

Results

For the year ended 26 September 2014



Highlights

Patrick Coveney, CEO

Financial Review

Alan Williams, CFO

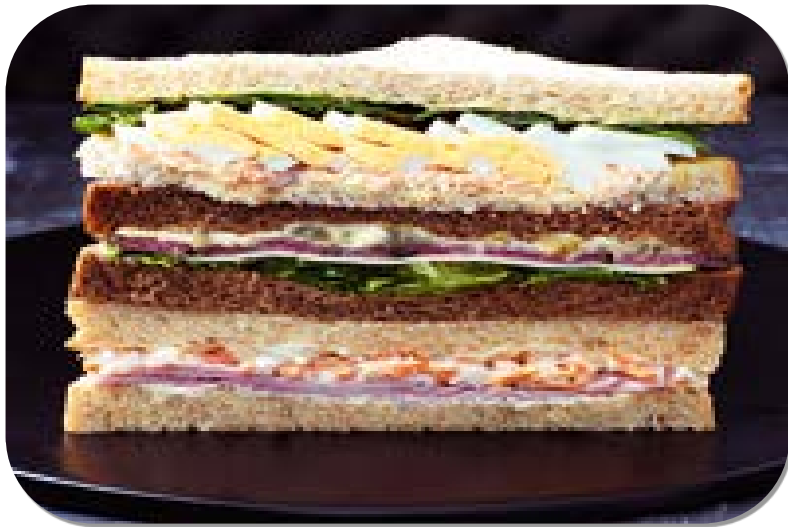
Strategy, Operating Review & Outlook

Patrick Coveney, CEO

Q&A

Open to the Floor

- Strong performance
- Significant strategic investments



FINANCIAL REVIEW

Alan Williams
Chief Financial Officer

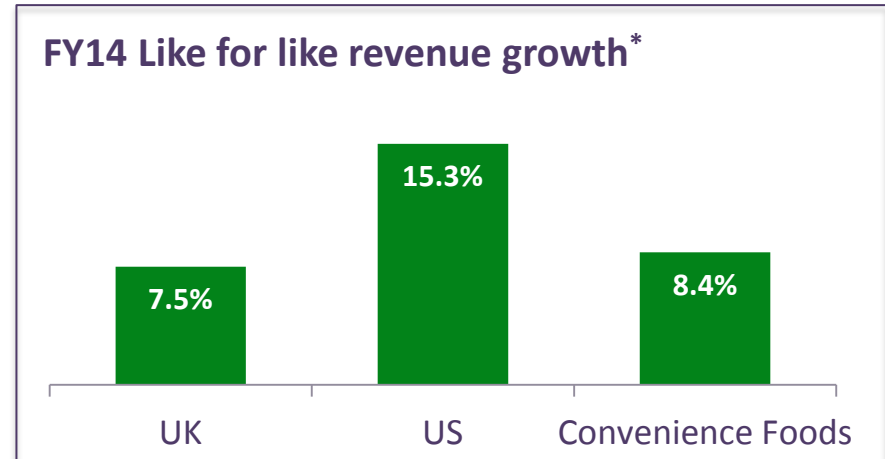
	FY14	Versus FY13
Revenue	£1,273.5m	+6.4%
Operating profit ¹	£82.9m	+11.4%
Operating margin ¹	6.5%	+30 bps
Adjusted PBT ²	£68.7m	+15.5%
Adjusted earnings per share ²	15.9p	+13.6%
Dividend per share	5.45p	+13.5%
Net debt	£212.1m	-£20.7m
ROIC	13.7%	+100bps

1. EBITDA, operating profit and operating margin are stated before exceptional items and acquisition related amortisation. These are non-IFRS measures. Operating profit, financing and tax for FY13 have been restated to reflect the impact of IAS19 (Revised)

2. 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. FY13 comparatives have been restated to reflect the impact of IAS19 (Revised).

Strong performance of Convenience Foods division

	FY14 £m	FY13 £m	% change
Revenue	1,213.4	1,129.2	+7.5%
Operating profit ¹	80.7	72.2	+11.8%
Operating margin ¹	6.7%	6.4%	+30 bps



- Convenience Foods LFL revenue growth of 8.4%*:
 - Convenience channel development and successful customer initiatives in the UK
 - Roll out of major customer contract in the US
- Operating profit growth and margin expansion:
 - Good operating profit conversion
 - Improvements in some lower margin parts of the UK portfolio

* References to like for like ("LFL") revenue growth exclude the desserts activity which was sold to Müller Dairy UK in January 2013, revenue from Ministry of Cake which was sold in May 2014, Lettieri's revenue since acquisition in February 2014 and are expressed in constant currency.

Steady performance of Ingredients and Property

	FY14 £m	FY13 £m	% change	
			Actual currency	Constant currency
Revenue	60.1	67.9	-11.5%	-9.7%
Operating profit ¹	2.2	2.2	n/a	n/a

Division represents 5% of
Group activity

- Revenue decline driven by
 - Lower commodity prices in edible oils
 - Lower volumes in the molasses feed business - milder weather
- Operating profit largely unchanged - better mix and cost control
- Sale of Littlehampton site completed during the year for proceeds of £16.5m

Financing

- Bank interest payable fell to £14.9m (FY13: £15.5m): lower average net debt and lower effective interest rate
- Net finance charge including non cash items* of £15.4m (FY13: £16.8m)

Tax

- Group effective tax rate of 1% (FY13: 0%**)
- Effective tax rate continues to benefit from historic tax losses

Pensions

- IAS19 pension deficit of £105.6m, net of related deferred tax asset, a decrease of £8.6m from 27 September 2013
- Cash requirement for FY15 expected to remain around £15m
- IAS19 (Revised) adopted in FY14 with no impact on cash funding requirements or deficit***

*Pension financing charge, fair value of derivatives and related debt adjustments and charge related to present value of assets and liabilities held

**Updated to reflect IAS 19 (Revised)

*** Further details in appendix.

EXCEPTIONAL ITEMS

£m	Income Statement
Planned exit from Newburyport and Brockton US facilities	(9.9)
Transaction and integration costs of US acquisition	(1.3)
Disposal of Ministry of Cake	(6.5)
Disposal of Littlehampton property	(3.5)
Resolution of legacy insurance matter	3.8
Pension curtailment gain	1.3
Pre tax impact	(16.1)
Resolution of legacy tax matter	2.3
Tax credit related to US exceptional items	2.4
Net exceptional charge	(11.4)

Net exceptional charge of £11.4m of which £8.3m is non-cash items

EPS

	FY14	FY13
Adjusted earnings ²	£63.7m	£55.1m
Denominator for earnings per share	401.2m	393.6m
Adjusted earnings per share ²	15.9p	14.0p

- Adjusted earnings 15.6% ahead
- Adjusted earnings per share up 13.6%

Dividend

	FY14	FY13
Total dividend distribution	£22.1m	£19.5m
Interim dividend per share	2.20p	1.90p
Final dividend per share	3.25p	2.90p
Dividend per share	5.45p	4.80p

- Final dividend proposed of 3.25 pence per share
- Growth in dividend per share of 13.5%, in line with growth in adjusted EPS
- Approximately 35% of adjusted earnings distributed

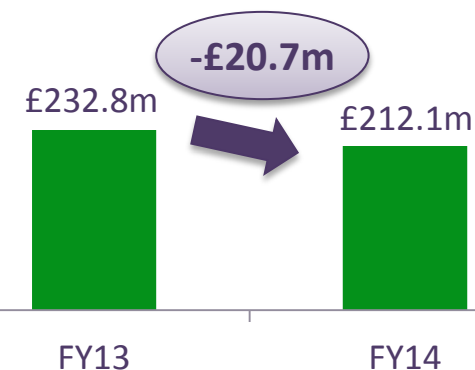
Net debt at 26 September 2014 of £212.1m - comfortably below 2.0 times Net Debt/EBITDA

£m	FY14	FY13
EBITDA¹	109.5	99.3
Working capital inflow	9.8	9.9
Net capex	(51.3)	(34.4)
Interest & tax	(16.2)	(14.5)
Operating cashflow	51.8	60.3
Pension financing	(13.7)	(11.7)
Exceptional items	(9.1)	(20.0)
Dividends paid	(11.9)	(11.8)
Other including FX	2.6	1.7
Cash inflow before acquisitions/disposals	19.7	18.5
Disposals/acquisitions	(14.1)	7.2
Littlehampton	15.1	(0.5)
Decrease in net debt	20.7	25.2

Analysis of capital expenditure

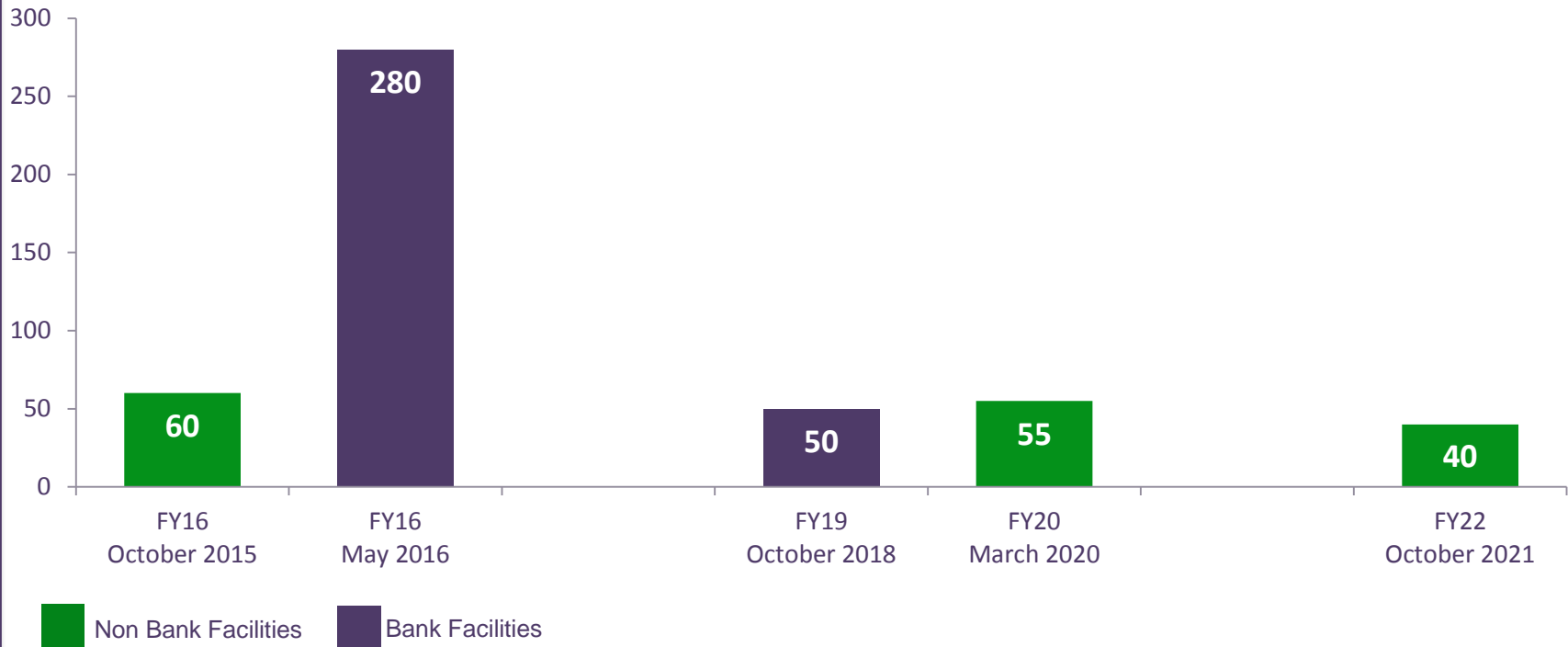
£m	FY14	FY13
Base capex	34.6	34.4
Major capacity investment projects	16.7	-
Net capex	51.3	34.4

Net debt



- Total committed facilities of £485m – weighted average debt maturity of 2.7 years as at 26 September 2014

Maturity of facilities at 26 September 2014, £m



SUMMARY - FINANCIAL GOALS

Key Metrics	Goal	FY14 Outcome	Key Drivers
Revenue*	5% LFL	8.4% LFL	<ul style="list-style-type: none"> Successful customer initiatives & convenience store growth in UK Roll out of major customer contract in the US
Operating Margin*	Maintain above 6%	6.7%	<ul style="list-style-type: none"> Strong growth Improvements in lower margin parts of UK portfolio
ROIC	Maintain above 13%	13.7%	<ul style="list-style-type: none"> Growth in NOPAT Disciplined capital allocation
Leverage	1.5 – 2.0x net debt/EBITDA	1.9x**	<ul style="list-style-type: none"> EBITDA growth Strong operating cash generation

*Revenue and Operating profit for Convenience Foods division. Operating Profit before exceptional items and acquisition related amortisation

** Net debt to reported EBITDA measure. Bank covenant test basis approximately 1.75 times.

STRATEGY, OPERATING REVIEW AND OUTLOOK

Patrick Coveney
Chief Executive Officer

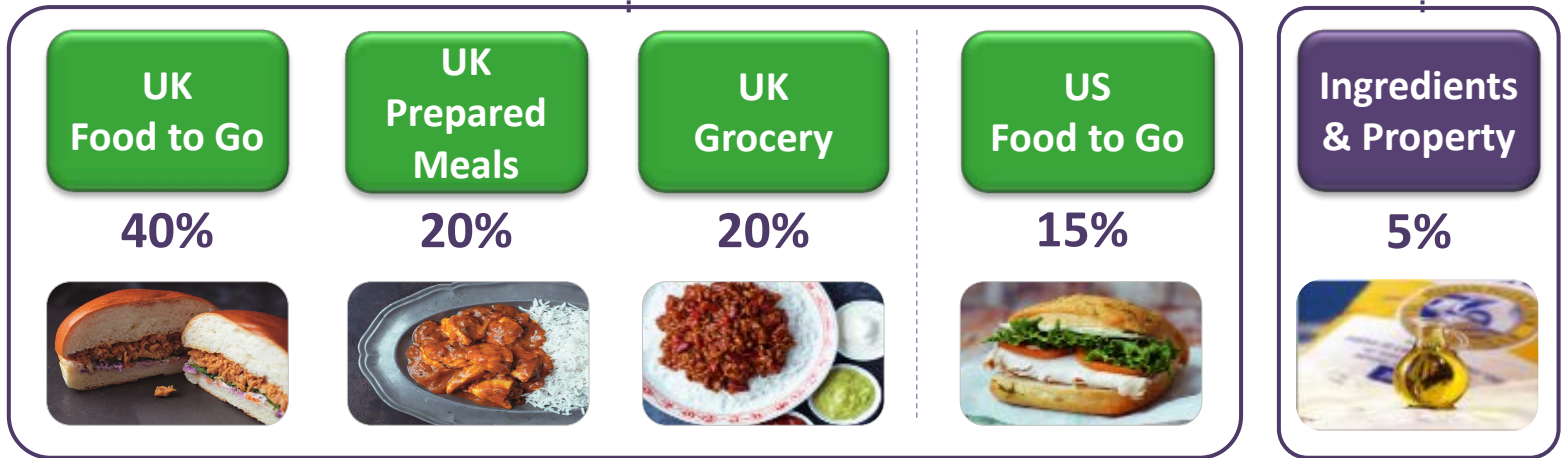
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STRATEGIC DELIVERY HAS CREATED A FOCUSED, GROWING FOOD TO GO LEADER



- FY14 Group revenue of £1.3bn
- LFL Convenience Foods growth of 8.4%

c. % of run rate revenue*



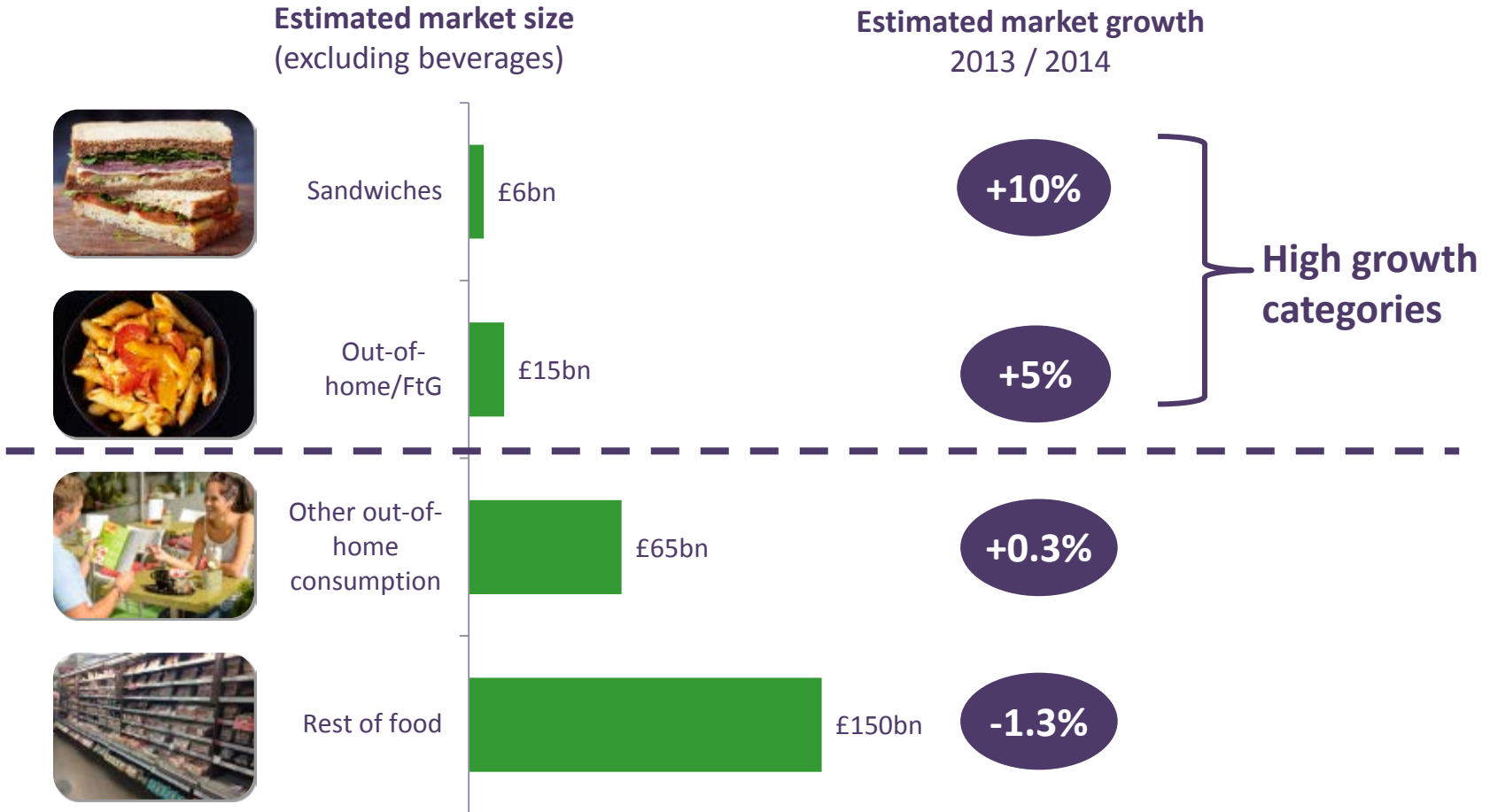
Food to Go long term focus driven by ...

- Consumer and customer trends
- Attractive economic model
- Our capability and market position
- Future growth prospects

* Category shares rounded to the nearest 5%

1

OUR UK BUSINESS IS FOCUSED ON THE HIGHEST GROWTH CATEGORIES WITHIN FOOD



Source: Allegra, Kantar, ONS

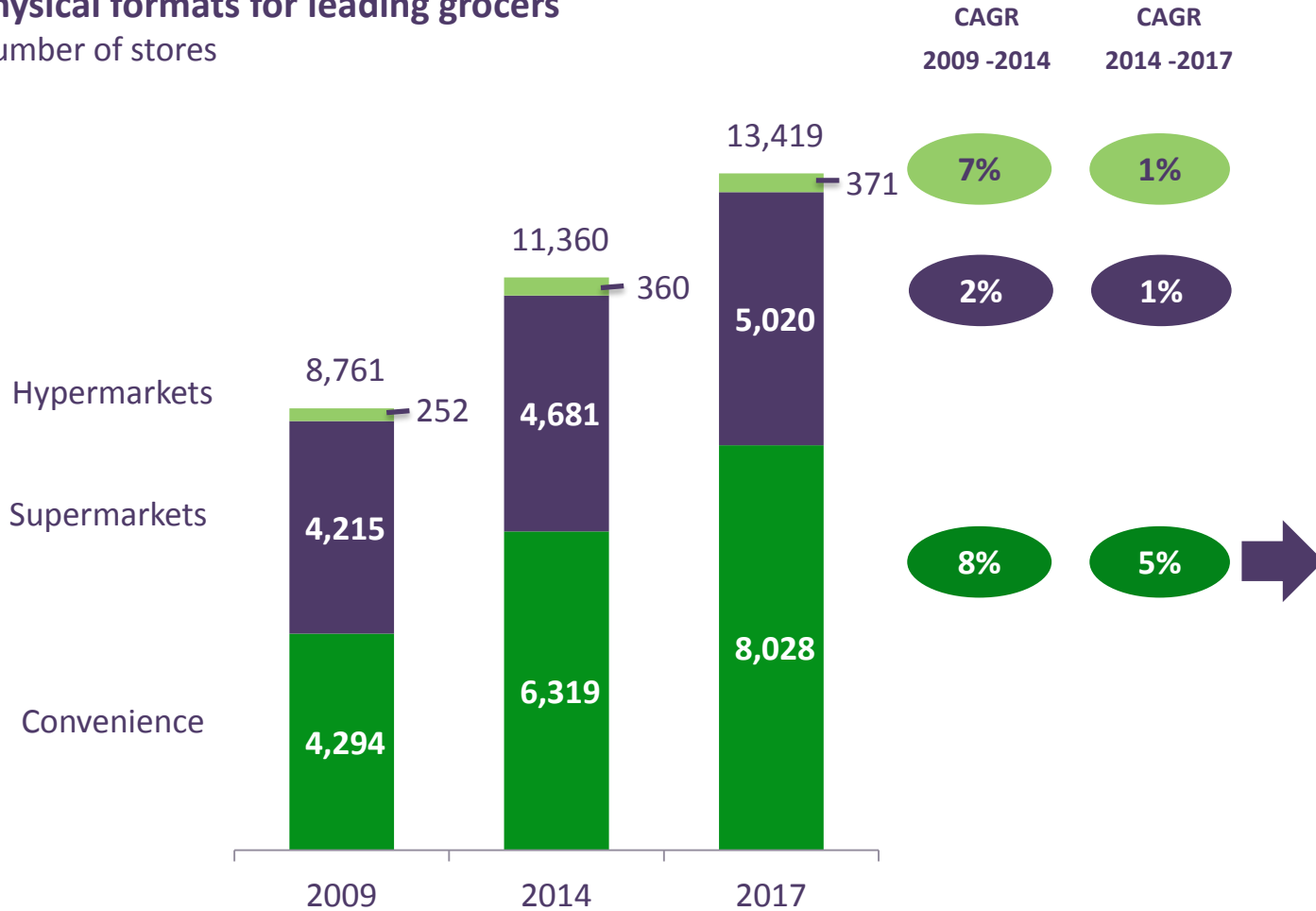
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THIS GROWTH IS UNDERPINNED BY EXPANSION IN THE CONVENIENCE CHANNEL...



Physical formats for leading grocers

Number of stores



Source: IGD data, 2014

1

...AND BY UNDERLYING CONSUMER TRENDS THAT SUPPORT GROWTH IN OUR CATEGORIES

1 Good value for money



Affordable indulgence 2



3 Convenient to eat/snack



Fresh and healthy 4

1 WE HAVE RESHAPED OUR US OPERATIONS INTO A FOOD TO GO FOCUSED BUSINESS

**2008
Entry into the
US Market**



**2010
Emergence of
Food to Go**



**2012 - 2014
Focused, scaled-up
Food to Go business**

Key Event

- Acquisition of Home Made Brand Foods

- Acquisition of On A Roll

- Acquisitions of MarketFare Foods, HC Schau & Lettieri's
- Development of relationship with two key national customers
- Enhanced new manufacturing facilities

Regions

- North Eastern region

- North Eastern region

- Multi-regional

Categories

- Multi category business

- Increasing exposure to food to go

- Focus on food to go
- Development of specialist frozen & fresh capabilities

Channels

- Grocery retail customers

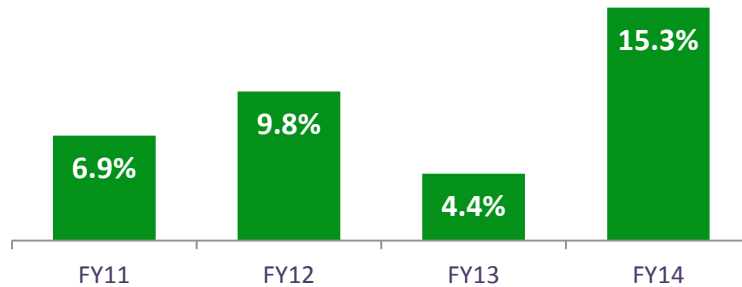
- Grocery retail and convenience stores

- Focus on small store, limited assortment channels

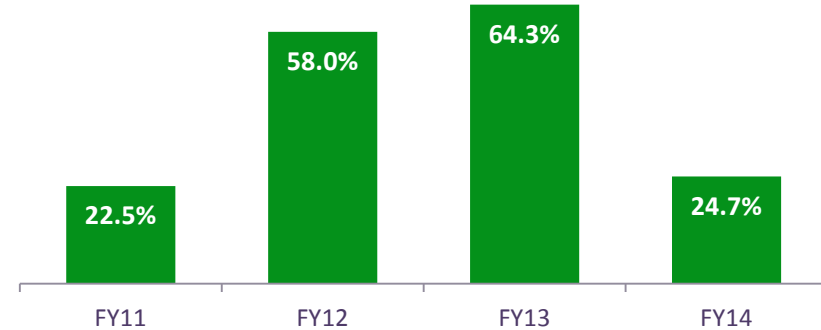


1 THE ECONOMICS OF OUR FOOD TO GO BUSINESS SUPPORT OUR REFINED STRATEGY

Revenue Growth - UK Food to Go



Revenue Growth - US Food to Go



- 1 Continued strong growth in the UK and a platform to materially grow our US business leading to strong operating leverage
- 2 Move to longer term, multi-year supply arrangements
- 3 Ability to add value beyond food through distribution solutions, category management and manufacturing asset alignment
- 4 Ongoing building and transfer of food to go capability across the Group

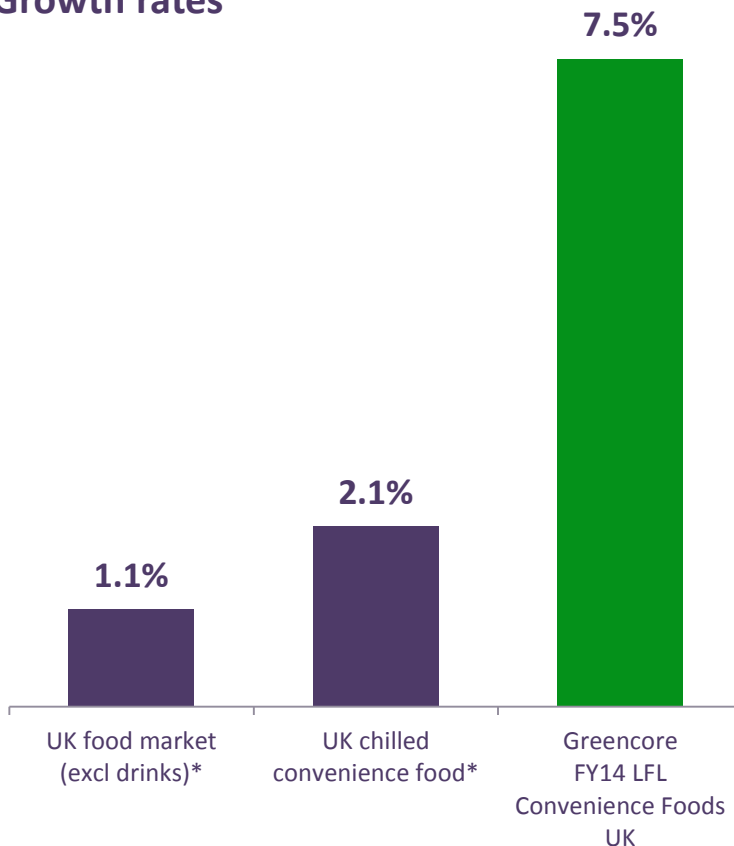


Attractive return on capital employed

FY11 and FY12 revenue growth excludes impact of 53rd week in FY11

FY12 UK Food to Go growth shown on a pro-forma basis - assumes Uniq had formed part of the Group in FY11

Growth rates



Performance driven by:

- Strong market growth in food to go
- Multiple new customer initiatives delivering share growth in key categories
- Positive operating leverage
- Targeted improvements in lower margin parts of our portfolio

1

Food to Go Division



- Strong revenue growth of 15.3% versus market growth of 9.5%:
 - Successful re-launches with several key customers
 - New business wins
- Expansion of Northampton food to go facility

44%

Market share
sandwiches

2

Prepared Meals Division



- Flat revenue (+0.2%) in FY14
- Chilled ready meals outperformed the market
- Quiche sales were lower year on year with soup and sauce broadly in line with prior year

42%

Market share
Italian chilled
ready meals

3

Grocery Division



- Like for like revenue growth of 1.1% despite subdued market
- Good performance in cooking sauces and dips; recovery underway in retail cakes and desserts businesses
- Disposal of foodservice desserts business, Ministry of Cake

86%

Market share
own label
cooking sauce

2 US FOOD TO GO PERFORMANCE...

FY14 performance

- Focused on food to go categories to small store customers
- Revenue growth of 24.7%* (LFL growth of 15.3%)
- Rollout of major contract with key customer
- Planned exit of non-core product lines
- Increased focus on hot eating offerings
- Significant learning curve and ramp-up investments



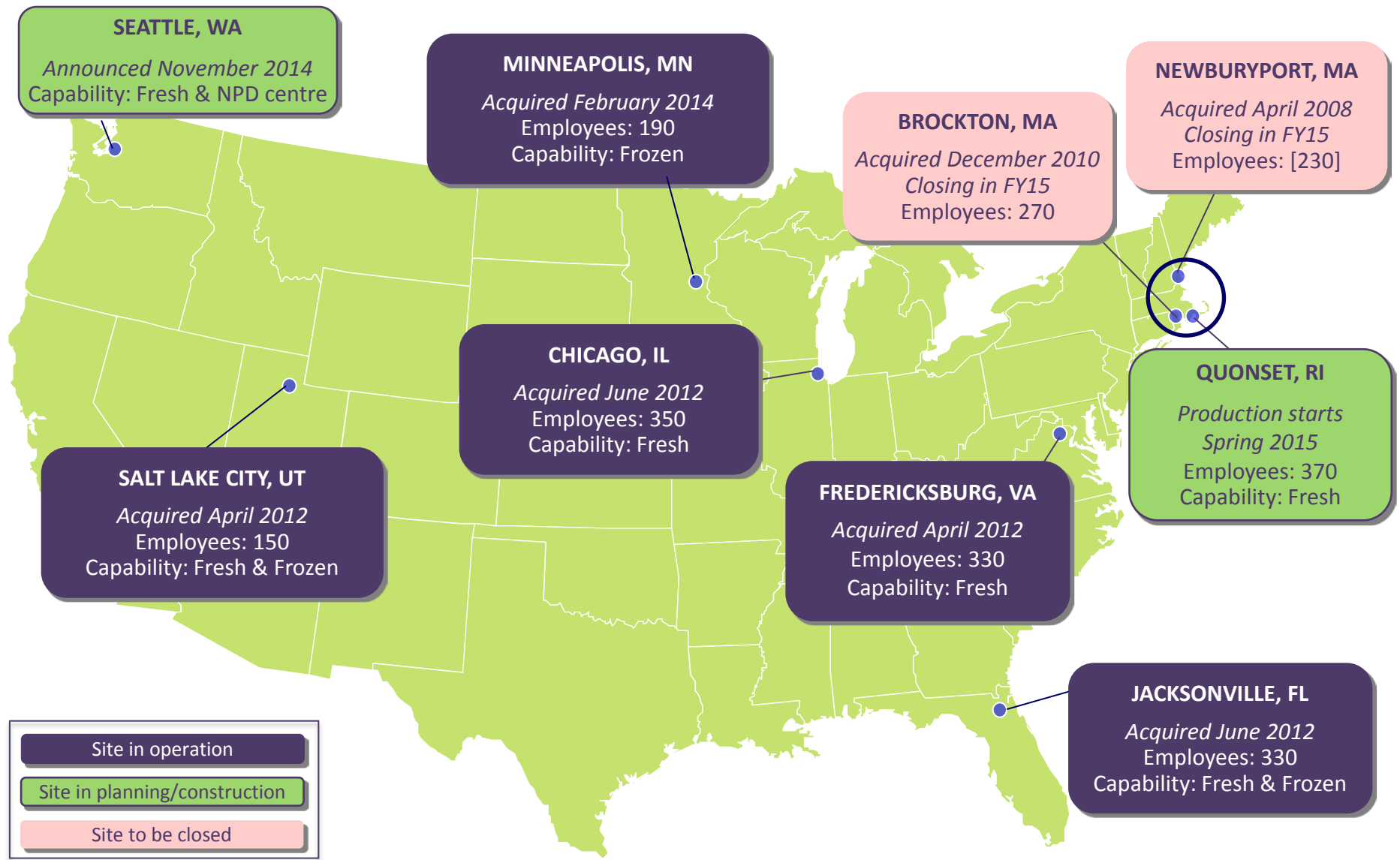
Strategic developments

- Manufacturing facility in Rhode Island
- Frozen capability in Jacksonville
- Acquisition of Lettieri's in Minneapolis
- Announcement today of development of West Coast facility



* Revenue growth on a constant currency basis

2 ...CREATING A WIDE FOOD TO GO FOOTPRINT WITH FRESH & FROZEN CAPABILITIES



2

INVESTMENTS IN CAPABILITY AND CULTURE TO DELIVER STRATEGY AND FUTURE PERFORMANCE



Large scale facility enhancement

- Northampton
- Rhode Island
- Jacksonville
- Seattle



People and Process

- Structures
- HR and talent
- IT
- Culture & communication
- Lean Greencore
- Consumer & shopper insight



- Confident in our ability to deliver profitable growth despite uncertain outlook for UK grocery retail market
- Further significant step up in capital expenditure on capacity, productivity and capability initiatives with execution a key area of focus
- Well positioned to deliver further progress in FY15 and beyond



APPENDIX

- 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 channels and the grocery channel
- Turnover of c.£1.3 billion in FY14
- Listed on the London stock exchange (GNC.L)



ORIGINS

A broad-based food and agribusiness centred around the Irish sugar business

- Greencore established in 1991 following the privatisation of Irish Sugar
- Acquisition of various malt and ingredients businesses in 1990's
- Diversification into convenience food following acquisition of Hazlewood Foods in 2001

TRANSITION

Exit of sugar and rebalancing of the portfolio

- Exit of sugar announced in 2006
- Commencement of disposal programme, which sees disposal of malt, water, Dutch and grain trading businesses

FOCUS

Focused convenience food business in the UK and the US achieving growth mainly through acquisition

- Strong UK growth through acquisitions of Uniq in 2011 and International Cuisine in 2012
- Entry in to US market through five acquisitions commencing in 2008

DEVELOPMENT

Scale convenience food business with significant growth through organic initiatives supplemented by M&A

- Strong position in UK market with organic growth & developments
- Scaled up US business with a platform for further growth largely through organic initiatives
- Win in other geographies in the years ahead



Food to Go

- No.1 manufacturer of sandwiches
- Also manufactures sushi as well as snack and side of plate salads
- UK sites in Worksop, London (2), Northampton, Spalding & Crosby



Prepared Meals

- Leading manufacturer of chilled prepared meals, quiche, chilled pasta sauce & chilled soup
- UK sites in Kiveton, Warrington, Wisbech, Bristol & Consett



Grocery

- No.1 manufacturer in own label cooking sauces & pickles
- A leading manufacturer of frozen Yorkshire Puddings, ambient cakes and chilled desserts
- UK sites in Selby, Leeds, Hull & Evercreech



USA

- A fast growing food to go business in the US, serving both the convenience and small store channel and the grocery channel
- Seven sites operating in Newburyport (MA), Brockton (MA), Fredericksburg (VA), Salt Lake City (UT), Chicago (IL), Jacksonville (FL) and Minneapolis (MN) with two sites under construction



Ingredients & Property

- Trilby Trading – a leading importer and distributor of oil and fats for food processing
- Premier and United Molasses – leading importers and distributors of molasses for animal feed and industrial use in Ireland
- Property – management of the Group surplus property assets

	Market Position	Market Share
Food to Go		
— Sandwiches (grocery)	No.1	44%*
— Sandwiches (grocery and convenience)	No.1	38%*
— Sushi	No.2	24%
— Salads	No.5	7%
Chilled Meal Solutions		
— Chilled Italian Meals	No.1	42%
— Quiche	No.2	37%
— Chilled Soups	No.3	22%
Other Meal Occasions		
— Own Label Cooking Sauces	No.1	86%
— Own Label Pickles	No.1	69%
— Yorkshire Puddings (frozen baked)	No.2	38%
— M&S Premium Desserts	No.1	36%

Source: Nielsen data 52 w/e 27 September 2014

*Sandwiches (grocery) based on Nielsen measured data, Sandwiches (grocery & convenience) based on Greencore research plus Nielsen data

IAS 19 REVISED - IMPACT

- IAS19 (Revised) applied in FY14
- FY13 restated to reflect impact of IAS19 (Revised)

		Full year impact FY13 restatement
Operating Costs impact	Scheme administration costs including UK PPF levy now recognised in the Income Statement - previously charged directly to scheme liabilities	+£2.0m
Non Cash Financing Charge impact	Non cash financing charge increase as single liability discount rate used - previously a separate expected rate of return was applied to the assets and a finance charge applied to the liabilities	+£1.7m
Adjusted EPS impact	Scheme administration costs including UK PPF levy and tax impact of increased non cash financing charge included in adjusted EPS	-0.5p
Adjusted EPS		14.0p

Investment in Northampton

- £30m investment to support a significant deepening of business relationship
- The first phase, the extension to existing facility, is nearing completion
- First product transferred in September 2014
- Phase two will commence shortly with construction of new facility on adjacent land for supply in 2016



SIGNIFICANT STRATEGIC ACTIVITY IN FY14

RHODE ISLAND & WEST COAST FACILITY

Rhode Island investment

- Investment of c.£20m in building a 100,000 square feet greenfield sandwich manufacturing facility to replace Newburyport and Brockton sites
- Strategic location to cater for existing markets in New England and develop future opportunities closer to New York
- Estimated annualised savings of £5m, once fully realised

Development of US West Coast facility

- Construction of our first West Coast facility in Washington State incorporating product development centre
- Enable us to service a contract with a key customer, which we are acquiring, from H2 FY16
- Total cost approximately £20m



Jacksonville investment

- £7m investment in frozen food to go capabilities to support a key customer
- Focus on breakfast and lunchtime hot eating products
- Capability to cover wide geography with frozen products
- Construction complete and site producing over 130,000 units per day



Acquisition of Lettieri's

- A leading manufacturer of frozen food to go products for convenience store channel
- A modern purpose built facility in Minneapolis with high quality assets
- Revenue of c.£20m at acquisition with significant surplus capacity for future growth



greencore

bringing
convenience
to good food

