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## **Local Government Supports Kiwifruit Farmers and SkyPeople Fruit Juice with Subsidies Through 2015**

XI'AN, China, Jan. 6 /PRNewswire-Asia-FirstCall/ -- SkyPeople Fruit Juice, Inc. (NYSE Amex: SPU) ("SkyPeople" or "the Company"), a processor and manufacturer of concentrated kiwifruit, apple, pear and other fruit juices and fruit products in China, today announced continued governmental support for kiwifruit growers in Shaanxi Province and direct governmental support for SkyPeople Fruit Juice. Beginning in 2008, the Shaanxi Fruit Industry Council first announced it would support kiwifruit farmers with a yearly cash subsidy of 300RMB for each Chinese "mu" harvested for kiwifruit (the equivalent value would be approximately \$267 USD per acre based on the exchange rate of December 31, 2009). After an initial review of the program's benefits over the last two years, the Shaanxi government reconfirmed support to maintain the program through 2015. Shaanxi Province is China's largest growing area for kiwifruit. In particular, Shaanxi Qinling mountain area is the most fertile growing area for kiwifruit, which can grow 96% species of kiwifruit known worldwide. The output of the kiwifruit growing area was 350,000 tons in 2008.

As SkyPeople has been recognized as a High and New Technology Enterprise in Shaanxi Province for the past three years, and was awarded "Leading Shaanxi-based Agricultural Company" in December of 2008 by the Agriculture Department of Shaanxi Province, in coordination with the kiwifruit subsidies directly to farmers, in November 2009, SkyPeople received subsidies of RMB 9 million (approximately \$1.32 million) from the local government. This amount was previously recorded as a subsidy income and other receivables in the Company's financial statements for the nine months ended September 30, 2009, which was disclosed in the Company's Form 10Q filed with the SEC on November 16, 2009. The Company plans to use this fund to expand the Company's R&D facilities and acquire new fruit juice processing equipment.

"Being in the heart of the largest kiwifruit growing area in China has its unique advantages," opened Chairman and CEO Mr. Yongke Xue. "While our proximity to raw material supply has always benefited our operations, we are pleased that the Shaanxi government has continually supported kiwifruit growers and our company in our home province. This round of subsidies for our industry will strengthen our raw material supply and provide our company a direct benefit that we can invest back into our business accordingly," Xue concluded.

### **About SkyPeople Fruit Juice, Inc.**

SkyPeople Fruit Juice, Inc. is a holding company of Shaanxi Tianren. Shaanxi Tianren is a company organized according to the laws of the People's Republic of China. Shaanxi Tianren's main products are concentrated apple, kiwifruit, pear and other fruit juices for domestic and international consumers. Its brand, HEDETANG(R), is positioned as a high quality, healthy and nutritious juice concentrate and clear juice product used both as an



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ingredient component in other products and an end-use juice concentrate product. Shaanxi Tianren utilizes the largest kiwifruit plantation in China and is a leading producer of concentrated kiwifruit juice in Asia. For more information, please visit <http://www.skypeoplefruitjuice.com>.

### **Forward-Looking Statements**

This press release contains certain "forward-looking statements" that involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate and the actual results and future events could differ materially from management's current expectations. Such factors include, but are not limited to, the Company's ability to obtain the necessary financing to continue and expand operations, to market its products in new markets and to offer products at competitive pricing, to attract and retain management, and to integrate and maintain technical information and management information systems, political and economic factors in the People's Republic of China, compliance requirement of laws and regulations of the PRC, the effects of currency policies and fluctuations, general economic conditions and other factors detailed from time to time in the Company's filings with the United States Securities and Exchange Commission and other regulatory authorities. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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