



## SkyPeople Fruit Juice Reports Second Quarter 2011 Financial Results

XI'AN, China, Aug. 15, 2011 /PRNewswire-Asia-FirstCall/ -- SkyPeople Fruit Juice, Inc. (NASDAQ: SPU) ("SkyPeople" or "the Company"), a processor and manufacturer of kiwifruit, apple, pear and other concentrated specialty fruit juices and manufacturer of Hedetang- and Qian Mei Duo-branded fruit beverages in the People's Republic of China ("PRC" or "China"), today announced financial results for its second quarter ended June 30, 2011.

### Second Quarter 2011 summary:

Total revenue decreased 9% to \$12.2 million year-over-year

Apple concentrate sales increased 110% to \$2.4 million due to higher pricing

Fresh juice beverage sales increased 12% to \$5.4 million

Cash flows from operations increased was \$27.5 million in first half of 2011; \$76.1 million cash and cash equivalents at June 30, 2011

| Second Quarter 2011 Results     |                |                |        |
|---------------------------------|----------------|----------------|--------|
|                                 | 2Q 2011        | 2Q 2010        | CHANGE |
| Net Sales                       | \$12.2 million | \$13.4 million | -9%    |
| Gross Profit                    | \$4.2 million  | \$6.4 million  | -34%   |
| Net Income                      | \$1.5 million  | \$4.8 million  | -69%   |
| EPS (Diluted)                   | \$0.06         | \$0.22         | -73%   |
| Diluted Avg. Shares Outstanding | 26.7 million   | 21.5 million   | +24%   |

Yongke Xue, Chief Executive Officer of SkyPeople Fruit Juice explained, "Sales of our Hedetang and Qian Mei Duo beverages grew significantly in the quarter and were the single largest revenue stream for the Company. Our branded beverages are now sold in over 100 retail stores in approximately 13 cities including Xi'an, Beijing and now, Tianjin. During our seasonally slowest quarter, we improved apple juice and pear concentrate sales despite weather effects on the harvest seasons over the last six months. This was offset by a measured decrease in kiwifruit sales as the second quarter in 2010 had abnormally strong harvests. We remain committed to capitalizing on the growth potential for our branded beverages and the continued growth of our concentrate business in China and international markets."



## Second Quarter 2011 Segment Revenue

|  | Three Months Ended June 30, |                  | <u>% Change</u> |
|--|-----------------------------|------------------|-----------------|
|  | <u>2011</u>                 | <u>2010</u>      |                 |
| Concentrated apple juice and apple<br>aroma(excluding inter-segment sales)             | \$ 2,387                    | \$ 1,137         | +110%           |
| Concentrated kiwifruit juice and<br>kiwifruit puree (excluding inter-segment<br>sales) | 1,711                       | 3,929            | (57%)           |
| Concentrated pear juice(excluding<br>inter-segment sales)                              | 1,891                       | 1,656            | +14%            |
| Fruit juice<br>beverages ("Hedetang" and "Qian Mei<br>Duo")                            | 5,433                       | 4,852            | +12%            |
| Fresh fruits and vegetables  | -                           | -                | -               |
| Other  | <u>789</u>                  | <u>1,823</u>     | (57%)           |
| Consolidated   | \$ <u>12,211</u>            | \$ <u>13,397</u> | (9%)            |

Sales of concentrated apple juice increased 110% to \$2.4 million primarily due to higher pricing compared with the same period of last year. Branded juice beverage sales, which include "Hedetang" and "Qian Mei Duo" bottled and boxed juices, increased to \$5.4 million from \$4.9 million in the prior year. The increase was mainly due to an increase in sales volume which was offset by a decrease in the average sales price of beverages. The Company currently produces four different flavors of branded fruit juices under the Qian Mei Duo brand and six flavors of fruit beverages under the Hedetang brand in 280 ml glass bottles and 500 ml glass bottles, including apple juice, pear juice, kiwifruit juice, mulberry juice, kiwifruit cider and mulberry cider. It also produces fruit beverages in 500 ml PET bottles under the Hedetang brand, which include pomegranate, apple, kiwifruit and mulberry. Sales of kiwi concentrates and purees were \$1.7 million, down from \$3.9 million in the prior year. The decrease was due to a decrease in sales volume as well as unit price. Pear juice concentrates sales increased 14% to \$1.9 million due to an increase in the unit price of concentrated pear juice in the market.

Total revenue for the quarter ended June 30, 2011 was \$12.2 million, down 9% from \$13.4 million for the quarter ended June 30, 2010.

Gross profit was \$4.2 million, a 34% decline from \$6.4 million in the same period in 2010. Gross profit margins were 34.1% as compared with 47.5% in the second quarter of



2010. The year-over-year decline in gross margin was a result of lower contribution from higher margin kiwifruit sales and the absence of a large one-time order for turnjube juice from a pharmaceutical customer in the second quarter of 2010. The Company's gross margins fluctuate based on the availability and price of each type of fruit, but have averaged between 30% and 45% on a consolidated basis for the past three years. SkyPeople's four production and processing plants are located near local farms for each type of fruit it processes, and thus the Company secures fruit supply at competitive market prices.

Operating expenses for the three months ended June 30, 2010 were \$1.8 million, or 15% of sales, compared to \$1.3 million, or 10% of sales in the same period last year. Selling expenses increased by \$0.4 million, or 203%, to \$0.6 million due to an increase in payroll expenses as a result of higher headcount to support sales and marketing efforts of Sky People's beverage lines. Operating income dropped 52% to \$2.4 million, representing an operating margin of 19.7%.

Net income and earnings per share for the second quarter of 2011 were \$1.5 million and \$0.06, respectively, compared to \$4.8 million and \$0.22, respectively, in the second quarter of 2010. Fully diluted shares were 26.7 million for the second quarter of 2011, compared to 21.5 million for the second quarter of 2010, reflecting the sale of 5.2 million shares of the Company's Common Stock in the third quarter of 2010 with a net proceeds to the Company in the amount of \$24 million.

### Operating Results of the Six Months Ended June 30, 2011 and 2010

|  | 6 Month Ended June 30, |                | CHANGE |
|--|------------------------|----------------|--------|
|  | 2011                   | 2010           |        |
| Net Sales  | \$31.6 million         | \$31.1 million | +2%    |
| Gross Profit   | \$12.8 million         | \$13.5 million | -5%    |
| Net Income   | \$6.8 million          | \$6.4 million  | +6%    |
| Adjusted Net Income*   | \$6.8 million          | \$8.5 million  | -20%   |
| EPS (Diluted)  | \$0.25                 | \$0.31         | -19%   |
| Adjusted EPS*  | \$0.25                 | \$0.40         | -38%   |
| Diluted Avg. Shares Outstanding  | 26.7 million           | 21.1 million   | +27%   |
| *Adjusted net income and adjusted EPS for the six months ended June 30, 2010 exclude \$2.1 |                        |                |        |



million loss due to the change in fair value of warrant liability.

Net sales for the six months ended June 30, 2011 were \$31.6 million, a 2% increase from \$31.1 million for the corresponding period of last year. Fruit juice beverage sales for the six months ended June 30, 2011 increased by \$5 million to \$12.7 million, representing 40% of sales in the first half of 2011, due to expanded distribution and the introduction of a new line of juices, Qian Mei Duo, in the first quarter of 2011. Concentrated kiwifruit juice and kiwifruit puree sales for the six months ended June 30, 2011 were down 29% to \$4.7 million due to reduced availability of fresh kiwi fruit and increased competition.

Gross profit was \$12.8 million for the six months ended June 30, 2011 compared to \$13.5 million for the six months ended June 30, 2010, with consolidated gross margins of 40.4% and 43.5%, respectively. The 7% year-over-year decline in gross margin was a result of reduced sales contribution from higher margin kiwifruit concentrate and puree and higher labor and raw materials costs.

Operating expenses were \$3.2 million in the first half of 2011, an increase of 18.5%. Operating income and operating margin were \$9.6 million and 30.3%, respectively. Net income attributable to SkyPeople was \$6.8 million for the six months ended June 30, 2011 compared to \$6.4 million for the same period last year. Earnings per share were \$0.25 and \$0.31 in the six month periods ended June 30, 2011 and 2010, respectively. Excluding a \$2.1 million non-cash loss from the change in fair value of warrant liabilities in the six months ended June 30, 2010, adjusted net income and adjusted EPS were down 20% and 38% year-over-year, respectively.

### **Financial Condition**

As of June 30, 2011, the Company had \$76.1 million in cash and cash equivalents, up from \$49.4 million as of December 31, 2010 mainly due to \$27.5 million of cash generated from operations. Working capital was \$84.8 million compared to \$78.6 million as of December 31, 2010. The current ratio was 4.9 at June 30, 2011 as compared to 4.3 at December 31, 2010. Accounts receivable improved to \$22.4 million, compared to \$46.0 million as of December 31, 2010. The accounts receivable turnover increased from 152 days in the second quarter of 2010 to 197 days in the second quarter of 2011. Shareholders' equity was \$133.4 million as of June 30, 2011, an 8% increase from \$123.2 million reported on December 31, 2010. The Company had \$13 million in short term loans with local and provincial banks in Shaanxi and Liaoning Provinces as of June 30, 2011.

### **Capacity Expansion Updates**

The Company's growth plan includes building an integrated manufacturing infrastructure to support higher production volumes for juice beverages and concentrates. The following table



presents the capital projects SkyPeople intend to finance using the proceeds generated from the Company's public offering consummated in 2010:

| Facility                  | Priority Projects  | Estimated<br>Capital<br>Expenditure<br>(in millions) |
|---------------------------|--|--|
| Huludao<br>Wonder         | A refrigeration storage unit for the storage of concentrated fruit juices and fresh fruits and vegetables and a concentrated fruit juice mixing center | \$ 4.6   |
| Huludao<br>Wonder         | Change the 30 ton/hour concentrated apple juice line into a 30 ton/hour comprehensive fruits and vegetables processing line                            | 3.0  |
| Huludao<br>Wonder         | A fruit juice beverage production line   | 3.0  |
| Huludao<br>Wonder         | Environmental project (waste water treatment facility for concentrated apple juice production line)  | 8.0  |
| Total Capital Expenditure |  | <u>\$ 18.6</u>                                       |

### **Huludao Wonder Projects**

The Company plan to start the construction of the refrigeration storage unit for the storage of concentrated fruit juices and fresh fruits and vegetables and a concentrated fruit juice-mixing center in the fourth quarter of 2011. The Company expects to complete this project in the fourth quarter of 2012. The estimated expenditure based on the current material and labor cost was \$4.6 million.

The Company started the construction of infrastructure for the concentrated apple juice production line and the fruit juice beverage production line on September 28, 2010. As of June 30, 2011, the Company spent \$1.3 million in purchasing machinery and equipment and construction for a fruit juice beverage production line, which is in the process of being installed. The new beverage production line is expected to operate in the third quarter of 2011.

The environmental project mainly consists of a wastewater processing facility that is required in our production of fruit and vegetable juice concentrates. This project is expected to start in the third quarter of 2011 and be completed in the fourth quarter of 2011 or early 2012. The estimated expenditure based on the current material and labor cost was \$8.0 million.



On March 27, 2011, the National Development and Reform Commission and the relevant departments of the State Council of the PRC amended the Catalogue of Industry Structure Adjustment issued in 2005 and released the Catalogue of Industry Structure Adjustment for 2011 (the "New Catalogue"), which was effective on June 1, 2011. In the New Catalogue, concentrated apple juice business is classified in the category of Restricted Industry, which means that the government may restrict the expansion of this industry by, among other things, putting limitations on the increase in production capacity, increasing the product quality standard, reducing government financial support. The Company expects that the restrictions under the New Catalogue will reduce government financial support of concentrated apple juice businesses and have a negative impact on the future expansion and development of our concentrated apple juice segment. Considering the government potential restriction on the approval of increase in the production capacity of concentrated apple juice, the Company decided to cancel our original plan for the construction of a 50 ton/hour concentrated apple juice line, which we previously estimated to use up to \$10.7 million of the proceeds generated from our public financing consummated in August 2010. The Company is currently considering other different potential projects for our Huludao Wonder factory. In addition, to minimize the potential negative impact of the new regulation, the Company planned to change our existing 30 ton/hour concentrated apple juice line into a 30 ton/hour comprehensive fruits and vegetables processing line by adding additional equipment and machinery. The 30 ton/hour comprehensive fruits and vegetables processing line is expected to process a variety of fruits and vegetables (including apple, pear, and other fruits and vegetables) into juices. The estimated investment for this project is \$3.0 million. The Company believe that this project could provide us more flexibility. This project is expected to start in the third quarter of 2011 and be completed in the third quarter of 2012. As of June 30, 2011, the Company has spent \$1.3million on the construction work of Huludao Wonder. The payment was mainly for the deposits for the purchase of machinery and equipment and construction in progress.

### **Other Projects**

The Company plans to add another 20 tons per hour concentrated pear juice line as part of our 2011 capital expenditure plan using the cash generated from operating cash flows. The Company has already ordered the machinery for this production line with a total contract value of \$4.1 million and, as of June 30, 2011, The Company has spent \$2.9 million in making payments under these contracts. The Company expect to operate this line in the third quarter of 2011.

### **Suizhong Project**

On July 15, 2011, the Company entered into a letter of intent ("LOI") with the Suizhong County municipal government to evaluate the potential to establish a fruit and vegetable industry chain to develop and promote the agricultural product processing industry in Liaoning.



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The Suizhong project may include one or more of the following: the construction and operation of fruit juice production lines, vegetable and fruit flash freeze facility, refrigeration storage facility and warehouse, a world class food safety testing center, fruit and vegetable modern supply chain and e-commerce platform, fruit and vegetable finished products processing center and exhibition center. The implementation of the project is subject to further feasibility study, including environmental study, government approval of the project, successful bid to obtain land required for the project, the Company's ability to fund the project based on the size and scope of the project as determined through the feasibility study and the entry into definitive agreements among the parties involved in the projects. SkyPeople expects to commence the feasibility in the third quarter of 2011.

### **Second quarter 2011 Conference Call**

The Company will host a live earnings conference call to discuss the second quarter results. At the conclusion of the prepared comments, the Company's CEO, Mr. Yongke Xue, and Ms. Spring Liu, CFO will host a questions and answers session.

To attend the call, please use the dial-in information below. When prompted, ask for "SkyPeople Fruit Juice" and/or be prepared to provide the conference ID.

#### Conference Call

|                                 |   |
|---------------------------------|---|
| Date:                           | Wednesday, August 17, 2011  |
| Time:                           | 11:00 am Eastern Time, U.S.   |
| Conference Line Dial-In (U.S.): | +1-877-317-6776   |
| International Dial-In:          | +1-412-317-6776   |
|                                 | Northern China: 10-800-712-2304   |
| Asia Dial-In:                   | Southern China: 10-800-120-2304   |
|                                 | Hong Kong: 800-962475   |
| Conference ID:                  | SkyPeople Fruit Juice Second Quarter 2011 Conference Call   |
| Webcast link:                   | <a href="http://webcast.mz-ir.com/publico.aspx?codplataforma=3095">http://webcast.mz-ir.com/publico.aspx?codplataforma=3095</a> |

Please dial in at least 10 minutes before the call to ensure timely participation. A playback will be available through May 24, 2011. To listen, please call + 1-877-870-5176 within the United States or + 1-858-384-5517 when calling internationally. Utilize the pass code 4440644 for the replay.



This call is being web cast by ViaVid Broadcasting and can be accessed at ViaVid's website at <http://www.viavid.net> or at the following link: <http://webcast.mz-ir.com/publico.aspx?codplataforma=3095>.

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

SkyPeople Fruit Juice, Inc., a Florida company, through its wholly-owned subsidiary Pacific Industry Holding Group Co., Ltd., a Vanuatu company, holds 99.78% ownership interest in SkyPeople Juice Group Co., Ltd. ("SkyPeople (China)"). SkyPeople (China) is engaged in the production and sales of fruit juice concentrates (including fruit purees, fruit puree concentrates, and clear fruit juice concentrates), fruit beverages (including fruit juice beverages and fruit cider beverages), and other fruit related products (including primarily organic and non-organic fresh fruits, kiwifruit seeds and apple aroma) in and from the PRC. Its fruit juice concentrates are sold to domestic customers and exported directly or via distributors. Fruit juice concentrates are used as a basic ingredient component in the food industry. Its brand, Hedetang, which is a registered trademark in the PRC, is positioned as a high quality, healthy and nutritious end-use juice beverage. For more information, please visit <http://www.skypeoplefruitjuice.com>.

### **About Non-GAAP Financial Measures**

SkyPeople Fruit Juice, Inc., a Florida company, through its wholly-owned subsidiary Pacific Industry Holding Group Co., Ltd., a Vanuatu company, holds 99.78% ownership interest in SkyPeople Juice Group Co., Ltd. ("SkyPeople (China)"). SkyPeople (China) is engaged in the production and sales of fruit juice concentrates (including fruit purees, fruit puree concentrates, and clear fruit juice concentrates), fruit beverages (including fruit juice beverages and fruit cider beverages), and other fruit related products (including primarily organic and non-organic fresh fruits, kiwifruit seeds and apple aroma) in and from the PRC. Its fruit juice concentrates are sold to domestic customers and exported directly or via distributors. Fruit juice concentrates are used as a basic ingredient component in the food industry. Its brand, Hedetang, which is a registered trademark in the PRC, is positioned as a high quality, healthy and nutritious end-use juice beverage. For more information, please visit <http://www.skypeoplefruitjuice.com>.

### **SKYPEOPLE FRUIT JUICE, INC.**

#### **CONDENSED CONSOLIDATED BALANCE SHEETS AS OF JUNE 30, 2011(UNAUDITED) AND DECEMBER 31, 2010**

|                           | June 30,<br>2011<br><hr style="width: 100%; border: none; border-top: 1px solid black; margin: 0;"/> (Unaudited) | December 31,<br>2010<br><hr style="width: 100%; border: none; border-top: 1px solid black; margin: 0;"/> |
|---------------------------|--|--|
| ASSETS                    |  |  |
| CURRENT ASSETS            |  |  |
| Cash and cash equivalents | \$ 76,146,274  | \$ 49,350,385  |





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|  |                       |                       |
|--|-----------------------|-----------------------|
| Restricted cash  | 793,233               | 505,581               |
| Accounts receivable, net of allowance of \$45,358 and \$44,405 as of June 30, 2011 and December 31, 2010, respectively | 22,415,546            | 46,029,962            |
| Other receivables  | 1,606,346             | 1,272,648             |
| Inventories  | 5,514,217             | 5,436,117             |
| Advances to suppliers and other current assets   | 69,715                | 31,604                |
| Total current assets   | <u>106,545,331</u>    | <u>102,626,297</u>    |
| PROPERTY, PLANT AND EQUIPMENT, Net   | 36,019,669            | 36,337,251            |
| LAND USAGE RIGHTS, Net   | 6,593,960             | 6,541,825             |
| OTHER ASSETS   | 6,055,460             | 1,694,486             |
| TOTAL ASSETS   | <u>\$ 155,214,420</u> | <u>\$ 147,199,859</u> |

## LIABILITIES

### CURRENT LIABILITIES

|                           |                   |                   |
|---------------------------|-------------------|-------------------|
| Accounts payable          | \$ 4,234,856      | \$ 3,446,797      |
| Accrued expenses          | 2,938,923         | 4,871,934         |
| Income taxes payable      | 753,942           | 4,377,039         |
| Advances from customers   | 70,229            | 573,609           |
| Short-term bank loans     | 12,996,055        | 10,238,856        |
| Short-term notes payable  | 793,233           | 505,581           |
| Total current liabilities | <u>21,787,238</u> | <u>24,013,816</u> |

Commitments and contingencies (Note 12)

### STOCKHOLDERS' EQUITY

SkyPeople Fruit Juice, Inc. stockholders' equity:

Preferred Stock, \$0.001 par value; 10,000,000 shares authorized; 1,456,647

and 1,456,647 Series B Preferred Stock issued and outstanding as of June 30, 2011 and December 31, 2010, respectively

1,457 1,457

Common Stock, \$0.001 par value; 66,666,666 shares

authorized; 25,690,402 and 25,690,402 shares issued and outstanding as of June 30,

25,690 25,690



2011 and December 31, 2010, respectively

|   |                       |                       |
|---|-----------------------|-----------------------|
| Additional paid-in capital                                    | 59,189,374            | 59,189,374            |
| Retained earnings   | 58,198,408            | 51,418,283            |
| Accumulated other comprehensive income                        | 10,667,255            | 7,823,967             |
| <b>Total SkyPeople Fruit Juice, Inc. stockholders' equity</b> | <b>128,082,184</b>    | <b>118,458,771</b>    |
| Noncontrolling interests                                      | 5,344,998             | 4,727,272             |
| <b>TOTAL EQUITY</b>   | <b>133,427,182</b>    | <b>123,186,043</b>    |
| <b>TOTAL LIABILITIES AND EQUITY</b>                           | <b>\$ 155,214,420</b> | <b>\$ 147,199,859</b> |

**CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010 (UNAUDITED)**

|                                   | Three Months Ended |                  | Six Months Ended |                  |
|-----------------------------------|--------------------|------------------|------------------|------------------|
|                                   | June 30,<br>2011   | June 30,<br>2010 | June 30,<br>2011 | June 30,<br>2010 |
| Revenue                           | \$ 12,210,706      | \$ 13,396,783    | \$ 31,625,621    | \$ 31,118,079    |
| Cost of Sales                     | 8,043,560          | 7,039,098        | 18,852,917       | 17,597,346       |
| Gross Profit                      | 4,167,146          | 6,357,685        | 12,772,704       | 13,520,733       |
| Operating Expenses                |                    |                  |                  |                  |
| General and administrative        | 1,008,734          | 848,107          | 1,824,894        | 1,614,339        |
| Selling expenses                  | 648,929            | 214,101          | 1,103,603        | 578,878          |
| Research and development expenses | 138,241            | 267,181          | 274,708          | 545,333          |
| <b>Total operating expenses</b>   | <b>1,795,904</b>   | <b>1,329,389</b> | <b>3,203,205</b> | <b>2,738,550</b> |
| Income from Operations            | 2,371,242          | 5,028,296        | 9,569,499        | 10,782,183       |
| Other Income                      |                    |                  |                  |                  |



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|   |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
| (Expense)   |                     |                     |                     |                     |
| Interest expense  |                     |                     |                     |                     |
| Interest expense  | (176,393)           | (216,957)           | (340,188)           | (439,916)           |
| Interest income   | 65,774              | 24,657              | 142,086             | 46,753              |
| Subsidy income  | 88,697              | 2,204,843           | 571,764             | 2,248,405           |
| Other income  | 42,605              | 1,672               | 39,572              | 1,434               |
| Change in fair value of warrant liability                 | -                   | (10,860)            | -                   | (2,103,832)         |
| Total other income (expense)                              | <u>20,683</u>       | <u>2,003,355</u>    | <u>413,234</u>      | <u>(247,156)</u>    |
| Income Before Income Taxes                                | 2,391,925           | 7,031,651           | 9,982,733           | 10,535,027          |
| Income Tax Expenses                                       | <u>763,578</u>      | <u>1,922,974</u>    | <u>2,693,386</u>    | <u>3,428,871</u>    |
| Net Income  | 1,628,347           | 5,108,677           | 7,289,347           | 7,106,156           |
| Less: Net income attributable to noncontrolling interests | 140,398             | 345,465             | 509,222             | 677,727             |
| NET INCOME ATTRIBUTABLE TO SKYPEOPLE FRUIT JUICE, INC.    | <u>\$ 1,487,949</u> | <u>\$ 4,763,212</u> | <u>\$ 6,780,125</u> | <u>\$ 6,428,429</u> |
| Earnings Per Share:                                       |                     |                     |                     |                     |
| Basic earnings per share                                  | \$ 0.06             | \$ 0.22             | \$ 0.25             | \$ 0.31             |
| Diluted earnings per share                                | \$ 0.06             | \$ 0.22             | * \$ 0.25           | \$ 0.31 *           |



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Weighted Average  
Shares Outstanding:

|         |            |            |            |            |
|---------|------------|------------|------------|------------|
| Basic   | 25,690,402 | 20,185,555 | 25,690,402 | 19,268,424 |
| Diluted | 26,661,500 | 21,481,227 | 26,661,500 | 21,063,637 |

Comprehensive  
Income:

|            |              |              |              |              |
|------------|--------------|--------------|--------------|--------------|
| Net income | \$ 1,628,347 | \$ 5,108,677 | \$ 7,289,347 | \$ 7,106,156 |
|------------|--------------|--------------|--------------|--------------|

|  |                  |                |                  |                |
|--|------------------|----------------|------------------|----------------|
| Foreign currency<br>translation adjustment | <u>1,810,214</u> | <u>528,500</u> | <u>2,951,792</u> | <u>499,135</u> |
|--|------------------|----------------|------------------|----------------|

|                      |                     |                     |                      |                     |
|----------------------|---------------------|---------------------|----------------------|---------------------|
| Comprehensive Income | <u>\$ 3,438,561</u> | <u>\$ 5,637,177</u> | <u>\$ 10,241,139</u> | <u>\$ 7,605,291</u> |
|----------------------|---------------------|---------------------|----------------------|---------------------|

|   |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
| Comprehensive income<br>attributable to the<br>noncontrolling interests | <u>(203,924)</u> | <u>(345,628)</u> | <u>(617,726)</u> | <u>(647,329)</u> |
|---|------------------|------------------|------------------|------------------|

|   |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
| Comprehensive Income<br>Attributable to<br>SkyPeople Fruit Juice,<br>Inc. | <u>\$ 3,234,637</u> | <u>\$ 5,291,549</u> | <u>\$ 9,623,413</u> | <u>\$ 6,957,962</u> |
|---|---------------------|---------------------|---------------------|---------------------|

\* The effect of 1,228,334 shares of warrants and the related change in fair value of warrant liability were not included for the computation of diluted earnings per share for the period ended as the inclusion would be anti-dilutive.

**For more information, please contact:**

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SOURCE SkyPeople Fruit Juice, Inc.