

康師傅

團隊以創造一流產品，宏揚飲食文化

回饋社會大眾為目標，盡心為消費者服務

Members of **Master Kong** are Working Wholeheartedly
To Serve its Consumers with an Objective of
Creating Excellent Products and Raising the Culinary Arts

董事長 Chairman

魏應州 Wei Ing-Chou



2012年全球經濟復蘇步履依舊蹣跚，歐債危機反復惡化，全球經濟雖有所增長，但持續低位運行，復蘇明顯放緩。在此嚴峻的國際形勢下，中國經濟下行壓力明顯，2012年全年國內生產總值(GDP)增長7.8%，8年來首次低於8%，全年居民消費價格(CPI)比上年上漲2.6%，漲幅比上年回落2.8個百分點。

在此趨緩的經濟態勢下，中國人民的消費行為也產生變化，對於價格與價值的要求提高。因應市場的需求，本公司也積極投入品牌與產品的創新，持續組織專業專精的變革。2012年3月31日，本公司與PepsiCo於中國飲料業務之戰略聯盟正式成立，藉此聯盟可集合兩家創新研發優勢，發揮成本、品牌及資源上的綜效。

2012年本集團營業額達到92.12億美元，同比成長17.10%，股東應佔溢利達4.55億美元上漲8.49%，每股盈利為8.14美仙，增加0.63美仙。

股息

基於本集團2012年的整體表現，在評估整體運營、資本投資、營運資金及現金流量後，董事會將於2013年6月7日舉行之股東大會上，建議派付末期股息每股3.22美仙，以感謝股東們對本集團的支持，末期派息總額為1.8億美元。

In 2012, the global economy recovery remained sluggish while the European debt crisis continued. The global economy grew slightly, but continued operating at below par, and the economic recovery slowed down significantly. Against this serious international situation, PRC suffered obvious downward pressure with GDP for 2012 increased by only 7.8%, below 8% for the first time in 8 years. The corresponding CPI increased by 2.6%, compared with the last year. This increase in CPI was 2.8% lower than that of the last year.

With the economy grew slower, the consuming behavior of Chinese also changed, becoming more demanding on the price and value. In response to the demand of the market, the Company is also actively put into brand and product innovation, and for which transformation of professionalism and expertise was organized continuously. On 31 March 2012, the strategic alliance between the Company and PepsiCo in the beverage business in the PRC was established. This business combination provided a better platform for integrating innovation and R&D capabilities and capitalizing on the synergies of costs, brands and resources.

In 2012, the Group's turnover was increased by 17.10% year-on-year to US\$9,212 million. Profit attributable to owners of the Company increased by 8.49% to US\$455 million; and earnings per share increased by US0.63 cents to US8.14 cents.

DIVIDEND

Owing to the Group's 2012 results and considering the overall operation, capital expenditures, working capital requirements and cash flow of the Group, the board will recommend, in recognition of our shareholders' support at the Annual General Meeting to be held on 7 June 2013, the payment of a final dividend of US3.22 cents per share. Total amount of final dividend for the year 2012 will be US\$180 million.



市場地位穩健

根據AC Nielson 2012年12月報告指出，以銷售量為基準，本集團於中國的方便麵及即飲茶飲料的市場佔有率分別為43.8%和47.5%，穩居市場第一位；包裝水、稀釋果汁、碳酸飲料及夾心餅乾之市場佔有率分別為20.6%、27.0%、33.9%和24.4%，居同類產品市場的第二位。

2012年，康師傅連續五年獲得福布斯亞洲50強稱號，同時連續第十年榮獲英國InterBrand評審的「台灣國際品牌價值調查」前五名，品牌價值高達13.08億美元。此外「康師傅」蟬聯第三屆食品行業「3.15」網友最信賴十大食品品牌，並榮獲華夏時報評選的「引領未來的中國品牌」稱號。這些榮譽的獲得，不僅是對康師傅品牌力、競爭力的肯定，更激勵著我們不斷努力，致力於為消費者提供更豐富、美味、安心的產品，以回報社會和消費者對康師傅的信任與喜愛。

SOLID MARKET POSITION

According to the December 2012 report published by AC Nielson, the Group's market share, in terms of sales volume for instant noodles and RTD tea ranked first in the PRC market, which accounted for 43.8% and 47.5% respectively. Bottled water, diluted fruit juice, carbonated drinks and sandwich crackers ranked second, accounting for 20.6%, 27.0%, 33.9% and 24.4% of the market share respectively.

In 2012, Master Kong, for the fifth consecutive years was named one of the 50 best listed companies in Asia by Forbes, and for the tenth consecutive years one of the top five of Taiwan's top ten international brands by InterBrand UK. The brand value of Master Kong has reached US\$1,308 million. During the year, "Master Kong" was named one of the top ten most trusted food brands by e-pals in a row in the third food industry "3.15", and won the title of "the Chinese brand leading the future" by the Chinese Times. By obtaining these honors, the brand power and competitiveness of Master Kong were recognized, what's more, we are encouraged to constantly endeavor, trying to provide consumers with more varieties of delicious and safe products in return for the trust and cherish by the society and consumers.

頒獎典禮

康師傅在回饋社會的同時
實現企業品牌的永續經營

Master Kong can sustainably managing its
enterprise under the own brand and
repaying the society at the same time



專注食品生產安全

康師傅一直將生產安全美味的產品視為食品企業之良心所在，把食品安全風險控制作為重中之重，腳踏實地地做好食品安全保障工作。康師傅秉持「從農田到餐桌」的全程質量控制理念，從源頭著手建立安全防線，為消費者築起一道堅實的食品安全屏障。在2012年第十屆中國食品安全年會上康師傅斬獲「中國食品產業鏈安全建設先進單位」等三項大獎，這也是本公司連續第五年獲得年會嘉獎。

著力社會公益，善盡社會責任

康師傅秉承「取之於民，用之於民，回饋社會，永續經營」之道，自公司創立20年來，持續投入教育、救災、扶貧、環保、兩岸文化交流等社會公益事業。2012年3月，本公司攜手早稻田大學和國內最大的網絡門戶媒體搜狐再度啟動新一屆「創響新生代」康師傅—早稻田大學創新挑戰

DEDICATED TO THE FOOD PRODUCTION SAFETY

Master Kong always considers production safety and delicious food as the moral philosophy of a company, thus, we treat food safety risk control with the utmost importance. We have formed an effective and reasonably practicable defense line of raw materials, thus building a solid and gapless barrier for food safety. In the tenth China Food Safety Annual Conference in 2012, Master Kong was awarded 3 awards, including "Advanced Unit in Safety Building in China's Food Industrial Chain", which was the fifth time of being awarded at the annual conference in a row for the Company.

FOCUSING ON SOCIAL WELFARE, FULFILLING SOCIAL RESPONSIBILITY

Master Kong adheres to the philosophy of "from the people, to the people, giving back to the society, sustainable operation". Since its incorporation 20 years ago, the Company has been participating in welfare undertakings, including education, disaster relief, poverty alleviation, environmental protection, cross-strait cultural exchange. In March 2012, the Company joined hands with Waseda University and Sohu, the biggest PRC portal website, to launch the new "New

賽，助力中國青年的公益事業發展。康師傅希望通過自身的努力能夠激勵更多的青年心懷公益之心，用創意、用實踐實現公益夢想，奉獻社會，使公益的精神與行動能夠持之以恆地傳遞下去。康師傅創新挑戰賽留學公益項在「中國最佳公共關係案例大賽」目獲「公益傳播」銀獎，於2012年11月康師傅同時榮獲健康中國2012公益項目創新獎。

展望

2013年中國經濟預期將溫和復蘇，而新一屆領導層持續適當寬鬆的貨幣政策。其改革意願也將使市場機制更加成熟。消費、投資與出口都有望維持比較平穩的增長，特別是消費，隨著城鄉居民收入(尤其是農民工收入)持續較快增長，社會保障體系進一步加強，以及收入分配政策不斷調整，居民邊際消費能力將繼續提升，中國消費品市場仍有巨大的發展空間。

康師傅在2013年初完成組織變革，將轄下組織分成食品與飲品兩個專業專精的事業團隊，各自在規模巨大的市場中努力奮戰，相攜成長。在飲品部分持續整合康師傅與百事可樂中國資源，通過生產基地與供應鏈的整合以降低成本，並且藉助國際大廠經驗嚴格管控產銷成本，產品質量與生產效率，在團隊穩定中產出綜效。食品部份重點鞏固方便面事業，強化方便食品的發展。借著產品與品牌的創新，深度挖掘通路商機，為消費者提供更豐富、安全、美味的產品。改革之後組織上系統流程將更加優化，有利於充分發揮執行力，更精準快速應對市場的變化。

generation with creativity and sound bite" Master Kong – Waseda University Creative Challenges 「康師傅-早稻田大學創新挑戰賽」 activity again, to help the development of welfare undertakings for the Chinese youth. Master Kong hopes its efforts can encourage more young people to have concern about welfare, to realize the welfare dream with creativity and practice, to dedicate to the society and to make progress so that the welfare spirit and action can be persistently carried on. Master Kong Creative Challenges Overseas Study Welfare program won the Silver Prize of "Welfare Communication" at the "China Best Public Relations Case Competition", meanwhile, Master Kong was awarded the "Creative Prize of Healthy China 2012 Welfare Program" (健康中国2012公益項目創新獎).

PROSPECTS

The economy of the PRC is expected to recover modestly in 2013, and the new leadership will continue to implement moderately loose monetary policies, whose reform intention will render the market mechanism more mature. Consumption, investment and export are expected to maintain steady growth, especially consumption. As the income of urban and rural residents (especially the income of migrant workers) continues to grow rapidly, the social security system is further strengthened, and the income distribution policy has been constantly adjusted. The marginal spending power of residents will continue to be improved, and there remains huge development space for the PRC consumer goods market.

In early 2013, we completed organization reforms to divide our business into two dedicated teams, namely food and beverage divisions. These two divisions are striving for growth with assistance from each other in the vast market. The beverage division continues to reduce cost through the integration of resources from Master Kong and PepsiCo as well as the integration of production facilities and supply chains, and achieves synergies while maintaining team stability through upgrading brand marketing, strict control of production and distribution costs, product quality and production efficiency leveraging on a large international company's experience. The food division will focus on the consolidation of the instant noodle business to strengthen the development of instant food. Through the innovation of products and brands, we will deeply explore network opportunities to provide consumers with richer, safer and more delicious products. The system process of the structure after reform will be more streamlined for bring its execution capabilities into full play and more accurately and rapidly reacting to changes in the market.

致謝

最後，本人謹藉此機會，對本公司全體股東、業務夥伴及金融機構一直以來對本集團的鼎力支持，並對管理團隊和全體員工為集團業務發展所付出的努力和貢獻，致以衷心的感謝。

魏應州

董事長及行政總裁

中國天津

2013年3月18日

ACKNOWLEDGEMENTS

Finally, I would like to take this opportunity to express our heartfelt appreciation to our shareholders, business partners and financial institutions who have been supporting our Group, and to the management teams and all other staff for their strenuous works and contributions to the Group's business development.

Wei Ing-Chou

Chairman and Chief Executive Officer

Tianjin, the PRC

18 March 2013