



NEWS FROM OVERHILL FARMS, INC.

For Immediate Release

Overhill Farms Reports Revenues of \$51.6 Million, Net Income of \$1.8 Million, For Second Quarter

Net Income is 11 Cents Per Share

LOS ANGELES, CA (May 8, 2009) — Overhill Farms, Inc. (AMEX: OFI) reported net revenues of \$51.6 million and net income \$1.8 million (\$0.11 per basic and diluted share) for the second quarter ended March 29, 2009.

For the second quarter of fiscal 2008, the Company previously reported net revenues of \$66.4 million and net income of \$3.2 million (\$0.20 per basic and diluted share.)

James Rudis, Chairman and Chief Executive Officer of Overhill Farms, said, "The results for the second quarter reflect a difficult economy, and in our view do not represent the near-term outlook for the Company. After fairly sluggish January and February 2009 sales, we saw substantial upturns in our volumes and revenues that began in March 2009 and have since continued at satisfactory levels. Based on orders we have received in the last two months, as well as our expectations for new business, we believe our volumes and revenues will normalize over the balance of the fiscal year."

Mr. Rudis said the latest quarterly results, while profitable, contrast to an exceptionally strong quarter a year ago and were influenced by previously announced reductions in volume from one retail customer, and softness in the airline industry.

Mr. Rudis noted that a foodservice customer who had expected to require substantially higher volumes beginning in January, did not in fact place orders at the contracted volume levels until March. In addition, several customers who had drawn down inventories in December and January, reacting to the economy, have since placed orders to rebuild those inventories.

Reflecting the Company's positive expectations for the remainder of the year, Mr. Rudis said that, subsequent to quarter end, Overhill Farms notified its principal lender, Guggenheim Corporate Funding, LLC, that the Company will make a \$5 million voluntary loan prepayment later this month. This will be applied on its Tranche A Term Loan balance, which as of March 29, 2009 was \$20.6 million. Mr. Rudis noted that after making the voluntary loan prepayment the Company will still have approximately \$5 million in cash, as well as its entire \$7.5 million line of credit available to meet liquidity and growth needs. He said the Company plans to continue to make voluntary debt reductions as cash flow permits.

Gross profit as a percentage of net revenues decreased to 11.2% for the quarter ended March 29, 2009 from 12.7% for the second quarter of fiscal 2008. Mr. Rudis attributed the decline to lower sales volume to cover overhead costs, offset partially by lower commodity costs. Margins

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are improving since the lower sales of January and February and Mr. Rudis expects that trend to continue as volume improves.

By customer category, the Company's net revenues from retail customers for the second quarter of fiscal 2009 decreased by \$14.0 million (27.6%) to \$36.8 million from the \$50.8 million reported a year earlier. This decrease was largely due to the decision by one of the Company's retail customers, H.J. Heinz Company, to self-manufacture a greater share of its volume requirements.

Foodservice net revenues increased by \$1.4 million (13.1%) to \$12.1 million for the second quarter of fiscal of 2009, from \$10.7 million a year earlier. As noted above, the increase was attributable to sales to a new customer and increased volume for an existing customer, which began in March. The Company expects to see the full benefit of these increased sales going forward.

Airline net revenues decreased by \$2.3 million (46.9%) to \$2.6 million for the most recent quarter, from \$4.9 million for the year-earlier quarter, due largely to the current economic downturn and the resulting decline in air travel.

For the six months ended March 29, 2009, the Company reported net income of \$4.3 million or \$0.27 per basic and diluted share, compared to \$4.7 million or \$0.30 per basic and diluted share in the year-earlier period.

Revenues for the first six months of fiscal 2009 were \$106.9 million, a decrease of \$16.4 million or 13.3% from the \$123.3 million for the first six months of fiscal 2008.

Operating income for the first six months of fiscal 2009 was \$8.4 million or 7.9% of net revenues, compared to \$10.1 million, or 8.2% of net revenues, for the year-earlier period.

Overhill Farms is a leading value-added supplier of custom high quality prepared frozen foods for branded retail, private label, foodservice and airline customers. Its product line includes entrées, plated meals, bulk-packed meal components, pastas, soups, sauces, poultry, meat and fish specialties, as well as organic and vegetarian offerings. The Company's capabilities give its customers a one-stop solution for new product development, precise replication of existing recipes, product manufacturing and packaging. Its customers include prominent nationally recognized names such as Jenny Craig, Inc., Safeway Inc., Panda Restaurant Group, Inc., H.J. Heinz Company, Pinnacle Foods Group LLC and American Airlines, Inc.

This news release contains disclosures that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations or beliefs and include, but are not limited to, statements about the Company's operations and financial performance and condition and statements regarding expectations of continued or increased sales volumes and revenues, margins, profitability, production efficiencies and expansions, cash flows and growth, anticipated amounts and timing of growth in the Company's customer base and business in the foodservice and retail market sectors, and ability and desire to make further voluntary debt reductions. For this purpose, statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements include statements which are predictive in nature, which depend upon or refer to future events or conditions, or which include words such as "continue," "efforts," "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," "forecasts," "strategy," "will," "goal," "target," "prospects," "optimistic," "confident" or similar expressions. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), on-going business strategies or prospects, and possible future company actions, which may be provided by management, are also forward-looking statements. We caution that these statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including, among others: the impact of competitive products and pricing; fulfillment by suppliers of existing raw material contracts; market conditions that may affect the costs and/or availability of raw materials and the Company's ability to obtain favorable long-term purchase commitments for raw materials, and of fuels,

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energy, logistics and labor as well as the market for our products, including our customers' ability to pay and consumer demand; changes in our business environment, including actions of competitors and changes in customer preferences, as well as disruptions to our customers' businesses; seasonality in the retail category; loss of key customers due to competitive environment or production being moved in-house by customers; natural disasters that can impact, among other things, costs of fuel and raw materials; the occurrence of acts of terrorism, such as the events of September 11, 2001, or acts of war; changes in governmental laws and regulations; change in control due to takeover or other significant changes in ownership; financial viability of our customers during deep recessionary periods; ability to obtain additional financing as and when needed, and rising costs of credit that may be associated with new borrowings; voluntary or government-mandated food recalls; and other factors as may be discussed in the Company's Annual Report on Form 10-K for the year ended September 28, 2008, Quarterly Report on Form 10-Q for the quarter ended March 29, 2009 and other reports filed with the Securities and Exchange Commission.

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OVERHILL FARMS, INC.

CONDENSED SUMMARY OF OPERATIONS

	For the Quarter Ended	
	March 29, 2009	March 30, 2008
Net revenues	\$ 51,583,412	\$ 66,447,684
Cost of sales	45,815,774	58,024,612
Gross profit	5,767,638	8,423,072
Selling, general and administrative expenses	2,295,531	2,058,353
Operating income	3,472,107	6,364,719
Total interest expense	(525,851)	(976,478)
Other income	–	189
Income before income tax expense	2,946,256	5,388,430
Income tax expense	1,151,986	2,216,515
Net income	1,794,270	3,171,915
Net income per share – basic	\$ 0.11	\$ 0.20
Net income per share – diluted	\$ 0.11	\$ 0.20
Shares used in computing net income per share, basic	15,823,271	15,739,055
Weighted average shares outstanding	16,011,493	15,974,300

OVERHILL FARMS, INC.
CONDENSED SUMMARY OF OPERATIONS

	For the Six Months Ended	
	March 29, 2009	March 30, 2008
Net revenues	\$ 106,855,441	\$ 123,274,313
Cost of sales	93,580,285	108,863,938
Gross profit	13,275,156	14,410,375
Selling, general and administrative expenses	4,829,746	4,269,585
Operating income	8,445,410	10,140,790
Total interest expense	(1,339,939)	(2,070,990)
Other expenses	–	(11,414)
Income before income tax expense	7,105,471	8,058,386
Income tax expense	2,778,239	3,308,527
Net income	4,327,232	4,749,859
Net income per share – basic	\$ 0.27	\$ 0.30
Net income per share – diluted	\$ 0.27	\$ 0.30
Shares used in computing net income per share, basic	15,823,271	15,679,663
Weighted average shares outstanding	16,014,916	15,918,184

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