

27 January 2015

## **Greencore Group plc - Interim Management Statement**

### ***Continued good revenue growth in Convenience Foods***

Greencore Group plc ("the Group") today issues its interim management statement for the period to 27 January 2015. Trading information relates to the 13 weeks to 26 December 2014 ("Quarter 1" or "Q1").

#### **Quarter 1 Trading**

The Group recorded revenue of £331.9m in the 13 weeks to 26 December 2014, an increase of 3.6% on the prior year on a reported basis and 4.4% on a like for like basis.<sup>1</sup>

#### ***Convenience Foods***

The Convenience Foods division recorded revenue of £320.4m, 4.9% higher than the prior year on a reported basis and up 5.4% on a like for like basis.

In the UK, like for like revenue was 3.6% higher than in the prior year. The overall grocery market remained challenging in Q1 with negative same store volumes and price deflation. Against this backdrop, our key chilled markets performed well with continued good growth in the food to go market and a positive performance in the chilled ready meals market. During the period, the extension to the existing Northampton sandwich facility was successfully commissioned with further product transfers due to take place by the end of January.

In the US, reported revenue was 34.1% higher than in the prior year and 19.5% higher on a like for like basis. This was driven principally by the continued rollout of new products with a key customer. The construction of the new facility in Rhode Island is nearing completion, with commissioning due to commence as planned in Q2.

#### ***Ingredients and Property***

The Ingredients and Property division, which now represents less than 5% of Group activity, recorded revenues of £11.5m in Q1, £3.4m (22.8%) lower than the prior year in reported currency and 16.8% lower on a constant currency basis. As expected, revenue was impacted by the reduction in the commodity price of edible oils.

#### **Financial Position**

The Group's financial position remains strong with good headroom within existing debt facilities.

#### **Outlook**

The Group remains well placed with strong positions in growing product categories. Notwithstanding the challenges of the UK grocery retail market, the business has had a good start to the year with encouraging growth against a strong comparator period last year. The integration of new business in Jacksonville and the first expansion phase in Northampton are now close to completion. We remain confident in our ability to deliver performance in line with market expectations.

#### **Conference Call**

A conference call for investors and analysts will be held at 8.30am GMT today. Dial in details are below and a replay facility will be available afterwards at [www.greencore.com](http://www.greencore.com).

#### **Conference Call Details:**

Ireland: +353 1 246 5602

UK/International: + 44 20 3427 1906

Access code: 1393175

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<sup>1</sup> "Like for like" excludes revenue from Ministry of Cake which was sold in May 2014, excludes revenues from Lettieri's in the US which was acquired in February 2014 and is expressed in constant currency.

**For further information:**

Alan Williams	Chief Financial Officer	Tel: + 353 1 605 1045
Rob Greening / Lisa Kavanagh	Powerscourt	Tel: + 44 207 250 1446

**NOTES TO EDITORS**

- 1) Greencore:
  - A leading manufacturer of convenience food in the UK and the US
  - Strong 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
- 2) This announcement is based on information sourced from unaudited management accounts
- 3) The Group will publish its interim results announcement on 19<sup>th</sup> May 2015. The 2015 Financial Calendar is available on the company's website at [www.greencore.com](http://www.greencore.com)
- 4) This announcement contains certain forward looking statements with respect to the financial conditions, results of operations and businesses of the Group. These statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements. Nothing in this announcement should be construed as a profit forecast