Condensed consolidated income statement

for the 24 weeks ended 4 March 2023

Continuing operations	Note	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Revenue	1	**9,560**	7,882	16,997
Operating costs before exceptional items		**(8,949)**	(7,237)	(15,729)
Exceptional items	2	**–**	–	(206)
		611	645	1,062
Share of profit after tax from joint ventures and associates		**50**	37	109
Profits less losses on disposal of non-current assets		**2**	4	7
Operating profit		**663**	686	1,178
Adjusted operating profit		**684**	706	1,435
Profits less losses on disposal of non-current assets		**2**	4	7
Amortisation of non-operating intangibles		**(20)**	(20)	(47)
Acquired inventory fair value adjustments		**(2)**	–	(5)
Transaction costs		**(1)**	(4)	(6)
Exceptional items	2	**–**	–	(206)
Profits less losses on sale and closure of businesses	7	**(2)**	(11)	(23)
Profit before interest		**661**	675	1,155
Finance income		**22**	6	19
Finance expense		**(59)**	(50)	(111)
Other financial income		**20**	4	13
Profit before taxation		**644**	635	1,076
Adjusted profit before taxation		**667**	666	1,356
Profits less losses on disposal of non-current assets		**2**	4	7
Amortisation of non-operating intangibles		**(20)**	(20)	(47)
Acquired inventory fair value adjustments		**(2)**	–	(5)
Transaction costs		**(1)**	(4)	(6)
Exceptional items	2	**–**	–	(206)
Profits less losses on sale and closure of businesses	7	**(2)**	(11)	(23)
Taxation UK (excluding tax on exceptional items)		**(28)**	(29)	(50)
UK (exceptional items)		**–**	–	3
Overseas (excluding tax on exceptional items)		**(132)**	(122)	(243)
Overseas (exceptional items)		**58**	–	(66)
	3	**(102)**	(151)	(356)
Profit for the period		**542**	484	720
Attributable to				
Equity shareholders		**527**	476	700
Non-controlling interests		**15**	8	20
Profit for the period		**542**	484	720
Basic and diluted earnings per ordinary share (pence)	4	**67.0**	60.3	88.6
Dividends per share paid and proposed for the period (pence)	5	**14.2**	13.8	43.7

Condensed consolidated statement of comprehensive income

for the 24 weeks ended 4 March 2023

	24 weeks ended 4 March 2023 £m	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Profit for the period recognised in the income statement	**542**	484	720
Other comprehensive income			
Remeasurements of defined benefit schemes	**18**	300	821
Deferred tax associated with defined benefit schemes	**(2)**	(74)	(198)
Items that will not be reclassified to profit or loss	**16**	226	623
Effect of movements in foreign exchange	**(179)**	5	440
Net gain/(loss) on hedge of net investment in foreign subsidiaries	**1**	5	(1)
Net gain on other investments held at fair value through other comprehensive income	**–**	–	4
Movement in cash flow hedging position	**(271)**	72	419
Deferred tax associated with movement in cash flow hedging position	**62**	(3)	(28)
Deferred tax associated with movement in other investments	**–**	–	(1)
Share of other comprehensive (loss)/income of joint ventures and associates	**(6)**	7	28
Effect of hyperinflationary economies	**26**	10	46
Items that are or may be subsequently reclassified to profit or loss	**(367)**	96	907
Other comprehensive (loss)/income for the period	**(351)**	322	1,530
Total comprehensive income for the period	**191**	806	2,250
Attributable to			
Equity shareholders	**191**	799	2,219
Non-controlling interests	**–**	7	31
Total comprehensive income for the period	**191**	806	2,250

Condensed consolidated balance sheet

at 4 March 2023

	Note	**4 March 2023 £m**	5 March 2022 £m	17 September 2022 £m
Non-current assets				
Intangible assets		**1,901**	1,756	1,868
Property, plant and equipment		**5,702**	5,308	5,599
Right-of-use assets		**2,386**	2,511	2,456
Investments in joint ventures		**297**	271	301
Investments in associates		**91**	69	85
Employee benefits assets	10	**1,440**	942	1,393
Income tax		**23**	23	23
Deferred tax assets		**204**	191	158
Other receivables		**58**	53	58
Total non-current assets		**12,102**	11,124	11,941
Current assets				
Assets classified as held for sale	6	**92**	–	45
Inventories		**3,601**	2,525	3,259
Biological assets		**129**	115	105
Trade and other receivables		**1,824**	1,507	1,758
Derivative assets		**92**	146	475
Current asset investments	8	**3**	34	4
Income tax		**68**	62	67
Cash and cash equivalents	8	**1,213**	2,190	2,121
Total current assets		**7,022**	6,579	7,834
Total assets		**19,124**	17,703	19,775
Current liabilities				
Liabilities classified as held for sale	6	**(26)**	–	(14)
Lease liabilities	8	**(322)**	(292)	(316)
Loans and overdrafts	8	**(150)**	(275)	(157)
Trade and other payables		**(2,892)**	(2,466)	(3,114)
Derivative liabilities		**(134)**	(40)	(205)
Income tax		**(140)**	(152)	(160)
Provisions		**(60)**	(80)	(87)
Total current liabilities		**(3,724)**	(3,305)	(4,053)
Non-current liabilities				
Lease liabilities	8	**(2,865)**	(2,849)	(2,936)
Loans	8	**(480)**	(473)	(480)
Provisions		**(28)**	(35)	(26)
Deferred tax liabilities		**(593)**	(456)	(647)
Employee benefits liabilities		**(77)**	(145)	(79)
Total non-current liabilities		**(4,043)**	(3,958)	(4,168)
Total liabilities		**(7,767)**	(7,263)	(8,221)
Net assets		**11,357**	10,440	11,554
Equity				
Issued capital		**45**	45	45
Other reserves		**38**	175	178
Translation reserve		**253**	(16)	422
Hedging reserve		**(49)**	61	154
Retained earnings		**10,970**	10,091	10,649
Total equity attributable to equity shareholders		**11,257**	10,356	11,448
Non-controlling interests		**100**	84	106
Total equity		**11,357**	10,440	11,554

Condensed consolidated cash flow statement

for the 24 weeks ended 4 March 2023

	Note	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Cash flow from operating activities				
Profit before taxation		**644**	635	1,076
Profits less losses on disposal of non-current assets		**(2)**	(4)	(7)
Profits less losses on sale and closure of businesses		**2**	11	23
Transaction costs		**1**	4	6
Finance income		**(22)**	(6)	(19)
Finance expense		**59**	50	111
Other financial income		**(20)**	(4)	(13)
Share of profit after tax from joint ventures and associates		**(50)**	(37)	(109)
Amortisation		**39**	33	68
Depreciation (including depreciation of right-of-use assets and non-cash lease adjustments)		**386**	373	802
Exceptional items		**–**	–	206
Acquired inventory fair value adjustments		**2**	–	5
Effect of hyperinflationary economies		**8**	2	16
Net change in the fair value of current biological assets		**(39)**	(29)	(8)
Share-based payment expense		**8**	8	19
Pension costs less contributions		**(2)**	3	7
Increase in inventories		**(437)**	(376)	(953)
Increase in receivables		**(115)**	(122)	(288)
(Decrease)/increase in payables		**(151)**	46	512
Purchases less sales of current biological assets		**–**	–	(4)
(Decrease)/increase in provisions		**(20)**	13	7
Cash generated from operations		**291**	600	1,457
Income taxes paid		**(148)**	(150)	(304)
Net cash generated from operating activities		**143**	450	1,153
Cash flow from investing activities				
Dividends received from joint ventures and associates		**43**	45	93
Purchase of property, plant and equipment		**(444)**	(272)	(680)
Purchase of intangibles		**(54)**	(64)	(89)
Lease incentives received		**12**	8	46
Sale of property, plant and equipment		**11**	10	30
Purchase of subsidiaries, joint ventures and associates	7	**(29)**	(114)	(154)
Sale of subsidiaries, joint ventures and associates		**4**	–	–
Purchase of other investments		**–**	–	(7)
Interest received		**22**	4	17
Net cash used in investing activities		**(435)**	(383)	(744)
Cash flow from financing activities				
Dividends paid to non-controlling interests		**(5)**	(6)	(8)
Dividends paid to equity shareholders	5	**(235)**	(271)	(380)
Interest paid		**(57)**	(48)	(114)
Payment of lease liabilities	8	**(135)**	(131)	(321)
Decrease in short-term loans	8	**(11)**	(80)	(12)
Increase in long-term loans	8	**–**	402	178
Increase/(decrease) in current asset investments	8	**1**	(1)	30
Share buyback		**(140)**	–	–
Movement from changes in own shares held		**(21)**	(50)	(50)
Net cash used in financing activities		**(603)**	(185)	(677)
Net decrease in cash and cash equivalents		**(895)**	(118)	(268)
Cash and cash equivalents at the beginning of the period		**1,995**	2,189	2,189
Effect of movements in foreign exchange		**(20)**	20	74
Cash and cash equivalents at the end of the period	8	**1,080**	2,091	1,995

Condensed consolidated statement of changes in equity

for the 24 weeks ended 4 March 2023

	Note	Attributable to equity shareholders: Issued capital £m	Other reserves £m	Translation reserve £m	Hedging reserve £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance as at 17 September 2022		45	178	422	154	10,649	11,448	106	11,554
Total comprehensive income									
Profit for the period recognised in the income statement		–	–	–	–	527	527	15	542
Remeasurements of defined benefit schemes		–	–	–	–	18	18	–	18
Deferred tax associated with defined benefit schemes		–	–	–	–	(2)	(2)	–	(2)
Items that will not be reclassified to profit or loss		–	–	–	–	16	16	–	16
Effect of movements in foreign exchange		–	–	(164)	–	–	(164)	(15)	(179)
Net gain on hedge of net investment in foreign subsidiaries		–	–	1	–	–	1	–	1
Movement in cash flow hedging position		–	–	–	(271)	–	(271)	–	(271)
Deferred tax associated with movement in cash flow hedging position		–	–	–	62	–	62	–	62
Share of other comprehensive income of joint ventures and associates		–	–	(6)	–	–	(6)	–	(6)
Effect of hyperinflationary economies		–	–	–	–	26	26	–	26
Items that are or may be reclassified to profit or loss		–	–	(169)	(209)	26	(352)	(15)	(367)
Other comprehensive income		–	–	(169)	(209)	42	(336)	(15)	(351)
Total comprehensive income		–	–	(169)	(209)	569	191	–	191
Inventory cash flow hedge movements									
Losses transferred to cost of inventory		–	–	–	6	–	6	–	6
Total inventory cash flow hedge movements		–	–	–	6	–	6	–	6
Transactions with owners									
Dividends paid to equity shareholders	5	–	–	–	–	(235)	(235)	–	(235)
Net movement in own shares held		–	–	–	–	(13)	(13)	–	(13)
Share buyback		–	(140)	–	–	–	(140)	–	(140)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(6)	(6)
Total transactions with owners		–	(140)	–	–	(248)	(388)	(6)	(394)
Balance as at 4 March 2023		45	38	253	(49)	10,970	11,257	100	11,357
Balance as at 18 September 2021		45	175	(34)	43	9,692	9,921	83	10,004
Total comprehensive income									
Profit for the period recognised in the income statement		–	–	–	–	476	476	8	484
Remeasurements of defined benefit schemes		–	–	–	–	300	300	–	300
Deferred tax associated with defined benefit schemes		–	–	–	–	(74)	(74)	–	(74)
Items that will not be reclassified to profit or loss		–	–	–	–	226	226	–	226
Effect of movements in foreign exchange		–	–	6	–	–	6	(1)	5
Net gain on hedge of net investment in foreign subsidiaries		–	–	5	–	–	5	–	5
Movement in cash flow hedging position		–	–	–	72	–	72	–	72
Deferred tax associated with movement in cash flow hedging position		–	–	–	(3)	–	(3)	–	(3)
Share of other comprehensive income of joint ventures and associates		–	–	7	–	–	7	–	7
Effect of hyperinflationary economies		–	–	–	–	10	10	–	10
Items that are or may be subsequently reclassified to profit or loss		–	–	18	69	10	97	(1)	96
Other comprehensive income		–	–	18	69	236	323	(1)	322
Total comprehensive income		–	–	18	69	712	799	7	806
Inventory cash flow hedge movements									
Gains transferred to cost of inventory		–	–	–	(51)	–	(51)	–	(51)
Total inventory cash flow hedge movements		–	–	–	(51)	–	(51)	–	(51)
Transactions with owners									
Dividends paid to equity shareholders	5	–	–	–	–	(271)	(271)	–	(271)
Net movement in own shares held		–	–	–	–	(42)	(42)	–	(42)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(6)	(6)
Total transactions with owners		–	–	–	–	(313)	(313)	(6)	(319)
Balance as at 5 March 2022		45	175	(16)	61	10,091	10,356	84	10,440

Condensed consolidated statement of changes in equity
(continued)

for the 24 weeks ended 4 March 2023

	Note	Attributable to equity shareholders						Non-	
		Issued capital £m	Other reserves £m	Translation reserve £m	Hedging reserve £m	Retained earnings £m	Total £m	controlling interests £m	Total equity £m
Balance as at 18 September 2021		45	175	(34)	43	9,692	9,921	83	10,004
Total comprehensive income									
Profit for the period recognised in the income statement		–	–	–	–	700	700	20	720
Remeasurements of defined benefit schemes		–	–	–	–	821	821	–	821
Deferred tax associated with defined benefit schemes		–	–	–	–	(198)	(198)	–	(198)
Items that will not be reclassified to profit or loss		–	–	–	–	623	623	–	623
Effect of movements in foreign exchange		–	–	429	–	–	429	11	440
Net loss on hedge of net investment in foreign subsidiaries		–	–	(1)	–	–	(1)	–	(1)
Net gain on other investments held at fair value through other comprehensive income		–	4	–	–	–	4	–	4
Movement in cash flow hedging position		–	–	–	419	–	419	–	419
Deferred tax associated with movement in cash flow hedging position		–	–	–	(28)	–	(28)	–	(28)
Deferred tax associated with movement in other investments		–	(1)	–	–	–	(1)	–	(1)
Share of other comprehensive income of joint ventures and associates		–	–	28	–	–	28	–	28
Effect of hyperinflationary economies		–	–	–	–	46	46	–	46
Items that are or may be subsequently reclassified to profit or loss		–	3	456	391	46	896	11	907
Other comprehensive income		–	3	456	391	669	1,519	11	1,530
Total comprehensive income		–	3	456	391	1,369	2,219	31	2,250
Inventory cash flow hedge movements									
Gains transferred to cost of inventory		–	–	–	(280)	–	(280)	–	(280)
Total inventory cash flow hedge movements		–	–	–	(280)	–	(280)	–	(280)
Transactions with owners									
Dividends paid to equity shareholders	5	–	–	–	–	(380)	(380)	–	(380)
Net movement in own shares held		–	–	–	–	(31)	(31)	–	(31)
Deferred tax associated with share-based payments		–	–	–	–	(1)	(1)	–	(1)
Dividends paid to non-controlling interests		–	–	–	–	–	–	(8)	(8)
Total transactions with owners		–	–	–	–	(412)	(412)	(8)	(420)
Balance as at 17 September 2022		45	178	422	154	10,649	11,448	106	11,554

1. Operating segments

The Group has five operating segments. These are the Group's operating divisions, based on the management and internal reporting structure, which combine businesses with common characteristics, primarily in respect of the type of products offered by each business, but also the production processes involved and the manner of the distribution and sale of goods. The Board is the chief operating decision-maker.

Inter-segment pricing is determined on an arm's length basis. Segment result is adjusted operating profit, as shown on the face of the consolidated income statement. Segment assets comprise all non-current assets except employee benefits assets, income tax assets, deferred tax assets, and all current assets except cash and cash equivalents, current asset investments and income tax assets. Segment liabilities comprise trade and other payables, derivative liabilities, provisions and lease liabilities.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and expenses, cash, borrowings, employee benefits balances and current and deferred tax balances.

Segment non-current asset additions are the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year, comprising property, plant and equipment, right-of-use assets, operating intangibles and biological assets.

Businesses disposed are shown separately and comparatives have been re-presented for businesses sold or closed during the period.

The Group is comprised of the following operating segments:

Grocery
The manufacture of grocery products, including hot beverages, sugar and sweeteners, vegetable oils, balsamic vinegars, bread and baked goods, cereals, ethnic foods, and meat products, which are sold to retail, wholesale and foodservice businesses.

Sugar
The growing and processing of sugar beet and sugar cane for sale to industrial users and to Silver Spoon, which is included in the Grocery segment.

Agriculture
The manufacture of animal feeds and the provision of other products for the agriculture sector.

Ingredients
The manufacture of bakers' yeast, bakery ingredients, enzymes, lipids, yeast extracts and cereal specialities.

Retail
Buying and merchandising value clothing and accessories through the Primark and Penneys retail chains.

Geographical information
In addition to the required disclosure for operating segments, disclosure is also given of certain geographical information about the Group's operations, based on the geographical groupings: United Kingdom; Europe & Africa; The Americas; and Asia Pacific.

Revenues are shown by reference to the geographical location of customers. Profits are shown by reference to the geographical location of the businesses. Segment assets are based on the geographical location of the assets.

	Revenue			Adjusted operating profit		
	24 weeks ended 4 March 2023 £m	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Operating segments						
Grocery	**2,105**	1,821	3,735	**173**	175	399
Sugar	**1,189**	914	2,016	**86**	77	162
Agriculture	**950**	809	1,722	**12**	15	47
Ingredients	**1,088**	798	1,827	**102**	63	159
Retail	**4,228**	3,540	7,697	**351**	414	756
Central	**–**	–	–	**(40)**	(38)	(88)
	9,560	7,882	16,997	**684**	706	1,435
Geographical information						
United Kingdom	**3,590**	2,951	6,378	**261**	288	533
Europe & Africa	**3,508**	2,902	6,291	**235**	255	482
The Americas	**1,219**	919	2,028	**160**	107	279
Asia Pacific	**1,243**	1,110	2,300	**28**	56	141
	9,560	7,882	16,997	**684**	706	1,435

Operating segments for the 24 weeks ended 4 March 2023

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Central £m	Total £m
Revenue from continuing businesses	2,117	1,260	953	1,194	4,228	(192)	9,560
Internal revenue	(12)	(71)	(3)	(106)	–	192	–
Revenue from external customers	2,105	1,189	950	1,088	4,228	–	9,560
Adjusted operating profit before joint ventures and associates	141	82	8	91	351	(40)	633
Share of profit after tax from joint ventures and associates	32	4	4	11	–	–	51
Adjusted operating profit	173	86	12	102	351	(40)	684
Finance income						22	22
Finance expense	(1)	(1)	–	–	(39)	(18)	(59)
Other financial income						20	20
Adjusted profit before taxation	172	85	12	102	312	(16)	667
Profits less losses on disposal of non-current assets	1	–	–	–	–	1	2
Amortisation of non-operating intangibles	(11)	–	(2)	(7)	–	–	(20)
Acquired inventory fair value adjustments	–	–	(2)	–	–	–	(2)
Transaction costs	–	–	(1)	–	–	–	(1)
Profits less losses on sale and closure of businesses	–	(6)	–	4	–	–	(2)
Profit before taxation	162	79	7	99	312	(15)	644
Taxation						(102)	(102)
Profit for the period	162	79	7	99	312	(117)	542
Segment assets (excluding joint ventures and associates)	2,866	2,509	643	2,113	7,501	147	15,779
Investments in joint ventures and associates	52	48	147	141	–	–	388
Segment assets	2,918	2,557	790	2,254	7,501	147	16,167
Cash and cash equivalents						1,213	1,213
Current asset investments						3	3
Income tax						91	91
Deferred tax assets						210	210
Employee benefits assets						1,440	1,440
Segment liabilities	(696)	(670)	(190)	(391)	(4,193)	(187)	(6,327)
Loans and overdrafts						(630)	(630)
Income tax						(140)	(140)
Deferred tax liabilities						(593)	(593)
Employee benefits liabilities						(77)	(77)
Net assets	2,222	1,887	600	1,863	3,308	1,477	11,357
Non-current asset additions	67	131	11	86	282	2	579
Depreciation and non-cash lease adjustments	(57)	(47)	(9)	(30)	(239)	(4)	(386)
Amortisation	(13)	(1)	(3)	(7)	(15)	–	(39)

Operating segments for the 24 weeks ended 5 March 2022

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Central £m	Total £m
Revenue from continuing businesses	1,822	950	810	878	3,540	(118)	7,882
Internal revenue	(1)	(36)	(1)	(80)	–	118	–
Revenue from external customers	1,821	914	809	798	3,540	–	7,882
Adjusted operating profit before joint ventures and associates	150	75	13	54	414	(38)	668
Share of profit after tax from joint ventures and associates	25	2	2	9	–	–	38
Adjusted operating profit	175	77	15	63	414	(38)	706
Finance income						6	6
Finance expense	(1)	(1)	–	–	(35)	(13)	(50)
Other financial income						4	4
Adjusted profit before taxation	174	76	15	63	379	(41)	666
Profits less losses on disposal of non-current assets	3	–	–	–	–	1	4
Amortisation of non-operating intangibles	(15)	–	–	(5)	–	–	(20)
Transaction costs	(1)	–	–	(3)	–	–	(4)
Profits less losses on sale and closure of businesses	–	–	–	(11)	–	–	(11)
Profit before taxation	161	76	15	44	379	(40)	635
Taxation						(151)	(151)
Profit for the period	161	76	15	44	379	(191)	484
Segment assets (excluding joint ventures and associates)	2,611	2,099	519	1,722	6,805	165	13,921
Investments in joint ventures and associates	37	32	141	130	–	–	340
Segment assets	2,648	2,131	660	1,852	6,805	165	14,261
Cash and cash equivalents						2,190	2,190
Current asset investments						34	34
Income tax						85	85
Deferred tax assets						191	191
Employee benefits assets						942	942
Segment liabilities	(649)	(461)	(177)	(349)	(3,906)	(220)	(5,762)
Loans and overdrafts						(748)	(748)
Income tax						(152)	(152)
Deferred tax liabilities						(456)	(456)
Employee benefits liabilities						(145)	(145)
Net assets	1,999	1,670	483	1,503	2,899	1,886	10,440
Non-current asset additions	55	120	14	73	142	1	405
Depreciation and non-cash lease adjustments	(52)	(42)	(8)	(26)	(240)	(5)	(373)
Amortisation	(20)	(1)	(1)	(6)	(5)	–	(33)
Impairment of property, plant, equipment and right-of-use assets on sale and closure of businesses	–	–	–	(11)	–	–	(11)

Operating segments for the 52 weeks ended 17 September 2022

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Central £m	Total £m
Revenue from continuing businesses	3,736	2,097	1,728	1,996	7,697	(257)	16,997
Internal revenue	(1)	(81)	(6)	(169)	–	257	–
Revenue from external customers	3,735	2,016	1,722	1,827	7,697	–	16,997
Adjusted operating profit before joint ventures and associates	328	154	31	142	756	(88)	1,323
Share of profit after tax from joint ventures and associates	71	8	16	17	–	–	112
Adjusted operating profit	399	162	47	159	756	(88)	1,435
Finance income						19	19
Finance expense	(1)	(2)	–	(1)	(76)	(31)	(111)
Other financial income						13	13
Adjusted profit before taxation	398	160	47	158	680	(87)	1,356
Profits less losses on disposal of non-current assets	4	2	–	–	–	1	7
Amortisation of non-operating intangibles	(32)	–	(2)	(13)	–	–	(47)
Acquired inventory fair value adjustments	(1)	–	(2)	(2)	–	–	(5)
Transaction costs	(1)	–	(2)	(3)	–	–	(6)
Exceptional items	–	–	–	–	(206)	–	(206)
Profits less losses on sale and closure of businesses	–	(16)	–	(7)	–	–	(23)
Profit before taxation	368	146	41	133	474	(86)	1,076
Taxation						(356)	(356)
Profit for the period	368	146	41	133	474	(442)	720
Segment assets (excluding joint ventures and associates)	2,876	2,422	597	2,017	7,570	136	15,618
Investments in joint ventures and associates	62	45	143	136	–	–	386
Segment assets	2,938	2,467	740	2,153	7,570	136	16,004
Cash and cash equivalents						2,121	2,121
Current asset investments						4	4
Income tax						90	90
Deferred tax assets						163	163
Employee benefits assets						1,393	1,393
Segment liabilities	(703)	(616)	(196)	(450)	(4,545)	(188)	(6,698)
Loans and overdrafts						(637)	(637)
Income tax						(160)	(160)
Deferred tax liabilities						(647)	(647)
Employee benefits liabilities						(79)	(79)
Net assets	2,235	1,851	544	1,703	3,025	2,196	11,554
Non-current asset additions	128	223	26	183	489	3	1,052
Depreciation and non-cash lease adjustments	(109)	(75)	(17)	(57)	(532)	(12)	(802)
Amortisation	(37)	(3)	(3)	(14)	(11)	–	(68)
Reversal of impairment of property, plant & equipment and right-of-use assets	–	(19)	–	(11)	–	–	(30)

Geographical information for the 24 weeks ended 4 March 2023

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	**3,590**	**3,508**	**1,219**	**1,243**	**9,560**
Segment assets	**5,916**	**6,744**	**1,803**	**1,704**	**16,167**
Non-current asset additions	**143**	**292**	**105**	**39**	**579**
Depreciation and non-cash lease adjustments	**(136)**	**(175)**	**(41)**	**(34)**	**(386)**
Amortisation	**(8)**	**(26)**	**(2)**	**(3)**	**(39)**
Acquired inventory fair value adjustments	**(2)**	**–**	**–**	**–**	**(2)**
Transaction costs	**(1)**	**–**	**–**	**–**	**(1)**

Geographical information for the 24 weeks ended 5 March 2022

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	2,951	2,902	919	1,110	7,882
Segment assets	5,449	5,856	1,415	1,541	14,261
Non-current asset additions	139	170	54	42	405
Depreciation and non-cash lease adjustments	(138)	(176)	(29)	(30)	(373)
Amortisation	(14)	(13)	(3)	(3)	(33)
Transaction costs	(3)	–	–	(1)	(4)
Impairment of property, plant, equipment and right-of-use assets on sale and closure of businesses	–	–	–	(11)	(11)

Geographical information for the 52 weeks ended 17 September 2022

	United Kingdom £m	Europe & Africa £m	The Americas £m	Asia Pacific £m	Total £m
Revenue from external customers	6,378	6,291	2,028	2,300	16,997
Segment assets	5,972	6,519	1,840	1,673	16,004
Non-current asset additions	285	487	177	103	1,052
Depreciation and non-cash lease adjustments	(277)	(392)	(69)	(64)	(802)
Amortisation	(25)	(32)	(5)	(6)	(68)
Impairment of property, plant and equipment on sale and closure of businesses	–	–	–	(30)	(30)
Acquired inventory fair value adjustments	(2)	(3)	–	–	(5)
Transaction costs	(2)	(3)	–	(1)	(6)
Exceptional items	–	(206)	–	–	(206)

The Group's operations in the following countries met the criteria for separate disclosure:

	Revenue			Non-current assets		
	24 weeks ended 4 March 2023 £m	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Australia	**705**	571	1,232	**606**	568	623
Spain	**880**	748	1,545	**647**	635	650
United States	**806**	614	1,315	**854**	683	866

All segment disclosures are stated before reclassification of assets and liabilities classified as held for sale.

2. Exceptional items

2023

At half year, there were no exceptional items.

2022

At half year, there were no exceptional items. At year end, the income statement included an exceptional charge for Primark of £206m comprising non-cash writedowns of £72m against property, plant and equipment and a writedown of £134m of right-of-use assets relating to the capitalisation of store leases.

3. Income tax expense

	24 weeks ended 4 March 2023 £m	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Current tax expense			
UK – corporation tax at 21.76% (2022 – 19%)	**23**	18	44
Overseas – corporation tax	**112**	112	244
UK – (over)/under provided in prior periods	**(7)**	1	(12)
Overseas – (over)/under provided in prior periods	**–**	(3)	1
	128	128	277
Deferred tax expense			
UK deferred tax	**12**	10	18
Overseas deferred tax	**20**	12	72
UK – over provided in prior periods	**–**	–	(3)
Overseas – (over)/under provided in prior periods	**(58)**	1	(8)
	(26)	23	79
Total income tax expense in income statement	**102**	151	356
Reconciliation of effective tax rate			
Profit before taxation	**644**	635	1,076
Less share of profit after tax from joint ventures and associates	**(50)**	(37)	(109)
Profit before taxation excluding share of profit after tax from joint ventures and associates	**594**	598	967
Nominal tax charge at UK corporation tax rate of 21.76% (2022 – 19%)	**129**	114	184
Effect of higher and lower tax rates on overseas earnings	**–**	7	4
Effect of changes in tax rates on income statement	**2**	3	2
Expenses not deductible for tax purposes	**28**	24	63
Disposal of assets covered by tax exemptions or unrecognised capital losses	**1**	1	6
Deferred tax not recognised	**7**	3	120
Adjustments in respect of prior periods	**(65)**	(1)	(23)
	102	151	356
Income tax recognised directly in equity			
Deferred tax associated with defined benefit schemes	**2**	74	198
Deferred tax associated with share-based payments	**–**	–	1
Deferred tax associated with movement in cash flow hedging position	**(62)**	3	28
Deferred tax associated with movement in other investments	**–**	–	1
	(60)	77	228

The adjusted tax rate of 24.7% (2022 half year: 23.2%) is the estimated weighted average annual tax rate based on full year projections and has been applied to profit before adjusting items for the 24 weeks ended 4 March 2023. The tax impact of adjusting items has been calculated on an item-by-item basis. The UK corporation tax rate of 19% increased to 25% from 1 April 2023. The legislation to effect these changes was enacted before the balance sheet date and UK deferred tax has been calculated accordingly.

In April 2019 the European Commission published its decision on the Group Financing Exemption in the UK's controlled foreign company legislation. The Commission found that the UK law did not comply with EU State Aid rules in certain circumstances. The Group has arrangements that may be impacted by this decision as might other UK-based multinational groups that had financing arrangements in line with the UK's legislation in force at the time. The UK Government, the Group and a number of other UK companies appealed against this decision to the General Court of the European Union ('GCEU'). On 8 June 2022, the GCEU found in favour of the Commission's original decision. As a result of this, in August 2022, the UK Government, the Group and various other UK companies appealed GCEU's decision to the Court of Justice of the European Union. We have calculated our maximum potential liability to be £26m (HY22: £26m), however we do not consider that any provision is required in respect of this amount based on our current assessment of the issue. Following receipt of charging notices from HM Revenue & Customs ('HMRC'), we made payments to HMRC in FY2021. Our assessment remains that no provision is required in respect of this amount. We will continue to consider the impact of the Commission's decision on the group and the potential requirement to record a provision.

In the second half of last year a deferred tax asset arose mainly in relation to the charge taken for the impairment of property, plant and equipment and store leases in Primark Germany. A significant proportion of this asset was deemed not to be recoverable and was written off as an exceptional tax charge. Since then, further work has been undertaken to assess the amount of the deferred tax asset that is expected to be recoverable. This work determined that the deferred tax asset at last year end was understated in error. The Directors believe that this understatement of the deferred tax asset was not material to the prior period financial statements. Accordingly, an exceptional tax credit of £58m has been recognised in this half year.

4. Earnings per share

	24 weeks ended 4 March 2023 pence	24 weeks ended 5 March 2022 pence	52 weeks ended 17 September 2022 pence
Adjusted earnings per share	**62.0**	63.8	131.1
Disposal of non-current assets	**0.3**	0.5	0.9
Sale and closure of businesses	**(0.3)**	(1.4)	(2.9)
Acquired inventory fair value adjustments	**(0.3)**	–	(0.6)
Transaction costs	**(0.1)**	(0.5)	(0.8)
Exceptional items	**–**	–	(26.1)
Tax effect on above adjustments and exceptional tax	**7.4**	–	(8.0)
Amortisation of non-operating intangibles	**(2.5)**	(2.5)	(6.0)
Tax credit on non-operating intangibles amortisation and goodwill	**0.5**	0.4	1.0
Earnings per ordinary share	**67.0**	60.3	88.6

5. Dividends

	24 weeks ended 4 March 2023 pence	24 weeks ended 5 March 2022 pence	52 weeks ended 17 September 2022 pence	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
2021 final and special	**–**	34.3	34.3	**–**	271	271
2022 interim	**–**	–	13.8	**–**	–	109
2022 final	**29.9**	–	–	**235**	–	–
	29.9	34.3	48.1	**235**	271	380

The 2022 final dividend of 29.9p was approved on 9 December 2022 and totalled £235m when paid on 13 January 2023. The 2023 interim dividend of 14.2p per share, totalling £110m will be paid on 7 July 2023 to shareholders on the register on 2 June 2023.

6. Assets and liabilities classified as held for sale

The Group currently continues to expect to dispose of its north China sugar business, subject to competition and administrative requirements. £92m of assets classified as held for sale comprise of £49m of inventories, £17m of property, plant and equipment, £12m of operating intangibles, £8m of trade and other receivables and a deferred tax asset of £6m. £26m of liabilities classified as held for sale comprise trade and other payables.

7. Acquisitions and disposals

Acquisitions

2023

In November, the Agriculture division acquired Advance Sourcing, which provides specialist products to create value by improving herd performance and supports dairy farmers to improve herd efficiency and build resilience across the agri-food supply chain.

In February, the Agriculture division acquired Progres in Finland, originally created by Finnish biosciences company Hankkija and owner of a patented additive used to support good health, reduce inflammation and stimulate recovery, which improves gut integrity and the performance of animals.

Cash consideration was £24m. Net assets acquired included non-operating intangible assets of £5m, £2m of other operating assets and £17m of goodwill. The cash outflow of £29m on the purchase of subsidiaries, joint ventures and associates in the cash flow statement comprised cash consideration of £24m less cash acquired of £1m and £6m of deferred consideration in respect of previous acquisitions.

2022

In January 2022, the Group acquired Fytexia, a B2B specialty ingredients business in France and Italy producing and formulating polyphenols-based active ingredients for the dietary supplements industry. The Group also acquired a small grocery company in New Zealand and a small agriculture business in Finland during the first half.

In the second half, the Group acquired Greencoat, a UK-based animal supplement and care business.

Total consideration for these acquisitions was £160m, comprising £153m cash consideration and £7m deferred consideration. Pre-acquisition carrying amounts were the same as recognised values on acquisition apart from £88m of non-operating intangibles in respect of brands, technology and customer relationships, an £8m uplift to inventory, a £16m related deferred tax liability and goodwill of £85m.

Disposals

2023

The Group agreed to sell property, plant and equipment to its Chinese joint venture partner. Profit on sale was £4m.

In March, Gledhow, the Group's 30% equity-accounted associate in Illovo South Africa formally went into business rescue. A non-cash provision of £6m was booked on the financial guarantee held on this business' liabilities.

2022

There were no disposals in the first half. The proposed sale of a yeast company to the joint venture with Wilmar International in China (classified as held for sale at the 2021 year end) did not go ahead. The £10m non-cash impairment reversed in 2021 through profit/(loss) on sale and closure of business was reinstated at a cost of £11m.

The Group's investment in north China Sugar was classified as held-for-sale at the 2022 financial year end and an associated £19m non-cash write-down was charged to loss on sale and closure of business.

The Group also released £3m of closure provisions in Vivergo in the UK and £4m of warranty provisions that were no longer required for a disposed Ingredients business in the United States.

8. Analysis of net debt

	At 17 September 2022 £m	Cash flow £m	Acquisitions £m	New leases and non-cash items £m	Exchange adjustments £m	**At 4 March 2023 £m**
Short-term loans	(31)	11	–	–	3	**(17)**
Long-term loans	(480)	–	–	–	–	**(480)**
Lease liabilities	(3,252)	135	(1)	(71)	2	**(3,187)**
Total liabilities from financing activities	(3,763)	146	(1)	(71)	5	**(3,684)**
Cash at bank and in hand, cash equivalents and overdrafts	1,995	(895)	–	–	(20)	**1,080**
Current asset investments	4	(1)	–	–	–	**3**
Net debt including lease liabilities	(1,764)	(750)	(1)	(71)	(15)	**(2,601)**

Cash and cash equivalents comprise bank and cash balances, deposits and short-term investments with original maturities of three months or less. £133m (2022 half year – £99m; 2022 full year – £126m) of bank overdrafts that are repayable on demand form part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Net cash excluding lease liabilities is £586m (2022 half year – £1,476m; 2022 year end – £1,488m).

£133m (2022 half year – £99m; 2022 full year – £126m) of bank overdrafts plus the £17m (2022 half year – £176m; 2022 full year – £31m) of short-term loans shown above comprise the £150m (2022 half year – £275m; 2022 full year – £157m) of current loans and overdrafts shown on the face of the balance sheet.

Current and non-current lease liabilities shown on the face of the balance sheet of £322m and £2,865m respectively (2022 half year – £292m and £2,849m respectively; 2022 full year – £316m and £2,936m respectively) comprise the £3,187m (2022 half year – £3,141m; 2022 full year – £3,252m) of lease liabilities shown above. Current asset investments comprise term deposits and short-term investments with original maturities of greater than three months.

Interest paid is included within financing activities. The roll-forward of the liabilities associated with interest paid is an opening balance of £(18)m, expense of £(59)m, payments of £57m, interest on the interest rate swap £(5)m and a closing balance of £(25)m (2022 half year: opening balance of £(20)m, expense of £(50)m, payments of £48m, fx of £(1)m and a closing balance of £(23)m; 2022 full year: opening balance of £(20)m, expense of £(111)m, payments of £114m, fx of £(1)m and a closing balance of £(18)m).

9. Related parties

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Full details of the Group's other related party relationships, transactions and balances are given in the Group's financial statements for the 52 weeks ended 17 September 2022. There have been no material changes in these relationships in the 24 weeks ended 4 March 2023 or up to the date of this report. No related party transactions have taken place in the first 24 weeks of the current financial year that have materially affected the financial position or the performance of the group during that period.

10. Defined benefit pension schemes

Employee benefits assets primarily comprise the accounting surplus of the Group's UK defined benefit scheme. At the end of the period these UK asset schemes were £1,397m (2022 half year: £935m). The increase from £1,366m at the end of the last financial year is due to an increase in corporate bond yields since year end.

11. Basis of preparation

Associated British Foods plc ('the Company') is a company domiciled in the United Kingdom. The condensed consolidated interim financial statements of the Company for the 24 weeks ended 4 March 2023 comprise those of the Company and its subsidiaries (together referred to as 'the Group') and the Group's interests in joint ventures and associates.

The consolidated financial statements of the Group for the 52 weeks ended 17 September 2022 are available upon request from the Company's registered office at 10 Grosvenor Street, London, W1K 4QY or at www.abf.co.uk.

The condensed consolidated interim financial statements have been prepared in accordance with UK-adopted IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the 52 weeks ended 17 September 2022.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the consolidated interim financial statements.

The directors have reviewed a detailed cash flow forecast to the end of the 2024 financial year. Having reviewed this forecast and having applied a downside sensitivity analysis and performed a reverse stress test, the directors consider it a remote possibility that the financial headroom could be exhausted.

The Board's treasury policies are in place to maintain a strong capital base and manage the Group's balance sheet and liquidity to ensure long-term financial stability. These policies are the basis for investor, creditor and market confidence and enable the successful development of the business. The events of the last two years demonstrated the importance of sufficient financial resources and credit strength to meet any operational challenges or business disruption events. The financial leverage policy states that, in the ordinary course of business, the Board prefers to see the Group's ratio of net debt including lease liabilities to adjusted EBITDA to be well under 1.5x. At the end of this financial period, the financial leverage ratio was 1.2x and the Group had net cash before lease liabilities of £586m.

In March 2023, S&P Global Ratings reaffirmed their assignment to the Group of an 'A' grade long-term issuer credit rating. The Group's funding basis is supported by the existing £400m public bond due in 2034 furthermore the Groups committed Revolving Credit Facility is free of performance covenants maturing in 2027, with two 1-year extension options.

In reviewing the cash flow forecast for the period, the directors reviewed the trading for both Primark and the Food businesses in light of the experience gained from events of the last two years of trading and emerging trading patterns. The directors have a thorough understanding of the risks, sensitivities and judgements included in these elements of the cash flow forecast and have a high degree of confidence in these cash flows.

As a downside scenario the directors considered the adverse scenario in which inflationary costs are not fully recovered and in which energy costs are twice the forecasted increase and other inflationary cost pressures are 25% higher. It also includes further adverse foreign exchange impacts combined with a global recession, reducing demand for goods further than the base levels forecast. This downside scenario was modelled without taking any mitigating actions within their control. Under this downside scenario the Group forecasts liquidity throughout the period and compliance with financial covenants in the remaining $100m of outstanding private placement notes (due March 2024).

In addition, the directors also considered the circumstances which would be needed to exhaust the Group's total liquidity over the assessment period – a reverse stress test. This indicates that increasing inflation (rising energy costs and other inflationary cost pressures; and adverse foreign exchange impacts) combined with a global recession, reducing demand for goods, and more frequent and extreme weather events would need to exceed £3.9 billion more than the level forecasted by the Group, without any mitigating actions being taken before total liquidity is exhausted. The likelihood of these circumstances is considered remote for two reasons. Firstly, over such a long period, management could take substantial mitigating actions, such as reviewing pricing, cost cutting measures and reducing capital investment. Secondly, the Group has significant business and asset diversification and would be able to, if it were necessary, dispose of assets and/or businesses to raise considerable levels of funds.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Operating Review. Note 26 on pages 204 to 215 of the 2022 Annual Report provides details of the Group's policy on managing its financial and commodity risks.

The 24 week period for the condensed consolidated interim financial statements of the Company means that the second half of the year is usually a 28 week period, and the two halves of the reporting year are therefore not of equal length. For the Retail segment, Christmas, falling in the first half of the year, is a particularly important trading period. For the Sugar segment, the balance sheet, and working capital in particular, is strongly influenced by seasonal growth patterns for both sugar beet and sugar cane, which vary significantly in the markets in which the Group operates.

The condensed consolidated interim financial statements are unaudited but have been subject to an independent review by the auditor and were approved by the board of directors on 25 April 2023. They do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The comparative figures for the 52 weeks ended 17 September 2022 have been abridged from the Group's 2022 financial statements and are not the Company's statutory financial statements for that period. Those financial statements have been reported on by the Company's auditor for that period and delivered to the Registrar of Companies. The report of the auditor was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

This Interim Results Announcement has been prepared solely to provide additional information to shareholders as a body, to assess the Group's strategies and the potential for those strategies to succeed. This Interim Results Announcement should not be relied upon by any other party or for any other purpose.

12. Significant accounting policies

Except where detailed otherwise, the accounting policies applied by the Group in these condensed consolidated interim financial statements are substantially the same as those applied by the Group in its consolidated financial statements for the 52 weeks ended 17 September 2022 including for derivatives and current biological assets, which are recognised in the balance sheet at fair value and fair value less costs to sell, respectively. The methodology for selecting assumptions underpinning the fair value calculations has not changed since 17 September 2022. The significant movement in derivatives and in the cash flow hedging position recorded in other comprehensive income are due to changes in underlying market conditions.

New accounting standards

The following accounting standards, amendments and clarifications were adopted during the period and had no significant impact on the Group:

- Annual Improvements to IFRS 2018–2020:

    - Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards—Subsidiary as a First-time Adopter.
    - Amendment to IFRS 9 Financial Instruments—Fees in the '10 per cent' Test for Derecognition of Financial Liabilities.
    - Amendment to IAS 41 Agriculture—Taxation in Fair Value Measurements.
- Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Accounting standards not yet applicable

The Group is assessing the impact of the following standards, interpretations and amendments that are not yet effective. Where already endorsed by the UK Endorsement Board (UKEB), these changes will be adopted on the effective dates noted. Where not yet endorsed by the UKEB, the adoption date is less certain:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) effective 2024 financial year
- Definition of Accounting Estimates (Amendments to IAS 8) effective 2024 financial year
- Disclosure of Accounting policies (*Classification of Liabilities as Current or Non-current* - Amendments to IAS 1 and IFRS Practice Statement 2). IAS 1 effective 2024 financial year. IFRS 2 Practice Statement 2 has no transition requirements or effective date
- IFRS 17 Insurance Contracts effective 2024 financial year
- Amendments to *Classification of Liabilities as Current or Non-current* - IAS 1 *Presentation of Financial Statements* effective 2024 financial year (not yet endorsed by the UKEB)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) effective 2024 financial year

13. Accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing the condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the 52 weeks ended 17 September 2022.

14. Alternative performance measures

In reporting financial information, the Board uses various alternative performance measures (APMs) which it believes provide useful additional information for understanding the financial performance and financial health of the Group. These APMs should be considered in addition to IFRS measures and are not intended to be a substitute for them. Since IFRS does not define APMs, they may not be directly comparable to similar measures used by other companies.

The Board also uses APMs to improve the comparability of information between reporting periods and geographical units (such as like-for-like sales) by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid users in understanding the Group's performance.

Consequently, the Board and management use APMs for performance analysis, planning, reporting and incentive-setting.

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
Like-for-like sales	No direct equivalent	The like-for-like sales metric enables measurement of the performance of our retail stores on a comparable year-on-year basis. This measure represents the change in sales at constant currency in our retail stores adjusted for new stores, closures and relocations. Refits, extensions and downsizes are also adjusted for if a store's retail square footage changes by 10% or more. For each change described above, a store's sales are excluded from like-for-like sales for one year. No adjustments are made for disruption during refits, extensions or downsizes if a store's retail square footage changes by less than 10%, for cannibalisation by new stores, or for the timing of national or bank holidays. It is measured against comparable trading days in each period.	Consistent with the definition given
Adjusted operating (profit) margin	No direct equivalent	Adjusted operating (profit) margin is adjusted operating profit as a percentage of revenue.	See note A
Adjusted operating profit	Operating profit	Adjusted operating profit is stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets and exceptional items. Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of adjusted operating profit.	A reconciliation of this measure is provided on the face of the condensed consolidated income statement and by operating segment in note 1
Adjusted profit before tax	Profit before tax	Adjusted profit before tax is stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets, exceptional items and profits less losses on sale and closure of businesses.	A reconciliation of this measure is provided on the face of the condensed consolidated income

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
		Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of adjusted profit before tax.	statement and by operating segment in note 1
Adjusted earnings per share	Earnings per share	Adjusted earnings per share is stated before amortisation of non-operating intangibles, transaction costs, amortisation of fair value adjustments made to acquired inventory, profits less losses on disposal of non-current assets, exceptional items and profits less losses on sale and closure of businesses together with the related tax effect. Items defined above which arise in the Group's joint ventures and associates are also treated as adjusting items for the purposes of adjusted earnings per share.	Reconciliation of this measure is provided in note 4
Exceptional items	No direct equivalent	Exceptional items are items of income and expenditure which are material and unusual in nature and are considered of such significance that they require separate disclosure on the face of the income statement.	Exceptional items are included on the face of the condensed consolidated income statement with further detail provided in note 2
Constant currency	Revenue and see adjusted operating profit (non-IFRS) measure	Constant currency measures are derived by translating the relevant prior year figures at current year average exchange rates, except for countries where CPI has escalated to extreme levels, in which case actual exchange rates are used. There are currently three countries where the Group has operations in this position – Argentina, Venezuela and Turkey.	See note B
Effective tax rate	Income tax expense	The effective tax rate is the tax charge for the period expressed as a percentage of profit before tax.	Whilst the effective tax rate is not disclosed, a reconciliation of the tax charge on profit before tax at the UK corporation tax rate to the actual tax charge is provided in note 3
Adjusted effective tax rate	No direct equivalent	The adjusted effective tax rate is the tax charge for the period excluding tax on adjusting items expressed as a percentage of adjusted profit before tax.	The tax impact of reconciling items between profit before tax and adjusted profit before tax is shown in note 3
Dividend cover	No direct equivalent	Dividend cover is the ratio of adjusted earnings per share to dividends per share relating to the period.	See note C
Capital expenditure	No direct equivalent	Capital expenditure is a measure of investment each period in non-current assets in existing businesses. It comprises cash outflows from the purchase of property, plant and equipment and intangibles.	See note D
Gross investment	No direct equivalent	Gross investment is a measure of investment each period in non-current assets of existing businesses and acquisitions of new businesses. It includes capital expenditure as well as cash outflows from the purchase of subsidiaries, joint ventures and associates, additional shares in subsidiary undertakings purchased from non-controlling interests and other investments, as well as net debt assumed in acquisitions.	See note E
Net cash/debt before lease liabilities	No direct equivalent	This measure comprises cash, cash equivalents and overdrafts, current asset investments and loans.	A reconciliation of this measure is shown in note 8
Net cash/debt including lease liabilities	No direct equivalent	This measure comprises cash, cash equivalents and overdrafts, current asset investments, loans and lease liabilities.	A reconciliation of this measure is shown in note 8
Adjusted EBITDA	See Adjusted operating profit (non-IFRS) measure	Adjusted EBITDA is stated before depreciation, amortisation and impairment charged to adjusted operating profit.	See note F
Financial leverage ratio	No direct equivalent	Financial leverage is the ratio of net cash/debt including lease liabilities to adjusted EBITDA based on the last 12 months rolling adjusted EBITDA.	See note F
Total liquidity	No direct equivalent	Total liquidity comprises net cash/debt before lease liabilities plus qualifying debts and credit facilities. Qualifying debt and credit facilities are those which are medium-to-long-term, are committed and either contain no performance covenants, or where they do, they are assessed as highly unlikely to be breached in even a severe downside scenario.	See note G

APM	Closest equivalent IFRS measure	Definition/purpose	Reconciliation/calculation
(Average) capital employed	No direct equivalent	Capital employed is derived from the management balance sheet and does not reconcile directly to the statutory balance sheet. All elements of capital employed are calculated in accordance with UK adopted IFRS. Average capital employed for each segment and the Group is calculated by averaging the capital employed for each period of the financial year based on the reporting calendar of each business.	Consistent with the definition given
Return on (average) capital employed	No direct equivalent	The return on (average) capital employed measure divides annualised adjusted operating profit by average capital employed.	Consistent with the definition given
(Average) working capital	No direct equivalent	Working capital is derived from the management balance sheet and does not reconcile directly to the statutory balance sheet. All elements of working capital are calculated in accordance with UK-adopted IFRS. Average working capital for each segment and the Group is calculated by averaging the working capital for each period of the financial year based on the reporting calendar of each business.	Consistent with the definition given
(Average) working capital as a percentage of revenue	No direct equivalent	This measure expresses (average) working capital as a percentage of revenue.	Consistent with the definition given

Note A

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Central and disposed businesses £m	Total £m
24 weeks ended 4 March 2023							
External revenue from continuing businesses	**2,105**	**1,189**	**950**	**1,088**	**4,228**	**–**	**9,560**
Adjusted operating profit	**173**	**86**	**12**	**102**	**351**	**(40)**	**684**
Adjusted operating margin %	**8.2%**	**7.2%**	**1.3%**	**9.4%**	**8.3%**		**7.2%**
24 weeks ended 5 March 2022							
External revenue from continuing businesses	1,821	914	809	798	3,540	–	7,882
Adjusted operating profit	175	77	15	63	414	(38)	706
Adjusted operating margin %	9.6%	8.4%	1.9%	7.9%	11.7%		9.0%

Note B

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Disposed businesses £m	Total £m
24 weeks ended 4 March 2023							
External revenue from continuing businesses at actual rates	**2,105**	**1,189**	**950**	**1,088**	**4,228**	**–**	**9,560**
24 weeks ended 5 March 2022							
External revenue from continuing businesses at actual rates	1,821	914	809	798	3,540	–	7,882
Impact of foreign exchange	99	22	15	62	89	–	287
External revenue from continuing businesses at constant currency	1,920	936	824	860	3,629	–	8,169
% change at constant currency	+10%	+27%	+15%	+27%	+17%		+17%

	Grocery £m	Sugar £m	Agriculture £m	Ingredients £m	Retail £m	Central and disposed businesses £m	Total £m
24 weeks ended 4 March 2023							
Adjusted operating profit at actual rates	**173**	**86**	**12**	**102**	**351**	**(40)**	**684**
24 weeks ended 5 March 2022							
Adjusted operating profit at actual rates	175	77	15	63	414	(38)	706
Impact of foreign exchange	17	5	1	6	3	–	32
Adjusted operating profit at constant currency	192	82	16	69	417	(38)	738
% change at constant currency	-10%	+5%	-25%	+48%	-16%		-7%

Note C

	24 weeks ended 4 March 2023 pence	24 weeks ended 5 March 2022 pence	52 weeks ended 17 September 2021 pence
Adjusted earnings per share (pence)	**62.0**	63.8	131.1
Dividends relating to the period (pence)	**14.2**	13.8	43.7
Dividend cover	**4**	5	3

Note D

From the cash flow statement	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Purchase of property, plant and equipment	**444**	272	680
Purchase of intangibles	**54**	64	89

	498	336	769

Note E

From the cash flow statement	**24 weeks ended 4 March 2023 £m**	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Purchase of property, plant and equipment	**444**	272	680
Purchase of intangibles	**54**	64	89
Purchase of subsidiaries, joint ventures and associates	**29**	114	154
Purchase of other investments	**–**	–	7
	527	450	930

Note F

	24 weeks ended 4 March 2023 £m	24 weeks ended 5 March 2022 £m	52 weeks ended 17 September 2022 £m
Adjusted operating profit	**684**	706	1,435
Charged to adjusted operating profit:			
Depreciation of property, plant and equipment	**258**	245	521
Amortisation of operating intangibles	**20**	14	24
Depreciation of right-of-use assets and non-cash lease adjustments	**128**	128	281
Adjusted EBITDA	**1,090**	1,093	2,261
Net debt including lease liabilities	**(2,601)**	(1,665)	(1,764)
Financial leverage ratio (based on the last 12 months rolling adjusted EBITDA)	**1.2**	0.8	0.8

Note G

	At 4 March 2023 £m	At 5 March 2022 £m	At 17 September 2022 £m
Net cash before lease liabilities	**586**	1,476	1,488
Qualifying debt	**400**	400	400
Qualifying credit facilities	**1,500**	1,088	1,500
Total liquidity	**2,486**	2,964	3,388

Cautionary statements

This report contains forward-looking statements. These have been made by the directors in good faith based on the information available to them up to the time of their approval of this report. The directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Responsibility statement

The Interim Results Announcement complies with the Disclosure and Transparency Rules ('the DTR') of the UK's Financial Conduct Authority in respect of the requirement to produce a half-yearly financial report.

The directors confirm that to the best of their knowledge:

this financial information has been prepared in accordance with UK-adopted International Accounting Standard 34 *Interim Financial Reporting*;
this Interim Results Announcement includes a fair review of the important events during the first half and their impact on the financial information, and a description of the principal risks and uncertainties for the remaining half of the year as required by DTR 4.2.7R; and
this Interim Results Announcement includes a fair review of the disclosure of related party transactions and changes therein as required by DTR 4.2.8R.

On behalf of the board

Michael McLintock
Chairman

George Weston
Chief Executive

John Bason
Finance Director

25 April 2023

Independent review report to Associated British Foods plc

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the Interim Results Announcement for the 24 week period ended 4 March 2023 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated cash flow statement, the condensed consolidated statement of changes in equity and the related explanatory notes. We have read the other information contained in the Interim Results Announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements in the Interim Results Announcement for the 24 week period ended 4 March 2023 are not prepared, in all material respects, in accordance with UK-adopted International Accounting Standard 34 *Interim Financial Reporting* and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK and Ireland) *Review of Interim Financial information performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 11, the annual financial statements of the Group will be prepared in accordance with UK-adopted international accounting standards. The condensed set of financial statements included in this Interim Results Announcement has been prepared in accordance with UK-adopted International Accounting Standard 34 *Interim Financial Reporting*.

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the Interim Results Announcement in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Interim Results Announcement, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the Interim Results Announcement, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the Interim Results Announcement. Our conclusion, including our Conclusions Relating to Going Concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) *Review of Interim Financial information performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP

Birmingham

25 April 2023