

3 May 2012

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

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

Goodman Fielder Limited – Macquarie Australia Conference Presentation

I attach a copy of a presentation which will be delivered today at the Macquarie Australia Conference in Sydney by Chris Delaney, Managing Director and Chief Executive Officer of Goodman Fielder Limited.

Yours sincerely,



JONATHON WEST
Company Secretary



goodman
fielder

our homegrown food company

Macquarie Australia Conference May 2012

Disclaimer

DISCLAIMER

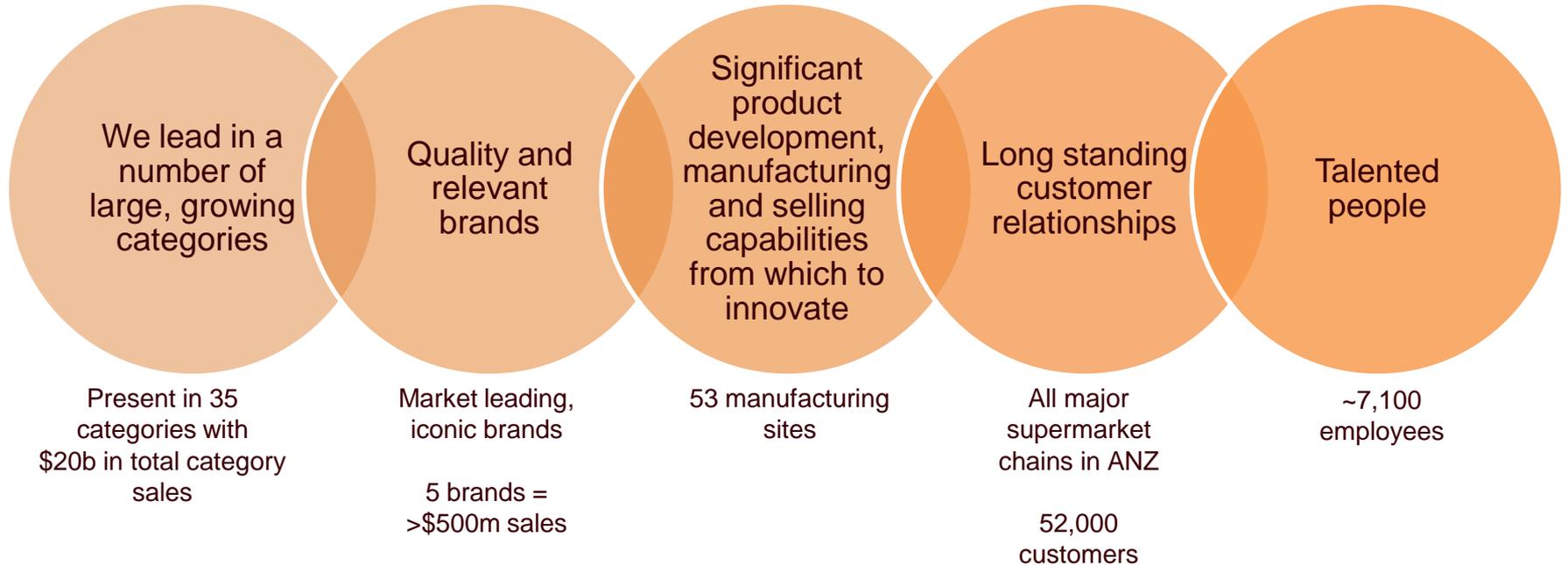
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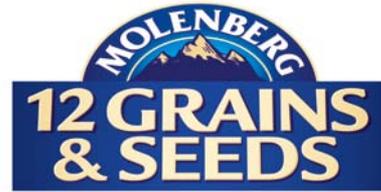
Goodman Fielder: Industry Leader

At its core, Goodman Fielder is an attractive business



Work is underway to leverage these benefits to restore our earnings

Goodman Fielder: Portfolio of Iconic Brands



So what went wrong?

The “Perfect Storm” hit in H2 FY11



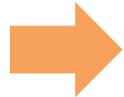
Challenging external environment

- Severe retail price competition
- Floods, cyclones, earthquakes



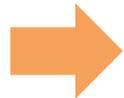
Weakened volume trends

- Including product de-listings
- Share losses to private label (\$1 Bread introduced in July)



Margin decline

- Commodity cost increases
- Increased overheads and depreciation
- Declining Net Average Selling Price due to competitive pricing



Diversified versus focused food company

- Five independent operating divisions
- Size, but no scale

The Journey So Far

FY12 - First half performance

July 2011 - First day on job

Aug 2011 - FY11 earnings – \$166m net loss (incl. \$300m Impairment of Baking Division)

Sep 2011 - \$259m capital raising

Nov 2011 - Refinancing \$500m in long term debt

Feb 2012 - FY12 half year results – normalised EBIT, before significant items, of \$114m, down 37% (pcp)

Initial Focus

Understand Root Causes / Stabilise the business

- Restore organisation and investor confidence
 - FY12 guidance: EBIT range, before significant items, expected to be \$230m to \$245m – subject to trading conditions
- Develop a plan to not only stop the decline, but restore earnings and growth

Initial Priorities

Stabilise business

Energise and
strengthen the team

Strengthen the
balance sheet

Conduct a strategic
review

Strategic Plan

Strategic Planning – Five Key Areas of Focus

Portfolio Prioritisation

- Key brands and non-core assets identified

Group Structure Renewal

- New operating model and management team

Operations and Supply Chain Optimisation

- Supply Chain re-design
- Manufacturing optimisation

People / Organisation

- Strengthen senior team
- Re-engaged organisation

Cost Base

- Ensure low cost production status protected
- Project Renaissance - \$100m cost out

Strategic Planning - Key Themes

Business re-engineering advanced and on track

Significant capital management activity this fiscal year

- Balance sheet strengthened, successfully refinanced debt / executed capital raising in difficult market conditions
- No FY12 interim dividend to maintain financial flexibility – dividend policy to be re-assessed at the full year

Strategic Plan progressing and is on track – remains a medium to long term project

- Portfolio prioritisation ongoing
 - Divestment of Integro / NZ Milling businesses progressing
 - Re-focus company against core categories / brands
- Organisational Restructure complete and on track; we have completed the transition to the new market / category structure across the business
- Finalising plans in relation to Manufacturing & Supply Chain benefits

Encouraging indicators for Project Renaissance

- Confirming \$100m in savings by 2015; Phase I savings on track to deliver \$40m by FY13
- Headcount reduction on track – expected to deliver \$20m of ongoing savings by end FY12

Strategic Planning - Key Portfolio Priorities

Five retail categories represents ~ 75% of earnings¹

Power Brands



'Power': Large, category leading brands. Invest to grow; primary innovation support

Core Brands



'Core': Important brands that are leaders in sub-categories or regional markets. Receive important, but secondary innovation priority

Nurture for growth

Artisan Bread



'Nurture': Future growth engines receiving funding and innovation as appropriate to their growth trajectory

8 Note 1. denotes Earnings Before Interest & Taxes.

Strategic Planning - Portfolio Prioritisation

Integro and NZ Milling - divestment / partnership process progressing

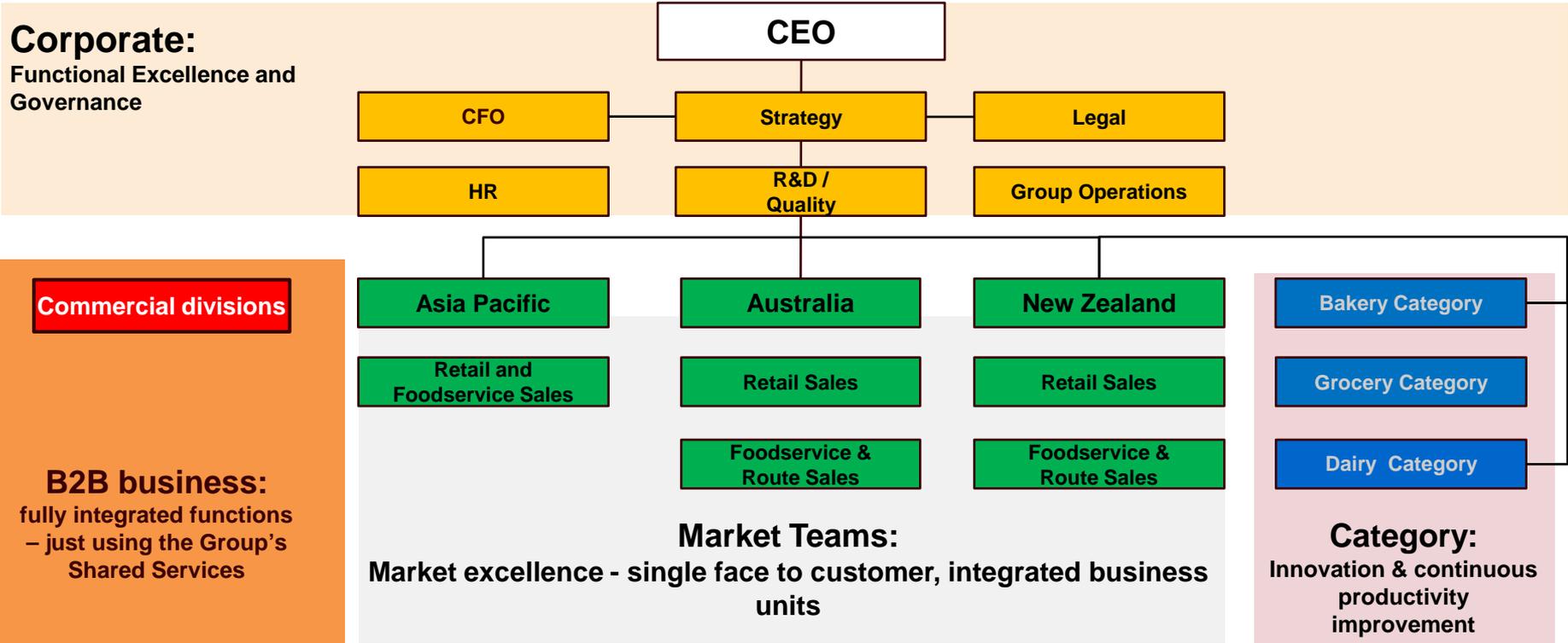
- Strong interest in both businesses, based on indicative offers received
- Processes expected to be finalised by July / August
- Attractive, good performing businesses, but non-core to Goodman Fielder
- No timing imperative or pressing need to transact in relation to the non-core assets
 - agreement to divest will only be pursued if it optimises shareholder value

Further work underway on balance of portfolio

- FY13 Strategic Plan to incorporate core category / brand focus
 - Restore sustainable capital, DME and staffing levels against core categories / brands
- Balance of non core brands under review for role in portfolio and appropriate investment level
 - Assess potential for divestment to reinvest against core

Strategic Planning - New Operating Model

Deliver execution excellence in market with industry leading innovation



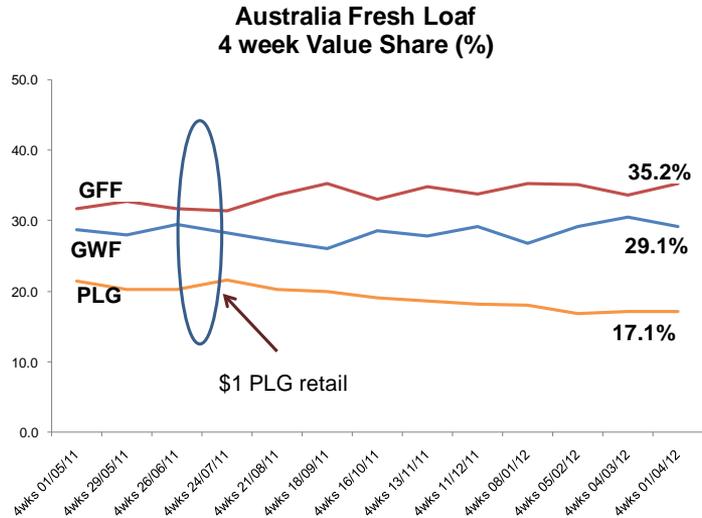
Strategic Planning - Project 'Renaissance'

Costs-out program – delivering early benefits

	Identified & Plans in Place (FY12 / FY13)	Work Plans in Progress (FY13 / FY14)	Savings Targeted (FY14 / FY15)
Ongoing Savings	\$40m	\$25m	\$35m
Restructuring Costs ¹	\$33m	\$20m - \$25m	TBD
Key Projects	Baking Australia overheads Project Tower (470 FTE reduction to date)	Manufacturing & Supply Chain Optimisation (Phase I)	Manufacturing & Supply Chain Optimisation (Phase II)

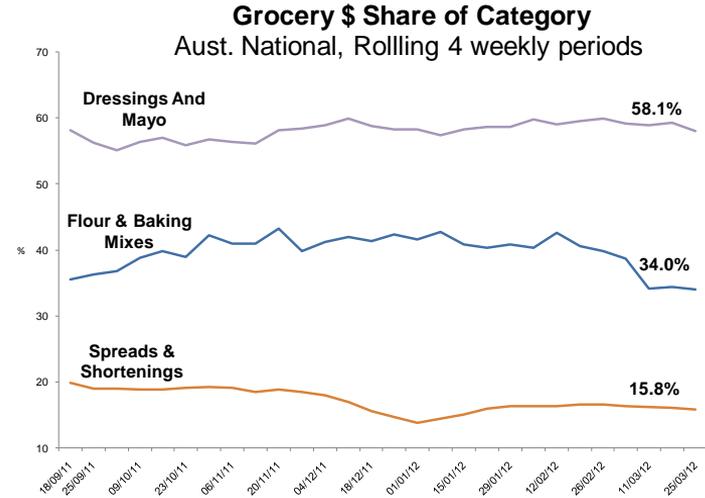
- \$60m in supply chain / operations project underway
 - Plans include Baking redesign, and the associated benefits on the baking supply chain from portfolio prioritisation
 - Plans to be complete before financial year end. Will announce as ready

Market Conditions - Australia



Market share – Bakery Australia

- GF Fresh Loaf Proprietary share increased to 35.2% versus last month 33.6%. The launch volumes from GWF 'The One' have tapered off.
- GF has led the recovery in Proprietary bread share from \$1 bread introduction, with Private Label share down 4 pts vs. high.

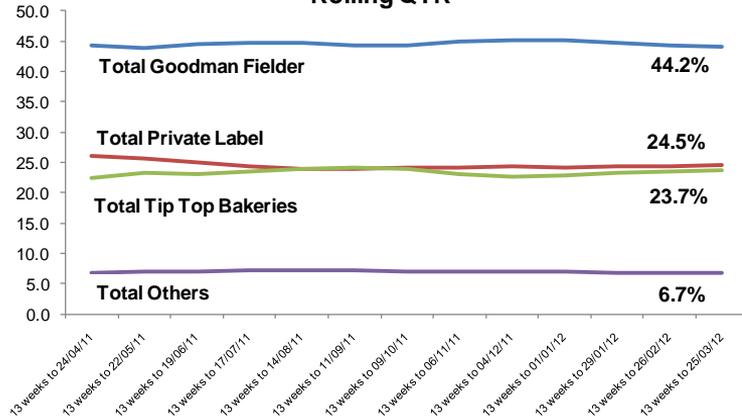


Share of category – Grocery Australia

- Tough trading conditions, with increased competition and pressure due to retailer range reviews.
- GF growth flat against minimal market growth at +1%.
- Dressings & Mayonnaise activation plan resulting in GF +13.5% vs. market at 5.6%.
- Cake mix continues solid growth on the back of ranging and distribution wins (+26.1% vs. market at +6.6%).
- Flour challenged by Private Label growth, decline has stabilised in recent quarter.

Market Conditions - New Zealand

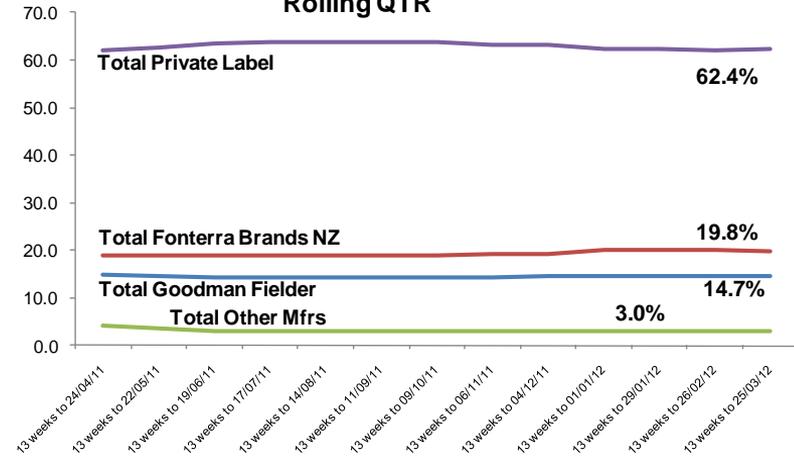
**Market Share Fresh Bake
Rolling QTR**



Market share – Baking New Zealand

- Freshbake shares have been relatively stable with a small decline in total Freshbake share. Largest contributors were bakery small goods and specialty breads.
- Loaf share remains relatively stable despite competitor new product support.

**Market Share Fresh Beverages Milk
Rolling QTR**



Market share – Fresh Dairy New Zealand

- Dairy categories are flat to slight growth.
- GF shares relatively stable with some downward pressure on branded milk and specialty cheese.

Market Conditions - Asia Pacific

- Business has delivered strong growth over the past 5 years (earnings almost doubled over the period).
- Business is still performing well and on budget.
- Pacific businesses (Papua New Guinea and Fiji) are strong and well placed to continue to grow.
- Asia presents good long term growth prospects.



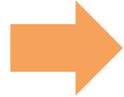
Restoring Earnings Performance

Restoring Earnings Performance



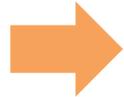
Challenging external environment expected to continue

- Engaging customers and suppliers to reinvent Goodman Fielder



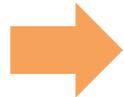
Improved Volumes

- Reversing share losses to Private Label & Proprietary competitors via strengthened advertising, pricing and innovation
- Restored / expanded brand listings



Reversing Margin Declines

- Overheads reduced
- Baking redesign will improve manufacturing fixed costs and warehouse & distribution costs
- Improved commodity pricing



Restore Free Cash Flow

- Improve cash via improved earnings, inventory & receivable management
- Disciplined capital management



Focused Food Company

- Single Country leadership / Category Innovation Teams

Q&A



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