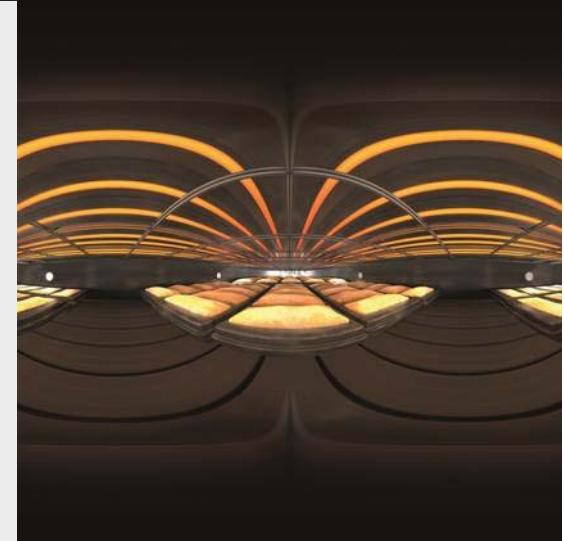


Review of interim results for 24 weeks ended 3 March 2018

17 April 2018



Financial Highlights

Group revenue	up 3%*	£7.4bn
Adjusted operating profit	up 1%*	£648m
Adjusted profit before tax	up 1%	£628m
Adjusted earnings per share	up 3%	61.3p
Interim dividend per share	up 3%	11.70p
Gross investment		£672m
Net cash		£123m

* constant currency

Business Highlights

- Profit growth in line with expectations
- Primark
 - UK trading very strong
 - selling space expansion on track
- AB Sugar
 - further progress to reduce costs
 - increased sugar production
 - lower European prices
- Strong profit growth in Grocery, Ingredients and Agriculture

Income Statement

£m	2018	2017	Change	
			actual fx	constant fx
Revenue	7,422	7,296	+2%	+3%
Operating costs	(6,830)	(6,684)		
Share of joint ventures and associates	24	26		
Profits less losses on disposal of non-current assets	2	2		
Operating profit	618	640		
Adjusted operating profit	648	652	-1%	+1%
Profits less losses on disposal of non-current assets	2	2		
Amortisation of non-operating intangibles	(17)	(11)		
Acquired inventory fair value adjustments	(15)	-		
Transaction costs	-	(3)		

Income Statement

£m	2018	2017	Change
Operating profit	618	640	-3%
Profits less losses on sale of businesses	5	255	
Net interest expense	(18)	(25)	
Other financial expense	(2)	(3)	
Profit before tax	603	867	-30%
Tax	(112)	(221)	
Profit after tax	491	646	
Adjusted profit before tax	628	624	+1%

Tax

£m	2018		2017	
Underlying charge	134	21.3%	142	22.7%
Credit on intangible amortisation	(13)		(2)	
Credit on acquired inventory fair value adjustments	(4)		-	
Credit on transaction costs	-		(1)	
(Credit)/charge on disposal of businesses and fixed assets	(5)		82	
Reported charge	<u>112</u>	18.6%	<u>221</u>	25.5%

Earnings and Dividend Per Share

	2018	2017	Change
Adjusted earnings per share	61.3p	59.7p	+3%
Earnings per share	60.9p	80.5p	-24%
Dividend per share	11.70p	11.35p	+3%

Balance Sheet

£m	2018	2017
Intangible assets (including goodwill)	1,627	1,467
PP&E and other non-current assets	5,917	5,703
Working capital	1,437	1,140
Biological assets – current	103	121
Current tax	(138)	(169)
Net cash	123	190
Other net financial (liabilities)/assets	(4)	75
Deferred tax	(181)	(90)
Provisions	(130)	(134)
Other non-current payables	(246)	(214)
Net pension asset/(liability)	350	(203)
	<hr/>	<hr/>
	8,858	7,886
Equity shareholders' funds	<hr/>	<hr/>
Non-controlling interests	84	83
	<hr/>	<hr/>
	8,858	7,886
	<hr/>	<hr/>

Cash Flow

£m	2018	2017
Adjusted operating profit (before joint ventures and associates)	624	626
Depreciation and amortisation of operating intangibles	244	245
Working capital	(401)	(44)
Provisions	(25)	(9)
Capital expenditure - Primark	(204)	(252)
- Food	(147)	(147)
Purchase of intangibles	(37)	(22)
Tax	(111)	(109)
Net interest and other income	(18)	(20)
Pension costs less contributions	1	8
Dividends from joint ventures and associates	25	38
Other	3	-
Free cash flow	(46)	314
Dividends paid (including non-controlling interests)	(236)	(209)
Disposals less acquisitions net of tax	(195)	319
Net cash flow before financing	(477)	424

Segmental Analysis

By business

	Revenue		Profit		Margin		ROCE	
	2018		2017		(annualised)			
	£m	£m	£m	£m	2018	2017	2018	2017
Grocery	1,672	1,658	159	151	9.5	9.1	27.0	26.5
Sugar	938	1,081	90	123	9.6	11.4	11.9	16.6
Agriculture	615	552	24	23	3.9	4.2	14.0	14.6
Ingredients	720	730	63	61	8.8	8.4	15.9	14.9
Retail	3,477	3,222	341	323	9.8	10.0	25.3	26.0
Central costs	-	-	(29)	(31)	-	-	-	-
Continuing businesses	7,422	7,243	648	650	8.7	9.0	20.3	21.2
Disposed businesses	-	53	-	2				
Total	7,422	7,296	648	652	8.7	8.9	20.4	20.9

Segmental Analysis

By geography

	Revenue		Profit		Margin	
	2018	2017	2018	2017	2018	2017
	£m	£m	£m	£m	%	%
United Kingdom	2,752	2,589	235	204	8.5	7.9
Europe & Africa	2,861	2,800	245	278	8.6	9.9
The Americas	746	752	102	107	13.7	14.2
Asia Pacific	1,063	1,102	66	61	6.2	5.5
Continuing businesses	7,422	7,243	648	650	8.7	9.0
Disposed businesses	-	53	-	2		
Total	7,422	7,296	648	652	8.7	8.9

Sugar

		2018	2017	Change	
				actual fx	constant fx
Revenue	£m	938	1,081	-13%	-12%
Operating profit	£m	90	123	-27%	-24%
Margin		9.6%	11.4%		
ROCE		11.9%	16.6%		

- performance improvement savings
- Illovo profit in line with last year
- China business in good shape
- significantly lower EU sugar prices

Sugar operations

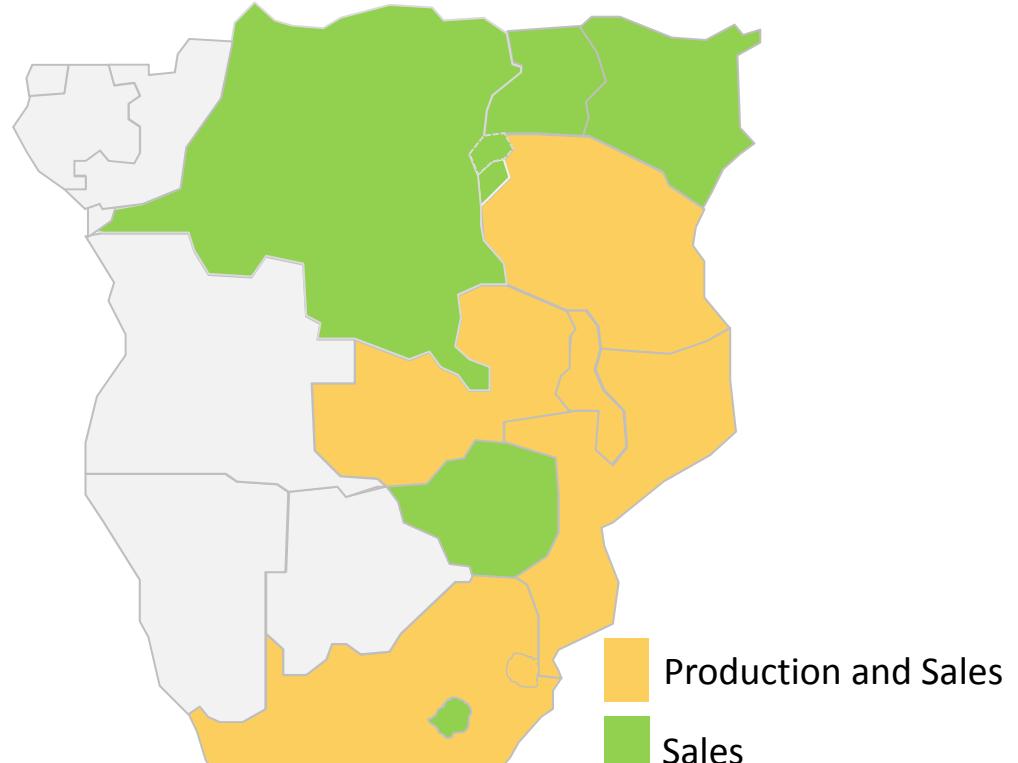
- Improvement in cost base
 - agricultural development
 - process efficiencies
 - co-product revenues

- British Sugar
 - lowest cost producer in the EU
 - “one of the most competitive sugar manufacturers in the world”
(LMC International)

- Illovo
 - full year production over 1.7 million tonnes
 - favourable weather, improved crop management

Illovo

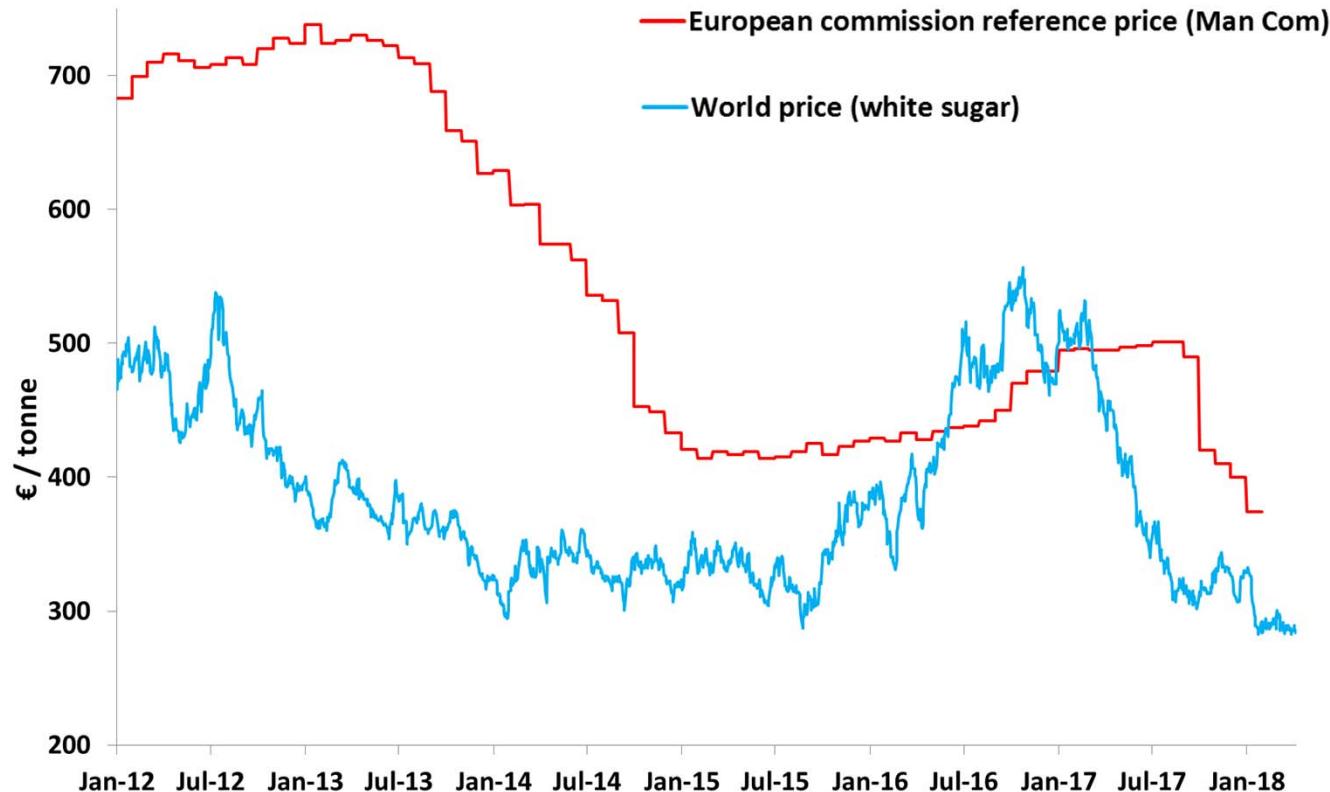
- Sugar in African diet
 - basic nutrition
 - growth in consumption
- Regional sales markets
- Development of consumer offering
- Building local brands
- Regional price environment



Sugar operations

- China
 - improved beet quality, excellent campaign, consistent domestic price
- UK
 - record beet yield, larger area
 - production up from 0.9 million tonnes to 1.37 million tonnes
- Spain
 - beet sugar production ahead

European price environment



- EU sugar regime ended September 2017
- lower world sugar prices
- substantially higher EU production
- domestic premium over world price for service and product

Agriculture

		2018	2017	Change	
				actual fx	constant fx
Revenue	£m	615	552	+11%	+13%
Operating profit	£m	24	23	+4%	+9%
Margin		3.9%	4.2%		
ROCE		14.0%	14.6%		

- feed volume and price growth
- China business much improved
- development of speciality proteins

Grocery

		2018	2017	Change	
Revenue	£m	1,672	1,658	actual fx	constant fx
Operating profit	£m	159	151	+5%	+9%
Margin		9.5%	9.1%		
ROCE		27.0%	26.5%		

- Twinings Ovaltine strong growth
- continued improvement at George Weston Foods
- progress in reducing Allied Bakeries loss
- contribution from Acetum

Grocery

		2018	2017
Revenue	£m	1,672	1,658
Operating profit	£m	159	151

Twinings Ovaltine

- Ovaltine
 - Thailand good growth
 - Switzerland product category and channel development
 - future large markets: China, Brazil, Nigeria, Vietnam

- Twinings
 - green teas, infusions in Australia, France
 - good progress in US, Italy
 - UK superblends launched



UK superblends



Grocery

		2018	2017
Revenue	£m	1,672	1,658
Operating profit	£m	159	151

■ Allied Bakeries

- shift to private label
- progress in reducing operating loss
- continued investment
 - new products
 - national Kingsmill advertising
 - world's largest doughnut line



Grocery

		2018	2017
Revenue	£m	1,672	1,658
Operating profit	£m	159	151

- Jordans Dorset Ryvita
 - international growth
 - Ryvita: Thins success, competition in crispbread
- acquisition of Acetum balsamic vinegar business
 - integration progressing well
 - higher raw material cost
- AB World Foods
 - Patak's paste pots



Grocery

		2018	2017
Revenue	£m	1,672	1,658
Operating profit	£m	159	151

- Australia
 - reduced overhead and operating costs
 - improved bread volumes
 - Don KRC factory performance continues to improve

- ACH
 - Mazola growth
 - US freight cost increases



Ingredients

		2018	2017	Change	
				actual fx	constant fx
Revenue	£m	720	730	-1%	+5%
Operating profit	£m	63	61	+3%	+11%
Margin		8.8%	8.4%		
ROCE		15.9%	14.9%		

- AB Mauri
 - operating performance improvement
 - technology and manufacturing investment
 - North America well ahead, South America resilient
- ABF Ingredients
 - sustained growth in speciality lipids and cereal crisps
 - enzymes growth, capacity increase completed

Enzyme facility in Finland



Retail

		2018	2017	Change	
				actual fx	constant fx
Revenue	£m	3,477	3,222	+8%	+7%
Operating profit	£m	341	323	+6%	+4%
Margin		9.8%	10.0%		
ROCE		25.3%	26.0%		

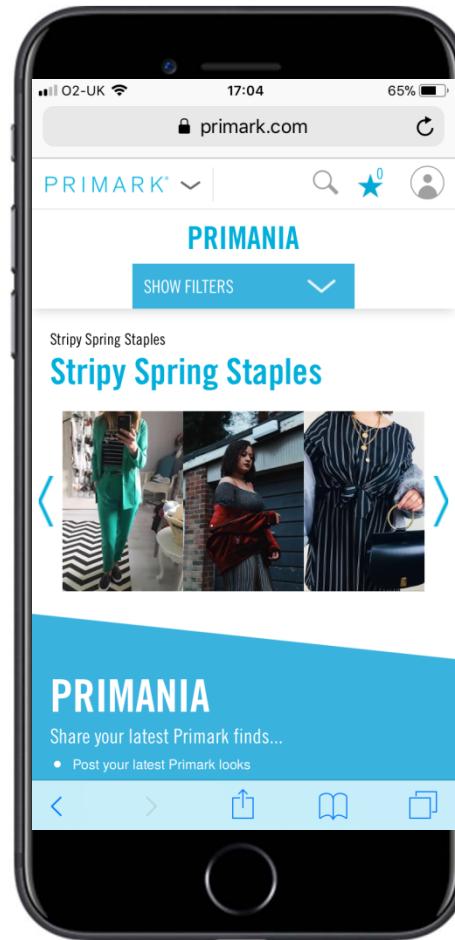
- 7% sales growth
- store expansion – 0.4 million sq ft added
- increasing benefit of digital and social media
- margins in line with last year
- benefit of weaker dollar to come

Retail

- UK
 - sales up 8%
 - 3% like-for-like growth
 - total clothing market share well ahead
- Continental Europe
 - sales up 6%
 - share growth in all markets
- Like-for-like sales
 - down 1.5% for the 24 weeks
 - up 1% for 15 weeks to 24 February 2018
- Operating margin
 - better buying
 - stock tightly managed

Digital and social media

- Primark website visits strongly up
- Total social media following 11.4 million people
- Instagram now most followed account
- Video remains key format



Top Instagram posts



Instagram drives traffic to website

Instagram | [primark](#)

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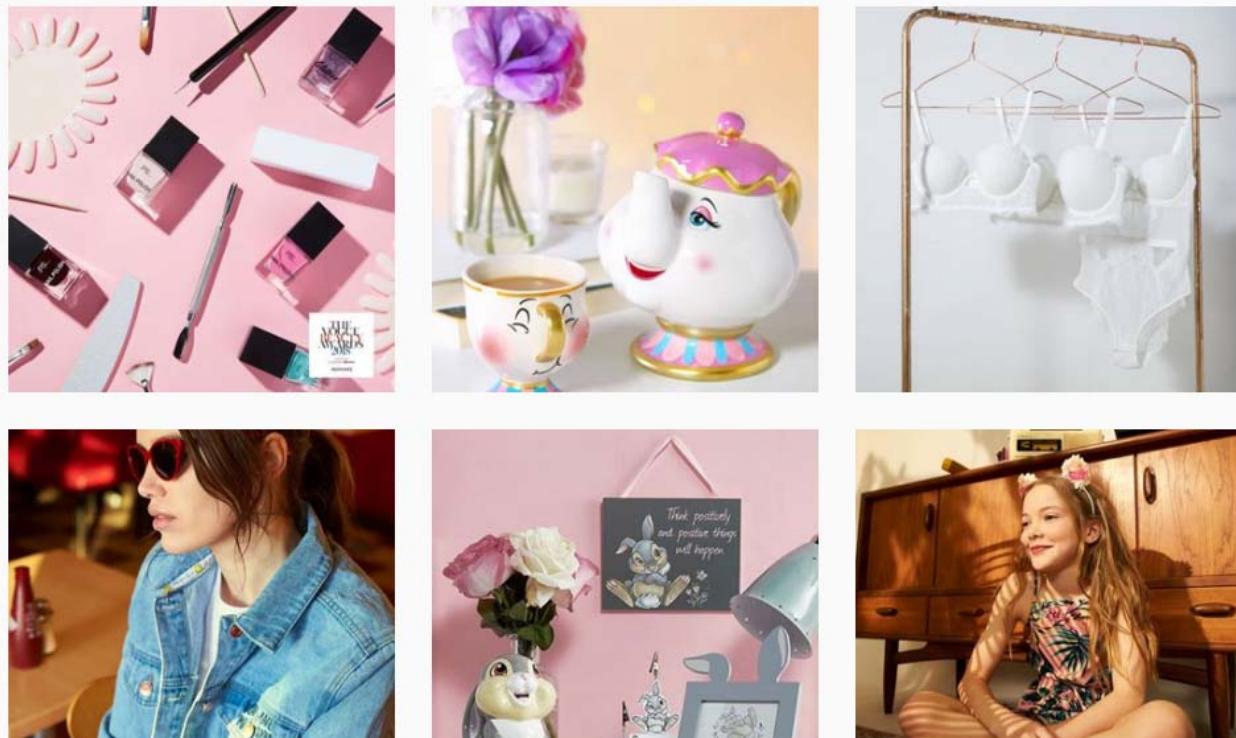
primark  Follow

8,187 posts 5.5m followers 707 following

Primark Wear.Share.Inspire. ❤ Welcome to the official Primark Instagram 📸 Share your style with #Primania 💍 Primarksnap Brides-to-be, click for inspo! 💍 www.primark.com/bridal



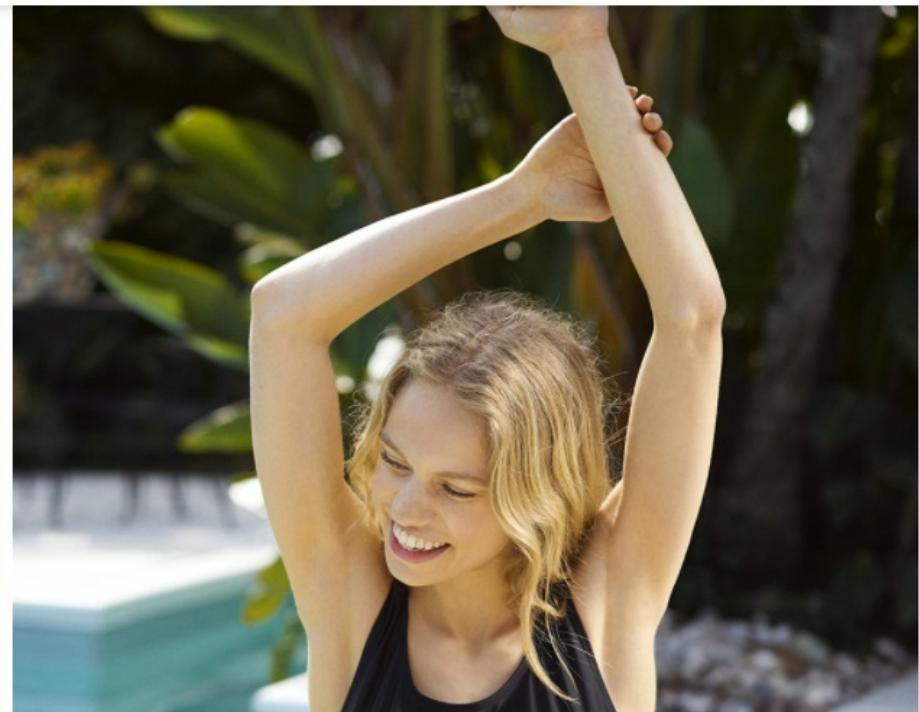
The URL www.primark.com/bridal is circled in red.



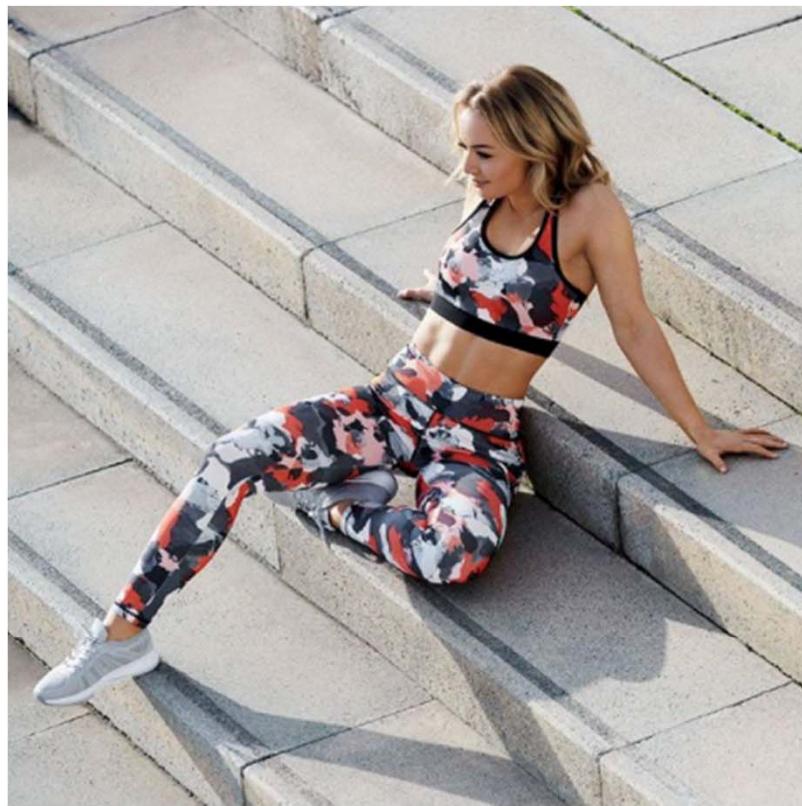
Instagram drives traffic to website

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PRIMARK BRIDAL



Online influencers



Workout Crop Top £5/€6/\$7
Workout Leggings £8/€11/\$13

primark Getting ready for the weekend! 💪
Workoutwear from £5/€6 (Available in: 🇬🇧 🇮🇪 🇩🇪 🇫🇷 🇩🇪 🇪🇸) #Primark #PrimarkWorkout #Primania

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@instant_justine_ @manondingo5
willianne_dejong @veroniquee deej
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veroniquee @willianne_dejong he
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willianne_dejong @veroniquee
shoppennnn
dee.cavill What about Australia 🇦🇺
xlittlenicole @sashaatrip
michelledamiao I'd love to have t

42,103 likes

Add a comment...



primark Discover our new #PrimarkWorkout range in-store now ❤️
Top £3.50/€4, Leggings £6/€7 (Available in: 🇬🇧 🇮🇪 🇩🇪 🇫🇷 🇩🇪 🇪🇸) #Primark #Primania

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lynchm73 @weeshuna
silva.marcia We need this in Portugal
niamhnlbh @robrennan They're not even available in Ireland 🤦
weeshuna @lynchm73 that's all stuff in pennys too
catch_virgo Come to India...
sarafof06 Want these leggings
@jenniferrushe
rhireid86 @lnew_xx
ellieparkerxx @elliehowe_i want these leggings

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primark Monday, we're ready for you! 💪
Top £5/€6, Leggings £8/€11 (Available in: 🇬🇧 🇮🇪 🇩🇪 🇫🇷 🇩🇪 🇪🇸) #Primark #Primania #PrimarkWorkout

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marinaasaan @angela_samartin 💕
ankeslaets @katostaetenburg lol
katostaetenburg @ankeslaets hahahaha 😂
reinsenden Leg photoshop??
jujussie Such a disappointment!
Kaci Do they do any other colours?
maritrimidpg Que chulo 😊
lenamilaschmid @ladisaaaa
alex_victor @dianacelestino
dianacelestino @alex_victor lindo. Amel.

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Primark top sellers



Hooded Puffer Jacket £21/€28/\$30

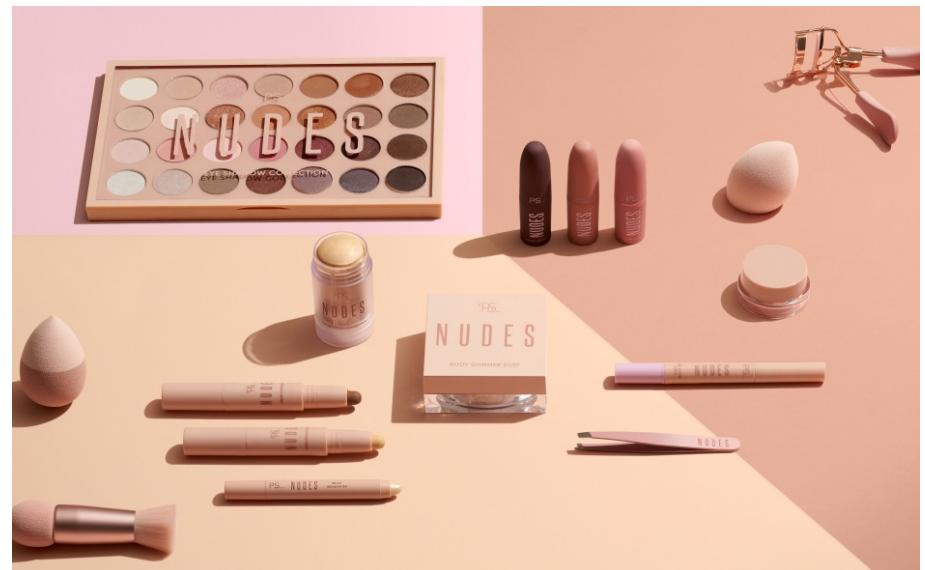


Mustard Puffer £20/€25/\$28

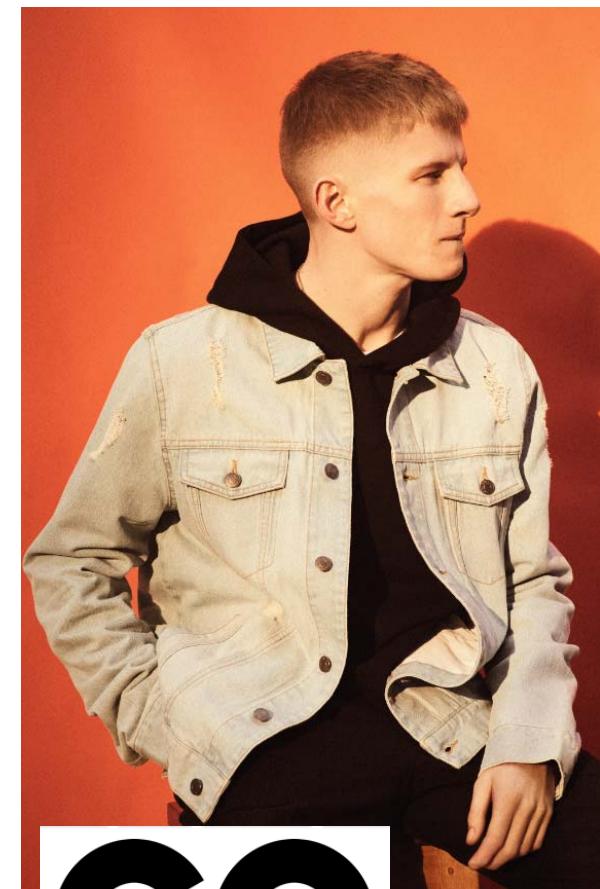


Denim Jacket £20/€25/\$28
Super High Waist £9/€11/\$12
Multi Rip Skinny £15/€19/\$22
Denim Shirt £10/€13/\$15
Rip Repair Denim £15/€19/\$22

Slogans, sliders and beauty



Fashion credentials



AS SEEN IN
GLAMOUR

GQ

Inflatables are back



New stores



Charlton, UK



Loulé, Portugal



Metz, France

Primark selling space

	HY 18		HY 17	
	# of stores	sq ft 000	# of stores	sq ft 000
UK	184	6,987	176	6,622
Spain	44	1,675	42	1,565
Germany	25	1,587	22	1,401
Republic of Ireland	37	1,084	37	1,084
Netherlands	18	850	16	770
France	12	607	10	503
USA	8	485	6	375
Portugal	10	348	9	300
Austria	5	242	5	242
Belgium	5	227	4	166
Italy	4	203	2	99
	352	14,295	329	13,127

Further expansion

- Expect to add 1.2 million sq ft of selling space this financial year
- Store opening programme for second half

Toulouse	France
Munich, Ingolstadt	Germany
Antwerp	Belgium
Valencia	Spain
Tilburg	Netherlands
Westfield White City, Burnley	UK
Brooklyn	US

US

- Continue to refine operating model of existing eight stores
- Brooklyn to open May 2018
- New store in Sawgrass Mills, Florida
 - expect to reach agreement soon
 - open late 2019
 - supplied from existing US warehouse
 - 35,000 sq ft

Sawgrass Mills, Florida

- Hybrid mall north of Miami
- Second largest Florida tourist destination
- 45 million visitors annually
- International tourists from over 110 countries comprise half of all visitors



Outlook

- Second half

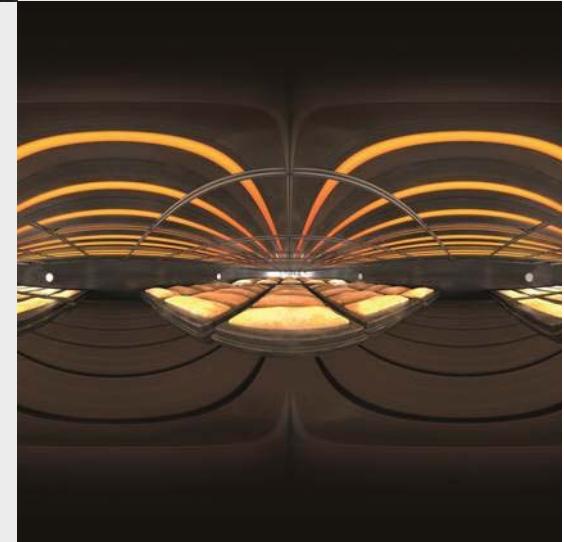
- acceleration in profit growth at Primark
 - continued growth from Grocery, Ingredients, Agriculture
 - to more than offset decline in AB Sugar profit

- Full year

- progress expected in both adjusted operating profit and adjusted earnings per share

Review of interim results for 24 weeks ended 3 March 2018

17 April 2018



Exchange rates

Average rates used to translate the income statement	2018	2017
US\$	1.35	1.25
euro	1.13	1.16
South African rand	17.55	17.06
Australian \$	1.74	1.66

Closing rates used to translate the balance sheet	2018	2017
US\$	1.38	1.23
euro	1.12	1.16
South African rand	16.54	16.03
Australian \$	1.78	1.62

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

Adjusted operating profit is stated before the amortisation of non-operating intangibles, profits less losses on disposal of non-current assets , transaction costs and acquired inventory fair value adjustments . These items, together with profits less losses on the sale and closure of businesses, are excluded from adjusted profit before tax and adjusted earnings per share. Constant currency is derived by translating the 2017 results at 2018 average exchange rates.