

**Revenue grows 11.5% to record \$331.4m in first-half**

	2Q2007	2Q2006	+/(-)%	1H2007	1H2006	+/(-)%
Turnover (\$'m)	158.9	147.2	7.9	331.4	297.2	11.5
Profit Before Tax (PBT) (\$'m)	8.7	9.7	(10.3)	23.3	20.4	13.9
Profit After Tax and Minority Interest (PATMI) (\$'m)	4.2	7.0	(40.1)	14.1	14.1	-
Earnings Per Share (cents)	0.8	1.4	(40.5)	2.7	2.8	(0.6)

	2Q2007	2Q2006	+/(-)%	1H2007	1H2006	+/(-)%
Overseas Turnover (\$'m)	102.7	87.5	17.4	217.7	178.5	22.0
Overseas PBT (\$'m)	3.1	2.7	17.4	11.2	8.7	28.6

*\* all currencies in SGD*

**Key Highlights**

- Turnover for the 1<sup>st</sup> half of 2007 grew 11.5% to \$331.4m while PBT was up by 13.9% to \$23.3m. However, after-tax profit was flat at \$14.1m due to higher tax provisions and minority interests.
- Turnover from overseas operations continued to grow strongly at 22.0% to \$217.7m for the 1<sup>st</sup> half. Overseas profit before tax (PBT) also grew 28.6% to \$11.2m, helped by a one-off gain in the Australian operations. Overall, for the 1<sup>st</sup> half of 2007, overseas operations accounted for 65.7% of SFI group turnover and 48.3% of group PBT.
- Sales in Singapore were down by 4.2% to \$113.7m for the 1<sup>st</sup> half following lower sales from Food Distribution. However, PBT from Singapore operations was up 2.9% to \$12.0m as a result of better performance from the Abattoir and Hog Auction operations.

**UK/Europe Operations**

- In the UK, Daniels' sales for the 1<sup>st</sup> half grew 18.9% or \$19.1m. PBT was 13.4% or \$1.0m higher due to higher sales. Sales at International Cuisine Limited grew 20.9% or \$10.4m in the 1<sup>st</sup> half, while PBT increased \$1.2m on the back of higher sales of chilled ready meals and better operating efficiencies.
- Farmhouse Fare, which was acquired in October 2006, reported sales of \$11.3m and contributed PBT of \$0.9m in the 1<sup>st</sup> half, which included a provisional charge of \$1.0m for amortisation of intangibles relating to its acquisition.
- Irish subsidiary, Cresset, reported sales increase of 9.8% or \$1.1m for the 1<sup>st</sup> half, but suffered a loss of \$4.3m which included \$0.9m in business restructuring costs.

## **Singapore Operations**

- In Singapore, Food Distribution sales were down by \$7.0m while Food Catering sales were comparable to the year before. Abattoir and Hog Auction revenues were up \$2.1m due to higher number of pigs supplied.

*“1<sup>st</sup> half performance was affected by a difficult 2<sup>nd</sup> quarter. April temperatures in the UK were the highest on record with mean temperatures 2 to 3 degrees above average. The early onset of warm weather had an adverse impact on soup sales. In addition, a number of one-off charges and adjustments were made during the 2<sup>nd</sup> quarter,” said Mr Roger Yeo, CEO.*

## **Outlook**

- Overall, we expect better earnings for FY2007.

*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 contribute 65.0 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 profit after tax and minority interest of \$30.2 million on turnover of \$636.9million. For more information, please visit [www.sfi.com.sg](http://www.sfi.com.sg).*

~~~~

## **End of Release**

For enquiries, please contact:

Ms Sim Sui Sen  
Senior Executive  
Investor Relations  
Singapore Food Industries Limited  
Tel : (65) 68700269  
Fax : (65) 67762088