

INTERIM MANAGEMENT STATEMENT Q3 2012
24 October 2012

**STRONG Q3
2012 FY TARGETS REITERATED**

Results at a glance	Q3 £m	% change actual exchange	% change constant exchange	YTD £m	% change actual exchange	% change constant exchange
Net revenue	2,422	-1	+4	7,091	0	+4
- Like-for-like growth*			+5			+4
Net Revenue by Segment						
-ENA	1,185	-4	0	3,442	-4	-1
-LAPAC	584	+1	+9	1,736	+6	+11
-RUMEA	358	+1	+6	1,077	+3	+8
-Food	72	+1	0	228	+5	+3
Total ex RBP	2,199	-2	+4	6,483	0	+4
-RB Pharmaceuticals	223	+7	+6	608	+7	+6
Total Net Revenue	2,422	-1	+4	7,091	0	+4
Net Revenue by Category						
-Health	557	+2	+6	1,461	0	+3
-Hygiene	907	-1	+5	2,786	+2	+6
-Home	505	-3	+3	1,465	-3	+1
-Portfolio brands	158	-13	-5	543	-7	-1

* Like-for-like ("LFL") growth excludes the impact of changes in exchange rates, major acquisitions and disposals.

Highlights:

- Year to date like-for-like (LFL) net revenue growth (ex RBP) of +4%, driven by strong Emerging Markets Areas (EM) growth.
- Strong Q3 LFL growth +5% (+5% ex RBP).
- Europe North America (ENA) Q3 LFL growth +2%. This improved performance was driven by higher brand equity investment (BEI), a good start for the new Mucinex Fast Max and a stabilising promotional environment in laundry care and Vanish.
- YTD global growth driven by Dettol/Lysol, Harpic, Finish, Gaviscon, Durex and Vanish.
- RBP – volume (mg) market share of Film grown to 60% up from 48% at the end of 2011.

Commenting on these results, Rakesh Kapoor, Chief Executive Officer, said:

“Reckitt Benckiser’s strong third quarter results were underpinned by an excellent performance in emerging markets and an improved performance in Europe North America. Growth came from all core Areas and categories. RBP continues to make very good progress with Suboxone sublingual film. I am very pleased that our new strategy and our renewed commitment to managing the business for the long term are showing encouraging results.

Our results give us the confidence to reiterate our FY 2012 target of like-for-like net revenue growth* of 200bps above our market growth rate. We now expect market growth to be at the top end of the 1-2% range. We continue to expect to maintain full year operating margins.”**

*ex RBP

Summary Analysis: % net revenue growth				
YTD Sept 2012	Like-for-like	Acquisitions & Disposals*	Exchange	Reported
ENA	0%	-1%	-3%	-4%
LAPAC	+11%	0%	-5%	+6%
RUMEA	+8%	0%	-5%	+3%
Food	+3%	0%	+2%	+5%
TOTAL ex RBP	+4%	0%	-4%	0%
RBP	+6%	0%	+1%	+7%
TOTAL GROUP	+4%	0%	-4%	0%

* Reflects the acquisition of Paras (Jan-March), withdrawal from Private Label (Propack), disposal of Paras Personal Care and a number of minor businesses.

ENA 55% of core net revenue

YTD 2012 total net revenue decreased to £3,442m, with flat LFL growth (total, constant -1%). Although market conditions remain challenging, our volume shares have shown resilience during the year behind significant BEI.

In Health, Gaviscon and Durex delivered strong results, though this was offset by weakness YTD in seasonal brands such as Mucinex, Strepsils and certain products within Nurofen on the back of a slower start to the 'flu season earlier in the year. Hygiene brands of Lysol and Finish performed strongly, particularly in the US behind new initiatives such as Lysol Power & Free, Finish Quantum and All-in-1 gel packs and tablets. In the Home category, Vanish shares showed positive momentum, although the market is still down.

In Q3 LFL growth was +2%. The new organisation is now settling to drive higher focus and greater speed and scale of executions across the Area. This combined with higher BEI has shown encouraging early results. The price and promotional activities in Laundry Detergents are stabilising and our efforts to strengthen our Vanish franchise is bearing fruit. Additionally, Mucinex had a very strong quarter, behind encouraging trade acceptance of our new Mucinex Fast Max caplets and a good start to the 'flu season.

LAPAC 28% of core net revenue

YTD 2012 total net revenue increased +11% (constant) to £1,736m, with LFL growth of +11%. Growth continues to be broad based across LATAM, North and South East Asia, driven by distribution expansion, innovation and BEI. In Health, Paras brands in India and Durex, particularly in China, grew very strongly. In Hygiene, Dettol, Finish, and Harpic delivered strong growth behind initiatives such as Dettol Daily Care, Re-energize, and High Performance for Men soap and shower gels. Surface cleaners continued to experience good growth across the Area. Vanish and Air Wick performed well in the Home category.

In Q3 LFL growth was +11% as trends experienced during the first six months of the year continued.

RUMEA 17% of core net revenue

YTD 2012 total net revenue increased +8% (constant) to £1,077m with LFL growth of +8%. Growth was broad based across all regions. On a category basis Health growth was driven by Durex, Gaviscon and Strepsils. Hygiene performed particularly well behind Dettol, Finish, Harpic and Veet driven by initiatives such as Dettol Daily Care and Re-energize. Air Wick performed well in the Home category.

In Q3 good growth across all regions and categories contributed to +7% LFL growth.

Food

YTD 2012 total net revenue increased +3% (constant) to £228m led by growth in French's Mustard and Frank's Red Hot Sauce.

In Q3 LFL growth was flat due to weaker US market conditions and increased private label activity, particularly around French Fried Onions. Our core French's mustard and Franks Red Hot franchises remain strong.

Pharmaceuticals (RBP)

YTD 2012 total net revenue increased +6% (constant) to £608m. Growth came from continued strong volume growth in the US offset by dilution from increased Film penetration and higher Medicaid rebates. Conversion from tablets to Film continues to increase with market volume share now 60%, up from 48% at the end of 2011, creating a significantly more sustainable business.

In Q3 LFL growth was +6%, experiencing similar trends to those during the first half of 2012.

RBP has recently announced its voluntary discontinuation of Suboxone tablets in the USA due to increasing concerns with pediatric exposure. Further details can be found on our website – www.rb.com

At this time the Group has no knowledge as to the exact timing of potential generic competition to the Suboxone tablets in the US. For further information surrounding exclusivity of Suboxone products, please refer to page 11 of the 2011 Annual Report and Financial Statements.

YTD 2012 Category Review (at Constant Exchange Rates)

Health. Net revenue increased +3% (+4% LFL) to £1,461m. Brand performances from Durex, Paras brands and Gaviscon have been particularly pleasing and offset a slow start to the 'flu season earlier in the year, which impacted Mucinex, Strepsils and some of our Nurofen range. New initiatives such as Performax Intense condoms, plus increased investments in BEI and distribution in China drove Durex growth, while the roll out and support of Double Action in a number of Emerging Markets underpinned the strong performance in Gaviscon.

In Q3 Health grew by 7% on an LFL basis, with continuing growth trends on non-seasonal products combined with an encouraging start to the 'flu season, and good trade acceptance of our new Mucinex Fast Max caplets.

Hygiene. Net revenue increased +6% on both a constant and LFL basis to £2,786m, largely driven by strong growth in the Dettol / Lysol franchise in all our three areas. New initiatives such as Dettol Daily care and Re-energize in LAPAC and RUMEA and several initiatives such as Lysol Power & Free in ENA underpinned this strong performance. Finish continues to perform well in a number of markets globally, and particularly in the US where Quantum and All-In-1 tablets and gel packs have gained significant market share this year. Veet delivered good growth behind initiatives such as the Veet Easy Wax Electrical Roll-On. Harpic enjoyed very strong growth in LAPAC and RUMEA by driving category penetration via consumer education and increased distribution, backed by the continued success of Harpic Powerplus and Harpic Hygienic blocks in all geographies.

In Q3 Hygiene grew by +5% on a LFL basis, as trends experienced in the first six months continued in respect of most brands. Offsetting this was Autodish due to phasing of promotional activity in the US.

Home. Net revenue increased +1% (+2% LFL) to £1,465m. Growth came from Vanish where there has been excellent growth in a number of emerging market countries, combined with improving share trends in ENA. Air Wick produced a robust performance behind Freshmatic, Aqua Mist, candles and launch of innovations such as Filter & Fresh.

In Q3 Home grew by +3% on an LFL basis underpinned by strong growth in Vanish.

Portfolio Brands. Net revenue decreased -1% to £543m, with the decline in total revenue largely due to the ongoing discontinuation of the Private Label business and disposal of other minor brands. On a LFL basis, net revenue increased slightly (+1%) due to good Q3 growth in the Russian medical business and a more stable performance in laundry detergents in Southern Europe.

In Q3 LFL growth was +7%

Financial Position

There has been no material change to the financial position of the company since the published 2011 Annual Report and Accounts.

2012 Targets

The YTD 2012 results position the Group well to achieve its FY 2012 financial targets.

For the Group excluding RBP, the target is for like-for-like net revenue growth of +200 basis points ahead of our market growth. We expect market growth to be at the top end of the +1-2% range we have seen this year.

We also expect to maintain margins (ex RBP) as we invest behind brand equity building initiatives.

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Cautionary note concerning forward-looking statements

This document contains statements with respect to the financial condition, results of operations and business of Reckitt Benckiser and certain of the plans and objectives of the Group with respect to these items. These forward-looking statements are made pursuant to the "Safe Harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing to the Company, anticipated cost savings or synergies and the completion of strategic transactions are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors discussed in this report, that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including many factors outside Reckitt Benckiser's control. The principal risks and uncertainties which could have a material effect on the Group's performance are described on pages 13 and 14 of the Annual Report and Financial Statements for the year ended 31 December 2011. Past performance cannot be relied upon as a guide to future performance.

Basis of Presentation and Exceptional Items

Where appropriate, the term "like-for-like" (LFL) describes the performance of the business on a comparable basis, excluding the impact of acquisitions, disposals, discontinued operations and foreign exchange.

Where appropriate, the term "core business" represents the ENA (Europe and North America), RUMEA (Russia / CIS, Africa, North Africa, Middle East and Turkey) and LAPAC (Latin America, North Asia, South Asia and ANZ) geographic areas, and excludes RBP and RB Food.