

Preliminary Results for the 52 Weeks ended
29th March 2003

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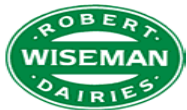


Highlights

- Volumes up 11.7% to 1.03 billion litres
- Operating profit up 33.3% to £25.1 million
- Earnings per share up 38.4% to 20.15 pence
- Dividend up 18.6% to 5.75 pence per share
- New business gains with multiples
- Droitwich Spa dairy expansion facilitating continued growth
- New £5 million depot in Durham to be constructed
- Net debt reduced to £17.5 million



Operating Review



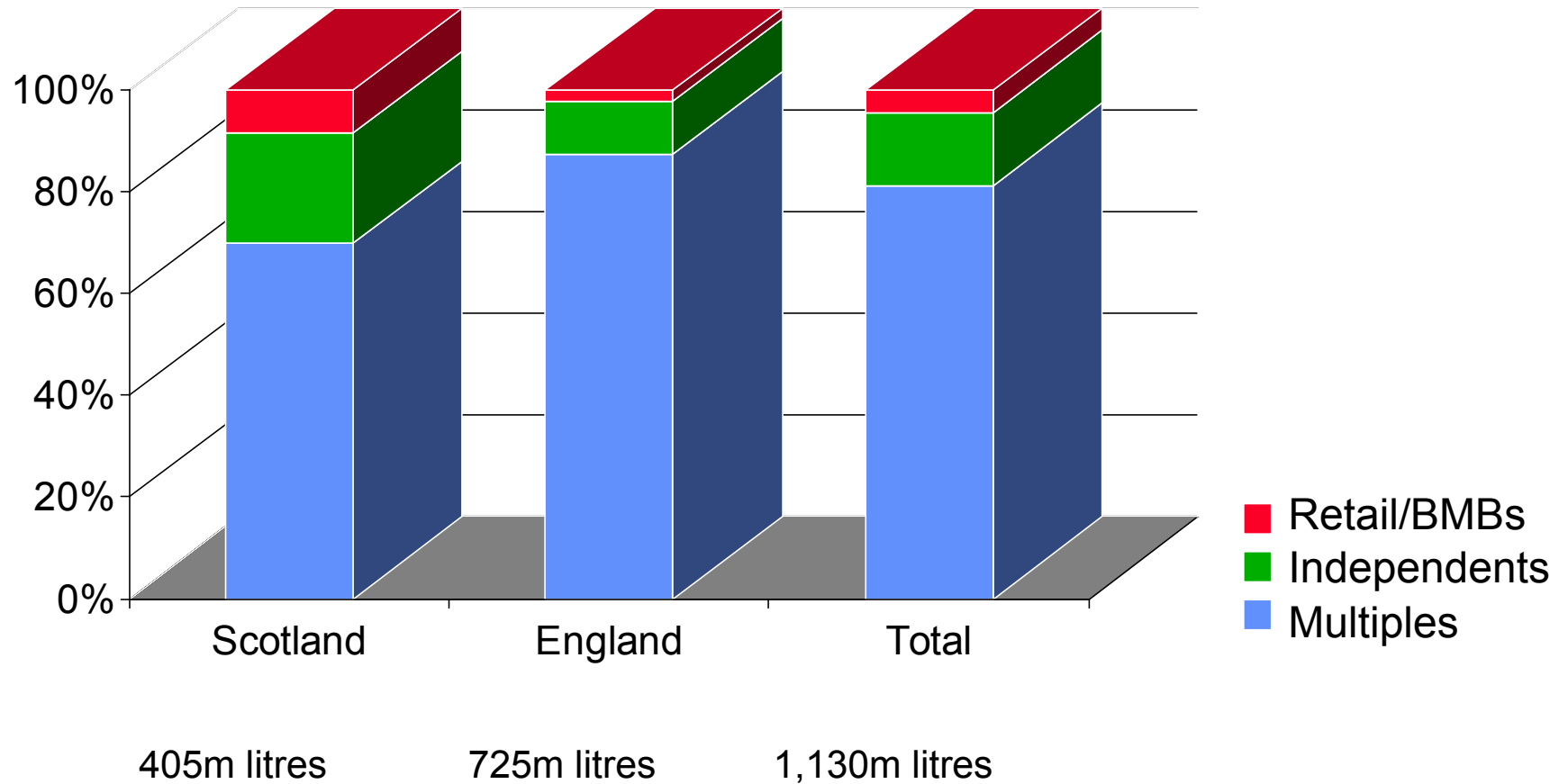
Operating Review

Sales/Marketing

- Record volumes with sales of 1.03 billion litres
- Annualised current volumes in excess of 1.13 billion litres
- Started supplying additional Safeway stores in January
- Additional Sainsbury and Tesco stores started in April
- Additional Somerfield business to start in June
- Additional volumes secured with middle ground retailers
- Increased pot cream sales to Safeway and Iceland
- Scotland now accounts for less than 40% of volumes sold



Current Sales



Operating Review

Sales/Marketing (cont'd)

- Bulk cream prices improved in second half of the year
- Bulk cream prices averaged 4% lower than previous year
- Strengthening of Euro has helped cream prices in the first quarter of current year
- Objective is to target further growth
- Remain confident we can continue to grow given our superior service and product quality



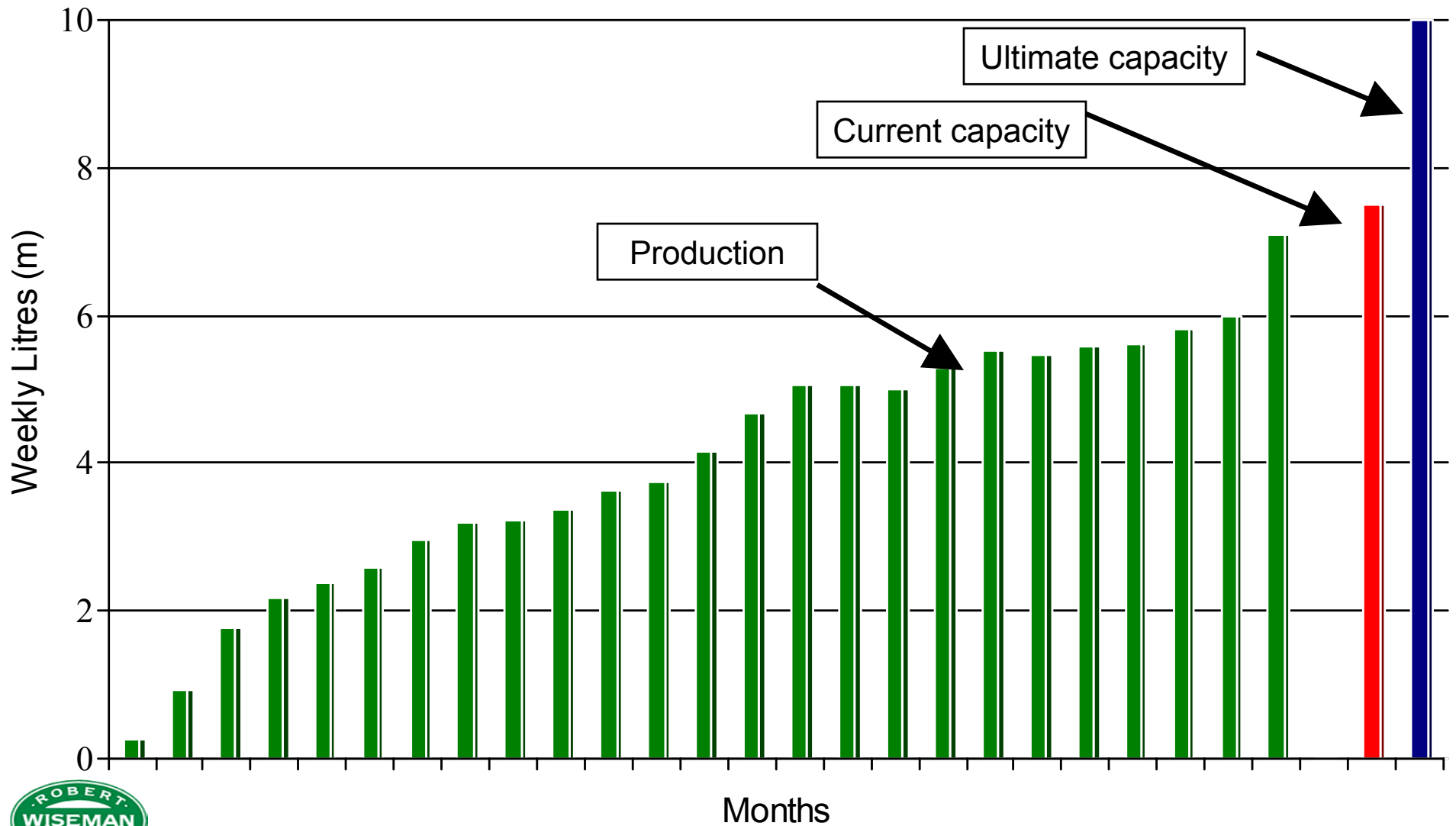
Operating Review

Facilities (Droitwich Spa)

- Droitwich Spa dairy doubled volume processed during the year to 250 million litres
- Current annualised volumes of circa 350 million litres being processed
- Substantial improvements in efficiency, wastage and operating costs
- Significant impact on performance of Group
- £7 million to be spent by September 2003, increasing capacity to 500 million litres
- Tremendous achievement to secure 7% of England and Wales market in 24 months



Droitwich Production



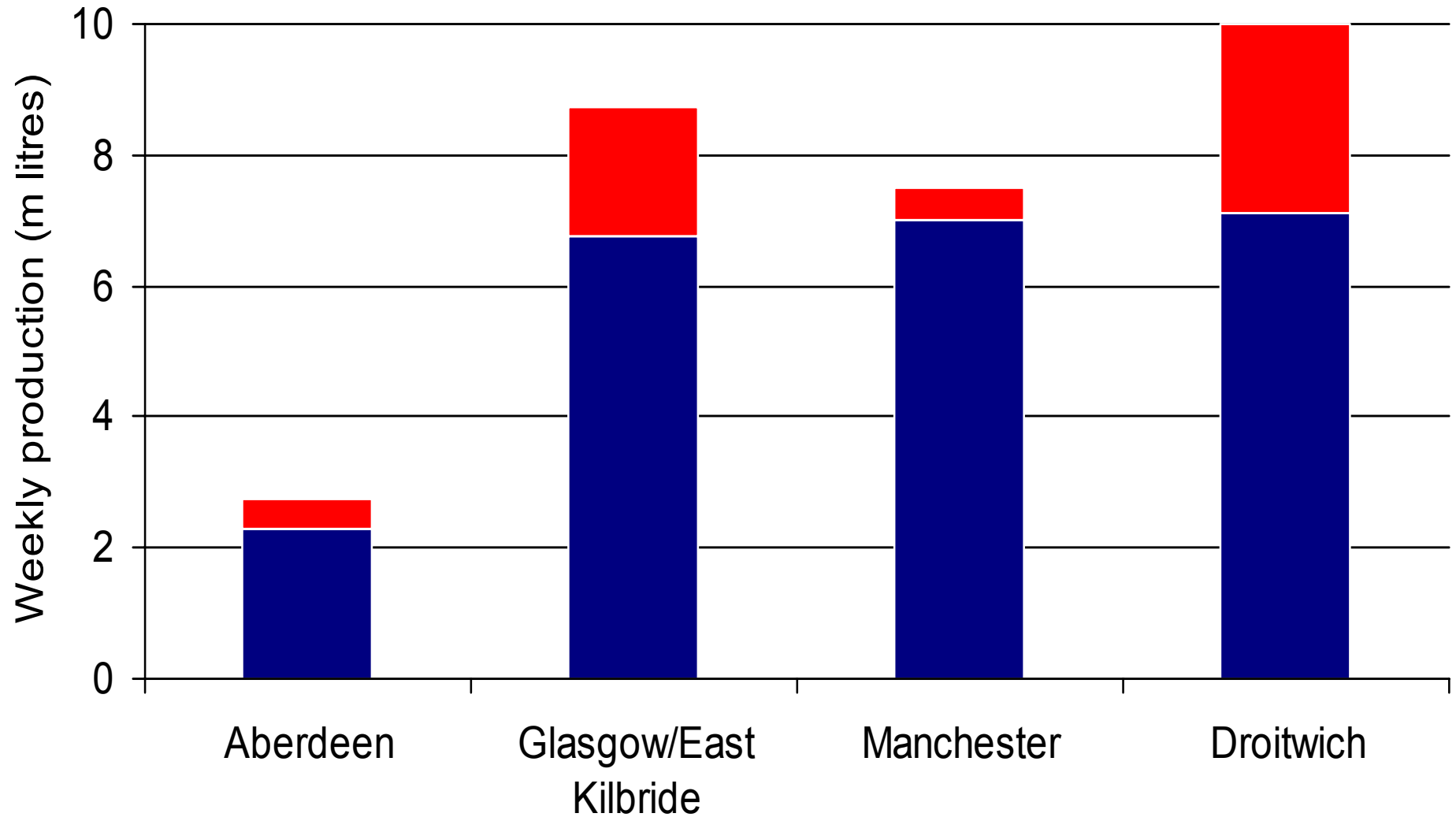
Operating Review

Facilities (Other Dairies)

- Investment continues in other dairies
- Maintaining and improving quality and competitiveness of these facilities
- Reverse Osmosis plant for Glasgow dairy to be commissioned during summer 2003
- Aim to replicate lower wastage and effluent levels being achieved at Droitwich Spa

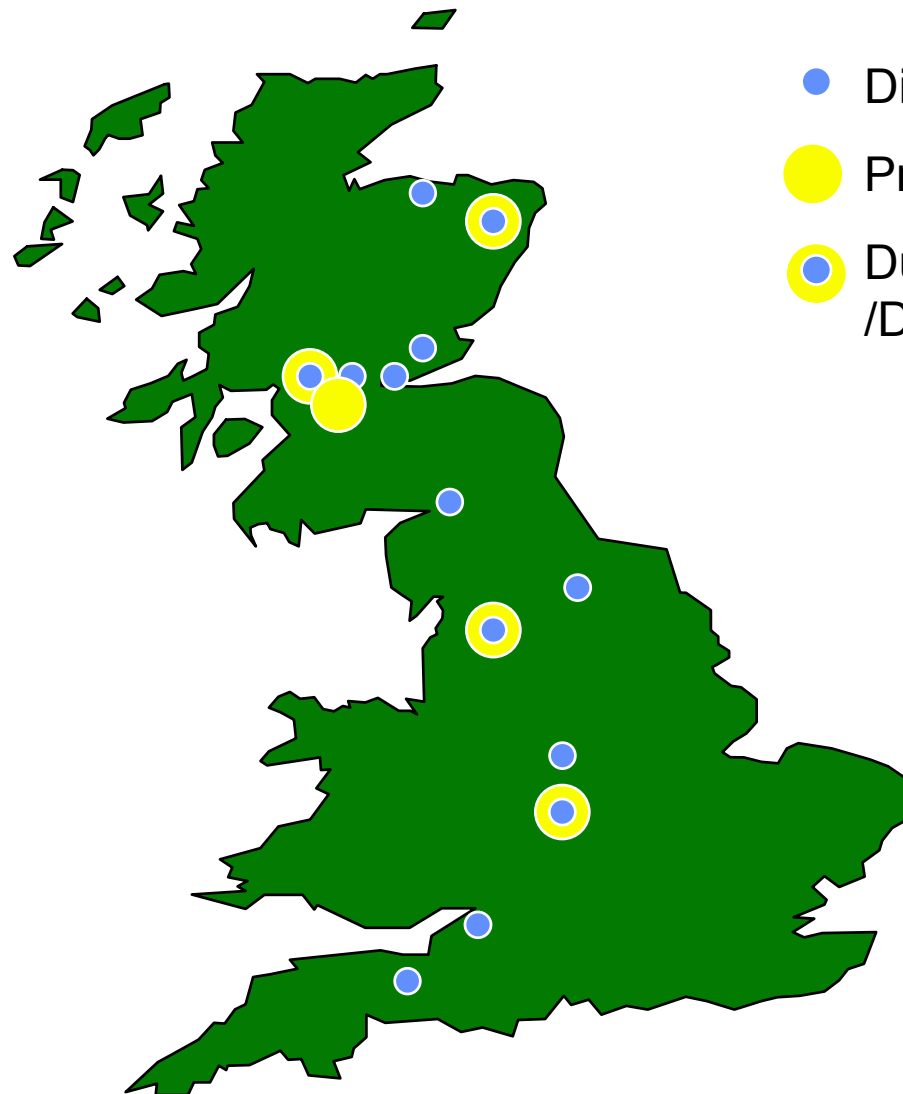


Dairy Capacities



■ Utilised ■ Headroom

Existing Facilities



- Distribution Depots
- Production Centre
- Dual Production /Distribution Site



Operating Review

Facilities (Future Options)

- Remaining unutilised capacity of circa 250m litres
- Continue to consider options for future:
 - maintain current capacity
 - increase capacity of existing facilities
 - review options regarding new dairy
- All options being considered over the next six months
- Droitwich Spa model has worked and shows that additional capacity can be profitably utilised
- Retailers want the best - Wiseman can deliver



Operating Review

Distribution

- New £5.5 million depot opened in Bristol in August 2002 ahead of schedule
- Plans for £5 million new depot in County Durham well advanced
- More than £7 million spent on fleet to replace vehicles and add further capacity
- Uplift in volumes in 2003 already in excess of 100 million litres
- New business successfully absorbed



Operating Review

Milk Procurement

- Pleased to have led 2 pence per litre increase in milk prices in October 2002
- Increase remains in place despite it not being matched by other major processors
- Situation remains under review but cannot continue indefinitely
- Increased number of direct suppliers in Scotland and England in April 2003
- Look to maintain level of direct supplies at 60% of overall supplies



Operating Review

Milk Price Table - Liquid Contracts

	Pence per litre
Wiseman	18.93
Express	18.84
ACC	18.36
Arla	18.14
Dairy Crest	18.04

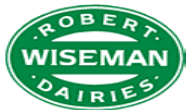
Source - Dairy Industry Newsletter for February 2003

Represents price paid for direct supplies only

Wiseman are the only company to pay the 2ppl increase in October for all supplies



Financial Results



Profit and Loss

	% change	2002/03	2001/02
Volume	+11.7%	1,028m	920m
Turnover	+5.4%	£391.0m	£371.1m
Operating profit	+33.3%	£25.1m	£18.8m
Operating margin	+19.0%	6.4%	5.1%
Operating profit per litre		2.4ppl	2.0ppl
Interest payable		£2.3m	£2.3m
Effective tax rate		31.0%	30.0%
Earnings per share	+38.4%	20.15p	14.56p
Dividend per share	+18.6%	5.75p	4.85p



Underlying Operating Profit

	2003 £m	2002 £m
Reported profit	25.1	18.8
Add back		
Exceptional milk losses	-	0.5
Reorganisation costs	-	0.9
OFT costs	0.3	0.7
Underlying profit*	<u>25.4</u>	<u>20.9</u>

** Included with this measure of profitability are £0.4m and £0.7m of gains on the sale of fixed assets in 2003 and 2002 respectively.*



Underlying Profit and Loss

	% change	2002/03	2001/02
Volume	+11.7%	1,028m	920m
Turnover	+5.4%	£391.0m	£371.1m
Operating profit	+21.5%	£25.4m	£20.9m
Operating margin		6.5%	5.6%
Operating profit per litre	+8.7%	2.5ppl	2.3ppl



Balance Sheet Review

	2003	2002
	£m	£m
Goodwill	3.1	3.7
Tangible fixed assets	142.1	136.7
Capital expenditure	20.6	22.6
Depreciation	14.9	13.5
Trade debtors	25.9	27.3
Current assets	40.2	38.2
Net current liabilities	(29.1)	(25.1)
Gearing	19%	43%
Net assets	89.3	77.7



Capital Expenditure

	2003 Actual £m	2004 Budget £m
Droitwich	3.6	7.2
Other dairies	2.1	3.8
Depots	5.6	4.3
Vehicles	7.8	7.7
Other assets	1.5	2.0
Total	20.6	25.0



Cash Flow Review

	2002/03 £m	2001/02 £m
Inflow from operating activities	42.7	30.6
Interest payments (net)	(2.2)	(2.4)
Tax paid	(3.8)	(2.9)
Capital expenditure (net)	(17.1)	(23.7)
Acquisitions	-	(2.1)
Dividends paid	(3.9)	(3.8)
(Outflow)/inflow from financing	<u>(10.7)</u>	<u>7.0</u>
Increase in cash	<u>5.0</u>	<u>2.7</u>



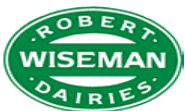
FRS 17 Implications

- Only exposure relates to Aberdeen Milk Company acquired in 1999
- Final salary scheme closed in 1994 but responsibilities were assumed by Group
- Deficit under FRS 17 amounts to £1.3 million
- Net of deferred tax asset liability is £0.9 million
- Continue contributions of £0.1 million per annum to address shortfall

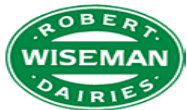


Express Appeals re: OFT

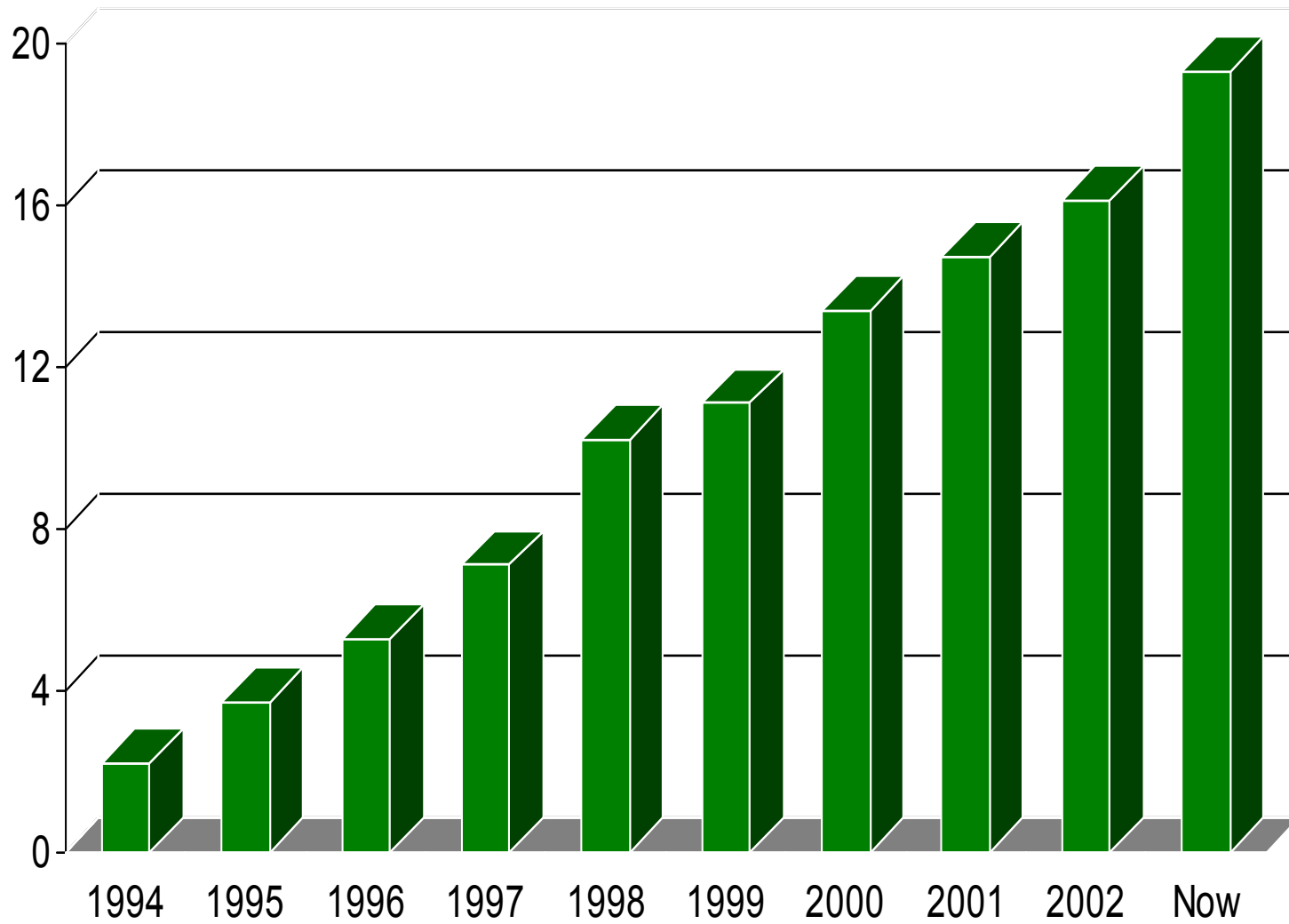
- OFT conducted two lengthy investigations
- OFT did not identify any infringements
- Appeals lodged by Express against both OFT decisions
- Initial appeal held in January 2003 re: whether OFT had actually reached a decision
- Competition Appeals Tribunal determined it has jurisdiction to review OFT decision
- We will continue to defend position
- Expect Express to keep lodging appeals



Market Overview



Our Market Share (% of GB)



GB Liquid Milk Market

Current Position

	Total (million litres)	% Market
1. Dairy Crest	1,390	24.4
2. Robert Wiseman	1,130	19.8
3. Express	1,115	19.6
4. Arla	830	14.6
Others	1,235	21.6
TOTAL	5,700	100.0

Source: Dairy Industry Newsletter (Wiseman current figure annualised)



GB Liquid Milk Market

Post Arla Takeover of Express

	Total (million litres)	% Market
1. Arla	1,945	34.2
2. Dairy Crest	1,390	24.4
3. Robert Wiseman	1,130	19.8
Others	1,235	21.6
TOTAL	5,700	100.0

Source: Dairy Industry Newsletter (Wiseman current figure annualised)



Supermarkets - Market Shares

	Pre Takeover	%	Post Takeover	%
Wiseman	765	30.2	765	30.2
Arla	490	19.4	1,055	41.7
Dairy Crest	710	28.1	710	28.1
Express	565	22.3	-	-
	2,530	100.0	2,530	100.0

Source: Dairy Industry Newsletter - Supermarkets include Tesco, Sainsbury, Asda, Safeway, Somerfield, Morrison, Waitrose and M&S



Market Shares



	Pre Takeover	%	Post Takeover	%
Wiseman	255	33.8	255	33.8
Arla	105	13.9	340	45.0
Dairy Crest	160	21.2	160	21.2
Express	235	31.1	-	-
	755	100.0	755	100.0

Source: Dairy Industry Newsletter



Market Shares

Sainsbury's

	Pre Takeover	%	Post Takeover	%
Wiseman	90	19.8	90	19.8
Arla	-	-	145	31.8
Dairy Crest	220	48.4	220	48.4
Express	145	31.8	-	-
	455	100.0	455	100.0

Source: Dairy Industry Newsletter



Market Shares



	Pre Takeover	%	Post Takeover	%
Wiseman	165	40.7	165	40.7
Arla	195	48.2	195	48.2
Dairy Crest	45	11.1	45	11.1
Express	-	-	-	-
	405	100.0	405	100.0

Source: Dairy Industry Newsletter



Market Shares



	Pre Takeover	%	Post Takeover	%
Wiseman	165	50.0	165	50.0
Arla	5	1.5	5	1.5
Dairy Crest	160	48.5	160	48.5
Express	-	-	-	-
	330	100.0	330	100.0

Source: Dairy Industry Newsletter



Market Shares



	Pre Takeover	%	Post Takeover	%
Wiseman	90	29.5	90	29.5
Arla	150	49.2	215	70.5
Dairy Crest	-	-	-	-
Express	65	21.3	-	-
	305	100.0	305	100.0

Source: Dairy Industry Newsletter



Market Shares



	Pre Takeover	%	Post Takeover	%
Wiseman	-	-	-	-
Arla	5	3.2	155	100.0
Dairy Crest	-	-	-	-
Express	150	96.8	-	-
	155	100.0	155	100.0

Source: Dairy Industry Newsletter



Summary & Outlook



Strategy

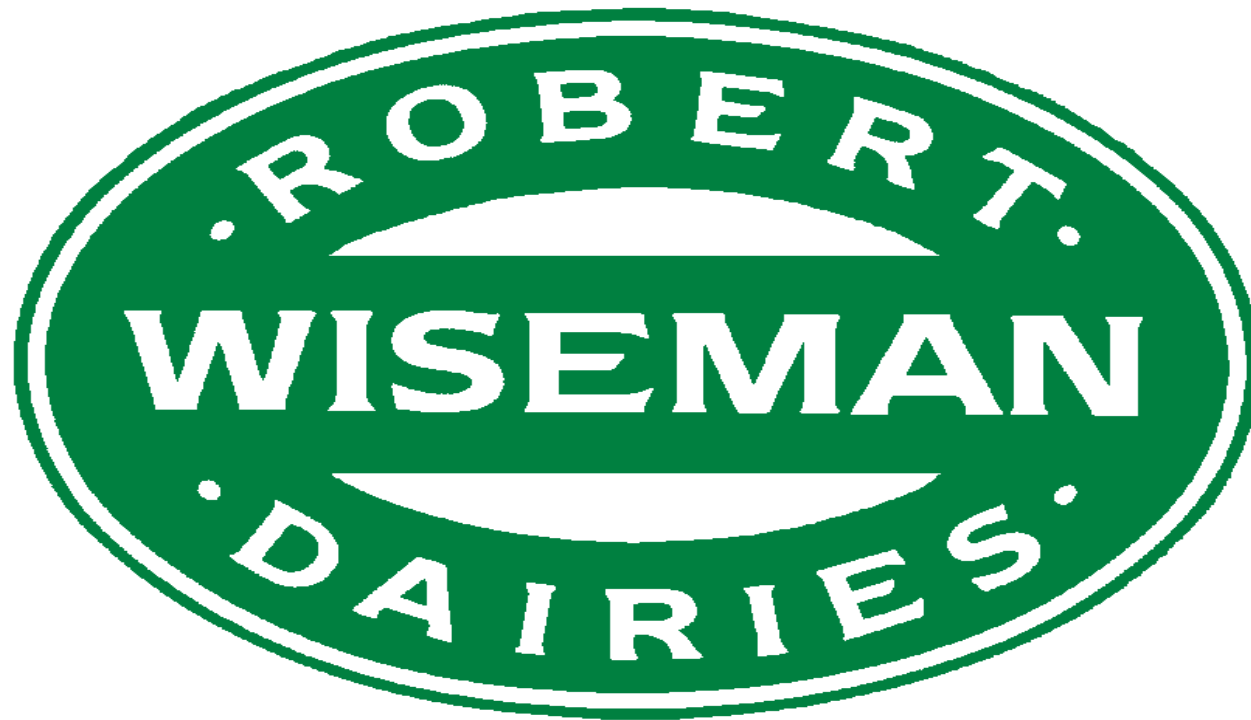
- Consistent since flotation
- Steady expansion of distribution and processing facilities
- Growth with Multiple Retailers
- Best facilities in the industry
- Lowest cost operator in the industry
- Best quality and service record in the industry
- Unique focus on liquid milk for the retail sector



Summary & Outlook

- Volume and turnover at new record levels
- Strong growth in profits to record levels
- Volume growth for next year secured
- Droitwich Spa dairy to increase production capacity to 500m litres in the current year
- Further opportunities will be available in the next twelve months
- Strong balance sheet to finance capital expenditure and any other opportunities
- Foundations for continued success in place





Preliminary Results for the 52 Weeks ended
29th March 2003