



UR Universal Robina

Q1 CY2017 Unaudited Results May 10, 2017

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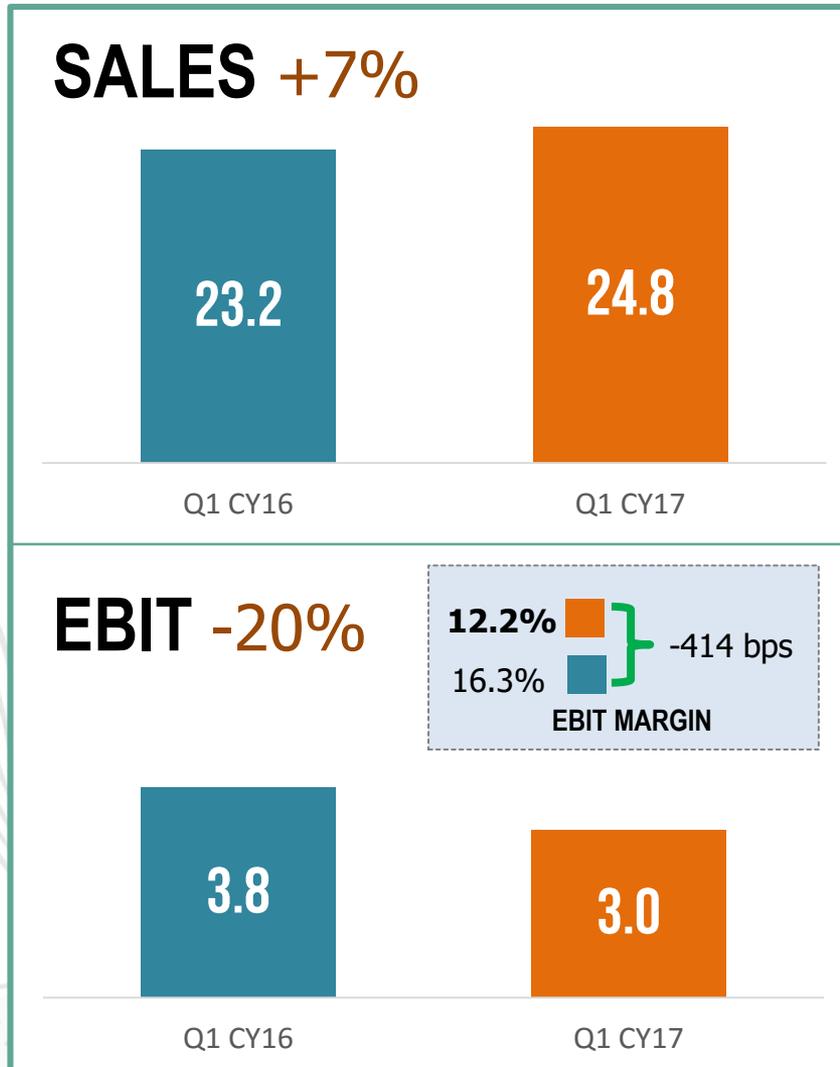
URC: On its path to recovery from a very challenging 2016

Full Year CY2016			Q1 CY2017	
112.6	+1%	SALES	30.7	+8%
21.4	-7%	EBITDA	5.6	0%
15.8	-13%	EBIT	4.0	-5%
14.9	-12%	CORE EARNINGS	3.9	+2%
13.1	-7%	NET INCOME	3.4	-4%

Q1CY 2017 Results

- Sales improved as a result of strong performances from Thailand and SURE division, and the consolidation of Snack Brands Australia into the business
- Operating Income was pulled down by challenges in the Branded Consumer Foods Group
- Core earnings managed to grow due to lower net finance cost and equity loss in Joint Ventures

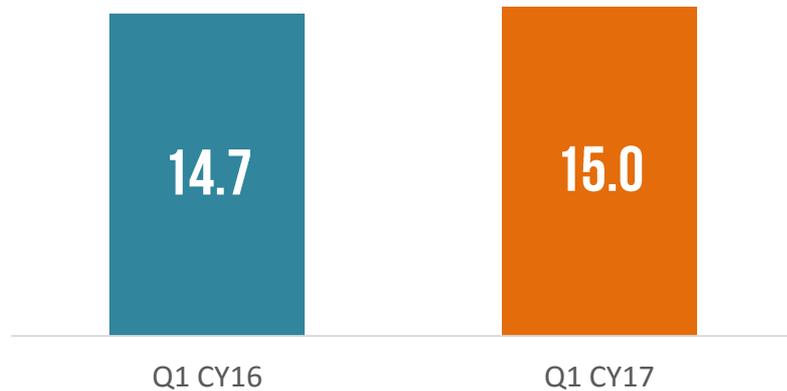
BCF : Total BCF topline was up but challenges in key markets continue



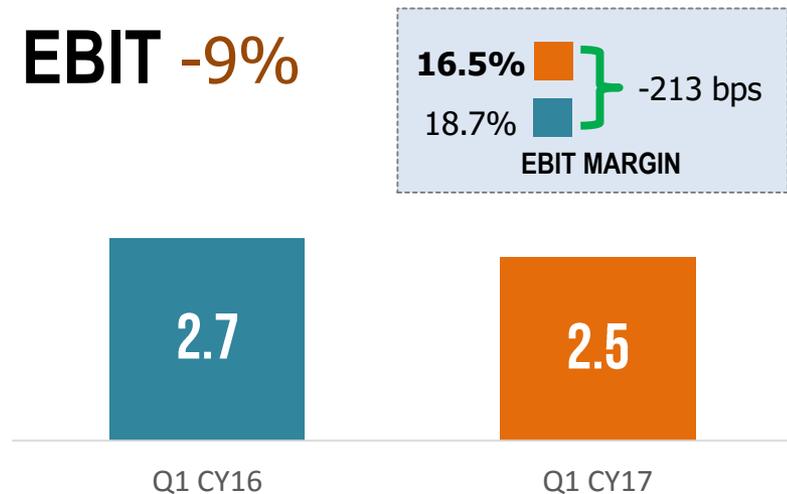
- Sales growth driven by TH and Oceania (Snack Brands Australia and Griffin's) while Vietnam will continue to drag results at least in the 1H given tougher comparables vs LY
- Operating Income and margins affected by higher soft commodity prices, distribution costs and A&P investments

BCF PH: Growth has accelerated on core snacking categories but total beverages remains muted

SALES +2%



EBIT -9%



- Sales were lifted by the double-digit growth of Salty Snacks (+17%), Bakery (+16%), Confectionery (+14%) and Noodles (+30%) albeit the challenges in total beverages (-14%)
- Input cost inflation and higher supply chain cost impacted margins; Price adjustments implemented last Feb/Mar to offset and will benefit the balance of CY

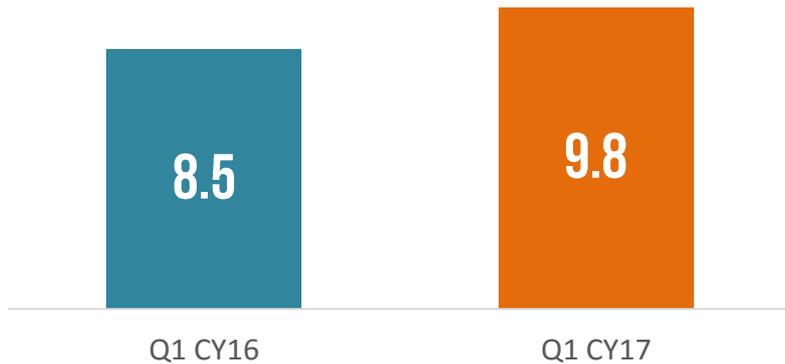
Price Increase Schedule

Timing	Category
February 2017	Biscuits, Candies, Chocolates, Coffee*, Snacks
March 2017	Noodles, Juice

* Blend 45 only

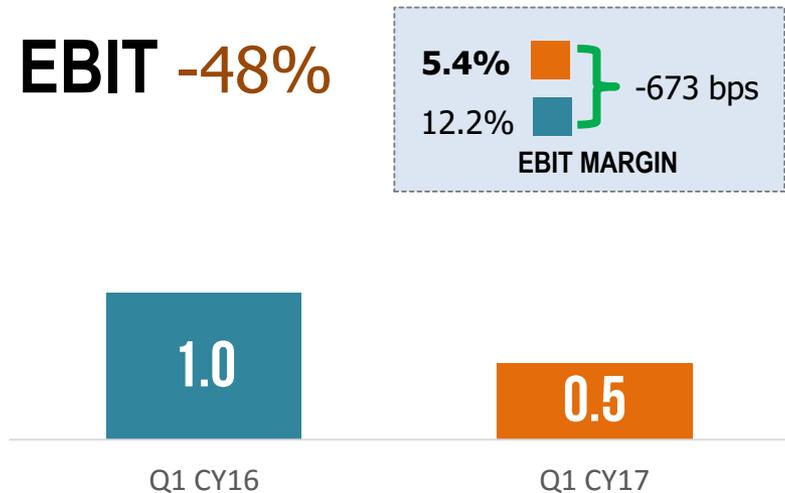
BCF INT'L: Thailand and Oceania driving topline results while Vietnam is on the path to recovery

SALES +16%



- Strong results coming from core snacking in Thailand and Oceania (Griffin's NZ and Snack Brands Australia)
- Vietnam is on the path to recovery with the relaunch and re-pipeline of C2 and Rong Do
- Additional investments in marketing, selling and distribution across markets resulted to lower operating income

EBIT -48%



SALES VALUE GROWTH

TOTAL SALES USD196M , +10% vs SPLY, +9% (using constant forex rate)

	IN LCY	IN USD
VIETNAM	-62%	-63%
THAILAND	+13%	+14%
INDONESIA	0%	+1%
MALAYSIA	0%	-6%
NEW ZEALAND	+4%	+12%

NON BCF: Higher sales and operating income driven by the recovery of Farms and growth of SURE

	SALES		EBIT	
Agro-Industrial Group	2.3	+8%	0.5	+647%
Feeds	1.2	+3%	0.2	+33%
Farms	1.1	+14%	0.3	+226%
Commodity Foods Group	3.2	+8%	0.9	-8%
Flour	0.9	-9%	0.2	-25%
SURE	2.3	+16%	0.7	0%

AGRO-INDUSTRIAL GROUP

- Sales were up due to higher volumes (Feeds and Farms) and average selling price (Farms); EBIT grew faster as a result of lower production cost

COMMODITY FOODS GROUP FLOUR

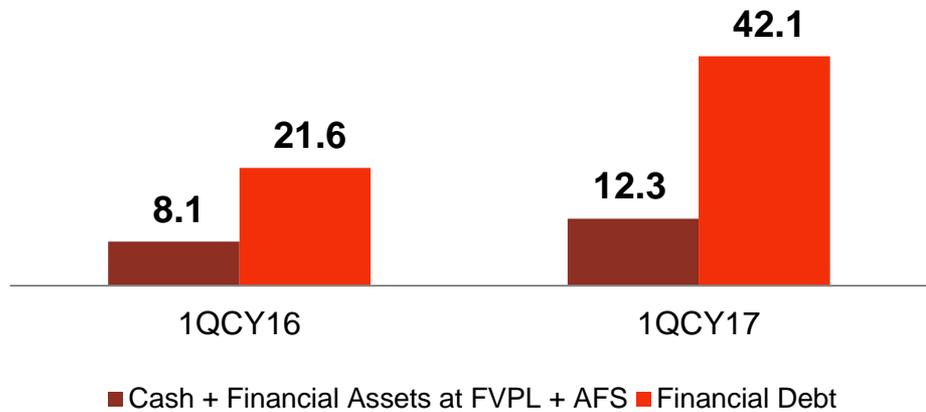
- Lower sales volume and average selling prices, and higher input costs due to FOREX slowed down revenues and EBIT respectively

SURE

- Revenue growth driven by higher sales volume of Sugar and supplementary contribution of distillery from its CO2 operations; EBIT grew slower as a result of lower prices of raw/refined sugar and higher expenses

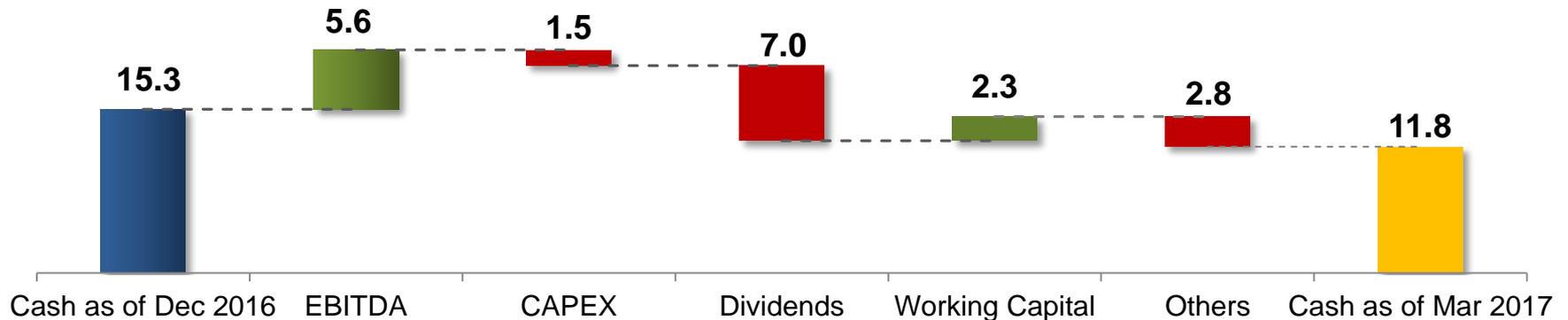
Maintained a healthy balance sheet and strong cash position

Cash and Financial Debt



- Net debt of Php 30B due to long term debt of AUD 484M used for the Snack Brands Australia's acquisition
- Gearing ratio of 0.57
- Major cash disbursements for CAPEX and Dividends payment

Cash Position



KEY BUSINESS UPDATES

Innovation & Recent Developments

	New Products	Recent Developments
Philippines		<ul style="list-style-type: none"> Inaugurated the new Cebu Plant that will further improve URC's visibility and distribution for territory and on premise accounts in VisMin region Improved OFR through better logistics management
Thailand		<ul style="list-style-type: none"> Constructing a new candy plant, biscuits line and wafers line to increase capacities Received FSSC certifications on Plant 4 (Biscuits & Cakes) and Plant 5 (Snacks)
Indonesia		<ul style="list-style-type: none"> Constructing a new factory building and biscuits line to increase capacities
Oceania		<ul style="list-style-type: none"> Constructing new corn chips and popcorn lines in Australia for SBA
Myanmar		<ul style="list-style-type: none"> Commissioned its biscuits line which manufactures Fun-O and Magic

Updates on Vietnam

August 4, 2016: Received the MOH Clearance

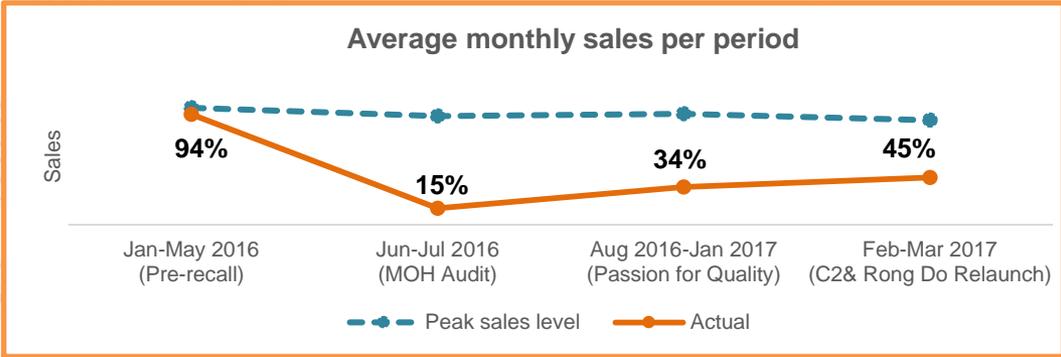


Reintroduced C2 and Rong Do with the new packaging that highlights the brands' authenticity; supported by marketing activities to rebuild positive brand awareness



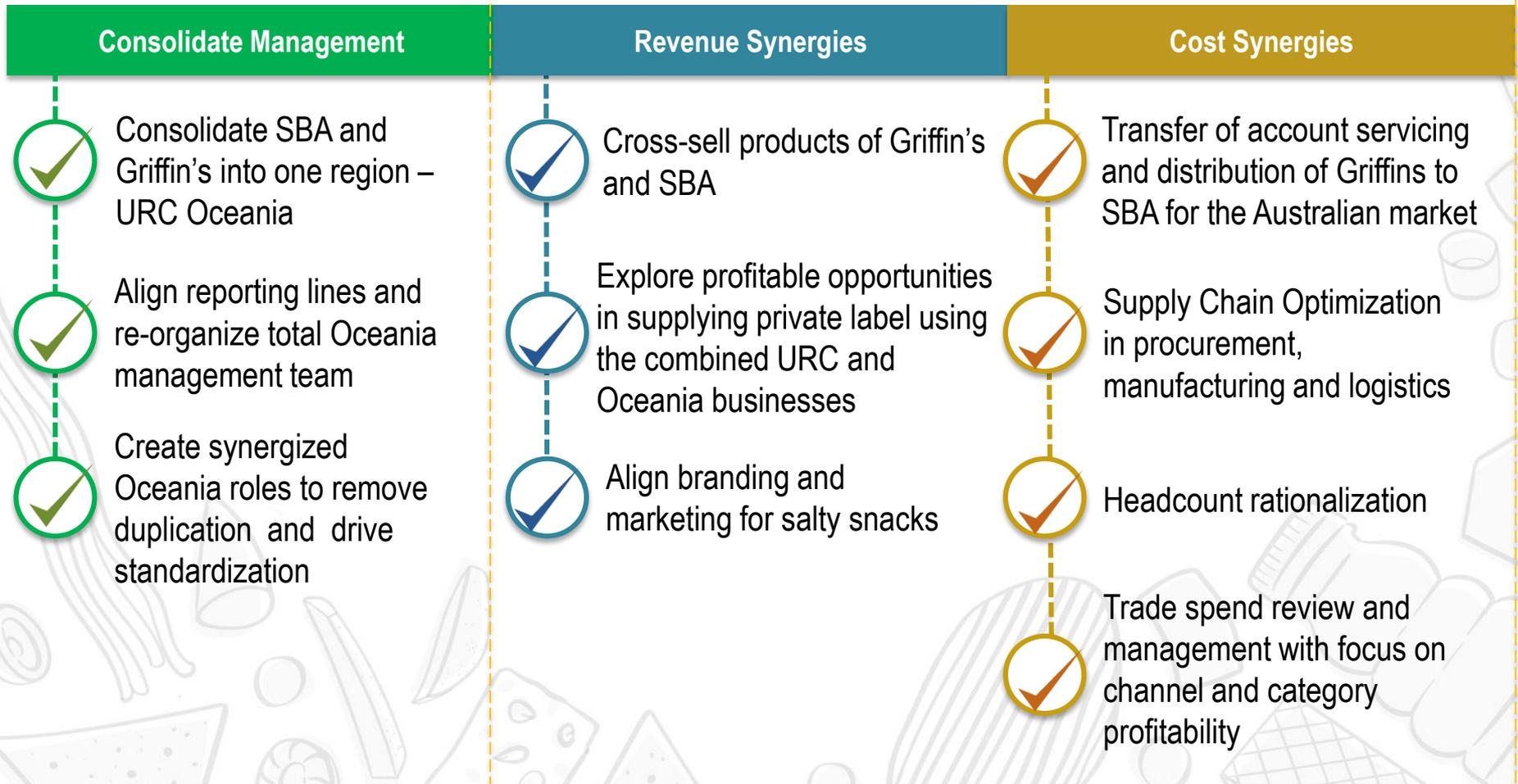
Strengthening our engagement with our key stakeholders particularly the communities, government, and regulatory

Passion for Quality campaign	C2 and Rong Do Relaunch	Snack foods expansion	Stakeholder Engagement	FSSC 2200
<p>Published the MOH clearance and communicated products' high quality through media, trade channels and website</p> 	<p>Partnered with separate distributors for snackfoods and will introduce new products to excite the market</p> 	<p>Starting our initiatives to achieve the certification from the highest quality standard in food safety manufacturing.</p>		



Our guidance is to recover 60-70% of the peak sales level and generate a decent positive EBIT Margin by EOY

Revenue & cost synergies in progress until CY 2018



Recent Joint Venture



PET



TETRA



Through this joint venture, URC aims to enter the plant milk market and thus further expand its RTD beverage portfolio in the Philippines addressing consumer trends on well-being and sustainable nutrition

Outlook, Plans and Guidance

OUTLOOK

- ❑ Competitive intensity will continue to remain and challenge our core categories
- ❑ Headwinds on forex and inflation
- ❑ Emerging untapped opportunities in Visayas/Mindanao
- ❑ Modern retail will continue to grow driven by convenience stores

PLANS

- ❑ Improve supply chain management in BCF PH through SKU and third-party distributor rationalization
- ❑ Relaunch C2 and Rong Do (e.g. new packaging, aggressive A&P) to recover our Vietnam business
- ❑ Accelerate the synergies in our Oceania business
- ❑ Sustainability: Integration of Environment, Social and Governance (ESG) strategies

Given the headwinds we are facing (intense competition, input cost inflation, forex impact and lower selling prices of Sugar) we remain cautious and expect a mid-teens growth on sales and mid-single digit growth on EBIT

APPENDIX

Balance Sheet

(Php Millions)	As of Mar 2017	As of Dec 2016	As of Mar 2016
Cash & cash equivalents (including Financial assets at FVPL)	12,298	15,802	8,087
Other current assets	38,946	36,473	33,596
Property, plant, and equipment	45,297	45,007	41,604
Other noncurrent assets	45,709	45,654	24,403
TOTAL ASSETS	142,250	142,937	107,690
Current liabilities	30,553	28,105	26,362
Noncurrent liabilities	37,605	35,983	16,028
TOTAL LIABILITIES	68,158	64,088	42,390
Retained earnings	55,727	59,299	50,017
Other equity	18,366	19,550	15,283
TOTAL EQUITY	74,093	78,849	65,300

Income Statement

(Php Millions)	1QCY17	1QCY16	YoY
NET SALES	30,689	28,532	8%
Cost of Sales	20,838	19,228	8%
GROSS PROFIT	9,851	9,304	6%
Operating Expenses	(5,821)	(5,050)	15%
OPERATING INCOME	4,030	4,253	-5%
Equity in Net Income	(49)	(63)	22%
Finance cost - net	(282)	(287)	2%
Other Revenues	201	(79)	354%
CORE EARNINGS	3,900	3,825	2%
Market valuation gain/ (loss)	10	200	
Foreign exchange gain/ (loss) - net	339	208	
INCOME BEFORE INCOME TAX	4,249	4,233	0%
Provision for Income Tax	803	638	
NET INCOME	3,445	3,595	-4%
Net income attributable to holders of the parent	3,371	3,537	
EBITDA	5,569	5,593	0%

Net finance cost decreased vs. SPLY due to lower level of financial debt.

Market valuation gain on financial instruments at fair value was down due to lower realized gains on derivatives.

Net Foreign exchange gain as IDR, THB and NZD appreciated against USD, slightly pulled down by depreciation of PHP and MYR against USD.

Income Statement (CY2016)

(Php Millions)	CY16	CY15	YoY
NET SALES	112,612	112,005	1%
Cost of Sales	76,404	75,286	1%
GROSS PROFIT	36,208	36,719	-1%
Operating Expenses	(20,448)	(18,616)	10%
OPERATING INCOME	15,760	18,103	-13%
Equity in Net Income	(167)	(248)	
Finance cost - net	(745)	(1,066)	
Other Revenues	96	287	
CORE EARNINGS	14,944	17,076	-12%
Market valuation gain/ (loss)	107	542	
Foreign exchange gain/ (loss) - net	1,309	45	
Impairment Loss	(186)	(110)	
Others	125	-	
INCOME BEFORE INCOME TAX	16,299	17,553	-7%
Provision for Income Tax	3,216	3,553	
NET INCOME	13,083	14,000	-7%
Net income attributable to holders of the parent	12,872	13,862	
EBITDA	21,405	23,058	-7%

Net finance cost decreased vs. SPLY due to lower level of financial debt resulting from prepaid long-term debt.

Market valuation gain on financial instruments at fair value driven by fair value changes of the derivative instrument (currency forward).

Foreign exchange gain as IDR and NZD appreciated vs USD.

Divisional Financials

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	1QCY17	1QCY16	YoY	1QCY17	1QCY16	YoY	1QCY17	1QCY16	bps
Branded Consumer Foods	25,190	23,442	7%	3,034	3,779	-20%	12%	16%	(408)
Total Philippines	15,369	14,983	3%	2,499	2,750	-9%	16%	18%	(209)
Philippines	15,025	14,706	2%	2,485	2,745	-9%	16.5%	18.7%	(213)
Packaging	344	277	24%	14	4	219%	4%	2%	254
International	9,822	8,459	16%	534	1,029	-48%	5%	12%	(673)
Non-Branded Consumer Foods	5,499	5,090	8%	1,464	920	59%	27%	18%	855
CFG (net)	3,176	2,941	8%	936	1,016	-8%	29%	35%	(509)
Flour	860	945	-9%	229	307	-25%	27%	32%	(582)
SURE	2,316	1,995	16%	707	710	0%	31%	36%	(504)
AIG (net)	2,322	2,149	8%	528	(97)	647%	23%	-4%	2,721
Feeds	1,199	1,162	3%	208	157	33%	17%	13%	385
Farms	1,123	987	14%	320	(253)	226%	28%	-26%	5,411
Corporate Expense				(467)	(446)	5%			
Total URC	30,689	28,532	8%	4,030	4,253	-5%	13%	15%	(178)

Divisional Financials (CY2016)

(Php Millions)	SALES			EBIT			EBIT MARGIN		
	CY16	CY15	YoY	CY16	CY15	YoY	CY16	CY15	bps
Branded Consumer Foods	93,231	94,107	-1%	13,155	15,251	-14%	14%	16%	(210)
Total Philippines	60,283	59,605	1%	10,558	10,989	-4%	18%	18%	(92)
Philippines	59,188	58,455	1%	10,493	11,001	-5%	17.7%	18.8%	(109)
Packaging	1,095	1,150	-5%	65	(12)	649%	6%	-1%	691
International	32,948	34,502	-5%	2,598	4,262	-39%	8%	12%	(447)
Non-Branded Consumer Foods	19,381	17,898	8%	4,290	4,379	-2%	22%	24%	(233)
CFG (net)	10,180	8,930	14%	3,357	3,241	4%	33%	36%	(332)
Flour	3,911	4,141	-6%	1,207	1,233	-2%	31%	30%	110
SURE	6,269	4,789	31%	2,149	2,008	7%	34%	42%	(764)
AIG (net)	9,201	8,968	3%	934	1,138	-18%	10%	13%	(255)
Feeds	5,111	4,391	16%	881	570	55%	17%	13%	426
Farms	4,090	4,577	-11%	53	569	-91%	1%	12%	(1,113)
Corporate Expense				(1,686)	(1,527)	10%			
Total URC	112,612	112,005	1%	15,760	18,103	-13%	14%	16%	(217)

Value Market Shares

Philippines

CATEGORY	MARKET SHARE	#1	#2	#3
Snacks	36.0%	URC	22.7%	5.5%
Candies	29.8%	URC	11.8%	10.4%
Chocolates	23.7%	URC	9.6%	9.2%
Biscuits	16.5%	31.9%	26.6%	URC
Canned Beans	82.3%	URC	7.6%	4.5%
Cup Noodles	49.7%	URC	42.3%	0.9%
RTD Tea	82.4%	URC	4.8%	3.6%
Coffee	29.7%	41.7%	URC	24.8%
Instant Coffee	27.1%	69.0%	URC	2.1%
Coffee Mixes	30.2%	36.0%	URC	30.0%

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	26.2%	URC	10.5%	8.4%
Wafers	27.2%	URC	11.4%	10.8%

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	22.2%	48.0%	URC	15.7%
Energy Drink	3.9%	42.6%	23.2%	22.2%

New Zealand

CATEGORY	MARKET SHARE	#1	#2	#3
Sweet Biscuits	44.3%	Griffin's	22.0%	11.9%
Crackers	20.6%	30.5%	Griffin's	11.8%

AC Nielsen, Value, MAT: Snacks-Feb 2017, Candies-Sep 2016 Chocolates-Sep 2016, Biscuits-Nov 2016, Canned Beans- April 2014, Cup Noodles-Sep 2016 RTD Tea- Dec 2015, Coffee- Feb 2017

URC Thailand: Biscuits- Jan 2017, Wafers- Jan 2017, URC Vietnam: RTD Tea- Feb 2017; Energy Drink- Dec 2016

New Zealand: Sweet Biscuits and Crackers- IRI MarketEdge Grocery, Value MAT ending 02/26/2017