

Annual General Meeting

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Business Review

5 December 2014

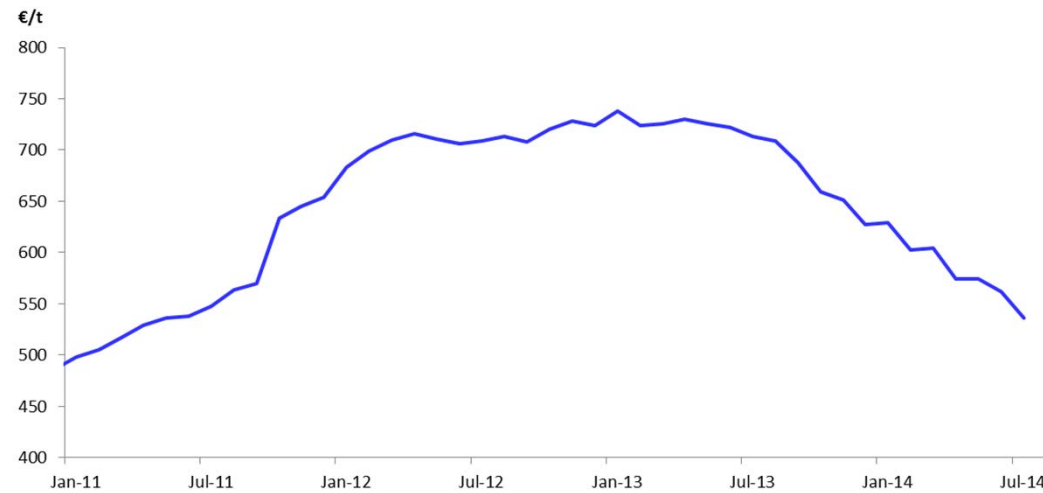


A resilient performance

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		Actual fx	Constant fx
Group revenue	£12.9bn	down 3%	up 1%
Adjusted operating profit	£1.163bn	down 1%	up 2%
Adjusted earnings per share	104.1p	up 6%	
Dividends per share	34.0p	up 6%	

EU sugar prices



Source: European Commission Average

- supply shortage drove price sharply higher in 2012
- reduction since 2012
 - much higher EU stock levels
 - confirmation of quota removal in 2017
- beyond 2014/15 much of structural price change behind us

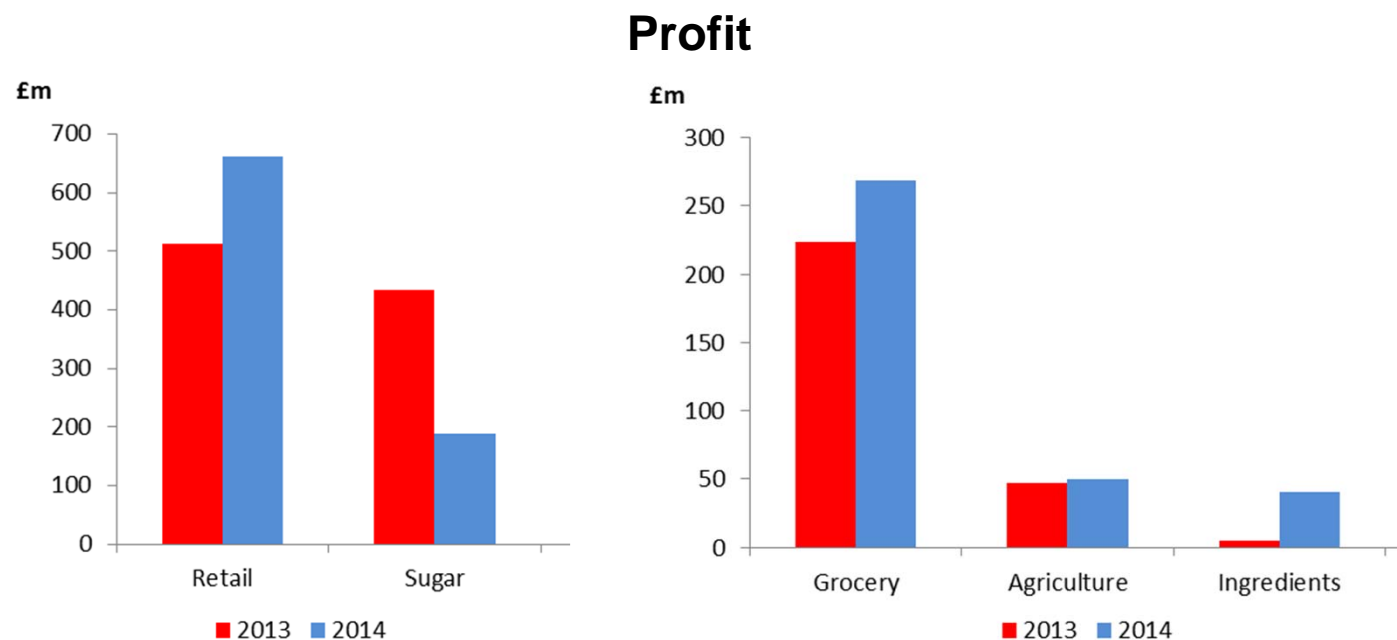
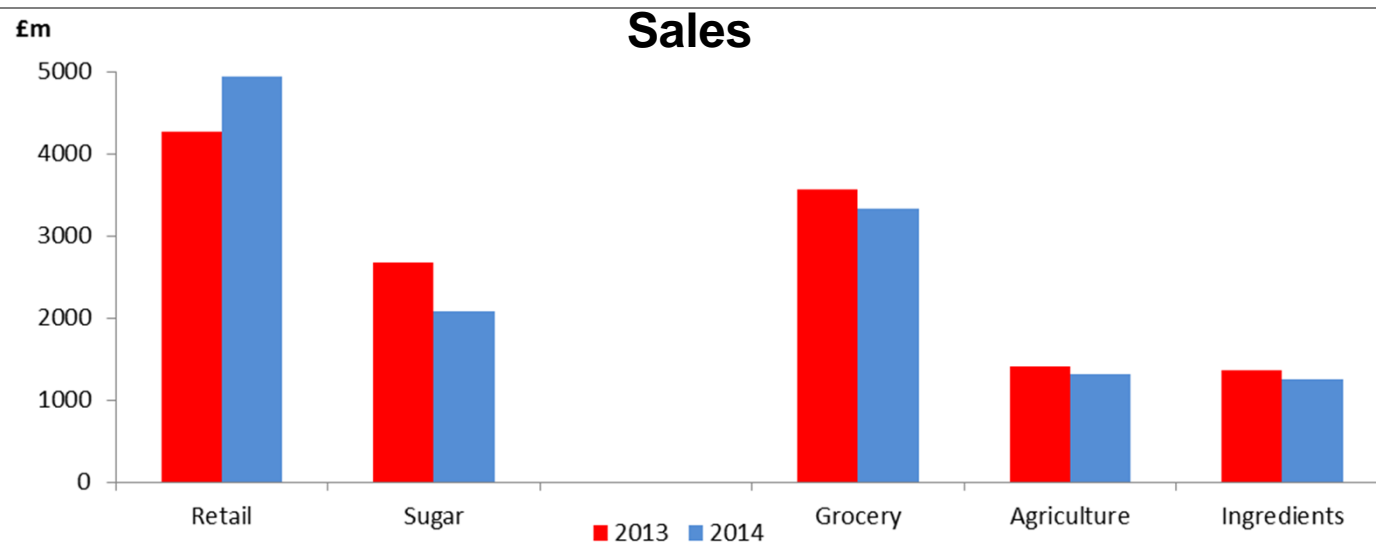
Record cash generation

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	£m	£m
Adjusted operating profit before depreciation and amortisation		1,574
Net capital investment	(691)	
Working capital	100	
		(591)
Tax		(246)
Net interest		(67)
Other		(31)
Free cash flow		639

Business segment performance

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This year's highlights

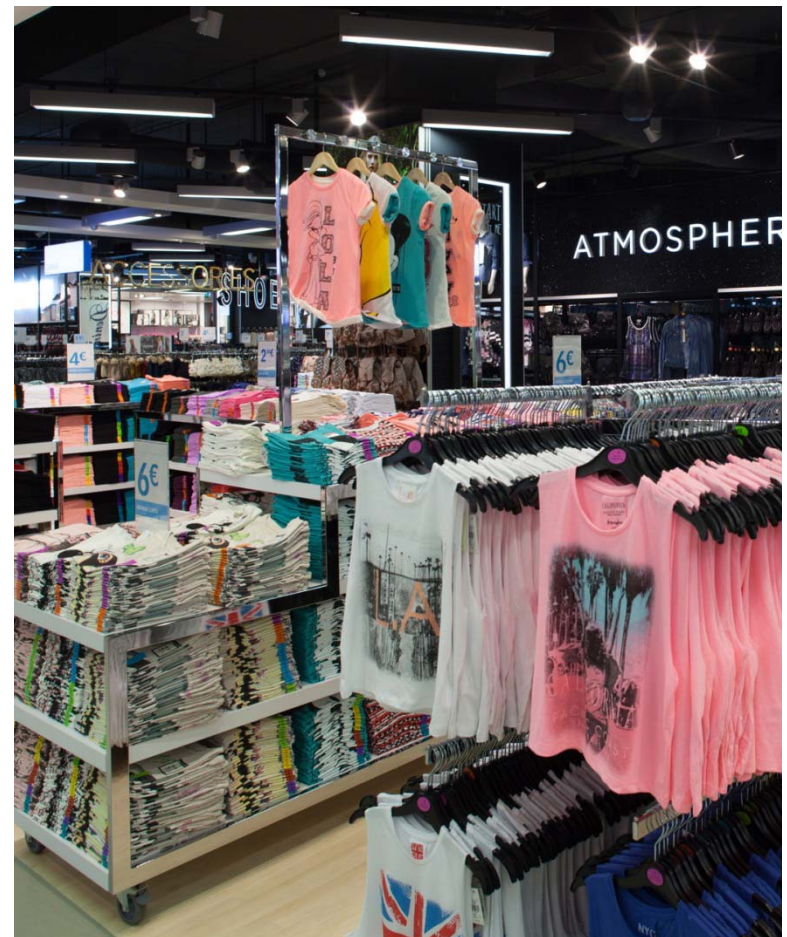
- Four out of five business segments delivered significant profit growth
 - profit and margin well ahead in Grocery
 - strong turnaround at Ingredients
 - record year at Agriculture
 - a magnificent year for Primark

- Sugar
 - much lower EU prices
 - focus on cost improvement

Primark trading

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- **1.4 million** shoppers visited us every day
- over **350 million** pairs of socks
- **200 million** t-shirts



Vive la France!

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Dijon



Marseille



Paris Creteil



Paris - Villeneuve la Garenne



Paris - O'Parinor



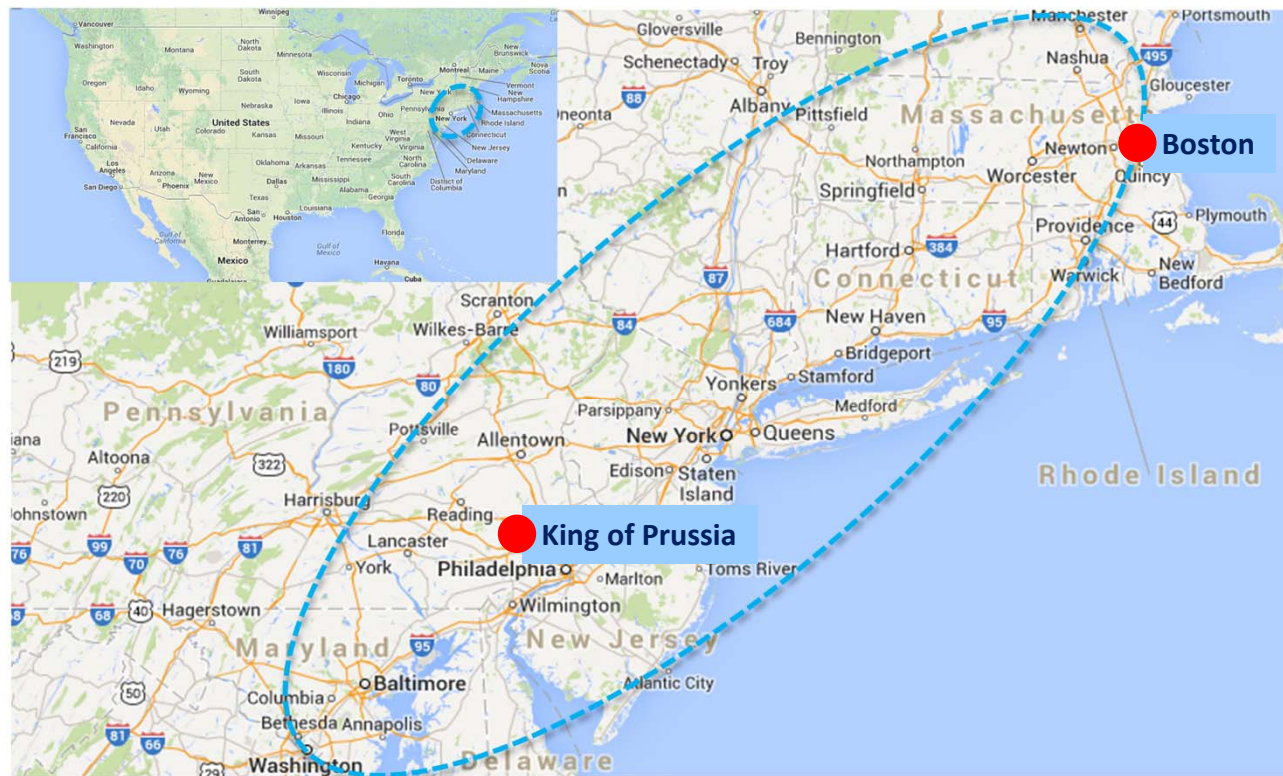
USA

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North-east US

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Sugar cost improvement

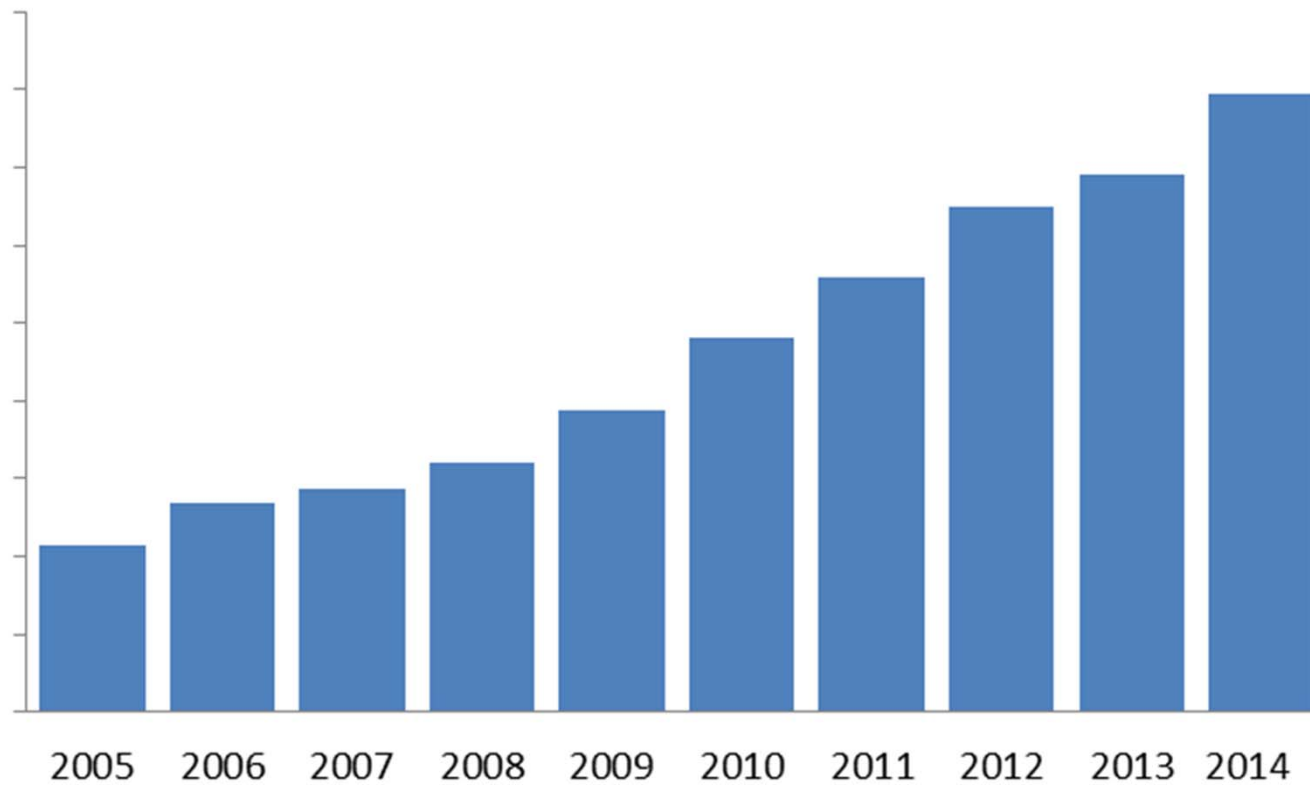
- continuous improvement programme in all businesses
- review of overheads
- beet and cane costs

Sales	£3.3bn	
Profit	£269m	up 24%

- consistent long-term growth for Twinings Ovaltine
- bakery investment
- portfolio of great brands

Twinnings Ovaltine profit growth

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Capital investment in Allied Bakeries

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£210 million over 5 years



Stockport bread plant



Stevenage bread plant



West Bromwich roll plant



Glasgow bread plant



Stockport bread plant (2)



Walthamstow bread plant



West Bromwich bread plant



Stevenage bread plant (2)

Major UK brands

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Dorset Cereals – our latest addition

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We build businesses

- AB Vista
- AB World Foods
- Twinings USA

