



Charoen Pokphand Foods Plc.

CP Premium Pork

CP

Fresh

Hot Spicy SAUCE

CP

Fresh

Kitchen of The World

www.cpbrandsite.com

1H2014 : RESULTS BRIEFING : August 14, 2014



- **Business Overview**
- **1H2014 Results Briefing**
- **Financial Highlights**
- **Future Plan**
 - **Appendix**
 - A: 3Yr Historical Results
 - B: Product & Raw Materials Price Trend
 - C: Product Sample & Retail Outlet Format
 - D: Highlights: 2Q2014 Results
 - E: Export Destination



CPF Investment Highlights

- A leading global vertically integrated agro-industrial and food company
- Well-diversified portfolio with export to 40 countries and operations in 13 countries catered to 3 billion population
- Capturing strong growth opportunity in emerging markets
- Building key presence in developed markets and diversifying business line
- Financial flexibility
- Stakeholders priorities



Company Facts (as of June 30, 2014)

Vision : **Kitchen of the World**

- Position**
- One of the World's leading listed animal feed manufacturers
 - One of the World's leading listed swine producers and shrimp integrated businesses
 - Member of “**SET50**”, Ticker “**CPF**” under Agro-Industrial & Food Sector
 - Ranked **914th** in **Y2012 Forbes Global 2000** list of the World's Biggest Company
 - 3 Listed Investments (HKSE:00043, TWSE: 1215, SET:CPALL)
 - 18 Series of Debentures listed on Thai Bond Market Association “TBMA”

Highlights

Market Cap : THB 214,255 million or ~USD6.6 billion
(as of August 13, 2014)

FY13 Sales : THB389 billion or ~USD 11.9 billion

Capital : 7,743 million shares (paid-up),
par value of THB.1.00 per share

Operations : 34% Thailand-Domestic
8% Thailand-Export

Book Value : THB18.05 per share (as of June 30, 2014)

58% International

Shareholders : Charoen Pokphand Group Ltd. 43.72%
of Paid-Up Capital (as of June 6, 2014)

Business : 84% Livestock / 16% Aquaculture

Credit Rating : “AA-” with “Negative” Outlook (as of June 20, 2014)

Product : 56% Feed / 32% Farm / 12% Food

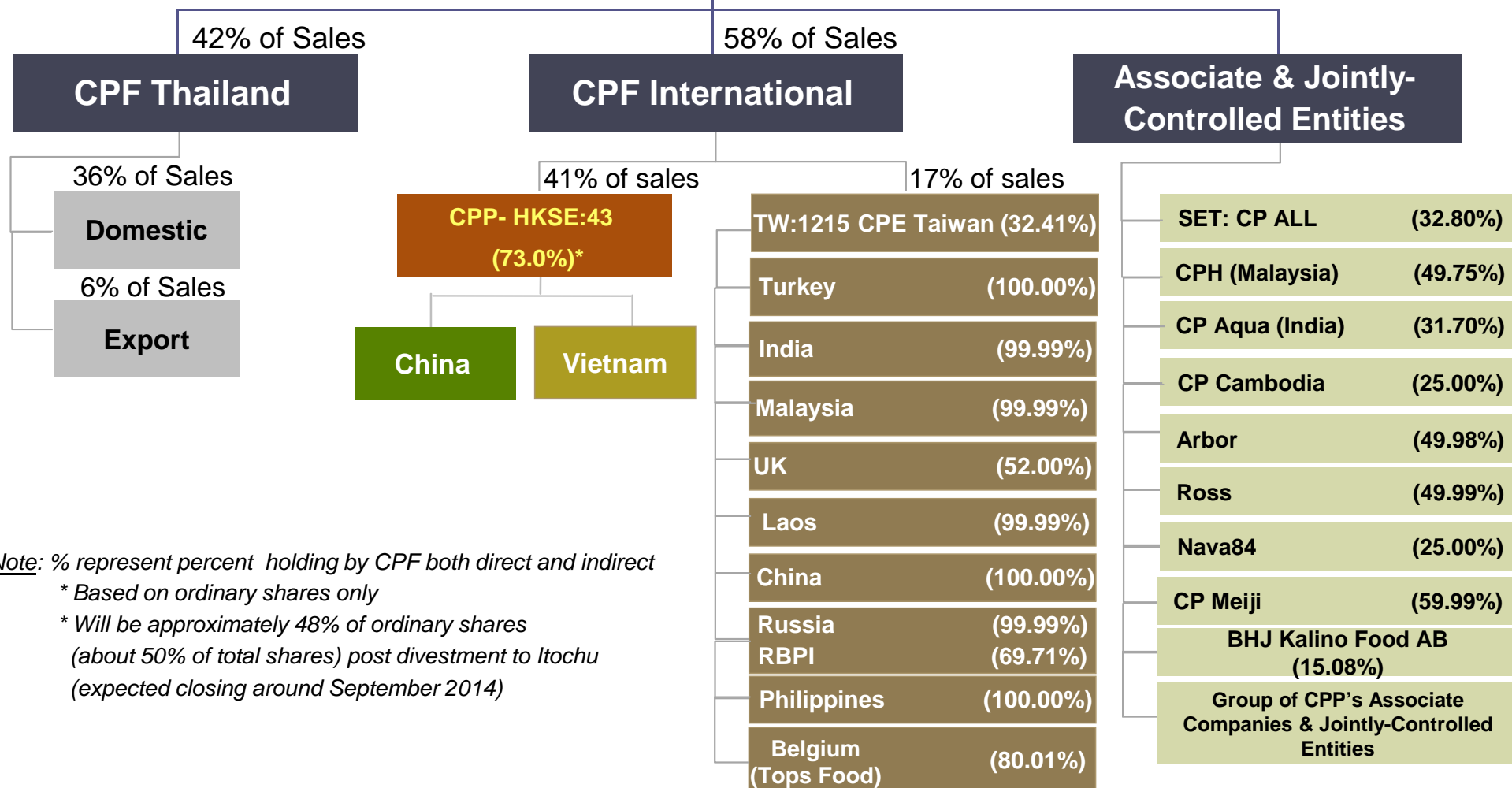
Note: USD1 = THB 32.40 (as of August 13, 2014)





CPF Operational Structure

1H2014 : Sales: THB 203,956 m
Net Profit: THB 5,596 m

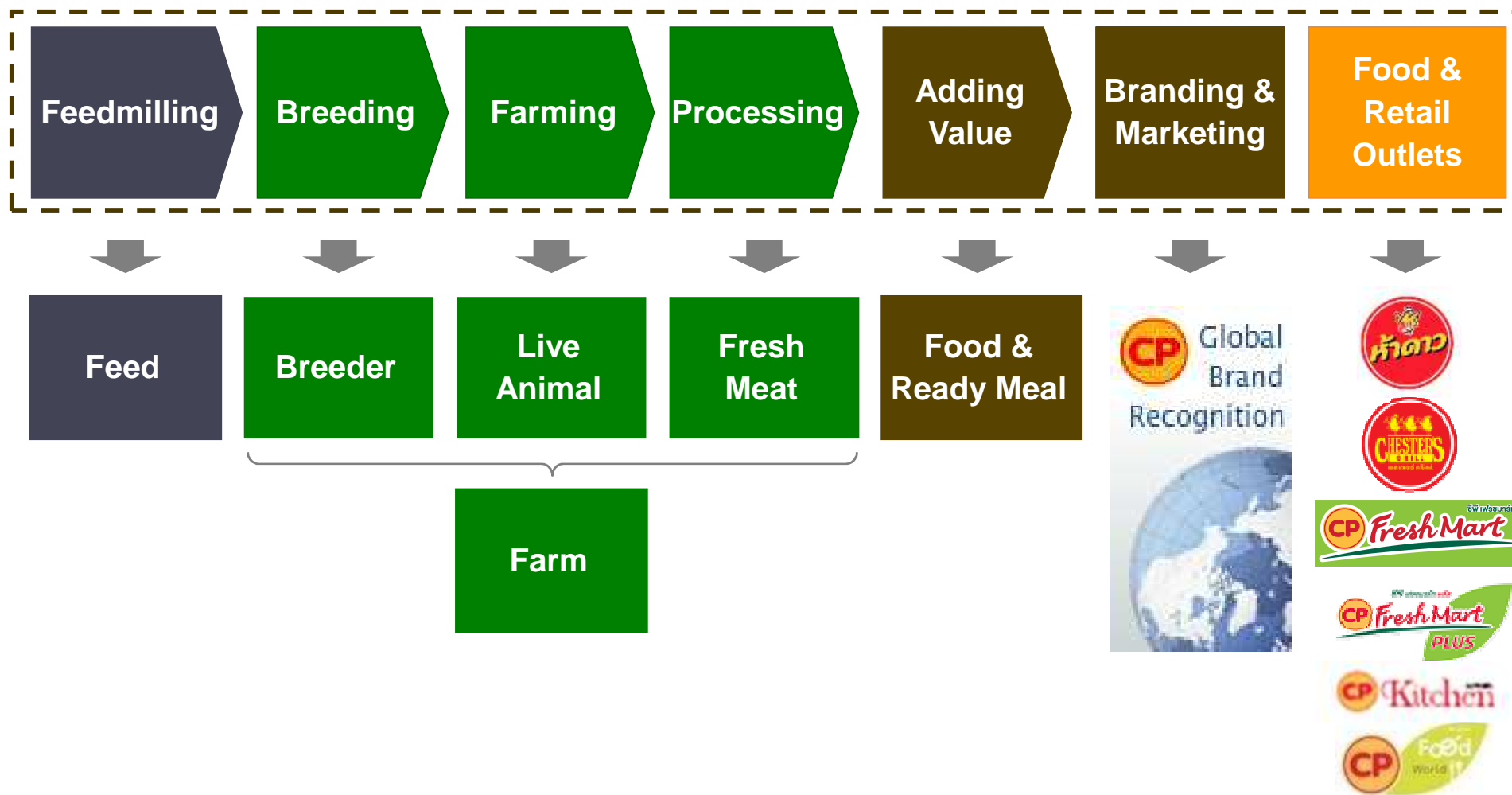


Note: % represent percent holding by CPF both direct and indirect
** Based on ordinary shares only*
** Will be approximately 48% of ordinary shares (about 50% of total shares) post divestment to Itochu (expected closing around September 2014)*



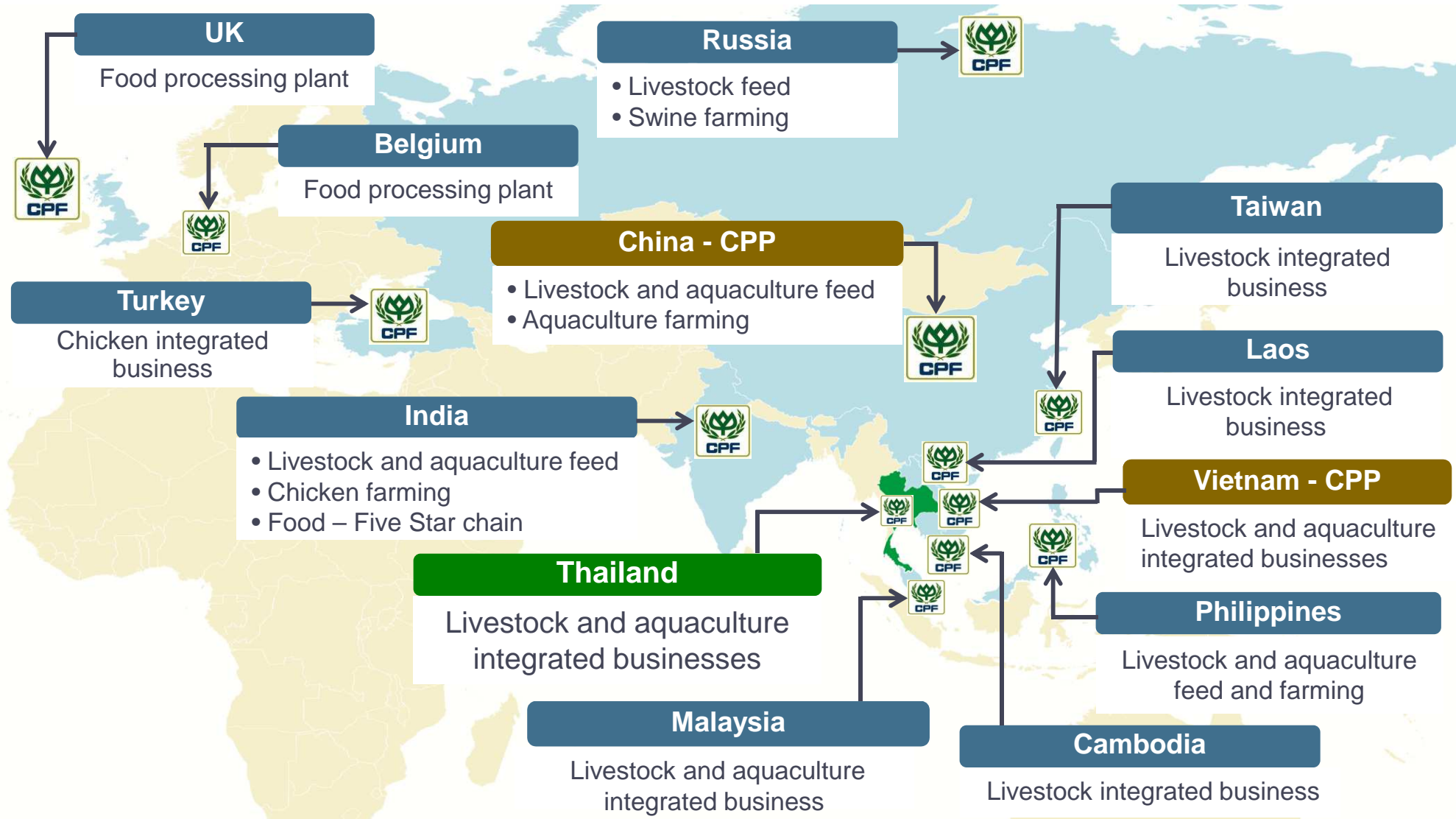
Vertically Integrated Business Model

Integrated operating platform for safety & quality control
 Livestock (**Broiler, Layer, Swine, Duck**) and aquaculture (**Shrimp & Fish**)





CPF Leading Footprints



- Operations and investment in 13 countries catered to > 3 billion population
- Export to more than 40 countries across 5 continents with 17 representative offices

1H2014 Summary

Challenges

- Managing shrimp recovery against EMS disease

Latest Activities

- Issued 0.5% exchangeable bonds (“EB”) on Jan 15, 2014 (USD 290.4 m, EB due 2019)
- Closing acquisition of 80.02% stake in Tops Foods, Belgium on Jan 20, 2014 (THB 408 m)
- Closing acquisition of 15.08% BHJ Kalino Food AB, Sweden on Mar 6, 2014 (approx. THB 25 m)
- Completed acquisition of Hefei Chia Tai on Mar 13, 2014 (approx. USD 36.4 m)
- Divestment of Rapid Thrive (Luoyang) on July 15, 2014 (approx. THB 1,642 m)
- Completed acquisition of Kaifeng Chia Tai on Aug 5, 2014 (approx. USD 49.5 m)
- Divestment of 25% stake in CPP (43:HK) expected closing in Sep 2014 (approx. THB 27,397 m)

1H2014 Results Highlights

Consolidated Revenue (THB millions)

+13%Y-o-Y

203,956

180,618

1H2013

1H2014

Gross Profit (THB millions)

+76%Y-o-Y

27,875

15,805

1H2013

1H2014

Net Profit (THB millions)

+110%Y-o-Y

5,596

2,662

1H2013

1H2014

Consolidated sales up 13% Y-o-Y

Gross profit margin

1H13 8.8%

1H14 13.7%

%Chg  4.9%

Net profit margin

1H13 1.5%

1H14 2.7%

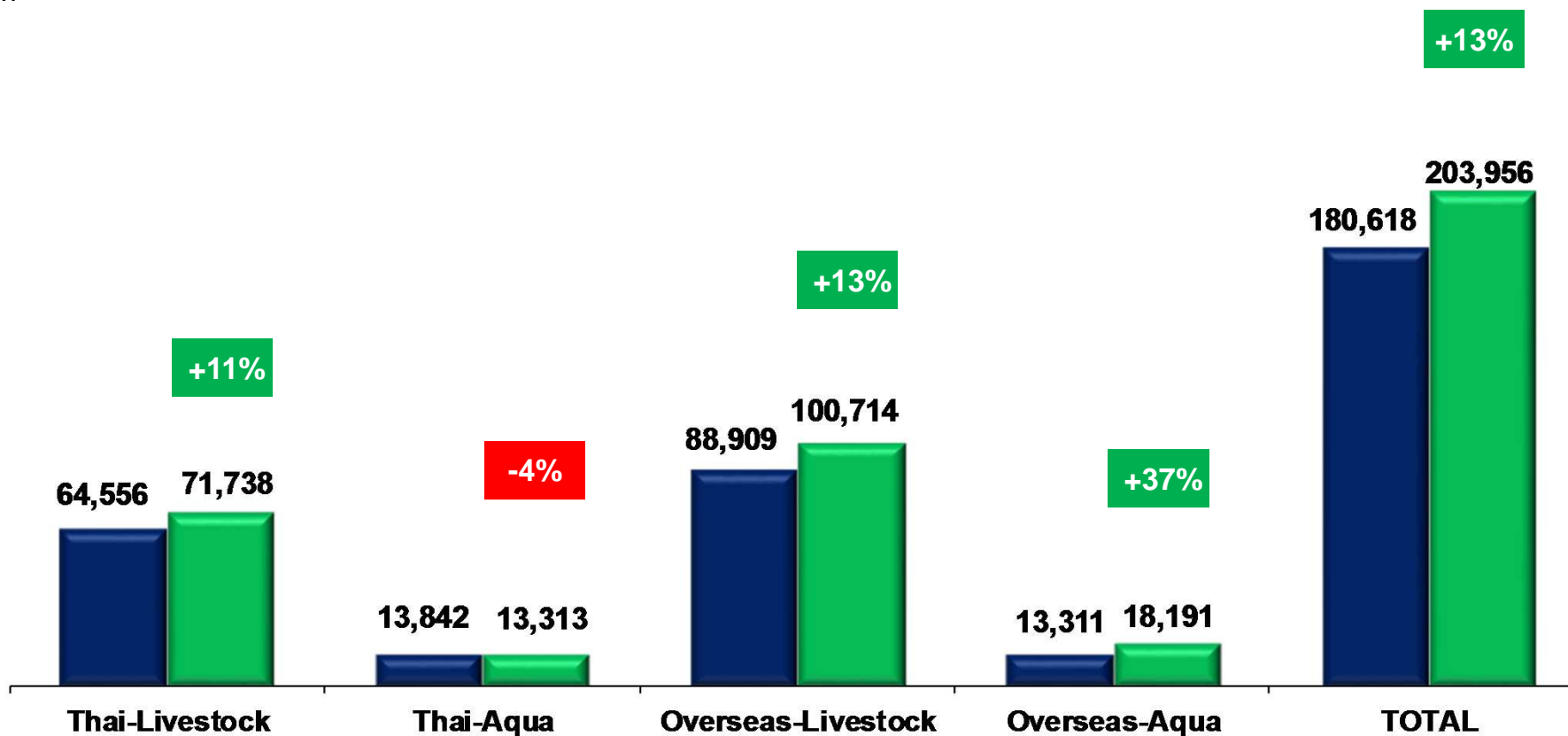
%Chg  1.2%

1H2014: Sales & Gross Profit Margin by Business

In THB, m

■ 1H13

■ 1H14



	1H13	1H14	1H13	1H14	1H13	1H14	1H13	1H14	1H13	1H14
GPM	9.5%	16.9%	-3.0%	-6.9%	10.8%	14.4%	3.7%	11.7%	8.8%	13.7%
OPM	1.7%	9.1%	-10.6%	-16.2%	2.1%	5.4%	-3.8%	5.2%	0.5%	5.3%

1H2014: Consolidated Sales Structure

Sales Breakdown					
	1H13	% to Sales	1H14	% to Sales	% Change
Thailand	78,398	43%	85,051	42%	8%
<i>Domestic</i>	64,675	37%	72,722	36%	12%
<i>Export</i>	13,723	8%	12,329	6%	-10%
China	49,019	27%	51,906	25%	6%
Vietnam	24,579	14%	32,046	16%	30%
Others	28,622	16%	34,953	17%	22%
Total	180,618	100%	203,956	100%	13%



1H2014: Consolidated Sales Structure by Business

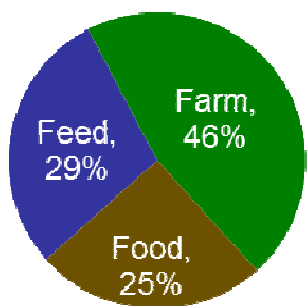
Sales Breakdown

	Livestock			Aqualculture			Total		
	1H13	1H14	%Change	1H13	1H14	%Change	1H13	1H14	%Change
Thailand	64,556	71,738	11%	13,842	13,313	-4%	78,398	85,051	8%
<i>Domestic</i>	56,526	62,402	10%	8,149	10,320	27%	64,675	72,722	12%
<i>Export</i>	8,030	9,336	16%	5,693	2,993	-47%	13,723	12,329	-10%
China	45,343	47,473	5%	3,676	4,433	21%	49,019	51,906	6%
Vietnam	20,627	26,187	27%	3,952	5,859	48%	24,579	32,046	30%
Others	22,939	27,054	18%	5,683	7,899	39%	28,622	34,954	22%
Total	153,465	172,452	12%	27,153	31,504	16%	180,618	203,956	13%

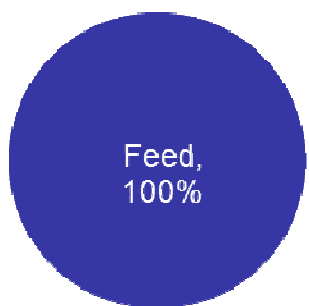
1H2014: Consolidated Sales by Products

Sales Breakdown by Products

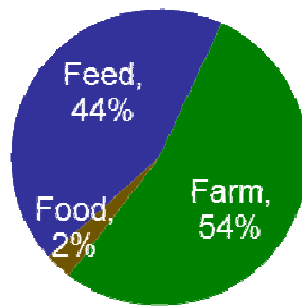
	Feed			Farm			Food			Total		
	1H13	1H14	%Change	1H13	1H14	%Change	1H13	1H14	%Change	1H13	1H14	%Change
Thailand	25,388	24,606	-3%	33,093	39,129	18%	19,917	21,316	7%	78,398	85,051	8%
<i>Domestic</i>	25,171	24,480	-3%	29,774	36,868	24%	9,730	11,374	17%	64,675	72,722	12%
<i>Export</i>	217	126	-42%	3,319	2,261	-32%	10,187	9,942	-2%	13,723	12,329	-10%
China	49,019	51,906	6%	0	0		0	0		49,019	51,906	6%
Vietnam	12,225	13,997	14%	11,911	17,227	45%	443	822	86%	24,579	32,046	30%
Others	13,328	14,307	7%	13,586	17,931	32%	1,708	2,715	59%	28,622	34,953	22%
Total	99,960	104,816	5%	58,590	74,287	27%	22,068	24,853	13%	180,618	203,956	13%



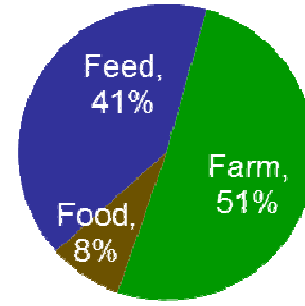
1H14 Thailand



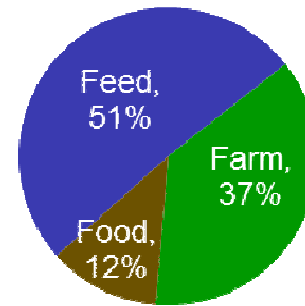
1H14 China



1H14 Vietnam



1H14 Others



1H14 Total



1H2014: Consolidated Income Statement Highlight

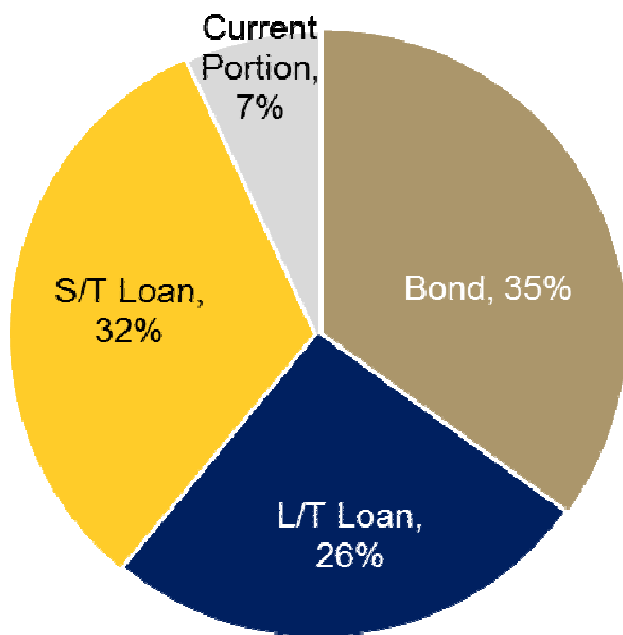
	Quarter 1			Quarter 2			6 Months		
	2013	2014	%Change	2013	2014	%Change	2013	2014	%Change
Net sales	87,424	98,122	12%	93,194	105,834	14%	180,618	203,956	13%
Gross Profit Margin (%)	9.0%	13.4%		8.5%	14.0%		8.8%	13.7%	
EBITDA	1,743	6,414	268%	1,830	7,817	327%	3,573	14,231	298%
EBITDA Margin	2.0%	6.5%		2.0%	7.4%		2.0%	7.0%	
EBIT	(213)	3,949	1,954%	(212)	5,365	2,631%	(425)	9,314	2,292%
EBIT Margin	-0.2%	4.0%		-0.2%	5.1%		-0.2%	4.6%	
Share in Profit of Associates	1,398	1,369	-2%	1,197	1,265	6%	2,595	2,634	2%
Financial Costs	(1,600)	(2,332)	46%	(2,302)	(1,803)	-22%	(3,902)	(4,135)	2%
Income Taxes Expense	(281)	(792)	182%	154	(1,174)	862%	(127)	(1,966)	1,448%
NET PROFIT	1,026	2,050	100%	1,636	3,546	117%	2,662	5,596	110%

EPS (THB)	0.14	0.28		0.22	0.48		0.36	0.76	
# of capital shares *	7,388	7,388		7,388	7,388		7,388	7,388	
Paid-Up Capital	7,743	7,743		7,743	7,743		7,743	7,743	
Dividend (THB/Share)							0.25	0.30	

Note: * # of capital shares = No. of the Weighted-avg. shares

Financial Status

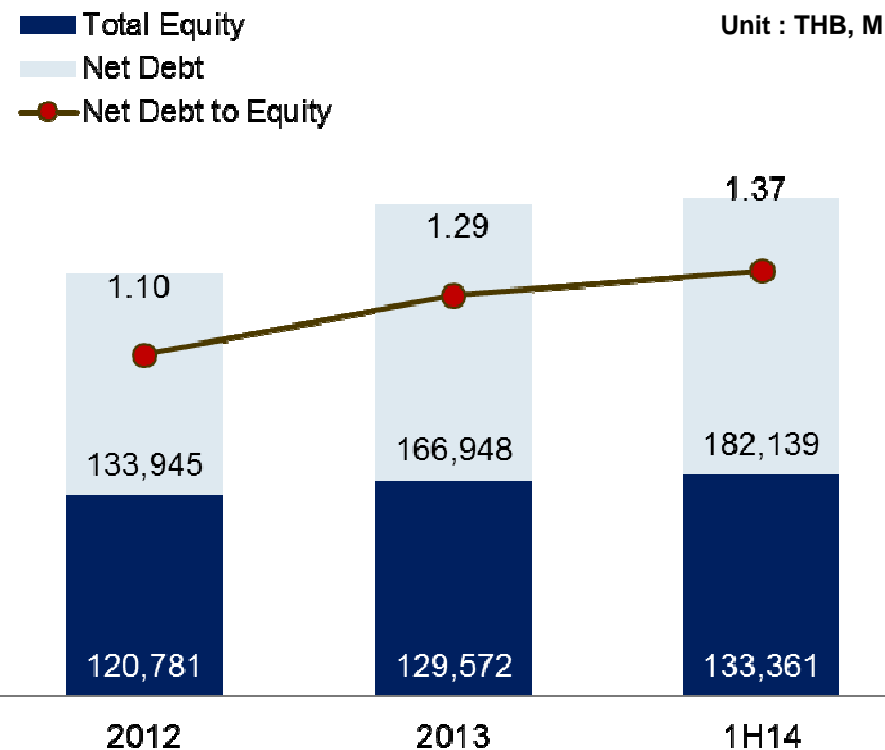
Interest Bearing Debt : THB 199,946 m



Cost of Debts	2012	2013	1H14
	4.82%	4.65%	4.45%

Bond Rating "AA-" with "Negative" Outlook
by Tris Rating Co., Ltd

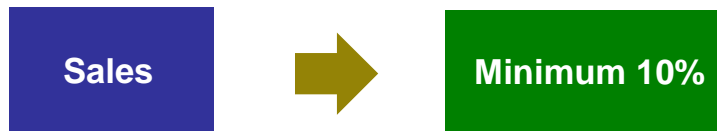
Net Debt to Equity



Remark : Net Debt = Interest Bearing Debt - Cash and Cash Equivalents

Y2014 Key Highlights

Target Growth



Key Drivers

- Turnaround of livestock business
- Improvement of international operations
- Higher export volume for Thailand uncooked chicken (e.g. Japan, Russia)
- Gradual improvement of shrimp business

Investment

- 5Yr Capex of THB 50,000 million (excluding CPP) ; cautiously investment for growth
 - **Thailand** : add on value to existing businesses
 - **International** : diversification & market expansion

5-Year Mission

- Increase return by growing value added businesses
- Synergize new investments with existing core operations
- Capitalize growth opportunity in emerging markets
- Strengthen  brand and expand retail-food business
- Build transparent corporate governance
- Moving towards sustainability

Disclaimer

“This presentation contains some information from other sources, that CPF does not make any representations regarding the use, validity, accuracy, or reliability of, or the results of the use of information, data but not limited to, all text, and images (“the Content”) on this presentation. Some content may contain forward-looking statements, that based on management’s view upon the information currently available to us. These statement are subject to certain risks and uncertainties that could cause the actual results materially differed from what had been previously stated.

The Content and the Forward-looking statements state within this presentation only as the date they made. The Company undertakes no responsibility on the change after that date stated herein.”

The material set forth herein is for informational purposes only. It should not be construed, as an offer of securities for sale.

Investor Relations Office

Charoen Pokphand Foods Public Company Limited

313 C.P.Tower Building, 26th Floor, Silom Road, Bangrak, Bangkok 10500, Thailand

Tel. Ms.Kobboon S. (662) 625-8353 / Mr.Warrawut T. (662) 625-8355 / Ms.Prenant N. (662) 625 8323

Fax.(662) 638-2942

www.cpfworldwide.com

Email : kobboon@cpf.co.th / warrawut@cpf.co.th / prenant.næ@cpf.co.th