



ALLIED DOMECQ

Results for the Half Year to
28 February 2002



ALLIED DOMECQ

Philip Bowman

Chief Executive

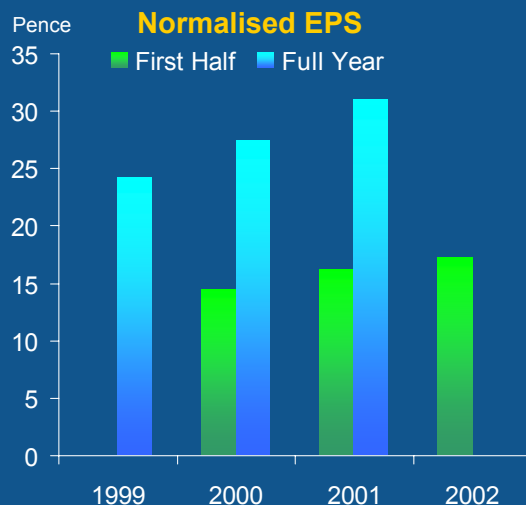
Allied Domecq - Results Highlights

	2002	2001	Growth%
Turnover (£m)	1,704	1,457	17
Trading profit (£m)	313	277	13
Profit before tax (£m)	251	236	6
Basic earnings per share (p)	21.6	15.2	42
Normalised earnings per share (p)	17.2	16.1	7
A&P investment in Spirits & Wine (£m)	204	161	27
Dividend (p)	4.9	4.5	9

Note: The results above are at reported exchange rates. During the period, the Mexico excise rebate was treated as an exceptional item and amounted to £74m after tax.



Generating Value



Total Shareholder Return

- 1st Anheuser-Busch 67.7%
- 2nd Diageo 50.8%
- **3rd Allied Domecq 49.7%**
- 4th Pepsico 35.8%
- 5th Nestlé 34.0%
- 6th Tricon 22.7%
- 7th Colgate-Palmolive 21.8%
- 8th Philip Morris 21.2%
- 9th Heineken 20.8%
- 10th Kellogg 16.4%
- 11th Unilever 7.0%
- 12th Procter & Gamble 3.6%
- 13th Carlsberg (10.9%)
- 14th Coca-Cola (14.5%)
- 15th Heinz (14.6%)
- 16th Gillette (24.1%)
- 17th McDonald's (24.1%)
- 18th Campbell Soup (44.8%)

NB. TSR calculations are based on movements since 1 January 1999 and assume dividends received are re-invested to purchase additional units of equity at the closing price applicable on the ex-dividend date. Source: Datastream - 19 April 2002



US Trading – The Issues

- Pricing implementation
- Economic slowdown
- Shift away from tactical A&P spend in the field



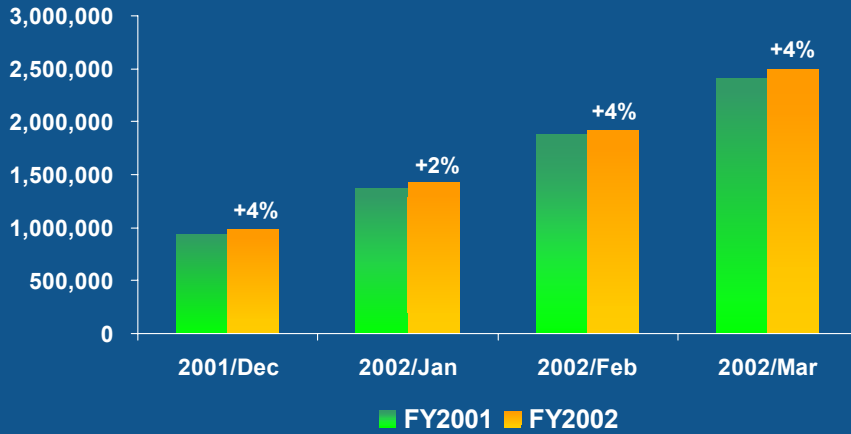
Short Term Actions in the US

- Senior executive changes
- 5 year country strategy
- Refined pricing – by brand and State
- Re-aligned A&P to tactical field implementation
- Re-deployed resources in the on-premise
- Focus and discipline on A&P effectiveness



Improving US Trends

The US Portfolio has shown consistent growth for the last 4 months

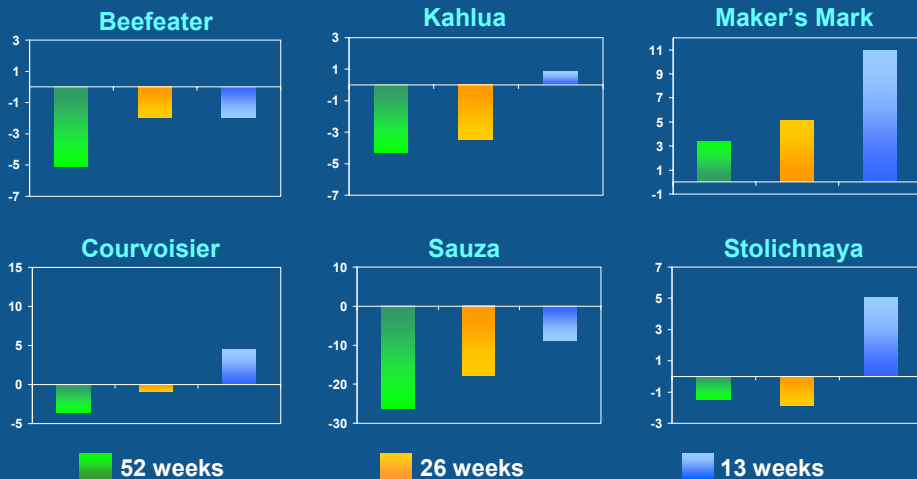


Source: Cumulative 9L Depletions



Improving US Brand Performance

% change on year



Source: Nielsen Food and Liquor – 16 March 2002



Medium to Long Term Actions in US

- Focus on brand market combinations
- A&P effectiveness
- Strengthen field marketing team
- Launch of RTDs and further innovation
- Harnessing value from Malibu
- Distributor '*partner of choice*' programme

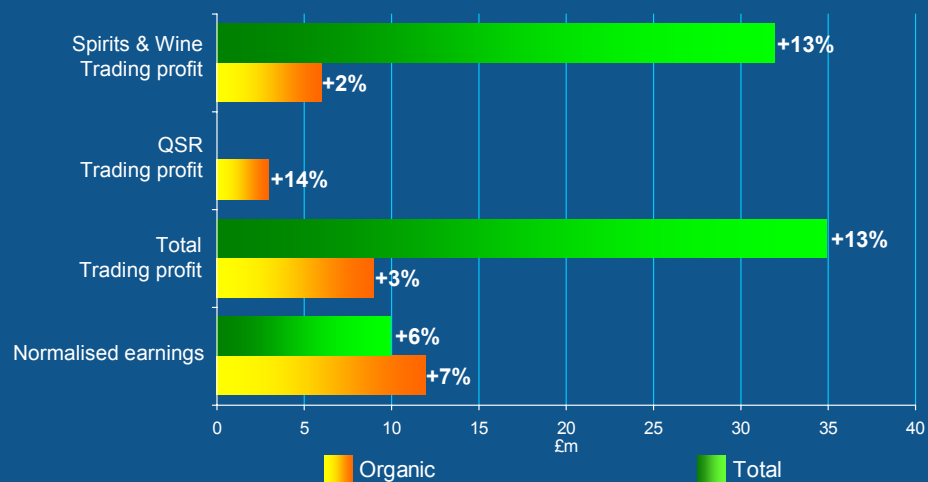


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Graham Hetherington

Chief Financial Officer

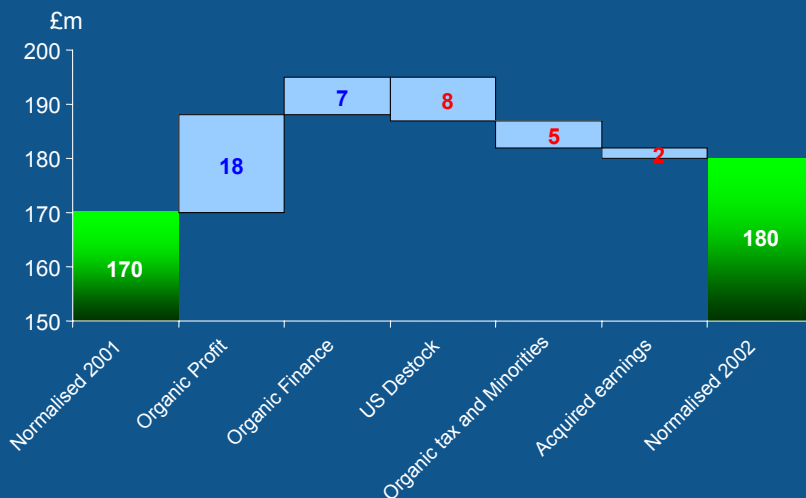
Earnings Growth



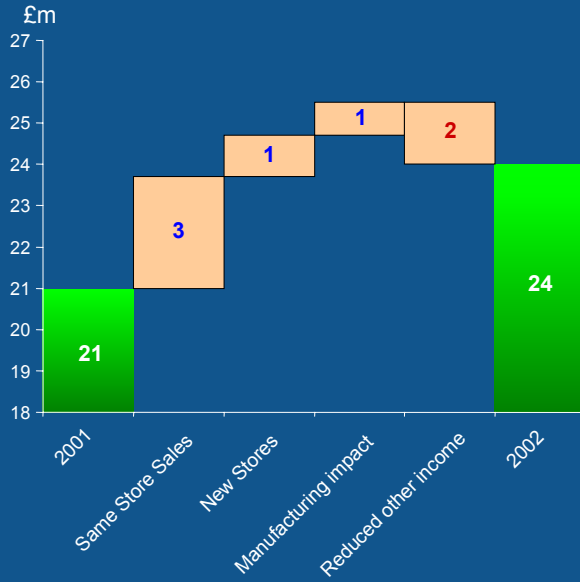
Note: Unless otherwise stated trading profit analysis in the presentation is at constant exchange rates.



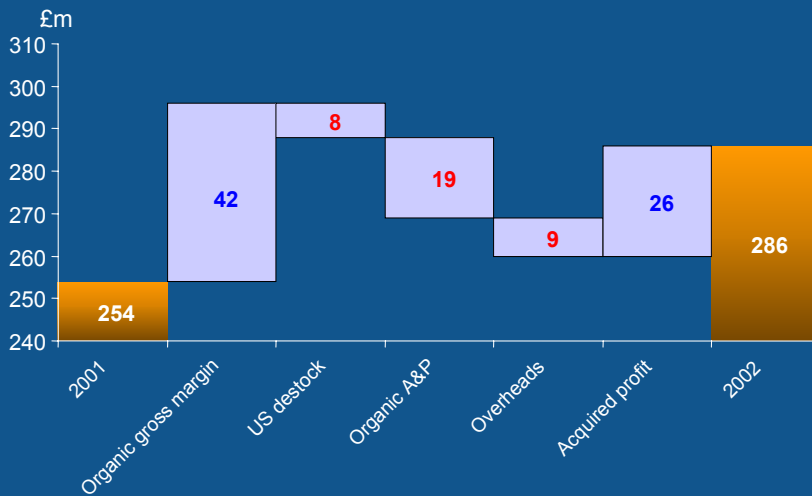
Allied Domecq Earnings Drivers



QSR Profit Drivers

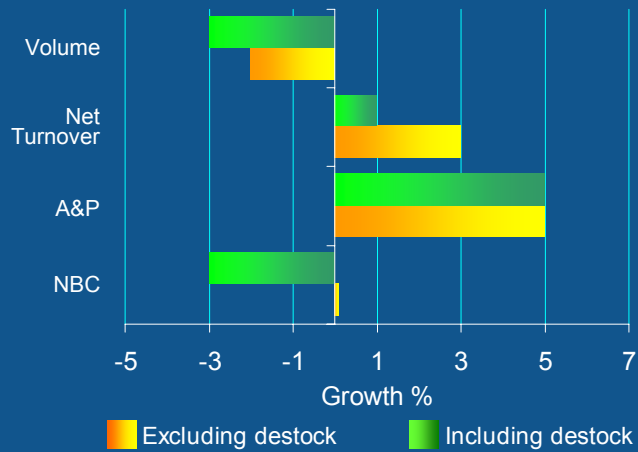


Spirits & Wine Profit Drivers



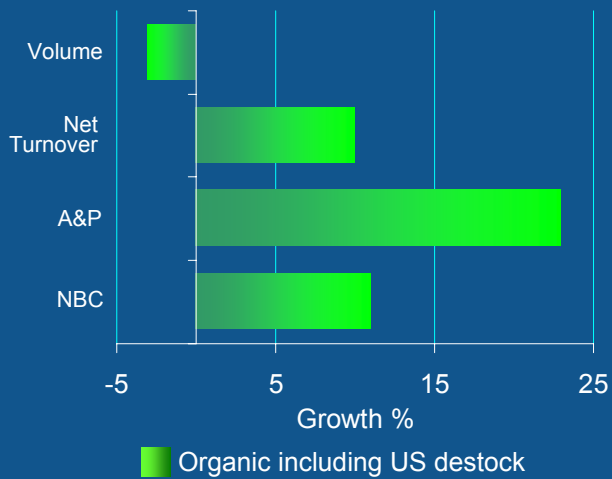
Core Brands

Net Brand Contribution Drivers



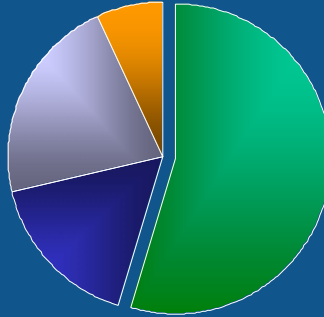
Local Market Leaders

Net Brand Contribution Drivers



Developing the Wine Business

August 2001 Wine Sales (£245m)



- Premium
- Agency
- Fortifieds
- Coolers

(9m cases)



Developing the Wine Business

Proforma Premium Wine Sales (£470m)



(18m cases)



Acquisitions

- EBIT before integration greater than £90m
- Related integration costs £30m
- Benefits of £10m pa
- Post completion update on Malibu

G.H.Mumm & Perrier Jouët £364m				Montana £406m		Bodegas y Bebidas £189m	
Jan	Feb	Apr	Jun	Aug	Oct	Dec	
Stolichnaya		Mar	May	Jul	Sep	Nov	
				Buena Vista and Graffigna £91m	Kuemmerling £128m		



Mexican Excise Rebate

	2001 Actual £m	2002 Estimate £m	2003 Estimate £m	Total £m
Mexican excise rebate	47	171	80	298
Post tax	30	110	52	192
Cash	47	105	56	208



New Accounting Standards

FRS 19

- Balance sheet adjustment of £46m
- No impact on tax charge

FRS 17

- No difference to cash contribution
- Will be reflected in 2003 balance sheet



Summary

- Addressing challenges
- Building for the future
- Generating cash





ALLIED DOMECQ

Philip Bowman

Chief Executive

Building for the Future

EFFECTIVENESS

+

ACQUISITION

+

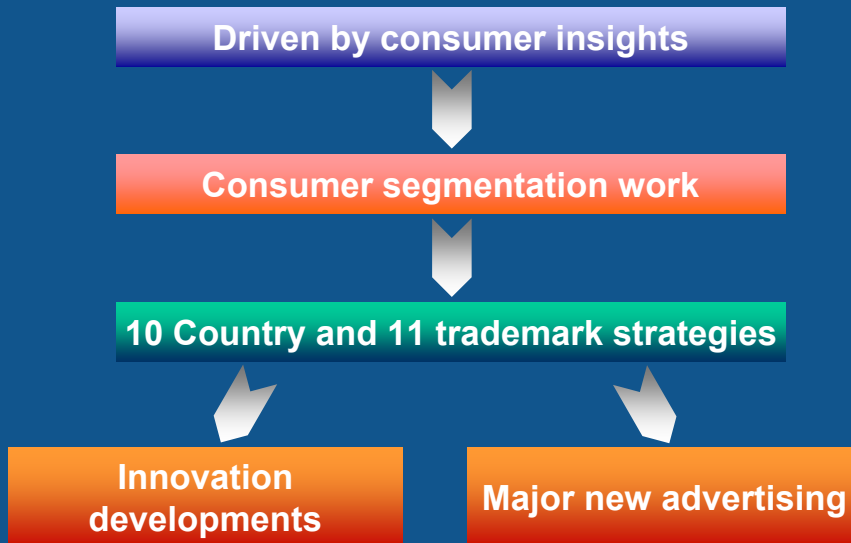
INNOVATION



GROWTH



Focus on the Consumer



Ballantine's "Go play"

- Start with consumer insights - *Young lions*
- Strong brand proposition – "Go play"
- Largest ever spend on one brand
- Fully integrated through-the-line campaign
- Launch in over 50 countries



Investing in People

- Global assessment platform
- Talent development programme
- Improved quality for attraction and recruitment
- Performance-based reward



Malibu Update

- FTC approval likely in May
- Third most profitable brand in portfolio
- Fits strategy to build quality
- Strengthens position in US, UK, France and Spain
- On-trade opportunities
- Investment to enhance on-trade skills



Creating a World Class Wine Business

- Quality team of wine specialists
- Focus on integration and best practice transfer
- Montana
 - Corbans integration completed
 - Record 2002 harvest
- Bodegas y Bebidas
- Champagne
- Distribution rationalisation



Achievements

- Actions in US delivering results
- Malibu – at an attractive price
- Creation of wine business
- Integration of acquisitions on track
- Strengthened our management team
- SAP implementation
- Trademark and country strategies developed
- Innovation – RTDs and Tia Lusso
- New advertising campaigns





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