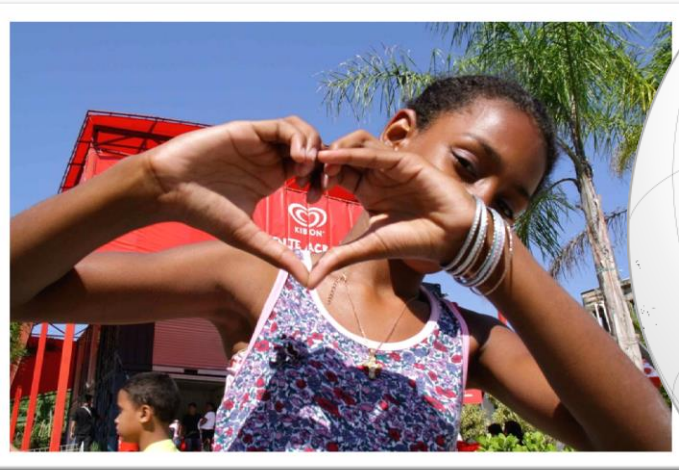


Brazil: Delivering when times get tougher



Fernando Fernandez

London 5th December 2013



Neither Paradise, Nor the Abyss !



November 2009

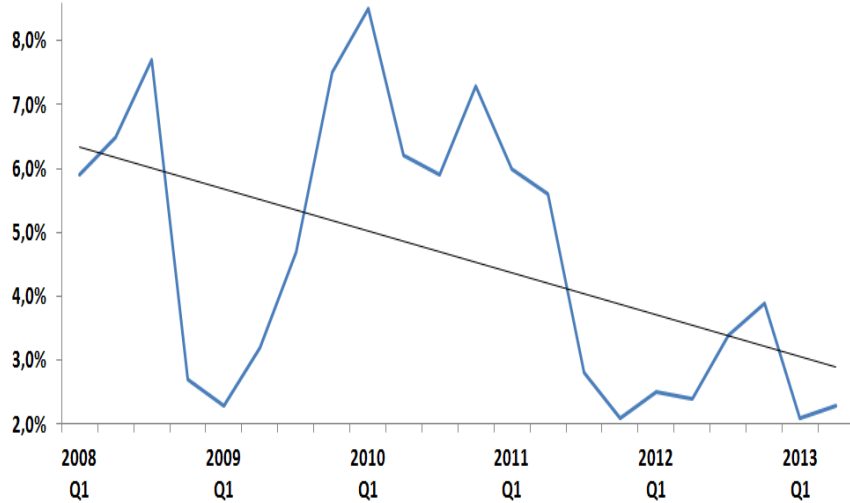


September 2013

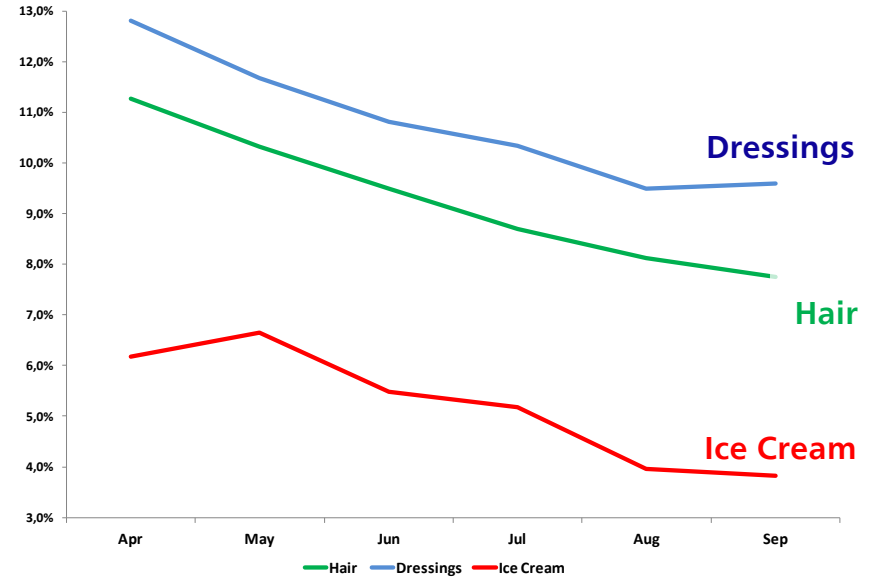
Slowdown in Consumption



Private Consumption Growth (%)



Market Value Growth (MAT %)



When markets get tougher, UB gets stronger



2012 & 2013 YTD Sep

80% Turnover
Growing
Ahead of Markets

2x growth rate
13% USG / 6.5% UVG

90% Turnover
Growing
Top and Bottom Line

Core Operating Margin
UP
+ 200 bps

Return on Assets
from
40% to 60%

FCF
at
Record High

The Performance Pillars



**Scale
and
Leading Positions**

**Brands
And
Innovation**

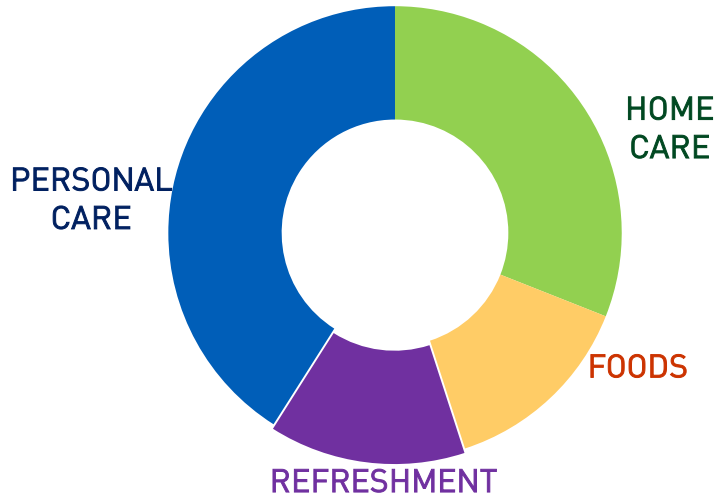
**Execution
In the
Marketplace**

**Low Cost
Business
Models**

Scale and leading positions



Well balanced Portfolio



Leadership

10 out of 12

categories

95% Turnover

In

Leading Positions

4.5 x

Relative Market Share

(weighted)

**Grow Core
to drive
Pricing Power**

**Market Development

Maxing the Mix**

**Entering
White Spaces
... successfully**

Brands and Innovation



Grow The Core

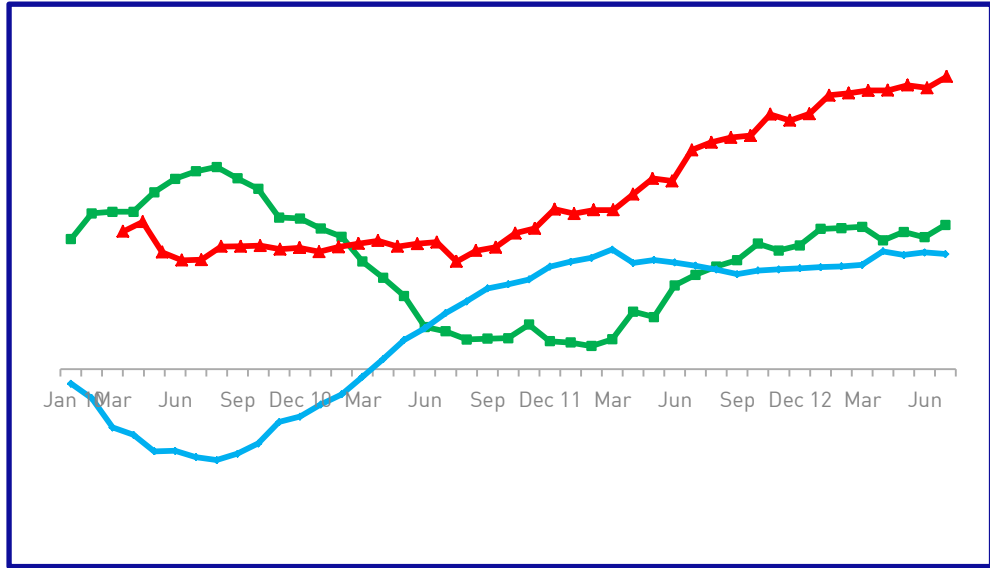
Drive Pricing Power

TOP 3 CATEGORIES
60% TURNOVER

75% of UB Growth

TOP 5 BRANDS
50% TURNOVER

75% of UB Growth



USG % **UVG %** **UPG %**

Brands and Innovation



MARKET DEVELOPMENT



HIGHEST GROWTH IN TWO DECADES

MAXING THE MIX



90% OF TURNOVER IMPROVING MIX

WHITE SPACES... SUCCESSFULLY



€ 230 m in YEAR 1

Execution in the Marketplace



**Proximity Channel
And
Fast Growing Regions**

**Expansion of
Controlled
Distribution**

**Merchandising
Productivity**

ADVANTAGE Survey

UB Ranking	2011	2013
RETAIL	5	2
DRUGSTORES	3	2

Walmart 
 Save money. Live better.
 “Supplier of the Year
 Award”



Drugstore
 Association
 “Top Supplier Award”



Supermarkets
 Association
 “Top Supplier Award”

Low Cost Business Models



**Manufacturing
and Distribution Redesign
(SE / NE)**

**Demand Volatility
and Complexity
Reduction**

**Leaner
High Productivity
Organisation**

Low Cost Business Models



Demand Volatility Reduction	2011	2013
Stocks in Trade (weeks)	5.7	4.0
Sales Phasing	20 / 80	40 / 60
Supply Chain Cost		(250 bps)

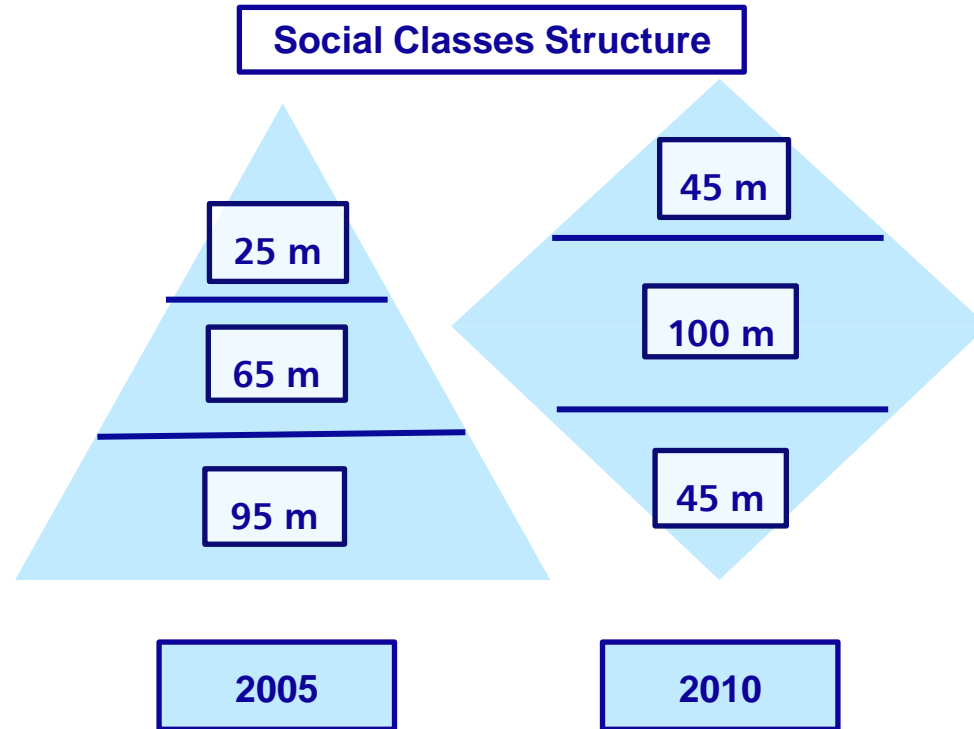
High Productivity Organisation	2011	2013
Go To Market Management	108	102
Turnover per Manager	€31 m	€41 m

32% Productivity expansion in 2 years



Looking Forward

Social transformation will drive growth



Taking our performance to the next level



Strong Core

Scale & Leadership

“Execution Machine”

Leading

purpose driven brands

“Marketing Fit to Win”

Operational Discipline

and Simplification

“Project Half”

Infrastructure Ready

(IT, Manufacturing,

Distribution, Talent)

Sizeable

White Spaces

Management

“born”

In VUCA context

Brazil: Delivering when times get tougher



Thank you

