



For Immediate Release
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40.7% JUMP IN REVENUE SENDS FOOD EMPIRE'S 1H PROFIT TO AN ALL TIME HIGH

Singapore August 12, 2008 – Mainboard listed Food Empire Holdings Limited (Group) – a leading food and beverage manufacturing company – today announced a record first half profit of US\$11.6 million - a 17.7% increase on the corresponding period in 2007. Group revenue rose by 40.7% from US\$80.8 million in 1H 2007 to US\$113.7 million in 1H 2008.

Highlights

	1H 2008 US\$'000	1H 2007 US\$'000	% Change
Revenue	113,712	80,797	40.7
Profit after Tax and Minority Interests	11,626	9,881	17.7
	As at 30/06/08	As at 31/12/07	% Change
EPS Fully Diluted (US cents)	2.19	1.86	17.7
NAV per share (US cents)	21.79	20.74	5.1

Sales in each of the Group's key markets improved strongly during the first half of 2008. Revenue was boosted by price adjustments as well as increased sales volume.

The Group Chairman and Managing Director, Mr Tan Wang Cheow said, "Our team had to respond to high commodity prices and currency fluctuations in order to achieve this good half year result. While the economic conditions were challenging, we kept our focus on doing what we do best – growing powerful brands."

Food Empire continued to invest in brand building activities. Advertising and promotional expenditure in 1H 2008 was increased to reinforce the launch of new product packaging in Ukraine, Kazakhstan and Russia.

Geographical Analysis

	1H 2008	1H 2007	% change
Russia	66,116	47,316	39.7
Eastern Europe and Central Asia	39,518	28,421	39.0
Other Markets	8,078	5,060	59.6
Total	113,712	80,797	40.7

Russia accounted for the majority of the Group's revenue (58.1%) while Eastern Europe and Central Asia is the second largest market (34.8%). Other markets contributed 7.1% of the revenue.

Organic growth of MacCoffee and other branded product lines including revenue contribution from Petrovskaya Sloboda products drove the top line to an overall growth of 40.7% from US\$80.8 million in 1H 2007 to US\$113.7 million in 1 H 2008.

The Group continued to have a strong balance sheet with low gearing and net assets of US\$115.3 million.

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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 59 countries in markets such as Russia, Eastern Europe, Central Asia, China, Indochina and the US. The Group has 18 representative and liaison offices in 18 countries including Russia, Ukraine, Kazakhstan, Uzbekistan, Iran, Poland, Turkey, Belgium, Mongolia and Vietnam.

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 400 types of products under its own brands including MacCoffee, Klassno, Hyson, FesAroma, Bésame, 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, Ukraine and Kazakhstan.

The company 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 also ranked one of "The Strongest Singapore Brands" and was conferred SuperBrand status in Russia in 2006. In 2005, Food Empire Holdings was awarded the coveted Star Packaging Award for innovative design and packaging of Zinties Ice Breeze Breath Strips and OrienBites Dim Sum Pack. In 2007, Food Empire Holdings was the official sponsor of the ISU European Figure Skating Championship, held in Warsaw, Poland.

For more information on Food Empire, please visit <http://www.foodempire.com>