

## Information on new autumn and winter products

### ● Kotetchan Beef Motsu-nabe Soup .....



#### Kotetchan Beef Motsu-nabe Soup: Soy Sauce-flavored Soup

The product features a deep taste, the perfect synergy of Makurazaki dried bonito stock together with soup made with chicken stock.



#### Kotetchan Beef Motsu-nabe Soup: Miso Flavor

The product features the mild, deep, and rich taste of three kinds of miso made with different methods and with different ripening periods.



#### Kotetchan Beef Motsu-nabe Soup: Hot Miso Flavor

The product features the mature, rich and hot taste of Korean gochujang made from Kinto red pepper, which is frequently used in Korean foods.

### ● Kotetchan Beef White Motsu .....



Beef motsu prepared with meticulous care is seasoned with stock made from kelp and dried bonito. The product is highly versatile and convenient—it can be used as-is, as a pot dish, a stew, or a stir-fry.

### ● Otegaru-Stamina-Shokudo Series .....

You can easily enjoy a delicious stew by just heating the product.



New!

Motsu Stew with More Ingredients



Stringy Beef Stew Prepared by the Butcher Shop



New!

Beef Motsu Stew with Thick Taste



New package!

Stringy Beef Stew Prepared with Scrupulous Care

Pork Rib Cartilage Stew Prepared by the Butcher Shop

### ● Aluminum Pot Series .....

There's no need to prepare a pot or dish, since the products in this series already come with an aluminum pot. You need only put the contents into the pot and heat it.



Kotetchan Beef Motsu Stew



Beef Tongue Stew

## Company Profile

**Company Name:** S Foods Inc.  
(Listing exchange: 1st section of TokyoStock Exchange, Securities code 2292)

**Founding:** May 22,1967

**Representative:** Shinnosuke Murakami, President

**Capital:** 4,298,350,000 yen

**Businesses:** Wholesale meat business, products business, retail & food service business

## Investor Information

- **Business year:** March 1 to the last day of February of the next year
- **Date of record for distribution of year-end dividends:** Last day of February
- **Date of record for distribution of interim dividends:** August 31
- **Ordinary general meeting of shareholders:** May of every year
- **Administrator of shareholder list:** Sumitomo Mitsui Trust Bank, Limited  
1-4-1 Marunouchi, Chiyoda-ku, Tokyo
- **Administrator of shareholder list**  
**Handling office:** Sumitomo Mitsui Trust Bank, Limited,  
Stock Transfer Agency Business Planning Dept.  
4-5-33 Kitahama, Chuo-ku, Osaka
- Mail:** Sumitomo Mitsui Trust Bank, Limited,  
Stock Transfer Agency Business Planning Dept.  
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063 Japan
- Phone:** ☎0120-782-031 (toll free)
- Website:** <http://www.smtb.jp/personal/agency/index.html>

(Notes)

[Inquiries relating to procedure for changes to shareholder's address, etc.] Shareholders who hold an account with a securities company are requested to contact their securities company, since Sumitomo Mitsui Trust Bank, Limited is not able to handle this procedure. Those who do not hold an account with a securities company should refer to the note below [Special account].

#### [Special account]

We have opened an account ("special account") at Mitsubishi UFJ Trust and Banking Corporation for shareholders who did not use Japan Securities Depository Center, Inc. (JASDEC) before the digitization of share certificates. Please note that the contact details for inquiries and the address for reporting changes to shareholder's address, etc. relating to the special account are different to those of the administrator of the shareholder list.

#### <Contact details relating to special account>

(Special account managing institution) Mitsubishi UFJ Trust and Banking Corporation,  
Osaka Corporate Agency Division

(Mail) 3-6-3 Fushimimachi, Chuo-ku, Osaka 541-8502 Japan  
(Phone) ☎0120-094-777 (toll free)

#### [Dividends receivable]

- Please contact Sumitomo Mitsui Trust Bank, Limited, the administrator of the shareholder list.
- Shares per sales Unit: 500



# SFoods News

Interim Annual Report for  
the period ended August 31, 2013

March 1, 2013 to August 31, 2013



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Phone: +81-798-43-1065

<http://www.sfoods.co.jp/english/>



## Report on the sales process and performance of our business group

Shinnosuke Murakami  
President

### Our management environment

In the first six-month period of the fiscal year ending February 2014, there were signs that the Japanese economy had gradually recovered, such as a year-on-year rise in the consumer price index in June and July 2013 and a drop in the unemployment rate to the 3% range.

However, the Japanese meat industry was forced to fight an uphill battle, since soaring raw material prices and further depreciation of the yen drove up costs, resulting in a decline in profitability.

Under such business circumstances, the S Foods Group aimed to strengthen its business structure and to achieve stable growth through establishment of a sales system suited for a slow-growth economic environment and promotion of an integrated meat distribution system, from production to retail sales to food service.

### General sales situation

In the food processing and wholesale meat businesses, we continued to increase production. Specifically, we began expanding the scale of the pork production business and facilities; we also started shipments of Kobe beef to Thailand in May 2013 and to Singapore in June 2013, following the first exports in January 2012. Now, we export



A departure ceremony marking the first shipment of Kobe beef to Thailand

Kobe beef to five countries (and regions). In addition, we ran TV commercials in July and August 2013 for the first time in three years and six months, boosting our Kotetchan sales campaign.

In the meat retail business, we continued to open new stores and revitalize existing stores in cooperation with a new developer, and strengthened consulting-style marketing methods.

In the meat food service business we



Kotetchan with a rich, hot gochujang taste



Kotetchan with a rich, hot gochujang taste Ready to eat

implemented measures to improve the competitiveness of our steak restaurant chain, and tried to cultivate new customers and increase the frequency of existing customer visits.

### Business performance

Consequently, S Foods Inc. reported its consolidated business performance for the first six months of the fiscal year ending February 2014 as follows: net sales of 81,438 million yen (up 12.9% year-on-year), operating income of 2,515 million yen (down 2.1% year-on-year), ordinary income of 2,775 million yen (up 1.0% year-on-year), and net income of 1,466 million yen (up 14.1% year-on-year).

Our business performance by segment is as below. Net sales represent sales to external customers and segment profit is adjusted with operating income in the consolidated quarterly statements of income.

(1) Food processing and wholesale meat businesses

We reported segment profit of 2,353 million yen (down 4.4% year-on-year) on net sales of 66,963 million yen (up 16.4% year-on-year).

(2) Meat retail business

We reported segment profit of 385 million yen (down 16.4% year-on-year) on net sales of 9,857 million yen (down 2.8% year-on-year).

(3) Meat food service business

We reported segment profit of 255 million yen (up 77.7% year-on-year) on net sales of 3,789 million yen (up 5.6% year-on-year).

(4) Other

We reported segment profit of 42 million yen (up 92.0% year-on-year) on net sales of 828 million yen (down 4.9% year-on-year).

## Business Results and Financial Position

### Consolidated

Unit: Million yen

Item	Term	The second quarter FY Aug. 2012	The second quarter FY Aug. 2013	FY Feb. 2013	FY Feb. 2014 projected
Sales		72,120	81,438	148,097	155,000
Income from operations		2,570	2,515	5,166	5,200
Pre-tax earnings		2,747	2,775	5,593	5,600
Net income		1,284	1,466	2,507	2,600
Total assets		70,444	78,877	72,224	—
Shareholder's equity		38,293	41,561	40,631	—

### Dividends

(yen)

	FY Feb. 2011	FY Feb. 2012	FY Feb. 2013	FY Feb. 2014
Annual dividend per share	24	24	24	26*
(Interim dividend)	(12)	(12)	(12)	(13)
(Year-end dividend)	(12)	(12)	(12)	(13)*

Note: Figures with \* are projections.

### Share

Total shares authorized : 120,000,000  
Total shares of common stock issued : 32,267,721  
Shareholders : 4,693

### Trends in Share Values and Trading Volumes

