our homegrown food company

Goodman Fielder Limited
ABN 51 116 399 430

T2, 39 Delhi Road North Ryde NSW 2113 Australia
Locked Bag 2222 North Ryde NSW 2113 Australia
Tel: 61 2 8899 7000 Fax: 61 2 8026 4200
www.goodmanfielder.com.au

29 August 2011

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

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

Goodman Fielder Limited – Presentation to Analysts - 2011 Results

I attach a Presentation to Analysts in connection with the 2011 financial results of Goodman Fielder Limited.

The attached document will be posted to the Company's website once released to the market.

Yours sincerely,

JONATHON WEST
Company Secretary

goodman fielder

our homegrown food company

FY11 Result,
Update on Strategic Review

goodman fielder
our homegrown food company

Agenda

- Results Overview – Chris Delaney
- Group Financial Performance – Neil Kearney
- Segment Results – Neil Kearney
- Strategy Review Update – Chris Delaney
- Analyst Day (17 November 2011)
- Q&A – Chris Delaney / Neil Kearney

goodman fielder
our homegrown food company

FY11 Results
Chris Delaney, CEO

Overview

The Issue: Unacceptable earnings performance

- NPAT (after impairment): $166.7m loss
- NPAT (before impairment): $133.3m (vs. $161.1m FY10)

- Challenging external environment
  - Floods and cyclones in Australia; two earthquakes in New Zealand
  - Weakening consumer confidence
  - Commodity cost increases
- Weakened volume trends in H2 FY11, especially in Baking
  - Private Label discounting led to contraction of branded bread in H2
  - Delistings in major supermarket and discount customers
- Management response was ineffective
  - Baking did not adjust to the changing market conditions early enough

goodman fielder
our homegrown food company

Overview (cont'd)

- GF has significant issues that we need to address
  - Division and category prioritisation
  - Coordination between Divisions
  - Insufficient innovation, and under-resourced to exploit
  - Despite size, no scale advantage
- Increased urgency and intensity of our response
  - Re-plan of current year to address unacceptable performance
- Strategic Review
  - Reset priorities in Group
  - Restructure business model

goodman fielder
our homegrown food company

Group Financial Results
Neil Kearney, CFO

Group Financial Performance

- Volume decreases and cost increases across Baking, Dairy and Home Ingredients
- Baking lower average pricing
- Higher interest costs were due to:
  - Amortisation costs
  - Higher rates as new facilities replaced pre GFC facilities
- Adverse impact of currency translations

A$m	FY11	FY10	Change
Revenue	2,556.2	2,660.1	-3.9%
EBITDA (Reported)	356.7	385.3	-7.4%
EBITDA (Normalised)	359.5	399.6	-10.0%
Interest expense	(101.4)	(86.5)	+17.2%
Tax expense	(46.5)	(71.7)	-35.1%
NPAT (Reported)	(166.7)	161.1	-203.5%
NPAT (Normalised) (1)	135.2	183.5	-26.3%

(1) See following slide for EBITDA and NPAT reconciliation

EBITDA and NPAT Reconciliation

- One off events to normalise EBITDA and NPAT:
  - Restructuring costs incurred in Baking, Dairy and Corporate
  - Impairment Charge: following slide

A$m	FY11	FY10
EBITDA (reported)	**356.7**	**385.3**
Asset sales	-	0.7
Restructure costs	2.8	8.5
Transaction costs	-	5.1
EBITDA (normalised)	**359.5**	**399.6**
NPAT (reported)	**(166.7)**	**161.1**
Asset sales	-	0.7
Restructure costs	1.9	6.0
Transaction costs	-	3.6
Impairment charge	300.0	-
NZ DTA write-offs	-	12.1
NPAT (normalised)	**135.2**	**183.5**

Impairment Charge

- $300m Baking Impairment:

  - $250m Australia

  - $50m New Zealand

- Resulted from earning slippage and margin pressure (mostly Australia) began Q3 FY11, continued into FY12
- Baking carrying value (goodwill and brands) now $766m (post impairment)

goodman fielder
our homegrown food company

Forex Impacts

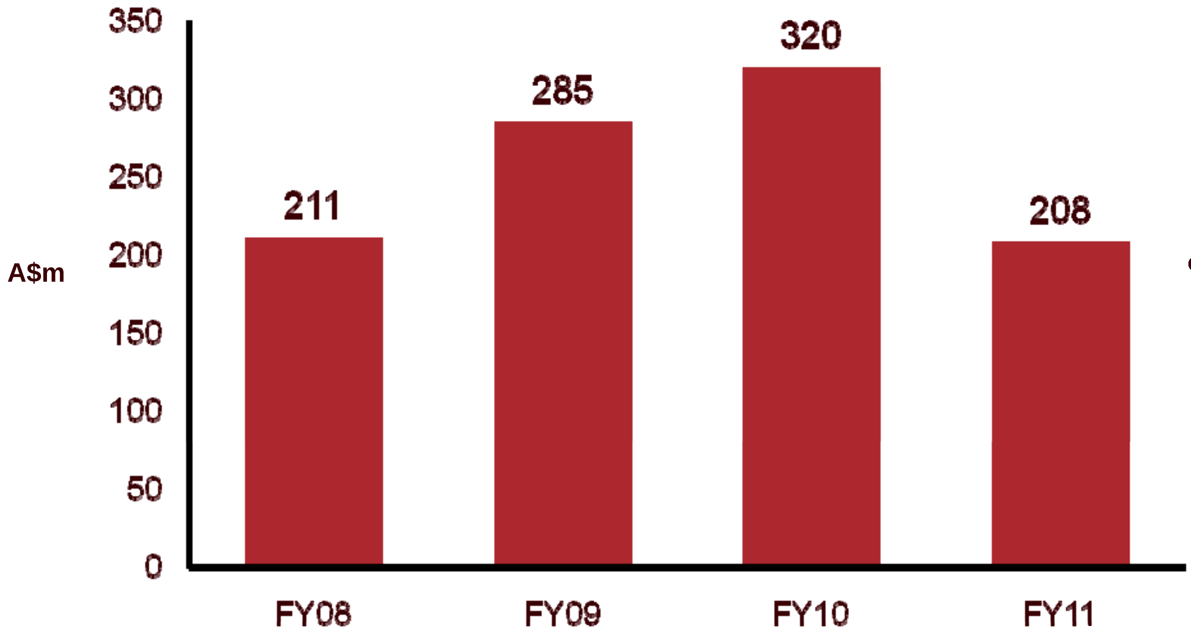
Adverse currency translation negatively impacted Revenue by $77m and EBITDA by $14m

REVENUE A$m	**Reported**	**Constant Currency (FY10 FX rates)**	**Adverse FX Impact**
Baking (1)	1,023.3	1,037.9	(14.6)
Home Ingredients (1)	477.6	480.8	(3.2)
Dairy (1)	422.5	442.2	(19.7)
Asia Pacific (2)	299.2	337.3	(38.1)
Integro Foods (1)	333.6	334.9	(1.3)

EBITDA A$m	**Reported**	**Constant Currency (FY10 FX rates)**	**Adverse FX Impact**
Baking (1)	130.5	132.8	(2.3)
Home Ingredients (1)	96.0	96.8	(0.8)
Dairy (1)	51.1	53.6	(2.5)
Asia Pacific (2)	58.5	67.0	(8.5)
Integro Foods (1)	40.3	40.4	(0.1)

(1) AUD:NZD
(2) AUD:USD AUD:FJD AUD:PGK

Operating Cash Flow



- Operating cash flow remains strong albeit below recent years
- Adverse impacts were:
  - EBITDA decline
  - Higher interest costs
  - Higher tax paid

Balance Sheet

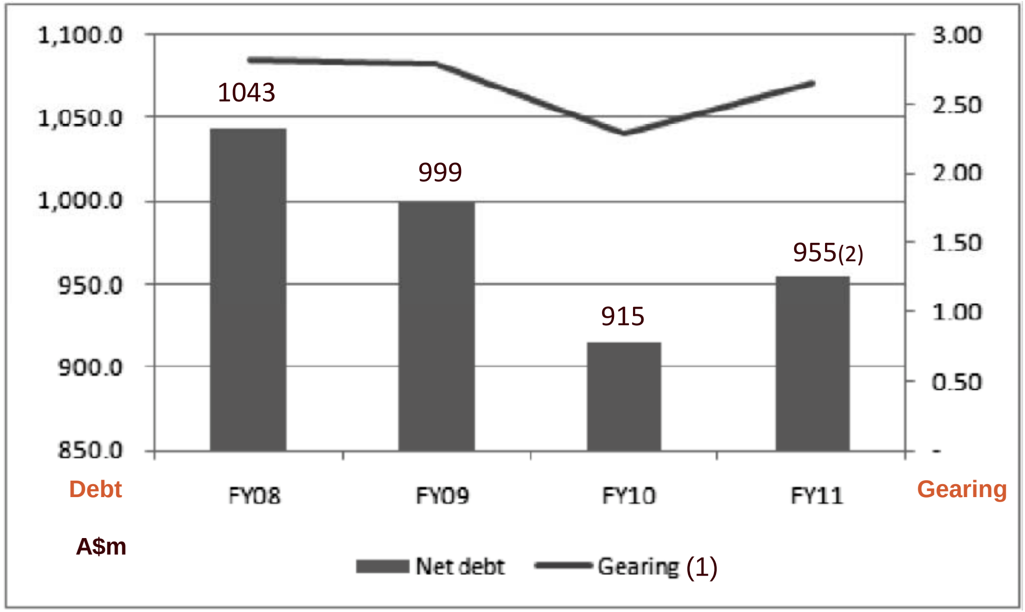
- Net assets impacted by $300m impairment charge to Intangibles
- Inventory higher due to higher costs and shipment timing (Integro)
- Net debt effectively increased by $39m to $955m after excluding $71m unrealised gain (1)

(1) Net debt (gain) and derivative financial instruments (loss) in FY11 include $71m unrealised foreign exchange relating to the revaluation of the Company's US dollar private placement debt

Balance Sheet A$m	**FY11**	**FY10**
Working Capital	129.3	125.1
Property, plant and equipment	608.3	602.5
Intangibles	1,571.2	1,906.1
Net tax assets	33.4	41.1
Net debt (1)	(883.5)	(915.5)
Derivative financial instruments (1)	(104.9)	(32.8)
Provisions	(65.5)	(64.8)
Other	12.0	6.3
Net assets	**1,300.3**	**1,668.0**

Net Debt, Gearing and Interest Cover

- Committed debt facilities at 30 June 2011 of $1.2bn (2)
- Debt and gearing increase reflect the impact of earnings and cash flow decrease
- Interest cover (3) has declined from 4.45 times to 3.71 times



(1) Gearing: Net Debt/EBITDA – times

(2) FY11 Net Debt and committed debt facilities excludes $71m unrealised foreign exchange gain

(3) Interest Cover: EBITDA/Interest - times

Dividend

- The dividend target of 80% payout of normalised NPAT has been maintained
- The dividend reinvestment plan will be 100% underwritten with a 2% discount.

A$m	FY11	FY10
Interim	5.25c	5.25c
Final	2.50c	5.50c
Total DPS	7.75c	10.75c
Payout Ratio	80%	92%

goodman fielder
our homegrown food company

Segment Results
Neil Kearney, CFO

goodman fielder

our homegrown food company

Baking

- Solid first half
- Difficult second half:
  - Volume reduction
  - Price decrease
  - Increase in commodity costs
  - Retailer private label discounting
- Adverse currency translation ex New Zealand
- Ongoing impact of Christchurch earthquakes
- Cash flow impacted by earnings decline

A$m	FY11	FY10	Change
Revenue	1,023.3	1,065.9	-4.0%
EBITDA	130.5	164.8	-20.8%
EBITDA Margin	12.8%	15.5%	-2.7pts
Free Cash Flow	128.0	172.9	-26.0%

goodman fielder
our homegrown food company

Home Ingredients

- Volume slightly down, margin increase, cash flow improvement
- Second half negative impacts:
  - Higher costs
  - Lower average prices

A$m	FY11	FY10	Change
Revenue	477.6	496.8	-3.9%
EBITDA	96.0	96.4	-0.4%
EBITDA Margin	20.1%	19.4%	+0.7pts
Free Cash Flow	106.0	87.4	+21.3%

goodman fielder
our homegrown food company

Integro

- Improved business mix
- +44% EBITDA
- Commodity cost volatility
- Cash flow negatively impacted by higher inventory level

A$m	FY11	FY10	Change
Revenue	333.6	350.7	-4.9%
EBITDA	40.3	27.9	+44.4%
EBITDA Margin	12.1%	8.0%	+4.1pts
Free Cash Flow	17.3	36.9	-53.1%

goodman fielder
our homegrown food company

Dairy

- Impact of earthquakes in Christchurch
- Volume declined as H1 prices increased to recover higher input costs
- H2 cost increase recovery challenged after major competitor froze pricing
- Adverse currency translation
- Cash flow negatively impacted by earnings decline

A$m	FY11	FY10	Change
Revenue	422.5	441.1	-4.2%
EBITDA	51.1	60.3	-15.3%
EBITDA Margin	12.1%	13.7%	-1.6pts
Free Cash Flow	45.4	79.6	-43.0%

goodman fielder
our homegrown food company

Asia Pacific

- Strong performance in local currency basis
  - Strong consumer demand for flour (PNG) and chicken (Fiji)
- Increasing dairy exports ex New Zealand to Asia
- High AUD adversely impacted earnings - $8.5m

A$m	FY11	FY10	Change
Revenue	299.2	305.6	-2.1%
EBITDA	58.5	57.8	+1.2%
EBITDA Margin	19.6%	18.9%	+0.7pts
Free Cash Flow	58.3	57.7	+1.0%

goodman fielder
our homegrown food company

Strategy Review Update

Chris Delaney, CEO

goodman fielder

our homegrown food company

First 50 Days

- Initial review of each business in terms of relevance, performance and capacity for growth
- Engaged with staff, customers, suppliers and shareholders
- Set ground rules for Strategic Review to establish direction for each business unit
- Implemented early actions to address urgent issues
  - Replan of Baking Division to restore lost margin
  - Commenced project to deliver scale in operating divisions
  - Developed new executive remuneration plan to emphasise group results and TSR

goodman fielder
our homegrown food company

Why did we underperform?

- Lack of a strategic focus in the portfolio
  – Divisions competing for resources with no clear prioritising parameters
- Strategic planning process and structure contribute to a silo mentality
  – Isolated decisions, rather than an enterprise wide mindset
  – Very difficult for customers to engage and partner with GF
- We have size but not scale
  – Five independent operating divisions do not optimise cost structure
  – Structural inefficiency robs precious gross margin needed for brand building
- Over promised and under delivered
  – Leads to low customer and employee engagement

goodman fielder
our homegrown food company

What happened in Baking?

- Challenging operating environment
  - Increasing commodity prices and currency translation impacts
  - Private Label retail price declines, leading to category deflation
  - Pricing pressure resulted in delistings of product lines from major supermarkets and discount customer ranges
  - Reduced branded promotion frequency, led to widening price gap vs. private label
- Additional burden put on Baking due to increasing overheads, marketing and research expenses
- Significant resources spent on projects with poor shareholder returns
- Volume decline in H2, which accelerated in Q4, created “a perfect storm”

goodman fielder
our homegrown food company

Action in Baking – Restore lost Margin

- Overhead restructure (July 2011)
  - $11M cost-out via elimination of layers in selling and finance
- Leadership change
  - CEO personally leading Baking until replacement is on board
- F’12 Operating Re-plan
  - Marketing/Trade spend optimisation
  - Value re-engineering
  - SKU optimisation
  - Capital spend re-prioritisation
- Re-engagement with Key Customers
  - Supply chain optimisation
  - Artisan start up and branded sales opportunities

At its Core, Goodman Fielder is an Attractive Business…

- We lead in a number of large, growing categories
- Quality and relevant brands
- Significant product development, manufacturing and selling capabilities from which to innovate
- Long standing customer relationships with room to create joint value
- Opportunity to innovate and create value with our brands
- Talented people who want to win

goodman fielder
our homegrown food company

…But a Step Change is Required

- Strategy development and execution can (and will) be fixed
  - Action near-term priorities that deliver improved performance
  - Remain committed to strategic agenda, balancing resources short/long-term
  - Improved focus on results delivery
- Implement new planning process to enable prioritising of resources and innovation across the Group
  - Portfolio review to create clear priorities and actions
- Improve engagement and alignment with key customers and suppliers
  - Make it easier to do business with Goodman Fielder

goodman fielder
our homegrown food company

Three Paths to Unlock Value

Portfolio Prioritisation

- Where to Play / How To Win
- Innovate to Grow

Group Structure Renewal

- Overhead Efficiency
- Enterprise wide planning
- One face to the customer / Size into scale

Operations and Supply Chain Optimisation

- Supply Chain Re-design
- Manufacturing Optimisation

goodman fielder
our homegrown food company

Structural Renewal: Project Renaissance

Multi-year program:

1. Align and energise leadership
2. Prioritise portfolio
3. Assess merits to move from product-based to geographic operating divisions
4. Innovate to deliver meaningful growth and revenue re-generation

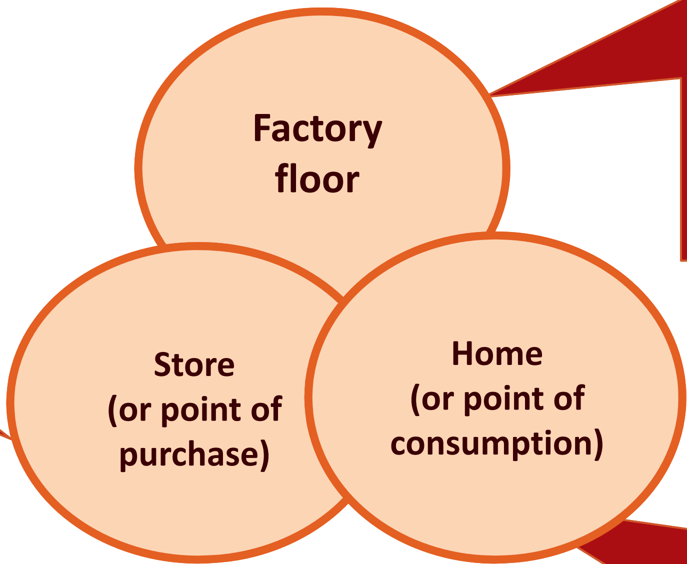
goodman fielder
our homegrown food company

Three Golden "Moments" when value is created (or destroyed)

Are we structured to maximise value?

"Where the product becomes a brand"

- Customer Partnership - Joint Value Creation
- Shopper Insight
- Consumer & Shopper Marketing
- Packaging
- In Store Merchandising
- Pricing & Promotion



"Where ingredients and design become a product"

- Consumer & Shopper insight
- Product Development
- Procurement & Supplier Development
- Engineering & Operations
- Quality

"Where the brand is consumed and the promise is kept (or broken)"

- Delivered **on** brand promise or disappointed consumer?
- Taste
- Texture
- Nutrition
- Freshness
- Loyalty

Today: Silo Structure
GF HQ: Direction & Finance

ANZ Baking

Baking (AUS)
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

Baking (NZ)
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

Milling (NZ)
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

ANZ Home Ingredients

Home Ingredients (AUS)
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

Home Ingredients (NZ)
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

NZ Dairy

Dairy / Meat
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

Asia Pacific

Home Ingredients Poultry Commercial
Integrated
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

ANZ Integro

Integro
- R&D
- Manufacturing
- Pricing
- Marketing
- Distribution

Assess Future Vision:
Integrate for Efficiency & Effectiveness

GF HQ: Group Strategy, Finance, Portfolio Management, Procurement, Shared Services

AUSTRALIA
P&L Leadership +
Markets/Channel Management
(Integrated selling, warehousing, logistics, engineering, safety)

- Baking
- Home Ingredients

NZ
P&L Leadership +
Markets/Channel Management
(Integrated selling, warehousing, logistics, engineering, safety)

- Baking
- Home Ingredients
- Dairy

APAC
P&L +
MARKETS / CHANNEL MANAGEMENT

- HI Poultry Commercial

Integro
P&L +
MARKETS / CHANNEL MANAGEMENT

- Integro

MILLING NZ

Key Benefits

- Organise around “Three Golden Moments” to maximise value
  - Great Products, Great Brands, Promises Kept
- Efficiency:
  - Scale benefits from shared services
  - Elimination of duplications
  - Integrated P&L oversight
- Effectiveness
  - Easier to do business with Goodman Fielder
  - Turns size into scale in the market
  - Leverages knowledge and capability enterprise wide

goodman fielder
our homegrown food company

Three Paths to Unlock Value

Portfolio Prioritisation

Where to Play / How To Win

Innovate to Grow

Group Structure Renewal

Overhead Efficiency

Enterprise wide planning

One face to the customer / Size into scale

Operations and Supply Chain Optimisation

Supply Chain Re-design

Manufacturing Optimisation

goodman fielder
our homegrown food company

Step Change Program

Stabilise & Plan
Portfolio Analysis
Renaissance
(Phase I)

FY12

Restructure / Build Momentum
Renaissance (II)
Manufacturing
& Supply Chain
Optimisation

FY12 / FY13

Reinvest / Accelerate Growth / New Revenue Streams
Innovation,
Optimisation
Corp Development

FY14 onward

goodman fielder
our homegrown food company

Questions still to be answered

1. What is the size of the prize?
2. How quickly can the vision be implemented?
3. What are the portfolio priorities?
4. What are the skills and capabilities needed?
5. What is our innovation plan to drive sustainable growth?

goodman fielder
our homegrown food company

Analyst Day 17 November 2011

Agenda

- Update on Strategy Review
  - Preliminary Portfolio Analysis & Prioritisation
  - Project Renaissance Update
  - Future year(s) project definition

- Meet leadership team

goodman fielder
our homegrown food company

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.

Any market share information contained in this presentation is sourced from Aztec.

goodman fielder
our homegrown food company

Q&A

goodman fielder
our homegrown food company

goodman
fielder
our homegrown food company