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BELLAMY'S AUSTRALIA

FY15 Results Presentation

21 August 2015

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Strong financial performance over FY15

Well positioned for sustainable growth

Shona Ollington
Chief Financial Officer

Strong FY15 financial performance

(A\$m)	FY15	FY14	Change
Gross Sales	131.7	52.1	153%
Net Revenue after trading terms	125.3	48.9	156%
EBIT	12.3	2.1	497%
Net profit after income tax expense	9.1	1.3*	617%
Basic earnings per share (cents)	9.8	1.9	416%
Net Assets	48.9	15.6	214%
Operating cash flow	4.7	0.8	>>
Total dividend - cps	2.86	-	>>

*Includes one off cash bonuses accrued to 30 June 2014 paid to senior executives and directors as disclosed in the Prospectus

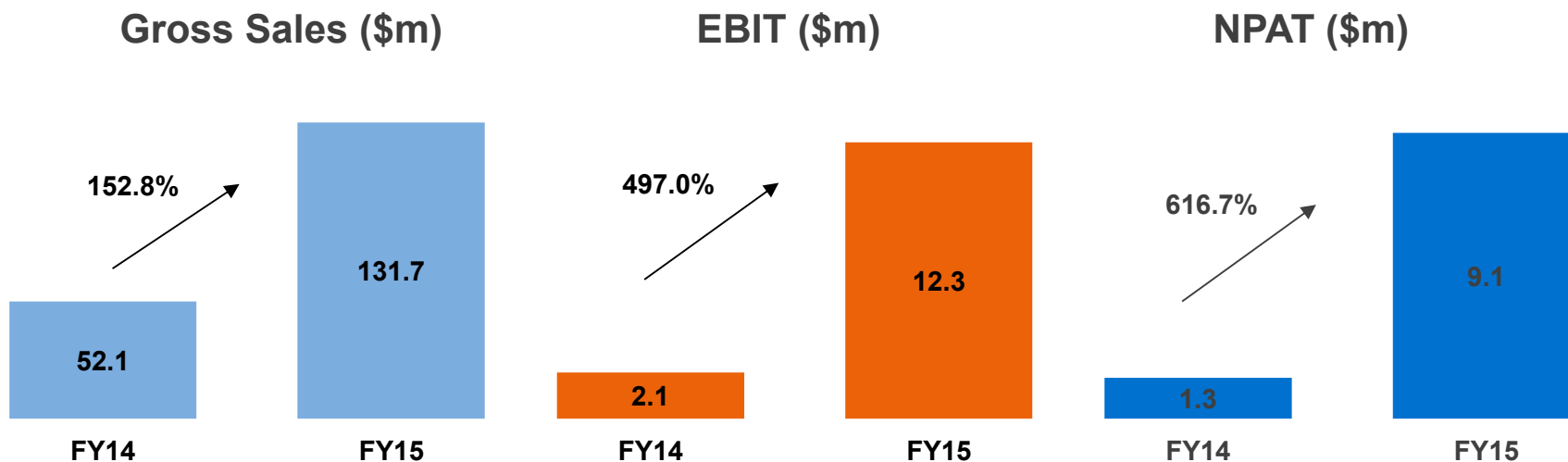
Note: Bellamy's changed accounting treatment of trading terms with major retailers to be inline with industry peers. As a result, the company has disclosed gross revenue and net revenue after allowing for trading rebates

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Strong growth across all financial metrics

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- Revenue growth driven by:
 - Strong domestic sales
 - Increased brand awareness, successful marketing across all countries
 - Growth across all retailers and new distribution points with independent retailers in domestic market
- Exceptional growth in EBIT
- Scale leverage of Bellamy's platform evident in exceptional growth in earnings off strong growth in revenues

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Focus on managing costs

- Gross profit margin of 32.9%* down slightly on previous period (FY14: 33.5%)
 - Successfully addressing price changes from ingredient suppliers caused by increased demand for organic formula ingredients in 1H15
- Leveraging scale
 - Sales volume growth creating operational efficiencies in areas such as warehousing
 - Distribution and selling costs reduced from 13.7% to 12.1% of revenue
- Focus on managing costs while growing revenues

Costs as a percentage of revenue	FY15	FY14
Employment Costs	4.5%	6.3%**
Marketing Costs	2.0%	1.7%
Other Administrative Costs	4.6%	4.6%

*Accounting treatment of trading terms with major retailers adjusted, had accounting treatment not changed the gross profit margin would have been 34.9%

**Adjusted to remove one off executive bonus of \$1.4m

Exceptional growth in operating cash flows

(A\$m)	FY15	FY14	Change
Operating cash flow	4.7	0.8	>>
Investing cash flow	(0.4)	(0.4)	n/m
Financing cash flow (share issue through IPO)	23.2	1.4	>>
Increase in cash flow for year	27.6	1.8	>>
Cash at bank	32.0	4.4	>>

- Strong operating cash flow
 - Largely due to improvement in creditor trading terms and growth in revenues during year
- Cash balance has increased by \$27.6m to \$32.0m
 - Primarily due to proceeds received from capital raising of \$23.4m (net of institutional placement costs) and increases in operating cash flow

Strong balance sheet for future growth

(A\$m)	FY15	FY14	Change
Cash	32.0	4.4	622%
Borrowings	0.2	0.4	
Net Assets	48.9	15.6	214%
Net tangible assets	48.8	15.4	218%
Net assets per share (cents)	51.5	22.3	131%
Net tangible assets per share (cents)	51.4	21.9	135%

- Minimal gearing with Net Assets up 214%
- Strong operating cash flow
- Total dividend declared 2.86 cents per share (fully franked)

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Strong financial performance over FY15

Well positioned for sustainable growth

Laura McBain, Managing Director & CEO

Exceeding growth expectations

Focused strategy execution

- A record year, with earnings growing faster than revenue
- Continued roll out of distribution across Australia Now >700 retailers
- Expanding across Asia...Opened Bellamy's t-mall.com flagship online store to access a broader consumer base in China
- Launched several new products
 - New varieties of 'ready to eat' pouch range including customised range for Coles, new cereal extension with Rice and Prune Cereal and Vanilla Rice Custard, Fruit Bites and Snack Range
- Strengthened ingredient and manufacturing relationships...signed 6 year agreement with Tatura Milk Industries for supply of infant formula

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Delivering operationally to underpin future growth

- Launch of several new products this year
 - Reinforces our strategy to deliver innovative new products to the baby category
- Working with a number of manufacturers across our product range
 - Delivering high quality certified organic products
- Strategic sources of organic raw materials identified + broad network of suppliers
 - Essential to bring products to market in efficient, timely and reliable manner
- Demand growth not slowing, challenge to meet demand
 - Work closely with key retailers and suppliers to manage sustainable growth in demand

Strong growth in domestic market

- Domestic market continues to represent majority of sales
- Expanding distribution
 - Wide distribution in major retailers including Coles, Woolworths, Big W, Target, Costco, Chemist Warehouse, Terry White and Amcal
 - Direct on the ground sales representation at independent supermarkets and pharmacies
- Growing share of market
 - Holding 56%* domestic market share and 15 of top 20 selling products by value for infant foods in pharmacy
 - Now 19%* of formula market in domestic grocery

(*Aztec Data)

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Export market expansion

- China
 - Shift to online purchasing of imported infant formula vs traditional retail outlets
 - T-mall Global flagship store opened in response
- Malaysia and Vietnam
 - Continue to build strong partnerships with local distributors
- Singapore
 - Replicated a direct to market focus
 - Increased revenues by more than 5 times
 - Increased ranging at Cold Storage and Fairprice
 - Added new stores through Guardian and Watson pharmacy networks



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Key priorities for FY16

- Supply chain team focused on growing our supply of organic ingredients and manufacturing capacity to meet high demand of Bellamy's products
- Continue to deepen distribution both geographically and with new retailers across Australia and increase ranging across retailers with full product suite
- Focused on growing a multi-channel distribution strategy in China and continuing to develop online and offline distribution with formula as the spearhead
- Development of e-commerce business in China and capturing this market
- Increasing focus on new product development, in particular targeting Asian consumer preferences
- Remain focused on delivering sustainable growth into FY16 and beyond

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Our strong performance over FY15 means that we are well placed for sustainable growth in FY16 and beyond



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Q&A

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