



PEPPER LUNCH - Background

SFBI (Asia-Pacific) Pte Ltd / Suntory F&B International Group, Japan's leading restaurant planning and operating group, will open its first fast food steak restaurant in Singapore with the launch of **PEPPER LUNCH** on July 13, 2005 at Basement 2, Takashimaya Shopping Centre.

PEPPER LUNCH is a premium quality yet affordable fast-food steak restaurant chain with a Japanese rendition. The restaurant promises a dynamic and fresh culinary experience for Singaporeans by presenting the novel concept of self-cooking a sizzling steak in a cosy setting.

SUCCESSFUL BUSINESS MODEL

In Japan, **PEPPER LUNCH** is considered one of the fastest growing F&B franchises. Its quality food and sizzling concept made **PEPPER LUNCH** a successful business model. *Nikkei Marketing Journal* ranked **PEPPER LUNCH** No.1 in its reputable *F&B Industry Survey 2004*, for its 155.3% sales growth per year against the previous year's.

On June 20, 2005, **PEPPER LUNCH** was honored with Award for Superior Food Service Operators from the Ministry of Agriculture, Forestry and Fisheries of Japan in the New Business Model Development category at the prestigious 13th Commendation

Ceremony. It is a significant achievement for **PEPPER LUNCH** to be recognized as a new business model by the Government of Japan.

The growth of **PEPPER LUNCH** is to continue, with Mr Kunio Ichinose, President of Pepper Food Service Co., Ltd, estimating that the franchise will reach 500 outlets in three years' time.

At present **PEPPER LUNCH** has over 130 outlets in Japan and is expanding overseas. The **PEPPER LUNCH** outlet in Singapore is positioned as the flagship outlet in South East Asia, where SFBI has plans to expand widely.

HISTORY OF PEPPER LUNCH

PEPPER LUNCH founder, Mr. Ichinose opened his second restaurant *Steak Kuni* at Ryogoku, Tokyo in 1990, where instead of the conventional gas cooker, he introduced a newly developed high power electromagnetic cooker ahead of its times.

At the same time, beef imports to Japan were liberalized. To counter the fall of the beef price, larger steak house chains in Japan lowered prices. Instead of jumping in on the price war, Mr Ichinose decided to develop a new business model with the electromagnet cookers and iron plates to reduce cooking time, and generate better efficiency and higher productivity.

In the summer of 1994, Mr Ichinose presented the business plan for **PEPPER LUNCH** at the Hotel & Restaurant Exhibition at Tokyo where he met Mr Yajima, current owner

of Ofuna and Yokosuka outlets. Within four months of the encounter, Mr Yajima joined the Pepper Lunch franchise and opened the first **PEPPER LUNCH** outlet in July 1994 at Ofuna, Kanagawa.

According to the *Nikkei Marketing Journal* dated May 18, 2005, **PEPPER LUNCH** was ranked No.1 amongst other F&B chains in the F&B industry survey 2004 in terms of sales growth per store on year-to-year basis. And **PEPPER LUNCH** was awarded in New Business Model Development category by the Ministry of Agriculture, Forestry and Fisheries of Japan in June 2005. **PEPPER LUNCH** has become one of the fastest growing F&B franchises in Japan.

About PEPPER LUNCH logo

The **PEPPER LUNCH** logo in the shape of a palette is a symbol of the dreams of **PEPPER LUNCH** founder Mr. Kunio Ichinose. He sees the world as virgin white canvas where he wishes to add colours with his restaurants to make people happy.

Mr. Ichinose, trained as a chef at a leading hotel in Tokyo, aims to offer affordably priced premium beef steak so that everyone can enjoy steak, which is still considered an expensive food. He adapted the fast-food concept to the steak restaurant so as to keep costs low but retain a high quality.

ABOUT SFBI (Asia-Pacific) Pte Ltd

PEPPER LUNCH in Singapore is brought and operated by SFBI (Asia-Pacific) Pte Ltd. Suntory F&B International (SFBI) headquartered in Hong Kong was founded in March 2003 by Suntory F&B International Group, restaurant operation arm of Suntory Ltd, the leading producer and distributor of alcoholic and non-alcoholic beverages in Japan.

The subsidiary in Singapore is SFBI (Asia-Pacific) Pte Ltd. With the expertise that Suntory F&B International Group has acquired through years' experiences operating up-market eatery to fast food restaurants, SFBI was established to introduce successful F&B concepts in Asia.

The first project of SFBI (Asia-Pacific) Pte Ltd in Singapore was the launch of Japanese Dining Sun at Chijmes on March 15, 2005, a contemporary dining concept from Tokyo. Due to its instant popularity, a second outlet of Sun is currently being considered.

The next project for SFBI (Asia-Pacific) Pte Ltd is **PEPPER LUNCH**. As a successful business model from a competitive market like Japan, SFBI believes this concept will succeed in other parts of Asia. SFBI is targeting expansion into ASEAN markets with this fast growing business concept.

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