

PRESS RELEASE

- *Group revenue improved 13.6% to \$280.3 million from growth in all core segments – Bakery sales improved by 11.7%, Food Atrium 20.9%, and Restaurants 9.4%*
- *Propose interim cash dividend of 0.5 Singapore cent per ordinary share*

\$'000	2Q2014	2Q2013	Change (%)	1H2014	1H2013	Change (%)
Revenue	139,894	126,548	10.5	280,318	246,826	13.6
Net profit attributable to shareholders	2,624	3,038	-13.6	4,428	4,655	-4.9
EPS – diluted (cents)	0.93	1.08	-13.9	1.57	1.65	-4.9

Financial periods ended 31 December

SINGAPORE – 11 August 2014 – Mainboard-listed BreadTalk Group Limited (“BreadTalk” or the Group”), a leading lifestyle F&B group, announced today that its revenue for the first half of 2014 improved 13.6% to \$280.3 million.

Despite the growth in revenue, Profit after tax and attributable to shareholders (“PATMI”) for the same period fell 4.9% from \$4.7 million last year to \$4.4 million. The dip was mainly attributable to the closure of non-performing outlets, leading to asset write off amounting to \$2.2 million in 1H 2014.

The Group’s Bakery division grew its revenue by 11.7% contributed by all markets, except Malaysia which met with a slight decline. PATMI, however, decreased 2.1% due mainly to the Singapore and Thailand markets. Singapore continues to be impacted by the tight labour situation while Thailand was affected by the closure of an outlet during 2Q 2014.

Restaurant division registered revenue growth at 15.4% in 1H 2014 coming from Singapore’s Din Tai Fung and Ramen Play and offset by lower revenue in Din Tai Fung Thailand. PATMI however, decreased by 28.5% as a result of Ramen Play not performing up to expectation and coupled with costs associated with the closure of three outlets.

And lastly, Food Atrium division continued its stellar performance, growing its revenue in 1H 2014 by 20.9% against 1H 2013. Mainland China, Hong Kong and Singapore led the growth but Thailand and Taiwan did not perform within expectation. PATMI rose strongly despite the division incurring \$0.6 million restructuring costs for one of its outlets in the Taiwan market. The improvement in PATMI came from higher margins achieved from its operations in Hong Kong and Mainland China.

Number of Outlets (including those franchised)

	As at 30 Jun 2014	As at 31 Dec 2013	Change (%)
Bakeries	751	737	1.9
Food Atriums	59	58	1.7
Restaurants	34	41	-17.1
TOTAL	844	836	1.0

Dividend

The Directors have proposed an interim cash dividend of 0.5 Singapore cent per ordinary share.

Per Share Data

Fully-diluted earnings per share for 1H 2014 decreased 4.9% to 1.57 Singapore cents. Whereas net asset value per share grew by 13.9% to 33.6 Singapore cents (as at 30 June 2014).

Business Prospects

On 1 August 2014, the Group announced its joint venture partnership with Minor Food Group (MFG) to operate and grow the Breadtalk brand in Thailand. This co-operation will enable Breadtalk brand to leverage on MFG's established platform in Thailand, such as supply chain management, legal, franchising, outlet expansion and property management.

In the second half of the year, the Group will continue to focus on consolidating its Ramen Play business which may involve further closure of non-performing outlets. In addition, it will push on its cost rationalisation plan to achieve better efficiency in the back-end support as well as improving the quality of service and offering at the frontline. Barring any unforeseen circumstances, the Group expects to remain profitable for the rest of FY2014.

About BreadTalk Group Limited

Founded as an F&B operator in Singapore in 2000 and listed on the SGX in 2003, BreadTalk has rapidly expanded to become a distinctive household brand owner that has established its mark on the world stage with its bakery, restaurant and food atrium footprints. Its brand portfolio comprises BreadTalk, ToastBox, Food Republic, Din Tai Fung, Carl's Jr., Tea Loft, Bread Society, Food Opera and Ramen Play. The Group has a network of owned bakery outlets in Singapore, PRC, Malaysia, Hong Kong and Thailand as well as franchised bakery outlets across Asia and the Middle East. It also owns and operates the world-renowned Din Tai Fung restaurants in Singapore and Thailand, as well as the award-winning Food Republic food atriums in Singapore, PRC, Hong Kong and Malaysia.

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