

GREENCORE GROUP PLC - INTERIM MANAGEMENT STATEMENT FOR THE FOUR MONTH PERIOD TO 23 JULY 2010

12 August 2010

Greencore Group plc ('Greencore' or the 'Group') today issues the following Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations, 2007.

Operating Performance

In our half year results announcement in May we highlighted that the Convenience Foods division had recorded a strong first half with sales from continuing operations* increasing by 6.1%. The division has had a buoyant summer to date with the positive half year sales trend improving in the period since. In the four month period under review Convenience Foods sales from continuing operations* were €281.2m or 7.0% ahead of the same period last year. The key food to go and prepared meals categories, in particular, continue to perform well.

As highlighted at half year the UK consumer trend of increased 'at home' food consumption continues to support demand for our overall food offering. Additionally, an increase in smaller convenience retail store formats is underpinning food to go volume in particular. We continue to record market share gains across our portfolio most particularly in UK chilled ready meals with our market share growing by a third to 10.4% in the 52 weeks to 11 July 2010. The overall sales growth recorded across the Group's UK portfolio in the period has been driven predominantly by volume with pricing flat overall. A more favourable capacity environment generally allied to our continuing focus on innovation, efficiency and customer relationships is helping to improve returns on capital in our key category businesses.

The Group's US business, whilst continuing to record strong constant currency sales growth of 20% in the four month period under review is lower than the growth rate on the same basis of 27% experienced in the first half. Sales of salads over the summer months have been slower than expected and we have been comparing against a more demanding run rate in food to go than in the earlier part of the year. We continue to operate with a cost base which anticipates business growth. Furthermore, we are investing in operations and processes as we seek to attain the same level of operational excellence as we have in the UK. Whilst good sales growth is expected in FY11 it is unlikely to be at levels seen over the past eighteen months from our existing customers and facilities. We continue to adopt a measured approach to US acquisitions and development seeking out value creating opportunities against specific returns hurdles.

The Group expects, in the full year, to record an operating margin on continuing operations* in the Convenience Foods division modestly in excess of the 6.5% achieved in the first half of the year.

Trading in the Ingredients and Property division in the four month period under review was in line with expectations, albeit down on last year due principally to reduced property proceeds, with this division now representing less than 10% of group sales and operating profit.

Financial Position

The EUR/GBP exchange rate did not materially impact the translation of the Group's results in the first 10 months with the actual year to date exchange rate in FY10 of 0.871 similar to the rate of 0.879 in the same period of FY09.

The Group is well capitalised to meet the operational and development needs of the business. The priority of converting operating profits into free cash flow remains with net debt at the end of the financial year expected to be lower than the €194.2m recorded at half year, albeit this will be impacted by the actual EUR/GBP exchange rate at the end of FY10. The Group expects to complete the sale of its Dutch convenience foods business by the end of August having announced its intention to sell the business on 15 July 2010.

**excluding discontinued Water activity*

Outlook

Trading over the summer months to date has been very positive and the Group remains on track to record strong operating profit growth in FY10 in Convenience Foods.

Taking account of the above, the Group is on track to modestly exceed the previously guided adjusted EPS level of approximately 16.0 cent for FY10.

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Greencore Group

- A leading international producer of convenience food
- Strong market leadership positions in the UK convenience food market across sandwiches, chilled prepared meals, chilled soups and sauces, ambient sauces & pickles, cakes & desserts and Yorkshire puddings
- Extending presence outside the UK with fast-growing convenience food businesses in the US