

# Q1 2009 Results

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## Q1 Highlights



- Underlying sales growth +4.8%
- Savings programmes deliver strongly
- Underlying operating margin -30bps
- Two bonds issues at competitive rates
- Acquisitions of TIGI and Baltimor



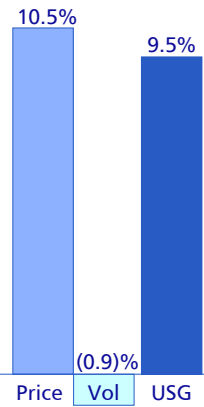
## Q1 Sales



	Q1 2009
<b>Turnover</b>	<b>€9.5bn</b>
Change	(0.7)%
Currency effect	(2.0)%
Acquisitions and disposals	(3.3)%
<b>Underlying sales growth</b>	<b>4.8%</b>
Price	6.8%
Volume	(1.8)%



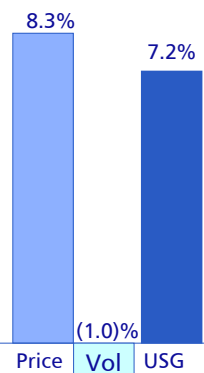
## Asia Africa CEE



- Strong broad based organic growth
- Trade de-stocking in some markets
- Difficult markets in Central Europe
- Underlying margin up +170 bps



## Americas



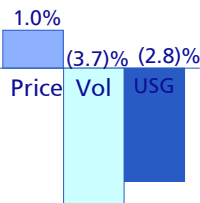
- Step-up in performance
- Positive volume growth in US consumer business. Market shares up
- Latin America grew 11%
- Underlying margin up +60 bps



## Western Europe



- Weak markets – particularly Germany and Spain
- Strong start to the year in the UK
- Improved customer service levels
- Underlying margin down –310 bps



## Savoury, Dressings and Spreads



Q1

USG 2.9%



# Ice Cream and Beverages



Q1

USG 4.3%



100%

# Home Care



Q1

USG 10.7%



100%

# Personal Care

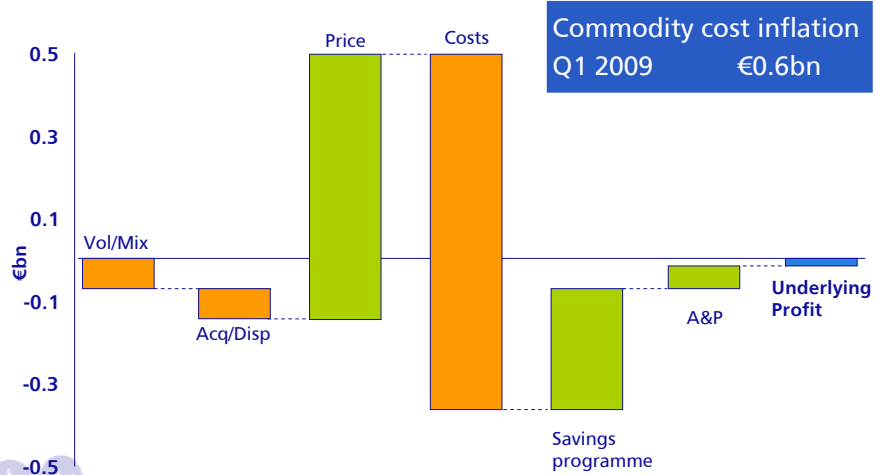


Q1

USG 4.0%



# Q1 Drivers of Operating Profit\*



\*Excl RDIs, constant currency



## Q1 Operating Margin



	Q1 2008	Q1 2009	Change
<b>Operating margin</b>	19.0%	13.0%	(6.0)%
Including RDIs*	4.1%	(1.6)%	(5.7)%
<b>Operating margin before RDIs</b>	14.9%	14.6%	(0.3)%

### Key drivers:

Gross margin	(1.9)%
Overheads	0.5%
A&P	1.1%

Includes margin dilution from disposals of (0.3)%

\*Restructuring, disposals and one-off items

## Q1 Drivers of EPS Growth



	Q1 2008	Q1 2009	Change
<b>EPS (€)</b>	0.47	0.26	(44)%
Includes RDIs*, after tax	0.12	(0.04)	
<b>EPS before RDIs*</b>	0.35	0.30	(13)%

### Key drivers (%)

Operating profit before RDIs	(2)
Finance costs (incl. Pensions)	(7)
Tax rate (before RDIs*)	(5)
Share buy-back (2008)	2
Currency and other	(1)

\*Restructuring, disposals and one-off items

## Balance Sheet and Cash Flow



- Cash flow from operating activities €0.1bn
  - Seasonal outflow of working capital
  - Cash conversion days improved
  - Increased pension contributions
- Liquidity strong
  - US and UK bond issuances at competitive rates
- Further progress on acquisitions



## CEO Perspective Our Markets



- Markets continue to be soft
- Consumer behaviour changing
- Strong well supported brands can do well
- D&E footprint - a competitive advantage
- US picking up but WE still difficult



## CEO Perspective

### Actions taken to drive volumes



- 30 day action plans for all key markets
- Bigger innovation, rolled out faster
- Step up in A&P from Q2
- Better on-shelf availability



## CEO Perspective

### Actions taken to protect cash flow and margins



- Restructuring plans brought forward
- Simplification
- Focus on working capital



## Summary



- Solid progress in tough environment
- Strengthening our business model
- Priorities remain
  1. Reignite volume growth
  2. Protect cash flow and margin



## Questions

