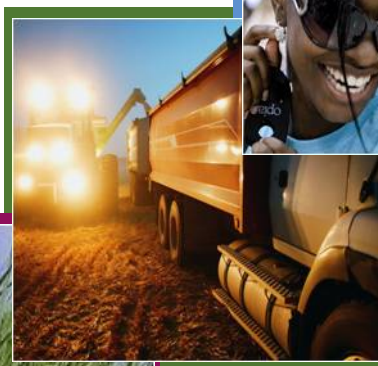


**Review of interim results
for 24 weeks ended
27 February 2010**

20 April 2010



Financial Highlights

- Group revenue up 10% to £4,796m
- Adjusted operating profit up 25% at £370m*
- Adjusted profit before tax up 20% to £331m **
- Adjusted earnings per share up 21% at 30.5p **
- Interim dividend per share up 10% to 7.6p
- Net debt of £1,090m
- Operating profit up 29% to £336m, profit before tax up 80% to £320m and basic earnings per share up 80% to 31.6p

* and ** - see notes at end

- Excellent set of results
 - investment delivering returns
 - enzymes, Zambia sugar, Primark
 - benefits of restructuring
 - US and UK grocery
 - recovery
 - UK sugar, China sugar, US vegetable oils
- Strong cash flow and financial position
- Continuing to invest for sustainable growth

Income Statement

Associated
British Foods
plc

£m	2010	2009	Change
Revenue	4,796	4,374	+10%
Operating costs	(4,470)	(4,116)	
Share of joint ventures and associates	6	2	
Profits less losses on sale of property, plant & equipment	<u>4</u>	<u>-</u>	
Operating profit	336	260	
Adjusted operating profit	370	297	+25%
Profits less losses on sale of property, plant & equipment	4	-	
Amortisation of non-operating intangibles	(38)	(37)	

Income Statement

£m	2010	2009	Change
Operating profit	336	260	+29%
Profit/(loss) on sale/closure of businesses	23	(60)	
Net interest expense	(37)	(30)	
Other financial (expense)/income	(2)	8	
Profit before tax	<u>320</u>	<u>178</u>	+80%
Tax	(74)	(36)	
Profit after tax	<u>246</u>	<u>142</u>	
Adjusted profit before tax*	<u>331</u>	<u>275</u>	+20%

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

	2010		2009	
	£m		£m	
Underlying charge	88	26.6%	69	25.1%
Credit on intangible amortisation	(12)		(12)	
Credit for net loss on sale of businesses and PP&E	(2)		(21)	
Reported charge	<u>74</u>	23.1%	<u>36</u>	20.2%

Earnings and Dividend Per Share

	2010	2009	Change
Adjusted earnings per share *	30.5p	25.2p	+21%
Earnings per share	31.6p	17.6p	+80%
Dividend per share	7.6p	6.9p	+10%

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

Balance Sheet

Associated
British Foods
plc

£m	2010	2009
Intangible assets (including goodwill)	1,972	1,938
PP&E and other non-current assets	4,242	3,516
Working capital	1,075	1,245
Biological assets - current	119	90
Current tax	(122)	(79)
Net debt	(1,090)	(1,143)
Other financial liabilities	(14)	(11)
Deferred tax	(233)	(230)
Provisions	(259)	(193)
Net pension liability	(114)	(304)
	<u>5,576</u>	<u>4,829</u>
Equity shareholders' funds	5,127	4,524
Minority interests	449	305
	<u>5,576</u>	<u>4,829</u>

Cash Flow

£m	2010	2009
Adjusted operating profit (before joint ventures and associates)	364	295
Depreciation and amortisation of operating intangibles	156	134
Working capital	(115)	(216)
Provisions	(18)	(12)
Capital expenditure - Primark	(87)	(70)
- Food	(216)	(209)
Tax	(52)	(49)
Net interest and other income	(23)	(32)
Other	15	13
Free cash flow	<u>24</u>	<u>(146)</u>
Dividends paid (including minorities)	(123)	(117)
Acquisitions less disposals	(69)	(14)
	<u>(168)</u>	<u>(277)</u>

Segmental Analysis

By business	Revenue		Profit		Margin		ROCE (annualised)	
	2010	2009	2010	2009	2010	2009	2010	2009
	£m	£m	£m	£m	%	%	%	%
Grocery	1,597	1,537	95	62	5.9	4.0	18.0	12.4
Sugar	931	645	85	61	9.1	9.5	11.0	10.0
Agriculture	432	417	12	18	2.8	4.3	14.3	25.1
Ingredients	509	476	47	40	9.2	8.4	16.7	16.1
Retail	1,263	1,065	144	122	11.4	11.5	21.6	18.7
Central costs	-	-	(18)	(15)	n/a	n/a	n/a	n/a
Continuing businesses	<u>4,732</u>	<u>4,140</u>	<u>365</u>	<u>288</u>	<u>7.7</u>	<u>7.0</u>	<u>15.7</u>	<u>13.9</u>
Businesses disposed	<u>64</u>	<u>234</u>	<u>5</u>	<u>9</u>	<u>n/a</u>	<u>n/a</u>		
	<u>4,796</u>	<u>4,374</u>	<u>370</u>	<u>297</u>	<u>7.7</u>	<u>6.8</u>		

Segmental Analysis

By geography

	Revenue		Profit		Margin	
	2010	2009	2010	2009	2010	2009
	£m	£m	£m	£m	%	%
United Kingdom	2,061	1,914	195	175	9.5	9.1
Europe & Africa	1,202	840	63	74	5.2	8.8
The Americas	520	522	66	26	12.7	5.0
Asia Pacific	949	864	41	13	4.3	1.5
Continuing businesses	<u>4,732</u>	<u>4,140</u>	<u>365</u>	<u>288</u>	<u>7.7</u>	<u>7.0</u>
Businesses disposed	<u>64</u>	<u>234</u>	<u>5</u>	<u>9</u>	<u>n/a</u>	<u>n/a</u>
	<u>4,796</u>	<u>4,374</u>	<u>370</u>	<u>297</u>	<u>7.7</u>	<u>6.8</u>

		2010	2009	Change
Revenue	£m	931	645	+44%
Operating profit	£m	85	61	+39%
Margin		9.1%	9.5%	
ROCE (annualised)		11.0%	10.0%	



- profit second half phased, Azucarera contribution
- recovery
 - EU market
 - China sugar prices
- investment
 - Zambia expansion completed
- Illovo difficult end of season

Sugar	2010	2009	Change
Revenue £m	931	645	+44%
Operating Profit £m	85	61	+39%



EU Sugar

- market more stable and strong euro
- excellent UK campaign
 - favourable growing conditions, high beet yields
 - 1.3 million tonnes sugar
 - excellent factory performance, lower energy cost
 - increased exports to world market
- Azucarera
 - high inventory cost in first half
 - increased volume and market share
 - sugar refinery commissioned
 - campaigns affected by excessive rain



Sugar	2010	2009	Change
Revenue £m	931	645	+44%
Operating Profit £m	85	61	+39%



Illovo

- short-term profit decline
- difficult second half to their season
 - weather affected South Africa, Zambia and Tanzania
 - sugar production 1.7 million tonnes
- weakening of currencies outside South Africa
- longer term development continuing
- progress with capacity expansion
 - Zambia, Mozambique factory now complete
 - Swaziland under way
- South African operations streamlined



Sugar	2010	2009	Change
Revenue £m	931	645	+44%
Operating Profit £m	85	61	+39%



China

- considerable improvement in profitability
- South cane sugar profit increase – good factory operations
- North beet sugar much reduced loss
- focus in North on increase in beet cultivation
 - local government support
 - extensive farmer training
- substantial sugar price increase



		2010	2009	Change
Revenue	£m	432	417	+4%
Operating profit	£m	12	18	-33%
Margin		2.8%	4.3%	
ROCE (annualised)		14.3%	25.1%	

- strong demand for UK pig and poultry feed
- growth in speciality and feed enzymes
- China poultry feed margins under pressure
- lower profit from previously exceptional Frontier trading activities



		2010	2009	Change
Revenue	£m	1,597	1,537	+4%
Operating profit	£m	95	62	+53%
Margin		5.9%	4.0%	
ROCE (annualised)		18.0%	12.4%	

- restructuring
 - ACH, Silver Spoon, Jordans Ryvita, AB World Foods
- recovery
 - UK bread, US vegetable oils
- Twinings Ovaltine strong underlying profit growth
- 2010 charge of £19m for restructuring Twinings supply chain



Grocery	2010	2009	Change
Revenue £m	1,597	1,537	+4%
Operating Profit £m	95	62	+53%



UK Grocery

- Allied Bakeries profit ahead
 - excellent operational performance
 - Kingsmill volume and share growth
- Silver Spoon packaging rationalisation benefit
- Patak's relaunch drives growth at AB World Foods
- Westmill increased profit and market share
- Jordans Ryvita business integration benefit



Grocery	2010	2009	Change
Revenue £m	1,597	1,537	+4%
Operating Profit £m	95	62	+53%



ACH / Stratas

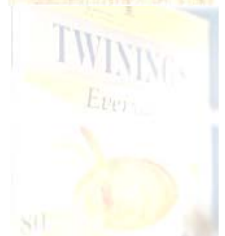
- completion of commodity product transfer to Stratas in March
- pure FMCG business created
- absence of last year's corn oil hedge loss
- Mazola and category growth

Australia

- bread operational improvements, new product launches
- Castlemaine meat factory construction under way



		2010	2009	Change
Revenue	£m	509	476	+7%
Operating profit	£m	47	40	+18%
Margin		9.2%	8.4%	
ROCE (annualised)		16.7%	16.1%	



AB Mauri

- yeast strong performance in South America
- continued expansion of technical and traditional bakery ingredients
- successful integration of recently acquired business in Europe

ABF Ingredients

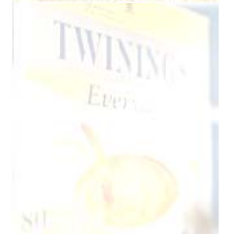
- yeast extracts and enzyme growth
- speciality protein profit improvement
- yeast extract capacity expansion due summer 2010

Chilean earthquake

Associated
British Foods
plc



		2010	2009	Change
Revenue	£m	1,263	1,065	+19%
Operating profit	£m	144	122	+18%
Margin		11.4%	11.5%	
ROCE (annualised)		21.6%	18.7%	



- like-for-like sales up 8%
- exceptional growth from Spanish stores
- higher volumes overcome margin impact of weaker sterling on US dollar sourced goods
- investment in new stores across Europe

Retail	2010	2009	Change
Revenue £m	1,263	1,065	+19%
Operating Profit £m	144	122	+18%



Store openings

- five stores in first half
- first store in Belgium, Liège
- further six stores in second half
- UK pipeline – ten Bhs stores in 2010/11

New warehouses summer 2010

- Naas will allow Irish warehouse consolidation
- Iberian facility to open north east of Madrid

Primark - selling space expansion

	UK		Republic of Ireland		Spain		Other		Total	
	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores	sq ft '000	stores
February 2009	4,240	136	970	38	360	12	30	1	5,600	187
February 2010	4,460	138	980	38	410	14	250	6	6,100	196
	+5%		+1%		+14%				+9%	

Retail	2010	2009	Change
Revenue £m	1,263	1,065	+19%
Operating Profit £m	144	122	+18%



Primark

- strong UK trading, especially Christmas and Spring
- Iberia
 - exceptional like-for-like growth
 - double digit operating profit margin
 - sales densities in line with UK
- encouraging early days in Netherlands, Belgium, Germany
- difficult trading in Ireland
- margin resilient
 - pressure from weak sterling subsidies
 - benefit of higher volumes
 - freight cost increases

Retail	2010	2009	Change
Revenue £m	1,263	1,065	+19%
Operating Profit £m	144	122	+18%



Retail Week Awards 2010

- Store design of the year



- Retailer of the year

Retail	2010	2009	Change
Revenue £m	1,263	1,065	+19%
Operating Profit £m	144	122	+18%



Retail Week Awards 2010

- Lifetime Achievement Award for Arthur Ryan



Major capital projects

Completed projects delivering profit this year

Sugar

Zambia, Mozambique factory capacity

Grocery

UK sugar packaging

Ingredients

Enzyme capacity

Retail

Primark stores

Continuation of capital investment

Projects still under way – prospect of further returns

		Expected completion*
Sugar	Vivergo biofuels	end 2010
Sugar	Swaziland capacity	2011
Retail	Store expansion across Europe	continuing
Grocery	Castlemaine factory	end 2010
Grocery	Twinings manufacturing	2011/12
Ingredients	China yeast, yeast extracts	mid 2010

* calendar year

- Excellent set of results
 - investment delivering returns
 - enzymes, Zambia sugar, Primark
 - benefits of restructuring
 - US and UK grocery
 - recovery
 - UK sugar, China sugar, US vegetable oils
- Strong cash flow and financial position
- Continuing to invest for sustainable growth

Exchange rates

Average rates for the first half used to translate the income statement	2010	2009
US\$	1.62	1.55
euro	1.12	1.17
South African rand	12.15	15.11
Australian \$	1.79	2.27
Rates at half year end used to translate the balance sheet	2010	2009
US\$	1.52	1.42
euro	1.12	1.12
South African rand	11.71	14.32
Australian \$	1.70	2.22

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

Notes

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

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

**Review of interim results
for 24 weeks ended
27 February 2010**

20 April 2010

