Greencore Group plc

January 2017

Greencore today

- Fast-growing, international convenience food leader
- Leading UK manufacturer of sandwiches to grocery retailers; complementary positions in other convenience food categories
- Leading US manufacturer of sandwiches, meal kits and salads to CPG, convenience retail and food service leaders
- Pro-forma Group revenue of £2.3bn
- Headquartered in Ireland, FTSE 250 listed

From agribusiness to convenience food

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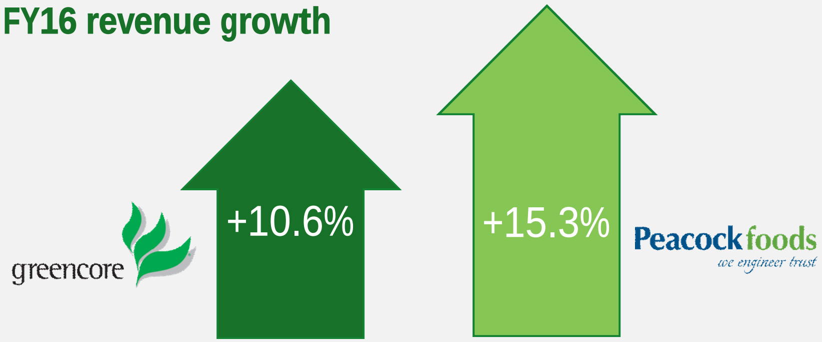
Origins & Transition	Focus	Transformation
Broad agribusiness centred around Irish Sugar; diversification into convenience foods through Hazlewood Foods acquisition in 2001; exit of sugar and malt between 2008 and 2010	Focus on food to go in the UK and US achieving growth mainly through acquisition, most notably that of Uniq plc in 2011	Scale business in both UK and US with significant growth through organic initiatives and M&A, the latest being the acquisition of Peacock Foods at the end of 2016

Our vision is to be a fast-growing, international convenience food leader

Fast-growing...

FY16 revenue growth



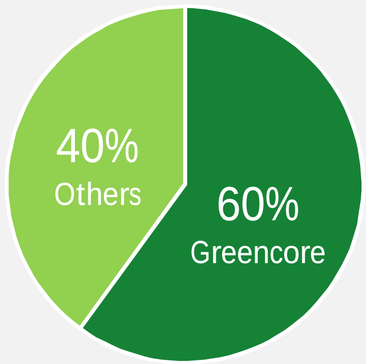
...international...

Pro forma FY16 sales*

...convenience food...

...leader

Market share UK pre-packed sandwiches**



*Proforma figures for 12 months to end of September 2016; US figures translated using GBP/USD rate of 1.2577; Peacock Foods consolidated from 30 December 2016

** Estimated run rate as of 30 September 2016 market share for sandwiches to the UK grocery channel, source: Nielsen Grocery Multiples 4 weeks ended August 2016

Our strategy to win in convenience food

Focus on attractive market positions where we are advantaged

- Build leading positions in fast-growing convenience food categories
- Focus particularly on food to go and meal solutions, delivered through assembly processes
- Support sustainable positions in complementary categories
- Win in the UK and US today, and other markets over time

Invest in long-term partnerships with leading customers

- Focus on leading players in the categories in which we operate
- Adopt customer centric approach throughout our organisation
- Aspire to a long-term partnership that allows both sides to invest
- Flexible models to share risk and return

Build distinctive capabilities

- World-class delivery of food safety and technical excellence through the full supply chain
- Expertise in managing a large number of front line colleagues
- Efficient lean manufacturing in chilled and frozen supply chains
- Strategic partnerships with key suppliers

We work with leading customers in UK and US

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Convenience Foods US*

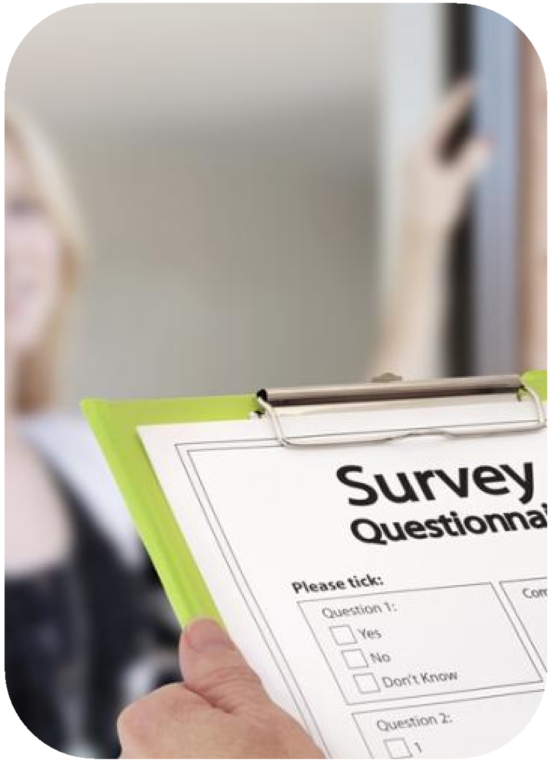
£1.0bn ($1.2bn)

Convenience Foods UK

£1.3bn

*Proforma figures for 12 months to end of September 2016; US figures translated using GBP/USD rate of 1.2577; Peacock Foods consolidated from 30 December 2016

We are investing in capacity and capability



- Capability
  - HR, leadership development & talent
  - IT and systems
  - Culture & communication
  - Consumer & shopper insight

- Capacity
  - New builds
  - Acquisitions
  - Site investments
  - Lean Greencore
  - Distribution network

Our strategy is underpinned by the Greencore Way

The Greencore Way defines who we are and how we will succeed

people at the core

- Keep people healthy and safe
- Respect, recognise and reward everyone's contribution
- Ensure responsibility is owned by the right people
- Support one another to fulfil each person's potential
- Build a sense of excitement and fun into the work environment

great food

- Deliver industry leading food safety standards every day
- Put great tasting food at the heart of our culture
- Continuously innovate food recipes and technologies
- Establish industry recognised food expertise and credibility

business effectiveness

- Drive growth and performance with and for our customers
- Operate as a lean enterprise - right across the supply chain
- Align our resources to our strategy
- Maintain control and discipline across the business

cost efficiency

- Embed the importance of cost efficiency
- Develop a constant pipeline of cost initiatives across all parts of our business
- Challenge the status quo to deliver substantial value for all stakeholders
- Share a strong sense of personal responsibility and care for all Group resources

US Convenience

Peacock Acquisition: creating a platform for sustained profitable growth and returns in the US

Step change in revenues, key categories and manufacturing scale

Increase in exposure to leading brands in fast-growing categories

Relationships with new customers in complementary channels

Combined network with 5x current US manufacturing footprint

Additional capability in automation, project engineering and packaging

Greater management depth than ever before

Creates significant shareholder value

Leading market positions in fast-growing convenience food categories

Category	% of combined revenue[1]	Category growth[2/3]	Market position[2]
Frozen breakfast sandwiches 	30%	6%[2]	1
Kids' snack meals 	13%	6%[2]	1
Salad kits 	13%	16%[2]	1
Fresh pre-packaged food to go 	13%	8%[3]	N/A

1 Based on internal management data for the last 12 months to September 2016
2 Nielsen data 52 weeks ending 23/4/16
3 Fresh pre-packaged food to go growth rate based upon combined growth rates of Assembled Sandwiches (Nielsen data 52 weeks ending 27/8/16), Salads (Nielsen data 52 weeks ending 27/8/16) and Cold/Fresh Snacks (CS News 52 weeks ending April 2016)

Strong, long-standing customer partnerships

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Tyson	12 years+
KraftHeinz	27 years+
	3 years+
7 ELEVEN	20 years+
Dole	7 years+
Gerber.	25 years+
Apio Inc. GreenLine	5 years+
General Mills	10 years+
Kellogg's	25 years+
Publix.	8 years+
Hannaford	8 years+

Growth underpinned by supportive industry trends

Underlying category growth

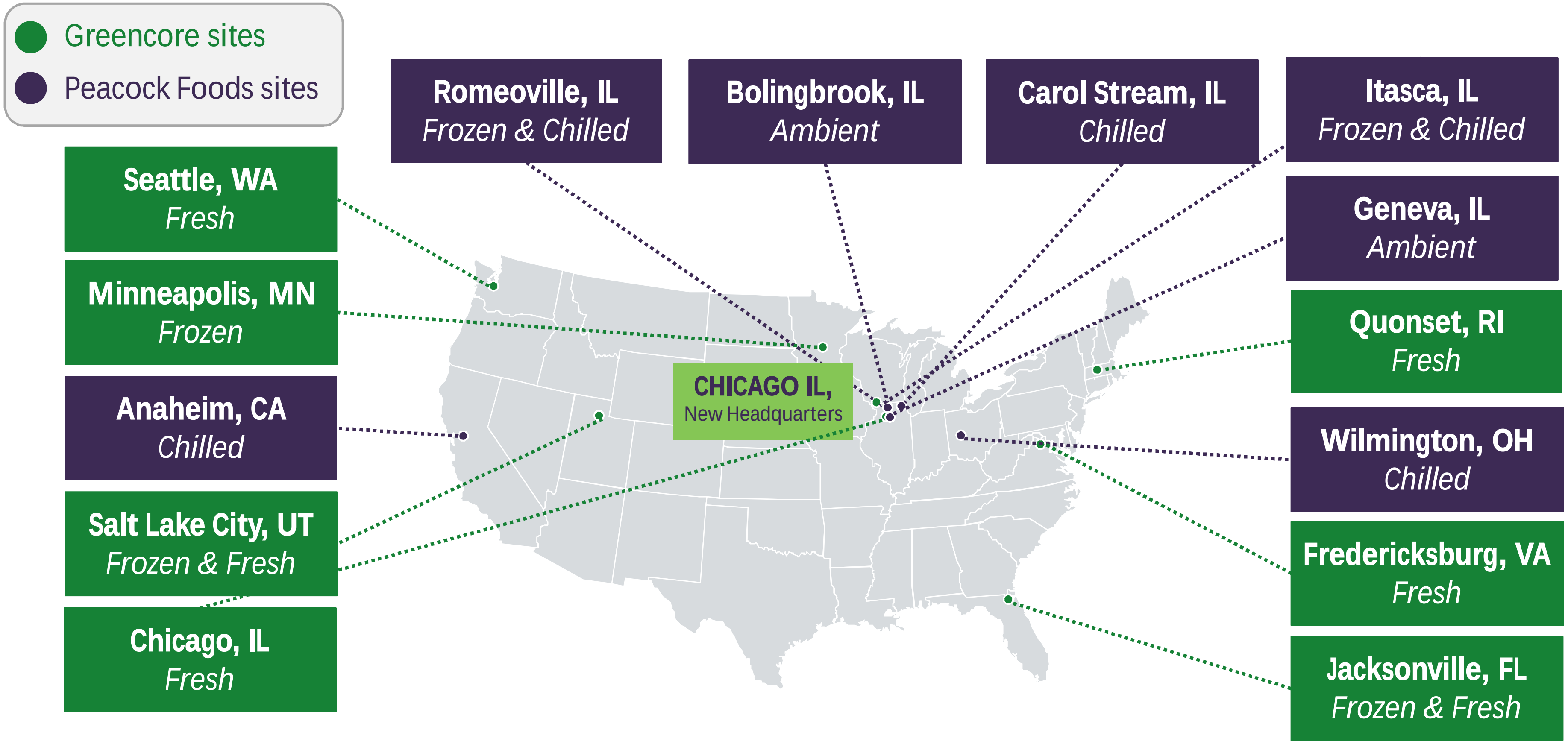
- Consumer trends: snacking, protein, organic, natural, free-from, on-the-go
- Preference for fresh and chilled formats
- Shift to convenience store formats

Changing industry structure

- CPG leaders outsourcing production to focus on marketing and innovation

1 Euromonitor 2015-2020 Estimated CAGR %, 27 October 2016
2 Convenience Food is comprised of the major categories in which the Peacock group competes, Frozen Breakfast Sandwiches and Kids' Snack Meals, Nielsen data 52 weeks ending 23/4/16
3 Fresh pre-packaged food to go growth rate based upon combined growth rates of Assembled Sandwiches (Nielsen data 52 weeks ending 27/8/16), Salads (Nielsen data 52 weeks ending 27/8/16) and Cold/Fresh Snacks (CS News 52 weeks ending April 2016)
4 Source: McKinsey 2015-2020 Estimated CAGR %, 2016 report

Combined business has geographic breadth and enhanced network



- Greencore, Peacock and its customers invest significant capex in the facilities
- Peacock has over 2m sq. ft. of production space versus Greencore at 0.5m sq. ft.
- Available capacity for future growth

Key features of our US financial model

- Strong revenue growth underpinned by category growth and contract wins
- Profit stability due to pass through contracts
- History and culture of efficiency underpinning profitability
- Co-investment capital model with customers
- Strong cash conversion

UK Convenience

Our UK Convenience Foods business

Food to Go
55%*

- Like for like growth of 12.3% in FY16
- Growth underpinned by customer and consumer trends
- Acquisition of The Sandwich Factory
- Partnership model building share with customers
- Capacity, capability and reach enhanced

Prepared Meals
25%*

- Modest growth in FY16
- All main customer agreements recently renewed
- Refurbishment of two largest facilities

Grocery
20%*

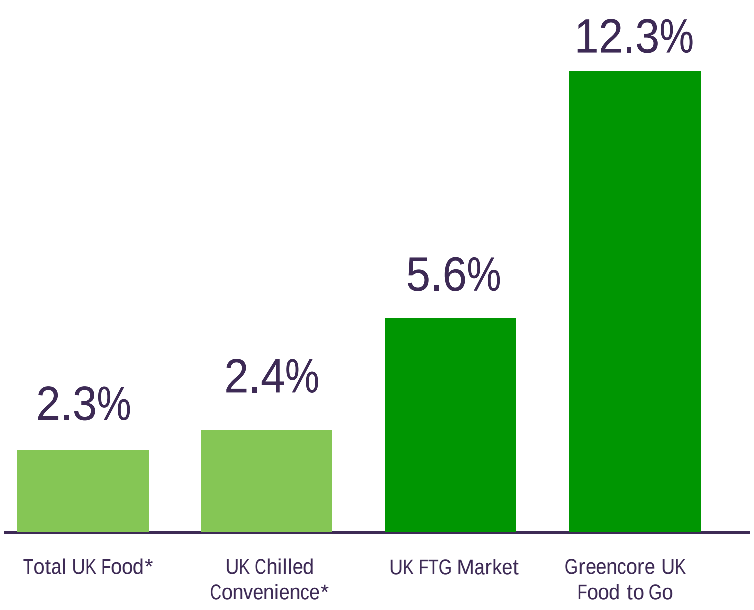
- Price deflation experienced in key markets
- Working with customers to drive market growth




* Approximate % of UK Convenience Food revenue in the 12 months to 30 September 2016

Food to Go growth driven by strong consumer trends

FY16 Growth Rates



- Growth underpinned by positive long-term trends
  - Convenience
  - Health & freshness
  - Customer brand focus
  - Product investment model
- Customer partnership model

* Source: Nielsen 26 weeks ending 01 October 2016

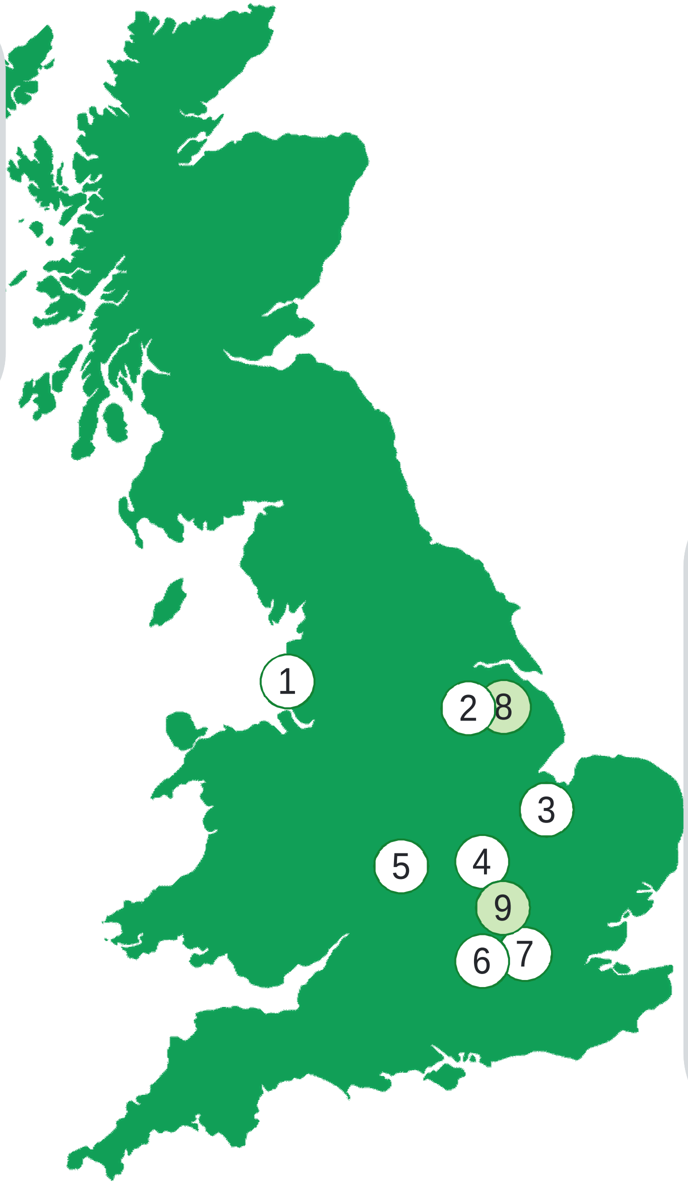
Well developed partnership model in Food to Go

- Sole supply with majority of key customers
- Long-term supply agreements
- Investments in capacity and capabilities to deliver this model
- Category management leadership
- Supply chain expertise
- Award winning product innovation capabilities

Well invested Food to Go network

- Seven well-invested manufacturing facilities, producing sandwiches, wraps, baguettes, sushi & salads
- New capacity investment in Northampton, Bow, Park Royal, Manton Wood and Crosby

1. **Crosby** *Sushi*
2. **Manton Wood** *Sandwiches*
3. **Spalding** *Salads*
4. **Northampton** *S/wiches & sushi*
5. **Atherstone** *Sandwiches*
6. **Park Royal** *Sandwiches*
7. **Bow** *S/wiches & salads*



8 **Manton Wood** *Distribution Hub*

9 **Hatfield** *Distribution Hub*

- Direct to store distribution network covering the length and breadth of Britain
- Investment in new distribution hubs, picking technology, fleet, hand held scanners and driver safety technology

Complementary convenience foods positions with key customers

Prepared Meals

- Five UK manufacturing facilities
- Produces chilled ready meals, quiche, chilled sauces & chilled soup
- Increased participation and focus on Italian meals segment
- Serves all the major UK retailers
- Investing in refurbishment of two facilities

Grocery

- Four UK manufacturing facilities
- Produces cooking sauces, table sauces, pickles and Yorkshire Puddings as well as cakes and chilled desserts
- Serves all the major UK retailers
- Bespoke category strategy to win market share




Financial summary

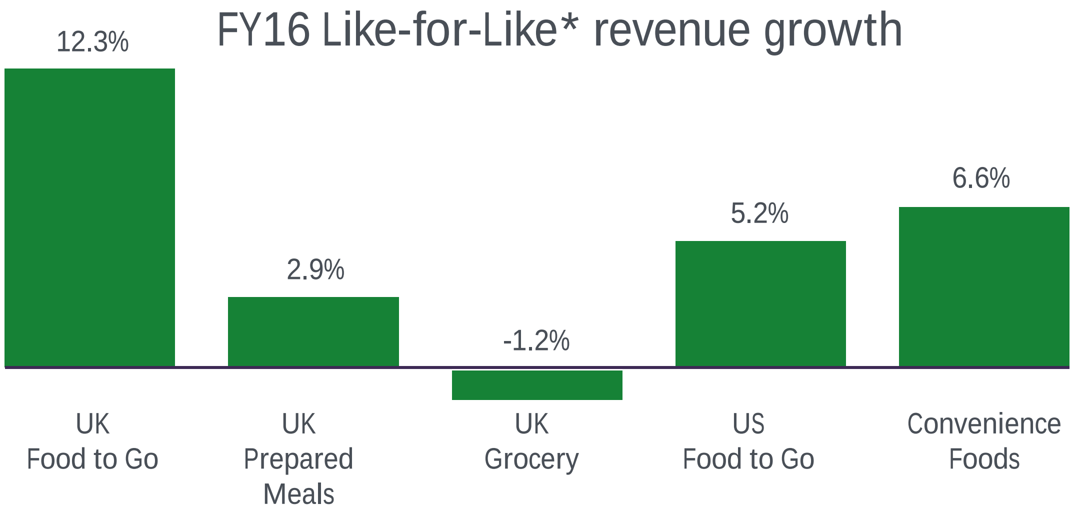
Greencore FY16 results – summary

	FY16	Versus FY15
Revenue*	£1,481.9m	+10.6%, +5.9% LFL
Operating profit*	£102.0m	+11.2%
Operating margin*	6.9%	+10 bps
Adjusted PBT*	£85.9m	+10.1%
Adjusted earnings per share*	19.5p	+8.3%
Leverage*	2.4x	+0.4 turn
ROIC*	13.8%	-30 bps

***Note:** The Group uses a number of non-IFRS measures, these are set out in Appendix 1

Greencore FY16 results – Convenience Foods division

	FY16 £m	FY15 £m	% change
Revenue*	1,435.2	1,290.2	+11.2% +6.6% LFL
Operating Profit*	100.0	89.6	+11.6%
Operating Margin*	7.0%	6.9%	+10 bps



*Note: The Group uses a number of non-IFRS measures, these are set out in Appendix 1

Greencore FY16 results – Ingredients & Property division

	FY16 £m	FY15 £m	% change	
			Actual currency	Constant currency
Revenue*	46.7	50.1	-6.8%	-12.0%
Operating profit*	2.0	2.1	-4.8%	

- Revenue decline driven mainly by weak global dairy markets
- Operating profit broadly in line with prior year

***Note:** The Group uses a number of non-IFRS measures, these are set out in Appendix 1

Greencore FY16 results – Cashflow and Net Debt

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Net debt at 30 September 2016 of £331.8m - 2.4 Net Debt / EBITDA*

£m	FY16	FY15
EBITDA*	**138.4**	**121.5**
Working capital movement	13.2	(7.6)
Net capex	(103.1)	(93.1)
Interest & tax	(15.7)	(16.9)
Operating cashflow	**32.8**	**3.9**
Pension financing	(14.0)	(13.5)
Exceptional items	(9.9)	(9.2)
Net dividends paid	(19.3)	(17.4)
Other including FX	(37.8)	(8.8)
Cashflow before acquisitions/disposals	**(48.2)**	**(45.0)**
Seattle investment	(2.4)	(8.8)
The Sandwich Factory Acquisition	(15.8)	-
Other disposals/(acquisitions)	0.1	0.4
Change in net debt	**(66.3)**	**(53.4)**

- Increase in capital expenditure due to major capacity and capability enhancement projects
  - FY17 capital expenditure (excluding Peacock) expected to be c.£90-100m – continued capacity expansion in Food to Go and Prepared Meals as well as capability enhancement across the Group
- Large movement in FY16 due to translation impact of the depreciation of GBP on USD denominated debt balances
- Pension financing expected to remain at same levels

***Note:** The Group uses a number of non-IFRS measures, these are set out in Appendix 1

Peacock acquisition – key financial headlines

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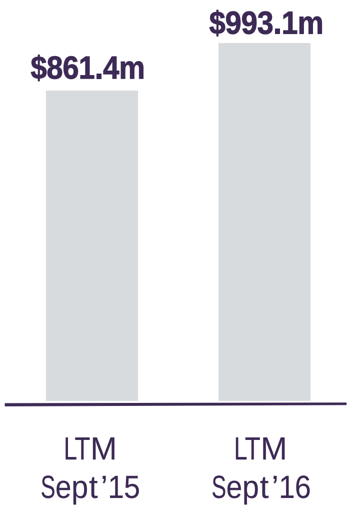
- Consideration of $747.5m on a debt free cash free basis, an Adjusted EBITDA* multiple of 10.0x after acquired tax assets
- Consolidated from 30 December 2016
- Strong growth driven by underling category growth and confirmed business wins - enlarged contract with Kraft Heinz from 2017
- Annual cost synergies of at least $15m, largely delivered by FY18 (delivered through one-off costs of up to $20m, c. 70% incurred in FY17)
- Exceptional charges to comprise of these synergy costs and deal fees (estimated to be £16m excluding equity and debt financing costs)
- Peacock tax assets of at least $65m; these assets plus utilisation of Greencore tax attributes leads to limited US cash tax in medium term
- Consideration and deal fees funded by a rights issue of £439m and additional USD denominated debt of £189m; pro forma net debt / Adjusted EBITDA* leverage of 2.5x

***Note:** The Group uses a number of non-IFRS measures, these are set out in Appendix 1

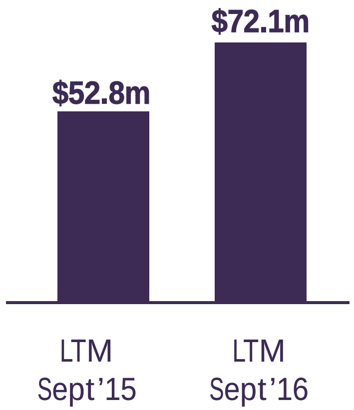
Peacock financials: strong recent growth trajectory

Revenue



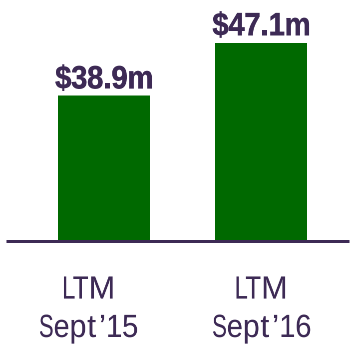
YOY Growth
15.3%

Adjusted EBITDA*



YOY Growth
36.6%

Adjusted Cashflow



YOY Growth
21.1%

***Note:** The Group uses a number of non-IFRS measures, these are set out in Appendix 1

Proforma financials following Peacock acquisition

Greencore 12 months to 30 September 2016, Peacock 12 months to 25 September 2016, £m

	greencore group	Peacock foods we engineer trust	Combined
Revenue*	1,481.9	789.6	2,271.5
Adjusted EBITDA*	138.4	57.3	195.7
Operating Profit*	102.0	39.0	141.0

*US figures translated using GBP/USD rate of 1.2577; Peacock Foods consolidated from 30 December 2016

New borrowings profile

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- Total committed facilities at 30th December 2016 of £738m
- New 5 year bank facility put in place of $249m at the end of December 2016 to assist in financing the Peacock Foods acquisition
- Weighted average debt maturity of 4.6 years as at 30th December 2016

Maturity profile	£m
< 1 year	0
1 – 5 years	660
> 5 years	78
Total facilities	**738**
Average maturity	**4.6 years**

Borrowings split	£m
Bank borrowings	550
Non bank borrowings	188
Total facilities	**738**

APPENDIX 1: Non-IFRS financial measures

The Greencore Group uses a number of non-IFRS measures to measure the performance of its operations as outlined below. These supplemental measures used by management are not measures of performance or liquidity under IFRS and should not be considered by investors in isolation, as a measure of profit, or as a substitute for, or as an indicator of, operating performance or earnings per share as determined in accordance with IFRS.

The non-IFRS financial measures are included as a supplemental disclosure because the Directors believe that these measures provide useful historical financial information to investors, help investors evaluate the performance of the underlying business and are measures commonly used by certain investors and securities analysts for evaluating performance. The Greencore Group's definition, presentation or calculation of each of the non-IFRS financial measures may be different from definitions, presentations and calculations used by other companies and therefore comparability may be limited. Investors should therefore exercise caution in comparing non-IFRS financial measures reported by the Greencore Group to similar measures of other companies. Greencore Group 2016 figures are presented as the year ending 30 September 2016. Peacock Foods 2016 figures are presented as the year ending 25 September 2016. Both are unaudited.

Like-For-Like Sales Growth

Like-For-Like Sales Growth measures the change in revenue between two years after adjusting each year to exclude the impact of business acquisitions and disposals in either year and is calculated on a local currency basis (i.e. on a constant currency basis), exclude the impact of the 53rd week in a 53 week financial year. The Greencore Group Like-For-Like measure excludes the impact of the acquisition of The Sandwich Factory in July 2016. Peacock Like-For-Like measure excludes the impact of the acquisition of L&L Foods in July 2015. The Greencore Group measures Like-For-Like Sales Growth for the Group as a whole, by segment and by division.

Operating Profit, Operating Margin and Adjusted EBITDA

The Greencore Group calculates Operating Profit as statutory profit before taxation, net finance costs, share of profit of associates after tax, exceptional items and amortisation of acquisition related intangibles. The Greencore Group calculates Operating Margin by dividing Operating Profit by reported revenue. The Greencore Group calculates Adjusted EBITDA as Operating Profit excluding depreciation and amortisation.

ROIC

The Greencore Group calculates ROIC as net operating profit after tax (NOPAT) divided by average invested capital. NOPAT is calculated as Operating Profit plus share of profit of associates before tax, less tax at the effective rate in the income statement. Invested capital is calculated as net assets (total assets less total liabilities), plus Net Debt and the balance sheet value of derivatives not designated as fair value hedges and retirement benefit obligations (net of deferred tax asset). Average invested capital is calculated by adding together the invested capital from the opening and closing balance sheets and dividing by two.

Adjusted EPS and Adjusted Earnings

The Greencore Group calculates Adjusted EPS by dividing Adjusted Earnings by the weighted average number of Ordinary Shares in issue during the year, excluding Ordinary Shares purchased by Greencore and held in trust in respect of the Deferred Award Scheme, the Performance Share Plan and the Executive Share Option Scheme. Adjusted Earnings is calculated as statutory profit attributable to equity holders (as shown on the Greencore Group's income statement) adjusted to exclude exceptional items (net of tax), the effect of foreign exchange (FX) on inter-company and external balances where hedge accounting is not applied, the movement in the fair value of all derivative financial instruments and related debt adjustments, the amortisation of acquisition related intangible assets (net of tax) and the interest expense relating to defined benefit pension liabilities (net of tax).

Net Debt

The Greencore Group calculates Net Debt as current and non-current borrowings less net cash and cash equivalents. It does not include derivative financial instruments, but does include the proportion of the fair value of the hedging adjustment on the Private Placement Notes which is included in their carrying value on the balance sheet.

APPENDIX 1: Non-IFRS financial measures

Adjusted Cash Flow
The Greencore Group defines Adjusted Cash Flow as net cash inflow from operating activities before tax paid/(received), interest paid and cash outflow related to exceptional items, less cash outflow from investing activities excluding cash inflow/(outflow) from acquisitions and disposals

Adjusted PBT
Adjusted PBT and adjusted earnings measures are stated before exceptional items, pension finance items, acquisition related amortisation, FX on inter-company and certain external balances and the movement in the fair value of all derivative financial instruments and related debt adjustments

Leverage
Net debt / EBITDA leverage as measured under financing agreements

APPENDIX 2: Ex Rights Price and Bonus Factor

- When calculating weighted average number of shares to include a rights issue, a bonus factor must be applied to the pre-rights issue share counts for comparability purposes
  - This factor is applied when ordinary shares are issued at a discount to the market price due to the fact that the rights issue is effectively a bonus (stock dividend) given to shareholders in the form of shares for no consideration
  - In the case of the Greencore rights issue, an issue price of 153p was used
- In order to calculate this bonus factor, one first needs to calculate the ex-rights price of a share after the rights issue
  - This is calculated as the weighted average price of shares prior to the rights issue and shares included in the rights issue
  - On the day before the rights issue, there were 414.9m Greencore shares in issue with a closing share of price of 270.4p
  - As part of the rights issue, 287.2m shares were issued at a price of 153p
  - After the rights issue; 702.1m Greencore shares in issue with an ex-rights price of 222.4p
- The bonus factor is calculated by taking this ex-rights price divided by share price immediately before the rights issue
  - By dividing the ex-rights price of 222.4p by the closing share price pre rights issue of 270.4p, a bonus factor of 82.2% is calculated

	Shares	Price	%
Existing	414.9	270.4	59.1%
Rights issue	287.2	153.0	40.9%
Total Ex-Rights	**702.1**	**222.4**	

Ex-Rights Price	222.4
Share price pre rights issue	270.4
Bonus factor	82.2%

APPENDIX 2: Applying the Bonus Factor

- For comparability purposes, the bonus factor should be applied to all historic periods
- This bonus factor can either be applied directly to EPS figures (reducing the reported EPS amounts) or can be applied to share count figures (increasing the reported share count amounts)
- The table below lays out the impact of the bonus factor of 82.2% on both share count and EPS figures for FY14-FY16
- Please note for FY17, two sets of adjustments must be done:
  - The bonus factor needs to be applied to the weighted number of shares in issue for the period prior to the rights issue
  - After the rights issue, the additional 287.2m new shares must also be included in the weighted average share calculations
- For FY18 onwards no bonus factor is applied as the additional shares are now in issue (below is illustrative for FY17 and FY18 and ignores the impact of new share issuance due to SCRIP dividends)

		FY14	FY15	FY16	FY17	FY18
Greencore Unadjusted	**Adjusted Earnings**	63.7	72.8	79.7		
	Weighted Avg Shares	401.2	405.5	409.3	413.1	414.9
	Adjusted EPS	15.9	18.0	19.5		

Bonus Factor	82.2%

		FY14	FY15	FY16	FY17	FY18
Greencore Adjusted	**Adjusted Earnings**	63.7	72.8	79.7		
	Unadjusted Weighted Avg Shares	401.2	405.5	409.3	413.1	414.9
	Bonus Factor Impact	86.7	87.6	88.4	21.6	
	Rights Issue Impact				217.8	287.2
	Adjusted Weighted Avg Shares	**487.9**	**493.1**	**497.6**	**652.5**	**702.1**
	Adjusted EPS	13.0	14.8	16.0		

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