NEWS RELEASE
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Interim Management Report for the half year ended 30 June 2014

Kerry, the global ingredients & flavours and consumer foods group, reports a solid financial performance for the half year ended 30 June 2014.

Highlights

• Group revenue of €2.9 billion
• Continuing volume growth +2.7%; Pricing +0.6%
• Trading profit increased by 3.0% to €275m
• Group trading margin up 50 basis points to 9.5%
  ➢ Ingredients & Flavours +60 bps to 11.7%
  ➢ Consumer Foods +10 bps to 7.8%
• Interim dividend per share increased by 12.5% to 13.5 cent
• Adjusted* EPS up 5.8% to 115.2 cent
• Earnings guidance for full year reaffirmed
**Before brand related intangible asset amortisation and non-trading items (net of tax)*

Commenting on the results Kerry Group Chief Executive Stan McCarthy said; "We are pleased to report a solid Groupwide performance in H1 2014 with good underlying sales growth and margin improvement. Notwithstanding significant adverse currency movements, adjusted earnings per share increased by 5.8% to 115.2 cent. Our Kerry Global Technology & Innovation Centres continue to drive industry-leading innovation. We remain confident of delivering 6% to 10% growth in adjusted earnings per share in 2014 as previously guided."

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INTERIM MANAGEMENT REPORT

for the half year ended 30 June 2014

Kerry Group achieved a solid financial and operational performance in the first half of 2014 despite significant headwinds including adverse currency movements particularly in developing markets. In addition, developed markets remained relatively subdued with consumer spending impacted by macro-economic conditions. Nevertheless, Kerry maintained a good business performance outperforming category and market growth rates – winning a strong pipeline of new product development projects and briefs from major global and regional food and beverage accounts. Recent major investments in Kerry Global Technology & Innovation Centres continue to drive industry-leading innovations and is a key differentiator in the marketplace. The Group also continues to successfully deploy Kerry's taste and nutrition platforms throughout regional developing markets. Despite relatively weaker economic conditions in some regional developing markets and political instability in some zones, Kerry continues to record solid growth – in particular through nutritional applications in Asia.

Conditions in the Group's primary consumer foods markets in the UK and Ireland remain highly competitive due to increased market fragmentation arising from consumer trends favouring convenience formats, discounter channels and e-tailing. Whilst consumers continue to pursue value offerings, Kerry Foods' priority brands performed well in the UK market and maintained brand positioning in the Irish market.

RESULTS

Group revenue at €2.9 billion reflects underlying sales growth (USG) of 3.2%. Revenues on a reported basis were 1.9% lower reflecting the adverse translation impact of currency movements relative to H1 2013. Continuing business volumes grew by 2.7% and pricing increased by 0.6% in a relatively benign input cost inflationary environment.

Volume growth and trading performance in ingredients & flavours markets improved in Q2 relative to Q1. Continuing business volumes increased by 4.2% and net pricing increased by 0.6%.

Kerry Foods continues to reconfigure its business model for sustained profitable growth in line with Group metrics. Divisional continuing volumes reduced by 1.2% and net pricing increased slightly by 0.2%.

Group trading profit increased by 3% on a reported basis to €275m reflecting 7.1% like-for-like (LFL) growth. Business efficiency improvements through the Group's 1 Kerry Business Transformation Programme and improved product mix contributed a 50 basis points improvement in the Group trading profit margin to 9.5%. This reflects a 60 basis points improvement in trading margin in ingredients & flavours to 11.7% and 10 basis points improvement in Kerry Foods' margin to 7.8%.

Adjusted earnings after tax increased by 5.9% to €203m. Adjusted earnings per share increased by 5.8% to 115.2 cent (H1 2013: 108.9 cent). Basic earnings per share increased from 66.8 cent to 110.8 cent. The interim dividend of 13.5 cent represents an increase of 12.5% over the 2013 interim dividend.

BUSINESS REVIEWS

INGREDIENTS & FLAVOURS

	H1 2014	Growth
Revenue	€2,133m	4.7%*
Trading profit	€251m	4.9%
Trading Margin	11.7%	+60 bps

**Underlying Sales Growth*

Kerry provides the largest, most innovative portfolio of taste & nutrition systems and functional ingredients & actives for the global food, beverage and pharmaceutical industries.

In a comparatively weak overall marketplace, Kerry's taste & nutrition platforms outperformed market growth rates in all regions. Functional ingredients & actives recorded strong growth in particular in nutrition sectors. Growth continued to accelerate in developing markets despite economic impacts of significant negative currency movements. Sales revenue reported at €2.1 billion reflects underlying sales growth of 4.7%. Continuing business volumes increased by 4.2% and pricing increased by 0.6%. Trading profits grew by 4.9% to €251m and the division's trading margin increased by 60 basis points to 11.7%.

Americas Region

Demand for clean-label solutions, low-calorie, low-sodium, nutritional/health offerings and snacking options continued to drive development across American markets. Kerry technologies continued to win significant new briefs in all industry segments. Revenue reported at €915m reflects underlying sales growth of 4.7%. Continuing business volumes grew by 4.3% and pricing increased by 0.6%.

Beverage systems & flavours maintained a strong performance benefiting from health and convenience trends. Beverage flavours recorded solid growth in all segments. Soft drinks provided good development opportunities particularly for low and mid-calorie variants. Growth in the nutritional sector benefited from Kerry's aseptic technologies. Solid growth was recorded through foodservice chains. The *Big Train* branded beverage portfolio saw good growth in all geographic markets in particular Latin America.

Savoury, Dairy & Culinary systems & flavours had a mixed performance due to industry sectoral market conditions. Good growth was achieved through clean-label solutions in North America. Latin American markets, in particular in Central America and the Andean region, provided encouraging growth opportunities for culinary technologies leveraging Kerry's insights and capabilities. In North America performance in the culinary sector was assisted by Wynnstarr Flavors acquired prior to year-end 2013.

Cereal & Sweet technologies performed well despite industry challenges. Excellent progress was reported in the bakery sector through Kerry's clean-label technologies. Satisfactory growth was achieved in the cereals sector particularly in snacking and nutritional segments.

Pharma ingredients continued to achieve solid market development with double digit growth through cell nutrition in biotechnology and pharmaceutical applications.

EMEA Region

Further progress was achieved in realignment of business structures and customer service capabilities in EMEA markets in line with 1 Kerry business models. Consumer spend in regional developed markets remains constrained, impacting industry development. While Kerry continued to successfully expand its footprint in EMEA developing markets, trading proved more challenging due to currency related inflationary pressures and political unrest in some zones. Reported revenues at €791m reflect underlying sales growth of 1.3%. Continuing business volumes grew by 0.9% and pricing increased by 0.4%.

Construction of the Kerry Global Technology & Innovation Centre in Ireland to serve EMEA customers is well advanced and on schedule to be operational in early 2015. In May, the Group opened a new Regional Development & Application Centre in Durban, South Africa to serve Kerry's expanding global, regional and local customer base in Sub Saharan Africa.

Dairy & Culinary systems & flavours performed well relative to H1 2013 particularly through foodservice and snack applications. Development in the European meat industry again proved challenging but ***Savoury*** systems recorded good growth through coatings and seasonings in Russia.

Sweet systems performed satisfactorily overall but growth in South African markets was back due to relatively weaker market conditions and intense competition. Cereal technologies achieved sustained growth in the snack and nutrition sectors.

Beverage systems & flavours maintained a solid development momentum with leading beverage and foodservice accounts. Kerry's branded *Da Vinci* and *Big Train* ranges continued to grow throughout European foodservice channels.

Nutritional ingredients & actives and delivery systems recorded excellent growth particularly in developing markets. Kerry hydrolysed proteins grew through wider nutritional applications.

Primary Dairy market price returns weakened considerably in Q2 due to significant growth in output and export volumes in key exporting countries.

Asia-Pacific Region

Despite weaker market conditions in Asia-Pacific developed markets Kerry maintained solid growth and strong momentum in the region – benefiting from the increased Group resources deployed to market development. Reported revenues of €392m reflect underlying sales growth of 12.2%. Continuing business volumes increased by 11.5% and net pricing increased by 1%.

The new Kerry Global Technology & Innovation Centre and regional headquarters for Asian markets in Singapore will be completed in September and will be supported by Kerry Regional Development & Application Centres in China, India and Thailand.

Beverage systems grew solidly through coffee and tea applications and enhanced nutritional products. Lipid technologies performed well in Asian nutritional market segments. In the foodservice sector Kerry's branded beverage offering including *Da Vinci, Caffé D'Amore* and *Big*

Train further extended listings throughout the region. Development in Australia and New Zealand was adversely impacted by currency movements and intense competition.

Savoury & Dairy technologies performed well in regional developing markets but performance in Japan and ANZ was weaker due to market specific issues. Foodservice growth in developing markets continued to provide a strong innovation pipeline through culinary systems. A significant upgrading and expansion investment programme commenced at the recently acquired Nantong, China processing facility.

Sweet technologies maintained satisfactory growth through Kerry Pinnacle in the Australian lifestyle bakery sector and through market development in Asia.

Functional Ingredients & Actives continue to achieve solid growth in Asian nutritional, beverage and pharmaceutical markets. Significant development was achieved through premium infant nutrition applications in regional developing markets, particularly in China.

CONSUMER FOODS

	H1 2014	Growth
Revenue	€801m	(0.9%)*
Trading profit	€62m	(2.4%)
Trading margin	7.8%	+10bps

**Underlying Sales Growth*

Kerry Foods is a leading manufacturer and marketer of added-value branded and customer branded chilled foods primarily to the UK and Irish consumer foods markets.

Increased fragmentation of food retailing coupled with prioritised spend and drive for value by consumers in the Irish and UK markets continued to impact performance in Kerry Food's chilled foods categories. However, the division has continued to improve efficiencies through advanced lean programmes. Kerry Foods' focus brands continue to perform well, particularly in the UK market.

Divisional revenue in the period reported at €801m reflects 0.9% lower underlying sales. Continuing business volumes (primarily due to reduced engagement in promotional activity) declined by 1.2% and net pricing increased by 0.2%. While trading profit decreased by 2.4% to €62m, the division's trading margin improved by 10 basis points to 7.8%.

UK Brands continue to perform well. In the sausage sector Richmond again improved its brand leadership – growing by 4% in the period. With reduced more strategic promotional spend Mattesson's Fridge Raiders improved the quality of its business in the meat snacking sector. Cheestrings recorded a significant uplift in brand share in the children's cheese snack category.

Kerry Foods' ***UK Customer Brands***' business was adversely impacted by category performance at major multiple retail accounts. In chilled ready meals, reduced retailer promotional activity led to a 4% decline in sales in Kerry Foods' meal categories. Sales in the frozen meals category improved relative to weak 2013 comparatives. Customer branded dairy spreads achieved good growth due to reduced promotional activity by major sectoral brands.

Brands Ireland continues to face intense competition from heavily promoted discounter and private label offerings. Performance in Kerry Foods' branded sausage and cooked meats segments was impacted as a result but the re-launch of Denny Gold Medal Sausage and Denny Deli Style cooked meats stabilised brand positions in Q2. Dairygold maintained market share in the dairy spreads sector and Cheestrings continues to advance brand development in Continental European markets.

Since the period-end, Kerry Foods introduced a novel children's snack offering *Yollies* yoghurt lolly range. Yollies has already achieved leading retailer listings in Ireland with a planned launch in the UK market later in the year.

As stated at year-end 2013, Kerry Foods is focused on strengthening the quality of its portfolio and repositioning certain businesses. Restructuring of the direct-to-store services to the independent and convenience retail sectors in the UK and Ireland is ongoing.

FINANCIAL REVIEW

Reconciliation of adjusted* earnings to profit after taxation	% Change	H1 2014 €m	H1 2013 €m
Revenue	(1.9%)	**2,893.5**	2,949.4
Trading profit	3.0%	**274.7**	266.6
Trading margin		***9.5%***	*9.0%*
Computer software amortisation		**(6.7)**	(5.3)
Finance costs (net)		**(31.9)**	(36.1)
Adjusted* earnings before taxation	4.8%	**236.1**	225.2
Income taxes (excluding non-trading items)		**(33.6)**	(33.9)
Adjusted* earnings after taxation	5.9%	**202.5**	191.3
Brand related intangible asset amortisation		**(7.6)**	(7.8)
Non-trading items (net of related tax)		**(0.2)**	(66.1)
Profit after taxation	65.8%	**194.7**	117.4
		EPS cent	EPS cent
Adjusted* EPS	5.8%	**115.2**	108.9
Brand related intangible asset amortisation		**(4.3)**	(4.4)
Non-trading items (net of related tax)		**(0.1)**	(37.7)
Basic EPS	65.9%	**110.8**	66.8

** Before brand related intangible asset amortisation and non-trading items [net of tax]*

Analysis of Results

On a like-for-like basis revenue grew by 1.6% in the first half of the year attributable to continuing volume growth of 2.7%, pricing of 0.6% and rationalisation volumes of (1.6%). Continuing volume growth in ingredients & flavours was reported at 4.2% with Kerry Foods showing a decrease of 1.2% in the period.

Group trading profit increased by 3.0% to €275m reflecting 7.1% LFL growth (excluding impact of translation currency (4.3%) and acquisitions net of disposals 0.2%). Group trading margin increased 50 basis points to 9.5% (H1 2013 : 9.0%) in the period driven by improved product mix, operating leverage, business efficiency programmes and the positive impact from exiting non-core business activities.

The deployment of the Kerryconnect programme continued during the period. As previously communicated, implementation at a number of sites in the EMEA region has been deferred to the second half of 2014. As a result the programme will extend into 2017.

Finance Costs

Finance costs for the period decreased to €31.9m (H1 2013 : €36.1m) primarily due to cash generated from operations.

Taxation

The tax charge for the period (excluding non-trading items) was €33.6m (H1 2013 : €33.9m) which represents an effective tax rate of 14.7% (H1 2013 : 15.6%). The decrease in the effective tax rate is primarily due to variations in the geographical split of profits earned, significant Group investment in R&D and changes in local statutory tax rates.

Free Cash Flow

The Group achieved a free cash flow of €102m (H1 2013 : €216m) which is stated after net capital expenditure of €98m and average working capital outflow of €73m. The working capital outflow is primarily due to the ongoing deployment of the Kerryconnect programme.

Free Cash Flow	H1 2014 €m	H1 2013 €m
EBITDA	**327.1**	323.8
Movement in average working capital	**(73.0)**	11.4
Net capital expenditure (excluding R&D centres)	**(75.3)**	(53.2)
Business operating cash flow	**178.8**	282.0
R&D centre capital expenditure	**(23.0)**	(7.4)
Pension contributions paid less pension expense	**(20.9)**	(16.7)
Finance costs paid (net)	**(21.2)**	(23.5)
Income taxes paid	**(12.1)**	(18.4)
Free cash flow	**101.6**	216.0

A summary balance sheet as at 30 June 2014 is presented below:

Balance Sheet	H1 2014 €m	H1 2013 €m
Intangible assets	**2,423.0**	2,466.2
Property, plant & equipment	**1,137.1**	1,170.5
Other non-current assets	**94.5**	104.5
Current assets	**1,867.3**	1,792.4
Total assets	**5,521.9**	5,533.6
Current liabilities	**1,718.2**	1,351.6
Non-current liabilities	**1,739.8**	2,142.4
Total liabilities	**3,458.0**	3,494.0
Net assets	**2,063.9**	2,039.6
Shareholders' equity	**2,063.9**	2,039.6

Financial Position

At 30 June 2014 net debt stood at €1,110m, an increase of €27m relative to the December 2013 position. The average maturity profile of net debt was 5.8 years at the end of the period (Dec 2013: 6.3 years). Due to changes in the maturity profile of net debt since 2013, current liabilities have increased and non-current liabilities decreased since the year end position.

At the period end 71% of debt was carried at fixed rates and the weighted average period for which rates were fixed was 4.9 years.

At 30 June the key financial ratios were as follows;

	Covenant	H1 2014 TIMES	H1 2013 TIMES
Net debt: EBITDA*	Maximum 3.5	**1.5**	1.8
EBITDA: Net interest*	Minimum 4.75	**13.3**	14.0

* Calculated in accordance with lenders' facility agreements which take account of adjustments as outlined on page 12.

The Group's balance sheet is in a healthy position. With a net debt to EBITDA* ratio of 1.5 times, the organisation has sufficient headroom to support its future growth plans.

Retirement Benefits

At the balance sheet date, the net deficit for all defined benefit schemes (after deferred tax) was €277m (H1 2013 : €247m, Dec 2013 : €207m). The increase is primarily due to a decrease in the discount rates in the Eurozone and the UK. This was partially offset by an increase in the schemes' assets primarily due to ongoing cash contributions.

Related Party Transactions

There were no changes in related party transactions from the 2013 Annual Report that could have a material effect on the financial position or performance of the Group in the first half of the year.

Principal Risks & Uncertainties

Details of the principal risks and uncertainties facing the Group can be found in the 2013 Annual Report on pages 58 to 60. These risks include but are not limited to; global economic conditions, competition risk, a slow down in the rate of innovation, systems implementation risks, operational and technical compliance risks, the loss of a critical manufacturing facility and the execution of a value destroying acquisition. However, fluctuating raw material costs, volatile currencies and geopolitical risks remain the most likely to affect the Group in the second half of the year. The Group actively manages these and all other risks through its control and risk management processes.

Going Concern

The Condensed Consolidated Interim Financial Statements have been prepared on the going concern basis. The Directors report that they have satisfied themselves that the Group is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group's budget for a period not less than 12 months, the medium term plans as set out in the rolling five year plan, and have taken into account the cash flow implications of the plans, including proposed capital expenditure, and compared these with the Group's committed borrowing facilities and projected gearing ratios.

DIVIDEND

The Board has declared an interim dividend of 13.5 cent per share (an increase of 12.5% on the 2013 interim dividend of 12.0 cent) payable on 14 November 2014 to shareholders registered on the record date 17 October 2014.

FUTURE PROSPECTS

Kerry's taste & nutritional systems and functional ingredients & actives are well positioned and resourced to outperform across global food, beverage and pharmaceutical markets. Our Global Technology & Innovation Centres continue to drive closer customer alliances. The Group has a strong product development pipeline in developing markets – in particular in nutritional segments. Kerry Foods is progressively building a quality business as the division continues to adapt its business portfolio and structures for today's consumer markets.

The Group has a strong balance sheet and is in a strong position to capitalise on organic and acquisitive growth opportunities. We remain confident of delivering 6% to 10% growth in adjusted earnings per share to a range of 273 to 284 cent per share in 2014, as previously guided.

RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland (S.I. No. 277 of 2007) ("the Regulations"), the Transparency Rules of the Central Bank of Ireland and with IAS 34 "Interim Financial Reporting" as adopted by the European Union.

The Directors confirm that to the best of their knowledge:

- the Group Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2014 have been prepared in accordance with the international accounting standard applicable to interim financial reporting adopted pursuant to the procedure provided for under Article 6 of the Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

- the Interim Management Report includes a fair review of the important events that have occurred during the first six months of the financial year, and their impact on the Group Condensed Consolidated Interim Financial Statements for the half year ended 30 June 2014, and a description of the principal risks and uncertainties for the remaining six months;

- the Interim Management Report includes a fair review of the related party transactions that have occurred during the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period, and any changes in the related parties' transactions described in the last Annual Report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

On behalf of the board

Stan McCarthy	Brian Mehigan
Chief Executive	**Chief Financial Officer**

6 August 2014

FINANCIAL DEFINITIONS

1. Revenue

Underlying sales growth

Underlying sales growth (USG) is the combination of continuing volume growth, price increases and transaction currency. USG represents the increase in revenue for the period excluding the impact of rationalisation volumes, translation currency and acquisitions net of disposals. A full reconciliation to reported revenue growth is detailed in the revenue reconciliation below.

Continuing volume growth

This represents the sales volume growth period-on-period from ongoing business, excluding volumes from acquisitions net of disposals and rationalisation volumes. A full reconciliation to reported revenue growth is detailed in the revenue reconciliation below.

Rationalisation volumes

This represents volumes exited by the Group due to significant restructuring of production across the Group's manufacturing sites. A full reconciliation to reported revenue growth is detailed in the revenue reconciliation below.

Revenue Reconciliation

	Continuing volume growth	***Price increases***	***Transaction currency***	***Underlying sales growth***	***Rationalisation volumes***	***Like-for -like growth***	***Translation currency***	***Acquisitions / Disposals***	***Reported revenue growth***
Ingredients & Flavours	*4.2%*	*0.6%*	*(0.1%)*	*4.7%*	*(1.4%)*	*3.3%*	*(5.0%)*	*0.5%*	*(1.2%)*
Consumer Foods	*(1.2%)*	*0.2%*	*0.1%*	*(0.9%)*	*(2.0%)*	*(2.9%)*	*1.6%*	*(2.2%)*	*(3.5%)*
Group	*2.7%*	*0.6%*	*(0.1%)*	*3.2%*	*(1.6%)*	*1.6%*	*(3.2%)*	*(0.3%)*	*(1.9%)*

2. EBITDA

EBITDA represents earnings before finance income and costs, income taxes, depreciation (net), intangible asset amortisation and non-trading items.

3. Trading Profit

Trading Profit refers to the operating profit generated by the businesses before intangible asset amortisation and gains or losses generated from non-trading items. Trading Profit represents operating profit before specific items that are considered to hinder comparison of the trading performance of the Group's businesses, either period-on-period or with other businesses.

4. Non-Trading Items

Non-trading items refers to gains or losses on the disposal of businesses, disposal of non-current assets, costs in preparation of disposal of assets, acquisition transaction costs and material acquisition integration and restructuring costs. It is determined by management that each of these items relate to events or circumstances that are non-recurring in nature.

5. Adjusted Earnings Per Share

In addition to the basic and diluted earnings per share, an adjusted earnings per share is also provided as it is considered more reflective of the Group's underlying trading performance. Adjusted earnings is profit after taxation before brand related intangible asset amortisation and non-trading items (net of related tax). These items are excluded in order to assist in the understanding of underlying earnings. A full reconciliation of this calculation is provided within note 4 of the Condensed Consolidated Interim Financial Statements.

6. Free Cash Flow

Free Cash Flow is seen as an important indicator of the strength and quality of the business and of the availability to the Group of funds for reinvestment or for return to shareholders. See page 8 for the free cash flow calculation. Movement in average working capital is used when calculating free cash flow as management believes this provides a more accurate measure of the increase or decrease in working capital needed to support the business over the course of the period rather than at two distinct points in time. Movement in average working capital measures more accurately fluctuations caused by seasonality and other timing factors. Below is a reconciliation of free cash flow to the nearest IFRS measure which is "Net cash from operating activities".

	H1 2014	H1 2013
	€'m	*€'m*
Net cash from operating activities	*135.2*	*131.9*
Difference between movement in average working capital and movement in period end working capital	*35.2*	*116.1*
Expenditure on acquisition integration and restructuring costs	*31.7*	*28.2*
Purchase of non-current assets	*(100.4)*	*(63.0)*
Proceeds from the sale of property, plant and equipment	*1.3*	*1.8*
Capital grants received	*0.8*	*0.6*
Exchange translation adjustment	*(2.2)*	*0.4*
Free cash flow	*101.6*	*216.0*

7. Financial Ratios

The Net debt : EBITDA and EBITDA : Net interest ratios disclosed are calculated in accordance with lender's facility agreements using an adjusted EBITDA, adjusted net debt and adjusted finance costs (net of finance income). Adjustments to reported EBITDA, net debt and finance costs (net of finance income) include adjustments for the impact of non-trading items, acquisitions and disposals undertaken in the period as well as deferred payments in relation to acquisitions.

Condensed Consolidated Income Statement

for the half year ended 30 June 2014

	Notes	**Half year ended 30 June 2014 Unaudited €'m**	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Continuing operations				
Revenue	*2*	**2,893.5**	2,949.4	5,836.7
Trading profit	*2*	**274.7**	266.6	611.4
Intangible asset amortisation		**(14.3)**	(13.1)	(28.1)
Acquisition integration and restructuring costs		**-**	(74.1)	(225.0)
Impairment of assets held for sale		**-**	-	(113.1)
Loss on disposal of businesses and non-current assets		**(0.4)**	(6.1)	(55.7)
Operating profit		**260.0**	173.3	189.5
Finance income	*3*	**0.3**	0.5	1.2
Finance costs	*3*	**(32.2)**	(36.6)	(68.8)
Profit before taxation		**228.1**	137.2	121.9
Income taxes		**(33.4)**	(19.8)	(37.5)
Profit after taxation and attributable to owners of the parent		**194.7**	117.4	84.4
Earnings per A ordinary share		**Cent**	Cent	Cent
- basic	*4*	**110.8**	66.8	48.0
- diluted	*4*	**110.6**	66.7	48.0

Condensed Consolidated Statement of Recognised Income and Expense

for the half year ended 30 June 2014

	Note	**Half year ended 30 June 2014 Unaudited €'m**	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Profit after taxation and attributable to owners of the parent		**194.7**	117.4	84.4
Other comprehensive (expense)/income:				
Items that are or may be reclassified subsequently to profit or loss:				
Fair value movements on cash flow hedges		**(4.2)**	(4.1)	(0.3)
Cash flow hedges - reclassified to profit or loss from equity		**(1.2)**	(3.7)	(6.5)
Deferred tax effect of fair value movements on cash flow hedges		**0.8**	0.8	(1.3)
Exchange difference on translation of foreign operations	*8*	**30.6**	(35.8)	(82.4)
Deferred tax effect of exchange difference on translation of foreign operations		**(0.4)**	0.4	0.7
Items that will not be reclassified to profit or loss:				
Re-measurement on retirement benefits obligation		**(92.2)**	(1.7)	30.9
Deferred tax effect of re-measurement on retirement benefits obligation		**13.4**	(7.2)	(12.3)
Net expense recognised directly in other comprehensive income		**(53.2)**	(51.3)	(71.2)
Total comprehensive income		**141.5**	66.1	13.2

Condensed Consolidated Balance Sheet

as at 30 June 2014

	Notes	**30 June 2014 Unaudited €'m**	30 June 2013 Unaudited €'m	31 Dec. 2013 Audited €'m
Non-current assets				
Property, plant and equipment		**1,137.1**	1,170.5	1,090.5
Intangible assets		**2,423.0**	2,466.2	2,392.7
Financial asset investments		**24.3**	21.1	21.4
Non-current financial instruments		**52.7**	72.3	39.4
Deferred tax assets		**17.5**	11.1	16.5
		3,654.6	3,741.2	3,560.5
Current assets				
Inventories		**789.9**	711.6	656.0
Trade and other receivables		**800.7**	799.0	696.1
Cash at bank and in hand	*7*	**231.8**	263.3	245.8
Other current financial instruments		**2.8**	18.4	10.2
Assets classified as held for sale		**42.1**	0.1	41.0
		1,867.3	1,792.4	1,649.1
Total assets		**5,521.9**	5,533.6	5,209.6
Current liabilities				
Trade and other payables		**1,259.4**	1,196.2	1,168.3
Borrowings	*7*	**280.8**	33.2	43.5
Other current financial instruments		**16.8**	4.5	9.3
Tax liabilities		**59.6**	32.9	40.3
Provisions		**98.9**	81.9	102.9
Deferred income		**2.7**	2.9	2.3
		1,718.2	1,351.6	1,366.6
Non-current liabilities				
Borrowings	*7*	**1,078.5**	1,505.5	1,282.1
Other non-current financial instruments		**31.4**	33.0	41.6
Retirement benefits obligation	*6*	**333.4**	297.6	252.1
Other non-current liabilities		**56.1**	62.3	53.0
Deferred tax liabilities		**159.2**	173.4	168.4
Provisions		**63.4**	50.9	59.8
Deferred income		**17.8**	19.7	18.5
		1,739.8	2,142.4	1,875.5
Total liabilities		**3,458.0**	3,494.0	3,242.1
Net assets		**2,063.9**	2,039.6	1,967.5
Issued capital and reserves attributable to owners of the parent				
Share capital		**22.0**	21.9	22.0
Share premium		**398.7**	398.7	398.7
Other reserves		**(143.2)**	(128.7)	(172.5)
Retained earnings		**1,786.4**	1,747.7	1,719.3
Shareholders' equity		**2,063.9**	2,039.6	1,967.5

Condensed Consolidated Statement of Changes in Equity

for the half year ended 30 June 2014

	Notes	Share Capital €'m	Share Premium €'m	Other Reserves €'m	Retained Earnings €'m	Total €'m
At 1 January 2013		21.9	398.7	(88.1)	1,681.9	2,014.4
Total comprehensive (expense)/income		-	-	(43.6)	109.7	66.1
Dividends paid	*5*	-	-	-	(43.9)	(43.9)
Share-based payment expense		-	-	3.0	-	3.0
Shares issued during the period		-	-	-	-	-
At 30 June 2013 - unaudited		21.9	398.7	(128.7)	1,747.7	2,039.6
Total comprehensive expense		-	-	(45.6)	(7.3)	(52.9)
Dividends paid	*5*	-	-	-	(21.1)	(21.1)
Share-based payment expense		-	-	1.8	-	1.8
Shares issued during the period		0.1	-	-	-	0.1
At 31 December 2013 - audited		22.0	398.7	(172.5)	1,719.3	1,967.5
Total comprehensive income		**-**	**-**	**25.2**	**116.3**	**141.5**
Dividends paid	*5*	**-**	**-**	**-**	**(49.2)**	**(49.2)**
Share-based payment expense		**-**	**-**	**4.1**	**-**	**4.1**
Shares issued during the period	*4*	**-**	**-**	**-**	**-**	**-**
At 30 June 2014 - unaudited		**22.0**	**398.7**	**(143.2)**	**1,786.4**	**2,063.9**

Other Reserves comprise the following:

	Capital Redemption Reserve €'m	Capital Conversion Reserve Fund €'m	Share-Based Payment Reserve €'m	Translation Reserve €'m	Hedging Reserve €'m	Total €'m
At 1 January 2013	1.7	0.3	7.8	(89.5)	(8.4)	(88.1)
Total comprehensive expense	-	-	-	(35.8)	(7.8)	(43.6)
Share-based payment expense	-	-	3.0	-	-	3.0
At 30 June 2013 - unaudited	1.7	0.3	10.8	(125.3)	(16.2)	(128.7)
Total comprehensive (expense)/income	-	-	-	(46.6)	1.0	(45.6)
Share-based payment expense	-	-	1.8	-	-	1.8
At 31 December 2013 - audited	1.7	0.3	12.6	(171.9)	(15.2)	(172.5)
Total comprehensive income/(expense)	**-**	**-**	**-**	**30.6**	**(5.4)**	**25.2**
Share-based payment expense	**-**	**-**	**4.1**	**-**	**-**	**4.1**
At 30 June 2014 - unaudited	**1.7**	**0.3**	**16.7**	**(141.3)**	**(20.6)**	**(143.2)**

Condensed Consolidated Cash Flow Statement

for the half year ended 30 June 2014

	Notes	**Half year ended 30 June 2014 Unaudited €'m**	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Operating activities				
Trading profit		**274.7**	266.6	611.4
Adjustments for:				
Depreciation (net)		**52.4**	57.2	108.9
Change in working capital		**(108.2)**	(104.7)	(34.0)
Pension contributions paid less pension expense		**(20.9)**	(16.7)	(35.6)
Expenditure on acquisition integration and restructuring costs		**(31.7)**	(28.2)	(104.8)
Exchange translation adjustment	*8*	**2.2**	(0.4)	(0.2)
Cash generated from operations		**168.5**	173.8	545.7
Income taxes paid		**(12.1)**	(18.4)	(36.2)
Finance income received		**0.3**	0.5	1.2
Finance costs paid		**(21.5)**	(24.0)	(51.5)
Net cash from operating activities		**135.2**	131.9	459.2
Investing activities				
Purchase of non-current assets		**(100.4)**	(63.0)	(190.2)
Proceeds from the sale of property, plant and equipment		**1.3**	1.8	12.8
Capital grants received		**0.8**	0.6	0.7
Purchase of subsidiary undertakings (net of cash acquired)		**-**	(40.4)	(111.5)
Proceeds due to disposal of businesses (net of related tax)		**-**	-	9.8
Payments relating to previous acquisitions		**(5.2)**	(1.1)	(5.1)
Net cash used in investing activities		**(103.5)**	(102.1)	(283.5)
Financing activities				
Dividends paid	*5*	**(49.2)**	(43.9)	(65.0)
Issue of share capital	*4*	**-**	-	0.1
Net movement on borrowings		**(0.5)**	64.3	(71.9)
Net cash movement due to financing activities		**(49.7)**	20.4	(136.8)
Net (decrease)/increase in cash and cash equivalents		**(18.0)**	50.2	38.9
Cash and cash equivalents at beginning of period		245.8	215.4	215.4
Exchange translation adjustment on cash and cash equivalents	*8*	**4.0**	(2.3)	(8.5)
Cash and cash equivalents at end of period	*7*	**231.8**	263.3	245.8

Reconciliation of Net Cash Flow to Movement in Net Debt

Net (decrease)/increase in cash and cash equivalents		**(18.0)**	50.2	38.9
Cash outflow/(inflow) from debt financing		**0.5**	(64.3)	71.9
Changes in net debt resulting from cash flows		**(17.5)**	(14.1)	110.8
Fair value movement on interest rate swaps (net of adjustment to borrowings)		**(2.7)**	(8.4)	(3.9)
Exchange translation adjustment on net debt	*8*	**(6.5)**	(2.8)	20.8
Movement in net debt in the period		**(26.7)**	(25.3)	127.7
Net debt at beginning of period		(1,083.1)	(1,210.8)	(1,210.8)
Net debt at end of period	*7*	**(1,109.8)**	(1,236.1)	(1,083.1)

Notes to the Condensed Consolidated Interim Financial Statements
for the half year ended 30 June 2014

1. Accounting policies

These condensed consolidated interim financial statements for the half year ended 30 June 2014 have been prepared in accordance with the requirements of IAS 34 'Interim Financial Reporting' and using accounting policies consistent with International Financial Reporting Standards as adopted by the European Union. The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those detailed in the 2013 Annual Report. Some comparative information has been re-presented to align with the current half year presentation.

The following standards and interpretations are effective for the Group from 1 January 2014 but do not have a material effect on the results or financial position of the Group:

- IFRS 10	Consolidated Financial Statements
- IFRS 11	Joint Arrangements
- IFRS 12	Disclosure of Interests in Other Entities
- IAS 27 (amendment)	Consolidated and Separate Financial Statements
- IAS 28 (amendment)	Investments in Associates and Joint Ventures
- IAS 32 (amendment)	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
- IAS 36 (amendment)	Impairment of Assets
- IAS 39 (amendment)	Financial Instruments: Recognition and Measurement
- IFRIC 21	Levies

2. Analysis by business segment

The Group has two operating segments: Ingredients & Flavours and Consumer Foods. The Ingredients & Flavours operating segment manufactures and distributes application specific ingredients and flavours spanning a number of technology platforms while the Consumer Foods segment manufactures and supplies added value brands and customer branded foods primarily to the Irish and UK markets.

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
External revenue			
- Ingredients & Flavours	**2,097.5**	2,123.0	4,248.6
- Consumer Foods	**796.0**	826.4	1,588.1
	2,893.5	2,949.4	5,836.7
Inter-segment revenue			
- Ingredients & Flavours	**35.8**	36.3	78.7
- Consumer Foods	**5.0**	3.9	13.3
- Group Eliminations and Unallocated	**(40.8)**	(40.2)	(92.0)
	-	-	-
Total revenue			
- Ingredients & Flavours	**2,133.3**	2,159.3	4,327.3
- Consumer Foods	**801.0**	830.3	1,601.4
- Group Eliminations and Unallocated	**(40.8)**	(40.2)	(92.0)
	2,893.5	2,949.4	5,836.7
Trading profit			
- Ingredients & Flavours	**250.6**	238.8	558.5
- Consumer Foods	**62.3**	63.8	128.8
- Group Eliminations and Unallocated	**(38.2)**	(36.0)	(75.9)
	274.7	266.6	611.4
Intangible asset amortisation	**(14.3)**	(13.1)	(28.1)
Non-trading items	**(0.4)**	(80.2)	(393.8)
Operating profit	**260.0**	173.3	189.5
Finance income	**0.3**	0.5	1.2
Finance costs	**(32.2)**	(36.6)	(68.8)
Profit before taxation	**228.1**	137.2	121.9
Income taxes	**(33.4)**	(19.8)	(37.5)
Profit after taxation and attributable to owners of the parent	**194.7**	117.4	84.4

Notes to the Condensed Consolidated Interim Financial Statements (continued)

for the half year ended 30 June 2014

2. Analysis by business segment (continued)

Information about geographical areas

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Revenue by location of external customers			
EMEA	**1,586.6**	1,623.9	3,189.5
Americas	**914.9**	931.2	1,882.1
Asia Pacific	**392.0**	394.3	765.1
	2,893.5	2,949.4	5,836.7

3. Finance income and costs

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Finance income:			
Interest income on deposits	**0.3**	0.5	1.2
Finance costs:			
Interest payable	**(28.4)**	(28.8)	(55.9)
Interest rate derivative	**1.0**	(1.9)	(1.1)
Borrowing costs capitalised	**0.2**	0.1	0.4
	(27.2)	(30.6)	(56.6)
Net interest cost on retirement benefits obligation	**(5.0)**	(6.0)	(12.2)
Finance costs	**(32.2)**	(36.6)	(68.8)

The amount for interest rate derivative represents adjustments for hedge ineffectiveness, including the adjustment to certain derivatives that are no longer designated in a hedge relationship. The fair values of such derivatives are disclosed under liabilities at fair value through profit or loss in note 7.

4. Earnings per A ordinary share

	Half year ended 30 June 2014 Unaudited		Half year ended 30 June 2013 Unaudited		Year ended 31 Dec. 2013 Audited	
	EPS cent	**€'m**	EPS cent	€'m	EPS cent	€'m
Basic earnings per share						
Profit after taxation and attributable to owners of the parent	**110.8**	**194.7**	66.8	117.4	48.0	84.4
Brand related intangible asset amortisation	**4.3**	**7.6**	4.4	7.8	9.4	16.6
Non-trading items (net of related tax)	**0.1**	**0.2**	37.7	66.1	200.5	352.2
Adjusted earnings	**115.2**	**202.5**	108.9	191.3	257.9	453.2
Diluted earnings per share						
Profit after taxation and attributable to owners of the parent	**110.6**	**194.7**	66.7	117.4	48.0	84.4
Adjusted earnings	**115.1**	**202.5**	108.8	191.3	257.6	453.2

In addition to the basic and diluted earnings per share, an adjusted earnings per share is also provided as it is considered more reflective of the Group's underlying trading performance. Adjusted earnings is profit after taxation before brand related intangible asset amortisation and non-trading items (net of related tax). These items are excluded in order to assist in the understanding of underlying earnings.

4. Earnings per A ordinary share (continued)

	Number of Shares 30 June 2014 Unaudited m's	Number of Shares 30 June 2013 Unaudited m's	Number of Shares 31 Dec. 2013 Audited m's
Basic weighted average number of shares	**175.8**	175.7	175.7
Impact of share options outstanding	**0.2**	0.2	0.2
Diluted weighted average number of shares	**176.0**	175.9	175.9

Shares issued during the period

During the period ended 30 June 2014, a total of **71,875** A ordinary shares, were issued at the nominal value of 12.50 cent per share under the Long Term Incentive Plan.

The total number of shares in issue at 30 June 2014 was **175,794,953** (30 June 2013: 175,703,108; 31 December 2013: 175,723,078).

5. Dividends

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Amounts recognised as distributions to equity shareholders in the period			
Final 2013 dividend of **28.00 cent** per A ordinary share paid 9 May 2014 (Final 2012 dividend of 25.00 cent per A ordinary share paid 10 May 2013)	**49.2**	43.9	43.9
Interim 2013 dividend of 12.00 cent per A ordinary share paid 15 November 2013	**-**	-	21.1
	49.2	43.9	65.0

Since the end of the period, the Board has declared an interim dividend of 13.50 cent per A ordinary share. The payment date for the interim dividend will be 14 November 2014 to shareholders registered on the record date as at 17 October 2014. These condensed consolidated interim financial statements do not reflect this dividend.

6. Retirement benefits obligation

The Group's net defined benefit post-retirement schemes' deficit which has been recognised in the Condensed Consolidated Balance Sheet was as follows:

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Net recognised deficit in plans before deferred tax	**(333.4)**	(297.6)	(252.1)
Net related deferred tax asset	**56.2**	51.1	44.8
Net recognised deficit in plans after deferred tax	**(277.2)**	(246.5)	(207.3)

The defined benefit post-retirement schemes' liabilities at 30 June 2014 have been rolled forward from the 31 December 2013 position and updated to reflect material movements in underlying assumptions over the half year. The Group's defined benefit post-retirement schemes' assets at 30 June 2014 are measured at market value.

The increase in the net deficit before deferred tax for the half year to 30 June 2014 of €81.3m was accounted for by an increase of €169.1m in the underlying present value of the schemes' liabilities which was partially offset by an increase in the schemes' assets of €87.8m. The increase in the present value of the schemes' liabilities was mostly due to a decrease in discount rates in the Eurozone and the UK. The increase in the schemes' assets was due to on-going cash contributions, an investment return of approximately 4% and positive foreign exchange movements in the first half of the year.

Notes to the Condensed Consolidated Interim Financial Statements (continued)
for the half year ended 30 June 2014

7. Financial instruments

i) The following table outlines the components of net debt by category at the balance sheet date:

	Loans & Other Financial Assets/(Liabilities) at Amortised Cost €'m	Liabilities at Fair Value through Profit or Loss €'m	Derivatives Designated as Hedging Instruments €'m	Total Net Debt by Category €'m
Assets:				
Interest rate swaps	**-**	**-**	**52.7**	**52.7**
Cash at bank and in hand	**231.8**	**-**	**-**	**231.8**
	231.8	**-**	**52.7**	**284.5**
Liabilities:				
Interest rate swaps	**-**	**(0.1)**	**(34.9)**	**(35.0)**
Bank loans	**(118.2)**	**-**	**-**	**(118.2)**
Senior notes	**(1,224.1)**	**(17.0)**	**-**	**(1,241.1)**
Borrowings	**(1,342.3)**	**(17.0)**	**-**	**(1,359.3)**
	(1,342.3)	**(17.1)**	**(34.9)**	**(1,394.3)**
At 30 June 2014 - unaudited	**(1,110.5)**	**(17.1)**	**17.8**	**(1,109.8)**
Assets:				
Interest rate swaps	-	-	72.3	72.3
Cash at bank and in hand	263.3	-	-	263.3
	263.3	-	72.3	335.6
Liabilities:				
Interest rate swaps	-	(1.9)	(31.1)	(33.0)
Bank loans	(247.5)	-	-	(247.5)
Senior notes	(1,275.0)	(16.2)	-	(1,291.2)
Borrowings	(1,522.5)	(16.2)	-	(1,538.7)
	(1,522.5)	(18.1)	(31.1)	(1,571.7)
At 30 June 2013 - unaudited	(1,259.2)	(18.1)	41.2	(1,236.1)
Assets:				
Interest rate swaps	-	-	39.4	39.4
Cash at bank and in hand	245.8	-	-	245.8
	245.8	-	39.4	285.2
Liabilities:				
Interest rate swaps	-	(1.1)	(41.6)	(42.7)
Bank loans	(116.3)	-	-	(116.3)
Senior notes	(1,208.4)	(0.9)	-	(1,209.3)
Borrowings	(1,324.7)	(0.9)	-	(1,325.6)
	(1,324.7)	(2.0)	(41.6)	(1,368.3)
At 31 December 2013 - audited	(1,078.9)	(2.0)	(2.2)	(1,083.1)

7. Financial instruments (continued)

ii) The following table sets out the currency profile of the Group's net debt, highlighting the impact of cross currency swaps (CCS) on net debt:

	Pre CCS Half year ended 30 June 2014 €'m	**Notional CCS Half year ended 30 June 2014 €'m**	**Post CCS Half year ended 30 June 2014 €'m**	Half year ended 30 June 2013 €'m	Year ended 31 Dec. 2013 €'m
Euro	**14.6**	**(551.2)**	**(536.6)**	(548.2)	(486.2)
Sterling	**65.5**	**-**	**65.5**	(13.8)	58.6
US Dollar	**(1,200.1)**	**551.2**	**(648.9)**	(705.9)	(681.4)
Other	**10.2**	**-**	**10.2**	31.8	25.9
	(1,109.8)	**-**	**(1,109.8)**	(1,236.1)	(1,083.1)

iii) The following table details the maturity profile of the Group's net debt:

	On demand & up to 1 year €'m	**Up to 2 years €'m**	**2 - 5 years €'m**	**> 5 years €'m**	**Total €'m**
Cash at bank and in hand	**231.8**	**-**	**-**	**-**	**231.8**
Interest rate swaps	**(3.6)**	**-**	**5.0**	**16.3**	**17.7**
Bank loans	**(44.5)**	**(73.6)**	**(0.1)**	**-**	**(118.2)**
Senior notes	**(236.3)**	**-**	**(141.1)**	**(863.7)**	**(1,241.1)**
At 30 June 2014 - unaudited	**(52.6)**	**(73.6)**	**(136.2)**	**(847.4)**	**(1,109.8)**
Cash at bank and in hand	263.3	-	-	-	263.3
Interest rate swaps	-	(8.7)	8.5	39.5	39.3
Bank loans	(33.2)	-	(214.3)	-	(247.5)
Senior notes	-	(244.1)	(147.3)	(899.8)	(1,291.2)
At 30 June 2013 - unaudited	230.1	(252.8)	(353.1)	(860.3)	(1,236.1)
Cash at bank and in hand	245.8	-	-	-	245.8
Interest rate swaps	(1.1)	(5.2)	4.6	(1.6)	(3.3)
Bank loans	(43.5)	-	(72.8)	-	(116.3)
Senior notes	-	(233.9)	(139.2)	(836.2)	(1,209.3)
At 31 December 2013 - audited	201.2	(239.1)	(207.4)	(837.8)	(1,083.1)

At 30 June 2014, the Group had undrawn committed bank facilities of **€926.0m**, comprising primarily of a revolving credit facility maturing in 2016.

7. Financial instruments (continued)

iv) Fair value of financial instruments

a) Fair value of financial instruments carried at fair value

Financial instruments recognised at fair value are analysed between those based on:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- those involving inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- those involving inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (Level 3).

The following table sets out the fair value of financial instruments carried at fair value:

		Fair Value Hierarchy	**30 June 2014 Unaudited €'m**	30 June 2013 Unaudited €'m	31 Dec. 2013 Audited €'m
Financial assets					
Interest rate swaps		Level 2	**52.7**	72.3	39.4
Forward foreign exchange contracts		Level 2	**2.8**	18.4	10.2
Financial asset investments:	Fair value through profit or loss	Level 1	**20.2**	17.0	17.3
	Available-for-sale	Level 3	**4.1**	4.1	4.1
Financial liabilities					
Forward foreign exchange contracts		Level 2	**(13.2)**	(4.5)	(8.2)
Interest rate swaps		Level 2	**(35.0)**	(33.0)	(42.7)

There have been no transfers between levels and there was no movement for the financial asset investments categorised at Level 3 for the current period.

b) Fair value of financial instruments carried at amortised cost

Except as detailed below, it is considered that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed consolidated interim financial statements approximate their fair values.

	Fair Value Hierarchy	**Carrying Amount 30 June 2014 Unaudited €'m**	**Fair Value 30 June 2014 Unaudited €'m**	Carrying Amount 30 June 2013 Unaudited €'m	Fair Value 30 June 2013 Unaudited €'m	Carrying Amount 31 Dec. 2013 Audited €'m	Fair Value 31 Dec. 2013 Audited €'m
Senior notes - Public	Level 2	**(546.9)**	**(532.2)**	(570.5)	(530.9)	(539.4)	(502.2)
Senior notes - Private	Level 2	**(677.2)**	**(716.6)**	(704.5)	(741.7)	(669.0)	(697.6)

c) Valuation principles

The fair value of financial assets and liabilities are determined as follows:

- assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- other financial assets and liabilities (excluding derivatives) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- derivative financial instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments. Forward foreign exchange contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates adjusted for counterparty credit risk, which is calculated based on credit default swaps of the respective counterparties. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates adjusted for counterparty credit risk which is calculated based on credit default swaps of the respective counterparties.

8. Effect of exchange translation adjustments on the Condensed Consolidated Balance Sheet

	Half year ended 30 June 2014 Unaudited €'m	Half year ended 30 June 2013 Unaudited €'m	Year ended 31 Dec. 2013 Audited €'m
Increase/(decrease) in assets			
Property, plant and equipment	**20.9**	(17.4)	(46.9)
Intangible assets	**32.0**	(28.5)	(74.2)
Financial asset investments	**0.2**	0.2	(0.6)
Inventories	**12.3**	(9.7)	(28.2)
Trade and other receivables	**11.5**	(13.5)	(32.1)
Cash at bank and in hand	**4.0**	(2.3)	(8.5)
Assets classified as held for sale	**1.1**	-	-
(Increase)/decrease in liabilities			
Trade and other payables	**(33.6)**	29.5	69.3
Tax liabilities	**(1.1)**	0.8	1.0
Financial liabilities	**(10.5)**	(0.5)	29.3
Retirement benefits obligation	**(5.1)**	5.0	5.2
Other non-current liabilities	**(1.0)**	(0.9)	1.1
Deferred tax liabilities	**(1.1)**	0.9	1.6
Deferred income	**(0.1)**	0.1	0.2
Provisions	**(1.1)**	0.9	0.6
Retained earnings	**2.2**	(0.4)	(0.2)
	30.6	(35.8)	(82.4)

The above exchange translation adjustments arise primarily on the retranslation of the Group's opening net investment in its foreign currency subsidiaries.

9. Events after the balance sheet date

Since the period end, the Group has declared an interim dividend of 13.50 cent per A ordinary share (see note 5).

There have been no other significant events, outside the ordinary course of business, affecting the Group since 30 June 2014.

10. General information

These unaudited condensed consolidated interim financial statements for the half year ended 30 June 2014, which have been prepared on the going concern basis as detailed in the 2013 Annual Report, are not full financial statements and were not reviewed by the auditors. The Board of Directors approved these condensed consolidated interim financial statements on 6 August 2014. The figures disclosed relating to 31 December 2013 have been derived from the consolidated financial statements which were audited, received an unqualified audit report and have been filed with the Registrar of Companies.

In relation to seasonality, trading profit is lower in the first half of the year due to the nature of the food business and stronger December trading. While revenue is relatively evenly spread, margin has traditionally been higher in the second half of the year due to product mix and the timing of promotional activity. There is also a material change to the levels of working capital between December and June mainly due to the seasonal nature of the dairy and crop-based businesses.

As permitted by the Transparency (Directive 2004/109/EC) Regulations 2007 this Interim Report is available on www.kerrygroup.com. However, if a physical copy is required, please contact the Corporate Affairs department.