## Premier Foods 2014 Half Year Results - Factsheet

## 'Trading profit increased 2.1% in challenging markets'



## **Key Messages:**

- Underlying business Trading profit up 2.1% to £48.1m
- Sales 6.1% lower due to challenging market conditions
- Strong second half programme of consumer marketing and new product introductions
- Continued progress on cost reduction and business simplification
- Trading profit expectations for the Full Year unchanged
  - Category review confirms long-term potential for value creation through investment in brands, innovation, our supply chain and people

Sales (£m)	2014 H1	2013 H1	<u>%</u>	Cash flow (£m)	2014 H1	2013 H1
Power Brands	240.8	253.2	(4.9%)	Trading profit	48.1	47.1
Support Brands	83.3	91.8	(9.2%)	Depreciation	7.5	8.7
Branded sales	324.1	345.0	(6.1%)	Other non-cash items	2.1	1.4
				Interest	(21.4)	(22.6)
Non-branded sales	40.3	42.9	(6.0%)	Taxation	-	-
Total sales	364.4	387.9	(6.1%)	Pension contributions	(37.2)	(3.4)
				Capital expenditure	(19.4)	(15.2)
Trading profit	48.1	47.1	2.1%	Working Capital	(9.9)	(14.9)
				Recurring cash (outflow) / inflow	(30.2)	1.1
Adjusted Earnings per share	2014 H1	2013 H1	<u>%</u>			
				Cash flows from disposed businesses	(1.1)	(3.5)
Trading profit	48.1	47.1	2.1%	Restructuring activity	(3.7)	(25.3)
Less: net regular interest	(30.8)	(27.3)	(12.8%)	Operating cash flow	(35.0)	(27.7)
Adjusted Profit before tax	17.3	19.8	(12.6%)			
Less: notional tax (21.5%/23.25%)	(3.7)	(4.6)	19.2%	Disposal proceeds	16.3	90.8
Adjusted profit after tax	13.6	15.2	(10.5%)	Financing fees & finance leases	(57.6)	0.1
				Loan note	(15.7)	-
Divided by: Average shares in issue	588.2	239.8	-	Purchase of own shares	(1.5)	-
				Net equity proceeds	340.3	-
Adjusted earnings per share	2.3	6.3	(63.6%)	Movement in cash	246.8	63.2
	2014 H1	2013 H1	%	Net debt position	£m	
Underlying business Trading profit	48.1	47.1	2.1%	THE TRANSPORT OF THE TR		
Previously completed disposals	0.5	1.4	2.170	Net debt at 31 December 2013	(830.8)	
Continuing operations Trading profit	48.6	48.5	0.1%	Movement in cash	246.8	
Amortisation of intangible assets	(20.0)	(23.5)	0.1275	Other non cash items	12.1	
Foreign exchange valuation items	0.3	0.3		Net debt at 30 June 2014	(571.9)	•
Restructuring costs	0.4	(4.5)		rect debt at 30 June 2014	(371.3)	-
Re-financing costs	-	(0.1)		Pensions (£m)	June 2014	Dec 2013
Net interest on pensions and admin expenses	(17.3)	(12.7)		Assets		
Loss on disposal	(6.1)	(2.4)		Equities	307.9	299.7
Impairment of fixed assets	(16.0)	(0.4)		Government bonds	396.9	515.7
Operating (loss)/profit	(10.0)	5.2		Corporate bonds	314.7	384.1
Operating (1033)/ profit	(10.1)	3.2		Property	169.7	181.7
Net finance expense	(44.9)	(20.9)		Absolute return	1,217.2	1,268.2
Share of profit from associates	0.1	(20.9)		Swaps	(16.9)	(116.6)
Loss before tax	(54.9)	(15.7)		Cash	355.6	192.3
Taxation	3.0	6.4		Other	620.2	493.3
Loss after tax	(51.9)	(9.3)		Total Assets	3,365.3	3,218.4
LOSS diter tax	(31.3)	(5.5)		Total Assets	3,303.3	3,218.4
Average shares in issue (millions)	588.2	239.8		Liabilities		
				Discount rate	4.20%	4.40%
Basic loss per share (pence)	(8.8)	(3.9)		Inflation rate (RPI/CPI)	3.25%/2.15%	3.35%/2.35%
				Total liabilities	(3,901.5)	(3,821.7)
				Gross deficit (IAS 19)	(536.2)	(603.3)
All the above are based on Underlying business				Net deficit (IAS 19)	(420.9)	(463.0)

## 2014 H2 Brand Plans













MR.KIPLING RE-LAUNCH BISTO SIMPLY RECIPE PASTES

BISTO GRAVY PASTES

OXO HERBS & MORE BATCHELORS
DELI BOX COUS COUS

SHARWOOD'S MINI POPPADOMS