



VITASOY INTERNATIONAL HOLDINGS LIMITED

vitasoy®
Vitasoy International Holdings Limited

vitasoy®

Interim Results

FY2006 - 2007

4th December 2006

vitasoy®



Disclaimer

In addition to historical information, this presentation contains forward-looking statements with respect to the results of the operations and business of Vitasoy. These forward-looking statements represent Vitasoy's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

Vitasoy International Holdings Limited



Financial Highlights

(Six Months ended 30th September)

	2006	2005	Change
● Turnover (HK\$'M)	1,326	1,262	+5%
● Gross Profit (HK\$'M)	779	742	+5%
● EBITDA (HK\$'M)	183	173	+6%
● EBIT (HK\$'M)	129	118	+9%
● Net Profit (HK\$'M)	100	91	+10%
● Basic Earnings per Share (HK Cents)	9.9	9.1	+9%
● Dividend per Share (HK Cents)	2.8	2.8	-



Financial Highlights

(Six Months ended 30th September)

	2006 HK\$'M	2005 HK\$'M
● Capital Expenditure	40	23
● Depreciation	54	56



Financial Highlights

Balance as at
30th Sept 2006 31st Mar 2006
HK\$'M HK\$'M

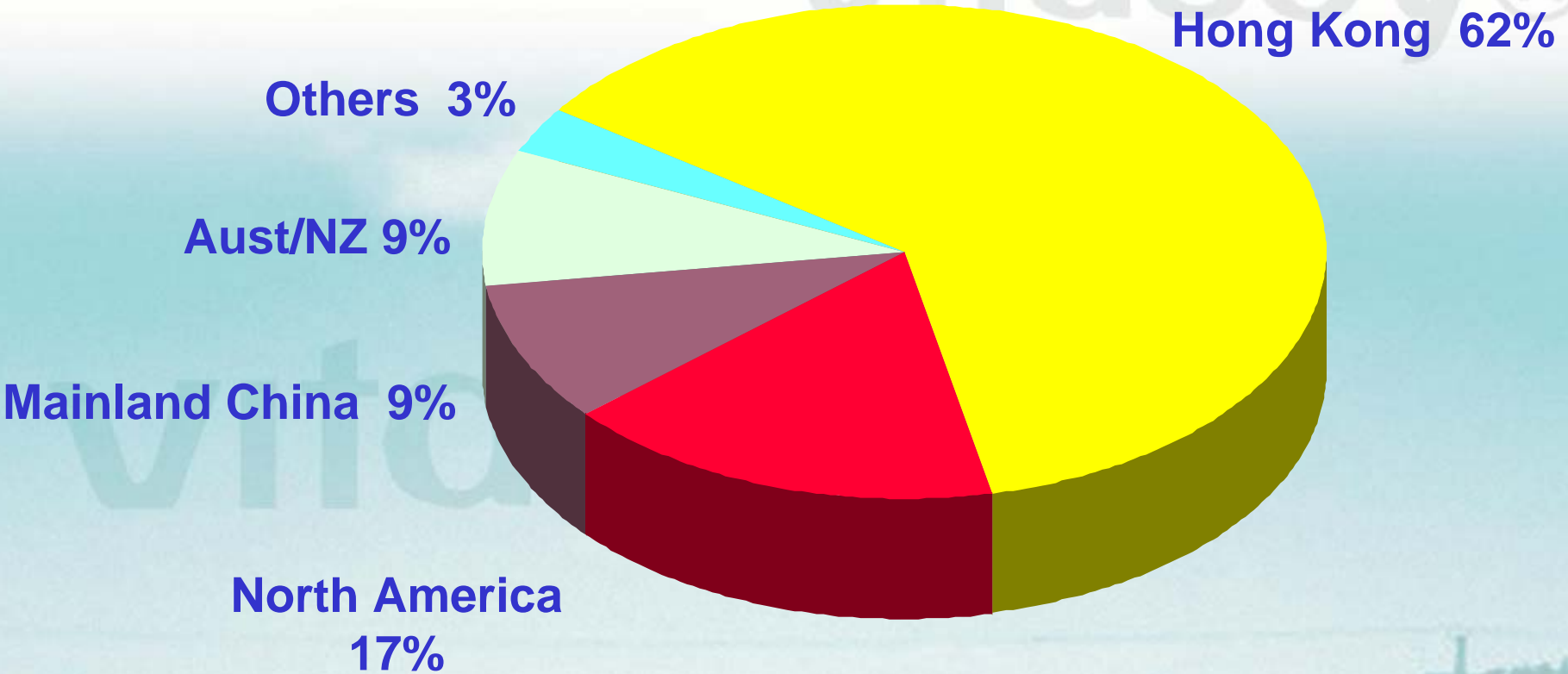
● Net Cash (Cash less borrowings)	311	398
● Shareholders' Funds	1,195	1,250
● Debt/Equity Ratio	8.4%	9.5%



Group Turnover by Market

(Six Months ended 30th September 2006)

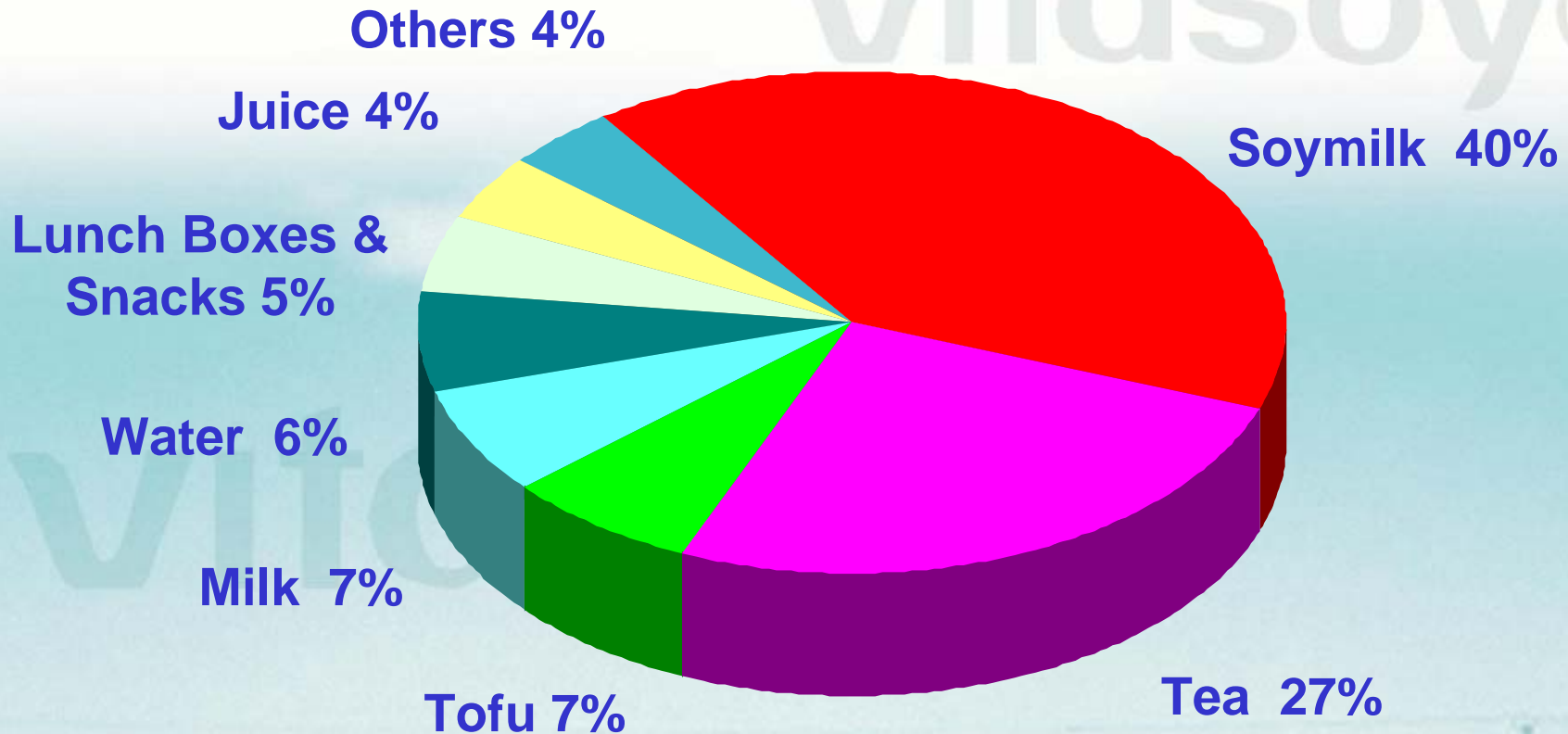
Sales by location of customers





Group Turnover by Product Category

(Six Months ended 30th September 2006)





VITASOY INTERNATIONAL HOLDINGS LIMITED

vitasoy®

MARKET REVIEW & OUTLOOK

vitasoy®



Result Highlights

- Both Australia/New Zealand and Mainland China were outstanding achievers
- Hong Kong remained a stable contributor, growing by a healthy 5.9% in operating profit
- North American market remained challenging
- Strong investment in advertising and promotion to strengthen our brands and expand our markets
- A clearly focused business strategy with product development and innovation, brand building, process improvement and cost management



Market Review – Hong Kong

- Sales growth of 2.0% (YOY)
 - New value-added products to create new demand
 - Increased focus on brand building
 - Tuck shop business expansion (+4% YOY)
- Segment profit of HK\$107 million
- Vitasoy Strategies:
 - Capitalize on brand portfolio; invest in strengthening our brands to capture market share
 - Invest in product innovation to create new demand and better serve the needs of consumers
 - Expand our distribution network and focus on productivity improvement programmes
 - Develop tuck shop business through quality assurance and service enhancement



Market Review – North America

- Sales growth of 0.5% (YOY)
 - Decline in the tofu and aseptic soymilk categories
 - Launch of sauces and dressings complemented well with our tofu business
 - Strengthen the brand equity of NASOYA to enhance its leading position in the Tofu market
- Segment loss of HK\$17 million
- Vitasoy Strategies:
 - Build core businesses for long-term gains and develop new business in the alternate and food service channels
 - Concentrate on improving the margins of Tofu and Aseptic Soymilk
 - Improve production efficiency and profitability



Market Review – Mainland China

- **Strong sales growth of 37.8% (YOY)**
 - The focused strategy of “core business, core brand and core city” boosted revenue and profitability
 - Continued investment in the VITASOY brand with higher consumer off-take
 - Successful product launches under CEPA arrangement
- **Segment Profit: HK\$ 45 million**
- **Vitasoy Strategies:**
 - Invest in core soymilk business to strengthen market position in core cities
 - Offer wider range of products under CEPA arrangement
 - Enhance utilization of production plants with co-pack business



Market Review – Australia and NZ

- **Healthy sales growth of 14.2% (YOY)**
 - Completion of expansion plan at Wodonga Plant doubled production capacity
 - Improved market share in Australia
- **Segment Result: HK\$ 20 million**
- **Vitasoy Strategies:**
 - Pursue aggressive growth strategy to build our brand and gain market share in Australia and New Zealand
 - Reinforce Vitasoy's position as the "soy expert" and launch new products and new flavors in "value soy beverage" area
 - Open to new opportunities for higher growth by offering a wider variety of high-quality products



Conclusion

- Pursue growth opportunities with strong cash inflow from operating activities
- Consolidate market leadership via brand strengthening with innovative marketing
- Drive volume growth with focus on product development and innovation
- Maintain disciplined cost control to achieve higher cost-efficiency
- Continue to maximize shareholders' value



VITASOY INTERNATIONAL HOLDINGS LIMITED

vitasoy®

vitasoy®

Thank You

vitasoy®