

INTERFOOD SHAREHOLDING COMPANY

MELAMINE SITUATION UPDATE

November 14, 2008

The Company would like to clarify the following:

- The Vietnam Youth newspaper report on November 9, 2008 that we have withdrawn 14 kinds of beverage and biscuits products due to high melamine content is **FALSE**.
- Beverage products manufactured by our Company have strictly <u>NO MELAMINE</u> CONTENT.
- We have requested the Youth newspaper to retract their report and to hold responsibility for publishing inaccurate information which has caused negative effects to our trading activities.
- The Company is considering sensible actions to recover damages from the Youth newspaper.
- The Company has committed to and will continue to recall and destroy any products tested with melamine.
- Reports have been filed with relevant Government authorities including the Government Stock Committee and Dong Nai Economic Security and Health Department.

The Company would like to report the following:

- Early in the initial discovery of melamine content in raw materials such as milk and milk powder, the Company has voluntarily and actively taken steps to inspect its products. Raw material samples were sent to the Quality Measurement Standard Technology Centre No. 3 for testing and the results detected no melamine content.
- On October 8, 2008, samples tested at the same centre discovered melamine in 2 products.
- The Company has sealed off and not released any consignments detected or suspected to contain the substance. This has been witnessed and confirmed by the Inspection Office of the Dong Nai Health Department.
- On November 6, 2008, the Company has recalled a total of 12 biscuit products to be sent for testing and results are still pending.

The Company would like to stress the following:

- It is a Company philosophy to produce quality products and the health and safety concerns of our consumers are our **top priority**.
- The Company has been more rigorous in its procurement and raw materials selection process since the outbreak of melamine contamination.
- The Company will continue to ensure the highest of quality and safety in its products.

The Company will continue to post updates as they become available. We would like to thank all consumers for their continued support and confidence.