

Introduction of Fall and Winter Products

● Kotetchan Beef Motsu-nabe Soup



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

This product is full of flavor and aroma, using soy sauce made in Kyushu and authentically brewed soy sauce. It also features seafood flavors such as dried bonito and kelp for a rich, savory soup.



Kotetchan Beef Motsu-nabe Soup: Miso Flavored Soup

This product has a rich and full-flavored miso taste from three kinds of miso – Shinshu white miso, mugi (barley) miso and reddish-brown miso. It is also made with sesame paste and sake lees as a secret ingredient to create an aromatic, rich and savory soup.



Kotetchan Beef Motsu-nabe Soup: Salty Taste Soup

This product features "Awaji Island Seaweed Salt", which uses the flavor of seaweed as an ingredient, and also includes flavors of chicken and kelp for a rich and tasty soup.



Kotetchan Beef White Motsu

This product has been given a soft texture by preparing the beef motsu carefully with a unique manufacturing process. The product is seasoned with a Japanese-style broth of kelp and dried bonito, so it can be used for soups, stews and stir-fry dishes.



Stringy Beef

Beef membranes have been prepared to become soft, so this is a convenient product that does not require boiling or other hassles. The product is seasoned with a Japanese-style broth of kelp and dried bonito, so it can be used for stews and oden.

● Otegaru-Stamina-Shokudo Series

Delicious dishes can be made easily just by heating the products in the "Stamina Shokudo" series. We have created a lineup for balanced dishes at reasonable prices.



Motsu Stew with Many Ingredients



Beef Motsu Stew with Thick Taste



Stringy Beef Stew Cooked Slowly With Care



Pork Rib Cartilage Stew Cooked by the Butcher Shop



Stringy Beef Stew Cooked by the Butcher Shop

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,
(Groups) 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: 100



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Phone: +81-798-43-1065

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



SFoods News

Interim Annual Report for
the period ended August 31, 2015

March 1, 2015 to August 31, 2015



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 2016, the Japanese economy started off strong, but with credit concerns in Europe and worries over a slowdown in the Chinese economy, stock prices shifted to a downtrend and uncertainties have grown over the outlook. The Japanese meat industry is also faced with a tough environment given tight conditions for farm products globally and a sudden rise in prices. Under such conditions, the S Foods Group further promoted vertical integration of its meat business from meat production to retail sales and food services, with the aim of strengthening its business structure and achieving stable growth.

General Sales Situation

In the food processing and meat wholesale businesses, the Hidaka Shokuniku Center, where pigs are slaughtered and processed, began operations in Hokkaido in May. Our new farm in Chitose, which handles the breeding of pigs, will also be completed soon, creating an integrated management



Hidaka Shokuniku Center



Ginger stir-fry using Kotetchan and eggplant

system for our pork business. Going forward, we will expand our business for high-grade pork across Japan. Furthermore, we worked on creating synergistic effects for product sales throughout the entire Group, through promotional campaigns for consumers to revitalize “Kotetchan” and mutual cooperation among Group companies to promote sales and expand customers. Overseas, we actively implemented measures to expand capacity going forward, such as expanding our U.S. subsidiary, FREEMONT BEEF COMPANY.

In the meat retail business, we worked on training personnel, improving work operations, and



FREEMONT BEEF COMPANY (U.S.A.)

strengthening a proposal-type sales approach for events. In the meat food service business, we implemented measures to improve the competitiveness of our steak restaurant chain.

Business Performance

As a result, S Foods Inc. reported its consolidated business performance for the first six months of the year ending February 29, 2016 as follows: net sales of 120,175 million yen (up 17.3% year-on-year), operating income of 3,959 million yen (down 4.1% year-on-year), ordinary income of 4,219 million yen (down 2.6% year-on-year) and net income of 2,211 million yen (down 13.2% year-on-year). Our business performance by segment is shown 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 3,514 million yen (down 6.9% year-on-year) on net sales of 104,214 million yen (up 19.0% year-on-year).

(2) Meat retail business

We reported segment profit of 637 million yen (up 13.3% year-on-year) on net sales of 10,954 million yen (up 7.3% year-on-year).

(3) Meat food service business

We reported segment profit of 278 million yen (up 11.7% year-on-year) on net sales of 4,132 million yen (up 6.6% year-on-year).

(4) Other

We reported segment profit of 80 million yen (up 16.1% year-on-year) on net sales of 874 million yen (up 7.0% year-on-year).

Business Results and Financial Position

Consolidated

Unit: Million yen

Term / Item	The second quarter FY Aug. 2014	The second quarter FY Aug. 2015	FY Feb. 2015	FY Feb. 2016 projected
Sales	102,452	120,175	214,103	230,000
Income from operations	4,127	3,959	8,230	8,500
Pre-tax earnings	4,333	4,219	8,601	8,800
Net income	2,546	2,211	4,343	5,000
Total assets	96,525	113,453	98,755	—
Shareholder's equity	46,838	52,859	49,768	—

Dividends

(yen)

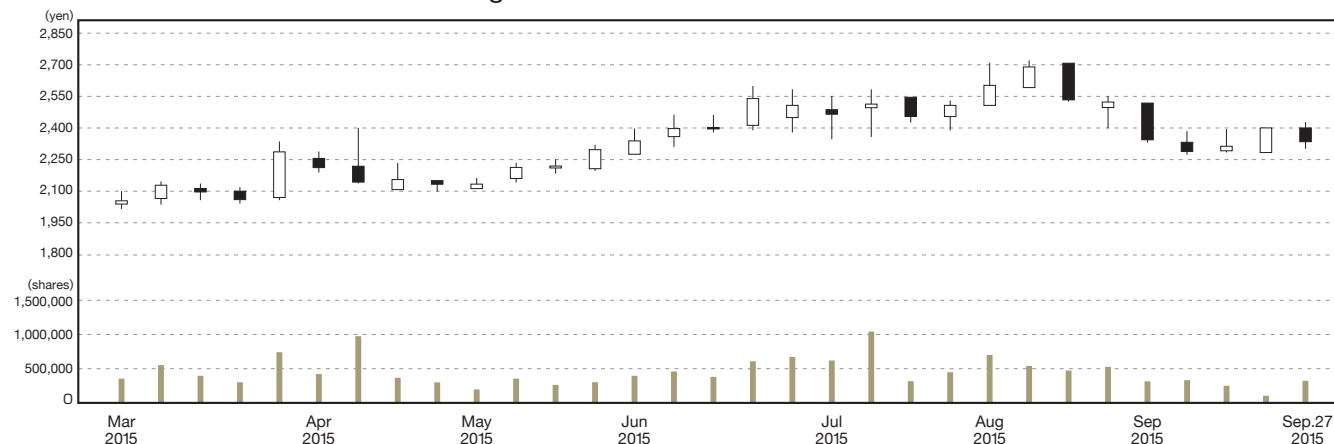
	FY Feb. 2013	FY Feb. 2014	FY Feb. 2015	FY Feb. 2016
Annual dividend per share	24	26	28	32*
(Interim dividend)	(12)	(13)	(14)	(16)
(Year-end dividend)	(12)	(13)	(14)	(16)*

Note: Figures with * are projections.

Share

Total shares authorized : 120,000,000
Total shares of common stock issued : 32,267,721
Shareholders : 4,060

Trends in Share Values and Trading Volumes



※TSE weekly chart