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Singapore Food Industries' pre-tax profit grew by 12.0 per cent for the full year on the back of a 12.2 per cent growth in sales.

Recommends final tax-exempt (one-tier) dividend of 3.2 cents per share.

	Financial Highlights					
	4Q2007	4Q2006	% Δ	FY2007	FY2006	% Δ
Turnover (\$'m)	221.5	196.8	12.6	714.9	636.9	12.2
EBITDA (\$'m)	25.1	23.6	6.3	74.2	65.3	13.7
Profit Before Tax (PBT) (\$'m)	17.9	16.8	7.0	48.6	43.4	12.0
Profit After Tax and Minority Interests (PATMI) (\$'m)	11.8	11.8	(0.1)	31.4	30.2	3.9
Earnings Per Share (cents)	2.3	2.3	(0.3)	6.1	5.9	3.3

* all currencies in SGD

Highlights

Singapore Operations

- Overall Singapore sales grew 9.3 per cent for the year, led by a strong fourth quarter sales growth of 24.8 per cent. PBT of underlying businesses grew 12.2 per cent, though actual PBT was lower because of a one-off charge relating to the fair value of a financial guarantee of \$2.6 million.
- Food Distribution sales increased by 8.6 per cent to \$138.0 million. This was led by a very strong second half, which saw sales increase by 30.8% versus same period last year.
- Food Catering sales improved by 6.8 per cent, benefiting from higher consumption and a price increase with the key customer. A three-year extension of a contract to supply retorted ready meals to a Middle-east customer was also made during the year.
- Revenue in the Abattoir and Hog Auction operations rose by 26.0 per cent to \$21.3 million following an improvement in pig supply during the year.

“During the year, we recovered a major agency line for frozen poultry and pork products and this has been positive for our Food Distribution business. Indeed, I am pleased to note that the growth in the Food Distribution business has come about from the strong sales growth in the second half of the year in our identified core products of imported meats,” said Mr. Roger Yeo, CEO of SFI.

UK/Europe Operations

- Overseas growth in 2007 was driven by SFI's UK/Europe businesses. Sales grew 14.4 per cent to \$423.3 million and PBT increased 11.6 per cent to \$22.0 million.
- In the UK, full year sales in Daniels' core businesses of fresh soup, chilled juices, and prepared fruits increased 14.6 per cent to \$266.0 million, while PBT was up 23.9 per cent to \$22.2 million.
- ICL's sales of chilled ready meals grew 11.9 per cent to \$122.7 million, while PBT increased by 28.6 per cent to \$7.7 million.
- Farmhouse Fare, a producer of high quality traditional British desserts that was acquired at the end of October 2006, contributed \$26.7 million to group turnover and achieved PBT of \$1.5 million before amortisation charge of \$2 million.

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- Sales in Irish subsidiary, Cresset, was slightly higher at \$25.7 million, but incurred a loss of \$7.3 million.

“Our UK operations had another strong year despite having to contend with significant material cost increases. Growth in the UK/Europe operations maintained pace with Singapore operations, and now account for 59.2 per cent of group turnover and 45.3 per cent of group PBT,” added Mr. Yeo.

Final Tax-exempt (one-tier) Dividend of 3.2 cents Per Share Proposed

A final tax-exempt (one-tier) dividend of 3.2 cents per share will be proposed for shareholders' approval at the coming Annual General Meeting on 22 April 2008 and if approved, will be paid on 12 June 2008. Including the interim net dividend of 1.8 cents paid on 22 January 2008, the total net dividend in respect of FY2007 comes to 5.0 cents per share. (FY2006: 4.96 cents net per share). The total dividend payout will amount to \$25.8 million and represents 82 per cent of PATMI for 2007.

Summing up, Mr. Yeo said, “Singapore operations had a very strong second half in 2007, and this has provided a strong momentum for us going into 2008. UK/Europe operations have also done well in 2007 despite the substantial increase in raw material costs and a difficult year at Cresset. Subject to the renewal of the key contract in the catering division, we expect FY2008 to be better than 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 also has significant operations in the United Kingdom, Rep of Ireland, China and Australia, which together contribute 65.5 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 PATMI of \$31.4 million on turnover of \$714.9 million. For more information, please visit www.sfi.com.sg.

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