



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 | | <u>(0.6)</u> | | <u>(0.6)</u> | |
| Earnings | | 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 | | 7.7p | | 7.0p | 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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