

Creating  
Sustainable  
Value For All

# Final Results

Full Year Ended  
31 May 2016

Watch our film

26 July 2016

# Final Results FY2016

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# Overview

Alex Kanellis

CEO

# Overview



- Revenue up 5.9% and profit broadly flat on a constant currency basis
- Strong performance in Europe offsetting difficult trading environment in Africa
- New product launches maintaining or growing market shares in major markets and categories
- Strong balance sheet with net debt at 1.2 x EBITDA
- Group's 3 year project to move to a new operating model now complete and SAP implementation well underway

# Financial Review

Brandon Leigh

CFO

# Financial Highlights

Reported results before exceptional items <sup>1</sup>	Year ended 31 May 2016	Year ended 31 May 2015	Reported Change %	Constant Currency % change <sup>3</sup>	Like for Like % change <sup>4</sup>
Revenue <sup>2</sup>	£821.2m	£819.1m	0.3%	5.9%	(1.4%)
Operating profit	£108.5m	£114.4m	(5.2%)	(1.7%)	(4.5%)
Profit before tax	£103.0m	£108.8m	(5.3%)	(1.8%)	(4.7%)
Adjusted basic earnings per share	17.22p	17.94p	(4.0%)	(0.4%)	(3.7%)
Dividend per share	8.11p	8.00p			
Net debt <sup>5</sup>	(£147.1m)	(£157.4m)			

## Notes:

<sup>1</sup> Exceptional items before tax (2016: costs £19.3m; 2015: costs £24.8m).

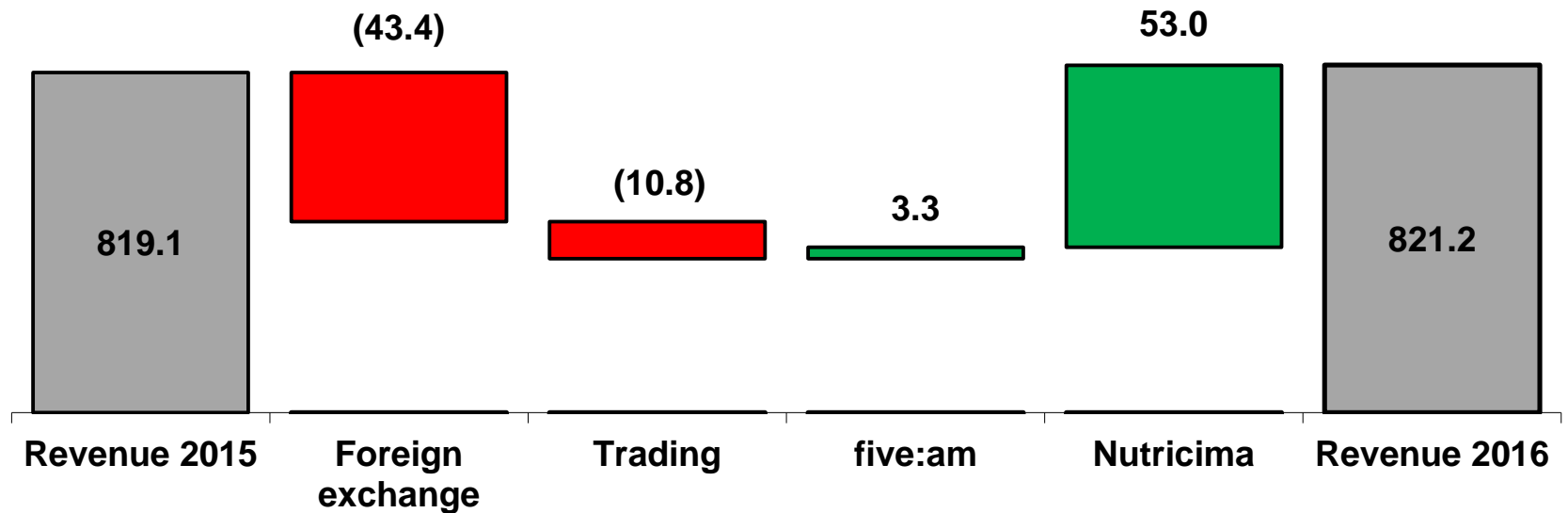
<sup>2</sup> Excludes joint ventures revenue of £176m (2015: £281m).

<sup>3</sup> Constant currency comparison (2015 results retranslated at 2016 exchange rates).

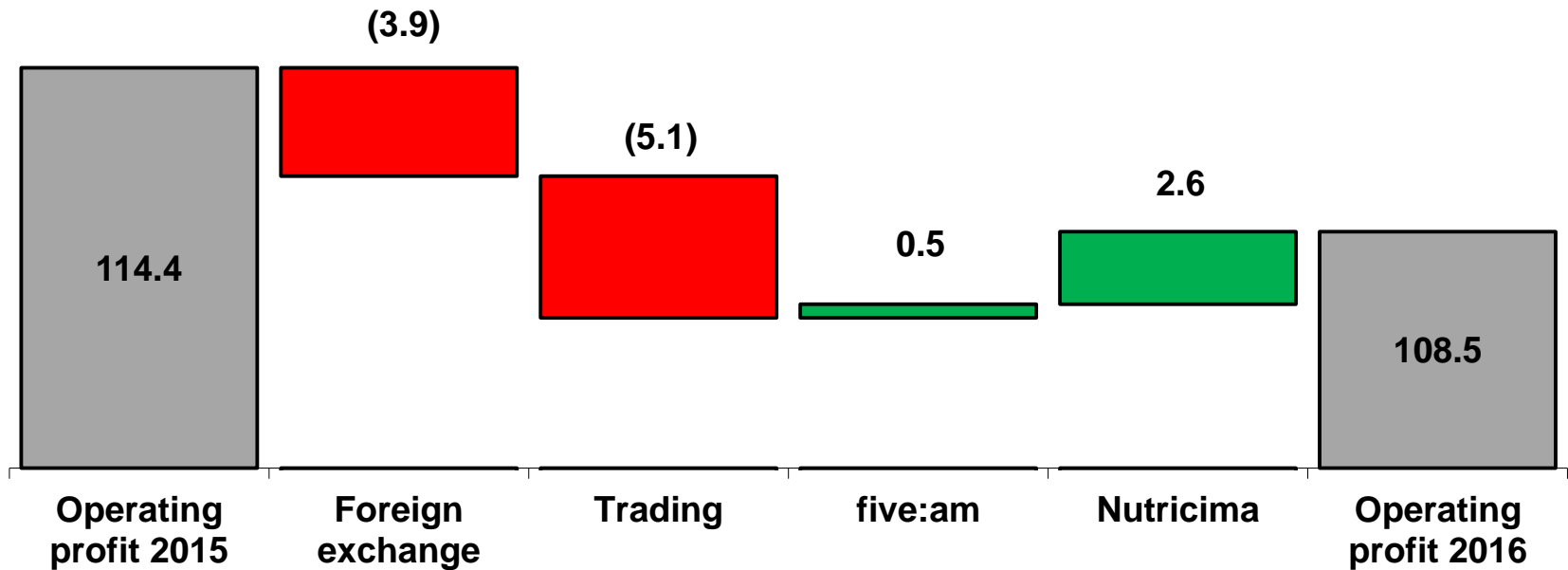
<sup>4</sup> Like for like comparison after adjusting 2015 for constant currency and 2016 for acquisitions and disposals in current and prior year. Also referred to as underlying.

<sup>5</sup> Net debt, above and hereafter, is defined as cash, short-term deposits and current asset investments, less bank overdrafts and borrowings.

# Revenue Bridge (£'m)

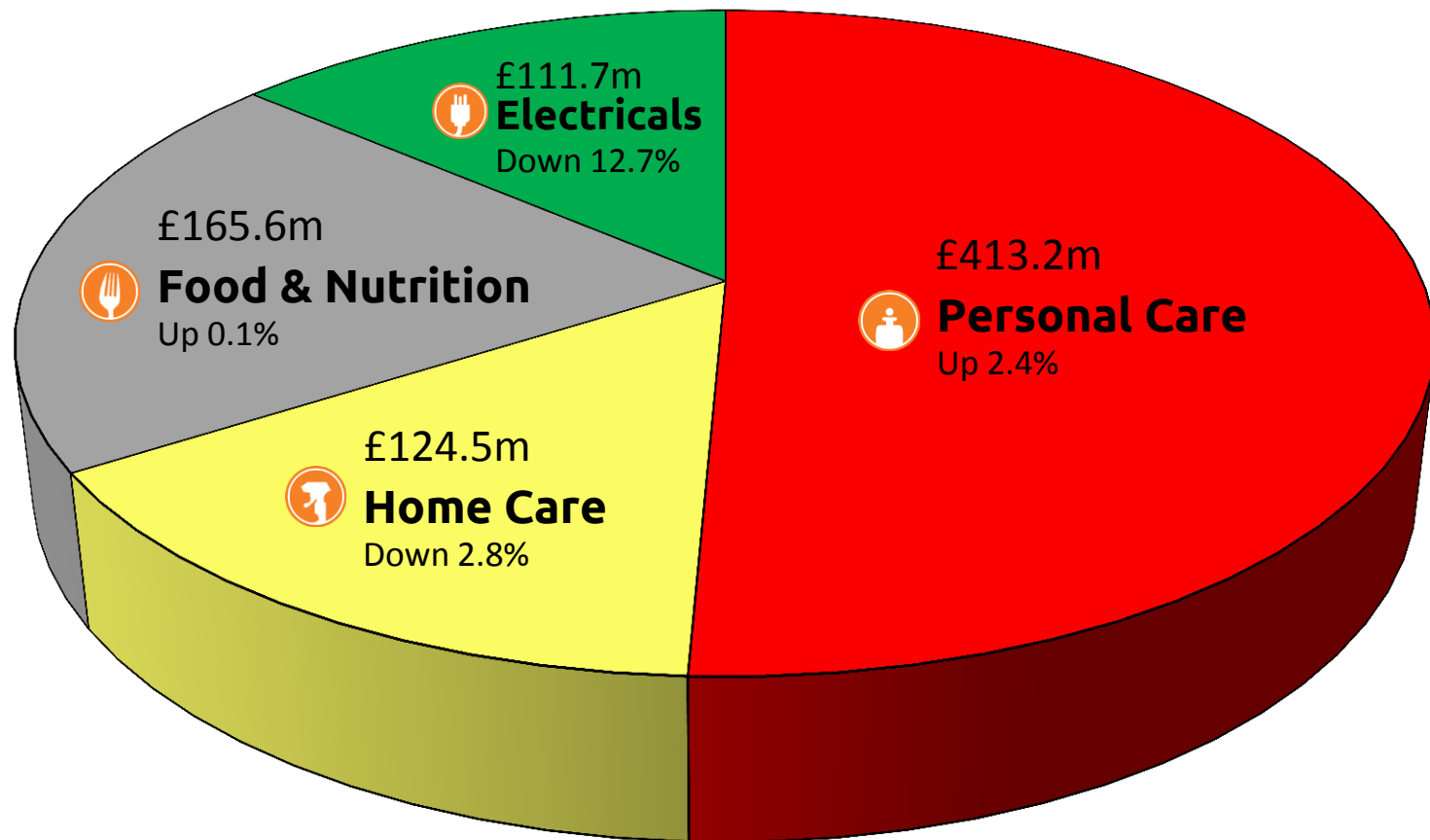


# Operating Profit Bridge (£'m)





# Category Revenue Review

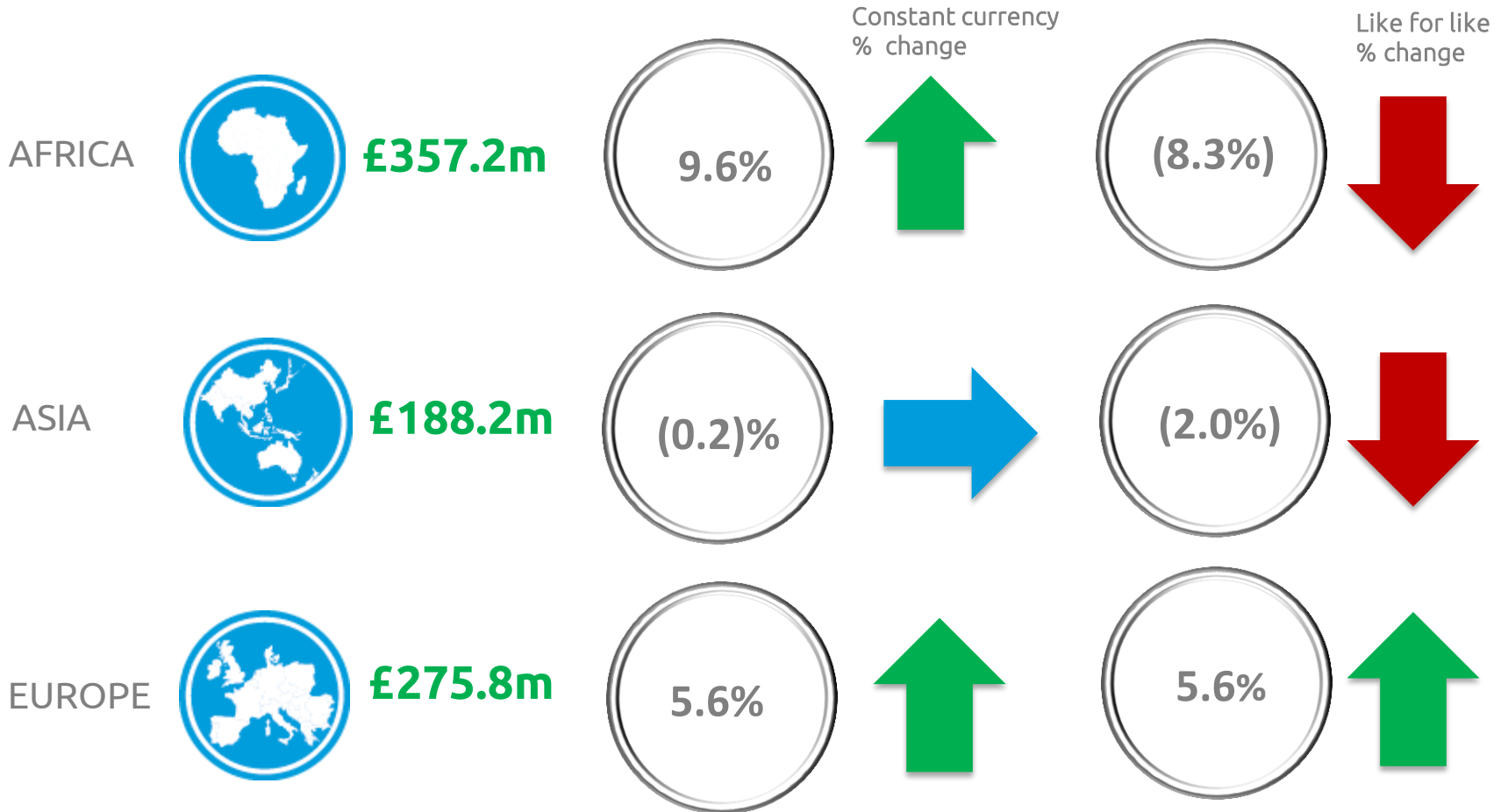


## Notes:

- Variances on a like for like basis at constant currency with adjustment for acquisitions and disposals.
- Food and Nutrition total includes £63.6m of Nutricima revenue.
- JV revenue not included above – PZ Wilmar was £175.8m (FY15 £280.5m, which includes pre-acquisition Nutricima revenue).

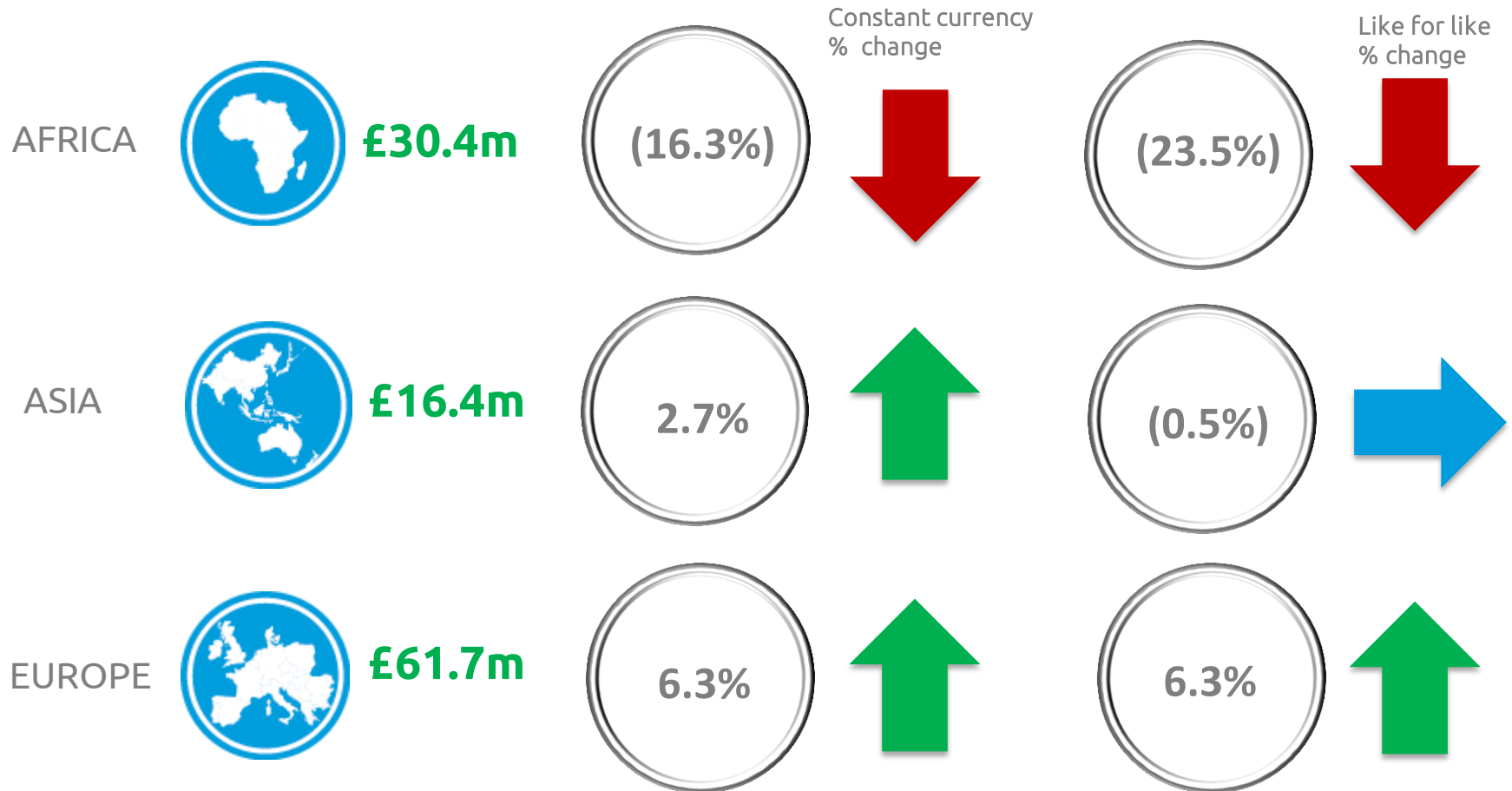
# Regional Financial Overview

## Revenue

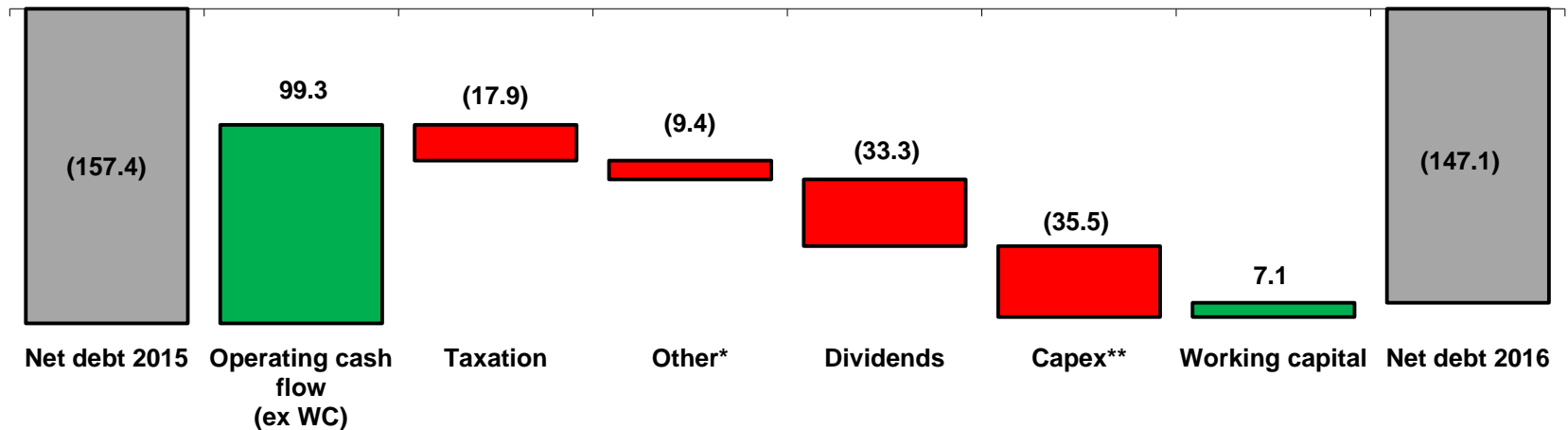


# Regional Financial Overview

## Operating Profit



# Net Debt Bridge (£'m)



Notes:

\* Other – Includes MI dividends (£2.2m), net interest cost (£5.5m), ESOT purchases (£4.2m) and proceeds from sale of fixed assets (£2.6m).

\*\* Capex – includes asset additions in relation to SAP implementation (£13.9m).

# Regional Overview

Alex Kanellis

CEO



# Africa – Nigeria

## Macro Overview

- Tight liquidity and restricted foreign exchange availability
- Group's knowledge of trading in volatile environments important
- Official Naira exchange rate remained stable against US\$ during year – new flexible rate approximately 40% lower
- All business units sold relatively well with price points catering for all consumers - facing significant squeeze on disposable income





# Africa

- Revenue maintained in Home Care and Personal Care despite extremely competitive environment
- Electricals performance lower than previous year although market share remains strong
- Nutricima revenue and operating profit ahead of previous year driven by success of NuNu & Olympic brands
- PZ Wilmar edible oil brands Mamador and Devon King's consumer pack sales doubled year on year





# Asia

- In Australia growth from Personal Care, Beauty and Food & Nutrition offsetting challenging Home Care trading conditions
- Rafferty's Garden and five:am showed good results. Rafferty's Garden expanding product range into yoghurts using five:am facilities
- Strong revenue growth in Indonesia across newly relaunched Cussons Baby and Personal Care portfolios







# THE CHOSEN ONE



## Europe

- All brands in UK Washing and Bathing division performed well driven by a continuous programme of renovation and innovation
- Imperial Leather portfolio extended with new range of Sweets and Fruits bath and shower products
- Carex range expansion into bath and shower
- Original Source performed well with new fragrance launches and campaigns
- Solid performance in Poland and Greece



# Europe

- UK Beauty division delivered strong revenue and profit growth significantly ahead of last year
- St.Tropez achieved excellent growth in key markets of UK, US and Australia with the new in shower gradual tan lotion
- Sanctuary Spa benefitting from new product launches and continuing popularity of #LetGo campaign
- Successful product launches also achieved across Fudge and Charles Worthington brands



# Summary & Outlook

Alex Kanellis

CEO



# Summary & Outlook

- Group well placed for future growth with strong brand portfolios and excellent new product pipelines
- Underlying revenue and operating profit growth expected in all regions
- Nigerian results impact on Naira translation to sterling. Liquidity beginning to improve
- Group's balance sheet remains strong and well placed to pursue new opportunities as they arise
- Overall performance since the year-end has been in line with expectations



# Closing Comments

Caroline Silver

Non-executive Director

New Chair – January 2017

# Q&A Session

Alex Kanellis

CEO

Brandon Leigh

CFO