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**Singapore Food Industries' First Quarter Pre-Tax Profits Climb 19.6% to \$10.9m on Turnover Increase of 36% - Driven by UK Operations**

	1Q2003	1Q2002	Growth %
Turnover	\$126.7m	\$93.0m	36.3%
Profit Before Tax (PBT)	\$10.9m	\$9.1m	19.6%
Overseas Turnover	\$71.0m	\$29.0m	144.7%
Overseas PBT	\$3.7m	\$0.6m	471.1%
EBITDA	\$15.7m	\$11.6m	34.9%
Profit after tax and minority interest (PATMI)	\$7.9m	\$7.5m	4.6%
Earnings Per Share	1.6 cents	1.5 cents	4.3%

\* all currencies in SGD

**Key Highlights:**

- Turnover for 1Q2003 increased \$33.7m or 36.3% to \$126.7m (1Q2002: \$93.0m). PBT climbed 19.6% to \$10.9m (1Q2002: \$9.1m). EBITDA increased 34.9% to \$15.7m over the same period last year.
- Results were driven by growth from overseas operations despite difficult global economic conditions. Overseas operations in UK, China and Australia now contribute 56.0% of Group turnover (1Q2002: 31.2%).

*“As part of our strategy to be an integrated food company with an international presence, we have transformed SFI from a Singapore-centric corporation to a much more international corporation with multi-domestic characteristics. Sales from overseas operations, which currently span the UK, China and Australia, now account for more than half of Group turnover.” said Mr Peter Tay, President & CEO*

- UK operations grew 179.4% or \$40.0m to \$61.8m, contributing 48.7% of Group turnover and \$4.0m or 36.4% of Group PBT.
  - Profitability at International Cuisine Limited (ICL) improved 98.3% to \$1.4m from higher sales and improved margins.
  - S Daniels' achieved \$3.0m in profits (\$2.5m after goodwill charge) on back of \$36.2m sales.
  - Positive full-year results are expected from S Daniels despite outlook that business in London and to the airline industry will remain difficult. Summer months (Q2 and Q3) will see growth of New Covent Garden soup sales

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slowing down while Johnson's juices, cut-fruits and added-value drinks will do better.

- Performance of China and Australian subsidiaries was flat in 1Q2003, but improvements expected from new product launches in the China market while seafood operations will improve from better catches.
- In Singapore, the Catering Contract with the Singapore Armed Forces (SAF) was renewed for another five years.
- Since the outbreak of the Severe Acute Respiratory Syndrome (SARS) in Singapore, Food Distribution sales to wet markets, supermarkets and sales through its online grocery-store ([www.e-mart.com.sg](http://www.e-mart.com.sg)) have increased as consumers avoid crowded places including restaurants, and stayed at home.

*“In spite of the ongoing difficult environment, we delivered a strong first quarter performance driven by our overseas businesses which will continue to fuel our growth”, said Mr Peter Tay, President & CEO.*

*He added: “Prevailing business conditions are expected to deteriorate further but, given the uncertainty, the degree of deterioration is difficult to assess at this juncture. Subject to the economic conditions in the key markets that the Group operates in not being significantly worse off, the outlook for FY2003 is for growth in earnings over FY2002.”*

*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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