



UNIVERSAL ROBINA CORPORATION

FY2012 First Half Results

May 15, 2012

AGENDA

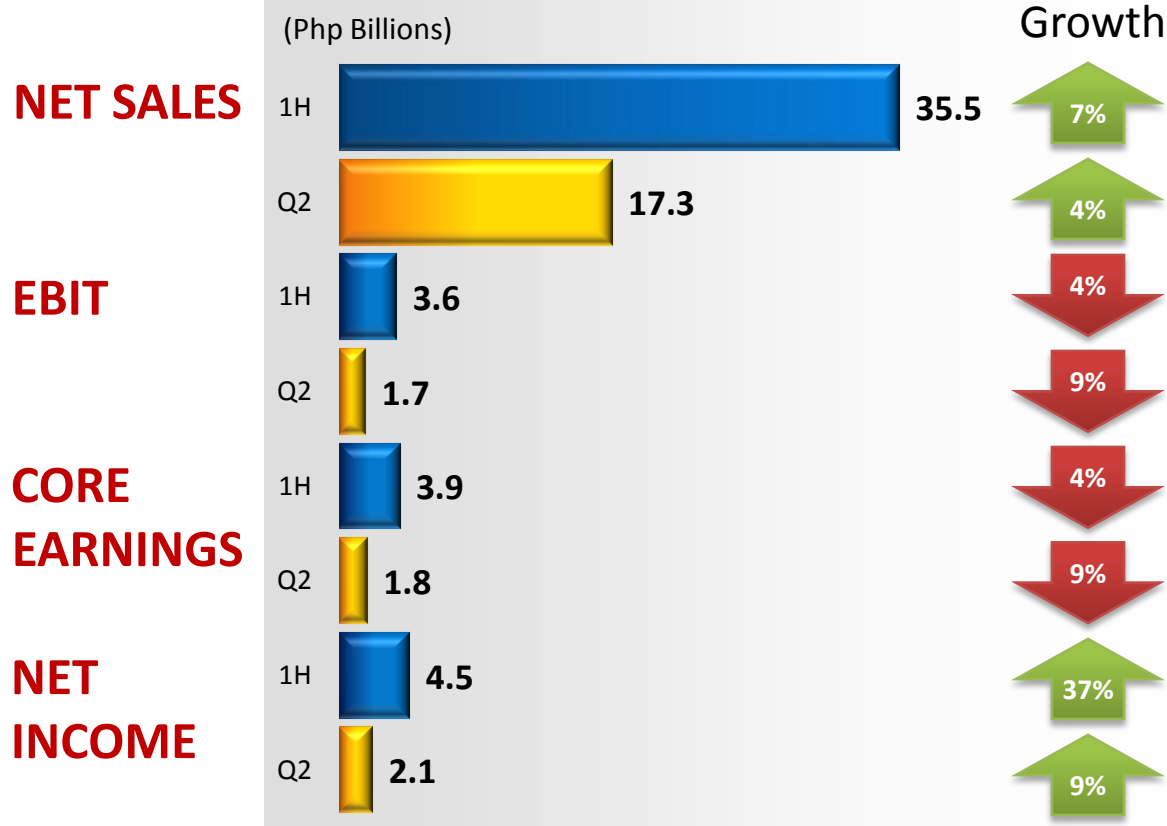
FY12 1H FINANCIAL PERFORMANCE

PLANS AND EXPECTATIONS

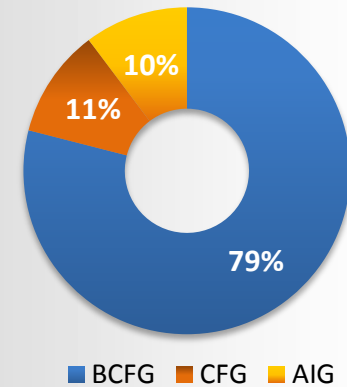


URC: Sales growth continuing

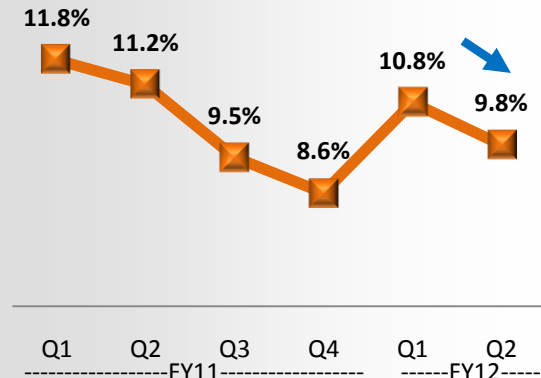
FINANCIAL HIGHLIGHTS



1H SALES CONTRIBUTION



EBIT MARGIN



- Sales still growing albeit at a slower pace as a result of lower revenues for Sugar
- EBIT declined vs. SPLY due to lower selling prices of sugar and depressed prices for hogs
- Net income growth due to gains in the market values of investment portfolio

BCFG: Philippines continues to exceed expectations

NET SALES

(Php Billions)

Growth

BCFG*

1H



13%

Q2



11%

Phil

1H



14%

Q2



14%

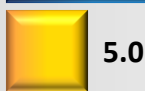
Intl

1H



12%

Q2



7%

*includes Packaging Division

EBIT

(Php Billions)

Growth

1H



10%

Q2



19%

1H



4%

Q2



13%

1H



32%

Q2



57%

- Accelerating growth for the Philippines due to successful new products
- Slowdown in topline growth for International primarily due to softer sales in Thailand and Indonesia; others managed to grow double digits
- Total BCFG EBIT growing but margins are tempered by volatile prices, changes in product mix and higher advertising and promotions expenses

CFG: Performance tempered by decline in Sugar

NET SALES

(Php Billions)

Growth

CFG

1H



3.8

28%

Q2



1.9

27%

Flour

1H



2.2

16%

Q2

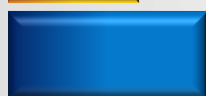


1.1

19%

Sugar

1H



1.6

52%

Q2



0.9

50%

EBIT

(Php Billions)

Growth

1H



1.4

17%

Q2



0.7

14%

1H



0.7

18%

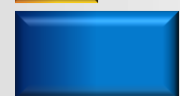
Q2



0.3

3%

1H



0.7

37%

Q2



0.4

22%

- Significant drop in sugar prices resulted in lower revenues while lower trucking and hauling subsidies contributed in sustaining profitability
- Flour sales and profitability sustained driven by volume growth and relatively higher prices

AIG: Feeds recovering, Farms still challenged

NET SALES

(Php Billions)

Growth

AIG

1H



12%

Q2



6%

Feeds

1H



14%

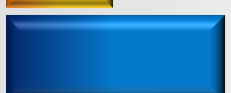
Q2



8%

Farms*

1H



10%

Q2



3%

EBIT

(Php Billions)

Growth

1H

0.0

100%

Q2

-0.1

132%

1H

0.2

40%

Q2

0.1

103%

1H

-0.2

532%

Q2

-0.2

227%

*includes marked-to-market revaluation loss of Php 115M for Q2 ,Php 104M for 1H

- Feeds sales still growing on the back of higher volumes and selling prices coupled by improving margins as a result of lower raw material costs
- Influx of imported pork cuts depressed prices and weakened sales for Farms
- Farms profitability further affected by revaluation loss on biological assets

Strong Cash Position

HIGHLIGHTS

	FY11	Q2 FY12
Net cash position of Php 3.1B as of second quarter of FY12	Cash and Cash Equivalents 20.7	19.7
Gearing ratio of 0.36	Financial Debt 18.4	16.7
	1H FY12	Q2 FY12
EBITDA remains healthy	EBITDA 5.3	2.5

(Amounts in Php Billions)

AGENDA

FY12 1H FINANCIAL PERFORMANCE

PLANS AND EXPECTATIONS



Business Outlook for 2012

Outlook

- ❑ Prices of key inputs have declined from their peaks and are now stable
- ❑ Consumption to remain healthy with inflation easing out in the ASEAN
- ❑ Global economic climate to remain challenging

Plans

- ❑ Continue to launch new products to sustain the growth momentum of the branded foods business
- ❑ Expand capacities in high growth branded foods categories
- ❑ Commodity foods profitability to remain healthy
- ❑ Farms to recover with expected increase in hog selling prices
- ❑ Started developmental work and enter a new market in the ASEAN for branded foods

2012 GUIDANCE

	TOTAL URC	CORE BCFG
REVENUES	High Single-Digits	Low to mid-teens
EBIT	Mid-teens	Low twenties



Myanmar: An opportunity for expansion



OPPORTUNITIES

- Considerable population at 60M
- Per capita only at USD 800; upside as the country opens up
- Small market sizes with significant room for growth

CHALLENGES

- Banking and Currency reform still in progress
- Logistics and infrastructure constraints
- Political reform still in the early stages
- Execution amidst new environment

ENTRY STRATEGY

- Be a first mover and establish Jack 'n Jill megabrand
- Focus on a single category for Snackfoods
- Gradually build distribution capability
- Use regional sourcing for products from affiliates
- Employ conservative approach to CAPEX



THANK YOU



Income Statement

<i>(Php Millions)</i>	1H FY11	1H FY12	% vs SPLY
Net Sales and Service	33,298	35,487	+7%
Cost of Sales and Service	24,873	26,662	+7%
Gross Profit	8,425	8,824	+5%
Operating Expenses	(4,608)	(5,177)	-12%
Operating Income	3,817	3,647	-4%
Equity in net income	10	18	
Finance revenue (cost)-Net	138	185	
Other revenues (expenses)	61	6	
Core Earnings	4,026	3,857	-4%
Mark-to-Market valuation gain/(loss)	(216)	1,073	
Foreign Exchange gain/(loss)-Net	(216)	(100)	
Income Before Income Tax	3,595	4,829	+34%
Provision for Income Tax	310	344	
Net Income	3,285	4,485	+37%
Net Income attributable to Equity Holders of the Parent	3,077	4,221	+37%
EBITDA	5,454	5,317	-3%

Balance Sheet

<i>(Php Millions)</i>	FY2011	1H FY2012
Cash & Cash Equivalents (including Financial Assets at FVPL and AFS)	20,711	19,705
Other Current Assets	18,707	22,103
Property, Plant, and Equipment	26,423	26,894
Other Non-current Assets	2,533	2,399
Total Assets	68,374	71,101
Current Liabilities	23,083	21,005
Long-Term Debt	3,002	2,988
Other Non-current Liabilities	262	321
Total Liabilities	26,347	24,314
Retained Earnings	29,138	33,359
Other Equity	12,889	13,428
Total Equity	42,027	46,787

Divisional Financials

	SALES			EBIT			EBIT MARGIN		
	1H FY11	1H FY12	% vs SPLY	1H FY11	1H FY12	% vs SPLY	1H FY11	1H FY12	pct. pts. vs SPLY
BCFG	24,775	28,029	+13%	2,489	2,734	+10%	10%	10%	0%
BCF - Domestic	14,596	16,595	+14%	1,726	1,788	+4%	12%	11%	-1%
Packaging	775	900	+16%	13	(41)	-413%	2%	-5%	-6%
Total Domestic	15,371	17,495	+14%	1,739	1,747	+0%	11%	10%	-1%
BCF - International	9,404	10,534	+12%	750	987	+32%	8%	9%	1%
Commodity Foods (net)	5,275	3,821	-28%	1,637	1,359	-17%	31%	36%	5%
Flour	1,892	2,204	+16%	595	700	+18%	31%	32%	0%
Sugar	3,383	1,617	-52%	1,042	659	-37%	31%	41%	10%
Agro-Industrial (net)	3,248	3,637	+12%	112	(0)	-100%	3%	0%	-3%
Feeds	1,627	1,861	+14%	144	202	+40%	9%	11%	2%
Farms	1,621	1,775	+10%	(32)	(202)	-532%	-2%	-11%	-9%
Corporate				(421)	(446)				
Total URC	33,298	35,487	+7%	3,817	3,647	-4%	11%	10%	-1%

Market Position and Shares

Philippines

CATEGORY	MARKET SHARE	#1	#2	#3
Snacks	42%	URC	26%	11%
Candies	44%	URC	12%	9%
Chocolates	27%	URC	9%	8%
Biscuits	16%	35%	31%	URC
Cookies	32%	URC	27%	10%
Pretzels	47%	URC	26%	15%
Canned Beans	83%	URC	6%	5%
Cup Noodles	39%	53%	URC	2%
RTD Tea	71%	URC	10%	8%
Instant Coffee	18%	80%	URC	2%

AC Nielsen Survey MAT: Snacks- Jan/Feb 12, Candies- Nov/Dec 11, Chocolates- Oct/Nov 11, Canned Beans- Nov 11, Biscuits- Oct/Nov 11, Cup Noodles- Dec 11, RTD Tea- Dec 11, Instant Coffee- Mar 12

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	23%	URC	11%	10%
Wafers	28%	URC	18%	14%

Source: AC Nielsen Retail Index Mar 12

Vietnam

CATEGORY	MARKET SHARE	#1	#2
RTD Tea	33%	57%	URC

Source: AC Nielsen Retail Index Mar 12 (6 key cities)

JACK 'n JILL

Life's Fun!

