

JAPAN FOODS HOLDING LTD.

FY2014 Financial Results Presentation



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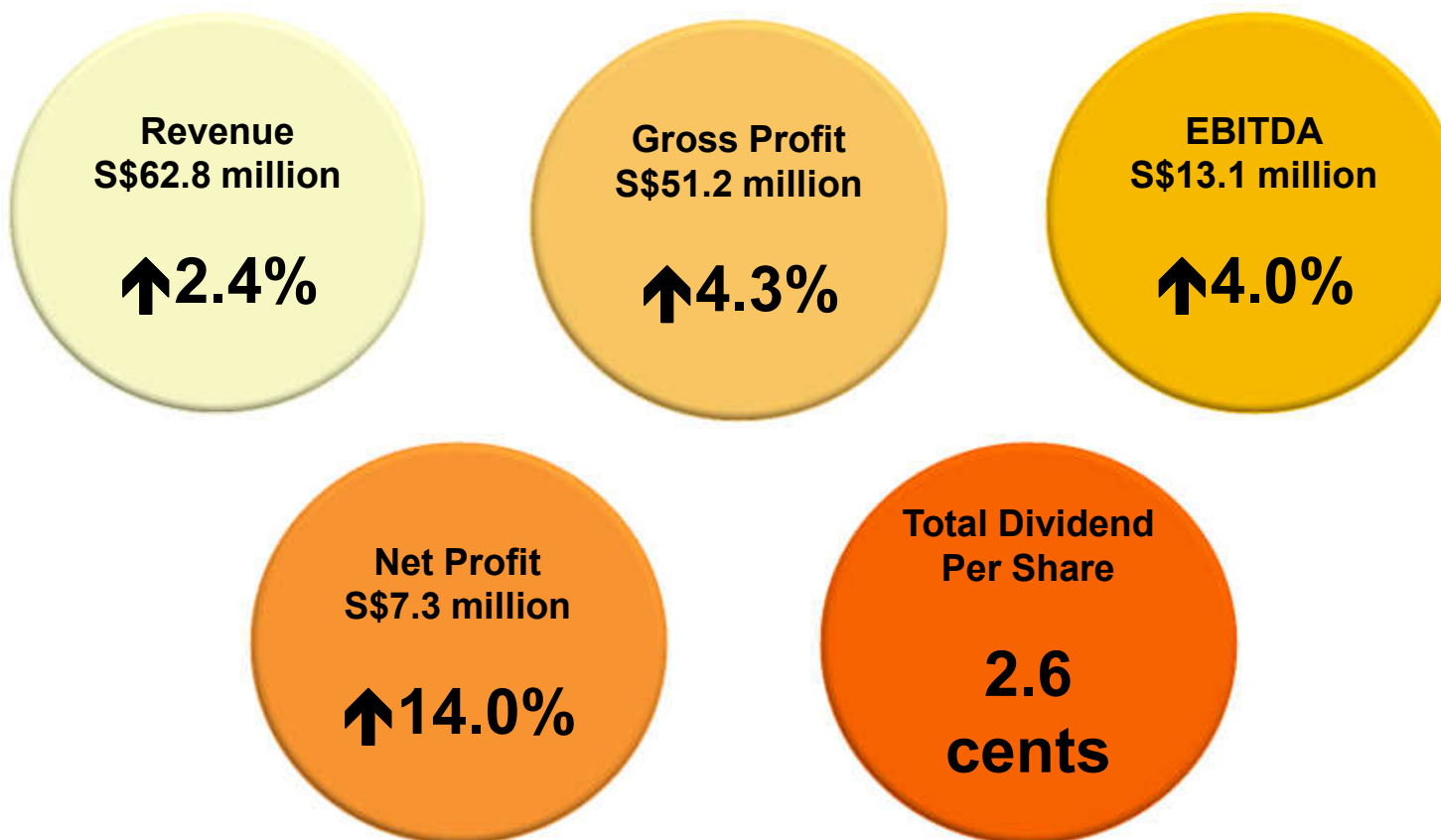
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JAPAN FOODS HOLDING LTD.



Overview of FY2014

Record Performance in FY2014



Key Developments in FY2014



Launched New Franchise Brand

- Debuted Hakata Tonkotsu ramen chain “Menzo Butao” in Singapore at Marina Square Shopping Mall



Expanded Singapore Network

- Buoyed by the popularity of the “Fruit Paradise”, “Menya Musashi”, and “Osaka Ohsho” brands, a total of eight restaurants under these brands were added to our Singapore network



Expanded Overseas Network

- Together with our associated companies, the Group added two more “Menya Musashi” restaurants in Hong Kong, bringing the total number to seven, and opened one new restaurant in Shanghai



New Shares Issued

- 240,000 new ordinary shares were issued on 6 August 2013 to certain employees of the Group under the Japan Foods Performance Share Plan
- 57,822,000 new ordinary shares were issued on 6 December 2013 pursuant to a one-for-two bonus issue
- As at 31 March 2014, total issued share capital stood at 173,466,000 shares

Our Brand Portfolio *As at 31 March 2014*

10 Franchise Brands From Japan



Ajisen Ramen



Aoba



Botejyu



Botejyu San



Botejyu Yatai



Kazokutei



麵屋武蔵

Menya Musashi



Menzo Butao



Osaka Ohsho



Yonehachi

6 Self-Developed Brands



Aji Tei



Fruit Paradise



Udon King



Our Network *As at 31 March 2014*

The Group, together with its sub-franchisees and franchisee, operates a total of 51 restaurants and food court outlets under various brands in Singapore, Indonesia, Malaysia, and Vietnam. It also has interests in 8 restaurants in Hong Kong and China through associated companies.



Self-Operator

Singapore

- 43 Self-Operated Restaurants
- 1 Self-Operated Food Court Outlet

Sub-Franchisor

Indonesia

- 1 Sub-Franchise Restaurants in Jakarta

Malaysia

- 3 Sub-Franchise Restaurants in Johor
- 1 Sub-Franchise Restaurant in Sarawak

Vietnam

- 2 Sub-Franchise Restaurants in Ho Chi Minh City

Associated Companies

Hong Kong

- Interests in 7 Restaurants via associated companies

China

- Interests in 1 Restaurant via associated companies

Updates on our Singapore Network

Self-Operated Restaurants	Updates	No. of Restaurants As at 31 Mar 2013	No. of Restaurants As at 31 Mar 2014
Ajisen Ramen	- Closed Hougang Mall restaurant in May 2013 - Closed Changi Airport Terminal 3 restaurant in February 2014	20	18
Aoba	Closed Vivo City restaurant in March 2013 (converted to "Menya Musashi")	1	-
Botejyu	Unchanged	1	1
Fruit Paradise	- Opened Bedok Mall restaurant in December 2013 - Opened Tampines Mall restaurant in December 2013 - Closed Plaza Singapura restaurant in February 2014	4	5
Japanese Gourmet Town	Unchanged	1	1
Kazokutei	Unchanged	3	3
Menya Musashi	- Opened Vivo City restaurant in April 2013 - Opened Bugis Junction restaurant in September 2013 - Opened Westgate restaurant in December 2013 - Opened Bedok Mall restaurant in December 2013	4	8
Menzo Butao	Opened Marina Square Shopping Mall restaurant in June 2013	-	1
Osaka Ohsho	- Opened Bukit Panjang Plaza restaurant in September 2013 - Opened Westgate restaurant in December 2013 - Opened Plaza Singapura restaurant in March 2014	1	4
Udon King	Unchanged	1	1
Yonehachi	Unchanged	1	1
Food Court Outlets	Updates	No. of Outlets As at 31 Mar 2013	No. of Outlets As at 31 Mar 2014
Ajisen Ramen	Unchanged	1	1
Botejyu Yatai	- Closed Food Junction outlet at Junction 8 in October 2013 - Closed Food Junction outlet at Bugis Junction in February 2014	2	-
TOTAL		40	44

Updates on our Overseas Network

<i>Restaurants</i>	<i>Updates</i>	<i>No. of Outlets As at 31 Mar 2013</i>	<i>No. of Outlets As at 31 Mar 2014</i>
Ajisen Ramen¹	▪ <i>Closed four restaurants in Indonesia and one in Malaysia</i>	5 in Indonesia 5 in Malaysia 2 in Vietnam	1 in Indonesia 4 in Malaysia 2 in Vietnam
Menya Musashi²	▪ <i>Opened two restaurants in various locations in Hong Kong</i> ▪ <i>Opened one restaurant in Shanghai</i>	5 in Hong Kong -	7 in Hong Kong 1 in China
TOTAL		17	15

¹ operated by sub-franchisees

² interests in restaurants through associated companies

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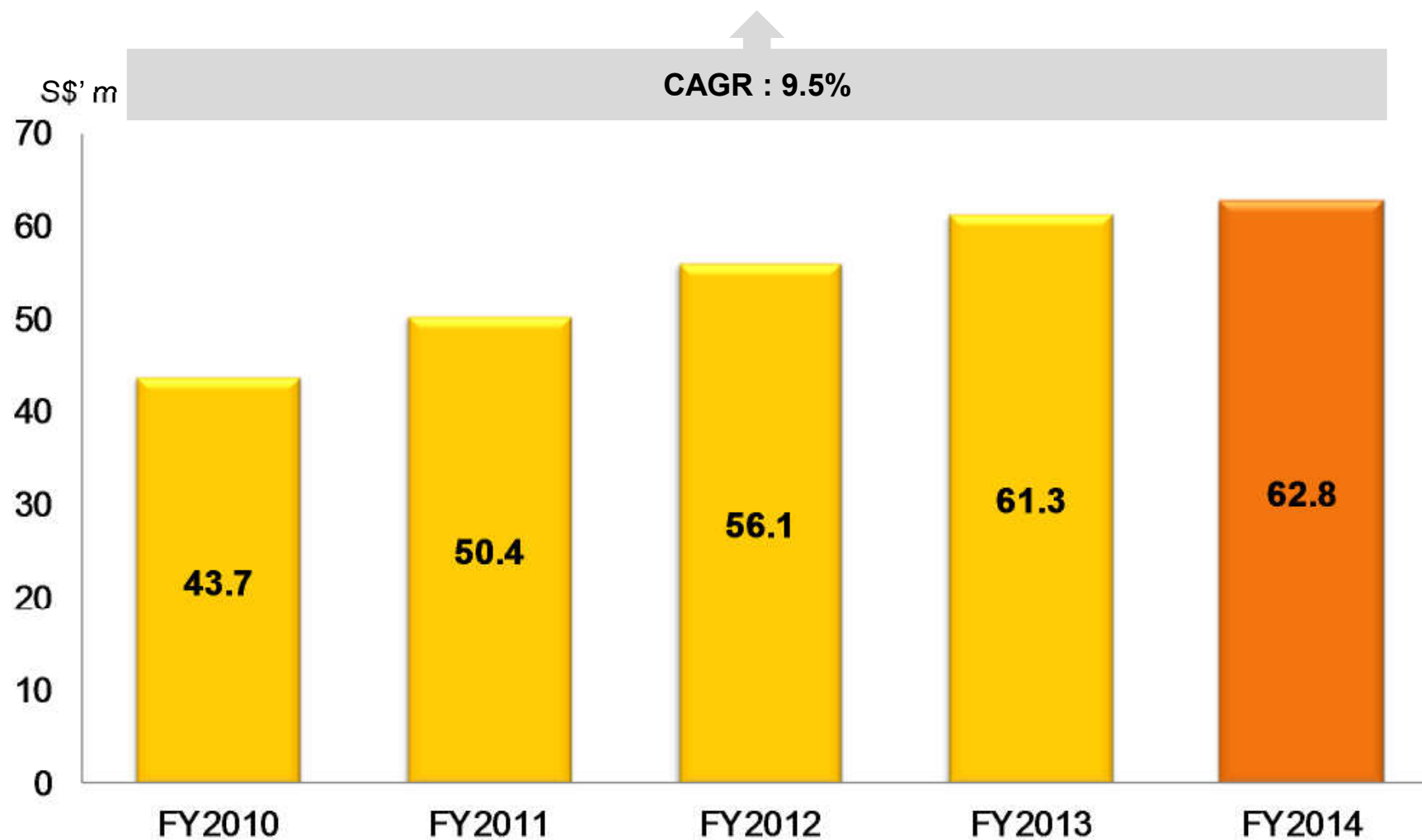


FY2014 Financial Highlights

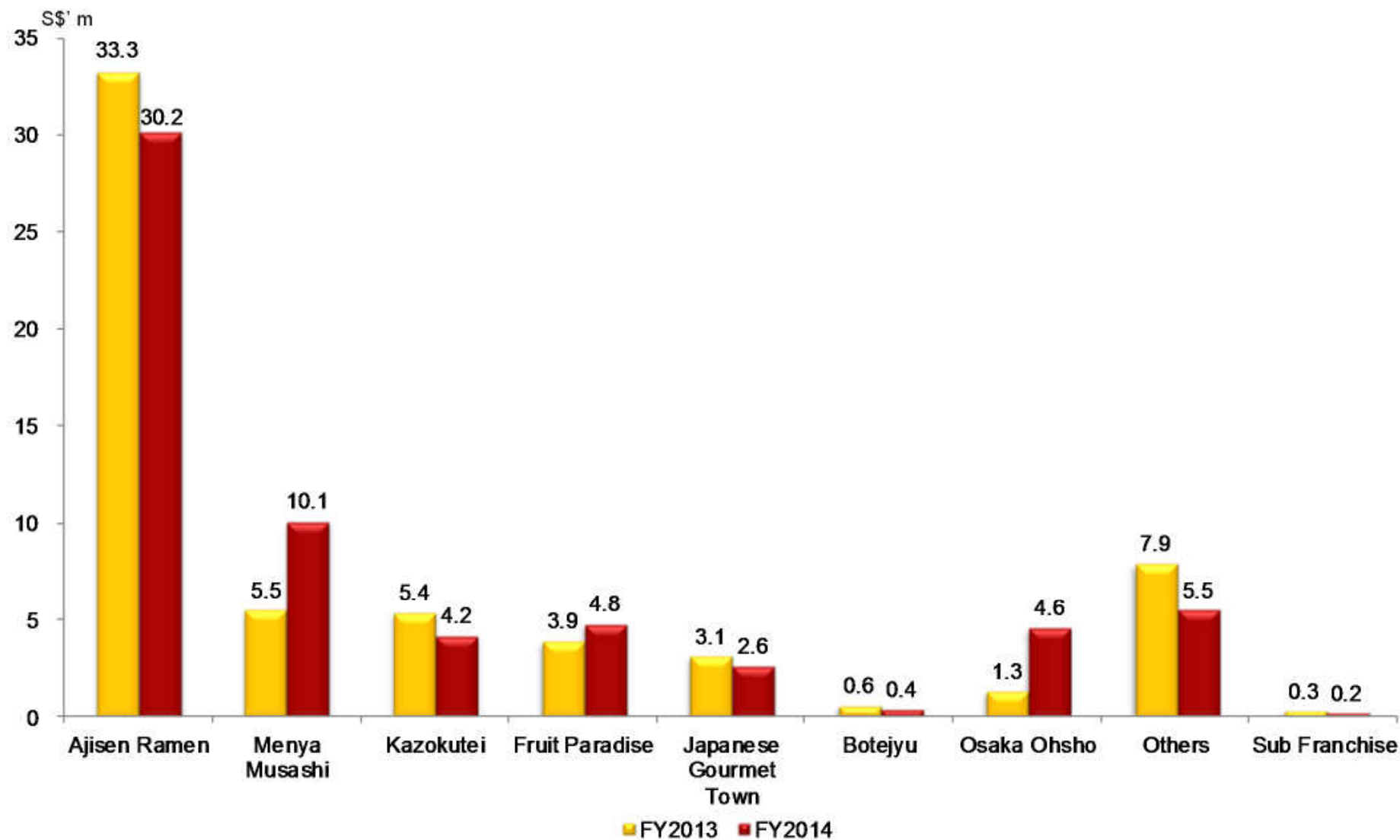
Financial Highlights

S\$' m (Year Ended 31 March)	FY2013	FY2014	Change (%)
Revenue	61.3	62.8	↑ 2.4
Gross Profit	49.1	51.2	↑ 4.3
Gross Profit Margin (%)	80.1%	81.6%	↑ 1.5 pts
EBIT	7.8	8.6	↑ 10.3
EBITDA	12.6	13.1	↑ 4.0
Net Profit After Tax (NPAT)	6.4	7.3	↑ 14.0
NPAT Margin (%)	10.5%	11.6%	↑ 1.1 pts
Earnings Per Share (S'pore cents)	3.70	4.21	↑ 13.8
Return on Equity (%)	25.6%	24.9%	↓ 0.7 pts

Revenue

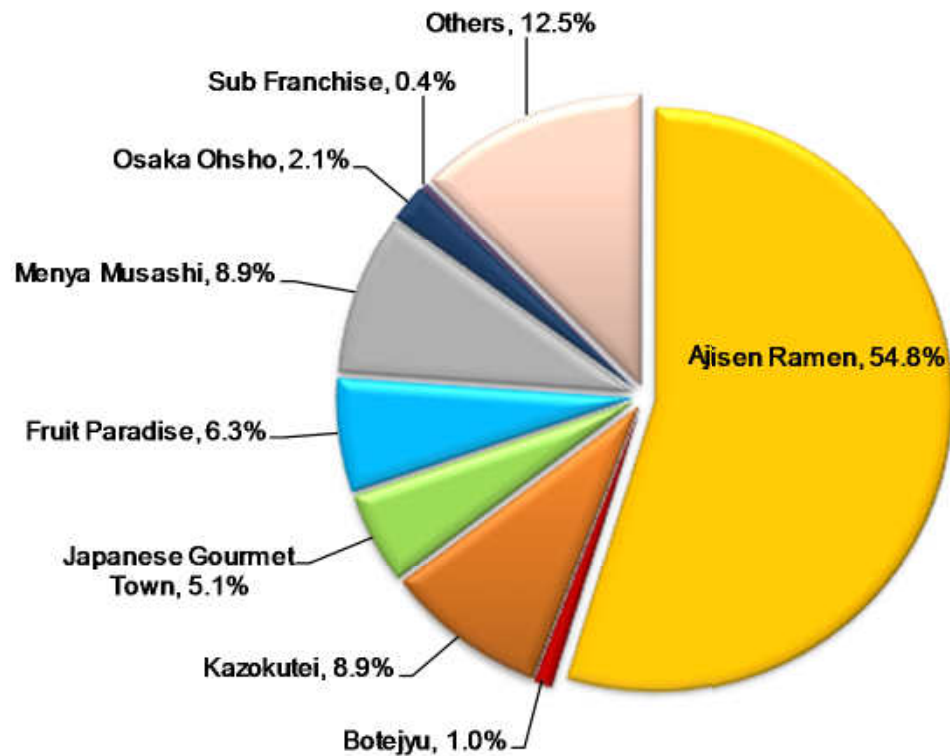


Revenue Mix by Brands

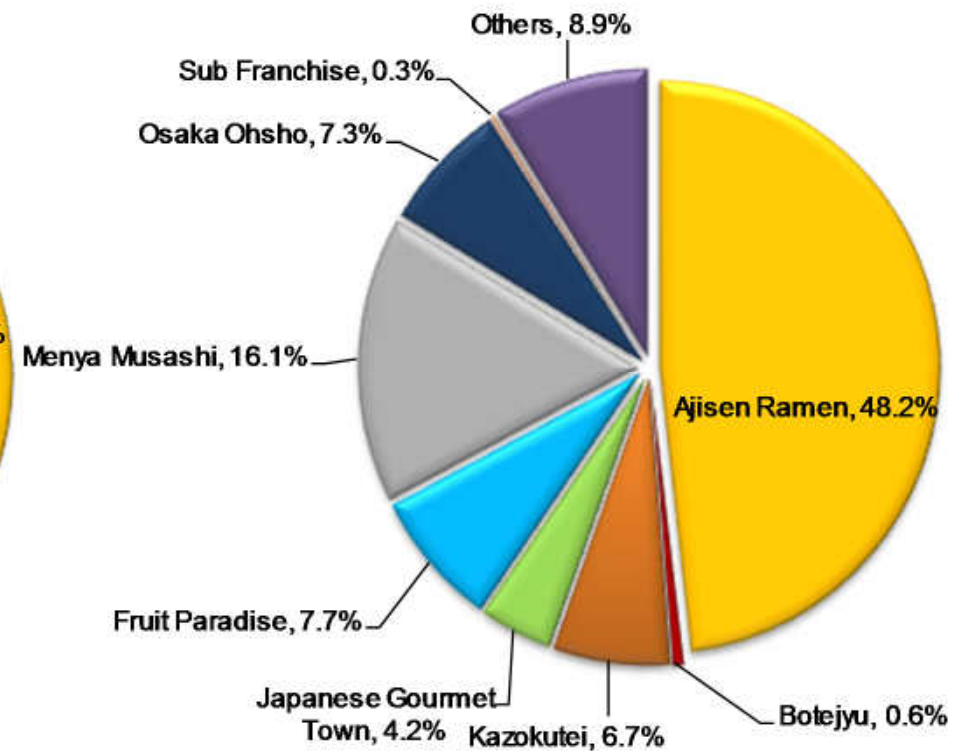


Revenue Breakdown

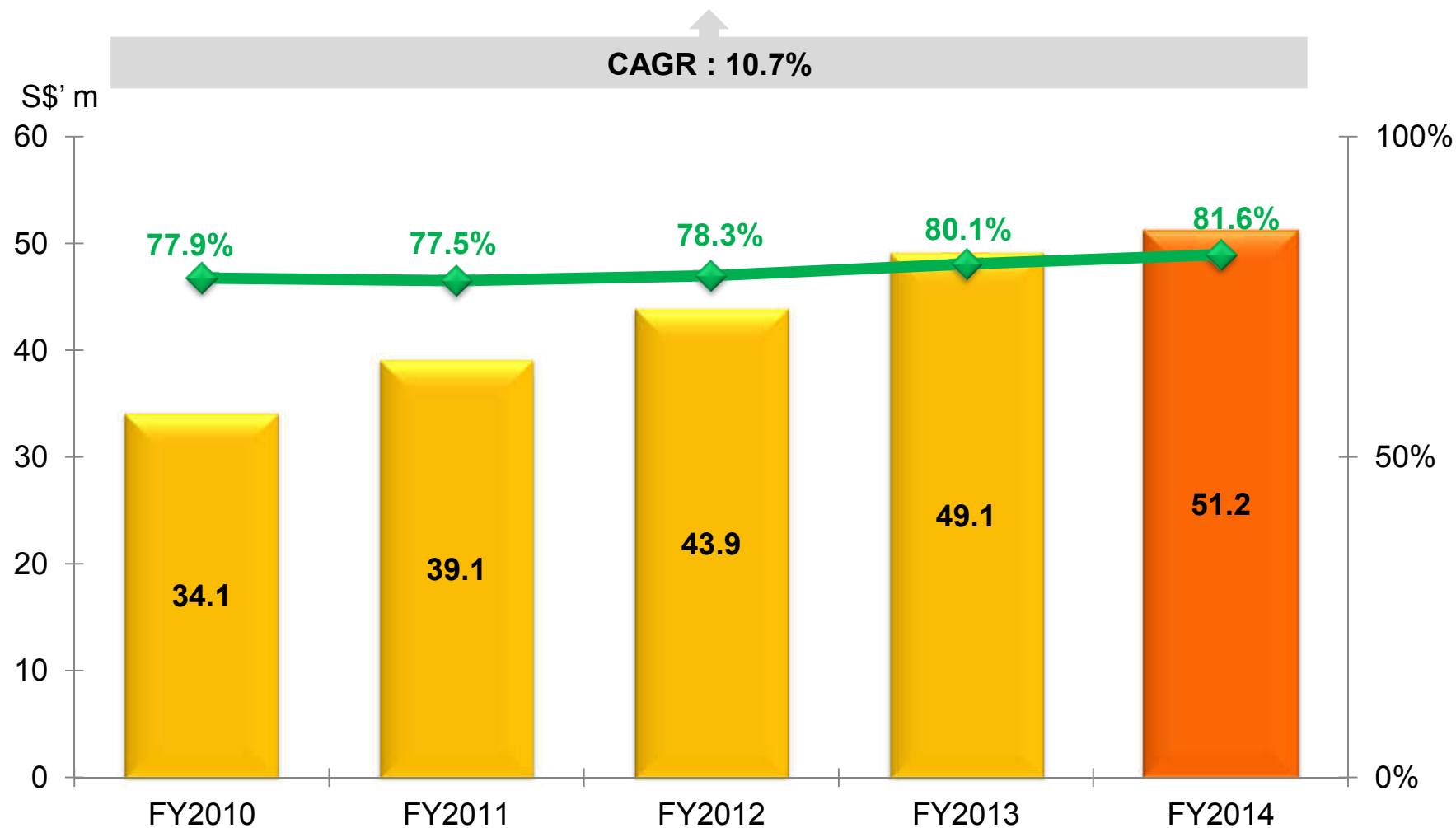
FY2013



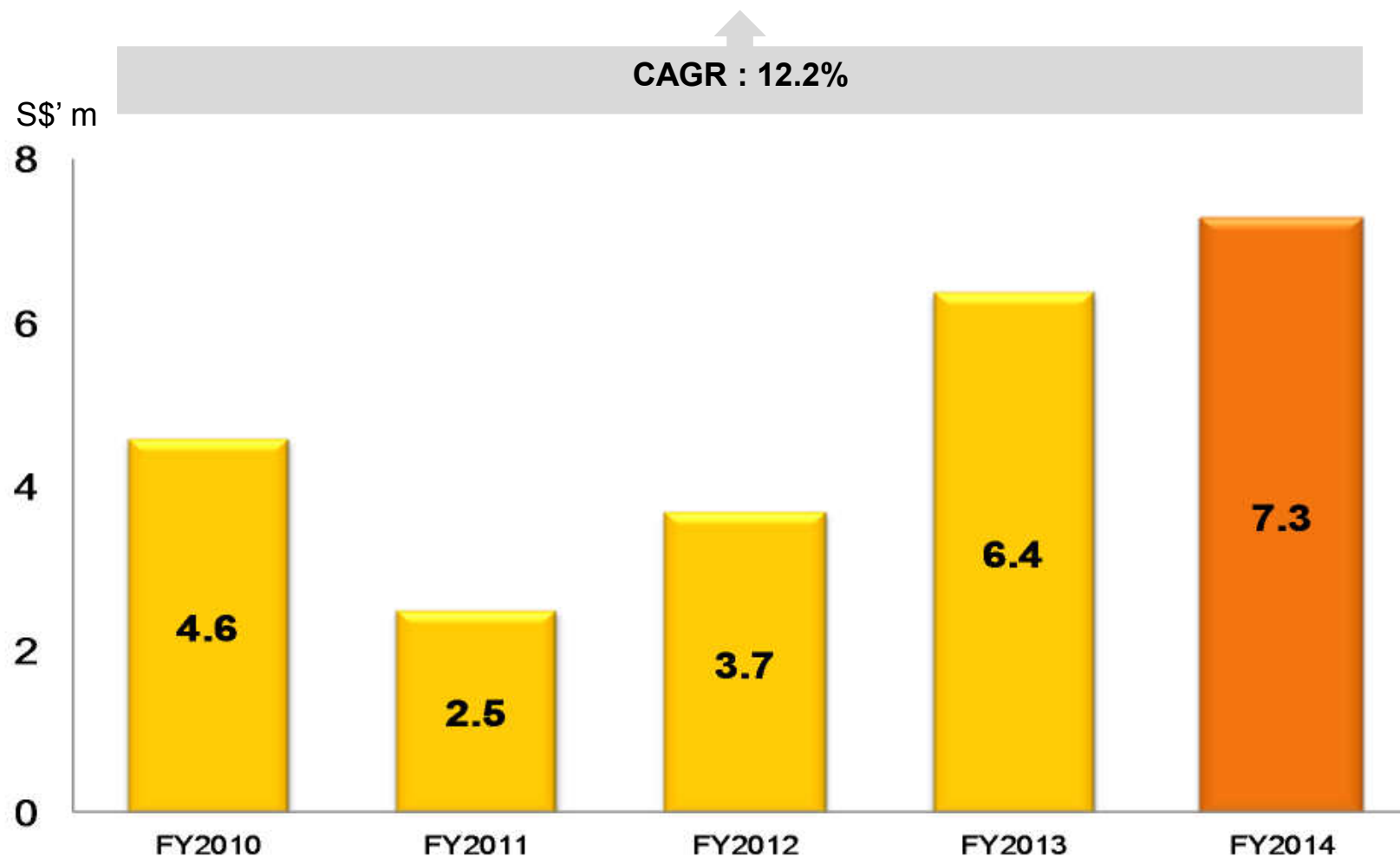
FY2014



Gross Profit and Gross Profit Margin



Net Profit



Dividend Payout for FY2014



- This represents a dividend payout ratio of 53.0% and dividend yield of 3.6%^b for FY2014
- Intends to raise the dividend payout ratio from 35% to not less than 40% of the Group's net profit^c

Record date: 5.00 p.m. on 31 July 2014^d

Date of dividend payment: 15 August 2014^d

a. Before the issuance of the 1 for 2 Bonus Shares on 6 December 2013

b. Based on closing price of S\$0.62 per share as at 31 March 2014

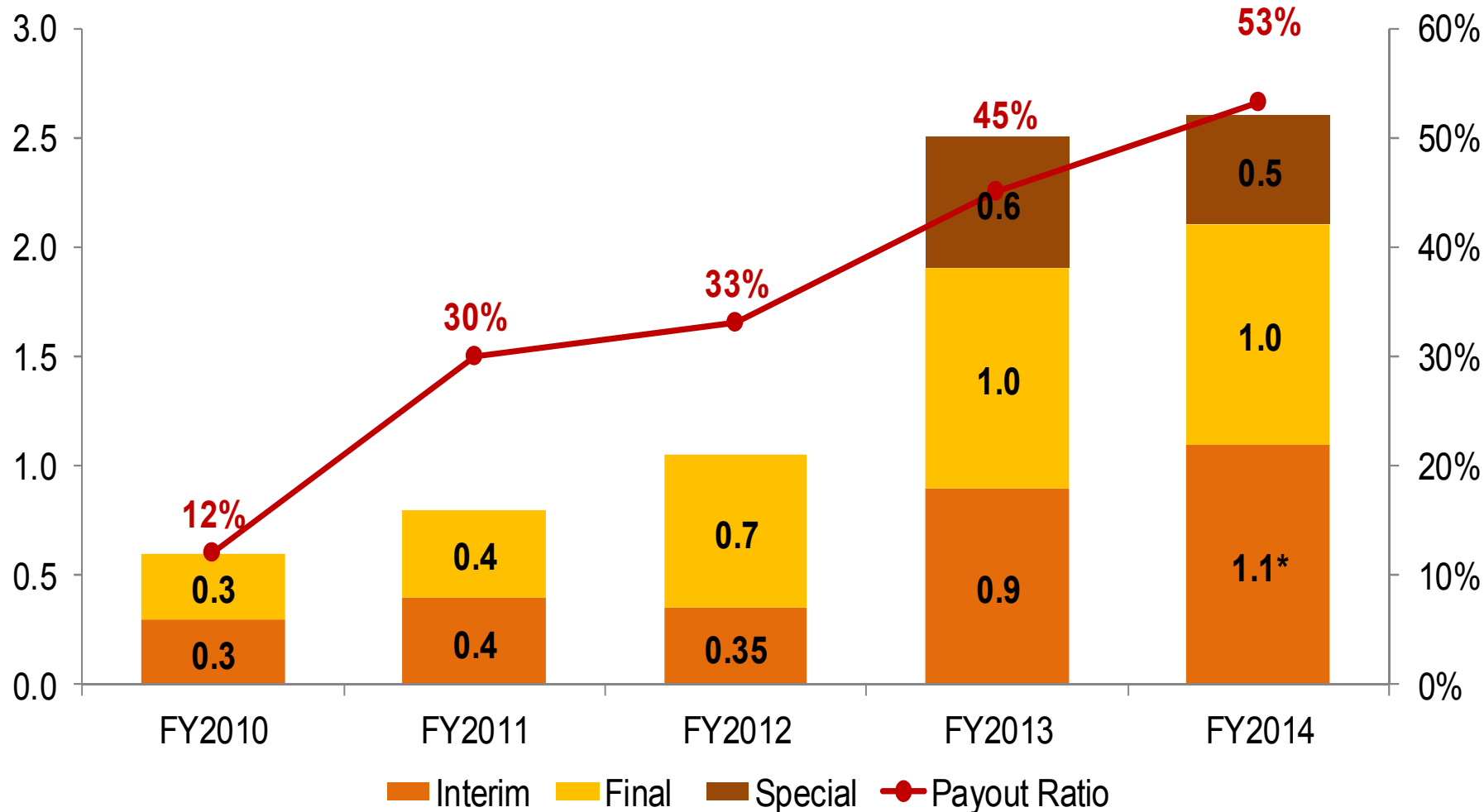
c. Subject to the Group's business requirements and other relevant considerations and barring unforeseen circumstances

d. Subject to shareholders' approval of the dividends at AGM

5-Year Dividend History

Dividend Per Share
(Singapore cents)

Dividend Payout
Ratio (%)



*Before the bonus issue of 57,822,000 shares.

Balance Sheet

S\$ 'm	As at 31 March 2013	As at 31 March 2014	Change (%)
ASSETS			
Current Assets	21.6	23.1	↑ 6.9
Non-Current Assets	12.4	15.4	↑ 24.2
Total Assets	34.0	38.5	↑ 13.2
LIABILITIES			
Current Liabilities	8.3	8.3	-
Non-Current Liabilities	0.7	0.9	↑ 28.6
Total Liabilities	9.0	9.2	↑ 2.2
EQUITY			
Share Capital	8.8	8.9	↑ 1.1
Retained Earnings	16.2	20.4	↑ 25.9
Total Equity	25.0	29.3	↑ 17.2
Total Liabilities + Shareholder's Equity	34.0	38.5	↑ 13.2

Cash Flow

S\$ 'm	As at 31 Mar 2013	As at 31 Mar 2014	Change (%)
Net cash provided by operating activities	12.4	11.7	↓ 5.6
Net cash used in investing activities	(4.7)	(6.3)	↑ 34.0
Net cash used in financing activities	(2.2)	(3.4)	↑ 54.5
Net increase in cash and cash equivalents	5.5	2.0	↓ 63.6
Cash and cash equivalents at beginning of financial year	9.3	14.8	↑ 59.1
Cash and cash equivalents at end of financial year	14.8	16.8	↑ 13.5

Key Financial Ratios

	As at 31 Mar 2013	As at 31 Mar 2014	Change (%)
Cash and cash equivalents (S\$m)	16.7	19.0	↑ 13.8
Total assets (S\$m)	34.0	38.5	↑ 13.2
Total equity (S\$m)	25.0	29.4	↑ 17.6
Net cash ratio (%)	66.8	64.7	↓ 3.1 pt
Net asset value per share (S'pore cents) ⁽¹⁾	14.46	16.93	↑ 17.1
Net cash per share (S'pore cents) ⁽¹⁾	9.7	10.9	↑ 1.2

(1) Computed based on 173,466,000 and 173,106,000 shares in FY2014 and FY2013 respectively. For comparative purposes, the number of shares used to compute NAV per share and net cash per share as at 31 March 2013 have been adjusted to take into account the issuance of shares on 6 December 2013 pursuant to the 1-for-2 bonus issue.

JAPAN FOODS HOLDING LTD.

Outlook & Strategy



Four-Pronged Strategy



Recent Operational Updates

Piloted the use of iPads at selected restaurants



This initiative has enabled Japan Foods to:

- Improve operational efficiency at its restaurants
- Free up staff to focus on providing faster food service
- Maintain a leaner crew at its restaurants

Help mitigate some of the effects of a tightening labour supply situation



Intend to introduce the new iPad ordering system to most of our restaurants

JAPAN FOODS HOLDING LTD.

Investment Highlights



Investment Highlights



Established market presence and brand recognition

Continuously innovating and introducing new quality cuisine

Scalable business model in Singapore and the region

Target annual dividend payout ratio of not less than 40%

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Thank You