

## Singapore Food Industries Expects to Maintain Earnings for 2003 Despite Weak Second Quarter

	2Q2003	2Q2002	+/(-)%	1H2003	1H2002	+/(-)%
Turnover (\$'m)	124.9	94.0	32.9	251.6	186.9	34.6
Profit Before Tax (PBT) (\$'m)	6.5	8.9	(29.2)	17.5	18.4	(4.9)
Overseas Turnover (\$'m)	66.1	32.3	104.3	137.1	61.3	123.4
Overseas PBT (\$'m)	0.2	0.7	(66.2)	4.0	1.4	191.6
EBITDA (\$'m)	11.3	11.9	(4.7)	27.0	23.5	14.9
Profit After Tax and Minority Interest (PATMI) (\$'m)	4.9	7.0	(30.5)	12.7	14.5	(12.3)
Earnings Per Share (cents)	1.0	1.4	(30.7)	2.5	2.9	(12.5)

\* all currencies in SGD

***“Despite the difficult operating conditions in the second quarter, we managed to deliver a creditable set of first half results”, said Mr Peter Tay, President & CEO.***

- Turnover for 1H2003 increased 34.6% to \$251.6m (1H2002: \$186.9m). Overseas operations in UK, China and Australia contributed 54.5% of Group turnover (1H2002: 32.8%). EBITDA increased 14.9% to \$27.0m over the same period last year. PBT declined 4.9% to \$17.5m (1H2002: \$18.4m), pulled down by a weak 2Q2003.
- S Daniels in the UK, which now accounts for 27.2% of Group turnover saw an operating loss of \$0.2m (excluding \$0.4m goodwill) in 2Q2003. This is largely attributed to the seasonal variation in its New Covent Garden Soup sales where it traditionally performs better in winter months (1Q & 4Q) than in summer (2Q & 3Q). For the half year, Daniels contributed \$68.5m in sales and \$2.0m of profit (net of \$0.9m goodwill).
- In Singapore, Food Catering revenues declined in the second quarter due to the lower contract price with a key customer and reduced meal consumption as a result of deferred/reduced training activities due to Sars. A Regional Cookhouse System is being implemented to yield cost savings to compensate for the lower contract price. This system is expected to be fully implemented by end 3Q2003.

***He added: “Operating conditions in Singapore are expected to remain difficult for the rest of the year. Growth will continue to come from overseas operations. Based on current prospects, the outlook for FY2003 is for earnings to be comparable to FY2002”.***

# Press Release

*This news release should be read and interpreted in conjunction with all related filings made by Singapore Food Industries today on Masnet as well as the Disclaimer contained in those materials.*

## About Singapore Food Industries

*Singapore Food Industries was listed on the Singapore Exchange in November 1999. It is the only fully integrated food logistics and catering supplier in Singapore. Its three core businesses are Food Distribution, Food Preparation, Manufacturing and Processing, and Abattoir and Hog Auction. It has significant operations in the United Kingdom, China and Australia. In FY2002, SFI achieved its fifth consecutive year of double-digit growth in profit after tax of \$29.9m on turnover of \$392.3m. For more information, please visit [www.sfi.com.sg](http://www.sfi.com.sg).*

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