2008 Interim Management Report

» Review of Business  Stan McCarthy  CEO

» Financial Review  Brian Mehigan  CFO

» Outlook and Future Prospects  Stan McCarthy  CEO

» Q&A
H1 2008 Headlines

» Growth - strong like-for-like topline growth +7.3%
  » Ingredients & Flavours +7.8%
  » Consumer Foods +6.0%

» Margin - maintained at 7.4% despite currency and input cost pressures
  » Ingredients & Flavours held at 8.1%
  » Consumer Foods +10bps to 6.4%

» EPS and dividend
  » Adjusted EPS* up 6.8% to 62.8 cent
  » Interim dividend up 13.1% to 6.9 cent

» Strategy
  » ‘Go-to-market’ strategy initiated
  » Ingredients & Flavours integration commenced

Note: * before intangible asset amortisation and non-trading items
H1 2008 Revenue Growth Analysis

Note: like-for-like represents growth before subsidiary translation and acquisitions / disposals impact
## Revenue Growth

<table>
<thead>
<tr>
<th>Section</th>
<th>H1 2008 Like-for-like</th>
<th>H1 2007 Like-for-like</th>
<th>H1 2006 Like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td>» Europe*</td>
<td>5.0%</td>
<td>3.6%</td>
<td>4.2%</td>
</tr>
<tr>
<td>» Americas*</td>
<td>7.0%</td>
<td>6.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>» Asia-Pacific*</td>
<td>20.3%</td>
<td>14.6%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>7.8%</td>
<td>5.9%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>6.0%</td>
<td>4.5%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Group</td>
<td>7.3%</td>
<td>5.6%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Note: * revenue by location of customers
H1 Business Review - Ingredients & Flavours

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>Like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€1,656m</td>
<td>7.8%</td>
</tr>
<tr>
<td>Trading profit</td>
<td>€134m</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

» Solid organic growth, good cost recovery
» ‘Go-to-market’ strategy initiated in Americas Region
  » Significant business wins through global accounts
  » Strong innovation pipeline
» Global growth drivers » complete sauces » culinary systems » granola and clusters applications » new delivery formats for beverages
» Weaker dairy demand
  » Slowdown of yoghurt industry in Europe
» Excellent growth and development in Asia-Pacific markets
  » Pinnacle lifestyle bakery
  » Nutritional applications in China
  » QSR savoury applications
» Pharma ingredients - double digit growth
H1 Business Review - Consumer Foods

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>Like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€877m</td>
<td>6.0%</td>
</tr>
<tr>
<td>Trading profit</td>
<td>€56m</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

- Good growth in challenging trading conditions - trading margin +10bps
  - Input costs
    - Sterling/Euro exchange rate
- Held brand shares in all categories
- Encouraging growth in meat snacking sector and cheese category
- Time-lag in cost recovery in chilled ready meals
- Stability in frozen meals category
- Continued brand investment - Ireland and the UK
- Competition Authority decision on proposed Breeo Foods acquisition expected shortly
H1 2008 Financial Highlights

Revenue | €2,363m | +7.3% like-for-like
Trading profit | €175m | +8.1% like-for-like
Trading margin | 7.4% | +0bps
Adjusted EPS* | 62.8 cent | +6.8%
Basic EPS | 60.1 cent | +4.3%
Free cash flow | €51m
H1 2007: €75m

Note: * before intangible asset amortisation and non-trading items
Group Revenue Growth Components*

Note: * year on year % change

Total: +7.3%
Volume: 1.4%
Price / Mix: 3.5%
Transaction Currency: -0.5%
Translation Currency: -8.0%
Acquisitions / Disposals: 2.1%
Revenue Growth Components*
Ingredients & Flavours

**Note:** * year on year % change

<table>
<thead>
<tr>
<th>Component</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>+7.8%</td>
</tr>
<tr>
<td>Volume</td>
<td>4.0%</td>
</tr>
<tr>
<td>Price / Mix</td>
<td>4.2%</td>
</tr>
<tr>
<td>Transaction Currency</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Translation Currency</td>
<td>-7.7%</td>
</tr>
<tr>
<td>Acquisitions / Disposals</td>
<td>2.7%</td>
</tr>
</tbody>
</table>
Revenue Growth Components*  
Consumer Foods

Note: * year on year % change
<table>
<thead>
<tr>
<th></th>
<th>Like-for-like Growth</th>
<th>Acquisitions / Disposals</th>
<th>Reporting Currency</th>
<th>Reported Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>8.9%</td>
<td>2.4%</td>
<td>(8.7%)</td>
<td>2.6%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>5.6%</td>
<td>3.6%</td>
<td>(8.8%)</td>
<td>0.4%</td>
</tr>
<tr>
<td>Group</td>
<td>8.1%</td>
<td>3.0%</td>
<td>(9.3%)</td>
<td>1.8%</td>
</tr>
</tbody>
</table>
## Margin by Business

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>H1 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue  €m</td>
<td>Profit €m</td>
</tr>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>1,656</td>
<td>134</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>877</td>
<td>56</td>
</tr>
<tr>
<td>Eliminations / Unallocated</td>
<td>(170)</td>
<td>(15)</td>
</tr>
<tr>
<td>Group</td>
<td>2,363</td>
<td>175</td>
</tr>
</tbody>
</table>
Trading Margin Progression

<table>
<thead>
<tr>
<th>Margin</th>
<th>H1 2007</th>
<th>H1 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.4%</td>
<td>+0.3%</td>
<td>+7.4%</td>
</tr>
<tr>
<td>+0.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-0.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-4.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+3.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Raw Material Cost Pressures
% of Prior Year Raw Material Spend

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1%</td>
</tr>
<tr>
<td>2006</td>
<td>3%</td>
</tr>
<tr>
<td>2007</td>
<td>5%</td>
</tr>
<tr>
<td>2008</td>
<td>7%</td>
</tr>
</tbody>
</table>
Currency Trend

H1 '08 : H1 '07
STG (16.4%)
USD (15.3%)

<table>
<thead>
<tr>
<th>Currency</th>
<th>FY 2007 Revenue</th>
<th>FY 2007 Borrowings</th>
</tr>
</thead>
<tbody>
<tr>
<td>STG</td>
<td>37%</td>
<td>16%</td>
</tr>
<tr>
<td>USD</td>
<td>24%</td>
<td>39%</td>
</tr>
<tr>
<td>Euro and other</td>
<td>39%</td>
<td>45%</td>
</tr>
</tbody>
</table>
### Interim Free Cash Flow (€m)

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>H1 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>175</td>
<td>172</td>
</tr>
<tr>
<td>Depreciation</td>
<td>49</td>
<td>53</td>
</tr>
<tr>
<td>Movement in working capital</td>
<td>(61)</td>
<td>(64)</td>
</tr>
<tr>
<td>Capital expenditure (net)</td>
<td>(61)</td>
<td>(39)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(37)</td>
<td>(35)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(14)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>51</strong></td>
<td><strong>75</strong></td>
</tr>
</tbody>
</table>
## Financial Ratios

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>H1 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt : market capitalisation</td>
<td>38%</td>
<td>38%</td>
</tr>
<tr>
<td>EBITDA : net interest*</td>
<td>6.3x</td>
<td>6.0x</td>
</tr>
<tr>
<td>Debt : EBITDA*</td>
<td>2.5x</td>
<td>2.8x</td>
</tr>
</tbody>
</table>

*Note: * calculated in accordance with banking covenants
Return on Investment

<table>
<thead>
<tr>
<th></th>
<th>H1 2008</th>
<th>H1 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROAE*</td>
<td>14.5%</td>
<td>14.1%</td>
</tr>
<tr>
<td>ROACE*</td>
<td>11.1%</td>
<td>10.6%</td>
</tr>
<tr>
<td>CFROI</td>
<td>10.3%</td>
<td>11.8%</td>
</tr>
</tbody>
</table>

Note: * before intangible asset amortisation and non-trading items
## Maturity Profile of Net Debt (€m)

<table>
<thead>
<tr>
<th></th>
<th>30 June 2008</th>
<th>30 June 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>(63)</td>
<td>(88)</td>
</tr>
<tr>
<td>Between 1 and 2 years</td>
<td>128</td>
<td>4</td>
</tr>
<tr>
<td>Between 2 and 5 years</td>
<td>672</td>
<td>733</td>
</tr>
<tr>
<td>Between 5 and 10 years</td>
<td>497</td>
<td>708</td>
</tr>
<tr>
<td></td>
<td><strong>1,234</strong></td>
<td><strong>1,357</strong></td>
</tr>
</tbody>
</table>

**Weighted average maturity in years:** 3.8 4.9
Other Financial Matters

» Non-trading items €2.1m positive (net of tax) - disposal of non-core activities and non-core assets

» Finance costs Up €0.8m - impact of 2007 share buyback largely offset by reduced rate and currency

» Taxation Tax charge on continuing operations 20.8% (H1 2007 : 20.8%)

» Pension Deficit increased due to negative investment returns
Kerry’s Dual Strategy for Growth

**INGREDIENTS & FLAVOURS:** creating layers of advantage

» Leveraging Kerry’s technology based ingredients, flavours and integrated solutions in global food and beverage growth markets

» Re-alignment of the Group’s ingredients, flavours and bio-science businesses around core technology platforms and end-use market applications

» Unique ‘Kerry Integrated Approach’ to customer specific innovation and product solutions driven by global technology, market application, culinary and sensory teams

**CONSUMER FOODS:** exploiting Kerry Foods’ category leadership, marketing expertise and consumer understanding

» Continued investment in added value meat, dairy, convenience and food-to-go categories

» Capitalising on Kerry Foods’ strong customer listings and route to market

» Supported by:
  » Significant brand and marketing investment
  » Lean manufacturing and shared services
Kerry Ingredients & Flavours ‘Go-to-market’ Growth Model

TECHNOLOGIES

Technology Development

Manufacture and Supply

END-USE MARKETS

Applications

Market Knowledge

SALES CHANNELS

End-use Market Manufacturing

End-use Market Foodservice

Key Manufacturing Accounts

Key Foodservice Accounts
# Kerry Integrated Customer-Focused Development
Global Food & Beverage Industry

## SAVOURY AND DAIRY

<table>
<thead>
<tr>
<th>Kerry Systems &amp; Flavours</th>
<th>End Use Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culinary</td>
<td>Prepared Meals</td>
</tr>
<tr>
<td>Dairy</td>
<td>Soups, Sauces &amp; Dressings</td>
</tr>
<tr>
<td>Lipids</td>
<td>Savoury Snacks</td>
</tr>
<tr>
<td>Meat</td>
<td>Meats</td>
</tr>
<tr>
<td></td>
<td>Appetizers &amp; Side Dishes</td>
</tr>
<tr>
<td></td>
<td>Dairy</td>
</tr>
</tbody>
</table>

## CEREAL AND SWEET

<table>
<thead>
<tr>
<th>Kerry Systems &amp; Flavours</th>
<th>End Use Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereal Sweet</td>
<td>Cereals &amp; Bars</td>
</tr>
<tr>
<td></td>
<td>Ice cream &amp; Frozen Desserts</td>
</tr>
<tr>
<td></td>
<td>Bakery</td>
</tr>
<tr>
<td></td>
<td>Confectionery</td>
</tr>
</tbody>
</table>

## BEVERAGE

<table>
<thead>
<tr>
<th>Kerry Systems &amp; Flavours</th>
<th>End Use Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverage</td>
<td>Soft Drinks</td>
</tr>
<tr>
<td></td>
<td>Alcoholic Beverages</td>
</tr>
<tr>
<td></td>
<td>Nutritional Beverages</td>
</tr>
<tr>
<td></td>
<td>Tea &amp; Coffee</td>
</tr>
</tbody>
</table>

### FUNCTIONAL INGREDIENTS: Bio-ingredients, Proteins, Emulsifiers and Texturants
Leveraging Kerry Technologies
R.T.E Cereal Applications

**EXTRUDED PIECES**
- Sizes and shapes
- Whole grain
- Fibre
- Protein
- Fruit / vegetable
- Organic

**HOT EXTRUSION**
- Rice crisp
- Soy crisp
- Fruit / vegetable
- Shapes
- Colours
- Flavours

**SOLNUTS**
- Flavour infused

**FLAKES**
- Extruded - whole grain
- Fibre
- Protein
- Multi-grain
- Organic
- Flavours

**GRANOLA**
- Fruit
- Whole grain
- Fibre
- Protein
- Multi-grain
- Organic
- Flavours

**CLUSTERS**
- Fruit
- Whole grain
- Fibre
- Protein
- Vegetable
- With & w/out nuts
- Omega-3 fortified
- Organic
- Flavours
- Preformed

**COATED PIECES**
- Extruded pieces
- Clusters / granolas
- Cookie dough
- Nutty raisins
- Flavours

**HOT EXTRUSION**
- Rice crisp
- Soy crisp
- Fruit / vegetable
- Shapes
- Colours
- Flavours

**SOLNUTS**
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- Multi-grain
- Organic
- Flavours

**CLUSTERS**
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- Omega-3 fortified
- Organic
- Flavours
- Preformed

**COATED PIECES**
- Extruded pieces
- Clusters / granolas
- Cookie dough
- Nutty raisins
- Flavours
Leveraging Kerry Technologies
Bar Applications

**ORGANIC**
Organic compatible

**COATING INGREDIENTS**
Nutritional lipid powders
Milk proteins
Soy proteins
Dairy powders
Flavours

**CORE INGREDIENTS**
Soy, milk proteins
Dietary fibre (soy)
Functional proteins
Dairy powders
Nutritional lipid powders

**LOW A_w FILLINGS**
Caramel layers
Caramel matrix
Fruit fillings
Cremes
Protein / fibre enriched
Flavours

**INCLUSIONS**
Low protein crisps
Soy protein crisps
Vegetable crisps
Real fruit crisps
Milk protein crisps
High fibre crisps
Flakes and twigs
Solnuts
Chocolate drops

**COMPOUND COATINGS**
Chocolate
Pastel / fruit
Protein fortified
Fibre fortified
Omega-3 fortified
Probiotics
NSA
Trans free

**COATING INGREDIENTS**
Nutritional lipid powders
Milk proteins
Soy proteins
Dairy powders
Flavours
Kerry Customer Center: Americas Region

» New Customer Innovation and Commercial Center in Beloit, Wisconsin (250,000ft²)

» Industry leading project providing access to all Kerry technologies

   » Customer application suites
   » Research and development laboratories
   » Culinary theatres
   » Sensory services
   » Pilot plant dedicated to customer product commercialisation

» Investment of US$50m - scheduled for completion in 2009
# Kerry Foods’ Growth Model

<table>
<thead>
<tr>
<th>ADDED VALUE DAIRY</th>
<th>CONVENIENCE</th>
<th>ADDED VALUE MEAT</th>
<th>FOOD TO GO</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 UK cheese snack portion (Cheestrings)</td>
<td>#2 UK chilled ready meals supplier</td>
<td>#1 UK sausage (Richmond)</td>
<td>#1 UK chilled van sales operation</td>
</tr>
<tr>
<td>#1 IRL natural cheese (Charleville/Coleraine)</td>
<td>#1 UK frozen ready meals supplier</td>
<td>#2 UK sausage (Wall’s)</td>
<td>#1 IRL chilled van sales operation</td>
</tr>
<tr>
<td>#1 IRL cheese slices (EasiSingles)</td>
<td></td>
<td>Biggest brand in IRL (Denny)</td>
<td>#1 IRL sandwich (Freshways)</td>
</tr>
<tr>
<td>#1 IRL dairy spread supplier</td>
<td></td>
<td>#2 IRL cooked meats brand (Ballyfree)</td>
<td>#2 IRL chilled juice (Dawn)</td>
</tr>
<tr>
<td>#1 UK pvt label dairy spread supplier</td>
<td></td>
<td>#1 meat snacks</td>
<td>#1 IRL flavoured mineral water (Kerry Spring)</td>
</tr>
<tr>
<td>#1 UK pvt label cheese slices supplier</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Food and Beverage CPI - UK and ROI Markets

% growth

Source: CSO, ONS, 2008
Evolving Business Development Investment Initiatives

» Kerry Ingredients & Flavours ‘go-to-market’ strategy
  » Programme initiated in Americas Region
  Harmonisation of production across ingredients & flavours facilities
  Centralisation of commercial support activities
  » Review of EMEA Ingredients & Flavours consolidation underway
  » Review of Asia-Pacific requirement completed in early 2009
  » Investment to deliver 10% plus Ingredients & Flavours trading margin

» Kerry Foods’ value chain efficiency programme
  » Investment in lean manufacturing
  » Investment in shared services

» Groupwide investment in integrated standard process and systems

Estimated net cost €30m - €40m after tax (over 2 years)
Positive cash impact
Future Prospects

» Expect a good outturn for full year

» Reconfirm expectation to deliver earnings of 151 to 155 cent per share

» Continue to explore complementary acquisition opportunities

» Ingredients & Flavours ‘go-to-market’ strategy will differentiate Kerry from competition

» Consumer foods’ brand and marketing investment to sustain growth in competitive environment