GREENCORE GROUP PLC
FULL YEAR RESULTS STATEMENT
Food to go led strategy continues to drive growth

24 November 2015
Greencore Group plc, a leading international convenience food business, today issues its results for the year ended 25 September 2015.

FINANCIAL HIGHLIGHTS

- Group revenue of £1,340.3m, up 5.2% (as reported) and up 5.4% on a like for like[1] basis
- Convenience Foods revenue of £1,290.2m, up 6.0% on a like for like[1] basis
- Group operating profit[2] up 10.6% to £91.7m
- Group operating margin[2] of 6.8%, a 30 bps increase
- Growth in adjusted EPS[3] of 13.2% to 18.0p
- Proposed final dividend of 3.75 pence per share, giving a total dividend of 6.15 pence per share, up 12.8%
- Net debt of £265.5m with net debt : EBITDA leverage as measured under financing agreements of 2.0 times

STRATEGIC DEVELOPMENTS

- Strong momentum, focus and investment behind food to go strategy in the UK and US resulting in 10.4% like for like revenue growth, well ahead of market performance
- Phase one extension of Northampton facility successfully completed and second phase well underway. We are today announcing further investment in the Northampton campus to support customer growth
- Roll out of new product range from extended Jacksonville facility in the US
- New build in Rhode Island coming on stream and work commenced on new build in Seattle

SUMMARY FINANCIAL PERFORMANCE

	FY15	**FY14**	**Change**	**Change**
	£m	**£m**	(as reported)	(like for like[1])
Group revenue	1,340.3	1,273.5	+5.2%	+5.4%
Group operating profit[2]	91.7	82.9	+10.6%	
Group operating margin[2]	6.8%	6.5%	+30 bps	
Adjusted PBT[3]	78.0	68.7	+13.5%	
Adjusted EPS (pence)[3]	18.0	15.9	+13.2%	
Proposed dividend per share (pence)	6.15	5.45	+12.8%	
Net debt	265.5	212.1	+£53.4m	
Return on Invested Capital (ROIC)	14.1%	13.7%	+40 bps	
Convenience Foods Division				
Revenue	1,290.2	1,213.4	+6.3%	+6.0%
Operating profit[2]	89.6	80.7	+11.0%	
Operating margin[2]	6.9%	6.7%	+20 bps	

Commenting on the results, Patrick Coveney, Chief Executive Officer, said:

"Greencore has had another strong year and our clear food to go led strategy has continued to drive growth in both the UK and US markets. We delivered 6% like for like revenue growth in Convenience Foods, 11% Group operating profit growth and our fifth consecutive year of double digit growth in adjusted EPS. We increased our investment in major capacity and capability improvement projects during the year, in each case underpinned by long term customer relationships. Our strategy, momentum and pipeline of opportunities leave us well placed to deliver further progress in FY16 and beyond."

[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 from 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. These are non-IFRS measures; IFRS measures are from page 9 onwards.
[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.
[4] Market / category growth rates are based on Nielsen data for the 52 weeks to 26 September 2015.

PRESENTATION

A presentation of the results for analysts and institutional investors will take place at 8.30am today at The Lincoln Centre, 18 Lincoln's Inn Fields, London, WC2A 3ED.

This presentation can be accessed live through the following channels:

- Webcast – details on www.greencore.com
- Conference call:

Ireland number:	+353 1 246 5602
UK number:	+44 20 3427 1914
Pass code:	9787049#

A replay of the presentation will be available on www.greencore.com. It will also be available through a conference call replay facility, which will be available for one week. To access this replay, please dial:

Ireland replay number:	+353 1 486 0902
UK replay number:	+44 20 3427 0598
Replay code:	9787049#

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About Greencore

- A leading manufacturer of convenience food in the UK and the US
- Leading 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

SUMMARY

Strategic Development – Food to Go focus
The vision and strategy of Greencore is to be a fast growing international convenience food leader. The Group is focused on deepening its leadership in the food to go segment in the UK and US as this is where we see the most favourable long-term consumer and customer trends and where we have our strongest market positions and deepest capability. Like for like revenue growth across our UK and US food to go businesses in FY15 was 10.4%, well ahead of the level of market growth.

From 2010 to early 2014, our footprint in food to go broadened through strong market growth supplemented by acquisition. By contrast, the last 18 months have seen us materially increase capital expenditure to support capacity expansion in both the US and the UK. Having significantly expanded the Jacksonville facility in the US in the summer of 2014, the Group completed the construction of a greenfield facility in Rhode Island in March 2015 which enabled the closure of the Newburyport and Brockton facilities, whilst at the same time providing significant capacity enhancement. The Group has also started the construction of its first west coast facility in Seattle which is due to open in 2016.

In the UK, an extension of the sandwich facility in Northampton was successfully commissioned in H1 FY15 and the construction of a new production facility ("Unit D") adjacent to the existing site is well advanced. Transfers into Unit D will begin in Q3 FY16. Current sandwich volumes and growth trends at Northampton are strong. This positive trajectory, together with the recent award of specific incremental new business, has taken the projected future volumes at Northampton above the levels anticipated in our May 2014 announcement. Accordingly, we are today announcing that we have decided to commission an additional manufacturing unit at our Northampton campus. This unit will bring new, technically distinct, food to go competencies and products to our campus, will require an additional £12m of capital, and will enter production in Q2 FY17. The overall economic impact of this enhanced production footprint at Northampton is positive but it will lead to a modest delay in the transfer of certain products relative to the timetable anticipated in May 2014. However, the growth trajectory in core sandwich volumes at Northampton, alongside good commercial momentum across other parts of our Food to Go division, will fully compensate for this delay in FY16.

In the US, we have embarked on a large and complex capacity expansion programme, most notably in Jacksonville and Rhode Island. In H1 FY15, the scale and ramp up of production volumes in Jacksonville resulted in supply chain disruption. These issues have since been addressed and the site is now performing in line with plan. In H2 FY15, we commissioned our new greenfield site in Rhode Island and began the phased transfer of production from our facilities in Newburyport and Brockton. Those transfers were completed subsequent to year end, and we have now fully exited both Newburyport and Brockton. In ramping up production capability in Rhode Island, we have experienced greater levels of labour turnover, materials waste and related operating cost than anticipated. As a consequence of the disruption associated with this expansion programme, we made a modest operating loss in FY15. However, we expect to bring the US business up to Group average operating margins in due course.

Financial and Operating Performance[1,2,3]
In the UK, the grocery retail environment continues to be difficult with profound changes taking place in the industry and amongst our customers. Our business has continued to trade well given its focus on convenience offerings which continue to exhibit volume growth. In the US, customer specific initiatives continue to drive strong revenue growth. Reported Group revenue increased by 5.2% to £1,340.3m with like for like revenue growth in Convenience Foods of 6.0%. Operating profit at the Group level grew by 10.6% to £91.7m leading to a 30 basis points increase in operating margin. Adjusted earnings per share were 13.2% higher driven principally by the growth in operating profit.

As planned, the Group has significantly increased capital expenditure recently in capacity enhancement and capability building initiatives. While net debt increased by £53.4m to £265.5m, tight cash management and strong growth in EBITDA resulted in leverage of 2.0 times as measured under our financing agreements.

Dividends
The Board of Directors is recommending a final dividend of 3.75 pence per share. This will result in a total dividend for the year of 6.15 pence per share representing an increase in dividend per share of 12.8%, broadly in line with the growth in adjusted earnings per share.

OUTLOOK

Greencore has a clear strategy, strong positions in the growing food to go market and a clear pipeline of future opportunities. The business is investing heavily in capacity and capability enhancement to meet growing consumer and customer demand for the years ahead. While the outlook for the UK grocery retail market remains uncertain, we are well placed to deliver further progress in FY16 and beyond.

OPERATING REVIEW[1,2,3,4]

Convenience Foods

Revenue and Operating Profit

	FY15 £m	FY14 £m	Change (As reported)	Change (Like for like)
Revenue	1,290.2	1,213.4	+6.3%	+6.0%
Operating profit	89.6	80.7	+11.0%	
Operating margin	6.9%	6.7%	+20 bps	

Reported revenue in the Convenience Foods division increased by 6.3% to £1,290.2m. On a like for like basis, revenue was 6.0% ahead with the UK up by 4.7% and the US (even after product exits) up by 15.4%. Growth in both the UK and US was driven by food to go performance with the UK business outperforming the market due to customer business wins and the US performance driven by the continued roll out of new products with a key customer. Operating profit increased by 11.0% to £89.6m driven by good like for like growth, strong operational performance and tight cost control.

Food to Go

The UK Food to Go division represents more than 40% of Group revenue and comprises sandwiches, sushi and salads.

The sandwich category and the broader chilled food to go market (sandwiches, snack salads and sushi) exhibited good growth in FY15 with the sandwich market 4.1% ahead and chilled food to go ahead by 4.9%. This was noteworthy given the particularly strong market in FY14 (when chilled food to go grew by 9.5%). Unit volume growth in sandwiches was modestly higher than value growth at 4.6% given overall net price deflation in food and as mainstream products exhibited stronger growth than premium lines.

The Food to Go division outperformed the market with revenue growth of 8.9%. This was driven principally by net business wins and the associated roll out of new product lines. Following the announcement in May 2014 of a significant business win for the Northampton facility, the business completed the extension of an existing production unit in autumn 2014 enabling the first phase of product transfers. The construction of a new facility on adjacent land is now well advanced and will commence production as planned in spring 2016. As announced today, projected volumes are stronger than initially envisaged and, accordingly, we have decided to commission an additional manufacturing unit at our Northampton campus which will bring new, technically distinct, food to go competencies and products to our campus. This will require an additional £12m of capital. The overall economic impact of this enhanced production footprint at Northampton is positive but it will lead to a modest delay in the transfer of certain products relative to the timetable anticipated in May 2014. The impact of this delay will be compensated in FY16 by the growth trajectory in core sandwich volumes at Northampton, alongside good commercial momentum across other parts of the Food to Go division.

Prepared Meals

The Prepared Meals division comprises chilled ready meals, quiche, chilled soup and chilled sauces and represents approximately 20% of Group revenue.

The chilled ready meals market experienced growth in FY15 of 2.0%, while the Italian chilled ready meals category grew by 9.4%. The quiche market declined by 1.8% in the year while chilled soup grew by 2.5%.

Revenue in the Prepared Meals division was 1.8% higher than in FY14. The business delivered a good performance in chilled ready meals. Overall performance was held back by a decline in quiche sales following a customer's decision to move production in house. Soup lines performed well following the launch of several additional products with a key customer.

Grocery
The Grocery division provides meal components such as cooking sauces, table sauces, pickles and Yorkshire Puddings as well as cakes and chilled desserts. It operates from four facilities and represents approximately 20% of Group revenue.

The own label cooking sauces market declined by 3.1% in value terms whilst volumes grew by 4.3% reflecting pronounced price deflation. The Yorkshire Puddings market was 0.5% lower, the ambient cakes market grew by 2.6% and the chilled desserts category grew by 0.9%.

Like for like revenue (excluding the Ministry of Cake foodservice desserts business which was sold in May 2014) in the Grocery division declined by 1.0%. The decline was driven by lower year on year cake revenue following the exit of some less profitable seasonal lines. The cooking sauce business outperformed its market as did the chilled desserts activity while Yorkshire Puddings were in line with market performance.

US Convenience Foods
The US division is focused on food to go products supplied predominantly to the faster growing convenience and small store channels, including the coffee shop market. The division represents approximately 15% of Group revenue.

Reported revenue grew by 28.0% versus the prior year. On a like for like basis (excluding Lettieri's for the period from October 2014 to February 2015 and expressed in constant currency), revenue was 15.4% higher than in FY14. Product exits, principally in potato salads and sushi, are estimated to have reduced the like for like sales growth rate by around eight percentage points. Underlying growth was driven by the continued roll out of new products with key customers and the base business growth rate in both coffee shops and the convenience market.

FY15 was another year of significant investment and change in the US business. Following an extension of the Jacksonville facility in H2 FY14, the business began the roll out of breakfast sandwich products for a key customer in autumn 2014. Initial demand was significantly higher than anticipated resulting in supply chain disruption. This was stabilised by the late spring and orders and shipments are now in line with plan.

The business completed the construction of a new production facility in Quonset, Rhode Island, in March. In April, production was transferred from the Newburyport facility to Rhode Island and in Q4 FY15, the business commenced a phased transition of production from the Brockton facility to Rhode Island. In ramping up production capability in Rhode Island, the business experienced greater levels of labour turnover, materials waste and related operating cost than anticipated. The Newburyport facility closed in April and the Brockton facility was closed subsequent to the year end. The business incurred a previously announced exceptional charge of £3.4m in relation to this project as described in the Financial Review.

In November 2014, the Group announced that it was acquiring the rights to a supply contract with a key customer in Washington state. Construction of a new facility in the Seattle area has now commenced with the site due to open in H2 FY16.

<u>Ingredients & Property</u>

	FY15 £m	FY14 £m	Change Actual Currency	Change Constant Currency
Revenue	50.1	60.1	-16.6%	-7.5%
Operating profit	2.1	2.2	-4.5%	

The Ingredients and Property division represents less than 5% of Group revenue and a smaller proportion of Group profits. The revenue decline in the year was predominantly driven by lower commodity prices in edible oils. Operating profit was modestly behind prior year principally due to the weakening of the euro against sterling.

FINANCIAL REVIEW[2,3]

Revenue and Operating Profit
Reported revenue in the year was £1,340.3m, an increase of 5.2% versus FY14. Group operating profit of £91.7m was £8.8m or 10.6% higher than in FY14. Group operating margin was 6.8%, 30 basis points ahead of the prior year. The improvement in operating profit and operating margin was driven by the growth in revenue and good operational performance in the UK business.

Interest Payable
The Group's bank interest payable in FY15 was £15.1m, an increase of £0.2m. This increase was due to higher average net debt as a result of the Group's capital investment programme, partly offset by interest capitalised of £0.9m. The composition of the charge was £13.5m of interest payable, commitment fees for undrawn facilities of £0.9m and an amortisation charge in respect of facility fees of £0.7m.

Non-Cash Finance Charge
The Group's non-cash finance charge in FY15 was £5.8m (£0.5m charge in FY14). The non-cash pension financing charge of £4.9m was £0.9m lower than the FY14 charge of £5.8m. The change in the fair value of derivatives and related debt adjustments was a non-cash charge of £1.4m (£5.5m credit in FY14) reflecting the mark to market of the Group's interest rate swap portfolio. The Group recorded a £0.5m credit in respect of the increase in the present value of assets and liabilities compared to a £0.2m charge in FY14.

Taxation
The Group's effective tax rate in FY15 was unchanged at 1%. This rate continues to benefit from historic tax losses.

Exceptional Items
The Group recognised an exceptional charge of £3.4m in FY15 (FY14: net charge of £11.4m). This related to the start-up of production at the new facility in Quonset, Rhode Island and the related exit from the Newburyport and Brockton facilities.

Earnings per Share
Adjusted earnings of £72.8m were 14.3% or £9.1m above prior year. Adjusted earnings per share of 18.0 pence were 13.2% ahead of FY14.

Cash Flow and Net Debt
A net cash inflow from operating activities of £78.8m was recorded compared to an inflow of £84.7m in FY14. There was an outflow of net working capital of £7.6m in FY15 as compared to an inflow of £9.8m in FY14.

Capital expenditure of £93.1m was incurred in the year compared to £51.3m in FY14, an increase of £41.8m. The increase was driven principally by the major capacity investment projects in Northampton and Rhode Island. Capital expenditure in FY16 is expected to be approximately £100m as the Group continues to invest in capacity and capability enhancements.

Interest costs of £16.6m were paid in the year (FY14: £15.8m) with cash dividends to equity holders of £17.2m (FY14: £11.6m).

The Group's net debt at 25 September 2015, a seasonal low point, was £265.5m, an increase of £53.4m from 26 September 2014. The increase was driven primarily by the increase in capital expenditure.

During the year, the Group refinanced its £280m Revolving Credit Facility which was due to mature in May 2016 with a new £300m Revolving Credit Facility. The Group remains well financed with committed facilities at 25 September 2015 of £505m with a weighted average maturity of 4.0 years. Subsequent to the year end, the Group repaid USD100m of private placement notes upon maturity funded from existing facilities.

The net debt at year end of £265.5m resulted in leverage as measured by the Group's financing providers of 2.0 times (FY14: 1.75 times).

Pensions

The net pension deficit (before related deferred tax) reduced to £112.7m at 25 September 2015 from £129.5m at 26 September 2014. The net pension deficit after related deferred tax was £89.4m, a decrease of £16.2m from 26 September 2014.

The fair value of total plan assets relating to the Group's defined benefit pension schemes decreased to £393.2m at 25 September 2015 from £395.4m at 26 September 2014. The present value of the total pension liabilities for these schemes also decreased to £505.9m from £524.9m over the same period.

All defined benefit pension scheme plans are closed to future accrual and the Group's pension policy with effect from 1 January 2010 is that future service for current employees and new entrants is provided under defined contribution pension arrangements.

Key Performance Indicators[1,2,3]

The Group uses a set of headline key performance indicators to measure the performance of its operations and of the Group as a whole. Although the measures are separate, the relationship between all five is also monitored. In addition, other performance indicators are measured at Divisional level.

Sales Growth

Group revenue increased by 5.2% in FY15.

In our Convenience Foods business, the Group measures weekly sales growth. In FY15, revenue growth was 6.3%. A more accurate guide to underlying revenue performance is provided by like for like measures which exclude the impact of acquisitions or disposals in the year and are in local currency. In the UK in FY15, we recorded like for like revenue growth of 4.7%. In the US in FY15, we recorded like for like revenue growth of 15.4%.

In the Ingredients & Property division, we track monthly sales, although this is not the primary measure of performance for this division. In FY15, the division recorded a 7.5% decline in revenue on a constant currency basis.

Operating Margin

The Group's operating margin in FY15 was 6.8% compared to 6.5% in FY14.

In Convenience Foods, the operating margin was 6.9% compared to 6.7% in FY14. This was driven by the growth in revenue and good operational performance.

Cash Flow

Net cash inflow from operating activities was £78.8m compared to £84.7m in FY14. The decrease was predominantly driven by an increase in net working capital partly mitigated by growth in operating profit.

Return on Invested Capital

The Group's return on invested capital in FY15 was 14.1% (FY14: 13.7%). The return is calculated as net operating profit after tax ("NOPAT") divided by average invested capital. NOPAT is calculated as operating profit, including share of associates, less tax at the effective rate in the Income Statement of 1% (unchanged from FY14). Invested capital is the sum of all current and non-current assets (including intangibles), less current and non-current liabilities with the exception of net debt items, derivatives and retirement benefit obligations. The average is calculated by adding together the invested capital from the opening and closing balance sheets and dividing by two.

Adjusted Earnings per Share

Adjusted earnings per share were 18.0 pence compared to 15.9 pence in FY14, an increase of 13.2%.

Adjusted earnings per share is 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.

GROUP INCOME STATEMENT
year ended 25 September 2015

	Notes	2015 Pre – exceptional £m	2015 Exceptional Note 3 £m	2015 Total £m	2014 Pre – exceptional £m	2014 Exceptional Note 3 £m	2014 Total £m
Revenue	2	**1,340.3**	**-**	**1,340.3**	1,273.5	-	1,273.5
Cost of sales		**(917.4)**	**-**	**(917.4)**	(879.0)	-	(879.0)
Gross profit		**422.9**	**-**	**422.9**	394.5	-	394.5
Operating costs, net		**(331.2)**	**(3.4)**	**(334.6)**	(311.6)	(16.1)	(327.7)
Group operating profit before acquisition related amortisation	2	**91.7**	**(3.4)**	**88.3**	82.9	(16.1)	66.8
Amortisation of acquisition related intangibles		**(8.7)**	**-**	**(8.7)**	(7.7)	-	(7.7)
Group operating profit	2	**83.0**	**(3.4)**	**79.6**	75.2	(16.1)	59.1
Finance income	6	**0.5**	**-**	**0.5**	-	-	-
Finance costs	6	**(21.4)**	**-**	**(21.4)**	(15.4)	-	(15.4)
Share of profit of associates after tax		**0.7**	**-**	**0.7**	0.7	-	0.7
Profit before taxation		**62.8**	**(3.4)**	**59.4**	60.5	(16.1)	44.4
Taxation		**(0.4)**	**-**	**(0.4)**	(0.5)	4.7	4.2
Profit for the year		**62.4**	**(3.4)**	**59.0**	60.0	(11.4)	48.6
Attributable to:							
Equity shareholders		**61.4**	**(3.4)**	**58.0**	58.9	(11.4)	47.5
Non-controlling interests		**1.0**	**-**	**1.0**	1.1	-	1.1
		62.4	**(3.4)**	**59.0**	60.0	(11.4)	48.6
Adjusted basic earnings per share (pence)	5			**18.0**			15.9
Basic earnings per share (pence)	5			**14.3**			11.8

GROUP STATEMENT OF RECOGNISED INCOME AND EXPENSE
year ended 25 September 2015

	2015 £m	2014 £m
Items of income and expense taken directly within equity		
Actuarial gain/(loss) on Group defined benefit pension schemes	**9.2**	(2.0)
Deferred tax on Group defined benefit pension schemes	**-**	1.1
	9.2	(0.9)
Items that may subsequently be reclassified to profit or loss		
Currency translation adjustment	**9.7**	1.0
Deferred tax on currency translation adjustment	**0.4**	-
Hedge of net investment in foreign currency subsidiaries	**(8.4)**	0.1
Cash flow hedges:		
Fair value movement taken to equity	**(7.7)**	(8.7)
Transfer to Income Statement for the year	**2.6**	2.7
Deferred tax on cash flow hedge	**0.1**	-
	(3.3)	(4.9)
Net income/(expense) recognised directly within equity	**5.9**	(5.8)
Group result for the financial year	**59.0**	48.6
Total recognised income and expense for the financial year	**64.9**	42.8
Attributable to:		
Equity shareholders	**64.1**	42.0
Non-controlling interests	**0.8**	0.8
Total recognised income and expense for the financial year	**64.9**	42.8

GROUP BALANCE SHEET
at 25 September 2015

	2015 £m	2014 £m
ASSETS		
Non-current assets		
Goodwill and intangible assets	**507.5**	499.2
Property, plant and equipment	**304.8**	247.0
Investment property	**6.5**	7.0
Investment in associates	**1.0**	0.9
Other receivables	**12.3**	3.3
Retirement benefit assets	**15.0**	-
Derivative financial instruments	**-**	5.3
Deferred tax assets	**65.0**	70.2
Total non-current assets	**912.1**	832.9
Current assets		
Inventories	**57.5**	53.6
Trade and other receivables	**144.0**	127.3
Derivative financial instruments	**7.3**	-
Cash and cash equivalents	**6.3**	12.2
Total current assets	**215.1**	193.1
Total assets	**1,127.2**	1,026.0
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	**4.1**	4.1
Share premium	**191.6**	185.7
Reserves	**123.9**	90.4
	319.6	280.2
Non-controlling interests	**3.4**	3.4
Total equity	**323.0**	283.6
LIABILITIES		
Non-current liabilities		
Borrowings	**211.2**	229.5
Derivative financial instruments	**16.8**	6.3
Retirement benefit obligations	**127.7**	129.5
Other payables	**2.0**	2.4
Provisions for liabilities	**2.7**	3.4
Deferred tax liabilities	**17.4**	19.5
Total non-current liabilities	**377.8**	390.6
Current liabilities		
Borrowings	**67.8**	0.1
Derivative financial instruments	**0.1**	0.3
Trade and other payables	**339.6**	323.6
Provisions for liabilities	**3.0**	7.2
Current tax payable	**15.9**	20.6
Total current liabilities	**426.4**	351.8
Total liabilities	**804.2**	742.4
Total equity and liabilities	**1,127.2**	1,026.0

GROUP CASH FLOW STATEMENT
year ended 25 September 2015

	2015 £m	2014 £m
Profit before taxation	**59.4**	44.4
Finance income	**(0.5)**	-
Finance costs	**21.4**	15.4
Share of profit of associates (after tax)	**(0.7)**	(0.7)
Exceptional items	**3.4**	16.1
Operating profit – (pre-exceptional)	**83.0**	75.2
Depreciation	**27.4**	24.8
Amortisation of intangible assets	**11.1**	9.5
Employee share based payment expense	**4.3**	4.3
Contributions to defined benefit pension schemes	**(13.5)**	(13.7)
Working capital movement	**(7.6)**	9.8
Other movements	**0.2**	0.1
Net cash inflow from operating activities before exceptional items	**104.9**	110.0
Cash outflow related to exceptional items	**(9.2)**	(9.1)
Interest paid	**(16.6)**	(15.8)
Tax paid	**(0.3)**	(0.4)
Net cash inflow from operating activities	**78.8**	84.7
Cash flow from investing activities		
Dividends received from associates	**0.6**	0.6
Contract acquisition costs	**(8.8)**	-
Purchase of property, plant and equipment	**(79.1)**	(47.7)
Disposal of investment property	**-**	15.1
Purchase of intangible assets	**(14.0)**	(3.6)
Acquisition of undertakings	**-**	(21.5)
Disposal of undertakings	**0.4**	7.4
Net cash outflow from investing activities	**(100.9)**	(49.7)
Cash flow from financing activities		
Proceeds from the issue of shares	**0.9**	0.2
Ordinary shares purchased – own shares	**(13.1)**	(4.8)
Drawdown of non-bank borrowings	**-**	57.1
Drawdown/(repayment) of bank borrowings	**47.6**	(61.1)
Repayment of private placement notes	**-**	(3.2)
(Decrease)/increase in finance lease liabilities	**(0.1)**	0.1
Dividends paid to equity holders of the Company	**(17.2)**	(11.6)
Dividends paid to non-controlling interests	**(0.8)**	(0.9)
Net cash inflow/(outflow) from financing activities	**17.3**	(24.2)
Net (decrease)/increase in cash and cash equivalents	**(4.8)**	10.8
Reconciliation of opening to closing cash and cash equivalents		
Cash and cash equivalents at beginning of year	**12.2**	1.8
Translation adjustment	**(1.1)**	(0.4)
(Decrease)/increase in cash and cash equivalents	**(4.8)**	10.8
Net cash and cash equivalents at end of year	**6.3**	12.2

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
At 26 September 2014	**4.1**	**185.7**	**107.9**	**(17.5)**	**280.2**	**3.4**	**283.6**
Total recognised income and expense for the financial year	**-**	**-**	**(3.5)**	**67.6**	**64.1**	**0.8**	**64.9**
Currency translation adjustment	**-**	**-**	**(0.1)**	**-**	**(0.1)**	**-**	**(0.1)**
Employee share based payment expense	**-**	**-**	**4.3**	**-**	**4.3**	**-**	**4.3**
Deferred tax on share based payments	**-**	**-**	**-**	**1.4**	**1.4**	**-**	**1.4**
Exercise, lapse or forfeit of share based payments	**-**	**0.9**	**(2.6)**	**2.6**	**0.9**	**-**	**0.9**
Shares acquired by Employee Benefit Trust	**-**	**-**	**(13.1)**	**-**	**(13.1)**	**-**	**(13.1)**
Shares transferred to beneficiaries of the Employee Benefit Trust	**-**	**-**	**9.4**	**(9.4)**	**-**	**-**	**-**
Transfer to retained earnings on grant of shares to beneficiaries of the Employee Benefit Trust	**-**	**-**	**10.4**	**(10.4)**	**-**	**-**	**-**
Dividends	**-**	**5.0**	**-**	**(23.1)**	**(18.1)**	**(0.8)**	**(18.9)**
At 25 September 2015	**4.1**	**191.6**	**112.7**	**11.2**	**319.6**	**3.4**	**323.0**

	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
At 27 September 2013	4.0	177.3	107.9	(40.7)	248.5	3.5	252.0
Total recognised income and expense for the financial year	-	-	(4.6)	46.6	42.0	0.8	42.8
Employee share based payment expense	-	-	4.3	-	4.3	-	4.3
Deferred tax on share based payments	-	-	-	2.2	2.2	-	2.2
Exercise, lapse or forfeit of share based payments	0.1	0.6	(3.3)	3.3	0.7	-	0.7
Shares acquired by Employee Benefit Trust	-	-	(4.8)	0.2	(4.6)	-	(4.6)
Shares transferred to beneficiaries of the Employee Benefit Trust	-	-	8.4	(8.4)	-	-	-
Dividends	-	7.8	-	(20.7)	(12.9)	(0.9)	(13.8)
At 26 September 2014	4.1	185.7	107.9	(17.5)	280.2	3.4	283.6

NOTES TO THE RESULTS STATEMENT
year ended 25 September 2015

1. Basis of Preparation of Financial Information under IFRS

The financial information included within this Results Statement has been extracted from the audited consolidated financial statements of Greencore Group plc for the year ended 25 September 2015, to which an unqualified audit opinion is attached. The financial information in this announcement for the years ended 25 September 2015 and 26 September 2014 is not the statutory financial statements of the Company. The statutory financial statements of the Company for the year ended 26 September 2014, to which an unqualified audit opinion was attached, were annexed to the annual return of the Company and filed with the Registrar of Companies. The statutory financial statements of the Company for the year ended 25 September 2015 were approved by the Board of Directors and authorised for issue on 23 November 2015 and will be filed with the Registrar of Companies following the Company's annual general meeting.

The financial information presented in this Results Statement has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted by the European Union (EU).

The financial information, which is presented in sterling and expressed in millions (unless otherwise stated), has been prepared under the historical cost convention, as modified by the measurement at fair value of certain financial assets and financial liabilities, including share options at grant date and derivative financial instruments. The carrying values of recognised assets and liabilities that are hedged are adjusted to record the changes in the fair values attributable to the risks being hedged. Full details of the Group's accounting policies are included in the 2015 Annual Report. The accounting policies are consistent with those applied in the Group Financial Statements for the year ended 26 September 2014.

The adoption of new standards and interpretations (as set out in the 2014 Annual Report) that became effective for the Group's financial statements for the year ended 25 September 2015 did not have any significant impact on the Group Consolidated Financial Statements.

The financial statements of the Group are prepared for the 52 week period ending on 25 September 2015. Comparatives are for the 52 week period ended 26 September 2014. The balance sheets for 2015 and 2014 have been drawn up as at 25 September 2015 and 26 September 2014 respectively.

2. Segment Information

The Group is organised around different product portfolios. The Group's reportable segments under IFRS 8 Operating Segments are as follows:

Convenience Foods – this reportable segment is the aggregation of two operating segments, Convenience Foods UK and Convenience Foods US. This segment derives its revenue from the production and sale of convenience foods.

Ingredients and Property – this segment represents the aggregation of 'all other segments' as allowed under IFRS 8 (IFRS 8 specifies that, where the external revenue of reportable segments exceeds 75% of total Group revenue, it is permissible to aggregate all other segments into one reportable segment). The Ingredients & Property reportable segment derives its revenue from the distribution of edible oils and molasses and the management of the Group's surplus property assets.

The Chief Operating Decision Maker monitors the operating results of segments separately in order to allocate resources between segments and to assess performance. Segment performance is predominantly evaluated based on operating profit before exceptional items and acquisition related amortisation. Exceptional items, net finance costs and income tax are managed on a centralised basis, therefore, these items are not allocated between operating segments for the purposes of the information presented to the Chief Operating Decision Maker and are accordingly omitted from the segmental information below. Inter-segment revenue is not material.

2. Segment Information (continued)

	Convenience Foods		Ingredients & Property		Total	
	2015 £m	2014 £m	**2015 £m**	2014 £m	**2015 £m**	2014 £m
Revenue	**1,290.2**	1,213.4	**50.1**	60.1	**1,340.3**	1,273.5
Group operating profit before exceptional items and acquisition related amortisation	**89.6**	80.7	**2.1**	2.2	**91.7**	82.9
Amortisation of acquisition related intangible assets	**(8.7)**	(7.7)	**-**	-	**(8.7)**	(7.7)
Exceptional items					**(3.4)**	(16.1)
Group operating profit	**80.9**	73.0	**2.1**	2.2	**79.6**	59.1
Finance income					**0.5**	-
Finance costs					**(21.4)**	(15.4)
Share of profit of associates after tax					**0.7**	0.7
Profit before taxation					**59.4**	44.4

3. Exceptional Items

Exceptional items are those which, in management's judgement, should be disclosed separately by virtue of their nature or amount. Such items are included within the Income Statement caption to which they relate and are separately disclosed below.

		2015 £m	2014 £m
Restructuring charge	(a)	**(3.4)**	(9.9)
Asset impairment on business disposal	(b)	**-**	(6.5)
Legacy provision release	(c)	**-**	3.8
Disposal of investment property	(d)	**-**	(3.5)
Pension settlement cost and curtailment gain	(e)	**-**	1.3
Transaction and integration costs of US acquisitions	(f)	**-**	(1.3)
		(3.4)	(16.1)
Tax on exceptional items	(g)	**-**	2.4
Exceptional tax credit	(g)	**-**	2.3
Total exceptional expense		**(3.4)**	(11.4)

The charge is analysed as follows:

a) Restructuring charge

The group recognised a £3.4m charge in the period in relation to the start-up of production at the new facility in Quonset, Rhode Island and the related exit from its facilities in Newburyport and Brockton, Massachusetts.

During the prior period, the Group recognised a £9.9m charge related to the exit from its Newburyport and Brockton manufacturing facilities. The charge was composed of a non-cash impairment of fixed assets (principally leasehold improvements) of £6.1m, a non-cash impairment of intangible assets of £2.5m and a provision for site exit costs and redundancy and retention costs of £1.3m.

3. Exceptional Items (continued)

(b) Asset impairment on business disposal
During the prior period, the Group recognised a non-cash impairment charge of £6.5m on the classification as held for sale of its Food Service Desserts business, Ministry of Cake Limited. This business was later disposed of on 14 May 2014.

(c) Legacy provision release
During the prior year, the Group recognised a non-cash credit of £3.8m following the resolution of a legacy insurance matter.

(d) Disposal of investment property
During the prior year, the Group recognised a non-cash charge of £3.5m relating to a reduction in carrying value of property in Littlehampton following the part disposal of the site, together with related costs of disposal.

(e) Pension settlement cost and curtailment gain
During the prior period, the group recognised a non-cash credit of £1.3m relating to the settlement and curtailment of liabilities in Irish pension schemes.

(f) Transaction and Integration costs relating to US acquisitions
During the prior period, the Group recognised a charge of £1.3m relating to the transaction and integration costs associated with the acquisition of Lettieri's LLC in the US.

(g) Tax
During the prior year, a tax credit of £2.4m was recognised related to the US exceptional charges in the period, primarily due to a deferred tax movement in relation to the asset impairment charge; and a tax credit of £2.3m was recognised related to the resolution of a legacy tax matter.

4. Dividends paid and proposed

	2015 £m	2014 £m
Amounts recognised as distributions to equity holders during the year:		
Equity dividends on ordinary shares:		
Final dividend of 3.25 pence for the year ended 26 September 2014 (2014: 2.90 pence)	**13.2**	11.8
Interim dividend of 2.40 pence for the year ended 25 September 2015 (2014: 2.20 pence)	**9.9**	8.9
	23.1	20.7
Proposed for approval at AGM:		
Equity dividends on ordinary shares:		
Final dividend of 3.75 pence for the year ended 25 September 2015 (2014: 3.25 pence)	**15.4**	13.2

This proposed dividend is subject to approval by the shareholders at the annual general meeting and has not been included as a liability in the Balance Sheet of the Group as at 25 September 2015, in accordance with IAS 10 Events after the Balance Sheet Date. The proposed final dividend for the year ended 25 September 2015 will be payable on 4 April 2016 to shareholders on the Register of Members at 4 December 2015.

5. Earnings per Ordinary Share

Basic earnings per ordinary share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held in trust in respect of the Deferred Bonus Awards Scheme, the Performance Share Plan and the Executive Share Option Scheme. The adjusted figures for basic and diluted earnings per ordinary share are after the elimination of exceptional items, the effect of foreign exchange (FX) on inter-company and certain 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 and the effect of pension financing.

5. Earnings per Ordinary Share (continued)

Denominator for earnings per share calculation	2015 '000	2014 '000
Shares in issue at the beginning of the year	**407,109**	401,368
Effect of shares held by Employee Benefit Trust	**(2,778)**	(3,797)
Effect of shares issued during the year	**1,205**	3,673
Weighted average number of ordinary shares in issue during the year	**405,536**	401,244

Numerator for earnings per share calculation	2015 £m	2014 £m
Profit attributable to equity holders of the Company	**58.0**	47.5
Exceptional items (net of tax)	**3.4**	11.4
Fair value of derivative financial instruments and related debt adjustments	**(0.4)**	(2.1)
FX on inter-company and external balances where hedge accounting is not applied	**1.8**	(3.4)
Amortisation of acquisition related intangible assets (net of tax)	**6.1**	5.5
Pension financing (net of tax)	**3.9**	4.8
Adjusted earnings	**72.8**	63.7

	2015 Pence	2014 Pence
Basic earnings per share	**14.3**	11.8
Adjusted basic earnings per share	**18.0**	15.9

Diluted earnings per ordinary share

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Employee share options, which are performance based, are treated as contingently issuable shares, because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time. These contingently issuable ordinary shares are excluded from the computation of diluted earnings per ordinary share where the conditions governing exercisability have not been satisfied as at the end of the reporting period. Options over 3,961,702 (2014: 8,175,423) shares were excluded from the diluted EPS calculation as they were either antidilutive or contingently issuable ordinary shares which had not satisfied the performance conditions attaching at the end of the reporting period.

A reconciliation of the weighted average number of ordinary shares used for the purpose of calculating the diluted earnings per share amounts is as follows:

Denominator for diluted earnings per share calculation	2015 '000	2014 '000
Weighted average number of ordinary shares in issue during the year	**405,536**	401,244
Dilutive effect of share options	**7,781**	10,819
Weighted average number of ordinary shares for diluted earnings per share	**413,317**	412,063

	2015 Pence	2014 Pence
Diluted earnings per ordinary share	**14.0**	11.5
Adjusted diluted earnings per ordinary share	**17.6**	15.5

6. Net Debt and Financing

	2015 £m	2014 £m
Net Debt		
Current assets		
Net cash and cash equivalents	**6.3**	12.2
Current liabilities		
Private placement notes	**(67.7)**	-
Finance leases	**(0.1)**	(0.1)
Non-current liabilities		
Bank borrowings	**(116.0)**	(68.1)
Private placement notes	**(42.6)**	(105.8)
Non-bank borrowings	**(51.6)**	(54.5)
Finance leases	**(1.0)**	(1.1)
Cross currency interest rate swaps – fair value hedges	**7.2**	5.3
Group net debt	**(265.5)**	(212.1)

Net debt is a Non-IFRS measure used by the Group.

Finance (costs)/income	2015 £m	2014 £m
Net finance costs on interest bearing cash, cash equivalents and borrowings	**(15.1)**	(14.9)
Net pension financing	**(4.9)**	(5.8)
Fair value of derivative financial instruments and related debt adjustments	**0.4**	2.1
Foreign exchange gain on intercompany and external balances where hedge accounting is not applied	**(1.8)**	3.4
Unwind of discount on assets and liabilities	**0.5**	(0.2)
	(20.9)	(15.4)
Analysed as:		
Finance income	**0.5**	-
Finance costs	**(21.4)**	(15.4)
	(20.9)	(15.4)

7. Contract Acquisition

In November 2014, the Group announced that it was acquiring the rights to a supply contract with a key customer in Washington state.

8. Information

The annual report and accounts will be published on the Group’s website on 24 November 2015.

By order of the Board, Conor O’Leary, Company Secretary on 23 November 2015.
Greencore Group plc, 2 Northwood Avenue, Santry, Dublin 9, Ireland.