

20 November 2014

Announcements Officer
ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Listed Company Relations
NZX Limited
Level 2, NZX Centre
11 Cable Street
WELLINGTON
NEW ZEALAND

Goodman Fielder Limited 2014 Annual General Meeting – Managing Director’s Presentation

I attach the Managing Director’s presentation which will be delivered to shareholders at the Annual General Meeting today.

The attached document will be available on Goodman Fielder’s website once released to the market.

Yours sincerely,



SARA GOLDSTEIN
Company Secretary

GOODMAN FIELDER LIMITED
ANNUAL GENERAL MEETING 2014

20 November 2014

2014



Disclaimer and basis of preparation



DISCLAIMER

This presentation is provided for information purposes only. The information contained in this presentation is not intended to be relied upon as advice to investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider their own individual investment and financial circumstance in relation to any investment decision.

Certain statements contained in this presentation may constitute forward-looking statements or statements about future matters that are based upon information known and assumptions made as of the date of this presentation. These statements are subject to risks and uncertainties. Actual results may differ materially from any future results or performance expressed, predicted or implied by the statements contained in this presentation.

Unless otherwise indicated, any market share information contained in this presentation is sourced from Aztec.

BASIS OF PREPARATION

Normalised EBIT, Normalised EBITDA and Normalised NPAT are non-IFRS measures that reflect, in the opinion of the Directors, the ongoing operating activities of Goodman Fielder in a way that appropriately presents its underlying performance. The non-IFRS underlying profit measures exclude restructuring expenses, profits or losses from sale of businesses and assets, asset write-downs and impairments and realised foreign exchange losses.

Agenda

- Overview of FY14 financial results
 - Performance by division
 - Factors impacting performance
- Progress on our strategy and core businesses
- Our values driving our business
- Outlook for FY15



Overview of FY14 financial results



Revenue growth from improvement in power brands in Baking & recovery in Fiji

Improved product mix/pricing in Baking; Improvement in Fiji Poultry

Revenue
\$2.2b

↑ 3%

Challenging trading conditions, significant increase in commodity costs impacts margins and earnings

Record increase in raw milk price; higher A\$ wheat price

EBIT¹
\$150.7m

↓ 19%

Significant items impact reported results

Non-cash impairments, loss on sale of divested businesses and restructuring costs leads to reported loss

NPAT¹
\$63.1m

↓ 17%

Financial position remains strong

Credit metrics continue in line with investment grade

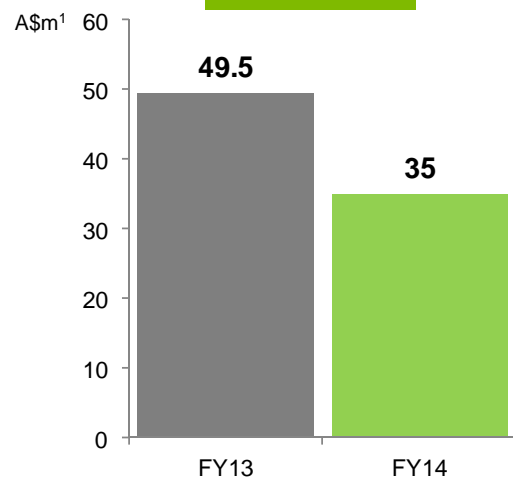
Full year dividend

2 cents

(1) Normalised from Continuing Operations. Excludes significant items

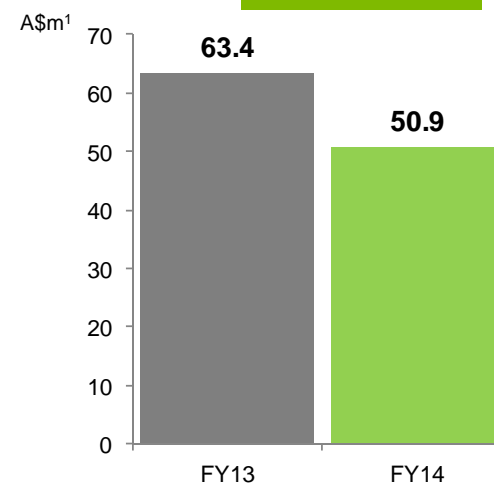
Performance by division

Baking



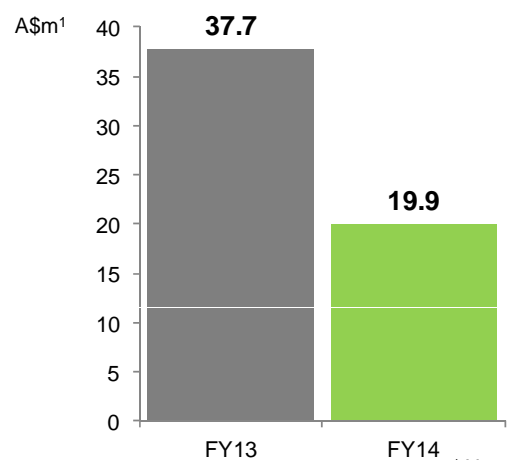
- Higher A\$ wheat and logistics costs impact margins

Grocery



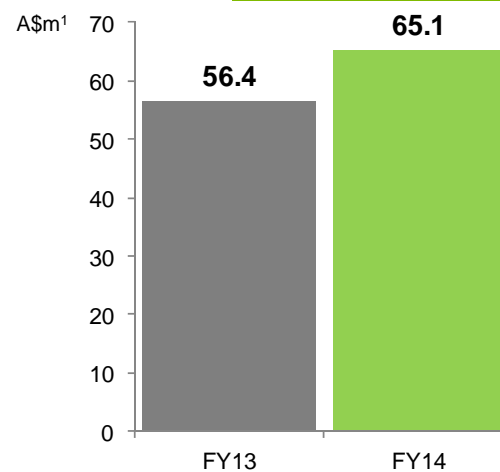
- Challenging markets put pressure on pricing/volume

Dairy



- Record increase in farmgate milk price in NZ

Asia Pacific



- Successfully resolved issue in Fiji Poultry

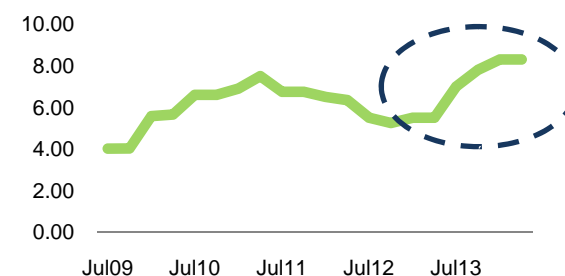
¹ Normalised EBIT from Continuing Operations. Excludes significant items

Factors impacting performance

Commodity Cost Pressure

- Farmgate milk price in NZ up 57% during the year – unable to fully recover through retail pricing
- Higher A\$ wheat price due to drought conditions – impacts earnings in Aust Baking

Farmgate Milk Price NZ\$ per KG/s



Spreads

- Lack of ranging of new products in Spreads and underperformance of brand (MeadowLea Heart Plus and Buttery) impacted Grocery (Aust) earnings



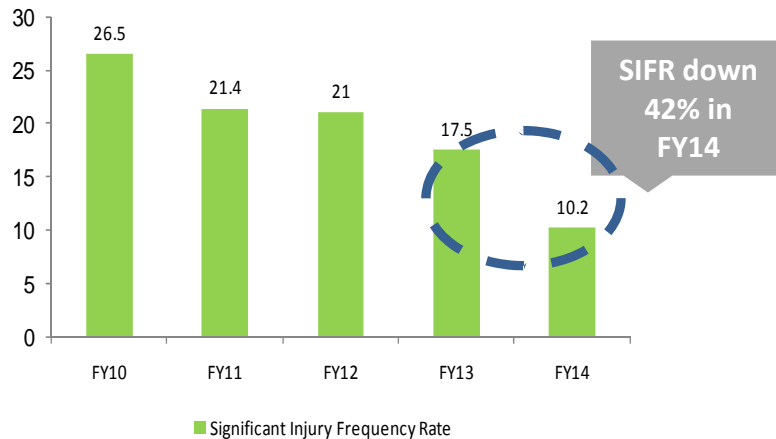
Reliability issues in Supply Chain

- Reliability issues in baking supply chain resulted in higher freight and logistics costs across network to maintain customer service levels
- Reliability issues negate anticipated lower manufacturing/unit cost savings

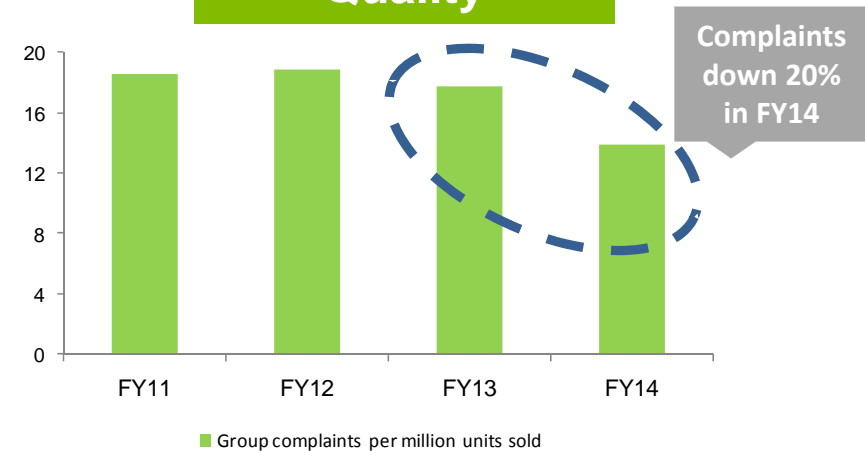


Progress on strategy – continued improvement in key fundamentals

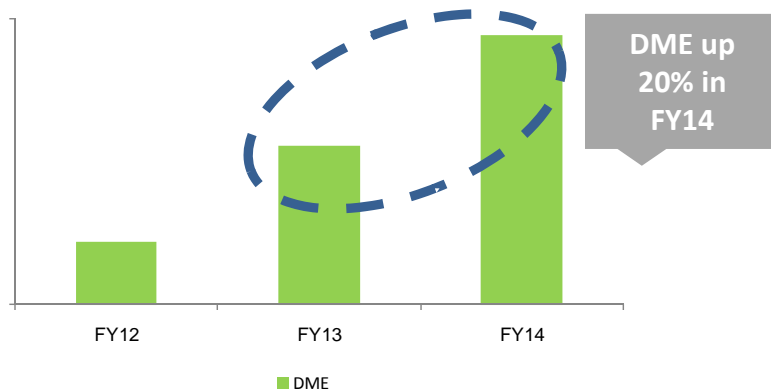
Safety



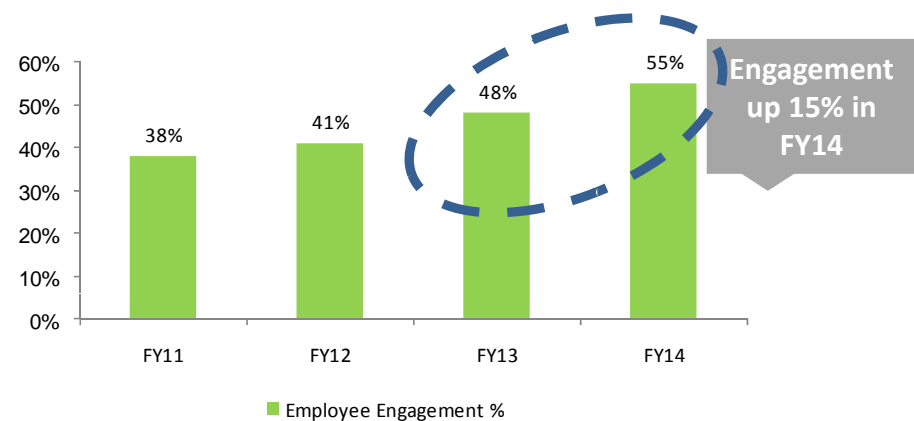
Quality



Marketing Investment



Staff Engagement



Progress made in core businesses

Growth in Baking Top Line

- Arrested sales decline with Baking revenue up 3%



Market leadership Dressings & Mayo

- Reversed declines in Dressings & Mayo through product/consumer innovation



Harnessing UHT Opportunity

- \$25m investment to expand UHT capacity at Christchurch

Re-launch of Meadow Fresh brand

- Successfully re-launched Meadow Fresh brand in NZ



Recovery of Fiji Poultry

- Poultry volumes up 16% in FY14

Our values driving our business



In the community



- We provided \$3.8m in product and community donations in FY14
- The GF Cares Trust in NZ and our support for Foodbank and Open Family Australia provide much needed support to feed the hungry
- Our people donate their time to help support our charitable partners

In the environment



- Our energy efficiency improved by 11% and our greenhouse gas emissions reduced by 8% in FY14
- We reduced our waste to landfill by 12% and now use recycled PET in our packaging
- We started sourcing Certified Sustainable Palm Oil (CSPO) - over 80% of Palm Oil used in our branded products in Australia/NZ is mass balance CSPO



Outlook remains consistent with commentary provided at FY14 results announcement:

Market conditions remain competitive

- Baking and Grocery markets (Aust/NZ) remain challenging from competitor and private label competition
- Carefully assessing introduction of discounted private label bread in Australia and New Zealand
- Reduction in farmgate milk price expected to assist in earnings improvement in NZ Dairy business

Continued reinvestment in R&D/Innovation to drive core category growth

- Further increase in marketing and innovation spend to strengthen brand equity and category growth
- Strengthened NPD pipeline with new products launching in Spreads, Baking Mixes, Flour, Baking

Focus on strengthening our competitive position

- Organisational restructure in 4th qtr FY14 provides a more cost efficient and streamlined structure
- Engagement with major customers on key issues of improving daily fresh delivery model, new product development and consumer insights

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