



UNIVERSAL ROBINA
CORPORATION

FY2012 First Quarter Results

February 15, 2012



AGENDA

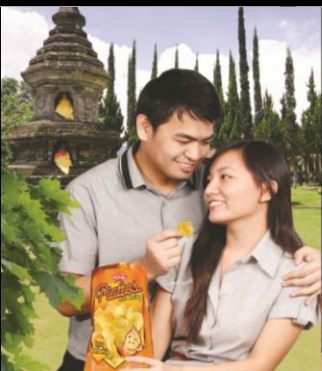


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FY12 Q1 Financial Performance

Plans and Expectations

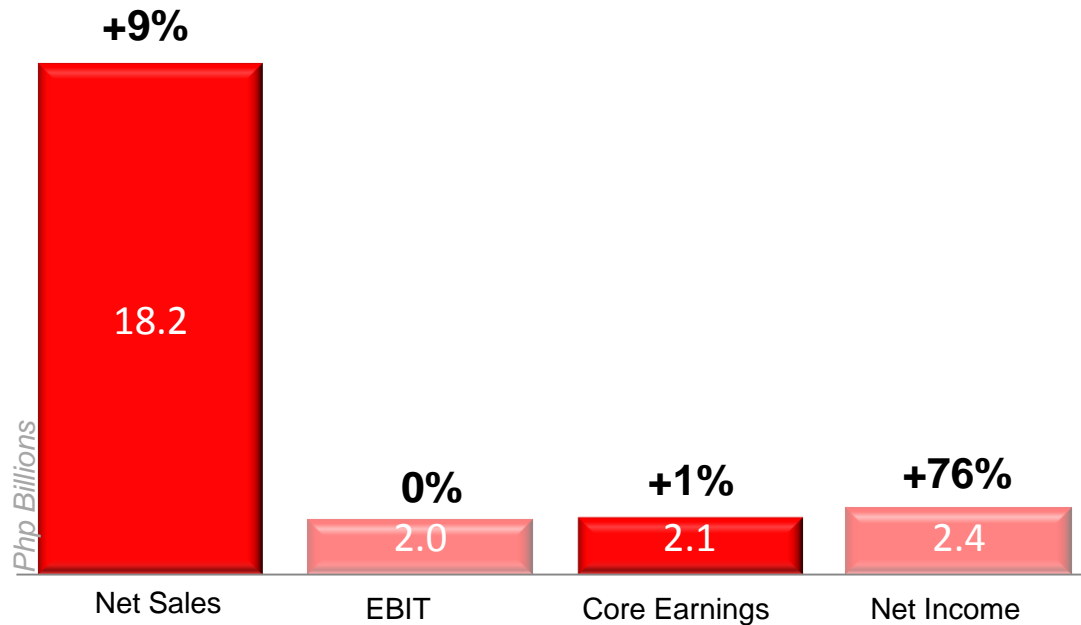


Total URC: Margin recovery has started



First Quarter 2012

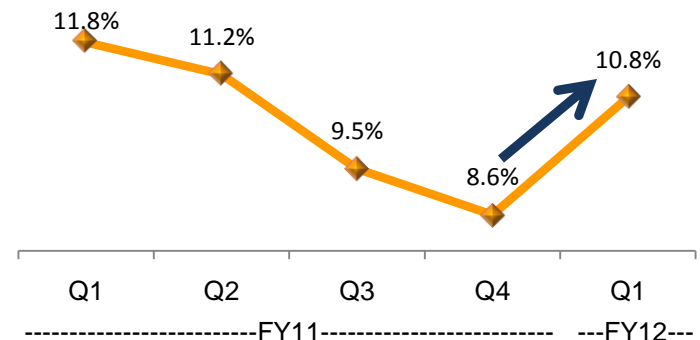
(Year on year % change)



- ✓ Double digit sales growth for all divisions except Sugar business
- ✓ Margin recovery has started as commodity cost inflation eases
- ✓ Net Income increased due to gains in the market values of investment portfolio and foreign exchange gains

(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	16,740	18,198
EBIT	1,967	1,958
Core Earnings	2,035	2,051
Net Income	1,345	2,362

EBIT Margin

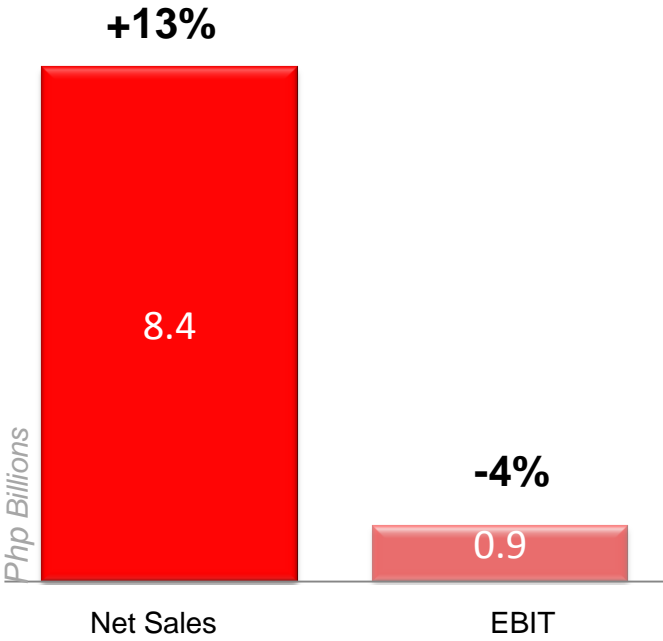


BCFG Domestic: Sales momentum continue



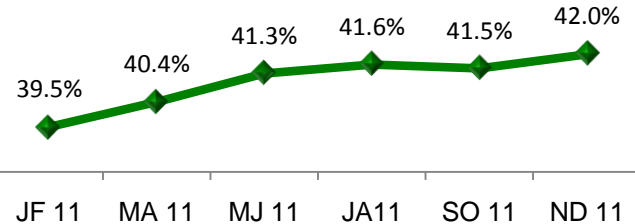
Domestic Business

(Year on year % change)

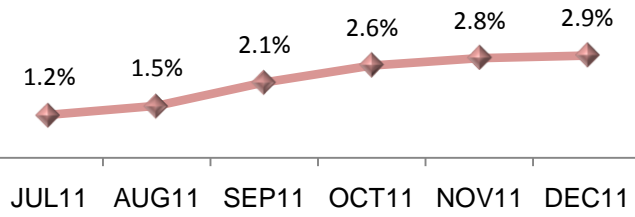


- ✓ Key new products driving growth
- ✓ Margins on the way to recovery
- ✓ Regained back lost market shares

Market Shares

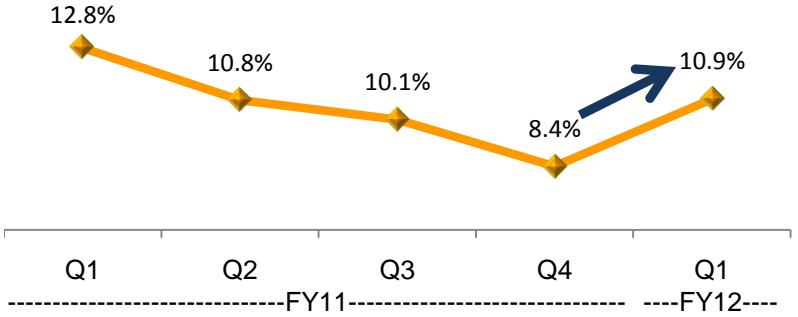


Coffee Mixes



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	7,416	8,384
EBIT	948	912
EBIT Margin	12.8%	10.9%

EBIT Margin

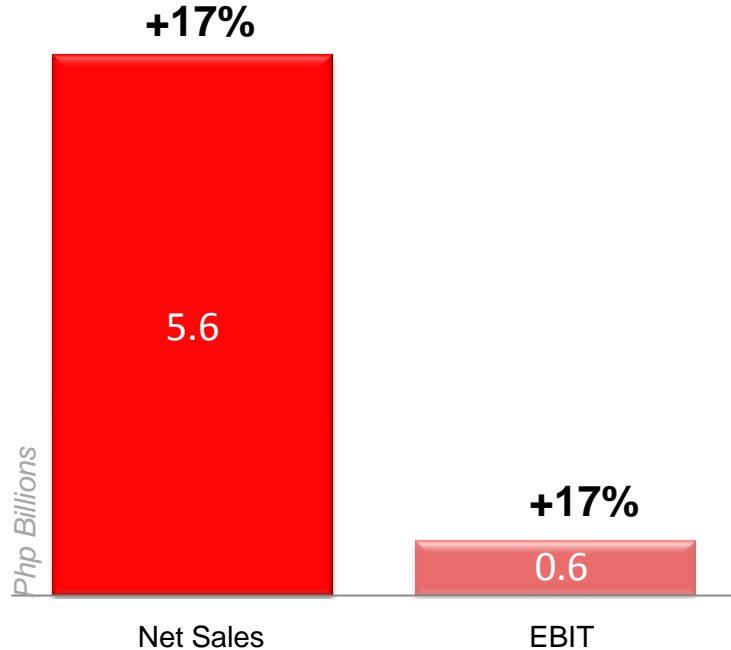


BCFG International: Robust topline growth



International Business

(Year on year % change)



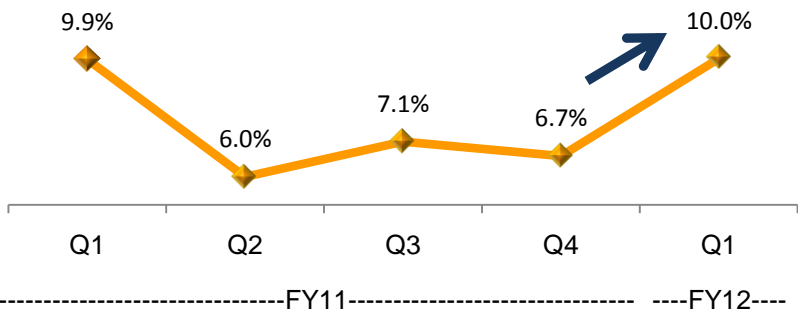
- ✓ Robust topline growth
- ✓ Significant margin expansion
- ✓ New product launches in different categories

New Products



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	4,771	5,578
EBIT	474	555
EBIT Margin	9.9%	10.0%

EBIT Margin



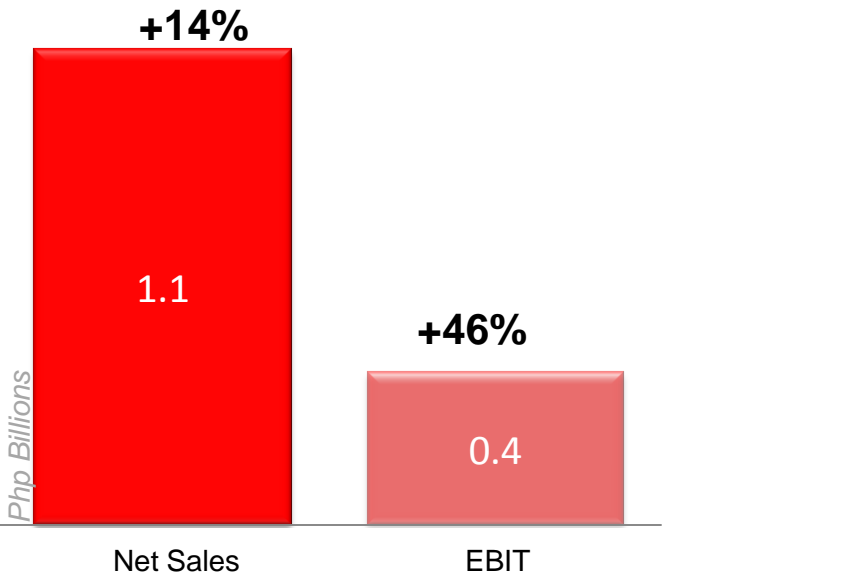
CFG: Margins healthy despite lower sales



- ✓ Lower wheat prices and better sales volume buoyed up sales and margins for Flour
- ✓ Sugar performance pulled down by significantly lower selling prices; EBIT margins decline tempered by the decrease in level of subsidies to farmers

Flour

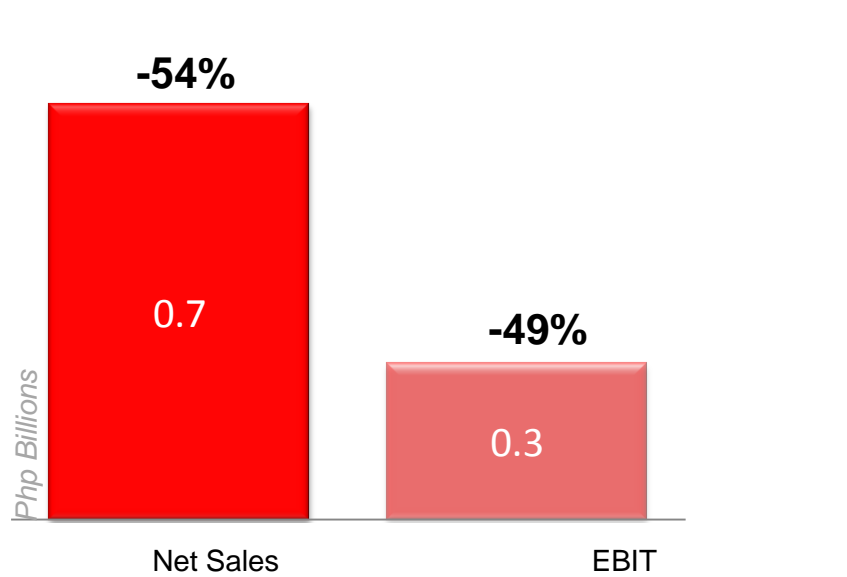
(Year on year % change)



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	1,004	1,146
EBIT	252	368
EBIT Margin	25.1%	32.1%

Sugar

(Year on year % change)



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	1,630	746
EBIT	555	281
EBIT Margin	34.0%	37.6%

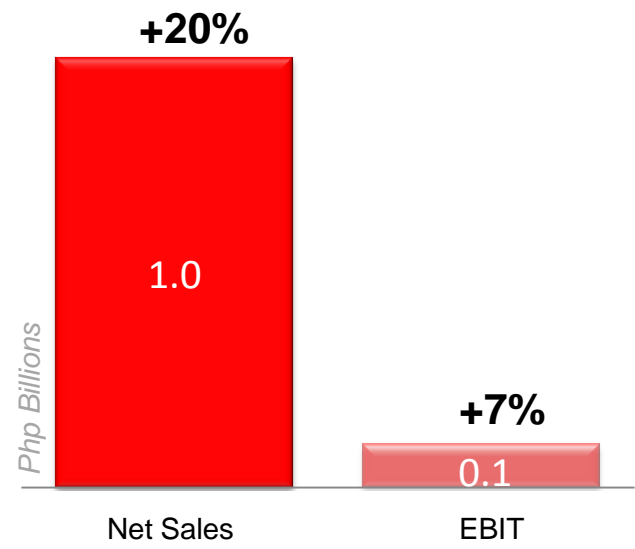
AIG: Sales to recover, margins still challenged



- ✓ Feeds sales grew significantly on the back of higher volumes and selling prices, margins still lower though recovery in sight as corn, soybean and wheat prices decline
- ✓ Farms sales grew due to better volumes though selling prices of hogs continue to be low

Feeds

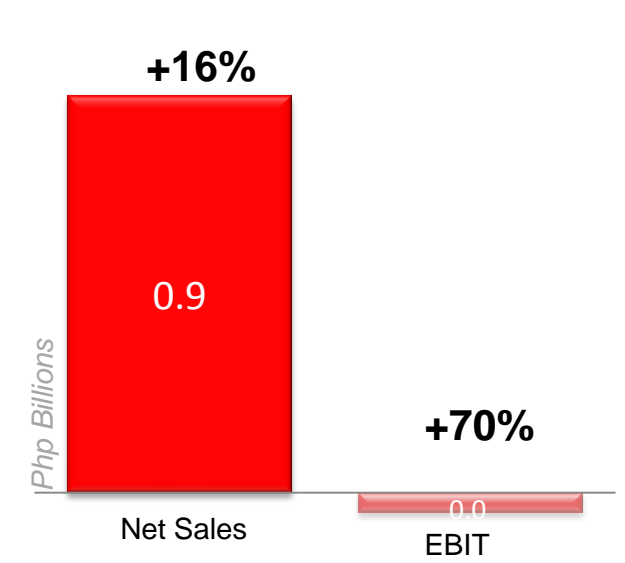
(Year on year % change)



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	828	997
EBIT	94	100
EBIT Margin	11.4%	10.1%

Farms

(Year on year % change)



(Php Millions)	Q1 FY11	Q1 FY12
Net Sales	793	920
EBIT	-155	-46
EBIT Margin	-19.5%	-5.0%

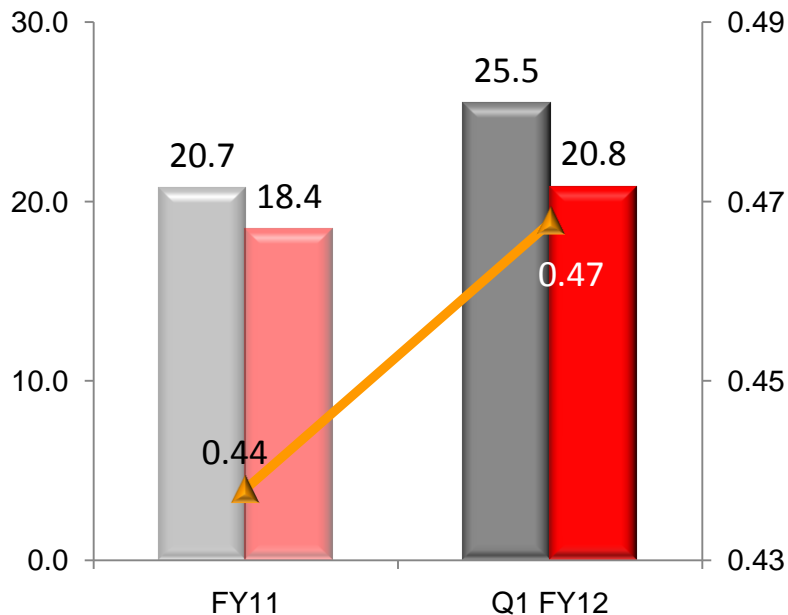
Balance Sheet: Strong cash position



- ✓ Net cash position of Php 4.7B as of first quarter of FY12
- ✓ Gearing ratio of 0.47
- ✓ EBITDA remains healthy

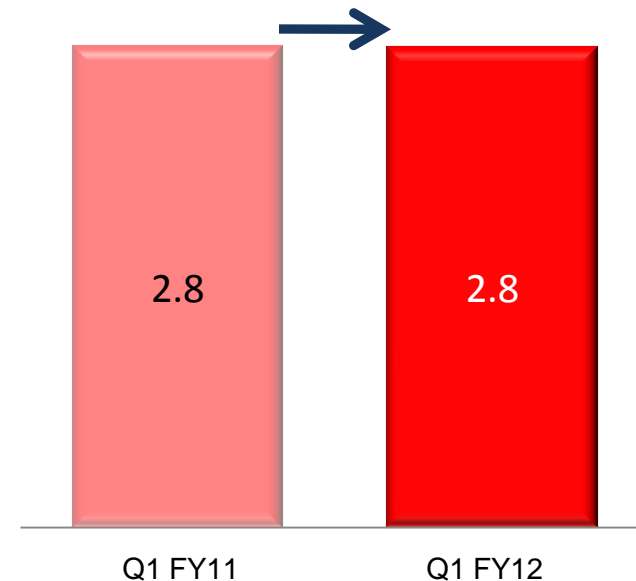
Cash and Financial Debt

Php Billions



EBITDA

Php Billions



- Cash & Cash Equivalents + Financial Assets at FVPL + Available for Sale Financial Assets
- Financial Debt
- ▲ Gearing Ratio

AGENDA

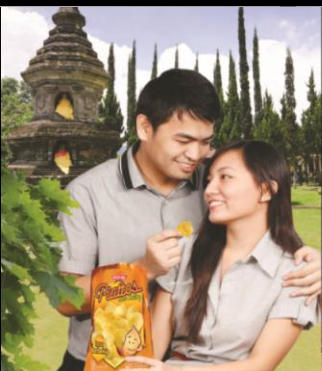


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FY12 Q1 Financial Performance

Plans and Expectations



Outlook and Plans

- ✓ Easing inflation will expand consumption and margins
- ✓ Launch strategic new products and address gaps in key segments
- ✓ Strengthen distribution capabilities
- ✓ Continue productivity initiatives in procurement, manufacturing and supply chain
- ✓ Optimize capital allocation and invest in high growth areas (BCFG)
- ✓ Retire outstanding debt

New Products

Snacks



Biscuits



Candies

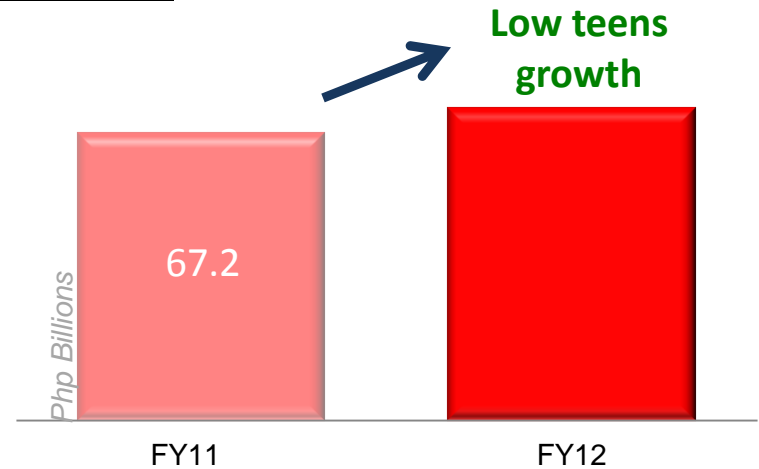


Beverage

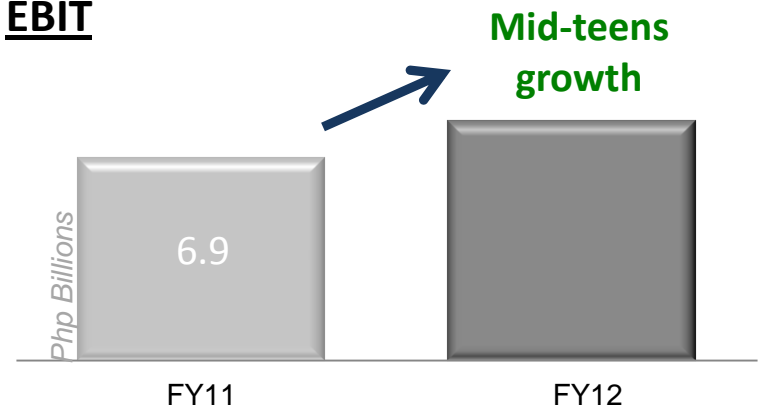


Guidance

Net Sales



EBIT



URC Ethanol Project



Rationale

- ✓ Support the Phil government project to establish a bio-ethanol industry in the country and will be a pioneering investment
- ✓ Partially reduce the country's dependence on imported fuel oil given escalation in prices
- ✓ Environment friendly output – fuel grade ethanol with less emissions supporting the “Clean air act”
- ✓ Plant will use latest technology with very minimal impact to the environment
- ✓ Capitalize on the opportunity of blending biofuel with gasoline as mandated by the government

Project Economics

- ✓ URC will use the by-product from its sugar milling & refining facilities (URSUMCO and SONEDCO) which is molasses as feedstock
- ✓ Ethanol plant will be located in Negros Occidental
- ✓ Initial plant capacity is 100,000 liters of bio-ethanol per day. Existing molasses from the two mills will be sufficient at this volume
- ✓ Investment of around US\$27M to build a facility/distillery
- ✓ Company will apply for incentives with the Board of Investments
- ✓ Target to start commercial operations in 2014
- ✓ Acceptable IRR at close to 14%

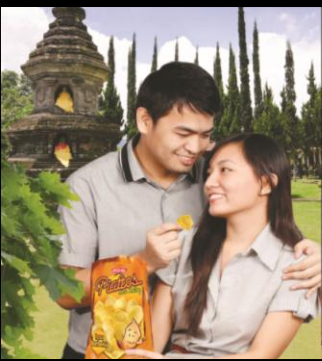


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Thank You!



Income Statement



<i>(Php Millions)</i>	FY2011	FY2012	<i>% vs SPLY</i>
Net Sales and Service	16,740	18,198	+9%
Cost of Sales and Service	12,480	13,608	+9%
Gross Profit	4,260	4,590	+8%
Operating Expenses	(2,293)	(2,632)	-15%
Operating Income	1,967	1,958	0%
Equity in net income	9	16	
Finance revenue (cost)-Net	86	31	
Other revenues (expenses)	(26)	46	
Core Earnings	2,035	2,051	+1%
Mark-to-Market valuation gain/(loss)	(521)	341	
Foreign Exchange gain/(loss)-Net	(63)	206	
Income Before Income Tax	1,451	2,598	+79%
Provision for Income Tax	106	236	
Net Income	1,345	2,362	+76%
Net Income attributable to Equity Holders of the Parent	1,240	2,218	+79%
EBITDA	2,794	2,785	0%

Division Financials



	SALES			EBIT			EBIT MARGIN		
	FY2011	FY2012	% vs SPLY	FY2011	FY2012	% vs SPLY	FY2011	FY2012	pct. pts. vs SPLY
BCFG	12,485	14,389	+15%	1,412	1,458	+3%	11%	10%	-1%
BCF - Domestic	7,416	8,384	+13%	948	912	-4%	13%	11%	-2%
Packaging	298	427	+43%	(10)	(9)	+7%	-3%	-2%	1%
Total Domestic	7,714	8,811	+14%	938	903	-4%	12%	10%	-2%
BCF - International	4,771	5,578	+17%	474	555	+17%	10%	10%	0%
Commodity Foods (net)	2,634	1,893	-28%	807	649	-20%	31%	34%	4%
Sugar	1,630	746	-54%	555	281	-49%	34%	38%	4%
Flour	1,004	1,146	+14%	252	368	+46%	25%	32%	7%
Agro-Industrial (net)	1,621	1,916	+18%	(61)	54	+189%	-4%	3%	7%
Feeds	828	997	+20%	94	100	+7%	11%	10%	-1%
Farms	793	920	+16%	(155)	(46)	+70%	-20%	-5%	15%
Corporate				(191)	(203)				
Total URC	16,740	18,198	+9%	1,967	1,958	0%	12%	11%	-1%

Balance Sheet



<i>(Php Millions)</i>	FY2011	FY2012
Cash & Cash Equivalents (including Financial Assets at FVPL and AFS)	20,711	25,468
Other Current Assets	18,707	20,358
Property, Plant, and Equipment	26,423	27,037
Other Non-current Assets	2,533	2,401
Total Assets	68,374	75,264
Current Liabilities	23,083	27,506
Long-Term Debt	3,002	2,986
Other Non-current Liabilities	262	291
Total Liabilities	26,347	30,784
Retained Earnings	29,138	31,356
Other Equity	12,889	13,124
Total Equity	42,027	44,480

*FY2011 figures as of September 30, 2011

Market Position and Shares



Philippines

CATEGORY	MARKET SHARE	#1	#2	#3
Snacks	41%	URC	26%	11%
Candies	44%	URC	11%	9%
Chocolates	27%	URC	9%	8%
Biscuits	16%	35%	31%	URC
Cookies	32%	URC	27%	10%
Pretzels	47%	URC	26%	15%
Canned Beans	82%	URC	6%	5%
Cup Noodles	39%	53%	URC	2%
RTD Tea	70%	URC	10%	8%
Instant Coffee	17%	81%	URC	2%

AC Nielsen Survey MAT: Snacks- Nov/Dec 11, Candies- Sept/Oct 11, Chocolates and Canned Beans- Aug/Sept11, Biscuits- Oct/Nov 11, Cup Noodles- Nov 11, RTD Tea- Oct 11, Instant Coffee- Dec 11

Thailand

CATEGORY	MARKET SHARE	#1	#2	#3
Biscuits	24%	URC	11%	11%
Wafers	26%	URC	17%	14%

Source: AC Nielsen Retail Index Aug 11

Vietnam

CATEGORY	MARKET SHARE	#1	#2	#3
RTD Tea	34%	55%	URC	

Source: AC Nielsen Retail Index Dec 11 (6 key cities)



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