



Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".

FOOD EMPIRE HOLDINGS LIMITED

(Co Registration No: 200001282G)

Third Quarter and First Nine Months Financial Statement And Dividend Announcement for the Period Ended 30 September 2007

PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Jul - Sept 2007 (S\$'000)	Group Jul - Sept 2006 (S\$'000)	Increase/ (Decrease) %	Group Jan - Sept 2007 (S\$'000)	Group Jan - Sept 2006 (S\$'000)	Increase/ (Decrease) %
Revenue	65,670	58,772	11.7%	189,081	163,061	16.0%
Changes in inventories of finished goods	3,757	(6,300)		3,381	6,184	
Raw materials and consumables used	(37,307)	(23,712)	11.8%	(103,371)	(88,749)	21.1%
Staff costs	(7,174)	(5,820)	23.3%	(20,170)	(16,998)	18.7%
Depreciation expenses	(551)	(534)	3.2%	(1,650)	(1,470)	12.2%
Amortization of goodwill	(140)	-	NM	(140)	-	NM
Foreign exchange (loss) / gain	(1,278)	81	NM	(1,252)	(1,547)	-19.1%
Other operating expenses	(13,965)	(12,979)	7.6%	(40,840)	(36,546)	11.7%
Finance costs	(278)	(187)	48.7%	(632)	(262)	141.2%
Other income /(expenses)	380	(22)	NM	681	507	34.3%
Share of (loss)/profit of associated companies	(54)	(5)	NM	235	(67)	NM
Profit from operations before taxation	9,060	9,294	-2.5%	25,323	24,113	5.0%
Taxation	(916)	(709)	29.2%	(2,071)	(2,010)	3.0%
Profit after taxation	8,144	8,585	-5.1%	23,252	22,103	5.2%
Attributable to:						
Shareholders of the Company	8,152	8,539	-4.5%	23,244	22,380	3.9%
Minority interests, net of taxation	(8)	46	NM	8	(277)	NM
Profit after taxation	8,144	8,585	-5.1%	23,252	22,103	5.2%

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group 30/09/2007 (S\$'000)	Group 31/12/2006 (S\$'000)	Company 30/09/2007 (S\$'000)	Company 31/12/2006 (S\$'000)
Non-Current Assets				
Property, plant and equipment (note 1)	15,521	15,416	-	-
Investment properties (note 1)	2,096	2,166	-	-
Investments in subsidiary companies	-	-	12,519	12,519
Investments in associated companies (note 2)	7,895	11,330	-	1,647
Intangible assets (note 3)	23,476	10,244	-	-
Deferred tax assets	1,280	299	-	-
	50,268	39,455	12,519	14,166
Current Assets				
Cash and bank balances	23,196	36,305	101	105
Trade receivables	63,078	59,356	-	-
Prepayments, other deposits and other receivables	12,815	6,236	23	155
Amounts due from subsidiary companies (non-trade)	-	-	54,294	56,117
Amounts due from associated companies (trade)	98	474	-	-
Amounts due from associated companies (non-trade)	4,341	483	-	-
Inventories	42,283	36,433	-	-
	145,811	139,287	54,418	56,377
Current Liabilities				
Trade payables and accruals	(23,017)	(27,851)	(388)	(402)
Bills payable	-	-	-	-
Interest-bearing loans and borrowings	(2,981)	(1,532)	-	(1,532)
Other payables	(1,171)	(94)	-	-
Provision for taxation	(1,378)	(2,335)	(102)	(102)
	(28,547)	(31,812)	(490)	(2,036)
Net Current Assets	117,264	107,475	53,928	54,341
Non-Current Liabilities				
Interest-bearing loans and borrowings	(11,924)	(5,620)	-	(5,620)
Deferred tax liabilities	(2,525)	(631)	-	-
	(14,449)	(6,251)	-	(5,620)
Net Assets	153,083	140,679	66,447	62,887
Equity				
Share capital	62,158	60,622	62,158	60,622
Reserves	90,925	78,180	4,289	2,265
	153,083	138,802	66,447	62,887
Minority interests	-	1,877	-	-
	153,083	140,679	66,447	62,887

Note 1:

Reclassification of Property, plant and equipment as a result of adopting FRS 40 which came into effect on 1 January 2007 and had been applied retrospectively.

Note 2:

The reduction was due to the disposal of an associated company in 3Q 2007.

Note 3:

Included in the intangible assets is an amount of S\$12.5 million (US\$8.4 million) representing the value of the brand name "Petrovskaya Sloboda" which the Group acquired in March 2007.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/09/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
-	2,981	-	1,532

Amount repayable after one year

As at 30/09/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
-	11,924	-	5,620

Details of any collateral

NIL

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3 months ended 30 Sept 2007 S\$'000	3 months ended 30 Sept 2006 S\$'000	9 months ended 30 Sept 2007 S\$'000	9 months ended 30 Sept 2006 S\$'000
Cash flows from operating activities:				
Profit from operations before taxation	9,060	9,294	25,323	24,113
Adjustments for:				
Depreciation of property, plant and equipment	551	534	1,650	1,470
Gain on disposal of property, plant and equipment	(43)	(27)	(25)	(34)
Gain on disposal of investment held for sale	-	-	(1)	-
Loss on disposal of associated company	89	-	89	-
Amortization of goodwill	140	-	140	-
Interest income	(187)	(34)	(462)	(97)
Interest expenses	278	187	632	262
Exchange realignment	(1,302)	(463)	(1,425)	(1,868)
Write back of provision for diminution in value of investment	(143)	-	-	-
Share of losses / (profit) of associated companies	54	5	(235)	67
Value of employees services received for issue of share options	6	61	112	288
Operating profit before working capital changes	8,503	9,557	25,798	24,201

	3 months ended 30 Sept 2007 S\$'000	3 months ended 30 Sept 2006 S\$'000	9 months ended 30 Sept 2007 S\$'000	9 months ended 30 Sept 2006 S\$'000
Cont'd				
Increase in receivables	(4,327)	(12,092)	(10,236)	(16,861)
(Increase) / decrease in inventories	(2,755)	8,644	(5,609)	(1,328)
Increase / (decrease) in payables	5,303	(3,817)	(3,770)	(7,342)
Cash flows from / (used in) operations	6,724	2,292	6,183	(1,330)
Income taxes paid	(788)	(540)	(2,108)	(1,299)
Net cash flows generated / (used) in operating activities	5,936	1,752	4,075	(2,629)
Cash flows from investing activities:				
Interest income received	187	34	462	97
Purchase of property, plant and equipment	(738)	(536)	(1,940)	(4,074)
Proceeds from sales of property, plant and equipment	57	27	108	65
Proceeds from disposal of investment held for sale	-	-	536	-
Investment in associated companies	-	-	(966)	-
Net cash received/ (payment) for acquisition of subsidiaries	(951)	-	(14,255)	-
Acquisition of additional shares in subsidiary	(1,973)	-	(1,973)	-
Proceeds from disposal of associates	4,376	-	4,376	-
Decrease / (increase) in loans to associate companies	652	-	(3,858)	-
Net cash flows generated from / (used in) investing activities	1,610	(475)	(17,510)	(3,912)
Cash flows from financing activities:				
Interest paid	(278)	(187)	(632)	(262)
Proceeds from issuance of shares	241	22,649	1,116	23,170
Dividends paid	-	-	(7,911)	(5,856)
Increase in interest-bearing loans & borrowings and bills payable	(543)	4,025	7,753	12,767
Net cash flows (used in) / generated from financing activities	(580)	26,487	326	29,819
Net increase / (decrease) in cash and cash equivalents	6,966	27,764	(13,109)	23,278
Cash and cash equivalents at beginning of the period	16,230	12,712	36,305	17,198
Cash and cash equivalents at end of the period	23,196	40,476	23,196	40,476

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

Group	Share Capital (S\$'000)	Share Premium (S\$'000)	Foreign Currency Translation Reserve (S\$'000)	Asset Revaluation Reserve (S\$'000)	Share-based payment reserve (S\$'000)	Accumulated profits (S\$'000)	Minority Total Interests (S\$'000)	Total Equity (S\$'000)	
Balance as at 01/01/2006	19,454	17,843	(979)	-	902	62,507	99,727	2,171	101,898
Foreign currency translation differences	-	-	(1,610)	-	-	-	(1,610)	(4)	(1,614)
Net expenses recognised directly in equity	-	-	(1,610)	-	-	-	(1,610)	(4)	(1,614)
Net profit for the period	-	-	-	-	-	7,921	7,921	(180)	7,741
Total recognised income and expenses for the period	-	-	(1,610)	-	-	7,921	6,311	(184)	6,127
Transfer of share premium reserve to share capital	17,843	(17,843)	-	-	-	-	-	-	-
Value of employee services received for issue of share options	-	-	-	-	132	-	132	-	132
Issuance of ordinary shares	119	-	-	-	-	-	119	-	119
Balance as at 31/03/2006	37,416	-	(2,589)	-	1,034	70,428	106,289	1,987	108,276
Foreign currency translation differences	-	-	(1,395)	-	-	-	(1,395)	(34)	(1,429)
Net expenses recognised directly in equity	-	-	(1,395)	-	-	-	(1,395)	(34)	(1,429)
Net profit for the period	-	-	-	-	-	5,920	5,920	(143)	5,777
Total recognised income and expenses for the period	-	-	(1,395)	-	-	5,920	4,525	(177)	4,348
Dividends paid to shareholders of the Company	-	-	-	-	-	(5,856)	(5,856)	-	(5,856)
Value of employee services received for issue of share options	-	-	-	-	95	-	95	-	95
Exercise of share options	105	-	-	-	(105)	-	-	-	-
Issuance of ordinary shares	402	-	-	-	-	-	402	-	402
Balance as at 30/06/2006	37,923	-	(3,984)	-	1,024	70,492	105,455	1,810	107,265
Foreign currency translation differences	-	-	(15)	-	-	-	(15)	(7)	(22)
Net expenses recognised directly in equity	-	-	(15)	-	-	-	(15)	(7)	(22)
Net profit for the period	-	-	-	-	-	8,539	8,539	46	8,585
Total recognised income and expenses for the period	-	-	(15)	-	-	8,539	8,524	39	8,563

	Share Capital (S\$'000)	Share Premium (S\$'000)	Foreign Currency Translation Reserve (S\$'000)	Asset Revaluation Reserve (S\$'000)	Share-based payment reserve (S\$'000)	Accumulated profits (S\$'000)	Total Interests (S\$'000)	Minority Interests (S\$'000)	Total Equity (S\$'000)
Group (Cont'd)									
Value of employee services received for issue of share options	-	-	-	-	61	-	61	-	61
Exercise of shares	50	-	-	-	(50)	-	-	-	-
Issuance of ordinary shares	22,649	-	-	-	-	-	22,649	-	22,649
Balance as at 30/09/2006	60,622	-	(3,999)	-	1,035	79,031	136,689	1,849	138,538

	Share Capital (S\$'000)	Share Premium (S\$'000)	Foreign Currency Translation Reserve (S\$'000)	Asset Revaluation Reserve (S\$'000)	Share-based payment reserve (S\$'000)	Accumulated profits (S\$'000)	Total Interests (S\$'000)	Minority Interests (S\$'000)	Total Equity (S\$'000)
Group (Cont'd)									
Balance as at 01/01/2007	60,622	-	(6,516)	91	1,095	83,510	138,802	1,877	140,679
Foreign currency translation differences	-	-	(722)	-	-	-	(722)	16	(706)
Net expenses recognised directly in equity	-	-	(722)	-	-	-	(722)	16	(706)
Net profit for the period	-	-	-	-	-	8,457	8,457	33	8,490
Total recognised income and expenses for the period	-	-	(722)	-	-	8,457	7,735	49	7,784
Value of employee services received for issue of share options	-	-	-	-	59	-	59	-	59
Exercise of share options	68	-	-	-	(68)	-	-	-	-
Issuance of ordinary shares	160	-	-	-	-	-	160	-	160
Balance as at 31/03/2007	60,850	-	(7,238)	91	1,086	91,967	146,756	1,926	148,682
Foreign currency translation differences	-	-	926	-	-	-	926	19	945
Net income recognised directly in equity	-	-	926	-	-	-	926	19	945
Net profit for the period	-	-	-	-	-	6,635	6,635	(17)	6,618
Total recognised income and expenses for the period	-	-	926	-	-	6,635	7,561	2	7,563
Dividends paid to shareholders of the Company	-	-	-	-	-	(7,911)	(7,911)	-	(7,911)
Value of employee services received for issue of share options	-	-	-	-	47	-	47	-	47
Exercise of share options	210	-	-	-	(210)	-	-	-	-
Issuance of ordinary shares	715	-	-	-	-	-	715	-	715
Balance as at 30/06/2007	61,775	-	(6,312)	91	923	90,691	147,168	1,928	149,096
Foreign currency translation differences	-	-	(2,484)	-	-	-	(2,484)	-	(2,484)
Net income recognised directly in equity	-	-	(2,484)	-	-	-	(2,484)	-	(2,484)

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Asset Revaluation Reserve	Share-based payment reserve	Accumulated profits	Minority Total Interests	Total Equity	
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
Group (Cont'd)									
Net profit for the period	-	-	-	-	-	8,152	8,152	(8)	8,144
Total recognised income and expenses for the period	-	-	(2,484)	-	-	8,152	5,668	(8)	5,660
Acquisition of Minority Interest	-	-	-	-	-	-	-	(1,920)	(1,920)
Value of employee services received for issue of share options	-	-	-	-	6	-	6	-	6
Exercise of share options	142	-	-	-	(142)	-	-	-	-
Issuance of ordinary shares	241	-	-	-	-	-	241	-	241
Balance as at 30/09/2007	62,158	-	(8,796)	91	787	98,843	153,083	-	153,083

	Share Capital	Share Premium	Share-based payment reserve	Accumulated profits	Total Equity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Company					
Balance as at 01/01/2006	19,454	17,843	902	3,998	42,197
Net loss for the period	-	-	-	(15)	(15)
Total recognised expenses for the period	-	-	-	(15)	(15)
Transfer of share premium reserve to share capital	17,843	(17,843)	-	-	-
Value of employee services received for issue of share options	-	-	132	-	132
Issuance of ordinary shares	119	-	-	-	119
Balance as at 31/03/2006	37,416	-	1,034	3,983	42,433
Net profit for the period	-	-	-	2,318	2,318
Total recognized income for the period	-	-	-	2,318	2,318
Dividends paid to shareholders of the Company	-	-	-	(5,856)	(5,856)
Transfer of share premium reserve to share capital	-	-	95	-	95
Value of employee services received for issue of share options	105	-	(105)	-	-
Issuance of ordinary shares	402	-	-	-	402
Balance as at 30/06/2006	37,923	-	1,024	445	39,392
Net profit for the period	-	-	-	16	16
Total recognized income for the period	-	-	-	16	16
Value of employee services received for issue of share options	-	-	61	-	61
Exercise of share options	50	-	(50)	-	-
Issuance of ordinary shares	22,649	-	-	-	22,649
Balance as at 30/09/2006	60,622	-	1,035	461	62,118

Company (Cont'd)	Share Capital (S\$'000)	Share Premium (S\$'000)	Share-based payment reserve (S\$'000)	Accumulated profits (S\$'000)	Total Equity (S\$'000)
Balance as at 01/01/2007	60,622	-	1,095	1,170	62,887
Net profit for the period	-	-	-	7,754	7,754
Total recognised income for the period	-	-	-	7,754	7,754
Value of employee services received for issue of share options	-	-	59	-	59
Exercise of share options	68	-	(68)	-	-
Issuance of ordinary shares	160	-	-	-	160
Balance as at 31/03/2007	60,850	-	1,086	8,924	70,860
Net profit for the period	-	-	-	83	83
Total recognised income for the period	-	-	-	83	83
Dividends paid	-	-	-	(7,911)	(7,911)
Value of employee services received for issue of share options	-	-	47	-	47
Exercise of share options	210	-	(210)	-	-
Issuance of ordinary shares	715	-	-	-	715
Balance as at 30/06/2007	61,775	-	923	1,096	63,794
Net profit for the period	-	-	-	2,406	2,406
Total recognised income for the period	-	-	-	2,406	2,406
Value of employee services received for issue of share options	-	-	6	-	6
Exercise of share options	142	-	(142)	-	-
Issuance of ordinary shares	241	-	-	-	241
Balance as at 31/09/2007	62,158	-	787	3,502	66,447

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the quarter ended 30 September 2007, 945,000 (2006: 1,530,000) new ordinary shares were allotted and issued pursuant to the exercise of options granted under the Food Empire Share Option Scheme (the "Option Scheme").

As at 30 September 2007, options to subscribe to a total of 8,560,000 ordinary shares were outstanding under the Option Scheme. As at 30 September 2006, there were unexercised options for 13,555,000 of unissued ordinary shares of the Company under the Option Scheme.

	Number of options outstanding at 30.06.2007	Number of options granted during the financial period	Number of options lapsed during the financial period	Number of options exercised during the financial period	Number of options outstanding at 30.09.2007	Exercise price per share \$	Exercise period
2002 Options	2,000,000	-	-	(185,000)	1,815,000	0.17	14 March 2004 to 13 March 2012
2003 Options	100,000	-	-	-	100,000	0.27	4 June 2005 to 13 March 2012
2004 Options	240,000	-	-	-	240,000	0.275	25 May 2006 to 24 May 2009
2004 Options	7,295,000	-	(130,000)	(760,000)	6,405,000	0.275	25 May 2006 to 24 May 2014
	<u>9,635,000</u>	<u>-</u>	<u>(130,000)</u>	<u>(945,000)</u>	<u>8,560,000</u>		

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures were unaudited and were not reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2006 have been applied in the preparation for this financial statements except that the Group had adopted new/revised Financial Reporting Standards (FRSs) which came into effect on 1 January 2007.

The adoption of these new FRS had no material impact to the performance of the Group.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group 3 months ended 30/09/2007	Group 3 months ended 30/09/2006	Group 9 months ended 30/09/2007	Group 9 months ended 30/09/2006
Earnings per share				
(i) Based on existing issued share capital (cents)	1.87	2.13	5.35	5.69
(ii) On a fully diluted basis (cents)	1.84	2.11	5.25	5.60
Weighted average number of shares table				
	Group 3 months ended 30/09/2007	Group 3 months ended 30/09/2006	Group 9 months ended 30/09/2007	Group 9 months ended 30/09/2006
Earnings per share				
Weighted average number of shares for calculation of basic EPS	436,536,848	400,114,021	434,404,799	393,399,669
Weighted average number of shares for calculation of diluted EPS	442,904,414	405,166,285	442,552,956	399,378,273

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group	Group	Company	Company
	30/09/2007	31/12/2006	30/09/2007	31/12/2006
Net asset value per ordinary share (cents)	35.06	32.11	15.22	14.55

The net assets value per ordinary share is calculated based on the number of ordinary shares issued of 436,675,000 (31 Dec 2006: 432,315,000) shares of the Company as at 30 Sept 2007.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group continued to grow its revenue across all its markets in Q3 FY2007 by 11.7% resulting in a profit after tax and minority interests of S\$8.2million.

Revenue by Region (S\$'000)

	3Q 07	3Q 06	% change	9M07	9M06	% change
Russia	36,475	33,786	8.0	108,746	93,980	15.7%
Eastern Europe and Central Asia	24,111	21,874	10.3	67,522	59,623	13.2%
Other Markets	5,084	3,112	63.4	12,813	9,458	35.5%
Total	65,670	58,772	11.7	189,081	163,061	16.0%

Revenue from Russia increased by 8.0% compared to the corresponding quarter in 2006 due mainly to the Group's focused expansion of its distribution network which pushed the Group's products out across a wider geographical area. Effective branding activities have resulted in the Group's beverage products continuing to sell well in Russia, particularly the MacCoffee branded products.

Sales from Eastern Europe and Central Asia were up by S\$2.2 million to S\$24.1 million – an increase of 10.3% compared to the corresponding quarter in 2006. This was due mainly to successful advertising campaigns and marketing activities.

Revenue from Other Markets increased by 63.4% to S\$5.1 million in Q3 FY2007. This was mainly the result of increased demand from the Middle East.

In Q3 FY2007, the geographical distribution of the Group's revenue was as follows: Russia (55.5%), Eastern Europe and Central Asia (36.8%) and Other Markets (7.7%).

The Group is in the process of integrating the recently acquired Petrovskaya Sloboda brand with its existing operations. As a result, the Petrovskaya Sloboda brand has begun to positively contribute to the Group's revenue.

Profitability

In Q3 FY2007 the Group's profit after taxation and minority interests was S\$8.2 million, down S\$0.3 million compared to the corresponding quarter in 2006. The Group was affected by a weaker US dollar resulting in a foreign exchange loss of S\$1.3 million during the quarter.

Other operating expenses rose by 7.6% primarily due to increased advertising and promotional activities in preparation for the European winter months.

The Group's factory in Russia is fully operational, so consequently staff costs associated with are higher than a year ago. Another factor which impacted on staff costs was an adjustment of salaries to bring them in line with current market rates.

Currency fluctuations have affected the Group's results as the vast majority of its transactions are in US dollars and its reporting currency is in Singapore dollars. If the Group's performance for the nine months ended September 2007 were reported in US dollars, the Group's revenue would have increased by 22.2% and the profit after tax and minority interests would have been up by 9.4%.

Balance Sheet & Cash Flow

The Group continues to have a strong balance sheet with net assets of S\$153.1 million as at 30 September 2007, compared to \$140.7 million as at 31 December 2006. The Group's cash and bank balances stood at S\$23.2 million as at 30 September 2007.

The Group's net cash flow generated from operations improved substantially from S\$1.8 million in Q3 2006 to S\$5.9 million in Q3 2007.

Net asset value per share increased from 32.11 cents as at 31 December 2006 to 35.06 cents as at 30 September 2007.

- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's performance may be affected by the following factors:

- The possibility of changes in regulatory policies in developing markets;
- Fluctuations in the cost of raw materials;
- Foreign exchange fluctuations; and
- Competitive market conditions.

The Group continues to pursue strategies to minimise any potential impact of the above factors. The Group will continue with its brand building activities and the expansion of its distribution network.

- 11. Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

- 12. If no dividend have been declared/recommended, a statement to that effect.**

Not applicable.

13. Confirmation by the Board

We, Tan Wang Cheow and Sudeep Nair, being two Directors of Food Empire Holdings Limited (the “Company”), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing material has come to the attention of the Board of Directors of the Company which may render the financial results for the 3 months financial period ended on 30 September 2007 to be false or misleading.

On behalf of the Board of Directors

Tan Wang Cheow
Director

Sudeep Nair
Director

BY ORDER OF THE BOARD

Tan San-Ju
Company Secretary
13 November 2007