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13 February 2013

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Goodman Fielder Limited Analyst Briefing – Results for the period ended 31 December 2012

I attach a copy of the Analyst Briefing to be presented today in connection with the financial results of Goodman Fielder Limited for the half year ended 31 December 2012.

The Analyst Briefing will be posted to Goodman Fielder's website once released to the market.

Yours sincerely,

JONATHON WEST Company Secretary GOODMAN FIELDER LIMITED
HALF YEAR ENDED 31 DECEMBER 2012

RESULTS PRESENTATION

13 February 2013



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 realised foreign exchange losses.

'Like for like' normalised EBIT is a non-IFRS profit measure that, in the opinion of the Directors, reflects a measure that allows more appropriate comparison between the reporting periods. The measure is based on Normalised EBIT adjusted for: the reduced contribution of the Integro business and Copperpot (Dips) sold in the period; the non-renewed Mission Foods wraps contract; tolling margin payable for commercial oils since the Integro divestment; and increased marketing investments and provision for incentives.

KPMG has undertaken a set of agreed procedures to agree that certain historical financial information contained in this presentation corresponds to the underlying Goodman Fielder financial information. These procedures do not constitute a review or an audit.

Agenda



Overview

Group Results Segment Results Strategic Update

Outlook

Overview Chris Delaney, Chief Executive Officer

Group Results
 Shane Gannon, Chief Financial Officer

Segment Results Shane Gannon

Strategic Update Chris Delaney

Outlook Chris Delaney



Overview Group Segment Strategic Outlook Update

1. Overview

Results summary



Overview

Group

Segment Results Strategic Update

Outlook

Reported Net Profit After Tax of \$51.0m - increase of 137%

- Includes gain on Integro sale and significantly lower restructure costs
- Reflects lower net interest expense from strengthened balance sheet
- Earnings per share up 86% to 2.6 cents per share
- Further increase in Asia Pacific earnings, improvement in NZ Dairy demonstrates diversity of group earnings

Normalised earnings reflect increased reinvestment in marketing and provision for staff incentives in first half

- Normalised EBIT down 17% includes \$10m increase in Direct Marketing Expenditure (DME)/provision for staff incentives
- Like for like' Normalised EBIT in line with previous corresponding period (Adjusted for reduced contribution of the Integro and Copperpot businesses sold in the period; non-renewed Mission Foods wraps contract; tolling margin payable for commercial oils since the Integro divestment; and increased marketing investments and provision for incentives see slide 13)

Focus on capital management results in further strengthened financial position and resumption of dividend at full year

- Net debt reduced by 35% to \$498m with significantly improved credit metrics
- Improved cash generation net free cash flow up 81% to \$150m
- Stronger financial position and greater confidence about sustainability of earnings enables Board to reintroduce dividend policy for final dividend, subject to trading conditions – 50-80% of NPAT

Continued delivery of key milestones of Strategic Plan

- Improved alignment with retail partners results in price increases related to 'cost to serve' model in Baking; price increases in (Baking/Grocery Australia/NZ) to recover input cost inflation
- Project Renaissance ahead of schedule to achieve \$100m in annualised cost savings by FY15
- Non core divestments provide greater focus of funding and resources on core categories
- Commenced reinvestment in branded core category innovation to drive top line growth
- Improvement in staff engagement

Results at a glance



Overview Reported – from Continuing* & Normalised** – from Continuing & **Discontinued Operations Discontinued Operations** Reported result includes Normalised result excludes **EBITDA EBITDA** gain on Integro sale and 13% gain on Integro sale and \$138.2m \$128.4m restructure costs restructure costs Reflects significantly lower **EBIT** 25% **EBIT** restructure costs in 'Like for like' EBIT in line with **1HFY13** pcp (slide 13) \$105.1m \$95.3m Reflects lower net interest Strong lift in NPAT reflects **NPAT NPAT** expense from strengthened 137% higher reported EBIT and balance sheet, partially offset \$51.0m \$41.2m lower net interest expense by lower EBIT **EPS** Significantly improved reported EPS on pcp 2.6c

Achievements in first half



Overview **Objectives** Results Strengthened financial position with significant net debt reduction and improved **Further strengthen** credit metrics financial position Strong focus on capital management results in net free cash flow up 81% to \$150m Implement pricing Improved alignment and dialogue with retail partners leads to successful to reflect "cost to agreement to implement price increases related to cost to serve model and 2 serve" in Baking recovery of input costs in Bakery Price increases in Grocery in Australia and NZ December 2012 **Divest non-core** Further progress in refocusing the business on core categories – Integro, businesses Copperpot sold, NZ Milling sale to be finalised in February 2013 Continuing to progress further divestment opportunities in FY13 Sustainable cost Ahead of schedule to achieve \$100m in annualised savings by FY15 structure - Project 4 Significantly reduced restructure costs in first half Renaissance Proiect Renaissance cost savings being used for reinvestment across the Commence business - DME up 38% on pcp reinvestment for 5 Investment in new category and innovation teams to drive branded innovation sustainable growth across core brand portfolio People / Completion of new senior executive team with final key appointments 6 **Organisation** Improved staff engagement – employee engagement increased Incentives for staff upon delivery of financial results to retain key talent

Building a more diversified earnings stream





Australia

- Significant progress being made to address challenging retail market conditions:
 - Improved alignment with Retail Partners – 'cost to serve' price increases in Baking
 - Price increases to recover input costs in Baking / Grocery
- DME up 38% on pcp to support core brands across categories
- Fixed Overheads down 17% from continued strong cost control
- Bakery turnaround continuing
 - 3 factory closures
 - 160 SKUs removed
- Earnings weighted to 2nd half

- Gross Margin up 3% on pcp, partially offset by 48% increase in DME
- EBITDA in line with pcp
- Improvement in ROCE reflects earnings performance and improved working capital management
- Price increases implemented at end of first half expected to assist second half performance



Overview Group Segment Strategic Outlook Update Outlook

2. Group Results

Financial results summary



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Reported* 1HFY13				
A\$m	Continuing Operations	∆ vs. pcp	Discontinued Operations	Δ vs. pcp
REVENUE	1,080.6	(5%)	91.5	(40%)
EBIT	84.9	15%	20.2	104%
NPAT	34.5	127%	16.5	162%
Normalised 1HFY13				
A\$m	Continuing Operations**	Δ vs. pcp	Discontinued Operations***	Δ vs. pcp
EBIT	84.0	(17%)	11.3	(10%)
NPAT	33.0	(3%)	8.2	(9%)

- Continuing operations exclude:
 - the Integro business sold on 2 October 2012
 - NZ Milling business (transaction expected to be completed February 2013)
- Both divestments classified as discontinued operations

^(**) Normalised for Continuing Operations excludes gain on asset sales of \$5.3m (1HFY12: \$nil) and restructuring costs (\$4.4m) (1HFY12: \$23.6m)

^(***) Normalised for Discontinued Operations excludes gain on business sale \$11.5m (1HFY12: \$nil), restructuring costs (\$0.3m) (1HFY12: \$2.8m), and provision for asset sales (\$2.3m) (1HFY12: \$nil)

Financial results summary



Group Results

Reported* from Continuing & Discontinued Operations					
A\$m	1HFY13	1HFY12	% ∆		
REVENUE	1,172.1	1,288.0	(9%)		
EBITDA	138.2	117.9	17%		
EBIT	105.1	83.8	25%		
NPAT	51.0	21.5	137%		
EPS (cents)	2.6c	1.4c	86%		
Significant Items					
A\$m					
Pre Tax	9.8	(30.5)	132%		
Post Tax	9.8	(21.4)	146%		
Normalised** from Continuing	& Discontinu	ed Operatio	ns		
A\$m					
EBITDA	128.4	148.4	(13%)		
EBIT	95.3	114.3	(17%)		
NPAT	41.2	42.9	(4%)		

- Reported EBIT up 25% reflects significantly reduced restructuring costs vs. pcp
- Strong increase in Reported Net Profit After Tax (up 137%) and Earnings Per Share (up 86%)
- Pre Tax Significant Items include
 - Gain on Integro sale \$11.5m
 - Profit from sale of other assets \$5.3m
 - Restructuring costs (\$4.7m)
 - Provision for asset sale NZ Milling (\$2.3m)
- Normalised EBIT (1HFY13) includes \$10m increased DME/provision for staff incentives and 3 months' Integro vs. 6 months in pcp
- Normalised NPAT includes benefit of reduced net interest expense offset by lower EBIT
- Underlying Effective Tax Rate of 20.1% vs. 25.5% in рср

Significant Items



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Significant Items from Continuing & Discontinued Operations				
A\$m	1HFY13	1HFY12		
Gain on Integro Sale	11.5	-		
Profit on sale of assets	5.3	-		
Provision for asset sale	(2.3)			
Restructure costs	(4.7)	(26.4)		
Unrealised FX losses		(4.1)		
Total Significant Items Pre Tax	9.8	(30.5)		
Tax on Significant Items		9.1		
Total Significant Items After Tax	9.8	(21.4)		

- After Tax Significant Items \$9.8m
- Gain on Integro Sale
- Profit on sale of assets include:
 - Sale of Copperpot Dips business
 - Sale of snacks plant (PNG)
- Provision for asset sale relates to costs associated with NZ Milling divestment
- Significantly lower restructuring costs compared to previous corresponding period in line with previous market announcements
- Tax payable on Integro divestment and other asset sales balanced by tax credit for restructure costs

Financial results summary

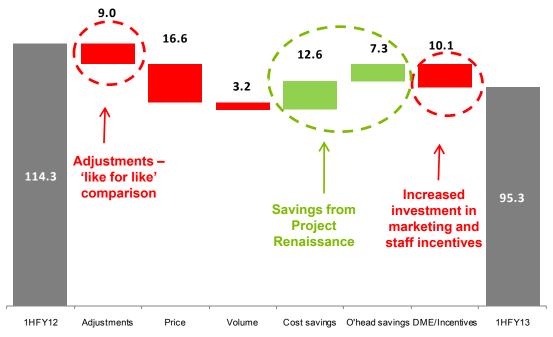


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Normalised EBIT* A\$m



- 'Like for like' normalised EBIT in line with pcp (see slide 36 - Appendix)
- In line with strategic plan, benefits of cost savings being partially reinvested in increased DME and provision for staff incentives
- Adjustments for 'like for like' comparison:
 - 3 months' Integro contribution (\$3.3m)
 - Non renewed Mission foods wraps contract in 1HFY13 (\$3m)
 - Copperpot (Dips) EBIT (\$1m)
 - Tolling margin payable re commercial oils in 1HFY13 from Integro divestment (\$1.7m)
- Price mostly related to lower milk pricing in NZ and also lower pricing in Baking (Australia)
 price increases implemented late in first half in Baking
- Volume/mix primarily lower volumes in Baking (Australia) and Grocery (Australia)
- Cost Savings/Overhead reduction represents continued cost out initiatives under Project Renaissance from overhead reduction and efficiency gains

Project Renaissance ahead of target



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Original Schedule

Identified & Plans in Place (FY12 / FY13)

Work Plans in Progress (FY12 / FY14) Savings Targeted (FY14 / FY15)

Ongoing Savings	\$40m	\$25m	\$35m
Restructuring Costs	\$33m	\$20m - \$25m	TBD
Key Projects	Baking Australia Overheads NZ restructure	Manufacturing & Supply Chain Optimisation (Phase I)	Manufacturing & Supply Chain Optimisation (Phase II)

Updated Schedule – ahead of target

Project (A\$m)	FY12	FY13	FY14	FY15
Overhead savings	19.5	27	30	35
Manufacturing and Supply Chain Initiatives	3.5	26	50	53
Procurement Savings		3	10	12
TOTAL (Cumulative)	23	56	90	100
Costs to Achieve (A\$m)	FY12	FY13	FY14	FY15
Cash	46	~5	TBD	TBD
Non - Cash	16	<5	TBD	TBD
TOTAL	62	<10	TBD	TBD

- Project Renaissance is ahead of schedule to achieve \$100m savings by FY15
- Expect to generate additional ~\$16m in cost savings in FY13 on top of \$40m annualised savings achieved in FY12
- Minimal restructure costs (\$4.7m) in first half per previous guidance - primarily related to Baking supply chain improvements
- Major components of FY13 Savings primarily related to Baking restructure:
 - Reduced SKUs
 - Recover 'cost to serve' through distribution improvements and pricing
 - Reduced distribution costs through improved asset utilisation and more efficient contractor distribution
 - Rationalisation of manufacturing footprint

EBITDA by division



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A\$m Normalised EBITDA*	1HFY13	1HFY12	% ∆
Baking	38.4	43.1	(11%)
Grocery	36.8	44.9	(18%)
Dairy	25.5	23.6	8%
Asia Pacific	34.5	33.5	3%
Integro Foods	6.0	12.9	(53%)

- Baking lower volumes in private label, proprietary and impact of Mission Foods (wraps) contract partially offset by overhead cost reductions efficiency improvements
- **Grocery** challenging retail conditions in Australia/New Zealand requires further investment in promotion to retain share in key spreads, cake mix and biscuit categories
- Normalised EBITDA* (before corporate costs) A\$m



- Dairy Despite lower revenue, focus on better product mix and tight overhead cost control results in improved earnings in first half
- Asia Pacific further earnings increase from improved product mix and continued cost discipline
- Integro first half of FY13 includes 3 months' earnings vs. 6 months in pcp. On like for like basis – (3 months v 3 months) earnings improved on slightly higher volumes, improved margins (lower cost of sales) and reduced overhead costs

Note: (*) Normalised EBITDA excludes gain on businesses and asset sales of \$16.8m (1HFY12: \$nil), restructuring costs (\$4.7m) (1HFY12: \$26.4m), and provision for asset sales (\$2.3m) (1HFY12: \$nil)

Capital management and balance sheet

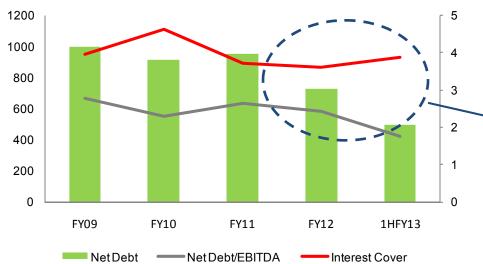


Overview

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Strategic Update Outlook

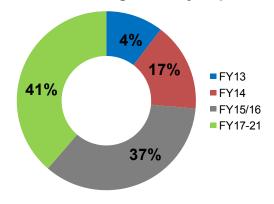
Net debt reduced by 32% from FY12



- Significant focus on capital management continues
- Net debt reduced by 32% from June 2012 (FY12) and significant improvement in credit metrics:

Metric*	1HFY13	FY12	FY11
Net Debt**	\$498m	\$728m	\$955m
Leverage Ratio Net Debt/EBITDA	1.85x	2.42x	2.65x
Interest Cover EBITDA/Net Interest	3.73x	3.61x	3.73x

Diverse funding maturity in place



- Diverse source and maturity of funding in place next tranche due July 2013 – cancelled as no longer required
- Goodman Fielder remains comfortably within covenants with enhanced financial flexibility

Capital management



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Cashflow from operations A\$m	1HFY13	1HFY12
EBITDA (reported)	138.2	117.9
Net movement in working capital	58.4	(37.5)
Other	(46.7)	2.6
Net free cash flow	149.9	83.0
Insurance proceeds		3.6
Net Interest paid	(36.0)	(50.6)
Tax paid	(0.6)	(24.5)
Cashflow from operations	113.3	11.5

Capital expenditure A\$m	1HFY13	1HFY12
Planned maintenance	13.5	20.4
Growth initiatives	8.6	11.5
Divisional capital expenditure	22.1	31.9
Corporate (including NexGen SAP upgrade)	8.7	12.4
Total capital expenditure	30.8	44.4

Cash flow from operations

- Significant improvement in net free cash flow:
 - Strong focus on working capital management including debtor management and reduced inventory levels
- Lower net interest payments reflect benefit of reduced net debt following balance sheet strengthening
- Strong increase in cash flow from operations to \$113.3m

Capital expenditure

- Lower capital expenditure in first half reflects timing and phasing of specific projects – expect increase in 2nd half
- Specific projects in second half include:
 - Continued investment in NexGen
 - Fiji Poultry expansion
 - UHT plant expansion
 - Moorebank Bakery refurbishment

Dividend Policy



Overview

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Outlook

- Prudent capital management continues to be a priority for the Board
- Primary consideration is to ensure appropriate balance of financial flexibility for group to pursue strategic agenda with providing ongoing returns to shareholders
- As advised previously, Board has revisited Dividend Policy in light of:
 - Significant progress already made to strengthen the group's financial position:
 - reduced net debt
 - improved net free cash flow
 - Achievements being delivered in strategic plan to provide more sustainable earnings outlook for the group:
 - more sustainable cost base
 - focus on core categories
- Dividend Policy is to pay 50-80% of Net Profit After Tax as dividends, subject to trading/market conditions
- Board expects to commence dividend payment to shareholders for FY13 final dividend, subject to trading conditions and market outlook
- FY13 dividend is expected to be unfranked (Australia); without imputation credits (NZ)



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3. Segment Results

Baking



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Outlook

A\$m, unless otherwise stated	1HFY13	1HFY12	% ∆
Volumes (m units)	292.8	296.2	(1%)
NASP (A\$)	1.64	1.65	(1%)
Revenue	480.6	490.1	(2%)
EBITDA Normalised (*)	38.4	43.1	(11%)
EBITDA Margin (*) (%)	8.0%	8.8%	(9%)
Free Cash Flow	33.6	16.1	109%
Capital Expenditure	12.1	22.1	(45%)

- Baking market remains very challenging continued impact of private label pricing and instore baking on proprietary brands in addition to pressure of rising input costs
- Expect improvement in second half performance from price increases implemented in Nov/Dec 2012 reflecting cost to serve model (Australia) and input cost recovery (Australia/NZ)
- Volume declines reflect lower private label and proprietary volumes (Australia) – NZ volumes steady
- Lower revenue reflects reduced volumes (Australia) and lower price in first half – expected to be mitigated in 2nd half
- Product mix improved with higher volumes in premium branded Chilled and Artisan Bread
- Normalised EBITDA impacted by lower volumes, impact of non-renewed Mission Foods wraps contract and higher labour and other input costs, partially offset by significant overhead cost reduction and improved manufacturing and line-haul efficiencies
- Free cash flow significantly improved through effective working capital and lower restructure costs

Update on Baking pricing



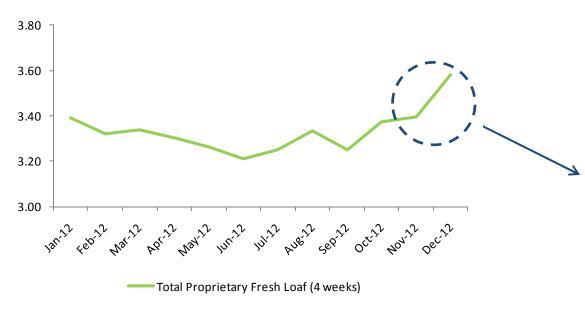
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Total Fresh Loaf Proprietary Rolling Monthly ASP – Australia (A\$)



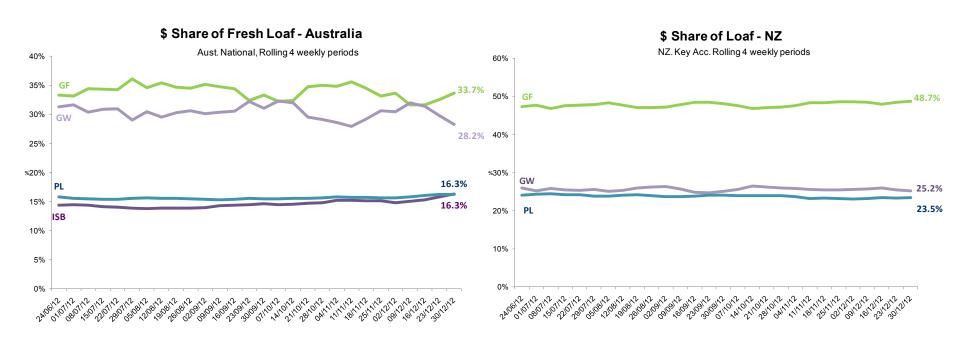
- Price increases in proprietary baking products implemented in Nov/Dec 2012
- Australia GF price increases reflect 'cost to serve' model and recovery of input cost inflation (ex commodities)
- Since November 2012 average sale price for proprietary Freshbake up ~8% vs. average sale price Jan-October 2012*
- New Zealand price increases implemented in Dec 2012 – expect to see impact in January/February 2013

*Source: AZTEC Scan Data, Grocery

Baking share



Overview Group Segment Strategic Outlook Update



- Goodman Fielder continues market leadership for fresh loaf despite highly competitive promotional environment
- Private label market share steady around 16%
- Increased share for Helga's, Country Life and Mighty Soft

- Goodman Fielder share of fresh loaf relatively stable in first half
- Continued solid contribution from launch of new Vogel's Gluten Free range

Source: AZTEC Scan Data, Grocery Source: AZTEC Scan Data, Grocery 22

Grocery



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A\$m, unless otherwise stated*	1HFY13	1HFY12	% ∆
Volumes (m units)	131.6	144.0	(9%)
NASP (A\$)	1.98	1.97	1%
Revenue	260.8	283.7	(8%)
EBITDA Normalised (**)	36.8	44.9	(18%)
EBITDA Margin (**) (%)	14.1%	15.8%	(11%)
Free Cash Flow	59.3	29.4	102%
Capital Expenditure	2.8	2.2	27%

- Grocery market remains difficult, (esp Australia) with increased competition from proprietary brands and private label
- Challenging market in Australia required investment in price and promotion to maintain share in key product categories (spreads, cake mix and biscuits)
- Volumes reduced (Australia) from range reductions, increased mix pressure from private label and competitors (e.g. spreads, flour, dressings & mayo). Lower Volumes in NZ (loss of PL flour contract)
- Lower revenue reflects investment in price and promotion to mitigate lower volume pressures
- Despite lower revenue, gross margin % steady from strong focus on cost containment; NZ gross margin improved
- Normalised EBITDA impacted by lower volumes and oneoff cost of product recall in Biscuits (November) partially offset by overhead reduction, stringent cost control and improvements in operating efficiency
- Price increases implemented in Dec 2012 (Australia/NZ)
- Second half to benefit from price increases and core category innovation

Notes: (*) 1HFY13 and 1HFY12 Includes the Out of Home category which was previously included in the Integro division

(**) Represents EBITDA before restructuring costs as per note 2 'segment information' in the 31 December 2012 Half Year Financial Report

Grocery share

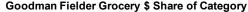


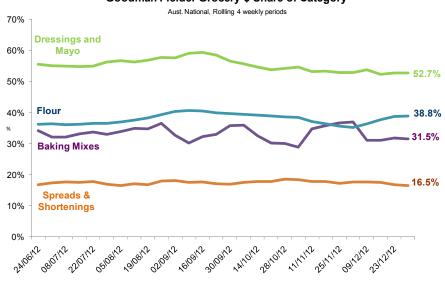
Overview

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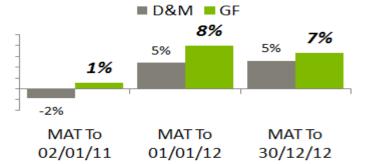
Outlook





- Spreads –regaining share in last quarter following aggressive competitor activity earlier in year. Branded innovation plans to be implemented in 2nd half
- Dressings and Mayonnaise slight dip in market share following strong performance in previous year – GF consistently outperformed market driven by Praise deli style range
- Regaining market share in Cake mix in last quarter through strong promotional activity across all retail partners
- Strong turnaround in Flour market share towards end 2012, particularly in Independent chain – GF now performing ahead of the market

Dressings & Mayo - GF share vs. market (\$ growth)



Flour \$ Growth vs. Market /PL



Dairy



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A\$m, unless otherwise stated	1HFY13	1HFY12	% ∆
Volumes (m litres)	133.5	136.7	(2%)
NASP (A\$)	1.49	1.57	(5%)
Revenue	198.5	214.8	(8%)
EBITDA Normalised (*)	25.5	23.6	8%
EBITDA Margin (*) (%)	12.8%	11.0%	16%
Free Cash Flow	38.4	12.4	210%
Capital Expenditure	2.9	2.5	16%

- An increased performance in the Dairy division from improved product mix and disciplined cost management
- Slightly reduced volumes in milk partially offset by strong increase in Yoghurt volume (up 10%) following good market response to Meadow Fresh marketing campaign
- Milk NASP considerably lower than pcp due to declining commodity prices
- Cheese and meats impacted by lower volume and price
- Normalised EBITDA increased through improved overall gross margin and effective cost management
- DME up ~40% in first half in line with strategic plan to differentiate and premiumise milk
- Strong increase in free cash flow reflects improved earnings and lower restructuring costs

Asia Pacific



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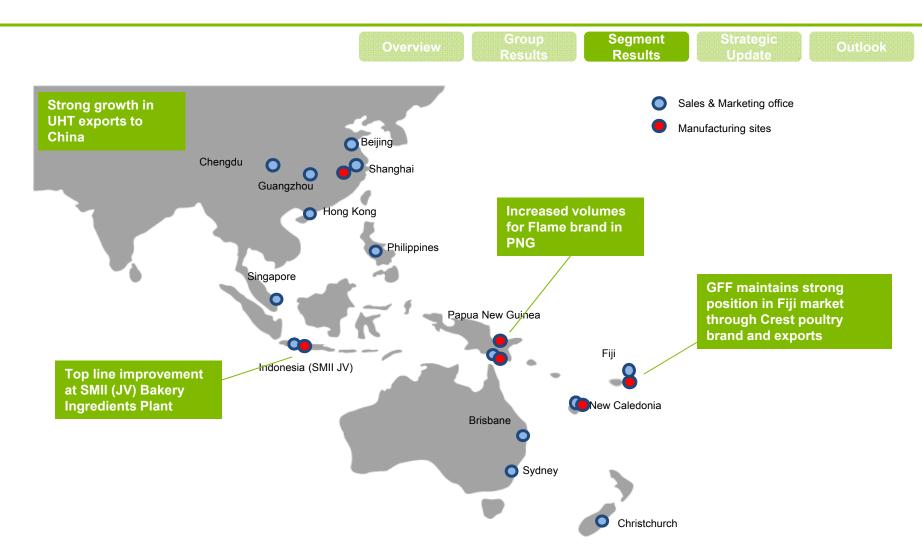
Outlook

A\$m, unless otherwise stated	1HFY13	1HFY12	% ∆
Volumes ('000 tonnes)	119.5	119.8	0%
NASP (A\$)	1.42	1.43	(1%)
Revenue	170.8	171.8	(1%)
EBITDA Normalised (*)	34.5	33.5	3%
EBITDA Margin (*) (%)	20.2%	19.5%	4%
Free Cash Flow	33.3	15.6	113%
Capital Expenditure	2.1	2.6	(19%)

- Continued growth in Asia Pacific demonstrating diversity of Group earnings beyond Australian supermarket channel and opportunities to leverage strong market presence
- Overall volumes in line with pcp with increase in white flour (PNG) partially offset by lower Poultry volumes (Fiji). Increase in UHT exports to China and Philippines
- Lower wheat costs in PNG (first quarter) impact NASP and higher discounts in bakery ingredients to drive volume
- Increase in normalised EBITDA on improved product mix, increased gross margin and cost discipline
- Increase in free cash flow driven by lower working capital and timing of inventory shipments
- Slight decrease in capital expenditure: deferral of projects to second half - upgrade to manufacturing facilities and further investment in safety initiatives

Asia Pacific







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4. Strategic Update

Progress on strategic plan



Strategic Update Goals To be the leading and most innovative local food company Vision & Shareholder **Organisation Imperatives** Restore acceptable shareholder Actively engaged employees Safety, Quality, Innovation, Efficiency returns One Goodman Fielder Strategies **Improved Portfolio** Sustainable cost **Bakery Core category** New channels & customer innovation optimisation turnaround geographies structure alignment Continued Successful Significant Successful Commenced Reinvesting progress in divestments of progress in this Proiect pricina scopina study Phase 2 of Integro and major medium Renaissance re opportunity agreement on savings - DME Project Copperpot term cost to serve to leverage Progress in 1HFY13 Renaissance (Dips) restructure increased by reflects Asian presence 38% in first half cost savings announced improved project Artisan/ISB sale of N7 dialogue and Expect to Three bakery Group R&D bakery plans Milling alignment with achieve closures - low function beina key retail additional Progressing value products established and developed partners \$16m in FY13 further outsourced resourced - on top of divestments in Commenced **SKUs** NPD plans in FY13 \$40m collaborative development rationalised by annualised in discussions on Specific project 30% targeting FY12 NPD in key in place to **2HFY13** 30 unprofitable categories Ahead of mitigate regional schedule for stranded costs distribution \$100m by routes deleted FY15

Update on Baking turnaround



	Overview	Group Segment	Strategic Outlook	
	From	Results Results To	Update Status	
Fix Cost-to-Serve	Costly deliveries to low populated regionsFull service model	 Cost to Serve right sized for incremental costs for regional/ remote areas 	 Improved retail alignment - pricing agreed with retailers and implemented Nov/Dec 2012 	
Transform Manufacturing Footprint	 Nation-wide bakery network, with low asset utilisation AU NZ Number of Bakeries 17 8 Asset Utilitisation 67% 73% 	 Strategic Mandate of Fewer, Bigger, Better Bakeries Target 85% asset utilisation 	 Closed Rockhampton, Whiteside. Cairns to close Feb 2013 Low value products (e.g. rolls) outsourced 	
Improve Distribution Model	 Largely fixed cost and inflexible supply chain Daily deliveries to all stores nationally 	 Increased flexibility through channelised distribution and outsourcing Improved line haul both internally and externally 	 30 unprofitable regional contractor routes deleted 	
Optimise Portfolio	 Broad, complex product range AU - 447 SKUs NZ - 269 SKUs 	 Efficient national core range with regionally optimised offering 	 SKUs reduced by ~30% 	

Core Category Innovation: 1st half successes



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- Significant reinvestment in Innovation to drive top-line growth in medium term
- Established new Group Innovation/NPD team supporting dedicated Category teams NPD, brand architecture, marketing comms, consumer research
- Greater alignment/collaboration with key retail partners on category planning (incl. NPD)

Baking



- Successful launch of LaFamiglia Stone baked Chilled bread range transforms garlic bread category
- La Famiglia growth of 13%, driving category growth of 4%

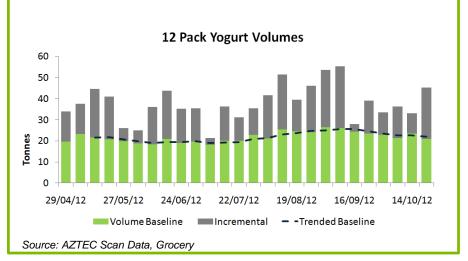
Value share of Chilled bread 65.0 60.0 55.0 50.0 45.0 40.0 35.0 30.0 25.0 20.0 01/01/12 17/06/12 02/12/12 Source: AZTEC Scan Data, Grocery

Dairy



Meadow Fresh Enriched Milk grew
 3.2% vol; Yogurt volumes (12 packs)
 up 16%





Core category innovation: 2nd half highlights



Overview

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Outlook

Spreads

 Continued marketing comms to drive health credentials



 New packaging to improve shelf impact, drive AWOP (Average Weight of Purchase) and differentiate from competitors





- NPD targeting health conscious consumers in spreads
- Leverage in-home bake healthy baking alternatives

Flour & Cake Mixes

- Brand repositioning (DME) in Flour & Cake Mix to drive brand loyalty
- Enhanced product reformulations and packaging in Cake Mix to differentiate core brand (quality and taste)
- New product releases premium cake mix, special purpose flour





Dressings & Mayo

- Marketing comms (DME) to reassert category leadership, protecting Praise brand as market leader
- New packaging to improve customer appeal and on-shelf impact to drive sales





New line extensions to complement
Praise Deli Style sandwich mayonnaise





Overview Group Segment Strategic Outlook Update

5. Outlook

Objectives for 2nd half



		Overview Group Segment Strategic Outlook Results Results
Object	bjectives Activities	
1	Further strengthen financial position	 Financial position continues to improve – net debt expected to continue to decrease in second half and continued improvements in cash flow Strengthened financial position enables resumption of dividends – Board expects final dividend in range of 50-80% of NPAT, subject to trading conditions and market outlook
2	Pricing to reflect "cost to serve" in Baking	 Price increases implemented towards end of first half to recover cost to serve and input cost inflation – expected to assist in earnings improvement in 2nd half Renegotiation of Private Label contracts
3	Further optimise portfolio	 Complete divestment of NZ Milling Feb 2013 Businesses Under Review - progress further divestment opportunities in FY13
4	Sustainable cost structure – Project Renaissance	 Cumulative cost savings of ~\$56m expected by FY13 Restructure costs (cash and non cash) not expected to be significant Reinvest in asset base to improve quality and reliability
5	Core category Innovation	 Investment in branded innovation in core categories – new packaging, comms and NPE in Spreads, Dressings & Mayo and Flour & Cake Mix Greater alignment and collaboration with retail partners on product innovation Focus on category innovation to restore medium term top line growth
6	People / Organisation	 Continued investment in our people targeting improved engagement and retention of talent Focus on group safety initiatives targeting reduction in significant incident frequency rate

Outlook



Overview

Group Results Segment Results Strategic Update

Outlook

Asia Pacific

- Continued economic growth in Asia
- Full year earnings are expected to be increased on prior year from higher volumes and continued cost discipline
- Continue to assess market opportunities to leverage strong brands and export capability

Australia

- Continued challenging retail trading conditions
 - Competitive markets
 - Rising input costs
- GF expects earnings improvement in 2HFY13
 - Price increases in Bakery / Grocery
 - Cost reduction (Project Renaissance) across manufacturing, supply chain, overheads
- Branded innovation in 2H
 - Spreads
 - Dressings & Mayo
 - Customer collaboration on NPD

New Zealand

- Challenging market conditions remain from competitive pressure, flat volumes
- GF expects earnings increase in 2HFY13 from price increases implemented late in 1HFY13 and continued cost base improvement
- Competitive position continues to improve from
 - Cost base realignment
 - New structure / staff engagement
 - Improvements in Safety / Quality

Appendix



A\$m	1HFY13	1HFY12
EBIT(reported)	105.1	83.8
Adjusted for:		
Gain on Integro sale	(11.5)	
Profit on sale of assets	(5.3)	
Provision for asset sale	2.3	
Restructure costs	4.7	26.4
Normalised EBIT	95.3	114.3
Adjusted for:		
3 months of Integro contribution	3.3	
Non renewed Mission Foods Wrap contract	3.0	
Copperpot (Dips) EBIT	1.0	
Tolling margin payable re commercial oils from Integro divestment	1.7	
Increased marketing investment and provision for incentives	10.1	
'Like for like' Normalised EBIT	114.4	114.3

