



UNIVERSAL ROBINA
CORPORATION

ANNUAL SHAREHOLDERS' MEETING

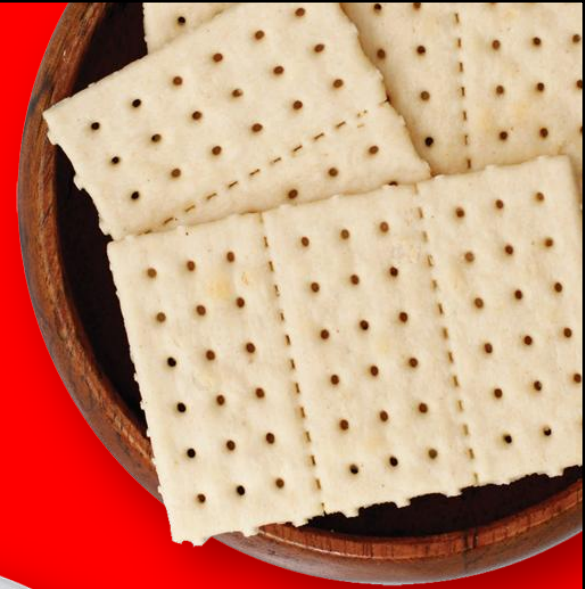
APRIL 18, 2012

AGENDA

FY11 MAJOR DEVELOPMENTS

FINANCIAL PERFORMANCE

FY12 PLANS



FY11 Major Developments



FY2011 was a challenging year



High Inflationary Environment



UNIVERSAL ROBINA CORPORATION

Intense Competition

Abnormal Weather Patterns



FY11 Major Developments

URC resilient amidst challenges

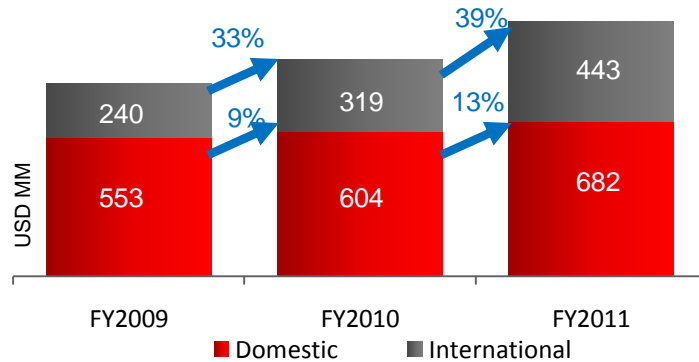
- 1 Thriving Branded Consumer Foods Business
- 2 Expanding regional footprint
- 3 Margin pressures from high input cost inflation
- 4 CFG and AIG remain profitable despite difficult environment
- 5 Rapid expansion on the back of strong cash generating capabilities

1. Thriving Branded Consumer Foods Business



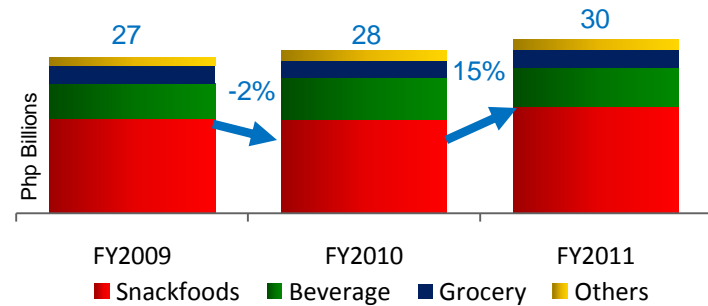
Fast-growing sales

- ✓ USD 1.1 billion in sales under the Jack n' Jill and C2 mega-brands
- ✓ International business driving the growth



Phil. Snackfoods sales increasing

- ✓ Dominant in the home market with growing Snackfoods sales despite competitive pressures
- ✓ Leadership position provides flexibility to pass on costs to consumers



Growing presence in ASEAN markets



	Tea	Snacks	Choco	Biscuits	Wafers	Candies	Cakes
Philippines	#1	#1	#1	#3	#3	#1	#3
Thailand		#3	✓	#1	#1	✓	
Vietnam	#2	✓		#2		✓	
Malaysia/Singapore	✓	✓	✓	✓	✓	✓	
China/Hong Kong		✓		✓			
Indonesia	✓	✓	✓		✓	✓	

*Malaysia/Singapore, China/HK, and Indonesia have no AC Nielsen subscription.

JACK'nJILL

Life's Fun!



2. Expanding regional footprint

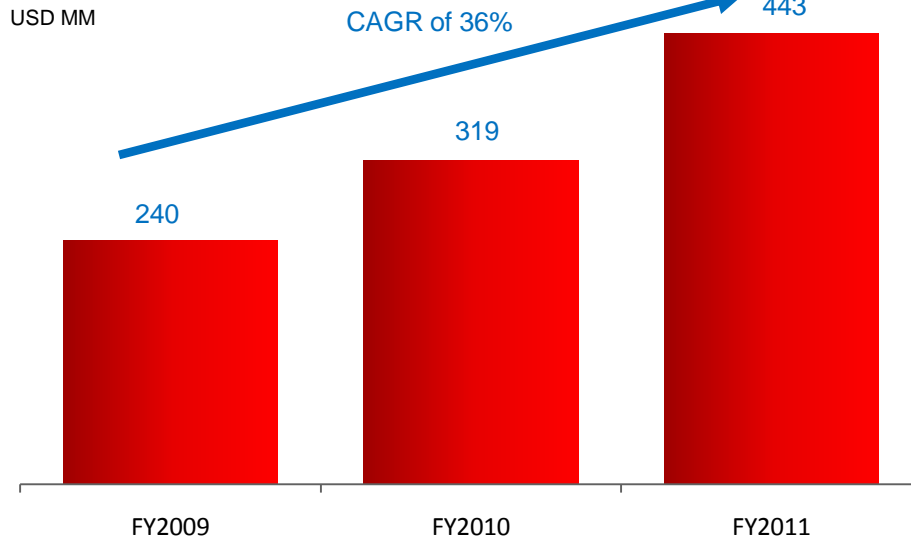


Bright prospects for international business

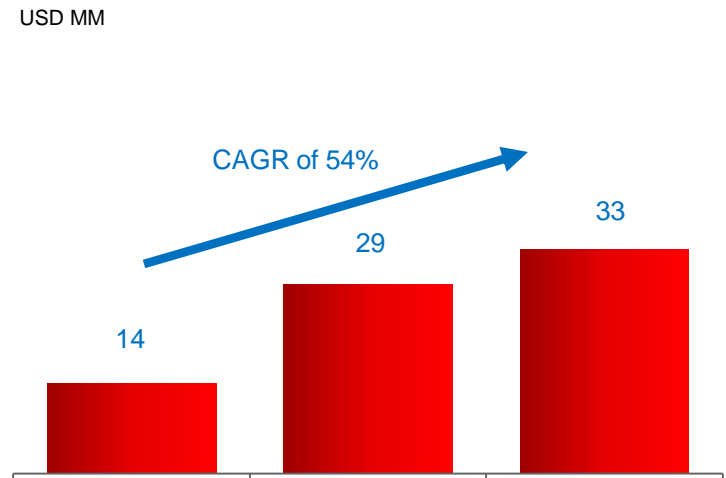
- ✓ Double-digit top-line and bottom-line growth
- ✓ All countries showing significant growth in revenue
- ✓ Scale in operations for Thailand and Vietnam



SALES



EBIT



2. Expanding regional footprint

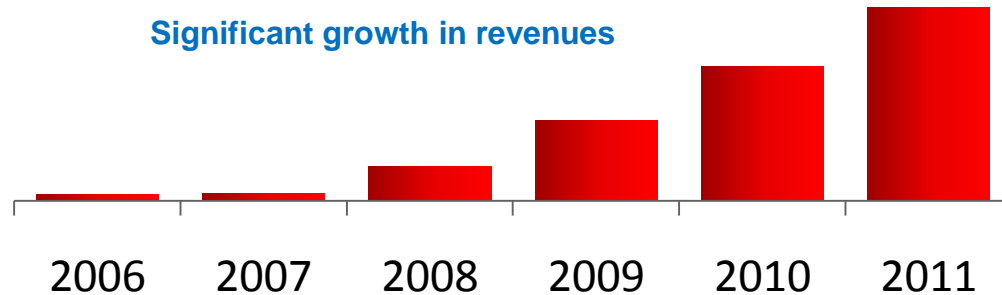


VIETNAM: PHENOMENAL GROWTH AND POTENTIAL

Record net sales

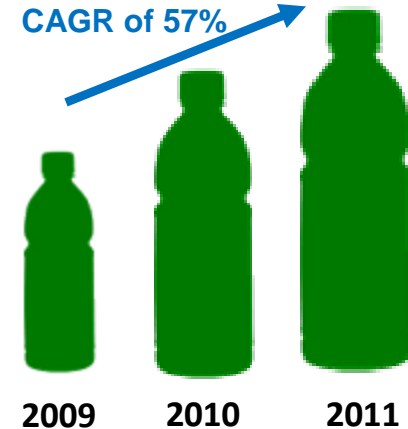
- ✓ 52% YoY growth
- ✓ All-time high sales for Beverage
- ✓ Strong number 2 player in the RTD Tea market and Biscuits

Significant growth in revenues



Cases

CAGR of 57%



Strengthening the portfolio

- ✓ Launched more Snackfoods products to complement strong Beverage business
- ✓ Installed 2 PET lines to satisfy strong demand for C2 RTD Tea as well as augment existing portfolio with other Beverage formats



2. Expanding regional footprint



THAILAND: ADVANCING OUR LEADERSHIP

Solidifying leadership

- ✓ 34% YoY revenue growth
- ✓ Strong number 1 position for Biscuits and Wafers
- ✓ Increased capacity and expanded product range to meet consumer
- ✓ Successful product launches for FY2011: Roller Coaster Flat Chips



THAILAND MARKET SHARES

CATEGORY	Market Share	#1	#2	#3
Biscuits	24%	URC	11%	11%
Wafers	26%	URC	17%	14%

Source: AC Nielsen Retail Index Aug '11



2. Expanding regional footprint



Double-digit growth for the other legs



INDONESIA

- ✓ 12% YoY growth
- ✓ Began installing capacities to compete in the lower-priced business segment
- ✓ EBIT losses (due to lack of scale) contained despite cost inflation
- ✓ Expect turn-around in 3-5 years



MALAYSIA

- ✓ 30% YoY growth
- ✓ Fixed sales fundamentals through improved distribution and account servicing
- ✓ Revitalized Potato Chips business
- ✓ Capacity expansion for Snackfoods



CHINA

- ✓ 43% YoY growth
- ✓ Utilized lines to augment capacity for other countries
- ✓ EBIT losses (due to lack of scale) contained despite cost inflation
- ✓ Expect EBITDA breakeven in 3-5 years



3. Margin pressures from high input cost inflation



Sugar



Coffee Bean



Cocoa Powder



Palm Oil



Wheat

What happened

- ✓ Average input prices increased by a weighted 21% vs. FY10 (compared to an average of 3-4% increase in the past years)

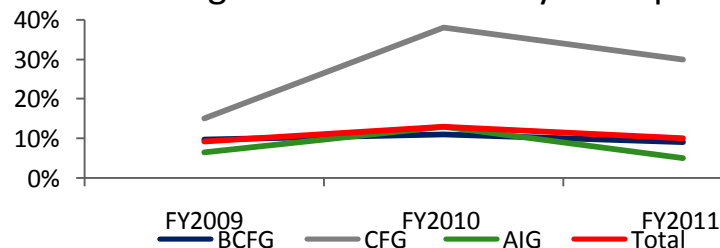
Top 5 Materials	FY11 vs. FY10 Index
Sugar	112
Robusta Coffee Bean	144
Cocoa Powder	132
Palm Oil	134
Soft Wheat Flour	115

What did we do about it

- ✓ Increased prices by a weighted 6%
- ✓ Implemented profit improvement initiatives such as grammage reduction, reformulation, and production efficiencies

What are the results

- ✓ EBIT margins have declined by 300 bps

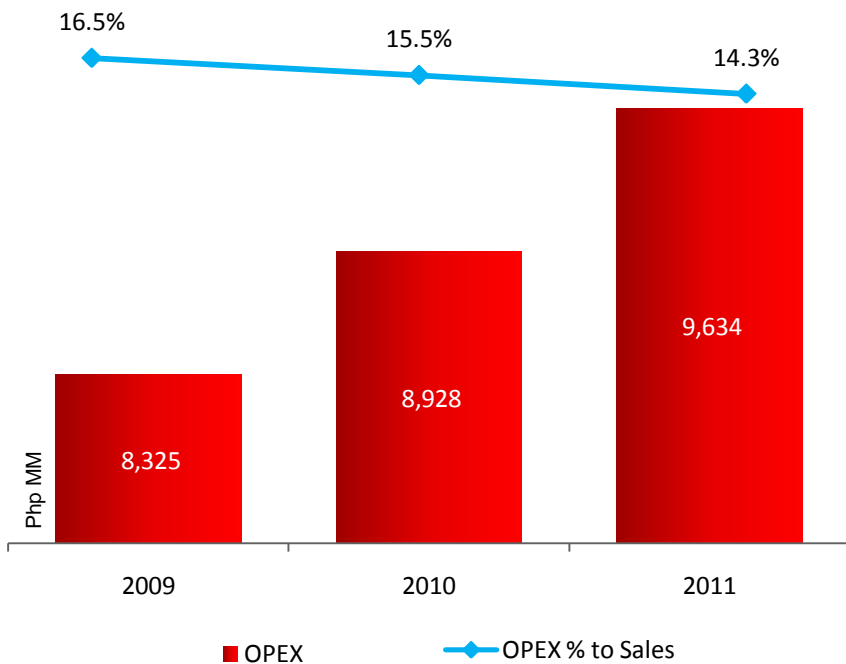


Effective cost management



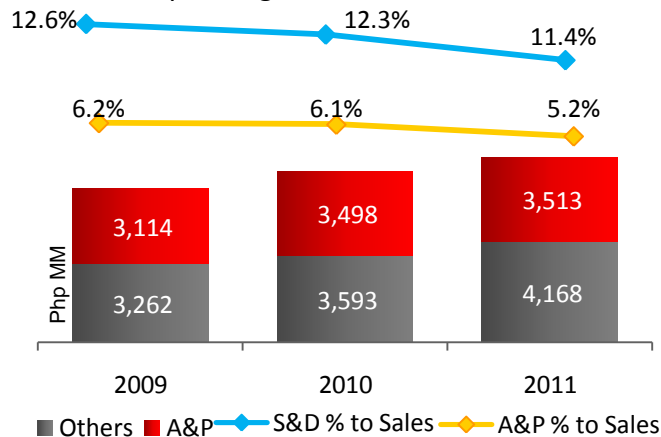
Operating expense, % to Sales

- ✓ Continuous decline of operating expenses as a percent to sales
- ✓ Effectively managed costs as we build more scale and sales momentum



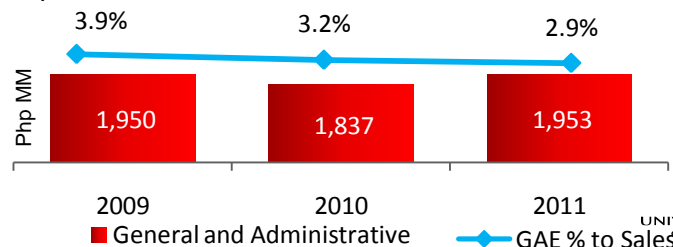
Selling & dist. expense, % to Sales

- ✓ Mainly consists of advertising and promotions, and freight
- ✓ Efficient in A&P spending



Gen & admin expense, % to Sales

- ✓ Mainly consists of personnel expenses and travel and transportation

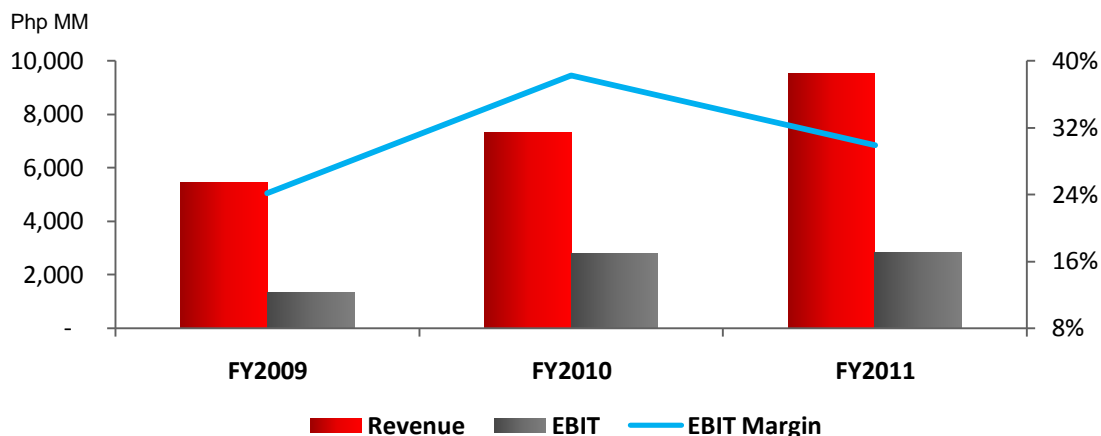


4. CFG and AIG remain profitable despite difficult environment



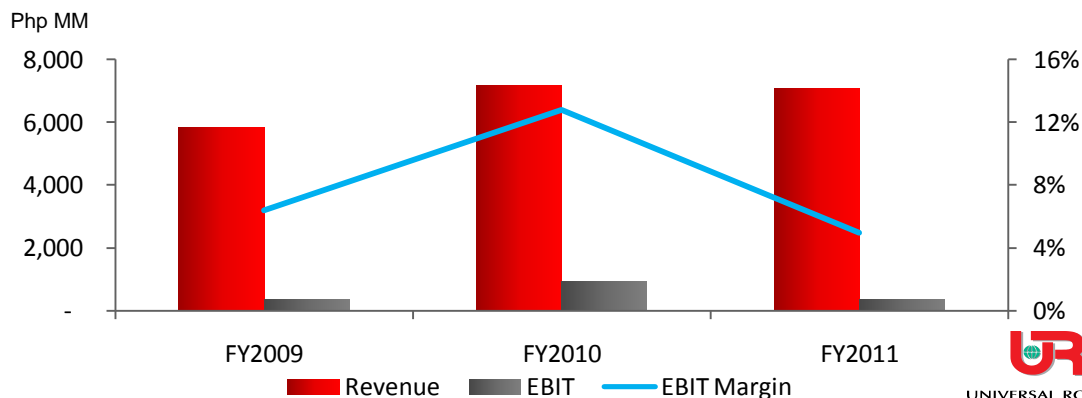
Commodity foods group

- ✓ Profitable businesses for both Flour and Sugar
- ✓ Sugar benefited from high prices in the first 8 months of the fiscal year



Agro-industrial group

- ✓ Glut in the market caused the prices of hogs to decline
- ✓ High input prices for corn and soya suppressed EBIT

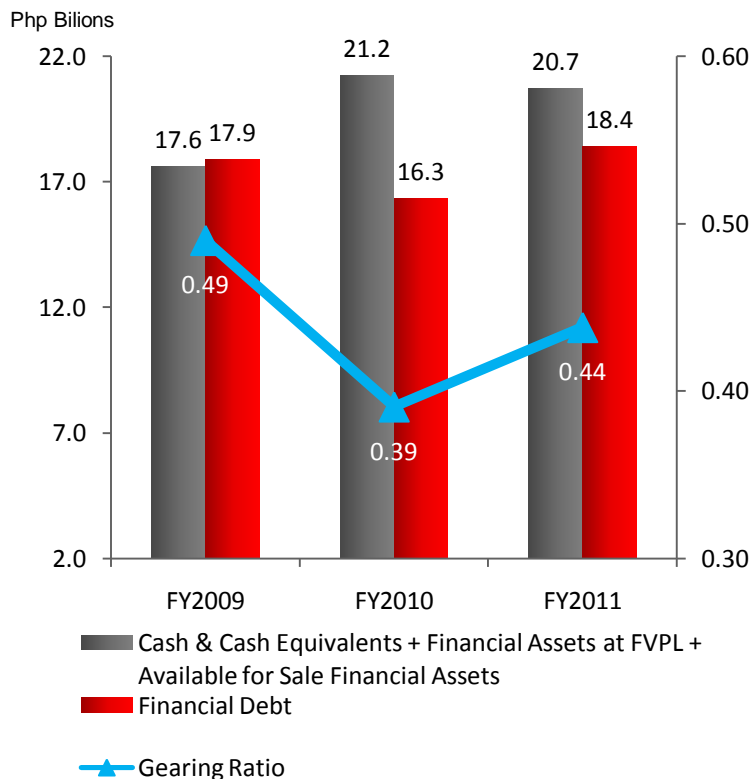


5. Rapid expansion on the back of strong cash generating capabilities



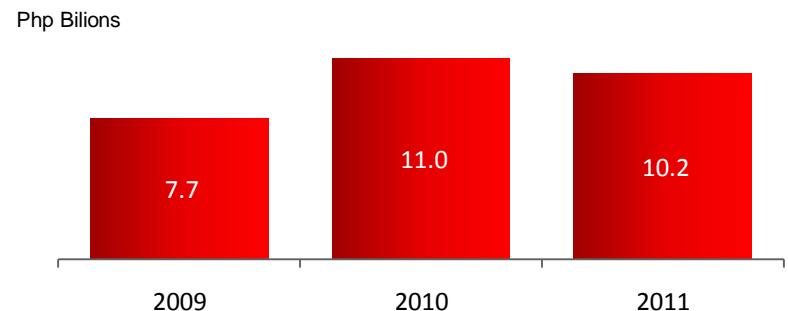
Cash and financial debt

- ✓ Net cash position of Php 2.3B for FY2011
- ✓ Gearing ratio of 0.44



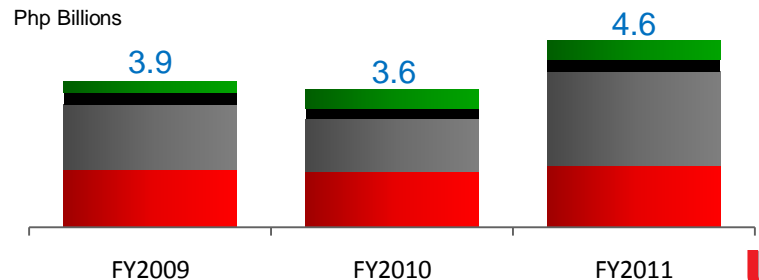
Strong cash generating capabilities

- ✓ Significant EBITDA levels
- ✓ Consistent dividend payments



Significant increase in CAPEX

- ✓ CAPEX amounted to Php 4.6B (USD 106M)
- ✓ Increasing CAPEX allocation for international business



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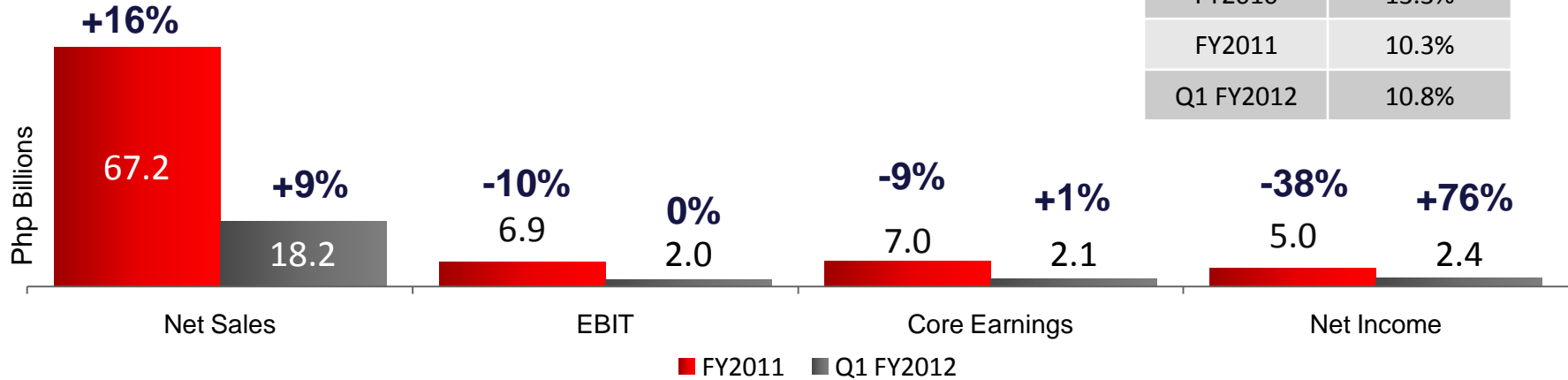


Total URC: Record sales & strong growth



FY2011 and Q1 FY2012

(Year on year % change)



	EBIT Margin
FY2010	13.3%
FY2011	10.3%
Q1 FY2012	10.8%

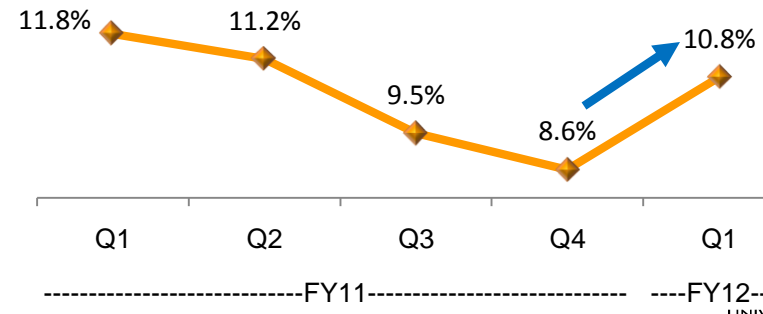
FY2011

- ✓ Sustained sales growth of 16% led by BCF International and Sugar
- ✓ Rising commodity prices eroded margins by 300 bps
- ✓ Net income declined by 38% due to significant unrealized marked-to-market losses in the fourth quarter

Q1 FY2012

- ✓ Double digit sales growth for all divisions except Sugar business
- ✓ Margin recovery has started as commodity cost inflation eases

EBIT MARGIN

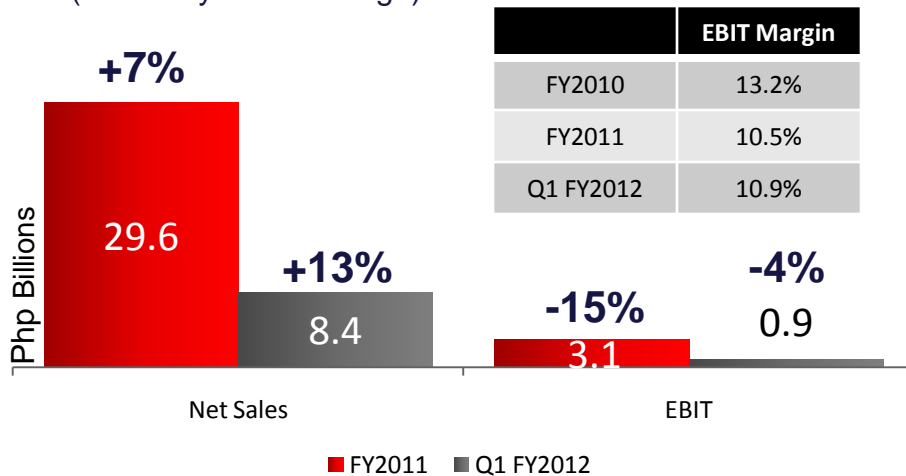


BCFG: Increasing sales for BCF Domestic Snackfoods



Domestic Business

(Year on year % change)



	EBIT Margin
FY2010	13.2%
FY2011	10.5%
Q1 FY2012	10.9%

FY2011

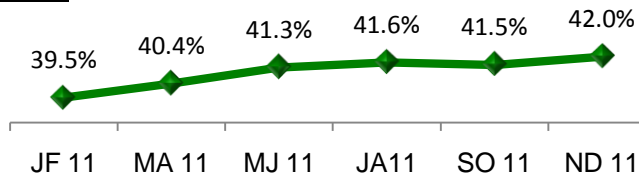
- ✓ Snackfoods business grew double-digits while Beverage business faced challenges
- ✓ Major revenue and EBIT contributor remains to be Snackfoods
- ✓ Successful new products in the extruded/pelletized snacks segment as well as in 3in1 Coffee mixes

Q1 FY2012

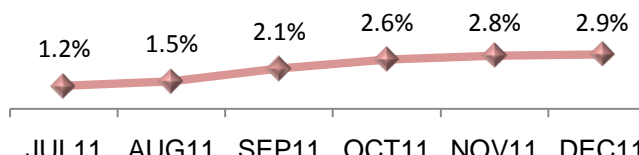
- ✓ Key new products driving growth
- ✓ Beverage grew fastest at 28%
- ✓ Margins on the way to recovery
- ✓ Regained back lost market shares

MARKET SHARES

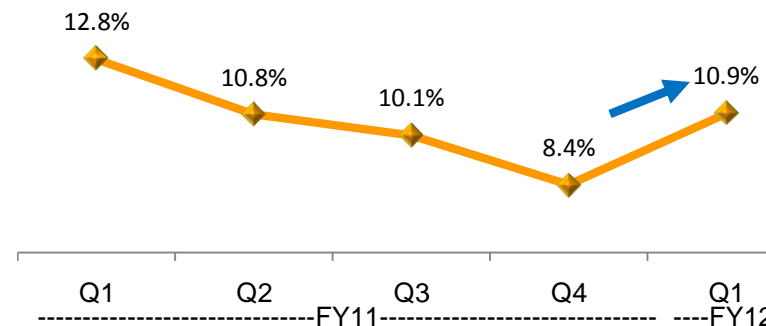
Snacks



Coffee Mixes



EBIT MARGIN

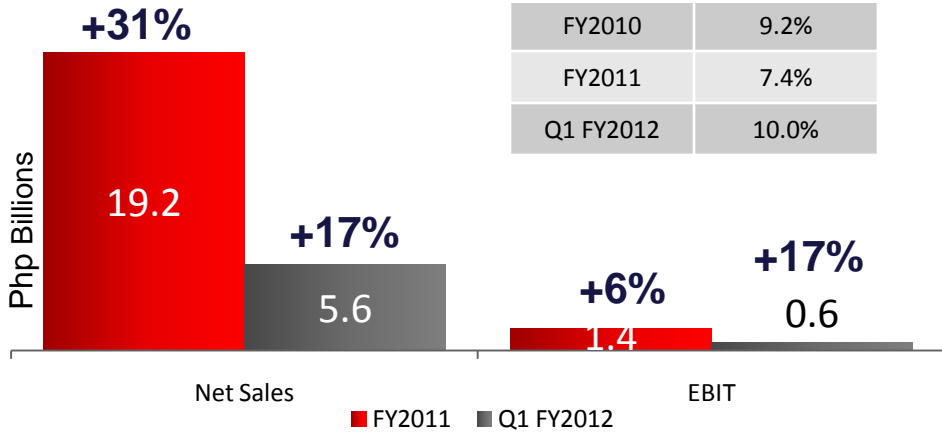


BCFG: International business driving growth



International Business

(Year on year % change)



	EBIT Margin
FY2010	9.2%
FY2011	7.4%
Q1 FY2012	10.0%

FY2011

- ✓ Total international sales is at Php 19.2B (USD 443M), up 31% with growth coming from all countries
- ✓ Vietnam and Thailand now contribute 75% to total International revenues and are at scale
- ✓ EBIT managed to grow despite the decline in margins due to strong sales momentum

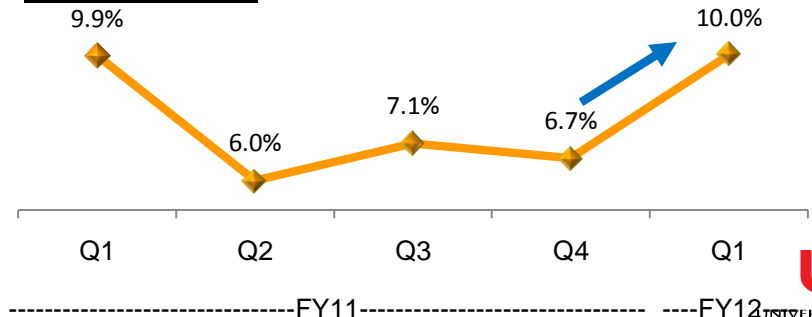
Q1 FY2012

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

NEW PRODUCTS



EBIT MARGIN



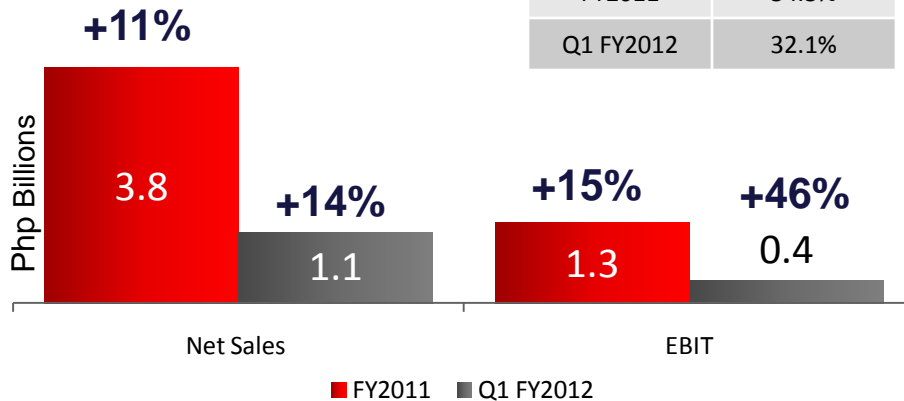
CFG: Record selling prices and favorable volumes



Flour

(Year on year % change)

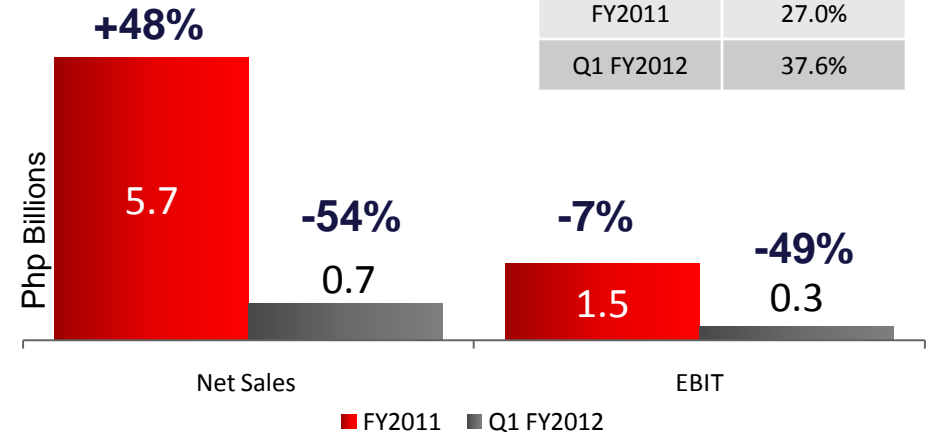
	EBIT Margin
FY2010	33.2%
FY2011	34.3%
Q1 FY2012	32.1%



Sugar

(Year on year % change)

	EBIT Margin
FY2010	42.6%
FY2011	27.0%
Q1 FY2012	37.6%



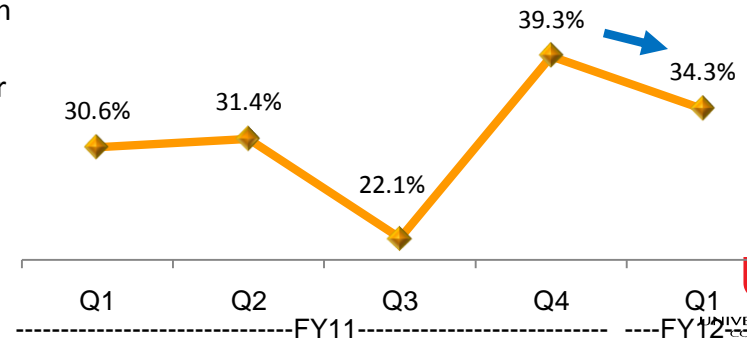
FY2011

- ✓ Sustained sales growth for Sugar though prices have started to decline in the third quarter; flour sales increased
- ✓ Lower EBIT margins for Sugar due to higher trucking subsidies and lower extraction rate but maintained for Flour

Q1 FY2012

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

EBIT MARGIN (CFG)

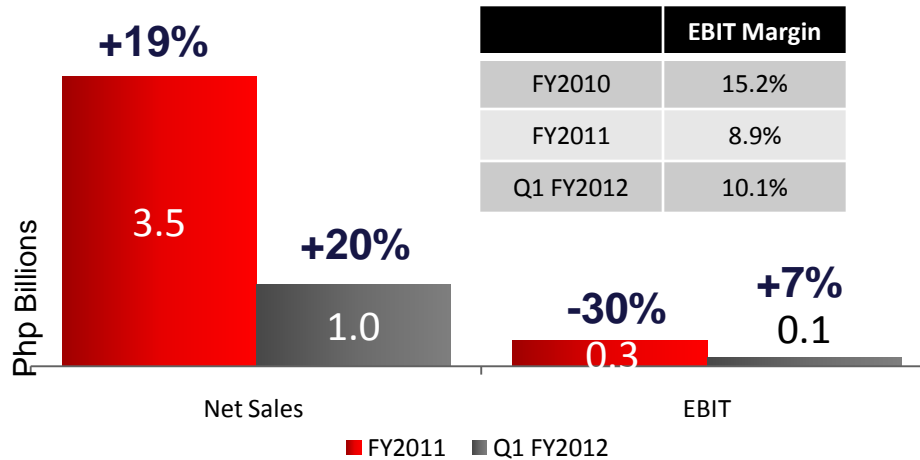


AIG: In the down cycle but still profitable



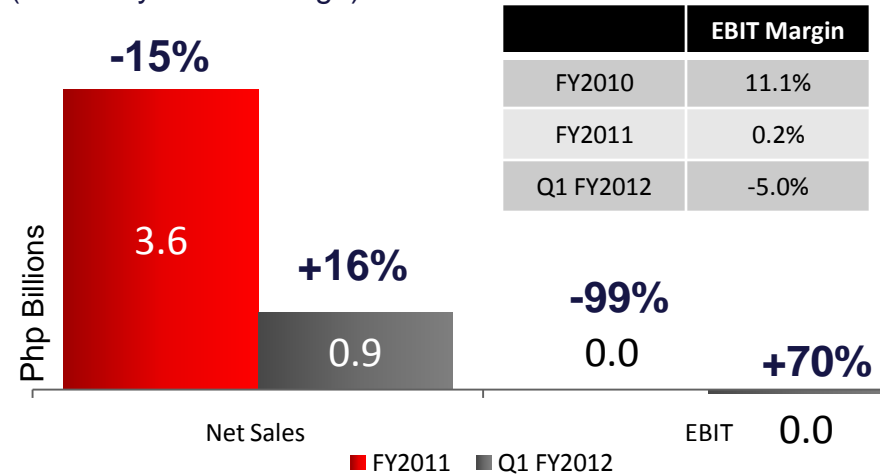
Feeds

(Year on year % change)



Farms

(Year on year % change)



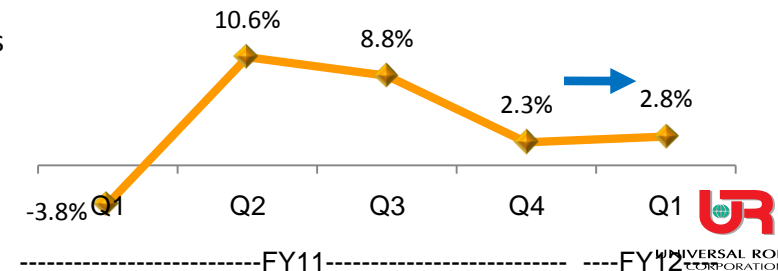
FY2011

- ✓ Lower selling prices and volumes affecting Farms; Feeds with double-digit growth
- ✓ EBIT down due to higher input cost for Feeds and depressed prices for Farms

Q1 FY2012

- ✓ Feeds sales grew significantly on the back of higher volumes and selling prices; margins still lower but recovery in sight as input prices decline
- ✓ Farms sales grew due to better volumes but selling prices of hogs continue to be low

EBIT MARGIN (AIG)

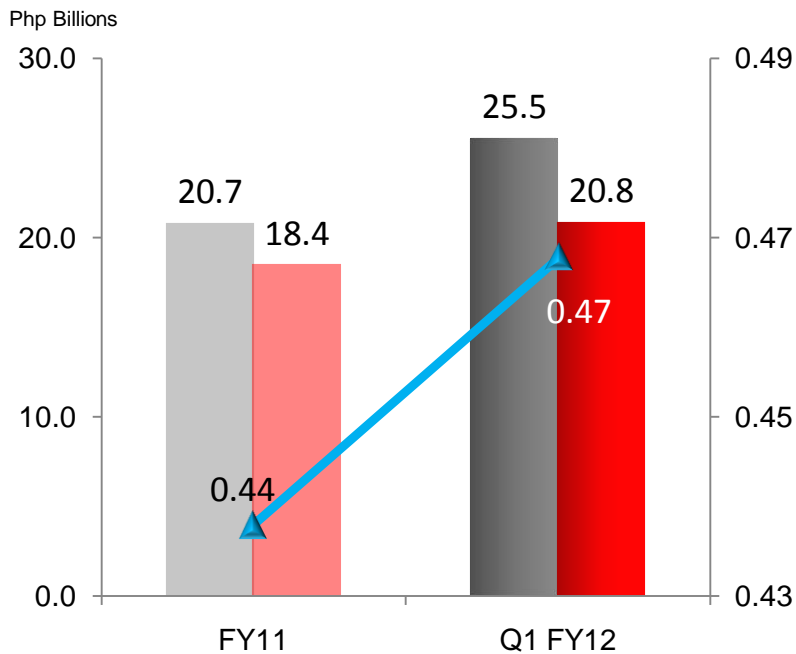


BALANCE SHEET: Strong cash position



Cash and financial debt

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



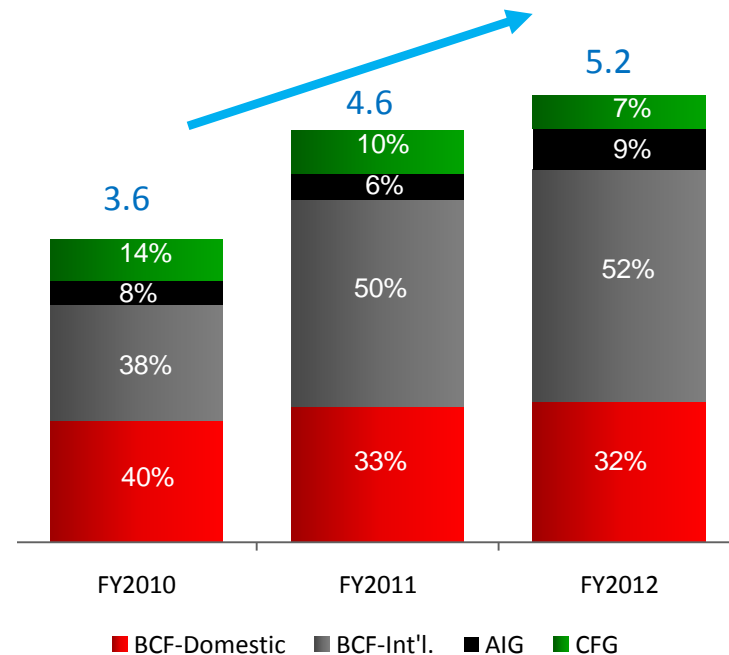
■ Cash & Cash Equivalents + Financial Assets at FVPL + Available for Sale Financial Assets

■ Financial Debt

▲ Gearing Ratio

CAPEX

- ✓ CAPEX spending on an increasing trend
- ✓ Still skewed towards International business in FY12



■ BCF-Domestic

■ BCF-Int'l.

■ AIG

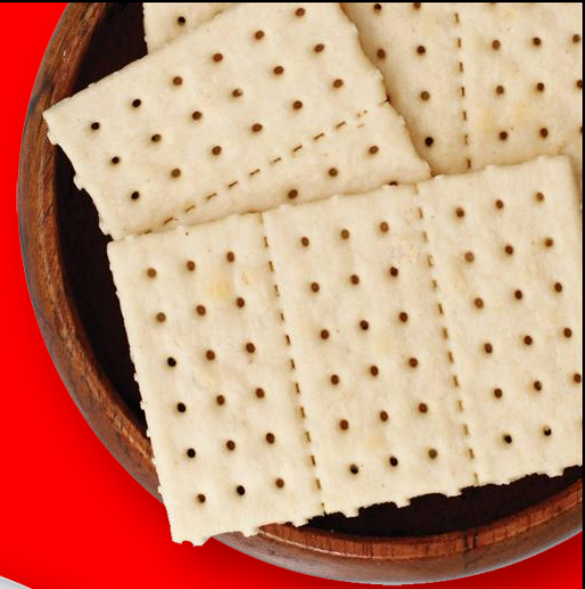
■ CFG

AGENDA

FY11 MAJOR DEVELOPMENTS

FINANCIAL PERFORMANCE

FY12 PLANS



FY12 Plans



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)

New products

SNACKS



CANDIES



BISCUITS

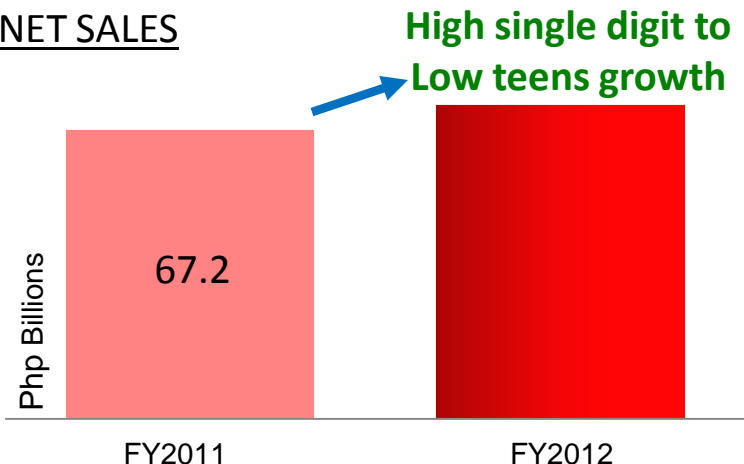


BEVERAGE

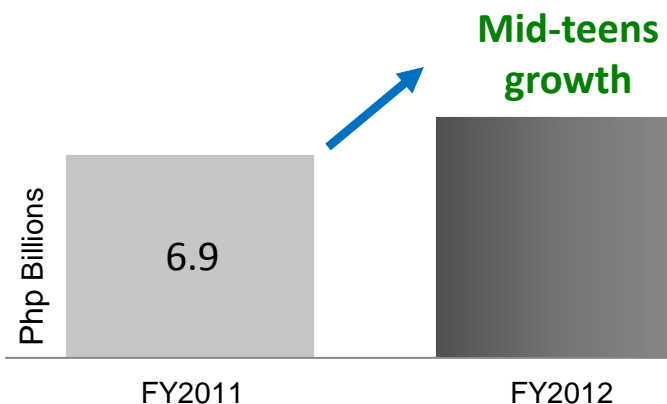


Guidance

NET SALES



EBIT





THANK YOU

