



McBride plc ("McBride", the "Company" or the "Group")

**Further progress with 'Prepare' and 'Grow' actions
against a backdrop of a tough trading environment**

5 September 2019

McBride, the leading European manufacturer and supplier of Contract Manufactured and Private Label products for the domestic Household and professional cleaning/hygiene markets, announces its results for the year ended 30 June 2019.

During the year, the Group successfully completed the sale of the European Personal Care (PC) Liquids business following the disposal of its skincare business in the Czech Republic the previous year. The financial results of these businesses have been treated as discontinued operations in both the current and prior year financial statements. The remaining activities within the Group are referred to as continuing operations. The use of the expression "underlying" refers to figures excluding the impact of acquisitions or disposals and stated at constant currency.

£m unless otherwise stated	2019	2018	Reported % Change	Constant Currency % Change¹
<i>Continuing operations</i>				
Revenue	721.3	689.8	4.6%	5.0%
Adjusted operating profit ²	28.9	37.7	(23.3%)	(22.9%)
Adjusted operating margin ²	4.0%	5.5%	(1.5ppts)	(1.5ppts)
Operating profit	26.6	31.8	(16.4%)	
Operating margin	3.7%	4.6%	(0.9ppts)	
Adjusted profit before taxation	24.5	33.2	(26.2%)	(26.0%)
Profit before taxation	22.0	26.5	(17.0%)	
Adjusted diluted earnings per share ³	9.7p	12.7p	(23.6%)	
Diluted earnings per share	6.5p	10.4p	(37.5%)	
<i>Total operations</i>				
Revenue	743.2	755.0	(1.6%)	(1.2%)
Adjusted operating profit	28.1	36.2	(22.4%)	(21.9%)
Operating profit	20.8	13.1	58.8%	
Adjusted profit before taxation	23.7	31.7	(25.2%)	(25.0%)
Profit before taxation	16.2	7.8	107.7%	
Adjusted diluted earnings per share ³	9.4p	12.1p	(22.3%)	
Diluted earnings per share	4.4p	1.9p	131.6%	
Net debt ⁴	120.9	114.3		
Return on capital employed ⁵	15.3%	22.5%		

Full year payment to shareholders (per ordinary share)

3.3p

4.3p

Headlines: Strategic and Operational

- Clear delivery against 'Prepare' objectives
 - Sale of PC Liquids completed
 - Consolidation of Aerosols operations to single site, closure of Hull site during fourth quarter
 - Danlind IT and organisation integration completed
- Re-invigorated program of 'catch-up' and new 'Prepare' actions launched
- Investment plan ongoing for key categories, two new production lines added in year
- Despite a tough retail and competitive environment, encouraging net growth in underlying revenue achieved in the year:
 - Good growth in UK, Spain, Germany and Asia
 - Progress in Auto Dishwash, Capsules and Fabric conditioner categories
 - Ongoing weakness in French and North markets

Headlines: Financial

- Reported revenues £721.3m (2018: £689.8m), 4.6% higher
- Underlying revenues⁽⁶⁾ at constant currency 2.7% higher, 3.7% excluding Aerosols
- Third year of significant direct cost and logistics inflation
- Customer price increase secured across a range of products and markets, protecting margin
- Adjusted operating profit⁽¹⁾ of £28.9m, lower by £8.8m
- Operating profits of £26.6m (2018: £31.8m)
- Adjusted⁽⁷⁾ finance costs down to £4.4m, from £4.5m
- Adjusted profits before tax of £24.5m (2018: £33.2m)
- Profits before tax £22.0m, lower by £4.5m

Chris Smith, Interim Chief Executive Officer, commented:

"As previously announced, the past year has seen a shortfall in profit performance versus our core ambitions. The actions taken over the past three years have enabled the Group to improve its competitive advantage and market share in most product ranges, despite difficult trading conditions.

Our teams have completed a number of key actions towards our strategic plan, including the integration of Danlind, the disposal of our loss-making Personal Care Liquids business and downsizing of Aerosol operations. This now allows us to focus on our core Household activities in Europe, together with realising our ambitions for our Asian business.

The margin environment remains challenging and whilst we see certain input costs stabilising we will continue to be vigilant on overhead costs and continue to pursue growth opportunities in line with our strategic plans.

The Board's expectations for the full year remain in line with our July trading update, with Household revenues expected to be flat for the 12 months to 30 June 2020 and earnings to be slightly below the year to 30 June 2019.

McBride plc

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There will be a call for analysts and investors at 9.30am today. The dial in details are:

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¹ Comparatives translated at 2019 exchange rates.

² Adjustments were made for the amortisation of intangible assets and exceptional items.

³ Adjustments were made for the amortisation of intangible assets, exceptional items, exceptional tax items, non-cash financing costs from unwind of discount on initial recognition of contingent consideration; unwind of discount on provisions and any related tax.

⁴ Net debt comprises cash and cash equivalents, overdraft, bank and other loans and finance lease liabilities.

⁵ Adjusted operating profit as a percentage of average year-end net assets excluding net debt.

⁶ "Underlying" refers to figures excluding the impact of acquisitions or disposals and stated at constant currency.

⁷ Underlying interest refers to figures excluding unwind discount on environmental remediation provision and exceptional finance costs.

Strategy Progress

At the launch of "Repair, Prepare, Grow", we identified the 'Prepare' phase as a group of actions needed to ensure McBride would be ready and best prepared to realise our growth ambitions. The actions to be addressed in the 'Prepare' phase were identified and many commenced in 2017. Over the last financial year we have been busy with these actions, whilst delivering revenue growth ahead of our plans due to a number of significant contract wins.

Prepare

During the past 12 months we have closed out actions in four of our key objective areas

Sales growth ambition defined

- Our market analysis identified the products, channels and countries we should focus on in support of our overall growth ambition. We refresh this analysis frequently and our medium-term growth ambition remains unchanged.

Asset plan

Our investment programme is designed in support of the growth ambition and provides ongoing focus on growth categories.

Under-performing sectors

- Our previously break-even Asia business is now making healthy profits.
- The Group exited its loss-making PC Liquids business in November 2018.

- The loss-making Aerosols business has been reduced to a single site operation following the closure of the Hull facility in April 2019.

Organisation and people

- A development programme for our future leaders has completed its second iteration recently and our organisation design has been adapted during the year to support our growth ambitions.

As the Group absorbed significant volume growth over the past twelve months, inevitably a number of 'Prepare' actions had to be postponed. Many of these actions are now underway, together with further initiatives which, given the development of the industry in the meantime, we consider necessary to further prepare McBride for the future. We are re-invigorating the 'Prepare' phase internally as we enter the new financial year.

These include such items as customer and category segmentation, a clear methodology to support prioritisation and choices of customer focus and product category decisions, assisting the management of complexity and overheads. For our factory and logistics footprint, we are developing a road-map for optimising our factory and warehousing set-up across Europe and expanding facilities in Asia to support future growth in Asia Pacific, especially in Household products.

In addition a number of projects will be launched to improve our existing sales and operations planning processes and digital transformation projects to update our current IT platforms.

Grow

The overall market for household products in Europe is showing only modest growth. To ensure the Group can pursue its growth ambitions our focus is on key product categories and channels. This allows us to capture and exploit the growth segments within the industry and to develop a long-term sustainable growth path.

Categories

- Fast growing categories such as laundry capsules and auto dishwash tablets are central to our growth ambitions and investment plans - we are the private label market leader in Europe in both these categories.

Channels

- Overall across Europe, the larger format store retailers are losing share to the discounter and convenience chains. We will continue to develop our market share with these retailers whilst maintaining our traditional strong presence in the large format store retailers.

Contract Manufacturing

- Branders continue to seek long-term partners who can provide outsourced options for their production needs - the shape of this opportunity continues to evolve and we will pursue profitable opportunities, aligned to our overall strategy.

In addition, recent cost challenges for the industry coupled with continued margin pressures for retailers has placed many competitors into financial stress. Our financial position offers customers the certainty of supply security and a long-term relationship opportunity. The Household products private label industry in Europe comprises a limited number of larger multi-

national players and at least 20 smaller, typically local suppliers. This provides opportunity for selective M&A activity to cement our leading positions in either product categories or in geographies, subject to funding disciplines.

Group operating results

During the year, the Group successfully completed the sale of the PC Liquids business, following the disposal of its skincare business in the Czech Republic the previous year. The financial results of both these businesses have been treated as discontinued operations in both the current and prior year financial statements. The remaining activities within the Group are referred to as continuing operations.

The use of the expression "underlying" refers to figures excluding the impact of acquisitions or disposals and stated at constant currency.

Continuing operations - Income Statement

Despite a tough retail and competitive environment, the Group achieved encouraging overall underlying growth of 2.7% in the year within its continuing operations. This was due to a combination of both contract wins and the positive impact of the Danlind acquisition on the Group offset by the impact of lower sales following the closure of our UK Aerosols manufacturing site.

Full year Group revenues at £721.3 million were £31.5 million (4.6%) higher than the prior year. This was aided by a full year of revenues from Danlind, which was acquired in the second quarter of the prior year. On an underlying basis, full year sales were £18.5 million or 2.7% higher.

In Household, which now includes Asia, full year underlying growth ended 3.7% higher year-on-year. This performance was driven by significant year-on-year growth in Germany, the UK and Asia, offsetting continued challenges in our France and North markets. Aerosol revenues at constant currency declined 9.3% or £5.4m year-on-year as a result of the exit of the UK Aerosols manufacturing site, which closed during the second half of the year.

Following more than two years of inflationary cost pressure, primarily related to raw material and distribution costs, the Group instigated price increase actions and was able to secure a net £7.8 million (1.1%) across a range of customers and product categories within the year. Against the backdrop of a highly competitive market and with retailers facing their own margin challenges, this action proved difficult to deliver across the business and with few other competitors following our pricing decisions, we have seen consequences in terms of lost contracts into the new financial year.

During the year to June 2019, the Group did not see any weakening of the significant direct cost inflation seen in the past few years. Raw material, packaging and energy costs increased by a further net £6.6 million (1.9%) versus the prior year. Direct labour costs increased by a further £1.1 million due to the effect of labour cost inflation. The ability to offset these with further progress on savings was limited by the operational challenges that resulted from the significant additional volume first introduced towards the end of the previous financial year. Consequently, not only did the Group defer certain efficiency and rationalisation initiatives across its manufacturing sites, but it also incurred costs from actions to resolve these issues, estimated at £1.6 million.

Distribution price pressures continued through the year due to transport capacity issues and the tight labour market for drivers. Service issues at a number of our manufacturing locations meant

we also incurred additional spend to meet customer commitments. The combination of both these factors on costs was significant, with distribution costs increasing £6.5 million (13.3%) versus the prior year excluding the impact of increased volumes. During the year we were required, at short notice, to re-locate two of our key distribution centres. This activity, together with managing logistics in such a difficult market, has caused further delays in the previously signposted footprint review and consequently limited our ability to accelerate actions to improve our overall distribution cost position.

Across the Group, overheads remained under tight control despite the challenges of growth and penalties from the customer service issues experienced within the business. Excluding labour inflation (£2.1 million) and increased depreciation costs (£0.7 million) underlying overhead costs were broadly flat year-on-year.

Full year adjusted operating profit was £28.9 million (2018: £37.7m) with adjusted operating profit margin decreasing to 4.0% (2018: 5.5%).

Full year operating profit was £26.6 million (2018: £31.8m). This includes amortisation of £1.9 million and exceptional charges of £0.4 million.

Continuing Operations - Segmental performance

Following the organisational changes which became effective from 1 July 2018, our segmental reporting has been amended to fully integrate Danlind within our existing segmental structure, whilst treating our French sales activities as a separate region within our Household segment to provide new management focus. As previously advised, our Asia segment is now reported as part of the Group's Household activities.

Aerosols is now operating mostly as a stand-alone business unit and is reported as a separate segment within these financial statements.

Corporate costs, which include the costs associated with the Board, Group leadership teams, governance and listed company costs and certain central functions (mostly associated with financial disciplines such as treasury), are reported separately to Household and Aerosols.

Household

Reported revenues increased by 5.8% to £673.6 million (2018: £636.7m). Underlying revenues were up 3.7% with underlying volume increases of £16.2 million and £7.2 million from increased customer pricing.

The volume growth experienced, particularly significant growth in the first half year, meant that certain 'Prepare' actions around operational footprint and efficiency were deferred. In addition the business experienced a prolonged period of service issues that required remedial actions by management, added cost and as a result progress with cost reduction actions in our supply chain did not progress as planned within the financial year. This now becomes a key focus for the Household segment in the current financial year.

Adjusted operating profit for the Household business was £39.9 million (2018: £46.7m). As previously reported, certain stranded costs following the sale of our PC Liquids business are now

accounted for within the Household segment; the value in FY19 is £1.2 million. Adjusted trading profit margins in this segment declined from 7.4% to 6.0%.

Revenue	2019 £m	2018 £m	Reported Change	Underlying Change ¹
UK	173.1	163.9	5.6%	5.6%
France	122.0	125.8	(3.0%)	(3.0%)
North	111.3	108.5	2.6%	(9.9%)
South	79.4	77.3	2.7%	3.3%
East	166.4	141.6	17.5%	17.3%
Asia	21.4	19.6	9.2%	9.2%
	673.6	636.7	5.8%	3.7%

¹ Comparatives translated at 30 June 2019 exchange rates and excluding the impact of quarter 1 of Danlind in the current period.

In the UK, revenues of £173.1 million were 5.6% higher compared to the prior year, due to a combination of increased volumes and price increases. Volume gains equated to £6.1 million as key customers extended the McBride range of products offered in-store, particularly in the first half year. The second half of the financial year showed slower growth in the UK as a result of a reduced rate of sale across UK retail generally and specific contract losses following the implementation of the customer price increase.

Within the now separate France region, revenues of £122.0 million were down 3.0% versus the prior year. Decreased volume levels as a result of lower activity levels in our key customers was the main reason, driven largely by high promotional activities from brands. We have also seen negative customer reaction following our pricing actions such that we expect another tough year for the French business as we start the new financial year.

In the North region, revenues of £111.3 million compared with £108.5 million in the prior year. For last year, the reported revenues only include nine months of sales from Danlind such that underlying revenues actually declined by 9.9% following contract losses across a number of retailers. Volumes decline was partially offset following the implementation of the customer price increase, worth £1.1 million.

Overall, our South region reported revenues of £79.4 million, with underlying revenue increasing 3.3%. This was driven by significant progress in our Iberian business which had new customer and group contract wins, increasing revenues by 32.4%. Within the South region overall progress was however tempered by the larger Italian market, where revenues were down 7.5% mostly due to continued slower consumer demand.

The East region, covering Germany, Poland and other East European countries reported revenues of £166.4 million and continued to see significant underlying volume growth, of 15.7%, on the prior year. Overall pricing was 1.6% higher with price increases secured following consolidation of the new business wins. Germany is both a core market and a key growth opportunity for the Group as we build on the success of recent years.

Asia reported sales of £21.4 million and continues to show strong progress with underlying revenue growth of 9.2%. This has been driven by significant increases in promotional sales and contract gains with key customers. During the year, we have completed our Asia expansion

planning proposals. The plan will expand manufacturing facilities in the region to provide a platform to triple our local manufacturing capacity, with a focus on developing our Household business in the region.

Aerosols

Following the exit of the Personal Care and Skin care businesses in 2018, Aerosols is now managed as a stand-alone business unit and is reported as a separate segment. The financial year was dominated by the actions associated with developing the stand-alone operation at Rosporden in France and with the closure of the UK manufacturing facility at Hull.

Reported revenues were £47.7 million (2018: £53.1m) with the revenue decline mostly due to the exit of certain un-sustainable UK contracts. This is expected to impact FY20 revenues by a further £12.0m.

Overall reported profitability for this segment declined further in the year to a loss of £4.0 million (2018: loss £2.2m).

Operational and central overheads allocated to the business unit were largely unchanged in the year, with the cost benefit of the operational overhead savings from the Hull closure only starting in FY20.

Continuing Operations - Exceptional items

Total exceptional items incurred in relation to the continuing business of £0.4 million were recorded during the period against operating profit (2018: £4.8m). The charge primarily comprised the following:

- £0.7 million charge incurred as part of the integration of Danlind into the Household segment;
- £1.2 million net gain relating to the closure of our Aerosol manufacturing site in Hull. This comprises both site closure costs and write-back of property assets following market assessment for the closed site's net realisable sale value, and;
- £0.8 million charge from restructuring activities to both reduce the functional cost base and asset write off relating to manufacturing restructuring in the UK.

Discontinued Operations - Income Statement

The discontinued operations in the year relate to the activities for the PC Liquids business which was disposed of on 16 November 2018. The previous year discontinued result additionally includes the divested activities of the skincare business at Brno, the disposal of which occurred in February 2018. During the prior year this business generated revenues of £9.0 million with an adjusted trading loss of £1.1 million.

In the period to disposal, the PC Liquids business generated revenues of £21.9 million (2018: £65.2m Full Year) and had an adjusted trading loss of £0.8 million (2018: £1.5m loss Full Year).

Discontinued operations - Exceptional items

Total exceptional costs in the year of £5.0 million (2018: £17.2m) were largely non-cash in the year and were incurred in relation to disposal of the PC Liquids activities.

The charge comprises the following:

- £1.8 million charge relating to termination costs mostly associated with stranded costs and additional legal and consultancy costs;
- £2.6 million charge relating to the establishment of an onerous lease provision for a UK warehouse which is no longer operationally required following the sale of PC Liquids;
- £0.6 million charge for loss on disposal of assets previously held for sale.

Other financial information - Total Group

Net finance costs

Underlying finance costs of £4.4 million (2018: £4.5m) continue to reflect the benefit of the Group refinancing completed in 2017.

Profit before tax and tax rate

Reported profit before taxation from continuing operations was £22.0 million (2018: £26.5m). Adjusted profit before taxation from continuing operations reduced by £8.7 million to £24.5 million (2018: £33.2m). The tax charge on continuing adjusted profit before tax for the period of £6.8 million (2018: £10.0m) represents a 28% (2018: 30%) effective tax rate.

In addition, an exceptional taxation charge of £4.1 million has been recognised in relation to the impairment of the Group's ACT tax asset in the UK as a result of increased uncertainty in relation to its recoverability. The asset was established on the adoption of FRS19 and was disclosed separately in the Group accounts in 2006.

Earnings per share

On an adjusted basis, diluted earnings per share (EPS) from continuing operations fell versus prior year to 9.7 pence (2018 12.7 pence). Total adjusted EPS decreased to 9.4 pence (2018: 12.1p) with basic EPS at 4.4 pence (2018: 1.9p).

Payments to shareholders

In line with the policy on payments to shareholders, the Group expects to distribute adjusted earnings to shareholders based on a dividend cover range of 2x-3x progressive with earnings of the Group, taking into account funding availability.

Following the interim payment of 1.5 pence declared in February 2019 and in the light of the reduced earnings level for the year, the Board recommends a final payment of 1.8 pence (2018: 2.8p) to shareholders giving a total payment of 3.3 pence (2018: 4.3p) for the year. It is intended that this will be issued using the Company's B Share scheme.

Balance Sheet and Net Debt

Net debt at the year end increased by £6.6m to £120.9 million (30 June 2018: £114.3m) due mostly to higher levels of working capital. Trading working capital^a as a percentage of sales increased from 10.6% at 30 June 2018 to 12.0% at the end of the period. Inventory levels were £6.1 million higher than at June 2018, partly as a result of higher activity levels and a specific initiative to increase inventories to support the recovery of service levels to customers. Trade creditor days were lower than June 2018 driven mostly by the timing of the year end cut-off date when compared to last year.

Cash generated from operations before exceptional items was £25.7 million (2018: £43.0m) in the year to 30 June 2019, with significantly lower capital expenditure in the period of £18.3 million (2018: £23.6m), reflecting a slowing of investment partially as a result of the lower profitability and also some timing effects after the completion of larger capital projects in the prior year.

During the year, cash consideration of £12.5 million was received in relation to the successful disposal of the PC Liquids business in addition to £1.6 million cash received for the disposal of our former manufacturing site in Italy.

The Group's balance sheet remains robust with net assets of £64.2 million (2018: £67.6m). Gearing declined to 66% (30 June 2018: 71%) with the debt cover ratio moving out to 2.6x compared to 2.1x at 30 June 2018. Return on capital employed of 15.3% was lower compared to the prior year (2018: 22.5%) mostly as a result of the lower profitability levels.

^a Trading working capital consists of inventories, trade receivables and trade payables.

Covenants

The Group's funding arrangements are subject to covenants, representations and warranties that are customary for unsecured borrowing facilities, including two financial covenants: Debt Cover (the ratio of net debt to EBITDA²) may not exceed 3:1 and Interest Cover (the ratio of EBITDA to net interest) may not be less than 4:1. For the purpose of these calculations, net debt excludes amounts drawn under the invoice discounting facilities. The Group remains comfortably within these covenants.

Pensions

The Group operates a funded defined benefit scheme in the UK. At 30 June 2019, the Group recognised a deficit on its UK scheme of £28.1 million (30 June 2018: £28.5m). The deficit is broadly unchanged over the period due to changes in asset values being broadly in line with changes in assumptions used to calculate pension liabilities.

The Group has made an allowance in the pension liabilities at 30 June 2019 for the equalisation of GMP entitlement following recent changes in UK legislation. The change in pension liabilities recognised in relation to GMP equalisation involves estimation uncertainty. The Company and the Scheme Trustees are yet to decide which approach they will use to equalise GMP as a range of options are available. While the financial statements reflect the current best estimate of the impact on pension liabilities, this estimate reflects a number of assumptions and the information

currently available. The current best estimate reflects an increase in liabilities of 0.1%, or £0.2m, which has been recognised as a past service cost in exceptional items.

The latest funding valuation for the UK scheme was completed as at 31 March 2018. As part of the deficit funding plan agreed with the trustees the company has agreed future annual contributions of £4.0 million (previously £3.0m). As part of the agreement, the trustees have amended the fund's investment strategy with the aim of de-risking the scheme's assets to better match the cash inflows from the Fund's assets with the cash flow requirements of the Fund.

The Group has other unfunded post-employment benefit obligations outside the UK that amounted to £3.0 million (30 June 2018: £2.4m).

Current trading and outlook

The margin environment remains challenging and whilst we see certain input costs stabilising we will continue to be vigilant on overhead costs and continue to pursue growth opportunities in line with our strategic plans.

The Board's expectations for the full year remain in line with our July trading update, with Household revenues expected to be flat for the 12 months to 30 June 2020 and earnings to be slightly below the year to 30 June 2019.

Principal risks and uncertainties

The Group is subject to risk factors both internal and external to its business, and has a well-established set of risk management procedures. The following risks and uncertainties are those that the directors believe could have the most significant impact on the Group's business:

- Consumer and customer trends;
- Market competitiveness;
- Input costs;
- Legislation;
- Financial risks; and
- Breach of IT security.

Cautionary statement

This announcement contains forward-looking statements that are subject to risk factors associated with, among other things the economic and business circumstances occurring from time to time in the countries, sectors and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated. No assurances can be given that the forward-looking statements in this announcement will be realised.

The forward-looking statements reflect the knowledge and information available at the date of preparation of this announcement and the Company undertakes no obligation to update these forward-looking statements. Nothing in this announcement should be construed as a profit forecast.

Consolidated income statement
For the year ended 30 June 2019

	2019			2018			
	Note	Adjusting items (see note 7)		Total	Adjusting items (see note 7)		Total
		Adjusted £m	£m		Adjusted £m	£m	
Continuing operations							
Revenue	3	721.3	-	721.3	689.8	-	689.8
Cost of sales		(480.9)	-	(480.9)	(454.2)	-	(454.2)
Gross profit		240.4	-	240.4	235.6	-	235.6
Distribution costs		(56.6)	-	(56.6)	(48.9)	-	(48.9)
Administrative costs		(154.9)	(2.3)	(157.2)	(149.0)	(5.9)	(154.9)
Operating profit	3	28.9	(2.3)	26.6	37.7	(5.9)	31.8
Finance costs		(4.4)	(0.2)	(4.6)	(4.5)	(0.8)	(5.3)
Profit before taxation		24.5	(2.5)	22.0	33.2	(6.7)	26.5
Taxation	6	(6.8)	(3.2)	(10.0)	(10.0)	2.5	(7.5)
Profit for the year from continuing operations		17.7	(5.7)	12.0	23.2	(4.2)	19.0
Discontinued operations							
Loss for the year from discontinued operations	4,5	(0.6)	(3.3)	(3.9)	(1.0)	(14.6)	(15.6)
Profit for the year		17.1	(9.0)	8.1	22.2	(18.8)	3.4
Earnings/(loss) per ordinary share from continuing and discontinued operations attributable to the owners of the parent during the year	7						
Basic earnings/(loss) per share							
From continuing operations				6.5p			10.4p
From discontinued operations				(2.1p)			(8.5p)
From profit for the year				4.4p			1.9p
Diluted earnings/(loss) per share							
From continuing operations				6.5p			10.4p
From discontinued operations				(2.1p)			(8.5p)
From profit for the year				4.4p			1.9p
Operating profit				26.6			31.8
Adjusted for:							
Amortisation of intangible assets				1.9			1.4
Exceptional items	4			0.4			4.5
Adjusted operating profit	3			28.9			37.7

Consolidated statement of comprehensive income
For the year ended 30 June 2019

Note	2019 £m	2018 £m
Profit for the year attributable to owners of the Parent	8.1	3.4
Other comprehensive income/(expense)		
Items that may be reclassified to profit or loss:		
Currency translation differences on foreign subsidiaries	0.6	0.6
(Loss)/gain on net investment hedges	(0.9)	0.1
(Loss)/gain on cash flow hedges in the year	(0.2)	0.1
Gain/(loss) on cash flow hedges transferred to profit or loss	0.2	(0.6)
Taxation relating to items above	-	0.1
Purchase of non-controlling interest of Fortune Organics	-	(0.5)
	(0.3)	(0.2)
Items that will not be reclassified to profit or loss:		
Net actuarial (loss)/gain on post-employment benefits	(3.5)	9.5
Taxation relating to item above	0.5	(1.6)
	(3.0)	7.9
Total other comprehensive (expense)/income	(3.3)	7.7
Total comprehensive income	4.8	11.1
Attributable to:		
- Owners of the parent	4.8	11.7
- Non-controlling interests	-	(0.6)
Total comprehensive income	4.8	11.1
Total comprehensive income attributable to equity shareholders arises from:		
Continuing operations	8.7	26.7
Discontinued operations	(3.9)	(15.6)
	4.8	11.1

Consolidated balance sheet

As at 30 June 2019

	Note	2019 £m	2018 £m
Non-current assets			
Goodwill		20.4	20.4
Other intangible assets		9.1	9.5
Property, plant and equipment		136.0	135.6
Derivative financial instruments		0.1	0.1
Deferred tax assets		10.9	12.9
Other non-current assets		0.6	0.6
		177.1	179.1
Current assets			
Inventories		95.0	88.9
Trade and other receivables		145.9	155.2
Current tax asset		2.1	0.8
Derivative financial instruments		0.6	0.3
Cash and cash equivalents		14.4	11.7
Assets classified as held for sale	5	-	12.1
		258.0	269.0
Total assets		435.1	448.1
Current liabilities			
Trade and other payables		182.3	202.2
Borrowings		43.5	43.6
Derivative financial instruments		0.3	0.3
Current tax liabilities		7.4	7.3
Provisions	10	3.7	3.0
		237.2	256.4
Non-current liabilities			
Borrowings		91.8	82.4
Derivative financial instruments		0.4	0.2
Pensions and other post-employment benefits	9	31.1	30.9
Provisions	10	4.2	4.2
Deferred tax liabilities		6.2	6.4
		133.7	124.1
Total liabilities		370.9	380.5
Net assets		64.2	67.6
Equity			
Issued share capital		18.3	18.3
Share premium account		73.9	81.8
Other reserves		69.9	61.6
Accumulated loss		(97.9)	(94.1)
Equity attributable to owners of the parent		64.2	67.6
Total equity		64.2	67.6

The financial statements were approved by the Board of Directors on 5 September 2019 and were signed on its behalf by:

Chris Smith
Director

Consolidated cash flow statement

For the year ended 30 June 2019

	Note	2019 £m	2018 £m
Operating activities			
Profit before tax		16.2	7.8
Net finance costs		4.6	5.3
Exceptional items	4	5.4	21.7
Share-based payments credit		(0.2)	(0.4)
Depreciation of property, plant and equipment		18.4	19.1
Amortisation of intangible assets		1.9	1.4
Operating cash flow before changes in working capital		46.3	54.9
Decrease/(increase) in receivables		8.1	(7.7)
Increase in inventories		(3.6)	(7.6)
(Decrease)/increase in payables		(20.9)	6.4
Operating cash flow after changes in working capital		29.9	46.0
Additional cash funding of pension schemes		(4.2)	(3.0)
Cash generated from operations before exceptional items		25.7	43.0
Cash outflow in respect of exceptional items		(6.9)	(4.1)
Cash generated from operations		18.8	38.9
Interest paid		(4.3)	(3.7)
Taxation paid		(7.2)	(6.8)
Net cash generated from operating activities		7.3	28.4
Investing activities			
Proceeds from sale of Brno		-	1.0
Proceeds from sale of Solaro		1.6	-
Purchase of property, plant and equipment		(17.1)	(22.4)
Purchase of intangible assets		(1.6)	(1.2)
Purchase of non-controlling interest of Fortune Organics		-	(0.5)
Purchase of Danlind, net of cash and borrowings acquired		-	(35.7)
Proceeds from sale of PC Liquids		12.5	-
Sale of plant and equipment in Hull		0.8	-
Settlement of derivatives used in net investment hedges		(0.8)	0.2
Net cash used in investing activities		(4.6)	(58.6)
Financing activities			
Redemption of B Shares		(8.6)	(7.7)
Net drawdown of bank loans and overdrafts		8.9	23.7
Capital element of finance lease rentals		(0.2)	(0.1)
Net cash (used in)/generated from financing activities		0.1	15.9
Increase/(decrease) in net cash and cash equivalents		2.8	(14.3)
Net cash and cash equivalents at the start of the year		11.7	26.0
Currency translation differences		(0.1)	-
Net cash and cash equivalents at the end of the year		14.4	11.7

Consolidated reconciliation of net cash flow to movement in net debt
For the year ended 30 June 2019

	Note	2019 £m	2018 £m
Increase/(decrease) in net cash and cash equivalents		2.8	(14.3)
Net drawdown of bank loans and overdrafts		(8.9)	(23.7)
Capital element of finance lease rentals		0.2	0.1
Change in net debt resulting from cash flows		(5.9)	(37.9)
Currency translation differences		(0.7)	(0.7)
Movement in net debt in the year		(6.6)	(38.6)
Net debt at the beginning of the year		(114.3)	(75.7)
Net debt at the end of the year		(120.9)	(114.3)

Issue of B Shares	-	(7.9)	-	-	-	-	(7.9)	-	(7.9)
Redemption of B Shares	-	-	-	-	8.6	(8.6)	-	-	-
Share-based payments	-	-	-	-	-	0.1	0.1	-	0.1
At 30 June 2019	18.3	73.9	-	(0.9)	70.8	(97.9)	64.2	-	64.2

Notes to the consolidated financial information

For the year ended 30 June 2019

1. Basis of preparation

The financial information is derived from the Group's consolidated financial statements for the year ended 30 June 2019 and 30 June 2018, which have been prepared on the going concern basis in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union, IFRS Interpretations Committee and those parts of the Companies Act 2006 ('the Act') applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, modified in respect of the revaluation to fair value of contingent consideration, financial assets and liabilities (derivative financial instruments) at fair value through profit or loss and assets held for sale.

The consolidated financial statements were approved by the Directors on 5 September 2019.

The financial information does not constitute statutory accounts of the Group for the years ended 30 June 2019 and 2018 within the meaning section 435 of the Companies Act 2006 or contain sufficient information to comply with the disclosure requirements of IFRS.

The Company's auditors, PricewaterhouseCoopers LLP, have given an unqualified report on the consolidated financial statements for the year ended 30 June 2019 and the consolidated financial statements for the year ended 30 June 2018, which did not include reference to any matters to which the auditors drew attention without qualifying their report and did not contain any statement under section 498(2) or 498(3) of the Companies Act 2006.

Subject to approval by the Company's shareholders, the consolidated financial statements will be filed with the Registrar of Companies following the Company's Annual General Meeting on 22 October 2019. The consolidated financial statements for the year ended 30 June 2018 have been filed with the Registrar of Companies

Discontinued operations

Following the disposal of the Group's Czech skincare business and Personal Care Liquids' assets, the respective results of these businesses have been disclosed as a discontinued operations.

2. Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2018, except for:

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 July 2018:

- IFRS 9 - Financial Instruments; and
- IFRS 15 - Revenue from Contracts with Customers.

No material impact on the net assets of the group arose on the initial application of IFRS 9.

The application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Group. Under the modified retrospective method, opening retained earnings in equity at 1 July 2018 has been adjusted by a reduction of £0.4m. This adjustment relates to certain goods whereby revenue was previously recognised upon dispatch but now, in accordance with IFRS 15, is recognised upon delivery.

Adjusted results

The Group believes that adjusted operating profit, adjusted profit before taxation and adjusted earnings per share provide additional useful information to shareholders on the underlying performance achieved by the Group. These measures are used for internal performance analysis and in relation to employee incentive arrangements. The items excluded from operating profit in arriving at adjusted operating profit were the amortisation of intangible assets and exceptional items. Adjusted earnings per share is based on the Group's profit for the year adjusted for the items excluded from operating profit in arriving at adjusted operating profit, the unwinding of the discount on contingent consideration arising on business combinations, the unwinding of discount on provisions and the tax relating to those items.

Accounting standards issued but not yet adopted

The following new standards and interpretations are issued but are not yet effective:

- IFRS 16 - 'Leases' (effective 1 January 2019).
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for the Group 1 July 2019)
- Amendments to IFRS 9 'Financial Instruments' (effective for the Group 1 July 2019)
- Annual improvements 2015-2017 (effective 1 January 2019)*
- Amendments to IAS 19 'Employee Benefits' (effective for the Group 1 July 2019)*
- Amendments to IFRS 3 'Business Combinations' (effective 1 January 2020)*
- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (effective 1 January 2020)*

* Not yet endorsed by the EU

The impact of the assessments of these new accounting standards are disclosed in the accounting policies section of the 2019 Annual Report and Accounts.

The standards and interpretations addressed above will be applied for the purpose of the Group financial statements from the date they become effective.

3. Segment information

Background

Financial information is presented to the Board by product category for the purposes of allocating resources within the Group and assessing the performance of the Group's businesses. It is considered that Household products have different market characteristics to

Aerosols in terms of volumes, market share and production requirements. Accordingly, the Group's operating segments are determined by product category being Household and Personal Care & Aerosols.

The Board uses adjusted operating profit to measure the profitability of the Group's businesses. Adjusted operating profit is, therefore, the measure of segment profit presented in the Group's segment disclosures. Adjusted operating profit represents operating profit before specific items that are considered to hinder comparison of the trading performance of the Group's businesses either year-on-year or with other businesses. During the years under review, the items excluded from operating profit in arriving at adjusted operating profit were the amortisation of intangible assets and exceptional items.

Analysis by reportable segment

	Household						Total Household	Personal Care & Aerosols ⁽⁴⁾	Total segments	Corporate ⁽⁵⁾	Total Group
	UK	France	North ⁽¹⁾	South ⁽²⁾	East ⁽³⁾	Asia					
2019	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Continuing operations											
Segment revenue	173.1	122.0	111.3	79.4	166.4	21.4	673.6	47.7	721.3	-	721.3
Adjusted operating profit/(loss)							39.9	(4.0)	35.9	(7.0)	28.9
Amortisation of intangible assets											(1.9)
Exceptional items (see note 4)											(0.4)
Operating profit											26.6
Net finance costs											(4.6)
Profit before taxation											22.0
Discontinued operations											
Segment revenue	-	-	-	-	-	-	-	21.9	21.9	-	21.9
Adjusted operating loss								(0.8)	(0.8)	-	(0.8)
Inventories							90.3	4.7	95.0	-	95.0
Capital expenditure							17.1	1.6	18.7	-	18.7
Amortisation and depreciation							20.1	0.2	20.3	-	20.3

	Household						Total Household	Personal Care & Aerosols ⁽⁴⁾	Total segments	Corporate ⁽⁵⁾	Total Group
	UK	France	North ⁽¹⁾	South ⁽²⁾	East ⁽³⁾	Asia					
2018	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Continuing operations											
Segment revenue	163.9	125.8	108.5	77.3	141.6	19.6	636.7	53.1	689.8	-	689.8
Adjusted operating profit/(loss)							46.7	(2.2)	44.5	(6.8)	37.7
Amortisation of intangible assets											(1.4)
Exceptional items (see note 4)											(4.5)
Operating profit											31.8
Net finance costs											(5.3)
Profit before taxation											26.5
Discontinued operations											
Segment revenue	-	-	-	-	-	-	-	65.2	65.2	-	65.2
Adjusted operating loss								(1.5)	(1.5)	-	(1.5)
Inventories							76.7	12.2	88.9	-	88.9
Capital expenditure							21.0	0.9	21.9	-	21.9

Amortisation and depreciation	18.9	1.6	20.5	-	20.5
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1. Belgium, Holland and Scandinavia.
2. Italy and Spain.
3. Germany, Poland, Luxembourg and other Eastern Europe.
4. Continuing operations relates to Aerosol activity only.
5. Corporate represents costs related to the Board, the Executive Leadership Team and key supporting functions.
6. 2018 comparatives have been restated to reflect the revised reportable segments.

4. Exceptional items

Analysis of exceptional items

	2019	2018
	£m	£m
Continuing operations		
Reorganisation and restructuring costs:		
Acquisition of Danlind	0.7	1.6
UK Aerosols re-organisation	(1.2)	2.9
Efficiency-based restructuring	0.8	-
Other	0.1	-
Total charged to operating profit	0.4	4.5
Group refinancing:		
Danlind finance charges incurred at acquisition	-	0.3
Total charged to financing costs	-	0.3
Reduction of ACT tax asset	4.1	-
Total charged to taxation	4.1	-
Total continuing operations	4.5	4.8
Discontinued operations		
Impairment of long-lived assets, property, plant and equipment, and inventory		
PC Liquids	-	6.2
Fair value impairment for assets held for sale	-	8.5
Impairment of goodwill PC Liquids	-	0.2
Disposal of Brno, Czech Republic	-	4.1
	-	19.0
Sale of PC Liquids business	5.0	1.2
Change in contingent consideration	-	(3.0)
Total discontinued operations	5.0	17.2
Total	9.5	22.0

Items relating to continuing operations

Total exceptional items incurred in relation to the continuing business of £4.5 million were recorded during the year (2018: £4.8m). The charge primarily comprises the following:

- exceptional charge of £0.7 million incurred as part of the further integration of the Danlind operations;
- exceptional charge of £1.0 million related to closure costs for the Hull site and a £2.2 million gain from the reversal of the impairment provision for the Hull site following its closure and

updating the market assessment for the closed site's net realisable sale value from value in use to fair value less costs to sell;

- exceptional charge of £0.8 million from restructuring activities to reduce the functional cost base; and
- exceptional charge of £4.1 million from the reduction in the recoverability of the ACT tax asset.

Items relating to discontinuing operations

Total exceptional costs of £5.0 million were incurred in relation to the discontinued business during the year (2018: £17.2m). As part of the disposal of the PC Liquids activities, £1.8 million relates to termination costs and additional legal and consultancy costs, £2.6 million relates to an onerous lease provision for the closed St Helens site, and an additional £0.6 million has been incurred as a loss on disposal of the assets previously held for sale.

5. Discontinued operations

Bradford and Ieper Personal Care Liquid

On 3 July 2018 the Group signed an agreement for the disposal of the Group's Personal Care Liquids activities, which comprises two manufacturing sites at Bradford, UK and Ieper, Belgium, supplying customers with a range of personal hygiene, haircare and oral care products.

This sale represented the disposal of the majority of the Group's PC Liquids business, therefore in accordance with IFRS 5 the results of PC Liquids are now included in discontinued operations as at 30 June 2018 and 30 June 2019. The transaction completed on 16 November 2018 and therefore results up to that date are presented as discontinued.

The transaction comprised the disposal of the trade and assets of the Group's Personal Care Liquids business for a cash consideration of £12.5 million payable on completion.

Analysis of the results of the discontinued operations, and the result recognised on the re-measurement of assets of the disposal group, is as follows:

	2019	2018
	£m	£m
Revenue	21.9	56.2
Expenses	(27.1)*	(65.3)*
Loss before tax of discontinued operations	(5.2)	(9.1)
Tax credit	1.2	2.0
Loss after tax of discontinued operations	(4.0)	(7.1)
Pre-tax loss recognised on the remeasurement of assets of disposal group	-	(8.5)
Loss on disposal	(0.6)	-
Tax credit	0.7	1.1
After tax loss recognised on the remeasurement of assets of disposal group	0.1	(7.4)
Loss for the year from discontinued operations	(3.9)	(14.5)

* Including exceptional charges in 2019 of £4.4 million, including £1.8m for termination, legal and consultancy costs and £2.6m million for the onerous lease provision. In 2018 these were £7.6 million, including £6.2m for the impairment of assets, £0.2 million for the write off of goodwill, and £1.2 million for reorganisation costs.

Cashflow

	2019	2018
	£m	£m
Operating cash flows	(0.7)	(2.0)
Investing cash flows	(0.8)	(0.4)
Financing cash flows	-	-
Total cash flows	(1.5)	(2.4)

At 30 June 2019, assets held for sale were recognised amounting to £nil (2018: £10.9m) comprised freehold land and buildings, plant and equipment and inventories.

Disposal of the skincare business based at Brno Czech Republic

The sale of the Czech Republic-based skin care business completed on 21 February 2018 and accordingly was treated as discontinued in the prior year. The result for this discontinued operation is as follows:

	2019	2018
	£m	£m
Revenue	-	9.0
Expenses	-	(10.1) ⁽¹⁾
Loss before taxation from discontinued operations	-	(1.1)
Taxation	-	-
Loss after taxation of discontinued operations	-	(1.1)

(1) Includes exceptional charges of £nil (2018: £1.1m)

	2019	2018
	£m	£m
Operating cash flows	-	(0.4)
Investing cash flows	-	-
Financing cash flows	-	0.4
Total cash flows	-	-

Former manufacturing site in Italy

At 30 June 2019, assets held for sale amounting to £nil (2018: £1.2m) comprised freehold land and buildings at a former manufacturing site in Italy.

On 25 July 2018, the Group entered into an agreement for the sale of the Solaro site in Italy. Consideration of £1.6 million had been received with respect to this sale and the site had been sold by 30 June 2019.

6. Taxation

Income tax expense

	2019			2018		
	UK £m	Overseas £m	Total £m	UK £m	Overseas £m	Total £m
<i>From continuing operations</i>						
Current tax expense:						
Current year	-	7.8	7.8	3.6	7.5	11.1
Adjustment for prior years	(1.1)	(0.3)	(1.4)	(1.2)	(0.4)	(1.6)
	(1.1)	7.5	6.4	2.4	7.1	9.5
Deferred tax expense:						
Origination and reversal of temporary differences	4.3	1.4	5.7	(1.8)	1.3	(0.5)
Adjustment for prior years	(0.6)	(1.5)	(2.1)	(0.7)	0.1	(0.6)
Impact of change in tax rate	-	-	-	-	(0.9)	(0.9)
	3.7	(0.1)	3.6	(2.5)	0.5	(2.0)
Income tax (credit)/expense	2.6	7.4	10.0	(0.1)	7.6	7.5

Tax expense on continuing operations excludes the tax income from discontinued operations (PC Liquids and Brno) of £1.9 million (2018: £3.1m), which has been included in the loss from discontinued operation, net of tax, (see notes 4 and 5). The tax expense includes an exceptional tax charge of £4.1 million from the reduction in the recoverability of the ACT tax asset.

7. Earnings per ordinary share

Basic earnings per ordinary share is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of the Company's ordinary shares in issue during the financial year. The weighted average number of the Company's ordinary shares in issue excludes 42,041 shares (2018: 270,398 shares), being the weighted average number of own shares held during the year in relation to employee share schemes.

	Reference	2019	2018
Weighted average number of ordinary shares in issue (million)	a	182.8	182.6
Effect of dilutive LTIP awards (million)		0.1	0.7
Weighted average number of ordinary shares for calculating diluted earnings per share (million)	b	182.9	183.3

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue assuming the conversion of all potentially dilutive ordinary shares.

During the year, the Company had equity-settled LTIP awards with a nil exercise price that are potentially dilutive ordinary shares.

Adjusted earnings per share measures are calculated based on profit for the year attributable to owners of the Company before adjusting items as follows:

	Reference	2019 £m	2018 £m
From continuing operations			
Earnings for calculating basic and diluted earnings per share	c	12.0	19.0
Adjusted for:			
Amortisation of intangible assets		1.9	1.4
Exceptional items (see note 4)		4.5	4.8
Unwind of discount on contingent consideration		-	-
Unwind of discount on provisions		0.2	0.5
Taxation relating to the above items		(0.9)	(2.5)
Earnings for calculating adjusted earnings per share	d	17.7	23.2

	Reference	2019 Pence	2018 Pence
Basic earnings per share	c/a	6.5	10.4
Diluted earnings per share	c/b	6.5	10.4
Adjusted basic earnings per share	d/a	9.7	12.7
Adjusted diluted earnings per share	d/b	9.7	12.7

	Reference	2019 £m	2018 £m
From discontinued operations			
Losses for calculating basic and diluted earnings per share	c	(3.9)	(15.6)
Adjusted for:			
Exceptional items (see note 4)		5.0	17.2
Taxation relating to the above items		(1.7)	(2.6)
Losses for calculating adjusted earnings per share	d	(0.6)	(1.0)

	Reference	2019 pence	2018 pence
Basic loss per share	c/a	(2.1)	(8.5)
Diluted loss per share	c/b	(2.1)	(8.5)
Adjusted basic loss per share	d/a	(0.3)	(0.5)
Adjusted diluted loss per share	d/b	(0.3)	(0.6)

	Reference	2019 £m	2018 £m
Total attributable to ordinary shareholders			
Earnings for calculating basic and diluted earnings per share	c	8.1	3.4
Adjusted for:			
Amortisation of intangible assets		1.9	1.4
Exceptional items (see note 4)		9.5	22.0
Unwind of discount on contingent consideration		-	-
Unwind of discount on provisions		0.2	0.5
Taxation relating to the above items		(2.6)	(5.1)
Earnings for calculating adjusted earnings per share	d	17.1	22.2

	Reference	2019 pence	2018 pence
Basic earnings per share	c/a	4.4	1.9
Diluted earnings per share	c/b	4.4	1.9
Adjusted basic earnings per share	d/a	9.4	12.2
Adjusted diluted earnings per share	d/b	9.4	12.1

8. Payments to shareholders

Payments to ordinary shareholders are made by way of the issue of B Shares in place of income distributions. Ordinary shareholders are able to redeem any number of the B Shares issued to them for cash. Any B Shares that they retain attract a dividend of 75 per cent of LIBOR on the 0.1 pence nominal value of each share, paid on a twice-yearly basis.

Payments to ordinary shareholders made or proposed in respect of the year were as follows:

	2019		2018	
	Pence per share	£m	Pence per share	£m
Interim	1.5	2.7	1.5	2.7
Final	1.8	3.3	2.8	5.2
Total for the year	3.3	6.0	4.3	7.9

The proposed final payment in respect of 2019 of 1.8 pence per ordinary share is subject to approval by shareholders at the Company's AGM and has therefore not been recognised in this financial information.

9. Pensions and post-employment benefits

The Group operates a number of post-employment benefit arrangements. In the UK, the Group operates a defined benefit pension scheme and defined contribution pension schemes. The net value of the pension deficit for the UK scheme decreased in the year to £28.1 million from £28.5 million at the end of the previous year primarily due to the effects of increases in the future inflation assumptions and decreases in the discount rate offset by increased employer's contributions under the new deficit reduction plan which came into effect from 1 April 2018.

The Group has other unfunded post-employment benefit obligations outside the UK that amounted to £3.0 million (2018: £2.4m).

10. Provisions

	Reorganisation and restructuring	Leasehold dilapidations	Environmental remediation	Other	Total
	£m	£m	£m	£m	£m
At 30 June 2017	0.7	0.8	2.9	0.3	4.7
Charged to profit or loss	2.9	-	-	-	2.9
Unwind of discount	-	-	0.5	-	0.5
Utilisation	(0.4)	-	(0.3)	(0.3)	(1.0)
Currency translation differences	-	-	0.1	-	0.1
At 30 June 2018	3.2	0.8	3.2	-	7.2
Charged to profit or loss	6.9	-	-	0.6	7.5
Unwind of discount	-	0.1	0.1	-	0.2
Non-cash movement	(3.7)	-	-	-	(3.7)
Utilisation	(2.9)	(0.1)	(0.3)	-	(3.3)
At 30 June 2019	3.5	0.8	3.0	0.6	7.9

Analysis of provisions:

	2019	2018
	£m	£m
Current	3.7	3.0
Non-current	4.2	4.2
Total	7.9	7.2

The brought-forward reorganisation and restructuring provisions principally comprise of redundancies made in the prior year in relation to the Group reorganisation and UK restructuring and will be realised within twelve months of the balance sheet date.

Reorganisation costs in the year of £6.9 million relate to £4.4 million for onerous lease provisions and termination costs associated with the sale of PC Liquids, £1.0 million in relation to the closure cost of the UK Aerosols factory and £1.5 million of other reorganisation costs.

Environmental remediation provision relates to historical environmental contamination at a site in Belgium and will be utilised when the land is restored within a period of approximately ten years.

Leasehold dilapidations provision relates to the expected costs to be incurred in restoring leasehold properties to the condition in which they were entered into. Amounts will be utilised as the respective leases end and restoration works are undertaken within a period of approximately five years.

11. Exchange rates

	Average rate		Closing rate	
	2019	2018	2019	2018
Euro	1.14	1.13	1.12	1.13
US Dollar	1.30	1.35	1.27	1.32
Danish Krone	8.47	8.44	8.33	8.41
Polish Zloty	4.88	4.78	4.74	4.94
Czech Koruna	29.20	28.99	28.38	29.37
Hungarian Forint	365.28	351.61	360.71	372.18
Malaysian Ringgit	5.34	5.49	5.25	5.31
Australian Dollar	1.81	1.74	1.81	1.78

12. Date of payments to shareholders

Subject to shareholder approval at the Annual General Meeting, payment to shareholders by means of the allotment of B Shares will be made on 30 November 2019 to ordinary shareholders on the register on 25 October 2019.

Note: This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation which came into effect on 3 July 2016.