

**GRENCORE GROUP PLC – INTERIM MANAGEMENT STATEMENT  
FOR THE THREE MONTH PERIOD ENDED 1 JULY 2011**

**12 July 2011**

Grencore Group plc ('Grencore' or the 'Group') today issues the following Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations, 2007.

*The FY11 financial year is a 53 week year. The 'additional' week is included in the third quarter results. As a result, the tables set out below include quarterly and year to date revenue growth rates both including and excluding the 'additional' week and are presented using both reported and constant currency.*

**Third Quarter Revenue Performance**

Revenue Progression	Q3 Reported Currency (14 weeks)	Q3 Constant Currency (14 weeks)	Q3 Reported Currency (excl extra week)	Q3 Constant Currency (excl extra week)
Convenience Foods	+12%	+18%	+4%	+9%
Ingredients & Property	+33%	+33%	+24%	+24%
<b>Total</b>	<b>+14%</b>	<b>+19%</b>	<b>+6%</b>	<b>+11%</b>

**Year to Date Revenue Performance**

Revenue Progression	YTD Reported Currency (40 weeks)	YTD Constant Currency (40 weeks)	YTD Reported Currency (excl extra week)	YTD Constant Currency (excl extra week)
Convenience Foods	+10%	+9%	+7%	+6%
Ingredients & Property	+14%	+14%	+11%	+11%
<b>Total</b>	<b>+10%</b>	<b>+9%</b>	<b>+7%</b>	<b>+6%</b>

## Convenience Foods

In our Interim results announced on 24 May 2011, we highlighted that the Convenience Foods division had recorded a good first half in challenging market conditions with sales from continuing operations increasing by 4.3% on a constant currency basis. This sales momentum has continued into the third quarter with constant currency sales growing by 9% during that period. This strong performance was driven by:

- Buoyant underlying demand during April and May reflecting in part good weather and the timing of bank/public holidays;
- The year on year impact of new customer gains particularly in our largest businesses of Prepared Meals and Food to Go;
- The Grocery business returning to revenue growth having completed its product rationalisation programme;
- Good sales growth in the US business reflecting strong growth in the recently acquired "On A Roll" business. On a Roll contributed 3 percentage points of constant currency revenue growth to the Convenience Foods division in the quarter.

Input cost inflation is expected to be around 4% in FY2011 with over 95% of ingredients and packaging requirements for the financial year either purchased or contracted. The financial impact of this inflation will have been mitigated in FY2011 through internal efficiencies, product reconfiguration and selected price increases.

## Ingredients and Property

This division experienced exceptional revenue growth in the quarter driven both by the impact of commodity price movements and strong underlying demand.

## Financial Position

As previously reported, the Group successfully completed the refinancing of its primary bank facility of £280m for a 5 year term at competitive rates during May.

Attention is drawn to the separate announcement issued today by the Company regarding the proposed acquisition of Uniq Plc. The financing of this proposed acquisition includes an issue of equity via a rights issue and the provision of new debt facilities. Fuller details are provided in the announcement.

## Outlook

The trading environment in our core UK convenience foods market has been both challenging and volatile during 2011 and the Board expects this to remain the case in the seasonally important final quarter of FY2011. Nevertheless, assuming that the average Euro: Sterling exchange rate for the full year remains in the range of 0.85-0.87, the Board anticipates delivering adjusted EPS in line with market expectations.

## FOR FURTHER INFORMATION PLEASE CONTACT:

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**Greencore Group**

- A leading international producer of convenience food
- Strong market positions in the UK convenience food market across sandwiches, chilled prepared meals, chilled soups and sauces, ambient sauces and pickles, cakes and desserts and Yorkshire puddings
- Extending presence outside the UK with an emerging convenience food business in the US