

August 13, 2013



SkyPeople Fruit Juice Reports Second Quarter 2013 Financial Results

XI'AN, China, Aug. 13, 2013 /PRNewswire-FirstCall/ -- SkyPeople Fruit Juice, Inc. (NASDAQ: SPU) ("SkyPeople" or "the Company"), a producer of fruit juice concentrates, fruit juice beverages and other fruit-related products, today announced its financial results for the second quarter ended June 30, 2013.

Second Quarter 2013 Summary:

- Revenue was \$10.3 million, a decrease of 19% year-over-year
- Gross profit was \$3.4 million, a decrease of 19% year-over-year
- Gross profit margin was 32% as compared to 33% for the same period of 2012.
- Income from operations was \$0.9 million, a decrease of 68% year-over-year
- Net income attributable to the Company was \$0.7 million, a decrease of 72% year-over-year
- Revenue from the fruit juice beverage segment was \$8.6 million, an increase of 35% year-over-year
- Cash and cash equivalents were \$80.3 million as of June 30, 2013

"We recorded lower than expected financial results for the second quarter of 2013 attributable to reduced demand among our customers. However, we typically increase production of our concentrated fruit juice products in the third quarter which could potentially lead to improved sequential performance," said Mr. Hongke Xue, Chief Executive Officer of SkyPeople. "A bright spot in the second quarter was the continued strong performance of our fruit juice beverages segment, a key growth area in which we have invested substantially. For the quarter, the fruit juice beverages segment grew 35% year over year which helped to offset decreases in other of our key product segments. We currently sell our fruit juice beverages to more than 20,000 retail stores in approximately 26 provinces."

"During the second quarter of 2013, we decided to build our internal research and development team as we believe this is the best way to realize our commitment of creating new products with high margins to supplement our current product offerings. Therefore, we suspended four R&D contracts that were in effect in the quarter and will focus instead upon strengthening and expanding our current R&D team."

"We announced early in the second quarter that we entered into an agreement with Managing Committee of Mei County National Kiwi Fruit Wholesale Trading Center to establish kiwi processing facilities which we believe has excellent potential and will strengthen our competitive positioning in this important product segment. Our growth initiatives, including our project to develop orange products in Hubei Province, are a key

element of our strategic plan is to further diversify our product platform in order to mitigate both the regional and seasonal cyclicalities of our products."

"We continue to believe that China's economic growth and rising incomes are causing a transition in consumer tastes towards healthier lifestyles and improved nutrition. We see this as a long-term phenomenon that will stimulate further demand for our products. We believe that our diversified range of fruit products and branded fruit juice beverages are well positioned to meet this still emergent market environment," Mr. Hongke Xue concluded.

Second Quarter 2013 Financial Results

Revenue. Revenue for the three months ended June 30, 2013 was \$10.4 million, a decrease of 19% as compared to \$12.8 million for the same period in 2012. This was primarily due a decrease in sales of kiwi-related products, concentrated pear juice and other products, which was partially offset by an increase in revenue generated from sales of the apple-related products and fruit juice beverages.

Second Quarter 2013 Revenue by Segment

(In \$000's)

Three Months Ended June 30

| | 2013 | 2012 | % of change |
|---------------------------------------------|--------|--------|-------------|
| Concentrated apple juice and apple aroma | 1,052 | 751 | 40% |
| Concentrated kiwifruit juice and kiwi puree | 10 | 489 | (98%) |
| Concentrated pear juice | 684 | 3,734 | (82%) |
| Fruit juice beverages | 8,594 | 6,366 | 35% |
| Fresh fruits and vegetables | 4 | - | NA |
| Other | 6 | 1,497 | NA |
| Total | 10,350 | 12,837 | (19%) |

Revenue by Segment. Revenue from the fruit juice beverages increased to \$8.6 million, an increase of \$2.2 million or 35%, from \$6.4 million for the same period of 2012, primarily due to market share gains attributable to the Company's continuous efforts to expand their sales channel. The fruit juice beverages segment comprised 83% of total Company revenue for the second quarter for 2013 as compared to 50% for the same period of 2012, and so was a large factor in mitigating the decrease in revenue for the second quarter of 2013 as compared to the same period in 2012.

Sales from apple related products increased by \$0.3 million, or 40%, to \$1.1 million for the three months ended June 30, 2013, from \$0.8 million for the same period of 2012. During the second quarter of 2013, the Company sold approximately 615 tons of concentrated apple juice, compared with approximately 428 tons of concentrated apple juice sold in the same period of 2012. However, this increase was coupled with a decrease in unit price of concentrated apple juice.

Sales from concentrated kiwifruit juice and kiwifruit puree were \$0.01 million for the second quarter of 2013, a decrease of \$0.48 million, or 98%, from \$0.49 million in the same quarter of 2012, primarily due to decrease in both amount sold and unit price. During the three months ended June 30, 2013, the Company sold approximately 14 tons of kiwi-related products.

Sales of concentrated pear juice decreased to \$0.7 million in the second quarter of 2013, a decrease of \$3.0 million, or 82%, from \$3.7 million in the same quarter of 2012. During the second quarter of 2013, the unit selling price and amount of concentrated pear juice decreased. During the second quarter of 2013 and 2012, the Company sold 527 and 2,200 tons of concentrated pear juice, respectively.

Revenue from our fruit juice beverages in the PRC increased to \$8.6 million, an increase of \$2.2 million or 35%, from \$6.4 million for the same period of 2012, primarily due to bigger market share gained from our continuous efforts of expanding sales channel.

Revenue from our fresh fruits and vegetables in the PRC were \$0.004 million and \$nil for the second quarter of 2013 and 2012, respectively.

Sales from other products decreased to \$0.006 million, a decrease from \$1.5 million for the same period of 2012. The amount of sales of other products is expected to be unstable and is generally not indicative of our future sales of other products.

Gross Profit. The Company's consolidated gross profit for the three months ended June 30, 2013 was \$3.4 million, a decrease of \$0.8 million, or 19%, from \$4.2 million for the same period of 2012, primarily due to a reduced level of gross profit generated from the Company's concentrated pear juice and apple-related products segments. The consolidated gross profit margin for the three months ended June 30, 2013 was 32%, a decrease of 1%, from 33% for the same period of 2012, primarily due to a decrease in gross margin of apple-related products, concentrated pear juice, which was partially offset by an increase in gross profit margin of both kiwi-related products and fruit juice beverages.

Second Quarter 2013 Gross Profit by Segment

(In \$000's)

Three Months Ended June 30

| | 2013 | | 2012 | |
|---------------------------------------------|--------------|--------------|--------------|--------------|
| | Gross profit | Gross margin | Gross profit | Gross margin |
| Concentrated apple juice and apple aroma | 77 | 7% | 94 | 13% |
| Concentrated kiwifruit juice and kiwi puree | 5 | 50% | 223 | 46% |
| Concentrated pear juice | 121 | 18% | 1,705 | 46% |
| Fruit juice beverages | 3,147 | 37% | 2,118 | 33% |
| Fresh fruits and vegetables | 3 | 75% | - | NA |
| Other | 1 | 17% | 81 | 5% |
| Total | 3,354 | 32% | 4,221 | 33% |

Gross Profit by Segment. Gross profit of the fruit juice beverages increased to \$3.1 million, an increase of \$1.0 million or 49%, from \$2.1 million for the same period of 2012, primarily due to expansion of market share. The gross profit margin of the Company's fruit juice beverages increased from 33% to 37% for the three months ended June 30, 2013, from 33% for the same period of 2012. The fruit juice beverages segment accounted for 94% of total gross profit for the second quarter of 2013 as compared to 50% for the same period of 2012. This had the effect of offsetting reduced total gross profit levels for the Company's other product segments for the second quarter of 2013 as compared to the same period of 2012.

Gross profit of the apple related products segment decreased to \$0.08 million for the three months ended June 30, 2013, from \$0.09 million for the same period of 2012. The gross margin of concentrated apple juice and apple aroma decreased to 7% for the three months ended June 30, 2013 from 13% for the same period of 2012, primarily due to significantly lower selling price of concentrated apple juice.

Gross profit of the company's concentrated kiwifruit juice and kiwifruit puree segment also decreased significantly and the gross profit margin of this segment's gross profit increased from 46% for the three months ended June 30, 2012 to 50% for the same period of 2013, primarily due to lower cost of fresh kiwi purchased in three months ended June 30, 2013 as compared to the same period of 2012.

Gross profit of the concentrated pear juice segment decreased to \$0.1 million in the second quarter of 2013, a decrease 93%, from \$1.7 million in the same quarter of 2012. During the second quarter of 2013, the unit selling price of concentrated pear juice decreased which led to a decrease of the gross margin of this segment to 18% in the second quarter of 2013 relative to 46% in the second quarter of 2012.

Operating Expenses. Operating expenses for the second quarter of fiscal 2013 was \$2.4 million, or 23% of sales, which were higher than that of the same period of 2012, when operating expenses represented 10% of sales. General and administrative expenses increased 96% to \$1.3 million in the second quarter of 2013 as compared to \$0.7 million for the same period of 2012, mainly due to an increased amount of legal fees related to the Company's current pending litigation and higher salary expenses resulting from an increase in the headcount of the Company's management staff. Selling expenses increased 132% to \$1.2 million as compared to \$0.5 million the same period of 2012, mainly due to an increase in the payroll and related expenses as a result of an increase in the Company's headcount to handle an increase in sales work. During the second quarter of 2013, the Company suspended research and development work and received a fund of \$79,642 from outside research and development institutions as compared to \$142,685 incurred in research and development expenses for the three months ended June 30, 2012. In the second quarter of 2013, the Company suspended four research and development agreements with research institutions but concentrated on building up its own internal research and development team.

Income from Operations. Income from operations was \$0.9 million for the second quarter of 2013, a decrease of 68% as compared to \$2.9 million for the same period in 2012. The decrease in the income from operations was mainly due to decrease in both revenue as well as gross margin and increase in the operating expenses.

Net Income and Earnings Per Share. Net income attributable to SkyPeople Fruit Juice was \$0.7 million for the second quarter of 2013, a decrease of 72% as compared to \$2.4 million for the same period in 2012, while diluted earnings per share was \$0.03 as compared to \$0.09 for the same period in 2012.

Financial Condition

As of June 30, 2013, the Company had \$80.3 million in cash and cash equivalents, up from \$77.6 million as of fiscal year end 2012. The Company's working capital was \$73.4

million. As of June 30, 2013, the Company had total liabilities of \$28.8 million, which included \$14.0 million in short-term bank loans and an \$8.0 million short-term payable to a related party. As of June 30, 2013, stockholders' equity attributable to SkyPeople Fruit Juice was \$163.7 million as compared to \$156.5 million as of fiscal year end 2012.

During the six months ended June 30, 2013, the Company's operating activities generated a net cash inflow of \$29.8 million, as compared to \$25.1 million for the same period in 2012. Net cash used in investing activities were \$38.5 million for the six months ended June 30, 2013 as compared to \$3.4 million for the same period in 2012. For the six months ended June 30, 2013, cash flow generated from financing activities totaled \$10.1 million as compared to \$5.2 million for the same period in 2012. Historically, the Company has financed its capital expenditures and other operating expenses through cash on hand, operating cash flows and bank loans.

Second Quarter Developments

In the second quarter of 2013, SkyPeople(China) announced an agreement to manufacture and market kiwi products. On April 3, 2013, SkyPeople (China) entered into an investment agreement with the Managing Committee of Mei County National Kiwi Fruit Wholesale Trading Center, which has been authorized by the People's Government of Mei County to be in charge of the construction and administration of the Mei County National Kiwi Fruit Wholesale Trading Center.

Under the investment agreement, the parties agreed to invest and establish a kiwi fruit comprehensive deep processing zone and kiwi fruit and fruit-related materials trading zone in Mei County with a total planned area of approximately 47 acres.

Pursuant to the investment agreement, the Company will be responsible for construction and financing with a total investment of approximately \$71.9 million in buildings and equipment. In addition, the Company agreed to pay a fee of RMB 0.3 million per mu for the land use rights.

Conference Call

The Company will hold a conference call on Thursday, August 15, 2013 at 9:00 am Eastern Time to discuss its financial results for the first quarter ended June 30, 2013. The Company's Chairman, Mr. Yongke Xue, and Chief Financial Officer, Mr. Xin Ma, will host the call.

To attend the live conference call, please dial in at least 10 minutes before the call to ensure timely participation. Please use the dial-in information below. When prompted by the operator, mention the conference Pass Code.

Date: Thursday, August 15,
2013

Time: 9:00 am Eastern Time, US

Conference Line Dial-In: +1-855-880-8437

International Dial-In: +1-931-229-4159

Conference Pass Code: 28953219

To access the replay, please dial 1-855-859-2056 within the United States or 1-404-537-3406 when dialing internationally, and enter the pass code 28953219 for the replay. The replay will be available on August 15, 2013 at 12:00 pm.

About SkyPeople Fruit Juice, Inc.

SkyPeople Fruit Juice, Inc., a Florida company, through its wholly-owned subsidiary Pacific Industry Holding Group Co., Ltd. ("Pacific"), a Vanuatu company, and SkyPeople Juice International Holding (HK) Ltd., a company organized under the laws of Hong Kong Special Administrative Region of the People's Republic of China and a wholly owned subsidiary of Pacific, holds 99.78% ownership interest in SkyPeople Juice Group Co., Ltd. ("SkyPeople (China)"). SkyPeople (China), together with its operating subsidiaries in China, is engaged in the production and sales of fruit juice concentrates, fruit beverages, and other fruit related products in the PRC and overseas markets. 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 brands, "Hedetang" and "SkyPeople," which are registered trademarks in the PRC, are positioned as high quality, healthy and nutritious end-use juice beverages. For more information, please visit <http://www.skypeoplefruitjuice.com>.

Safe Harbor Statement

Certain of the statements made in this press release are "forward-looking statements" within the meaning and protections of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions, and future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance, capital, ownership or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "will," "anticipate," "assume," "should," "indicate," "would," "believe," "contemplate," "expect," "estimate," "continue," "plan," "point to," "project," "could," "intend," "target" and other similar words and expressions of the future.

All written or oral forward-looking statements attributable to us are expressly qualified in

their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2012 and otherwise in our SEC reports and filings, including the final prospectus for our offering. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC's Internet website at <http://www.sec.gov>. We have no obligation and do not undertake to update, revise or correct any of the forward-looking statements after the date hereof, or after the respective dates on which any such statements otherwise are made.

-Financial Tables Follow-

SKYPEOPLE FRUIT JUICE, INC.

CONSOLIDATED BALANCE SHEETS

June 30, 2013 December 31, 2012

(Unaudited)

ASSETS

CURRENT ASSETS

| | | |
|-------------------------------------------------------------------------------------------------------------------------|---------------------|---------------|
| Cash and cash equivalents | \$80,313,361 | \$ 77,560,278 |
| Accounts receivables, net of allowance of \$47,449 and \$46,643 as of June 30, 2013 and December 31, 2012, respectively | 13,245,982 | 49,435,961 |
| Other receivables | 679,791 | 201,417 |
| Inventories | 7,602,110 | 7,278,191 |
| Deferred tax assets | 239,791 | 90,576 |
| Advances to suppliers and other | | |

| | | |
|------------------------------------|----------------------|----------------|
| current assets | 82,627 | 71,536 |
| TOTAL CURRENT ASSETS | 102,163,662 | 134,637,959 |
| PROPERTY, PLANT AND EQUIPMENT, NET | 51,411,503 | 52,180,097 |
| LAND USE RIGHT, NET | 6,528,225 | 6,508,149 |
| OTHER ASSETS | 39,992,556 | 1,892,806 |
| TOTAL ASSETS | \$200,095,946 | \$ 195,219,011 |

LIABILITIES

CURRENT LIABILITIES

| | | |
|-----------------------------------|---------------------|---------------|
| Accounts payable | \$4,633,338 | \$ 14,399,282 |
| Accrued expenses | 1,805,446 | 2,050,675 |
| Income tax payable | 232,459 | 3,127,245 |
| Advances from customers | 120,567 | 530,437 |
| Short-term loan - related parties | 8,000,000 | - |
| Short-term bank loans | 13,983,524 | 11,661,761 |
| TOTAL CURRENT LIABILITIES | \$28,775,334 | \$ 31,769,400 |

STOCKHOLDERS' EQUITY

SkyPeople Fruit Juice, Inc, Stockholders' equity

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------|
| Series B Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding as of June 30, 2013 and December 31, 2012 | - | - |
| Common stock, \$0.001 par value; 66,666,666 shares authorized; 26,661,499 issued and outstanding as of June 30, 2013 and December 31, 2012, respectively | 26,661 | 26,661 |
| Additional paid-in capital | 59,189,860 | 59,189,860 |
| Retained earnings | 87,291,775 | 82,793,585 |
| Accumulated other comprehensive income | 17,165,635 | 14,500,860 |
| Total SkyPeople Fruit Juice, Inc. stockholders' equity | 163,673,931 | 156,510,966 |
| Non-controlling interests | 7,646,681 | 6,938,645 |
| TOTAL STOCKHOLDERS' EQUITY | 171,320,612 | 163,449,611 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$200,095,946 | \$ 195,219,011 |

SKYPEOPLE FRUIT JUICE, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

| | Three Months Ended | | Six Months Ended | |
|-------------------------------------|---------------------------|--------------|-------------------------|--------------|
| | June 30, | June 30, | June 30, | June 30, |
| | 2013 | 2012 | 2013 | 2012 |
| Revenue | \$10,349,909 | \$12,837,273 | \$28,961,365 | \$27,830,773 |
| Cost of sales | 6,995,919 | 8,615,882 | 17,966,477 | 18,823,383 |
| Gross Margin | 3,353,990 | 4,221,391 | 10,994,888 | 9,007,390 |
| Operating Expenses | | | | |
| General and administrative expenses | 1,281,515 | 653,803 | 2,587,429 | 2,132,375 |
| Selling expenses | 1,212,921 | 521,782 | 1,954,087 | 1,047,116 |
| Research and development expenses | (79,642) | 142,685 | 18,980 | 285,370 |
| Total operating expenses | 2,414,794 | 1,318,270 | 4,560,496 | 3,464,861 |
| Income from Operations | 939,196 | 2,903,121 | 6,434,392 | 5,542,529 |
| Other income (expense) | | | | |
| Interest income | 82,941 | 87,016 | 154,520 | 156,705 |

| | | | | |
|----------------------------------------------------------------------|--------------------|-------------|--------------------|-------------|
| Subsidy income | 435,839 | 649,607 | 786,813 | 1,083,111 |
| Interest expense | (351,033) | (248,332) | (628,056) | (403,144) |
| Total other income (expense) | 167,747 | 488,291 | 313,277 | 836,672 |
| Income before income tax | 1,106,943 | 3,391,412 | 6,747,669 | 6,379,201 |
| Income tax provision | 322,754 | 864,293 | 1,806,619 | 1,792,673 |
| Net Income | 784,189 | 2,527,119 | 4,941,050 | 4,586,528 |
| Less: Net income attributable to non-controlling interests | 104,147 | 126,468 | 442,860 | 266,719 |
| NET INCOME ATTRIBUTABLE TO SKYPEOPLE FRUIT JUICE, INC. | 680,042 | 2,400,651 | 4,498,190 | 4,319,809 |
| Other comprehensive income | | | | |
| Foreign currency translation adjustment | 2,518,720 | (715,096) | 2,929,951 | (558,525) |
| Comprehensive income | \$3,198,762 | \$1,685,555 | \$7,428,141 | \$3,761,284 |
| Other Comprehensive income attributable to non-controlling interests | 227,957 | (29,617) | 265,176 | (23,136) |

COMPREHENSIVE INCOME

ATTRIBUTABLE TO SKYPEOPLE **\$2,970,805** \$1,715,172 **\$7,162,965** \$3,784,420

FRUIT JUICE, INC.

Earnings Per Share:

| | | | | |
|--------------------------|---------------|--------|---------------|--------|
| Basic earnings per share | \$0.03 | \$0.09 | \$0.17 | \$0.16 |
|--------------------------|---------------|--------|---------------|--------|

| | | | | |
|----------------------------|---------------|--------|---------------|--------|
| Diluted earnings per share | \$0.03 | \$0.09 | \$0.17 | \$0.16 |
|----------------------------|---------------|--------|---------------|--------|

Weighted Average Shares Outstanding

| | | | | |
|-------|-------------------|------------|-------------------|------------|
| Basic | 26,661,499 | 25,820,951 | 26,661,499 | 25,755,677 |
|-------|-------------------|------------|-------------------|------------|

| | | | | |
|---------|-------------------|------------|-------------------|------------|
| Diluted | 26,661,499 | 26,661,499 | 26,661,499 | 26,661,499 |
|---------|-------------------|------------|-------------------|------------|

SKYPEOPLE FRUIT JUICE, INC.

CONSOLIDATED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

**For the Six Months Ended June
30,**

2013

2012

CASH FLOW FROM OPERATING ACTIVITIES

| | | |
|---------------------------------------------------------------------------------------|---------------------|--------------|
| Net income | \$ 4,941,050 | \$ 4,586,528 |
| Adjustments to reconcile net income to net cash flow provided by operating activities | | |
| Depreciation and amortization | 1,510,091 | 1,434,420 |
| Deferred income tax | (149,215) | 41,656 |
| Changes in operating assets and liabilities | | |
| Accounts receivables | 36,671,171 | 20,855,020 |
| Other receivable | (470,281) | (38,559) |
| Advances to suppliers and other current assets | (10,174) | (83,436) |
| Inventories | 841,381 | 945,181 |
| Accounts payable | (9,913,912) | 62,809 |
| Accrued expenses | (270,092) | (1,545,105) |
| Income tax payable | (2,919,124) | (1,025,682) |
| Advances from customers | (414,816) | (178,673) |
| Net cash provided by operating activities | 29,816,079 | 25,054,159 |
| Cash Flow from Investing Activities | | |
| Additions to property, plant and equipment | (485,142) | (1,249,417) |
| Prepayment for other assets | (38,000,669) | (2,142,656) |

| | | |
|---------------------------------------|---------------------|-------------|
| Net cash used in investing activities | (38,485,811) | (3,392,073) |
|---------------------------------------|---------------------|-------------|

CASH FLOWS FROM FINANCING ACTIVITIES

| | | |
|-----------------------------|---|---------|
| Increase in restricted cash | - | 284,361 |
|-----------------------------|---|---------|

| | | |
|--------------------------|---|-----------|
| Short-term notes payable | - | (284,361) |
|--------------------------|---|-----------|

| | | |
|----------------------------------|------------------|---|
| Proceeds from related party loan | 8,000,000 | - |
|----------------------------------|------------------|---|

| | | |
|------------------------------------------|------------------|-----------|
| Proceeds from short-term loan bank loans | 8,653,944 | 6,341,757 |
|------------------------------------------|------------------|-----------|

| | | |
|------------------------------------|--------------------|-------------|
| Repayment of short-term bank loans | (6,555,123) | (1,139,578) |
|------------------------------------|--------------------|-------------|

| | | |
|-------------------------------------------|-------------------|-----------|
| Net cash provided by financing activities | 10,098,821 | 5,202,179 |
|-------------------------------------------|-------------------|-----------|

| | | |
|-----------------------------------|------------------|-----------|
| Effect of change in exchange rate | 1,323,994 | (305,401) |
|-----------------------------------|------------------|-----------|

| | | |
|--------------------------------------------------|------------------|------------|
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 2,753,083 | 26,558,864 |
|--------------------------------------------------|------------------|------------|

| | | |
|------------------------------------------------|-------------------|------------|
| Cash and cash equivalents, beginning of period | 77,560,278 | 61,154,007 |
|------------------------------------------------|-------------------|------------|

| | | |
|------------------------------------------|----------------------|---------------|
| Cash and cash equivalents, end of period | \$ 80,313,361 | \$ 87,712,871 |
|------------------------------------------|----------------------|---------------|

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

| | | |
|------------------------|-------------------|------------|
| Cash paid for interest | \$ 496,209 | \$ 403,145 |
|------------------------|-------------------|------------|

| | | |
|----------------------------|---------------------|--------------|
| Cash paid for income taxes | \$ 4,874,958 | \$ 2,776,698 |
|----------------------------|---------------------|--------------|

**SUPPLEMENTAL DISCLOSURE OF SIGNIFICANT
NON-CASH TRANSACTION**

| | | |
|---------------------------------------------------------------------------------------------|-------------------|--------------|
| Transferred from other assets to property, plant and equipment and construction in progress | \$ 317,258 | \$ 5,225,307 |
|---------------------------------------------------------------------------------------------|-------------------|--------------|

The notes in the Company's 10-Q are an integral part of these consolidated financial statements.

For more information, please contact:

COMPANY

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SOURCE SkyPeople Fruit Juice, Inc.