

**Interfood Shareholding Company**

Lot 13, Tam Phuoc IZ,  
 Bien Hoa City, Dong Nai  
 No : 339/CV-IFS-2013

**SOCIALIST REPUBLIC OF VIETNAM**

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Bien Hoa, 15<sup>th</sup> May 2013

**To : Ho Chi Minh Stock Exchange**

**CC: State Securities Commission**

(Re: Explanatory for Separate business results of 1st quarter 2013)

First we would like to thank for your support recently.

We would like to provide the result of Separate income statement for the 1st quarter of year 2013 as following:

Descriptions	Quarter 1 - 2013	%	Quarter 1 - 2012	%	Variance	%
	Thousand VND		Thousand VND		Thousand VND	
Gross sales	229,697,087		210,925,656		18,771,431	9%
Less deductions:	6,542,900		6,270,040		272,860	4%
Net sales	223,154,187	100%	204,655,616	100%	18,498,571	9%
Cost of sales	151,866,945	68%	166,039,566	81%	(14,172,621)	-9%
Gross profit	71,287,242	32%	38,616,049	19%	32,671,193	85%
Income from financial activities	1,034,130	0.5%	976,896	0%	57,234	6%
Expenses for financial activities	2,187,457	1%	2,105,565	1%	81,892	4%
<i>Including: interest expense</i>	2,187,457	1%	1,999,759	1%	187,698	9%
Selling expenses	75,664,815	34%	36,648,886	18%	39,015,929	106%
General and administration expenses	8,764,707	4%	6,556,425	3%	2,208,282	34%
Operating profit (loss)	(14,295,607)	-6%	(5,717,932)	-3%	(8,577,675)	150%
Other income	74,448,944	33%	2,590,045	1%	71,858,899	2774%
Other expenses	993,683	0%	1,700,690	1%	(707,007)	-42%
Profit (loss) before tax	59,159,654	27%	(4,828,576)	-2%	63,988,230	-1325%
CIT for the current year	-	0%	-	0%	-	
Deferred CIT	-	0%	-	0%	-	0%
Profit(loss) after tax	59,159,654	27%	(4,828,576)	-2%	63,988,230	-1325%

We would like to explain several factors related to the results of consolidated operations as of the reporting period as follows:

Net sales in 1st Quarter 2013 increased by 9% compared to the same period in 2012, caused by the company in the first quarter was the best preparation for the year 2013 sales program, such as: fully prepared goods, to ensure the best quality and variety of product design models to best meet the needs of customers. In addition, the company had at competitive prices policy, contributing to strong sales in the first quarter of year 2013.

Cost of goods sold in 1st Quarter of 2013 decreased 9% compared to the same period last year and decreased to 68% of net sales compared to 81% last year. This is the result of efforts to reduce production costs of companies such as: reduce of empty can from main supplier, reduce cost of husk boiler and the wastewater treatment systems's operation, and efficient use of raw materials.

Financial expenses in the 1st Quarter 2013 insignificant increased 4% over the same period last year and took 1% of net sale, because there had been an increasing in short term loan since in the later period of 2012

In the 1st Quarter 2013, the company continues promoting the promotion, advertising and supporting programme for distributors and sales staff, for the purposes of sales growth for the new year, which puts the cost of sales to the next level, accounting for 34% of revenue and 106% increase over the same period last year.



1st Quarter 2013, general and administration expenses increased 34% compared to the same period in 2012 caused the companies has to expand the operation such as restructure for human resources, or the increase of outresource such as office renting fee and other facilities.

Other income in the quarter increase due primarily from the waiver of long-term loan without conditions from the related parties.

Other expenses reduced due to the impact from the account written off assets not used in have been disposal in year 2012

Above are some explanation for operating results of 1st Quarter 2013.

Thanks and best regards!

ON BEHALF OF THE COMPANY 



  
Michio Nagabayashi  
Chairman, General Director

