

29 January 2013

Greencore Group plc - Interim Management Statement

“A satisfactory start to the year”

Greencore Group plc (“the Group”) today issues its interim management statement for the period to 29 January 2013. Trading information relates to the 13 weeks trading period to 28 December 2012.

Current Trading

Convenience Foods

The Convenience Foods division recorded revenue of £285.8m for the 13 week period to 28 December 2012, 2.5% higher than in the prior year in reported currency and 2.8% higher in constant currency. The revenue growth reflects both the contribution from acquisitions in the period but also the impact of business exited, notably in the former Uniq chilled desserts activity.

In the UK, revenue was in line with prior year on a like for like basis (that is excluding both the acquisition of the International Cuisine business acquired in August 2012 and the impact of the restructuring of the chilled desserts activity acquired as part of Uniq). This reflects both a challenging UK food market where growth rates across our categories have moved down in line with the overall market and also a tough comparator period in FY12 when the business recorded 11.8% growth in the 17 weeks to 27 January 2012.

The restructuring of the Uniq desserts business has now been completed. During the period, the Group announced that it had completed the disposal of its Chilled Desserts facility in Minsterley to the Müller Dairy UK Group.

In the US, revenues have more than doubled versus FY12 reflecting the acquisitions of MarketFare Foods and Schau partly offset by extensive portfolio rationalisation in the original business, principally at the Newburyport facility, in order to improve returns. The acquisitions have performed well in the period with underlying double digit revenue growth. The business has also successfully commenced supply to Starbucks in the greater Boston area during January.

Ingredients and Property

The Ingredients and Property division, which represented 6% of Group revenues in FY12, recorded revenues of £13.1m, 11.6% lower than prior year in constant currency and 17.9% lower than the prior year in reported currency. This was due to the phasing of orders and shipments and our view on the division’s potential financial delivery for the year remains unchanged.

Financial Position

The Group’s financial position remains robust with good headroom within existing debt facilities. The Group continues to manage cash tightly and remains focused on further de-leveraging throughout FY13.

Board Composition

As previously announced, Mr Gary Kennedy will succeed Mr Ned Sullivan as Chairman after the Annual General Meeting to be held later today. Both Mr Sullivan and Mr Pat McCann will step down from the Board at the conclusion of the AGM. The Group also recently announced the appointment of two Non-Executive Directors, Ms. Heather Ann McSharry and Mr John Warren, with effect from 30 January 2013.

Outlook

Market conditions continue to be challenging, particularly in the core UK market which shows little or no volume growth. We expect this to remain the case for the foreseeable future. However, the Group remains well positioned with a balanced customer portfolio and exposure to faster growing convenience categories. We have good visibility at this stage to the likely impact of input cost inflation for the financial year and expect this to be lower than the 4% experienced in FY12. The Group achieved good operating efficiencies and cost control in Q1 and we intend to maintain this delivery for the remainder of the financial year. We remain confident in our ability to deliver good results for the financial year in line with our expectations.

Conference Call

A conference call for investors and analysts will be held at 8.30am GMT today. Dial in details are below and a replay facility will be available afterwards at www.greencore.com.

Conference Call Details:

Ireland: +353 (0) 1 486 0920
UK/International: + 44 (0) 20 7136 6283
Access code: 2574251

For further information:

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NOTES TO EDITORS

- 1) Greencore:
 - A leading manufacturer of convenience food in the UK and the US
 - Strong market positions in the UK convenience food market across food to go, chilled prepared meals, chilled soups and sauces, ambient sauces & pickles, cakes & desserts and Yorkshire puddings
 - A fast growing food to go business in the US, serving both the convenience and small store channel and the grocery channel
- 2) This announcement is based on information sourced from unaudited management accounts.
- 3) The Group will publish its interim results announcement on 21st May 2013.
- 4) This announcement contains certain forward looking statements with respect to the financial conditions, results of operations and businesses of the Group. These statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements. Nothing in this announcement should be construed as a profit forecast.