



26th August, 2011

Company name: Watami Co., Ltd.
(Code: 7522 TSE First Section)
Representative: President & COO: Yutaka Kuwabara
Contact: Group Management Planning manager: Oda Tsuyoshi
(TEL03-5737-2784)

To whom it may concerned,

Notice of the Watami International launches subsidiary in People's Republic of China.

The subsidiary wholly owned by Watami Co., Ltd (Head Quarter address: Tokyo Ota Ward, President & COO: Yutaka Kuwabara), Watami International Co., Ltd. (Head Quarter: Hong Kong, President : Shinji Wanibe, hereinafter Watami International)has announced its resolution to launch a subsidiary incorporated in Shang Hai, People's Republic of China. It is hereby announced.

1. Purpose of launching Shang Hai company (subsidiary of Watami International)
To expand the outlet branch network aggressively in East China is regarded as one of the important tasks in Watami International's future businessmanagement. We have nowmade a performance of launching more than 5 outlets in Shanghai, China until July, 2011. In order to further advance operation and management, Watami International hereby announces to start a new subsidiary.
2. Overview of Shang Hai subsidiary
 - (1) Company's name: Watami restaurant business management (Shang Hai) Co., Ltd.
 - (2) Location: Luwan Shang Hai city, People's republic of China
 - (3) Representative: Director Shinji Wanibe, General managerToshikatsu Terauchi
 - (4) Setup date: scheduled in August, 2011.
 - (5) Business content: open up and manage restaurants in Mainland China
 - (6) Account closing month: December
 - (7) Capital: USD 180 thousand
 - (8) Investment ratio: 100% by Watami International
3. Influence made on company's consolidated and independent profit performance by this investment project is expected to be minor in the first 3 months of 2012.