

Investor Briefing FY 2011

September 2011

This presentation contains strategic targets which, for the avoidance of doubt, are not intended to be forecasts.

Highlights

- Revenue up 9.5%
- Earnings per share up 17% to 9.6p (2010:8.2p)
- Final dividend proposed of 4.1p (2010: 4.1p) making 6.3p for the year (2010: 6.3p)
- Continue to manage overheads tightly
- Strength and potential of the company has enabled us to attract high quality Board members

The strengthening of the Board has continued



Stephen Boyd
Non-Executive
From 8 July 2011



Roger McDowell
Non-Executive
From 8 July 2011

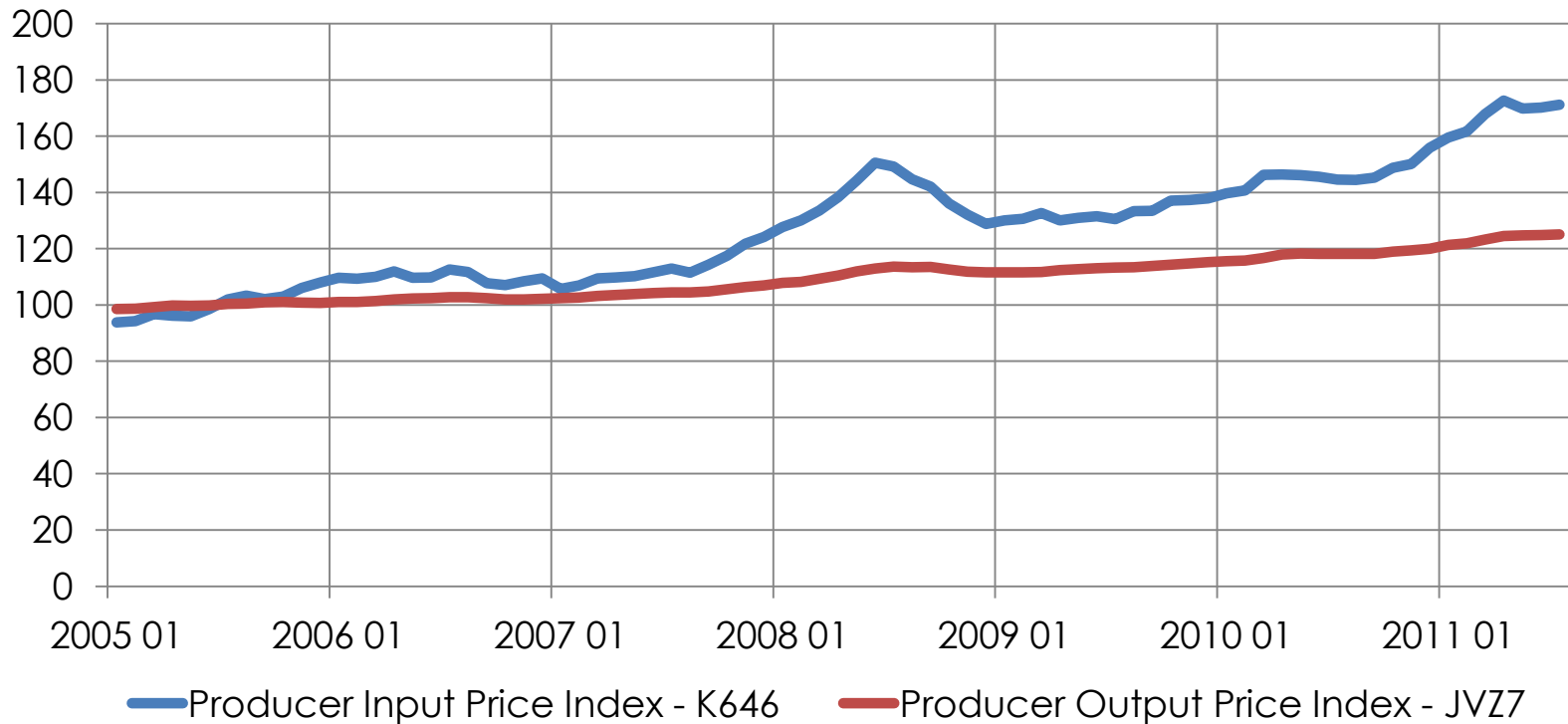
... and we have appointed a high quality Chairman



Martin Hagen

- Past President of the Institute of Chartered Accountants
- Deputy Chairman of the Financial Services Authority's Regulatory Decisions Committee
 - Non-executive director of South West Water
 - Governor of the University of the West of England

Input costs continue their rapid rise and have been difficult to pass on...

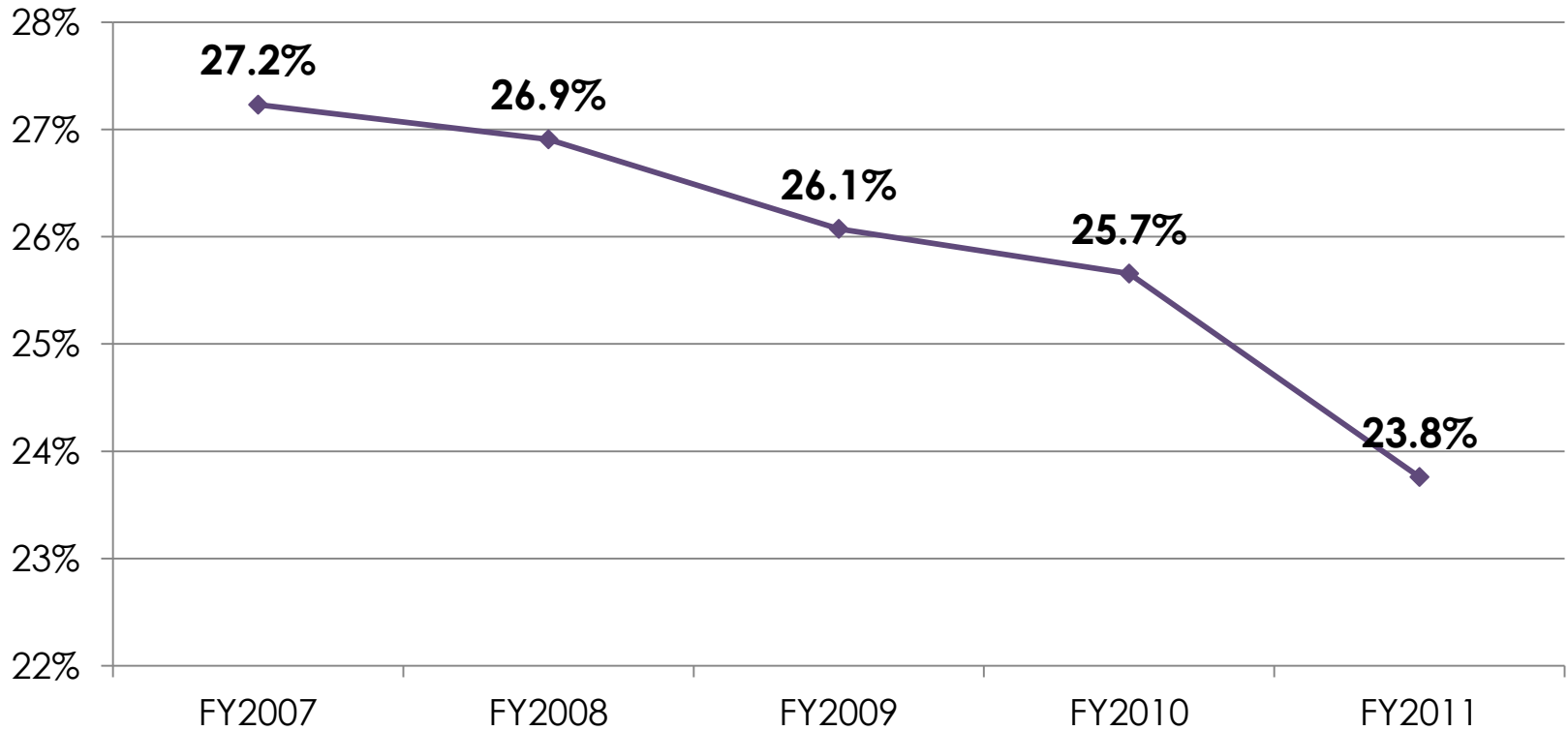


- Impact: margins excluding overheads down 1.9%

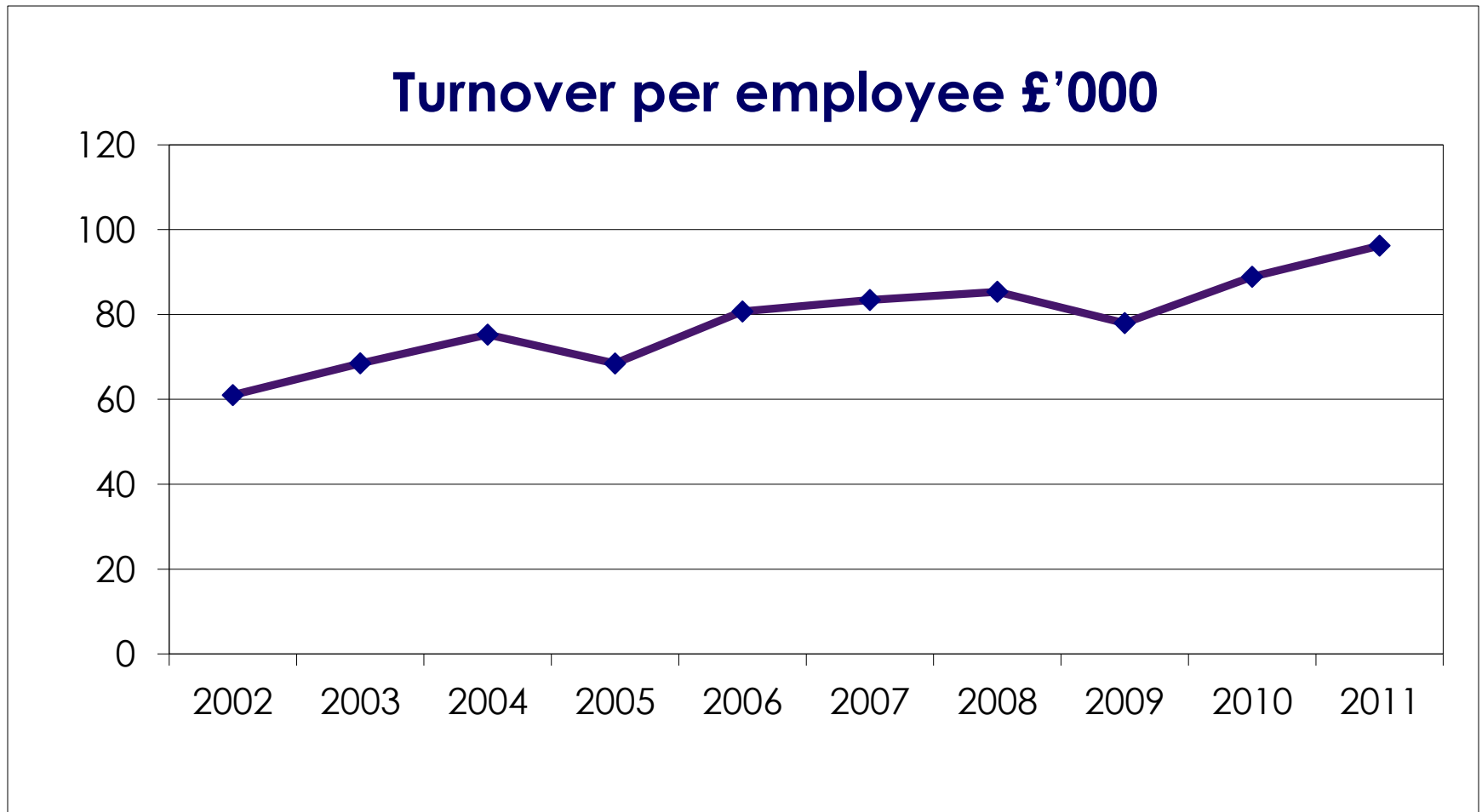
Source: ONS – UK data

... but tight management of overheads help offset ...

Total Overheads as % of Revenue

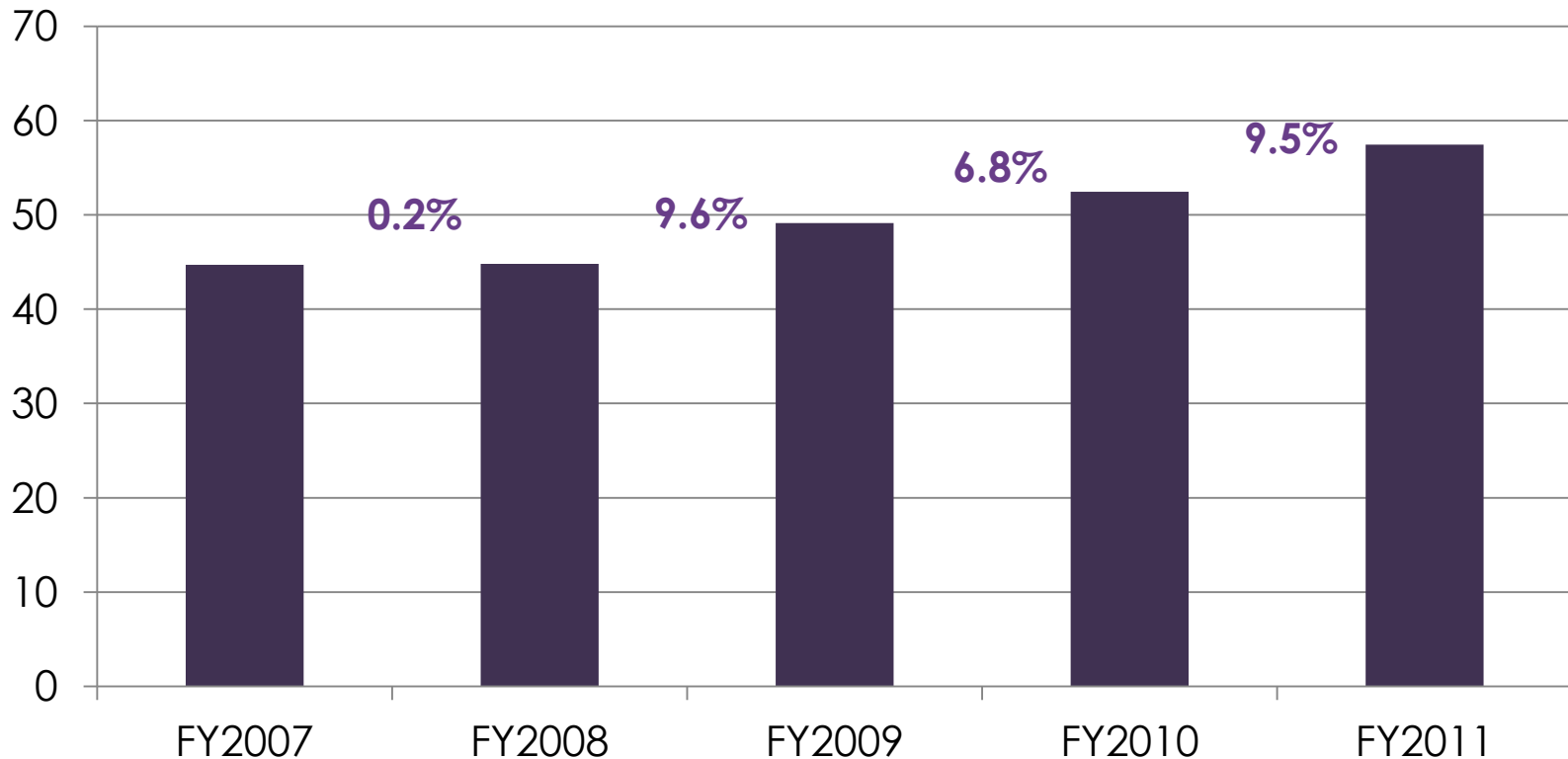


... as does increasing productivity.

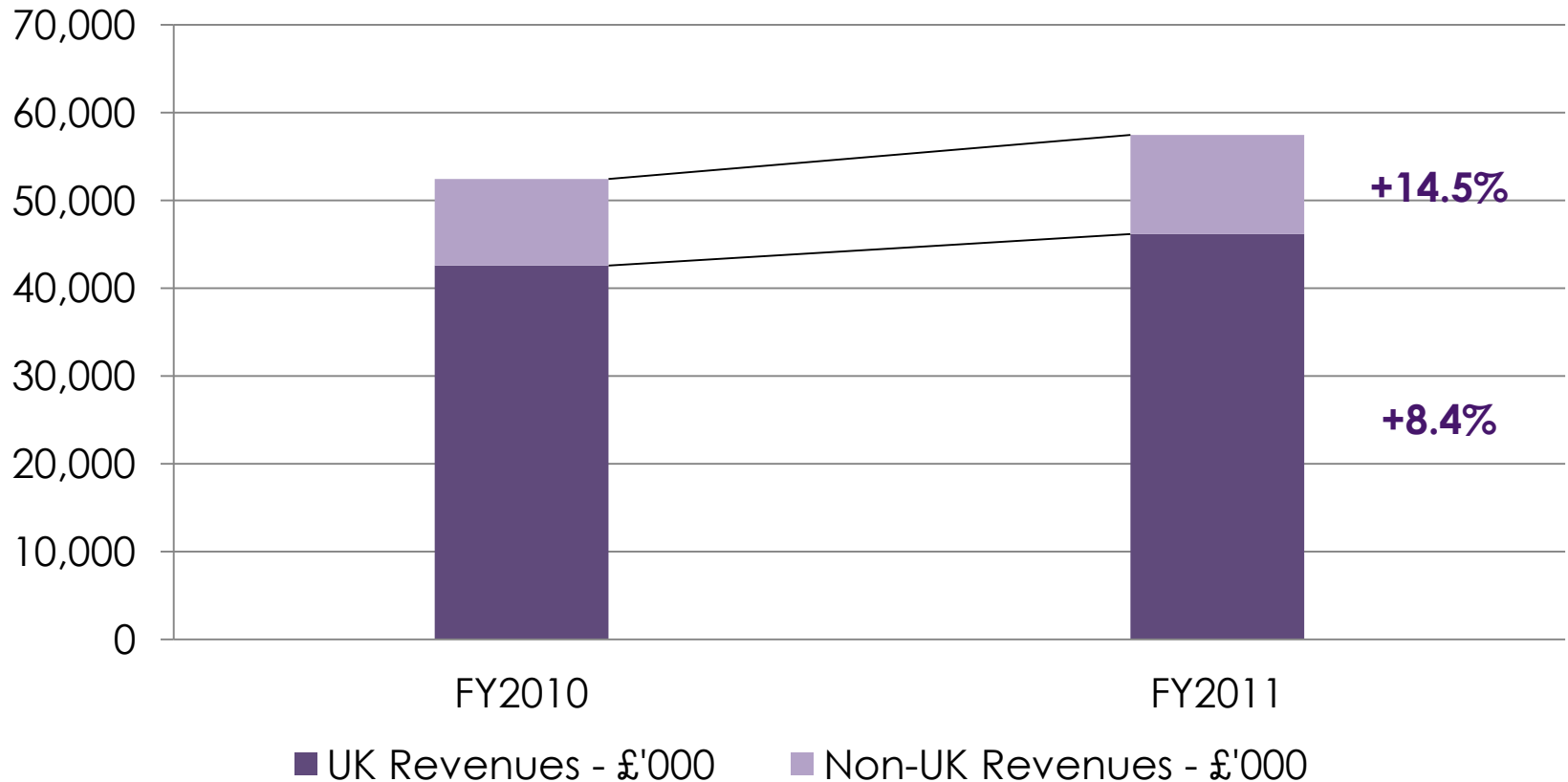


Revenue growth also counteracts this challenging background ...

Revenue - £'m

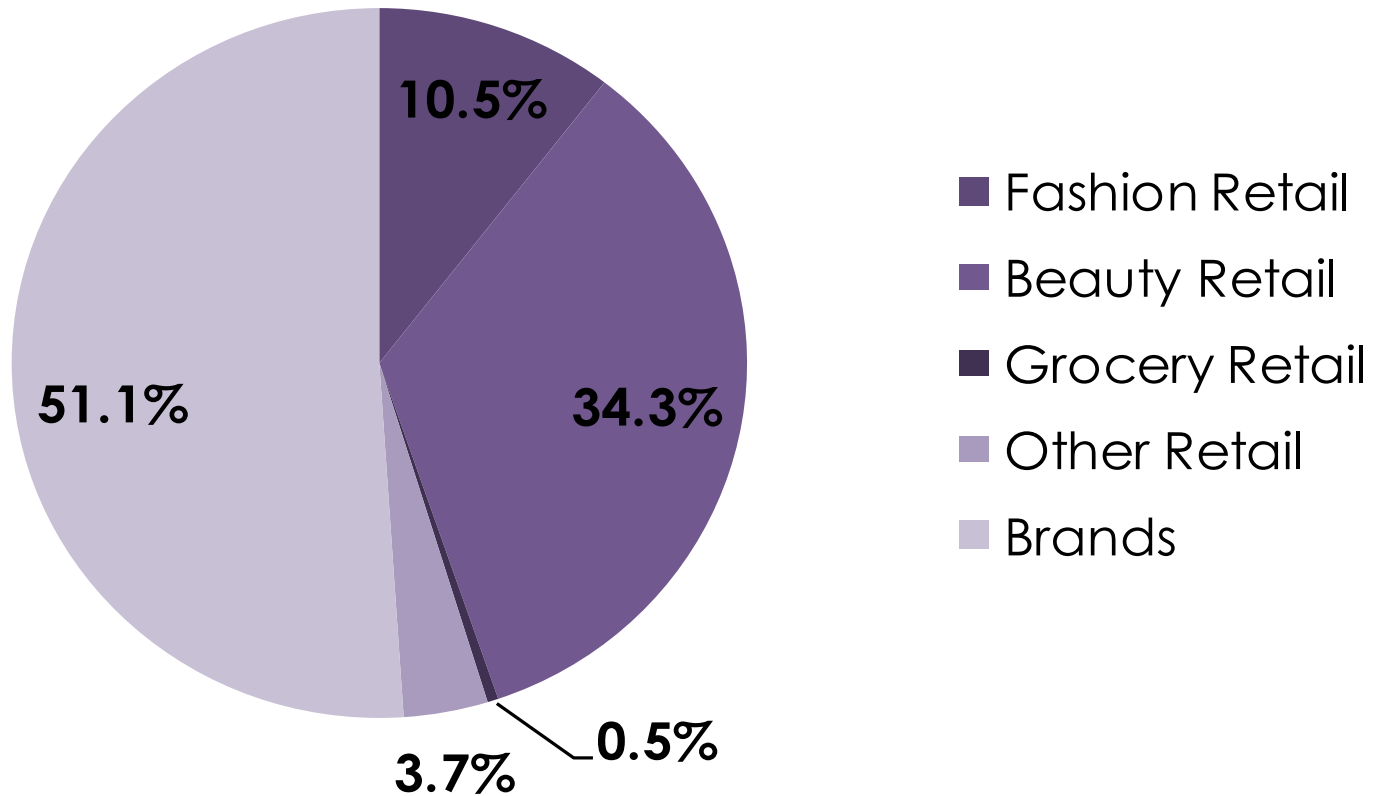


...and strategy to develop overseas revenues is beginning to pay off.



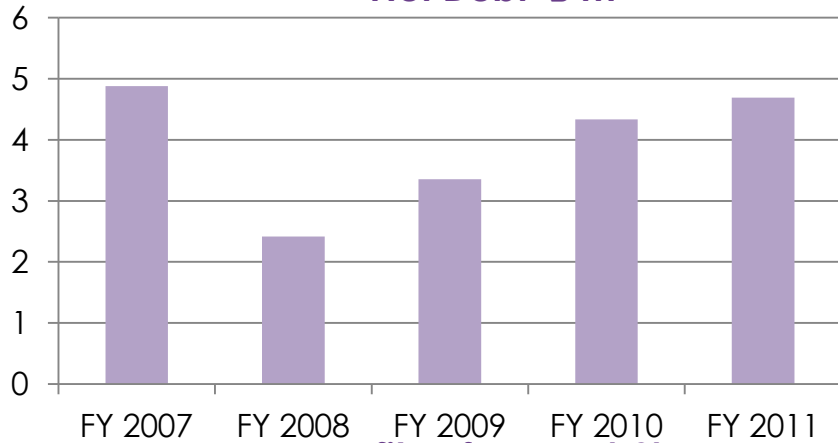
Note: UK Revenues include indirect exports i.e. sales to UK customers who then export

We maintain a broad spread of channels to market.

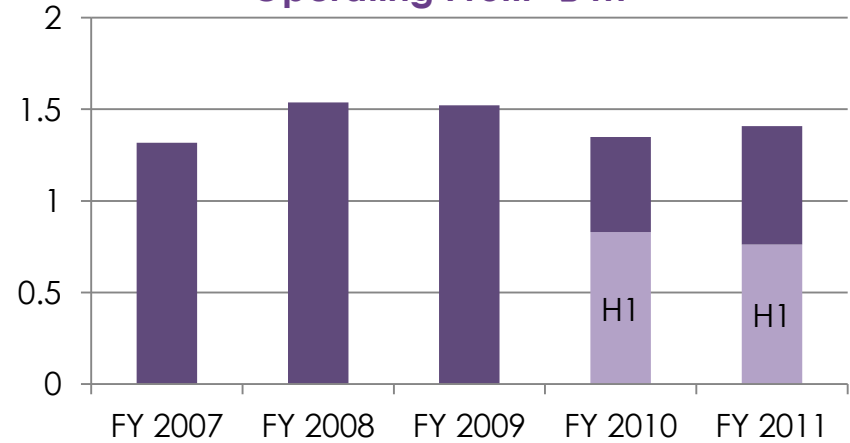


Financial summary

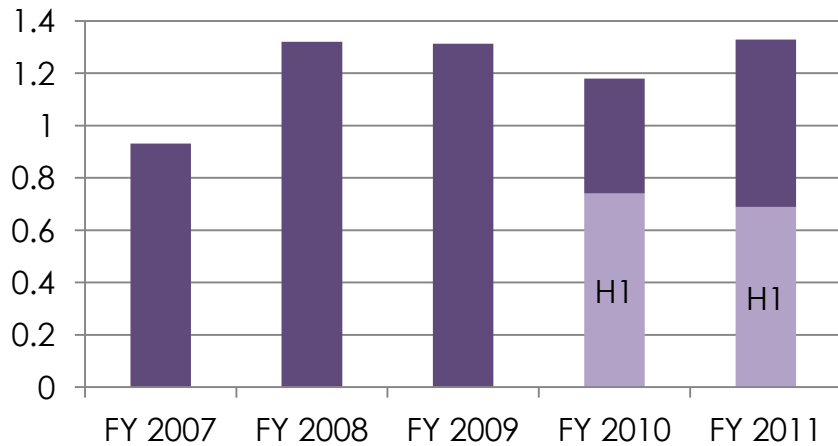
Net Debt £'m



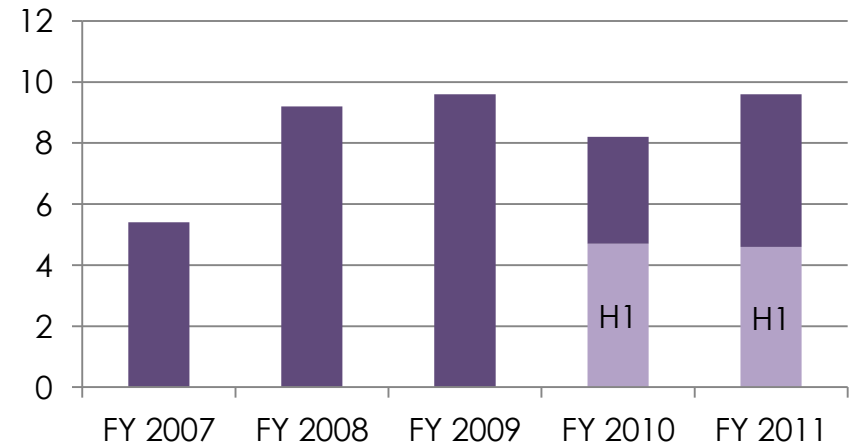
Operating Profit* £'m



Profit Before Tax* £'m

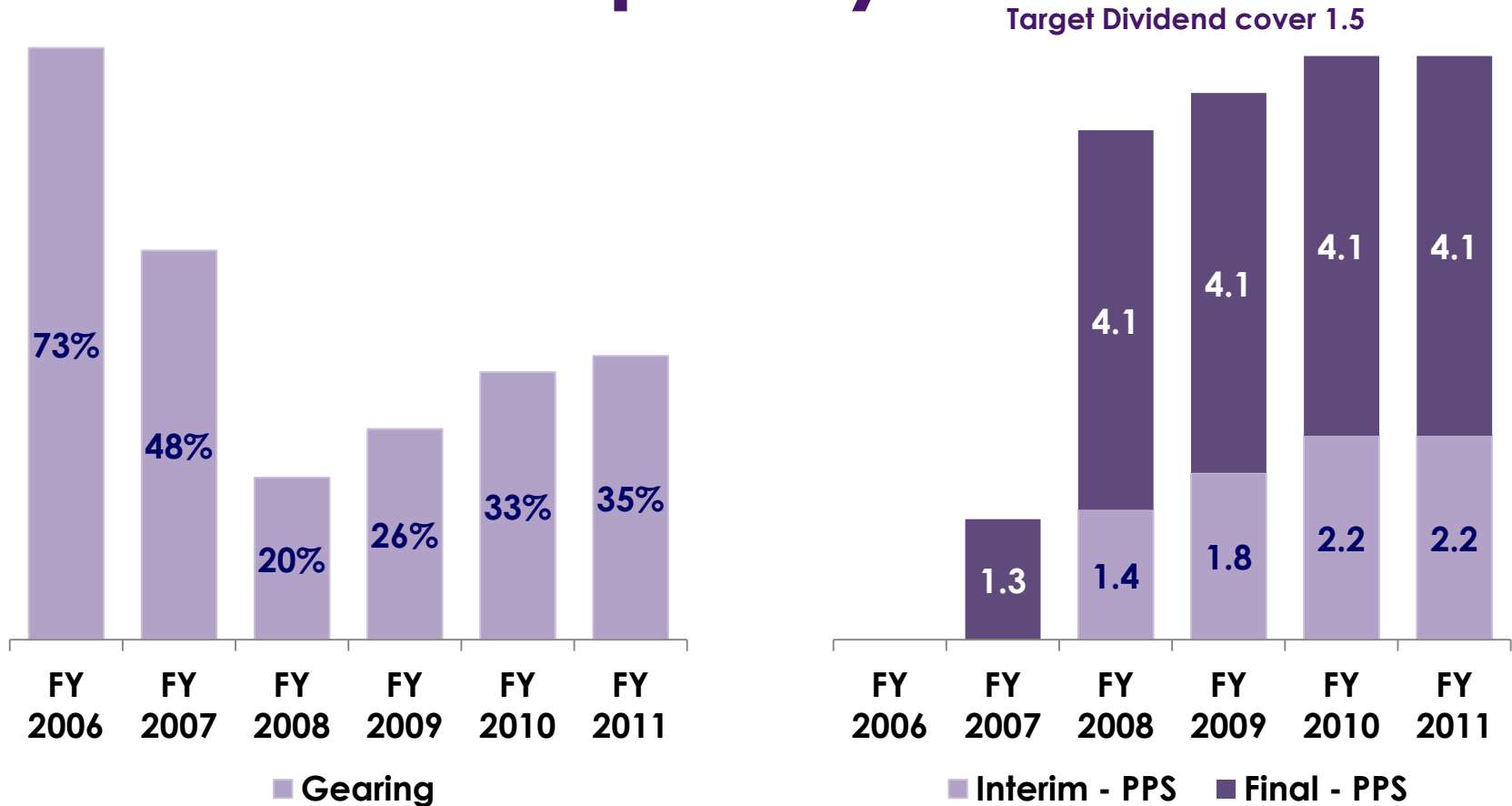


Adjusted EPS* pence

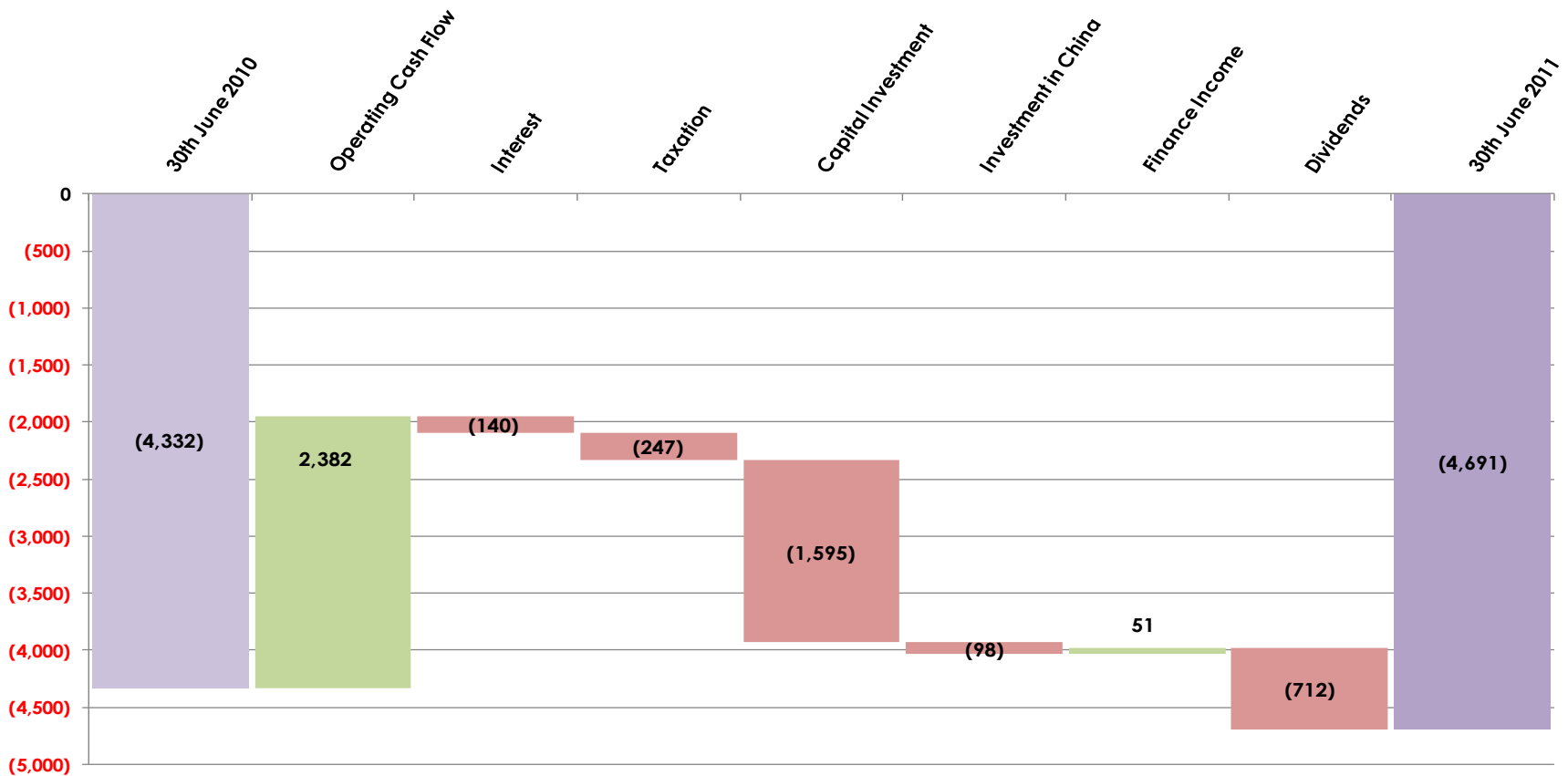


* Pre Exceptional items

Financial strength and dividend policy



Increased investment marginally increases net debt



Progress v's strategic plan

Growth

Progress

Revenue +9.5%

Developed new client relationships

Improved marketing of Company

Sales in first 10 weeks of new financial year in line with expectations

Future

Work with Global brands to drive growth overseas

Drive business wins from US sales support office

Selected retail accounts in UK, Europe and North America

Continued improvement in marketing

Overheads

Progress

Integration of single supply chain group

Reduction in total overheads as % of revenue

Capacity utilisation increased

Future

Continued careful investment to support growth

Utilise Bideford to manufacture creams & lotion products

Generate revenue growth in excess of overhead growth

Product technology

Progress

New lotion manufacturing rooms complete

Sun care aerosol launches

Food aerosol launched for major quality brand

Initial launch of new powder technology

Future

Develop new skin care formulations

Process to gain further market penetration from product developments

Further sun care launches

Geographies

Progress

New York sales support office
– first small win

French sales support office
wins major new business

Shipments to South Africa

Working on South American
opportunity

Future

Develop footprint in North
America & Europe

Develop direct sales into
China

Utilise Czech Republic for
selling

Finalise business
development opportunity in
South America

Outlook

We continue to develop the business for the long-term ...

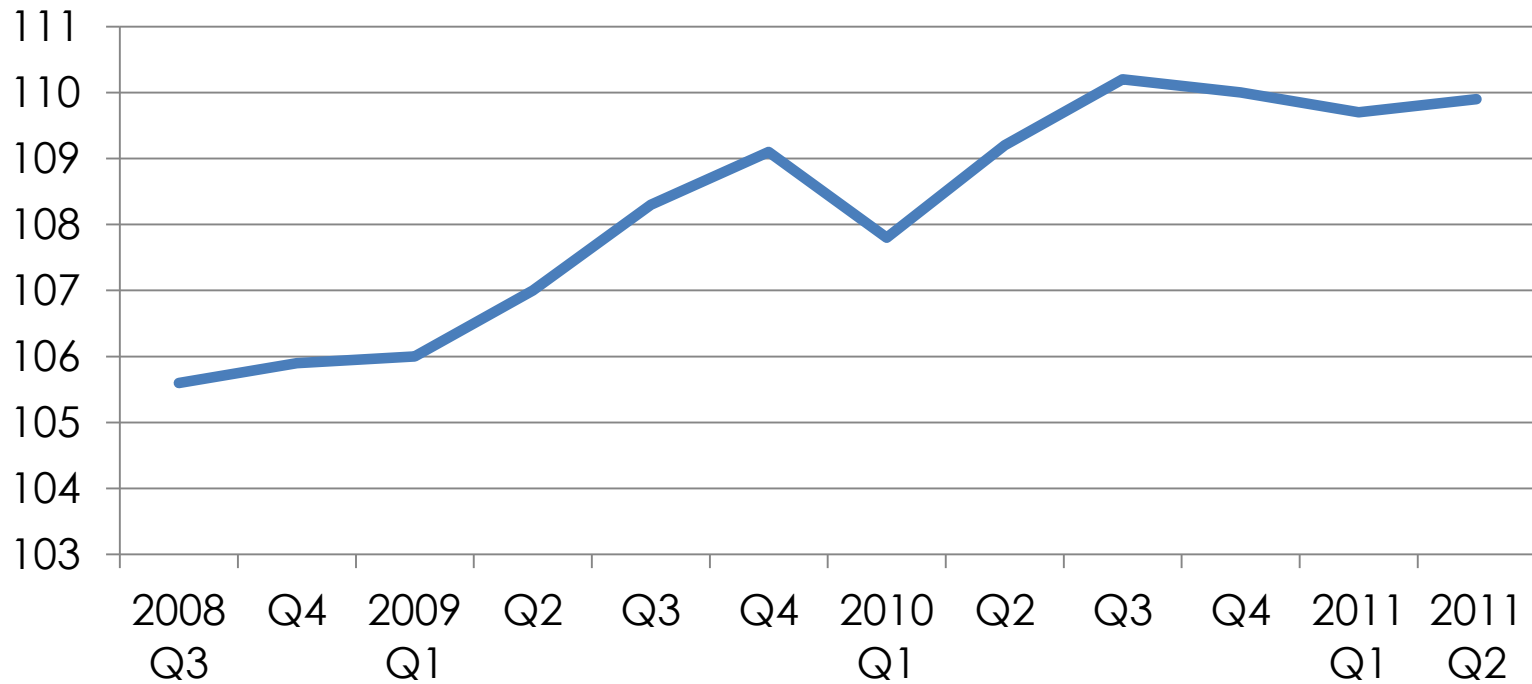
- Revenue in first 10 weeks in line with expectations
- Enquiry levels remain good
- Major launches planned over the next 9 months:
 - New powder technology
 - Aerosols
 - Lip Products

... and work to recover margins is ongoing.

- New purchasing manager beginning to add value.
- Unavoidable cost increases being passed on.
- Re-engineering of a number of products to reduce costs.

UK consumption is weakening as predicted...

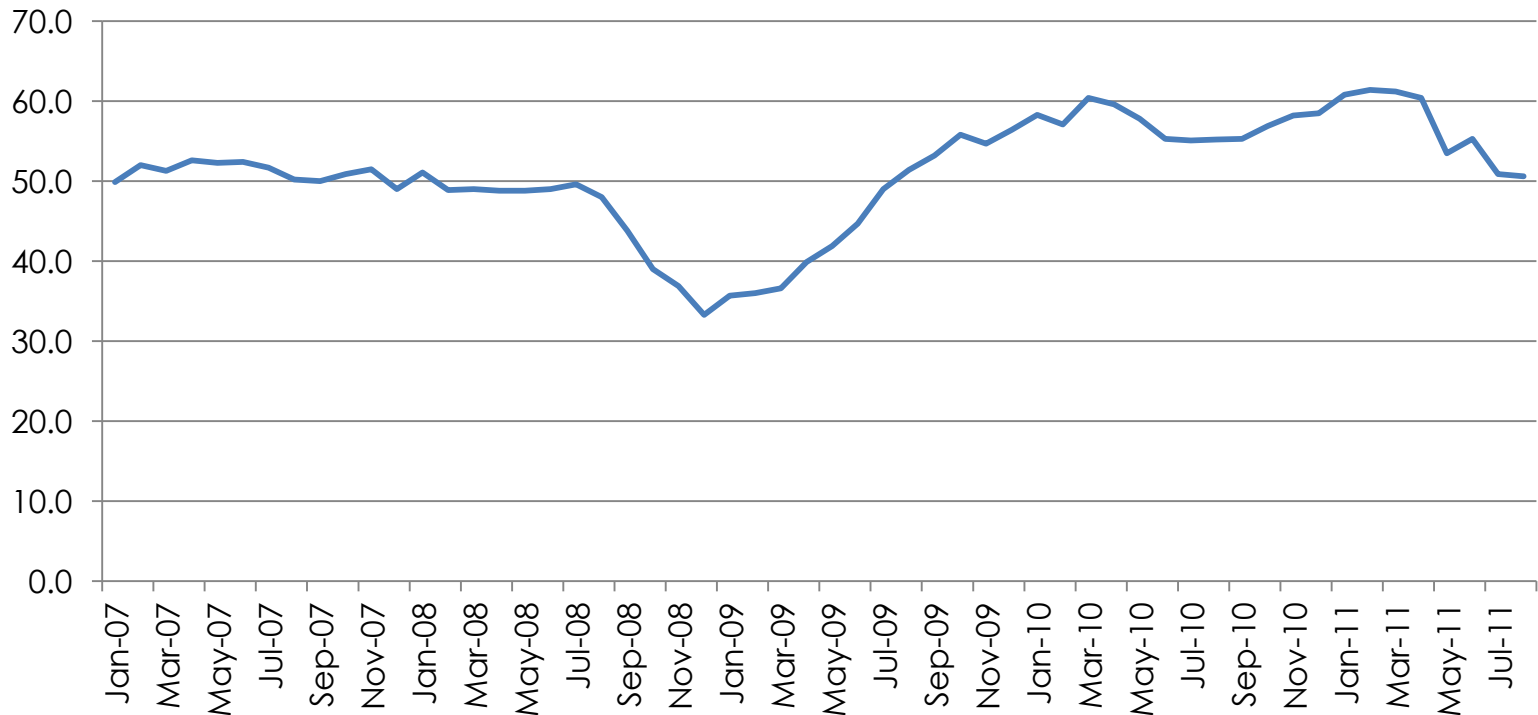
Retail Sales Volumes



— Excluding Car Fuel - ONS Series J467

Despite recent drop in Global PMI, we remain more positive about global prospects.

Global PMI issued by The Institute for Supply Management



...and continue our strategy to target the global consumer:

- Through indirect exports from current customers
- And more specific targeting of:
 - Global brands
 - European, US retailers
 - Specific countries such as South America, South Africa, India, Middle East and China

Overall we remain positive.

Appendices

Investor contacts

- Swallowfield plc
 - Ian Mackinnon Tel: 01823 652219
 - Mark Warren Tel: 01823 652225
- Smith & Williamson
 - Nick Reeve Tel: 0117 376 2100
- Performance Communications
 - Alan Bulmer Tel: 01404 881798
- JBP Public Relations
 - Chris Lawrance Tel: 0117 9073414

Financial calendar

| | |
|------------------------|------------------|
| AGM | 3 November 2011 |
| Final Dividend Payment | 25 November 2011 |
| FY2012 Interims | February 2012 |
| Interim Dividend | May 2011 |
| FY2012 year-end | 30 June 2012 |

Financial results

| 28 Weeks | FY2010 £000's | FY2011 £000's | % |
|---------------------------|------------------|------------------|--------|
| Revenue | 52,449 | 57,452 | 9.5% |
| Operating Profit* | 1,348 | 1,409 | 4.5% |
| Exceptional Items | - | - | - |
| Net Interest | (186) | (140) | 24.7% |
| Profit before taxation | 1,180 | 1,329 | 12.6% |
| EPS* | 8.2p | 9.6p | 17.1% |
| Net Debt | 4,332 | 4,691 | (8.3)% |

* Pre Exceptional items