

30 July 2019

Greencore Group plc

Resilient Q3 performance in challenging conditions

Greencore Group plc ("Greencore" or "the Group"), a leading manufacturer of convenience foods in the UK, today issues a trading update covering the 13 weeks to 28 June 2019 ("Q3" or "the quarter").

Quarter 3 and Year to Date Trading^{1,2}

	Revenue Growth			
	Q3		Year to Date	
	Reported	Pro forma	Reported	Pro forma
Group – continuing operations	-2.9%	+0.8%	-4.0%	+3.8%
Food to go categories	+0.6%	+0.6%	+4.6%	+4.6%
Other convenience food categories	-9.8%	+1.4%	-16.9%	+2.3%

Greencore delivered a solid performance in a challenging quarter for the UK grocery sector.

Reported revenue from continuing operations was £365.0m in Q3, a decrease of 2.9% on the prior year primarily reflecting the impact of site disposals and business exits (Hull, Evercreech, and Kiveton ready meals). On a pro forma basis, revenue increased by 0.8% in the quarter.

Year to date, the Group's reported revenue from continuing operations was £1,066.4m, a decrease of 4.0% on the prior year on a reported basis. On a pro forma basis, revenue increased by 3.8%.

In the Group's food to go categories, reported revenue was £250.6m in Q3, an increase of 0.6% on both a pro forma and reported basis, all driven by underlying product revenue growth. This growth reflected weak market conditions with unseasonal weather, a varied trading performance across the customer portfolio, set against a strong comparative period. Year to date, reported revenue in food to go categories was £697.8m, an increase of 4.6% on both a pro forma and reported basis.

Reported revenue in the Group's other convenience food categories totalled £114.3m in Q3, an increase of 1.4% on a pro forma basis, and a 9.8% reduction on a reported basis again reflecting the impact of site disposals and business exits. Year to Date, reported revenue was £368.6m, an increase of 2.3% on a pro forma basis and a 16.9% reduction as reported.

Underlying free cash generation for the Group in Q3 was in line with expectations.

Outlook

The Group is performing well against its strategic and financial objectives, despite the soft underlying revenue growth in Q3. The final quarter represents a seasonally important period for Greencore and the Group continues to anticipate growth in Adjusted Operating Profit for the full year supported by underlying revenue growth and a good operational performance.

In addition, the Group anticipates that FY19 Net Debt:EBITDA, as measured under financing agreements, will be at the lower end of its medium term target range of between 1.5x to 2.0x.

Greencore will report its FY19 results on 26 November 2019.

Capital Markets Day

The Group will host a Capital Markets Day in London on 26 September 2019. The event will provide an opportunity for institutional investors and analysts to engage with the executive and senior management team, as they provide an insight into Greencore's growth agenda, differentiated business model in UK convenience food, and capital allocation criteria among other topics.

Conference Call

A conference call for investors and analysts will be held at 8.30am today. Dial in details are below and a 7 day replay facility will be available afterwards at www.greencore.com.

Participants wishing to dial into the conference call can do so using the following details:

Ireland number:	+353 (0)1 431 9615
UK number:	+44 (0)844 571 8892
US number:	+1 631 510 7495
Confirmation code:	7874428

A replay of the presentation will be available on www.greencore.com and also through a 7 day conference call replay facility.

Ireland replay number:	+353 (0)1 553 8777
UK replay number:	+44 (0)844 571 8951
US replay number:	+1 917 677 7532
Replay code:	7874428

For further information, please contact:

Patrick Coveney	Chief Executive Officer	Tel: +353 (0) 1 486 3313
Eoin Tonge	Chief Financial Officer	Tel: +353 (0) 1 486 3316
Jack Gorman	Head of Investor Relations	Tel: +353 (0) 1 486 3308
Rob Greening or Sam Austrums	Powerscourt	Tel: +44 (0) 20 7250 1446
Billy Murphy or Louise Walsh	Drury Porter Novelli	Tel: +353 (0) 1 260 5000

¹Pro forma references throughout this statement are on a constant currency basis. Reported revenue in the current year is adjusted to exclude the impact on transition to IFRS 15 *Revenue from contracts with customers* on the Group's Irish ingredients trading business. Reported revenue in the prior year is adjusted to exclude 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.

²Continuing operations represent the Convenience Foods UK & Ireland reporting segment. Following the disposal of the US business on 25 November 2018, the results of the US business are presented as discontinued operations in both Q3 and year to date

About Greencore

Greencore is a leading manufacturer of convenience food in the UK. It supplies grocery and other retailers including all of the major UK supermarkets. The Group has strong market positions in a range of categories including sandwiches, sushi, salads, chilled ready meals, chilled soups and sauces, chilled quiche, ambient sauces and pickles, and frozen Yorkshire Puddings.

On an annual basis, Greencore manufactures approximately 706 million sandwiches and other food to go products, 144 million chilled prepared meals, and 226 million bottles of cooking sauces, pickles and condiments. The Group carries out around 7,500 deliveries to stores each day.

Greencore has 15 world-class manufacturing sites in the UK, with industry-leading technology and supply chain capabilities. The Group employs approximately 11,300 people and is headquartered in Dublin, Ireland.

For further information go to www.greencore.com or follow Greencore on social media

This announcement is based on information sourced from unaudited management accounts.

Certain statements made in this Trading Update 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 Trading Update. The Group expressly disclaims any obligation to publicly update or review these forward-looking statements other than as required by law.