Kerry Runs Simple

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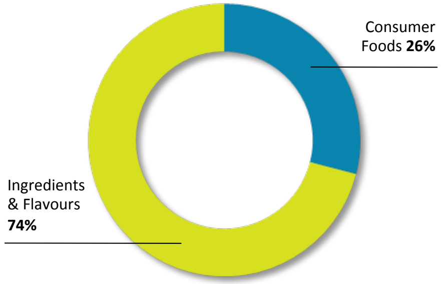
Kerry Group

Facts and Figures

KERRY

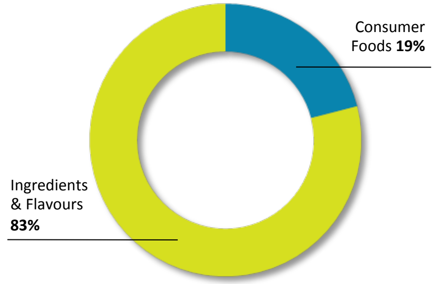
- Revenue €5.8bn
- Listed on both the Irish and London Stock Exchanges
- Sales to 140 countries
- 130 production facilities in 24 countries
- 24,000 employees

REVENUE 2014



Ingredients & Flavours	€4,347m
Consumer Foods	€1,509m

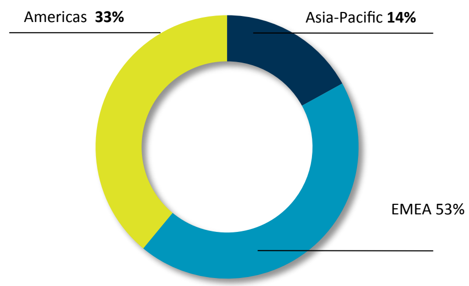
TRADING PROFIT 2014



Ingredients & Flavours	€593m
Consumer Foods	€125m

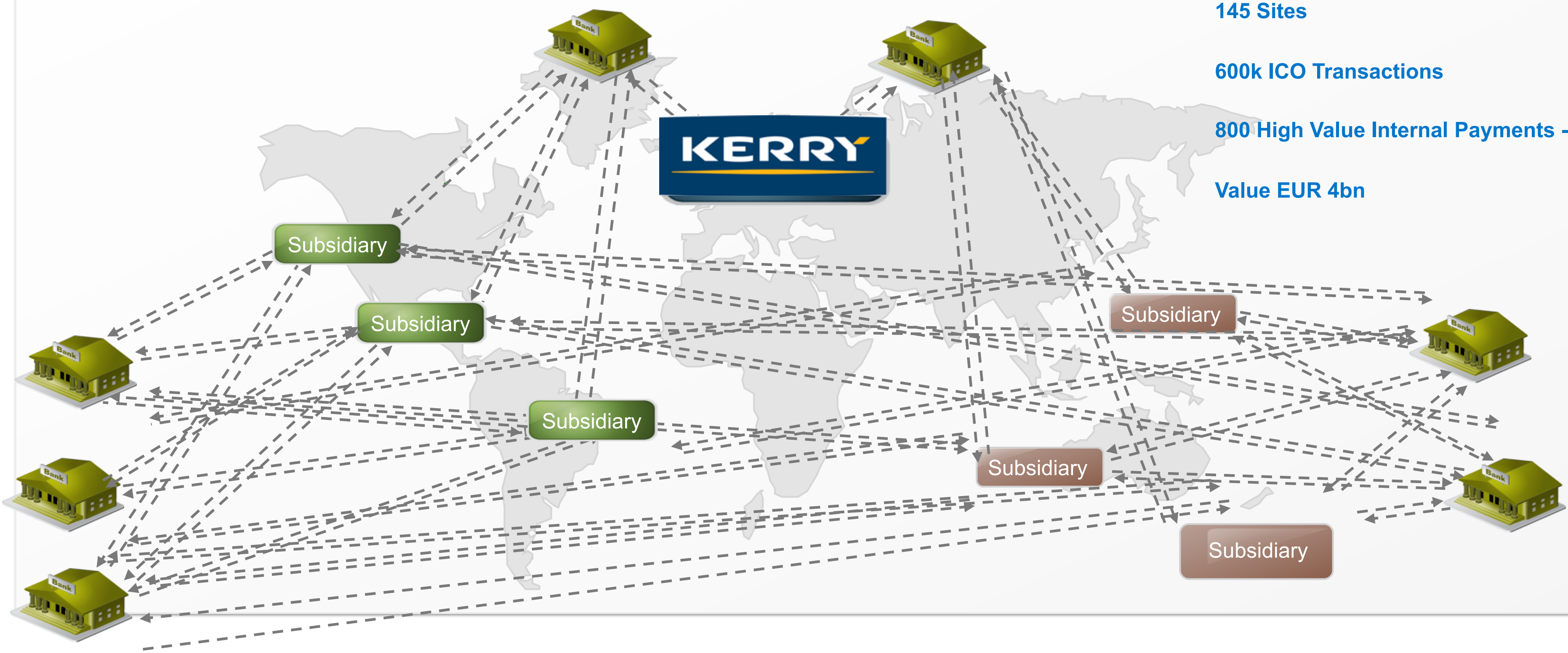
KERRY WORLDWIDE LOCATIONS

SALES BY REGION 2014



Kerry Old Situation: Intercompany payments

Kerry Pre SAP In House Cash - Manual Netting Process



Manual Netting Process

145 Sites

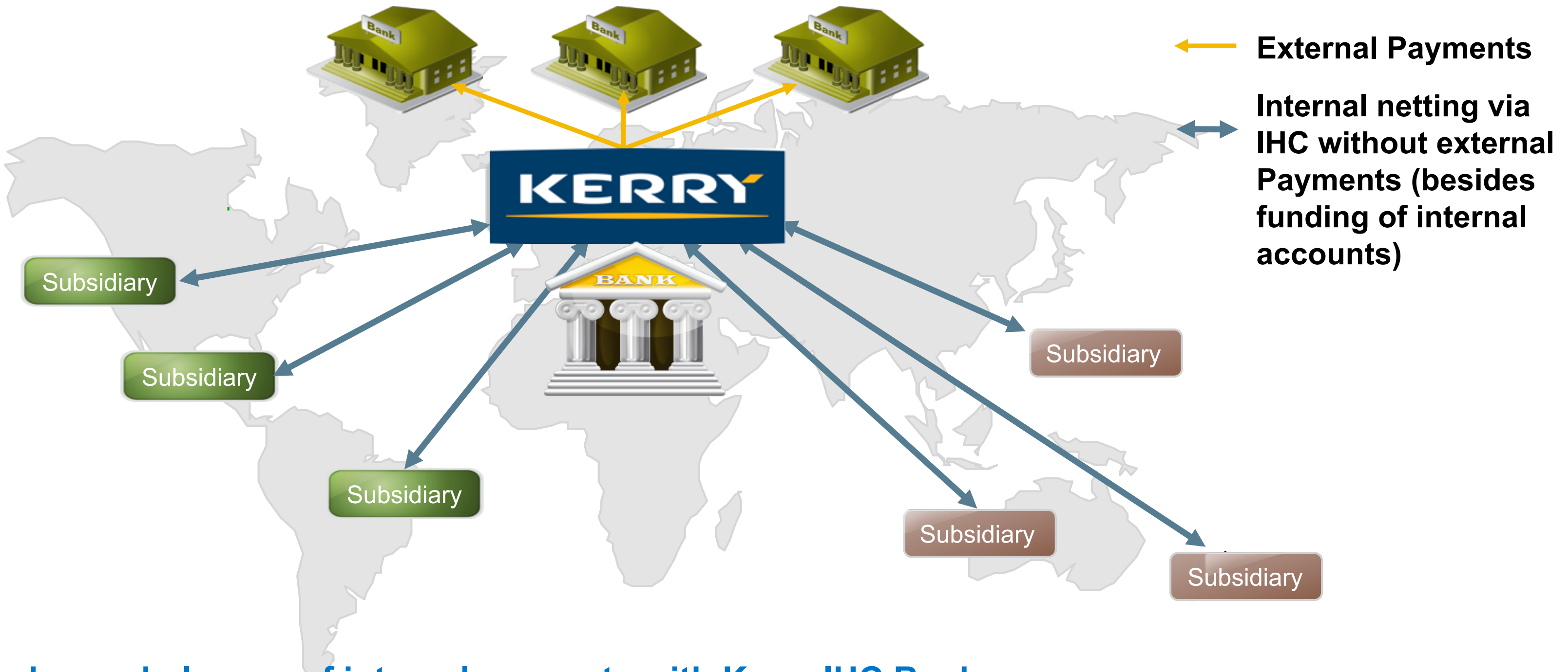
600k ICO Transactions

800 High Value Internal Payments -

Value EUR 4bn

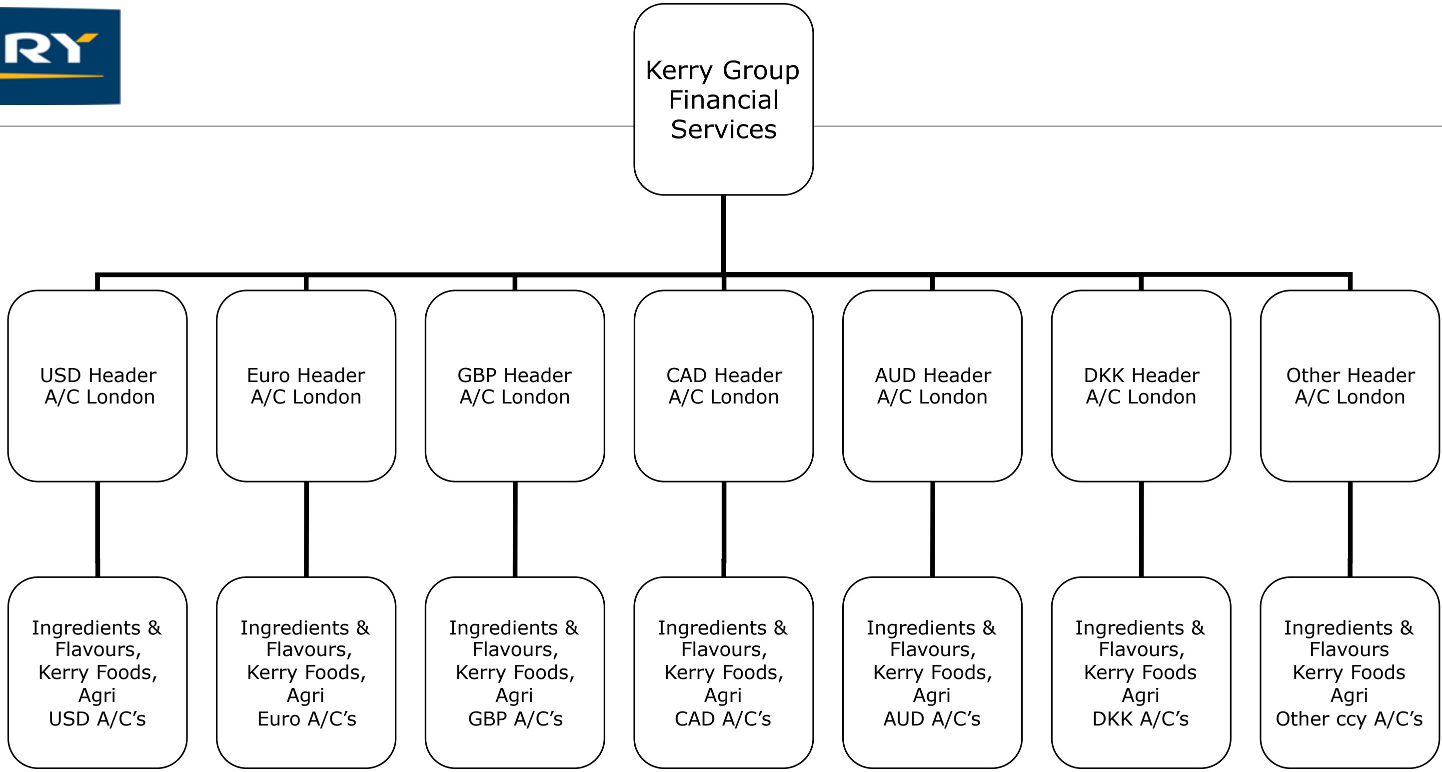
New Solution: Intercompany payments with SAP IHC

External I/CO payment transactions are changed into internal posting transactions…



. . . the transactions change balances of internal accounts with Kerry IHC Bank

Top Level Cash Pooling



- EMEA pool with Citi will consist of 40+ entities and 100+ bank accounts through KGFS
- North America – Physical pooling with BOA in place
- APAC – 8 currency MCNP in Singapore with JP Morgan

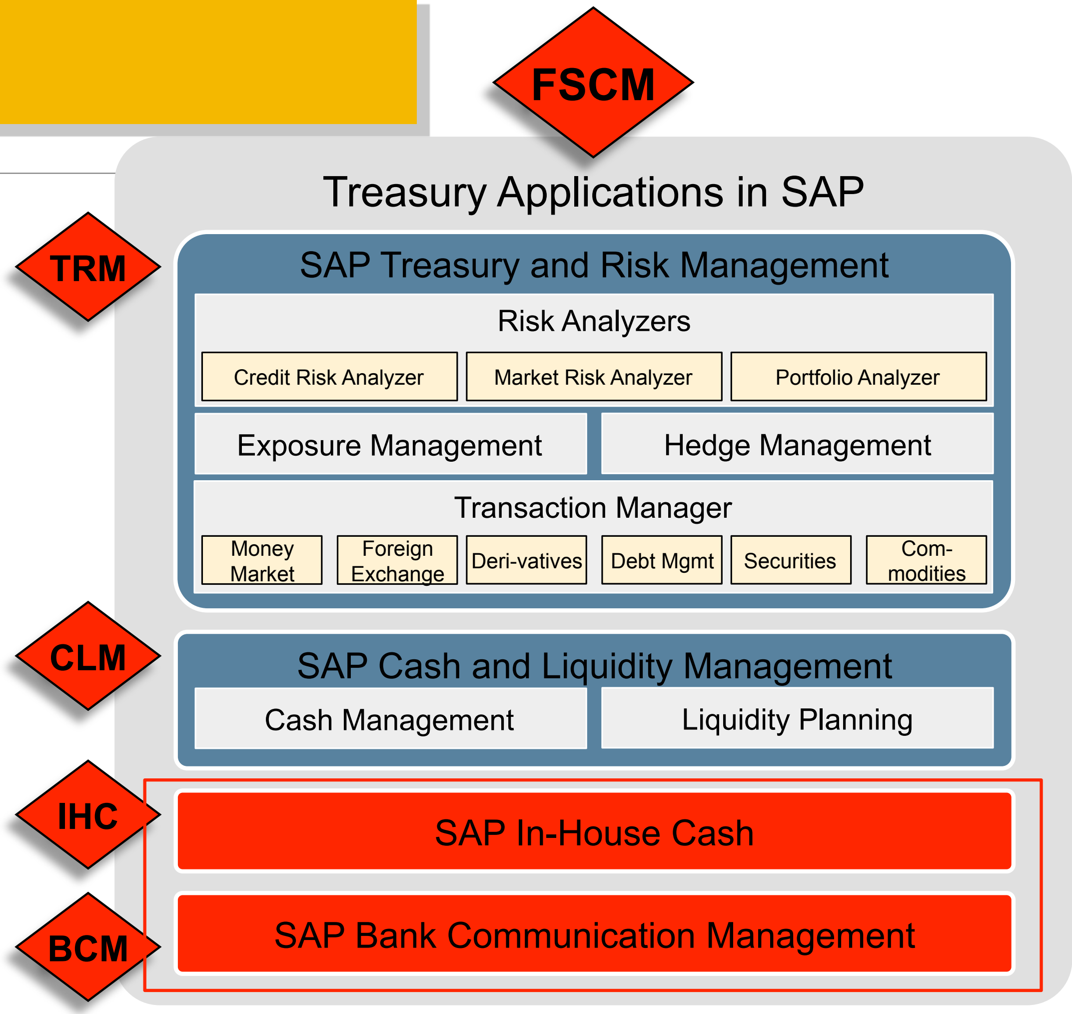
In House Cash & Payments

The following **Treasury** roles use the SAP IHC & BCM modules:

-In-House Cash Analyst
-Payments Processor / Payments Approver

The **In-House Cash** module in SAP is used to perform In House Banking activities

The **Bank Communication Management** module in SAP is used to streamline electronic communications with our Banks



In-House Cash Process

SAP In-House Cash

Intercompany Netting & Settlement → Interest Calculation → Bilateral & Syndicated Facilities → Treasury POBO

Intercompany Netting & Settlement	Interest Calculation	Bilateral & Syndicated Facilities	Treasury POBO
Inter Company Netting and **settlement** (where required), for balances between the IHB and Group subsidiaries	Interest calculation for the positive / negative balances on respective IHC accounts with the subsidiaries	Group Treasury provide inter-company loans to subsidiaries but the source of funds will be an external facility agreement with a bank	Limited 'payments on behalf of' (POBO) will also be routed through the IHC setup

We practice what we preach

SAP Group Treasury runs SAP Treasury Solutions

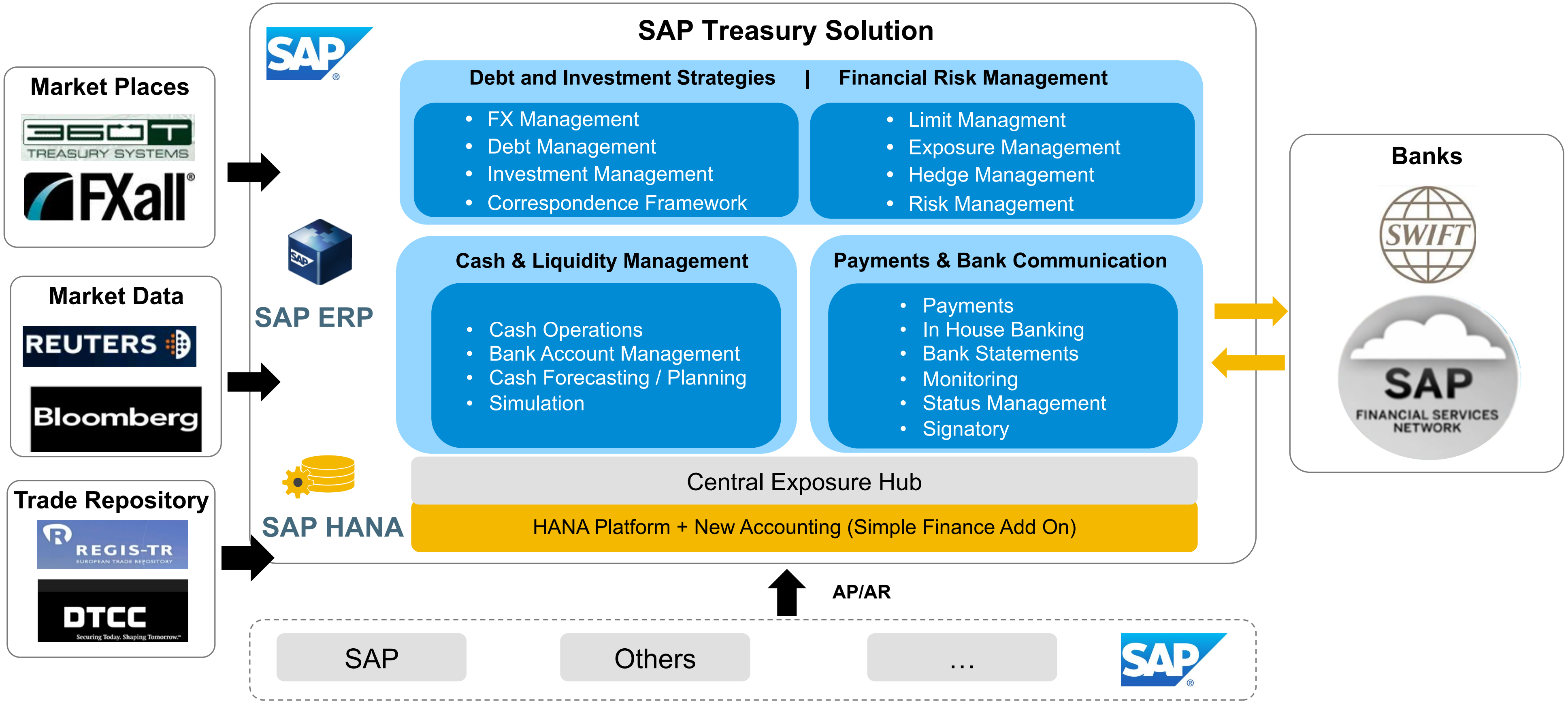
EMIR: SAP Global Treasury leverages SAP's treasury solution for **Central Reporting** of all SAP group treasury activities and collects data that have to be sent to the transaction register at "t+1" automatically

•**Payment Factory** with **Global Formats** for payments/ reporting.
Automated 24x7 posting of p.a.
> 800.000 payments
> 100.000 bank account statements
> 800.000 statement transactions for
> 250 subsidiaries globally
> 700 bank accounts globally

"By bringing intragroup payments in-house with SAP In-House Cash, we have been able to **reduce bank fees, minimize costs** associated with foreign exchange rates, and significantly **lower our risk** as an enterprise operating globally"

Treasury and Financial Risk Management

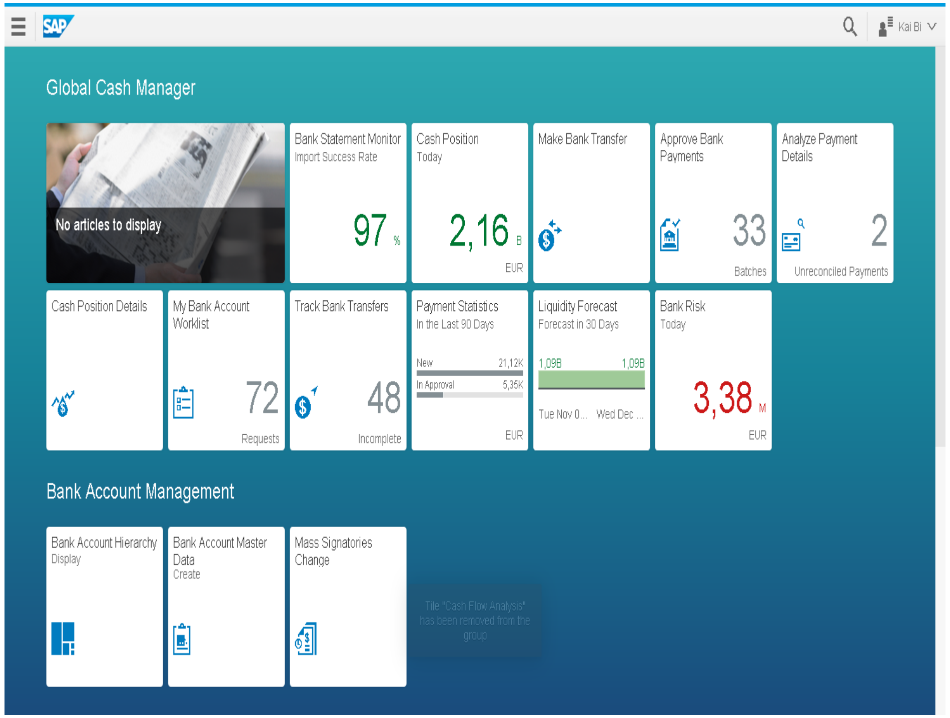
An embedded Treasury Platform on premise and in a private managed cloud



SAP Cash Management powered by HANA

Centralized Cash Management

- Cash Operations for the day to day management of the corporates working capital cash
- Monitoring incoming bank statements
- Preparing a daily forecast of cash receipts, disbursements and expected closing balances
- Overseeing bank risk
- Initiating bank transfers and payments
- Approving and monitoring payments



Benefits using SAP Cash Management powered by SAP HANA

Business	• Real-time data availability • Single Source of Truth with options to drill down • New functionality and high integration level
End-user	• New UIs, intuitive design, personalized • Role-based settings • Cash Management Cockpit with KPIs also available for mobile devices • Simplification and focus on the important
Corporate IT	• New data architecture based on SAP HANA enables elimination of redundant data spreadsheets. Homogenous data storage • Reduction of data volume and interfaces • Increased compliance, and less effort to train people