



2009

INVESTOR BRIEFING

Presentation by Douglas Orane
Chairman & CEO

Friday, May 15, 2009

In pursuit of our 2020 vision

*Thriving in uncertain
times*

NYMEX Crude Oil Futures Close (Front Month)



May 1, 2008 - May 7, 2009

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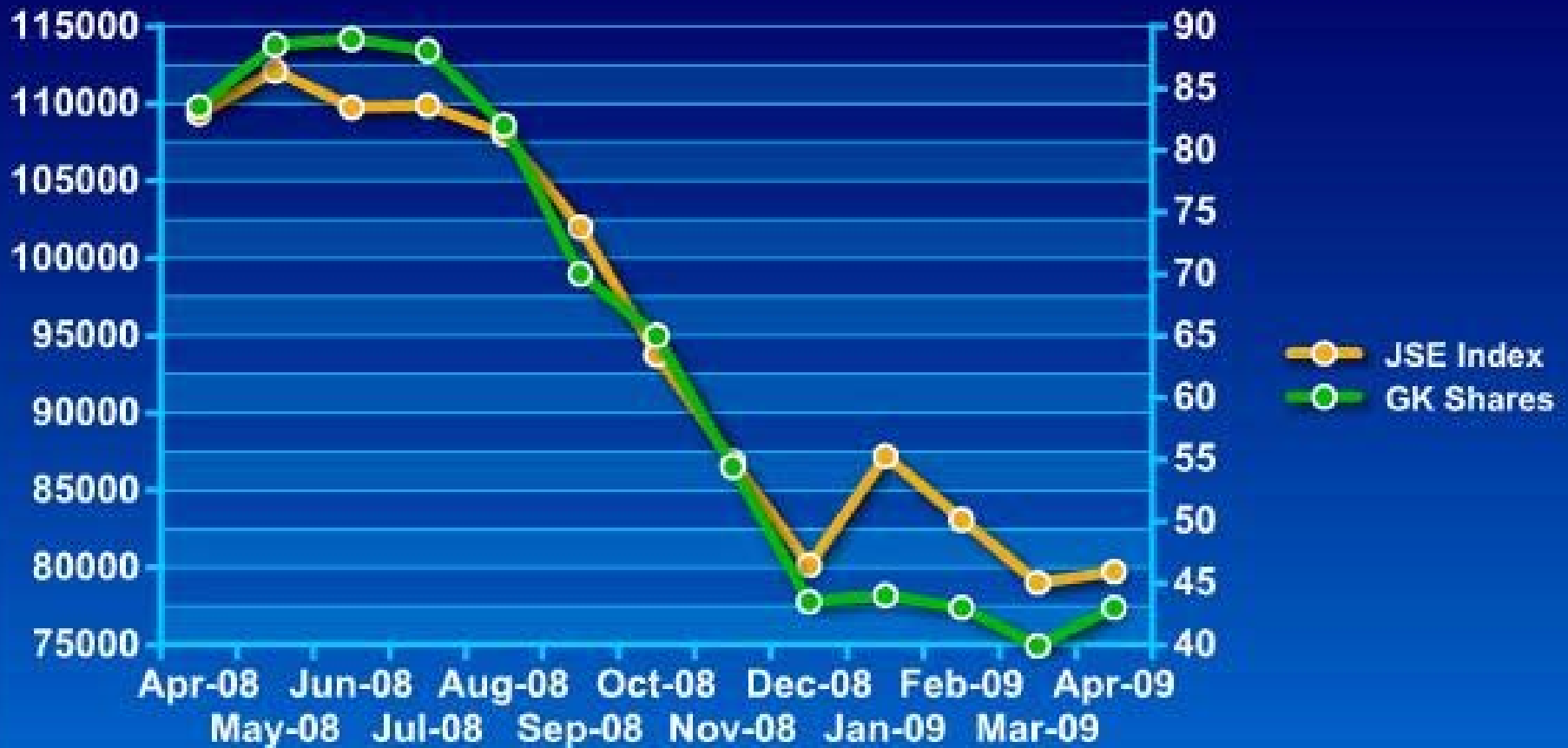
— Close

1 Year Aluminium Spot



www.kitco.com

JSE Apr 2008-9 Trend: JSE Main Index vs GK Stock



Different Scenarios

(developed in October 2008)

1. Credit crunch
2. Japan-style deflation
3. Surprising resilience
4. Rapid depreciation J\$ dollar

Scenarios may overlap

Actions

- ➔ Explore implications of events
- ➔ Develop preemptive and responsive actions
- ➔ Assign probabilities
- ➔ Prepare for any scenario to unfold

1. Credit Crunch

EVENTS

- ➔ Credit shortage worldwide
- ➔ International financial system contracting

ACTIONS

- ➔ Garnering cash across the group
- ➔ Forming new overseas banking alliances
- ➔ Limiting capex to essentials

PROBABILITY

- ➔ Already happening

2. Japan-style Deflation

Events

- ⇒ Prices fall worldwide, triggering downward spiralling recession
- ⇒ Leads to downward pressure on wages around the world

GK Actions

- ⇒ Garnering cash across the group
- ⇒ Delaying purchases to get lower prices

Probability

- ⇒ Low

3. Surprising Resilience

Events

- ➔ US economy recovers quicker than expected
- ➔ Quick action by US regulators and government
- ➔ US worker productivity up 3.4% in 12 months

GK Actions

- ➔ Garnering cash across the group
- ➔ Improving productivity to keep pace with our major trading partner

Probability

- ➔ Somewhat likely

4. Rapid Depreciation Jamaican Dollar

Events

- ⇒ External shocks e.g. major recession worldwide and continuing government deficit triggers devaluation

GK Actions

- ⇒ Garner cash across the group
- ⇒ Use proactive costing for goods purchased overseas
- ⇒ Collect J\$ receivables and pay off US\$ payables and loans
- ⇒ Make sure we are positively hedged

Probability

- ⇒ High

***Let's be prepared for
any eventuality!***





Our pre-emptive actions

CREDIT CRUNCH

- ⇒ Identified new financing options e.g. private issue of commercial paper (oversubscribed)
- ⇒ Credit lines – negotiated increased levels for existing lines. Maintain spare capacity
- ⇒ Pursued diverse banking relationships
- ⇒ We continue to re-deploy surplus cash across the Group to optimise liquidity

CREDIT CRUNCH

Limiting CAPEX

- ⇒ Cancel or postpone non-essential capex
- ⇒ Focused on tactical and strategic capex e.g. Distribution Centre
 - Funded via mix of short and medium term facilities

RAPID DEPRECIATION OF J\$

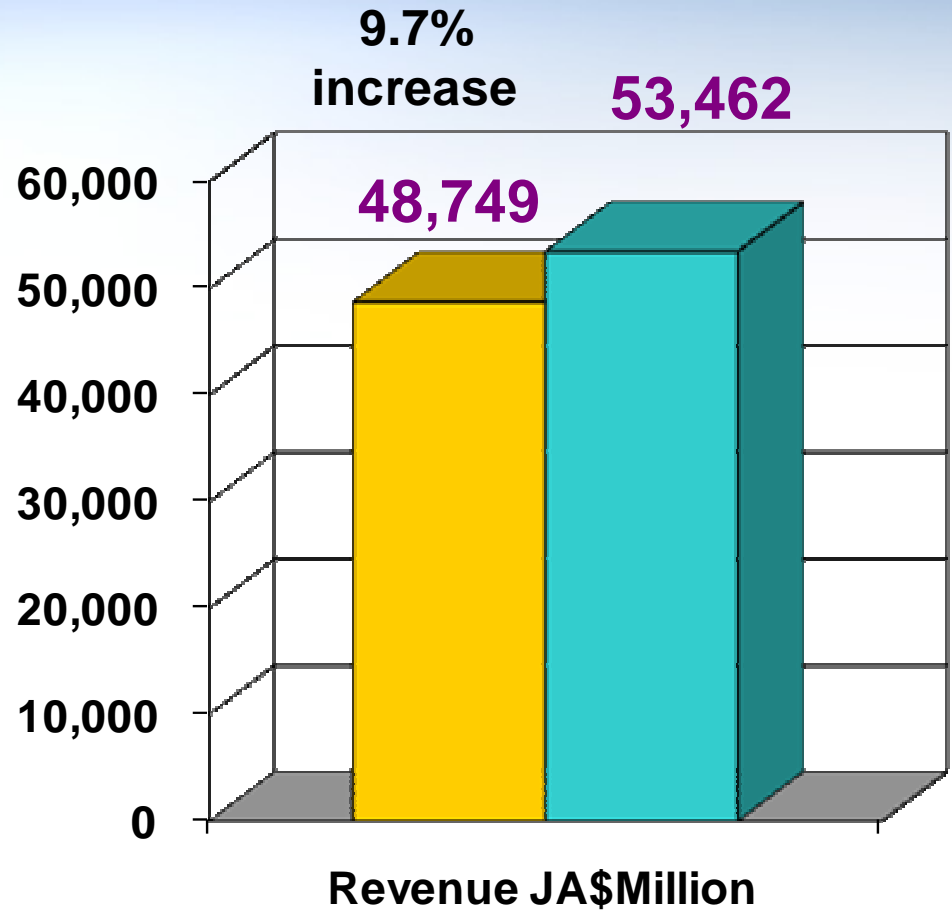
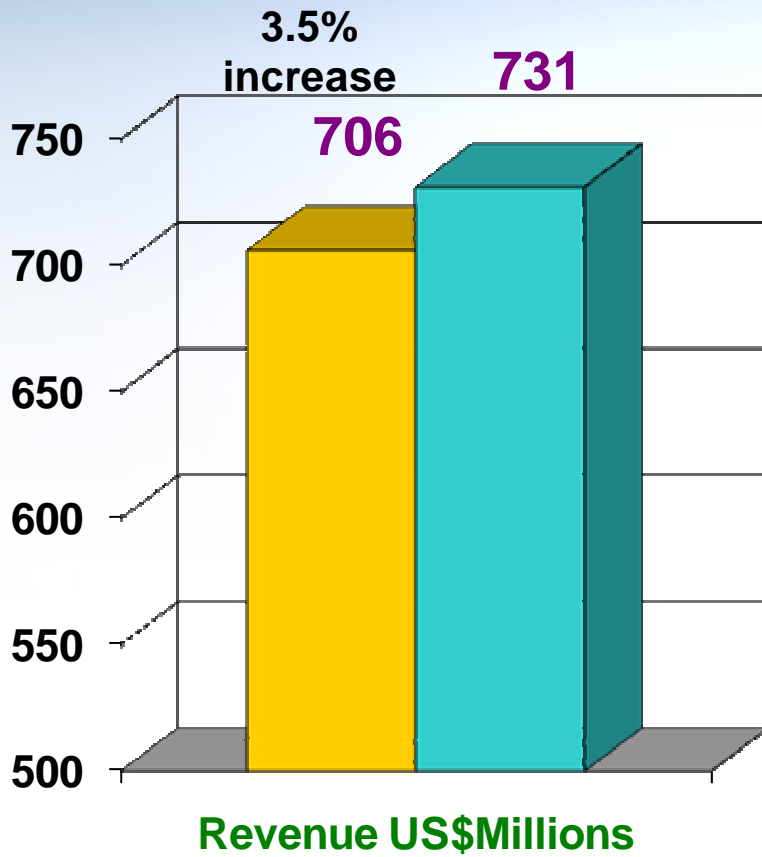
FX HEDGING

- ⇒ GKL and GK Group are positively hedged against FX depreciation
- ⇒ GK remains a consistent supplier of hard currency to the FX market

PERFORMANCE

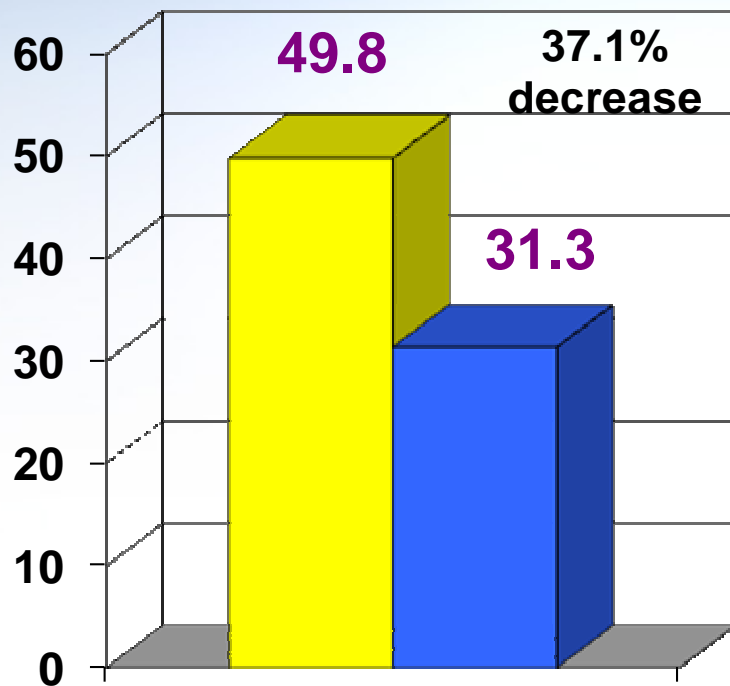
*2008 compared
to 2007*

Revenue

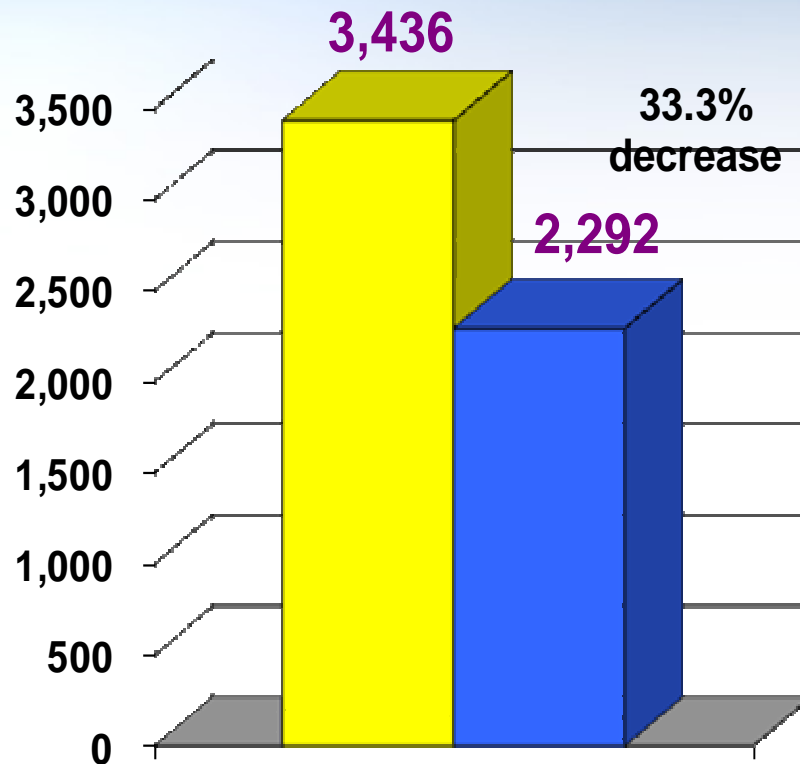


Net Profit Attributable to Shareholders

(including gain on sale of GKMS shares in 2007)



Net Profit US\$Millions

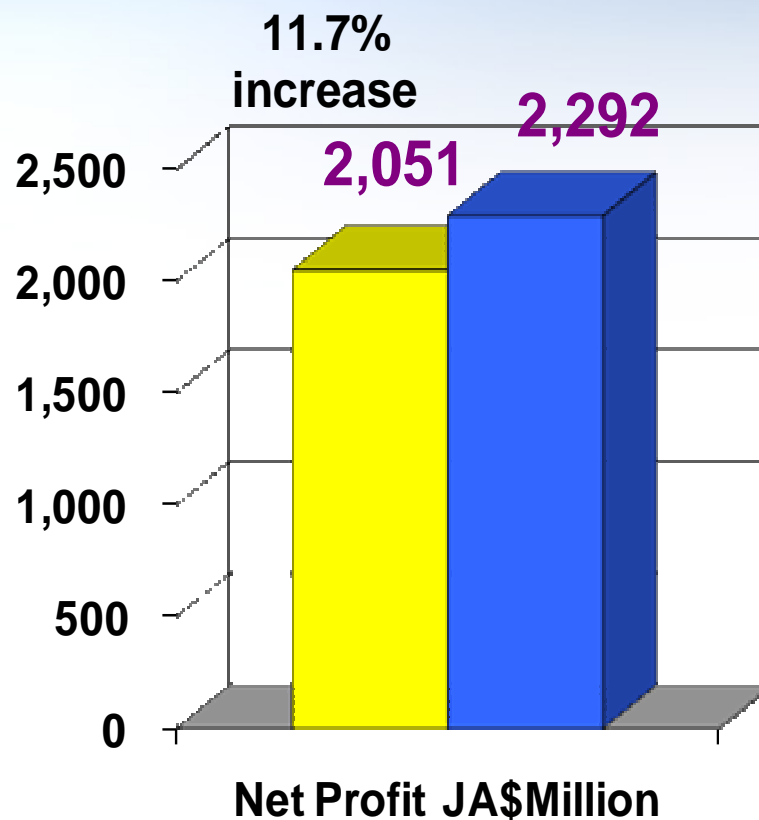
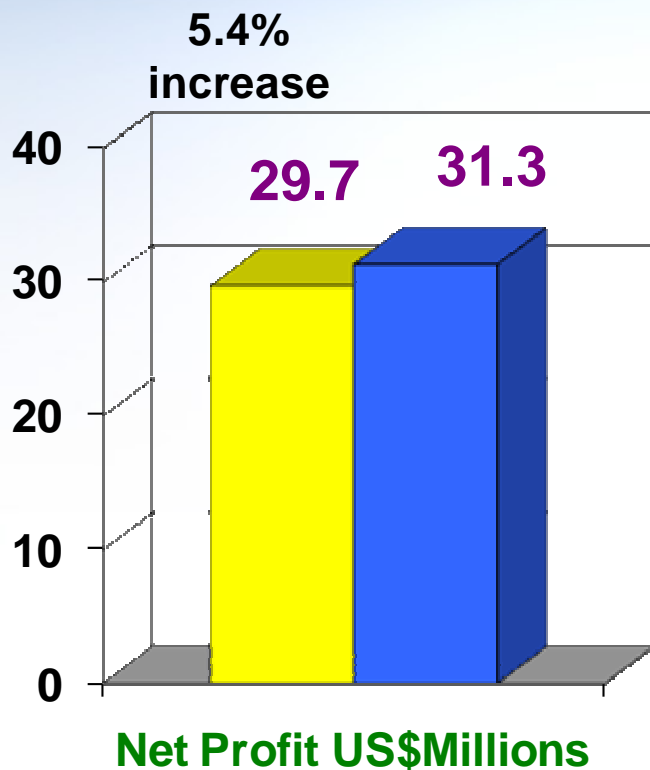


Net Profit JA\$Million

■ 2007 ■ 2008

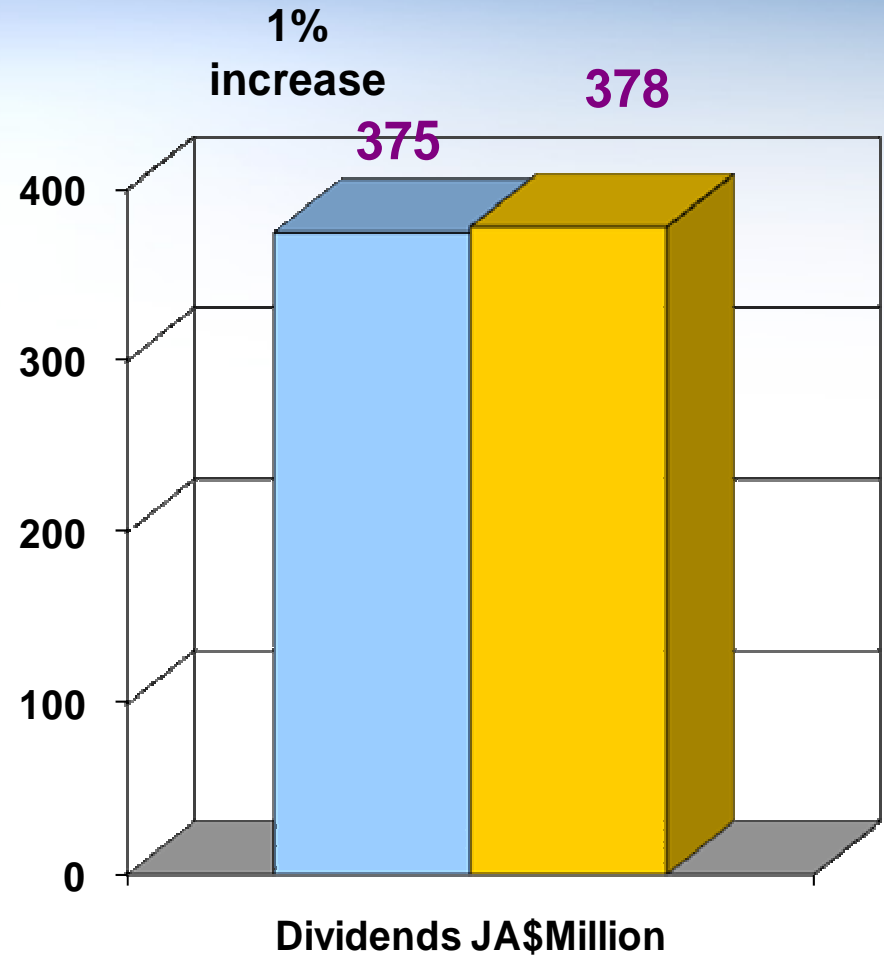
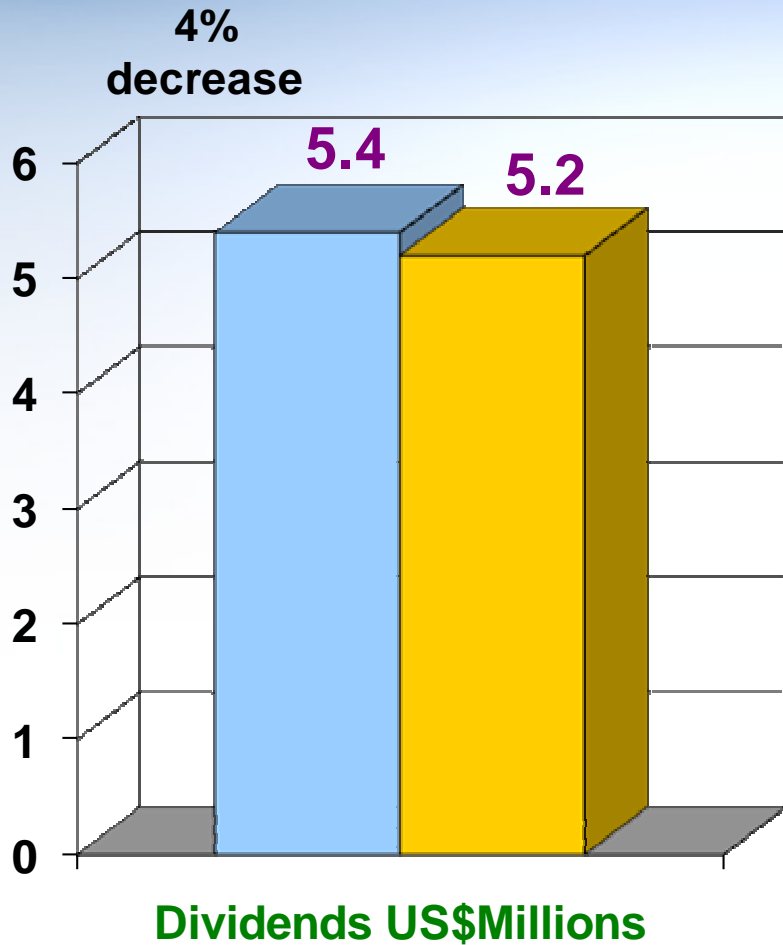
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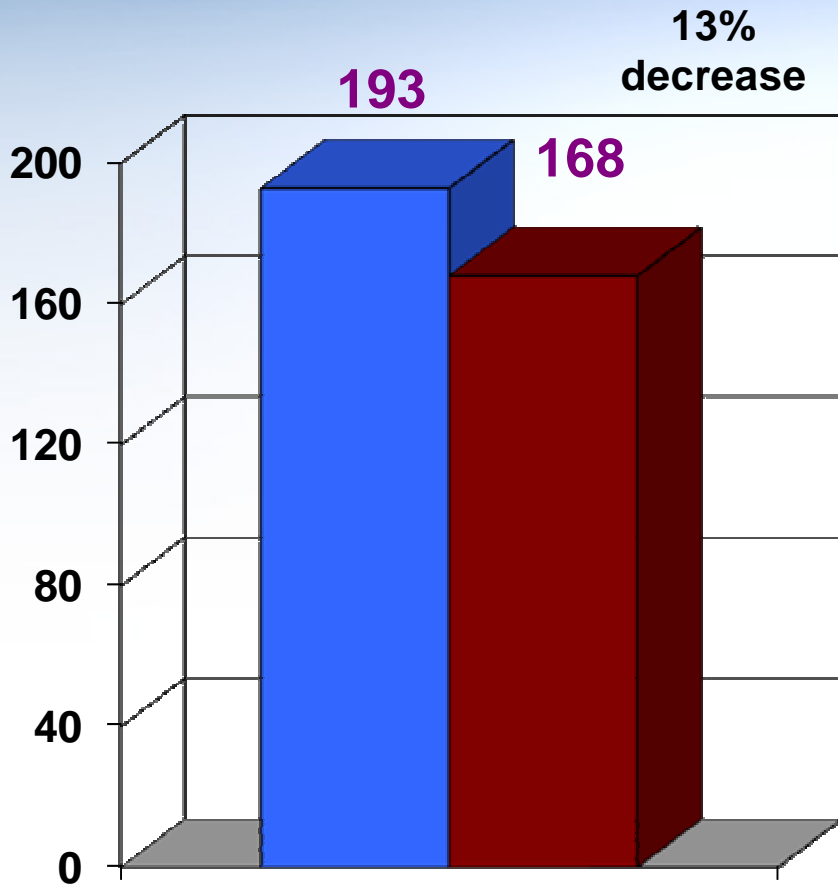
Dividends



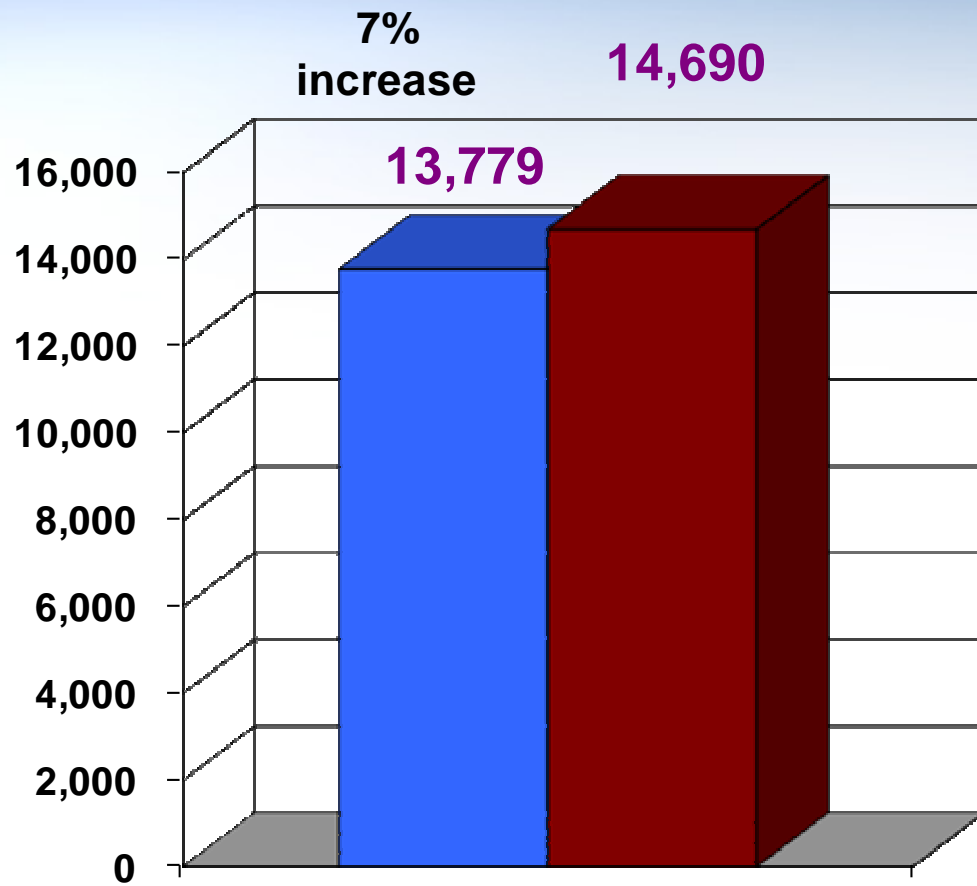
"Rule one: Never allow a crisis to go to waste. They are opportunities to do big things."

Rahm Emmanuel – Incoming
White House Chief of Staff

1st Quarter 2009 Revenue



Revenue US\$Millions



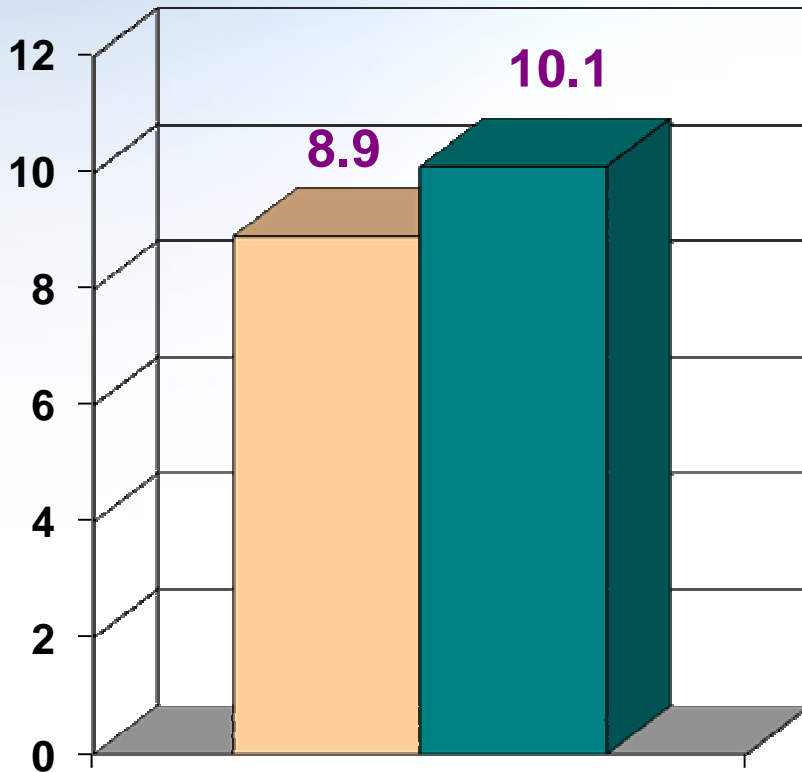
Revenue JA\$Million

■ 2008 ■ 2009

1st Quarter 2009

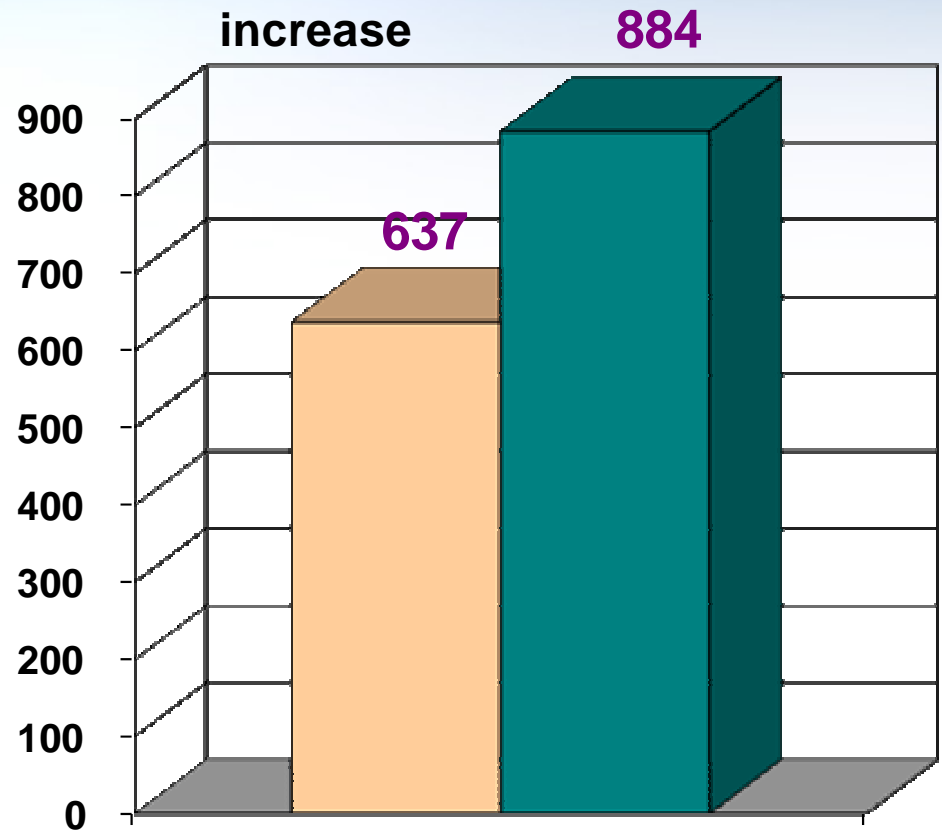
Net Profit Attributable to Shareholders

13%
increase



Net Profit US\$Millions

39%
increase



Net Profit JA\$Million

2008 2009

GraceKennedy 2020 - Campaign Map

2009

2010

2011

2012

2015

2020

Develop our People

- ♦ Ensure continuity of leadership
- ♦ Develop effective leaders
- ♦ Build international expertise
- ♦ Protect our people
- ♦ Develop staff at all levels within the group

Grow the Business

- ♦ Build portfolio of investment opportunities in the region & internationally in Foods and Financial Services
- ♦ Leverage the international brands
- ♦ Mobilise financial resources

Defend Core Businesses

- ♦ Grow GraceKennedy owned brands
- ♦ Grow domestic financial and money services
- ♦ Build regional alliances
- ♦ Enhance customer service

Configure for Growth

- ♦ Leverage IT platforms
- ♦ Build M&A capabilities
- ♦ Build market research capabilities
- ♦ Enhance Risk Management skills
- ♦ Optimize corporate structure

Globally Rationalise Operations

- ♦ Optimal platforms

Rebalance Jamaica versus International

- ♦ Internationalise systems
- ♦ Significant staff rotation

JAMAICAN TRADING GROUP

GLOBAL CONSUMER GROUP



Succession Planning

Subset of Talent Management

⇒ Integrated with other processes

- Recruitment/promotion process
- Performance management process
- Development planning process
- Talent development implementation process e.g. *General Managers' Development Programme / Executive Succession*

GraceKennedy's methodologies in GMs' Development Programme / Executive Succession

- ➔ Gap analysis on readiness rating
- ➔ 360 Degree assessment
- ➔ Mentorship programme
- ➔ Executive coaching
- ➔ Executive Committee rotation
- ➔ Lecture series
- ➔ Comparable overseas courses

GraceKennedy's methodologies in GMs' Development Programme / Executive Succession

- ➔ “Real-time” project assignments
- ➔ Acting assignments
- ➔ International secondments
- ➔ Visits to overseas markets
- ➔ Appointment as a board invitee
- ➔ External networking opportunities
- ➔ Teambuilding excursions



Our Mission Statement

***To satisfy the unmet needs of
Caribbean people wherever we
live in the world.***

