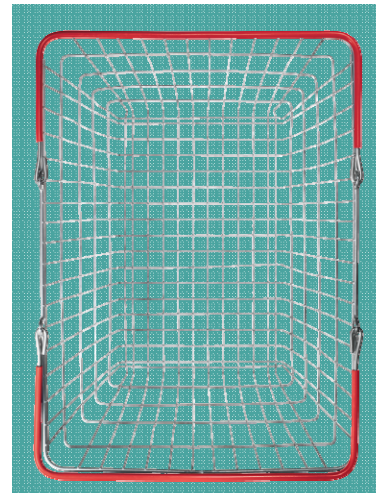


**Review of annual results
for 52 weeks ended
13 September 2008**

4 November 2008



Business Highlights

- Good results demonstrate resilience of group
- Significant developments in Grocery
- Sugar
 - major overseas expansion
 - emergence from EU reform
- Primark forges ahead
- Robust group financial resources
- Strong investment in capital expenditure / acquisitions

Financial Highlights

- Group revenue up 21% to £8.2bn
- Adjusted operating profit up 7% to £664m*
- Adjusted profit before tax up 3% to £632m **
- Adjusted earnings per share up 4% to 54.9p**
- Dividends per share up 4% to 20.25p
- Net investment in capital expenditure and acquisitions of £710m
- Net debt of £791m
- Operating profit level at £554m, profit before tax up 4% to £527m and basic earnings per share down 3% to 45.2p.

* & ** - see notes at end

Income Statement

Associated
British Foods
plc

£m	2008	2007	Change
Revenue	8,235	6,800	+21%
Operating costs	(7,660)	(6,262)	
Exceptional costs	(46)	-	
Share of jv's and associates	15	10	
Profits less losses on sale of PP&E	<u>10</u>	<u>8</u>	
Operating profit	554	556	
Adjusted operating profit	664	622	+7%
Profits less losses on sale of PP&E	10	8	
Amortisation of non-operating intangibles	(74)	(74)	
Exceptional items	(46)	-	

Income Statement

Associated
British Foods
plc

£m	2008	2007	Change
Operating profit	554	556	-
Profits less losses on sale of businesses	5	(39)	
Finance income	21	20	
Finance expense	(74)	(55)	
Other financial income	21	26	
Profit before tax	<u>527</u>	<u>508</u>	+4%
Tax	(136)	(108)	
Profit after tax	<u>391</u>	<u>400</u>	
Minority interests	(34)	(31)	
Attributable to equity shareholders	<u>357</u>	<u>369</u>	
Adjusted profit before tax*	<u>632</u>	<u>613</u>	+3%

* before amortisation of non-operating intangibles, profits less losses on the sale of PP&E, profits less losses on sale and closure of businesses and exceptional items.

Tax

Associated
British Foods
plc

	2008		2007	
	£m		£m	
Underlying charge	154	24.4%	153	25.0%
Credit on exceptional items	(6)		-	
Charge/(credit) on disposal of businesses and PP&E	9		(15)	
Credit on goodwill & intangible amortisation	(21)		(30)	
Reported charge	<u>136</u>	25.8%	<u>108</u>	21.3%

Earnings and Dividends Per Share

Associated
British Foods
plc

		2008	2007	Change
Adjusted earnings per share *	p	54.9	52.9	+4%
Earnings per share	p	45.2	46.7	-3%
Dividends per share	p	20.25	19.50	+4%

* before amortisation of non-operating intangibles, profits less losses on the sale of PP&E, profits less losses on sale of businesses and exceptional items.

Balance Sheet

Associated
British Foods
plc

£m	2008	2007
Intangible assets (including goodwill)	1,815	1,570
PP&E and other non-current assets	3,349	2,771
Net assets classified as held for sale	19	41
Working capital	905	565
Biological assets - current	80	53
Current tax	(89)	(82)
Net debt	(791)	(311)
Other financial assets/(liabilities)	29	(10)
Deferred tax	(348)	(360)
Provisions	(186)	(50)
Net pension asset	61	277
	<u>4,844</u>	<u>4,464</u>
Equity shareholders' funds	4,554	4,244
Minority interests	290	220
	<u>4,844</u>	<u>4,464</u>

Cash Flow

Associated
British Foods
plc

£m	2008	2007
Adjusted operating profit (before joint ventures and associates)	649	612
Depreciation & amortisation of operating intangibles	236	219
Working capital	(110)	55
Provisions	(6)	(17)
Capital expenditure - Primark	(152)	(174)
- Food	(350)	(246)
Purchase of Intangibles	(70)	(7)
Tax	(110)	(106)
Net interest and other income	(55)	(38)
Pension cost less contributions	(18)	(14)
Other	(59)	(20)
Free cash flow	(45)	264
Dividends paid (incl minorities)	(177)	(176)
(Acquisitions)/disposals	(165)	(92)
Net cash flow before financing	<u>(387)</u>	<u>(4)</u>

Segmental Analysis

Associated
British Foods
plc

By business

	Revenue		Profit [*]		Margin		ROCE	
	2008	2007	2008	2007	2008	2007	2008	2007
	£m	£m	£m	£m	%	%	%	%
Grocery	3,254	2,605	194	153	6.0	5.9	18.6	17.3
Sugar & agriculture	2,134	1,796	186	217	8.7	12.1	14.4	22.6
Ingredients	842	698	75	71	8.9	10.2	18.0	22.2
Retail	1,933	1,602	233	200	12.1	12.5	18.6	17.5
Inter company/central costs	-	-	(28)	(26)	n/a	n/a	n/a	n/a
Continuing businesses	<u>8,163</u>	<u>6,701</u>	<u>660</u>	<u>615</u>	<u>8.1</u>	<u>9.2</u>	<u>16.6</u>	<u>18.8</u>
Businesses disposed	<u>72</u>	<u>99</u>	<u>4</u>	<u>7</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
	<u>8,235</u>	<u>6,800</u>	<u>664</u>	<u>622</u>	<u>8.1</u>	<u>9.1</u>	<u>16.6</u>	<u>18.8</u>

* adjusted operating profit

Segmental Analysis

By geography

	Revenue		Profit*		Margin	
	2008	2007	2008	2007	2008	2007
	£m	£m	£m	£m	%	%
United Kingdom	3,766	3,176	309	254	8.2	8.0
Europe, Middle East & Africa	1,489	1,219	159	155	10.7	12.7
The Americas	1,312	1,142	102	113	7.8	9.9
Asia Pacific	1,596	1,164	90	93	5.6	8.0
Continuing businesses	8,163	6,701	660	615	8.1	9.2
Businesses disposed	72	99	4	7	-	-
	<u>8,235</u>	<u>6,800</u>	<u>664</u>	<u>622</u>	<u>8.1</u>	<u>9.1</u>

*adjusted operating profit

Sugar	2008	2007	Change
Revenue £m	1,267	1,151	+10%
Operating Profit £m	153	199	-23%

Overview

- transition to new EU sugar regime largely over
- significant businesses in
 - Europe
 - southern Africa
 - China
- major expansion underway in southern Africa, China
- production of 3.85 million tonnes



Sugar	2008	2007	Change
Revenue £m	1,267	1,151	+10%
Operating Profit £m	153	199	-23%

EU sugar

- £50m profit impact from EU regime reform this year
- final reform changes effective October 2009
- 206,000 tonnes permanently renounced - £25m exceptional gain

UK

- higher energy costs, lower crop of 1.05 million tonnes
- benefit of stronger euro

Poland

- excellent single factory campaign



Sugar	2008	2007	Change
Revenue £m	1,267	1,151	+10%
Operating Profit £m	153	199	-23%

UK biofuels

- Wissington
 - producing for over 12 months
 - yields ahead of expectation
 - firmer ethanol pricing

- **vivergo**fuels
 - construction commenced at Hull
 - commissioning due 2010



Sugar	2008	2007	Change
Revenue £m	1,267	1,151	+10%
Operating Profit £m	153	199	-23%

Sugar – Illovo

- strong performance
- higher crop
- good domestic and neighbouring market sales
- favourable world market price and US dollar/rand rate
- Zambia phase 1 expansion completed



Zambia infrastructure - supply canals



Sugar	2008	2007	Change
Revenue £m	1,267	1,151	+10%
Operating Profit £m	153	199	-23%

Sugar – China

- combined production of 755,000 tonnes
- lower sugar prices – record domestic production
- beet sugar business created
 - five-year development plan
 - single, co-ordinated entity
 - factory expansions underway



Yi'an

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British Foods
plc



Agriculture	2008	2007	Change
Revenue £m	867	645	+34%
Operating Profit £m	33	18	+83%



- an exceptional year
- UK animal feeds - high input costs recovered
- Frontier
 - excellent grain trading performance
 - buoyant market for agricultural inputs
- AB Vista
 - high added-value ingredients
 - increased international presence
- China
 - strong sales growth
 - capacity expansion underway



Retail	2008	2007	Change
Revenue £m	1,933	1,602	+21%
Operating Profit £m	233	200	+17%

Primark

- tough retail environment
- 4% like-for-like sales growth
- retail selling space up 13%
- 12 new stores including seven in Spain
- Spanish stores performed well
- gross margin maintained but higher overheads
- new UK warehouse capacity to service growth



Primark – Thrapston warehouse

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Primark - new stores

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British Foods
plc



Liverpool September 2007



Oviedo April 2008



**Madrid Parque Corredor
June 2008**



Basingstoke March 2008



Ealing June 2008



Zaragoza September 2008

Major Iberian cities

Associated
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plc



Primark's stores

Associated
British Foods
plc



Retail	2008	2007	Change
Revenue £m	1,933	1,602	+21%
Operating Profit £m	233	200	+17%

New store momentum

- UK and Ireland - High Wycombe now open
Edinburgh, Cambridge, Corby to open
- Spain - at least 4 to open
La Corona and Oviedo already open
- Netherlands - Rotterdam
- Germany - Bremen



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

A year of major developments

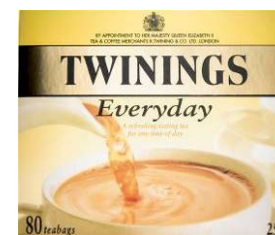
- creation of World Foods
- merger of Ryvita with Jordans
- substantial improvement in UK bread
- creation of leading meat business in Australia
- development in US grocery
 - packaged oil joint venture with ADM
 - ACH now focused on consumer brands



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

Twinnings

- UK growth of Everyday and green teas
- infusions relaunched
- developing well in US
- Australian Everyday launched as Simply Twinings by Nigella



Ovaltine

- further growth in Thailand
- capacity expansion in Thailand and China
- brand growing again in Switzerland



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

ACH

- Mazola volume pressure after sharp price increases
- Capullo in Mexico performed well
- packaged oil joint venture with ADM – Stratas Foods
 - origination and processing capabilities of ADM
 - sales and marketing expertise of ACH
 - proforma sales of \$1.4bn
- ACH now focused on its consumer brands



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

Silver Spoon

- very competitive UK retail sugar market
- Fairtrade and Billington's growth



Jordans Ryvita

- businesses merged August 2008
- integration underway
- Jordans now relaunched
- Ryvita growth - UK crispbread



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

Allied Bakeries

- improvement in profitability
- focus on quality, availability and service levels
- consistent strong brand advertising
- Kingsmill share growth after successful relaunch



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

Australia

- good sales and profit growth
- milling and baking performed well
 - input cost recovery
 - closure of two NSW bakeries announced
- leading meat business created
 - acquisition of KR Castlemaine
 - closure of Perth and Melbourne factories in 2009/2010



Grocery	2008	2007	Change
Revenue £m	3,254	2,605	+25%
Operating Profit £m	194	153	+27%

World Foods

- growth of Blue Dragon and Patak's
- business integration achieved
- Polish factory commissioned
- Meena's premium Indian sauces launched

Westmill

- major ethnic brands ahead
- higher commodity costs recovered



Ingredients	2008	2007	Change
Revenue £m	842	698	+21%
Operating Profit £m	75	71	+6%

AB Mauri

- yeast and bakery ingredients profit up
- good volume growth in South America and China
- European presence strengthened by acquisition
- expansion in Harbin

ABF Ingredients

- new yeast extract capacity under construction



Harbin yeast and yeast extracts

Associated
British Foods
plc



Ingredients	2008	2007	Change
Revenue £m	842	698	+21%
Operating Profit £m	75	71	+6%

AB Mauri

- yeast and bakery ingredients profit up
- good volume growth in South America and China
- European presence strengthened by acquisition
- expansion in Harbin

ABF Ingredients

- new yeast extract capacity under construction
- further enzyme development
 - growth in food, beverage and animal feeds sectors
 - capacity expansion



Summary

- Good results demonstrate resilience of group
- Significant developments in Grocery
- Sugar
 - major overseas expansion
 - emergence from EU reform
- Primark forges ahead
- Robust group financial resources
- Strong investment in capital expenditure / acquisitions

This presentation pack is directed only at investment professionals falling within article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 and to other persons to whom the presentation pack may lawfully be promoted.

Notes

- * before amortisation of non-operating intangibles, profits less losses on the sale of PP&E and exceptional items
- ** before amortisation of non-operating intangibles, profits less losses on the sale of PP&E, profits less losses on the sale and closure of businesses and exceptional items

All figures stated after amortisation of intangibles, profits or losses on the sale of PP&E, profits less losses on the sale and closure of businesses and exceptional items are shown on the face of the consolidated income statement.