

Interim Results

For the half year ended 27 March 2015



HIGHLIGHTS

- Food to go led strategy continues to drive growth
- Successful rollout of new business wins in the UK and US
- On-track with significant investment programme to deliver future growth



FINANCIAL REVIEW

Alan Williams
Chief Financial Officer

FINANCIAL SUMMARY



	H1 15	Versus H1 14
Revenue ¹	£639.8m	+3.9% LFL
Convenience Foods revenue	£614.7m	+4.9% LFL
Operating profit ²	£40.1m	+7.8%
Operating margin ²	6.3%	+30 bps
Adjusted PBT ³	£33.4m	+9.2%
Adjusted earnings per share ³	7.6p	+8.6%

1. References to like for like ("LFL") revenue growth exclude revenue from Ministry of Cake which was sold in May 2014, revenue in the Lettieri's business for the period October 2014 to February 2015 and are expressed in constant currency

2. EBITDA, operating profit and operating margin are stated before exceptional items and acquisition related amortisation

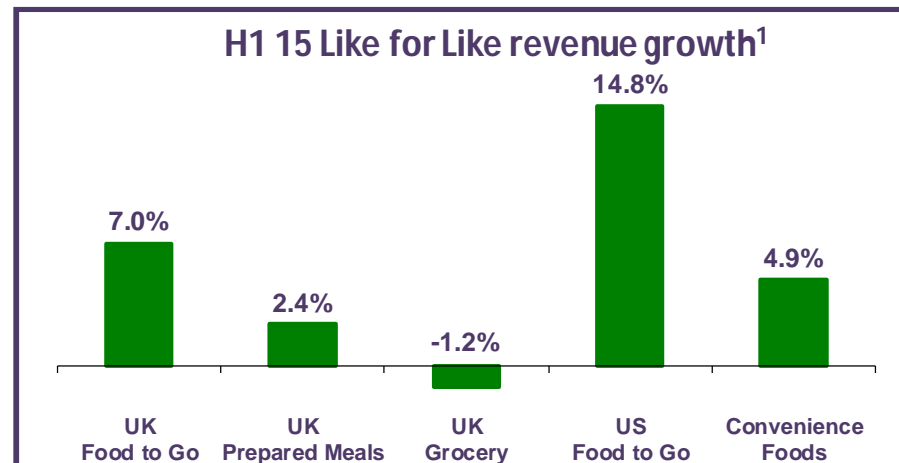
3. Adjusted PBT and adjusted earnings measures are stated before exceptional items, pension finance items, acquisition related amortisation, FX on inter-company and certain external balances and the movement in the fair value of all derivative financial instruments and related debt adjustments

CONVENIENCE FOODS



Food to Go led strategy driving growth

	H1 15 £m	H1 14 £m	% change
Revenue ¹	614.7	587.9	+4.9% LFL
Operating profit ²	39.3	35.9	+9.5%
Operating margin ²	6.4%	6.1%	+30 bps



- Convenience Foods LFL revenue growth of 4.9%¹:
 - Food to Go led with roll out of major food to go contracts in the UK and US
- Operating profit growth and margin expansion:
 - Good operating profit conversion
 - Continued operational improvements and focus on cost control

INGREDIENTS & PROPERTY



	H1 15 £m	H1 14 £m	% change	
			Actual currency	Constant currency
Revenue	25.1	31.9	-21.3%	-14.1%
Operating profit ²	0.8	1.3	-38.5%	

Division
represents less
than 5% of Group
activity

- Revenue decline driven by
 - Lower volumes and lower commodity prices in edible oils
 - Lower volumes in the molasses feed business
- Operating profit impacted by strengthening of sterling and higher legacy pension scheme administration costs

FINANCING, TAX, PENSIONS & EXCEPTIONAL ITEMS



Financing

- Bank interest payable of £7.6m (H1 14: £7.0m): higher average net debt, a stronger US dollar versus sterling together with a higher effective cost of debt on non-bank borrowings

Tax

- Group effective tax rate remains unchanged at 1% (H1 14: 1%)
- Effective tax rate continues to benefit from historic tax losses

Pensions

- Net IAS19 pension deficit of £113.9m, net of related deferred tax asset, an increase of £8.3m from September 2014
- Cash requirement for FY15 expected to remain around £15m

Exceptional Charge

- £0.9m recognised in relation to the start-up of production at the new facility in Quonset, RI

EPS AND DIVIDEND



	H1 15	H1 14
Adjusted earnings ³	£30.7m	£28.1m
Denominator for earnings per share	404.6m	399.6m
Adjusted earnings per share ³	7.6p	7.0p
Interim dividend per share	2.4p	2.2p

- Adjusted earnings 9.3% ahead
- Adjusted earnings per share up 8.6%
- 9.1% increase in interim dividend

CASHFLOW AND NET DEBT



Net debt at 27 March 2015 of £291.4m

£m	H1 15	H1 14
EBITDA²	54.3	50.5
Working capital outflow	(45.4)	(14.1)
Net capex	(43.7)	(17.2)
Interest & tax	(7.9)	(8.4)
Operating cashflow	(42.7)	10.8
Pension financing	(5.7)	(5.1)
Exceptional items	(4.9)	(5.6)
Net dividends paid	(8.0)	(4.5)
Other including FX	(9.6)	2.3
Cash inflow before acquisitions/disposals	(70.9)	(2.1)
Disposals/acquisitions	0.4	(23.0)
US Washington state investment	(8.8)	-
Increase in net debt	(79.3)	(25.1)

Key drivers of net debt movement

- Larger seasonal working capital outflow:
 - Principal drivers payables & inventory
 - Expected substantially to reverse in H2
- £21.1m of capital expenditure spend on major capacity investment projects
- Contract acquisition costs of £8.8m for new supply agreement in Washington state
- Adverse exchange rate impact on translation of non GBP debt c.£5m

BORROWINGS PROFILE

- Refinancing of primary bank facility completed in March 2015, with new five year £300m facility
- Total committed facilities of £505m
- Weighted average debt maturity extended from 2.7 years at 26 September 2014 to 4.5 years at 27 March 2015
- Net debt:EBITDA 2.3x on a bank covenant basis

Maturity profile	£m
< 1 year	60
3 – 5 years	401
> 5 years	44
Total facilities	505
Average maturity	4.5 years

Borrowings split	£m
Bank borrowings	350
Non bank borrowings	155
Total facilities	505

SUMMARY FINANCIAL PERFORMANCE

- A good H1 performance
- Like for like Convenience Foods revenue growth of 4.9%
- Group operating profit up 7.8%
- Adjusted EPS growth of 8.6%



OPERATING REVIEW AND OUTLOOK

Patrick Coveney
Chief Executive Officer

FY15 PERFORMANCE PRIORITIES



1

Navigate a UK grocery market undergoing profound change

2

Deliver strong growth in the US while successfully integrating new business

3

Build capacity and capability to enable next phase of growth

1

DESPITE RETAIL TURBULENCE, UNDERLYING CONSUMER AND CUSTOMER TRENDS ARE SUPPORTIVE



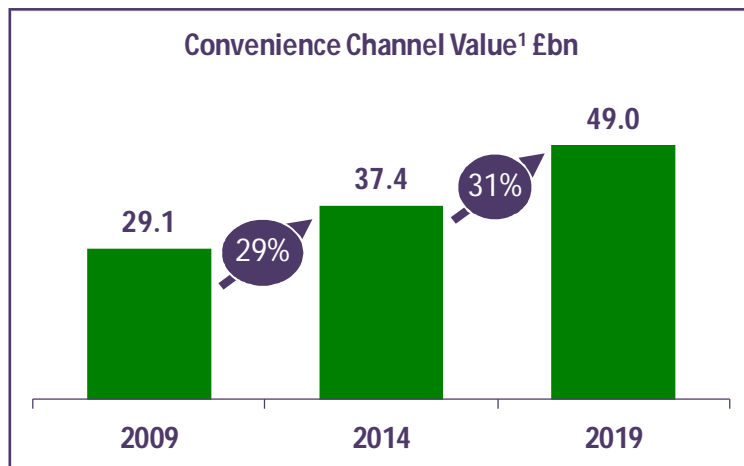
Continued growth in food to go



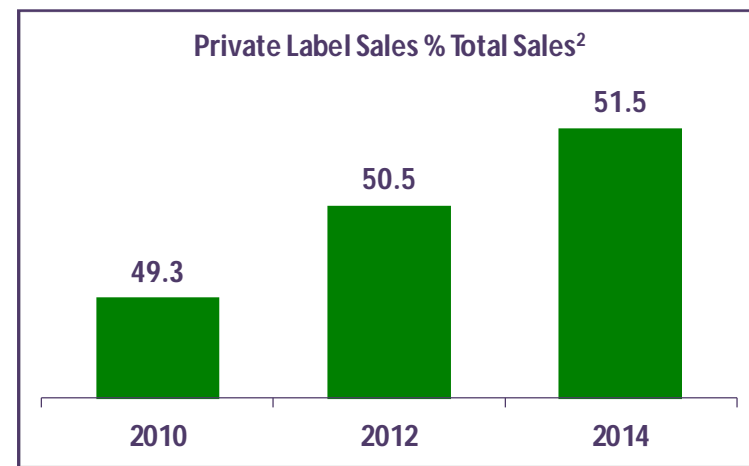
Blurring of channels



Further build out of convenience



Strengthened relevance of private-label



1. IGD Retail Analysis (years ending April)
2. IRI InfoScan and Kantar Worldpanel

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IN THIS CONTEXT WE CONTINUE TO EXTEND OUR FOOD TO GO LEADERSHIP



- 1 Develop industry leading manufacturing facilities
- 2 Create longer term, collaborative partnerships
- 3 Deepen capabilities – distribution, insight, innovation
- 4 Strengthen organisation – people, process, culture

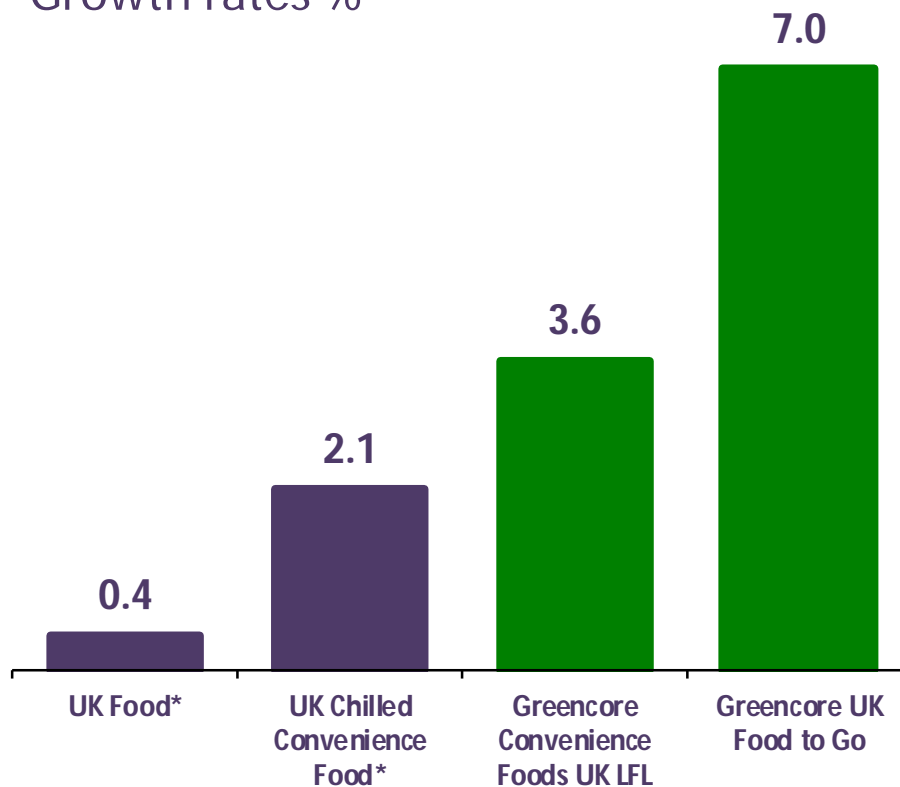


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WE HAVE DELIVERED GOOD PERFORMANCE IN THE UK



Growth rates %



Performance driven by:

- Food to Go led strategy
- Multiple customer product initiatives
- Positive operating leverage
- Purchasing initiatives
- End to end collaboration projects

* Source: Nielsen 26 weeks ending 28 March 2015

1

UK CONVENIENCE PERFORMANCE DIVISIONAL HIGHLIGHTS



1

Food to Go



- Strong revenue growth of 7.0%
- Rollout of new customer contract
- Northampton extension on track



2

Prepared Meals



- Revenue growth of 2.4%
- Strong chilled ready meals growth
- Declines in quiche



3

Grocery



- Like for like revenue decline of -1.2%
- Growth in cooking sauces in a declining market
- Lower seasonal cake volumes



2 US H1 DELIVERY

- Revenue growth of 30.6%, LFL growth of 14.8%
- Rollout of major contract complete
- Managed exit of non-core lines
- Ramp-up costs with new frozen sandwich volumes
- Construction of Rhode Island complete
- Good pipeline of growth opportunities in H2



3

MAJOR INVESTMENT IN CAPEX - DELIVERY OF RHODE ISLAND



March 2014



April 2015

3.3 RHODE ISLAND INVESTMENT

- c.\$35m investment in a 100,000 square foot sandwich facility, opening in Spring 2015
- Phased exit from Newburyport and Brockton facilities during FY15
- Designed to deliver \$8m productivity savings on current footprint
- Capacity for future growth in North Eastern region



3

FURTHER INVESTMENTS AT NORTHAMPTON SITE



3

MAJOR INVESTMENT IN ORGANISATION TO DRIVE NEXT PHASE OF GROWTH



- Structures and leadership
- The Greencore Way
- IT infrastructure & capability

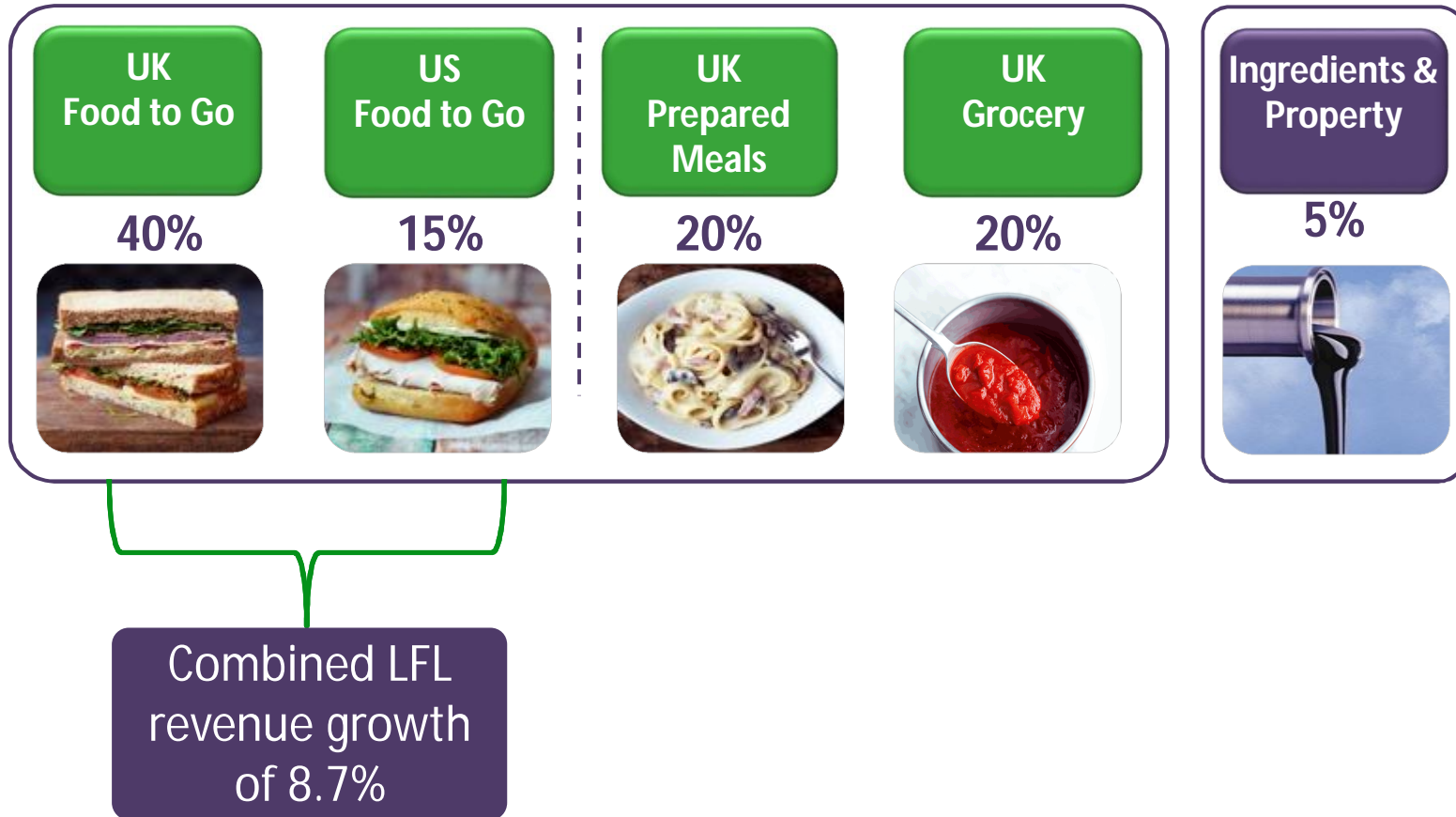


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THESE INITIATIVES ARE EXTENDING OUR FOOD TO GO LEADERSHIP



c. % of run rate revenue*



* Divisional shares rounded to the nearest 5%

SUMMARY & OUTLOOK

- Good performance in H1 15 led by food to go activity
- Continued focus on operational improvements and cost control
- Delivery of major investment programme
- Confident in ability to deliver adjusted EPS growth in line with market expectations



