# Japfa Ltd

## Investor Presentation
## 2Q2015




JAPFA

# Agenda

1. Company Overview
2. Financial Highlights
3. Segmental Review
4. Growth Strategies

# Company Overview



# Leading Pan-Asian Industrialized Agri-Food Company




## WHAT WE DO

We produce quality dairy, protein staples and packaged food that nourish millions of people




## WHERE WE ARE

We employ over 28,000 people across Singapore, Indonesia, China, Vietnam, India and Myanmar




## WHY WE DO IT

3 billion people living in our target markets

More than 40% of the world's total population

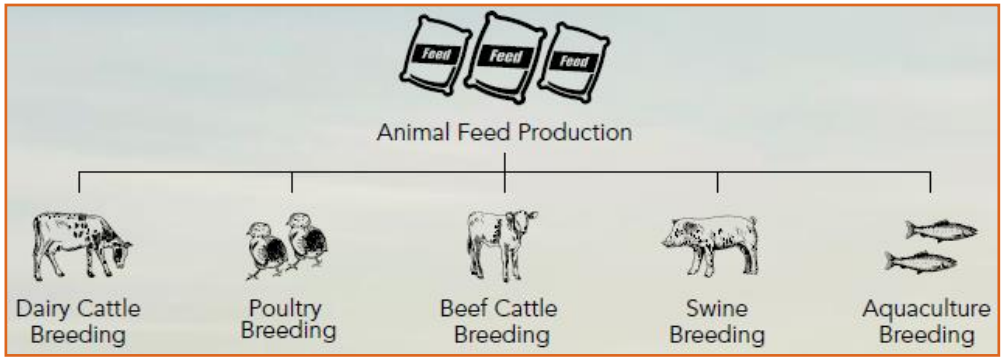
**A leading pan-Asian, industrialized agri-food company dedicated to feeding emerging Asia with essential proteins**

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# Vertically Integrated Business Across Entire Value Chain

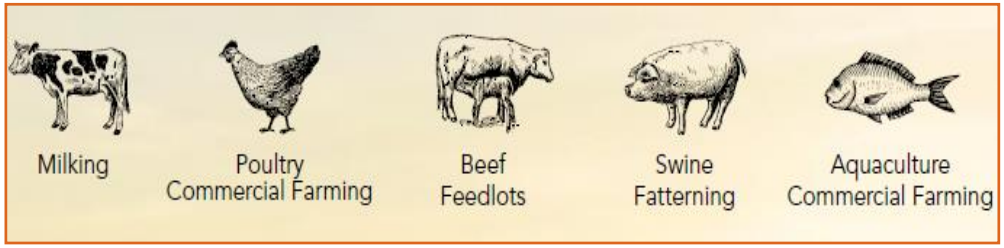
## HOW WE DO IT

Vertically Integrated Business Model




### UPSTREAM: Animal Feed & Breeding

- Produce quality animal feed on an industrial scale
- Use world class genetics supported by advanced farming technology to maximize efficiency in our breeding operations in dairy cattle, poultry, beef cattle, swine and aquaculture




### MIDSTREAM: Milking & Fattening

- Operate dairy milking parlours and commercial livestock fattening farms
- Achieve quality and productivity gains through a combination of superior livestock genetics, quality feed nutrition, and international bio-security standards




### DOWNSTREAM: Processing & Distribution

- Produce high quality consumer dairy, meat, and aquaculture products with traceability and food safety assurance across the entire supply chain

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# Core Competencies Across All Business Segments

## INDUSTRIALIZED APPROACH TO FARMING AND FOOD PRODUCTION

### 1 Large Scale

- Ability to manage mega-scale operations:
  - > 10,000 poultry commercial farms
  - > 600 million day-old-chicks (“DOCs”)
  - 10 large scale dairy farms with more than 10,000 cattle per farm
- 28,000 employees across geographies

### 2 Technology and Genetics

- JVs with Aviagen and Hypor for superior breeding and genetics
- Advanced feed technology
- Combined with best farm management practices

### 3 Bio-security

- Best in class biosecurity means using stringent operating procedures
- In-house vaccine production firm PT Vaksindo

### 4 Standardization / Replication

- Replication of best practices and infrastructure design
- Replication of farm design model in dairy farms, DOC breeding farms, feedmills, etc.

**We are a market leader across multiple classes of protein foods, with an emphasis on milk, poultry and beef, complemented by growing businesses in swine and aquaculture.**

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# Financial Highlights



# Overview of 2Q2015

**Group continues to be operationally resilient; diversified business cushions near-term challenges in Indonesian market**

**2Q2015's bottom line results impacted by various challenges and mitigated by diversification strategy and improvement in operational efficiency**

**PT Japfa Tbk's competitive advantage remains intact despite the difficult market conditions**

**With the exception of Indonesia, all the other animal protein, dairy and consumer food businesses continue to deliver positive performance**

## Operationally Resilient

- 2Q2015 Operating Profit US$44.1m
- 2Q2015 EBITDA US$62.4m
- 2Q2015 Core PATMI US$14.3m
- Cash & Cash Equivalents US$215.2m

## Key Factors in 2Q2015

- Ramadan effect muted by low demand in Indonesia
- Continued depreciation of Rupiah
- Lower raw milk prices in China
- Higher fair value loss for bio-assets

## Managing Challenges in Indonesia

- PT Japfa Tbk 2Q2015 Profit Before Tax of US$3.1m (excluding FX losses)
- PT Japfa Tbk is self-sufficient in its operating cash needs
- PT Japfa Tbk 2Q2015 EBITDA US$29.0m

## Diversification Pays Off

- Significant improvement in Vietnam
- Stable performance in Myanmar and India
- Higher milk volumes and improvement in yields offset by decline in raw milk prices

# Diversified business cushions near-term challenges in Indonesia

**Animal Protein Other, Dairy, Consumer Food & Others**

**2Q2015 Core PATMI US$16.9m**

**PT Japfa Tbk 2Q2015 Core PATMI - US$2.6m**

**Animal Protein Other**

- Vietnam's swine business has turned the corner in profitability, through improvements in productivity which have resulted in cost reductions
- Vietnam revenue up from feed and fattening swine volume growth; operating profit improved significantly in Vietnam
- Stable performance in Myanmar and India

**Dairy**

- 15.2% higher revenue YoY from capacity growth in China
- Average raw milk price has seen a considerable decline compared to last year
- Growth in sales volumes and improvement in milk yields, which helped mitigate the impact from reversion of raw milk prices in China

**Consumer Food**

- Despite lower consumer demand in Indonesia, operating profit and core PATMI showed improvements

**PT Japfa Tbk**

- Continuing weakness in the poultry market and purchasing power has muted the effect of Ramadan
- If foreign exchange losses are excluded, PT Japfa Tbk was profitable in 2Q2015

**2Q2015 Group Core PATMI US$14.3m, while lower than 2Q2014 Group Core PATMI of US$16.5m, had improved compared to 1Q2015 Group Core PATMI of US$1.6m**

# 2Q2015 Financial Overview

| | 2Q2015 | | | 2Q2014 | | | %change | | |
|---|---|---|---|---|---|---|---|---|---|
| | PT Japfa | Other | Total | PT Japfa | Other | Total | PT Japfa | Other | Total |
| Revenue | 472.4 | 231.8 | 704.3 | 554.1 | 213.2 | 767.3 | -14.7% | 8.7% | -8.2% |
| Gross profit | 62.7 | 59.2 | 122.0 | 92.1 | 48.9 | 141.0 | -31.9% | 21.1% | -13.5% |
| *Gross profit margin* | 13.3% | 25.6% | 17.3% | 16.6% | 22.9% | 18.4% | -3.3% | 2.6% | -1.1% |
| Operating profit | 17.6 | 26.5 | 44.1 | 50.2 | 16.4 | 66.6 | -64.9% | 61.0% | -33.8% |
| EBITDA | 29.0 | 33.4 | 62.4 | 61.6 | 31.6 | 93.3 | -52.9% | 5.7% | -33.1% |
| PBT w/o Forex and Bio Assets | 4.4 | 22.5 | 26.9 | 36.9 | 21.3 | 58.2 | -88.0% | 5.9% | -53.7% |
| PAT | (4.5) | 6.0 | 1.4 | 22.7 | 16.4 | 39.1 | -119.9% | -63.7% | -96.3% |
| PATMI | (3.2) | 6.2 | 3.0 | 11.9 | 8.9 | 20.8 | -126.9% | -30.8% | -85.7% |
| Core PATMI w/o Bio Assets | (2.6) | 16.9 | 14.3 | 12.8 | 3.7 | 16.5 | -120.3% | 352.8% | -13.6% |

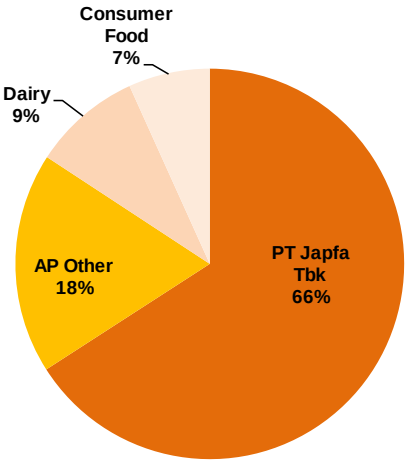
- Overall 2Q2015 performance was weighed down mainly by PT Japfa Tbk
- Decline in raw milk prices in China had lowered profit margins in dairy segment, despite locking in majority of capacity
- Excluding PT Japfa Tbk, gross profit and operating profit grew by 21.1% and 61.0% respectively, mainly due to Vietnam's operations
- Excluding PT Japfa Tbk and one-off gain of US$9.6 million from sale of Kallang property in 2Q2014
  - 2Q2015 EBITDA would have effectively increased by 51.8% over adjusted 2Q2014 EBITDA of US$22.0 million
  - 2Q2015 PBT (w/o forex and bio assets) would have effectively increased by 92.3% over adjusted 2Q2014 PBT (w/o forex and bio assets) of US$11.7 million
- In 2Q2015, there was a US$17.5 million loss from changes in the fair value of the Group's biological assets, versus a fair value loss of US$5.8 million in 2Q2014, due to periodic adjustments in the valuation of its dairy cows and breeding swine
- Without bio-asset losses, 'Other' PAT will increase from US$6.0 million to US$21.3 million, and Group PAT in 2Q2015 would have increased from US$1.4 million to US$17.8 million

[1] 'Other' column refers to the Group's financial results excluding PT Japfa Tbk, for illustrative purposes
[2] We derived Core PATMI from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding changes in fair value of biological assets attributable to owners of the parent (net of tax), and excluded a one-off gain from the disposal of asset held for sale (attributable to owners of the parent, net of tax) in 2Q 2014

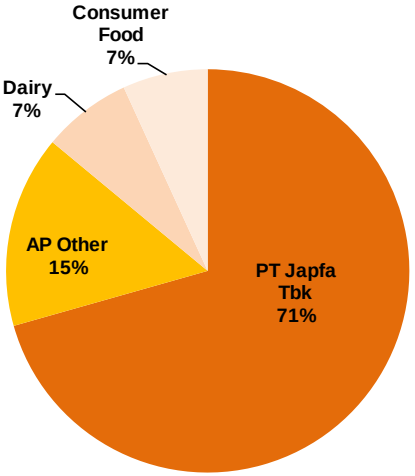
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# 2Q2015 Revenue and Earnings Profile

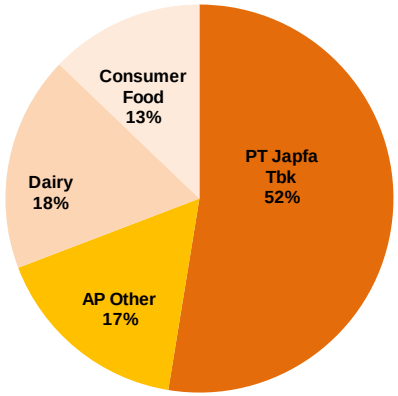
## 2Q2015 Revenue Composition



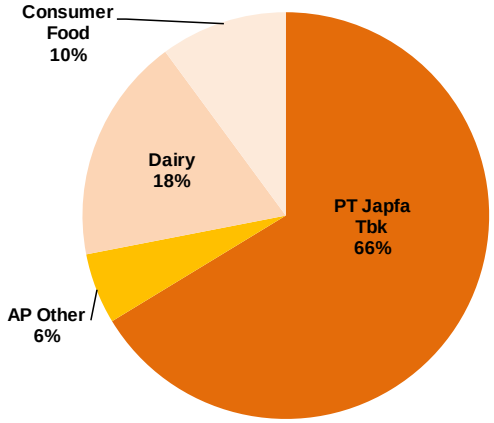

## 2Q2014 Revenue Composition




## 2Q2015 Gross Profit Composition

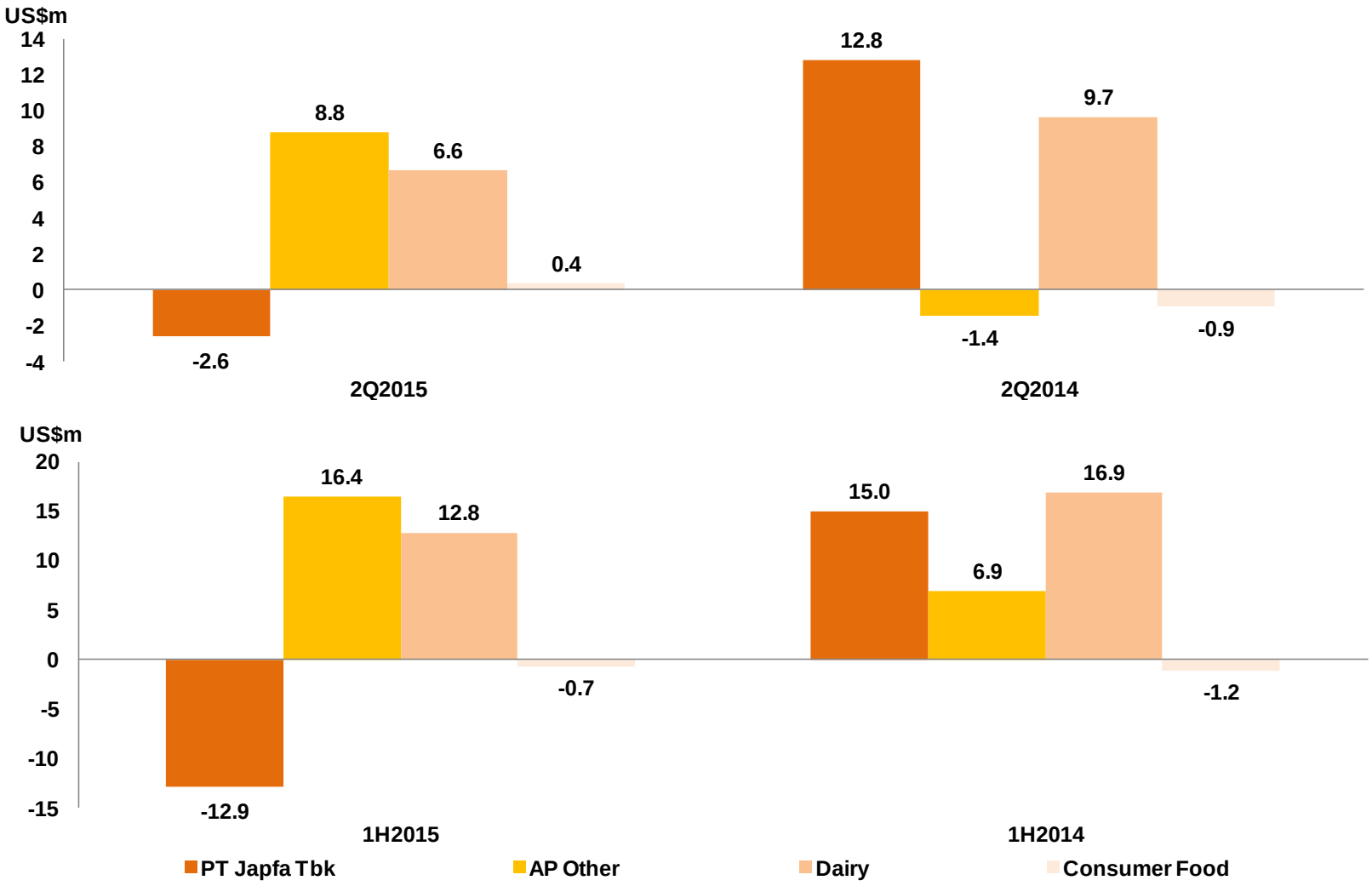



## 2Q2014 Gross Profit Composition




"AP Other" refers to "Animal Protein Other"
Operational segments shown above excludes central purchasing subsidiary, headquarter costs and elimination adjustments between segments

# 2Q/1H2015 Core PATMI (w/o Bio Assets) Breakdown

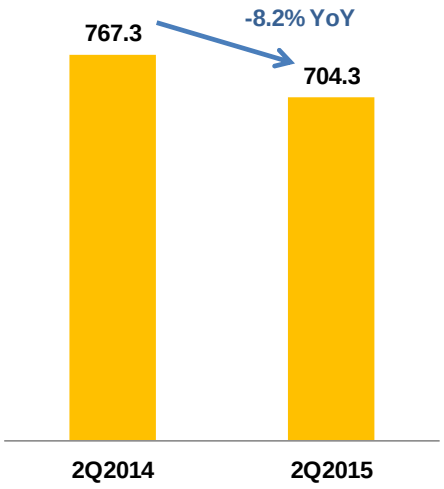



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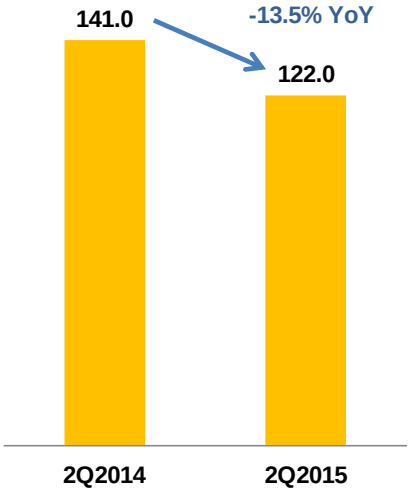
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# Japfa Ltd 2Q2015 Review

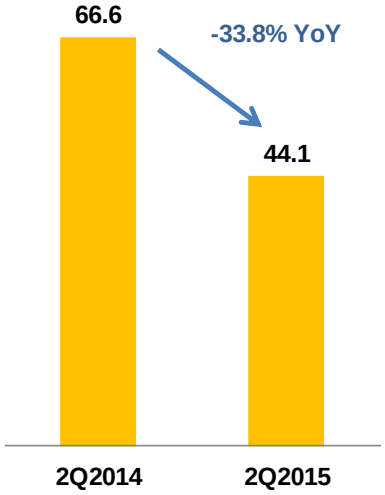
## Revenue
US$ million



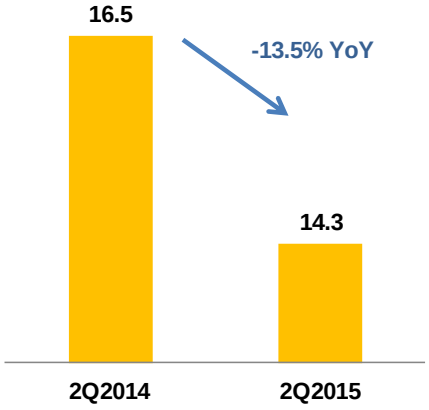

## Gross Profit
US$ million




## Operating Profit
US$ million



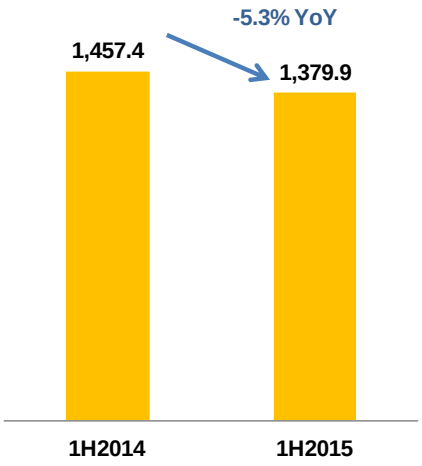

## Core PATMI
w/o Bio Assets
US$ million



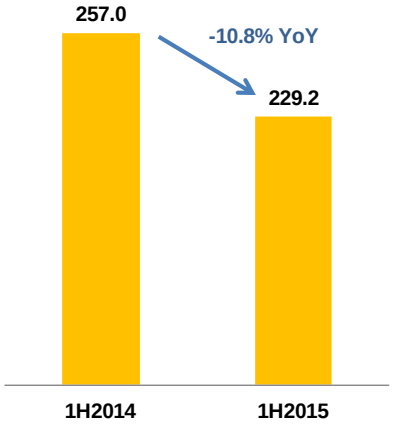

- Revenue declined by 8.2% YoY, mainly contributed by the Indonesia operations in the animal protein and consumer segments, due to continued downturn in consumer demand
- Operating profit decreased by US$22.5 million from US$66.6 million in 2Q2014 to US$44.1 million in 2Q2015. The decrease is mainly contributed by the animal protein operations in Indonesia and the lower raw milk prices in China. However, even with the weaker performance of Tbk, the Group is still generating an operating profit of US$44.1 million
- Core PATMI for 2Q2014 was US$16.5 million, compared to US$14.3 million in 2Q2015

# Japfa Ltd 1H2015 Review

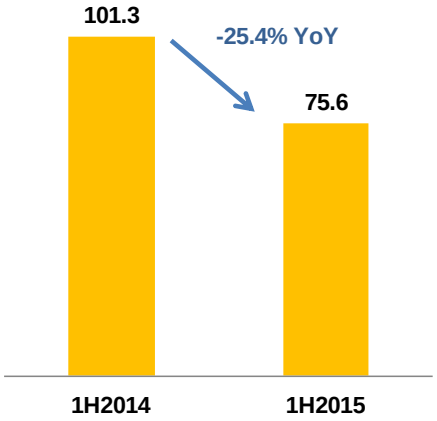
## Revenue
US$ million



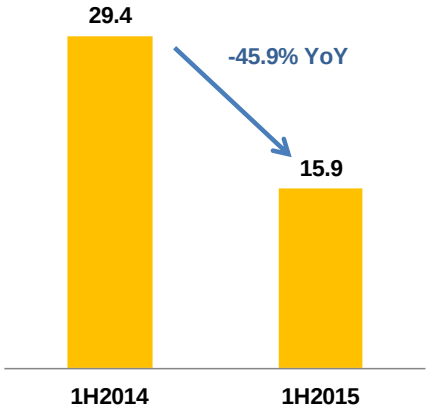

## Gross Profit
US$ million




## Operating Profit
US$ million




## Core PATMI
w/o Bio Assets
US$ million




- Revenue declined slightly by 5.3% YoY mainly contributed by the Indonesia operations in the animal protein and consumer segments, due to continued downturn in consumer demand. This has been compensated by an increase in revenue from the other animal protein operations in Vietnam, Myanmar and India, as well as dairy operations in China
- Operating Profit dropped 25.4%. However, even with the weaker performance of PT Japfa Tbk and lower raw milk prices in China, the Group is still generating an Operating Profit of US$75.6 million
- Foreign exchange adjustment losses were US$19.9 million in 1H2015 as compared to US$0.1 million in 1H2014. Adjusted for foreign exchange adjustment losses attributable to PT Japfa Tbk (pro-rated according to the Group's 57.5% ownership), Core PATMI for the respective periods is estimated to be US$28.4 million for 1H2014 and US$27.7 million for 1H2015

# Other Financial Highlights

| Balance Sheet (US$m) | 2Q2015 | FY2014 | % change |
|---|---|---|---|
| **Total Assets** | 2,269.5 | 2,327.0 | -2.5% |
| Cash | 218.2 | 286.7 | -23.9% |
| Inventory | 590.8 | 598.1 | -1.2% |
| **Total Liabilities** | 1,312.0 | 1,332.7 | -1.6% |
| Financial liabilities | 997.6 | 992.6 | +0.5% |
| **Total Equity** | 957.5 | 994.3 | -3.7% |
| Net Debt / Equity Ratio (x) | 0.8 | 0.7 | |
| Inventory Turnover Days | 91.3 | 88.2 | |

| Cash Flows (US$m) | 1H2015 | 1H2014 |
|---|---|---|
| Net Cash Flows from / (used in) Operating Activities | 41.2 | -43.5 |
| Net Cash Flows from / (used in) Investing Activities | -77.9 | -110.3 |
| Net Cash Flows from / (used in) Financing Activities | -26.5 | 111.5 |
| **Net Increase / (Decrease) in Cash and Cash Equivalents** | **- 63.2** | **-42.2** |

# Segmental & Operational Highlights



# 2Q2015 Segmental Overview

| (US$m) | 2Q2015 | 2Q2014 | %change | | 1H2015 | 1H2014 | %change | |
|---|---|---|---|---|---|---|---|---|
| **PT Japfa Tbk** | | | | | | | | |
| Revenue[1] | 472.4 | 554.1 | -14.7% | ▼ | 930.7 | 1,039.2 | -10.4% | ▼ |
| Gross Profit | 62.7 | 92.1 | -31.9% | ▼ | 115.2 | 155.9 | -26.1% | ▼ |
| *Gross profit margin* | *13.3%* | *16.6%* | *-3.3ppt* | ▼ | *12.4%* | *15.0%* | *-2.6ppt* | ▼ |
| Operating profit | 17.6 | 50.2 | -64.9% | ▼ | 25.5 | 62.1 | -59.0% | ▼ |
| Core PATMI | -2.6 | 12.8 | -120.3% | ▼ | -12.9 | 15.0 | -186.0% | ▼ |
| *Core PATMI margin* | *-0.5%* | *2.3%* | *-2.8ppt* | ▼ | *-1.4%* | *1.4%* | *-2.8ppt* | ▼ |
| **Animal Protein Other** | | | | | | | | |
| Revenue[1] | 131.7 | 121.0 | +8.8% | ▲ | 258.4 | 235.3 | +9.8% | ▲ |
| Gross Profit | 19.8 | 7.8 | +153.3% | ▲ | 36.9 | 23.2 | +59.2% | ▲ |
| *Gross profit margin* | *15.1%* | *6.5%* | *+8.6ppt* | ▲ | *14.3%* | *9.9%* | *+4.4ppt* | ▲ |
| Operating profit | 11.8 | 1.2 | +873.3% | ▲ | 20.8 | 11.2 | +85.6% | ▲ |
| Core PATMI | 8.8 | -1.4 | +708.1% | ▲ | 16.4 | 6.9 | +137.8% | ▲ |
| *Core PATMI margin* | *6.7%* | *-1.2%* | *+7.9ppt* | ▲ | *6.3%* | *2.9%* | *+3.4ppt* | ▲ |
| **Dairy** | | | | | | | | |
| Revenue[2] | 64.6 | 56.1 | +15.2% | ▲ | 124.9 | 107.3 | +16.4% | ▲ |
| Gross Profit | 21.4 | 24.9 | -14.1% | ▼ | 43.6 | 47.2 | -7.5% | ▼ |
| *Gross profit margin* | *33.2%* | *44.4%* | *-11.2ppt* | ▼ | *34.9%* | *44.0%* | *-9.1ppt* | ▼ |
| Operating profit | 11.4 | 17.8 | -35.8% | ▼ | 24.7 | 32.2 | -23.4% | ▼ |
| Core PATMI | 6.6 | 9.7 | -31.2% | ▼ | 12.8 | 16.9 | -24.0% | ▼ |
| *Core PATMI margin* | *10.3%* | *17.2%* | *-17.5ppt* | ▼ | *10.3%* | *15.7%* | *-10.9ppt* | ▼ |
| **Consumer Food** | | | | | | | | |
| Revenue[3] | 48.4 | 53.6 | -9.7% | ▼ | 91.4 | 102.6 | -10.9% | ▼ |
| Gross Profit | 15.3 | 14.0 | +9.3% | ▲ | 28.0 | 27.4 | +2.2% | ▲ |
| *Gross profit margin* | *31.7%* | *26.2%* | *+5.5ppt* | ▲ | *30.6%* | *26.7%* | *+3.9ppt* | ▲ |
| Operating profit | 2.4 | -0.6 | +497.3% | ▲ | 3.1 | 0.0 | +31228.4% | ▲ |
| Core PATMI | 0.4 | -0.9 | +138.1% | ▲ | -0.7 | -1.2 | *+36.4%* | ▲ |
| *Core PATMI margin* | *0.7%* | *-1.7%* | *+2.4ppt* | ▲ | *-0.8%* | *-1.1%* | *+0.3ppt* | ▲ |

***Notes:***

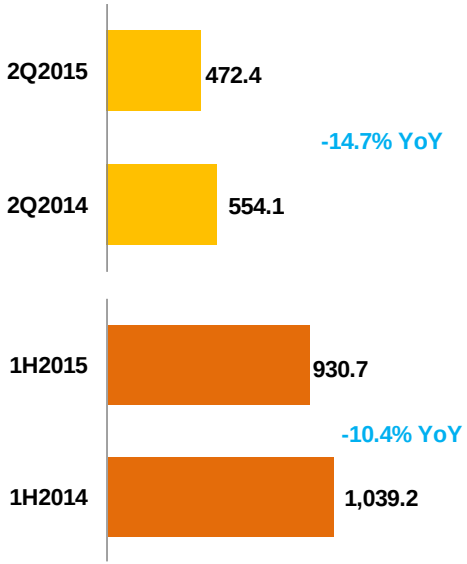
- *Animal Protein – where PT Japfa Comfeed Indonesia Tbk (PT Japfa Tbk) is shown separately from Animal Protein Other (AP Other). AP Other refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and South East Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*

1 The combined revenue for PT Japfa Tbk and AP Other includes inter-segment revenue of US$10.5 million in 2Q 2015 (2Q 2014: US$15.4 million).
2 The Dairy segment revenue includes inter-segment revenue of US$0.6 million in 2Q 2015 (2Q 2014: US$0.4 million).
3 The Consumer Food segment revenue includes inter-segment revenue of US$1.8 million in 2Q 2015 (2Q 2014: US$2.3 million).

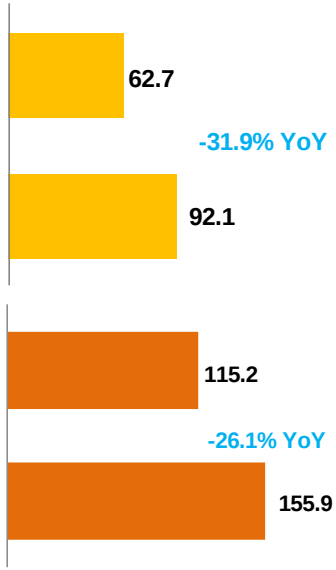
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# PT Japfa Tbk – Financial performance

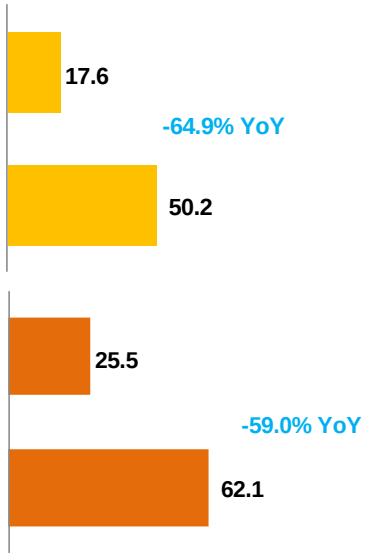
## Revenue
(US$m)



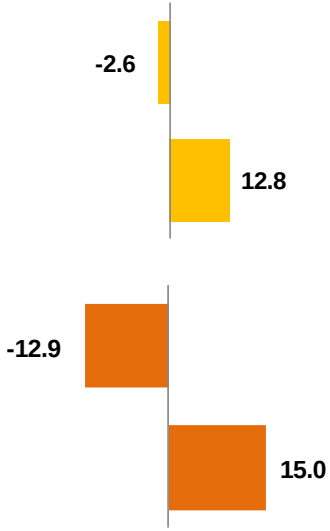

## Gross Profit
(US$m)




## Operating Profit
(US$m)




## Core PATMI
w/o Bio Assets
(US$m)



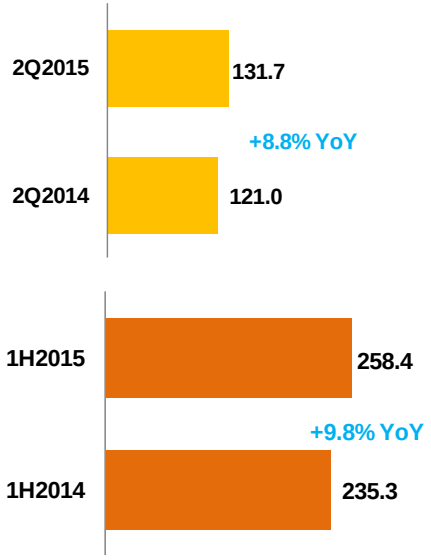

**2Q2015**

- Continuing oversupply of DOC and the lower purchasing power of low-income consumers in Indonesia has muted the effect of Ramadan on poultry volumes and margins, as compared to a strong 2Q2014
- Foreign exchange losses in 2Q2015 was US$6.8 million caused by the 2% depreciation of the Indonesia Rupiah against the US dollar
- Despite the persistent weakness in the Indonesian poultry market, PT Japfa Tbk achieved an operating profit of US$17.6 million and EBITDA of US$29.2 million
- If foreign exchange losses are excluded, PT Japfa Tbk is profitable in 2Q2015

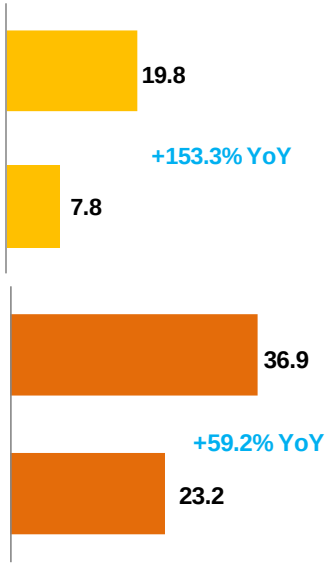
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# Animal Protein Other – Financial performance

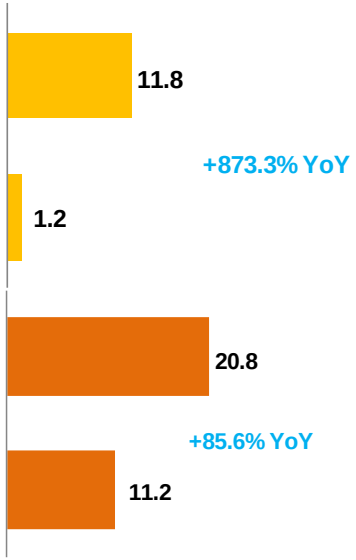
## Revenue (US$m)



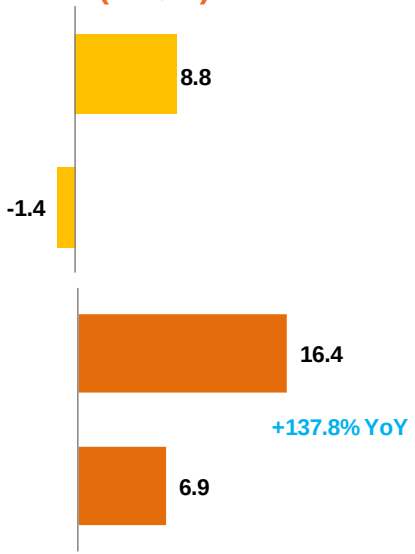

## Gross Profit (US$m)




## Operating Profit (US$m)




## Core PATMI w/o Bio Assets (US$m)

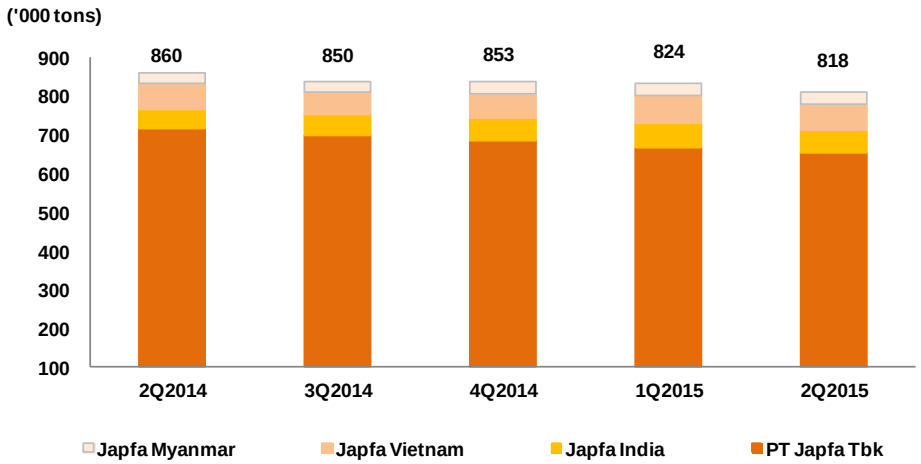



**2Q2015**

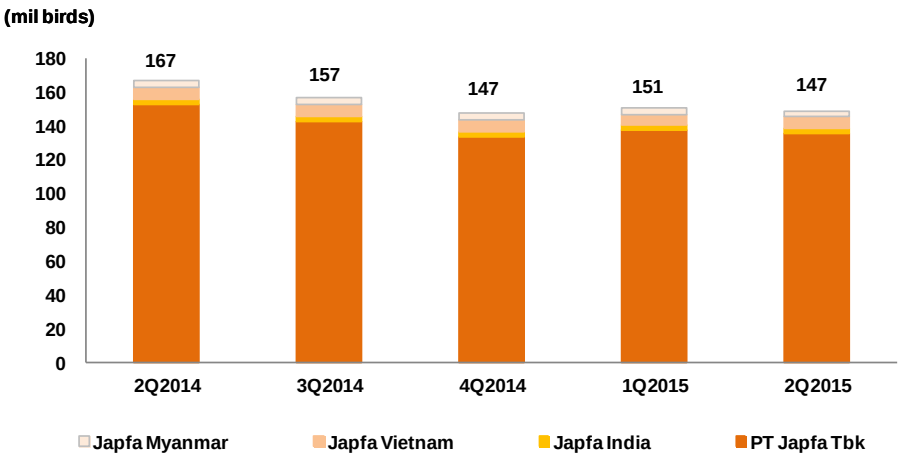
- Revenue up 8.8% mainly due to Vietnam, which saw volume growth in poultry feed, swine feed and fattening swine
- Vietnam's swine business has turned the corner in profitability, through improvements in productivity which have resulted in cost reductions
- Operating profit improved by US$10.6 million, primarily due to Vietnam which turned around from a loss of US$2.2 million in 2Q2014 to a profit of US$8.0 million in 2Q2015
- Stable performance in Myanmar and India
- Animal Protein Other contributed a Core PATMI of US$8.8 million, which compensated PT Japfa Tbk's negative Core PATMI of US$2.6 million, bringing Core PATMI for the consolidated Animal Protein business to US$6.2 million

# Animal Protein – Operational Performance

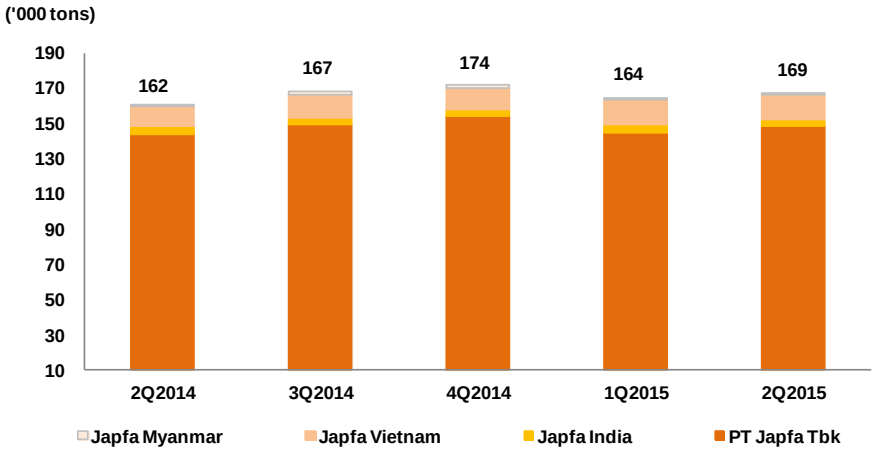
## Animal Feed – Poultry: Sales Volume (‘000 tons)




## DOC - Broiler: Sales Volume (mil birds)

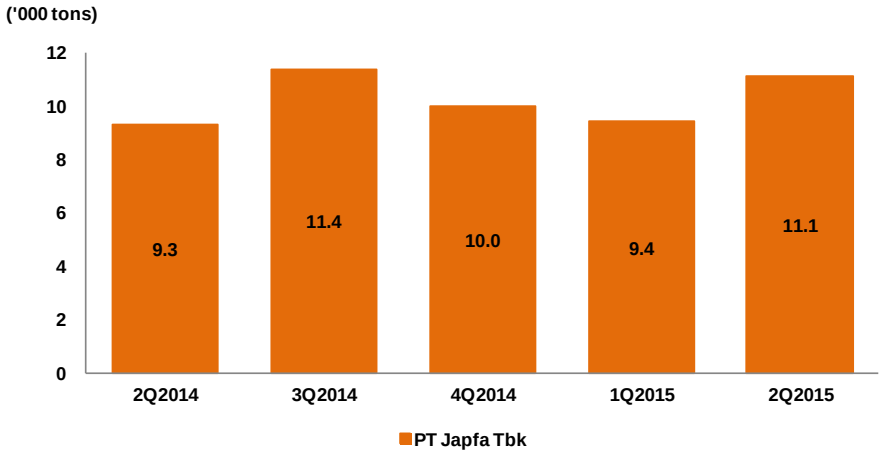



## Commercial Farm – Live Birds: Sales Volume (‘000 tons)

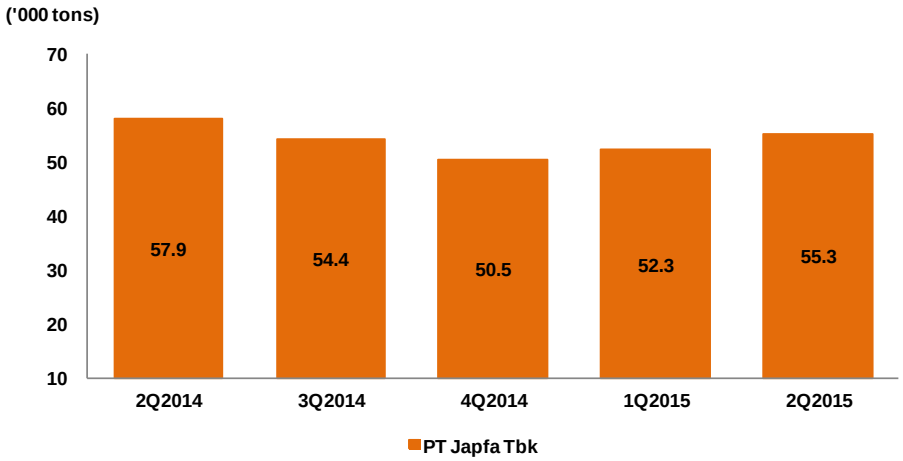


# Animal Protein – Operational Performance

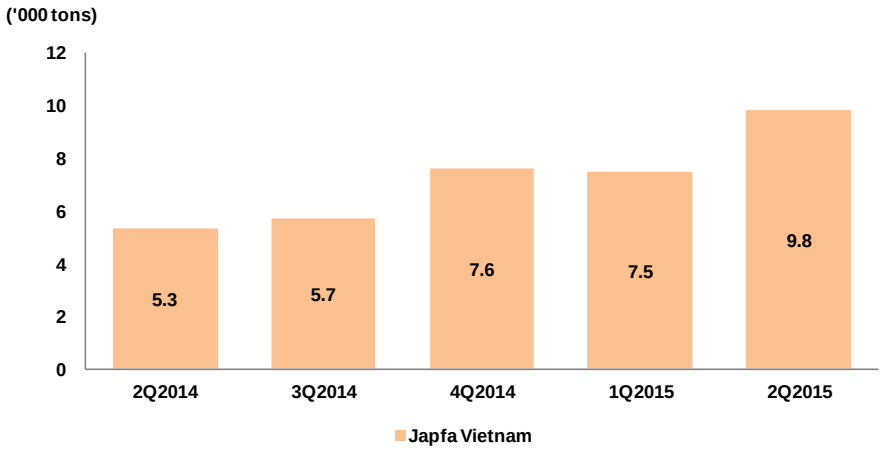
## Beef – Live Cattle: Sales Volume (‘000 tons)



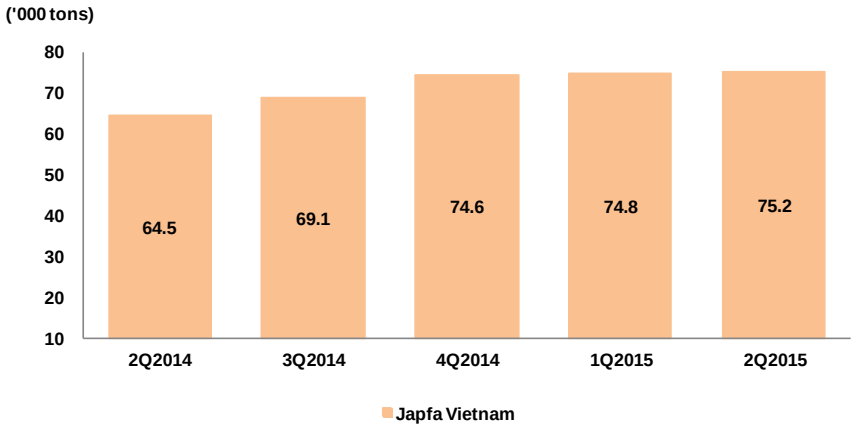

## Aquaculture – Aqua-feed: Sales Volume (‘000 tons)




## Swine Fattening: Sales Volume (‘000 tons)

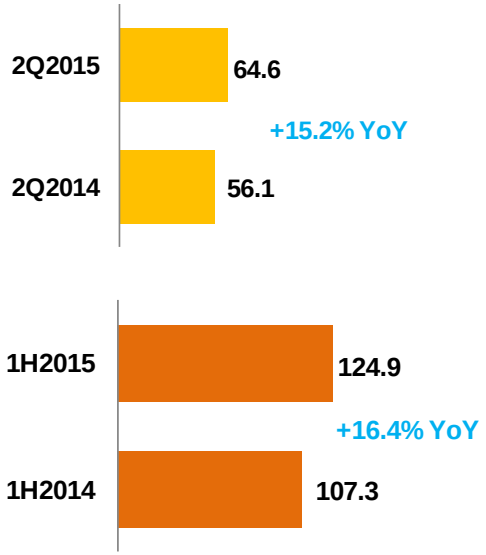



## Animal Feed – Swine: Sales Volume (‘000 tons)

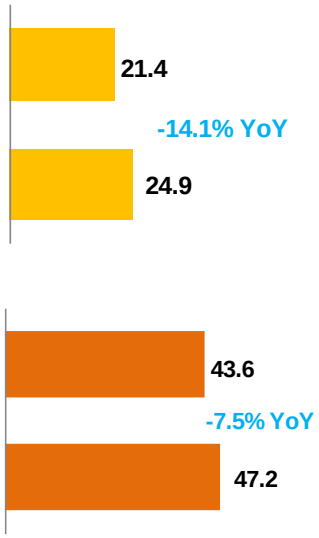


# Dairy – Financial performance

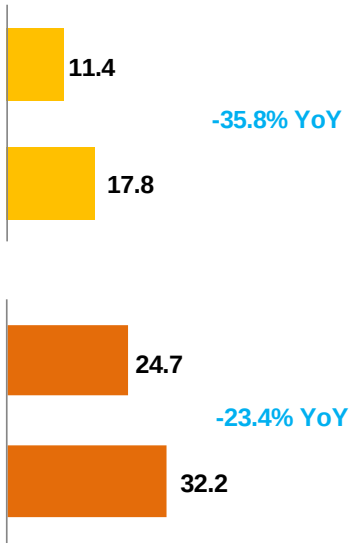
## Revenue (US$m)



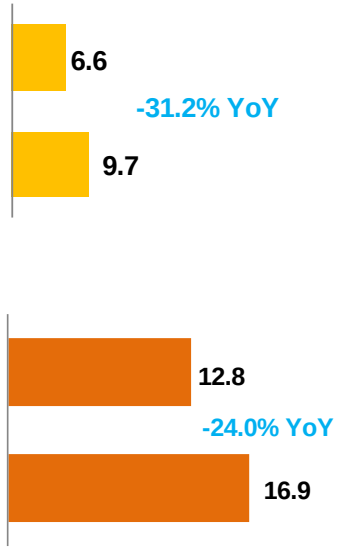

## Gross Profit (US$m)




## Operating Profit (US$m)




## Core PATMI w/o Bio Assets (US$m)

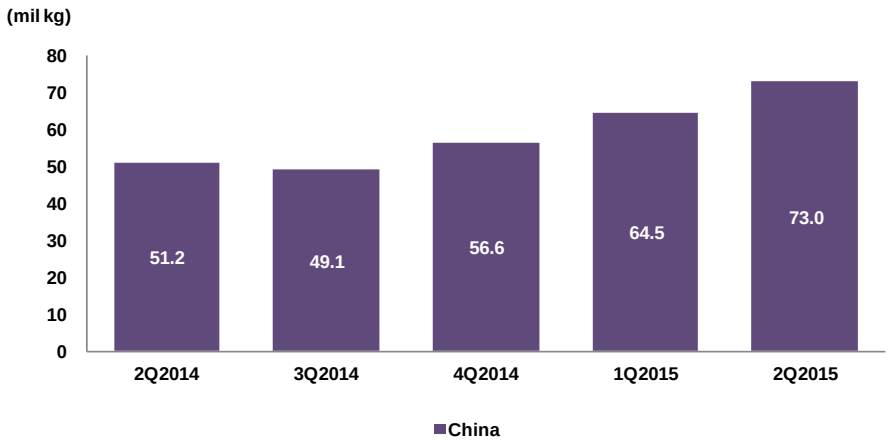



**2Q2015**

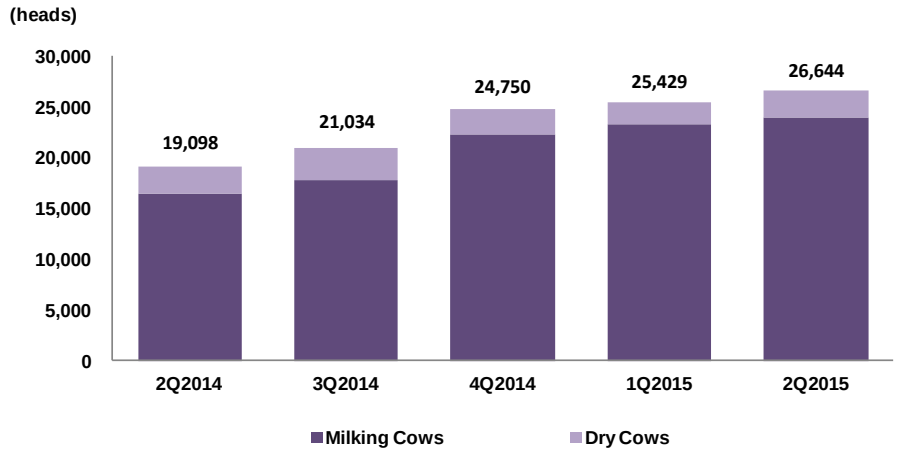
- Revenue up 15.2% YoY mainly due to Dairy China as Farm 4 is now fully milking and Farm 5 has started generating sales since March 2015
- The population of milkable cows increased from 22,382 in 2Q2014 to 30,712 in 2Q2015
- Gross Profit Margin contracted from 44.4% to 33.2% mainly due to the lower raw milk prices this quarter
- The Group had made a strategic decision to lock in more than half of its milk capacity with major milk producers in China. It had also increased its milk volumes and improved milk yields significantly. However, these efforts were not sufficient to fully compensate for the considerable decline in average raw milk prices compared to last year

# Dairy – Operational Performance

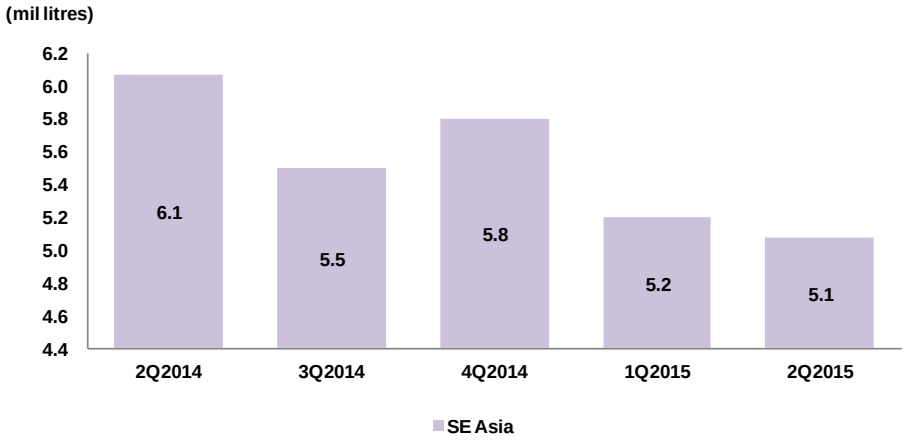
## China Raw Milk: Sales Volume (mil kg)



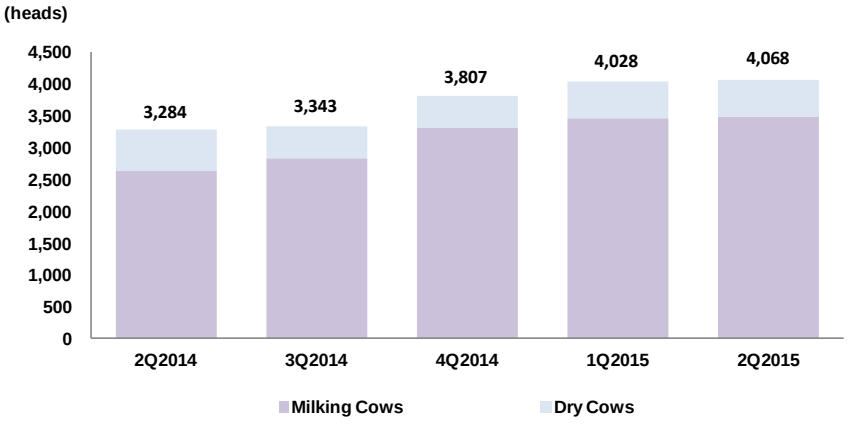

## Milkable cows – China (heads)[1]




## SE Asia Extended Shelf Life Branded Milk: Sales Volume (mil litres)



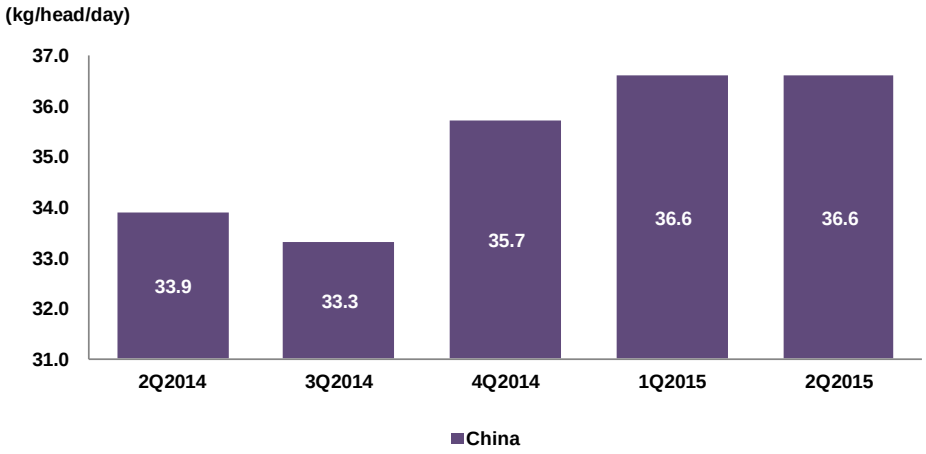

## Milkable cows – SE Asia (heads) [1]



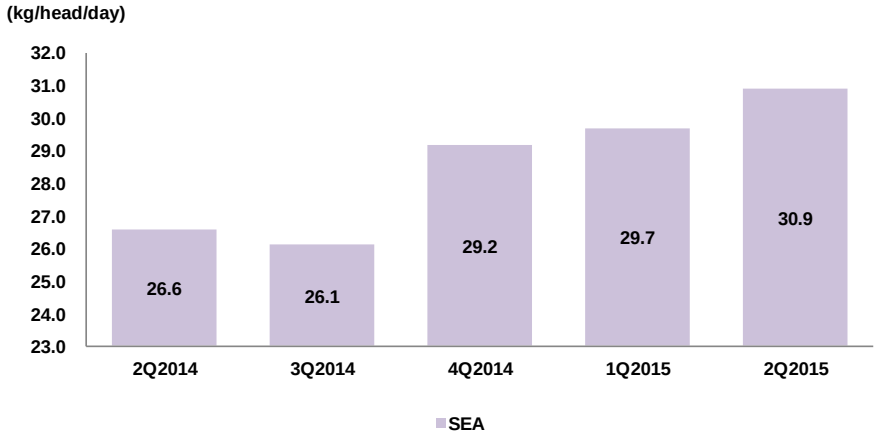

[1] Number of milkable cows as at end of the quarter

# Dairy – Operational Performance

**Average Daily Milking – China (kg/head/day)**
*8% YoY increase in Average Daily Milking in 2Q2015*

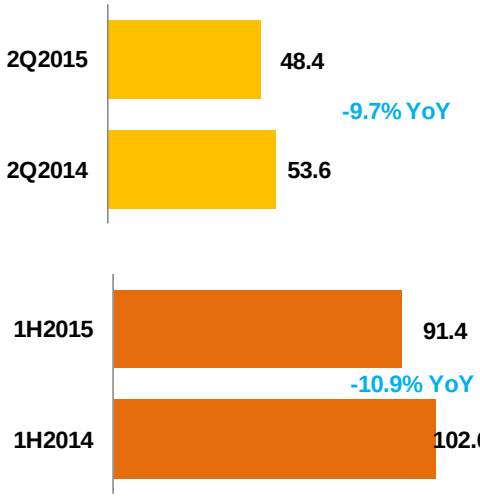



**Average Daily Milking – SEA (kg/head/day)**
*16% YoY increase in Average Daily Milking in 2Q2015*

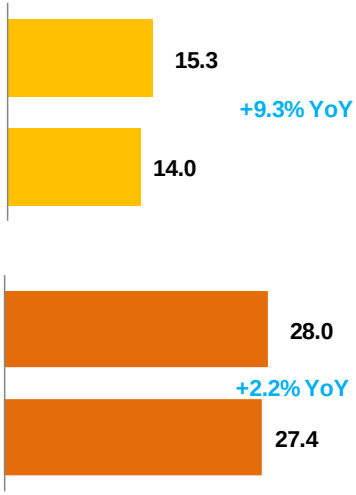


# Consumer Food – Financial performance

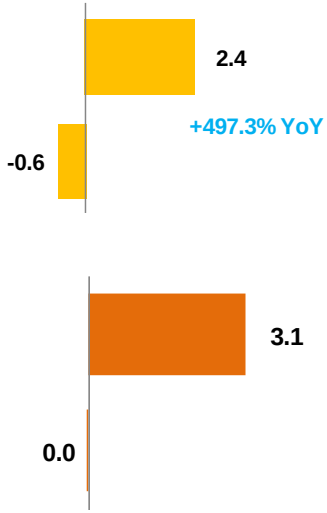
## Revenue
(US$m)



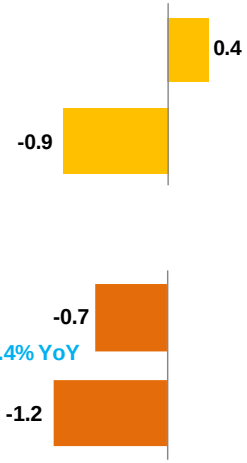

## Gross Profit
(US$m)




## Operating Profit
(US$m)




## Core PATMI
w/o Bio Assets
(US$m)



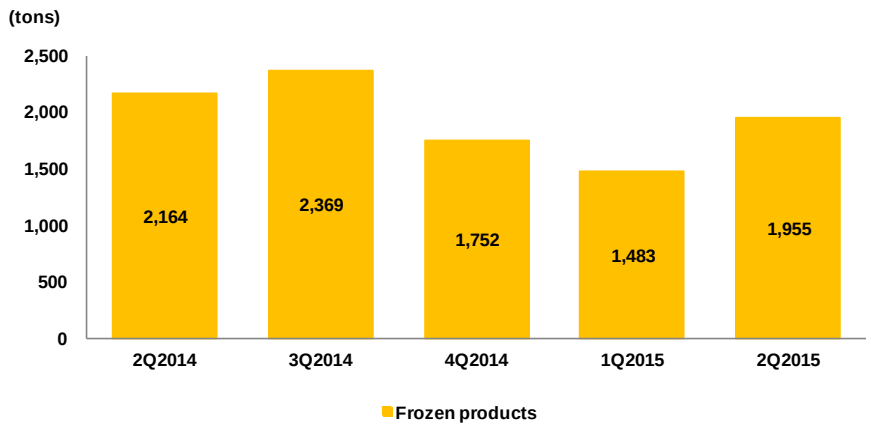

**2Q2015**

- Revenue fell 9.7% due to the drop in sales in frozen products. However, there was an 8.0% increase in Real Good milk volumes
- Gross Profit improved by 9.3%, and Gross Profit Margin grew from 26.2% to 31.7%
- Operating Profit moved up from a loss of US$0.6 million to a profit US$2.4 million
- Core PATMI turned around from a loss of US$0.9 million to a profit of US$0.4 million
- Despite lower consumer demand in Indonesia, there was an improvement in profitability
- Operations in Indonesia compensated the start-up losses in Vietnam

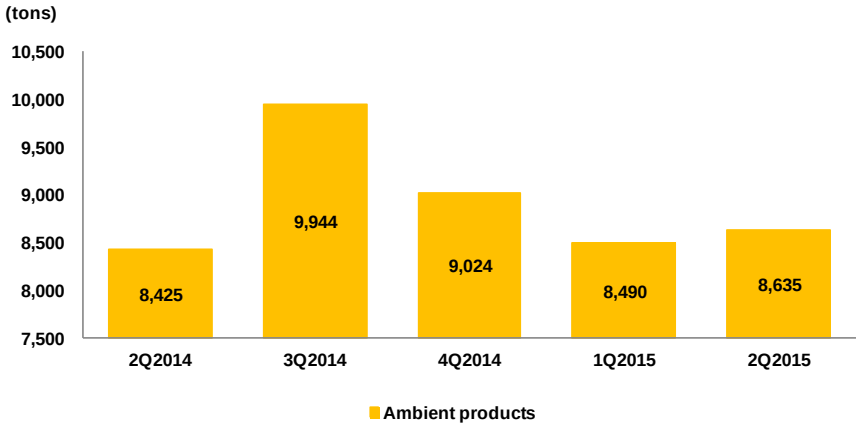
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# Consumer Food – Operational Performance

## Frozen products: Sales Volume (tons)




## Ambient products: Sales volume (tons)



# Growth Strategies



# Growth Strategies

## Focus on Industrialization and Diversification

Leverage our track record in replicating our industrialized and scalable business, to build our three key business pillars – dairy in China, poultry in Indonesia, and poultry and swine in Indochina

## Mitigating Market Challenges

Enhance efficiency and profitability of our Indonesian operations to counter near-term price pressure on DOCs

Improve milk yields and productivity to mitigate lower average selling prices of raw milk in China

## Maximising Returns from Our Assets

Long term fundamentals for the Group remain favorable

Large-scale business enables us to tap on growth opportunities

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# Appendix



# Quarterly Segment Information – 2Q2015

| JAPFA | 2Q 2015 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 462.0 | 131.7 | 593.6 | 64.1 | 46.6 | (0.0) | **704.3** |
| Inter Segment Sales | 10.5 | 0.0 | 10.5 | 0.6 | 1.8 | (12.9) | **(0.0)** |
| **TOTAL REVENUE** | **472.4** | **131.7** | **604.1** | **64.6** | **48.4** | **(12.9)** | **704.3** |
| **GROSS PROFIT** | **62.7** | **19.8** | **82.6** | **21.4** | **15.3** | **2.6** | **122.0** |
| | *13%* | *15%* | *14%* | *33%* | *32%* | *-20%* | *17%* |
| **OPERATING PROFIT** | **17.6** | **11.8** | **29.5** | **11.4** | **2.4** | **0.8** | **44.1** |
| | *4%* | *9%* | *5%* | *18%* | *5%* | *-6%* | *6%* |
| **EBITDA** | **29.0** | **13.4** | **42.4** | **15.4** | **3.6** | **1.1** | **62.4** |
| | *6%* | *10%* | *7%* | *24%* | *7%* | *-9%* | *9%* |
| Depreciation & Amortization | (11.4) | (1.6) | (13.0) | (3.9) | (1.2) | (0.2) | **(18.2)** |
| Net Interest Expense | (13.2) | (0.8) | (14.0) | (2.1) | (1.3) | (0.5) | **(18.0)** |
| Forex Gain(loss) | (6.8) | (0.2) | (7.0) | 0.6 | 0.2 | 0.1 | **(6.0)** |
| Fair Value Gain(Loss) Bio A | (1.3) | (4.1) | (5.4) | (12.1) | 0.0 | 0.0 | **(17.5)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.7 | **0.7** |
| **PBT** | **(3.7)** | **6.7** | **3.0** | **(2.0)** | **1.2** | **1.2** | **3.4** |
| Tax | (0.8) | (0.8) | (1.6) | 0.7 | (0.9) | (0.2) | **(2.0)** |
| **PAT** | (4.5) | 5.9 | 1.4 | (1.3) | 0.4 | 1.1 | **1.4** |
| **PAT w/o Bio A** | (3.5) | 9.1 | 5.7 | 10.7 | 0.4 | 1.1 | **17.8** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | (3.2) | 5.6 | 2.4 | (0.8) | 0.4 | 1.1 | **3.0** |
| **Core PATMI** | (2.6) | 8.8 | 6.2 | 6.6 | 0.4 | 1.1 | **14.3** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
- *EBITDA = PBT net of interest income (expense), FV of bio assets and marketable securities, forex gain (loss), depreciation of fixed assets and amortization of intangible assets*

# Quarterly Segment Information – 1Q2015

| JAPFA | 1Q 2015 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 448.1 | 126.8 | 574.9 | 59.8 | 41.0 | 0.0 | **675.7** |
| Inter Segment Sales | 10.1 | 0.0 | 10.1 | 0.4 | 2.0 | (12.5) | **0.0** |
| **TOTAL REVENUE** | **458.2** | **126.8** | **585.0** | **60.2** | **43.0** | **(12.5)** | **675.7** |
| **GROSS PROFIT** | **52.4** | **17.1** | **69.5** | **22.2** | **12.6** | **2.9** | **107.2** |
| | *11%* | *13%* | *12%* | *37%* | *29%* | *-23%* | *16%* |
| **OPERATING PROFIT** | **7.8** | **9.0** | **16.9** | **13.2** | **0.7** | **0.6** | **31.5** |
| | *2%* | *7%* | *3%* | *22%* | *2%* | *-5%* | *5%* |
| **EBITDA** | **20.3** | **10.8** | **31.1** | **16.4** | **2.0** | **0.8** | **50.3** |
| | *4%* | *9%* | *5%* | *27%* | *5%* | *-7%* | *7%* |
| Depreciation & Amortization | (11.2) | (1.8) | (13.0) | (3.6) | (1.2) | (0.2) | **(18.1)** |
| Net Interest Expense | (12.0) | (0.6) | (12.6) | (2.4) | (1.3) | (0.6) | **(16.9)** |
| Forex Gain(loss) | (13.7) | (0.1) | (13.8) | (0.5) | 0.8 | (0.4) | **(13.9)** |
| Fair Value Gain(Loss) Bio A | 0.2 | 4.9 | 5.1 | 2.2 | 0.0 | 0.0 | **7.4** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (0.2) | **(0.2)** |
| **PBT** | **(16.4)** | **13.2** | **(3.2)** | **12.1** | **0.3** | **(0.6)** | **8.6** |
| Tax | (0.7) | (1.4) | (2.2) | 0.2 | (1.4) | (0.2) | **(3.6)** |
| **PAT** | (17.1) | 11.8 | (5.3) | 12.2 | (1.1) | (0.8) | **5.0** |
| **PAT w/o Bio A** | (17.3) | 7.9 | (9.4) | 10.0 | (1.1) | (0.8) | **(1.3)** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | (10.2) | 11.5 | 1.3 | 7.6 | (1.1) | (0.8) | **7.0** |
| **Core PATMI** | (10.3) | 7.6 | (2.6) | 6.2 | (1.1) | (0.8) | **1.6** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
- *EBITDA = PBT net of interest income (expense), FV of bio assets and marketable securities, forex gain (loss), depreciation of fixed assets and amortization of intangible assets*

# Quarterly Segment Information – 4Q2014

| JAPFA | 4Q 2014 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 459.2 | 139.4 | 598.6 | 59.9 | 46.3 | 0.6 | **705.4** |
| Inter Segment Sales | 10.2 | 0.0 | 10.2 | 0.5 | 2.1 | (12.8) | **0.0** |
| **TOTAL REVENUE** | **469.5** | **139.4** | **608.9** | **60.4** | **48.3** | **(12.2)** | **705.4** |
| **GROSS PROFIT** | **65.8** | **20.8** | **86.6** | **20.9** | **15.0** | **3.3** | **125.8** |
| | *14%* | *15%* | *14%* | *35%* | *31%* | *-27%* | *18%* |
| **OPERATING PROFIT** | **21.8** | **13.8** | **35.6** | **9.0** | **1.8** | **0.2** | **46.7** |
| | *5%* | *10%* | *6%* | *15%* | *4%* | *-2%* | *7%* |
| **EBITDA** | **33.6** | **14.7** | **48.3** | **11.0** | **1.9** | **(0.0)** | **61.1** |
| | *7%* | *11%* | *8%* | *18%* | *4%* | *0%* | *9%* |
| Depreciation & Amortization | (11.5) | (1.4) | (12.9) | (3.1) | (1.2) | 0.3 | **(16.9)** |
| Net Interest Expense | (14.5) | (0.7) | (15.2) | (2.2) | (1.5) | (0.8) | **(19.6)** |
| Forex Gain(loss) | (4.6) | (0.2) | (4.8) | 0.3 | 0.1 | (0.2) | **(4.6)** |
| Fair Value Gain(Loss) Bio A | (2.5) | (19.7) | (22.2) | (12.8) | 0.0 | 0.0 | **(35.0)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (0.2) | **(0.2)** |
| **PBT** | **0.4** | **(7.3)** | **(6.9)** | **(6.8)** | **(0.6)** | **(0.9)** | **(15.3)** |
| Tax | (2.8) | 4.9 | 2.1 | 0.4 | (3.5) | (0.3) | **(1.2)** |
| **PAT** | (2.4) | (2.4) | (4.7) | (6.4) | (4.1) | (1.2) | **(16.5)** |
| **PAT w/o Bio A** | (0.3) | 13.0 | 12.6 | 6.2 | (4.1) | (1.2) | **13.5** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | (1.3) | (3.0) | (4.3) | (3.9) | (4.4) | (1.2) | **(13.9)** |
| **Core PATMI** | (0.2) | 12.4 | 12.2 | 3.9 | (4.4) | (1.2) | **10.4** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
- *EBITDA = PBT net of interest income (expense), FV of bio assets and marketable securities, forex gain (loss), depreciation of fixed assets and amortization of intangible assets*

# Quarterly Segment Information – 3Q2014

| JAPFA | 3Q 2014 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 537.1 | 132.0 | 669.1 | 59.4 | 55.9 | 0.3 | **784.7** |
| Inter Segment Sales | 10.5 | 0.0 | 10.5 | 0.6 | 2.2 | (13.3) | **0.0** |
| **TOTAL REVENUE** | **547.6** | **132.0** | **679.6** | **60.0** | **58.1** | **(13.0)** | **784.7** |
| **GROSS PROFIT** | **66.3** | **18.5** | **84.8** | **20.7** | **16.1** | **1.9** | **123.5** |
| | *14%* | *14%* | *12%* | *34%* | *28%* | *-14%* | *16%* |
| **OPERATING PROFIT** | **21.4** | **11.4** | **32.8** | **11.5** | **2.3** | **(3.1)** | **43.5** |
| | *4%* | *9%* | *5%* | *19%* | *4%* | *24%* | *6%* |
| **EBITDA** | **31.6** | **13.0** | **44.6** | **13.7** | **3.8** | **(3.0)** | **59.0** |
| | *6%* | *10%* | *7%* | *23%* | *7%* | *23%* | *8%* |
| Depreciation & Amortization | (10.4) | (1.4) | (11.8) | (2.4) | (1.4) | (0.2) | **(15.7)** |
| Net Interest Expense | (14.8) | (1.1) | (15.9) | (2.0) | (1.5) | (1.9) | **(21.3)** |
| Forex Gain(loss) | (3.7) | 1.0 | (2.7) | (0.0) | 0.4 | (1.0) | **(3.3)** |
| Fair Value Gain(Loss) Bio A | 2.3 | 1.1 | 3.5 | (5.3) | 0.0 | 0.0 | **(1.8)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 | **0.3** |
| **PBT** | **4.9** | **12.7** | **17.6** | **4.0** | **1.3** | **(5.8)** | **17.1** |
| Tax | (1.7) | (0.7) | (2.4) | 0.2 | 0.0 | (0.2) | **(2.4)** |
| **PAT** | 3.2 | 12.0 | 15.2 | 4.2 | 1.3 | (6.1) | **14.6** |
| **PAT w/o Bio A** | 1.3 | 11.1 | 12.5 | 9.4 | 1.3 | (6.1) | **17.1** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | 1.2 | 11.6 | 12.7 | 2.6 | 1.5 | (6.0) | **10.8** |
| **Core PATMI** | 0.1 | 10.7 | 10.8 | 5.8 | 1.5 | (6.0) | **12.0** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
- *EBITDA = PBT net of interest income (expense), FV of bio assets and marketable securities, forex gain (loss), depreciation of fixed assets and amortization of intangible assets*

# Quarterly Segment Information – 2Q2014

| JAPFA | 2Q 2014 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 538.7 | 121.0 | 659.7 | 55.7 | 51.3 | 0.6 | **767.3** |
| Inter Segment Sales | 15.4 | 0.0 | 15.4 | 0.4 | 2.3 | (18.1) | **0.0** |
| **TOTAL REVENUE** | **554.1** | **121.0** | **675.1** | **56.1** | **53.6** | **(17.5)** | **767.3** |
| **GROSS PROFIT** | **92.1** | **7.8** | **99.9** | **24.9** | **14.0** | **2.1** | **141.0** |
| | *17%* | *6%* | *15%* | *44%* | *26%* | *-12%* | *18%* |
| **OPERATING PROFIT** | **50.2** | **1.2** | **51.4** | **17.8** | **(0.6)** | **(2.0)** | **66.6** |
| | *9%* | *1%* | *8%* | *32%* | *-1%* | *12%* | *9%* |
| **EBITDA** | **61.6** | **2.6** | **64.2** | **29.2** | **1.6** | **(1.8)** | **93.3** |
| | *11%* | *2%* | *10%* | *52%* | *3%* | *10%* | *12%* |
| Depreciation & Amortization | (10.3) | (1.3) | (11.6) | (2.2) | (1.4) | (0.2) | **(15.4)** |
| Net Interest Expense | (14.4) | (1.4) | (15.8) | (1.6) | (1.3) | (1.5) | **(20.1)** |
| Forex Gain(loss) | (7.2) | 0.0 | (7.2) | (0.1) | (0.1) | (0.4) | **(7.7)** |
| Fair Value Gain(Loss) Bio A | (2.0) | 1.5 | (0.5) | (5.3) | 0.0 | 0.0 | **(5.8)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 | **0.3** |
| **PBT** | **27.7** | **1.4** | **29.1** | **20.1** | **(1.1)** | **(3.5)** | **44.6** |
| Tax | (5.1) | 0.5 | (4.6) | (0.4) | 0.0 | (0.6) | **(5.6)** |
| **PAT** | 22.7 | 1.9 | 24.6 | 19.7 | (1.1) | (4.2) | **39.1** |
| **PAT w/o Bio A** | 24.2 | (0.6) | 23.7 | 25.0 | (1.1) | (4.2) | **43.4** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | 11.9 | 1.0 | 12.9 | 12.4 | (0.9) | (3.6) | **20.8** |
| **Core PATMI** | 12.8 | (1.4) | 11.3 | 9.7 | (0.9) | (3.6) | **16.5** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
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# Segment Information – 1H2015

| JAPFA | YTD JUNE 2015 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 910.1 | 258.4 | 1,168.5 | 123.8 | 87.6 | (0.0) | **1,379.9** |
| Inter Segment Sales | 20.6 | 0.0 | 20.6 | 1.0 | 3.8 | (25.4) | **(0.0)** |
| **TOTAL REVENUE** | **930.7** | **258.4** | **1,189.1** | **124.9** | **91.4** | **(25.4)** | **1,379.9** |
| **GROSS PROFIT** | **115.2** | **36.9** | **152.1** | **43.6** | **28.0** | **5.5** | **229.2** |
| *% to sales* | *12%* | *14%* | *13%* | *35%* | *31%* | *-22%* | *17%* |
| **OPERATING PROFIT** | **25.5** | **20.8** | **46.3** | **24.7** | **3.1** | **1.4** | **75.6** |
| *% to sales* | *3%* | *8%* | *4%* | *20%* | *3%* | *-6%* | *5%* |
| **EBITDA** | **49.3** | **24.2** | **73.5** | **31.7** | **5.6** | **1.9** | **112.8** |
| | *5%* | *9%* | *6%* | *25%* | *6%* | *-8%* | *8%* |
| Depreciation & Amortization | (22.6) | (3.4) | (26.0) | (7.5) | (2.5) | (0.4) | **(36.3)** |
| Net Interest Expense | (25.2) | (1.4) | (26.6) | (4.5) | (2.7) | (1.1) | **(34.9)** |
| Forex Gain(loss) | (20.5) | (0.3) | (20.8) | 0.1 | 1.1 | (0.3) | **(19.9)** |
| Fair Value Gain(Loss) Bio A | (1.1) | 0.8 | (0.3) | (9.8) | 0.0 | 0.0 | **(10.1)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 | **0.5** |
| **PBT** | **(20.1)** | **19.9** | **(0.2)** | **10.1** | **1.5** | **0.6** | **12.1** |
| Tax | (1.6) | (2.2) | (3.8) | 0.8 | (2.3) | (0.4) | **(5.6)** |
| **PAT** | (21.7) | 17.7 | (4.0) | 10.9 | (0.7) | 0.2 | **6.4** |
| **PAT w/o Bio A** | (20.8) | 17.1 | (3.7) | 20.7 | (0.7) | 0.2 | **16.5** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | (13.4) | 17.0 | 3.7 | 6.7 | (0.7) | 0.3 | **10.0** |
| **Core PATMI** | (12.9) | 16.4 | 3.5 | 12.8 | (0.7) | 0.3 | **15.9** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
- *Consumer Food – includes the operations in Indonesia and Vietnam*
- *Others – includes headquarter costs, central purchasing subsidiary and elimination adjustments between segments.*
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# Segment Information – 1H2014

| JAPFA | YTD JUNE Y2014 | | | | | | |
|---|---|---|---|---|---|---|---|
| | ANIMAL PROTEIN | | | DAIRY | CONSUMER FOOD | Others | TOTAL |
| | TBK | AP Other | Total | | | | |
| External Revenue | 1,009.6 | 235.3 | 1,245.0 | 106.2 | 98.0 | 8.3 | **1,457.4** |
| Inter Segment Sales | 29.6 | 0.0 | 29.6 | 1.1 | 4.5 | (35.2) | **0.0** |
| **TOTAL REVENUE** | **1,039.2** | **235.3** | **1,274.6** | **107.3** | **102.6** | **(27.0)** | **1,457.4** |
| **GROSS PROFIT** | **155.9** | **23.2** | **179.1** | **47.2** | **27.4** | **3.4** | **257.0** |
| | *15%* | *10%* | *14%* | *44%* | *27%* | *-13%* | *18%* |
| **OPERATING PROFIT** | **62.1** | **11.2** | **73.4** | **32.2** | **(0.0)** | **(4.3)** | **101.3** |
| | *6%* | *5%* | *6%* | *30%* | *-0%* | *16%* | *7%* |
| **EBITDA** | **84.6** | **13.7** | **98.4** | **45.7** | **3.4** | **(3.7)** | **143.8** |
| | *8%* | *6%* | *8%* | *43%* | *3%* | *14%* | *10%* |
| Depreciation & Amortization | (20.6) | (2.5) | (23.1) | (4.4) | (2.6) | (0.4) | **(30.4)** |
| Net Interest Expense | (27.6) | (2.9) | (30.5) | (3.0) | (2.1) | (2.7) | **(38.3)** |
| Forex Gain(loss) | 1.8 | (0.0) | 1.8 | (1.2) | 0.4 | (1.1) | **(0.1)** |
| Fair Value Gain(Loss) Bio A | (3.7) | 3.0 | (0.6) | (2.7) | 0.0 | 0.0 | **(3.3)** |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 | **0.3** |
| **PBT** | **34.5** | **11.4** | **45.9** | **34.5** | **(0.9)** | **(7.6)** | **71.9** |
| Tax | (8.1) | (1.4) | (9.5) | (0.2) | (0.5) | (0.7) | **(10.9)** |
| **PAT** | 26.4 | 10.0 | 36.4 | 34.2 | (1.3) | (8.3) | **61.0** |
| **PAT w/o Bio A** | 29.3 | 7.7 | 36.9 | 36.8 | (1.3) | (8.3) | **64.2** |
| *% ownership* | *57.5%* | *100.0%* | | *61.9%* | *100.0%* | *100.0%* | |
| **PATMI** | 13.3 | 9.3 | 22.5 | 21.2 | (1.2) | (8.2) | **34.4** |
| **Core PATMI** | 15.0 | 6.9 | 21.9 | 16.9 | (1.2) | (8.2) | **29.4** |

***Notes:***

- *Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia*
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# Thank You

