

Petra Foods starts 2012 with 20.5% increase in 1Q Net Profit to US\$16.3 million

- *Key driver of strong performance was the Group's Branded Consumer Division with EBITDA growth of 27%*

Financial Highlights (US\$ Million)	3 months ended 31 March		
	1Q 2012	1Q 2011	% Change
Revenue	402.6	433.1	▼7.0
Gross Profit	64.1	59.1	▲8.4
EBITDA	34.5	30.4	▲13.5
Profit before tax	21.9	17.8	▲22.7
Net Profit Attributable to Shareholders	16.3	13.6	▲20.5

SINGAPORE - 10 May 2012 - Petra Foods Limited ("Petra Foods" or the "Group"), one of the world's major manufacturers and suppliers of cocoa ingredients and branded consumer confectionery products has started the year on a positive note with a 20.5% jump in 1Q 2012 net profit attributable to shareholders to US\$16.3 million for the first three months ended 31 March 2012.

The strong performance was driven by the Branded Consumer Division, on strong sales and higher profit margin which generated EBITDA of US\$18.1 million, representing Y-o-Y growth of 27.3%, while for the Cocoa Ingredients Division, an EBITDA of US\$16.4 million was achieved.

The earnings per share for 1Q 2012 rose to 2.67 US cents while net asset value per share as at 31 March 2012 was 52.7 US cents.

SEGMENTAL REVIEW

Branded Consumer Division

Financial Highlights (US\$ Million)	3 months ended 31 March		
	1Q 2012	1Q 2011	% Change Y-o-Y
Indonesia	91.6	77.2	↑18.6
The Regional Markets	28.8	32.7	↓11.9
Total Branded Consumer Revenue	120.4	109.9	↑9.5
Gross Profit Margin (%)	31.7	30.3	↑1.4% pt
EBITDA	18.1	14.2	↑27.3

The strong growth momentum in FY2011 carried through to the Branded Consumer Division's 1Q 2012 financial performance with EBITDA of US\$18.1 million achieved on revenue of US\$120.4 million, representing year-on-year growth of 27.3% and 9.5% respectively. The key drivers were the vibrant consumption environment in the regional markets, the strong Own Brands sales and higher profit margins achieved.

Both Indonesia and the Philippines achieved double digit in revenue in Own Brand sales, driven mainly by aggressive new product launches supported by higher levels of investment in brand development programmes and wider distribution coverage. Meanwhile, strong sales growth in Agency Brands was boosted by organic growth achieved through existing agencies.

Cocoa Ingredients Division

Financial Highlights (US\$ Million)	3 months ended 31 March		
	1Q 2012	1Q 2011	% Change Y-o-Y
Revenue	282.2	323.2	↓12.7
EBITDA	16.4	16.2	↑1.4
EBITDA/mt (6 months moving average) in US\$	242	236	↑2.5
Sales volume (mt)	68,196	68,329	↓0.2

For 1Q 2012, the Cocoa Ingredients Division achieved a 1.4% increase in EBITDA to US\$16.4 million, which was spurred by an EBITDA yield of US\$242/mt on sales volume of 68,196 mt of cocoa products.

The Division's revenue fell by 12.7% to US\$282.2 million due mainly to the pass through effect of weaker cocoa bean prices and to a lesser extent, the marginally lower year-on-year sales volume of 0.2%.

BUSINESS PROSPECTS

The global environment in 2012 is expected to remain challenging with continued uncertainty over the Euro zone debt situation and the fragile global economic environment (especially in Europe and the US).

Mr John Chuang, Petra Food's Chief Executive Officer, said: "Despite these uncertainties, the performance of our Branded Consumer Division in 2012 is expected to remain strong, essentially a continuation of the growth momentum already generated in 1Q 2012. The consumption environment in our regional markets is expected to remain vibrant supported by the strong regional economies and fast growing middle income class. And we will continue to capitalize on this strong consumption trend by further extending the market reach of our products through our brand building initiatives to drive our core portfolio of brands and through new products offerings to our consumers, including extending into new product categories. In tandem with our Brand Development initiatives, we will also be further broadening our distribution network to continue driving the growth of our business."

He further added: "Although the Cocoa Ingredients started the year on a positive note, the industry and market is facing headwinds in the form of pricing pressure as a result of the excess supply situation. If the situation persists, the financial performance of our Cocoa Ingredients Division in 2012 is expected to be significantly lower than that achieved in 2011."

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ABOUT PETRA FOODS LIMITED

Listed on the SGX-ST since 5 November 2004, Petra Food Limited and its subsidiaries (“the Group”) is one of the world’s major manufacturers and suppliers for premium cocoa ingredients, namely cocoa powder, cocoa butter and cocoa liquor. The Group also manufactures and/or distributes branded consumer products, primarily chocolate confectionery products, for which it is the market leader in Indonesia.

The Group has two business divisions, **Cocoa Ingredients** and **Branded Consumer**.

Cocoa Ingredients Division

The Group manufactures and sells cocoa ingredients, under the “Delfi” brand, to over 30 countries worldwide. Its major customers are international food and beverage companies such as Nestlé, Cadbury, the Mars Group, Arnott’s, A.B. Foods, Barry Callebaut and the Meiji Group.

Branded Consumer Division

The Group manufactures and/or distributes branded consumer products that are sold in over 17 countries including Indonesia, Singapore, Malaysia, Hong Kong, Australia, Thailand, the Philippines and China. Petra Foods has an established portfolio of chocolate confectionery brands which are household names in Indonesia include 10 master brands and 20 key sub brands and manufactures over 300 stock keeping units. Its flagship brands in Indonesia include “SilverQueen” and “Ceres” that were introduced in the 1950s and “Delfi” in the 1980s. In addition, the Group also distributes a well-known portfolio of 3rd Party brands in Indonesia, Singapore and Malaysia.

Headquartered in Singapore, Petra Foods has seven cocoa processing facilities (located in Indonesia, Malaysia, the Philippines, Thailand, Brazil, Mexico and Germany), one cocoa butter facility (located in France), two chocolate confectionery production facilities (located in Indonesia and the Philippines) and a total staff strength of close to 6,000.

Petra Foods was awarded the top spot in the annual Singapore Enterprise 50 Award in 2003. In addition, it was recognised as the “Best Newly Listed Singapore Company in 2004” in AsiaMoney's Best Managed Companies Poll 2004. Petra Foods was named the “Enterprise of the Year 2004” by the 20th Singapore Business Awards on 30 March 2005 and was named one of “Singapore’s 15 Most Valuable Brands” in November 2005 by IE Singapore.

Over the years, Petra Foods has clinched awards in various categories at the annual Singapore Corporate Awards. The Group won a Silver award for its inaugural annual report in the “Best Annual Report/Newly Listed Company” category in 2006. In April 2009, it clinched a Gold award in the “Best Annual Report/ Companies with \$300 million to less than \$1 billion in market capitalisation” category. In May 2010, it bagged two Silver awards for “Best Managed Board” and “Best Investor Relations” under the “companies with \$300 million to less than \$1 billion in market capitalisation” category.

Most recently, the Group’s Chief Executive Officer, Mr John Chuang, was recognised for his leadership and management of Petra Foods. He was named “Best Chief Executive Officer at the 2011 Singapore Corporate Awards and “Businessman of the Year” at the 2012 Singapore Business Awards.

Issued on behalf of Petra Foods Limited by August Consulting

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