



Lassonde
Industries Inc.

Annual General Meeting of Lassonde Industries Inc.

May 13, 2011

Financial Results for Fiscal 2010

Highlights – Fiscal 2010: Earnings

In millions of \$

(except EPS)

	Years ended			% Δ 10 vs 09	% Δ 09 vs 08
	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008 (restated)		
Net sales	536.2	524.2	505.5	2.3%	3.7%
Operating income	49.9	47.4	42.2	5.2%	12.4%
<i>Operating income/Net sales</i>	9.3%	9.0%	8.3%		
Net earnings before C15	31.8	30.6	27.0	3.8%	13.3%
Impact of the C15 settlement	-	-	2.3		
Net earnings	31.8	30.6	29.3	3.8%	4.4%
EBITA	66.3	64.2	56.4	3.2%	13.9%
Earnings per share (EPS)	4.82	4.62	4.39	4.3%	5.2%



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Highlights – Fiscal 2010: Earnings

- Net sales of \$536.2M, ↑ 2.3% or \$12.0M over 2009:
 - Good performance in the retail segment;
 - Unfavourable exchange rate that affected sales made in U.S. dollars;

- Operating income of \$49.9M, ↑ 5.2% or \$2.5M over 2009:
 - Increased contribution margin driven by higher net sales;
 - Reduction in selling and marketing expenses;
 - Slightly unfavourable cost of goods sold:
 - ⇒ Higher costs of concentrates partly offset by...
 - ⇒ Favourable exchange rate on purchases made in U.S. dollars.



Highlights – Fiscal 2010: Earnings

- Financial expenses of \$4.9M versus \$4.0M in 2009, ↑ \$0.9M:
 - Impact of a full year of interest accrued on \$25 million in long-term financing obtained in the second half of 2009;
- Effective tax rate of 29.5% for 2010 and 2009:
 - No impact from unusual items reflected in this tax rate. This rate represents the weighted average of the federal and provincial income tax rates;
- Net earnings of \$31.8M (↑ 3.8 %) versus \$30.6M in 2009.



Highlights – Fiscal 2010: Balance Sheet

In millions of \$

	As at			% Δ 10 vs 09	% Δ 09 vs 08
	Dec. 31, 2010	Dec. 31, 2009	Dec. 31, 2008 (restated)		
Working capital	133.2	109.7	80.3	21.4%	36.6%
Fixed assets	150.1	144.6	132.5	3.8%	9.1%
Total assets	375.1	345.2	312.2	8.6%	10.6%
Net debt					
Long-term debt	79.6	78.8	50.7		
Current portion of long-term debt	1.0	1.4	2.8		
Bank indebtedness and bank overdraft	-	-	16.3		
Minus: - cash and cash equivalents	(40.9)	(20.5)	-		
- short-term investment	(2.0)	-	-		
	37.7	59.7	69.8	-36.9%	-14.5%
Net debt/total assets	11.4%	18.4%	22.4%		
(excluding cash and cash equiv. and s-t investment)					



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Fiscal 2010 – Free Cash Flow Analysis

In millions of \$	Years ended		
	Dec. 31, 2010	Dec. 31, 2009	Variance 2010-2009
<i>Free cash flows</i>			
Net earnings	31.8	30.6	1.2
Adjustments			
Amortization	16.4	16.8	(0.4)
Pension plans and other	2.4	2.2	0.2
Change in non-cash working capital	1.5	(2.3)	3.8
Cash flows from operating activities	52.1	47.3	4.8
Dividends paid	(7.5)	(6.8)	(0.7)
Acquisition of fixed assets	(19.0)	(23.7)	4.7
Business acquisition	-	(1.6)	1.6
Acquisition of intangible assets	(0.1)	(0.2)	0.1
Free cash flows	25.5	15.0	10.5
<i>Used as follows:</i>			
Decrease in net debt	24.1	13.1	11.0
Repurchase of shares	1.4	1.9	(0.5)
	25.5	15.0	10.5



Dividends and 2011 First Quarter Results

➤ Dividends:

- Quarterly dividend will be declared May 18, 2011;
- On an annualized basis, the dividend usually represents approximately 25% of net earnings of the previous fiscal year;

➤ Results for the first quarter of 2011:

- They will be published June 14, 2011.



Outlook

- Growth rate of 2011 net sales similar to 2010;
- Price increases driven by overall increase in the cost of raw materials;
 - Explained by:
 - i. Increased demand from emerging countries;
 - ii. The relative weakness of the U.S. dollar, which is the unit of measurement for this type of transaction;
 - The impact of these price movements on the purchasing habits of consumers remains uncertain;
- Slight favourable impact of exchange rates compared with 2010 also mitigates the unfavourable impact of the increase in the cost of inputs.



LASSONDE INDUSTRIES INC.

Distinctive Food Products



Lassonde
Industries

Our Product Lines

Lassonde Industries Inc.

2010 Sales: \$536.2 million

Lassonde Industries Inc. develops, manufactures, and markets distinctive food products.



A. Lassonde Inc.

The Canadian leader in the development, manufacture, and marketing of fruit juices and fruit drinks.



Lassonde Specialties Inc.

Develops, manufactures, and markets specialty food products.

Arista Wines

Specializes in marketing wines in innovative, eco-friendly packaging called Vinopaks.



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The Company's Mission

The mission of Lassonde Industries Inc. is to be a Canadian leader in the production and marketing throughout Canada of food products that by their quality and variety contribute to the enjoyment and wellness of consumers.

Our Operations

Nine (9) plants located close to consumers or fruit producers.



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Market Vision – Our Clients

- Most of the Company's sales are to food retailers and wholesalers:
 - This market is highly concentrated in Canada because five retailers control more than 70% of the market;
 - We believe that Canadian food retail and food service markets will continue to consolidate;

- The North American retail market is also undergoing consolidation:
 - The arrival of Target, which has acquired rights in some Canadian properties controlled by Zellers;
 - Walmart's addition of Supercenters.



Market Vision

- Three companies share more than 55% of the Canadian retail fruit juice and fruit drink market:
 - Lassonde alone represents nearly half of the 55%;
 - Our critical mass enables us to stay competitive;
- Rapidly changing consumption patterns:
 - People are more concerned about health and wellness;
 - ⇒ Consumers are looking for foods with added value;
 - Aging population;
 - Demographic diversity.



Corporate Strategy

To offer consumers the right product in the right size

To innovate

To focus on healthy products

To be quick

To promote sustainable development



To consolidate



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Corporate Strategy – Product Offering



Who wants to eat 22 kilos of broccoli for breakfast?

Luckily, there's the new **Oasis Health Break CholestPrevent™** juice

22 kilos of broccoli OR two glasses of new Oasis Health Break CholestPrevent™ juice. That's the saving you need to get the recommended 3g of plant sterols daily and lower your bad cholesterol by up to 10% in just three weeks.

If you prefer the taste of oranges, mangoes and cranberries to broccoli every morning, try our new Oasis Health Break CholestPrevent™.

Plant sterols naturally occur in vegetables, fruits, nuts, seeds and vegetable oils and help lower bad cholesterol.

For more information, visit oasisholestprevent.com

OASIS *Be pure!* **PROUDLY CANADIAN**

OASIS *Be pure!* **CholestPrevent™** **health break** **CholestPrevent™** **Orange, Mango and Cranberry** **1.75 L**

250 ml provides 50% of the daily amount of plant sterols shown to help reduce cholesterol in adults.

2g of plant sterols added daily help reduce total cholesterol by up to 10% and increase levels of Vitamin C.

PLANT STEROLS

PLANT STEROLS

Health Supplement

Lassonde builds on innovation and continues to launch healthy products such as the recently launched

Oasis Health Break CholestPrevent



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Corporate Strategy – Innovation and Consolidation

- Lassonde must protect the Company's human capital because it is our best tool to deal with rapidly changing markets:
 - Our expertise is at the core of our ability to innovate;
 - Our excellent knowledge of the competitive market, of food industry technologies, and of foodstuffs enables us to react to changes that affect our competitive positioning;

- Lassonde must stay on the lookout for opportunities to maintain its rate of growth:
 - Our critical mass enables us to stay relevant for our business partners;
 - The grocery market is increasingly becoming a North American market.



Sustainable Development – Objectives

- To demonstrate our leadership in the environmental performance of our operations;
- To integrate sustainability into our product innovation process;
- To communicate our accomplishments in sustainable development;
- To create a framework promoting the retention and hiring of personnel.



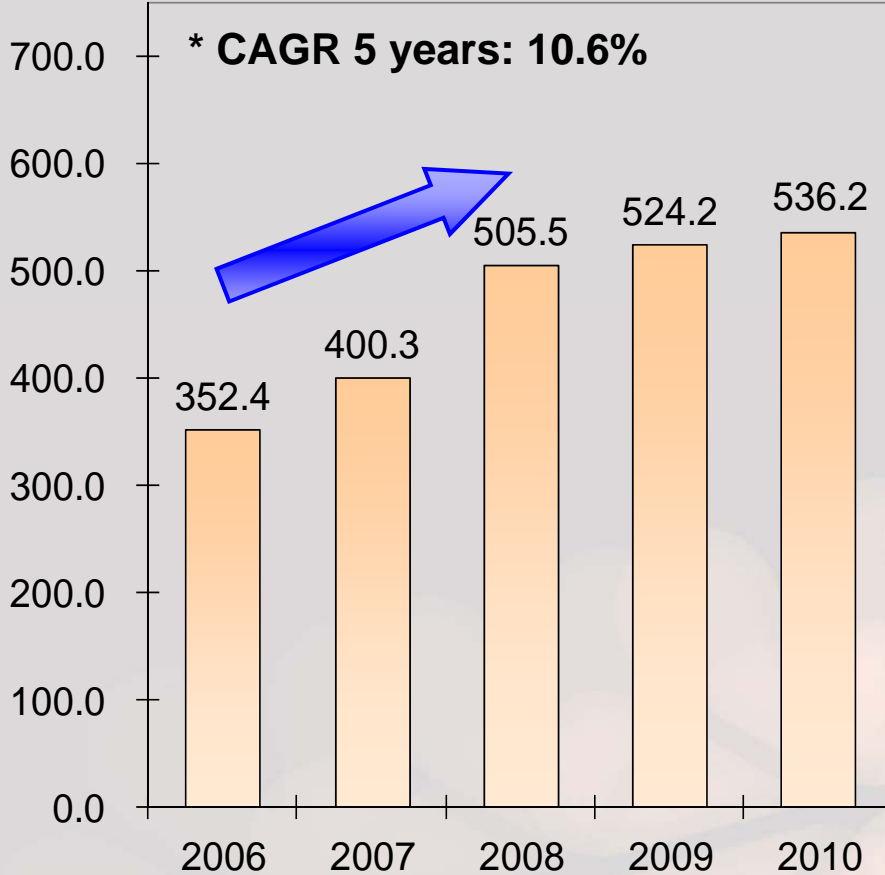
Our Performance



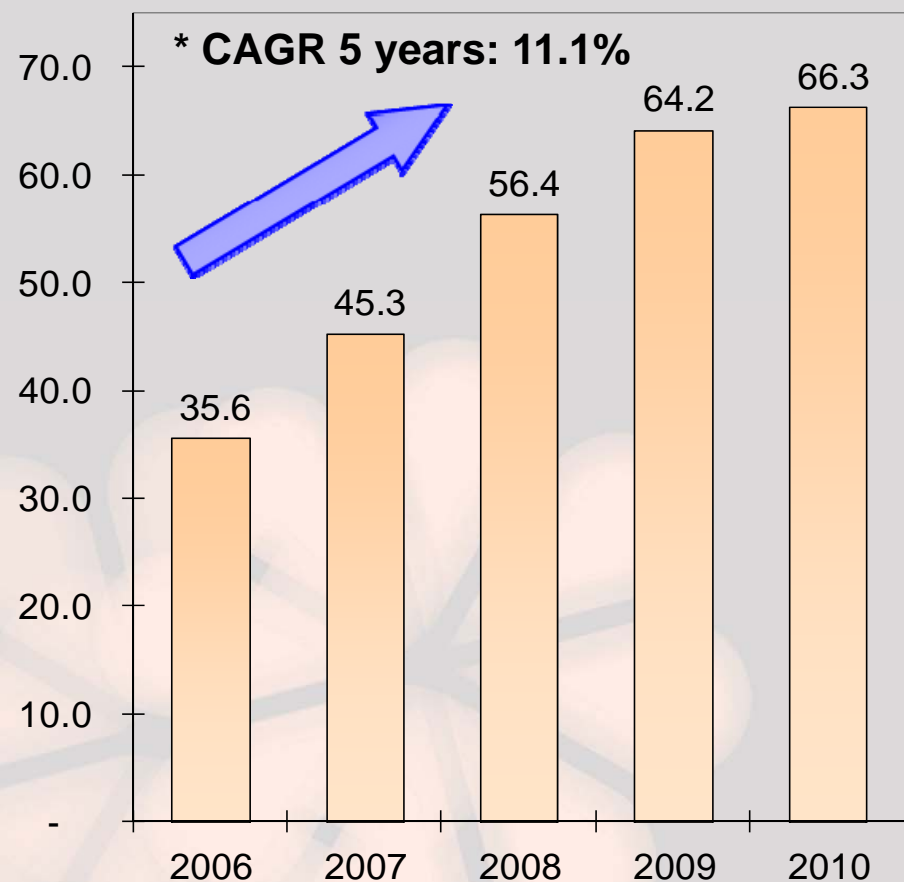
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Selected Financial Information – 5 Years

Net sales (in millions of \$)



EBITA (in millions of \$)



Canadian market CAGR 5 years :

Fruit , Drink and Nectar = 3.2%

Retail segment = 3.0%

Figures for periods prior to 2009 have been restated to reflect CICA Accounting Standard 3064

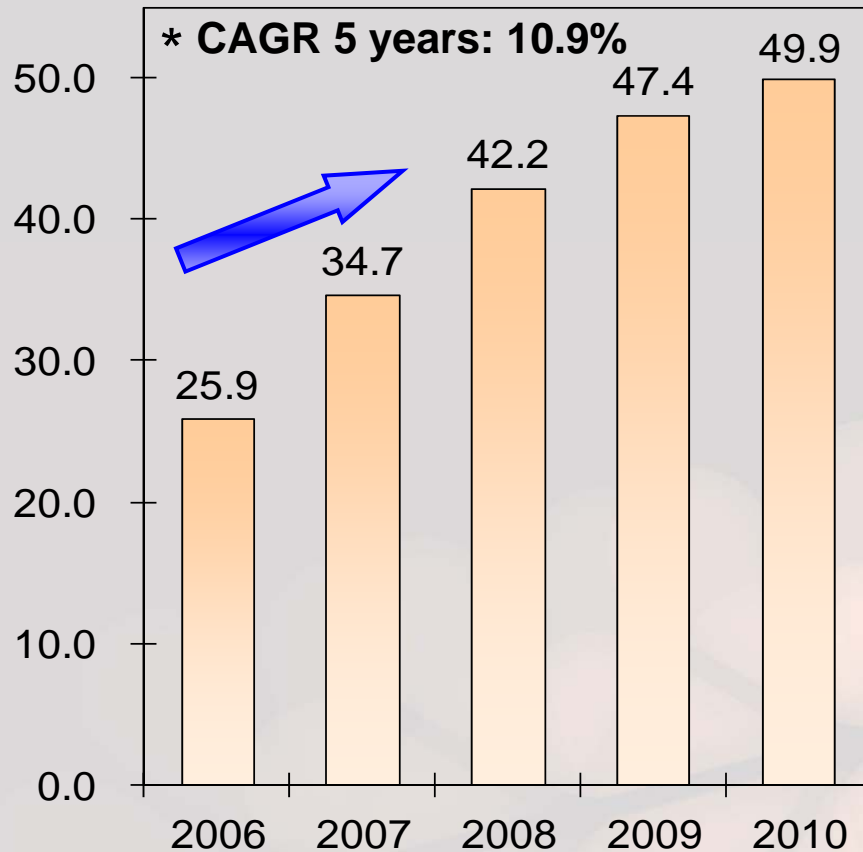
* **Compounded Average Growth Rate**



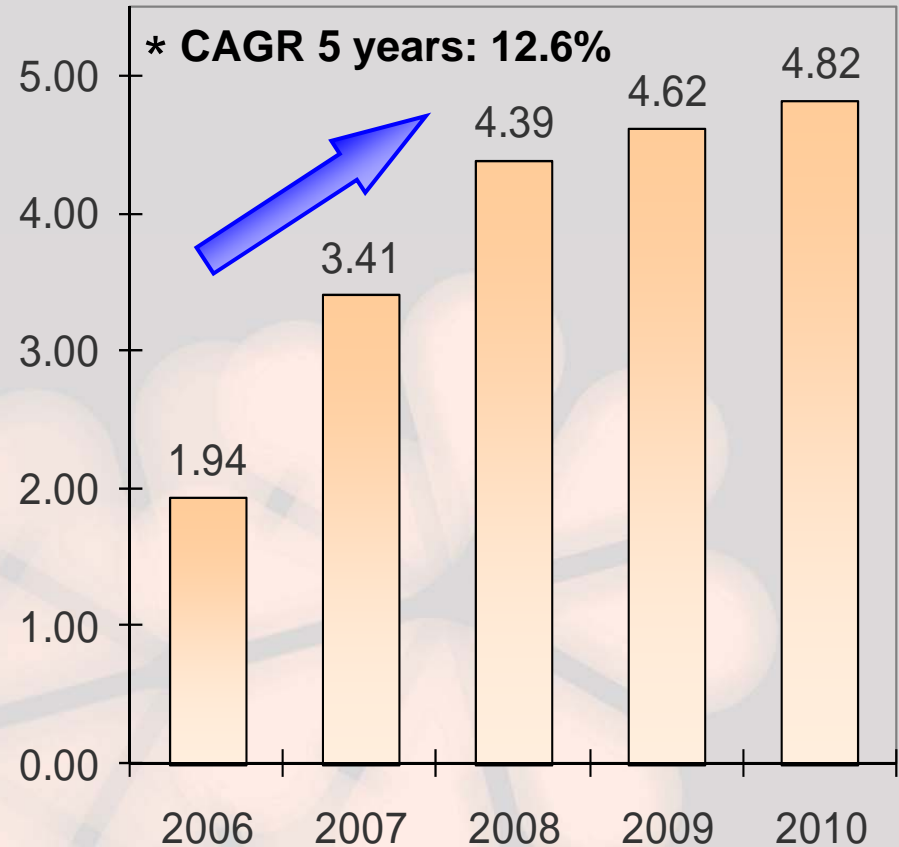
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Selected Financial Information – 5 Years

EBIT (in millions of \$)



EPS (in \$)



Figures for periods prior to 2009 have been restated to reflect CICA Accounting Standard 3064



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* **Compounded Average Growth Rate**

Our Future

To be close to consumers and clients

To provide a dependable service that meets our clients' expectations

To continue to innovate

To try to do as well in the future as we have done in the past

To carry out strategic acquisitions at reasonable prices





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