

29 July 2014

Greencore Group plc - Interim Management Statement

Continued good revenue growth - on track to deliver adjusted EPS in line with expectations

Greencore Group plc ("the Group") today issues its interim management statement for the period to 29 July 2014. Trading information relates to the 13 weeks to 27 June 2014 ("Quarter 3" or "Q3") and the 39 weeks to 27 June 2014.

Quarter 3 Trading

The Group recorded revenue of £326.4m in the 13 weeks to 27 June 2014, an increase of 6.7% on the prior year on a reported basis and an increase of 7.5% on a like for like basis.¹

Convenience Foods

The Convenience Foods division recorded revenue of £310.5m, 8.7% higher than the prior year on a reported basis and up 9.3% on a like for like basis.

In the UK, like for like revenue was 10.1% higher than in the prior year. While the overall grocery market remained challenging, the food to go market was buoyant throughout the period driven in part by growth in small store formats. Activity with several key customers resulted in the Group outperforming the food to go market. Both the Prepared Meals and Grocery businesses recorded modest improvement in revenue growth trajectory versus H1. The extension of the existing facility in Northampton is on track and plans are well advanced for the adjacent new build.

In the US, constant currency revenue was 16.9% higher than in the prior year, including the contribution from Lettieri's. Following the planned exit of a set of non-core product lines during the period, like for like growth was 4%. The extension of our Jacksonville facility has now been completed with first customer shipments delivered in late July. Construction has commenced on the new facility in Rhode Island, with the project on track for commissioning in late Spring 2015.

Ingredients and Property

The Ingredients and Property division, which now represents less than 5% of Group activity, recorded revenues of £15.9m in Q3, £4.2m (20.9%) lower than the prior year in reported currency and 18.2% lower on a constant currency basis.

Year to Date Trading

In the 39 weeks to 27 June 2014, the Group recorded revenue of £946.2m, 7.7% ahead of the prior year on a reported basis and 8.5% ahead on a like for like basis. Year to date revenue in the Convenience Foods division was £898.4m, 8.5% higher than the prior year on a reported basis and up 9.3% on a like for like basis.

Disposal Activity and Financial Position

During the period, the Group completed the disposal of its foodservice desserts business, Ministry of Cake, for upfront cash consideration of £8m and deferred consideration of up to £3m.

The Group has also concluded an agreement in connection with the sale of residential land in Littlehampton, West Sussex. Net proceeds of approximately £16.5m are expected to be received in the current financial year. The Group has retained land with commercial planning consent and will look to market this by 2017. While this will result in a non-cash charge of approximately £3.5m against the carrying value of investment property, the resolution of other legacy matters in the half will fully offset this amount.

¹ "Like for like" excludes revenue from the desserts activity which was sold to Müller Dairy UK Group and from Ministry of Cake, excludes revenues from Lettieri's in the US and is expressed in constant currency.

The Group is operating with good headroom within existing debt facilities and remains focused on further de-leveraging whilst taking opportunities to invest in future development in support of its customers.

Outlook

The Group continues to trade well and we remain confident in our ability to deliver adjusted EPS growth for the financial year in line with market expectations.

Conference Call

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

Conference Call Details:

Ireland: +353 1 247 6528

UK/International: + 44 20 3427 1903

USA: +1 646 254 3367

Access code: 1820160

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) 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