



Strong Performance from Daniels Boosts SFI Profits by 5 per cent

Financial Highlights			
	1Q2005	1Q2004 (restated)	% Δ
Turnover (\$'m)	144.8	138.8	4.3
EBITDA (\$'m)	19.3	17.2	12.3
Profit Before Tax (PBT) (\$'m)	13.2	12.3	7.5
Profit After Tax and Minority Interest (PATMI) (\$'m)	9.2	8.8	5.0
Earnings Per Share (cents)	1.8	1.7	4.2

* all currencies are in Singapore Dollars

Key Highlights

- Turnover for the first quarter of 2005 (1Q2005) grew 4.3% to \$144.8m. This was led by strong growth from operations in UK/Europe and Australia. EBITDA grew 12.3% to \$19.3m while PBT grew 7.5% to \$13.2m in 1Q2005. Net earnings grew 5.0% to \$9.2 million.
- Turnover from overseas operations grew 14.1% to \$87.5m and accounted for 60.4% of Group turnover. Overseas EBITDA grew 20.0% to \$9.2m, contributing 47.6% of Group EBITDA. Overseas PBT grew 5.5% to \$4.4m, representing 33.0% of Group PBT.

“In the UK, our strategy to focus on selected categories in the £12 billion (\$36 billion) chilled foods sector has proven to be well-founded. Out of the top 20 categories, only four grew at double-digits in 2004. SFI operates in these same four higher growth categories, namely chilled ready meals, fresh prepared fruit, fresh fruit juices and fresh soup”, said Mr Peter Tay, President & CEO.

- In the UK, Daniels sales for the quarter grew 17.3% to \$49.9m and profitability increased 42.7% to \$4.7m due to excellent soup performance and savings in goodwill amortisation no longer required under the new Accounting Standards. New Covent Garden soup continued to be the market leading fresh soup brand.
- During the quarter, Daniels commissioned its new juice production facility in Headcorn, which currently houses two other manufacturing activities. Daniels also consolidated all its distribution activities into one site in Peterborough. These consolidations into new and improved facilities will underpin growth of Daniels’ core businesses as well as deliver operational efficiencies in the coming years.

Mr Tay added, “We are pleased that the \$40m invested in new state-of-the-art production facilities for Daniels in 2004 are delivering growth for the company. These new facilities have significantly increased our production capacities and have also enabled us to meet the stringent requirements of major retail multiples for own label manufacturing business”.

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- For FY2005, Daniels is expected to continue to deliver growth in all its core product categories of soup, juice, drinks and prepared fruit. ICL also expects to perform better in FY2005 than FY2004.
- Profits from Singapore operations grew 8.5% to \$8.8m, despite lower sales during the quarter, as a result of lower expenses and improved raw material prices. For FY2005, Food Distribution and Abattoir and Hog Auction are expected to perform better than FY2004.

“Based on current prospects, our outlook for FY2005 is for growth in earnings over FY2004”.
said Mr Tay.

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

About Singapore Food Industries

Singapore Food Industries is the only fully integrated food logistics and catering supplier in Singapore. It has significant operations in the United Kingdom, Rep of Ireland, China and Australia, which together contributes 58.6 per cent to Group turnover. Headquartered in Singapore, SFI's three core businesses are Food Distribution, Food Preparation, Manufacturing and Processing, and Abattoir and Hog Auction. In FY2004, SFI achieved profit after tax of \$35.0 million on turnover of \$596.5million. For more information, please visit www.sfi.com.sg.

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