INTERIM RESULTS

PZ Cussons Plc
Half Year Ended 30 November 2019

OVERVIEW

- Strategy announced in July 2019 delivering initial progress - stable revenues in Focus Brands, two disposals announced and overhead reduction plans underway

- Group's adjusted results for the first half impacted by challenging market conditions across key geographies

- Interim dividend maintained in line with last year

- Process to appoint new CEO well advanced

GROUP

	Half Year to 30 Nov 2019	Half Year to 30 Nov 2018	Reported % change	Constant currency % change
Revenue*	**£293.3m**	£302.8m	(3.1%)	(4.3%)
Adjusted operating profit*	**£30.3m**	£34.3m	(11.7%)	(13.0%)
Adjusted profit before tax*	**£28.0m**	£31.8m	(11.9%)	(13.1%)
Adjusted EPS	**5.33p**	5.67p	(6.0%)	
Dividend per share	**2.67p**	2.67p	-	
Net debt	**(£136.2m)**	(£177.2m)		
Reported (IFRS) operating profit*	**£37.0m**	£28.3m	30.7%	
Reported (IFRS) profit before tax*	**£34.7m**	£25.8m	34.5%	
Basic earnings per share	**7.10p**	4.57p	55.4%	

- Overall decline in revenue of -4.3% across key geographies due to challenging market conditions.
- Adjusted operating profit -13.0% impacted by lower revenue and reduced operating margin, primarily in Asia Pacific and Africa.
- Net debt reduced to £136.2m as a result of proceeds from disposal of business in Greece.
- Reported operating profit +30.7% due to profit on disposal of our business in Greece.

** Indicates stated on a Continued Operations basis*

EUROPE & THE AMERICAS

Continuing Operations	Half Year to 30 Nov 19	Half Year to 30 Nov 18	Reported % change	Constant currency % change
Revenue	**£91.6m**	£95.8m	(4.4%)	(4.7%)
Adjusted operating profit	**£22.7m**	£23.5m	(3.4%)	(4.3%)
Operating margin %	**24.8%**	24.5%		

- UK Share growth in washing and bathing category despite difficult trading environment.
- 4.7% decline in revenue, reflecting continuing consumer uncertainty, trading down to private label in hand wash and well-documented challenges in the UK high street.
- Modest decline in operating profit of 4.3%, with UK weakness partially offset by a stable performance in Beauty.
- Continued growth in US Beauty retail sales and category market share.

ASIA PACIFIC

	Half Year to 30 Nov 19	Half Year to 30 Nov 18	Reported % change	Constant currency % change
Revenue	**£94.2m**	£95.6m	(1.5%)	(3.8%)
Adjusted operating profit	**£8.2m**	£9.6m	(14.6%)	(17.5%)
Operating margin %	**8.7%**	10.0%		

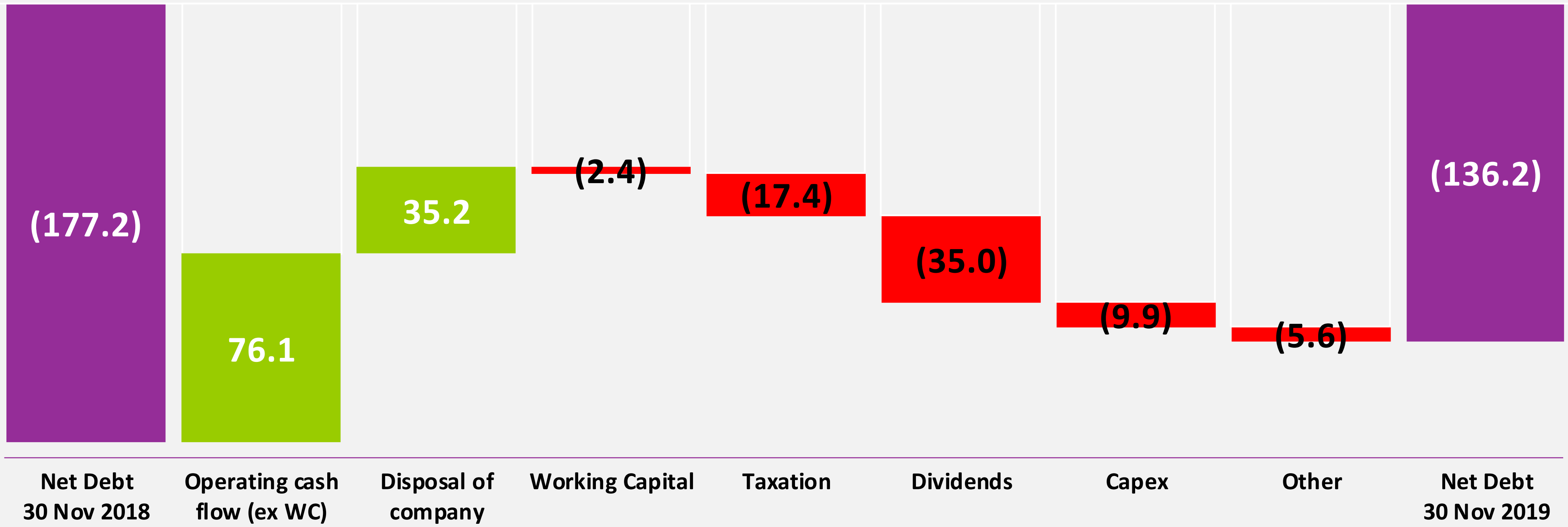
- **Continued growth in revenue and market share in Indonesia.**
- **Leadership maintained in Australia Home Care, but lower share in Food & Nutrition.**
- **3.8% decline in revenue, with increased promotional activity and lower consumer confidence in Australia, partly offset by growth in Indonesia.**
- **Operating profit declined by 17.5% due to performance in Australia, together with increased marketing investment and higher manufacturing costs in the supply chain, more than offsetting increased profit in Indonesia.**

AFRICA

	Half Year to 30 Nov 19	Half Year to 30 Nov 18	Reported % change	Constant currency % change
Revenue	**£107.5m**	£111.3m	(3.4%)	(4.4%)
Adjusted operating profit	**(£0.6m)**	£1.2m	(150.0%)	(148.6%)
Operating margin %	**(0.6%)**	1.1%		

- **Challenging Nigerian economy resulted in continued weakness in mass market Home and Personal Care sales, with regional revenue 4.4% lower.**
- **Good revenue growth in Electricals, with profit growth in Kenya, Ghana and the joint venture food business, PZ Wilmar.**
- **Together with ongoing costs related to the port congestion, this led to an operating loss of £0.6m.**

CASH FLOW AND NET DEBT



- Overall net debt declines to £136.2m and remains a focus for the business
- Strong balance sheet with 1.5x EBITDA
- Maintained discipline over credit, working capital and capex management

SUMMARY & OVERVIEW

- Expect an improved performance in second half driven by UK, US Beauty, stability in Australia and Nigeria, resulting in profit before tax modestly below prior year.
- Increase in marketing expenditure in second half to support longer term strategy.
- Progress on strategy in first half of year with acceleration in second half in terms of Focus Brands investment, overheads savings and further restructuring of our activities and portfolio.