



**For Immediate Release**  
**8 August, 2007**

**FOOD EMPIRE'S HALF-YEAR PROFIT UP  
 ON BROAD BASED SALES GROWTH**

**Singapore 8 August, 2007** – Strong sales growth in all its key markets has driven Mainboard listed Food Empire Holding's half-year profit to \$15.1 million.

**Highlights**

	<b>1HFY07 - S\$'000</b>	<b>1HFY06 - \$'000</b>	<b>% Change</b>
Revenue	123,411	104,289	18.3
Profit Before tax	16,263	14,819	9.7
Profit After Tax	15,092	13,841	9.0
EPS Fully Diluted (cents)	3.41	3.51	(2.8)
	<b>As at 30/06/2007</b>	<b>As at 31/12/06</b>	<b>% Change</b>
NAV per share (cents)	33.78	32.11	5.2

Group revenue rose by 18.3% from S\$104.3 million in 1HFY06 to S\$123.4 million in 1HFY07. Sales in the Group's largest market Russia jumped 20.1% as its flagship brand MacCoffee continued to attract new consumers. Representing 58.6% of the Group's revenue, sales to Russia increased from S\$60.2 million to S\$72.3 million.

Sales to Eastern Europe and Central Asia increased by 15% from S\$37.7 million to S\$43.4 million, or 35.2% of the Group's revenue.

In the first half of 2007, the Group launched a series of successful branding activities including sponsorship of the European Figure Skating Championship in Poland and the Kracks-Europa Plus Beach Party in Russia. This has helped to improve the sales performance of the Group.

Revenue from all other markets increased by 21.8% to S\$7.7 million with the Group enjoying strong revenue growth in Europe. While Russia and Eastern Europe

contributed the vast bulk of sales, the Group continues to develop its smaller and newer markets.

### Geographical Analysis

	<b>Group (S\$'000)</b>	<b>Group (S\$'000)</b>	
<b>Revenue</b>	<b>1H 2007</b>	<b>1H 2006</b>	<b>% change</b>
<b>Russia</b>	72,271	60,194	20.1
<b>Eastern Europe and Central Asia</b>	43,411	37,749	15.0
<b>Others</b>	7,729	6,346	21.8
<b>Total</b>	123,411	104,289	18.3

The sales growth helped drive profit after taxation to a record level of S\$15.1 million in 1HFY07.

The Group ended 1HFY07 with a strong balance sheet with net assets of S\$147.2 million.

The Group Chairman and Managing Director, Mr Tan Wang Cheow said the Group continued to benefit from the strong Russian and Eastern European economies.

“Food Empire operates in some of the fastest growing and most dynamic markets in the world. With economic growth has come increased consumer spending power, which in turn drives demand for our coffee products and our other product lines.”

“Our focused branding efforts continue to deepen the loyalty our customers have for our products. Because of the power of our brands we have been able to grow our sales volume, while at the same time commanding a better price.”

“As our markets cover an enormous geographical area, we are continuing to expand our distribution network to bring the MacCoffee experience to even more consumers,” Mr Tan said.

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### ***About Food Empire Holdings***

SGX Mainboard-listed Food Empire Holdings is a leading food and beverage company that manufactures and markets instant beverage products, frozen convenience food, confectionery and snack food.

Food Empire Holdings' products are exported to over 50 countries in markets such as Russia, Eastern Europe, Central Asia, China, Indochina and the US. The Group has offices established worldwide including Russia, Eastern Europe and Central Asia.

The Group's core products include a wide variety of regular and flavoured coffee mixes and cappuccinos, instant chocolate, instant breakfast cereal and flavoured fruit teas. Food Empire also markets a refreshing range of confectionery, snack food such as dried calamari and potato crisps and a delectable assortment of frozen convenience food that includes Asian delicacies.

Food Empire has more than 250 types of products under its own brands including MacCoffee, Klassno, Hyson, FesAroma, OrienBites, MacCandy, Zinties and Kracks. MacCoffee, the group's flagship brand, has been consistently rated as a market leader over the past few years and was recently ranked among the top three most popular instant 3-in-1 coffee brands in the group's core markets including Russia, Eastern Europe and Central Asia.

The Group has won numerous accolades and awards including being ranked one of "The Most Valuable Singapore Brands" in 2003, 2004, 2005 and 2006 at the national brand award organised by IE Singapore. MacCoffee was ranked one of "The Strongest Singapore Brands".

***For more information on Food Empire, please visit [www.foodempire.com](http://www.foodempire.com).***