



Universal Robina Corporation URC

**PSE Disclosure Form 4-31 - Press Release References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules**

Subject of the Disclosure

Press Release "URC POSTS STRONG SALES AND OPERATING INCOME GROWTH AT 13.1% AND 42.0%, RESPECTIVELY, DRIVEN BY BRANDED FOODS PHILIPPINES"

Background/Description of the Disclosure

URC reported a 13.1% sales growth for the first quarter of fiscal year 2014 (beginning October 2013 and ending September 2014) with net sales amounting to Php 22.705 billion. URC's Philippine branded consumer foods (BCF) business was the key driver for total company growth as it increased sales by 28.1% while International branded consumer foods recorded a 9.1% growth. Sales of our non-branded consumer foods group declined by 12.7% for the first quarter of fiscal year 2014 due to decrease in sales volumes for sugar and feeds.

URC's operating income was at Php 3.342 billion for the first quarter of fiscal year 2014. This is 42.0% higher than the Php 2.353 billion posted in the prior year as relaxed input prices and higher sales volume resulted in margin expansion for branded foods.

URC's net income for the first quarter of fiscal year 2014 reached Php 2.889 billion, a 25.9% increase against prior year. Growth was slower than operating income as we booked lower market valuation gains and net finance revenue given that we liquidated most of our bond and equity holdings last year. The Company's balance sheet remained healthy with strong cash levels. As of the first quarter, URC was in a net cash position of Php 9.932 billion with a financial gearing ratio of 0.11 (vs. 0.09 in FY13) as the Company paid a significant portion of its debt obligations.

Sales performance by business are as follows:

URC's branded consumer foods (BCF) group, including the packaging division, increased sales of goods and services by Php 3.181 billion, or 20.3%, to Php 18.839 billion for the first quarter of fiscal year 2014, vs. the Php 15.658 billion posted in the prior year.

BCF Philippines further accelerated its growth momentum in the first quarter of fiscal year 2014 and posted record growth of 28.1% amounting to Php 12.698 billion, vs. Php 9.915 billion in the prior year. Beverage remained to be the main driver backed by the continued growth

momentum of our powdered beverage business, mainly coming from coffee and complemented by our ready-to-drink (RTD) business. Our snackfoods segment also registered double digit revenue growth across salty snacks, bakery and confectioneries. URC is now the number two player in the coffee market and remains to be the dominant market leader in salty snacks, candies, chocolates, RTD tea and cup noodles in the Philippines.

URC's international BCF business registered sales of Php 5.933 for the first quarter of fiscal year 2014, a 9.1% increase. Thailand and China contributed to the good top-line growth. China business was significantly up due to higher seasonal sales for cereals and oats categories while Thailand business grew despite the weak macro environment and political turmoil in the country. The prolonged rains and cold weather slightly affected beverage sales in Vietnam though this was partly offset by the growing snackfoods categories. URC remains to be the market leader in biscuits and wafers in Thailand while C2 is now the number one RTD Tea brand in Vietnam. (See continuation below under "Other Relevant Information")

Other Relevant Information

Our non-branded consumer foods business, commodity foods group and agro-industrial group, posted revenues of Php 3.866 billion for the first quarter of fiscal year 2014, a drop of 12.7% against last year. This is mainly due to the 25.3% decline in revenues for the commodity foods group, with sales for the first quarter of fiscal year 2014 of Php 1.826 billion. While our flour sales grew at 7.2%, our sugar business decreased by 50.1% as volumes dropped given that sugar cane production was affected by unusually wet season which affected the cane supply, and some operational issues we encountered in one mill for the period; but we expect better volumes as the milling season is extended. Net sales for our agro-industrial group amounted to Php 2.040, a 3.0% increase, as higher sales in farms was offset by the decline in feeds. The farms business grew by 10.7% due to better selling prices while the feeds business posted a decline of 7.1% due to weak sales volume.

Filed on behalf by:

Name Rosalinda Rivera

Designation Corporate Secretary