

JAPAN FOODS HOLDING LTD

JAPAN FOODS HOLDING LTD. (THE "COMPANY")

(Incorporated in the Republic of Singapore on 3 December 2007)
(Company Registration No. 200722314M)

UNAUDITED FULL-YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH ("FY") 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated income statements

	<----- Group ----->		
	Financial year ended 31 March		
	2015	2014	Increase /
	(S\$'000)	(S\$'000)	(Decrease)
			(%)
Revenue	62,682	62,758	(0.1)
Cost of sales	(10,396)	(11,553)	(10.0)
Gross profit	52,286	51,205	2.1
Other income	1,040	1,166	(10.8)
Other gains - net	38	60	(36.7)
Selling and distribution expenses	(44,417)	(39,638)	12.1
Administrative expenses	(3,154)	(2,852)	10.6
Other operating expenses	(1,211)	(1,345)	(10.0)
Profit from operation	4,582	8,596	(46.7)
Share of profits of associated companies, net of tax	546	178	206.7
Profit before income tax	5,128	8,774	(41.6)
Income tax expense	(392)	(1,470)	(73.3)
Net profit for the year	4,736	7,304	(35.2)

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Statement of comprehensive income

	<----- Group ----->		Increase / (Decrease) (%)
	Financial year ended 31 March 2015 (S\$'000)	2014 (S\$'000)	
Net profit for the year	4,736	7,304	(35.2)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Reclassification	-	(13)	(100.0)
Other comprehensive income for the year, net of tax	-	(13)	(100.0)
Total comprehensive income for the year	4,736	7,291	(35.0)

1(a)(ii) Notes to the income statements

The profit before income tax of the Company and its subsidiaries (the “Group”) is arrived at after charging / (crediting) the following:

	<----- Group ----->		Increase / (Decrease) (%)
	Financial year ended 31 March 2015 (S\$'000)	2014 (S\$'000)	
Interest income from bank deposits	(63)	(37)	70.3
Royalty and franchise income	(455)	(602)	(24.4)
Membership card sales	(56)	(68)	(17.6)
Insurance claim	(9)	(46)	(80.4)
Other income ⁽¹⁾	(428)	(413)	3.6
Interest expense	-	-	-
Depreciation of plant and equipment	4,887	4,184	16.8
Amortisation of intangible assets	59	58	1.7
Plant and equipment written off	188	268	(29.9)
Inventories written off	1	9	(88.9)
(Gain)/Loss on disposal of plant and equipment	1	(2)	N.M ⁽²⁾
Currency translation gains - net	(38)	(58)	(34.5)

Note:

- (1) Other income refers mainly to marketing fees received from certain suppliers and landlords, grant by Singapore Government under Enhanced Special Employment Credit Scheme and sales of scrap materials.
- (2) “N.M” denotes not meaningful.

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Consolidated statement of financial position

	<----- Group ----->		<----- Company----->	
	As at 31 March 2015 (\$'000)	As at 31 March 2014 (\$'000)	As at 31 March 2015 (\$'000)	As at 31 March 2014 (\$'000)
ASSETS				
Current assets				
Cash and cash equivalents	15,913	19,000	1,085	2,853
Trade receivables	590	718	-	1,622
Other receivables	1	11	-	-
Inventories	636	646	-	-
Amounts due from subsidiary companies	-	-	7,062	2,792
Other current assets	1,941	2,492	39	44
Loan to an associated company	-	248	-	248
	19,081	23,115	8,186	7,559
Non-current assets				
Plant and equipment	13,204	10,828	-	-
Investment in subsidiaries	-	-	5,278	5,278
Investment in associated companies	872	326	48	48
Financial assets, held-to-maturity	505	505	-	-
Intangible assets	193	189	-	-
Loan to an associated company	248	-	248	-
Long-term security deposits	3,836	3,308	-	-
Club membership	259	259	259	259
	19,117	15,415	5,833	5,585
Total Assets	38,198	38,530	14,019	13,144
LIABILITIES				
Current liabilities				
Trade payables	1,604	1,647	-	-
Other payables and accruals	4,834	5,236	504	646
Current income tax liabilities	326	1,416	4	5
	6,764	8,299	508	651
Non-current liabilities				
Deferred income tax liabilities	860	860	-	-
	860	860	-	-
Total Liabilities	7,624	9,159	508	651
Net Assets	30,574	29,371	13,511	12,493
EQUITY				
Share capital	9,307	8,959	9,307	8,959
Reserves	21,267	20,412	4,204	3,534
Total Equity	30,574	29,371	13,511	12,493

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1(b)(ii) Aggregate amount of group’s borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 March 2015		As at 31 March 2014	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Amount repayable after one year

As at 31 March 2015		As at 31 March 2014	
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Details of any collateral

Nil

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of cash flows

	<----- Group ----->	
	Financial year ended	
	31 March 2015	31 March 2014
	(S\$'000)	(S\$'000)
Cash flows from operating activities:		
Net profit	4,736	7,304
Adjustments for:		
Income tax expense	392	1,470
Depreciation of plant and equipment	4,887	4,184
Amortisation of intangible assets	59	58
Plant and equipment written off	188	268
Inventories written off	1	9
(Gain)/Loss on disposal of plant and equipment	1	(2)
Share of profits of associated companies	(546)	(178)
Award of shares under the Japan Foods Performance Share Plan	348	190
Unrealised currency translation (losses)/gains	-	(13)
Interest expense	-	-
Interest income	(63)	(37)
	10,003	13,253
Changes in working capital:		
Inventories	10	207
Trade and other receivables	138	101
Other current assets ⁽¹⁾	22	(594)
Trade and other payables	(445)	(193)
Cash generated from operations	9,728	12,774
Interest income received	63	37
Income tax paid	(1,482)	(1,086)
Net cash provided by operating activities	8,309	11,725
Cash flows from investing activities:		
Acquisition of associated companies	-	(32)
Additions to plant and equipment	(7,456)	(5,770)
Proceeds from disposal of plant and equipment	4	30
Additions of intangible assets	(63)	(38)
Purchases of financial assets, held-to-maturity	-	(505)
Net cash used in investing activities	(7,515)	(6,315)
Cash flows from financing activities:		
Share issue expense	-	(22)
Bank deposits pledged	509	(322)
Dividends paid to equity holders of the Company	(3,881)	(3,119)
Net cash used in financing activities	(3,372)	(3,463)
Net increase in cash and cash equivalents	(2,578)	1,947
Cash and cash equivalents		
Beginning of financial year	16,767	14,820
End of financial year ⁽²⁾	14,189	16,767

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Notes:

- (1) This includes the security deposits (both short term and long term) of S\$5.3 million (FY2014: S\$5.3 million) placed with lessors in respect of the Group’s leases which are recoverable upon expiry of the lease tenure.
- (2) This excludes bank deposits of S\$1.7 million (FY2014: S\$2.2 million) pledged as security for bank facilities granted by financial institution(s) to the Group.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of changes in equity

Group	Share capital (S\$'000)	Currency translation reserve (S\$'000)	Retained earnings (S\$'000)	Total (S\$'000)
Balance as at 1 April 2014	8,959	-	20,412	29,371
Award of performance shares	348	-	-	348
Dividends paid	-	-	(3,881)	(3,881)
Total comprehensive income for the year	-	-	4,736	4,736
Balance as at 31 March 2015	9,307	-	21,267	30,574
Balance as at 1 April 2013	8,791	13	16,227	25,031
Award of performance shares	190	-	-	190
Share issue expense	(22)	-	-	(22)
Dividends paid	-	-	(3,119)	(3,119)
Total comprehensive income for the year	-	(13)	7,304	7,291
Balance as at 31 March 2014	8,959	-	20,412	29,371
Company	Share capital (S\$'000)	Retained earnings (S\$'000)	Total (S\$'000)	
Balance as at 1 April 2014	8,959	3,534	12,493	
Award of performance shares	348	-	348	
Dividends paid	-	(3,881)	(3,881)	
Profit for the year	-	4,551	4,551	
Balance as at 31 March 2015	9,307	4,204	13,511	
Balance as at 1 April 2013	8,791	2,987	11,778	
Award of performance shares	190	-	190	
Share issue expense	(22)	-	(22)	
Dividends paid	-	(3,119)	(3,119)	
Profit for the year	-	3,666	3,666	
Balance as at 31 March 2014	8,959	3,534	12,493	

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

On 2 June 2014, the Company issued and allotted 540,000 new ordinary shares in the capital of the Company (“**PSP Shares**”) under the Japan Foods Performance Share Scheme to certain employees of the Group. Following the issuance of the PSP Shares, the total issued share capital of the Company increased from 173,466,000 ordinary shares (“**Shares**”) as at 31 March 2014 to 174,006,000 Shares as at 31 March 2015.

As at 31 March 2015 and 31 March 2014, the Company did not have any outstanding options or convertibles.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 March 2015	As at 31 March 2014
Total number of issued shares (excluding treasury shares)	174,006,000	173,466,000

The Company had no treasury shares as at 31 March 2015 and 31 March 2014.

- 1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as the Company does not have any treasury shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in Paragraph 5 below, the Group has adopted the same accounting policies and methods of computation in the unaudited financial statements for FY2015 compared to its most recently audited annual financial statements for FY2014.

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5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("Int FRS") that are relevant to its operations and effective for the financial period on or after 1 April 2014, where applicable. The adoption of these new and revised standards from the effective date is not expected to result in any material adjustments to the financial statements of the Group for the current financial reporting year.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per share ("EPS")

	<----- Group ----->	
	Financial year ended 31 March 2015	2014
Earnings attributable to equity holders of the Company (S\$'000)	4,736	7,304
Weighted average number of ordinary shares used in computation of basic EPS	173,781,123	173,340,740
Basic EPS attributable to equity holders of the Company (cents) ⁽¹⁾	2.73	4.21
Fully diluted EPS attributable to equity holders of the Company (cents) ⁽²⁾	2.73	4.21

Notes:

- (1) Basic EPS is computed by dividing the Group's earnings attributable to the equity holders of the Company in each financial year by the weighted average number of ordinary shares outstanding during the respective financial year.
- (2) Fully diluted EPS are the same as the basic EPS for FY2015 and FY2014 as the Company did not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, its ordinary shares during the respective financial year.

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7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

(a) current financial period reported on; and

(b) immediately preceding financial year.

Net asset value (“NAV”)

	<----- Group ----->		<----- Company ----->	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
NAV per ordinary share (cents)	17.57	16.93	7.76	7.20
Number of shares used in computation of NAV per share	174,006,000	173,466,000	174,006,000	173,466,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:-**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of income statements of the Group for FY2015 compared to FY2014

Revenue

The Group’s revenue decreased marginally by S\$0.1 million or 0.1%, from S\$62.8 million in FY2014 to S\$62.7 million in FY2015, as a result of the following:

(i) *a net decrease in revenue of S\$2.7 million from the restaurants operating under “Ajisen Ramen” brand*

The Group’s revenue from the restaurants operating under “Ajisen Ramen” brand decreased from S\$30.2 million in FY2014 to S\$27.5 million in FY2015, mainly attributable to: (a) the temporary closure of the restaurants at Lot One Shoppers Mall and Bugis Junction in July 2014 and Tampines Mall in October 2014 for renovation; and (b) the closure of the restaurants at Hougang Mall in May 2013, Changi Airport Terminal 3 in February 2014, Parkway Parade in April 2014 and Jurong Point in November 2014 upon the expiry of their leases. These decreases were partially offset by increase in revenue generated by a new outlet at Bedok Point which commenced operations in April 2014.

(ii) *an increase in revenue of S\$2.6 million from restaurants operating under the other brands*

The Group’s restaurants operating under other brands, namely “Menya Musashi”, “Osaka Ohsho”, “Yonehachi”, “Botejyu” and “Keika Ramen”, recorded

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an increase in revenue of S\$6.4 million in aggregate in FY2015 as compared to FY2014.

This increase in revenue was however partially offset by a decrease in revenue of S\$3.8 million in aggregate due to: (a) the temporary closure of the restaurants operating under “Japanese Gourmet Town” at VivoCity in August 2014 for renovation; (b) the closure of the “Botejyu Yatai” outlets in the food courts at Junction 8 in October 2013 and Bugis Junction in February 2014; and (c) the closure of “Kazokutei” restaurant at Plaza Singapura in May 2014 and the re-opening as “Fruit Paradise” restaurant in September 2014 and the conversion of the “Udon King” restaurant at AMK Hub into “Gyoza Bo” restaurant in September 2014.

As at 31 March 2015, the Group had a total of 45 restaurants in operation, comprising 17 “Ajisen Ramen” restaurants, 5 “Fruit Paradise” restaurants, 2 “Kazokutei” restaurants, 9 “Menya Musashi” restaurants, 7 “Osaka Ohsho” restaurants and 5 restaurants operating under various other brands, namely, “Botejyu”, “Menzo Butao”, “Keika Ramen”, “Yonehachi” and “Japanese Gourmet Town”. As at 31 March 2015, the Group also had 1 outlet located in a food court.

As at 31 March 2014, the Group had a total of 43 restaurants in operation, comprising 18 “Ajisen Ramen” restaurants, 5 “Fruit Paradise” restaurants, 3 “Kazokutei” restaurants, 8 “Menya Musashi” restaurants, 4 “Osaka Ohsho” restaurants and 5 restaurants operating under various other brands, namely, “Botejyu”, “Menzo Butao”, “Udon King”, “Yonehachi” and “Japanese Gourmet Town”. As at 31 March 2014, the Group also had 1 outlet located in a food court.

Gross profit

The Group’s gross profit increased by S\$1.1 million or 2.1%, from S\$51.2 million in FY2014 to S\$52.3 million in FY2015 due to improved gross profit margin.

The Group’s overall gross profit margin increased from 81.6% in FY2014 to 83.4% in FY2015 primarily due to (i) better control of raw material costs arising from efficient use of raw materials and cost savings from self-produced noodles; (ii) bulk purchase discount; (iii) price revision of menu items; and (iv) appreciation of the Singapore dollar against Japanese Yen.

Selling and distribution expenses

Due to the expanded restaurant network and central kitchen capacity as well as increasing labour cost and rental rates, the Group’s selling and distribution expenses increased by S\$4.8 million or 12.1%, from S\$39.6 million in FY2014 to S\$44.4 million in FY2015. As a percentage of revenue, selling and distribution expenses represented 70.9% of the Group’s revenue in FY2015 compared to 63.2% in FY2014. The increase was mainly attributable to: (i) an increase in employees’ salaries of about S\$1.0 million due to headcount increase in both full-time and part-time employees as well as higher base salary, and a one-off incentive payment of S\$0.4 million to retain existing staff; (ii) an increase in rental expense of S\$2.1 million due to rental revisions and the opening of new restaurants; (iii) an increase in depreciation expense of S\$0.7 million; (iv) an increase in utilities expense of S\$0.1 million; and (v) a net increase in other expenses of S\$0.5 million.

During FY2015, the Group’s operation was affected by intense competition in the F&B industry and labour shortage due to reduced foreign worker quotas in Singapore. The

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Group took proactive measures to cushion the labour shortage and amongst such measures taken were: (i) the investment and implementation of the iPad E-Menu system; (ii) the temporary deployment of head office staff to augment the operational manpower at the Group’s restaurants and outlets; (iii) the payment of higher hourly wage rate to part-timers; (iv) the payment of retention bonus to eligible full-time employees in the month of June 2014; and (v) an increment in salary for eligible full-time employees. The acute labour shortage eventually eased off in the month of August 2014.

Other Income

The Group’s other income decreased marginally by S\$0.1 million or 10.8%, from S\$1.1 million in FY2014 to S\$1.0 million in FY2015 mainly due to lower fees received from the Group’s associated company in respect of “Menya Musashi” brand in the People’s Republic of China (“PRC”).

Administrative expenses

The Group’s administrative expenses increased by S\$0.3 million or 10.6%, from S\$2.9 million in FY2014 to S\$3.2 million in FY2015 mainly due to higher manpower costs as a result of additional headcounts to support the Group’s expanded restaurant network and the expenses associated with the issuance of the PSP Shares in FY2015.

Other operating expenses

The Group’s operating expenses decreased by S\$0.1 million or 10.0%, from S\$1.3 million in FY2014 to S\$1.2 million in FY2015 mainly due to the decrease in the amount of write off of plant and equipment.

Share of results of associated companies, net of tax

The Group’s share of results of associated companies increased by S\$0.4 million or 206.7% from S\$0.2 million in FY2014 to S\$0.6 million in FY2015 due to an increase in the number of restaurants operated by its associated companies in FY2015.

Income tax expenses

In line with the lower profit before tax in FY2015 compared to FY2014, the income tax expenses of the Group decreased by S\$1.1 million or 73.3% from S\$1.5 million in FY2014 to S\$0.4 million in FY2015. The effective income tax rate was lower than the headline tax rate mainly due to incentives of enhanced deduction under the Productivity and Innovation Credit Scheme.

Net profit

As a result of the reasons mentioned above, the Group’s net profit attributable to equity holders of the Company decreased by S\$2.6 million or 35.2%, from S\$7.3 million in FY2014 to S\$4.7 million in FY2015.

Review of financial position of the Group as at 31 March 2015

Current assets

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The Group's total current assets decreased by S\$4.0 million, from S\$23.1 million as at 31 March 2014 to S\$19.1 million as at 31 March 2015.

This decrease was mainly due to decrease in (a) cash and cash equivalents of S\$3.1 million; (b) decrease of trade receivables of S\$0.1 million; (c) settlement of loan from an associated company of 0.2 million and (c) decrease of other current portion of rental deposit of S\$0.6 million.

Non-current assets

The Group's total non-current assets increased by S\$3.7 million, from S\$15.4 million as at 31 March 2014 to S\$19.1 million as at 31 March 2015.

The increase was mainly due to increase in (a) the long term security deposits placed with lessors in respect of the Group's lease (which are due after 1 year and recoverable upon expiry of the lease tenure) of S\$0.5 million; (b) the net book value of plant and equipment of S\$2.4 million mainly from additional plant and equipment acquired for new restaurants and the iPad E-menu system during FY2015; (c) extending of loan to an associated company of 0.2 million and (d) investment in associated companies of S\$0.6 million.

Current liabilities

The Group's total current liabilities decreased by S\$1.5 million, from S\$8.3 million as at 31 March 2014 to S\$6.8 million as at 31 March 2015 mainly due to (a) lower tax provision of S\$1.1 million; and (b) lower other payables and accrual of S\$0.4 million in FY2015.

Non-current liabilities

The Group's total non-current liabilities comprising deferred income tax liabilities remained at S\$0.9 million as at 31 March 2015.

Shareholders' equity

The Group's shareholders' equity increased by S\$1.2 million, from S\$29.4 million as at 31 March 2014 to S\$30.6 million as at 31 March 2015.

This was mainly as a result of the net profit achieved by the Group of S\$4.7 million in FY2015 and the issuance of the PSP Shares of S\$0.4 million, partially offset by the payment of dividends S\$3.9 million.

Review of cash flow statement for FY2015

The Group's net cash provided by operating activities in FY2015 was S\$8.3 million. This was mainly due to operating profit before working capital changes of S\$10 million partially offset by working capital outflows of S\$0.2 million and payment of income tax of S\$1.5 million.

The Group's net cash used in investing activities in FY2015 was S\$7.5 million mainly due to the renovation costs and purchase of equipment for the Group's new and existing restaurants of S\$7.4 million in aggregate and purchase of franchise right of S\$0.1 million.

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The Group’s net cash used in financing activities in FY2015 was S\$3.4 million mainly due to dividend payment of S\$3.9 million which was offset by a reduction in bank deposits pledged of S\$0.5 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There has not been any forecast or prospect statement in relation to the Group’s results previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group expects the operating environment in the local food and beverage industry to continue to be challenging due to stiff competition, tight labour supply and rising labour and rental costs.

To counter the intense competition, the Group will review its pricing strategy, product offerings and service to meet current and future customers’ needs, including menu innovations and value offerings.

The Group will also continue to focus its efforts in controlling raw material costs, improving operational efficiency via streamlining of work processes and technology and practising good restaurant portfolio management taking into account market demand and individual restaurant’s profitability. In FY2015, the Group implemented the iPad E-Menu system in all its restaurants and has increased its central kitchen capacity with a view of improving operational efficiency and better deployment of manpower.

As at 31 March 2015, the Group’s associated companies operate 10 restaurants in Hong Kong and 5 restaurants in the PRC under the “Menya Musashi” brand.

Barring unforeseen circumstances and when there are suitable opportunities, the Group’s associated companies will seek to expand the “Menya Musashi” restaurant network in Hong Kong and the PRC. We will also seek opportunities to expand our presence in the ASEAN region.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes.

Name of dividend	Final	Special
Dividend type	Cash	Nil
Dividend amount per share (in cents)	1.27 cents per ordinary share	Nil
Tax rate	Tax exempt (one-tier)	N.A

An interim dividend of 0.73 cents (tax exempt (one-tier)) per ordinary share was paid on 28 November 2014.

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(Incorporated in the Republic of Singapore on 3 December 2007)
(Company Registration No. 200722314M)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
Yes.

Name of dividend	Final	Special
Dividend type	Cash	Cash
Dividend amount per share (in cents)	1.00 cents per ordinary share	0.50 cents per ordinary share
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

An interim dividend of 1.10 cents (tax exempt (one-tier)) per ordinary share was paid on 29 November 2013.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

The final dividend (“Final Dividend”) of 1.27 cents per ordinary share in the capital of the Company will be tax exempt (one-tier).

(d) Date payable

The Final Dividend, if approved by the shareholders of the Company at the forthcoming Annual General Meeting of the Company to be held, will be paid on 14 August 2015.

(e) Books closure date

Registrable transfers received by the Company’s Share Registrar, B.A.C.S. Private Limited, at 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 30 July 2015 will be registered before entitlements to the Final Dividend and the Special Dividend are determined and the Register of Members and the Transfer Books of the Company will be closed on 31 July 2015 for purposes of determining shareholders’ entitlement to the Final Dividend.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company had, at its last annual general meeting on 22 July 2014, obtained the approval of its shareholders for the renewal of the general mandate in respect of purchases of soup base and such other ingredients necessary for the “Ajisen Ramen” business by the Group from Shigemitsu Industry Co., Ltd (“Shigemitsu Industry”) (the “IPT Mandate”). The IPT Mandate is subject to annual renewal and will continue in force until the Company’s forthcoming annual general meeting.

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Name of Interested Person	Aggregate value of all interested person transactions (including transactions of less than S\$100,000 each) during FY2015 (excluding transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalyst Rules) (S\$'000)	Aggregate value of all interested person transactions (including transactions of less than S\$100,000 each) conducted during FY2015 under shareholders' mandate pursuant to Rule 920 of the Catalyst Rules (S\$'000)
Royalty, franchise and licence fees paid to Shigemitsu Industry ⁽¹⁾	478 ⁽²⁾	Nil
Purchases of food ingredients from Shigemitsu Industry ⁽¹⁾	56 ⁽³⁾	836 ⁽⁴⁾

Notes:

- (1) Shigemitsu Katsuaki, the Company's Non-executive Director, is the president, chief executive officer and major shareholder of Shigemitsu Industry. Accordingly, transactions between the Group and Shigemitsu Industry are interested person transactions within the ambit of Chapter 9 of the SGX-ST Listing Manual Section B: Rules of Catalyst (the “Catalist Rules”).
- (2) The royalty, franchise and licence fees paid to Shigemitsu Industry in FY2015 comprise: (i) fees paid for the use of the “Ajisen Ramen” brand amounting to S\$392,000 (such fees relating to the “Ajisen Ramen” brand are deemed to have been specifically approved by shareholders at the time of the Company's initial public offering in February 2009 and are not subject to Rule 905 and Rule 906 of the Catalyst Rules to the extent that there is no variation or amendment to the terms of the relevant franchise agreement); (ii) fees paid for the use of the “Keika Ramen” brand amounting to S\$69,000; and (iii) the right to use the technique for the production of noodles amounting to S\$17,000.

On 1 September 2014, the Company entered into a franchise agreement with Ajisen Franchising (HK) Ltd (a subsidiary of Shigemitsu Industry) pursuant to which the Company was granted the exclusive rights to use the “Keika Ramen” trademark in Singapore for a period of five (5) years from the date of the agreement for a consideration of US\$50,000 (equivalent to S\$63,000).
- (3) This amount relates to the Group's purchases of soup base for the “Keika Ramen” business from Keika Raumen Co., Ltd (a subsidiary of Shigemitsu Industry).
- (4) This amount relates to the Group's purchases of soup base and such other ingredients necessary for the “Ajisen Ramen” business (including transactions less than S\$100,000 each) from Shigemitsu Industry pursuant to the IPT Mandate.

14. Negative confirmation pursuant to Rule 705(5)

Not applicable to announcement of full-year results.

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Group	Restaurant Sales (S\$'000)	Franchised Operations (S\$'000)	Total (S\$'000)
FY2015			
Revenue	62,509	173	62,682
Segment results	4,221	298	4,519
Share of profits of associated companies			546
Finance income (net)			63
Profit before income tax			5,128
Income tax expense			(392)
Profit after tax			4,736
Total assets	37,206	992	38,198
Total liabilities	7,226	398	7,624
Capital expenditure	7,456	63	7,519
Depreciation and amortisation	4,887	59	4,946
Plant and equipment written off	188	-	188
Gain on disposal of plant and equipment	1	-	1
FY2014			
Revenue	62,553	205	62,758
Segment results	8,241	318	8,559
Share of profits of an associated company			178
Finance expense (net)			37
Profit before income tax			8,774
Income tax expense			(1,470)
Profit after tax			7,304
Total assets	37,849	681	38,530
Total liabilities	8,803	356	9,159
Capital expenditure	5,770	38	5,808
Depreciation and amortisation	4,184	58	4,242
Plant and equipment written off	258	-	268
Gain on disposal of plant and equipment	(2)	-	(2)

Geographical segments

Group	Revenue		Assets		Capital Expenditure	
			----- As at 31 March -----			
	FY2015 S\$'000	FY2014 S\$'000	2015 S\$'000	2014 S\$'000	FY2015 S\$'000	FY2014 S\$'000
Singapore	62,682	62,758	38,198	38,530	7,519	5,808

All the Group's operations in FY2015 and FY2014 are located in Singapore.

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16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

By business segment

The Group's principal business is in the operation of restaurants and its ancillary business is in the supply of food ingredients to its sub-franchisees.

In FY2015 and in FY2014, the revenue contribution from restaurant operations and from franchised operations had remained relatively stable at 99.7% and 0.3% respectively.

Please refer to Paragraph 8 of this announcement for a detailed commentary of the Group's financial performance in FY2015 compared to FY2014.

By geographical segment

All the Group's operations in FY2015 and FY2014 are located in Singapore.

17. A breakdown of sales.

	FY2015	FY2014
	(\$'000)	(\$'000)
Sales reported for :		
First half ended 30 September	31,199	30,955
Second half ended 31 March	31,483	31,803
Total	62,682	62,758

Net profit for the year reported for :

First half ended 30 September	1,801	3,753
Second half ended 31 March	2,935	3,551
Total	4,736	7,304

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year	Previous Full Year
	(FY2015)	(FY2014)
	(\$)	(\$)
Total annual ordinary dividend		
Interim (Tax exempt 1-tier)	1,270,244	1,272,084
Final (Tax exempt 1-tier)	2,209,876	1,734,660
Special (Tax-exempt 1-tier)	-	867,330
Total	3,480,120	3,874,074

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19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive or substantial shareholder of the issuer pursuant to rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name of relative	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chan Chau Mui	46	Deemed associate of Kenichi Takahashi, the Executive Chairman and Chief Executive Officer of the Company	<p>Ms Chan was appointed as Chief Operating Officer on 28 April 2015 (previously Head (Operations) of the Company since 2008). She is in charge of the overall daily operation of the Group and is responsible for the successful execution of business strategies.</p> <p>Ms Chan is also a director of the following subsidiaries of the Company:</p> <ul style="list-style-type: none"> (i) Bachmann Enterprises Pte Ltd since 1999; (ii) Bachmann Japanese Restaurant Pte Ltd since 1999, and (iii) Japan Foods Enterprises Pte. Ltd. (formerly known as Ajisen Japanese Restaurant Pte. Ltd.) since 2005. 	Ms Chan was previously Head (Operations) and was appointed as Chief Operating Officer with effect from 28 April 2015. Please also refer to the Company's announcement dated 28 April 2015 for further details
Chan Cheong Keong	47	Brother of Chan Chau Mui, the Chief Operating Officer of the Company and deemed associate of Kenichi Takahashi, the Executive Chairman and Chief Executive Officer of the Company	<p>Mr Chan has been the Central Kitchen Manager at the Company's subsidiary, Bachmann Japanese Restaurant Pte. Ltd. since 2008. He is responsible for the operation of the Group's central kitchen facility.</p> <p>Mr Chan was also previously a director of Bachmann Japanese Restaurant Sdn. Bhd. which had been placed into voluntary liquidation in September 2014.</p>	Nil

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BY ORDER OF THE BOARD

TAKAHASHI KENICHI
Executive Chairman and CEO

29 May 2015

This announcement has been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (“Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (“SGX-ST”) Catalyst Rules. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.