



First Half 2008 Performance Review

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Singapore Food Industries Limited

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This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. Readers can identify some of these statements by forward-looking terms such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', 'could' or similar words. However you should note that these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are made based on current expectations, projections and assumptions about future events. Although SFI believes that these expectations, projections and assumptions are reasonable at the time of making them, these forward-looking statements are subject to risks (known and unknown), uncertainties and certain assumptions about SFI, its business operations and the environment it operates in. Actual future performance, outcomes and results may therefore differ materially from those expressed in forward-looking statements. Representative examples of these risk factors include (without limitation) general industry and economic conditions, outbreak of animal disease, food scares, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sales /manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. Readers are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

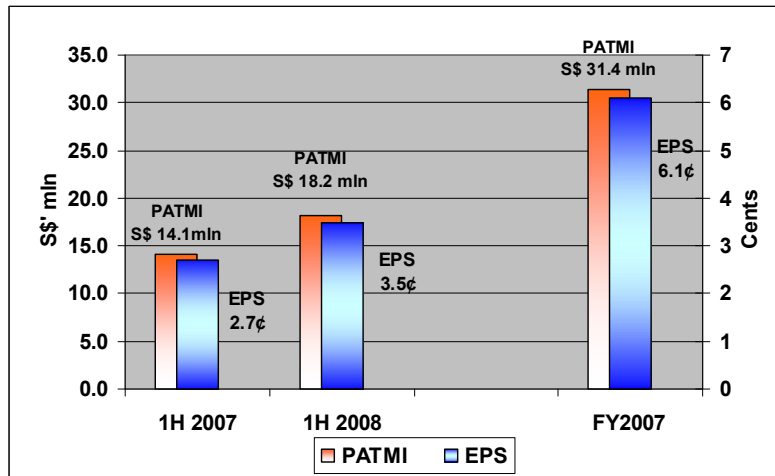
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Earnings at a glance

1H 2008 vs 1H 2007



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Interim Dividend for FY2008

- Ordinary Tax-Exempt (1-Tier Tax) Dividend of 1.8 cents per share (2007: 1.8 cents declared in 3Q 2007).
- The book closure date and the dividend payment date will be announced in due course.

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PATMI to PBT

1H 2008 vs 1H 2007

	S\$' mln		Change (%)
	1H 2008	1H 2007	
PATMI	18.2	14.1	29.5
Minority Interests	2.1	1.8	-
Tax – Current Year	7.8	7.4	-
Tax – Prior Years Written Back	(1.7)	0	-
Tax Subtotal	6.1	7.4	-
PBT	26.4	23.3	13.4

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PBT to Operating PBT

1H 2008 vs 1H 2007

	S\$' mln		Change (%)
	1H 2008	1H 2007	
PBT	26.4	23.3	13.4
<i>One-Offs</i>			
– GBRMPA Restructure Grants received by Australian subsidiaries & related impairment of assets	(3.7)	(3.3)	-
– SSTFI – Stock write-down due to suspension of poultry exports	-	0.7	-
– Restructuring expenses in Cresset	-	0.9	-
– UK/Ireland impact of exchange in translation	1.5	-	-
Operating PBT	24.2	21.6	12.0

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Operating PBT by Geographical Region

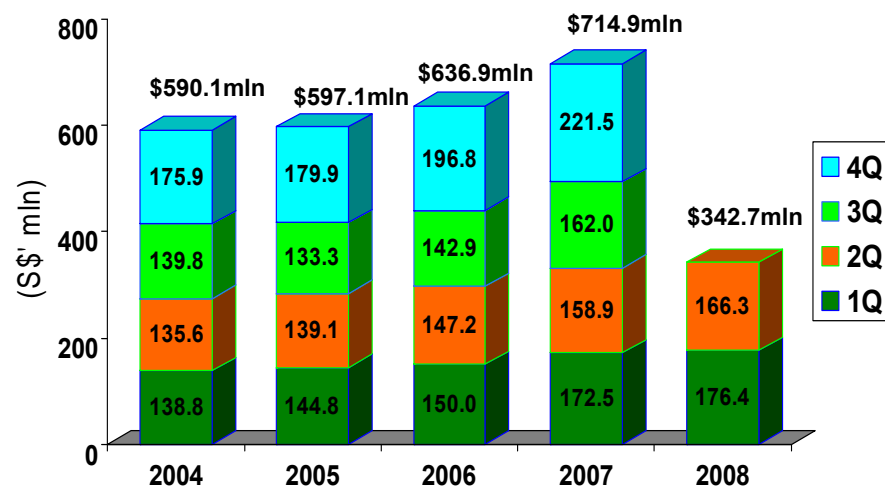
1H 2008 vs 1H 2007

	S\$' mln		Change (%)
	1H 2008	1H 2007	
Singapore	13.8	12.1	14.6
UK/Ireland	10.9	10.0	8.0
Others	(0.5)	(0.5)	N.A
Operating PBT	24.2	21.6	12.0

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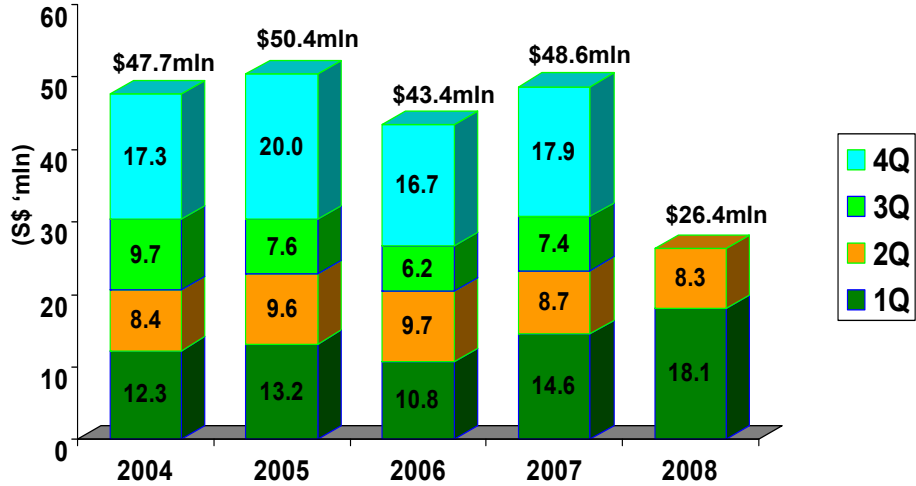
Turnover by Quarters



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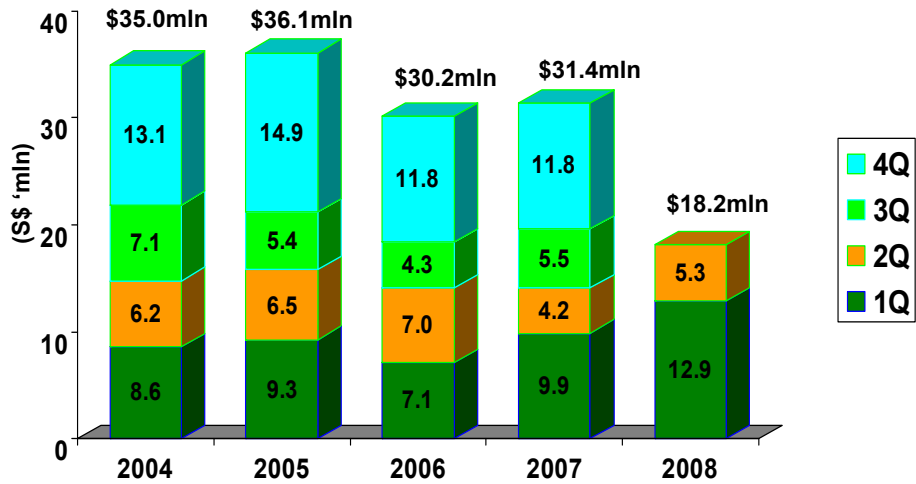
PBT by Quarters



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PATMI by Quarters



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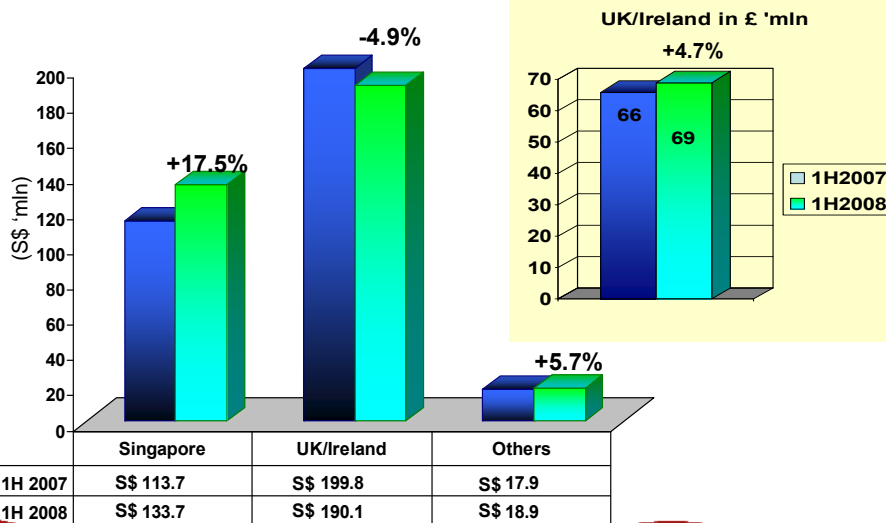
Segmental Results



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Turnover by Geographical Region 1H 2008 vs 1H 2007

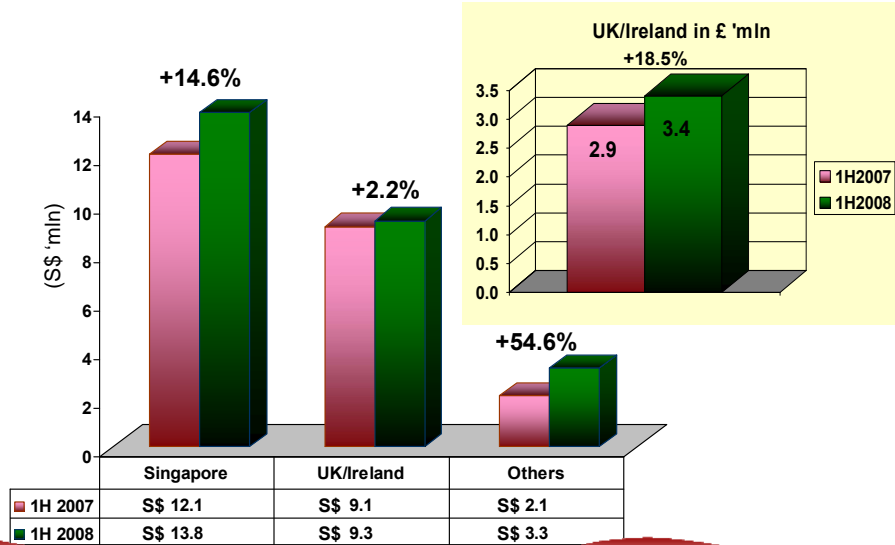


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PBT by Geographical Region

1H 2008 vs 1H 2007



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Singapore P&L Summary

1H 2008 vs 1H 2007

	S\$' mln		Change (%)
	1H 2008	1H 2007	
Sales	133.7	113.7	17.5
Gross Profit	29.2	24.3	20.3
Net Other Income / (expense)	1.2	1.1	6.1
G&A	(16.6)	(13.3)	24.3
PBT	13.8	12.1	14.6

	1H 2008 (%)	1H 2007 (%)
GP Margins	21.9	21.4
G&A	12.4	11.7
PBT Margins	10.3	10.6

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UK/Ireland P&L Summary

1H 2008 vs 1H 2007

('mln)	1H 2008	1H 2007	Change (%)
Sales	S\$190.1 £69	S\$199.8 £66	(4.9) 4.7
Gross Profit	S\$55.9	S\$61.1	(8.5)
Net Other Income / (expense)	(S\$0.6)	(S\$1.2)	(48.8)
G&A	(S\$46.0) £16.8	(S\$50.8) £16.8	(9.5) 0.1
PBT	S\$9.3 £3.4	S\$9.1 £2.9	2.2 18.5

	1H 2008 (%)	1H 2007 (%)
GP Margins	29.4	30.6
G&A	24.2	25.2
PBT Margins	4.9	4.6

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UK/Ireland Sales Summary

1H 2008 vs 1H 2007

(' mln)	1H 2008	1H 2007	Change (%)
Daniels	S\$118.0 £43.2	S\$119.5 £39.6	(1.3) 9.2
ICL	S\$53.5 £19.6	S\$59.5 £19.7	(10.0) (0.5)
Farmhouse Fare	S\$9.5 £3.5	S\$11.3 £3.7	(15.9) (7.0)
Cresset	S\$9.1 €4.3	S\$9.5 €4.7	(4.4) (8.5)
Total	S\$190.1 £69	S\$199.8 £66	(4.9) 4.7

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Others – P&L Summary

1H 2008 vs 1H 2007

	S\$' mln		Change (%)
	1H 2008	1H 2007	
Sales	18.9	17.9	5.7
Gross Profit	2.7	2.7	(0.2)
Net Other Income / (expense)	4.3	3.6	20.1
G&A	(3.7)	(4.2)	(10.5)
PBT	3.3	2.1	54.6
PBT (without one-offs)	(0.5)	(0.5)	N.A.

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By Geographical Location

	Turnover		PBT		Assets		Capital Expenditure		ROTA	
	1H 2008	1H 2007	1H 2008	1H 2007	1H 2008	1H 2007	1H 2008	1H 2007	1H 2008	1H 2007
S\$'000										
Singapore	133,654	113,723	13,806	12,046	120,845	99,590	1,146	749	21.8%	20.3%
UK/Ireland	190,105	199,805	9,341	9,136	221,984	239,843	3,291	3,354	6.2%	5.5%
Others	18,905	17,887	3,260	2,109	20,087	24,200	493	280	23.9%	11.7%
Total Overseas	209,010	217,692	12,601	11,245	242,071	264,043	3,784	3,634	7.6%	6.0%
Total	342,664	331,415	26,407	23,291	362,916	363,633	4,930	4,383	12.4%	9.9%
%										
Singapore	39.0	34.3	52.3	51.7	33.3	27.4	23.2	17.1		
Overseas	61.0	65.7	47.7	48.3	66.7	72.6	76.8	82.9		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

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Cash Flows, Balance Sheet Highlights & EVA



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Group Cash Flow Statement

1H 2008 vs 1H 2007

	S\$ '000	
	1H 2008	1H 2007
Profit before taxation	26,404	23,291
EBITDA Adjustments:		
Share of results of a jointly controlled entity	3	3
Interest expense	2,047	2,169
Interest income	(543)	(213)
Depreciation and amortisation	9,117	10,359
EBITDA	37,028	35,609
Gain on disposal of property, plant & equipment	(25)	(184)
Gain on disposal of intangible assets	(24)	0
Impairment of intangible and other assets	0	1,136
Provision for fair value of share-based compensation expenses	390	384
Allowance for stock & doubtful receivables and trade discounts	1,061	1,533
Impairment of property, plant & equipment	331	0
Changes in Working Capital	(1,060)	(7,482)
Income taxes paid	(8,523)	(8,256)
Net Cash Flow from Operating Activities	29,178	22,740
Net Cash Flow from Investing Activities	(4,018)	(3,451)
Net Cash Flow from Financing Activities	(17,635)	(16,740)
Net Cash Flow	7,525	2,549
Cash and Bank Balances at end of period	33,412	24,298
EBITDA as % of sales	10.8	10.7

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Group Balance Sheet

S\$' 000	June 2008	March 2008	December 2007
Property, Plant & Equipment	103,928	106,498	113,279
Intangible assets	68,551	68,987	69,558
JV & other long term assets	1,555	1,542	1,547
Inventories	46,530	51,148	51,029
Trade and other receivables	109,898	116,273	118,698
Cash and bank balances	33,412	30,925	26,221
	363,874	375,373	380,332
Share Capital & Reserves	150,933	162,774	154,304
Minority Interest	12,817	12,211	10,551
Financial Liabilities	57,718	50,110	45,310
Trade and other payables	107,350	111,380	127,294
Current tax payable	12,144	13,857	14,505
Long Term Liabilities	22,912	25,041	28,368
	363,874	375,373	380,332
Net current assets/(liabilities)	12,628	22,999	8,839

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EVA Statement

1H 2008 vs 1H 2007

S\$' 000	1H 2008	1H 2007
Profit Before Taxation	26,404	23,288
Adjustments for:		
(Decrease)/Increase in allowance for doubtful debts	(4)	159
(Decrease)/increase in allowance for stock obsolescence	218	1
Amortisation of intangible assets	1,012	1,000
Interest expense	2,047	2,169
Interest expense on non-capitalised leases	124	50
Adjusted Earnings Before Income Tax	29,801	26,667
Less Cash Operating Taxes	6,952	7,834
Net Operating Profit After Tax (NOPAT)	22,849	18,833
Average EVA Capital Employed	256,717	241,023
Weighted Average Cost of Capital	6.6%	6.9%
Capital Charge	8,504	8,315
Economic Value Added (EVA)	14,345	10,518
EVA without "one-offs"	10,667	9,798

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Financial Highlights



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Financial Highlights

1H 2008 vs 1H 2007

	S\$' mln		Δ Change (%)
	1H 2008	1H 2007	
Turnover	342.7	331.4	3.4
Gross Margins (%)	25.6	26.6	NA
PBT	26.4	23.3	13.4
PATMI	18.2	14.1	29.5
Net after-tax margins (%)	5.9	4.8	NA
Earnings per share (cents)	3.5	2.7	29.2
Economic Value Added	14.3	10.5	36.4
EVA Spread Annualised (%)	11.1	8.7	NA

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Financial Highlights

1H 2008 vs 1H 2007

	S\$' mln		Δ Change (%)
	1H 2008	1H 2007	
ROE* (%)	23.9	19.0	NA
ROTA* (%)	12.4	9.9	NA
Interest Cover (times)	13.9	11.7	18.8
Debt/Equity Ratio	0.5	0.5	-
Net Assets per Share (cents)	29.2	28.9	1.0
EBITDA	37.0	35.6	4.0
Capex	4.9	4.4	12.5

Note: * Annualised

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Operations Review



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Singapore Operations

(1H 2008)

- Singapore Operations showed strong growth.
- PBT increased 14.6 per cent, driven by strong revenue growth.
- Sales grew by 17.5 per cent, with all three business sectors reporting higher turnover.
 - Food distribution sales grew 18.5 per cent due to strong sales growth in core categories of frozen meats and in the food service market
 - Food catering sales were up 15.3 per cent due to higher consumption at higher prices
 - Abattoir and Hog Auction revenue rose 20.5 per cent due to higher pig numbers and price increase.

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Singapore – updates

(1H 2008)

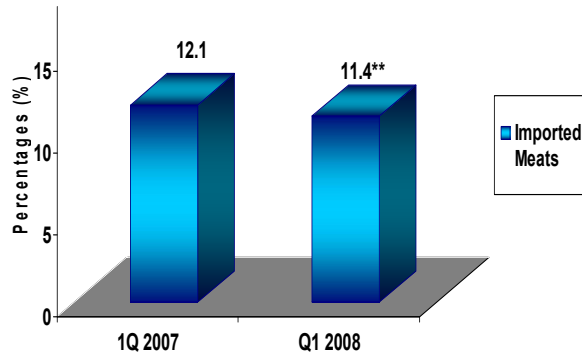
- Food Catering renewed its key contracts
- Food Catering business provided consultancy services to set up food manufacturing plant in UAE
- SFI, established strategic partnership with NEA to train Jambi province locals to improve aquaculture initiatives to curb haze
- SFI was awarded the prestigious AVA Food Safety Partner Award for recognition of being a safe food provider in Singapore and in order to receive this award, SFI must meet the criteria of receiving “A” grade for all its factories/operations
- Abattoir and Hog Auction receives the Silver Award for achieving Food Factory with “A” grading for 10 consecutive years
- Singapore operations received an award at the NTUC May Day Awards 2008

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Food Distribution – Market Share (1Q 2007 vs 1Q 2008)

*Estimated market share of imported meats**



Note:

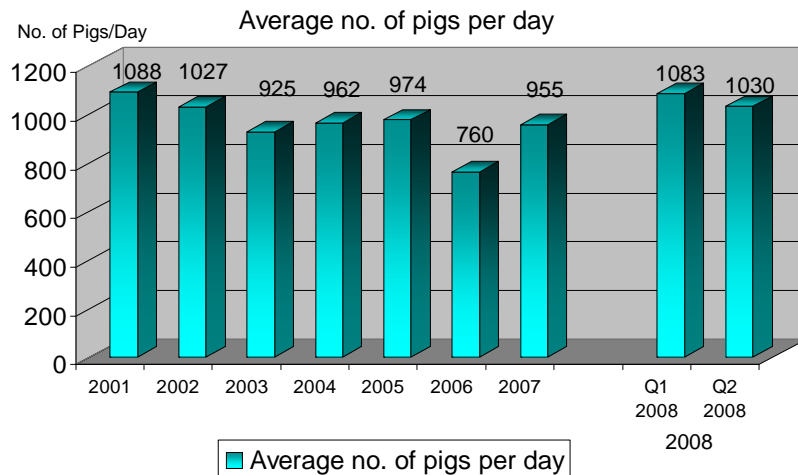
* Meats comprise of Chilled/Frozen Pork, Frozen Poultry, Chilled/Frozen Beef

** Based on 'sell through' calculation method.

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Abattoir & Hog Auction Average No. of Pigs Per Day

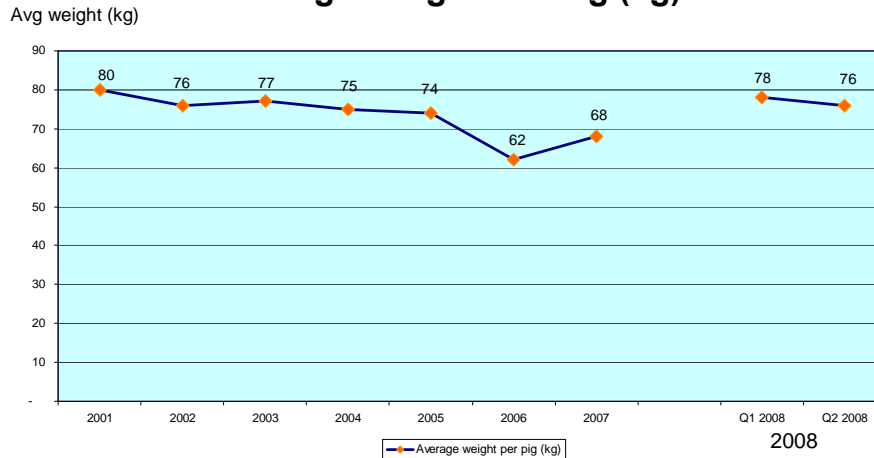


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Abattoir & Hog Auction

Average Weight Per Pig (kg)



Note: Management views pig weight as a lead indicator of future farm productivity

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Key Developments & Outlook

(Singapore)

- Singapore performance in 2008 is expected to be better than 2007
- The Food Distribution business has been driving sales and profit growth in its core categories and this will continue to benefit our business performance. However, we expect the trend towards higher import prices to moderate our trading margins.
- Food Catering business remains robust with its recently renewed contract and price adjustment for cost increases.
- Abattoir & Hog Auction
 - Pig supply volume improved
 - Look for new sources for pig supply to grow our business.

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UK/Ireland Operations

(1H 2008)

- In the UK/Ireland, Daniels is expected to continue to deliver growth in its core product categories of soup, juice and fruit for 2008.
- For Farmhouse Fare, a significant product launch has been agreed with new key customer for the 2008 winter season.
- Underpinned by the award of new business from key customers, we would expect ICL progress to continue.
- Cresset's performance has improved, though it has yet to break-even.

In Sterling Pounds,

- Daniels sales for 1H 2008 was £ 43.2 million (9.2 per cent higher).
- Farmhouse Fare sales was lower by £ 0.2 million at £3.5 million in 1H 2008.
- ICL sales for 1H 2008 were comparable to 1H 2007.

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UK/Ireland – Updates

(1H 2008)

- UK operations won two awards in 1H 2008 – Grocer's Own Label Excellence Award and Sainsbury desserts "Product of The Year" award
- New Covent Garden (NCG) embarked on a nationwide sampling campaign for its fresh soup products
- NCG innovation include UK's first fruit soups and chilled marinade sauces
- NCG sponsors the "Most Meritorious Dish of Vegetables" award at the Hampton Court Flower Show for the exhibitor with the most outstanding dish of vegetables in any of the competition classes
- Johnson Juice actively pursues expansion plans for 2008
- Farmhouse Fare launched its biggest summer range of puddings

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UK/Ireland Category Sales Performance (1H 2008)

Core Category	Sales Growth (%)
Soup	12
Chilled Ready Meals	(2)
Drinks	6
Fruit	14
Puddings	(7)

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Key Developments & Outlook (UK/Ireland)

- UK businesses expected to show incremental growth in 2008. Escalation in raw material costs will have an impact on margins but measures are being taken wherever possible to mitigate this.
- Daniels
 - Strong soup growth expected to continue for 2008
 - TV sponsorship for soup brand confirmed for Autumn
 - New range of fruit launched for summer
 - Further export listings in drinks planned for Q4
- Farmhouse Fare
 - Launch with new key customer agreed for Q4
 - Branded relaunch for winter will include new category entry
 - Won Sainsbury's dessert product of the year award

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Key Developments & Outlook (UK/Ireland)

- ICL
 - New customer will be introduced in the 4th quarter
 - Recent additional business secured from a key customer will enhance growth for second half
- Cresset
 - Recent branded launch of CRM for strategic partner will help reach independent and franchise customers who have historically been difficult to service
 - Premium range launch for key customer planned for Q4

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Key Developments & Outlook (Others)

- Management is in continuing dialogue with several parties over the future of its businesses in Ireland, China and Australia.

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FY2008 Outlook

***Barring unforeseen circumstances, we expect
FY2008 earnings to be better than FY2007.***

***Note: This is management's outlook based on current expectations,
projections and assumptions about the future. This is not a forecast.***



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Thank You!



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Appendix 1: 2Q 2008 Performance Review



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PATMI to PBT 2Q 2008 vs 2Q 2007

	S\$' mln		Change (%)
	2Q 2008	2Q 2007	
PATMI	5.3	4.2	29.0
Minority Interests	0.5	1.5	-
Tax – Current Year	2.5	3.0	-
Tax – Prior Years Written Back	0	0	-
Tax Subtotal	2.5	3.0	-
PBT	8.3	8.7	(3.8)

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PBT to Operating PBT

2Q 2008 vs 2Q 2007

	S\$' mln		Change (%)
	2Q 2008	2Q 2007	
PBT	8.3	8.7	(3.8)
<i>One-Offs</i>			
– GBRMPA Restructure Grants received by Australian subsidiaries & related impairment of assets	-	(3.3)	-
– SSTFI – Stock write-down due to suspension of poultry exports	-	0.5	-
– Restructuring expenses in Cresset	-	0.9	-
– UK/Ireland impact of exchange in translation	0.7	-	-
Operating PBT	9.0	6.8	32.9

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Operating PBT by Geographical Region

2Q 2008 vs 2Q 2007

	S\$' mln		Change (%)
	2Q 2008	2Q 2007	
Singapore	6.4	5.6	14.8
UK/Ireland	2.8	1.7	67.9
Others	(0.2)	(0.5)	NA
Operating PBT	9.0	6.8	32.9

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Singapore P&L Summary

2Q 2008 vs 2Q 2007

	S\$' mln		Change (%)
	2Q 2008	2Q 2007	
Sales	68.5	56.2	22.0
Gross Profit	14.7	11.7	25.8
Net Other Income / (expense)	0.7	0.6	2.0
G&A	(9.0)	(6.8)	32.5
PBT	6.4	5.5	14.8

	2Q 2008 (%)	2Q 2007 (%)
GP Margins	21.4	20.8
G&A	13.1	12.0
PBT Margins	9.3	9.9

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UK/Ireland P&L Summary

2Q 2008 vs 2Q 2007

('mln)	2Q 2008	2Q 2007	Change (%)
Sales	S\$89.2 £33	S\$94.0 £31	(5.2) 6.7
Gross Profit	S\$24.5	S\$26.7	(8.3)
Net Other Income / (expense)	(S\$0.2)	(S\$0.6)	(66.9)
G&A	(S\$22.2) £8.1	(S\$25.3) £8.4	(12.3) (3.1)
PBT	S\$2.1 £0.8	S\$0.8 £0.2	170.9 258.2

	2Q 2008 (%)	2Q 2007 (%)
GP Margins	27.5	28.4
G&A	24.9	26.9
PBT Margins	2.4	0.8

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UK/Ireland Sales Summary

2Q 2008 vs 2Q 2007

(' mln)	2Q 2008	2Q 2007	Change (%)
Daniels	S\$54.3 £20.3	S\$55.7 £18.3	(2.4) 10.5
ICL	S\$26.3 £9.7	S\$28.6 £9.4	(8.6) 3.2
Farmhouse Fare	S\$4.1 £1.5	S\$4.9 £1.6	(16.3) (4.9)
Cresset	S\$4.5 £2.1	S\$4.8 £2.3	(5.4) (8.9)
Total	S\$89.2 £33	S\$94.0 £31	(5.2) 6.7

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Others – P&L Summary

2Q 2008 vs 2Q 2007

	S\$' mln		Change (%)
	2Q 2008	2Q 2007	
Sales	8.6	8.7	(1.3)
Gross Profit	1.2	1.3	(5.8)
Net Other Income / (expense)	0.3	3.5	(92.3)
G&A	(1.6)	(2.5)	(32.6)
PBT	(0.1)	2.3	N.A.
PBT (without one-offs)	(0.2)	(0.5)	N.A.

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