



INTERIM RESULTS

30TH JUNE 2005

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Financial Highlights

		$\Delta\%$
Sales		6.0
Operating Profit		11.6*
Underlying adjusted EPS		10.0
Operating Cash Flow		18.9

*before one-off IFRS adjustments

Segmental Summary

£m	Sales		Operating Profit	
	June 2005	June 2004	June 2005	June 2004
Plastic Technologies	136.1	119.9	18.6	15.7
Fibre Technologies	115.8	117.7	14.0	14.0
Corporate Costs			(2.7)	(2.9)
	<u>251.9</u>	<u>237.6</u>	<u>29.9</u>	<u>26.8</u>
IFRS pension adjustment			0.1	(0.3)
IFRS Impairment charge			-	(1.3)
Amortisation			(0.4)	(0.2)
Operating Profit			<u>29.6</u>	<u>25.0</u>
Operating Margin*			11.8%	11.3%

*before IFRS adjustments and amortisation

Underlying Earnings

£m		June 2005		June 2004	Δ%
Operating Profit		29.6		25.0	
Net interest		<u>(3.3)</u>		<u>(0.8)</u>	
Profit before tax		26.3		24.2	8.7
Income tax	35.0%	(9.2)	31.4%	(7.6)	
Minority Interest Earnings		<u>(0.6)</u>		<u>(0.6)</u>	
		16.5		16.0	
Basic EPS		7.5p		7.3p	
Adjusted EPS		7.7p		7.3p	5.5
One off IFRS adjustments		-		0.7p	
Interest normalised		-		(0.6)p	
Tax rate normalised		-		(0.4)p	
Underlying adjusted EPS		<u>7.7p</u>		<u>7.0p</u>	10.0
Dividend per share		2.13p		1.97p*	8.1

*notional

Balance Sheet

£m	June 2005	June 2004	December 2004
Goodwill	57.3	56.4	57.6
Fixed assets	165.6	147.3	152.5
Working capital	65.7	58.4	57.1
Other liabilities	<u>(26.5)</u>	<u>(31.3)</u>	<u>(32.3)</u>
	262.1	230.8	234.9
Pension liabilities	<u>(34.7)</u>	<u>-</u>	<u>-</u>
	<u>227.4</u>	<u>230.8</u>	<u>234.9</u>
Shareholders funds	113.1	129.8	111.0
Minority interest	4.7	3.3	3.9
Net borrowings	<u>109.6</u>	<u>97.7</u>	<u>120.0</u>
	<u>227.4</u>	<u>230.8</u>	<u>234.9</u>
Gearing (%)	96.9	75.3	108.1
Return on average capital (%)	23.8	23.0	23.3

Cashflow

£m	June 2005	June 2004	Δ%
Operating profit	29.6	25.0	
Non cash items	0.4	1.5	
Net capital expenditure	(3.9)	(1.2)	
Working capital	(6.5)	(9.4)	
Other	<u>0.5</u>	<u>1.0</u>	
Operating Cash flow	20.1	16.9	18.9
Interest	(3.1)	(1.0)	
Tax	<u>(5.2)</u>	<u>(7.1)</u>	
Free Cash flow	11.8	8.8	34.1

Reconciliation to previously published data

£m	June 2004	December 2004
Operating profit* previously reported by Bunzl plc under UK GAAP	29.9	59.1
Apportioned corporate costs	(2.5)	(4.9)
Share option charge	(0.6)	(1.1)
One off IFRS adjustments	<u>(1.3)</u>	<u>(3.5)</u>
Operating Profit* as per the Listing Particulars	25.5	49.6
IFRS pension adjustment	<u>(0.3)</u>	<u>(1.5)</u>
Operating profit* as published	25.2	48.1
*before intangible amortisation		



Plastic Technologies

£m	June 2005	June 2004	△ %	△ %*
Sales	136.1	119.9	13.5	12.9
Operating Profit	18.6	15.7	18.5	17.0
Margin (%)	13.7	13.1		

- Skiffy benefit
- Overall recovery of raw material cost increases
- Underlying volume growth of 5.4%

*constant exchange rates

Operational Highlights – Protection and Finishing Products

- European market share gain and geographic expansion
- Skiffy benefited from marketing and productivity investment
- North American growth from investments and regional distribution
- Strength from buoyant drilling activity levels

Operational Highlights – Coated and Security Products

- Continued strength in brand promotion and security
- Market repositioning
- Digital print
- New security laminate for UK passport
- FractureCode development progressing to plan

Operational Highlights – Profile and Sheet

- Robust sales growth in North America and Holland
- Buoyant sales of Point of Purchase products
- Sustained sales growth momentum in Monterrey, Mexico
- Enitor success with export sales
- Dutch factory extension to begin in second half
- Material price easing

Fibre Technologies

£m	June 2005	June 2004	△ %	△ %*
Sales	115.8	117.7	(1.6)	(1.1)
Operating Profit	14.0	14.0**	-	2.2
Margin (%)	12.1	11.9		

- Overall European volumes down
- Start up costs in Mexico and Ningbo
- Restructuring costs in Europe

*constant exchange rates

**before one off IFRS adjustment of £(1.3)m

Operational Highlights – Cigarette Filters

- Special filter volumes up 5.9%, monos down 5.7%
- Lower European volumes more than offset by growth elsewhere
- Swiss closure and Monterrey start up
- Venezuela contract extension
- Indonesia upgrade
- First customer for active patch
- Full benefits of manufacturing footprint changes in 2006

Operational Highlights – Fibertec

- Strong performance in inkjet printer wicks and reservoirs
- Weakness in household products
- Successful Ningbo start up
- New business in medicine dispensing
- Important projects in inkjet printer reservoirs

Prospects

- **Plastic Technologies**

- continued momentum in Protection and Finishing Products
- new products and technology in Coated and Security Products
- further growth in selected product categories in Profile and Sheet

- **Fibre Technologies**

- continued growth of special filters - new European volumes
- lower cost base - Ningbo, Monterrey, Reinbek, Crissier



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