



CENTURY PACIFIC FOOD, INC.



CENTURY PACIFIC ANNOUNCES FULL YEAR 2014 RESULTS

FY 2014 Unaudited Results

- **Full year net income rose to Php1.57 billion**, a 112% increase over the Php744 million in 2013
- **Total revenues hit Php20.47 billion**, an 8% increase from the Php19.02 billion in 2013
- **Branded revenues grew by 24%**, offsetting a 29% revenue drop in the private-label export business. Pricing in private-label export is benchmarked against tuna prices, which saw a steep decline versus 2013
- **80% of Company revenues came from the branded business**, which benefitted from successful marketing campaigns, improved distribution, and a strong macroeconomic environment
- **Gross profit margin for the year was 26%**, driven by favourable costs and increased selling prices for branded products
- **Net income margin was 8%**, reflecting higher gross profits and lower financing costs
- **The Company remains debt free**, with zero interest bearing debt as of end 2014

Key Unaudited Financials

in Php Mill	2014 Unaudited	2013 Pro-Forma	Year-On-Year
Net Revenue	20,473	19,023	+8%
Cost of Goods	15,051	15,697	-4%
Gross Profit	5,422	3,326	+63%
Other Income	264	175	+51%
Operating Expense	3,413	2,415	+41%
Operating Income	2,273	1,073	+112%
Net Profit Before Tax	2,239	960	+133%
Net Income	1,575	744	+112%

Managements' Discussion

Century Pacific Food, Inc (PSE: CNPF), the largest canned food company in the Philippines, generated an unaudited net income of Php1.57 billion in 2014, a 112% increase over the Php744 million in 2013.

The Company's performance was driven primarily by the branded business, with its revenues growing by 24% year-on-year. This comes after the success of various marketing campaigns and the expansion of distribution into regional areas.

"The Philippines' economic conditions have also been favorable and the purchasing power of Filipinos has increased," said CNPF's Chief Finance Officer, Oscar Pobre.

On the other hand, revenue from private-label export declined by 29% as pricing in this business is benchmarked against the cost of tuna. Tuna prices dropped significantly in 2014.

All-in-all, the Company's unaudited revenue of Php20.47 billion was 8% higher than the previous year's Php19.02 billion. Branded products accounted for 80% of total company sales while private-label tuna exports accounted for 20%.

Lower tuna prices, plus the decline in other cost components, also led to an improvement in CNPF's profitability. Consolidated unaudited gross profit was Php5.42 billion, representing a 63% increase year-on-year and a 26% gross profit margin in 2014. The Company's net income margin also improved to 8% in 2014 versus 4% in 2013.

Pobre added, "We hope to maintain the good momentum coming into 2015. We will continue to leverage on the Company's leading brands and strong distribution network, meanwhile exploring new product categories and markets."

CNPF's full year unaudited net income translates to a Php0.75 earnings per share. The Company remains debt free, with zero interest bearing debt as of end 2014.

About CNPF

Century Pacific Food, Inc is engaged in the development, marketing, and distribution of processed fish, meat, and dairy products. Its brands, which include Century Tuna, Argentina Corned Beef, 555 Sardines, Angel, and Birch Tree, have established leading positions within their respective segments and are well-recognized by Filipinos, both locally and abroad. The Company also produces private label tuna products for export to major overseas markets.

In 2014, Century Pacific remained the Philippines' market leader in canned fish and canned meat, as well as the country's number one exporter of tuna products. The Company debuted in the local stock market last May 6, 2014 under the trading symbol CNPF.