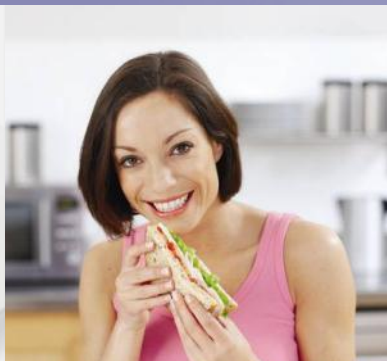


# Results for six months ended 30 September 2012

8 November 2012, London



# Agenda

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Headline Results and KPIs

Javed Ahmed

Financial Review

Tim Lodge

Operating Highlights and Progress Update

Javed Ahmed

Outlook

Javed Ahmed

# Headline Results and KPIs

Javed Ahmed, Chief Executive

# Headline Results

Six months ended 30 September

## Continuing operations<sup>1</sup>

	2012 (£1=US\$1.58)	2011 (£1=US\$1.62)	Change	Change (constant currency)
Adjusted operating profit <sup>2</sup>	<b>£195m</b>	£194m	+ 1%	+ 2%
- SFI operating profit down 7% in constant currency				
- BI operating profit up 7% in constant currency				
Adjusted profit before tax <sup>3</sup>	<b>£179m</b>	£177m	+ 2%	+ 2%
Diluted EPS <sup>3</sup>	<b>30.7p</b>	30.7p	0%	+ 1%
Net debt <sup>4</sup>	<b>£386m</b>	£410m		
Dividend	<b>7.4p</b>	7.1p	+ 4.2%	

<sup>1</sup> Excluding the results of discontinued operations in both periods

<sup>2</sup> Before exceptional items and amortisation of acquired intangible assets

<sup>3</sup> Before exceptional items, amortisation of acquired intangible assets and post-retirement pensions interest

<sup>4</sup> Net debt translated at closing exchange rates (30 September 2012: £1=\$1.61; 30 September 2011: £1=\$1.56)

# Key Performance Indicators

			Six months ended		
KPI	Measure	2012	2011	Change*	
Financial performance <sup>1</sup>	Growth in Speciality Food Ingredients	<b>Sales</b>	<b>£471m</b>	£450m	+ 6%
	Profitability	<b>Adjusted operating profit</b>	<b>£195m</b>	£194m	+ 2%
	Working capital efficiency	<b>Cash conversion cycle<sup>†</sup></b>	<b>37 days</b>	35 days	Worsened by 2 days
Financial strength	Balance sheet	<b>Net debt / EBITDA<sup>**</sup></b>	<b>0.9x</b>	0.9x	
		<b>Interest cover<sup>**</sup></b>	<b>11.4x</b>	8.3x	

<sup>1</sup> Excluding the results of discontinued operations in both periods

\* Change reported in constant currency

<sup>†</sup> Calculated as the average cash conversion cycle at the end of each of the four quarter ends to show the underlying performance throughout the year

<sup>\*\*</sup> Calculated under banking covenant definitions

# **Financial Review**

**Tim Lodge, Chief Financial Officer**

# Income Statement

Six months ended 30 September

## Continuing operations<sup>1</sup>

£m, unless stated	2012 (£1=US\$1.58)	2011 (£1=US\$1.62)	At constant currency
Sales	1,631	1,540	7%
Adjusted operating profit <sup>2</sup>			
- SFI	108	116	(7%)
- BI	101	96	7%
- Central	(14)	(18)	20%
	<b>195</b>	<b>194</b>	<b>2%</b>
Net finance expense <sup>4</sup>	(16)	(17)	5%
<b>Adjusted profit before tax<sup>3</sup></b>	<b>179</b>	<b>177</b>	<b>2%</b>
Effective tax rate	18.8%	18.1%	
<b>Adjusted diluted earnings per share<sup>3</sup></b>	<b>30.7p</b>	<b>30.7p</b>	<b>1%</b>

<sup>1</sup> Excluding the results of discontinued operations in both periods

<sup>2</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>3</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

<sup>4</sup> Excluding post-retirement benefit interest

# Speciality Food Ingredients

Six months ended 30 September

£m, unless stated	2012	2011	Reported	At constant currency
Sales	471	450	5%	6%
Adjusted operating profit <sup>1</sup>	108	116	(7%)	(7%)
Margin <sup>1</sup>	22.9%	25.8%		

*Impact of exchange: Sales £6m lower, Operating profit flat*

- Volumes grew by 3%
- Soft market conditions in Europe, particularly in the first quarter
- Step change in fixed costs associated with:
  - Delivery of business transformation initiatives
  - Bringing US Sucralose online
- Starch-based speciality ingredients:
  - Sales<sup>2</sup> up 12% to £273 million and volumes up 3%
- High-intensity sweeteners:
  - Sales<sup>2</sup> down 5% to £103 million and volumes down 8% (2011: up 17%)
- Food systems:
  - Sales<sup>2</sup> up 4% to £95 million and volumes down 1%

<sup>1</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Change in sales reported in constant currency



# Bulk Ingredients

Six months ended 30 September

£m, unless stated	2012	2011	Reported	At constant currency
Sales	1,160	1,090	6%	7%
Adjusted operating profit <sup>1</sup>	101	96	6%	7%
Margin <sup>1</sup>	8.7%	8.8%		

*Impact of exchange: Sales £10m lower, Operating profit £2m lower*

- Strong sweetener performance in sweeteners globally more than offsets £19 million additional income from co-products in 2011
- Sweeteners – Sales<sup>2</sup> up 15% to £587 million and volumes up 1%
  - Increases more than covered by higher input costs
- Industrial starches, acidulants and ethanol – Sales<sup>2</sup> down 2% to £312 million and volumes down by 7%
  - Industrial starch volumes lower; grind diverted to Speciality Food Ingredients
  - US Ethanol market extremely challenging
- Co-products – Sales<sup>2</sup> up 4% to £261 million and volumes flat

<sup>1</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Change in sales reported in constant currency.

# Interest and Tax

Six months ended 30 September

## Continuing operations<sup>1</sup>

£m, unless stated	2012	2011	At constant currency
Net finance expense <sup>2</sup>	(16)	(17)	5%
Add back			
- Net hedge unwind	(1)	(2)	
<b>Underlying interest</b>	<b>(17)</b>	<b>(19)</b>	

- Post retirement benefit credit of £1 million (2011: £3 million) now excluded from adjusted results
  - Prior year period restated
- Repayment of £100 million bond in June 2012

£m, unless stated	2012	2011	At constant currency
<b>Adjusted profit before tax<sup>3</sup></b>	<b>179</b>	<b>177</b>	
Tax <sup>3</sup>	(34)	(32)	
Effective tax rate <sup>3</sup>	18.8%	18.1%	
<b>Adjusted diluted earnings per share<sup>2</sup></b>	<b>30.7p</b>	<b>30.7p</b>	<b>1%</b>

<sup>1</sup> Excluding the results of discontinued operations in both periods

<sup>2</sup> Excluding post-retirement benefit interest

<sup>3</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

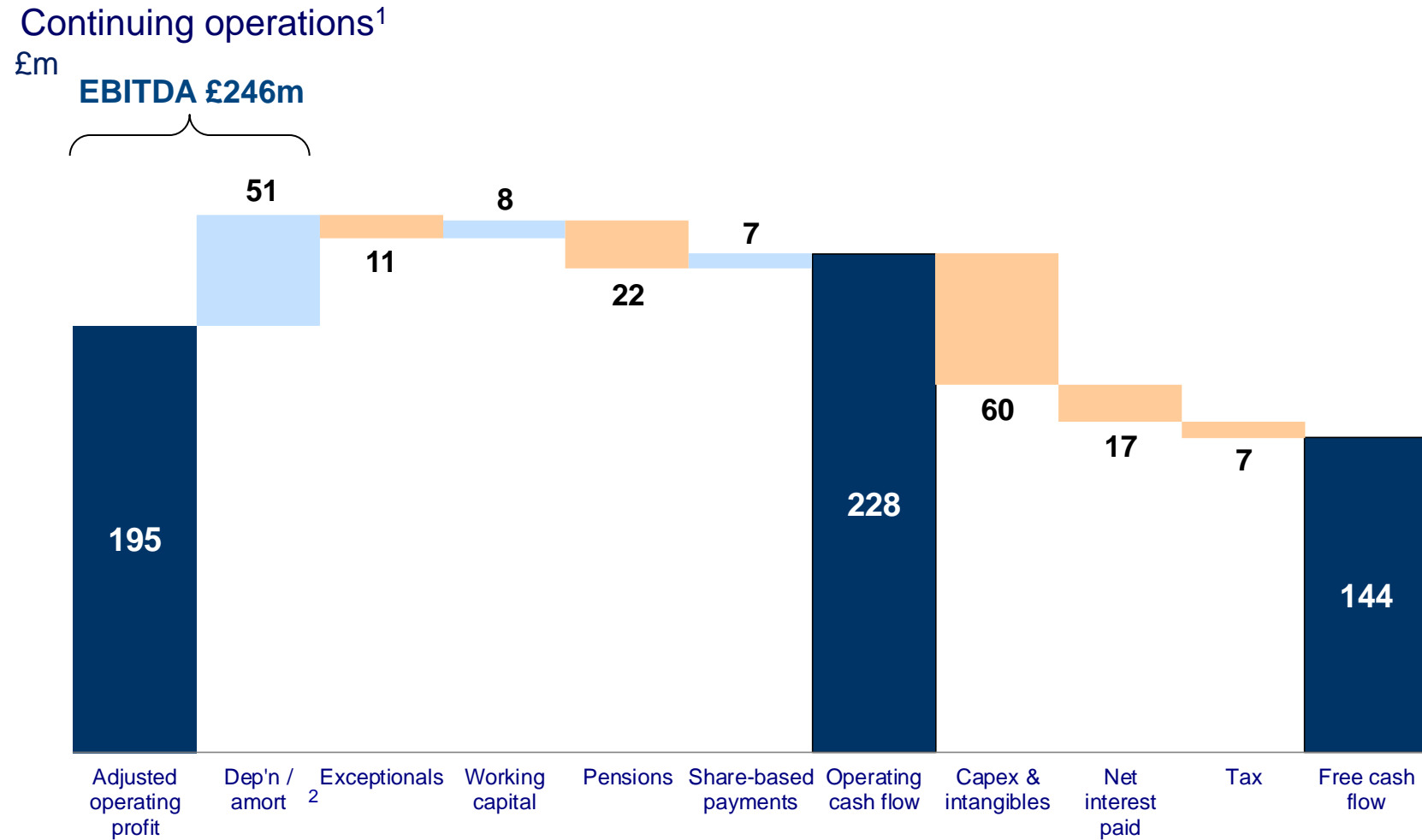
# Exceptional Items

Six months ended 30 September

£m, unless stated	2012	2011
<b>Exceptional Items</b>		
<i>Continuing operations</i>		
Gain on disposal of Colombian acidulants joint venture	8	-
Business transformation costs	(10)	(7)
Reversal of impairments & provision - McIntosh	-	73
<b>Exceptional (costs)/gains from continuing operations</b>	<b>(2)</b>	<b>66</b>
<i>Discontinued operations</i>		
Gain on disposal - Vietnam Sugar	21	-
<b>Exceptional gains from discontinued operations</b>	<b>21</b>	<b>-</b>
<b>Total exceptional gain (pre-tax)</b>	<b>19</b>	<b>66</b>

# Free Cash Flow

Six months ended 30 September 2012



<sup>1</sup> Excluding the results of discontinued operations

<sup>2</sup> Depreciation / amortisation excludes amortisation of intangible assets acquired through business combinations

# Change in Working Capital

Six months ended 30 September

## Continuing operations<sup>1</sup>

£m, unless stated

2012

2011

Decrease in inventories	10	60
Increase in receivables	(48)	(29)
Decrease/(increase) in US margin calls	22	(16)
Increase/(decrease) in payables	20	(25)
Movement in derivatives and non-pension provisions	4	(11)
<b>Change in working capital excluding pension provisions</b>	<b>8</b>	<b>(21)</b>

30 Sept 2012

31 Mar 2012

30 Sept 2011

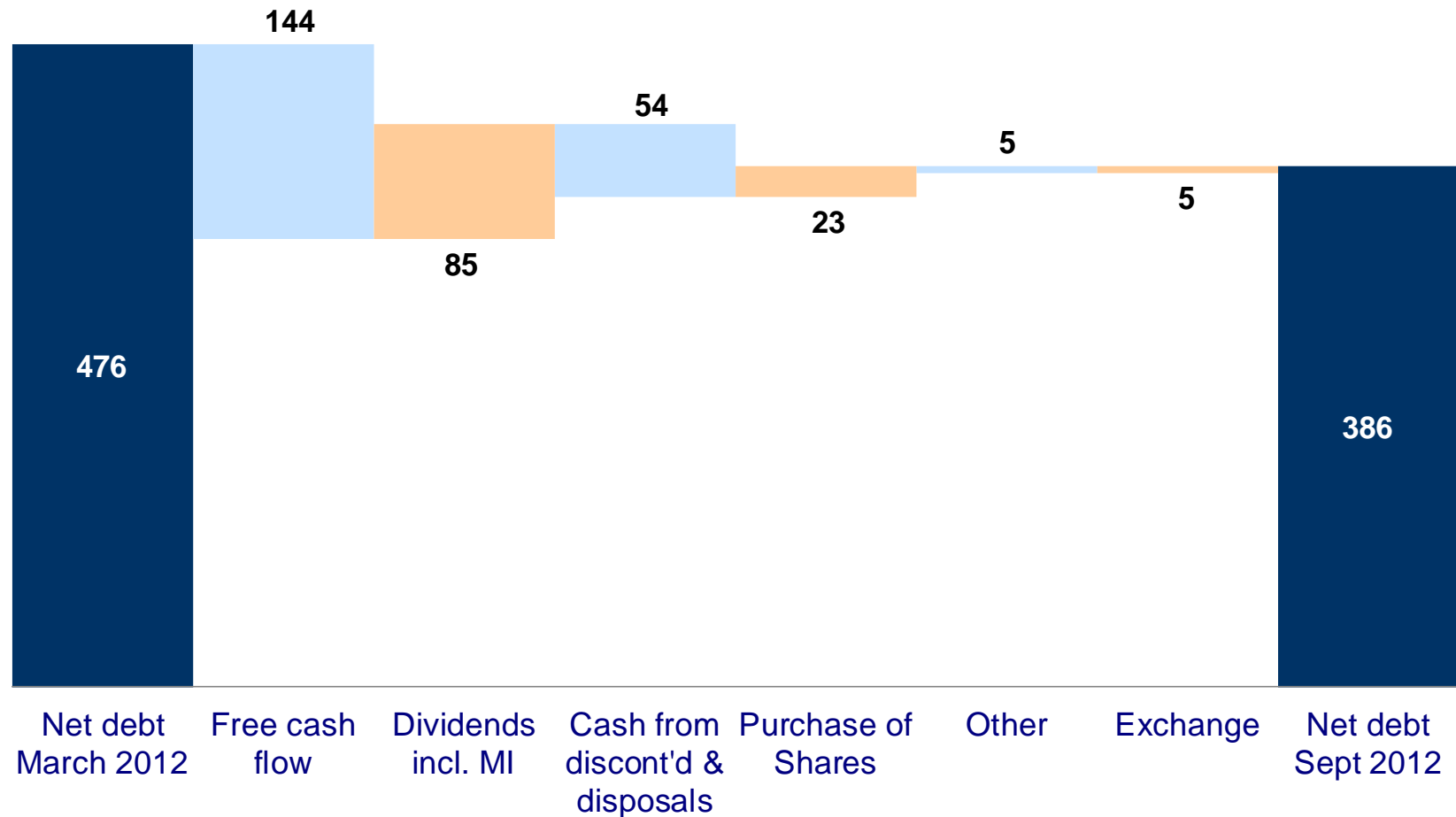
Cash Conversion Cycle (days) *	37	36	35
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<sup>1</sup> Excluding the results of discontinued operations in both periods

\* Average quarterly Cash Conversion Cycle

# Movements in Net Debt

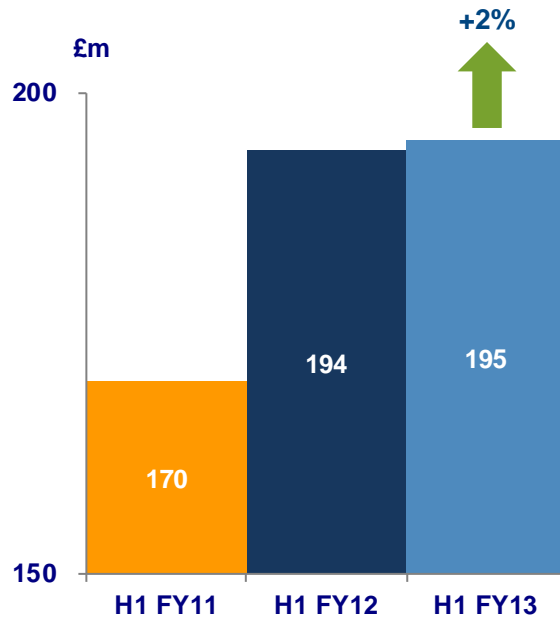
Six months ended 30 September



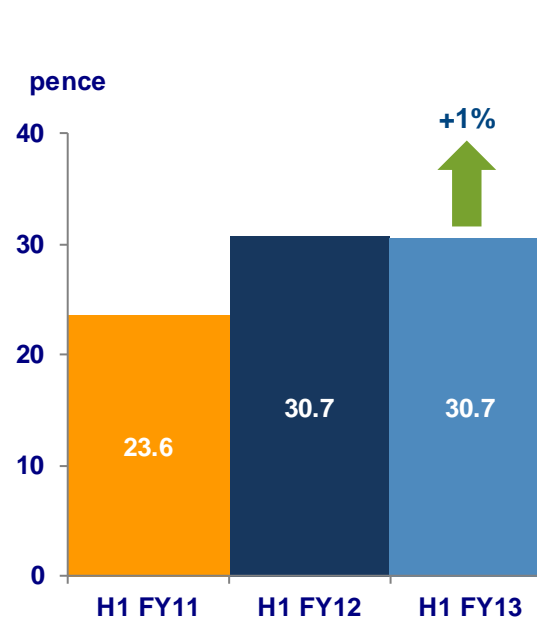
# Summary of Financial Position<sup>1</sup>

Improvement over prior years

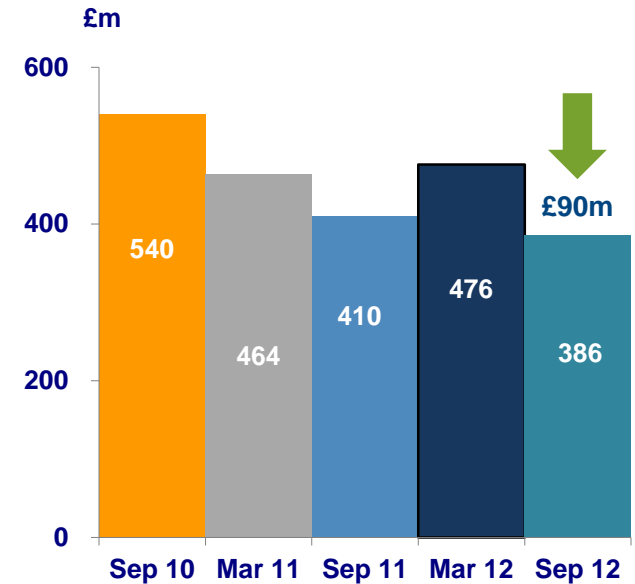
## Adjusted operating profit



## Adjusted diluted EPS



## Net Debt



<sup>1</sup> Operating profit and EPS exclude the results of discontinued operations and are stated excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

# Operating Highlights

Javed Ahmed

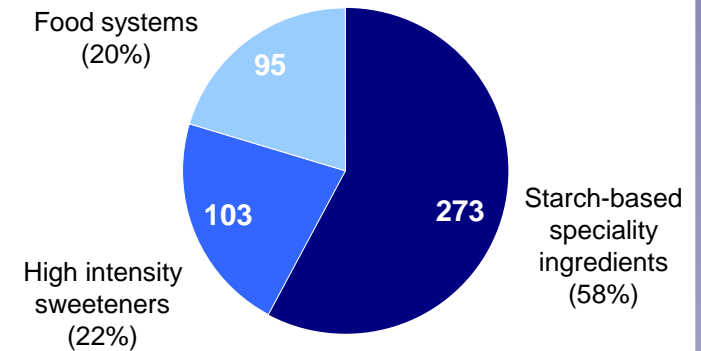


# Speciality Food Ingredients

## Highlights and key global drivers

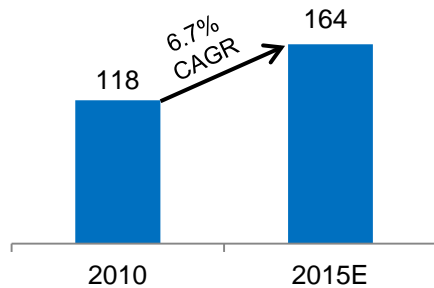
- Volumes up 3% with sales up 6% to £471 million
- Lower operating margins reflecting step change in fixed costs and Turkey strike
- Adjusted operating profit 7% lower than strong prior year comparator at £108 million

### Speciality Food Ingredients Sales £471m



### Health & Wellness

Global Functional Food Market \$bn



Source: SRI Consulting

### Convenience



### Emerging markets



NB. Sales and adjusted operating profit growth presented in constant currency

# Starch-based speciality ingredients

Sales up 12% to £273 million with volume growth of 3%

- **Speciality food starches**

- Steady volume growth in US
- Strong growth in Asia, with increased demand for packaged foods

- **Speciality corn sweeteners**

- Good growth in US and Latin America
- Demand driven by continued high sugar prices and key functional benefits

- **Speciality fibres**

- Strong growth in polydextrose in both Europe and Asia reflecting increasing consumer demand for healthier products



# High intensity sweeteners

Sales down 5% to £103 million with volumes 8% lower

- **SPLENDA® Sucralose**

- Lower volumes reflect:
  - (i) exceptionally strong growth in comparative period; and
  - (ii) softer and competitive market conditions in Europe
- Prices broadly in line with prior year period



- **PUREFRUIT™ Monk Fruit Extract**

- Number of new product launches including use within the US table top market
- Continued strong consumer interest in natural high intensity sweeteners



- **TASTEVA™ Stevia Sweetener**

- New stevia-based, natural high intensity sweetener with superior taste profile
- Enhances product portfolio and further strengthens global leadership position in speciality sweeteners



# Food systems

Sales up 4% to £95 million with volumes down 1%

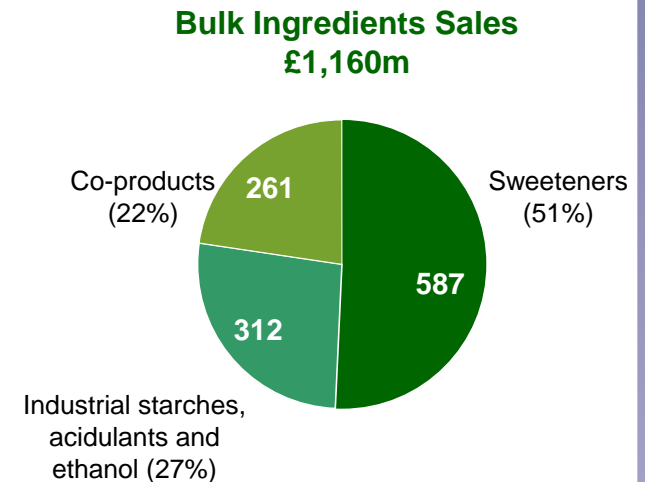
- Solid growth in US and Asia offset by softer market conditions in Europe
- Raw material prices remained high during the period:
  - Some success in mitigating higher input costs through shortening of customer contract lengths and using substitutes
- Operating margins and profits lower than comparative period as a result of higher input costs
- New technical and commercial facility opened alongside current production site in Roggenhorst, Germany:
  - Integrated offering from one location
  - Shortens development cycles and helps customers get to market faster



# Bulk Ingredients

## Highlights and key performance drivers

- Sales up 7% to £1,160 million reflecting higher corn prices
- Volumes down 1%, in line with strategy to gradually switch corn grind to speciality food ingredients
- Adjusted operating profit up 7% to £101 million:
  - Strong performance from sweeteners in US and Europe
  - More normal returns from co-products
  - Extremely challenging market conditions in US ethanol
- Significant increase in US and EU corn prices following severe drought impacting yields and corn quality



**Strong seasonal demand  
for US and EU sweeteners**

**Significant increase in  
corn prices**

**Challenging market  
conditions in US ethanol**

NB. Sales and adjusted operating profit growth presented in constant currency

# Sweeteners

Sales up 15% to £587 million with volumes up 1%

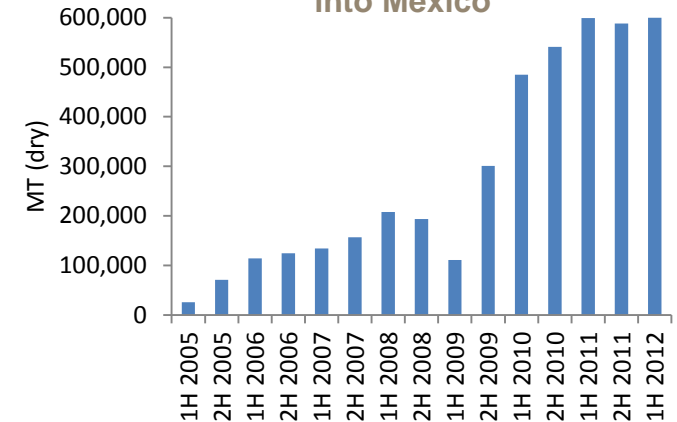
## ■ US – sales up 16% to £510 million

- Higher sales reflects pass through of higher corn costs
- Strong seasonal demand in US and continued strong demand from Mexico
- Operating profit ahead
- Narrowing of spread between Mexican sugar and US HFCS prices towards end of period

## ■ EU – sales up 11% to £77 million

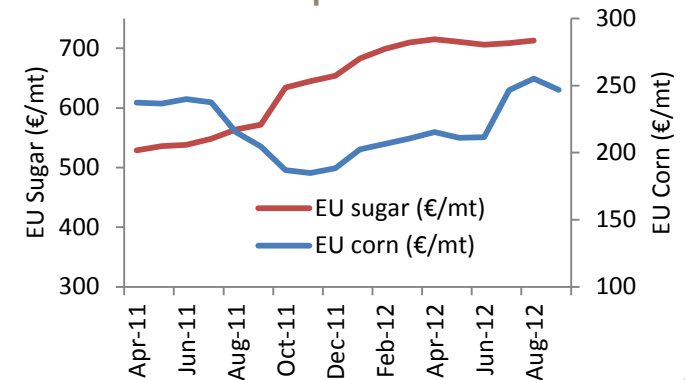
- Volumes down 7% due to lower allocation of quotas in some non-EU markets and Turkey strike
- High European sugar prices resulted in firmer isoglucose margins and increase in operating profits

Imports of US HFCS 42 and HFCS 55 into Mexico



Source: USDA (Secretariat of the Economy, Mexico)

EU Average White Sugar Selling Price vs. EU Spot Corn Price



Source: Bloomberg, EU Commission

NB. Change in sales reported in constant currency. FY11 comparative category sales revised to reflect new product classifications

# Industrial starches, acidulants and ethanol

Sales down 2% to £312 million with volumes down 7%

## ■ Industrial starch

- Lower volumes in both US and Europe, reflecting our strategy to diversify grind to food starches
- Higher margins in US on back of improved pricing
- European margins lower but ahead of expectations with overall market conditions relatively stable

## ■ Ethanol

- Extremely challenging market conditions with industry margins into negative territory
- Reduced production to lowest practical extent
- Operating losses increased during the period

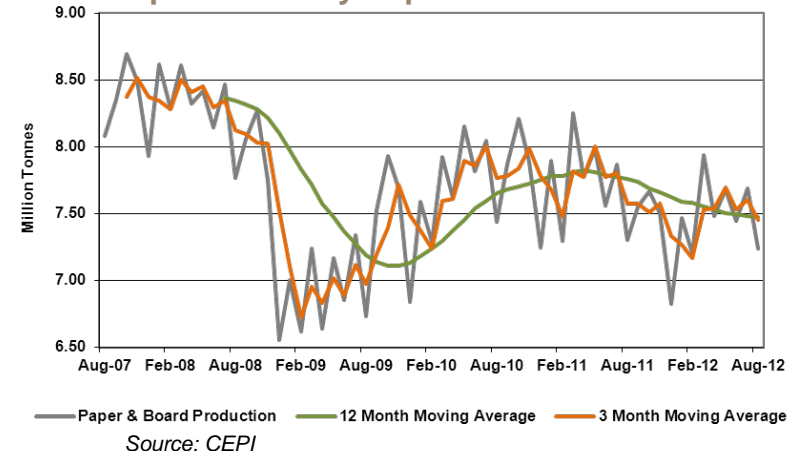
## ■ Acidulants

- Citric acid profits slightly ahead of comparative period

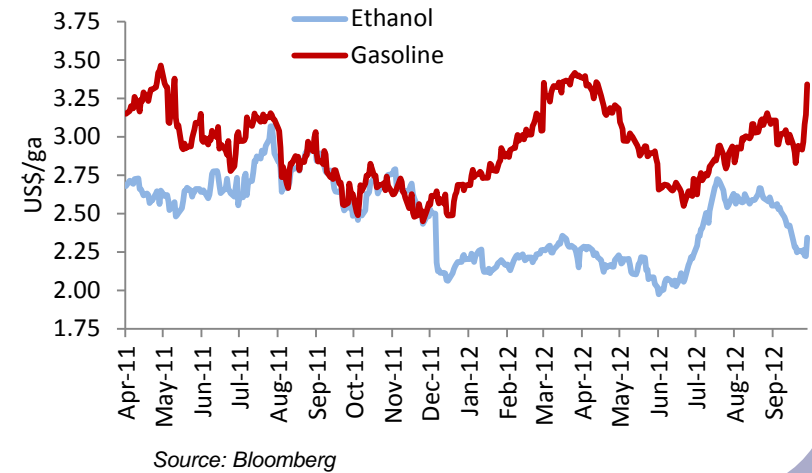
## ■ Bio-based materials

- Bio-PDO™ made a small profit against a loss in first six months last year

European Monthly Paper & Board Production



US ethanol vs gasoline – spot prices



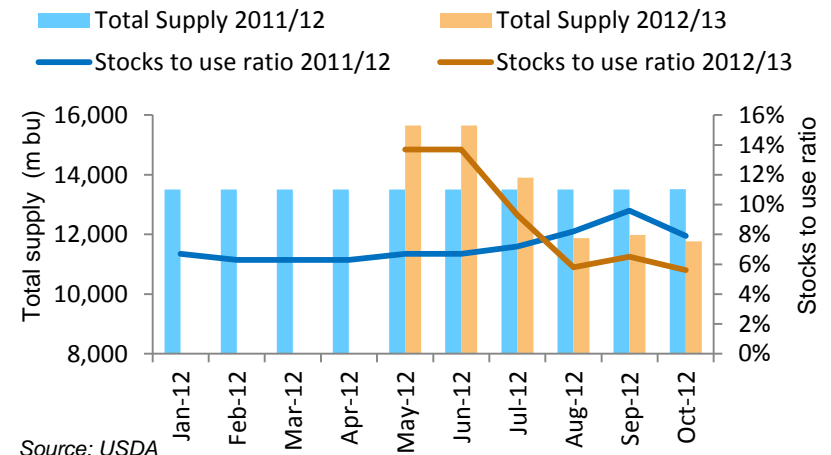
NB. Change in sales reported in constant currency.

# Corn market dynamics

## Adverse growing conditions in US and Europe

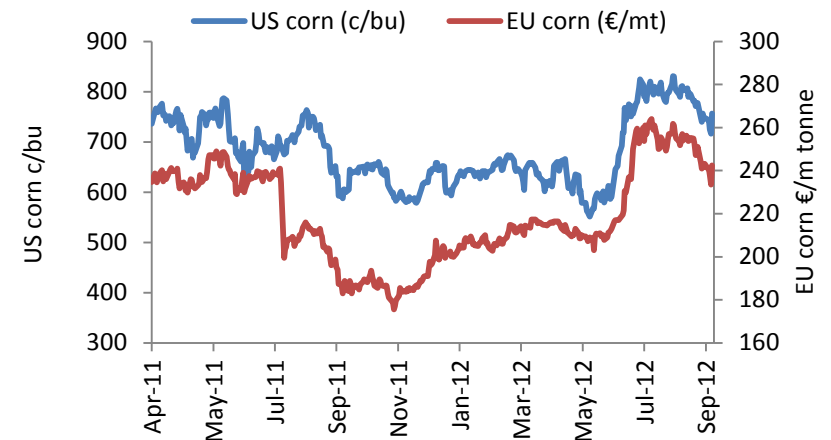
- Worst drought in US mid-west for 56 years has impacted quantity and quality of this year's harvest
- Significant reductions in forecasted supply and estimated stocks-to-use ratio
- Corn prices increased sharply towards end of June and have remained elevated ever since
- Adjusted corn sourcing programme to mitigate impact of aflatoxin on co-products
- May lead to a small increase in net corn costs in second half and through to next harvest
- Hot and dry conditions have also impacted corn harvest in Europe

### USDA estimated Corn Supply and Stocks-to-use ratio



Source: USDA

### US and European Corn – spot prices



Source: Bloomberg



# Building the platform for long-term growth

Javed Ahmed

# Building a platform for long-term growth

## Commercial and Food Innovation Centre

- Encouraging customer response to new global Commercial and Food Innovation Centre in Chicago:
  - Significant number of customer visits in the period
  - Increase in customer interaction



## New global IS/IT system

- Rollout of new system in European single ingredients business in July
- Implementation across rest of the business moves into the next financial year building on the experience gained from the initial rollout



## New Tate & Lyle Ventures Fund

- Launch of new 8-year £30 million fund with Tate & Lyle as sole investor to broaden global innovation programme
- Complements existing innovation capabilities

# Bringing new products to market

Broadening our range of natural high-intensity sweeteners

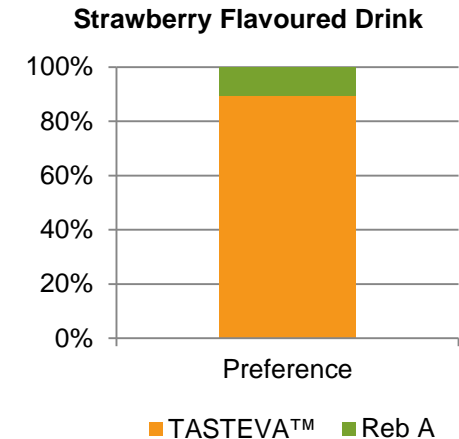
- **PUREFRUIT™ Monkfruit Extract**

- Making progress developing the market
- Number of new product launches leveraging strong consumer appeal for natural products
- Entry into US table top market



- **TASTEVA™ Stevia Sweetener**

- Developed using proprietary process
- Superior taste profile than other stevia-derived sweeteners
- Complements PUREFRUIT™ offering



Source: Company data

*Broadening our product portfolio and reinforcing our market position as a leading global provider of sweetener solutions*

# Beginning to bring new products to market

## Sodium reduction and cost optimisation

### Sodium reduction

- **SODA-LO™ Salt Microspheres**
  - Large, global addressable market
  - Reduces added salt content by up to 50%
  - Functions, labels and tastes like salt



### Cost-optimisation

- **HAMULSION™ Stabilizer System**
  - Helping customers reduce input costs
  - Enables egg replacement in bakery applications
  - Builds on other initiatives within food systems including CARCAO™, a cocoa substitute



# Outlook

**Javed Ahmed, Chief Executive**

# Outlook

For year ending 31 March 2013

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## Speciality Food Ingredients

- While we expect continued challenging market conditions in Europe, overall we expect to achieve steady volume growth and solid sales growth for the full year

## Bulk Ingredients

- Expect firm demand for liquid sweeteners in US to continue and demand in our other food markets to remain stable
- In Europe, higher corn prices expected to reduce isoglucose margins in the second half
- Market conditions in US ethanol expected to remain challenging

## Group

- As usual, the outcome of the 2013 calendar year sweetener pricing rounds will influence performance in the final quarter of the financial year

*Overall, while recognising the current level of uncertainty around the wider economy and corn quality and pricing, we continue to expect to make progress this financial year*

# Questions & Answers

# Supporting information



# Key Financial Indicators

Six months ended 30 September

£m, unless stated	2012	2011
Profit before tax <sup>1,2</sup>	179	177
Effective tax rate - continuing operations <sup>1,2</sup>	18.8%	18.1%
Diluted EPS - continuing operations <sup>1,2</sup>	30.7p	30.7p
Operating cash flow - continuing operations <sup>2</sup>	228	176
<b>Net debt</b>	<b>386</b>	<b>410</b>
Net debt/EBITDA <sup>1,3</sup>	0.9x	0.9x
Interest cover <sup>1,3</sup>	11.4x	8.3x
Cash dividend cover <sup>4</sup>	4.1x	3.9x
Earnings dividend cover - continuing operations <sup>2</sup>	4.2x	4.4x
Available undrawn committed facilities	496	513

<sup>1</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Excluding the results of discontinued operations in both periods

<sup>3</sup> This ratio is calculated using the Group's covenant definitions

<sup>4</sup> Calculated as free cash flow from continuing operations divided by dividends paid or proposed in respect of reporting period, excluding impact of any scrip dividend option where available

# Income Statement

Six months ended 30 September

£m, unless stated	2012			2011		
	Cont'd	Discont'd	Total	Cont'd	Discont'd	Total
Sales	1,631	10	1,641	1,540	50	1,590
Operating profit <sup>1</sup>	195	3	198	194	3	197
Net finance costs <sup>3</sup>	(16)	-	(16)	(17)	-	(17)
Profit/(loss) before tax <sup>2</sup>	<b>179</b>	<b>3</b>	<b>182</b>	<b>177</b>	<b>3</b>	<b>180</b>
Exceptional items	(2)	21	19	66	-	66
Other adjusting items	(5)	-	(5)	(2)	-	(2)
Profit/(loss) before tax	<b>172</b>	<b>24</b>	<b>196</b>	<b>241</b>	<b>3</b>	<b>244</b>
Tax	(29)	-	(29)	(57)	(10)	(67)
Profit/(loss) after tax	<b>143</b>	<b>24</b>	<b>167</b>	<b>184</b>	<b>(7)</b>	<b>177</b>

<sup>1</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

<sup>3</sup> Excluding post-retirement benefit interest

# Sales – Segmental analysis

Six months ended 30 September

## Continuing operations<sup>1</sup>

£m, unless stated	2011	Forex	Activity	2012
<b>SFI Sales</b>				
- Starch-based speciality ingredients	244			273
- High-intensity sweeteners	108			103
- Food systems	98			95
	<b>450</b>	<b>(6)</b>	<b>27</b>	<b>471</b>
<b>BI Sales</b>				
- Sweeteners	517			587
- Industrial starches, acidulants and ethanol	322			312
- Co-products	251			261
<b>Total BI</b>	<b>1,090</b>	<b>(10)</b>	<b>80</b>	<b>1,160</b>
<b>Total Group</b>	<b>1,540</b>	<b>(16)</b>	<b>107</b>	<b>1,631</b>

<sup>1</sup> Excluding the results of discontinued operations in both periods

# Profit before tax

Six months ended 30 September 2012

## Continuing operations<sup>1</sup>

£m, unless stated	2011	Forex	Activity	2012
- SFI	116			108
- BI	96			101
- Central	(18)			(14)
<b>Adjusted operating profit<sup>2</sup></b>	<b>194</b>	<b>(2)</b>	<b>3</b>	<b>195</b>
Net finance expense <sup>3</sup>	(17)	-	1	(16)
<b>Adjusted profit before tax<sup>4</sup></b>	<b>177</b>	<b>(2)</b>	<b>4</b>	<b>179</b>

<sup>1</sup> Excluding the results of discontinued operations in both periods

<sup>2</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>3</sup> Excluding post-retirement benefit interest

<sup>4</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

# Reconciliation of adjusted information

## Continuing operations<sup>1</sup>

£m	Six months to 30 September 2012			Six months to 30 September 2011		
	Reported	Adjusting items	Adjusted	Reported	Adjusting items	Adjusted
Sales	1,631	-	1,631	1,540	-	1,540
Operating profit	<b>187</b>	<b>8</b>	<b>195</b>	<b>255</b>	<b>(61)</b>	<b>194</b>
Net finance expense	(15)	(1)	(16)	(14)	(3)	(17)
Profit before tax	<b>172</b>	<b>7</b>	<b>179</b>	<b>241</b>	<b>(64)</b>	<b>177</b>
Effective tax rate	16.9%		18.8%	23.5%		18.1%
Adjusted diluted earnings per share <sup>2</sup>			30.7p			30.7p

<sup>1</sup> Excluding the results of discontinued operations in both periods

<sup>2</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

# Exchange Sensitivity

Six months ended 30 September

Estimated annual movement caused by a one cent movement in the US\$/€ on the translation of continuing operations' profits

£m impact on PBITEA	US\$	EUR
Speciality Food Ingredients	0.9	0.3
Bulk Ingredients	0.8	-
Central	(0.1)	-
Impact on operating profit before interest & tax <sup>1</sup>	<b>1.6</b>	<b>0.3</b>
Interest	(0.1)	-
Impact on operating profit before tax <sup>2</sup>	<b>1.5</b>	<b>0.3</b>

<sup>1</sup> Excluding exceptional items and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Excluding exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

# Discontinued Operations & Disposals

Six months ended 30 September

£m, unless stated	2012	2011
Sales <sup>1</sup>	10	50
Adjusted operating profit <sup>1</sup>	3	3
Net proceeds from disposals		
- Sucromiles <sup>1</sup>	15	-
- Vietnam	23	-
- Other	5	-
Cash generated by discontinued operations	11	25
Total net proceeds	54	25

<sup>1</sup> Results of discontinued operations relate to the former Sugars segment. Sucromiles reported within continuing operations.

# Balance Sheet

£m, unless stated	30 Sept 2012	31 Mar 2012	30 Sept 2011
Goodwill, intangibles and fixed assets	1,231	1,252	1,237
Working capital	366	398	336
Pension deficit	(217)	(140)	(233)
Other provisions	(25)	(28)	(37)
Other	41	23	13
Assets and liabilities held for sale <sup>1</sup>	3	63	65
<b>Net operating assets</b>	<b>1,399</b>	<b>1,568</b>	<b>1,381</b>
Net debt	(386)	(476)	(410)
Net tax liability	(36)	(34)	(9)
<b>Shareholders' equity</b>	<b>977</b>	<b>1,058</b>	<b>962</b>
Cash Conversion Cycle (days) *	37	36	35

<sup>1</sup> Excluding cash and cash equivalents included in net debt at 31 March 2012

\* Average quarterly Cash Conversion Cycle



# Business Transformation

£m	Six months to Sept 2012	Total cumulative costs to Sept 2012
Commercial & Food Innovation Centre	5	31
IS/IT & Global Shared Services	22	57
<b>Total</b>	<b>27</b>	<b>88</b>
P&L exceptional	10	34
Capital	17	54
<b>Total</b>	<b>27</b>	<b>88</b>

# Cash flow information

Six months ended 30 September 2012

£m	2012	2011
Adjusted profit before tax <sup>1</sup>	195	194
Depreciation and Amortisation <sup>2</sup>	51	46
Exceptional items	(11)	(9)
Working capital	8	(21)
Pensions	(22)	(39)
Share based payments	7	5
<b>Cash from cont. operations</b>	<b>228</b>	<b>176</b>
Interest and tax paid	(24)	(3)
Capital expenditure	(60)	(45)
<b>Free cash flow from cont. operations</b>	<b>144</b>	<b>128</b>
Cash flow from discontinued operations	11	25
Disposal proceeds	43	-
Other Investing activities	(2)	(10)
Dividends paid	(85)	(79)
Purchase / Issue of own shares net of issue proceeds	(23)	(3)
<b>Net cash inflow</b>	<b>88</b>	<b>61</b>
Exchange	(5)	(13)
Non-cash debt movements	7	6
<b>Decrease in net debt</b>	<b>90</b>	<b>54</b>

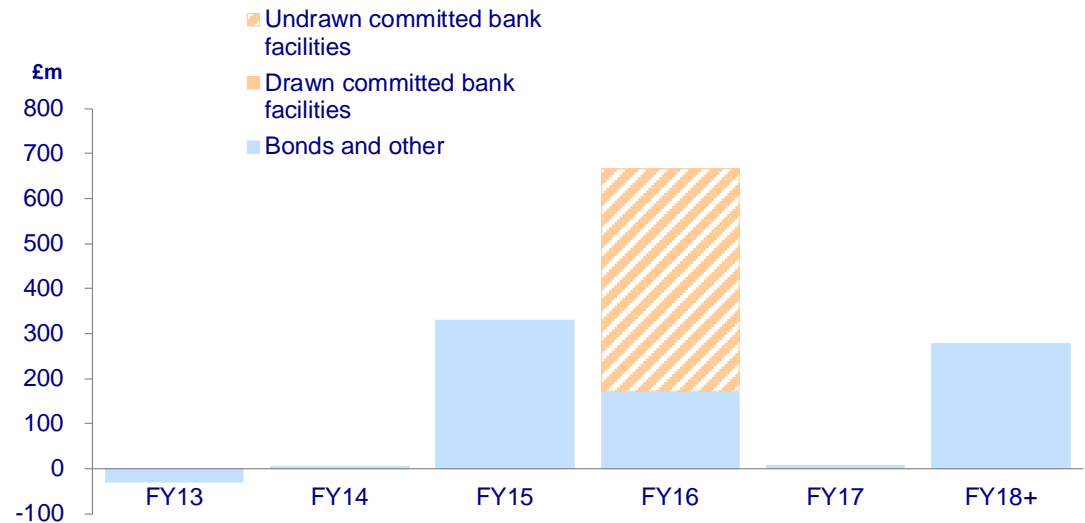
<sup>1</sup> Continuing after exceptional items, post-retirement benefit interest and amortisation of intangible assets acquired through business combinations

<sup>2</sup> Excluding amortisation of intangible assets acquired through business combinations

# Debt Maturity Profile

## September 2012

£m	2012	2011
Average net debt in period	421	453
Effective interest rate on gross debt	4.1%	4.3%
<b>At period end</b>		
Average maturity of total gross borrowings	5.1 yrs	5.3 yrs
Undrawn committed facilities	496	513
Cash and cash equivalents	419	531
Fixed and capped proportion of net debt <sup>1</sup>	69%	68%
<b>Net debt as % of total net debt :</b>		
- US\$	90%	101%
- Sterling	7%	4%
- Euro	4%	2%
- Other	(1%)	(7%)



<sup>1</sup> Fixed for more than one year

# Exchange rates

Six months ended 30 September

£m	2012	2011	Change
<b>Closing rates</b>			
US\$	1.61	1.56	(3%)
Euro	1.25	1.16	(8%)
used to translate Balance Sheet			
<b>Average rates</b>			
US\$	1.58	1.62	3%
Euro	1.25	1.14	(9%)
used to translate Income Statement			