

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	Before Non-Trading Items 2018 €'m	Non-Trading Items 2018 €'m	Total 2018 €'m	Before Non-Trading Items 2017 €'m	Non-Trading Items 2017 €'m	Total 2017 €'m
Continuing operations							
Revenue	2	6,607.6	-	6,607.6	6,407.9	-	6,407.9
Trading profit	2/3	805.6	-	805.6	781.3	-	781.3
Intangible asset amortisation	12	(53.8)	-	(53.8)	(47.9)	-	(47.9)
Non-trading items	5	-	(66.9)	(66.9)	-	(54.5)	(54.5)
Operating profit	3	751.8	(66.9)	684.9	733.4	(54.5)	678.9
Finance income	6	0.5	-	0.5	0.1	-	0.1
Finance costs	6	(67.5)	-	(67.5)	(65.7)	-	(65.7)
Profit before taxation		684.8	(66.9)	617.9	667.8	(54.5)	613.3
Income taxes	7	(89.2)	11.8	(77.4)	(89.5)	64.7	(24.8)
Profit after taxation attributable to owners of the parent		595.6	(55.1)	540.5	578.3	10.2	588.5
Earnings per A ordinary share				Cent			Cent
- basic	9			305.9			333.6
- diluted	9			305.7			333.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018 €'m	2017 €'m
Profit after taxation attributable to owners of the parent		540.5	588.5
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Fair value movements on cash flow hedges		2.2	5.3
Cash flow hedges - reclassified to profit or loss from equity	24	(2.5)	(29.2)
Net change in cost of hedging	24	(2.0)	-
Deferred tax effect of fair value movements on cash flow hedges	17	(0.2)	(0.6)
Exchange difference on translation of foreign operations		(0.9)	(108.8)
Fair value movement on revaluation of financial assets held at fair value through other comprehensive income/available-for-sale	13	(1.9)	3.5
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement on retirement benefits obligation	26	34.5	130.1
Deferred tax effect of re-measurement on retirement benefits obligation	17	(6.3)	(20.2)
Net income/(expense) recognised directly in total other comprehensive income		22.9	(19.9)
Total comprehensive income		563.4	568.6

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	31 December 2018 €'m	31 December 2017 €'m
Non-current assets			
Property, plant and equipment	11	1,767.0	1,529.6
Intangible assets	12	4,095.6	3,646.7
Financial asset investments	13	35.3	44.6
Investment in associates and joint ventures	14	15.6	5.8
Other non-current financial instruments	23	101.7	95.4
Deferred tax assets	17	37.1	46.4
		6,052.3	5,368.5
Current assets			
Inventories	16	877.8	797.5
Trade and other receivables	19	967.8	893.1
Cash at bank and in hand	23	413.8	312.5
Other current financial instruments	23	10.0	20.3
Assets classified as held for sale	18	2.0	8.3
		2,271.4	2,031.7
Total assets		8,323.7	7,400.2
Current liabilities			
Trade and other payables	20	1,482.1	1,410.5
Borrowings and overdrafts	23	13.8	13.3
Other current financial instruments	23	11.0	9.1
Tax liabilities		122.4	108.4
Provisions	25	20.3	25.3
Deferred income	21	1.2	1.2
		1,650.8	1,567.8
Non-current liabilities			
Borrowings	23	2,119.7	1,728.4
Other non-current financial instruments	23	5.6	7.9
Retirement benefits obligation	26	53.2	124.3
Other non-current liabilities	22	82.6	96.7
Deferred tax liabilities	17	324.1	241.9
Provisions	25	32.1	37.1
Deferred income	21	21.2	22.9
		2,638.5	2,259.2
Total liabilities		4,289.3	3,827.0
Net assets		4,034.4	3,573.2
Issued capital and reserves attributable to owners of the parent			
Share capital	27	22.0	22.0
Share premium		398.7	398.7
Other reserves		(207.3)	(214.4)
Retained earnings		3,821.0	3,366.9
Shareholders' equity		4,034.4	3,573.2

The financial statements were approved by the Board of Directors on 18 February 2019 and signed on its behalf by:

Philip Toomey, Chairman

Edmond Scanlon, Chief Executive

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	31 December 2018 €'m	31 December 2017 €'m
Non-current assets			
Property, plant and equipment	11	0.3	0.4
Investments in subsidiaries	15	714.4	637.7
		714.7	638.1
Current assets			
Trade and other receivables	19	94.1	115.9
		94.1	115.9
Total assets		808.8	754.0
Current liabilities			
Trade and other payables	20	6.3	8.2
		6.3	8.2
Non-current liabilities			
Deferred income	21	0.1	0.1
		0.1	0.1
Total liabilities		6.4	8.3
Net assets		802.4	745.7
Issued capital and reserves			
Share capital	27	22.0	22.0
Share premium		398.7	398.7
Other reserves		65.3	53.1
Retained earnings		316.4	271.9
Shareholders' equity		802.4	745.7

The Company earned a profit of **€158.9m** for the year ended 31 December 2018 (2017: €107.9m).

The financial statements were approved by the Board of Directors on 18 February 2019 and signed on its behalf by:

Philip Toomey, Chairman

Edmond Scanlon, Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	Share Capital €'m	Share Premium €'m	Other Reserves €'m	Retained Earnings €'m	Total €'m
Group:						
At 1 January 2017		22.0	398.7	(98.0)	2,771.3	3,094.0
Profit after tax attributable to owners of the parent		-	-	-	588.5	588.5
Other comprehensive (expense)/income		-	-	(129.2)	109.3	(19.9)
Total comprehensive (expense)/income		-	-	(129.2)	697.8	568.6
Dividends paid	10	-	-	-	(102.2)	(102.2)
Share-based payment expense	28	-	-	12.8	-	12.8
At 31 December 2017		22.0	398.7	(214.4)	3,366.9	3,573.2
Profit after tax attributable to owners of the parent		-	-	-	540.5	540.5
Other comprehensive (expense)/income		-	-	(5.1)	28.0	22.9
Total comprehensive (expense)/income		-	-	(5.1)	568.5	563.4
Dividends paid	10	-	-	-	(114.4)	(114.4)
Share-based payment expense	28	-	-	12.2	-	12.2
At 31 December 2018		22.0	398.7	(207.3)	3,821.0	4,034.4

Other Reserves comprise the following:

	Note	FVOCI/AFS Reserve* €'m	Capital Redemption Reserve €'m	Other Undenominated Capital €'m	Share-Based Payment Reserve €'m	Translation Reserve €'m	Hedging Reserve €'m	Cost of Hedging Reserve €'m	Total €'m
At 1 January 2017		-	1.7	0.3	38.3	(147.0)	8.7	-	(98.0)
Other comprehensive income/(expense)		3.5	-	-	-	(108.8)	(23.9)	-	(129.2)
Share-based payment expense	28	-	-	-	12.8	-	-	-	12.8
At 31 December 2017		3.5	1.7	0.3	51.1	(255.8)	(15.2)	-	(214.4)
Other comprehensive expense		(1.9)	-	-	-	(0.9)	(0.3)	(2.0)	(5.1)
Share-based payment expense	28	-	-	-	12.2	-	-	-	12.2
At 31 December 2018		1.6	1.7	0.3	63.3	(256.7)	(15.5)	(2.0)	(207.3)

*The available-for-sale (AFS) reserve under IAS 39 'Financial Instruments: Recognition and Measurement' becomes the fair value through other comprehensive income reserve (FVOCI) under IFRS 9 'Financial Instruments' at 1 January 2018.

The nature and purpose of each reserve within shareholders' equity are described in note 35.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	Share Capital €'m	Share Premium €'m	Other Reserves €'m	Retained Earnings €'m	Total €'m
Company:						
At 1 January 2017		22.0	398.7	40.3	266.2	727.2
Profit after tax	8	-	-	-	107.9	107.9
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	-	107.9	107.9
Dividends paid	10	-	-	-	(102.2)	(102.2)
Share-based payment expense	28	-	-	12.8	-	12.8
At 31 December 2017		22.0	398.7	53.1	271.9	745.7
Profit after tax	8	-	-	-	158.9	158.9
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	-	158.9	158.9
Dividends paid	10	-	-	-	(114.4)	(114.4)
Share-based payment expense	28	-	-	12.2	-	12.2
At 31 December 2018		22.0	398.7	65.3	316.4	802.4

Other Reserves comprise the following:

	Note	Capital Redemption Reserve €'m	Other Undenominated Capital €'m	Share-Based Payment Reserve €'m	Total €'m
At 1 January 2017		1.7	0.3	38.3	40.3
Share-based payment expense	28	-	-	12.8	12.8
At 31 December 2017		1.7	0.3	51.1	53.1
Share-based payment expense	28	-	-	12.2	12.2
At 31 December 2018		1.7	0.3	63.3	65.3

The nature and purpose of each reserve within shareholders' equity are described in note 35.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018 €'m	2017 €'m
Operating activities			
Trading profit	29	805.6	781.3
<i>Adjustments for:</i>			
Depreciation (net)		134.1	134.0
Change in working capital	29	(78.8)	9.1
Pension contributions paid less pension expense		(40.0)	(95.3)
Payments on non-trading items		(59.8)	(34.0)
Exchange translation adjustment		0.5	(8.8)
Cash generated from operations		761.6	786.3
Income taxes paid		(46.1)	(54.7)
Finance income received		0.5	0.1
Finance costs paid		(65.0)	(60.3)
Net cash from operating activities		651.0	671.4
Investing activities			
Purchase of assets (net)	29	(296.1)	(301.3)
Proceeds from the sale of assets		10.6	3.1
Capital grants received		-	0.9
Purchase of businesses (net of cash acquired)	30	(476.8)	(396.5)
(Purchase)/disposal of share in associates and joint ventures		(14.5)	29.5
Income received from associates and joint ventures	14	-	-
Disposal of businesses		-	-
Payments relating to previous acquisitions		(11.9)	(0.9)
Net cash used in investing activities		(788.7)	(665.2)
Financing activities			
Dividends paid	10	(114.4)	(102.2)
Issue of share capital	27	-	-
Net movement on borrowings (net of swaps)		350.2	(144.3)
Net cash movement due to financing activities		235.8	(246.5)
Net increase/(decrease) in cash and cash equivalents		98.1	(240.3)
Cash and cash equivalents at beginning of the financial year		305.6	561.1
Exchange translation adjustment on cash and cash equivalents		0.2	(15.2)
Cash and cash equivalents at end of the financial year	29	403.9	305.6
Reconciliation of Net Cash Flow to Movement in Net Debt			
Net increase/(decrease) in cash and cash equivalents		98.1	(240.3)
Cash flow from debt financing		(350.2)	144.3
Changes in net debt resulting from cash flows		(252.1)	(96.0)
Fair value movement on interest rate swaps (net of adjustment to borrowings)	29	(2.6)	2.8
Exchange translation adjustment on net debt	29	(27.1)	75.2
Movement in net debt in the financial year		(281.8)	(18.0)
Net debt at beginning of the financial year		(1,341.7)	(1,323.7)
Net debt at end of the financial year	23	(1,623.5)	(1,341.7)

COMPANY STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018 €'m	2017 €'m
Operating activities			
Trading profit	29	154.9	106.2
<i>Adjustments for:</i>			
Depreciation	11	0.1	0.2
Change in working capital	29	36.1	(4.2)
Net cash from operating activities		191.1	102.2
Investing activities			
Investments in subsidiary undertakings	15	(76.7)	-
Net cash from investing activities		(76.7)	-
Financing activities			
Dividends paid	10	(114.4)	(102.2)
Issue of share capital	27	-	-
Net cash movement due to financing activities		(114.4)	(102.2)
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the financial year		-	-
Cash and cash equivalents at end of the financial year	29	-	-