



FOOD EMPIRE'S PROFITS RISE BY 91%

Group delivers a robust Profit after Taxation of US\$8.0 million

November 9, 2012 [Singapore] – Mainboard listed Food Empire Holdings Limited (the Group) – a global branding company in the food and beverage sector – today announced its financial results for the third quarter 2012.

Revenue for the third quarter was US\$58.5 million, an increase of 5.5% compared to the same period in 2011. The Group's profit after tax increased from US\$4.2 million to US\$8.0 million, a 91% increase over Q3 2011.

The improvement in performance was mainly due to the following reasons: -

- 1) Higher average selling prices of its products in its key markets.
- 2) Foreign exchange gain of US\$289,000 in Q3 2012, compared to a loss of US\$375,000 in the corresponding quarter of 2011 as a result of the weakening US dollar.
- 3) Share of associates' profits also saw a turnaround from a loss of US\$963K in Q3 2011 to US\$558K in profits for Q3 2012.

In Q3 2012, sales of the Group's largest market, Russia, rose by 3.5% to US\$33.9 million. In the Eastern Europe and Central Asia sales rose by 6.4% to US\$18.6 million, while Other Markets grew their sales by 15.4%, with Asia and the Middle East being the largest contributors of sales.

The Group finished the third quarter with a strong balance sheet with net assets of US\$157.1 million, including US\$42.9 million in cash and cash equivalents as at 30 September 2012.

The Group's cashflow generation has improved substantially compared to a year ago, with net cash from operations of US\$6.8 million during the third quarter of 2012, compared to US\$3.7 million for the same quarter last year.

The Group Executive Chairman, Mr. Tan Wang Cheow said: "The strong third quarter was the result of many factors – all of which worked in our favour. Foreign exchange gains as well as stable commodity prices allowed us to focus on what we do best – growing our brands."

###

Contact:

Matthew Shaw
Rubicon Consulting
+65 6465 3029
+65 9851 9340
matthew@rubicon.com.sg

Jason Lim
Food Empire Holdings Limited
+65 6744 8977
+65 6622 6900
jasonlim@foodempire.com

About Food Empire Holdings

SGX Mainboard-listed Food Empire Holdings (Food Empire) is global branding and manufacturing company in the food and beverage sector. Its products include instant beverage products, frozen convenience food, confectionery and snack food.

Food Empire's products are exported to over 60 countries in markets such as Russia, Ukraine, Kazakhstan, Central Asia, China, Indochina, the Middle East, Mongolia and the US. The Group has 17 offices (representative and liaison) - Russia, Ukraine, Kazakhstan, Uzbekistan, Iran, Poland, UAE, Mongolia and Vietnam. The Group operates five manufacturing facilities in Singapore, Russia, Ukraine, Malaysia and Vietnam.

Food Empire's products include a wide variety of beverages including regular and flavoured coffee mixes and cappuccinos, chocolate drinks and flavoured fruit teas. It also markets a range of food products including instant breakfast cereal, confectionery, snack products and frozen foods.

Food Empire's strength lies in its proprietary brands - including MacCoffee, Petrovskaya Sloboda, Klassno, Hyson, OrienBites and Kracks. MacCoffee - the Group's flagship brand - has been consistently ranked as the leading 3-in1 instant coffee brand in the Group's core market of Russia, Ukraine and Kazakhstan. The Group employs sophisticated brand building activities, localized to match the flavor of the local markets in which its products are sold.

Since its public listing in 2000, Food Empire has won numerous accolades including being selected as one of the "Most Valuable Singapore Brands", ranked as one of "The Strongest Singapore Brands" and has been named one of the "Best under a Billion" companies in Asia by Forbes Magazine.