THE INTERIM

INTERIM REPORT 2006

RECKITT BENCKISER

ON TRACK

OUR GLOBAL BRANDS

HEALTH & PERSONAL CARE

24%

OF NET REVENUES

FABRIC CARE

25%

OF NET REVENUES

SURFACE CARE

19%

OF NET REVENUES

DISHWASHING

12%

OF NET REVENUES

HOME CARE

14%

OF NET REVENUES

HEALTH & PERSONAL CARE

PROFILE OF CATEGORY
Products that relieve or solve common personal or health problems, protecting against infection and improving wellbeing. Our personal care products include Clearasil anti-acne cream and Veet to remove unwanted body hair. Denture Care cleans and improves the performance of dentures. Our range of the over-the-counter health products includes analgesics, gastro-intestinal products and cough, cold and sore throat products. Suboxone (Buprenorphine) is the Company's prescription drug against opiate dependence.

KEY BRANDS
Antiseptics Dettol
Denture Care Kukident, Steradent
Analgesics cold/flu Disprin, Lemsip, Nurofen*, Strepsils*
Gastro-Intestinals Gaviscon, Senokot, Fybogel
Personal Care Clearasil*, Veet

MARKET POSITION
Dettol is the world leader in antiseptics bought for use at home. Veet is the world leader in depilatories. Nurofen is the No.2 Analgesic in Europe. Strepsils is the No.1 sore throat product outside the US. Clearasil is the No.1 anti-acne treatment.

*With effect from 1 February 2006

FABRIC CARE

PROFILE OF CATEGORY
This category consists of five product groups used for cleaning and treating all fabrics. It covers products used before, during or after the main laundry wash cycle. Fabric Treatment products remove stains from clothes, carpets and upholstery. Garment Care products are specially formulated for washing delicate fabrics. Water Softeners protect the machine and laundry against the build-up of limescale and other deposits. Fabric Softeners are used for softening and freshening fabrics and ironing aids help make ironing more convenient. Laundry detergents clean fabrics in washing machines.

KEY BRANDS
Fabric Treatment Vanish, Spray 'n Wash, Resolve, Napisan
Garment Care Woolite
Water Softener Calgon
Fabric Softener Quanto, Flor
Laundry Detergent Ava, Sole, Colon, Dosia

MARKET POSITION
No.1 worldwide in Fabric Treatment and Water Softener categories. No.2 worldwide in Garment Care.

SURFACE CARE

PROFILE OF CATEGORY
Five product groups. Disinfectant cleaners both clean and disinfect surfaces, killing 99.9% of germs. Lavatory cleaners offer specialised cleaning and disinfecting for the toilet bowl and cistern. All purpose cleaners are ideal for many household surfaces, particularly in the bathroom and kitchen. Specialty cleaners are designed for specific tasks – from cleaning ovens to removing limescale. Finally, polishes and waxes clean and shine hard surfaces such as furniture and floors.

KEY BRANDS
Disinfectant Lysol, Dettol, Sagrotan, Pine-O-Cleen
Lavatory Harpic, Lysol
All purpose Veja, St Marc, Cillit Bang, Easy-Off Bang
Specialty Easy-Off Oven, Mop & Glo, Brasso, Lime-A-Way, Destop, Rid-X
Polishes & waxes Poliflor, Old English, O'Cedar, Mr Sheen

MARKET POSITION
No.1 worldwide in Surface Care with leading positions across the five segments described above.

DISHWASHING

PROFILE OF CATEGORY
Products used in automatic dishwashing machines and for washing dishes by hand. In automatic dishwashing the main product is detergent for cleaning dishes in the main wash cycle and sold in an increasing range of formats: powder, liquid, gels (standard and 2in1), gelcaps (standard and 2in1), tabs (Double Action, PowerBall, 2in1, 3in1, 4in1 and 5in1) and Quantum. Other products include rinse agents, decalcifying salts, dishwasher cleaners, deodorisers and glass corrosion protectors.

KEY BRANDS
Finish, Calgonit, Electrasol, Jet Dry

MARKET POSITION
No.1 worldwide in Automatic Dishwashing.

HOME CARE

PROFILE OF CATEGORY
Consists of three categories. Air Care products freshen or add fragrance to the air and also create an ambience. Various formats include; aerosols, gels, liquids, electricals and candles. Pest Control products offer solutions to domestic infestation. The category includes rodenticide and insecticide products – in formats such as coils, mats, baits, traps, vapourisers and sprays – to prevent infestation and to kill pests. Shoe Care cleans and protects shoes.

KEY BRANDS
Air Care Air Wick
Pest Control d-Con, Mortein, Shieldtox, Target, Rodasol, Pif Paf, Tiga Roda
Shoe Care Nugget, Cherry Blossom

MARKET POSITION
No.2 worldwide in Air Care, Shoe Care and Pest Control.

Results at a glance	2006 H1 £m	2005 H1 £m	change %
Net revenues	**2,386**	2,014	+18
Operating profit	**367**	345	+6
Net income	**261**	268	-3
Operating profit (adjusted)*	**424**	345	+23
Net income (adjusted)*	**303**	268	+13

*The term adjusted excludes the impact of the restucturing change

- Net revenues grew **18%** (15% constant) to **£2,386m**. The underlying business (excluding BHI) grew **8%** (**6%** constant).

- BHI contributed net revenues of **£204m**. Restructuring costs for the BHI acquisition were **£57m**.

- Operating profit as reported increased **6%** to **£367m**. Operating profit before restructuring charges increased **23%** to **£424m**.

- Net income as reported was **3%** lower at **£261m**. Earnings per share for the period were **1%** lower at **35.5 pence**. Net income before restructuring increased **13%** to **£303m**. EPS diluted, before restructuring grew **15%** to **41.2p**.

- Cash generated from operations increased **30%** to **£616m**. Net borrowings at the half year were **£795m**.

- The interim dividend will be increased **14%** to **20.5 pence per share** and the Company is committed to its **£300m** share buyback program this year.

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OPERATING AND FINANCIAL REVIEW

RECKITT BENCKISER HAD A STRONG FIRST HALF IN 2006. SUCCESS ON THE UNDERLYING BUSINESS WAS MAINLY DRIVEN BY NEW PRODUCTS SUCH AS VANISH OXI ACTION CRYSTAL WHITE, AIRWICK FRESHMATIC, CILLIT BANG STAIN & DRAIN AND FINISH 5IN1.

BHI CONTRIBUTED AHEAD OF EXPECTATION. THE INTEGRATION OF BHI IS PROCEEDING IN LINE WITH PLAN. PROMISED SYNERGIES OF £75M COST REDUCTION AND £130M NET WORKING CAPITAL REDUCTION BY THE END OF 2008 ARE EXPECTED TO BE DELIVERED IN FULL AND ON TIME.

Basis of presentation

The results include the Boots Healthcare International business (BHI) from 1 February 2006, the date of acquisition. Where appropriate, the term 'adjusted' excludes the impact of the restructuring charge, and the term 'underlying' represents the results excluding restructuring and on a like-for-like basis (ie excluding BHI).

DETAILED OPERATING REVIEW
Net revenues grew by 18% (15% constant) to £2,386m. The underlying business grew by 8% (6% constant) to £2,182m. BHI contributed net revenues of £204m for the 5 months of ownership.

Adjusted operating profit increased 23% (20% constant) to £424m. Gross margins were 130bps ahead of last year at 55.7% due to the higher gross margins on the BHI business and the benefit of price increases and cost optimization offsetting higher input costs on the base business. Marketing investment was higher, with media investment increased by 7%, to 12.5% of net revenues and a higher rate of increase in other consumer marketing. Adjusted operating margins increased by 70bps to 17.8% due to the gross margin expansion offset by higher fixed costs.

Restructuring charges relating to the BHI acquisition in the half year were £57m.

Net interest charges were £17m (2005 £15m receivable) with the interest cost of the BHI acquisition offset by the strong cash inflow over the period. The tax rate is 26%.

Net income for the half year was 3% (5% constant) lower at £261m. EPS diluted was 35.5 pence per share, a decrease of 1%.

Adjusted net income for the half year increased 13% (11% constant) to £303m. Adjusted EPS diluted increased by 15% to 41.2 pence per share with the growth rate benefiting from the ongoing share buyback programme by 2 percentage points.

Geographic Analysis at constant exchange (adjusted basis)

EUROPE - 54% OF NET REVENUES
Net revenues grew by 19% to £1,283m. Underlying growth was 5%. Key growth drivers were Airwick, Vanish, Cillit Bang, Harpic, Calgon and Veet. In fabric care, the increase came from Vanish Oxi Action Crystal White fabric treatment and further development on Calgon. In surface care, the key drivers were Cillit Bang Stain & Drain and Harpic 2in1 Max. In automatic dishwashing, Finish/Calgonit grew share with the launch of Finish/Calgonit 5in1 and Finish/Calgonit Quantum but net revenue growth was held back due to higher promotional investment. In home care, Airwick grew due to further success for Airwick Freshmatic and the launch of Airwick Xpress electricals. In health & personal care, Veet depilatories grew following the launch of the new In Shower cream and new Eternally Smooth Wax Strips.

Operating margins were 10bps ahead of last year at 21.5% due to higher gross margins partially offset by higher marketing investment in new products. This resulted in an 18% increase in operating profits to £276m.

NORTH AMERICA & AUSTRALIA - 28% OF NET REVENUES
Net revenues increased 12% to £671m. Underlying growth was 7%. Key growth drivers were Airwick, Lysol, Easy Off Bang, Electrasol and Suboxone. In surface care, the key driver was Lysol wipes and the roll-out of Easy Off Bang Degreaser. In automatic dishwashing, growth came from further success for Electrasol 3in1. In home care, Airwick continues its success due to Airwick Freshmatic and Airwick electrical oils in part due to the launch of Airwick Xpress. In health & personal care, Suboxone prescription drug continued its expansion. Food saw growth from French's yellow mustard in retail offset by some lost contracts in food service channels.

Operating margins were 110bps higher at 15.9% due to gross margin expansion following price increases in 2005 and 2006, resulting in profits increasing 20% to £107m.

DEVELOPING MARKETS - 18% OF NET REVENUES
Net revenues grew 11% to £432m. Underlying growth was 8%. Key growth drivers were Dettol, Vanish, Harpic, Easy Off Bang and Gaviscon. In fabric treatment the increase was a result of Vanish Oxi Action Wow and the roll out of the brand into further markets. In surface care, the increase came from the roll out of Easy Off Bang and further growth for Harpic. In health & personal care, the Dettol personal care range performed strongly benefiting from higher investment behind a new advertising campaign for Dettol Liquid and the launch of Dettol Active Soap, while healthcare grew with the roll-out of Gaviscon into new markets.

Operating margins expanded 150bps to 9.5%, resulting in operating profits increasing by 32% to £41m.

BHI Integration Update

The integration of the former BHI business is proceeding in line with plan. Physical and commercial integration is essentially complete, with BHI now integrated into Reckitt Benckiser commercial offices around the world, and BHI brands being sold by an integrated marketing function and single sales force from 1 July. Customers will be billed on a single invoice in all significant countries by the end of Q3. Systems integration is proceeding with a view to placing the BHI business on the Reckitt Benckiser ERP platform in full by Q4.

Cost synergies for the year are expected to be the promised £30m as part of the full target of savings of £75m by the end of 2008. Synergies in the half year were £11m. Progress on reducing net working capital has been strong with a reduction of £49m in the year to date. This is on track to deliver the target of a £50m reduction by the end of 2006, and £130m by the end of 2008.

Restructuring charges in the first half were £57m out of the expected full year charge of £150m. Charges to date mainly relate to contract termination and headcount reduction in commercial operations and HQ functions plus write-offs related to redundant systems.

Category Review at constant exchange rates

Fabric Care Net revenues grew 7% to £592m. Vanish Oxi Action grew strongly due to Vanish Oxi Action Crystal White in Europe and was further boosted by the roll out of Vanish Oxi Action Wow in Developing Markets and by a strong performance by Vanish carpet cleaners. Woolite grew behind the roll-out of Woolite Pro-Care. Calgon grew as a result of new advertising copy. Laundry detergent net revenues recovered from a low base last year.

Surface Care Net revenues grew 3% to £451m. The major category growth driver was the roll-out of Cillit Bang Stain & Drain in Europe and the continuing roll out of Easy Off Bang in North America and Developing Markets. Disinfectant cleaners also grew due to Lysol/Dettol multipurpose cleaners and Lysol wipes. Harpic lavatory care growth came from the roll-out of Harpic 2in1 Max in bowl gadget and from strong growth in Developing Markets.

Dishwashing Net revenues grew 1% to £295m. The Company's market share grew in Europe and Worldwide helped by the launch of Finish/Calgonit 5in1 and Finish/Calgonit Quantum, but net revenues were held back by higher promotional investment.

Home Care Net revenues grew 10% to £325m with strong growth for air care. Air care benefited from the continuing success of Airwick Freshmatic and Airwick electricals in part due the launch of Airwick Xpress electricals with boost button for extra freshness. Mortein pest control was level with last year due to a different promotional phasing.

Health & Personal Care Net revenues grew 74% to £581m with underlying growth of 13%. Good growth was achieved by all power brands. Dettol antiseptics benefited from higher investment behind a new advertising campaign for Dettol liquid and new additions to the personal care range, notably Dettol Active Soap. Veet depilatories benefited in particular from the launch of Veet In Shower cream and new Eternally Smooth Veet Wax Strips with specific skin type ingredients in Europe and selected other markets. Healthcare brands Gaviscon and Lemsip grew in Europe and due to new market launches in Developing Markets. Prescription drug Suboxone continued its substantial expansion in North America. The BHI brands contributed ahead of expectations in the five months of ownership and are running ahead of 2005 on a like-for-like basis.

Food Net revenues were level with last year at £90m with good retail performance particularly from French's yellow mustard offset by some contract losses in food service channels.

FINANCIAL REVIEW
Net interest Net interest payable was £17m (2005 income of £15m). This resulted from the debt taken on following the acquisition of BHI. Q2 interest payable was £12m (2005 £8m income).

Tax The tax rate is 26% (2005 same). The tax charge of £89m (2005 £92m) is split between United Kingdom tax of £17m (2005 £10m) and overseas tax of £72m (2005 £82m).

Cash flow Cash generated from operations increased 30% to £616m due to increased operating profits and net working capital releases. Net cash flow generated from operating activities rose 27% to £517m, after interest payments this year compared to net interest income last year, but after lower capital expenditure in the half year.

Net working capital (inventories, short term receivables and short term liabilities excluding borrowings and provisions) decreased by £111m in the period to minus £727m. This reflected further substantial increases in payables due to underlying payables management and to increased trade accruals resulting from the high trade spend to defend market positions in Europe. BHI net working capital reduced £49m in the period since consolidation on 1st February 2006.

Net borrowings at the end of the half year were £795m (December 2005 net funds of £887m). This is the result of the requirement to fund the acquisition on 31 January 2006 of BHI, the cost of the final dividend for 2005 of £152m and the £93m cost of the share buyback programme in the period offset by continuing strong net cash inflow from the business.

Acquisition The balance sheet as at 30 June 2006 includes the effect of the acquisition of BHI from 1 February 2006, including a provisional assessment of the fair values of assets and liabilities acquired and the resultant goodwill on acquisition. Total cash consideration of £1,941m was incurred to acquire intangible assets, including goodwill, and net tangible assets. Full disclosure of the accounting for the acquisition will be included in the Annual Report & Accounts for 2006.

Financing At the half year, the Group had shareholders' funds of £1,844m (2005 year end £1,856m), a decrease of 1%. Net debt was £795m (2005 year end £887m net funds). Total capital employed in the business increased to £2,639m from £969m at end 2005 due to the acquisition of BHI in the period.

Dividends The Board of Directors announces an interim dividend of 20.5 pence per share (2005 18.0 pence per share), an increase of 14% in line with the Group's policy to increase the dividend in line with underlying earnings. The ex dividend date will be 9th August and the dividend will be paid on 28th September to shareholders on the register at the record date of 11th August. The last date for election for the share alternative to the dividend is 7th September.

Share buyback Between 21st February and 8th June 2006, the Group purchased 4.6m shares for cancellation at a cost of £93m as part of its ongoing share buyback program. The Group is committed to completing its £300m programme for full year 2006.

COMPANY OUTLOOK
Based on the strength of the business we continue to expect net revenue growth for the full year of around 15% at constant exchange (base £4,179m) and are upgrading our targeted adjusted net income growth (base £653m) to 14%, at actual exchange.

ACCOUNTING POLICIES

for the half year ended 30 June 2006: unaudited

The principal accounting policies adopted in the preparation of these financial information are as per the Reckitt Benckiser plc Annual Report and Accounts for the year ended 31 December 2005. Unless otherwise stated they have been consistently applied to all the periods presented.

BASIS OF PREPARATION

The unaudited financial information is prepared in accordance with the Listing Rules of the Financial Services Authority and on the basis of the IFRS accounting policies that the Directors intend to use in the 2006 annual report. This basis is subject to amendment by the International Accounting Standards Board (IASB). The Directors have chosen not to early adopt International Accounting Standard 34: Interim Financial Reporting (IAS 34). Consequently the financial information in this interim report is not presented in accordance with IAS 34.

This consolidated financial information has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through the Group income statement subject to the Group's hedge accounting policies.

The results and net assets of the Group's subsidiary in Zimbabwe have been excluded from the consolidated Group results. This is on the basis that the Group does not consider the Zimbabwean business to be a subsidiary due to the loss of power to govern the financial and operating policies of the Zimbabwean business and to the restrictions on remitting funds out of the country. Results for 2005 (half and full year) and 2006 half year, and the balance sheets as at 30 June 2005, 31 December 2005 and 30 June 2006, were insignificant.

FOREIGN CURRENCY TRANSLATION

The currencies that most influence the Group's numbers are:

	2006 Half Year	2005 Half Year	2005 Full Year
Average rates:			
£/Euro	**1.4556**	1.4569	1.4621
£/US Dollar	**1.7904**	1.8743	1.8192
Closing rates:			
£/Euro	**1.445**	1.4806	1.4525
£/US Dollar	**1.8484**	1.7925	1.7187

ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors make a number of estimates and assumptions regarding the future, and make some significant judgements in applying the Group's accounting policies. These include:

- Estimates of future business performance and cash generation supporting the net book value of intangible assets at the balance sheet date;
- The continuing enduring nature of the Group's brands supporting the assumed indefinite useful lives of these assets;
- Long-term rates of return, inflation rates and discounted rates have been assumed in calculating the pension and other employee post-retirement benefits. If the real rates are significantly different over time to those assumed, the amounts recognised in the income statement and in the balance sheet will be impacted;
- Assumptions are made as to the recoverability of tax assets especially as to whether there will be sufficient future taxable profits in the same jurisdictions to fully utilise losses in future years
- Assumptions are made in relation to share awards, both in the Black-Scholes model used to calculate the charge and in terms of the recoverability of the deferred tax asset related to the share award reserve; and
- The actual tax paid on profits is determined based on tax laws and regulations that differ across the numerous jurisdictions in which the Group operates. Assumptions are made in applying these laws to the taxable profits in any given period in order to calculate the tax charge for that period. Where the eventual tax paid or reclaimed is different to the amounts originally estimated, the difference will be charged or credited to the income statement in the period in which it is determined.

GROUP INCOME STATEMENT

for the half year ended 30 June 2006: unaudited

	1st half 2006 £m	1st half 2005 £m	Full-year 2005 £m
Net revenues	**2,386**	2,014	4,179
Cost of sales	**(1,058)**	(918)	(1,886)
Gross profit	**1,328**	1,096	2,293
Net operating expenses	**(961)**	(751)	(1,453)
Total operating profit	**367**	345	840
Operating profit before restructuring	**424**	345	840
Restructuring charge	**(57)**	–	–
Total operating profit	**367**	345	840
Finance income	**10**	23	50
Finance expense	**(27)**	(8)	(14)
Net finance (expense)/income	**(17)**	15	36
Profit on ordinary activities before taxation	**350**	360	876
Tax on profit on ordinary activities	**(89)**	(92)	(207)
Profit for the period	**261**	268	669
Attributable to equity minority interests	**–**	–	–
Attributable to equity shareholders	**261**	268	669
Profit for the period	**261**	268	669
Earnings per ordinary share:			
On profit for the period	**36.2p**	36.8p	92.0p
On profit for the period, diluted	**35.5p**	35.8p	90.0p
Dividend per ordinary share (paid in period)	**21.0p**	18.0p	36.0p
Total dividends for the period	**152**	131	262

GROUP STATEMENT OF RECOGNISED INCOME AND EXPENSE

for the half year ended 30 June 2006: unaudited

	1st half 2006 £m	1st half 2005 £m	Full-year 2005 £m
Profit for the period	**261**	268	669
Net exchange adjustments on foreign currency translation	**(69)**	24	85
Net actuarial gains and losses	**–**	–	(14)
Movement of deferred tax on pension liability	**–**	–	(3)
Net hedged gains and losses taken to reserves	**2**	(1)	(1)
Net (losses)/gains not recognised in income statement	**(67)**	23	67
Total recognised income for the period	**194**	291	736
Attributable to equity minority interests	**–**	–	–
Attributable to equity shareholders	**194**	291	736
Total recognised income for the period	**194**	291	736

GROUP BALANCE SHEET

as at 30 June 2006: unaudited

	1st half 2006 £m	1st half 2005# £m	Full-year 2005 £m
Assets			
Non-current assets:			
Goodwill and intangible assets	**3,981**	1,705	1,766
Property, plant and equipment	**459**	475	485
Deferred tax assets	**145**	54	77
Other receivables	**11**	10	15
	4,596	2,244	2,343
Current assets:			
Inventories	**325**	257	270
Trade and other receivables	**680**	537	545
Available for sale financial assets	**15**	257	77
Cash and cash equivalents	**295**	700	978
	1,315	1,751	1,870
Total assets	**5,911**	3,995	4,213
Liabilities			
Current liabilities:			
Borrowings	**(1,030)**	(61)	(88)
Provisions	**(17)**	(4)	(4)
Other liabilities	**(1,490)**	(1,255)	(1,225)
Tax liabilities	**(242)**	(145)	(206)
	(2,779)	(1,465)	(1,523)
Non-current liabilities:			
Borrowings	**(75)**	(133)	(80)
Deferred tax liabilities	**(791)**	(367)	(377)
Retirement benefit obligations	**(282)**	(256)	(261)
Provisions	**(14)**	(9)	(10)
Tax liabilities	**(85)**	(98)	(85)
Other non-current liabilities	**(41)**	(21)	(21)
	(1,288)	(884)	(834)
Total Liabilities	**(4,067)**	(2,349)	(2,357)
Net assets	**1,844**	1,646	1,856
Equity			
Capital and reserves			
Share capital	**76**	77	76
Share premium account	**497**	470	479
Capital redemption reserve	**5**	3	4
Merger reserve	**142**	142	142
Hedging reserve	**1**	(1)	(1)
Foreign currency transaction reserve	**(29)**	(19)	42
Retained earnings	**1,149**	973	1,113
	1,841	1,645	1,855
Equity minority interest	**3**	1	1
Total equity	**1,844**	1,646	1,856

restated to recognise an additional deferred tax asset following further developments in the practical interpretation of IAS12 (see note 1)

Approved by the Board on 7 August 2006.

Adrian Bellamy Director **Bart Becht** Director

GROUP CASH FLOW STATEMENT

for the half year ended 30 June 2006: unaudited

CASH FLOWS FROM OPERATING ACTIVITIES	1st half 2006 £m	1st half 2005 £m	Full-year 2005 £m
Cash generated from operations:			
Operating profit	**367**	345	840
Depreciation	**45**	40	82
Amortisation and impairment	**9**	5	9
Gain on sale of plant, property and equipment	**–**	–	(8)
Fair value gains	**–**	(2)	–
(Increase)/Decrease in inventories	**(20)**	2	(1)
Increase in trade and other receivables	**(15)**	(31)	(30)
Increase in payables and provisions	**209**	97	18
Share award expense	**21**	18	36
Cash generated from operations	**616**	474	946
Interest paid	**(25)**	(8)	(16)
Interest received	**12**	23	50
Tax paid	**(86)**	(82)	(157)
Net cash generated from operating activities	**517**	407	823
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant, property and equipment and intangible assets	**(37)**	(33)	(78)
Disposal of plant, property and equipment and intangible assets	**12**	2	17
Acquisition of business	**(1,941)**	(8)	(4)
Maturity of short term investments	**62**	313	493
Net cash (utilised)/generated by investing activities	**(1,904)**	274	428
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of ordinary shares	**19**	27	36
Share purchases	**(93)**	(161)	(300)
Proceeds from borrowings	**1,250**	–	–
Repayments of borrowings	**(305)**	(27)	(66)
Dividends paid to the Company's shareholders	**(152)**	(131)	(262)
Net cash generated/(utilised) by financing activities	**719**	(292)	(592)
Net increase in cash and cash equivalents	**(668)**	389	659
Cash and cash equivalents at beginning of period	**969**	301	301
Exchange (losses)/gains	**(11)**	3	9
Cash and cash equivalents at end of period	**290**	693	969
Cash and cash equivalents comprises			
Cash and cash equivalents	**295**	700	978
Overdraft	**(5)**	(7)	(9)
	290	693	969

RECONCILIATION OF NET CASH FLOW FROM OPERATIONS	1st half 2006 £m	1st half 2005 £m	Full-year 2005 £m
Net cash generated from operating activities	**517**	407	823
Net purchases of plant, property and equipment	**(21)**	(30)	(65)
Net cash flow from operations	**496**	377	758

Management uses net cash flow from operations as a performance measure.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the half year ended 30 June 2006: unaudited

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY									
	Share capital £m	Share Premium £m	Merger reserve £m	Equity element of convertible bonds £m	Hedging reserve £m	Capital re-demption reserve £m	Cumulative translation adjustments £m	Retained Earnings £m	Minority Interest £m	**Total** £m
Balance at 1 Jan 2005	**76**	**405**	**142**	**9**	**0**	**2**	**(43)**	**986**	**3**	**1,580**
Shares allotted under share schemes	0	26								26
Shares allotted under conversion of CCB	1	39								40
Unvested share awards								18		18
Reduction in equity component of CCB upon conversion				(9)						(9)
Profit for the period								268		268
Dividends								(131)		(131)
Own shares repurchased								(161)		(161)
Transfer to capital redemption reserve						1		(1)		0
Net exchange adjustments on foreign currency translation							24			24
Reduction in minority interest								(6)	(2)	(8)
Net hedged gains and losses taken to reserves					(1)					(1)
Balance at 30 June 2005	**77**	**470**	**142**	**0**	**(1)**	**3**	**(19)**	**973**	**1**	**1,646**
Shares allotted under share schemes	1	9								10
Unvested share awards								18		18
Deferred tax on share awards								3		3
Profit for the year								401		401
Dividends								(131)		(131)
Own shares repurchased	(2)							(137)		(139)
Actuarial gains and losses								(14)		(14)
Movement of deferred tax on pensions liability								(3)		(3)
Transfer to capital redemption reserve						1		(1)		0
Net exchange adjustments on foreign currency translation							61			61
Net adjustment in minority interests								4		4
Balance at 31 Dec 2005	**76**	**479**	**142**	**0**	**(1)**	**4**	**42**	**1,113**	**1**	**1,856**
Shares allotted under share schemes	1	18								19
Unvested share awards								22		22
Deferred tax on share awards								(2)		(2)
Profit for the period								261		261
Dividends								(152)		(152)
Own shares repurchased	(1)							(92)		(93)
Transfer to capital redemption reserve						1		(1)		0
Net exchange adjustments on foreign currency translation							(71)			(71)
Increase in minority interest on acquisition									2	2
Net hedged gains and losses taken to reserves					2					2
Balance at 30 June 2006	**76**	**497**	**142**	**0**	**1**	**5**	**(29)**	**1,149**	**3**	**1,844**

SEGMENTAL ANALYSIS

for the half year ended 30 June 2006: unaudited

Segmental information is presented in respect of the Group's geographical and product group segments. The primary segment, geographical areas, is based on the Group's management and internal reporting structure. The individual operations based in the countries within each geographical segment are considered to have similar operational risk and return for the Group.

Inter-segment revenues are charged according to internally agreed pricing terms that are designed to be equivalent to an arm's length basis, and have been consistently applied throughout 2005 and 2006.

Primary Segment by Geographical Areas

For management purposes the Group is currently organised into three operating areas: Europe; North America, Australia and New Zealand (NAA) and Developing Markets and geographical segmental information is presented on this basis. Segment revenue is based on the geographical location of the Group's customers.

2006	**Europe £m**	**NAA £m**	**Developing Markets £m**	**Elimination £m**	**Total £m**
Total gross segment net revenues	**1,303**	**671**	**437**	**(25)**	**2,386**
Inter-segment revenues	**(20)**	**–**	**(5)**	**25**	**–**
Net revenues	**1,283**	**671**	**432**	**–**	**2,386**
Operating profit (adjusted)	276	107	41	–	424
Restructuring charge	(29)	(19)	(9)	–	(57)
Operating profit	**247**	**88**	**32**	**–**	**367**

2005	Europe £m	NAA £m	Developing Markets £m	Elimination £m	Total £m
Total gross segment net revenues	1,101	577	365	(29)	2,014
Inter-segment revenues	(24)	(1)	(4)	29	–
Net revenues	1,077	576	361	–	2,014
Operating profit	231	85	29	–	345

The profits arising on inter-segment sales are insignificant.

There are no reconciling items between net revenues and operating profit shown above and those shown in the income statement. Operating profit (adjusted) excludes the impact of the restructuring charge in 2006. There was no charge in 2005.

SECONDARY SEGMENT

Net revenues by product group	**1st half 2006 £m**	1st half 2005 £m
Continuing Operations		
Fabric Care	**592**	541
Surface Care	**451**	419
Dishwashing	**295**	290
Home Care	**325**	283
Health & Personal Care	**581**	329
Core Business	**2,244**	1,862
Other Household	**52**	66
Household and Health & Personal Care	**2,296**	1,928
Food	**90**	86
	2,386	2,014

EARNINGS PER ORDINARY SHARE AND NOTES

for the half year ended 30 June 2006: unaudited

Basic
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company (2006 £261m (2005 £268m)) by the weighted average number of ordinary shares (2006 721,948,180 (2005 728,470,049)) in issue during the period.

Diluted
Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company has two categories (2005 three categories) of potentially dilutive ordinary shares: Executive options and Employee sharesave schemes (and, in 2005 only, Convertible bonds). The options only dilute earnings when they result in the issue of shares at a value below the average market price of the share and when all performance criteria (if applicable) have been met. As at 30 June 2006 there were 12.8m (H1 2005 6.9m) of executive share options not included within the dilution, because the contingent performance targets had not been met.

The Directors believe that a diluted earnings per ordinary share, adjusted for the distorting effects of the restructuring charge after the appropriate tax amount, provides the most meaningful measure of earnings per ordinary share in comparing the performance of the business over time.

The reconciliation between profit for the period and the weighted average number of shares used in the calculation of the diluted earnings per share is set out below.

	2006			2005		
	Profit for the half year £m	**Average number of shares**	**Earnings per share pence**	Profit for the half year £m	Average number of shares	Earnings per share pence
Profit attributable to shareholders	**261**	**721,948,180**	**36.2**	268	728,470,049	36.8
Dilution for Executive options outstanding and Executive Restricted Share Plan		**12,189,273**			14,691,712	
Dilution for Employee Sharesave Scheme options outstanding		**1,081,690**			694,851	
Dilution for convertible capital bonds outstanding		**–**			3,974,038	
On a diluted basis	**261**	**735,219,143**	**35.5**	268	747,830,650	35.8

The diluted earnings per share in 2005 reflects the effect of the issue of shares on the conversion of bonds.

The reconciliation between adjusted profit* for the period and the weighted average number of shares used in the calculation of the diluted earnings per share is set out below.

	2006			2005		
	Profit for the half year £m	**Average number of shares**	**Earnings per share pence**	Profit for the half year £m	Average number of shares	Earnings per share pence
Adjusted Profit attributable to shareholders	**303**	**721,948,180**	**42.0**	268	728,470,049	36.8
Dilution for Executive options outstanding and Executive Restricted Share Plan		**12,189,273**			14,691,712	
Dilution for Employee Sharesave Scheme options outstanding		**1,081,690**			694,851	
Dilution for convertible capital bonds outstanding		**–**			3,974,038	
On a diluted basis (adjusted)	**303**	**735,219,143**	**41.2**	268	747,830,650	35.8

*Adjusted profit excludes the after tax impact of the restructuring charge.

Note 1: IFRS Adjustment
As disclosed in the Group's 2005 Annual Report and Accounts, and subsequent to the publication of the June 2005 balance sheet on 25 July 2005, the Group now recognises an additional deferred tax asset of £39m at 30 June 2005. This adjustment does not impact the income statement, net working capital or net funds. The impact on net assets is set out below.

	30 June 2005 £m
Net assets as previously reported (2005 Interim Report)	1,607
Deferred tax asset	39
Net assets restated	1,646

Note 2: Dividends

	2006 £m	2005 £m
Dividends on equity ordinary shares		
2005 Final paid 21.0p (2004 Final 18.0p)	152	131
Total dividends for the period	152	131

In addition, the Directors are proposing an interim dividend in respect of the financial year ending 31 December 2006 of 20.5p per share which will absorb an estimated £148m of shareholders' funds. It will be paid on 28 September 2006 to shareholders who are on the register on 11 August 2006.

INDEPENDENT REVIEW REPORT TO RECKITT BENCKISER PLC

INTRODUCTION
We have been instructed by the Company to review the financial information for the six months ended 30 June 2006 which comprises the group balance sheet as at 30 June 2006 and the related group interim statements of income, recognised income and expenses and cash flows for the six months then ended, and the related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

DIRECTORS' RESPONSIBILITIES
The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the Directors. The Listing Rules of the Financial Services Authority require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED
We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose.

We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

REVIEW CONCLUSION
On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2006.

PricewaterhouseCoopers LLP
Chartered Accountants
London
7 August 2006

NOTES
a) The maintenance and integrity of the Reckitt Benckiser website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.

b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

SHAREHOLDER INFORMATION

Interim dividend for the year ending 31 December 2006

Dividend per ordinary share	20.5p

NOTICE TO SHAREHOLDERS

The financial information for the year ended 31 December 2005 included in this Interim Report is based upon the Company's consolidated financial statements for that year. Those financial statements have been reported on by the Company's auditors and have been delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under the following sections of the Companies Act 1985: Section 237(2) (inadequate accounting records or returns, or accounts not agreeing with records and returns) or 237(3) (failure to obtain necessary information and explanations).

The income statement, the cash flow statement and the statement of recognised income and expense for the comparative period to 30 June 2005 and year ended 31 December 2005, as well as the balance sheets at 30 June 2005 and 31 December 2005, and the related notes contained within this interim report have neither been reviewed nor audited.

REGISTRAR AND TRANSFER OFFICE

If you have any queries about your shareholding, please write or telephone the Registrar at the following address:

Computershare Investor Services plc
PO Box 82
The Pavilions
Bridgwater Road
Bristol BS99 7NH

Dedicated Reckitt Benckiser shareholder helpline
Telephone:
0870 703 0118

Website:
www.computershare.com

Key dates

Shares quoted ex-dividend	**9 August 2006**
Record date for interim dividend	**11 August 2006**
Interim dividend payment date	**28 September 2006**

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