
Non-current:			
Equity securities	¥1,224	¥1,599	\$12,490
Debt securities	10	10	102
Trust fund investments and other	1	1	10
Total	<u>¥1,235</u>	<u>¥1,610</u>	<u>\$12,602</u>

The carrying amounts and aggregate fair values of marketable and investment securities at March 31, 2009 and 2008 were as follows:

	Millions of Yen			
	2009			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥1,899	¥24	¥699	¥1,224
Debt securities	10			10
Trust fund investments and other	1			1
Total	<u>¥1,910</u>	<u>¥24</u>	<u>¥699</u>	<u>¥1,235</u>

	Millions of Yen			
	2008			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥2,029	¥84	¥714	¥1,399
Debt securities	10			10
Trust fund investments and other	1			1
Total	<u>¥2,040</u>	<u>¥84</u>	<u>¥714</u>	<u>¥1,410</u>

	Thousands of U.S. Dollars			
	2009			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	\$19,378	\$245	\$7,133	\$12,490
Debt securities	102			102
Trust fund investments and other	10			10
Total	<u>\$19,490</u>	<u>\$245</u>	<u>\$7,133</u>	<u>\$12,602</u>

Available-for-sale securities whose fair value is not readily determinable as of March 31, 2008 were as follows:

	Carrying Amount
	Millions of Yen
Available-for-sale:	
Equity securities	¥200

Proceeds from sales of available-for-sale securities for the years ended March 31, 2009 were ¥272 million (\$2,776 thousand). Gross realized gains and losses on these sales, computed on the moving average cost basis were ¥39 million (\$398 thousand) and ¥4 million (\$41 thousand) for the year ended March 31, 2009.

The carrying values of debt securities by contractual maturities for securities classified as available-for-sale at March 31, 2009 are as follows:

	<u>Available for Sale</u>	
	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars</u>
Due in one to five years	¥10	\$102

5. LONG-LIVED ASSETS

The Group reviewed its long-lived assets for impairment as of the years ended March 31, 2009 and 2008 and, as a result, recognized an impairment loss of ¥32 million (\$326 thousand) and ¥113 million, respectively, as other expense principally related to certain outlets due to a continuous operating loss and the carrying amount of the relevant land, building and other were written down to the recoverable amount. The recoverable amount of each outlet was measured considering expected cash flows generated from using the asset and the discount rate used for the computation of the present value of future cash flows was 5%.

6. LAND REVALUATION

The resulting land revaluation difference represents unrealized depreciation, net of appreciation of land and is stated, net of income taxes for appreciation, as a component of shareholders' equity. There was no effect on the statement of income. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation difference account and related deferred tax liabilities.

When a certain revalued land is sold off or the loss on impairment of the land is recognized, its land revaluation difference is directly reversed to retained earnings. The details of the one-time revaluation as of March 31, 2009, adjusted changes after March 31, 2002 are as follows:

	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars</u>
Land before revaluation	¥22,235	\$ 226,888
Land after revaluation	19,739	201,418
Land revaluation difference	2,496	25,470
Deferred tax liabilities on land revaluation	1,076	10,979
Net land revaluation difference	<u>¥ 3,572</u>	<u>\$ 36,449</u>

As of March 31, 2009, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥6,186 million (\$63,122 thousand).

7. LEASES AND LEASE DEPOSITS

The Group leases buildings and certain facilities generally under non-cancellable terms. In connection with the leasing of restaurant facilities, the Group enters into agreements whereby an amount equivalent to the aggregate construction costs of the restaurant facility is advanced to the landowner. Upon completion of the construction, the Group makes lease guarantee deposits and generally leases the land and restaurant facility over 15 years. Such advances and lease guarantee deposits carry no interest and are refundable upon termination of the lease or serially through the latter half of the lease term.

Lease deposits at March 31, 2009 and 2008 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	<u>2009</u>	<u>2008</u>	<u>2009</u>
Lease guarantee deposits	¥3,589	¥3,484	\$36,622
Advances for construction costs of restaurant facilities to be leased	<u>361</u>	<u>387</u>	<u>3,684</u>
Total	<u>¥3,950</u>	<u>¥3,871</u>	<u>\$40,306</u>

Total lease expenses under the above-mentioned leases for the years ended March 31, 2009 and 2008 were ¥3,066 million (\$31,286 thousand) and ¥2,975 million, respectively, including ¥376 million (\$3,837 thousand) and ¥452 million of lease payments under finance leases.

As discussed in Note 2, the Company accounts for leases which existed at the transition date and do not transfer ownership of the leased property to the lessee as operating lease transactions.

Pro forma information of leased property under finance leases that do not transfer ownership of the leased property to the lessee on an "as if capitalized" basis for the years ended March 31, 2009 and 2008 was as follows:

	Millions of Yen					
	2009			2008		
	<u>Machinery and Equipment</u>	<u>Fixtures</u>	<u>Total</u>	<u>Machinery and Equipment</u>	<u>Fixtures</u>	<u>Total</u>
Acquisition cost	¥ 215	¥1,181	¥ 1,396	¥ 385	¥ 1,824	¥ 2,209
Accumulated depreciation	<u>(137)</u>	<u>(915)</u>	<u>(1,052)</u>	<u>(246)</u>	<u>(1,243)</u>	<u>(1,489)</u>
Net leased property	<u>¥ 78</u>	<u>¥ 266</u>	<u>¥ 344</u>	<u>¥ 139</u>	<u>¥ 581</u>	<u>¥ 720</u>

	Thousands of U.S. Dollars		
	2009		
	<u>Machinery and Equipment</u>	<u>Fixtures</u>	<u>Total</u>
Acquisition cost	\$ 2,194	\$12,051	\$ 14,245
Accumulated depreciation	<u>(1,398)</u>	<u>(9,337)</u>	<u>(10,735)</u>
Net leased property	<u>\$ 796</u>	<u>\$ 2,714</u>	<u>\$ 3,510</u>

Obligations under finance leases:

	Millions of Yen		Thousands of U.S. Dollars
	<u>2009</u>	<u>2008</u>	<u>2009</u>
Due within one year	¥213	¥373	\$2,173
Due after one year	<u>131</u>	<u>347</u>	<u>1,337</u>
Total	<u>¥344</u>	<u>¥720</u>	<u>\$3,510</u>

Depreciation expense, which is not reflected in the accompanying consolidated statements of income, is computed by the straight-line method.

The minimum rental commitments under noncancellable operating leases at March 31, 2009 were as follows:

	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars</u>
Due within one year	¥ 52	\$ 531
Due after one year	<u>321</u>	<u>3,275</u>
Total	<u>¥373</u>	<u>\$3,806</u>

8. SHORT-TERM BANK LOANS AND LONG-TERM DEBT

Short-term bank loans at March 31, 2009 and 2008 principally consisted of notes and overdrafts. The weighted average annual interest rates of short-term bank loans at March 31, 2009 and 2008 were 0.73% and 1.03%, respectively.

Long-term debt at March 31, 2009 and 2008 consisted of the following:

	<u>Millions of Yen</u>		<u>Thousands of U.S. Dollars</u>
	<u>2009</u>	<u>2008</u>	<u>2009</u>
Unsecured bank loans, due serially to August 2013 with interest ranging from 0.55% to 2.84%	¥14,134	¥11,985	\$ 144,225
Unsecured straight bonds, due June 2008 to February 2012 with interest ranging from 0.38% to 1.09%	<u>1,988</u>	<u>3,342</u>	<u>20,286</u>
Total	16,122	15,327	164,511
Less current portion	<u>(6,378)</u>	<u>(6,209)</u>	<u>(65,082)</u>
Long-term debt, less current portion	<u>¥ 9,744</u>	<u>¥ 9,118</u>	<u>\$ 99,429</u>

Annual maturities of long-term debt at March 31, 2009 were as follows:

<u>Year Ending March 31</u>	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars</u>
2010	¥ 6,378	\$ 65,082
2011	5,171	52,765
2012	3,330	33,980
2013	1,068	10,898
2014	<u>175</u>	<u>1,786</u>
Total	<u>¥16,122</u>	<u>\$ 164,511</u>

9. RETIREMENT BENEFITS

Under the Group's pension plan, employees terminating their employment are, in most circumstances, entitled to pension payments based on their average pay during their employment, length of service and certain other factors.

The liability for employees' retirement benefits at March 31, 2009 and 2008 consisted of the following:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
Projected benefit obligation	¥1,075	¥1,001	\$ 10,969
Fair value of plan assets	(514)	(632)	(5,245)
Unrecognized actuarial loss	<u>(215)</u>	<u>(48)</u>	<u>(2,193)</u>
Net liability	<u>¥ 346</u>	<u>¥ 321</u>	<u>\$ 3,531</u>

The components of net periodic benefit costs for the years ended March 2009 and 2008 are as follows:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
Service cost	¥107	¥107	\$1,092
Interest cost	15	14	153
Expected return on plan assets	(9)	(11)	(92)
Recognized actuarial gain	<u>(14)</u>	<u>(73)</u>	<u>(143)</u>
Net periodic retirements benefit costs	<u>¥ 99</u>	<u>¥ 37</u>	<u>\$1,010</u>

Assumptions used for the years ended March 31, 2009 and 2008 are set forth as follows:

	<u>2009</u>	<u>2008</u>
Discount rate	1.5%	1.5%
Expected rate of return on plan assets	1.5%	1.5%
Recognition period of actuarial gain/loss	3 years	3 years

The liability for retirement benefits includes the pension for directors and corporate auditors, which was ¥423 million (\$4,316 thousand) and ¥300 million at March 31, 2009 and 2008, respectively. The retirement benefits for directors and corporate auditors are paid subject to the approval of the shareholders.

10. DERIVATIVES

The Group enters into interest rate swap agreements as a means of managing its interest rate exposures on certain liabilities. These agreements involve the exchange of interest obligations on fixed and floating interest rate debt. The differential paid or received under the swap agreements are recognized and included in interest expense or income. The Group does not hold or issue derivatives for trading or speculative purposes.

Because the counterparties to these derivatives are limited to major international financial institutions, the Group does not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Group have been made in accordance with internal policies that regulate the authorization and credit limit amount.

11. EQUITY

Since May 1, 2006, Japanese companies have been subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria such as; (1) having the Board of Directors, (2) having independent auditors, (3) having the Board of Corporate Auditors, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. However, the Company cannot do so because it does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases/decreases and transfer of common stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

12. STOCK OPTIONS

The stock options outstanding as of March 31, 2009 were as follows:

<u>Stock Option</u>	<u>Persons Granted</u>	<u>Number of Options Granted</u>	<u>Date of Grant</u>	<u>Exercise Price</u>	<u>Exercise Period</u>
2004 Stock Option	9 directors 296 employees	389,000 shares	July 8, 2004	¥1,251 (\$13)	From July 1, 2006 To June 30, 2011
2006 Stock Option	10 directors 3 auditors 531 employees	289,000 shares	August 1, 2006	¥1,920 (\$20)	From August 1, 2008 To July 31, 2011

The stock option activity is as follows:

	<u>2004 Stock Option</u>	<u>2006 Stock Option</u>
	(Shares)	
<u>For the year ended March 31, 2008</u>		
<u>Non-vested</u>		
March 31, 2007 - Outstanding		280,600
Granted		
Canceled		(6,600)
Vested		
March 31, 2008 - Outstanding		274,000
<u>Vested</u>		
March 31, 2007 - Outstanding	198,000	
Vested		
Exercised	(12,000)	
Canceled	(5,000)	
March 31, 2008 - Outstanding	181,000	
<u>For the year ended March 31, 2009</u>		
<u>Non-vested</u>		
March 31, 2008 - Outstanding		274,000
Granted		
Canceled		(3,100)
Vested		
March 31, 2009 - Outstanding		270,900
<u>Vested</u>		
March 31, 2008 - Outstanding	181,000	
Vested		270,900
Exercised	(1,000)	
Canceled	(2,000)	(2,700)
March 31, 2009 - Outstanding	178,000	268,200
Exercise price	¥1,251 (\$13)	¥1,920 (\$20)
Average stock price at exercise	¥1,509 (\$15)	
Fair value price at grant date		¥253 (\$3)

13. TRANSACTIONS WITH FRANCHISEES

The Company has a franchise system to cover a certain market area of Japan. The Company sells raw materials and supplies to the franchisees, provides know-how for their restaurant operations, and supports their financing requirements.

Transactions with the franchisees for the years ended March 31, 2009 and 2008 were as follows:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
Net sales	¥4,862	¥4,510	\$49,612
Interest income	12	10	122

Trade accounts receivable in the consolidated balance sheets primarily consisted of amounts due from the franchisees.

The Group has no investment in the franchisees. Loans to franchisees at March 31, 2009 and 2008 were as follows:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
Long-term loans and other receivables	¥407	¥413	\$4,153

14. INCOME TAXES

The Company is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 40.5% for the years ended March 31, 2009 and 2008, respectively. The tax effects of significant temporary differences and loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2009 and 2008 are as follows:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
<u>Current</u>			
Deferred tax assets:			
Accrued enterprise tax	¥127	¥135	\$1,296
Accrued bonuses	191	175	1,949
Other	<u>56</u>	<u>48</u>	<u>571</u>
Total deferred tax assets - current	<u>¥374</u>	<u>¥358</u>	<u>\$3,816</u>

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
<u>Non-current</u>			
Deferred tax assets:			
Allowance for doubtful receivables	¥ 45	¥ 52	\$ 459
Depreciation of property and equipment	908	736	9,265
Loss on impairment of long-lived assets	269	302	2,745
Pension and severance costs	312	251	3,184
Unrealized loss on available-for-sale securities	274	255	2,796
Other	86	118	878
Less valuation allowance	<u>(234)</u>	<u>(187)</u>	<u>(2,388)</u>
Total deferred tax assets - non-current	<u>¥1,660</u>	<u>¥1,527</u>	<u>\$16,939</u>
Deduct - deferred tax liabilities:			
Deferred gains on sales of property, plant and equipment	¥ (170)	¥ (174)	\$ (1,735)
Other	<u>(18)</u>	<u>(19)</u>	<u>(184)</u>
Net deferred tax assets - non-current	<u>¥1,472</u>	<u>¥1,334</u>	<u>\$15,020</u>

A reconciliation between the normal effective statutory tax rate and the actual effective tax rates reflected in the accompanying consolidated statements of income for the years ended March 31, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Normal effective statutory tax rate	40.5%	40.5%
Lump-sum portion of inhabitant taxes	3.3	3.3
Expense not deductible for tax purpose	0.5	0.7
Increase in valuation allowance for deferred tax assets	0.8	0.2
Other - net	<u>(0.5)</u>	<u>0.8</u>
Actual effective tax rate	<u>44.6%</u>	<u>45.5%</u>

15. CONTINGENT LIABILITIES

At March 31, 2009 and 2008 the Group had the following contingent liabilities:

	<u>Millions of Yen</u>		<u>Thousands of</u>
	<u>2009</u>	<u>2008</u>	<u>U.S. Dollars</u>
			<u>2009</u>
Guarantees and items of similar nature of bank loans on behalf of franchisees	¥16	¥18	\$163

16. NET INCOME PER SHARE

Reconciliation of the differences between basic and diluted net income per share ("EPS") for the years ended March 31, 2009 and 2008 is as follows:

	<u>Millions of Yen</u>	<u>Thousands of Shares</u>	<u>Yen</u>	<u>Dollars</u>
	Net Income	Weighted Average Shares	EPS	
<u>For the year ended March 31, 2009:</u>				
Basic EPS				
Net income available to common shareholders	<u>¥3,216</u>	<u>21,833</u>	<u>¥147.31</u>	<u>\$1.5</u>
Effect of Dilutive Securities				
Stock option	<u> </u>	<u>21</u>		
Diluted EPS				
Net income for computation	<u>¥3,216</u>	<u>21,854</u>	<u>¥147.17</u>	<u>\$1.5</u>
<u>For the year ended March 31, 2008:</u>				
Basic EPS				
Net income available to common shareholders	<u>¥2,713</u>	<u>21,825</u>	<u>¥124.32</u>	
Effect of Dilutive Securities				
Stock option	<u> </u>	<u>30</u>		
Diluted EPS				
Net income for computation	<u>¥2,713</u>	<u>21,855</u>	<u>¥124.15</u>	

17. SUBSEQUENT EVENT

a. Purchase of Treasury Stock

The Company repurchased 1,892 thousand shares of common stock at an aggregate cost of ¥2,858 million (\$29,163 thousand) on May 19, 2009 with resolution of the Company's Board of Directors on May 18, 2009.

b. Appropriations of Retained Earnings

The following appropriation of retained earnings at March 31, 2009 was approved by the Company's Board of Directors meeting held on May 13, 2009, which is subject to approval at the Company's shareholders meeting planned to be held on June 26, 2009:

	<u>Millions of Yen</u>	<u>Thousands of U.S. Dollars</u>
Year-end cash dividends, ¥23 (\$0.23) per share	¥502	\$5,122

* * * * *

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Ohsho Food Service Corp.:

We have audited the accompanying consolidated balance sheets of Ohsho Food Service Corp. (the "Company") and a subsidiary as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ohsho Food Service Corp. and a subsidiary as of March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 17.a, the Company repurchased a portion of its common stock subsequent to the year end of March 31, 2009.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 16, 2009

Ohsho Food Service Corp.

Three - Year Summary of Selected Financial Data Years Ended March 31, 2009, 2008 and 2007

	Consolidated			Thousands of U.S. Dollars
	Millions of Yen			
	2009	2008	2007	
Net sales:	¥54,986	¥49,768	¥47,206	\$ 561,081
Directly operated	50,124	45,258	42,828	511,469
Food materials to franchisees	4,862	4,510	4,378	49,612
Gross profit	37,977	34,510	32,861	387,520
Operating income	6,088	5,237	5,356	62,122
Income before income taxes	5,803	4,974	4,451	59,214
Net income	3,216	2,713	2,502	32,816
	Yen			U.S. Dollars
Amounts per share:				
Net income (Basic)	¥147.31	¥124.32	¥114.64	\$1.50
Net income (Diluted)	147.17	124.15	114.18	1.50
Cash dividends	40.00	35.00	25.00	0.41
	Millions of Yen			Thousands of U.S. Dollars
	2009	2008	2007	2009
Depreciation and amortization	¥ 2,300	¥ 2,023	¥ 1,832	\$ 23,469
Capital expenditures	2,979	2,802	2,561	30,398
Total assets	50,296	46,719	46,955	513,225
Total equity	25,273	22,959	21,425	257,888
Number of employees	1,540	1,388	1,338	
Number of outlets:	527	508	495	
Directly operated	344	329	315	
Franchised	183	179	180	
Average number of shares outstanding:				
Assuming no dilution (in thousands)	21,833	21,825	21,823	
Assuming full dilution (in thousands)	21,854	21,855	21,912	
	Percent			
Return on equity	13.3	12.2	11.5	
Return on assets	6.6	5.8	5.3	
Operating income margin	11.1	11.2	11.3	
Equity ratio	50.2	49.1	45.6	
Asset turnover (Times)	1.13	1.00	1.00	
	Millions of Yen			Thousands of U.S. Dollars
	2009	2008	2007	2009
Net sales per employee	¥35.7	¥33.7	¥35.3	\$364

Note: The U.S. dollar amounts are translations of the Japanese yen amounts at the rate of ¥98=\$1, the approximate rate of exchange on March 31, 2009.

Corporate Information

Board of Directors & Corporate Auditors

(as of June 29, 2009)

President	Takayuki Ohigashi
Senior Managing Director	Kazuhisa Suzuki Keiji Dohihara
Managing Director	Yoshihiro Takahashi Masamichi Nonaka Naoto Watanabe
Director	Toshio Fujiki Masayuki Kamon Kiyoshi Kato Fumio Sugita Motoki Sugita Hideki Koreeda
Corporate Auditors	Yoshiya Takuma Hideharu Hayashi Kazuyuki Morisawa



President/Takayuki Ohigashi



Corporate Data

(as of March 31, 2009)

Corporate Name	OHSO FOOD SERVICE CORP.
Head Office	294-1 Ibanoue-cho, Nishinoyama, Yamashina-ku, Kyoto, Japan Tel:075-592-1411
Incorporated	1974
Authorized Number of Shares	90,000,000 shares
Paid-in Capital	23,286,230 shares
Number of Shareholders	11,804
Transfer Agent	The Chuo Mitsui Trust & Banking Co., Ltd. 3-33-31, Shiba, Minatoku, Tokyo 104-8574, Japan Tel:03-5232-3331
Number of Employees	1,540
Main Plants	Kumiyama (Kyoto) Nishinoyama (Kyoto) Funabashi (Chiba) Kyushu (Fukuoka)
Number of Outlets	Directly operated:344 Franchised:183



Network

(Total 527 outlets, as of March 31, 2009)



Sabae Outlet (Fukui)



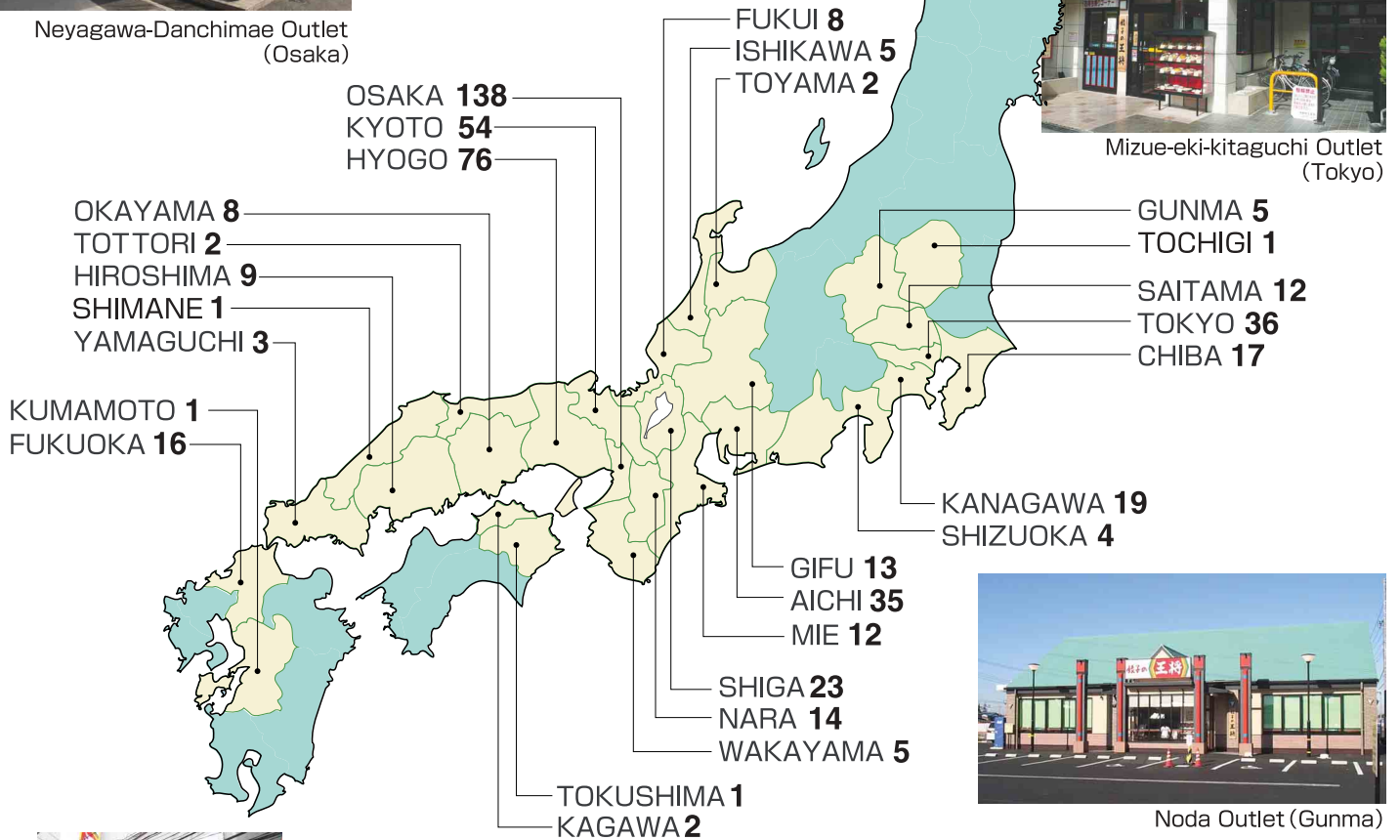
Nagaokatenjin Outlet (Kyoto)



Neyagawa-Danchimae Outlet (Osaka)



Mizue-eki-kitaguchi Outlet (Tokyo)



Noda Outlet (Gunma)



Kokura-ekimae Outlet (Fukuoka)



Aeon-town-Mizushima Outlet (Okayama)



Yanaizu Outlet (Gifu)



Honatsugi Outlet (Kanazawa)