



Results

For the half year ended 29 March 2019



DISCLAIMER – FORWARD LOOKING STATEMENTS



Certain statements made in this document are forward-looking. These represent expectations for the Group's business, and involve known and unknown risks and uncertainties, many of which are beyond the Group's control. The Group has based these forward-looking statements on current expectations and projections about future events. These forward-looking statements may generally, but not always, be identified by the use of words such as "will", "aims", "anticipates", "continue", "could", "should", "expects", "is expected to", "may", "estimates", "believes", "intends", "projects", "targets", or the negative thereof, or similar expressions.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Group's current expectations and assumptions as to such future events and circumstances that may not prove accurate. A number of material factors could cause actual results and developments to differ materially from those expressed or implied by forward-looking statements.

You should not place undue reliance on any forward-looking statements. These forward-looking statements are made as of the date of this interim results statement. The Group expressly disclaims any obligation to publicly update or review these forward-looking statements other than as required by law.

H1 19 HIGHLIGHTS

Patrick Coveney, CEO

FINANCIAL REVIEW

Eoin Tonge, CFO

OPERATING & STRATEGIC UPDATE

Patrick Coveney, CEO

Q&A

H1 19 HIGHLIGHTS

Patrick Coveney, CEO

GOOD PERFORMANCE IN H1*

- Strong Pro Forma revenue growth driven by food to go categories
- Modest growth in Adjusted Operating Profit with improved margin mix
- Full reset of Group capital structure

FOCUSED STRATEGY

- Leading in structurally advantaged parts of UK food market
- Winning through a differentiated model
- Broadening proposition across categories, channels and capabilities



FINANCIAL REVIEW

Eoin Tonge, CFO

STRONG PRO FORMA REVENUE GROWTH

- Good growth in food to go categories
- Solid growth in other categories

PROFIT PROGRESSION ON TRACK

- Modest advance in Adjusted Operating Profit
- Improved margin mix
- Embedding excellence and efficiency programmes

RESET BALANCE SHEET

- New Group capital structure post US disposal
- Consequent impact on cashflow phasing

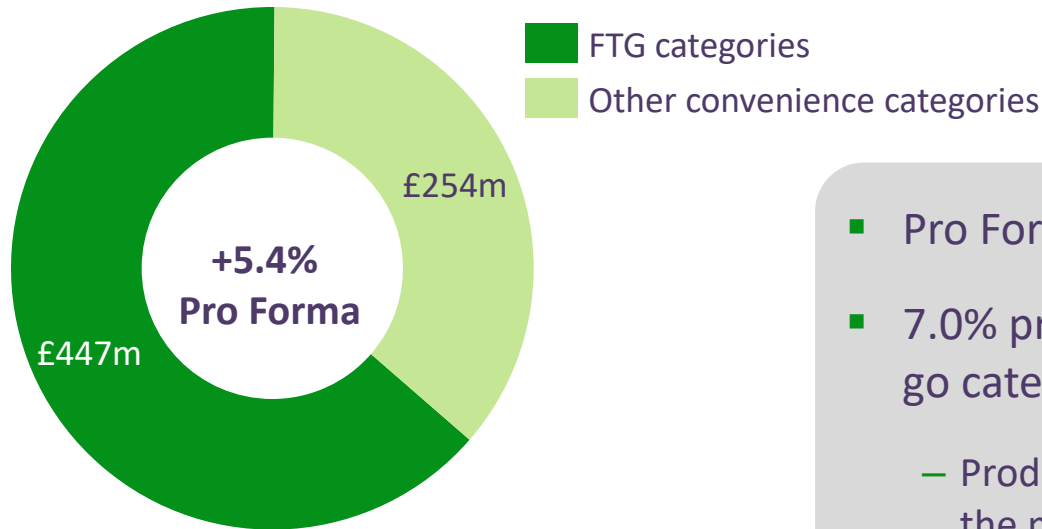


H1 19 P&L SUMMARY*

£m	H1 19	H1 18	Change
Group Revenue	701.4	734.9	-4.6%
<i>Pro Forma Revenue Growth</i>			+5.4%
Adjusted Operating Profit	44.7	44.3	+0.9%
Adjusted Operating Margin	6.4%	6.0%	+40 bps
Group Operating Profit	41.3	16.9	+144.4%
Adjusted EPS (pence)	6.4	5.5	+16.4%
Group Exceptional Items (after tax)	28.8	(28.2)	
Basic EPS (pence)	10.5	0.3	
Interim DPS (pence)	2.45	2.20	+11.4%

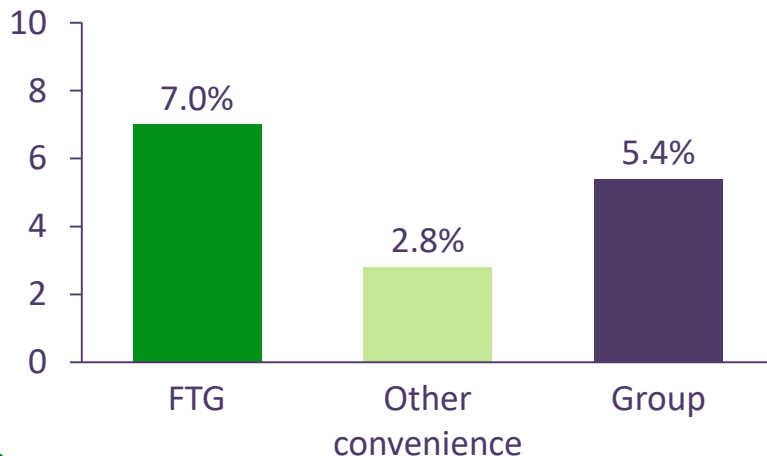
* H1 18 has been re-presented to show the results of the US Business as discontinued operations, with central costs previously allocated to discontinued operations now shown within continuing operations for H1 19 and H1 18

STRONG PRO FORMA REVENUE GROWTH

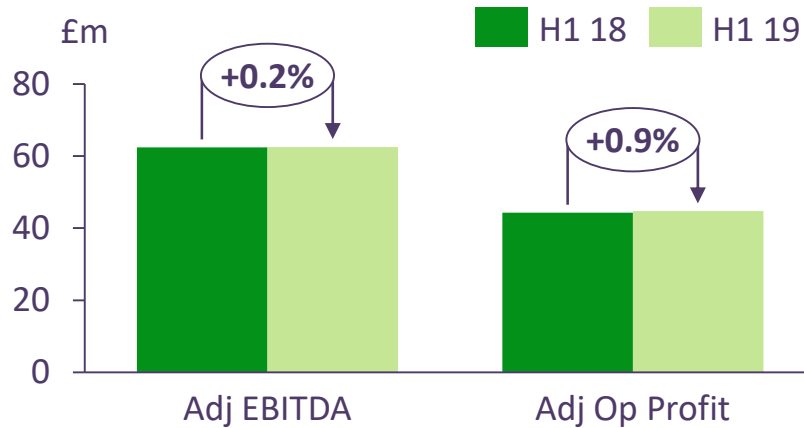


- Pro Forma Revenue +5.4%
- 7.0% pro forma growth in food to go categories
 - Product revenue outperformed the market, rate of growth improved
 - Third party distribution revenue increased
- 2.8% pro forma growth in other convenience categories
 - Driven by cooking sauces

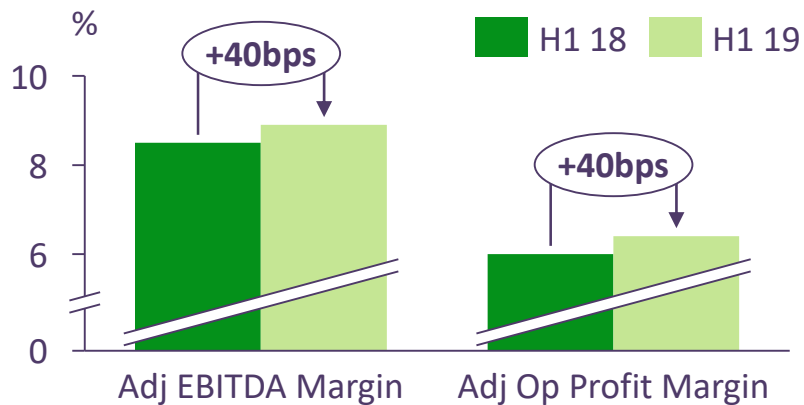
Pro Forma revenue growth composition



Profit performance



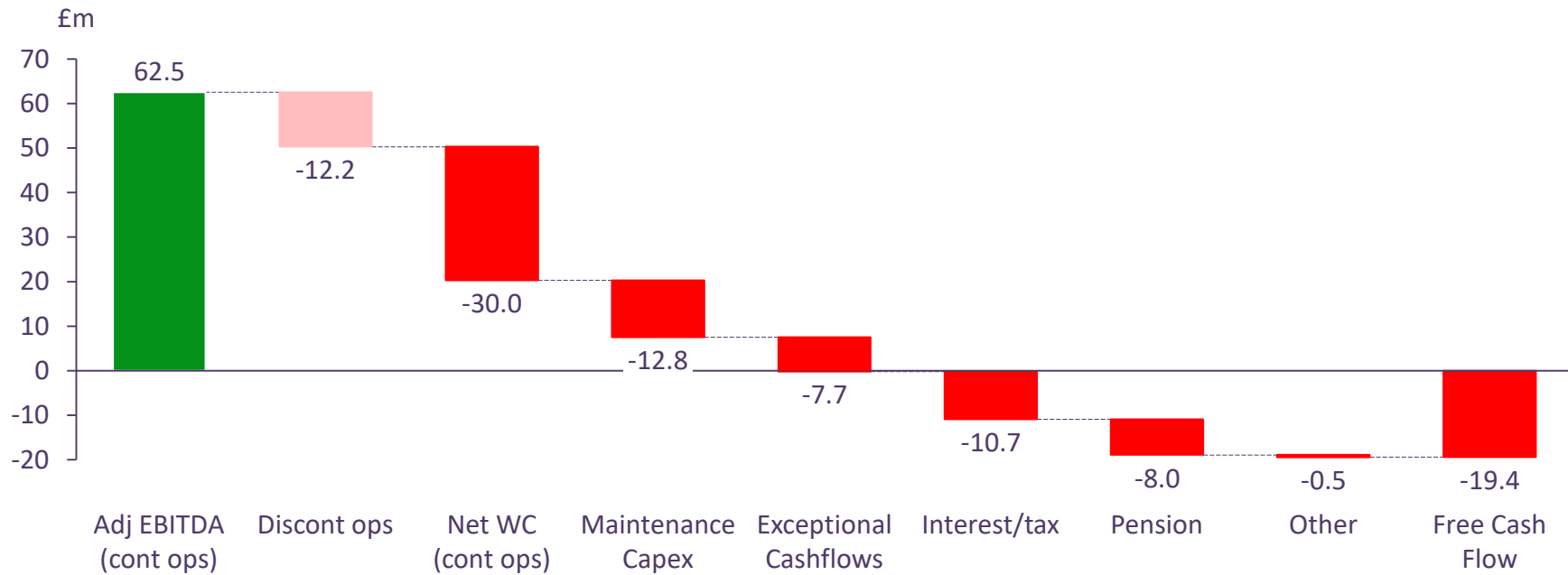
Margin performance



- Growth in food to go categories driven by volume growth, strong operational performance
- Ready meals network reset
- Inflation broadly as anticipated
- Excellence and efficiency programmes on track
- 40bps advance in margins broadly driven by business exits/disposals

NORMAL H1 FREE CASH FLOW ALSO IMPACTED BY US DISPOSAL

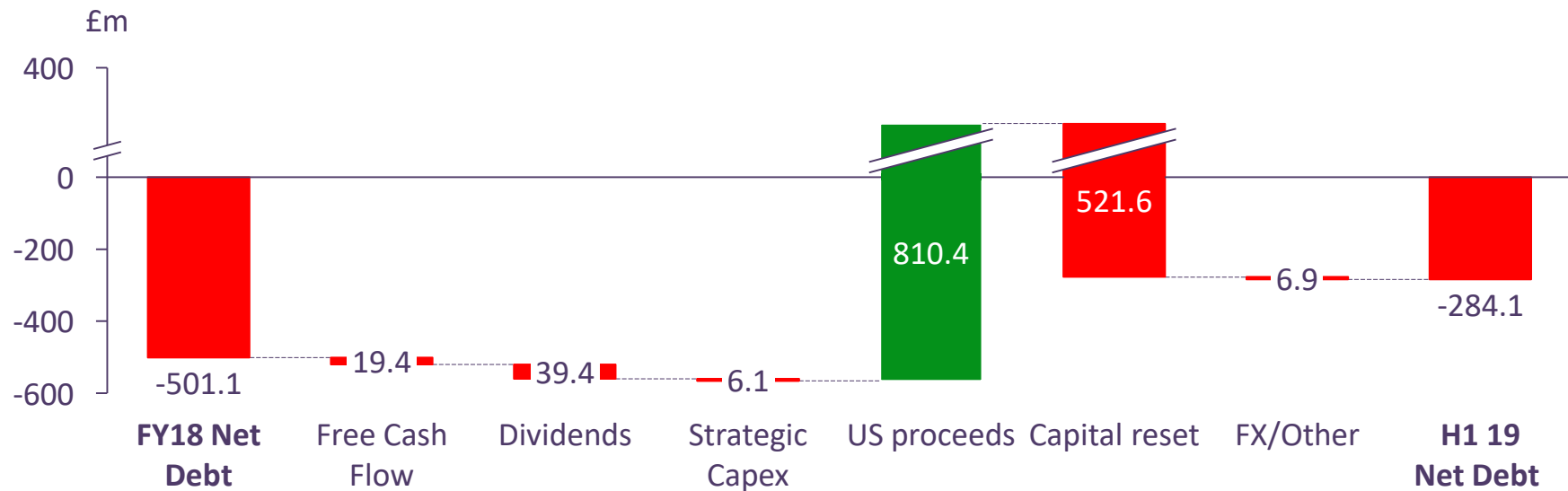
Free Cash Flow



- Working capital outflow includes seasonality, modest Brexit impact and site exit
- Exceptional outflows all relate to prior year charges

NET DEBT REDUCED SIGNIFICANTLY

Net debt, FY18 – H1 19



- Two dividend payments in H1
- US disposal and reset capital structure

Group anticipates FY19 Net Debt:EBITDA to be at bottom end of 1.5x to 2.0x range

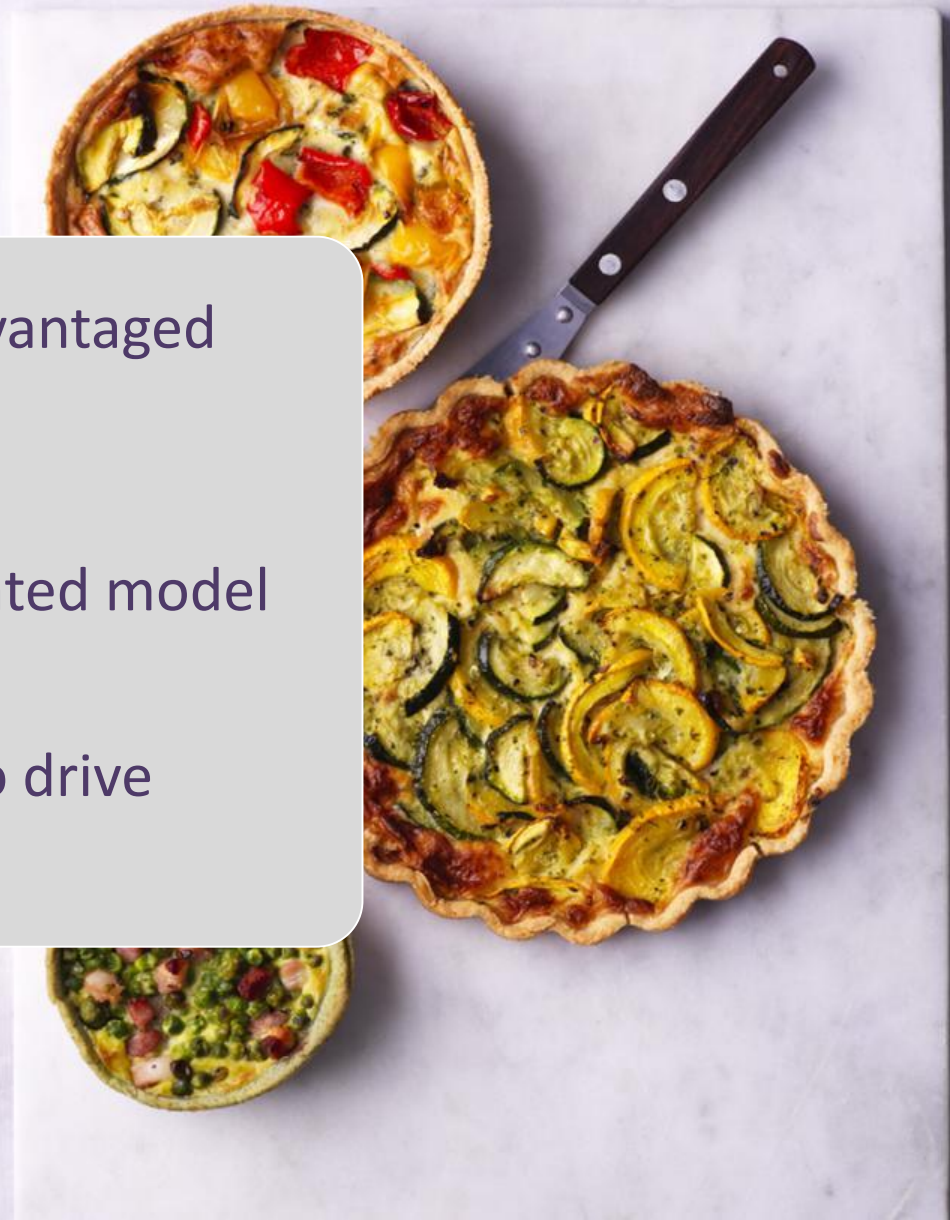
- Group performed well in H1
- Positioned well for H2, driven by:
 - Underlying revenue growth
 - Adjusted Operating Profit growth underpinned by revenue growth and improved operational performance
 - Significantly improved cashflow in H2
 - Strong ROIC



OPERATING & STRATEGIC UPDATE

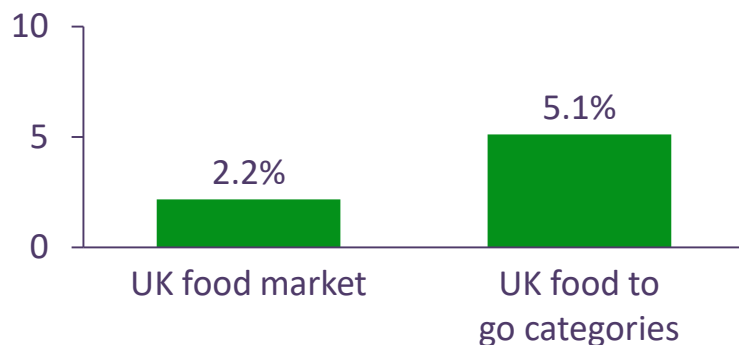
Patrick Coveney, CEO

- 1 Leading in structurally advantaged parts of UK food market
- 2 Winning with a differentiated model
- 3 Broadening proposition to drive growth and value

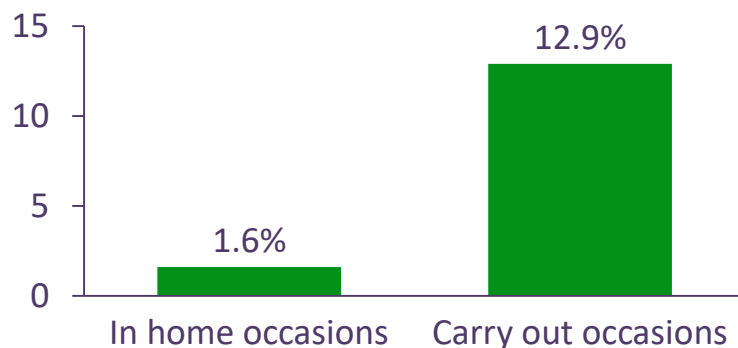


1 A DYNAMIC UK FOOD MARKET

CAGR in UK food vs CAGR in food to go FY14-FY18*



Growth in in-home vs carry out meal occasions 2014-2018**



* Source: Nielsen FY2013-2018

** Source: Kantar 2014-2018

Market developments

- Growth in structurally advantaged categories outpacing wider UK food market
- Critical role for customers, driving footfall, margin and differentiation
- Innovation and dynamism indicative of strategic importance
 - Product (e.g. sushi, hot food, snacking, new day parts)
 - Channel (e.g. convenience, foodservice, travel, D2C)



2 WINNING...

Market-leading positions*

#1 Sandwiches	#1 Sushi	#1 Italian CRM	#2 Wet Salads

H1 highlights

- Strong growth in food to go categories (7.0% pro forma revenue growth)
- Award-winning, innovative product development
- Contract extensions with several grocery customers
- Enhanced relationships via expanding set of capabilities

Strong customer partnerships

Advantage Report – retailers’ ranking of suppliers

Manufacturers	Overall Performance (Rank of 5)	Strategic Alignment	People	Category Development	Retailer Own Label	Trade & Sponsor Marketing	Supply Chain	Customer Service
Greencore Food to Go	1	1	1	1	1	1	1	3
Competitor 1	2				*			
Competitor 2	3							



*Source: IRI /Kantar

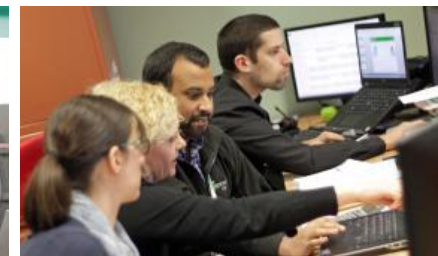
2 ...WITH A DIFFERENTIATED MODEL

Greencore Excellence Programme



H1 highlights

- Leveraging single Group leadership structure
- Embedded Greencore manufacturing excellence across sites
- Extending methodology to purchasing and commercial functions



3 BROADENING PROPOSITION TO DRIVE GROWTH AND VALUE

Strategy

- Extend leadership across categories, channels and capabilities
- Leverage repeatable operational and commercial model
- Support with organic and inorganic investment
- Drive attractive financial model/returns

Current initiatives

- Enhanced FTG salad capabilities
- New raw sushi capabilities
- Channel extension with existing grocery customers
- New business wins outside grocery
- Continued growth in distribution

- Good H1 performance
- On track to achieve strategic and financial objectives for FY19
- Strengthening our proposition across categories, channels and capabilities
- Driving improved returns and enhanced value for shareholders



Q&A

APPENDIX 1

P&L: OTHER FINANCIAL ITEMS

£m	H1 19	H1 18
Net interest payable	(7.7)	(12.7)
Tax*	(5.4)	(3.8)
Discontinued operations*	8.9	12.3
Group exceptional items (post tax)	28.8	(28.2)

* Before exceptional items

Pence per share	H1 19	H1 18
Adjusted EPS	6.4	5.5
Basic EPS	10.5	0.3
DPS	2.45	2.20

H1 19 CASHFLOW

£m	H1 19	H1 18
EBITDA	71.6	86.5
Working capital	(51.2)	(26.2)
Maintenance capex	(12.8)	(15.5)
Exceptional cashflows	(7.7)	(13.3)
Interest/tax/pension/other	(19.3)	(20.0)
Free Cash Flow	(19.4)	11.5
Strategic capex	(6.1)	(14.5)
Dividends	(39.4)	(13.0)
M&A	811.4	-
Tender offer	(509.0)	-
Termination of swaps	(12.6)	-
FX/Other	(7.9)	13.0
(Increase)/decrease in Net Debt	217.0	(3.0)

BALANCE SHEET HIGHLIGHTS

£m	H1 19	H1 18
Net Debt	284.1	522.2
Net Debt:EBITDA (x)*	1.9	2.5
Pension deficit (net of deferred tax)	79.9	89.0
Average Invested Capital	628.2	626.0
ROIC (%) – continuing operations	14.6%	14.9%

*Net Debt:EBITDA leverage as measured under financing agreements

The Group uses the following Alternative Performance Measures ('APMs') which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole

Pro Forma Revenue Growth

- Pro Forma Revenue Growth adjusts H1 19 reported revenue to exclude the impact on transition to IFRS 15 Revenue from contracts with customers on the Group's Irish Ingredients trading business. It also presents the numbers on a constant currency basis. H1 18 reported revenue excludes revenue from the Group's cakes and desserts businesses which were disposed of in the prior year and to reflect the impact of exiting manufacturing of longer life ready meals at the Kiveton facility.

Adjusted EBITDA, Adjusted Operating Profit & Adjusted Operating Margin

- The Group calculates Adjusted Operating Profit as operating profit before amortisation of acquisition related intangibles and exceptional charges. Adjusted EBITDA is calculated as Adjusted Operating Profit plus depreciation and amortisation of intangible assets. Adjusted Operating Margin is calculated as Adjusted Operating Profit divided by reported revenue.

Adjusted Profit Before Tax ('PBT')

- The Group calculates Adjusted PBT as profit before taxation, excluding tax on share of profit of associates and before exceptional items, pension finance items, amortisation of acquisition related intangibles, FX on inter-company and certain external balances and the movement on the fair value of all derivative financial instruments and related debt adjustments.

Adjusted Earnings and Adjusted Earnings Per Share ('EPS')

- Adjusted Earnings is calculated as Profit attributable to equity holders (as shown on the 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 legacy defined benefit pension liabilities (net of tax). Adjusted EPS is calculated 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 Annual Bonus Plan, the Performance Share Plan. Adjusted EPS is also referred to as Adjusted Basic EPS.

Capital Expenditure

- The Group defines Maintenance Capital Expenditure as the expenditure required for the purpose of sustaining the operating capacity and asset base of the Group, and of complying with applicable laws and regulations. It includes continuous improvement projects of less than £1m that will generate additional returns for the Group.
- The Group defines Strategic Capital Expenditure as the expenditure required for the purpose of facilitating growth and developing and enhancing relationships with existing and new customers. It includes continuous improvement projects of greater than £1m that will generate additional returns for the Group. Strategic Capital Expenditure is generally expansionary expenditure creating additional capacity beyond what is necessary to maintain the Group's current competitive position and enables the Group to service new customers and/or contracts or to enter into new categories and/or new manufacturing competencies.

Free Cash Flow

- Free Cash Flow is calculated as the net cash inflow/outflow from operating and investing activities before Strategic Capital Expenditure, acquisition and disposal of undertakings and adjusting for dividends paid to non-controlling interests.

Net Debt

- Net Debt comprises current and non-current borrowings less net cash and cash equivalents.

Return on Invested Capital ('ROIC')

- The Group calculates ROIC as Net Adjusted Operating Profit after tax ('NOPAT') divided by average Invested Capital for continuing operations. NOPAT is calculated as Adjusted 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) excluding Net Debt and the carrying value of derivatives not designated as fair value hedges, it also excludes retirement benefit obligations (net of deferred tax assets). Average Invested Capital is calculated by adding together the invested capital from the opening and closing balance sheet and dividing by two.

Q3 Trading Update	30 July 2019
Capital Markets Day	26 September 2019
FY19 Period End	27 September 2019
FY19 Results	26 November 2019
Q1 Trading Update	28 January 2020
Annual General Meeting	28 January 2020

Jack Gorman
Head of Investor Relations



investor.relations@greencore.com



+353 1 605 1000

APPENDIX 2

A leading manufacturer of convenience food in the UK

£1.5bn

Revenues FY18

£104.6m

Adjusted Operating Profit FY18

£1.0bn

Market Cap

FTSE 250

Constituent

11,300

Employees

15.6%

ROIC FY18

OUR PRODUCT RANGE



SANDWICHES
Standard
Wraps
Baguettes
Rolls

SUSHI

SALADS
Snack
Side of plate

CHILLED READY MEALS
Italian
Asian
Traditional

QUICHE & TARTS

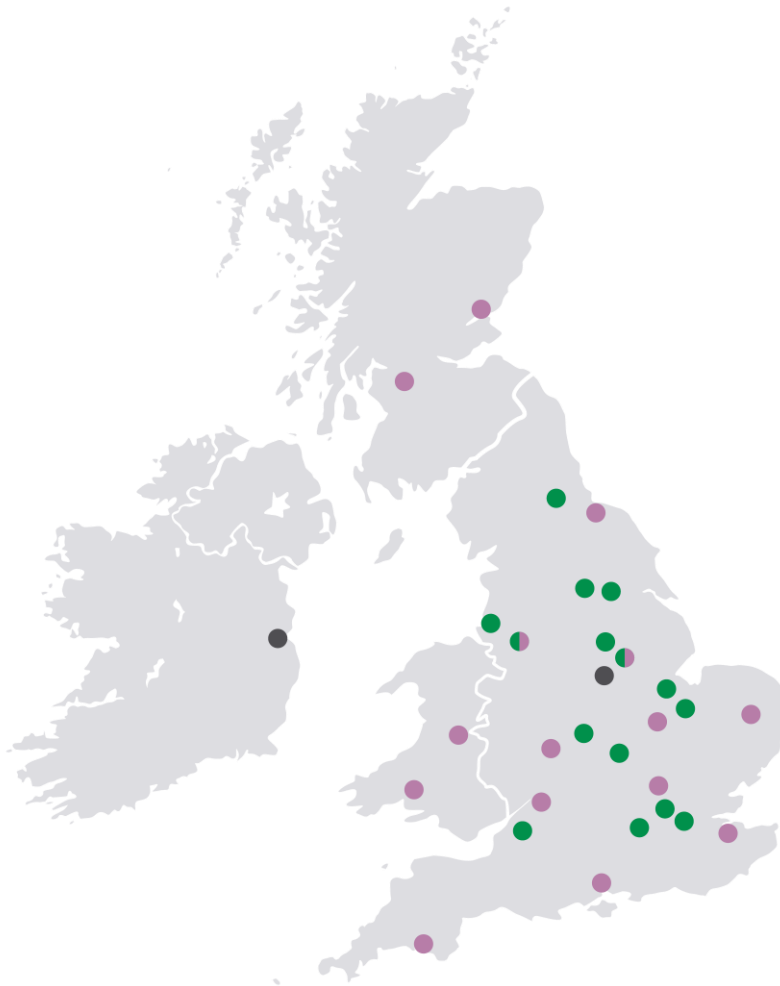
CHILLED SOUPS & SAUCES

AMBIENT COOKING SAUCES & DIPS

PICKLES

FROZEN YORKSHIRE PUDDINGS

OUR NETWORK



● Manufacturing facilities

- Atherstone
- Bow
- Bristol
- Consett
- Crosby
- Heathrow
- Kiveton
- Leeds
- Manton Wood
- Northampton
- Park Royal
- Selby
- Spalding
- Warrington
- Wisbech

● DtS Depots

- Carmarthen
- Dundee
- Glasgow
- Hatfield
- Manton Wood
- Newtown
- Peterborough
- Peterlee
- Plymouth
- Sittingbourne
- Smethwick
- Southampton
- Stonehouse
- Warrington
- Wymondham

- Barlborough - Corporate Services
- Dublin - Head Office



We operate in a dynamic consumer market in the UK

We are a leader in structurally advantaged food categories

We have enduring and valued customer relationships

We strive for excellence in what we do – The Greencore Way

We have a strong financial and economic model that allows us to execute on value creating initiatives

THE GREENCORE WAY... DESCRIBES WHO WE ARE AND HOW WE 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