

**Review of interim results
for 24 weeks ended
3 March 2012**

24 April 2012



Financial Highlights

- Group revenue up 11% to £5,766m
- Adjusted operating profit up 6% at £412m*
- Adjusted profit before tax up 3% to £363m *
- Adjusted earnings per share up 5% at 34.4p *
- Interim dividend per share up 8% to 8.5p
- Net debt of £1,592m after net capital investment of £326m
- Operating profit up 6% to £378m, profit before tax up 3% at £329m and basic earnings per share up 4% to 31.7p

* before amortisation of non-operating intangibles and profits less losses on disposal of non-current assets.

Business Highlights

- Good growth in group revenue and profit
- AB Sugar substantially ahead
- Primark now returning to good profit growth
- Twinings Ovaltine continued growth
- Unsatisfactory performance in Australia and in yeast
- Improved group cash flow

Income Statement

Associated
British Foods
plc

£m	2012	2011	Change
Revenue	5,766	5,207	+11%
Operating costs	(5,402)	(4,870)	
Share of joint ventures and associates	13	17	
Profits less losses on disposal of non-current assets	<u>1</u>	<u>2</u>	
Operating profit	378	356	
Adjusted operating profit	412	390	+6%
Profits less losses on disposal of non-current assets	1	2	
Amortisation of non-operating intangibles	(35)	(36)	

Income Statement

Associated
British Foods
plc

£m	2012	2011	Change
Operating profit	378	356	+6%
Net interest expense	(48)	(39)	
Other financial (expense)/income	(1)	2	
Profit before tax	<u>329</u>	<u>319</u>	+3%
Tax	(85)	(83)	
Profit after tax	<u>244</u>	<u>236</u>	
Adjusted profit before tax*	<u>363</u>	<u>353</u>	+3%

* before amortisation of non-operating intangibles and profits less losses on disposal of non-current assets.

Tax

Associated
British Foods
plc

£m	2012		2011	
Underlying charge	94	25.9%	94	26.6%
Credit on intangible amortisation	(9)		(11)	
Reported charge	<u>85</u>	25.8%	<u>83</u>	26.0%

Earnings and Dividend Per Share

Associated
British Foods
plc

	2012	2011	Change
Adjusted earnings per share *	34.4p	32.9p	+5%
Earnings per share	31.7p	30.6p	+4%
Dividend per share	8.5p	7.9p	+8%

* before amortisation of non-operating intangibles and profits less losses on disposal of non-current assets.

Balance Sheet

Associated
British Foods
plc

£m	2012	2011
Intangible assets (including goodwill)	1,850	1,903
PP&E and other non-current assets	5,046	4,705
Working capital	1,374	1,160
Biological assets - current	114	112
Current tax	(140)	(144)
Net debt	(1,592)	(1,361)
Other net financial assets/(liabilities)	16	(23)
Deferred tax	(254)	(291)
Provisions	(130)	(198)
Net pension (liability)/asset	(57)	41
	<u>6,227</u>	<u>5,904</u>
Equity shareholders' funds	5,827	5,492
Non-controlling interests	400	412
	<u>6,227</u>	<u>5,904</u>

Cash Flow

Associated
British Foods
plc

£m	2012	2011
Adjusted operating profit (before joint ventures and associates)	399	373
Depreciation and amortisation of operating intangibles	182	159
Working capital	(308)	(382)
Provisions	(11)	(12)
Capital expenditure - Primark	(139)	(145)
- Food	(177)	(239)
Purchase of intangibles	(10)	(20)
Tax	(70)	(51)
Net interest and other income	(33)	(26)
Pension costs less contributions	(4)	(4)
Other	(1)	(20)
Free cash flow	(172)	(367)
Dividends paid (including non-controlling interests)	(146)	(138)
Acquisitions less disposals	(2)	(47)
	<u>(320)</u>	<u>(552)</u>

Segmental Analysis

**Associated
British Foods**
plc

By business	Revenue		Profit		Margin		ROCE (annualised)	
	2012	2011	2012	2011	2012	2011	2012	2011
	£m	£m	£m	£m	%	%	%	%
Grocery	1,813	1,743	75	109	4.1	6.3	10.5	17.8
Sugar	1,203	1,024	172	108	14.3	10.5	19.1	13.1
Agriculture	597	507	16	18	2.7	3.6	14.1	19.3
Ingredients	538	527	18	31	3.3	5.9	5.1	10.3
Retail	1,615	1,406	154	151	9.5	10.7	18.0	20.4
Central costs			(23)	(27)				
Continuing businesses	<u>5,766</u>	<u>5,207</u>	<u>412</u>	<u>390</u>	<u>7.1</u>	<u>7.5</u>	<u>14.0</u>	<u>15.1</u>

Segmental Analysis

Associated
British Foods
plc

By geography

	Revenue		Profit		Margin	
	2012	2011	2012	2011	2012	2011
	£m	£m	£m	£m	%	%
United Kingdom	2,485	2,194	271	230	10.9	10.5
Europe & Africa	1,549	1,336	89	56	5.7	4.2
The Americas	607	571	50	59	8.2	10.3
Asia Pacific	1,125	1,106	2	45	0.2	4.1
Continuing businesses	<u>5,766</u>	<u>5,207</u>	<u>412</u>	<u>390</u>	<u>7.1</u>	<u>7.5</u>

Sugar

Associated
British Foods
plc

		2012	2011	Change
Revenue	£m	1,203	1,024	+17%
Operating profit	£m	172	108	+59%
Margin		14.3%	10.5%	
ROCE (annualised)		19.1%	13.1%	

- excellent campaigns in UK and Spain
- better performance from Illovo
- strong regional pricing



Sugar	2012	2011	Change
Revenue £m	1,203	1,024	+17%
Operating Profit £m	172	108	+59%



EU Sugar

Strong prices

UK

- sugar production up 30% at 1.3 million tonnes
 - record beet yield
 - high sucrose content
 - factory performance
- Wisington bioethanol production resumed
- Vivergo being commissioned now

Spain

- excellent northern campaign
 - record beet yield, higher factory extraction
- Guadalete refinery operating close to capacity



Sugar	2012	2011	Change
Revenue £m	1,203	1,024	+17%
Operating Profit £m	172	108	+59%



China

- further progress in North, production well up
 - increased planting area
 - improved beet yield
 - better factory operations
- production down in South
 - reduced yield
 - lower extraction
- lower prices



Sugar	2012	2011	Change
Revenue £m	1,203	1,024	+17%
Operating Profit £m	172	108	+59%



Illovo

- higher regional pricing
- lower production: drought in South Africa and lower sucrose content
- higher volumes expected for new season
 - South African recovery
 - Zambia and Swaziland operating closer to capacity
- Mali project uncertain



Agriculture

Associated
British Foods
plc

		2012	2011	Change
Revenue	£m	597	507	+18%
Operating profit	£m	16	18	-11%
Margin		2.7%	3.6%	
ROCE (annualised)		14.1%	19.3%	

- revenue ahead in feed businesses
- AB Vista continuing to grow well
- Frontier
 - high demand for crop inputs
 - grain trading lower, less market volatility



Launch of new phytase enzyme – Quantum Blue



Grocery

Associated
British Foods
plc

		2012	2011	Change
Revenue	£m	1,813	1,743	+4%
Operating profit	£m	75	109	-31%
Margin		4.1%	6.3%	
ROCE (annualised)		10.5%	17.8%	

- significant restructuring costs
- George Weston Foods
- UK grocery brands performed well
- further growth from Twinings Ovaltine



Grocery	2012	2011	Change
Revenue £m	1,813	1,743	+4%
Operating Profit £m	75	109	-31%



UK Grocery

- focus on lowering cost base at Allied Bakeries
 - capital investment
 - closure of two small bakeries
 - overhead reduction
- brands performed well
 - Kingsmill
 - Silver Spoon: growth in home baking, Truvia launched
 - Ryvita success



Grocery	2012	2011	Change
Revenue £m	1,813	1,743	+4%
Operating Profit £m	75	109	-31%

Twinings Ovaltine

- revenue and profit growth
- marketing investment increased
 - success of Twinings UK advertising
- Twinings
 - continued growth in the US
- Ovaltine exceptional growth
 - overcame challenge of Thailand floods
 - developing markets



Celebrating the Queen's Diamond Jubilee

**Associated
British Foods**
plc

Celebrating the Queen's Diamond Jubilee

Associated
British Foods
plc



Celebrating the Queen's Diamond Jubilee

Associated
British Foods
plc



Celebrating the Queen's Diamond Jubilee

Associated
British Foods
plc



Celebrating the Queen's Diamond Jubilee

Associated
British Foods
plc



Grocery	2012	2011	Change
Revenue £m	1,813	1,743	+4%
Operating Profit £m	75	109	-31%



ACH

- better Mazola performance
- spice volumes impacted by price increases
- new product launches
- Mexico: competitor activity, relaunch of Capullo



Stratas

- further improvement



Grocery	2012	2011	Change
Revenue £m	1,813	1,743	+4%
Operating Profit £m	75	109	-31%



Australia

- disappointing results
- significant restructuring costs
- overhead reduction
- some improvement in bread pricing
- meat factory commissioning
- challenging retail and competitor environment

Ingredients

		2012	2011	Change
Revenue	£m	538	527	+2%
Operating profit	£m	18	31	-42%
Margin		3.3%	5.9%	
ROCE (annualised)		5.1%	10.3%	

- good progress at ABF Ingredients
 - Harbin operating well
- many challenges in yeast and bakery ingredients
- development of a sharper and more differentiated offering
- capital investment
 - new yeast plant at Veracruz
 - capacity expansion in China and India



		2012	2011	Change
Revenue	£m	1,615	1,406	+15%
Operating profit	£m	154	151	+2%
Margin		9.5%	10.7%	
ROCE (annualised)		18.0%	20.4%	

- revenue momentum
 - extensive programme of new store openings
 - like-for-like sales up 2%
- trading from new stores exceeding expectation
- margin decline as expected
- now returning to good profit growth



Retail	2012	2011	Change
Revenue £m	1,615	1,406	+15%
Operating Profit £m	154	151	+2%



- trading
 - Christmas particularly strong after slow autumn start
 - confidence in spring / summer range
- margin
 - decline in first half as expected
 - improvement in second half with benefit of lower cotton prices

Primark - selling space expansion

Associated
British Foods
plc

	UK		Iberia		Republic of Ireland		Northern Continental Europe		Total	
	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores
Half year 2011	4,970	149	650	21	1,010	38	270	6	6,900	214
Half year 2012	5,360	156	890	28	1,010	38	600	11	7,860	233
	+8%		+37%		-		+122%		+14%	

Large new stores opened in first half

Associated
British Foods
plc

Hannover



Essen



Dortmund



Edinburgh



Stratford



Further store development

Major new stores

Oxford Street II	Autumn 2012
Berlin Schloss Strasse	Summer 2012
Karlsruhe	Winter 2012
Berlin Alexanderplatz	Spring 2013

Development in Spain

Cordoba	opened in April
Alicante	opened in April
Madrid Majedahonda	Summer 2012
Valencia	Summer 2012
Badajoz	Autumn 2012
5 further stores	by end 2012

Expansion & refurbishment

Newcastle	Winter 2012
Manchester	Spring 2013
Mary Street, Dublin	Winter 2012

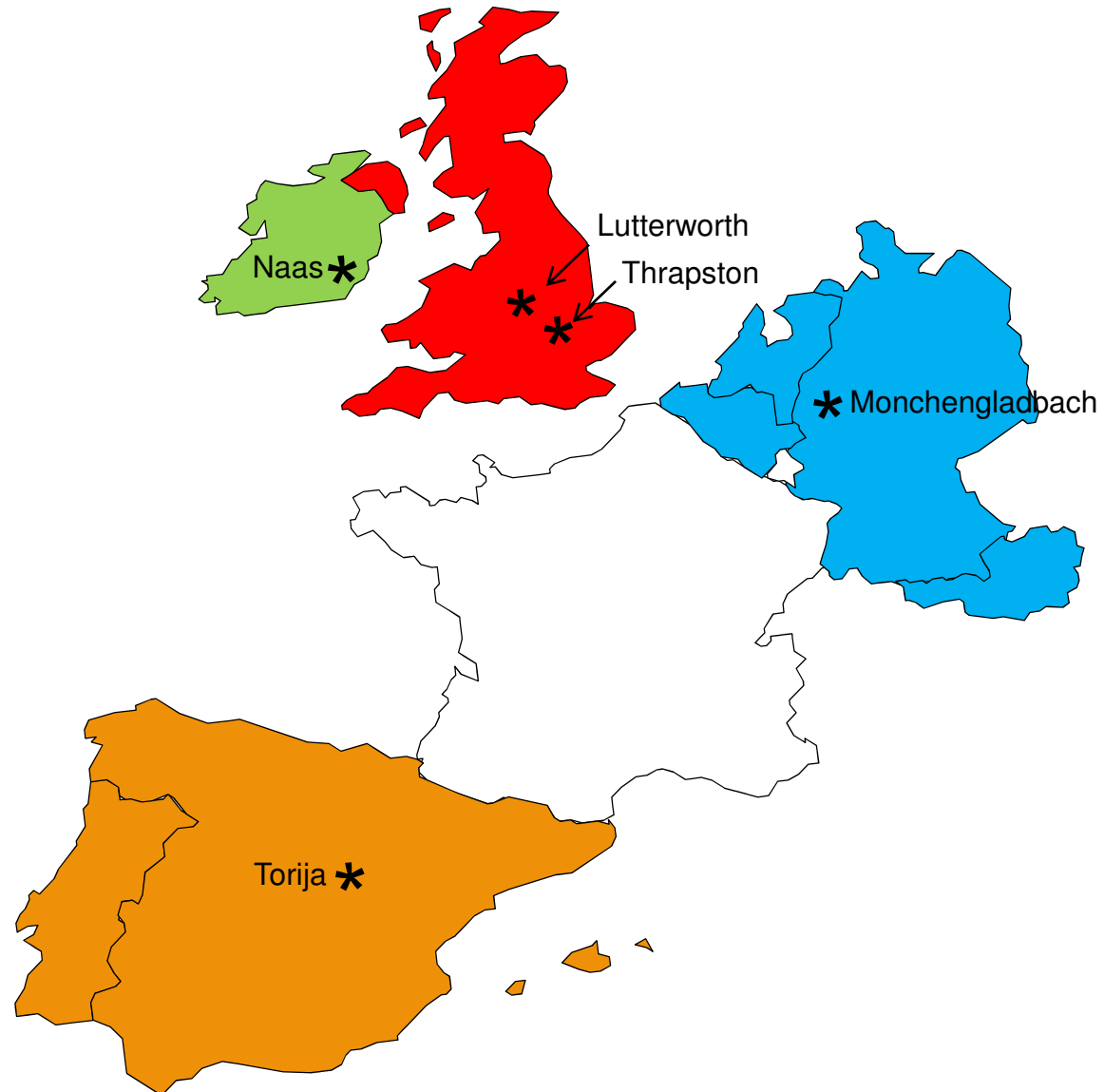
First stores in Austria

Innsbruck	Autumn 2012
Vienna	end 2012



This summer, logistics network in place

Associated
British Foods
plc



- Good growth in group revenue and profit
- Improved group cash flow and financial strength
- Capital investment
 - maintained in Primark
 - reducing elsewhere
- Continue to expect substantial growth in adjusted operating profit and adjusted earnings per share for the full year

**Review of interim results
for 24 weeks ended
3 March 2012**

24 April 2012



Exchange rates

Average rates for the first half used to translate the income statement	2012	2011
US\$	1.57	1.59
euro	1.18	1.17
South African rand	12.52	11.05
Australian \$	1.53	1.60
Rates at half year end used to translate the balance sheet	2012	2011
US\$	1.58	1.63
euro	1.20	1.16
South African rand	11.91	11.19
Australian \$	1.48	1.60

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.