

Introduction of Fall and Winter Products

●Kotetchan Beef Motsu-nabe Soup Series----

You can enjoy beef motsu-nabe at home just by cooking the soup with Chinese chive and cabbage.

Kotetchan
Beef Motsu-nabe Soup:
Soy Sauce Flavored Soup



Kotetchan
Beef Motsu-nabe Soup:
Miso Flavored Soup



Kotetchan
Beef Motsu-nabe Soup:
Gochujang Flavored Soup

●Kiwami-tei Beef Motsu-nabe Series-----

Kiwami-tei gives you luxurious experience with its specially designed volume and taste. You can enjoy taste of specialty restaurants at home with this new branded products.



Kiwami-tei
Hakata Specialty
Beef Motsu-nabe:
Soy Sauce Flavored Soup



Kiwami-tei
Hakata Specialty
Beef Motsu-nabe:
Miso Flavored Soup

●Shitagoshirae(Easy to Prepare) Series-----

This series of products are free from burdensome preparing at home.



Kotetchan
Beef White Motsu



Stringy Beef
(With Seasoning)

●Microwave Cooking Series-----

This line of products comes in a microwave-safe container, eliminating the need for pods or dishes. The dishes can be served just by heating them in the microwave.



Beef Tongue Stew



Kotetchan Beef Motsu Stew



Stringy Beef Stew



Stringy Beef Hot 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, (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/
Management institution of special account:**
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:** <https://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 contact the administrator at the above phone number.

[Dividends receivable]

- Please contact Sumitomo Mitsui Trust Bank, Limited, the administrator of the shareholder list.
- Shares per sales Unit: 100

[Change in Management institution of special account]

As of May 25, 2016, we changed the management institution of special account from Mitsubishi UFJ Trust and Banking Corporation to Sumitomo Mitsui Trust Bank, Limited.



SFoods News

Interim Annual Report for
the period ended August 31, 2019

March 1, 2019 to August 31, 2019



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<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 year ending February 2019, Japanese domestic economy has been bombarded with global issues such as trade dispute between the US and China as well as political uncertainty in Far East and Middle East. Also, a sense of uncertainty for the future prevailed as it was difficult to foresee how consumer tax hike and other issues would impact the domestic market. In the meat industry, prolonged deflation continued to put pressure on many businesses' profits.

Under these circumstances, the S Foods Group aimed to stabilize its business operations and ensure growth by further promoting its basic strategy of vertical integration of its meat businesses from meat production, wholesale, production of meat products to retail and food service.

General Sales Situation

In the meat processing and wholesale businesses, we implemented measures to strengthen purchasing power for material both domestically and globally. Our primary concern for business development has been placed on building-up of ever-lasting business



An exclusive farm for S Foods

structure and stable profits rather than on short-term gains. In the domestic market, efforts have been made to expand our business base by acquiring new customers. Also, we worked to increase customers who treat all three items of "kotetchan" series, Koku-miso taste, Umakara kochijyan taste and Solty garlic taste, to improve the appealing power of the products.

Construction of manufacturing and sales facilities in Funabashi, Chiba has been proceeding smoothly and they are expected to start operation by the end of the current fiscal year.

In the meat retail business, as well as opening new stores of new categories, we continued to implement event-based promotional sales and energization of existing stores including changing store layouts. Meat Meister certification system has been maintained to help improve the quality of our products



Kotetchan



New Tokyo branch

and service through upgrading the knowledge and skill of our employees. In the meat foodservice business, we implemented measures for improving competitiveness such as creating new menus and reforming unprofitable stores at the steak restaurant chain company and the barbecue and shabu-shabu restaurant chain company.



Japanese-style barbecue

Business Performance

As a result, S Foods Inc. reported its consolidated business performance for the first six months of the year ending February 28, 2020 as follows: net sales of 174,084 million yen (up 4.1% year on year), operating income of 4,686 million yen (down 22.3% year on year), ordinary income of 4,985 million yen (down 20.5% year on year), and net income attributable to owners of the parent of 2,426 million yen (down 39.9% 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 income statements.

① Food processing and wholesale meat businesses

We reported segment profit of 4,709 million yen (down 20.8% year on year) on net sales of 158,986 million yen (up 4.6% year on year).

② Meat retail business

We reported segment profit of 423 million yen (down 21.2% year on year) on net sales of 10,455 million yen (down 3.3% year on year).

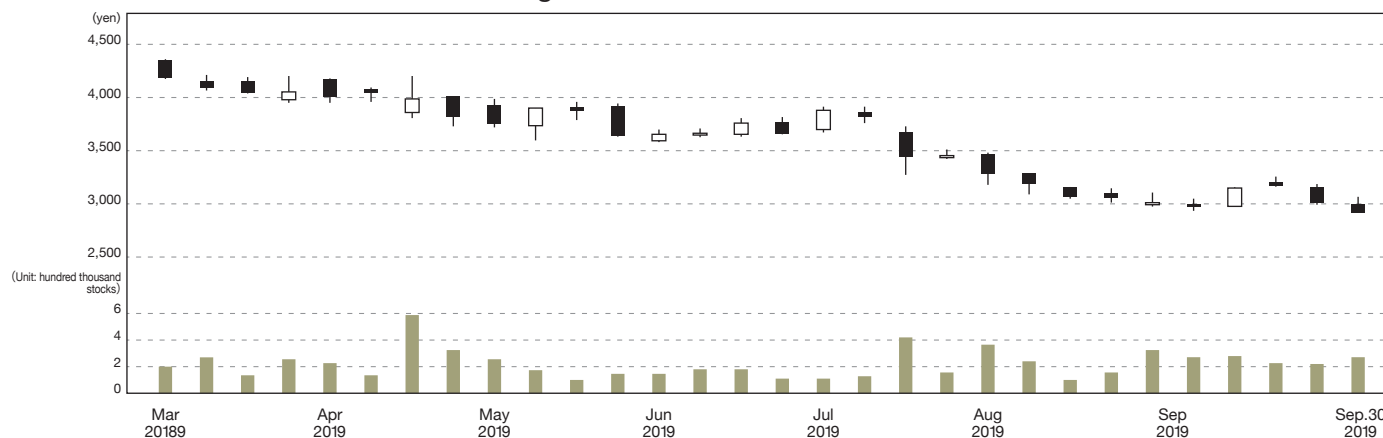
③ Meat food service business

We reported segment profit of 158 million yen (up 18.4% year on year) on net sales of 3,921 million yen (up 4.0% year on year).

④ Other

We reported segment profit of 84 million yen (up 28.9% year on year) on sales of 720 million yen (down 0.1% year on year).

Trends in Share Values and Trading Volumes



※TSE weekly chart

Business Results and Financial Position

Consolidated

Unit: Million yen

Item \ Term	The second quarter FY Aug. 2018	The second quarter FY Aug. 2019	FY Feb. 2019	FY Feb. 2020 projected
Sales	167,277	174,084	338,781	360,000
Income from operations	6,034	4,686	10,973	11,500
Pre-tax earnings	6,267	4,985	11,344	12,000
Net income attributable to owners of the parent	4,039	2,426	7,185	7,800
Total assets	170,493	174,801	165,062	—
Shareholder's equity	87,036	85,233	86,028	—

Dividends

(yen)

	FY Feb. 2017	FY Feb. 2018	FY Feb. 2019	FY Feb. 2020
Annual dividend per share	35	43	56	60*
(Interim dividend)	(17)	(19)	(28)	(30)
(Year-end dividend)	(18)	(24)	(28)	(30)*

Note: Figures with * are projections.

Share

Total shares authorized : 120,000,000
Total shares of common stock issued : 32,267,721
Shareholders : 4,129