

## Singapore Food Industries

### Strong Performance from UK and Singapore Operations drives net earnings up 39.6%

Financial Highlights*			
	1Q2007	1Q2006	% Δ
Turnover (\$'m)	172.5	150.0	15.0
Gross Profit (\$'m)	48.5	40.7	19.1
Profit Before Tax (PBT) (\$'m)	14.6	10.8	35.5
Profit After Tax and Minority Interest (PATMI) (\$'m)	9.9	7.1	39.6
Earnings Per Share (cents)	1.9	1.4	38.6

\* all currencies are in Singapore Dollars

#### Key Highlights

- Group turnover for the first quarter of 2007 (vs 1Q2006) grew 15.0% to \$172.5m. PATMI grew at a higher rate of 39.6% to \$9.9m as a result of improved sales and better operating efficiencies.
- Turnover from overseas operations grew 26.4% to \$115.0m and accounted for 66.6% of Group turnover. Overseas PBT grew 33.5% to \$8.1m, representing 55.6% of Group PBT.
- Turnover from Singapore operations declined slightly by 2.6% to \$57.6m, but PBT rose 38.0% to \$6.5m.

***“There were significant improvements in the underlying business performance in both the UK and Singapore operations. Our intent is that both legs of our business should perform and contribute to profit growth,” said Mr. Roger Yeo, CEO.***

- In the UK, Daniels’ sales for the quarter grew 23.5% and PBT increased 35.1%. At International Cuisine Limited, sales grew 23.8%, while PBT grew 66.6%. Farmhouse Fare, which was acquired in October 2006, contributed \$6.4m in sales and \$0.8m in PBT.
- Irish subsidiary, Cresset, reported sales increase of 15.1% for the quarter led by a significant increase in chilled ready meals sales, but incurred a higher loss of \$1.7m due to a substantial decline in ambient product sales and higher operating expenses.
- In Singapore, Food Distribution sales were down by 9.6% while Food Catering sales were higher by 5.9%. Abattoir and Hog Auction revenues were up 17.5% due to higher number of pigs supplied.

**Outlook**

- o The Singapore businesses are in a recovery mode, and the turnaround is expected to continue in the remaining quarters.
- o The overseas operations, as a whole, are expected to continue to do well in the following quarters.
- o Overall, the outlook for FY2007 is for growth in earnings over FY2006

*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, Republic of Ireland, China and Australia, which together contribute 60.0 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 FY2006, SFI achieved PATMI of \$30.2 million on turnover of \$636.9 million. For more information, please visit [www.sfi.com.sg](http://www.sfi.com.sg).*

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**End of Release**

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