Associated British Foods plc

FOR RELEASE 29 April 2025

Interim Results Announcement

24 weeks ended 1 March 2025

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Associated British Foods plc results for the 24 weeks ended 1 March 2025

Financial Headlines

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency change	Constant currency change
Group revenue	**£9,509m**	£9,734m	-2%	in line
Adjusted operating profit	**£835m**	£951m	-12%	-10%
Adjusted profit before tax	**£818m**	£911m	-10%	
Adjusted earnings per share	**83.6p**	90.4p	-8%	
Operating profit	**£710m**	£931m	-24%	
Profit before taxation	**£692m**	£881m	-21%	
Basic earnings per share	**71.0p**	87.4p	-19%	
Gross investment	**£557m**	£571m	-2%	
Free cash flow	**£27m**	£468m		
Net cash before lease liabilities	**£201m**	£668m		
Total net debt	**£2,772m**	£2,496m		
Interim dividend	**20.7p**	20.7p	in line	

Operating profit is stated after exceptional charges and other items as shown on the face of the condensed consolidated income statement. In H1 2025, total exceptional items were £104m primarily related to a non-cash impairment charge (H1 2024: £6m). References to changes in revenue and adjusted operating profit in the following segmental commentary are based on constant currency. The Group has defined and outlined the purpose of its Alternative Performance Measures in note 13. These measures are used within the Financial Headlines and in this Interim Results Announcement.

George Weston, Chief Executive of Associated British Foods, said:

"These results reflect a robust performance in four of our five divisions. I am frustrated with the results in our Sugar business, but we are clear on what needs to be done by way of operational and regulatory solutions to improve financial performance. Primark delivered good growth in Europe and the US, with continued consumer caution in the UK. Primark's profit and margin delivery was strong and our low-cost operating model is working well. Our focus remains on sharp execution of our key growth initiatives across product, brand, digital and new market entry. Our Grocery and Ingredients businesses performed well and the outlook remains positive.

Looking ahead, in an operating environment with significant uncertainties, the Group remains well positioned and our strong balance sheet enables continued investment to deliver long-term sustainable growth."

Group performance

- Revenue in line with prior year, with growth in Retail and Ingredients offset by a decline in Sugar
- Adjusted operating profit declined 10% due to an adjusted operating loss in Sugar
- Adjusted EPS decreased 8% to 83.6p benefitting from the accretive impact of share buybacks
- Continued investment of £557m in capacity, capabilities and new technology
- Free cash flow of £27m reflects lower operating profit and normal seasonal working capital outflow
- Continued strong balance sheet with leverage ratio of 1.0x at 1 March 2025

Segmental performance

- Retail:
  - Sales grew 1% to £4.5bn
  - Adjusted operating profit increased 8% to £540m and adjusted operating margin increased to 12.1%
  - Growth in Europe and the US, while the retail environment in the UK and Ireland was challenging
- In Grocery, good sales growth across most of our brands offset by lower sales in US oils and Allied Bakeries, as expected
- Ingredients sales grew 2% and adjusted operating profit increased 8%
- Sugar had an adjusted operating loss of £16m, primarily due to lower European sugar prices and an operating loss in Vivergo
- Agriculture adjusted operating profit decreased 8% to £12m

Shareholder returns

- Interim dividend in line with the prior year at 20.7p per share
- Completed £422m of share buybacks in 2025 to-date, with a further £169m to be completed this financial year[1]

[1] As at 25 April 2025

Full year outlook

Our outlook for the Group in this financial year is unchanged, with the exception of Sugar where we are providing updated guidance below. The Group outlook reflects the absorption of a US tariff impact in H2 2025, based on what we know today.

In Primark, we continue to target low-single digit sales growth for the full year. This will be driven by our store rollout programme in our growth markets in Europe and the US, which is on track to contribute around 4% to total Primark sales growth, offset by weaker sales in the UK and Ireland. While we continue to assume our trading in the UK remains challenging in H2 2025, there have been some early signs of improvement in recent weeks. We are focused on driving underlying growth across our markets as we continue to strengthen Primark's great-value proposition through initiatives in product, digital and brand. We continue to expect adjusted operating profit margin in 2025 to be broadly in line with last year's level. This reflects an improvement in gross margin and good cost management, offsetting wage inflation and a step up in investment. Our adjusted operating margin in H2 2025 is expected to be lower than it was in H1 2025, given the impact from phasing of one-off items which benefitted H1 2025. We continue to make good progress with our store rollout programme and target a contribution of around 4% to 5% to Primark's total annual sales growth for the foreseeable future.

In Grocery, we remain focused on driving sales of our leading international and regionally-focused brands, underpinned by effective marketing investment and strong commercial execution. We continue to expect overall performance this year to reflect the normalisation of profitability in our US-focused businesses and an operating loss in Allied Bakeries. Allied Bakeries continues to face a very challenging market. We are evaluating strategic options for Allied Bakeries against this backdrop and we expect to provide an update in H2 2025. In Ingredients, we expect growth to continue in both our yeast and bakery ingredients businesses as well as in our portfolio of speciality ingredients businesses.

In Sugar, persistent low European sugar prices and an operating loss in our UK bioethanol business, Vivergo, are impacting overall profitability in 2025. Challenges in Tanzania, due to the overhang of high levels of sugar imports in 2024, and in South Africa, due to drought, are also impacting performance. As a result, we now expect Sugar to have an adjusted operating loss of up to £40m in this financial year. In our Spanish business, Azucarera, the deterioration in market conditions has demonstrated that the cost base is structurally too high. As a result, we are close to completing an operational review, which is assessing a number of scenarios to restructure this business. In Vivergo, the way in which regulations are being applied to bioethanol is undermining the commercial viability of our business. We are having constructive discussions with the UK Government to explore regulatory options to improve the position. There is no guarantee that these discussions will be successful, and we will either mothball or close the Vivergo plant if necessary. The actions we are taking in Azucarera and Vivergo increase our confidence that Sugar profitability can recover over the medium term. The timeframe for recovery in the Sugar segment is longer than we had originally expected due a slower-paced rebalancing of supply and demand in European sugar markets and a delay in the recovery of profitability in Tanzania.

In an operating environment with significant uncertainties, the Group still remains well positioned for the medium term, supported by a strong balance sheet and cash generation and good momentum in our Retail, Grocery and Ingredients businesses.

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There will be an analyst and investor presentation at 09.00am BST today which will be streamed online and can be accessed via our website here.

Notes to editors

Associated British Foods is a diversified international food, ingredients and retail group with annual sales of £20bn and 138,000 employees in 56 countries. It has significant businesses in Europe, Africa, the Americas, Asia and Australia.

Our purpose is to provide safe, nutritious and affordable food, and clothing that is great value for money. We take a long-term, patient approach to drive sustainable growth and cash generation across our portfolio of food and retail businesses to create value for all stakeholders. This aligns with our approach to sustainability and sustainable supply chains, where we focus on what matters and where we can make a difference.

Operating review

Retail

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency	Constant currency
Revenue £m	**4,472**	4,500	-1%	+1%
Adjusted operating profit £m	**540**	508	+6%	+8%
Adjusted operating profit margin	**12.1%**	11.3%		
Operating profit £m	**537**	508	+6%	

Financial highlights

Primark's sales grew 1%. Our key growth markets, the US, Spain, Portugal, France, Italy, and Central and Eastern Europe, delivered good growth, underpinned by our strong customer value proposition and the successful execution of our store rollout programme. In the UK and Ireland, sales declined, despite good like-for-like sales growth over the key Christmas trading period. Across our markets, store rollouts contributed 4% to total sales growth in H1 2025 and total like-for-like sales declined 2.5%. As expected, in our fastest-growing markets such as the US, Italy and France, like-for-like metrics were impacted by the high number of recent store openings.

Adjusted operating profit grew 8% and adjusted operating margin increased to 12.1%, demonstrating the strength of Primark's operating model. An improvement in gross margin was primarily due to favourable foreign exchange, supplier efficiencies and the effective management of markdowns. Focused cost management and the phasing of one-off items more than offset wage inflation and increased investment in product, digital and brand initiatives. This investment will continue over the medium term, alongside a continued focus on driving cost optimisation and efficiencies in our supply chain, store operating model and central costs.

Market highlights

Market	Percentage of Primark sales	H1 2025 Sales Growth
Spain & Portugal	18%	+8%
France & Italy	16%	+4%
Central & Eastern Europe	3%	+21%
US	5%	+17%
UK & Ireland	46%	-4%
Northern Europe	12%	+1%

In Spain and Portugal, sales grew strongly, up 8%. This reflects good underlying growth in both markets and a strong contribution from recently opened stores. In Spain, sales were impacted by flooding in the Valencia region, which led to store disruption.

In France and Italy, sales grew 4% driven by recent store openings. In Central and Eastern Europe, sales growth of 21% reflected a strong contribution from new stores. In the US, sales grew 17% and recent store openings are positively contributing to overall sales density in the US. During H1 2025, we opened two new stores, including our first in Texas, to reach 29 stores in total with an additional 18 leases signed. Initiatives to drive increased brand awareness in the US, included a 12-week trial marketing campaign in the New York metro area during the period.

In both the UK and Ireland, sales decreased 4%. The UK clothing retail market declined in the period, reflecting cautious consumer sentiment and a lack of seasonal purchasing catalyst in the autumn months due to mild weather. Shopping activity within elements of Primark's customer base was particularly weak and as a result Primark's market share reduced from 6.9% to 6.7%[2]. Our online participation through Click & Collect is building momentum as we increase customer awareness and make more of our product ranges available to more customers, particularly those who shop in smaller stores. The service is now available in 158 stores[3] and will be in all 187 of our British stores by the end of June 2025. We also had a sales uplift from active management of our UK store estate, including store relocations, extensions, new store openings and an ongoing store refurbishment programme. Excluding the benefit from changes to the store estate, like-for-like sales in the UK and Ireland declined 6.0%.

In our Northern European markets, Germany, the Netherlands, Belgium and Austria, sales grew 1% and like-for-like sales grew 2.4%. Strong growth in Germany and the Netherlands reflects the restructuring of our store footprint, which has driven much-improved sales densities and profitability. Growth in Germany also reflects the prior year impact of industry-wide strike action.

[2] Kantar, Primark market share of the total UK clothing, footwear and accessories market including online by value, 24-week data to 2 March 2025

[3] As at 25 April 2025

Strategic and operational highlights

Looking ahead, we have a clear roadmap for new store rollouts in our growth markets and we are targeting that these will contribute around 4% to 5% to Primark's total annual sales growth for the foreseeable future. In addition, we are making good progress with our franchise agreement with the Alshaya Group to enter the Gulf Cooperation Council ('GCC') markets and expect to announce the opening of new stores in the region soon.

We continued to make progress with the execution of our digital strategy. This is through investment in our website, search engine optimisation ('SEO') and paid marketing, as well as optimising and scaling our CRM activity. We believe all of these drove footfall into stores and contributed to overall sales growth.

In H1 2025, we invested £212m in capital projects, including a number of new stores in Europe and the US. We opened a total of eight new stores, extended one store, right-sized two stores and relocated two stores, which increased our retail selling space by 0.3m sq ft. On 1 March 2025, we were trading from 459 stores across 17 markets, with 19.1m sq ft of selling space. We also made good progress with our store refurbishment programme, completing refits in twelve stores comprising 0.4m sq ft of selling space, which included the rollout of self-service checkouts to now be in 136 stores. We continued to invest in our depot network, including automation projects, and we increased investment in technologies to improve the operational performance of our stores and depots and build the capability to deliver long-term growth.

In March 2025, Eoin Tonge was appointed interim Chief Executive of Primark, following the resignation of Paul Marchant. Eoin has the support of an experienced leadership team in Primark and the search for a permanent successor is underway.

Grocery

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency	Constant currency
Revenue £m	**2,089**	2,124	-2%	in line
Adjusted operating profit £m	**227**	230	-1%	+1%
Adjusted operating profit margin	**10.9%**	10.8%		
Operating profit £m	**219**	219	in line	

Grocery sales were in line with the prior year. Adjusted operating profit increased 1% to £227m and adjusted operating margin increased to 10.9%. Most of our leading international brands and regionally-focused businesses performed well, underpinned by strong investment in effective marketing and excellent commercial execution. We also benefitted from the consolidation of our recent acquisition of The Artisanal Group in Australia. As expected, lower sales in US oils and Allied Bakeries impacted overall Grocery growth.

Our portfolio of international brand businesses[4] performed well. Twinings had good sales growth in most markets, including the UK and France, as a result of effective marketing investment and strong in-store visibility. We had good volume growth in black tea, as well as continued growth in the wellness category across our portfolio of green, herbal and fruit teas.

Overall sales of Ovaltine grew in H1 2025. In Europe and Thailand, price increases, due to significantly higher cocoa costs, had a negative impact on volumes. Most of our other markets had good growth, including China, Myanmar, Brazil and Nigeria. Our new manufacturing facility in Nigeria is nearing completion and will support continued growth in Africa.

Patak's, Blue Dragon, Jordans and our balsamic vinegar business all performed well. We are adding capacity in Poland to support the international growth of Blue Dragon.

Within our regionally-focused portfolio, our US-focused businesses[5], which include market-leading brands such as Mazola and Fleischmann's, performed broadly as expected. This included a normalisation in sales of consumer oils, while maintaining continued strength in market share through our focus on targeted marketing investment and strong in-store execution. Our joint venture in Stratas, a leading supplier of oils and other products to the foodservice, ingredients and retail markets, delivered strong growth in operating profit. In H1 2025, Stratas completed the acquisition of AAK's foodservice facility in New Jersey, US and its associated brands and business. This expands its portfolio of premium dressings and sauces and further strengthens its position in the northeast of the US.

Our UK-focused businesses[5] declined overall. As expected, this was primarily due to lower volumes and sales in Allied Bakeries, which resulted in an increased operating loss. Allied Bakeries continues to face a very challenging market. We are evaluating strategic options for Allied Bakeries against this backdrop and we expect to provide an update in H2 2025. Across the rest of our UK portfolio, performance was mixed, including good growth in Westmill, a supplier of global foods to the foodservice sector, and in our sports nutrition businesses, while sales in Silverspoon were lower. During H1 2025, we completed the installation of a manufacturing line to produce Scrocchiarella bakery products in Bradford, UK, and accelerate growth in the UK foodservice channel.

Within our Australia and New Zealand-focused businesses[5], sales in both our Tip Top bread and Don meats businesses improved, although the consumer environment remained challenging. We also benefitted from the consolidation of our recent acquisition, The Artisanal Group. During H1 2025, we commissioned a new buns and rolls line at our bakery in Queensland to support Tip Top's growth in the foodservice channel and we progressed with the expansion of our bakery in Western Australia, where Tip Top is the leading supplier.

[4] Our international brand businesses, which include Twinings, Ovaltine, Blue Dragon, Patak's, Jordans and Mazzetti, accounted for approximately a third of total Grocery sales.

[5] Within our regionally-focused brand businesses, US-focused businesses accounted for approximately 15% of total Grocery sales, UK-focused businesses accounted for approximately a quarter of total Grocery sales and Australia and New Zealand-focused businesses accounted for approximately a quarter of total Grocery sales.

Ingredients

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency	Constant currency
Revenue £m	**1,031**	1,056	-2%	+2%
Adjusted operating profit £m	**120**	117	+3%	+8%
Adjusted operating profit margin	**11.6%**	11.1%		
Operating profit £m	**115**	110	+5%	

Ingredients sales grew 2%, primarily driven by our yeast and bakery ingredients business, AB Mauri. Adjusted operating profit increased by 8% and adjusted operating margin increased to 11.6% reflecting good management of input costs.

Our yeast and bakery ingredients business had good sales growth led by our European and Central and South American markets. We are benefitting from our strong route to market and broad product portfolio. Growth also reflects the consolidation of prior year acquisitions, in particular in our AB Biotek business, which provides speciality yeast and technologies to industries including alcoholic beverages, bioethanol and animal nutrition. We continued to make progress with capital projects to drive long-term growth, including the construction of our fresh yeast plant in Northern India.

In our specialty ingredients businesses, ABFI, most of the portfolio performed well. Our enzymes and health and nutrition businesses had particularly strong growth, while sales in our pharmaceutical businesses were lower due to softer demand in certain product categories. We continued to invest in R&D, commercial capabilities and strategic capital projects to drive long-term growth. This included new capacity and technologies in our yeast extracts and enzymes businesses.

Our ingredients business in Australia and New Zealand, Mauri ANZ, performed well and benefitted from additional capacity in animal feed mixes from the new mill we commissioned last year. In H1 2025, we began work to relocate our flour mill in Victoria. New Food Coatings, our joint venture ('JV') in Australia, New Zealand and south east Asia, specialising in seasonings, sauces and ingredients, continued to grow. The JV is investing in a new facility in Bangkok, Thailand, to add capacity.

Sugar

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency	Constant currency
Revenue £m	**1,098**	1,170	-6%	-4%
Adjusted operating (loss)/profit £m	**(16)**	125	-113%	-114%
Adjusted operating (loss)/profit margin	**(1.5%)**	10.7%		
Operating (loss)/profit £m	**(122)**	121	-201%	

Sugar sales declined 4% and the segment had an adjusted operating loss of £16m. This was primarily due to lower European sugar prices and continued low bioethanol prices. Given these market challenges, we are close to completing an operational review of our Spanish sugar business and are in discussions with the UK Government to improve the regulatory environment for our bioethanol business, Vivergo.

In the UK and Spain[6], sales and profitability in our sugar businesses declined significantly in H1 2025 as a result of persistent low European sugar prices and a high cost of beet for the 2023/24 campaign. Profitability in the UK was also impacted by a gas turbine breakdown during the period, which is now resolved. The processing of our UK beet crop for the 2024/25 campaign is now complete and sugar production was approximately 1.1m tonnes, which is broadly in line with last year.

In our Spanish business, Azucarera, the deterioration in market conditions has demonstrated that the cost base is structurally too high. As a result, we are close to completing an operational review, which is assessing a number of scenarios to restructure our business in Spain. In H1 2025, we recognised a non-cash impairment charge of £101m.

Within our African businesses, Malawi and Eswatini had good growth. Sales growth in Zambia was good but higher production costs due to drought meant profitability was lower. In South Africa, drought resulted in lower sales and profit. In Tanzania, our business is in a transitional year as it builds new capacity, and the overhang from high levels of sugar imports in 2024 significantly impacted sales and profit in H1 2025. These imports were a result of low domestic supply following adverse weather and the delayed build of our new sugar mill. However, the mill is now nearing completion and is expected to be commissioned in H2 2025. This will significantly increase our production capacity and therefore the domestic sugar supply in the Tanzanian market. In April 2025, we completed the sale of our moth-balled sugar operations in Mozambique.

Our bioethanol plant in the UK, Vivergo, reduced its production levels in response to continued low prices for bioethanol. This resulted in much-reduced sales and an operating loss in H1 2025. The way in which regulations are being applied to bioethanol is undermining the commercial viability of our business. We are having constructive discussions with the UK Government to explore regulatory options to improve the position. There is no guarantee that these discussions will be successful, and we will either mothball or close the Vivergo plant if necessary.

[6] Our European sugar businesses in the UK and Spain accounted for just over 50% of total Sugar sales, our African sugar business accounted for approximately 40% of total Sugar sales and our UK bioethanol business, Vivergo, accounted for approximately 5% of total Sugar sales.

Agriculture

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	Actual currency	Constant currency
Revenue £m	**819**	850	-4%	-3%
Adjusted operating profit £m	**12**	14	-14%	-8%
Adjusted operating profit margin	**1.5%**	1.7%		
Operating profit £m	**7**	10	-30%	

Agriculture sales declined 3% and adjusted operating profit decreased 8% to £12m. This primarily reflects lower sales of compound feed and an impact from one-off costs.

Most of our speciality feed and additives businesses performed well. In particular, Premier Nutrition in the UK had strong growth and AB Vista, our international feed additives business, had good growth in both enzyme and non-enzyme additives. Our dairy business, which was formed from a number of acquisitions in 2023 to provide a unique full-service offer to the dairy sector, delivered good growth. Sales in our compound feed businesses were lower due to reduced commodity prices and continued soft demand in the UK and China.

The profit contribution from our joint venture, Frontier, declined. While the performance of our seed and crop production business was much improved, our grain trading business was impacted by less favourable market conditions and a smaller UK harvest.

Financial review

Group performance

Group revenue in the period was £9.5bn, 2% below last year at actual rates. Revenue was in line with the prior year at constant currency, with growth in Retail and Ingredients revenue offset by a decline in Sugar and Agriculture revenue. The Group generated an adjusted operating profit of £835m, a decrease of 12% at actual rates. Adjusted operating profit declined 10% in constant currency, reflecting an adjusted operating loss in Sugar. Operating profit for the Group of £710m was 24% lower, after exceptional items of £104m (H1 2024 – £6m).

There was a translation loss of £31m on our non-sterling earnings, primarily driven by the strengthening of sterling against the US dollar and the euro, as well as against some of our trading currencies in our African businesses.

Segmental summary

	Revenue				Adjusted operating profit			
At actual rates	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	Change %	52 weeks ended 14 September 2024 £m	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	Change %	52 weeks ended 14 September 2024 £m
Retail	**4,472**	4,500	-0.6	9,448	**540**	508	+6.3	1,108
Grocery	**2,089**	2,124	-1.6	4,242	**227**	230	-1.3	511
Ingredients	**1,031**	1,056	-2.4	2,134	**120**	117	+2.6	233
Sugar	**1,098**	1,170	-6.2	2,529	**(16)**	125	-112.8	199
Agriculture	**819**	850	-3.6	1,650	**12**	14	-14.3	41
Central	**–**	–	–	–	**(46)**	(45)	-2.2	(100)
	9,509	9,700	-2.0	20,003	**837**	949	-11.8	1,992
Business disposed								
Sugar	**–**	34		70	**(2)**	2		6
	9,509	9,734	-2.3	20,073	**835**	951	-12.2	1,998

The segmental analysis by division has been set out in the operating reviews. Business disposed relates to the sale of our China North Sugar business at the end of the previous financial year and we have incurred some immaterial closure costs in H1 2025 as part of this disposal.

The segmental analysis by geography is set out in note 1 of the condensed financial statements. Of note is the decrease in adjusted operating profit in Europe and the UK as a result of the significant reduction in profitability in Sugar.

Adjusted earnings per share

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	Change %	52 weeks ended 14 September 2024 £m
Adjusted operating profit	**835**	951	-12.2	1,998
Finance income	**27**	35		71
Finance expense	**(16)**	(17)		(33)
Lease interest expense	**(48)**	(45)		(102)
Other financial income/(expense)	**20**	(13)		23
Adjusted profit before taxation	**818**	911	-10.2	1,957
Taxation on adjusted profit	**(197)**	(211)		(453)
Adjusted profit after tax	**621**	700	-11.3	1,504
Adjusted earnings attributable to equity shareholders	**612**	685	-10.7	1,479
Adjusted earnings per share (in pence)	**83.6 p**	90.4 p	-7.5	196.9 p

Interest and other financial income

Finance income decreased as a result of lower cash balances and lower rates of interest earned, as most market interest rates have fallen. We expect a lower level of finance income in H2 2025 given continued lower average cash balances following shareholder returns, as well as lower interest rates.

Other financial income improved, compared to material non-recurring losses on foreign exchange balances in Malawi and Nigeria in H1 2024.

On an adjusted basis, profit before tax was down 10.2%, to £818m.

Taxation on adjusted profit

In H1 2025, the adjusted tax charge reduced to £197m, driven by the reduction in adjusted profit before tax, partially offset by an increase in the adjusted effective tax rate from 23.2% in H1 2024 to 24.1% in H1 2025. The adjusted effective tax rate includes the impact from the introduction of Pillar 2, and changes to the mix in profits by jurisdiction.

Adjusted earnings per share decreased by 7.5% to 83.6p per share. This was driven by the decrease in adjusted earnings, partially offset by the increase in other financial income. Adjusted earnings per share continues to benefit from the reduction in the weighted average number of shares, from 758 million in H1 2024 to 732 million in H1 2025, as a result of ongoing share buybacks. The weighted average number of shares will continue to reduce as we complete the current share buyback. At the end of H1 2025, £232m remained to be completed in H2 2025.

Basic earnings per share

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	Change %	52 weeks ended 14 September 2024 £m
Adjusted profit before taxation	**818**	911	-10.2	1,957
Acquired inventory fair value adjustments	**–**	(1)		(2)
Amortisation of non-operating intangibles	**(19)**	(20)		(40)
Exceptional items	**(104)**	(6)		(35)
Profit less losses on sale and closure of businesses	**(1)**	(10)		26
Profits less losses on disposal of non-current assets	**(2)**	8		16
Transaction costs	**–**	(1)		(5)
Profit before tax	**692**	881	-21.5	1,917
Taxation	**(163)**	(203)		(437)
Profit after tax	**529**	678	-22.0	1,480
Earnings attributable to equity shareholders	**520**	663	-21.6	1,455
Basic earnings per share (in pence)	**71.0 p**	87.4 p	-18.8	193.7 p

Profit before tax of £692m decreased by 21.5%.

This included a non-cash exceptional impairment charge of £104m in the Sugar segment. This comprised a full impairment charge of £101m on property, plant and equipment in Azucarera, our Spanish business, as a result of a significant worsening in trading performance. A further £3m impairment charge was taken in our Vivergo business, which continues to be impacted by low bioethanol prices. In H1 2024, the non-cash exceptional impairment charges included in the Sugar segment mostly related to Vivergo.

In H1 2025, no material or significant costs have been incurred on the sale and closure of businesses. In H1 2024, a non-cash provision of £10m was included in profit less losses on sale and closure of business in respect of the closure of our China North Sugar business.

Total tax charge was £163m (H1 2024 – £203m). The reduction reflects the lower adjusted tax charge and the impact of the deferred tax credit arising on the impairment of property, plant and equipment in Azucarera.

Earnings attributable to equity shareholders were £520m and basic earnings per share decreased by 18.8% to 71.0p.

Cash flow

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Adjusted EBITDA	**1,290**	1,377	2,910
Repayment of lease liabilities net of incentives received	**(158)**	(148)	(308)
Working capital	**(318)**	6	305
Capital expenditure	**(553)**	(565)	(1,184)
Purchase of subsidiaries, joint ventures and associates	**(1)**	(4)	(93)
Sale of subsidiaries, joint ventures and associates	**(1)**	–	24
Net interest paid	**(39)**	(29)	(69)
Taxation	**(147)**	(145)	(340)
Share of adjusted profit after tax from joint ventures and associates	**(53)**	(51)	(120)
Dividends received from joint ventures and associates	**54**	43	105
Other	**(47)**	(16)	125
Free cash flow	**27**	468	1,355
Share buyback	**(363)**	(281)	(562)
Dividends	**(508)**	(348)	(502)
Movement in loans and current asset investments	**228**	52	(318)
Cash flow	**(616)**	(109)	(27)

In H1 2025, the free cash inflow was £27m as a result of lower operating profit and a higher working capital movement. The increase in working capital reflects the seasonality of our businesses, which last year was offset by the cash inflow from the normalisation of Primark's inventory.

Capital expenditure was broadly in line with H1 2024 and comprised a number of large capital projects in Primark and the food businesses.

There were no material acquisitions or disposals in H1 2025.

The level of cash tax was broadly in line with H1 2024. For the current financial year, we expect cash tax levels to be moderately lower than in 2024, which includes the benefit of an anticipated state aid refund.

In other cash flow, we continued to have a benefit from the UK pension fund abatement of £31m and an increase in own share purchases of £23m in H1 2025, as well as a £16m increase in provisions, mostly in Sugar.

The cash outflow for share buybacks in H1 2025 was £363m, and comprised £91m spent on the £100m extended second share buyback announced at the end of the last year, as well as £268m spent on our third £500m share buyback. We also paid £508m for total dividends in H1 2025, which comprised the final dividend of £310m and the special dividend of £198m in respect of the prior financial year.

The decrease in current asset investments was due to a lower proportion of cash deposits placed with a greater than 90-day term.

Financing and liquidity

	At 1 March 2025 £m	At 2 March 2024 £m	At 14 September 2024 £m
Short-term loans and overdrafts	**(169)**	(168)	(159)
Long-term loans	**(454)**	(432)	(454)
Lease liabilities	**(2,973)**	(3,164)	(3,065)
Total debt	**(3,596)**	(3,764)	(3,678)
Cash at bank and in hand and cash equivalents	**758**	1,268	1,323
Current asset investments	**66**	–	334
Total net debt	**(2,772)**	(2,496)	(2,021)
Leverage ratio	**1.0x**	0.9x	0.7x

At 1 March 2025, the Group held cash, cash equivalents and current asset investments of £824m. In addition, the Group has an undrawn Revolving Credit Facility ('RCF') for £1.5bn, which is free from performance covenants and matures in June 2029.

Total liquidity at 1 March 2025 was £2.1bn, comprised £0.8bn of cash, cash equivalents and current asset investments, less non-qualifying borrowings and inaccessible cash of £0.2bn, plus the £1.5bn RCF. This compares to £2.9bn at the end of the prior financial year and £2.5bn at the end of H1 2024.

Total net debt increased by £751m in H1 2025 to £2,772m, as a result of £565m lower cash at bank and in hand and cash equivalents and £268m lower current asset investments. A combination of lower adjusted EBITDA, seasonal working capital movements and higher total net debt resulted in a higher leverage ratio of 1.0x at 1 March 2025, compared to 0.7x at the prior financial year end.

Pensions

Employee benefits assets primarily comprise the accounting surplus of the Group's UK defined benefit scheme. On 1 March 2025, the surplus in the UK was £1,506m (H1 2024 – £1,476m; 2024 full year – £1,454m). The increase from the prior financial year end reflects a decrease in the pension liabilities due to an increase in corporate bond yields, partially offset by negative asset returns and a slight increase in the long term expected inflation assumption.

Dividends and share buyback

As previously announced, we expect to complete £591m of share buybacks in this financial year. In H1 2025, we completed £359m of buybacks with a remaining amount of £232m expected to be completed in H2 2025.

The Board has declared an interim dividend of 20.7p per share. The dividend will be paid on 4 July 2025 to shareholders registered at the close of business on 30 May 2025.

Our principal risks and uncertainties

The delivery of our strategic objectives is dependent on effective risk management. There are a number of potential risks and uncertainties which could have a material impact on the Group's performance and could cause actual results to differ materially from expected and historical results. Details of the principal risks facing the Group’s businesses at an operational level were included on pages 78 to 86 of the Group’s Annual Report and Accounts for the 52 weeks ended 14 September 2024, as part of the Strategic Report.

We have reassessed our principal risks for the remaining six months of the financial year as the world continues to face political and economic uncertainties.

The geopolitical landscape continues to be fragile, which could have an impact on the cost of raw materials and key commodities. The ongoing Russian war in Ukraine continues to drive economic uncertainty in almost all of the markets in which we operate. The impact of recent changes in US international policy remains uncertain. Our procurement teams continue to work closely with suppliers to maintain the effective operation of our supply chains.

Consumer sentiment remains cautious and trading activity within elements of our shopper base has been weak. Sentiment is unlikely to improve as markets continue to face uncertainty and instability following recent tariff announcements by the US, retaliatory actions by China and the risk of further tariff trade wars. Consumer confidence could deteriorate further as a number of countries, including the US, face the risk of recession that could increase individuals’ debt problems. The impact on our businesses will depend on the extent of government intervention, the extent of increased taxation on individuals and businesses and the duration of any economic downturns.

Our businesses remain on high alert to the heightened risk of IT security breaches and cyber-based attacks. We continue to invest in monitoring and detection capabilities.

On average, sterling has slightly strengthened against most of our trading currencies in the first half of the year, resulting in a £31m negative translation impact on operating profit. The Group purchases a wide range of commodities in the ordinary course of business. Agriculture commodity prices varied across the Group with some indices continuing to see volatility, and there has been downwards pressure on global sugar prices impacting our European sugar businesses revenue. Businesses continue to manage commodity price risk under their existing risk management frameworks and, where appropriate, reflect this in pricing of products.

Going concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence to the end of the 2026 financial year. For this reason, they continue to adopt the going concern basis in preparing the Condensed Consolidated Interim Financial Statements. See note 10 to the Condensed Consolidated Interim Financial Statements.

Condensed consolidated income statement

for the 24 weeks ended 1 March 2025

Continuing operations	Note	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Revenue	1	**9,509**	9,734	20,073
Operating costs before exceptional items		**(8,744)**	(8,854)	(18,239)
Exceptional items	2	**(104)**	(6)	(35)
		661	874	1,799
Share of profit after tax from joint ventures and associates		**51**	49	117
Profits less losses on disposal of non-current assets		**(2)**	8	16
Operating profit		**710**	931	1,932
Adjusted operating profit		**835**	951	1,998
Profits less losses on disposal of non-current assets		**(2)**	8	16
Amortisation of non-operating intangibles		**(19)**	(20)	(40)
Acquired inventory fair value adjustments		**–**	(1)	(2)
Transaction costs		**–**	(1)	(5)
Exceptional items	2	**(104)**	(6)	(35)
Profits less losses on sale and closure of businesses	6	**(1)**	(10)	26
Profit before interest		**709**	921	1,958
Finance income		**27**	35	71
Finance expense		**(64)**	(62)	(135)
Other financial income/(expense)		**20**	(13)	23
Profit before taxation		**692**	881	1,917
Adjusted profit before taxation		**818**	911	1,957
Profits less losses on disposal of non-current assets		**(2)**	8	16
Amortisation of non-operating intangibles		**(19)**	(20)	(40)
Acquired inventory fair value adjustments		**–**	(1)	(2)
Transaction costs		**–**	(1)	(5)
Exceptional items	2	**(104)**	(6)	(35)
Profits less losses on sale and closure of businesses	6	**(1)**	(10)	26
Taxation – UK (excluding tax on exceptional items)		**(30)**	(59)	(108)
– UK (on exceptional items)		**1**	4	5
– Overseas (excluding tax on exceptional items)		**(159)**	(148)	(335)
– Overseas (on exceptional items)		**25**	–	1
	3	**(163)**	(203)	(437)
Profit for the period		**529**	678	1,480
Attributable to				
Equity shareholders		**520**	663	1,455
Non-controlling interests		**9**	15	25
Profit for the period		**529**	678	1,480
Basic and diluted earnings per ordinary share (pence)	4	**71.0**	87.4	193.7
Dividends per share paid and proposed for the period (pence)	5	**20.7**	20.7	63.0
Special dividend per share proposed for the period (pence)		**–**	–	27.0

Condensed consolidated statement of comprehensive income

for the 24 weeks ended 1 March 2025

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Profit for the period recognised in the income statement	**529**	678	1,480
Other comprehensive income			
Remeasurements of defined benefit schemes	**63**	65	38
Deferred tax associated with defined benefit schemes	**(15)**	(17)	(10)
Items that will not be reclassified to profit or loss	**48**	48	28
Effect of movements in foreign exchange	**(27)**	(151)	(349)
Net gain on hedge of net investment in foreign subsidiaries	**2**	2	–
Net loss on other investments held at fair value through other comprehensive income	**–**	–	(5)
Deferred tax on foreign exchange movements	**(1)**	–	–
Current tax on foreign exchange movements	**–**	–	(2)
Movement in cash flow hedging position	**152**	(11)	(51)
Deferred tax on cash flow hedging position movements	**(32)**	4	13
Deferred tax on other investment reserve movements	**–**	–	1
Share of other comprehensive loss of joint ventures and associates	**3**	(3)	(10)
Effect of hyperinflationary economies	**41**	41	59
Deferred tax associated with hyperinflationary economies	**(10)**	–	–
Items that are or may be subsequently reclassified to profit or loss	**128**	(118)	(344)
Other comprehensive income/(loss) for the period	**176**	(70)	(316)
Total comprehensive income for the period	**705**	608	1,164
Attributable to			
Equity shareholders	**688**	609	1,159
Non-controlling interests	**17**	(1)	5
Total comprehensive income for the period	**705**	608	1,164

Condensed consolidated balance sheet

at 1 March 2025

	Note	**1 March 2025 £m**	2 March 2024 £m	14 September 2024 £m
Non-current assets				
Intangible assets		**1,924**	1,885	1,896
Property, plant and equipment		**6,265**	5,848	6,098
Investment properties		**105**	110	105
Right-of-use assets		**2,192**	2,351	2,255
Investments in joint ventures		**275**	297	286
Investments in associates		**106**	99	95
Employee benefits assets		**1,572**	1,523	1,506
Income tax		**–**	23	–
Deferred tax assets		**237**	186	223
Other receivables		**31**	70	30
Total non-current assets		**12,707**	12,392	12,494
Current assets				
Inventories		**3,180**	3,120	2,942
Biological assets		**141**	128	94
Trade and other receivables		**1,611**	1,677	1,697
Derivative assets		**141**	87	28
Current asset investments	7	**66**	–	334
Income tax		**79**	69	102
Cash and cash equivalents	7	**758**	1,268	1,323
Total current assets		**5,976**	6,349	6,520
Total assets		**18,683**	18,741	19,014
Current liabilities				
Lease liabilities	7	**(456)**	(345)	(267)
Loans and overdrafts	7	**(169)**	(168)	(159)
Trade and other payables		**(2,875)**	(2,799)	(2,934)
Derivative liabilities		**(35)**	(71)	(97)
Income tax		**(127)**	(95)	(133)
Provisions		**(52)**	(61)	(78)
Total current liabilities		**(3,714)**	(3,539)	(3,668)
Non-current liabilities				
Lease liabilities	7	**(2,517)**	(2,819)	(2,798)
Loans	7	**(454)**	(432)	(454)
Provisions		**(65)**	(55)	(60)
Income tax		**(7)**	–	–
Deferred tax liabilities		**(753)**	(660)	(682)
Employee benefits liabilities		**(75)**	(71)	(74)
Total non-current liabilities		**(3,871)**	(4,037)	(4,068)
Total liabilities		**(7,585)**	(7,576)	(7,736)
Net assets		**11,098**	11,165	11,278
Equity				
Issued capital		**41**	43	42
Other reserves		**178**	180	177
Translation reserve		**(414)**	(178)	(383)
Hedging reserve		**78**	(10)	(45)
Retained earnings		**11,112**	11,043	11,395
Total equity attributable to equity shareholders		**10,995**	11,078	11,186
Non-controlling interests		**103**	87	92
Total equity		**11,098**	11,165	11,278

Condensed consolidated cash flow statement

for the 24 weeks ended 1 March 2025

	Note	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Cash flow from operating activities				
Profit before taxation		**692**	881	1,917
Profits less losses on disposal of non-current assets		**2**	(8)	(16)
Profits less losses on sale and closure of businesses		**1**	10	(26)
Transaction costs		**–**	1	5
Finance income		**(27)**	(35)	(71)
Finance expense		**64**	62	135
Other financial (income)/expense		**(20)**	13	(23)
Share of profit after tax from joint ventures and associates		**(51)**	(49)	(117)
Amortisation		**42**	41	100
Depreciation (including of right-of-use assets)		**430**	403	849
Exceptional items		**104**	6	35
Acquired inventory fair value adjustments		**–**	1	2
Effect of hyperinflationary economies		**7**	5	21
Net change in the fair value of current biological assets		**(52)**	(56)	(22)
Share-based payment expense		**13**	13	31
Pension costs less contributions		**29**	25	58
(Increase)/decrease in inventories		**(248)**	47	169
Decrease in receivables		**77**	57	23
(Decrease)/increase in payables		**(147)**	(98)	113
Purchases less sales of current biological assets		**5**	5	1
(Decrease)/increase in provisions		**(19)**	(3)	30
Cash generated from operations		**902**	1,321	3,214
Income taxes paid		**(147)**	(145)	(340)
Net cash generated from operating activities		**755**	1,176	2,874
Cash flow from investing activities				
Dividends received from joint ventures and associates		**54**	43	105
Purchase of property, plant and equipment		**(490)**	(523)	(1,124)
Purchase of intangibles		**(63)**	(42)	(60)
Lease incentives received		**11**	12	40
Sale of property, plant and equipment		**5**	12	43
Decrease/(increase) in current asset investments	7	**268**	–	(334)
Purchase of subsidiaries, joint ventures and associates		**(1)**	(4)	(93)
Sale of subsidiaries, joint ventures and associates		**(1)**	–	24
Purchase of other investments		**(3)**	(2)	(4)
Interest received		**27**	26	71
Net cash used in investing activities		**(193)**	(478)	(1,332)
Cash flow from financing activities				
Dividends paid to non-controlling interests		**(6)**	(12)	(13)
Dividends paid to equity shareholders	5	**(508)**	(348)	(502)
Interest paid		**(66)**	(55)	(140)
Repayment of lease liabilities	7	**(169)**	(160)	(348)
(Decrease)/increase in short-term loans	7	**(35)**	11	(50)
(Decrease)/increase in long-term loans	7	**(5)**	41	66
Share buyback		**(363)**	(281)	(562)
Movement from changes in own shares held		**(26)**	(3)	(20)
Net cash used in financing activities		**(1,178)**	(807)	(1,569)
Net decrease in cash and cash equivalents		**(616)**	(109)	(27)
Cash and cash equivalents at the beginning of the period		**1,235**	1,388	1,388
Effect of movements in foreign exchange		**7**	(70)	(126)
Cash and cash equivalents at the end of the period	7	**626**	1,209	1,235

Condensed consolidated statement of changes in equity

for the 24 weeks ended 1 March 2025

	Note	Issued capital £m	Other reserves £m	Translation reserve £m	Hedging reserve £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance as at 14 September 2024		42	177	(383)	(45)	11,395	11,186	92	11,278
Total comprehensive income									
Profit for period recognised in income statement		–	–	–	–	520	520	9	529
Remeasurements of defined benefit schemes		–	–	–	–	63	63	–	63
Deferred tax associated with defined benefit schemes		–	–	–	–	(15)	(15)	–	(15)
Items that will not be reclassified to profit or loss		–	–	–	–	48	48	–	48
Effect of movements in foreign exchange		–	–	(35)	–	–	(35)	8	(27)
Net gain on hedge of net investment in foreign subsidiaries		–	–	2	–	–	2	–	2
Deferred tax on foreign exchange movements		–	–	(1)	–	–	(1)	–	(1)
Movement in cash flow hedging position		–	–	–	152	–	152	–	152
Deferred tax on cash flow hedging position movements		–	–	–	(32)	–	(32)	–	(32)
Share of other comprehensive income of joint ventures and associates		–	–	3	–	–	3	–	3
Effect of hyperinflationary economies		–	–	–	–	41	41	–	41
Deferred tax associated with hyperinflationary economies		–	–	–	–	(10)	(10)	–	(10)
Items that are or may be subsequently reclassified to profit or loss		–	–	(31)	120	31	120	8	128
Other comprehensive income		–	–	(31)	120	79	168	8	176
Total comprehensive income		–	–	(31)	120	599	688	17	705
Inventory cash flow hedge movements									
Amounts transferred to cost of inventory		–	–	–	3	–	3	–	3
Total inventory cash flow hedge movements		–	–	–	3	–	3	–	3
Transactions with owners									
Dividends paid to equity shareholders	5	–	–	–	–	(508)	(508)	–	(508)
Net movement in own shares held		–	–	–	–	(13)	(13)	–	(13)
Share buyback		(1)	1	–	–	(361)	(361)	–	(361)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(6)	(6)
Total transactions with owners		(1)	1	–	–	(882)	(882)	(6)	(888)
Balance as at 1 March 2025		**41**	**178**	**(414)**	**78**	**11,112**	**10,995**	**103**	**11,098**
Balance as at 15 September 2023		44	179	(42)	2	10,910	11,093	100	11,193
Total comprehensive income									
Profit for the period recognised in the income statement		–	–	–	–	663	663	15	678
Remeasurements of defined benefit schemes		–	–	–	–	65	65	–	65
Deferred tax associated with defined benefit schemes		–	–	–	–	(17)	(17)	–	(17)
Items that will not be reclassified to profit or loss		–	–	–	–	48	48	–	48
Effect of movements in foreign exchange		–	–	(135)	–	–	(135)	(16)	(151)
Net gain on hedge of net investment in foreign subsidiaries		–	–	2	–	–	2	–	2
Movement in cash flow hedging position		–	–	–	(11)	–	(11)	–	(11)
Deferred tax on cash flow hedging position movements		–	–	–	4	–	4	–	4
Share of other comprehensive income of joint ventures and associates		–	–	(3)	–	–	(3)	–	(3)
Effect of hyperinflationary economies		–	–	–	–	41	41	–	41
Items that are or may be subsequently reclassified to profit or loss		–	–	(136)	(7)	41	(102)	(16)	(118)
Other comprehensive income		–	–	(136)	(7)	89	(54)	(16)	(70)
Total comprehensive income		–	–	(136)	(7)	752	609	(1)	608
Inventory cash flow hedge movements									
Amounts transferred to cost of inventory		–	–	–	(5)	–	(5)	–	(5)
Total inventory cash flow hedge movements		–	–	–	(5)	–	(5)	–	(5)
Transactions with owners									
Dividends paid to equity shareholders	5	–	–	–	–	(348)	(348)	–	(348)
Net movement in own shares held		–	–	–	–	10	10	–	10
Share buyback		(1)	1	–	–	(281)	(281)	–	(281)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(12)	(12)
Total transactions with owners		(1)	1	–	–	(619)	(619)	(12)	(631)
Balance as at 2 March 2024		43	180	(178)	(10)	11,043	11,078	87	11,165

	Note	Issued capital	Other reserves	Translation reserve	Hedging reserve	Retained earnings	Total	Non-controlling interests	Total equity
		£m	£m	£m	£m	£m	£m	£m	£m
Balance as at 15 September 2023		44	179	(42)	2	10,910	11,093	100	11,193
Total comprehensive income									
Profit for period recognised in income statement		–	–	–	–	1,455	1,455	25	1,480
Remeasurements of defined benefit schemes		–	–	–	–	38	38	–	38
Deferred tax associated with defined benefit schemes		–	–	–	–	(10)	(10)	–	(10)
Items that will not be reclassified to profit or loss		–	–	–	–	28	28	–	28
Effect of movements in foreign exchange		–	–	(329)	–	–	(329)	(20)	(349)
Net loss on other investments held at fair value through OCI		–	(5)	–	–	–	(5)	–	(5)
Current tax on foreign exchange movements		–	–	(2)	–	–	(2)	–	(2)
Movement in cash flow hedging position		–	–	–	(51)	–	(51)	–	(51)
Deferred tax on cash flow hedging position movements		–	–	–	13	–	13	–	13
Deferred tax on other investment reserves movements		–	1	–	–	–	1	–	1
Share of other comprehensive income of joint ventures and associates		–	–	(10)	–	–	(10)	–	(10)
Effect of hyperinflationary economies		–	–	–	–	59	59	–	59
Items that are or may be subsequently reclassified to profit or loss		–	(4)	(341)	(38)	59	(324)	(20)	(344)
Other comprehensive income		–	(4)	(341)	(38)	87	(296)	(20)	(316)
Total comprehensive income		–	(4)	(341)	(38)	1,542	1,159	5	1,164
Inventory cash flow hedge movements									
Amounts transferred to cost of inventory		–	–	–	(9)	–	(9)	–	(9)
Total inventory cash flow hedge movements		–	–	–	(9)	–	(9)	–	(9)
Transactions with owners									
Dividends paid to equity shareholders		–	–	–	–	(502)	(502)	–	(502)
Net movement in own shares held		–	–	–	–	11	11	–	11
Share buyback		(2)	2	–	–	(568)	(568)	–	(568)
Current tax associated with share-based payments		–	–	–	–	2	2	–	2
Dividends paid to non-controlling interests		–	–	–	–	–	–	(13)	(13)
Total transactions with owners		(2)	2	–	–	(1,057)	(1,057)	(13)	(1,070)
Balance as at 14 September 2024		42	177	(383)	(45)	11,395	11,186	92	11,278

1. Operating segments

The Group has five operating segments, as described below. These are the Group's operating divisions, based on the management and internal reporting structure, which combine businesses with common characteristics, primarily in respect of the type of products offered by each business, but also the production processes involved and the manner of the distribution and sale of goods. The Board is the chief operating decision-maker.

Inter-segment pricing is determined on an arm's length basis. Segment result is adjusted operating profit, as shown on the face of the consolidated income statement. Segment assets comprise all non-current assets except employee benefits assets, income tax assets, deferred tax assets and all current assets except cash and cash equivalents, current asset investments and income tax assets. Segment liabilities comprise trade and other payables, derivative liabilities, provisions and lease liabilities.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and expenses, cash, borrowings, employee benefits balances and current and deferred tax balances.

Segment non-current asset additions are the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year, comprising property, plant and equipment, investment properties, right-of-use assets, operating intangibles and biological assets.

Businesses disposed are shown separately and comparatives are re-presented for businesses sold or closed during the year. The Group comprises the following operating segments:

Retail

Buying and merchandising value clothing and accessories through the Primark and Penneys retail chains.

Grocery

The manufacture of grocery products, including hot beverages, sugar, vegetable oils, balsamic vinegars, bread and baked goods, cereals, ethnic foods and meat products, which are sold to retail, wholesale and foodservice businesses.

Ingredients

The manufacture of yeast and bakery ingredients as well as speciality ingredients focused on enzymes, procession extracts, health and nutrition and pharmaceutical delivery systems.

Sugar

The growing and processing of sugar beet and sugar cane for production of a range of sugar and other products in Africa, the UK and Spain.

Agriculture

The manufacture of speciality feed ingredients, premix and compound animal feed, as well as the provision of other products and services for the agriculture sector.

Geographical information

In addition to the required disclosure for operating segments, disclosure is also given of certain geographical information about the Group's operations, based on the geographical groupings: United Kingdom; Europe & Africa; The Americas; and Asia Pacific.

Revenues are shown by reference to the geographical location of customers. Profits are shown by reference to the geographical location of the businesses. Segment assets are based on the geographical location of the assets.

	Revenue			Adjusted operating profit		
	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Operating segments						
Retail	**4,472**	4,500	9,448	**540**	508	1,108
Grocery	**2,089**	2,124	4,242	**227**	230	511
Ingredients	**1,031**	1,056	2,134	**120**	117	233
Sugar	**1,098**	1,170	2,529	**(16)**	125	199
Agriculture	**819**	850	1,650	**12**	14	41
Central	**–**	–	–	**(46)**	(45)	(100)
	9,509	9,700	20,003	**837**	949	1,992
Business disposed						
Sugar	**–**	34	70	**(2)**	2	6
	9,509	9,734	20,073	**835**	951	1,998
Geographical information						
United Kingdom	**3,397**	3,585	7,297	**269**	339	708
Europe & Africa	**3,702**	3,717	7,830	**320**	367	754
The Americas	**1,237**	1,248	2,513	**200**	213	406
Asia Pacific	**1,173**	1,150	2,363	**48**	30	124
	9,509	9,700	20,003	**837**	949	1,992
Business disposed						
Asia Pacific	**–**	34	70	**(2)**	2	6
	9,509	9,734	20,073	**835**	951	1,998

Operating segments for the 24 weeks ended 1 March 2025

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central £m	Total £m
Revenue from continuing businesses	4,472	2,098	1,126	1,153	823	(163)	9,509
Internal revenue	–	(9)	(95)	(55)	(4)	163	–
Revenue from external customers	4,472	2,089	1,031	1,098	819	–	9,509
Operating profit	537	219	115	(122)	7	(46)	710
Adjusted operating profit before joint ventures and associates	540	193	103	(19)	13	(46)	784
Share of adjusted profit after tax from joint ventures and associates	–	34	17	3	(1)	–	53
Business disposed	–	–	–	(2)	–	–	(2)
Adjusted operating profit	540	227	120	(18)	12	(46)	835
Finance income						27	27
Finance expense	(45)	(1)	(1)	(1)	–	(16)	(64)
Other financial income						20	20
Adjusted profit before taxation	495	226	119	(19)	12	(15)	818
Profits less losses on disposal of non-current assets	(3)	1	–	–	–	–	(2)
Amortisation of non-operating intangibles	–	(9)	(5)	–	(5)	–	(19)
Exceptional items	–	–	–	(104)	–	–	(104)
Profits less losses on sale and closure of businesses	–	–	–	(1)	–	–	(1)
Profit before taxation	492	218	114	(124)	7	(15)	692
Taxation						(163)	(163)
Profit for the period	**492**	**218**	**114**	**(124)**	**7**	**(178)**	**529**
Segment assets (excluding joint ventures and associates)	7,317	2,833	2,156	2,501	664	119	15,590
Investments in joint ventures and associates	–	44	128	57	152	–	381
Segment assets	**7,317**	**2,877**	**2,284**	**2,558**	**816**	**119**	**15,971**
Cash and cash equivalents						758	758
Current asset investments						66	66
Income tax						79	79
Deferred tax assets						237	237
Employee benefits assets						1,572	1,572
Segment liabilities	**(4,003)**	**(687)**	**(402)**	**(513)**	**(194)**	**(201)**	**(6,000)**
Loans and overdrafts						(623)	(623)
Income tax						(134)	(134)
Deferred tax liabilities						(753)	(753)
Employee benefits liabilities						(75)	(75)
Net assets	**3,314**	**2,190**	**1,882**	**2,045**	**622**	**1,045**	**11,098**
Non-current asset additions	331	102	95	171	19	5	723
Depreciation and non-cash lease adjustments	(281)	(50)	(38)	(45)	(14)	(2)	(430)
Amortisation	(18)	(10)	(6)	(2)	(6)	–	(42)

Operating segments for the 24 weeks ended 2 March 2024

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central £m	Total £m
Revenue from continuing businesses	4,500	2,134	1,159	1,230	852	(175)	9,700
Internal revenue	–	(10)	(103)	(60)	(2)	175	–
External revenue from continuing businesses	4,500	2,124	1,056	1,170	850	–	9,700
Business disposed	–	–	–	34	–	–	34
Revenue from external customers	4,500	2,124	1,056	1,204	850	–	9,734
Operating profit	508	219	110	121	10	(37)	931
Adjusted operating profit before joint ventures and associates	508	201	99	121	14	(45)	898
Share of adjusted profit after tax from joint ventures and associates	–	29	18	4	–	–	51
Business disposed	–	–	–	2	–	–	2
Adjusted operating profit	508	230	117	127	14	(45)	951
Finance income						35	35
Finance expense	(43)	–	–	(1)	–	(18)	(62)
Other financial income						(13)	(13)
Adjusted profit before taxation	465	230	117	126	14	(41)	911
Profits less losses on disposal of non-current assets	–	–	–	–	–	8	8
Amortisation of non-operating intangibles	–	(10)	(6)	–	(4)	–	(20)
Acquired inventory fair value adjustments	–	(1)	–	–	–	–	(1)
Transaction costs	–	–	(1)	–	–	–	(1)
Exceptional items	–	–	–	(6)	–	–	(6)
Profits less losses on sale and closure of businesses	–	–	–	(10)	–	–	(10)
Profit before taxation	465	219	110	110	10	(33)	881
Taxation	–	–	–	–	–	(203)	(203)
Profit for the period	465	219	110	110	10	(236)	678
Segment assets (excluding joint ventures and associates)	7,181	2,720	2,034	2,541	654	146	15,276
Investments in joint ventures and associates	–	51	138	52	155	–	396
Segment assets	7,181	2,771	2,172	2,593	809	146	15,672
Cash and cash equivalents						1,268	1,268
Income tax						92	92
Deferred tax assets						186	186
Employee benefits assets						1,523	1,523
Segment liabilities	(4,120)	(672)	(371)	(617)	(183)	(187)	(6,150)
Loans and overdrafts						(600)	(600)
Income tax						(95)	(95)
Deferred tax liabilities						(660)	(660)
Employee benefits liabilities						(71)	(71)
Net assets	3,061	2,099	1,801	1,976	626	1,602	11,165
Non-current asset additions	323	95	78	163	15	2	676
Depreciation and non-cash lease adjustments	(266)	(48)	(32)	(43)	(11)	(3)	(403)
Amortisation	(17)	(12)	(6)	(1)	(5)	–	(41)

Operating segments for the 52 weeks ended 14 September 2024

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central £m	Total £m
Revenue from continuing businesses	9,448	4,262	2,342	2,652	1,659	(360)	20,003
Internal revenue	–	(20)	(208)	(123)	(9)	360	–
External revenue from external customers	9,448	4,242	2,134	2,529	1,650	–	20,003
Business disposed	–	–	–	70	–	–	70
Revenue from external customers	9,448	4,242	2,134	2,599	1,650	–	20,073
Operating profit	1,100	493	219	181	31	(92)	1,932
Adjusted operating profit before joint ventures and associates	1,108	438	201	192	33	(100)	1,872
Share of adjusted profit after tax from joint ventures and associates	–	73	32	7	8	–	120
Business disposed	–	–	–	6	–	–	6
Adjusted operating profit	1,108	511	233	205	41	(100)	1,998
Finance income						71	71
Finance expense	(96)	(1)	(1)	(3)	(1)	(33)	(135)
Other financial income						23	23
Adjusted profit before taxation	1,012	510	232	202	40	(39)	1,957
Profits less losses on disposal of non-current assets	3	5	–	–	–	8	16
Amortisation of non-operating intangibles	–	(20)	(11)	–	(9)	–	(40)
Acquired inventory fair value adjustments	–	(1)	(1)	–	–	–	(2)
Transaction costs	–	(2)	(2)	–	(1)	–	(5)
Exceptional items	(11)	–	–	(24)	–	–	(35)
Profits less losses on sale and closure of businesses	–	–	11	15	–	–	26
Profit before taxation	1,004	492	229	193	30	(31)	1,917
Taxation						(437)	(437)
Profit for the period	1,004	492	229	193	30	(468)	1,480
Segment assets (excluding joint ventures and associates)	7,282	2,798	2,104	2,252	620	89	15,145
Investments in joint ventures and associates	–	57	116	53	155	–	381
Segment assets	7,282	2,855	2,220	2,305	775	89	15,526
Cash and cash equivalents						1,323	1,323
Current asset investments						334	334
Income tax						102	102
Deferred tax assets						223	223
Employee benefits assets						1,506	1,506
Segment liabilities	(4,347)	(685)	(415)	(437)	(178)	(172)	(6,234)
Loans and overdrafts						(613)	(613)
Income tax						(133)	(133)
Deferred tax liabilities						(682)	(682)
Employee benefits liabilities						(74)	(74)
Net assets	2,935	2,170	1,805	1,868	597	1,903	11,278
Non-current asset additions	702	212	180	329	43	2	1,468
Depreciation and non-cash lease adjustments	(574)	(100)	(70)	(77)	(21)	(7)	(849)
Amortisation	(39)	(31)	(15)	(4)	(11)	–	(100)

Geographical information for the 24 weeks ended 1 March 2025

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	**3,397**	**3,702**	**1,237**	**1,173**	**9,509**
Segment assets	**5,813**	**6,665**	**1,902**	**1,591**	**15,971**
Non-current asset additions	**219**	**336**	**93**	**75**	**723**
Depreciation (including of right-of-use assets)	**(152)**	**(200)**	**(50)**	**(28)**	**(430)**
Amortisation	**(8)**	**(30)**	**(2)**	**(2)**	**(42)**
Exceptional items	**(3)**	**(101)**	**–**	**–**	**(104)**

Geographical information for the 24 weeks ended 2 March 2024

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	3,585	3,717	1,248	1,184	9,734
Segment assets	5,850	6,530	1,775	1,517	15,672
Non-current asset additions	171	348	83	74	676
Depreciation (including of right-of-use assets)	(147)	(187)	(43)	(26)	(403)
Amortisation	(9)	(29)	(2)	(2)	(42)
Acquired inventory fair value adjustments	–	(1)	–	–	(1)
Transaction costs	–	(1)	–	–	(1)
Exceptional items	(18)	12	–	–	(6)

Geographical information for the 52 weeks ended 14 September 2024

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	7,297	7,830	2,513	2,433	20,073
Segment assets	5,537	6,599	1,810	1,580	15,526
Non-current asset additions	367	726	209	166	1,468
Depreciation (including of right-of-use assets)	(289)	(411)	(97)	(52)	(849)
Amortisation	(21)	(65)	(8)	(6)	(100)
Acquired inventory fair value adjustments	–	(2)	–	–	(2)
Transaction costs	(2)	(1)	–	(2)	(5)
Exceptional items	(19)	(16)	–	–	(35)

The Group's operations in the following countries met the criteria for separate disclosure:

	Revenue			Non-current assets		
	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Australia	**713**	687	1,409	**673**	571	656
Spain	**948**	991	1,972	**621**	694	713
United States	**858**	833	1,690	**1,012**	893	950

2. Exceptional items

2025

At half year, there was a non-cash exceptional impairment charge of £104m in our Sugar Division. Our Spanish Sugar business, Azucarera, has incurred operating losses in the first half of the financial year due to the worsening trading performance of the business. This was considered an indicator of impairment and based on an assessment, management made the decision to fully impair the plant and equipment of the business for £101m. The Group has applied a "fair value less costs of disposal" approach to determine the recoverable amount using level 3 of the fair value hierarchy as defined in IFRS 13. The key assumptions to determine the recoverable amount were assumptions around sugar and beet prices, sugar quantity sold and the discount rate. The model assumed a discount rate of 8.5%. The Vivergo business has continued to be impacted by the volatility in margin and a further impairment charge was was also recognised for £3m on newly acquired property, plant and equipment.

2024

At half year, there was a non-cash exceptional impairment charge of £6m in our Sugar Division. The Vivergo business was impacted by the volatility in margin and an impairment was recognised of £17m against property, plant and equipment and £1m against right-of-use assets. This was partially offset by a partial reversal of the impairment recognised in the Maragra Sugar business in Mozambique at the end of the 2023 financial year where market valuations indicated in the first half of the half year a resale value of £12m on the impaired property, plant and equipment. The impairment of £35m in Maragra in 2023 was due to severe flooding and damage to the sugar crop fields.

3. Income tax expense

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Current tax expense			
UK – corporation tax at 25% (2024 – 25%)	**11**	21	51
Overseas – corporation tax	**161**	147	337
UK – under provided in prior periods	**–**	–	4
Overseas – (over)/under provided in prior periods	**(3)**	(3)	10
	169	165	402
Deferred tax (credit)/expense			
UK – deferred tax	**18**	34	61
Overseas – deferred tax	**(25)**	3	(16)
UK – over provided in prior periods	**–**	–	(13)
Overseas – under provided in prior periods	**1**	1	3
	(6)	38	35
Total income tax expense in the income statement	**163**	203	437
Reconciliation of effective tax rate			
Profit before taxation	**692**	881	1,917
Less share of profit after taxation from joint ventures and associates	**(51)**	(49)	(117)
Profit before taxation excluding share of profit after taxation from joint ventures and associates	**641**	832	1,800
Nominal tax charge at UK corporation tax rate of 25% (2024 – 25%)	**160**	208	450
Effect of higher and lower tax rates on overseas earnings	**(38)**	(43)	(92)
Effect of changes in tax rates on the income statement	**1**	1	7
Expenses not deductible for tax purposes	**44**	39	101
Disposal of assets covered by tax exemptions or unrecognised capital losses	**(3)**	3	(9)
Deferred tax not recognised	**1**	(3)	(24)
Adjustments in respect of prior periods	**(2)**	(2)	4
Total income tax expense in the income statement	**163**	203	437
Other comprehensive income or equity			
Deferred tax associated with defined benefit schemes	**15**	17	10
Current tax associated with share-based payments	**–**	–	(2)
Deferred tax associated with movements in cash flow hedging position	**32**	(4)	(13)
Deferred tax associated with movements in foreign exchange	**1**	–	–
Current tax associated with movements in foreign exchange	**–**	–	2
Deferred tax associated with movements in other investment reserves	**–**	–	(1)
Deferred tax associated with hyperinflationary economies	**10**	–	–
	58	13	(4)

The adjusted effective tax rate of 24.1% (2024 H1 – 23.2%) is the estimated weighted average annual tax rate based on full year projections and was applied to profit before adjusting items for the 24 weeks ended 1 March 2025. The tax impact of adjusting items was calculated on an item-by-item basis.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, including the UK. The legislation is effective for the Group’s 2025 financial year. The current tax expense in respect of Pillar Two for the 24 weeks ended 1 March 2025 is £7m.

The Group recognises the importance of complying fully with all applicable tax laws as well as paying and collecting the right amount of tax in every country in which the Group operates. The Group's board-approved tax strategy is based on seven tax principles embedded in the Group's financial and non financial processes and controls. This tax strategy is available in the Policies section of the Group’s website.

4. Earnings per share

	24 weeks ended 1 March 2025 pence per share	24 weeks ended 2 March 2024 pence per share	52 weeks ended 14 September 2024 pence per share
Adjusted earnings per share	**83.6**	90.4	196.9
Disposal of non-current assets	**(0.3)**	1.1	2.1
Sale and closure of businesses	**(0.1)**	(1.4)	3.5
Acquired inventory fair value adjustments	**(0.1)**	(0.1)	(0.3)
Transaction costs	**–**	(0.2)	(0.6)
Exceptional items	**(14.2)**	(0.8)	(4.6)
Tax effect on above adjustments and exceptional tax	**4.0**	0.3	0.8
Amortisation of non-operating intangibles	**(2.6)**	(2.6)	(5.4)
Tax credit on non-operating intangibles amortisation	**0.7**	0.7	1.3
Earnings per ordinary share	**71.0**	87.4	193.7

5. Dividends

	24 weeks ended 1 March 2025 pence per share	24 weeks ended 2 March 2024 pence per share	52 weeks ended 14 September 2024 pence per share	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
2023 final and special	**–**	45.8	45.8	**–**	348	348
2024 interim	**–**	–	20.7	**–**	–	154
2024 final and special	**69.3**	–	–	**508**	–	–
	69.3	45.8	66.5	**508**	348	502

The 2024 final dividend of 42.3p approved by shareholders on 13 December 2024, together with the special dividend of 27.0p totalled £508m when paid on 10 January 2025. The 2025 interim dividend of 20.7p per share, totalling an estimated cost of £149m will be paid on 4 July 2025 to shareholders on the register on 30 May 2025.

6. Acquisitions and disposals

Acquisitions

2025
No material or significant businesses were acquired in the first half of the financial year.

2024
AB World Foods in our Grocery segment, acquired the UK business Capsicana, provider of Latin American products including tortillas, pastes, kits and seasoning mixes. Total consideration for this transaction was £11m.

Disposals

2025
No material or significant businesses were disposed of in the first half of the financial year.

2024
A non-cash provision of £10m was included in profit less losses on sale and closure of business for the closure of the Group's China North Sugar business.

7. Analysis of net debt

	At 14 September 2024	Cash flow	New leases, non-cash items and transfers	Exchange adjustments	**At 1 March 2025**
	£m	£m	£m	£m	**£m**
Short-term loans	(71)	35	–	(1)	**(37)**
Long-term loans	(454)	5	–	(5)	**(454)**
Lease liabilities	(3,065)	169	(95)	18	**(2,973)**
Total liabilities from financing activities	(3,590)	209	(95)	12	**(3,464)**
Cash at bank and in hand, cash equivalents and overdrafts	1,235	(616)	–	7	**626**
Current asset investments	334	(268)	–	–	**66**
Net debt including lease liabilities	(2,021)	(675)	(95)	19	**(2,772)**

Reconciliation of net debt to balance sheet	**24 weeks ended 1 March 2025**	24 weeks ended 2 March 2024	52 weeks ended 14 September 2024
	£m	£m	£m
Cash and cash equivalents	**758**	1,268	1,323
Current asset investments	**66**	—	334
Current loans and overdrafts	**(169)**	(168)	(159)
Non-current loans	**(454)**	(432)	(454)
Net cash before lease liabilities	**201**	668	1,044
Lease liabilities	**(2,973)**	(3,164)	(3,065)
Net debt including lease liabilities	**(2,772)**	(2,496)	(2,021)

Roll forward of the liabilities associated with interest paid	**24 weeks ended 1 March 2025**	24 weeks ended 2 March 2024	52 weeks ended 14 September 2024
	£m	£m	£m
Opening balance	**(25)**	(25)	(25)
Interest expense	**(64)**	(62)	(135)
Interest paid	**66**	55	140
Interest capitalised	**(5)**	—	(5)
Effect of hyperinflationary economies	**—**	3	—
Closing balance	**(28)**	(29)	(25)

8. Related parties

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Full details of the Group's other related party relationships, transactions and balances are given in the Group's financial statements for the 52 weeks ended 14 September 2024. There have been no material changes in these relationships in the 24 weeks ended 1 March 2025 or up to the date of this report. No related party transactions have taken place in the first 24 weeks of the current financial year that have materially affected the financial position or the performance of the Group during that period.

9. Defined benefit pension schemes

Employee benefits assets primarily comprise the accounting surplus of the Group's UK defined benefit scheme. At the end of the period, the surplus in the UK was £1,506m (H1 2024 – £1,476m; 2024 full year – £1,454m). The increase from the end of the last financial year reflects a decrease in the pension liabilities due to an increase in corporate bond yields, partially offset by negative asset returns and a slight increase in the long term expected inflation assumption.

10. Basis of preparation

Associated British Foods plc ('the Company') is a company domiciled in the United Kingdom. The condensed consolidated interim financial statements of the Company for the 24 weeks ended 1 March 2025 comprise those of the Company and its subsidiaries (together referred to as 'the Group') and the Group's interests in joint ventures and associates.

The consolidated financial statements of the Group for the 52 weeks ended 14 September 2024 are available upon request from the Company's registered office at 10 Grosvenor Street, London, W1K 4QY or at www.abf.co.uk.

The condensed consolidated interim financial statements have been prepared in accordance with UK-adopted IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the 52 weeks ended 14 September 2024.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence to the end of the 2026 financial year. For this reason, they continue to adopt the going concern basis in preparing the consolidated interim financial statements.

The directors have reviewed a detailed cash flow forecast to the end of the 2026 financial year. Having reviewed this forecast and having applied a downside sensitivity analysis and performed a reverse stress test, the directors consider it a remote possibility that the financial headroom could be exhausted.

The Board's treasury policies are in place to maintain a strong capital base and manage the Group's balance sheet and liquidity to ensure long-term financial stability. These policies are the basis for investor, creditor and market confidence and enable the successful development of the business. The financial leverage policy requires that, in the ordinary course of business, the Board prefers to see the Group's ratio of net debt including lease liabilities to adjusted EBITDA to be well under 1.5x. At the end of this financial period, the financial leverage ratio was 1.0x and the Group had total cash, cash equivalent and current asset investments of £0.8bn and an undrawn committed Revolving Credit Facility of £1.5bn.

In February 2025, S&P Global Ratings reaffirmed their assignment to the Group of an 'A' grade long-term issuer credit rating. The Group's funding basis is supported by the existing £400m public bond due in 2034. Furthermore the Group's committed Revolving Credit Facility is free of performance covenants and matures in 2029, after a further one year extension was made in April 2024. Group funding is not subject to financial performance covenants.

In reviewing the cash flow forecast for the period, the directors reviewed the trading for both Primark and the food businesses in light of the experience gained from events of the last three years of trading and emerging trading patterns. The directors have a thorough understanding of the risks, sensitivities and judgements included in these elements of the cash flow forecast and have a high degree of confidence in these cash flows.

As a downside scenario the directors considered the adverse scenario in which inflationary costs are not fully recovered, high levels of volatility in key commodity prices without price adjustments, adverse impact from the changes to import tariffs, adverse movement to the cash conversion cycle within the Group and server IT outages leading to extended periods of non-operation. This downside scenario was modelled without taking any mitigating actions within their control. Under this downside scenario the Group forecasts liquidity throughout the period.

In addition, the directors also considered the circumstances which would be needed to exhaust the Group's total liquidity over the assessment period – a reverse stress test. This indicates that, on top of the downside scenario outlined above, annual profit before tax would need to decline by 30% without any price increases or other mitigating actions being taken before total liquidity is exhausted. The likelihood of these circumstances is considered remote for two reasons. Firstly, over such a long period, management could take substantial mitigating actions, such as reviewing pricing, cost cutting measures and reducing capital investment. Secondly, the Group has significant business and asset diversification and would be able to, if it were necessary, dispose of assets and/or businesses to raise considerable levels of funds.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Operating Review. Note 26 on pages 183 to 194 of the 2024 Annual Report provides details of the Group's policy on managing its financial and commodity risks.

The 24 week period for the condensed consolidated interim financial statements of the Company means that the second half of the year is usually a 28 week period, and the two halves of the reporting year are therefore not of equal length. For the Retail segment, Christmas, falling in the first half of the year, is a particularly important trading period. For the Sugar segment, the balance sheet, and working capital in particular, is strongly influenced by seasonal growth patterns for both sugar beet and sugar cane, which vary significantly in the markets in which the Group operates.

The condensed consolidated interim financial statements are unaudited but have been subject to an independent review by the auditor and were approved by the board of directors on 29 April 2025. They do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The comparative figures for the 52 weeks ended 14 September 2024 have been abridged from the Group's 2024 financial statements and are not the Company's statutory financial statements for that period. Those financial statements have been reported on by the Company's auditor for that period and delivered to the Registrar of Companies. The report of the auditor was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

This Interim Results Announcement has been prepared solely to provide additional information to shareholders as a body, to assess the Group's strategies and the potential for those strategies to succeed. This Interim Results Announcement should not be relied upon by any other party or for any other purpose.

11. Significant accounting policies

Except where detailed otherwise, the accounting policies applied by the Group in these condensed consolidated interim financial statements are substantially the same as those applied by the Group in its consolidated financial statements for the 52 weeks ended 14 September 2024 including for derivatives and current biological assets, which are recognised in the balance sheet at fair value and fair value less costs to sell, respectively. The methodology for selecting assumptions underpinning the fair value calculations has not changed since 14 September 2024. In line with the change in presentation of investment properties in the prior year, the comparative half year balance sheet has been re-presented. The reclassification for the 2024 half year balance sheet was £110m.

New accounting standards

The following accounting standards, amendments and clarifications were adopted in the period with no significant impact:

- *Lease Liability in a Sale and Leaseback* (Amendments to IFRS 16)
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 *Presentation of Financial Statements)*
- *Supplier Finance Arrangements (Amendments* to IAS 7 and IFRS 7)

Accounting standards not yet applicable

The Group is assessing the impact of the following standards, interpretations and amendments that are not yet effective. Where already endorsed by the UK Endorsement Board (UKEB), these changes will be adopted on the effective dates noted. Where not yet endorsed by the UKEB, the adoption date is less certain:

- *Lack of Exchangeability* (Amendments to IAS 21), effective 2026 financial year
- *Annual Improvements to IFRS Accounting Standards - Volume 11*, effective 2027 financial year
- IFRS 18 *Presentation and Disclosure in Financial Statements*, effective 2028 financial year
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, effective 2027 financial year
- *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7), effective 2027 financial year
- *Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)*, effective 2027 financial year

12. Accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing the condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the 52 weeks ended 14 September 2024.

13. Alternative performance measures

In reporting financial information, the Board uses various APMs which it believes provide useful additional information for understanding the financial performance and financial health of the Group. These APMs should be considered in addition to IFRS measures and are not intended to be a substitute for them. Since IFRS does not define APMs, they may not be directly comparable to similar measures used by other companies.

The Board also uses APMs to improve the comparability of information between reporting periods and geographical units (such as like-for-like sales) by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid users in understanding the Group's performance.

Consequently, the Board and management use APMs for performance analysis, planning, reporting and incentive-setting.

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
Like-for-like sales	No direct equivalent	The like-for-like sales metric enables measurement of the performance of our retail stores on a comparable year-on-year basis. This measure represents the change in sales at constant currency in our retail stores adjusted for new stores, closures and relocations. Refits, extensions and downsizes are also adjusted for if a store's retail square footage changes by 10% or more. For each change described above, a store's sales are excluded from like-for-like sales for one year. No adjustments are made for disruption during refits, extensions or downsizes if a store's retail square footage changes by less than 10%, for cannibalisation by new stores, or for the timing of national or bank holidays. It is measured against comparable trading days in each year.	Consistent with the definition given
Adjusted operating (profit) margin	No direct equivalent	Adjusted operating (profit) margin is Adjusted operating profit as a percentage of revenue.	See note A

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
Adjusted operating profit	Operating profit	Adjusted operating profit is stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets and exceptional items. Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of Adjusted operating profit.	A reconciliation of this measure is provided on the face of the condensed consolidated income statement and by operating segment in note 1
Adjusted profit before tax	Profit before tax	Adjusted profit before tax is stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets, profits less losses on sale and closure of businesses and exceptional items. Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of Adjusted profit before tax.	A reconciliation of this measure is provided on the face of the condensed consolidated income statement and by operating segment in note 1
Adjusted earnings and Adjusted earnings per share	Earnings and earnings per share	Adjusted earnings and Adjusted earnings per share are stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets, profits less losses on sale and closure of businesses and exceptional items, together with the related tax effect. Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of Adjusted earnings and Adjusted earnings per share.	Reconciliation of this measure is provided in note 4
Exceptional items	No direct equivalent	Exceptional items are items of income and expenditure which are significant and unusual in nature and are considered of such significance that they require separate disclosure on the face of the income statement.	Exceptional items are included on the face of the condensed consolidated income statement with further detail provided in note 2
Constant currency	Revenue and Adjusted operating profit (non-IFRS) measure	Constant currency measures are derived by translating the relevant prior year figures at current year average exchange rates, except for countries where CPI has escalated to extreme levels, in which case actual exchange rates are used. There are currently four countries where the Group has operations in this position – Argentina, Malawi, Turkey and Venezuela.	See note B
Effective tax rate	No direct equivalent	This measure is the tax charge for the year expressed as a percentage of profit before tax.	Whilst the effective tax rate is not disclosed, a reconciliation of the tax charge on profit before tax at the UK corporation tax rate to the actual tax charge is provided in note 3
Adjusted effective tax rate	No direct equivalent	This measure is the tax charge for the year excluding tax on adjusting items expressed as a percentage of Adjusted profit before tax.	The tax impact of reconciling items between profit before tax and adjusted profit before tax is shown in note 4
Dividend cover	No direct equivalent	Dividend cover is the ratio of Adjusted earnings per share to dividends per share relating to the period.	See note C
Capital expenditure	No direct equivalent	Capital expenditure is a measure of investment in non-current assets in existing businesses. It comprises cash outflows from the purchase of property, plant and equipment and intangibles.	See note D
Gross investment	No direct equivalent	Gross investment is a measure of investment in non-current assets in existing businesses and acquisition of new businesses. It comprises capital expenditure, cash outflows from the purchase of subsidiaries, joint ventures and associates, additional shares in subsidiary undertakings purchased from non-controlling interests and other investments.	See note E
Net cash/debt before lease liabilities	No direct equivalent	This measure comprises cash, cash equivalents and overdrafts, current asset investments and loans.	A reconciliation of this measure is shown in note 7

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
Net cash/debt including lease liabilities	No direct equivalent	This measure comprises cash, cash equivalents and overdrafts, current asset investments, loans and lease liabilities.	A reconciliation of this measure is shown in note 7
Adjusted EBITDA	Adjusted operating profit (non-IFRS) measure	Adjusted EBITDA is stated before depreciation, amortisation and impairments charged to Adjusted operating profit.	See note F
Financial leverage ratio	No direct equivalent	Financial leverage is the ratio of net cash/debt including lease liabilities to Adjusted EBITDA.	See note F
Free cash flow	No direct equivalent	This measure represents the cash that the Group generates from its operations after maintaining and investing in its capital assets. All the items below Adjusted EBITDA can be found on the face of the cash flow statement or derived directly from it. Working capital comprises the movements in inventories, receivables and payables within net cash generated from operating activities. Net interest paid is the sum of interest received within net cash used in investing activities and interest paid within net cash used in financing activities. Share of adjusted profit after tax from joint ventures and associates is the amount on the face of the cash flow statement, plus the £2m (2024 H1 – £1m) non-operating intangible amortisation which is not included in Adjusted EBITDA. Other includes all other items from net cash generated from operating activities and net cash used in investing activities except for the purchase and sale of subsidiaries, joint ventures and associates, plus dividends paid to non-controlling interests and the movement from changes in own shares held.	See note G
Total liquidity	No direct equivalent	Total liquidity comprises cash, cash equivalents and current asset investments, less non-qualifying borrowings and an estimate of inaccessible cash, plus the qualifying credit facilities. Cash, cash equivalents and current asset investments are set out in note 7. Non-qualifying borrowings are current loans and overdrafts and any non-current borrowings that are uncommitted or that contain covenants that could be breached in a severe downside scenario. Current loans and overdrafts are set out in note 7. Inaccessible cash is generally located in jurisdictions where there is limited access to foreign currency or where there are exchange controls. It is estimated at 5% of cash and cash equivalents. Qualifying credit facilities have a maturity of more than 18 months, are committed, and either contain no performance covenants, or where they do, they are assessed as highly unlikely to be breached even in a severe downside scenario. At 1 March 2025, this comprised the RCF.	See note H
(Average) capital employed	No direct equivalent	Capital employed is derived from the management balance sheet and does not reconcile directly to the statutory balance sheet. All elements are calculated in accordance with Adopted IFRS. Average capital employed for each segment and for the Group is calculated by averaging capital employed for each period of the year based on the reporting calendar of each business.	Consistent with the definition given
Return on (average) capital employed	No direct equivalent	This measure expresses Adjusted operating profit as a percentage of Average capital employed.	Consistent with the definition given

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
(Average) working capital	No direct equivalent	Working capital is derived from the management balance sheet and does not reconcile directly to the statutory balance sheet. All elements are calculated in accordance with Adopted IFRS. Average working capital for each segment and for the Group is calculated by averaging working capital for each period of the year based on the reporting calendar of each business.	Consistent with the definition given
(Average) working capital as a percentage of revenue	No direct equivalent	This measure expresses (Average) working capital as a percentage of revenue.	Consistent with the definition given

Note A

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central and disposed business £m	Total £m
24 weeks ended 1 March 2025							
External revenue from continuing businesses	**4,472**	**2,089**	**1,031**	**1,098**	**819**	**—**	**9,509**
Adjusted operating profit	**540**	**227**	**120**	**(16)**	**12**	**(48)**	**835**
Adjusted operating margin %	**12.1%**	**10.9%**	**11.6%**	**(1.5%)**	**1.5%**		**8.8%**
24 weeks ended 2 March 2024							
External revenue from continuing businesses	4,500	2,124	1,056	1,170	850	34	9,734
Adjusted operating profit	508	230	117	125	14	(43)	951
Adjusted operating margin %	11.3%	10.8%	11.1%	10.7%	1.7%		9.8%

Note B

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central and disposed business £m	Total £m
24 weeks ended 1 March 2025							
External revenue from continuing businesses at actual rates	**4,472**	**2,089**	**1,031**	**1,098**	**819**	**—**	**9,509**
24 weeks ended 2 March 2024							
External revenue from continuing businesses at actual rates	4,500	2,124	1,056	1,170	850	34	9,734
Impact of foreign exchange	(87)	(45)	(42)	(24)	(6)	—	(204)
External revenue from continuing businesses at constant currency	4,413	2,079	1,014	1,146	844	34	9,530
% change at constant currency	+1%	in line	+2%	-4%	-3%		in line

	Retail £m	Grocery £m	Ingredients £m	Sugar £m	Agriculture £m	Central and disposed business £m	Total £m
24 weeks ended 1 March 2025							
Adjusted operating profit at actual rates	**540**	**227**	**120**	**(16)**	**12**	**(48)**	**835**
24 weeks ended 2 March 2024							
Adjusted operating profit at actual rates	508	230	117	125	14	(43)	951
Impact of foreign exchange	(6)	(5)	(6)	(8)	(1)	—	(26)
Adjusted operating profit at constant currency	502	225	111	117	13	(43)	925
% change at constant currency	+8%	+1%	+8%	-114%	-8%		-10%

Note C

	24 weeks ended 1 March 2025	24 weeks ended 2 March 2024	52 weeks ended 14 September 2024
Adjusted earnings per share (in pence)	**83.6**	90.4	196.9
Dividend relating to the period (in pence) - excluding special dividend proposed	**20.7**	20.7	63.0
Dividend cover	**4**	4	3

Note D

From the cash flow statement	**24 weeks ended 1 March 2025 £m**	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Purchase of property, plant and equipment	**490**	523	1,124
Purchase of intangibles	**63**	42	60
Capital expenditure	**553**	565	1,184

Note E

From the cash flow statement	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Purchase of property, plant and equipment	**490**	523	1,124
Purchase of intangibles	**63**	42	60
Purchase of subsidiaries, joint ventures and associates	**1**	4	93
Purchase of other investments	**3**	2	4
Gross investment	**557**	571	1,281

Note F

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Adjusted operating profit	**835**	951	1,998
Charged to adjusted operating profit:			
Depreciation of property, plant and equipment and investment properties	**294**	264	555
Amortisation of operating intangibles	**25**	23	63
Depreciation of right-of-use assets and non-cash lease adjustments	**136**	139	294
Adjusted EBITDA	**1,290**	1,377	2,910
Net debt including lease liabilities	**(2,772)**	(2,496)	(2,021)
Financial leverage ratio (based on the last 12 months rolling adjusted EBITDA)	**1.0x**	0.9x	0.7x

Note G

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Adjusted EBITDA (see note F)	**1,290**	1,377	2,910
Repayment of lease liabilities net of incentives received	**(158)**	(148)	(308)
Working capital	**(318)**	6	305
Capital expenditure (see note D)	**(553)**	(565)	(1,184)
Purchase of subsidiaries, joint ventures and associates	**(1)**	(4)	(93)
Sale of subsidiaries, joint ventures and associates	**(1)**	–	24
Net interest paid	**(39)**	(29)	(69)
Income taxes paid	**(147)**	(145)	(340)
Share of adjusted profit after tax from joint ventures and associates	**(53)**	(51)	(120)
Dividends received from joint ventures and associates	**54**	43	105
Other	**(47)**	(16)	125
Free cash flow	**27**	468	1,355

Note H

	24 weeks ended 1 March 2025 £m	24 weeks ended 2 March 2024 £m	52 weeks ended 14 September 2024 £m
Cash and cash equivalents	**758**	1,268	1,323
Current asset investments	**66**	—	334
Current loans and overdrafts	**(169)**	(168)	(159)
Non-qualifying non-current borrowings*	**(62)**	—	(63)
Estimated inaccessible cash	**(38)**	(63)	(66)
Qualifying credit facilities	**1,500**	1,500	1,500
Total liquidity	**2,055**	2,537	2,869

*At 1 March 2025, non-current borrowings on the face of the balance sheet included the £400m public bond due in 2034 (carrying value £392m) as qualifying borrowings.

Cautionary statements

This report contains forward-looking statements. These have been made by the directors in good faith based on the information available to them up to the time of their approval of this report. The directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Responsibility statement

The Interim Results Announcement complies with the Disclosure and Transparency Rules ('the DTR') of the UK's Financial Conduct Authority in respect of the requirement to produce a half-yearly financial report.

The directors confirm that to the best of their knowledge:

- this financial information has been prepared in accordance with UK-adopted International Accounting Standard 34 Interim Financial Reporting;
- this Interim Results Announcement includes a fair review of the important events during the first half and their impact on the financial information, and a description of the principal risks and uncertainties for the remaining half of the year as required by DTR 4.2.7R; and
- this Interim Results Announcement includes a fair review of material related party transactions and changes therein since the last annual report as required by DTR 4.2.8R.

On behalf of the board

Michael McLintock
Chairman

George Weston
Chief Executive

Joana Edwards
Interim Finance Director

29 April 2025

Independent review report to Associated British Foods plc

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the Interim Results Announcement for the 24 weeks ended 1 March 2025 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated cash flow statement, the condensed consolidated statement of changes in equity and the related explanatory notes. We have read the other information contained in the Interim Results Announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements in the Interim Results Announcement for the 24 weeks ended 1 March 2025 are not prepared, in all material respects, in accordance with UK-adopted International Accounting Standard 34 Interim Financial Reporting and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with the International Standard on Review Engagements 2410 (UK and Ireland) *Review of Interim Financial information* ('ISRE') performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 11, the annual financial statements of the Group will be prepared in accordance with UK-adopted International Accounting Standards. The condensed set of financial statements included in this Interim Results Announcement has been prepared in accordance with UK-adopted International Accounting Standard 34 *Interim Financial Reporting*.

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the Interim Results Announcement in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Interim Results Announcement, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the Interim Results Announcement, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the Interim Results Announcement. Our conclusion, including our Conclusions Relating to Going Concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) *Review of Interim Financial information performed by the Independent Auditor* of the Entity issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
Birmingham

29 April 2025