

Interfood Shareholding Company
 Lot 13, Tam Phuoc IZ,
 Bien Hoa City, Dong Nai
 No : 231/CV-IFS-2013

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Bien Hoa, 15th May 2013

To : Ho Chi Minh Stock Exchange
CC: State Securities Commission

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

First we would like to thank for your support recently.

We would like to provide the result of consolidation 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	229,697,078		210,927,822		18,769,256	9%
Less deductions:	6,542,908		6,270,040		272,868	4%
Net sales	223,154,170	100%	204,657,782	100%	18,496,388	9%
Cost of sales	148,703,151	67%	162,619,213	79%	(13,916,062)	-9%
Gross profit	74,451,019	33%	42,038,569	21%	32,412,450	77%
Income from financial activities	309,962	0.1%	272,639	0%	37,323	14%
Expenses for financial activities	2,187,461	1%	2,105,565	1%	81,896	4%
<i>Including: interest expense</i>	2,187,461	1%	1,999,759	1%	187,702	9%
Selling expenses	75,664,812	34%	36,655,468	18%	39,009,344	106%
General and administration expenses	9,400,426	4%	7,259,162	4%	2,141,264	29%
Operating profit (loss)	(12,491,718)	-6%	(3,708,988)	-2%	(8,782,730)	237%
Other income	107,729,289	48%	2,590,045	1%	105,139,244	4059%
Other expenses	1,544,584	1%	2,833,566	1%	(1,288,982)	-45%
Profit (loss) before tax	93,692,987	42%	(3,952,509)	-2%	97,645,496	-2470%
CIT for the current year	-	0%	-	0%	-	
Deferred CIT	120,136	0%	-	0%	120,136	0%
Profit(loss) after tax	93,572,851	42%	(3,952,509)	-2%	97,525,360	-2467%
Minority interest	3,453,324	2%	87,603	0%	3,365,721	3842%
Net profit	90,119,527	40%	(4,040,111)	-2%	94,159,638	-2331%

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 67% of net sales compared to 79% 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 0.1% of net sale, because there had been an increasing in short term loan since in the remained quarters of 2012.



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In the 1st Quarter 2013, the company continues promoting the promotion, advertising and supporting programe 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 29% 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 outsource such as office renting fee and other facilities.

Other income in the quarter increase due primarily from the waiver of long-term loan with out 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
Michio Nagabayashi
Chairman, General Director

