



Charoen Pokphand Foods Plc.

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Deal sealed for CP-Brand products in South Korea

Bangkok Post, August 4, 2012

The SET-listed Charoen Pokphand Foods Plc (CPF) expects, the Seoul-based E-Mart, will garner the company an additional 1 billion baht in sales revenue in the first year of their partnership, climbing to 10 billion annually within five years.

The two companies signed a memorandum of understanding in March for the distribution of CP-brand ready-to-eat meals and frozen foods at 150 E-Mart hypermarkets and its E-Mart Everyday supermarket chain in South Korea.

Pisit Ohmpornnuwat, an executive vice-president of CPF, said the cooperation is a pilot project for the company ahead of forming other such partnerships with foreign traders and retailers.

He said CP-brand products will be selected that fit the format of the South Korean retail giant, which also features online sales via its E-Mart Mall in addition to seven branches of E-Mart Traders.

CPF's ready-to-eat products presently are already distributed in 20 countries.

Export sales will account for 20% of the annual revenue total by 2016 from 13% of last year's 206 billion baht.

The company recently embarked upon an aggressive expansion including payment of 66.3 billion baht for control of the Hong Kong-listed CP Pokphand Co.

That firm's two main businesses are animal feed in China and integrated-farm operations in Vietnam, both of which regularly turn in strong performances.

Meanwhile, Adirek Sripratak, CPF's president and chief executive, said the severe drought in the US will lead to soaring prices of soybean meal and maize, the main ingredients of animal feed.

However, he said the company has managed the risk by importing large quantities of soybean meal in advance, and he expects local maize production will be sufficient for local livestock.

CPF to export Five Star chicken to India

The Nation , August 25, 2012



Charoen Pokphand Foods (CPF) is cashing in on India's emerging economy by exporting its Five Star chicken product to that market. Sanjeev Pant, deputy managing director of Charoen Pokphand India, said it was the company's latest product to access Indian market. Five Star grilled chicken, fried chicken and chicken snacks will be pilot goods to capture the Indian market. The first branch will be opened in Bangalore in October, and CPF expects to have 100 branches by next year. Next cities to receive branches will be New Delhi, Hyderabad.

CPF half year revenue growth 67% or Bt 165,735 million. Dividend payout is Bt 0.60 per share.

CPF announced half year revenue of 2012 at Bt 165,735 million, 67% increasing from last year, result from the expansions of company business in the countries that has potential and opportunities of growth in agricultural-industry and food businesses. Thus, 60% of revenue come from foreign business and 40% from local.

Net profit for the first 6 months of 2012 is Bt 16,148 million, 89% increased from last year. Mainly as a result of the acquisition of a foreign company and the recognition of an extra ordinary item, "Gain on changes in fair value of investments in associate", incurred from the acquisition, according to Thai Financial Reporting Standards. If excluded the extra ordinary item, the operating results declined slightly compared to last year.

Mr. Adirek Sripratak, President and Chief Executive Officer of Charoen Pokphand Foods Public Company Limited (the "Company" or "CPF") explained that overall situation of meat production is higher than demands which caused the market price lower than normal also the lower of the local purchasing power and rising of raw materials price which caused from drought that occurred in the United States.

"Higher prices of raw materials, especially soybean and corn make the cost of operation higher accordingly. This situation make it more difficulty to Thailand meat producer." Adirek said. He also expects the situation will improve in the second half of 2012 and also remain the target revenue at more than Bt 600,000 million in next 5 years with the average growth of 10-15%, especially from foreign company business and opportunities of acquisition.

The board of committee announced to pay interim dividend Bt 0.60 per share as result from first half operation of 2012. The book closing date was set on Aug 27 (XD), to be paid on September 7, 2012.

CPF's pricey pork to make Thai debut

Bangkok Post, August 30, 2012

After a decade of developing the swine breed originated from the Black Berkshire pig strain, Charoen Pokphand Foods Plc (CPF) is ready to make the pricey meat available to the Thai market.

Kurobuta pork from Black Berkshire pigs is known for its tenderness and sweet flavour.

The meat from the new breed, called CP Kurobuta pork, is named after the premium quality pork in Japan's Kurobuta that was developed from the same Black Berkshire.

With its delicate texture and sweet flavour, the pork in Japan is priced 40% higher than normal pork, said CPF senior vice-president Satjar Ravungsook.

In Thailand, the company marks prices of the meat at 180 baht a kilogramme for sirloin and chuck, the only two cuts for sale. Prices of regular pork are 120-125 baht a kg.

"The main customer groups are Japanese living in Thailand and senior citizens who prefer a little soft and tender meat," said Dr Satjar.

CPF now produces about 20,000 head of CP Kurobuta fatteners a month at its farm in Chon Buri province, operating under closed-farm management and cooled by the evaporative system.

The business of premium pork is small when compared with the 3 million hogs CPF supplies to the local market each year, said Dr Satjar.

The company now supplies 100 tonnes a month of Kurobuta pork to supermarkets, restaurants and hotels.

But he hopes the availability of good quality pork will increase consumption of the meat among Thais, which remains low at 13 kg per person per year. That is far below Hong Kong (69 kg), China (37 kg) and Taiwan (36 kg).

One reason for lower consumption in Thailand is diseases that result in poor-quality meat, including foot-and-mouth disease and porcine reproductive and respiratory syndrome.

Last year, Thailand farmed 12.3 million pigs, more than 95% of which were for local consumption. Exports were only in the form of cooked products such as ham and bacon.

Dr Satjar said higher standards ensure better quality. The temperature at the CP Kurobuta farms is computer-controlled, and the firm follows biosecurity standards.

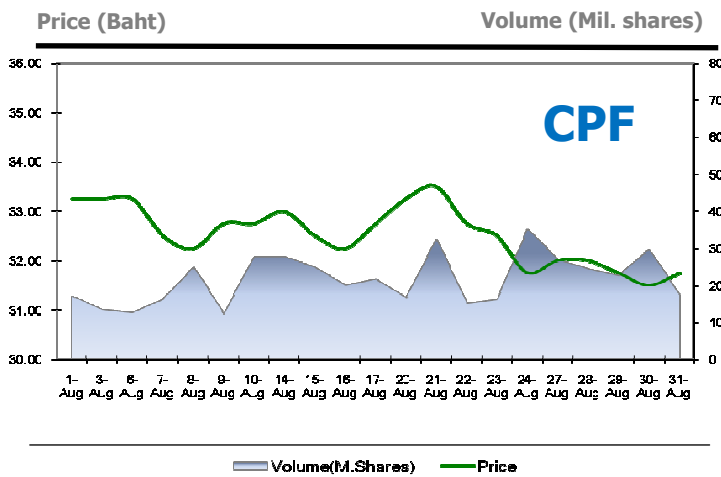
CPF estimates that sales of the pork will add 600-800 million baht a year.

CPF received Diamond Awards



Recently Adirek Sripratak, President & CEO of Charoen Pokphand Foods Plc. received Diamond awards from Boonsong Teriyapirom Minister of Commerce for his dedication to Thailand “ Trade and Commerce” at the Ministry of Commerce.

Price performances: CPF



CPF	
Highest Price	33.75
Lowest Price	31.25
Closed Price	31.75
Average Volume/Day (Shares)	21,700,000

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