



Group pre-tax profit grows 23.5 per cent in 1Q2008

Financial Highlights*			
	1Q2008	1Q2007	% Δ
Turnover (S\$m)	176.4	172.5	2.2
Gross Profit (S\$m)	47.5	48.6	(2.2)
Profit Before Tax (PBT) (S\$m)	18.1	14.6	23.5
Profit After Tax and Minority Interest (PATMI) (S\$m)	12.9	9.9	29.7
Earnings Per Share (cents)	2.5	1.9	29.3

* All numbers here includes several one offs items which are in our presentation slides available on our website.

Key Highlights

- Group turnover for the first quarter of 2008 (vs 1Q2007) grew 2.2% to \$176.4m. PBT was 23.5% higher to \$18.1m as a result of improved performance in Singapore and one-off gains.
- Turnover from Singapore operations registered a growth of 13.1% to \$65.1m, and PBT rose 14.4% to \$7.5m.
- Turnover from UK/Europe operations registered a drop of 4.6% to \$101.0m and PBT was 13.5% lower at \$7.2m, mainly due to the 7.7% appreciation of the Singapore dollar vis-à-vis the Pound Sterling which had a negative \$0.9m impact on earnings. In pound terms, the UK/Europe operations registered a 3.4% increase in sales, with profits slightly lower by 2.8%.

“Both the Singapore and UK operations delivered improvements in their underlying business performance. However, the strong Singapore Dollar had an adverse impact when translating the Pound Sterling results of our UK operations into Singapore Dollars,” said Mr Roger Yeo, CEO.

- In Singapore, Food Distribution sales were up by 10.8% while Food Catering sales were higher by 14.9%. Abattoir and Hog Auction revenues were up 20.8%.
- In the UK, Daniels' sales for the first quarter grew 7.6% in pound terms while International Cuisine Limited, sales were 3.9% lower. Farmhouse Fare sales saw a drop of 8.7% and Irish subsidiary, Cresset, also attained lower sales for the quarter.
- In other overseas operations, sales grew 12.4%. Australian operations benefited from a one-off net gain of \$3.7m following the receipt of a government grant.

Outlook

- o The successful renewal of our key catering contract in Singapore is a positive development. The catering business will face cost pressure on raw materials and labour but this is somewhat mitigated by a price adjustment mechanism under the contract with our key customer. On the whole, performance in Singapore is expected to remain positive.
- o UK operations are expected to continue to do well in the local currency (£) terms.
- o Overall, the outlook for FY2008 is for growth in earnings over 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 over 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 FY2007, SFI achieved profit after tax and minority interests of \$31.4 million on turnover of \$714.9 million. For more information, please visit www.sfi.com.sg.

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