Singapore Food Industries Limited

Third Quarter 2007 Performance Review

18 October 2007

Overview

(3Q2007 vs 3Q2006)

TURNOVER

S$'M	3Q 2007	3Q 2006	Δ	Δ%
Singapore	66.8	54.0	12.8	23.7
Overseas	95.2	88.9	6.3	7.0
	162.0	142.9	19.1	13.4

PBT

S$'M	3Q 2007	3Q 2006	Δ	Δ%
Singapore	8.2	5.7	2.6	45.5
Overseas	(0.8)	0.6	(1.4)	N.M.*
	7.4	6.2	1.2	19.2

**Not Meaningful*

Overview

(9M2007 vs 9M2006)

TURNOVER

S$'M	**9M 2007**	**9M 2006**	**∆**	**∆%**
Singapore	180.5	172.7	7.8	4.5
Overseas	312.9	267.4	45.5	17.0
	493.4	440.1	53.3	12.1

PBT

S$'M	**9M 2007**	**9M 2006**	**∆**	**∆%**
Singapore	20.3	17.4	2.9	16.8
Overseas	10.4	9.3	1.1	12.1
	30.7	26.7	4.0	15.1

Overview

(9M2007 vs 9M2006)

PBT 9M 2007 included the following “one offs” which were not in corresponding period last year:-

($'M)	9M 2007
Cresset-Restructuring costs	(0.9)
Shanghai STFI-Provision for stock	(0.7)
Australia-Grant Income	4.4
Australia- Impairment loss on fishing licence	(1.1)
Net impact	1.7

Overview

underlying operations PBT

PBT **S$'M**	**9M 2007**	**9M 2006**	**Δ**	**Δ %**
Singapore	20.3	17.4	2.9	16.8
Overseas-As Reported	10.4	9.3	1.1	12.1
One-Offs	1.7	(0.6)	2.4	N.A
Overseas-Underlying PBT	8.7	10.0	(1.2)	(12.4)
Group-Underlying PBT	29.0	27.3	1.7	6.1

Singapore Food Industries Limited

Financial Highlights

Financial Highlights

(9M2007 vs 9M2006)

$'m	9M2007	9M2006	%▲
Turnover	493.4	440.1	12.1
Gross Margins (%)	25.9	25.8	0.1
PBT	30.7	26.7	15.1
PATMI	19.6	18.4	6.4
Net after-tax margins (%)	4.4	4.3	0.1
Earnings per share (cents)	3.8	3.6	5.7
Economic Value Added	13.0	9.5	36.3
EVA Spread (%)*	7.1	5.7	1.4

*Annualised

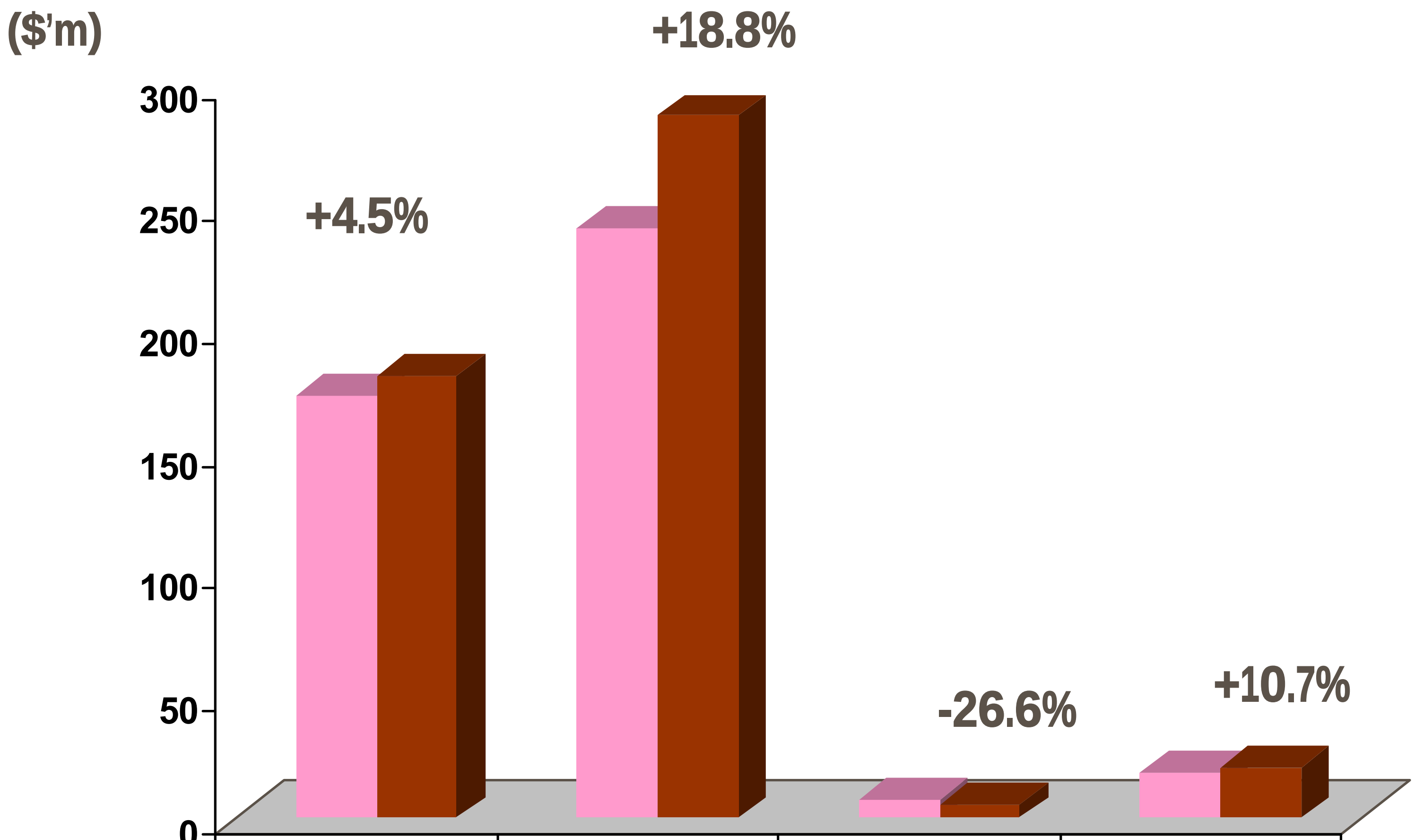
Financial Highlights (9M2007 vs 9M2006)

	9M2007	9M2006	%▲
ROE (%)*	17.3	17.4	(0.1)
ROTA (%)*	9.3	8.8	0.5
Interest Cover (times)	10.2	11.4	(10.5)
Debt/Equity Ratio	0.4	0.4	
Net Assets per Share (cents)	29.8	28.2	5.7
EBITDA ($'m)	49.1	41.7	17.9
Capex ($'m)	6.2	7.4	(16.7)

*Annualised

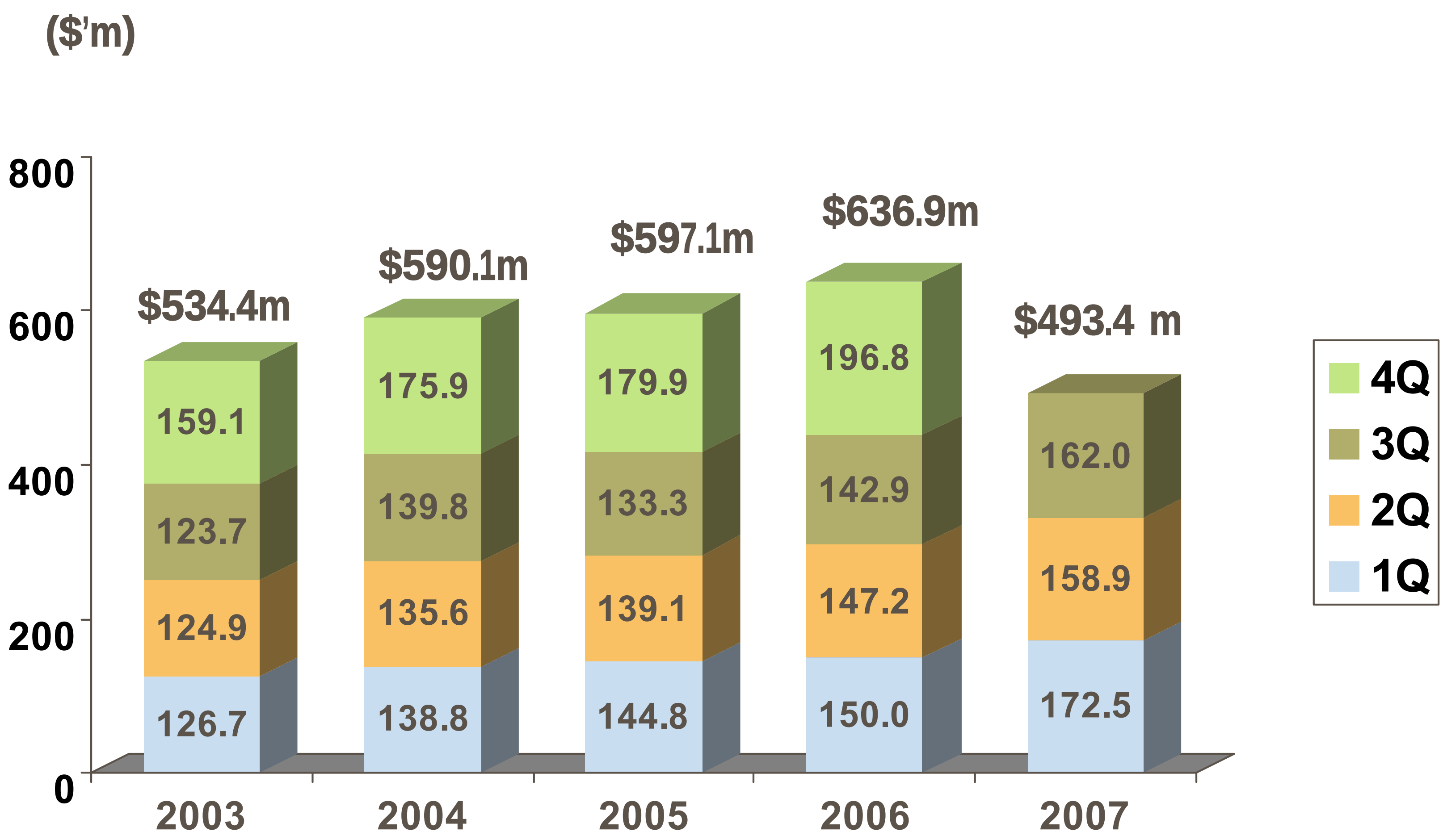
Segmental Results

Turnover by Geographical Region (9M2007 vs 9M2006]

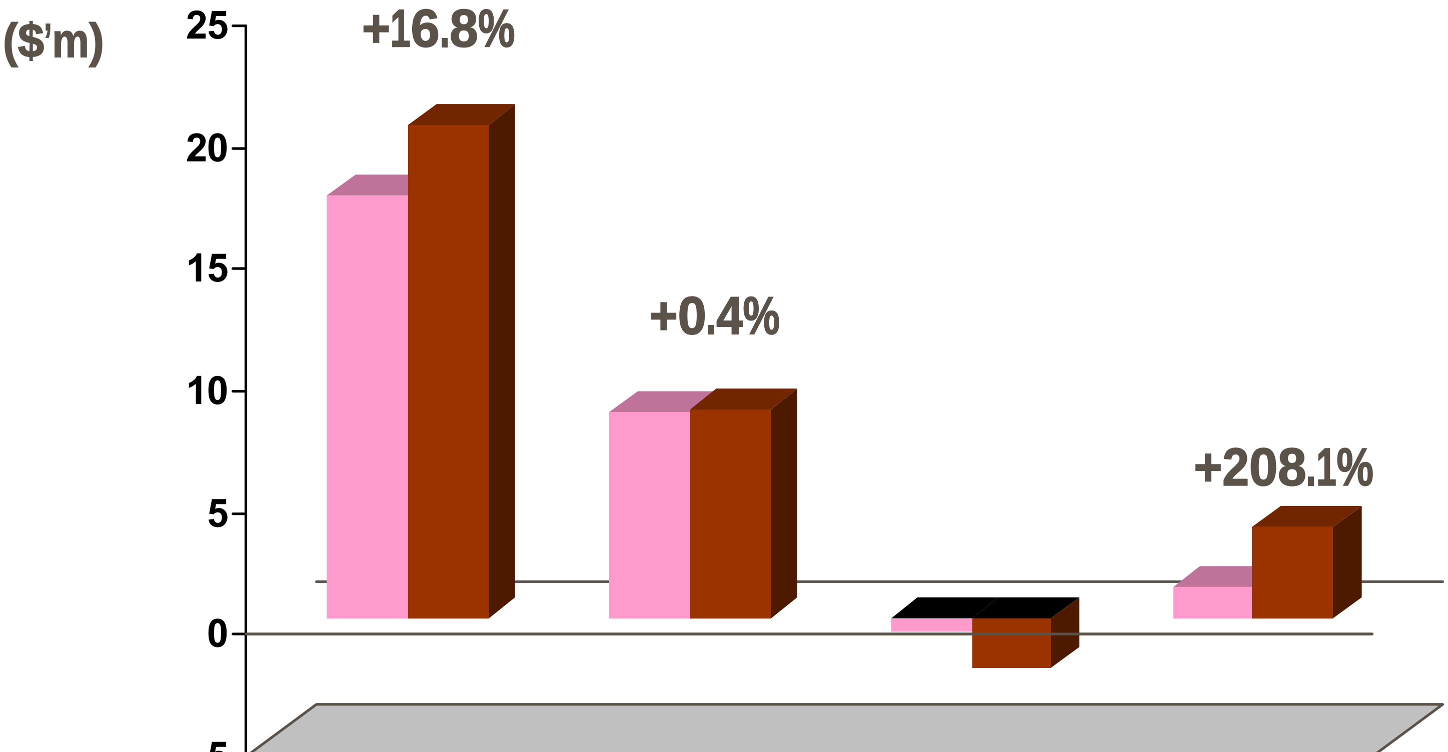


	Singapore	UK/Europe	China	Australia
9M 2006	172.7	241.3	7.5	18.6
9M 2007	180.5	286.8	5.5	20.6

Turnover by Quarters

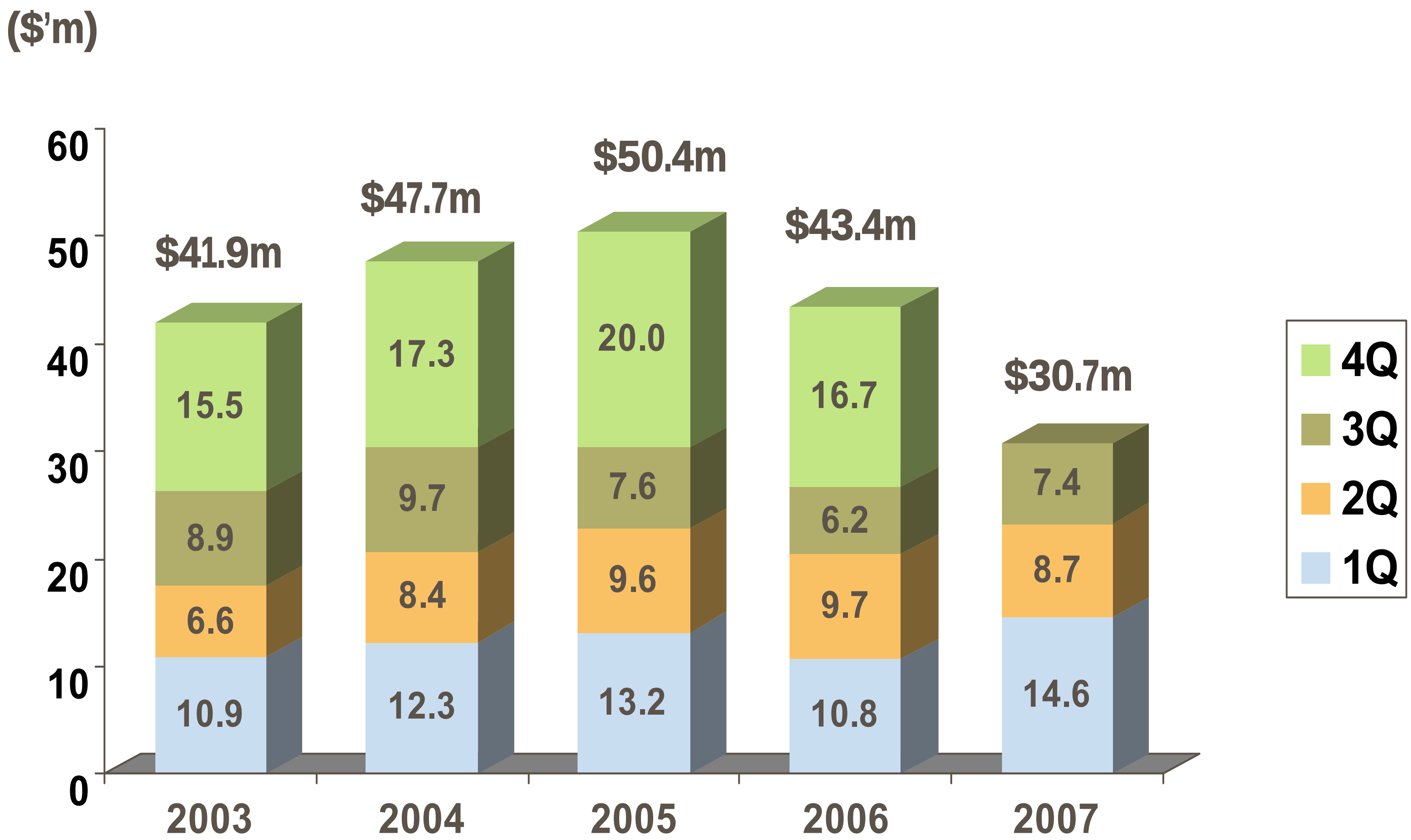


PBT by Geographical Region (9M2007 vs 9M2006)



	Singapore	UK/Europe	China & Others	Australia
9M 2006	17.4	8.5	-0.5	1.3
9M 2007	20.3	8.6	-2.0	3.8

PBT by Quarters



By Geographical Location

S$'000	Turnover		PBT		Assets		Capital Expenditure	
	9M 2007	9M 2006	9M 2007	9M 2006	9M 2007	9M 2006	9M 2007	9M 2006
Singapore	**180,518**	172,709	**20,276**	17,367	**107,090**	102,425	**908**	1,062
UK/Europe	**286,769**	241,304	**8,564**	8,530	**232,440**	191,938	**4,775**	6,031
Australia	**20,612**	18,618	**3,826**	1,242	**16,706**	14,470	**404**	203
China & Others	**5,500**	7,489	**(1,955)**	(461)*	**7,668**	10,457	**73**	95
Total Overseas	**312,881**	267,411	**10,435**	9,311	**256,814**	216,865	**5,252**	6,329
Total	**493,399**	440,120	**30,711**	26,678	**363,904**	319,290	**6,160**	7,391

%	Turnover		PBT	
	9M 2007	9M 2006	9M 2007	9M 2006
Singapore	**36.6**	39.2	**66.0**	65.1
Overseas	**63.4**	60.8	**34.0**	34.9
Total	**100.0**	100.0	**100.0**	100.0

****FY 2006 included $648,000 loss on liquidation of a dormant subsidiary in Malaysia***

Singapore Food Industries Limited

EVA, Cash Flows and Balance Sheet Highlights

EVA Statement

(9M2007 vs 9M2006)

S$'000	9M 2007	9M 2006
Profit Before Taxation	30,705	26,674
Adjustments for:		
(Decrease)/Increase in allowance for doubtful debts	(218)	(206)
(Decrease)/increase in allowance for stock obsolescence	(324)	(1)
Amortisation of intangibles	1,532	0
Interest expense	3,358	2,556
Interest expense on non-capitalised leases	75	82
Adjusted Earnings Before Income Tax	35,128	29,105
Less Cash Operating Taxes	9,620	7,879
Net Operating Profit After Tax (NOPAT)	25,508	21,226
Average EVA Capital Employed	242,317	221,052
Weighted Average Cost of Capital	6.9%	7.0%
Capital Charge	12,540	11,710
Economic Value Added (EVA)	**12,968**	**9,516**

Group Cash Flow Statement (9M2007 vs 9M2006)

	9M 2007	9M 2006
Profit before taxation	**30,706**	**26,674**
EBITDA Adjustments:		
Share of profit of a jointly controlled entity	5	4
Interest expense	3,358	2,556
Interest income	(326)	(445)
Depreciation and amortisation	15,390	12,874
EBITDA	**49,133**	**41,663**
Gain on disposal of property, plant and equipment and intangible assets	(272)	(737)
Provision for diminution in value of other financial assets	36	28
Provision for fair value of share-based compensation expenses	136	561
Allowance for stock obsolescence (net)	1,147	404
Allowance for doubtful receivables and trade discounts (net)	556	(406)
Impairment of intangibles	1,112	0
Loss on liquidation of a subsidiary	0	648
Changes in Working Capital	(10,946)	2,157
Income taxes paid	(12,037)	(12,756)
Net Cash Flow from Operating Activities	28,865	31,562
Net Cash Flow from Investing Activities	(6,080)	(5,022)
Net Cash Flow from Financing Activities	(23,402)	(20,882)
Net Cash Flow	**(617)**	**5,658**
Cash and Bank Balances at end of period	**21,040**	**24,385**

Consolidated Balance Sheet

S$'000	September 2007	June 2007	December 2006
Property, Plant & Equipment	119,858	122,851	126,868
Intangible assets	70,107	66,429	68,404
JV & other long term assets	1,550	2,537	2,446
Inventories	51,260	48,013	38,474
Trade & other receivables	101,039	100,463	100,457
Cash and bank balances	21,040	24,298	21,438
Bank overdrafts	(3,953)	(4,497)	(5,805)
Trade & other payables	(114,446)	(113,282)	(119,370)
Current portion of bank loans	(36,674)	(41,162)	(22,419)
Provision for taxation	(12,084)	(14,026)	(14,798)
Long Term Liabilities	(33,157)	(32,069)	(38,726)
	164,540	159,555	156,969
Share Capital & Reserves	153,585	148,909	148,423
Minority Interests	10,955	10,646	8,546
	164,540	159,555	156,969

Interim Dividend for FY2007

- Interim dividend
  - Net one-tier dividend of 1.8 cents per share
    (2006: Net 1.76 cents)
  - Book closure on 11 January 2008, for purpose of determining entitlements
  - Dividend payable on 22 Jan 2008
  - Section 44 balance fully utilised

Interim Dividend declared after 3Q results; Final Dividend declared after Full Year results

Operations Review

Food Distribution

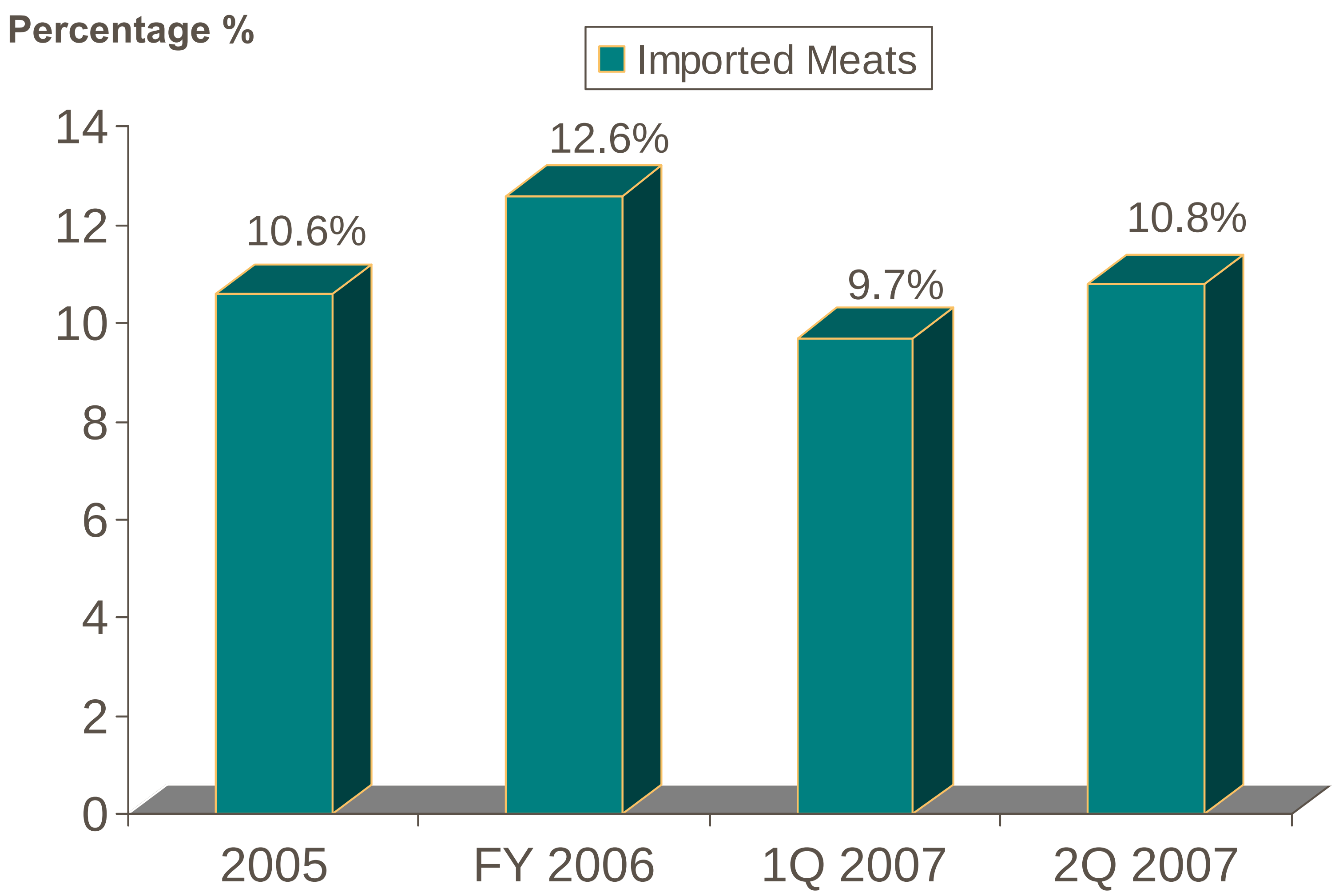
for the three months ended 30 September 2007

	3Q2007	3Q2006	%Δ	9M2007	9M2006	%Δ
Turnover ($'m)	36.9	29.5	25.0	98.8	98.4	0.4
PBT ($'m)	0.4	1.7	**(77.8)**	2.8	6.8	**(58.1)**

- Food Distribution sales on the road to recovery
  - Key frozen poultry line has returned
  - New source of value added chicken products secured
- PBT fell by $1.4m due to lower margins and higher shared cost allocation ($0.8m)

Food Distribution - Market Share

Estimated market share of imported meats



Food Preparation, Mfg & Processing

for the three months ended 30 September 2007

	3Q2007	3Q2006	%Δ	9M2007	9M2006	%Δ
Turnover ($'m)	119.6	109.3	9.4	378.8	329.4	15.0
PBT ($'m)	5.3	4.1	28.3	22.6	18.4	23.0

Singapore

- Food Catering Sales higher in 3Q 2007
  - Sales to key customer higher due to higher meal consumption and positive price adjustment retrospective from April 2007
  - Export of MRE, worth $1.1m, achieved in 3Q 2007
- PBT higher in 3Q 2007 due to higher revenues and price adjustment.

Food Preparation, Mfg & Processing

for the three months ended 30 September 2007

Overseas

- Sales from overseas operations grew 7.0%
- Daniels turnover grew 8.5% in Singapore Dollar terms. The very wet summer helped Daniels sales
  - Sales of juice/drinks grew 20.6%
  - New Covent Garden soup registered strong sales growth of 13.3%
  - Prepared fruit sales registered a 2.2% decline.
- Daniels PBT lower by 8.7% due to higher input costs
  - Selling price increases to be implemented 4Q 2007

Food Preparation, Mfg & Processing

for the three months ended 30 September 2007

Overseas

- ICL's sales increased 2.1% due to stronger sterling pound
- PBT was higher by $0.2m
- Farmhouse Fare contributed revenue of $5.0m but reported loss of $0.6m due to higher input costs and amortisation charge ($0.5m) for the quarter.
    - Selling price increases effective 4Q 2007
- Cresset sales increased 3.7% due to stronger Euro. CRM sales increased by 32.4% while ambient sales continued to decline.
- Loss of $1.8m in 3Q 2007

Food Preparation, Mfg & Processing

for the three months ended 30 September 2007

Overseas

- Sales for Australian subsidiaries declined 8.2%
- PBT lower by $0.1m
- Shanghai STFI sales decreased 36.4% due to a continuing ban on chicken products from China into Singapore.
- Loss of $0.4m in 3Q 2007

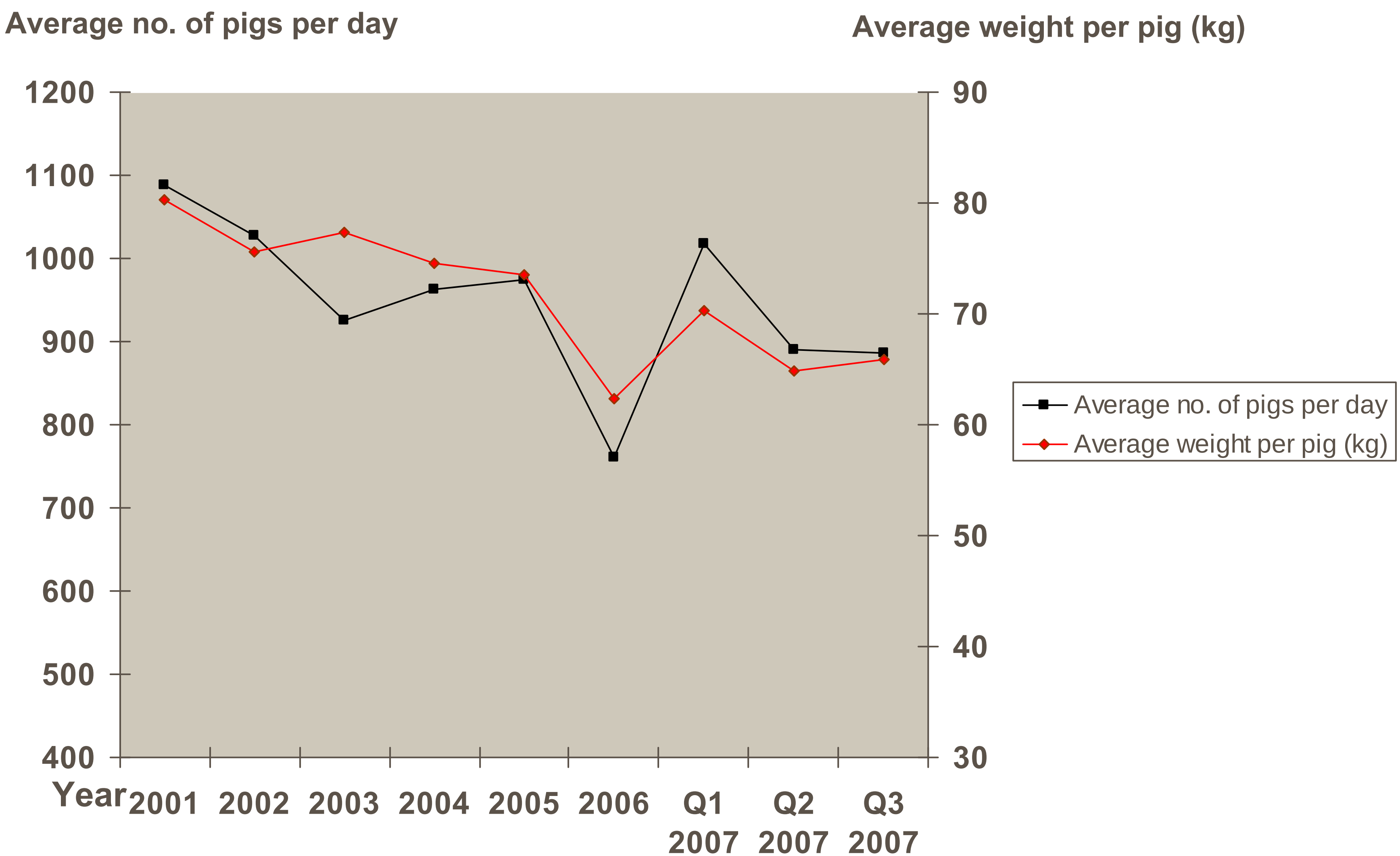
Abattoir & Hog Auction

for the three months ended 30 September 2007

	3Q2007	3Q2006	%Δ	9M2007	9M2006	%Δ
Turnover ($'m)	5.5	4.0	35.2	15.9	12.3	28.5
PBT ($'m)	1.7	0.3	359.8	5.2	1.5	246.8

- Abattoir and Hog Auction revenues 35.2% higher in 3Q 2007 due to higher pig supply numbers and slaughter fee increase from April 2007
  - However, current reports of lower average pig weight could affect future pig supply numbers
- PBT improved $1.4m in line with revenue increase

Abattoir & Hog Auction



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

FY2007 Outlook

Overall, we expect better earnings for FY 2007.

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

Thank You

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.