



Charoen Pokphand Foods Plc.



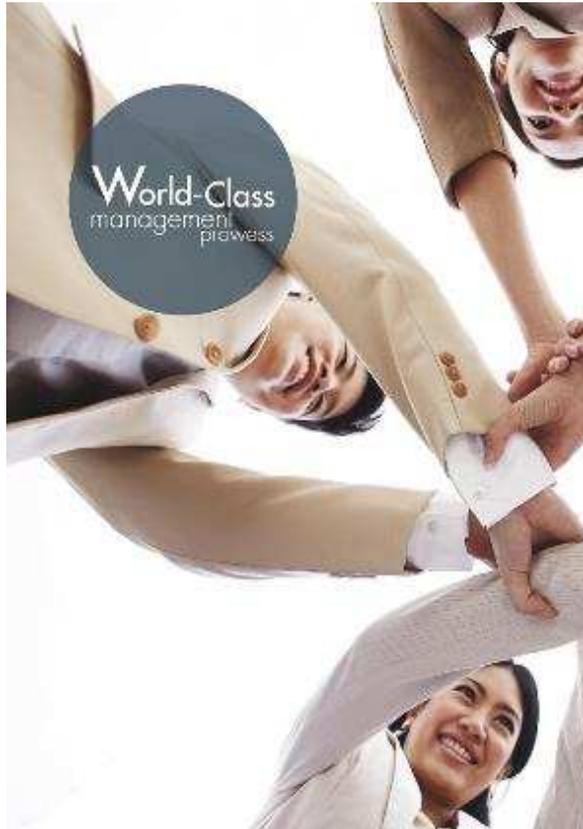
1Q14

RESULTS BRIEFING

May 15, 2014



**KITCHEN OF
THE WORLD**



- **Business Overview**
- **Q12014 Results Briefing**
- **Financial Highlights**
- **Future Plan**
 - Appendix
 - A: Product & Raw Materials Price Trend
 - B: Product Sample & Retail Outlet Format
 - C: Export Destination and Stock Information



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 May 14, 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 192,088 million or ~USD5.9 billion
(as of May 14, 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 : THB17.67 per share

58% International

Shareholders : Charoen Pokphand Group Ltd. 43.72%
of Paid-Up Capital (as of March 28, 2014)

Business : 84% Livestock / 16% Aquaculture

Credit Rating : “AA-” with “Stable” Outlook (*July 26, 2013*)

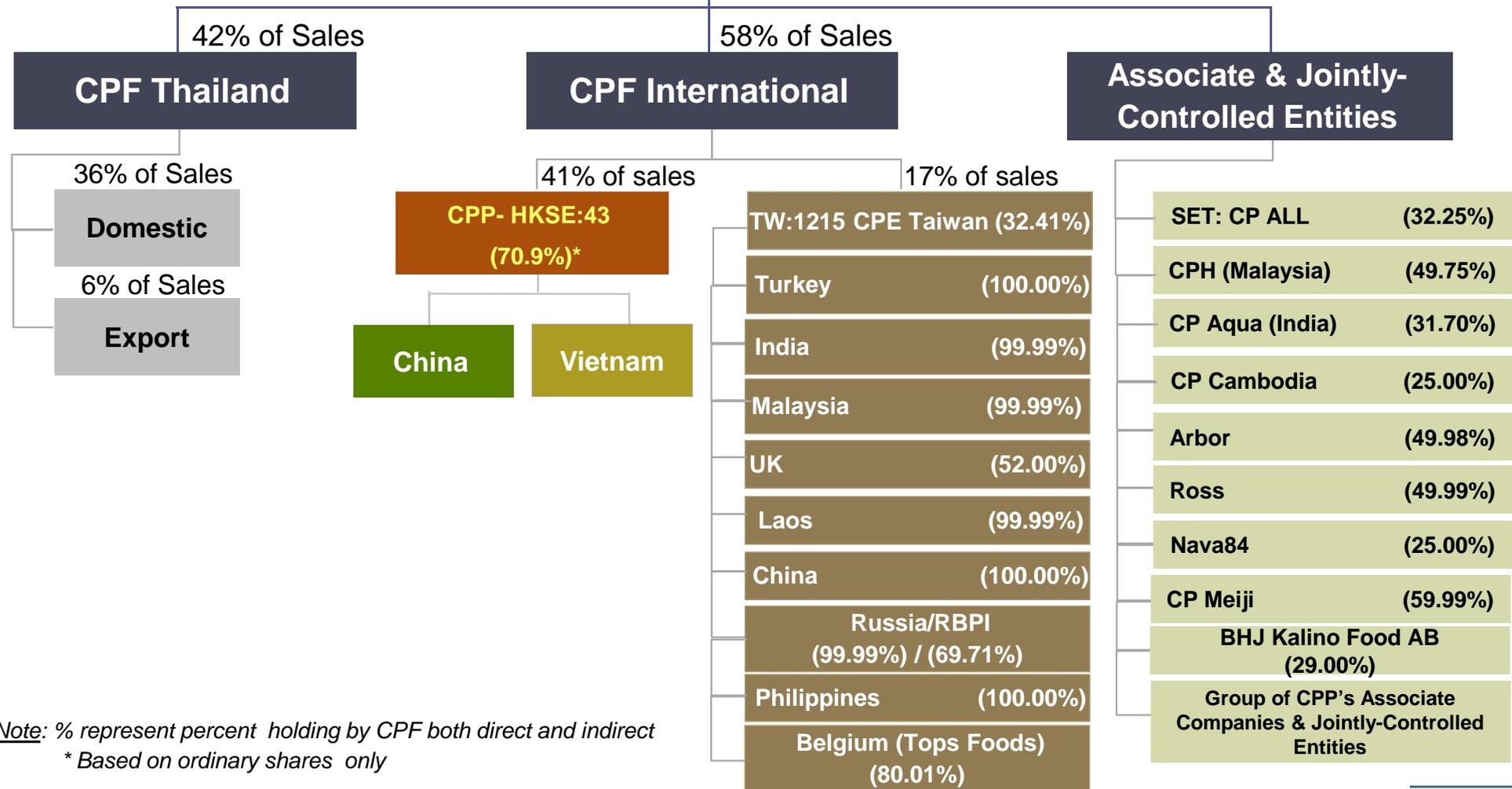
Product : 56% Feed / 32% Farm / 12% Food

Note: USD1 = THB 32.62 (as of May 14, 2014)



CPF Operational Structure

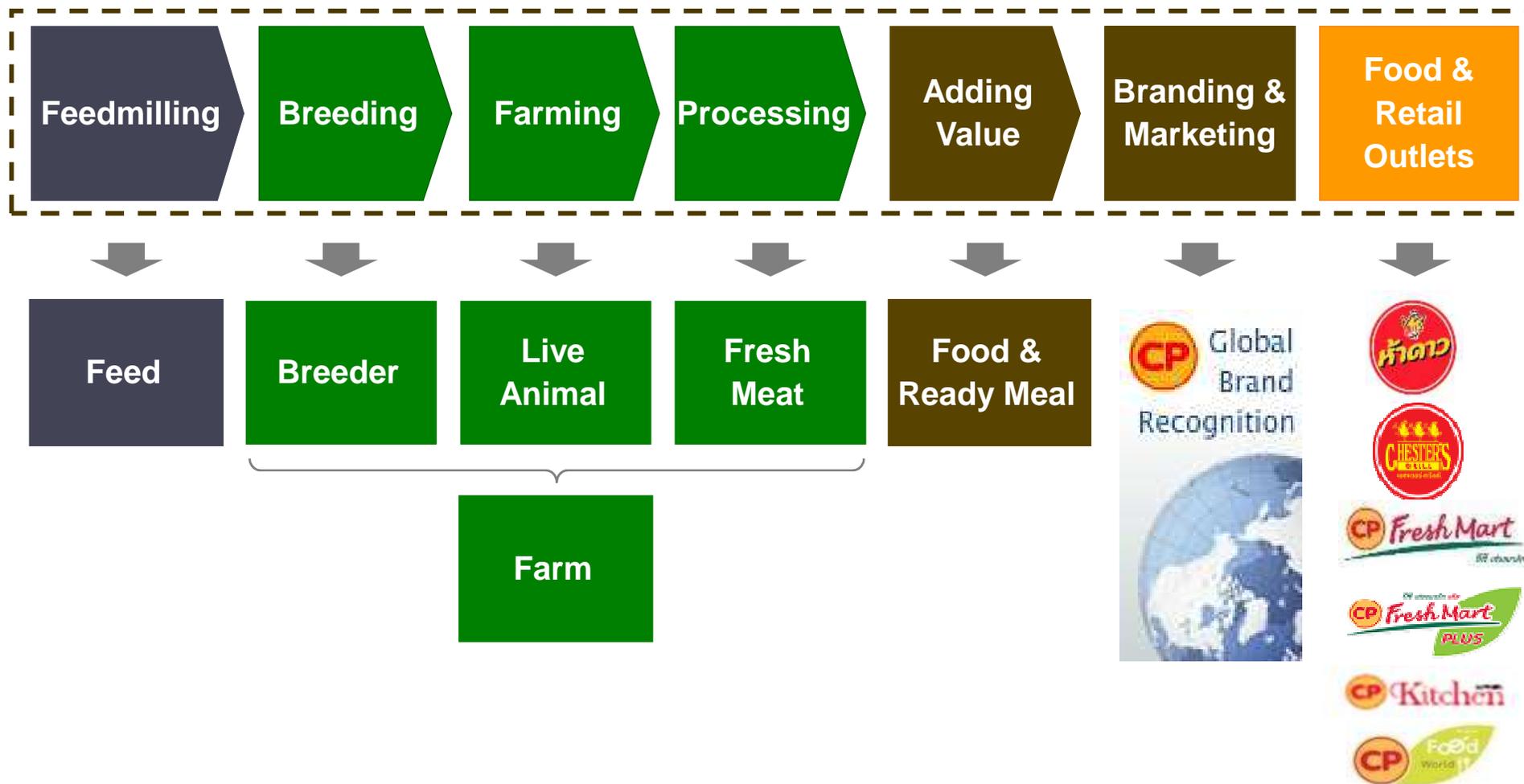
1Q2014 : Sales: THB 98,122 m
Net Profit: THB 2,050 m



*Note: % represent percent holding by CPF both direct and indirect
 * Based on ordinary shares only*

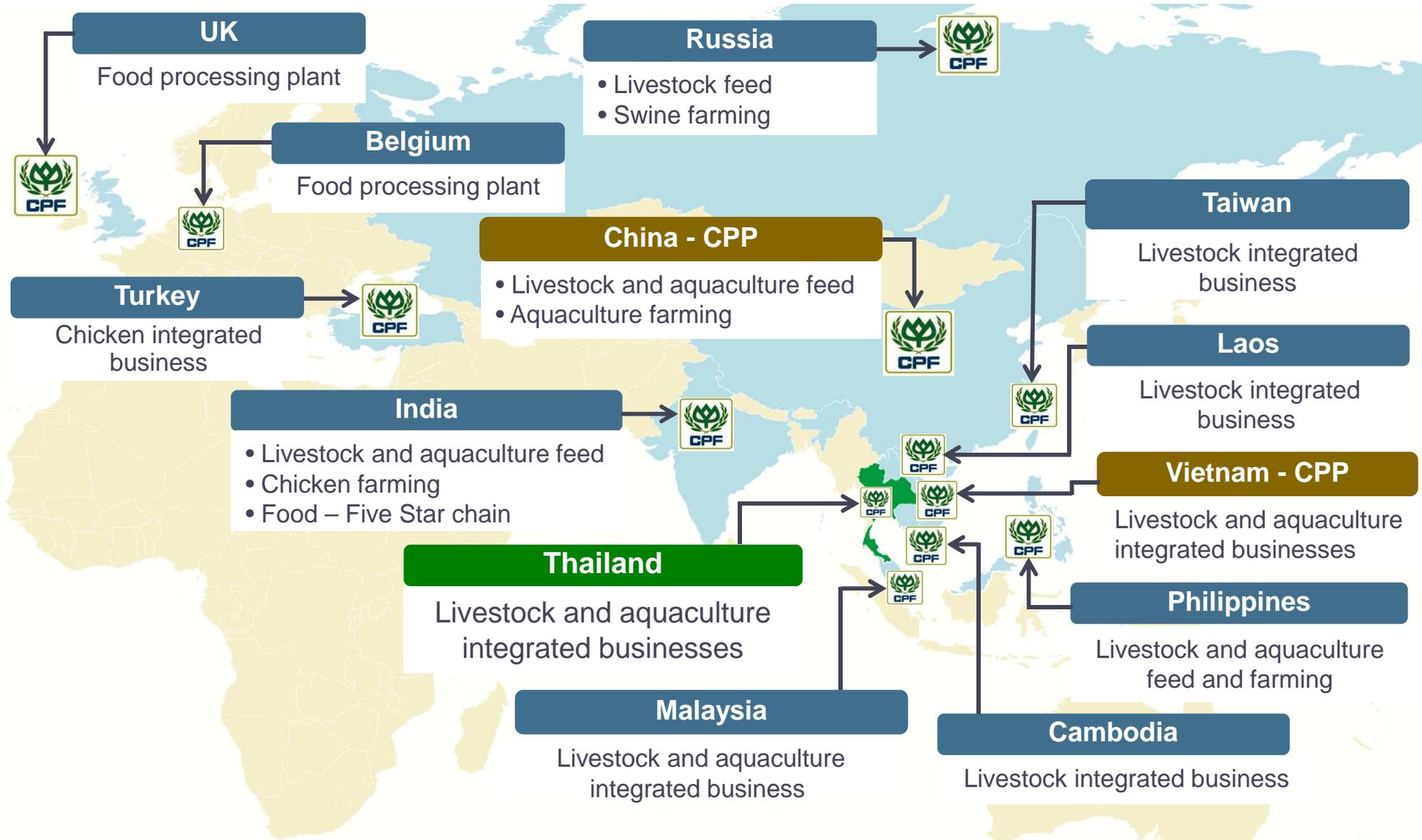
Vertically Integrated Business Model

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

1Q2014 Summary

Challenges

- Continuing impact of EMS (Early Mortality Syndrome) in shrimp business

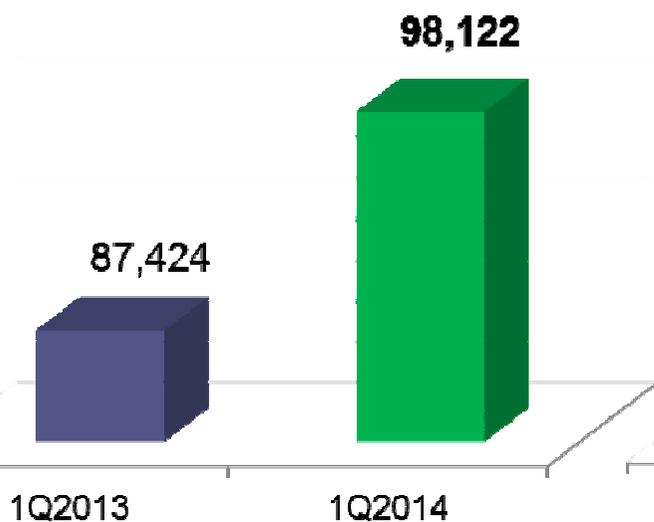
Latest Activities

- 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 Jan20, 2014 (THB 408 m)
- Announcing the 29% acquisition of BHJ Kalino Food AB, Sweden (approx. THB 25 m)

1Q2014 Results Highlights

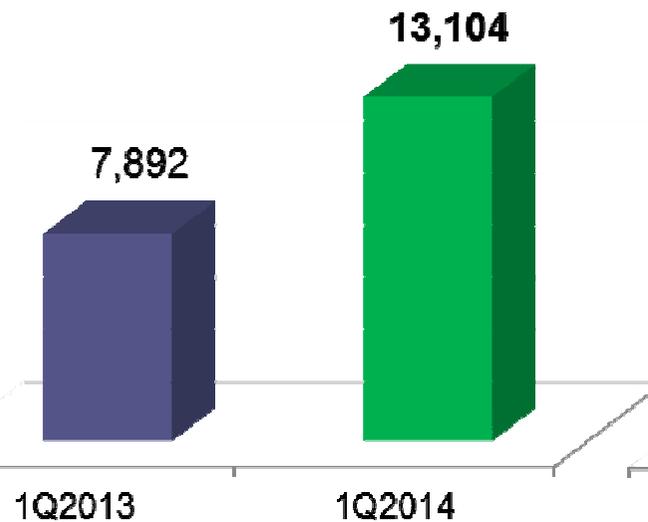
Consolidated Revenue (THB millions)

+12%Y-o-Y



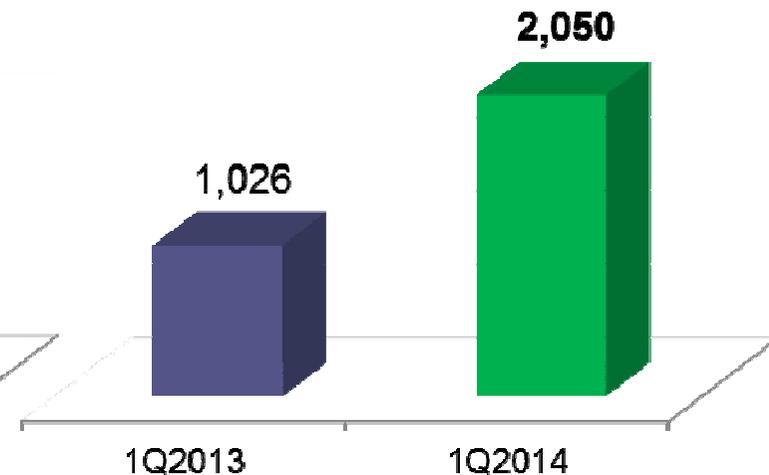
Gross Profit (THB millions)

+66%Y-o-Y



Net Profit (THB millions)

+100%Y-o-Y



Consolidated sales up 12% Y-o-Y

Gross profit margin

| | |
|------|---|
| 1Q13 | 9.0% |
| 1Q14 | 13.4% |
| | %Chg  4.4% |

Net profit margin

| | |
|------|---|
| 1Q13 | 1.2% |
| 1Q14 | 2.1% |
| | %Chg  0.9% |

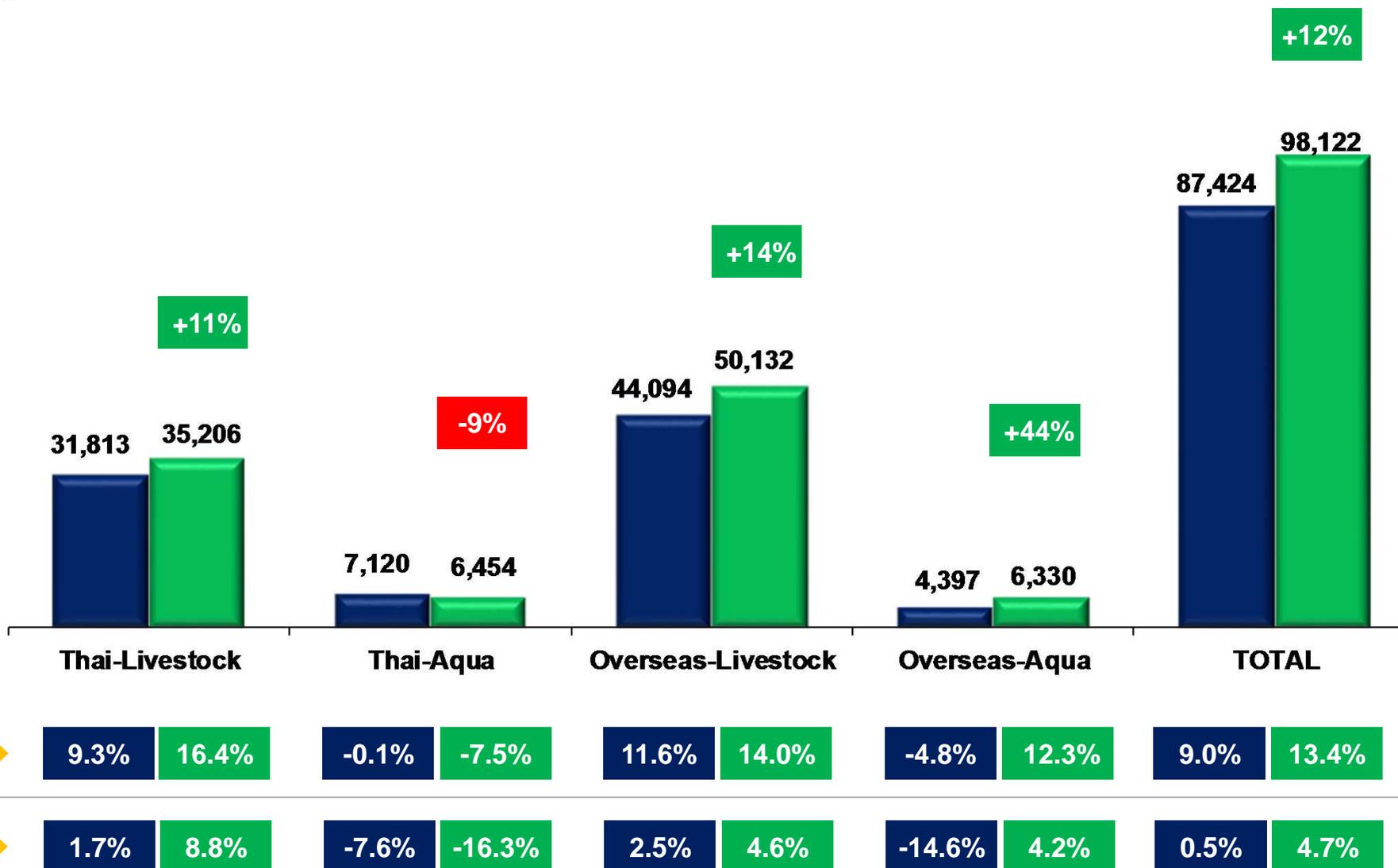


1Q2014: Sales & Gross Profit Margin by Business

In THB, m

■ 1Q13

■ 1Q14





1Q2014: Consolidated Sales Structure

Sales Breakdown

| | 1Q13 | % to Sales | 1Q14 | % to Sales | % Change |
|-----------------|---------------|------------|---------------|------------|----------|
| Thailand | 38,933 | 45% | 41,660 | 42% | 7% |
| <i>Domestic</i> | 31,850 | 37% | 35,609 | 36% | 12% |
| <i>Export</i> | 7,083 | 8% | 6,051 | 6% | -15% |
| China | 23,400 | 27% | 24,707 | 25% | 6% |
| Vietnam | 11,664 | 13% | 15,596 | 16% | 34% |
| Others | 13,427 | 15% | 16,159 | 17% | 20% |
| Total | 87,424 | 100% | 98,122 | 100% | 12% |



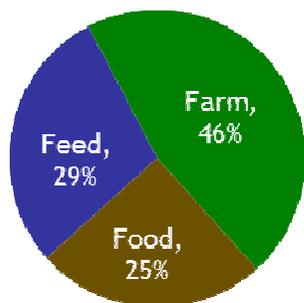
1Q2014: Consolidated Sales Structure by Business

| Sales Breakdown | | | | | | | | | |
|-----------------|---------------|---------------|------------|---------------|---------------|------------|---------------|---------------|------------|
| | Livestock | | | Aqualculture | | | Total | | |
| | 1Q13 | 1Q14 | %Change | 1Q13 | 1Q14 | %Change | 1Q13 | 1Q14 | %Change |
| Thailand | 31,813 | 35,206 | 11% | 7,120 | 6,454 | -9% | 38,933 | 41,660 | 7% |
| <i>Domestic</i> | 27,844 | 30,791 | 11% | 4,006 | 4,818 | 20% | 31,850 | 35,609 | 12% |
| <i>Export</i> | 3,969 | 4,415 | 11% | 3,114 | 1,636 | -47% | 7,083 | 6,051 | -15% |
| China | 22,592 | 24,059 | 6% | 808 | 648 | -20% | 23,400 | 24,707 | 6% |
| Vietnam | 10,097 | 13,081 | 30% | 1,567 | 2,515 | 60% | 11,664 | 15,596 | 34% |
| Others | 11,405 | 12,992 | 14% | 2,022 | 3,167 | 57% | 13,427 | 16,159 | 20% |
| Total | 75,907 | 85,338 | 12% | 11,517 | 12,784 | 11% | 87,424 | 98,122 | 12% |

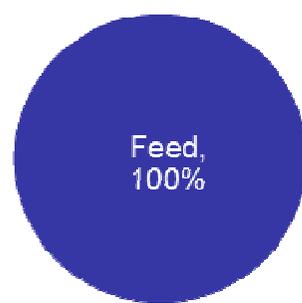
1Q2014: Consolidated Sales by Products

Sales Breakdown by Products

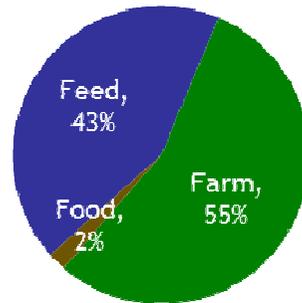
| | Feed | | | Farm | | | Food | | | Total | | |
|-----------------|---------------|---------------|-----------|---------------|---------------|------------|---------------|---------------|------------|---------------|---------------|------------|
| | 1Q13 | 1Q14 | %Change | 1Q13 | 1Q14 | %Change | 1Q13 | 1Q14 | %Change | 1Q13 | 1Q14 | %Change |
| Thailand | 12,705 | 11,863 | -7% | 16,088 | 19,356 | 20% | 10,140 | 10,441 | 3% | 38,933 | 41,660 | 7% |
| <i>Domestic</i> | 12,605 | 11,805 | -6% | 14,470 | 18,209 | 26% | 4,775 | 5,595 | 17% | 31,850 | 35,609 | 12% |
| <i>Export</i> | 100 | 58 | -42% | 1,618 | 1,147 | -29% | 5,365 | 4,846 | -10% | 7,083 | 6,051 | -15% |
| China | 23,400 | 24,707 | 6% | - | - | | - | - | | 23,400 | 24,707 | 6% |
| Vietnam | 5,805 | 6,687 | 15% | 5,649 | 8,521 | 51% | 210 | 388 | 85% | 11,664 | 15,596 | 34% |
| Others | 6,178 | 6,318 | 2% | 6,494 | 8,492 | 31% | 755 | 1,349 | 79% | 13,427 | 16,159 | 20% |
| Total | 48,088 | 49,575 | 3% | 28,231 | 36,369 | 29% | 11,105 | 12,178 | 10% | 87,424 | 98,122 | 12% |



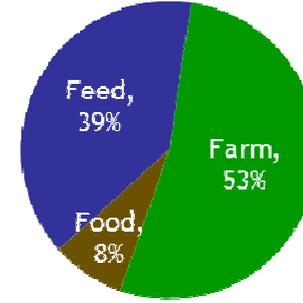
2013 Thailand



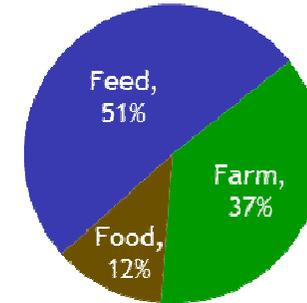
2013 China



2013 Vietnam



2013 Others



2013 Total

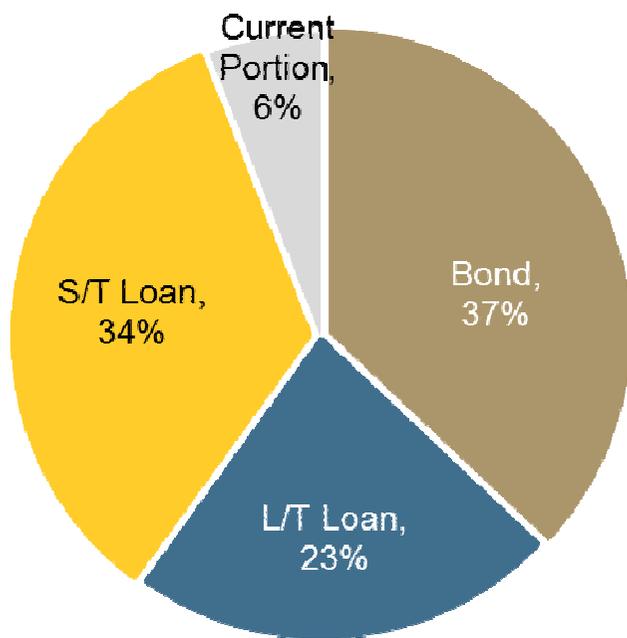


1Q2014: Consolidated Income Statement Highlight

| | Quarter 1 | | | Full Year | | |
|-------------------------------|-----------|----------------|---------|-----------|---------|---------|
| | 2013 | 2014 | %Change | 2012 | 2013 | %Change |
| Net sales | 87,424 | 98,122 | 12% | 357,175 | 389,251 | 9% |
| Gross Profit Margin (%) | 9.0% | 13.4% | | 11.6% | 10.0% | |
| Gain on fair value adjustment | - | - | - | 8,673 | - | -100% |
| EBITDA | 1,743 | 6,414 | 268% | 18,621 | 13,039 | -30% |
| EBITDA Margin | 2.0% | 6.5% | | | | |
| EBIT | (213) | 3,949 | 1,954% | 11,245 | 4,495 | -60% |
| EBIT Margin | -0.2% | 4.0% | | | | |
| Share in Profit of Associates | 1,398 | 1,369 | -2% | 4,139 | 4,947 | 20% |
| Financial Costs | (1,600) | (2,332) | 46% | (6,378) | (7,937) | 24% |
| Income Taxes Expense | (281) | (792) | 182% | (2,675) | (133) | -95% |
| NET PROFIT | 1,026 | 2,050 | 100% | 18,790 | 7,065 | -62% |
| EPS (THB) | 0.14 | 0.28 | | 2.59 | 0.96 | |
| # of capital shares * | 7,388 | 7,388 | | 7,266 | 7,388 | |
| Paid-Up Capital | 7,743 | 7,743 | | 7,743 | 7,743 | |
| Dividend (THB/Share) | | | | 1.10 | 0.50 | |

Financial Status

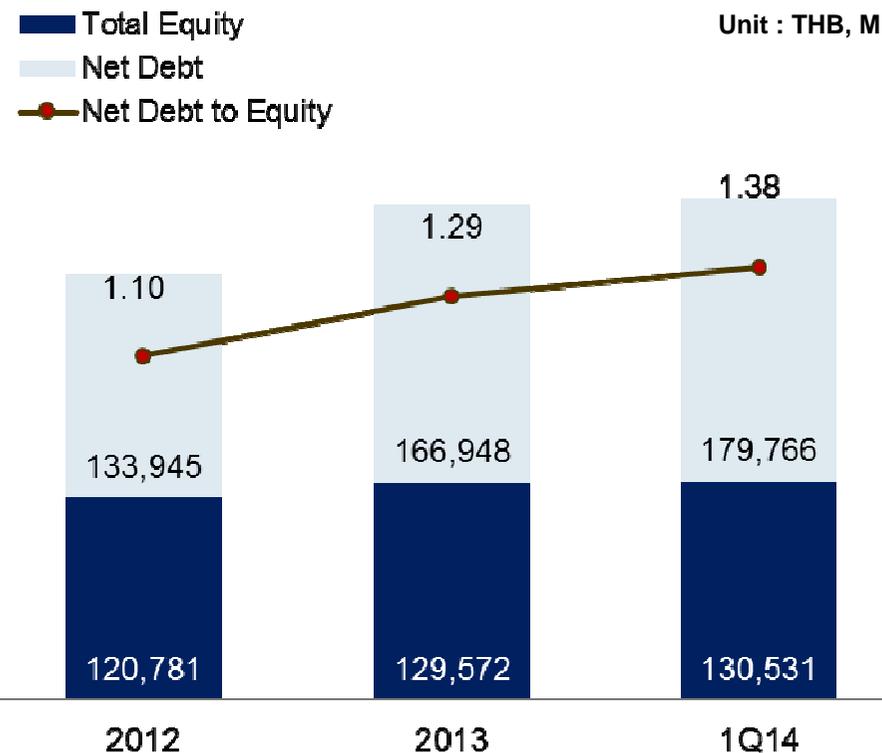
Interest Bearing Debt : THB 197,648



| Cost of Debts | 2012 | 2013 | 1Q14 |
|---------------|-------|-------|-------|
| | 4.82% | 4.65% | 4.60% |

Bond Rating "AA-" with "Stable" 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
- Japanese ban lifting and new markets for Thailand uncooked chicken
- 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

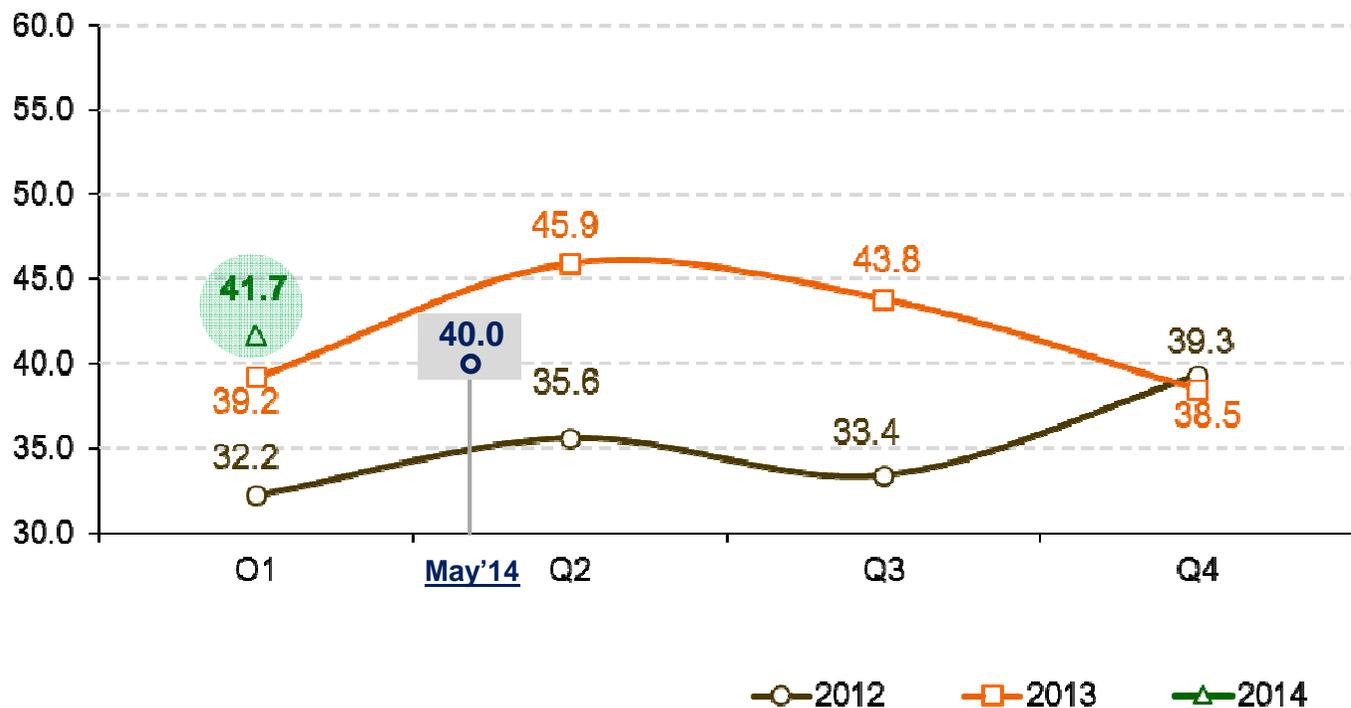
- Increase return by growing value added businesses
- Synergize new investments with existing core operations
- Capitalize growth opportunity in emerging markets
- Strengthen  brand and expand retail-food business
- Build transparent corporate governance
- Moving towards sustainability



Appendix A: Product & Raw Materials Price Trend

Average Market Price: Major Products

Broiler (THB / KG.)

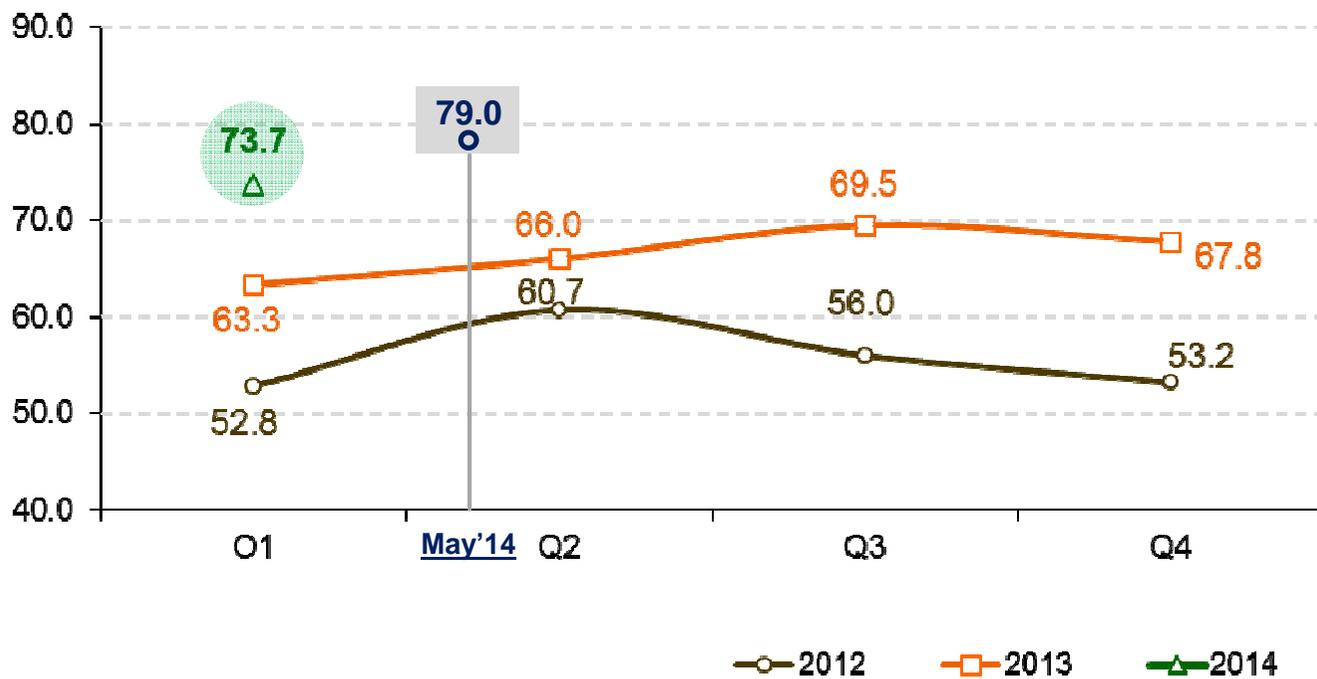


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 35.09 | |
| □ 2013 | 41.85 | 19% |
| △ 2014 | 41.67 | 0% |

Source: CPF

Average Market Price: Major Products

Swine (THB / KG.)



| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 55.67 | |
| □ 2013 | 66.67 | 20% |
| △ 2014 | 73.67 | 11% |

Source: CPF

Average Market Price: Major Products

Fresh Egg (THB / piece)

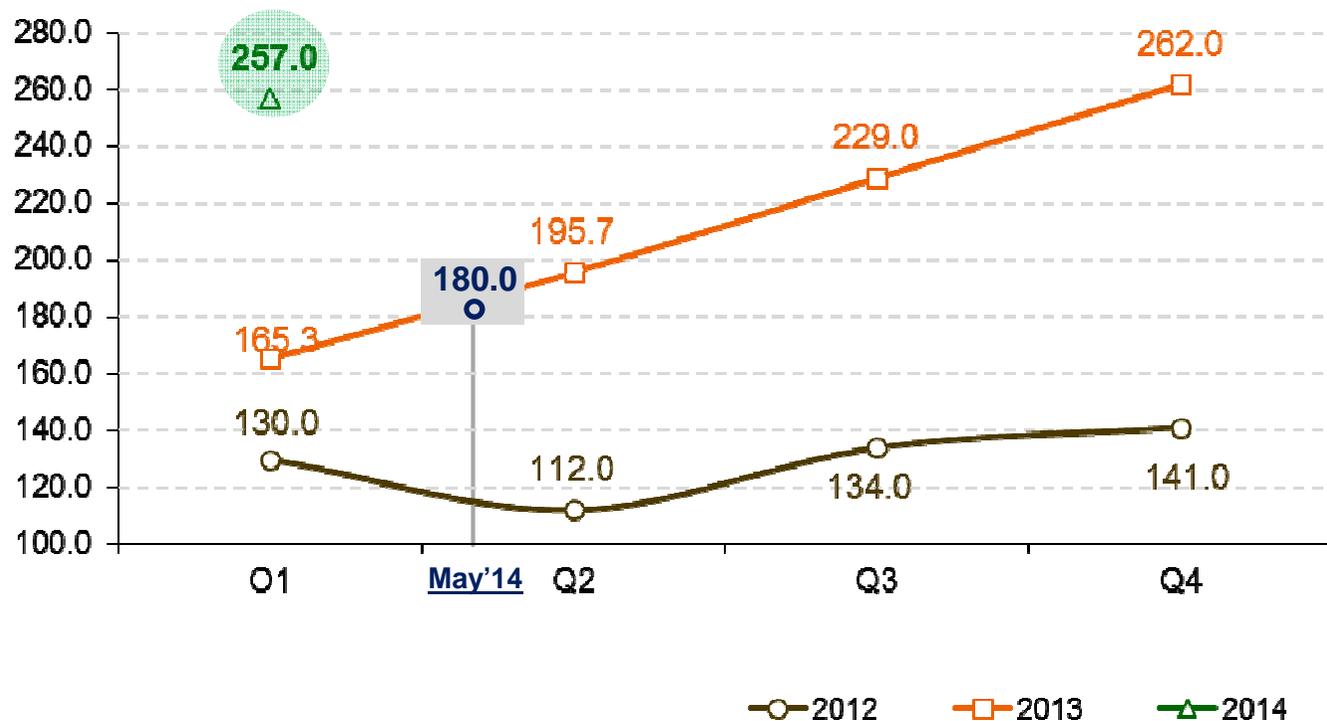


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 2.36 | |
| □ 2013 | 3.00 | 27% |
| △ 2014 | 2.87 | -4% |

Source: CPF

Average Market Price: Major Products

White Shrimp (Size70)

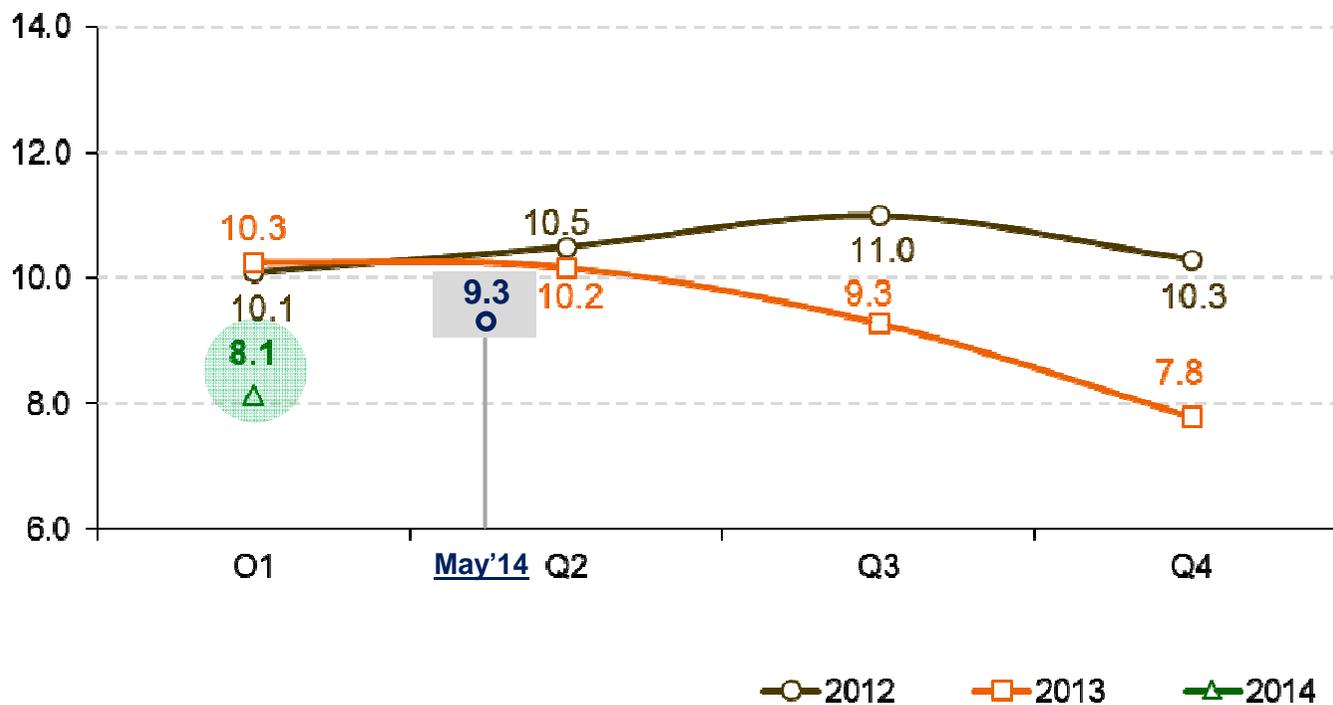


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 129 | |
| □ 2013 | 213 | 65% |
| △ 2014 | 257 | 21% |

Source: CPF

Average Market Price: Major Feed Raw Materials

Corn (THB / KG.)

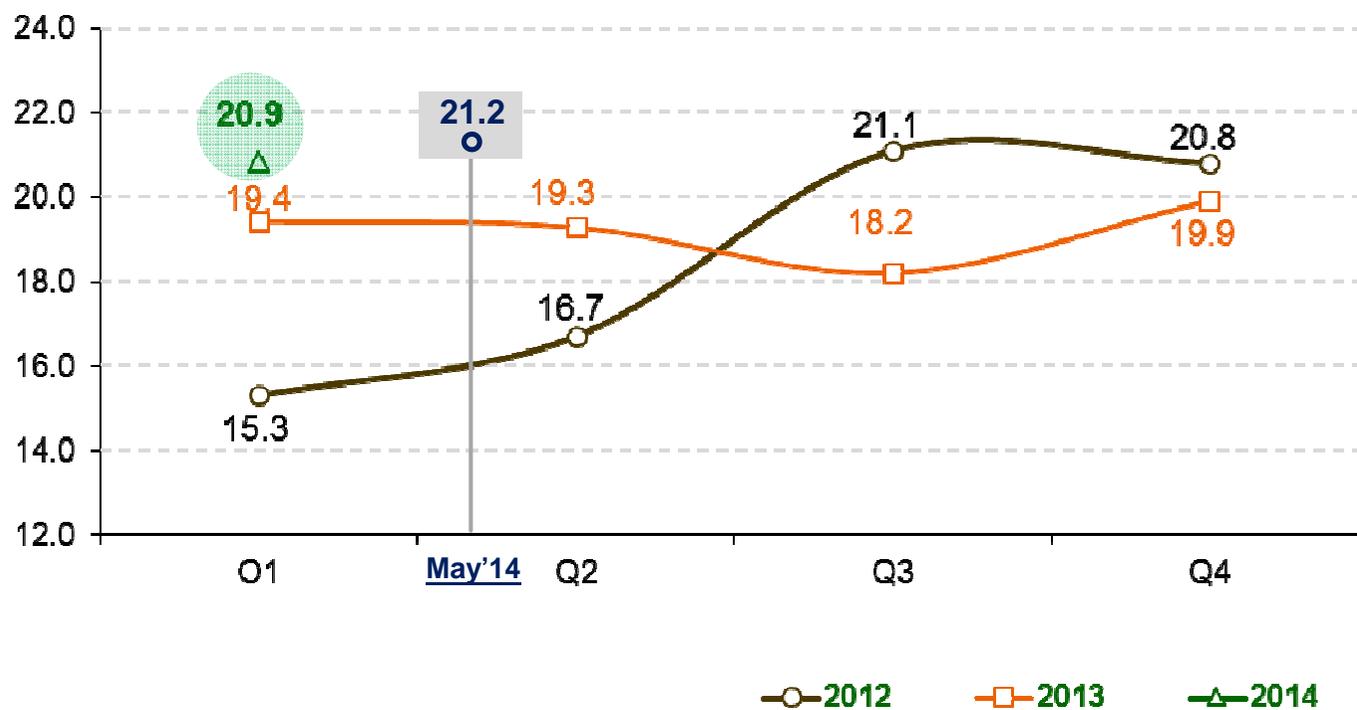


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 10.46 | |
| □ 2013 | 9.37 | -10% |
| △ 2014 | 8.13 | -13% |

Source: CPF

Average Market Price: Major Feed Raw Materials

Soybean Meal (THB / KG.)

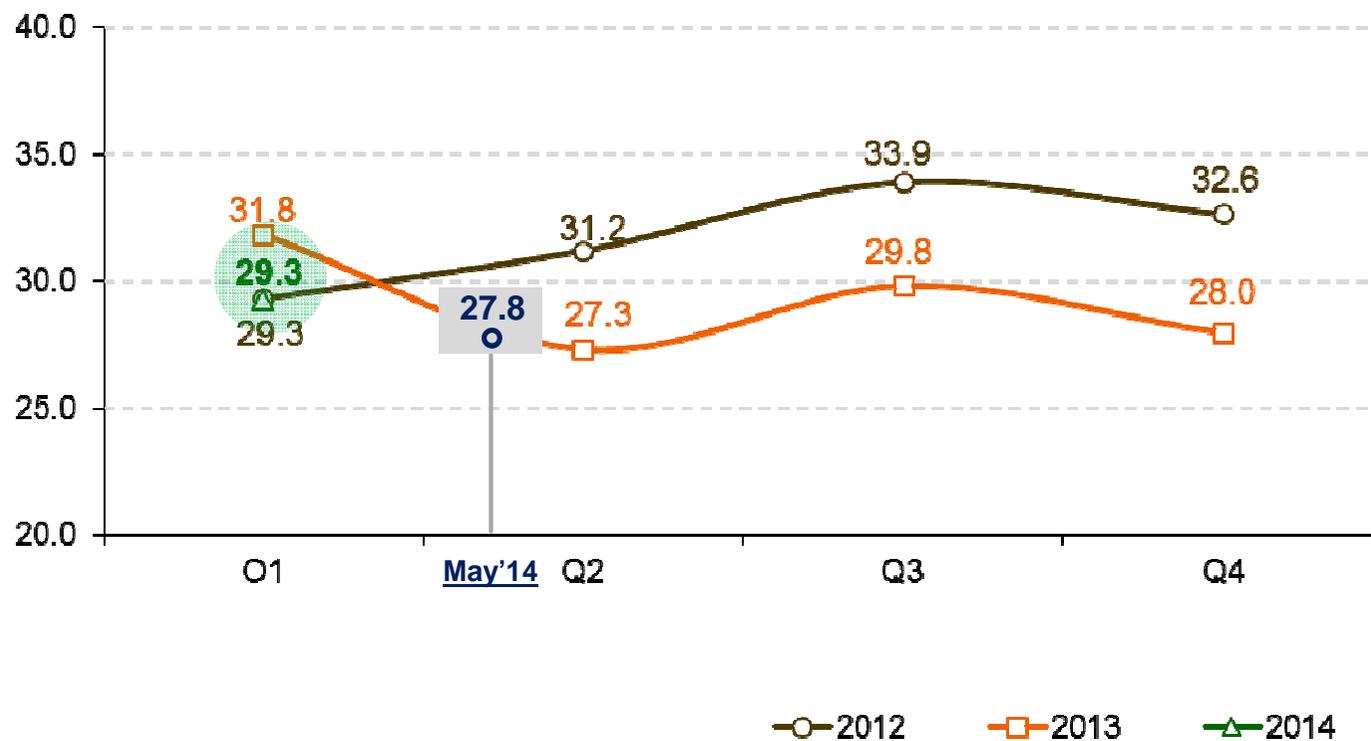


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 18.47 | |
| □ 2013 | 19.20 | 4% |
| △ 2014 | 20.85 | 9% |

Source: CPF

Average Market Price: Major Feed Raw Materials

Fishmeal (THB / KG.)

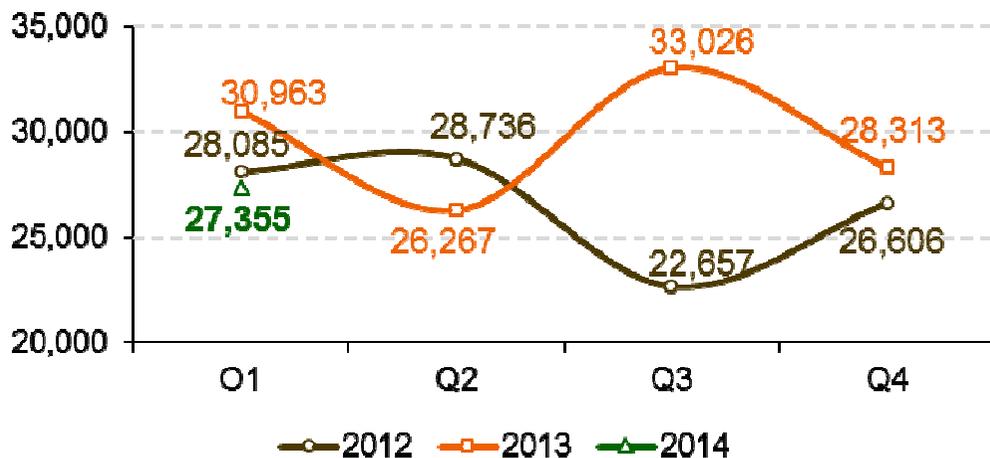


| | Avg. Price | % y-o-y |
|--------|------------|---------|
| ○ 2012 | 31.78 | |
| □ 2013 | 29.23 | -8% |
| △ 2014 | 29.29 | 0% |

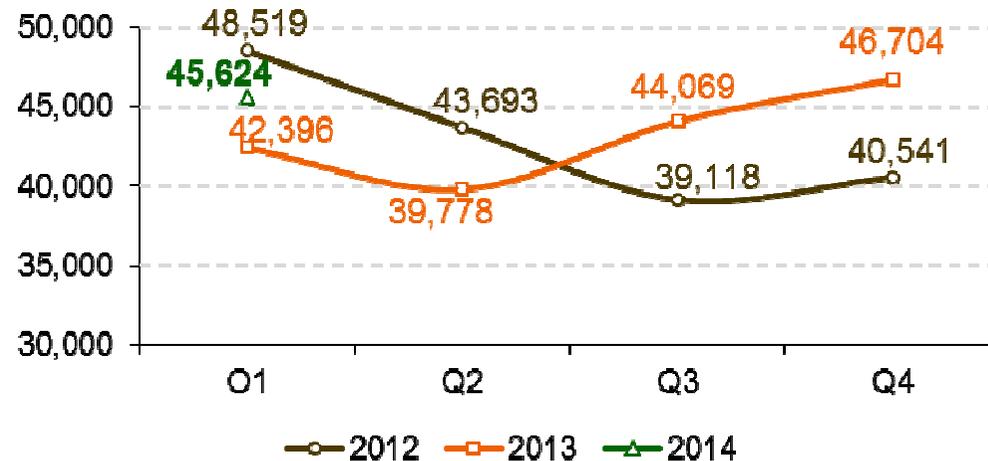
Source: CPF

Vietnam: Average Market Price and Major Feed Raw Materials

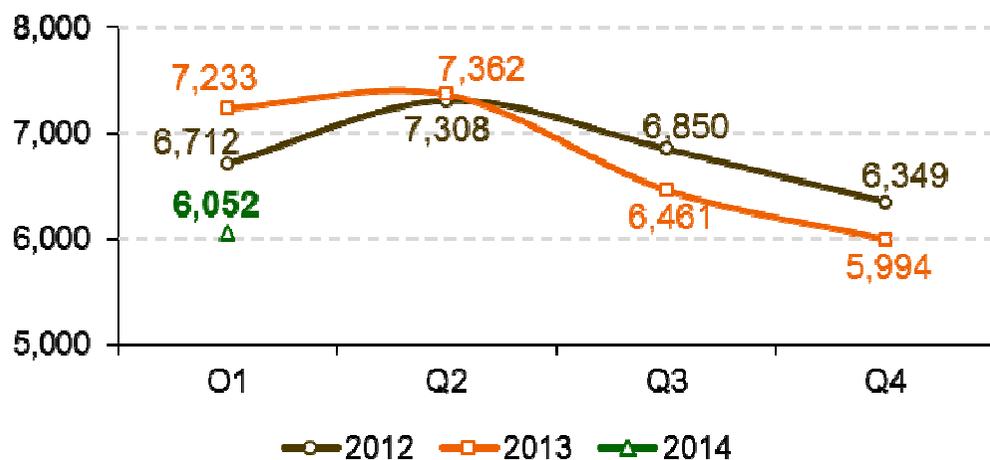
Broiler (VND/Kg)



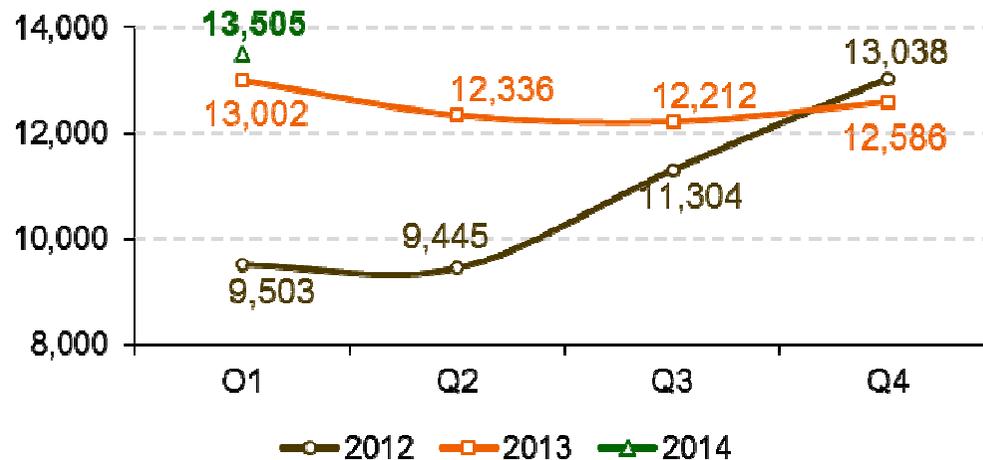
Swine (VND/Kg)



Corn (VND/Kg)

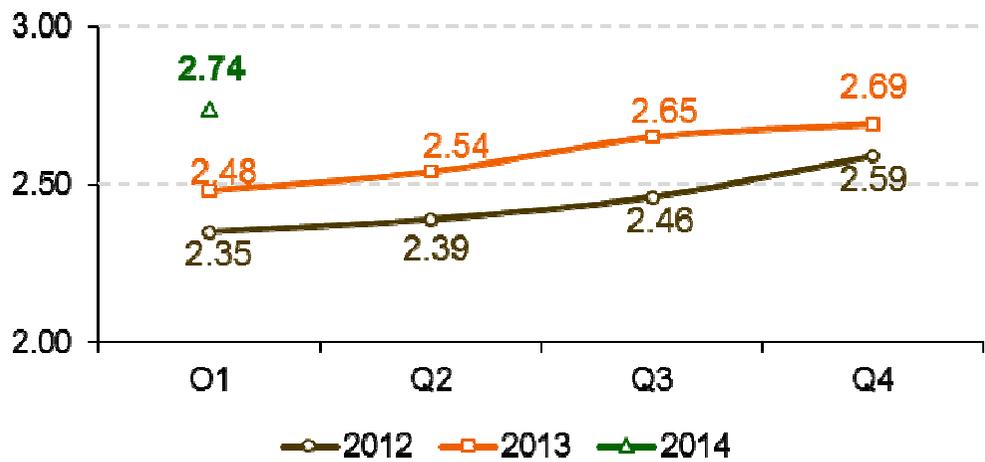


Soybean Meal (VND/Kg)

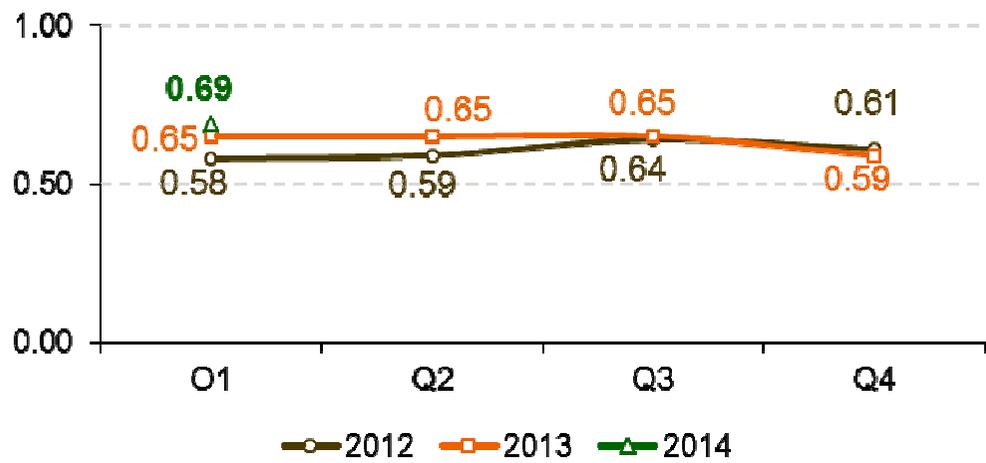


Turkey: Average Market Price and Major Feed Raw Materials

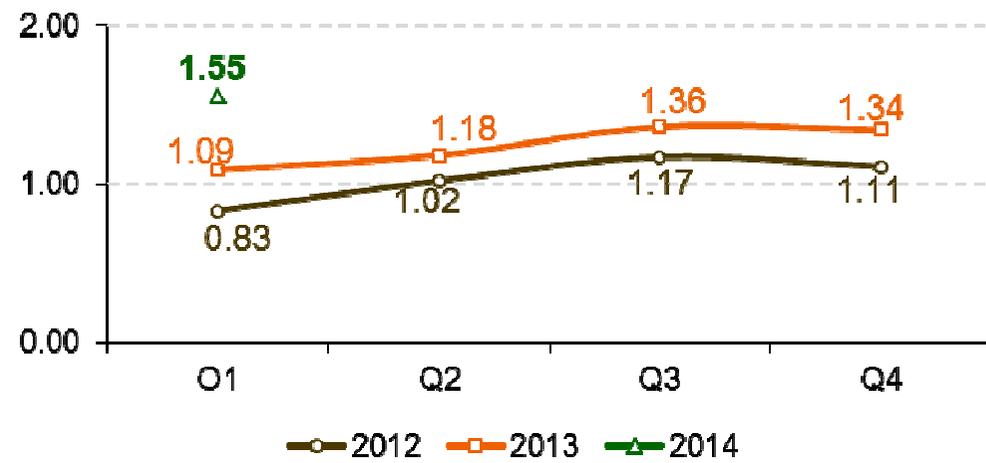
Broiler (TRY/Kg)



Corn (TRY/Kg)



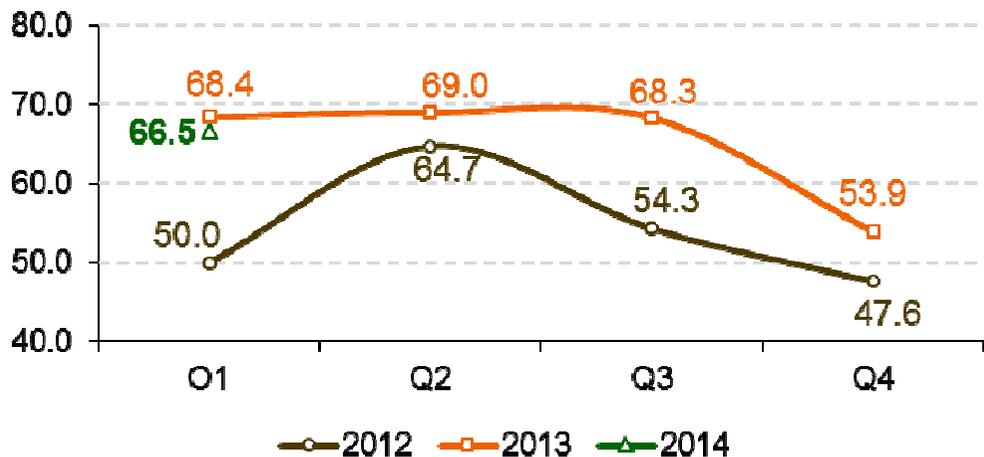
Soybean Meal (TRY/Kg)



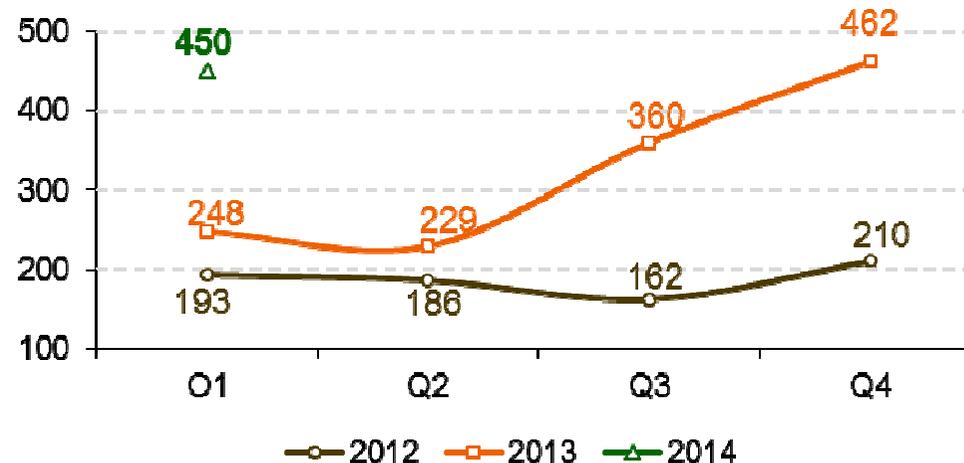
Source: CPF
TRY 1 = THB 15.73

India: Average Market Price and Major Feed Raw Materials

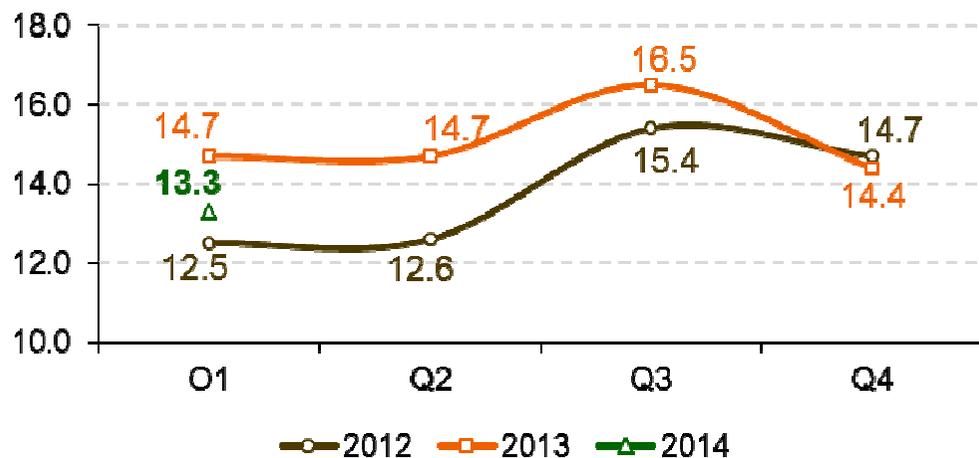
Broiler (Rs/Kg)



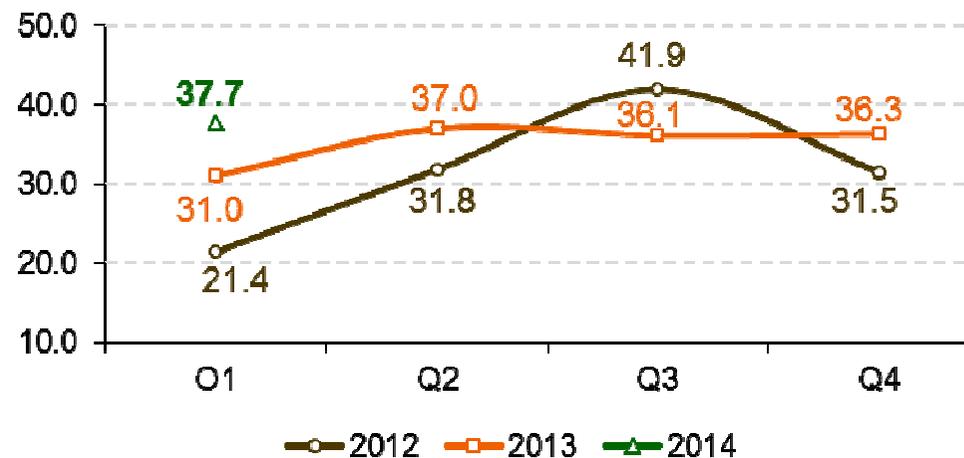
Shrimp (60 pieces/Kg), (Rs/Kg)



Corn (Rs/Kg)



Soybean Meal (Rs/Kg)



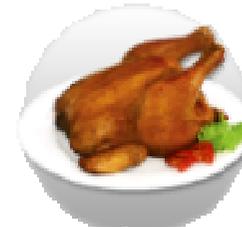


Appendix B: Product Sample & Retail Outlet Format

Food Retail Products



Food Service : Five Stars Chain



Five Star Chicken in Vietnam



Five Star Chicken in India



Food Service : Chester's



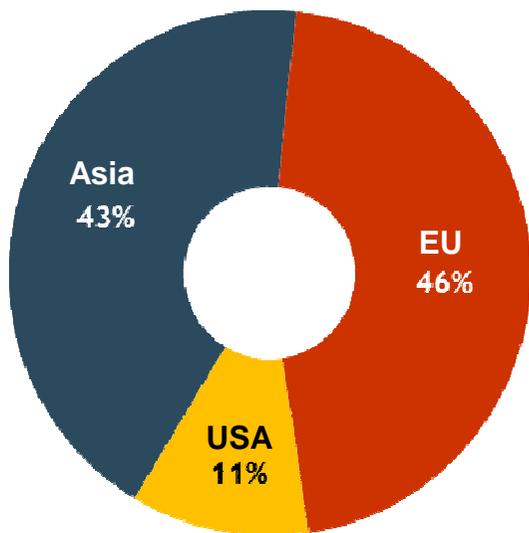
Food Retail Outlets





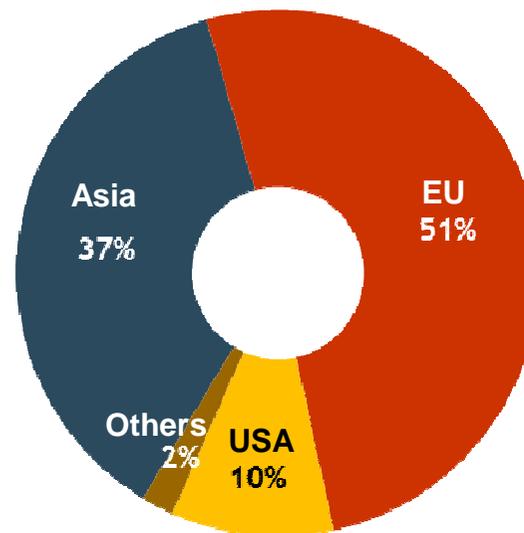
Appendix C: Export Destination and Stock Information

1Q2014: Thailand Operations – Export Destination



■ Asia ■ EU ■ USA ■ Others

Farm
 THB 1,147 million  -29%



■ Asia ■ EU ■ USA ■ Others

Food
 THB 4,846 million  -10%

CPF Share Capital Information

Stock Information – CPF.TB

| | |
|-------------------------------|-------------|
| Share price (May 14, 2014) : | THB 25.25 |
| Historical price : | |
| 52-week high | THB 32.00 |
| 52-week low | THB 21.60 |
| No. of paid up shares : | 7,742.9m |
| Average Daily Trading Value: | THB 543.9m |
| Average Daily Trading Volume: | Share 20.3m |
| Market Capitalization : | THB 209bn |

Dividend

| Year | Dividend (THB/share) | Payout ratio (%) * |
|------|----------------------|--------------------|
| 2013 | 0.50 | 56% |
| 2012 | 1.10 | 106% |
| 2011 | 1.20 | 70% |
| 2010 | 1.05 | 70% |

*Based on company's separate financial statements

Stock Price (THB) 3 Yrs



Source: Setsmart and CPF

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