Petra Foods Limited
Unaudited Financial Statements and Dividend Announcement
For the 3rd Quarter and 9 Months Ended 30 September 2011

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (1Q, 2Q, 3Q & 4Q), HALF YEAR AND FULL YEAR RESULTS

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PETRA FOODS LIMITED

(Registration no. 198403096C)

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

		Group			Group		
		3Q ended 30 September			9 months ended 30 September		
		2011	2010	%	**2011**	2010	%
	Notes	**US$'000**	US$'000		**US$'000**	US$'000	
Sales	1	**431,101**	433,082	(0.5)	**1,296,473**	1,145,044	13.2
Cost of Sales	2	**(372,603)**	(379,715)	(1.9)	**(1,117,777)**	(1,001,440)	11.6
Gross Profit		**58,498**	53,367	9.6	**178,696**	143,604	24.4
Other operating income		**1,441**	2,243	(35.8)	**5,333**	4,503	18.4
Selling and distribution costs		**(24,474)**	(24,068)	1.7	**(74,734)**	(64,523)	15.8
Administrative expenses		**(10,019)**	(8,869)	13.0	**(30,107)**	(25,273)	19.1
Finance costs	3	**(6,964)**	(6,790)	2.6	**(21,049)**	(18,846)	11.7
Other operating expenses		**(476)**	(1,103)	(56.8)	**(3,058)**	(1,816)	68.4
		18,006	14,780	21.8	**55,081**	37,649	46.3
Share of results of associated companies		**167**	149	12.1	**245**	113	116.8
Profit before tax		**18,173**	14,929	21.7	**55,326**	37,762	46.5
Income tax expense	4	**(4,420)**	(4,663)	(5.2)	**(13,112)**	(9,622)	36.3
Net Profit	5	**13,753**	10,266	34.0	**42,214**	28,140	50.0
Attributable to:							
Equity holders of the company		**13,796**	10,266	34.4	**42,163**	28,140	49.8
Non controlling interests		**(43)**	-	NM	**51**	-	NM
		13,753	10,266	34.0	**42,214**	28,140	50.0
EBITDA	6	**31,010**	27,735	11.8	**94,238**	75,176	25.4
Earnings per share (US cents) - Basic and Diluted,[a,b]		**2.26**	1.68	34.5	**6.90**	5.00	38.0
Return on equity					**18.9%[c]**	17.7%[d]	1.2 pt

a As there are no potentially dilutive ordinary shares, diluted Earnings per Share is the same as basic Earnings per share.

b EPS is calculated by dividing the net profit attributable to shareholders of the Company by the number of shares of 611,157,000. On 16 June 2010, the Company issued and allotted 78,880,000 new shares. Thus, for 3Q and 9M 2010, EPS is compuated based on the number of 611,157,000 for 3Q and weighted average number of share of 563,017,000 for 9-month 2010.

c For comparative purposes, ROE is computed based on the annualized 9-month 2011 (or "9M 2011") net profit attributable to equity holders of the company divided by average shareholders' equity.

d Relates to full year 2010 audited figures.

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Explanatory notes on income statement

Note 1 - Breakdown of Sales by Division

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	Change	**2011**	2010	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Cocoa Ingredients Division	**326,451**	333,045	(2.0)	**973,663**	867,826	12.2
Branded Consumer Division	**104,650**	100,037	4.6	**322,810**	277,218	16.4
	431,101	433,082	(0.5)	**1,296,473**	1,145,044	13.2

Note 2 - Cost of Sales

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	Change	**2011**	2010	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Cost of goods sold	**355,980**	379,453	(6.2)	**1,093,536**	1,004,509	8.9
Cost of services	**5,180**	3,905	32.7	**13,846**	10,933	26.6
	361,160	383,358	(5.8)	**1,107,382**	1,015,442	9.1
Transfer from cash flow hedge reserve - cocoa bean and forex derivatives	**3,827**	(3,552)	NM	**5,683**	(10,543)	NM
Other adjustments to cost of sales:						
- Fair value loss/(gain) on cocoa bean derivatives	**4,106**	4,300	(4.5)	**7,043**	(7,620)	NM
- Fair value loss/(gain) on foreign exchange derivatives	**951**	(2,745)	NM	**(1,097)**	5,125	NM
Net foreign exchange loss/(gain)	**2,559**	(1,646)	NM	**(1,234)**	(964)	28.0
Cost of Sales	**372,603**	379,715	(1.9)	**1,117,777**	1,001,440	11.6

Note 3 - Finance Costs (Net)

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	Change	**2011**	2010	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Interest Expense	**5,678**	6,057	(6.3)	**18,125**	16,570	9.4
Transfer from cash flow hedge - interest rate swaps	**1,116**	959	16.4	**2,924**	2,635	11.0
	6,794	7,016	(3.2)	**21,049**	19,205	9.6
Net foreign exchange loss/(gain)	**170**	(226)	NM	**-**	(359)	NM
Total finance costs	**6,964**	6,790	2.6	**21,049**	18,846	11.7

Note 4 - Income Tax Expense

Included in 3Q11 income tax expense was a US$2.0 million tax credit from Brazil which offset additional tax charge from prior year of US$1.3 million.

Note 5 - Net Profit

Net Profit is derived after (deducting)/crediting the following:

	3Q ended 30 September			9 months ended 30 September		
	2011	**2010**	Change	**2011**	2010	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Depreciation of property, plant and equipment	**(5,981)**	(5,593)	6.9	**(18,035)**	(17,373)	3.8
Amortisation of intangible assets	**(102)**	(104)	(1.9)	**(322)**	(323)	(0.3)
Net foreign exchange gain	**512**	1,897	(73.0)	**1,320**	1,994	(33.8)
(Under)/Over provision of tax in prior years	**(1,306)**	443	NM	**(1,856)**	700	NM
Gain on disposal of property, plant and equipment	**73**	69	5.8	**249**	453	(45.0)
(Impairment loss) / write back on trade receivables	**(4)**	22	NM	**(11)**	(3)	266.7
Inventories written off	**(507)**	(583)	(13.0)	**(952)**	(1,345)	(29.2)
Allowance made for inventory obsolescence	**(1,219)**	(932)	30.8	**(2,050)**	(2,231)	(8.1)

Note 6 - EBITDA

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	Change	**2011**	2010	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Profit Before Tax	**18,173**	14,929	21.7	**55,326**	37,762	46.5
Interest expense	**6,794**	7,016	(3.2)	**21,049**	19,205	9.6
Fair value loss/(gain) on interest rate derivatives	**52**	132	(60.6)	**(318)**	621	NM
Interest income	**(92)**	(39)	135.9	**(176)**	(108)	63.0
Depreciation of property, plant and equipment	**5,981**	5,593	6.9	**18,035**	17,373	3.8
Amortisation of intangible assets	**102**	104	(1.9)	**322**	323	(0.3)
EBITDA	**31,010**	27,735	11.8	**94,238**	75,176	25.4

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

	Notes	Group		Company	
		30-Sep-11	31-Dec-10	**30-Sep-11**	31-Dec-10
	Notes	**US$'000**	US$'000	**US$'000**	US$'000
ASSETS					
Current assets					
Cash and cash equivalents		**36,302**	42,782	**10,640**	27,375
Derivative assets		**10,494**	11,451	**10,372**	11,451
Trade receivables		**164,307**	164,964	**291,264**	251,304
Inventories	1	**472,749**	491,362	**7,670**	9,397
Tax recoverable		**10,212**	9,205	**661**	-
Other current assets		**35,664**	33,518	**16,187**	12,968
		729,728	753,282	**336,794**	312,495
Non-current assets					
Investments in subsidiaries	2	**-**	-	**124,804**	124,092
Investments in associated companies		**3,359**	3,065	**3,000**	3,265
Receivables from subsidiaries		**-**	-	**93,930**	74,956
Loans to associated company		**2,566**	2,531	**-**	-
Property, plant and equipment	3	**279,186**	255,604	**2,257**	1,175
Intangibles assets		**21,367**	21,105	**1,784**	1,784
Deferred income tax assets		**17,482**	17,464	**11**	-
Other non-current assets		**790**	798	**9**	21
		324,750	300,567	**225,795**	205,293
Total Assets		**1,054,478**	1,053,849	**562,589**	517,788
LIABILITIES					
Current liabilities					
Trade payables		**97,423**	122,317	**56,661**	51,713
Other payables		**52,516**	55,960	**24,783**	11,920
Current income tax liabilities		**5,756**	5,149	**1,174**	-
Derivative liabilities		**13,918**	10,975	**10,100**	7,000
Borrowings	4	**466,718**	441,524	**193,478**	161,585
		636,331	635,925	**286,196**	232,218
Non-current liabilities					
Borrowings	4	**103,617**	107,591	**72,257**	70,073
Deferred income tax liabilities		**903**	5,917	**-**	330
Provisions for other liabilities and charges		**11,402**	10,314	**-**	-
		115,922	123,822	**72,257**	70,403
Total liabilities		**752,253**	759,747	**358,453**	302,621
NET ASSETS		**302,225**	294,102	**204,136**	215,167
Capital and reserves attributable to the Company's equity holders					
Share capital		**155,951**	155,951	**155,951**	155,951
Foreign currency translation reserve		**(408)**	(1,962)	**-**	-
Other reserves	5	**(15,434)**	(1,114)	**(7,470)**	(227)
Retained earnings		**161,605**	141,227	**55,655**	59,443
		301,713	294,102	**204,136**	215,167
Non controlling interest	2	**511**	-	**-**	-
Total equity		**302,225**	294,102	**204,136**	215,167

Explanatory notes on statement of Financial Position

Note 1 - Inventories

A breakdown of the Group's inventories is as follows:

	30 September 2011	31 December 2010
	US$'000	US$'000
Cocoa Ingredients	**423,866**	428,767
Branded Consumer	**48,883**	62,595
	472,749	491,362

Compared to end FY2010, the Group's lower inventories at 30 September 2011 was the result of tighter inventory management across both divisions; and lower inventories carried by Branded Consumer after the discontinuation of some less profitable Agency Brands in 3Q 2011.

Note 2 - Investment in Subsidiaries and Non-Controlling interest

To further broaden the Group's product portfolio, the Company, on 25 March 2011, entered into a shareholders' and share subscription agreement through which it acquired 60% equity in Ceres Super Pte Ltd, a newly incorporated company in Singapore which will undertake the marketing and distribution of instant coffee-mix and other convenience beverages in Indonesia for a cash consideration of US$0.72 million. The remaining 40% equity is held by Super Group Ltd, a leading brand-owner and manufacturer of 3-in-1 instant coffee, beverages and convenience foods in South-East Asia.

Note 3 - Capital Expenditure on Property, Plant and Equipment

	3Q ended 30 September		9 months ended 30 September	
	2011	2010	**2011**	2010
	US$'000	US$'000	**US$'000**	US$'000
Cocoa Ingredients	19,211	1,656	32,569	5,664
Branded Consumer	5,041	920	8,599	3,808
	24,252	2,576	**41,168**	9,472

The Group's higher 9M 2011 capital expenditure was to support the growth momentum of its two businesses.

Note 4 - Borrowings

	Group		Company	
	30-Sep-11	31-Dec-10	**30-Sep-11**	31-Dec-10
	US$'000	US$'000	**US$'000**	US$'000
Bank overdraft	**16,999**	47,415	**460**	672
Bank borrowings	**65,012**	92,623	**1,777**	20,012
MTN	**117,206**	97,523	**117,206**	97,523
Finance lease liabilities	**2,823**	1,669	**563**	566
Trade finance and short term advances	**368,295**	309,885	**145,729**	112,885
	570,335	549,115	**265,735**	231,658
Breakdown of borrowings:				
Current	**466,718**	441,524	**193,478**	161,585
Non current	**103,617**	107,591	**72,257**	70,073
	570,335	549,115	**265,735**	231,658

In the 9M 2011 period, the Company raised US$61.8 million of Medium Term Notes (US$50.9 million equivalent) and Term Loans (US$10.9 million) to refinance its borrowings due in 2011/2012 (see para 1(c) - Cash flow from financing activities).

Note 5 - Other Reserves - Cash Flow Hedge Reserve

Derivatives are used by the Group to manage exposure to foreign exchange, interest rate and cocoa bean price risks arising from its operational and financing activities. Included in other reserves was a negative cash flow hedge reserve of US$16.9 million (see para 1(d)(i)). This was related to fair value losses of the following derivatives which qualify for cash flow hedge accounting:

(a) Cocoa bean futures and foreign exchange forwards used to hedge the Group's exposure to cocoa bean price risk and currency risk arising from its forward purchases and sales; and

(b) Interest rate derivatives used to hedge the Group's exposure to interest rate risk on its floating rate borrowings.

The change in fair value reflected the softening of interest rates, fluctuations of major currencies against the USD and a sharp drop in cocoa bean future prices in September 2011.

Note 6 - Key Ratios

	Group	
	30-Sep-11	31-Dec-10
Current Ratio	**1.15**	1.18
Average Inventory Days	**118**	113
Average Receivable Days	**35**	35
Net Debt to Equity	**1.77**	1.72
Adjusted Net Debt to Equity*	**0.38**	0.34

* Note: The Adjusted Net Debt to Equity Ratio is adjusted for banking facilities (i.e. excluding Trade Finance & MTN) used to finance cocoa inventories.

Despite the lower inventories value at 30 September 2011 (as noted in Note 1 on Page 6), the increase in Average Inventory Days computed is attributable to the higher average value of inventories for 9M 2011, as compared to that of FY 2010.

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

	Group		Company	
	30-Sep-11	31-Dec-10	**30-Sep-11**	31-Dec-10
	US$'000	US$'000	**US$'000**	US$'000
Amount repayable in one year or less, or on demand				
- Secured	**159,610**	165,104	**158**	155
- Unsecured	**307,108**	276,420	**193,320**	161,430
	466,718	441,524	**193,478**	161,585
Amount repayable after one year				
- Secured	**19,846**	28,163	**405**	411
- Unsecured	**83,771**	79,428	**71,852**	69,662
	103,617	107,591	**72,257**	70,073

Details of collateral

Of the total bank borrowings obtained by the Group, US$179.5 million are secured on trade receivables, inventories, property, plant and equipment and legal mortgages of land and properties.

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

	Notes	Period ended 30-Sep-11 US$'000	Period ended 30-Sep-10 US$'000
Cash flows from operating activities			
Profit before tax		**55,326**	37,762
Adjustments:			
Depreciation and amortization		**18,357**	17,696
Property, plant and equipment written off		**646**	503
Gain on disposal of property, plant and equipment		**(249)**	(453)
Interest income		**(176)**	(108)
Interest expense		**21,049**	19,205
Fair value of derivatives		**(8,135)**	9,635
Net foreign exchange gain		**-**	(359)
Share of gain from associated companies		**(245)**	(113)
Operating cash flow before working capital changes		**86,573**	83,768
Change in working capital			
Inventories		**18,613**	(105,691)
Trade and other receivables		**2,191**	(55,090)
Trade and other payables		**(41,044)**	(6,261)
Cash generated from/(used in) operations		**66,333**	(83,274)
Interest received		**176**	108
Income tax paid		**(16,142)**	(16,302)
Net cash provided by/(used in) operating activities		**50,367**	(99,468)
Cash flows from investing activities			
Purchases of property, plant and equipment	1	**(38,689)**	(8,562)
Acquisition of remaining interest in a subsidiary		**-**	(13,187)
Non-controlling interest contribution in subsidiary	2	**459**	-
Payments for patents & trademarks		**(41)**	(42)
Proceeds from disposals of property, plant and equipment		**513**	583
Net cash used in investing activities		**(37,758)**	(21,208)
Cash flows from financing activities			
Proceeds from issuance of shares – net		**-**	60,185
Proceeds from term loans		**10,857**	254
Proceeds from trade finance and short term advances		**58,410**	123,720
Proceeds from issuance of Medium Term Notes		**50,922**	7,179
Repayments of term loans		**(38,919)**	(24,133)
Repayments of Medium Term Notes		**(26,019)**	-
Repayment of lease liabilities		**(1,299)**	(750)
Interest paid		**(21,049)**	(19,205)
Dividend paid to equity holders of company		**(21,786)**	(12,743)
Net cash provided by financing activities		**11,117**	134,507
Net increase in cash and cash equivalents		**23,726**	13,831
Cash and cash equivalents			
Beginning of financial year		**(4,633)**	(28,046)
Effects of currency translation on cash and cash equivalents		**210**	10,294
End of financial year		**19,303**	(3,921)

Notes

1. The amount excluded additions of property, plant and equipment of US$2,479,000 (9M 2010: US$910,000) that was financed by lease liabilities.
2. This represented Super Group Limited's 40% shares in Ceres Super Pte Ltd (see para 1(b)(i) Note 2).

For the purpose of presenting the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	Period ended	
	30-Sep-11	30-Sep-10
	US$'000	US$'000
Cash and bank balances	**36,302**	21,449
Less: Bank overdrafts	**(16,999)**	(25,370)
	19,303	(3,921)

Consolidated Statement of Comprehensive Income

	3Q ended 30 September		9 months ended 30 September	
	2011	2010	**2011**	2010
	US$'000	US$'000	**US$'000**	US$'000
Profit for the period	**13,753**	10,266	**42,214**	28,140
Fair value (loss)/gains on cash flow hedges	**(31,596)**	(2,070)	**(26,822)**	5,140
Transfers to income statement	**11,510**	(7,894)	**9,757**	(13,173)
Tax on fair value adjustments	**2,673**	866	**2,746**	254
Currency translation (loss)/gain	**(6,089)**	5,475	**1,539**	2,327
Other comprehensive expense for the period	**(23,502)**	(3,623)	**(12,780)**	(5,452)
Total comprehensive (expense)/income for the period	**(9,749)**	6,643	**29,434**	22,688
Attributable to:				
Shareholders of the Company	**(9,676)**	6,643	**29,398**	22,688
Non Controlling interests	**(73)**	-	**36**	-
	(9,749)	6,643	**29,434**	22,688

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

Consolidated Statement of Changes in Equity for the Group

	Attributable to equity holders of the Company							
	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Capital reserve	Retained earnings	Total	Minority interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
The Group								
1H 2011								
Balance at 1 January 2011	155,951	(1,962)	(2,538)	1,423	141,228	294,102	-	294,102
Total comprehensive income for the period	-	7,613	3,094	-	28,367	39,074	109	39,183
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	475	475
Final dividend relating to 2010	-	-	-	-	(10,512)	(10,512)	-	(10,512)
Balance at 30 June 2011	155,951	5,651	556	1,423	159,083	322,664	584	323,248
3Q 2011								
At 1 July 2011	155,951	5,651	556	1,423	159,083	322,664	584	323,248
Total comprehensive (expense)/income for the quarter	-	(6,059)	(17,413)	-	13,796	(9,676)	(73)	(9,749)
Interim dividend relating to 2011	-	-	-	-	(11,274)	(11,274)	-	(11,274)
At 30 September 2011	155,951	(408)	(16,857)	1,423	161,605	301,714	511	302,225
The Group								
1H 2010								
Balance at 1 January 2010	95,767	(3,079)	3,651	1,619	109,735	207,693	12,376	220,069
Total comprehensive (expense)/income for the period	-	(3,148)	1,320	-	17,874	16,046	-	16,046
Acquisition of additional interest in a subsidiary	-	-	-	(811)	-	(811)	(12,376)	(13,187)
Issue of shares	61,143	-	-	-	-	61,143	-	61,143
Share issue expense	(835)	-	-	-	-	(835)	-	(835)
Final dividend relating to 2009	-	-	-	-	(5,429)	(5,429)	-	(5,429)
Balance at 30 June 2010	156,075	(6,227)	4,971	808	122,180	277,807	-	277,807
3Q 2010								
At 1 July 2010	156,075	(6,227)	4,971	808	122,180	277,807	-	277,807
Total comprehensive (expense)/income for the quarter	-	5,475	(9,098)	-	10,266	6,643	-	6,643
Share Issue Expenses	(124)	-	-	-	-	(124)	-	(124)
Interim dividend relating to 2010	-	-	-	-	(7,314)	(7,314)	-	(7,314)
At 30 September 2010	155,951	(752)	(4,127)	808	125,132	277,012	-	277,012

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company			
	Share capital	Cash flow hedge reserve	Retained earnings	Total equity
	US$'000	US$'000	US$'000	US$'000
The Company				
1H 2011				
Balance at 1 January 2011	155,951	(227)	59,443	215,167
Total comprehensive income for the period	-	4,543	15,594	20,137
Final dividend relating to 2010	-	-	(10,512)	(10,512)
Balance at 30 June 2011	155,951	4,316	64,525	224,792
3Q 2011				
At 1 July 2011	155,951	4,316	64,525	224,792
Total comprehensive (expense)/income for the quarter		(11,786)	2,404	(9,382)
Interim dividend relating to 2011	-	-	(11,274)	(11,274)
At 30 September 2011	155,951	(7,470)	55,655	204,136
The Company				
1H 2010				
Balance at 1 January 2010	95,767	4,903	51,886	152,556
Total comprehensive (expense)/income for the period	-	(843)	9,187	8,344
Issue of shares	61,143	-	-	61,143
Share issue expense	(835)	-	-	(835)
Final dividend relating to 2009	-	-	(5,429)	(5,429)
Balance at 30 June 2010	156,075	4,060	55,644	215,779
3Q 2010				
At 1 July 2010	156,075	4,060	55,644	215,779
Total comprehensive (expense)/income for the quarter	-	(7,090)	475	(6,615)
Issue of shares	(124)	-	-	(124)
Interim dividend relating to 2010	-	-	(7,314)	(7,314)
At 30 September 2010	155,951	(3,030)	48,805	201,726

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.

On 16 June 2010, the Company issued and allotted 78,880,000 new ordinary shares at an issue price of S$1.08 per share for cash. The newly issued shares rank pari-passu with previously issued shares. With the new share issuance the Company's issued share capital increased from 532,277,000 to 611,157,000.

For 3Q and 9 months ended 30 September 2011, there was no change in the issued and paid up share capital of the Company.

There was no option granted or shares issued pursuant to the Petra Foods' Share Option Scheme and Share Incentive Plan.

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

The figures have not been audited or reviewed.

3. Whether the figures have been audited or reviewed, the auditors' report (including qualifications or emphasis of 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 Company and the Group have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those for the audited financial statements for the year ended 31 December 2010, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for financial period beginning 1 January 2011. The adoption of the new/revised accounting standards and interpretations does not have any material impact on the financial statements of the Group and of the Company.

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.

Please refer to item 4 above.

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

	3Q ended 30 September		9-month ended 30 September	
	2011	2010	**2011**	2010
(i) Based on weighted average number of ordinary shares in issue - (US cents)	2.26	1.68	6.90	5.00
(ii) On a fully diluted basis - (US cents)	2.26	1.68	6.90	5.00

Notes

1. Basic earnings per share for 3Q and 9-month 2011 is computed based on 611,157,000 shares. Basic earnings per share for 3Q and 9-month 2010 was computed based on the number of shares of 611,157,000 for 3Q and weighted average number of shares of 563,017,000 for 9-month 2010 after taking into account changes in share capital as disclosed in para 1(d)(ii).
2. There are no potentially dilutive ordinary shares as at 30 September 2011 and 30 September 2010 respectively.

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 period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30-Sep-11	31-Dec-10	**30-Sep-11**	31-Dec-10
Net asset value per ordinary share based on issued share capital - (US cents)	**49.4**	48.1	**33.4**	35.2

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.

Key Figures for the Group (unaudited)

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	%	**2011**	2010	%
	US$'000	US$'000		**US$'000**	US$'000	
Cocoa Ingredients	**326,451**	333,045	(2.0)	**973,663**	867,826	12.2
Branded Consumer	**104,650**	100,037	4.6	**322,810**	277,218	16.4
REVENUE	**431,101**	433,082	(0.5)	**1,296,473**	1,145,044	13.2
Cocoa Ingredients	**15,793**	14,688	7.5	**49,937**	38,177	30.8
Branded Consumer	**15,217**	13,047	16.6	**44,301**	36,999	19.7
EBITDA	**31,010**	27,735	11.8	**94,238**	75,176	25.4
Finance Costs	**(6,964)**	(6,790)	2.6	**(21,049)**	(18,846)	11.7
Profit before tax	**18,173**	14,929	21.7	**55,326**	37,762	46.5
Net profit attributable to shareholders	**13,796**	10,266	34.4	**42,163**	28,140	49.8

Key Indicators by Business Segments

	3Q ended 30 September			9 months ended 30 September		
	2011	2010	%	**2011**	2010	%
Branded Consumer						
Gross Profit Margin	**31.8%**	31.4%	0.4 pt	**30.7%**	30.6%	0.1 pt
Cocoa Ingredients						
Sales volume (MT) - Division	**66,230**	64,371	2.9	**199,694**	183,493	8.8
Capacity utilisation - Division				**92.5%**	88.3%	4.2 pt
EBITDA/ metric ton (6-month moving average)				**257**	223	15.2

PETRA FOODS LIMITED

(Registration no. 198403096C)

Review of the Group's 3Q 2011 and 9M 2011 Performance

Key Financial Highlights of the Group

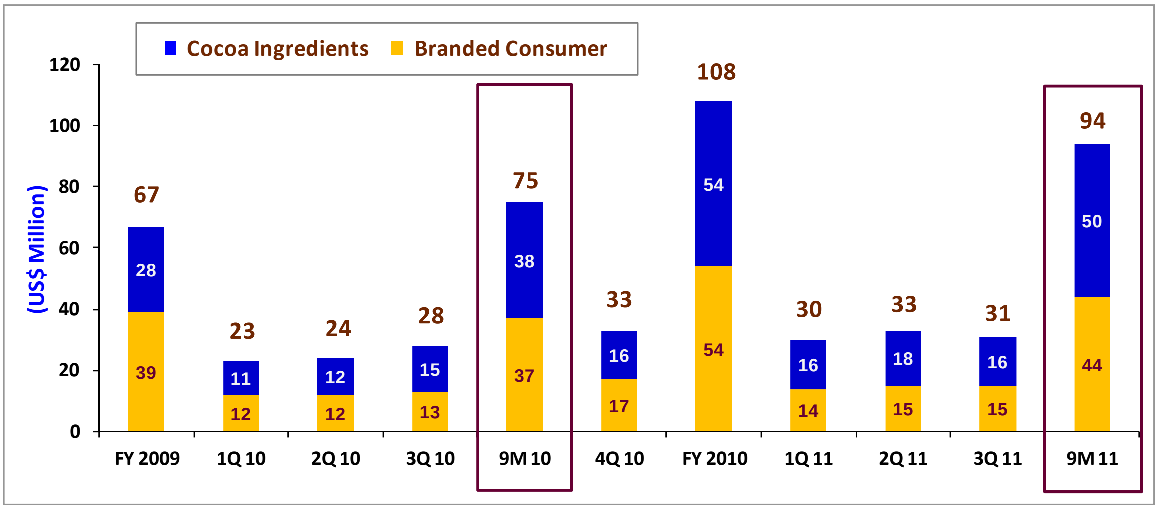
	3Q 2011 (US$ Million)	3Q 2010 (US$ Million)	%change Year on Year	9M 2011 (US$ Million)	9M 2010 (US$ Million)	%change Year on Year
Cocoa Ingredients	326.4	333.1	(2.0)%	973.7	867.8	12.2%
Branded Consumer	104.7	100.0	4.6%	322.8	277.2	16.4%
Total Revenue	**431.1**	**433.1**	**(0.5)%**	**1,296.5**	**1,145.0**	**13.2%**
Cocoa Ingredients	15.8	14.7	7.5%	49.9	38.2	30.8%
Branded Consumer	15.2	13.0	16.6%	44.3	37.0	19.7%
Total EBITDA	**31.0**	**27.7**	**11.8%**	**94.2**	**75.2**	**25.4%**

Figures may not add due to rounding.

The Group achieved Net Profit attributable to Equity Holders of US$13.8 million in 3Q 2011 and US$42.2 million for the 9 months of 2011, representing Year-on-Year ("Y-o-Y") growth of 34.4% and 49.8% respectively. The key drivers of the strong performance were (i) the higher sales volume and higher EBITDA yield achieved by the Cocoa Ingredients Division; and (ii) higher Own Brands sales for the Branded Consumer Division.

The Group's strong performance in the periods under review reflected the positive business environment for our two businesses, despite the global macroeconomic uncertainties, and the successful execution of the Group's growth strategy.

The Group's EBITDA performance (Quarterly and Full Year)



Review of the Group's 3Q 2011 and 9M 2011 Financial Performance by Divisions

Branded Consumer Division

Key Financial Highlights

	3Q 2011 (US$ Million)	3Q 2010 (US$ Million)	% change Year on Year	9M 2011 (US$ Million)	9M 2010 (US$ Million)	% change Year on Year
Indonesia	79.9	70.7	12.9%	236.3	192.2	22.9%
The Regional Markets	24.8	29.3	(15.5)%	86.5	85.0	1.8%
Branded Consumer Revenue	**104.7**	**100.0**	**4.6%**	**322.8**	**277.2**	**16.4%**
Gross Profit Margin (%)	31.8%	31.4%	0.4% pt	30.7%	30.6%	0.1% pt
EBITDA	**15.2**	**13.0**	**16.6%**	**44.3**	**37.0**	**19.7%**

Figures may not add due to rounding.

The Division's strong 3Q 2011 and 9M 2011 performance was driven mainly by higher Own Brands sales with strong double digit growth achieved in Indonesia and the Philippines. The key drivers being the strong domestic economies in our key markets, our robust brand development programmes as well as strong gains from new products launched in the last 12 months. In total, we launched more than 20 new products.

Performance by Markets

- **Indonesia**

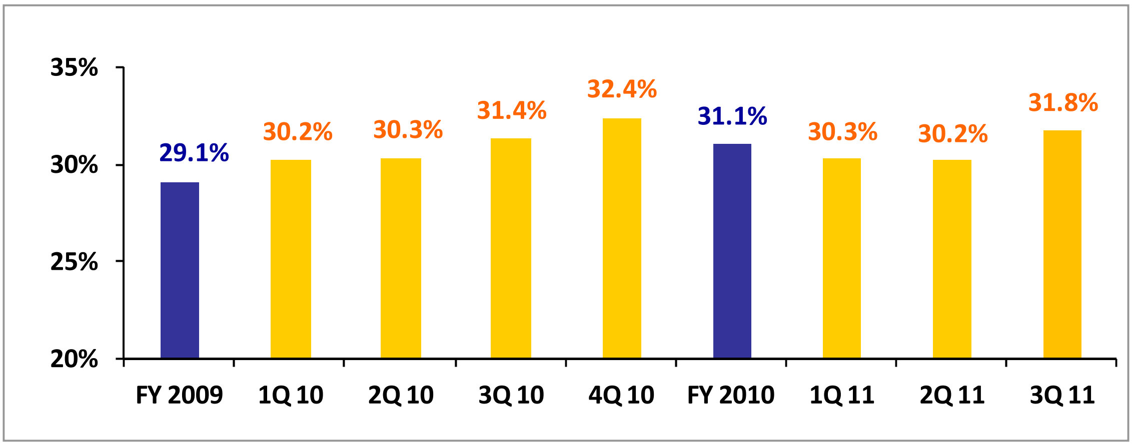
The strong 9M 2011 revenue growth of 22.9% Y-o-Y achieved once again demonstrates the strength and depth of our business with our impressive portfolio of leading brands achieving broad based growth, across all categories. Our major brands (in both the premium and value segments) generated strong double digit volume growth as a result of our effective brand development programmes, new product introductions (especially in the Premium segment), and greater distribution. For Agency Brands, the sales growth achieved was driven mainly by organic growth achieved by existing agencies.

- **The Regional Markets of the Philippines, Malaysia and Singapore**

In the Philippines, Own Brands sales achieved double digit growth which can be attributed to strong new product launches supported by expansion of distribution coverage and higher levels of investments in brand development programmes.

However, this was offset by lower Agency Brands sales as a result of a rationalization exercise undertaken by management in May 2011 to discontinue some of the less profitable Agency Brands. If the prior year comparables were adjusted for the effect of this rationalization exercise, to make a Y-o-Y comparison more meaningful, the Regional markets revenue in 3Q 2011 would have increased 32% Y-o-Y.

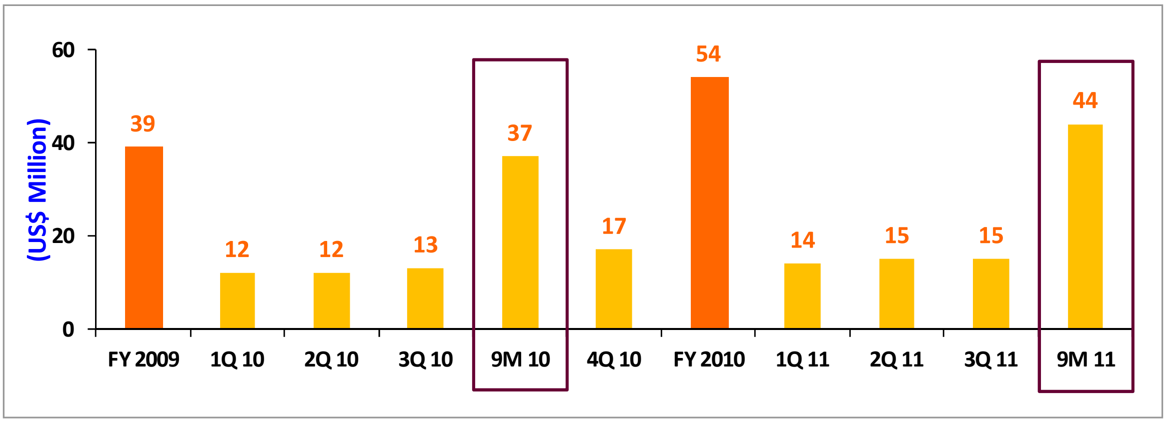
Branded Consumer Division's Gross Profit Margin Trend



Despite higher input costs, the Branded Consumer Division's 3Q 2011 Gross Profit Margin was 0.4% point higher than a year ago. The Division's strategy to tackle higher input costs includes pricing adjustments, launch of higher margined new products, product reformulation/right-sizing and cost containment initiatives. In addition, the strategy of buying forward its main raw material requirements in a timely manner served to lock-in forward costs to a major extent thus providing greater cost visibility.

More significantly, the Division's higher 3Q 2011 Gross Profit Margin compared to 2Q 2011 reflected the benefit of a pricing adjustment for Own Brands implemented in August and the result of the discontinuation of the less profitable Agency Brands.

Branded Consumer Division's EBITDA Performance



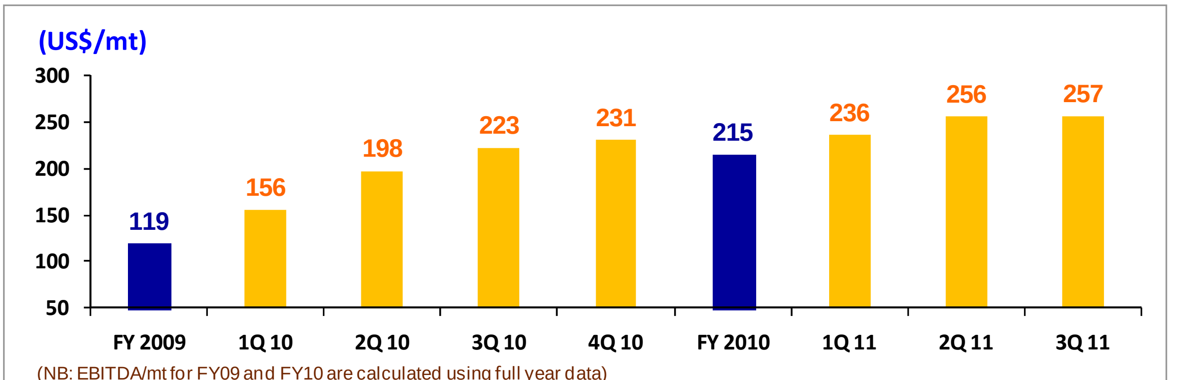
Cocoa Ingredients Division

Key Financial Highlights

	3Q 2011 (US$ Million)	3Q 2010 (US$ Million)	% change Year on Year	9M 2011 (US$ Million)	9M 2010 (US$ Million)	% change Year on Year
Revenue	326.4	333.1	(2.0)%	973.7	867.8	12.2%
EBITDA	15.8	14.7	7.5%	49.9	38.2	30.8%
EBITDA/mt (6 months moving average) in US$	257	223	15.2%	257	223	15.2%
Sales volume (mt)	66,230	64,371	2.9%	199,694	183,493	8.8%

For the Cocoa Ingredients Division, the strong 9M 2011 EBITDA growth of 30.8% Y-o-Y was due to the higher sales volume and the higher EBITDA yield achieved. The lower revenue in 3Q 2011 is due to the pass through effect of weaker cocoa bean prices. The Division's strong performance reflected strong demand from our global customers, the higher proportion of sales of higher margined customized cocoa products and the continued improvement in our European operations. The European operations achieved a significant improvement in profitability, compared to the net loss in 9M 2010, which reflects our continued success in executing our planned growth strategy.

Cocoa Ingredients Division's EBITDA/mt of Sales Volume (6-month moving average)



(NB: EBITDA/mt for FY09 and FY10 are calculated using full year data)

Operating Expenses

The Group's 3Q 2011 and 9M 2011 operating expenses were higher by US$1.6 million and US$15.0 million Y-o-Y respectively. This was attributable mainly to:

1. Higher outward freight and Advertising & Promotion to support sales growth and brand building activities; and

2. Additional staff costs incurred as the Group continues to build its resources to drive its business growth across both divisions and the negative impact of the weaker US Dollar.

While higher on a Y-o-Y perspective, it must be highlighted that Selling & Distribution costs and Administrative Expenses as a percentage of Group sales have been relatively constant at 5.8% and 2.3% respectively.

Finance Cost

Finance cost for 3Q 2011 and 9M 2011 was higher by US$0.2 million and US$2.2 million Y-o-Y respectively as a result of the higher borrowing level to fund the Group's expanded businesses.

Review of Financial Position and Cash Flow

Balance Sheet as at	30-Sep-11	31-Dec-10	Change
	US$'000	US$'000	US$'000
Total Assets	**1,054,478**	1,053,849	**629**
Current assets	**729,728**	753,282	**(23,554)**
Non current assets	**324,750**	300,567	**24,183**
Total Borrowings	**570,335**	549,115	**21,220**
Shareholders' Equity	**301,713**	294,102	**7,611**
Working Capital	**93,397**	117,357	**(23,960)**

Shareholders' Equity was higher by US$7.6 million reflecting the Group's strong 9M 2011 Net Profit of US$42.2 million profit, adjusted to reflect a negative cash flow hedge reserve of US$16.9 million (see para 1(b)(i) Note 5).

The strong growth coupled with the tighter working capital management resulted in a strong net operating cash flow of US$50.4 million (see para 1 (c)). The strong operating cash flow was utilized to fund the Group's capital expenditure to support the growth momentum of its two businesses (see para 1(b)(i) Note 3). This led to an increase in total assets by US$0.6 million though net working capital dropped by US$24.0 million.

Compared to end-2010, the Group's Net Debt to Equity increased from 1.72 times to 1.77 times due mainly to the negative cash flow hedge reserve while its interest coverage ratio improved from 3.27 times to 3.60 times.

Financial Strategy

In light of the heightened uncertainty caused by the Euro debt crisis, the Group has taken measures (as part of its on-going program) to manage liquidity and credit financing risks by:

- Generating strong operating cash flow with:
  - Tighter working capital management; and
  - Restricting capital expenditure to only the most critical and immediate income generating.
- Increasing credit headroom for contingencies and capital spending; and
- Extending the Group's debt maturity profile to match the financing and investment needs.

For 9-month 2011, the Group has raised additional term loans and medium term notes totaling US$61.8 million to refinance its MTN and term loans repayment. The Group has also increased its financing headroom by US$132 million to US$434 million with additional credit facilities of US$170.8 million secured.

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

The Group's results for 3Q 2011 and 9M 2011 are in line with the commentary made in Paragraph 10 of the Group 4Q 2010 and full year ended 30 December 2010 Unaudited Financial Statement and Dividend Announcement in February 2011.

10. A commentary at the date of the announcement of the 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.

Despite the continuing global macroeconomic challenges (including volatile raw material prices and currency markets), we expect our business segments to continue growing and, barring unforeseen circumstances, are expecting another year of strong growth and record profit for FY2011.

To continue driving our growth momentum over the long term, our strategy is to:

a. Further grow our key markets to capitalize on the strong demand for high end customized products and the strong regional consumption growth;

b. Further stimulate consumer demand by driving growth of our current portfolio of products (especially in the higher margined segment); launching new products and expanding into new product categories;

c. Invest in additional production and distribution capacity to capture this growth opportunity for both businesses; and

d. Form strategic sourcing alliances with partners in origin countries.

Tax recoverable

The Group's tax recoverable relates to instalment payments amounting of IDR 71.9 billion (approximately US$7.4 million) by one of the Indonesian subsidiaries to its local tax authority.

During FY 2009, the Indonesian Director General of Taxation (DGT) imposed an additional tax assessment amounting to IDR 71.9 billion (approximately US$7.4 million) on PT General Food Industries (GFI), a wholly owned Indonesian subsidiary of Petra Foods Limited (PFL), pertaining to the issue of transfer pricing.

GFI contested this additional tax assessment on the grounds that the transfer pricing between GFI and PFL is conducted at arm's length based on the methods prescribed in the OECD Transfer Pricing Guidelines.

GFI was advised by its Indonesian tax advisers that there are valid grounds to contest the additional tax assessment by DGT. Accordingly, GFI filed an appeal with the Indonesian Tax Court (Tax Court) against this additional assessment and, whilst it has paid the additional tax assessment, has not made any provision in its accounts with respect to this additional tax liability but rather recorded this as a recoverable amount. The proceedings ended in September 2010 and is now pending the court's decision. At this juncture, it is still too preliminary to provide an assessment of the outcome.

11. Dividend

a. Current Financial Period Reported On

Any dividend declared for the current financial period reported on? **No**

b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the preceding financial period reported on? **No**

c. Date payable

Not applicable.

d. Books closure date

Not applicable.

e. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

12. Segmental revenue and results

	Cocoa Ingredients	Branded Consumer	Total
	US$'000	US$'000	US$'000
Period ended 30 September 2011			
Sales:			
- Total segment sales	996,417	322,810	1,319,227
- Inter-segment sales	(22,754)	-	(22,754)
Sales to external parties	973,663	322,810	1,296,473
EBITDA	49,937	44,301	94,238
Finance costs			(21,049)
Share of profit of associated companies			245
Income tax expense			(13,112)
Assets and liabilities			
Segment assets	821,705	211,932	1,033,637
Associated companies			3,359
Unallocated assets			17,482
Consolidated total assets			1,054,478
Segment liabilities	107,875	67,383	175,258
Unallocated liabilities			576,995
Consolidated total liabilities			752,253
Other segment information			
Depreciation and amortisation	12,804	5,553	18,357
Capital expenditure	32,569	8,599	41,168
Sales of Branded Consumer is analysed as:			
- Own Brand		187,224	
- Third Party		135,586	
Total		322,810	

Segmental revenue and results continued

	Cocoa Ingredients	Branded Consumer	Total
	US$'000	US$'000	US$'000
Period ended 30 September 2010			
Sales:			
- Total segment sales	886,180	277,218	1,163,398
- Inter-segment sales	(18,354)	-	(18,354)
Sales to external parties	867,826	277,218	1,145,044
EBITDA	38,177	36,999	75,176
Finance costs			(18,846)
Share of profit of associated companies			113
Income tax expense			(9,622)
Assets and liabilities			
Segment assets	771,411	220,177	991,588
Associated companies			2,637
Unallocated assets			15,320
Consolidated total assets			1,009,545
Segment liabilities	99,868	69,641	169,509
Unallocated liabilities			563,024
Consolidated total liabilities			732,533
Other segment information			
Depreciation and amortisation	12,640	5,056	17,696
Capital expenditure	5,664	3,808	9,472
Sales of Branded Consumer is analysed as:			
- Own Brand		146,304	
- Third Party		130,914	
Total		277,218	

Geographical segments

For period ended 30 September	Revenue		Capital Expenditure	
	2011	2010	**2011**	2010
	US$'000	US$'000	**US$'000**	US$'000
Indonesia	**298,602**	231,520	**15,973**	3,805
Singapore	**50,879**	51,485	**1,660**	695
Philippines	**60,676**	42,469	**224**	347
Thailand	**21,517**	17,299	**62**	168
Malaysia	**62,397**	64,374	**7,887**	565
Japan	**52,753**	45,287	**-**	-
China	**32,745**	22,297	**-**	-
Middle East	**35,880**	47,727	**-**	-
Other countries in Asia	**31,328**	22,864	**-**	-
Australia	**28,459**	39,501	**-**	-
Europe	**413,885**	386,315	**14,194**	3,450
North America	**60,145**	43,806	**21**	-
South America	**127,084**	103,083	**1,147**	442
Africa	**20,123**	27,017	**-**	-
	1,296,473	1,145,044	**41,168**	9,472

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has obtained a general mandate ("Shareholders' Mandate") from its shareholders for the Group's IPTs with the following interested persons. The Shareholders' mandate was approved at the Annual General Meeting ("AGM") of the Company held on 28 April 2011 and will be effective until the next AGM. The aggregate value of transactions conducted pursuant to the general mandate is as follows:

	[1] Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	3Q 2011	**9 months 2011**
	US$'000	US$'000
PT Freyabadi Indotama		
- Sales of goods	3,207	8,773
- Purchase of products	5,329	12,600
	8,536	**21,373**
PT Tri Keeson Utama		
- Sales of goods	**4,585**	**15,732**
PT Fajar Mataram Sedayu		
- Sales of goods	40	603
- Purchase of goods	138	542
	178	**1,145**
PT Sederhana Djaja		
- Lease of properties	18	53
	13,317	**38,303**

Note: [1] Aggregate value of all interested person transactions include transactions less than S$100,000.

14. Negative confirmation pursuant to Rule 705(5)

On behalf of the Board, we, directors of the Company, Mr Chuang Tiong Choon and Mr Chua Koon Chek, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the Group for the 3rd Quarter and Nine Months ended 30 September 2011 to be false or misleading.

BY ORDER OF THE BOARD
Lian Kim Seng/Evelyn Chuang
Secretaries