



STRONG Q3 2015 – FY REVENUE TARGET INCREASED

Trading Update

Results at a glance	Q3 £m	% change actual exchange	% change LFL*	YTD £m	% change actual exchange	% change LFL*
Net Revenue - Group	2,195	-1	+7	6,551	-	+6
Net Revenue by Segment						
-ENA	1,474	-1	+6	4,265	-2	+5
-DvM	645	-1	+10	2,042	+3	+8
-Food	76	+10	+3	244	+10	+3
Net Revenue by Category						
-Health	739	+6	+14	2,109	+8	+13
-Hygiene	865	-3	+4	2,699	-1	+3
-Home	444	-5	+5	1,277	-4	+2
-Portfolio brands	147	-6	+5	466	-13	-2

Highlights: (at constant rates)

- +7% LFL growth in Q3. Strategy for growth and outperformance, underpinned by innovation, is working in challenging and volatile markets.
- ENA (Europe, North America, ANZ) - broad-based growth across all key geographies, aided by a weak comparator in North America. DVM (Developing Markets) – continuing strength in India and China. Brazil remains challenging.
- LFL growth driven by Consumer Health and Hygiene +8% in Q3 and +7% YTD behind Scholl / Amopé, Durex and Dettol/Lysol. Strong Q3 Home performance - both Air Wick and Vanish in growth.
- Full year LFL revenue target raised to +5%.

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

“Our strategy for growth and outperformance, focused on Powermarkets and Powerbrands continues to deliver. In Q3 we achieved continued broad-based growth throughout our European and North American Powermarkets, and double-digit growth in Developing Markets. Health and Hygiene brands had an excellent quarter with +8% growth, driven by innovations and continued penetration building programmes.

Markets remain challenging, but with +6% like-for-like growth on a year to date basis behind us, we are able to raise our full year LFL revenue target to +5%*, and therefore remain poised for another year of growth and margin expansion.”

* Like-for-like (“LFL”) growth excludes the impact of changes in exchange rates, acquisitions, disposals and discontinued operations.



Operating Segment Review

Q3 2015	£'m	Like-for-like*	Net M&A**	FX	Reported
North America	563	+5%	-	+7%	+11%
Rest of ENA	911	+7%	-1%	-14%	-8%
Total ENA	1,474	+6%	-1%	-7%	-1%
DvM	645	+10%	-1%	-10%	-1%
Food	76	+3%	-	+7%	+10%
Total	2,195	+7%	-1%	-7%	-1%

YTD Sept 2015	£'m	Like-for-like*	Net M&A**	FX	Reported
North America	1,541	+3%	+1%	+8%	+12%
Rest of ENA	2,724	+5%	-1%	-12%	-8%
Total ENA	4,265	+5%	-1%	-6%	-2%
DvM	2,042	+8%	-1%	-4%	+3%
Food	244	+3%	-	+8%	+10%
Total	6,551	+6%	-1%	-5%	-

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

** Reflects the net impact of the KY acquisition, disposal of Footwear and disposal / discontinuance of minor businesses including Medcom Hospital.

Note: due to rounding, these tables will not always cast.

ENA Q3: (+6% LFL) YTD: (+5% LFL) (65% of net revenue)

- Growth in the US driven by innovations in Lysol, Airwick's Life Scents range of products and the Amopé Velvet Express Pedi. There was also a sell-in impact from our latest Amopé innovation - the new Velvet Smooth Electronic Nail Care System.
- European markets also benefitted from innovations such as Scholl Velvet Smooth Electronic Nail Care System, and in Strepsils, our Strefen Direct Spray, resulting in broad-based growth across our major markets.
- In Russia we had another good quarter of investing behind our brands, pricing, and leveraging our improved distribution model in our Consumer Health brands of Nurofen, Scholl and Durex. The outlook for Russia does however remain uncertain given the current market conditions.

DvM Q3: (+10% LFL) YTD: (+8% LFL) (31% of net revenue)

- Improved consumer sentiment combined with innovation (Dettol - Squeezy Hand Wash & Harpic Bathroom Cleaner) and penetration building programmes, delivered a good quarter for India.
- Continued strong growth in China, led by e-commerce, across our brand portfolio.
- Underlying macro trends and competitive challenges in Brazil continue to be tough, however the quarter benefitted from a strong pest season.
- In other emerging markets the picture remains mixed. Middle East and Turkey continue to see good growth. In South East Asia and Africa, conditions remain challenging.

Food Q3: (+3% LFL) YTD: (+3% LFL) (4% of net revenue)

- Continued solid growth in the quarter. International expansion continues.

Category Review

Q3 2015	£'m	Like-for-like	Net M&A	FX	Reported
Health	739	+14%	-	-8%	+6%
Hygiene	865	+4%	-	-6%	-3%
Home	444	+5%	-	-9%	-5%
Portfolio (incl Food)	147	+5%	-7%	-4%	-6%
Total	2,195	+7%	-1%	-7%	-1%

YTD Sept 2015	£'m	Like-for-like	Net M&A	FX	Reported
Health	2,109	+13%	+1%	-6%	+8%
Hygiene	2,699	+3%	-	-4%	-1%
Home	1,277	+2%	-	-6%	-4%
Portfolio (incl Food)	466	-2%	-9%	-3%	-13%
Total	6,551	+6%	-1%	-5%	-

Health **Q3: (+14% LFL)** **YTD: (+13% LFL)** **(32% of net revenue)**

- Excellent, broad-based growth across our Consumer Health portfolio in both Q3 and YTD.
- Good growth in the Scholl / Amopé franchise behind the Velvet Smooth Express Pedi, GelActiv insoles and also the sell-in impact of our new Velvet Smooth Electronic Nail Care System in the US and a number of countries in Europe.
- Good performances also by Nurofen (consumer education programmes plus improved go to market model in Russia), Strepsils (launch of new Strefen Direct Spray), and Durex. We also saw strong sell-in ahead of the flu season in Russia.
- The FDA has announced that it has granted approval of generic versions of the remaining extended-release Mucinex range of D, DM and SE Max.

Hygiene **Q3: (+4% LFL)** **YTD: (+3% LFL)** **(41% of net revenue)**

- Growth in both Q3 and YTD led by Dettol and Harpic in DvM behind Dettol Squeezy Hand Wash, and Harpic bathroom cleaner innovations, combined with penetration building activities.
- On Finish we continue to focus on building dishwasher penetration and driving relevant innovation to build category growth and market share – for example the strong activation of our Finish “Shine and Protect” innovation. The competitive environment in the US remains tough.

Home **Q3: (+5% LFL)** **YTD: (+2% LFL)** **(20% of net revenue)**

- The global rollout of our Vanish Gold innovations continues to drive growth in both ENA and DvM.
- Air Wick had a strong quarter as innovations launched under the Life Scents platform (Room Mist Aerosol and Wax Melts) show encouraging early results.

Portfolio Brands **Q3: (+5% LFL)** **YTD: (-2% LFL)** **(7% of net revenue)**

- Improved performance in laundry detergents and fabric softeners in Q3. The separate management of, and additional focus behind, these brands has helped stabilise our performance in this competitive and challenging category.

M&A and Disposals

Bristol-Myers Squibb (BMS) collaboration

On 12 February 2013, RB signed a three-year collaboration agreement with BMS for a number of market-leading over-the-counter (“OTC”) consumer healthcare brands in Brazil, Mexico and certain other parts of Latin America, with an option to purchase at the end of the three year period (the “OTC Option”).

On 16th April 2014, RB signed an agreement with BMS granting RB the option to purchase the BMS manufacturing site in Mexico that manufactures the OTC Products (the “Factory Option”).

In July 2015, RB exercised both the OTC Option and Factory Option with a view to acquire legal title to the related intellectual property and the manufacturing site in Mexico at the end of the collaboration period in May 2016. The closing of these transactions remain subject to Mexican and Brazilian antitrust authorities’ approvals and customary closing conditions.

Sale of Medcom – MP business

RB has completed the sale of Medcom-MP, the entity owning its Russian hospital business.

The reported loss on sale of the entity is expected to be approximately £55m. This will be treated as an exceptional item. It comprises:

- The difference between the net sale proceeds and the net assets, (approximately £20m); and
- A recycling from reserves of previous exchange losses arising on consolidation of the legal entity sold. Due to the significant devaluation of the Russian rouble since acquisition, the non-cash loss required to be recycled through the income statement is approximately £35m.

Financial Position

There has been no material change to the financial position of the Company since the published 2015 Interim Statement.

2015 Targets

Given the strong Q3 performance, we amend our net revenue target from full year LFL growth of +4-5%¹ to growth of +5%¹:

¹ At constant exchange rates, excluding the impact of acquisitions, disposals and discontinued operations.

For further information, please contact:

Reckitt Benckiser

+44 (0)1753 217800

Richard Joyce

Director Investor Relations

Patty O'Hayer

Director, External Relations and Government Affairs

Brunswick (Financial PR)

+44 (0)20 7404 5959

David Litterick

Cautionary note concerning forward-looking statements

This document contains statements with respect to the financial condition, results of operations and business of RB 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. Past performance cannot be relied upon as a guide to future performance.