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Confectionery companies and Autumn

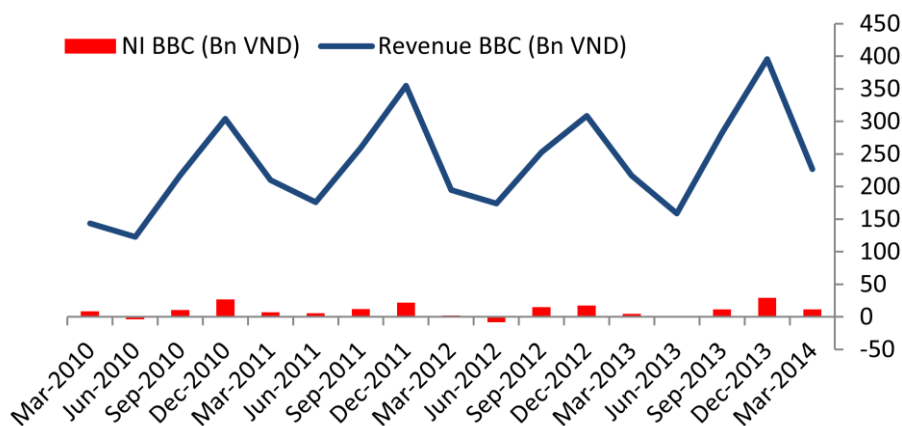
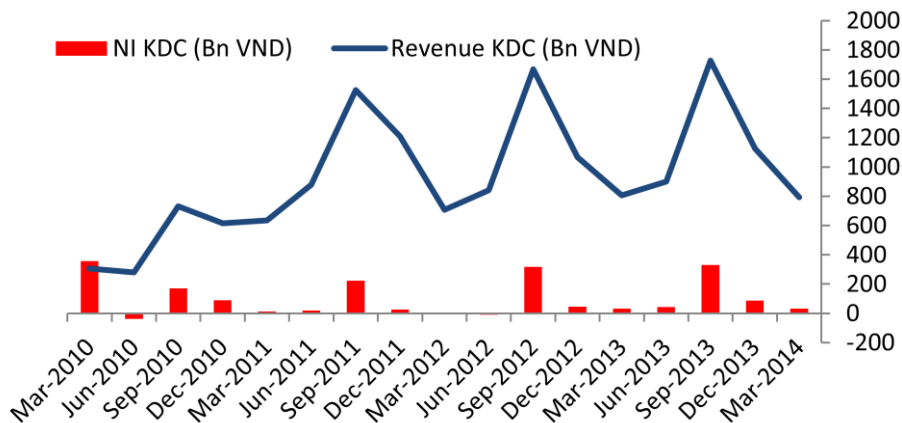
What do players
in confectionery
sector benefit
from this Autumn
2014?

Lingering weak purchasing power since the beginning of the year exerted a significant impact on business operations in general. Even the FMCG enterprises, which suffered less than the other sectors, also struggled to maintain sales and profit at the same level as the previous years.

The leading companies in the confectionery sector are not immune from the sharp decline of this trend either. Therefore, in this Autumn and the last 6 months, many confectionery enterprises, especially the two listed leaders KDC and BBC, desperately expect to increase sales & profit, accordingly, reviving the business results for the entire 2014.

History shows that sales and profit in the third quarter every year of BBC and KDC contributed substantially to the business result of the whole year. Over the last 3 years, KDC's 3Q sales accounted for approximately 38% -40% of annual revenue, while 3Q profit after tax represented about 75%-80% of the whole year's bottom line. In the meantime, Q3 contributed 27% of total sales and 36% of total annual profit for BBC.

We expect 3Q2014 would continue to bring in positive results for these two enterprises.



Source: Thomson Reuters

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