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Preliminary Results  
Year ending 31 March 2004

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# UNIQ RESULTS - 31 MARCH 2004

- Completed turnaround of French business
- Prompt action to address UK problems
- Started to tackle significant supply chain opportunities
- Minsterley deal a major step



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Martin Beer

Finance Director

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# CONTINUING BUSINESS

## Year to 31 March 2004

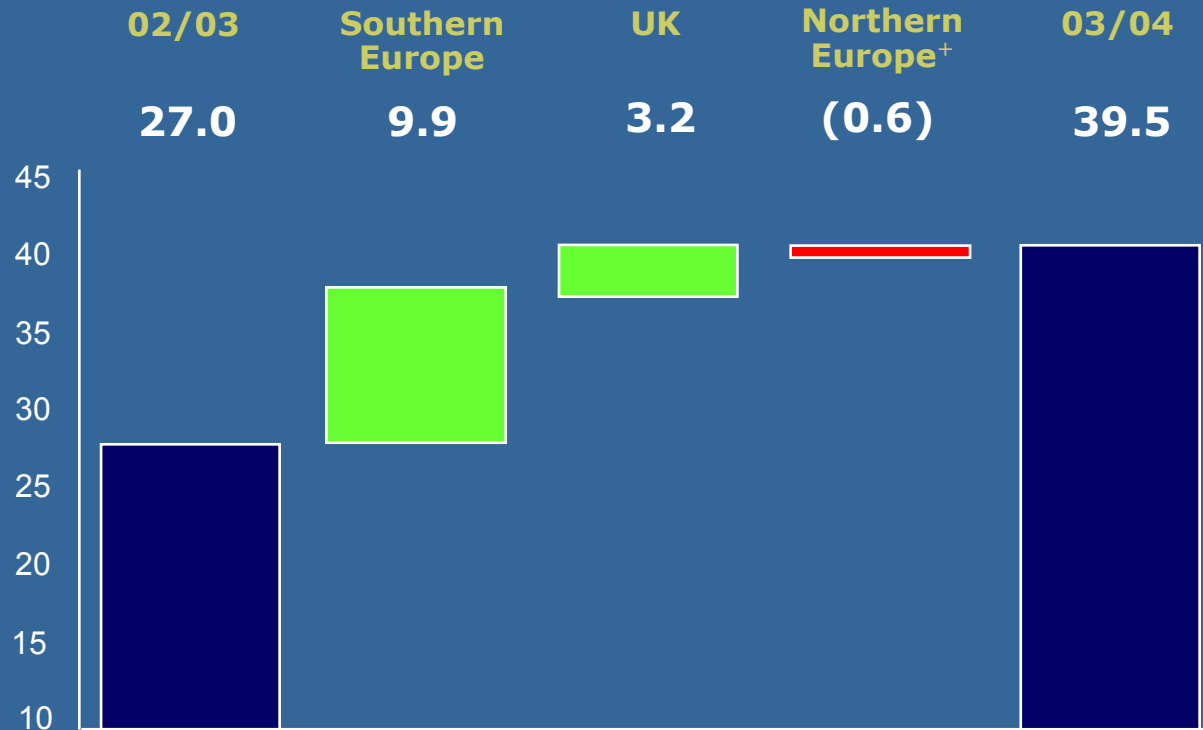
<b>£m</b>	<b>03/04</b>	<b>02/03</b>	<b>%</b>
<b>Turnover</b>	<b>892</b>	<b>831</b>	<b>+ 7%</b>
<b>Operating profit*</b>	<b>39.5</b>	<b>27.0</b>	<b>+ 46%</b>

\*Before exceptional items and goodwill amortisation

UNIQ

# OPERATING PROFIT BRIDGE (£m)

## Continuing Business\*



<sup>+</sup>NE decline attributable to restructuring costs

\*Before exceptional items and goodwill amortisation

# UNIQ PREPARED FOODS

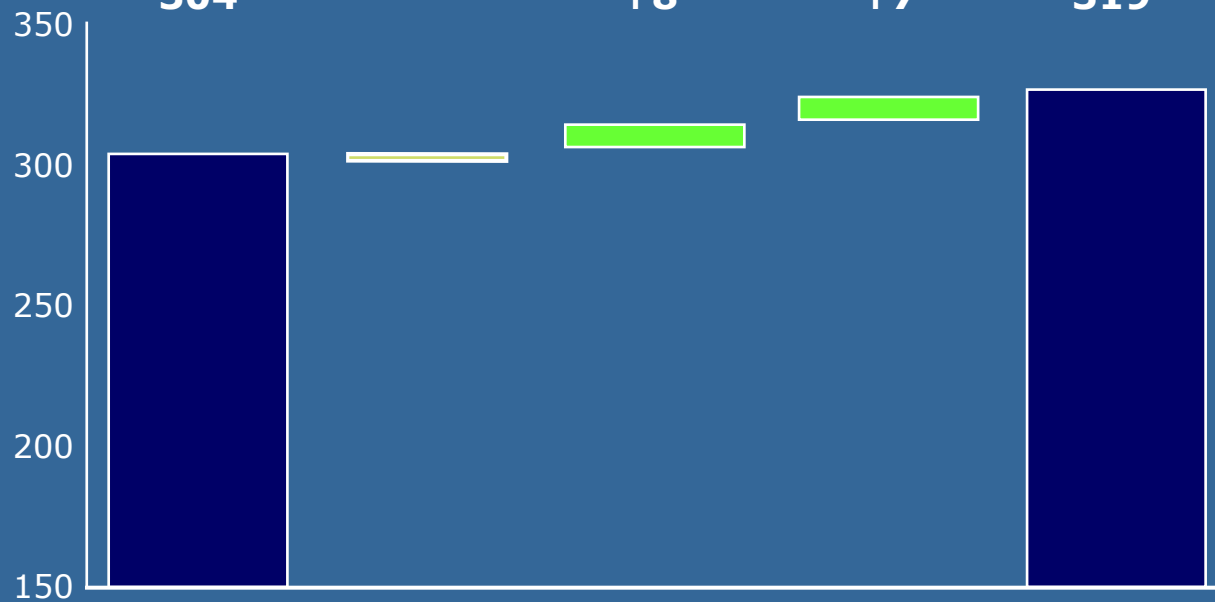
## Year to 31 March 2004

£m	03/04	02/03	%
Turnover	319	304	+ 5%
1st Half	163	148	+ 10%
2nd Half	156	156	-

# UNIQ PREPARED FOODS (£m)

## Sales Bridge

	02/03	Meal Solutions	Salads & Sandwiches	Desserts	03/04
1st Half	148	2	7	6	163
2nd Half	156	(2)	1	1	156
	<u>304</u>	<u>-</u>	<u>+8</u>	<u>+7</u>	<u>319</u>



## UPF BUSINESS WINS/LOSSES

	<b>Month</b>	<b>Annualised Sales £m</b>
<b>Costa</b>	<b>Sept '03</b>	<b>(6.0)</b>
<b>J.S salmon</b>	<b>Nov '03</b>	<b>(3.3)</b>
<b>Supplair</b>	<b>Nov '03</b>	<b>4.5</b>
<b>Asda small trifles</b>	<b>Jan '04</b>	<b>(8.0)</b>
<b>KFC salad</b>	<b>March '04</b>	<b>1.8</b>
<b>Somerfield desserts</b>	<b>March '04</b>	<b>2.0</b>
<b>J.S dips</b>	<b>March '04</b>	<b>(5.0)</b>
		<hr/> <b>(14.0)</b> <hr/>

# UNIQ PREPARED FOODS

## Year to 31 March 2004

£m	03/04	02/03 (restated)	%
Operating profit*	12.8	9.6	+ 33%
1st Half	7.3	2.7	+ 170%
2nd Half	5.5	6.9	- 20%

\*Before exceptional items and goodwill amortisation

UNIQ

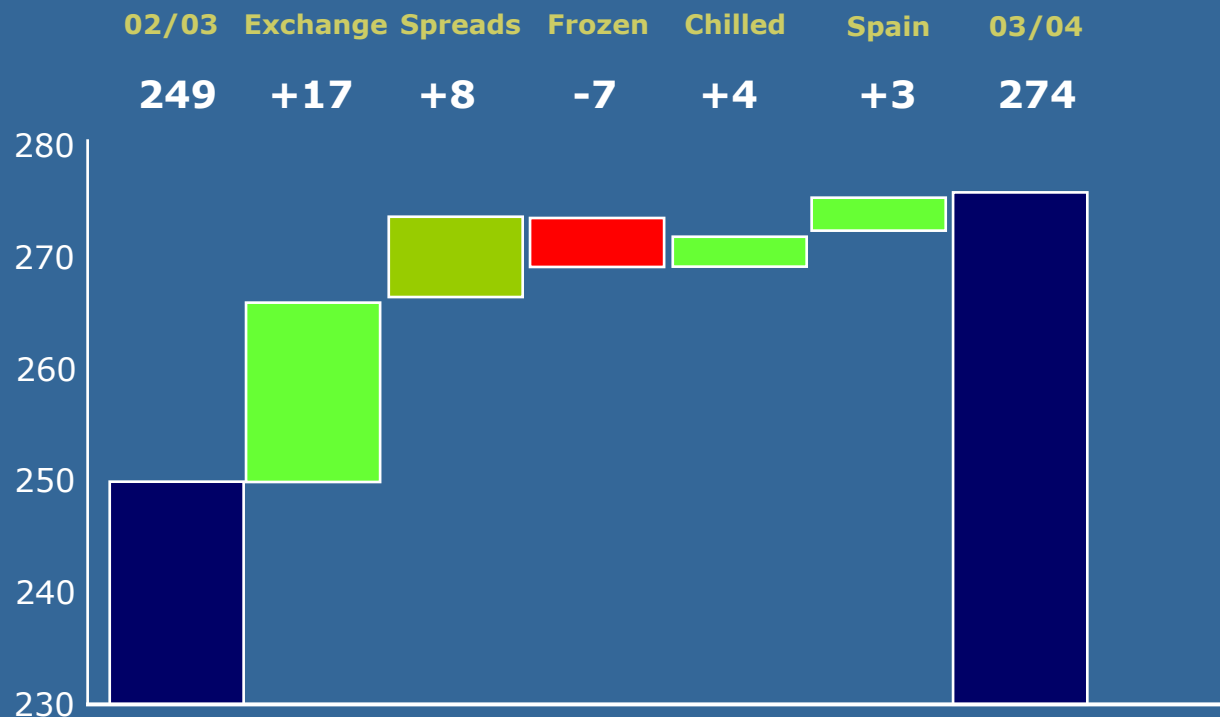
# SOUTHERN EUROPE

## Year to 31 March 2004

£m	03/04	02/03	%
Turnover	274	249	+ 10%

# SOUTHERN EUROPE (£m)

## Sales Bridge



- Underlying growth improved to 4.5% in second half

# SOUTHERN EUROPE

## Year to 31 March 2004

<b>£m</b>	<b>03/04</b>	<b>02/03</b>	<b>%</b>
<b>Turnover</b>	<b>274</b>	<b>249</b>	<b>+ 10%</b>
<b>Operating profit*</b>	<b>21.0</b>	<b>11.1</b>	<b>+ 89%</b>
<b>Operating margin</b>	<b>7.7%</b>	<b>4.5%</b>	

\*Before exceptional items and goodwill amortisation

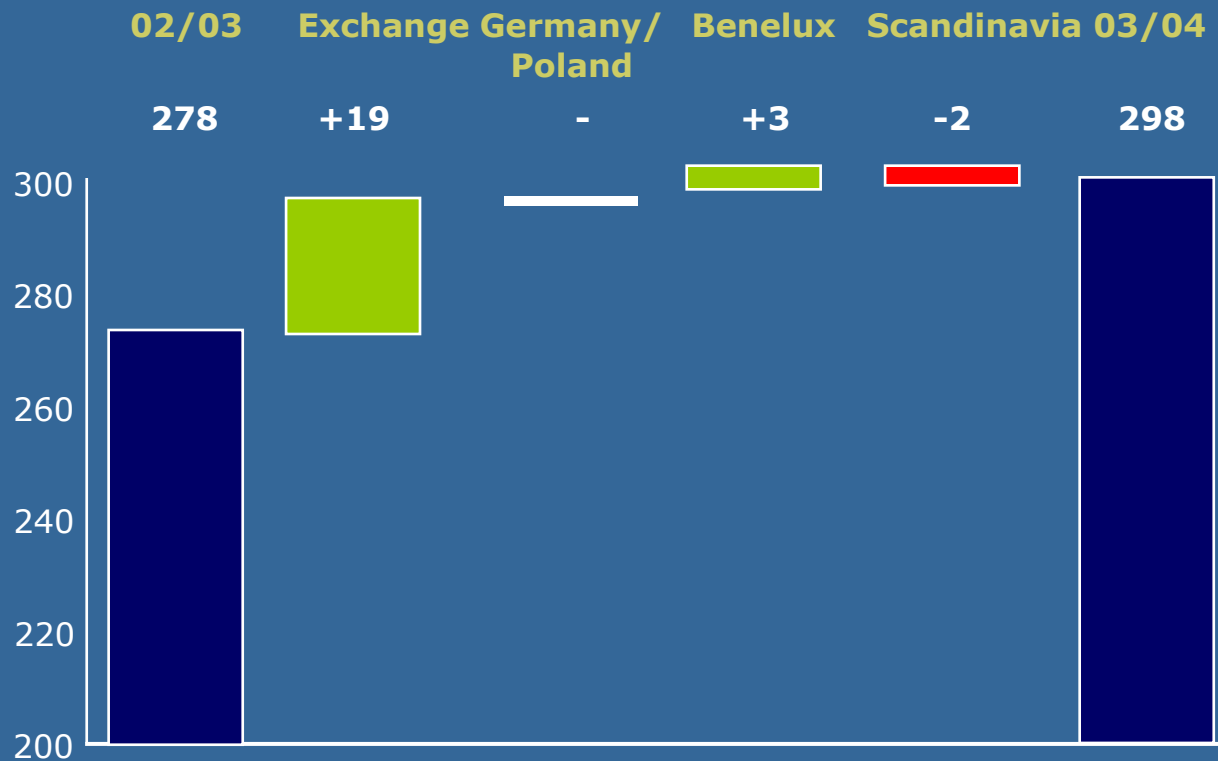
# NORTHERN EUROPE

## Year to 31 March 2004

£m	03/04	02/03	%
Turnover	298	278	+ 7%

# NORTHERN EUROPE (£m)

## Sales Bridge



- Fish raw material cost in Germany down £5m on prior year

# NORTHERN EUROPE

## Year to 31 March 2004

<b>£m</b>	<b>03/04</b>	<b>02/03</b>	<b>%</b>
<b>Turnover</b>	<b>298</b>	<b>278</b>	<b>+ 7%</b>
<b>Operating profit*</b>	<b>5.7</b>	<b>6.3</b>	<b>- 10%</b>
<b>Operating margin</b>	<b>1.9%</b>	<b>2.3%</b>	

\*Before exceptional items and goodwill amortisation

# EXCEPTIONAL ITEMS

Year to 31 March 2004

<b>£m</b>	<b>Operating</b>	<b>Non- operating</b>	<b>Total</b>
<b>UK Poultry disposal</b>	-	<b>(21.0)</b>	<b>(21.0)</b>
<b>Cadbury impairment</b>	<b>(10.5)</b>	-	<b>(10.5)</b>
<b>Other</b>	<b>2.1</b>	-	<b>2.1</b>
	<u><b>(8.4)</b></u>	<u><b>(21.0)</b></u>	<u><b>(29.4)</b></u>

# CASHFLOW - OPERATING

<b>£m</b>	<b>03/04</b>	<b>02/03 (restated)</b>
<b>Continuing operating profit*</b>	<b>39.5</b>	<b>27.0</b>
<b>Depreciation</b>	<b>27.7</b>	<b>26.5</b>
<b>Working capital (out)/inflow</b>	<b>(2.1)</b>	<b>10.4</b>
<b>Pensions</b>	<b>(8.6)</b>	<b>(0.7)</b>
<b>Provisions/exceptionals<sup>+</sup></b>	<b>(3.4)</b>	<b>(5.2)</b>
<b>Operating cashflow on discontinued</b>	<b>(2.3)</b>	<b>(6.0)</b>
<b>Operating cashflow</b>	<b><u>50.8</u></b>	<b><u>52.0</u></b>

<sup>+</sup>Provisions/exceptionals £2.0m on Wincanton contract and £1.4m UK restructuring

\*Before exceptional items and goodwill amortisation

# CASHFLOW – FINANCING

<b>£m</b>	<b>03/04</b>	<b>02/03</b>
<b>Operating cashflow</b>	<b>50.8</b>	<b>52.0</b>
<b>Net capital spend - continuing</b>	<b>(21.7)</b>	<b>(18.0)</b>
<b>Net capital spend - discontinued</b>	<b>(1.8)</b>	<b>(3.9)</b>
<b>Free cash flow</b>	<b>27.3</b>	<b>30.1</b>
<b>Disposals</b>	<b>11.8</b>	<b>131.2</b>
<b>Interest</b>	<b>(4.7)</b>	<b>(11.1)</b>
<b>Tax</b>	<b>1.4</b>	<b>4.2</b>
<b>Dividends</b>	<b>(6.8)</b>	<b>(3.6)</b>
<b>Exchange/other</b>	<b>0.1</b>	<b>(7.7)</b>
<b>Movement in net debt</b>	<b>29.1</b>	<b>143.1</b>

# BALANCE SHEET

<b>£m</b>	<b>03/04</b>	<b>02/03 (restated)</b>
<b>Trading capital</b>	<b>299.5</b>	<b>349.7</b>
<b>Pension liability</b>	<b>(93.7)</b>	<b>(112.8)</b>
<b>Net debt</b>	<b>(12.5)</b>	<b>(41.6)</b>
<b>Capital &amp; reserves</b>	<b>193.3</b>	<b>195.3</b>

# PENSION ACCOUNTING

- UK additional contributions increase to £8.5m pa from January 2004
- Net deficit reduced by £19.1m to £93.7m
- Ongoing charge reduced due to membership profile
- Significant but anticipated swing in FRS 17 finance charge (charge £5.5m vs credit £2.1m)
- Expect finance charge to fall to circa £4m for 04/05

# EARNINGS/DIVIDENDS

<b>Pence per share</b>	<b>03/04</b>	<b>02/03 (restated)</b>	<b>%</b>
<b>Basic (loss)/earnings</b>	<b>(5.2)</b>	<b>22.2</b>	
<b>Adjusted earnings *</b>	<b>16.7</b>	<b>17.6</b>	<b>- 5%</b>
<b>Dividend</b>			
<b>- Interim</b>	<b>2.3</b>	<b>1.7</b>	<b>+ 35%</b>
<b>- Final</b>	<b>4.4</b>	<b>3.8</b>	<b>+ 16%</b>
	<b><u>6.7</u></b>	<b><u>5.5</u></b>	<b><u>+ 22%</u></b>

\*Before exceptional items, goodwill amortisation and prior year tax items



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Bill Ronald

Chief Executive

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# THE YEAR IN BRIEF

- **Path to rebuild business on track**
- **Markets don't get any easier**
- **Confident in ability to recover in UK**
- **Central Purchasing delivers ongoing benefits**
- **Supply Chain initiative underway**
- **Strategic Progress**

# SOUTHERN EUROPE

- **Business recovery completed**
- **People, processes and systems have supported growth**
- **Product innovation core to success**
  - **Ilô and Oméga**
- **Frozen market even tougher**
- **Strong brand positions to build on**
- **Strong cost control across business**

# Oméga



# SOUTHERN EUROPE

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- **Product innovation core to success**
  - **Ilô and Oméga**
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- **Strong brand positions to build on**
- **Strong cost control across business**

# NORTHERN EUROPE

- **Significant opportunity for medium term progress**
- **Managed change is ongoing and incurring costs**
- **Short term manufacturing improvements**
- **Good performance in Germany**
- **Senior management team strengthened**
- **Restructured the sandwich business for profitable growth**

# UNIQ PREPARED FOODS

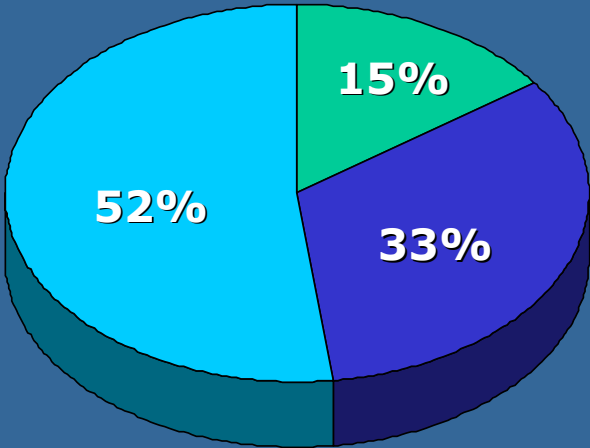
- Noticeably tougher market environment
- Our response not fast enough
- More business losses than gains
- New Managing Director, Jed Kenrick
- New NPD and Commercial Directors
- Increasing confidence in retaining/winning new business
- Recovery in second half

# MINSTERLEY ACQUISITION

- **We take control of our destiny in desserts**
- **Completed acquisition on 22.5.04 for £16.5m**
- **Sales of circa £60m, Loss of circa £4m**

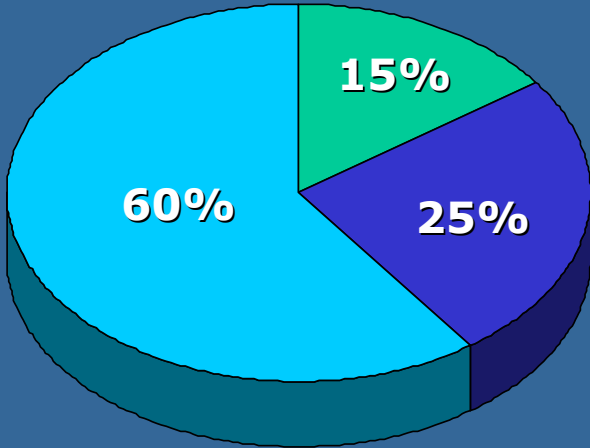
# MINSTERLEY

Net sales, Product



- Cottage Cheese
- Yogurt/Fromage Frais
- Desserts

Net sales, Customer



- Asda
- Other UK Retailers
- M&S

# MINSTERLEY ACQUISITION

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- **Sales of circa £60m, Loss of circa £4m**
- **Plan is to integrate with existing business**
- **Delivers £10m of synergy savings for 06/07**

# MINSTERLEY SYNERGIES

	£m
<b>Purchasing</b>	<b>1.0</b>
<b>Wincanton Distribution</b>	<b>2.5</b>
<b>Supply Chain</b>	<b>6.5</b>
	<hr/> <b>10.0</b> <hr/>

# MINSTERLEY ACQUISITION

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- **Sales of circa £60m, Loss of circa £4m**
- **Plan is to integrate with existing business**
- **Delivers £10m of synergy savings for 06/07**
- **A key part of our Supply Chain initiative**

# SUPPLY CHAIN

- **People/Processes/Systems**
- **Site infrastructure plan will result in exit of:**
  - **Tegelen**                      **March '04**
  - **Eeklo**                              **April '04**
  - **Devizes**                          **Summer '04**
  - **Newton Abbot**      **Spring '05**
  - **Evercreech**              **Spring '06**
- **Poznan centre of excellence on fish**

## SUPPLY CHAIN – COST/BENEFIT\*

£m	Total	04/05	05/06	06/07
Savings generated	17.0	1.0	8.0	8.0
Capital investment	25.0	15.0	10.0	-
Exceptional P&L costs to implement	25.0	10.0	15.0	-

\*Current estimates, excluding any non-cash asset write offs

# SUMMARY

- **UK first half will be very tough**
- **NE change programme will be managed carefully**
- **France recovery phase complete, robust business**
- **Supply chain delivers £17m of annualised savings by 06/07**
- **We remain well placed in a tough market**
- **Building scale in customer, in category, in country**



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Preliminary Results  
Year ending 31 March 2004

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