

28 January 2020

Greencore Group plc

Steady progress in Q1; FY20 outlook reaffirmed

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 27 December 2019 ("Q1" or "the quarter").

Q1 Trading¹

	Revenue	Growth	
	£m	Reported	Pro forma
Group	367.8	+1.8%	+0.7%
Food to go categories	240.9	+4.5%	+0.5%
Other convenience food categories	126.9	-3.0%	+0.9%

Group revenue increased by 1.8% to £367.8m in Q1 in what continued to be a challenging trading environment. On a pro forma basis, adjusting for acquisitions and site exits, revenue increased by 0.7% in the quarter.

Q1 revenue in the Group's activities in food to go categories totalled £240.9m. Pro forma revenue increased by 0.5%. Reported revenue in Q1 increased by 4.5% reflecting the impact of the Freshtime acquisition which performed well during the quarter.

Revenue in the Group's other convenience categories totalled £126.9m in Q1, increasing by 0.9% on a pro forma basis. Reported revenue decreased by 3.0% reflecting the exit from longer life ready meals manufacturing at the Kiveton facility in H1 19.

Outlook

The Group has started the year in line with plan and continues to anticipate a year of profitable growth in FY20.

A strong balance sheet and improved Free Cash Flow Conversion leaves the Group well placed to deliver on the medium term financial ambitions outlined at the Capital Markets Day in September 2019. The Group will continue to consider further organic and inorganic investment in line with its capital allocation policy and strategic objectives.

The Group will report its FY20 Interim Results on 19 May 2020.

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

"We continue to make good strides in the diverse, attractive and growing UK food to go market. Our strategy to drive growth, to deepen customer relevance and to pursue a distinctive and repeatable way of working is well embedded across the business. Following a steady start to 2020, we look forward to delivering a year of profitable growth."

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:	5963915

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:	5963915

For further information, please contact:

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¹Pro forma references throughout this statement are on a constant currency basis. The calculation also adjusts reported revenue to reflect the ownership of Freshtime for the full period in FY19 and excludes the impact of revenue from the exit of longer life ready meals manufacturing at the Kiveton facility in H1 19.

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, salads, sushi, chilled snacking, chilled ready meals, chilled soups and sauces, chilled quiche, ambient sauces and pickles, and frozen Yorkshire Puddings.

On an annual basis, Greencore manufactures around 717 million sandwiches and other food to go products, 123 million chilled prepared meals, and 231 million bottles of cooking sauces, pickles and condiments. The Group carries out around 7,500 deliveries to stores each day.

Greencore has 21 production units in 16 world-class manufacturing sites in the UK, with industry-leading technology and supply chain capabilities. The Group also operates 2 ingredients trading businesses in Ireland. The Group employs c.11,500 people and is headquartered in Dublin, Ireland.

The Group's medium term financial ambitions are for mid single-digit organic revenue growth, high single-digit Adjusted EPS growth, the conversion of half of its Adjusted EBITDA to Free Cash Flow and for mid-teen ROIC.

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.