KERRY GROUP
PRELIMINARY STATEMENT
OF RESULTS 2012

26 FEBRUARY 2013
This presentation/announcement may contain forward looking statements with projections concerning, among other things, the Company’s strategy, revenues, earnings, trading profit, trading margin, finance costs, tax rate, capital expenditure, dividends, cashflow, net debt or other financial measures, the impact of foreign exchange fluctuations, the impact of raw material fluctuations and other competitive pressures. These and other forward looking statements reflect management expectations based on currently available data.

However actual results will be influenced by, among other things, macro-economic conditions, food industry supply and demand issues, foreign exchange fluctuations, raw material and commodity fluctuations, the successful acquisition and integration of new businesses, the successful execution of business transformation programmes and other, as of today, unknown factors and therefore actual results may differ materially from these projections.

These forward looking statements speak only as of the date they were made and the Company undertakes no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.
2012 Full Year Results

» Review of Business
  Stan McCarthy  CEO

» Financial Review
  Brian Mehigan  CFO

» Outlook and Future Prospects
  Stan McCarthy  CEO

» Q&A
2012 Full Year Highlights

- Strong Group-wide performance in developed and developing markets
- Group revenue increased 10.3% to €5.8 billion
- Continuing volume growth +2.8%
- Trading profit up 10.8% to €555 million
- Group trading margin +10bps to 9.5%
  - Ingredients & Flavours +10bps to 12.0%
  - Consumer Foods -20bps to 7.6%
- Adjusted * EPS 237.6 cent (+11.3%)
- Final dividend increased to 25.0 cent (total 2012 dividend up 11.2% to 35.8 cent)
- Record free cash flow €380m

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)
2012 in Perspective

» Economic landscape remains challenging
  » Industry performance impacted by weak consumer confidence in some countries, but overall growth favourable in American markets
  » Strong performance throughout developing markets in particular Asia-Pacific region

» Demand for innovation and new product development drives growth opportunities
  » Provenance, health, ‘clean label’, enhanced nutrition and dietary trends
  » Increased demand for convenient delivery systems, snackable products, broader foodservice applications and menu concepts

» Kerry increases investment in Technology & Innovation, and in ongoing 1 Kerry Business Transformation
  » Excellent progress in Ingredients & Flavours through taste and nutritional solutions
  » Satisfactory Kerry Foods’ performance despite challenging market conditions in Ireland & the UK

» Securing sustainable growth and development
## Business Review – Ingredients & Flavours

### Key Performance Indicators (2012)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€4,225m</td>
<td>+14.0%</td>
</tr>
<tr>
<td>Trading Profit</td>
<td>€506m</td>
<td>+15.1%</td>
</tr>
<tr>
<td>Trading Margin</td>
<td>12.0%</td>
<td>+10bps</td>
</tr>
</tbody>
</table>

- Growth improved sequentially throughout 2012
- Continuing volumes +4.0%
- Solid performance across key technologies, end-use-markets and all geographies
- Continuing strong results and market development in developing markets
- Benefit of 1 Kerry strategies, global alignment and footprint optimisation
- Leveraging scale in Developed markets, while expanding structure & investment in Developing markets
- Investment in Global Technology Application & Culinary Leadership
  - Global Technology & Innovation Centres
  - Consumer preferred Taste Solutions
  - Optimising Kerry’s Nutrition Solutions throughout global nutritional management space
- Good performance from 2011 acquisitions
- All technology clusters maintained solid growth
### Kerry Ingredients & Flavours Revenue Analysis

#### Year on Year Growth

<table>
<thead>
<tr>
<th>Category</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savoury &amp; Dairy</td>
<td>+9.3%</td>
</tr>
<tr>
<td>Cereal &amp; Sweet</td>
<td>+18.5%</td>
</tr>
<tr>
<td>Beverage</td>
<td>+40.7%</td>
</tr>
<tr>
<td>Pharma/Functional Ingredients</td>
<td>+11.5%</td>
</tr>
<tr>
<td>Regional Technologies</td>
<td>(3.5%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>+14.0%</td>
</tr>
</tbody>
</table>

#### Revenue by Technology

- **Ingredients & Taste Solutions**: 44%
- **Cereal & Sweet**: 20%
- **Beverage**: 17%
- **Pharma/Functional Ingredients**: 9%
- **Regional Technologies**: 10%

The chart illustrates the distribution of revenue across different technologies, with Ingredients & Taste Solutions being the largest contributor at 44%.
Satisfactory performance in a challenging market environment – particularly in Ireland

Continuing volumes +0.6%

A lag in cost recovery due to level of promotional activity but ongoing business efficiency improvements assist performance

Strong Kerry brands performance in the UK
  » Richmond brand continues to excel
  » Mattessons Fridge Raiders delivers double digit growth

Industry-first 100% Natural Ingredients innovations in Denny and Richmond Ham products

Good growth in chilled meals and ready-to-cook ranges in the UK

Frozen meals production consolidated in Carrickmacross

Solid performance through Dairygold brand in Irish spreads market

Cheestrings – encouraging development in German market

Direct-to-Store service to independent retail channel adversely impacted by promotional activity in multiples

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€1,712m</td>
<td>2.3%</td>
</tr>
<tr>
<td>Trading Profit</td>
<td>€130m</td>
<td>0.1%</td>
</tr>
<tr>
<td>Trading Margin</td>
<td>7.6%</td>
<td>-20bps</td>
</tr>
</tbody>
</table>
Consumer Foods Revenue Analysis

### Revenue by Technology

- **Meat and Savoury Provisions**: 42%
- **Meal Solutions**: 32%
- **Dairy Products**: 26%

### Year on Year Growth

- **Meat and Savoury Provisions**: (0.1%)
- **Meal Solutions**: +3.5%
- **Dairy Products**: +4.5%
- **Total**: +2.3%
FINANCIAL REVIEW

€5,848m  REVENUE
€555m    TRADING PROFIT
237.6 cent   ADJUSTED EPS
## 2012 Financial Highlights

| Category             | Value    | Change
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>&gt; €5,848m</td>
<td>+10.3% reported +1.7% LFL / +2.8% Cont vols</td>
</tr>
<tr>
<td>Trading profit</td>
<td>&gt; €555m</td>
<td>+10.8% reported +5.0% LFL</td>
</tr>
<tr>
<td>Trading margin</td>
<td>&gt; 9.5%</td>
<td>+10bps</td>
</tr>
<tr>
<td>Adjusted* EPS</td>
<td>&gt; 237.6 cent</td>
<td>+11.3%</td>
</tr>
<tr>
<td>Basic EPS</td>
<td>&gt; 152.0 cent</td>
<td>-26.0%</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>&gt; €380m</td>
<td>2011: €279m</td>
</tr>
</tbody>
</table>

**Note:** LFL represents growth before subsidiary translation and acquisitions/disposals impact | * before brand related intangible asset amortisation and non-trading items
## 2012 Revenue: Like-for-like % Growth

<table>
<thead>
<tr>
<th></th>
<th>Reported growth</th>
<th>Acquisitions/disposals</th>
<th>Reporting currency</th>
<th>Like-for-like growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>14.0%</td>
<td>5.6%</td>
<td>5.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>2.3%</td>
<td>(0.6%)</td>
<td>4.4%</td>
<td>(1.5%)</td>
</tr>
<tr>
<td>Group</td>
<td>10.3%</td>
<td>3.7%</td>
<td>4.9%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>
Like-for-like Revenue Growth Analysis

GROUP
€5,848m

LFL: +1.7%
CONT VOL: +2.8%
PRICE: +0.1%
DISCONT VOL: (1.2%)

INGREDIENTS & FLAVOURS
€4,225m

LFL: +3.4%
CONT VOL: +4.0%
PRICE: +0.1%
DISCONT VOL: (0.7%)

CONSUMER FOODS
€1,712m

LFL: +3.4%
CONT VOL: +4.0%
PRICE: +0.1%
DISCONT VOL: (2.2%)

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

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>KIF Americas*</td>
<td>3.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>KIF EMEA*</td>
<td>1.8%</td>
<td>2.7%</td>
</tr>
<tr>
<td>KIF Asia-Pacific*</td>
<td>9.3%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>0.6%</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Group</strong></td>
<td>2.8%</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

*third party revenue by location of customers*
2012 Quarterly Volumes

Group Continuing Volume Growth

I&F Continuing Volume Growth

Foods Continuing Volume Growth
## Trading Profit Growth

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>Reported Growth €m</th>
<th>LFL Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€m</td>
<td>€m</td>
<td>Growth €m</td>
<td></td>
</tr>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>506</td>
<td>439</td>
<td>66</td>
<td>9.3%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>130</td>
<td>130</td>
<td>-</td>
<td>(2.8%)</td>
</tr>
<tr>
<td>Eliminations/unallocated</td>
<td>(45)</td>
<td>(43)</td>
<td>(2)</td>
<td>-</td>
</tr>
<tr>
<td>Group before Kerryconnect</td>
<td>591</td>
<td>526</td>
<td>64</td>
<td>7.2%</td>
</tr>
<tr>
<td>Kerryconnect (centre)</td>
<td>(36)</td>
<td>(26)</td>
<td>(10)</td>
<td>-</td>
</tr>
<tr>
<td>Group</td>
<td>555</td>
<td>501</td>
<td>54</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Note: Like-for-like represents growth before subsidiary translation and acquisitions/disposals impact
## Trading Margin by Business

<table>
<thead>
<tr>
<th></th>
<th>2012 Revenue (€m)</th>
<th>2012 Trading Profit (€m)</th>
<th>2012 %</th>
<th>2011 Revenue (€m)</th>
<th>2011 Trading Profit (€m)</th>
<th>2011 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ingredients &amp; Flavours</td>
<td>4,225</td>
<td>506</td>
<td>12.0%</td>
<td>3,706</td>
<td>439</td>
<td>11.9%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>1,712</td>
<td>130</td>
<td>7.6%</td>
<td>1,674</td>
<td>130</td>
<td>7.8%</td>
</tr>
<tr>
<td>Eliminations/unallocated</td>
<td>(89)</td>
<td>(81)</td>
<td>–</td>
<td>(78)</td>
<td>(69)</td>
<td>–</td>
</tr>
<tr>
<td>Group</td>
<td>5,848</td>
<td>555</td>
<td>9.5%</td>
<td>5,302</td>
<td>501</td>
<td>9.4%</td>
</tr>
</tbody>
</table>
2012 Trading Margin Progression

<table>
<thead>
<tr>
<th></th>
<th>FY 2011</th>
<th>Operating leverage/ efficiencies</th>
<th>Kerryconnect (divisions &amp; centre)</th>
<th>Net price/mix</th>
<th>Currency</th>
<th>Acquisitions/disposals</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>9.4%</td>
<td>+0.6%</td>
<td>(0.2%)</td>
<td>(0.1%)</td>
<td>0.0%</td>
<td>(0.2%)</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

€501m

€555m
Raw Material Costs

Food Price Index

Source: Food and Agriculture Organisation of the United Nations
The Kerryconnect Programme Plan (€350m)

**PHASE 1 - COMPLETED**

2010-2012 PHASE 1
Design and deployment of Finance, Procurement, Master Data Management, Human Resources and Trade Promotion Management modules to:
- Germany
- Northern Ireland
- Foods GB and ROI
- Ingredients & Flavours GB

**Kerryconnect is estimated to be a 7 year programme, investing circa €50m p.a. on average**

**PHASE 2 - UNDERWAY**

2013-2016 PHASE 2
Design and deployment of Manufacturing, Supply Chain and Customer Care modules globally as well as deployment of Finance, Procurement, Master Data Management, Human Resources and Trade Promotion Management to countries not within the scope of Phase 1 (21 countries)

**2012 spend €74m (€36m in centre, €10m in businesses, €28m capital spend). Software amortisation charge increasing**
## Acquisition & Restructuring Programme FY 2012

<table>
<thead>
<tr>
<th>Cost (net of tax) €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition integration (Cargill’s flavours business etc)</td>
</tr>
<tr>
<td>Footprint &amp; supply chain restructuring</td>
</tr>
</tbody>
</table>

### Cash outflow (net of tax) €m

<table>
<thead>
<tr>
<th>Net cash outflow</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
</tr>
</tbody>
</table>

13 sites closed/streamlined

The Group also recorded a loss on disposal of businesses / non-current assets of €35.7m (net of tax) with a net cash inflow of €7.4m
### Free Cash Flow (€m)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>555</td>
<td>501</td>
</tr>
<tr>
<td>Depreciation (net)</td>
<td>114</td>
<td>101</td>
</tr>
<tr>
<td>Increase in working capital</td>
<td>(6)</td>
<td>(4)</td>
</tr>
<tr>
<td>Pension contributions paid less pension expense</td>
<td>(25)</td>
<td>(34)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(49)</td>
<td>(47)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(53)</td>
<td>(76)</td>
</tr>
<tr>
<td><strong>Free cash flow before capital expenditure</strong></td>
<td>536</td>
<td>441</td>
</tr>
<tr>
<td>Capital expenditure (net)</td>
<td>(156)</td>
<td>(162)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>380</td>
<td>279</td>
</tr>
</tbody>
</table>
## Financial Ratios

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Debt : EBITDA</strong>*</td>
<td>1.8x</td>
<td>2.0x</td>
</tr>
<tr>
<td><strong>EBITDA: net interest</strong>*</td>
<td>13.8x</td>
<td>13.5x</td>
</tr>
<tr>
<td><strong>5 Year Average</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ROAE</strong></td>
<td>16.5%</td>
<td>17.0%</td>
</tr>
<tr>
<td><strong>ROACE</strong></td>
<td>12.3%</td>
<td>12.6%</td>
</tr>
<tr>
<td><strong>CFROI</strong></td>
<td>11.6%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

**Note:** * calculated in accordance with lenders' facility agreements  |  ** before brand related intangible asset amortisation and non-trading items (net of tax)
# Maturity Profile of Net Debt (€m)

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2012</th>
<th>31 Dec 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>(2)</td>
<td>(199)</td>
</tr>
<tr>
<td>Between 1 and 2 years</td>
<td>3</td>
<td>179</td>
</tr>
<tr>
<td>Between 2 and 5 years</td>
<td>936</td>
<td>894</td>
</tr>
<tr>
<td>Over 5 years</td>
<td>274</td>
<td>414</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,211</td>
<td>1,288</td>
</tr>
<tr>
<td><strong>Weighted average maturity (years)</strong></td>
<td>3.8</td>
<td>4.9</td>
</tr>
</tbody>
</table>

Undrawn committed & undrawn standby facilities at 31 Dec €741m
Other Financial Matters

**FINANCE COSTS**

€49.2m – up €3.2m as strong cash flows and lower interest rates are offset by impact of acquisitions

**TAXATION**

Tax on normal trading activity 16.5% (2011: 17.1%)

**PENSION**

Net deficit increased by €33m to €245m due mainly to reduced discount rates. P&L charge up €7m. Revised IAS19 to be adopted effective 1 January 2013
OUTLOOK & FUTURE PROSPECTS
Our Strategy for Growth

- **KERRY BUSINESS MODEL**: Kerry Business Model delivering for Group
- **1 KERRY**: 1 Kerry Business Transformation – Platform for Growth Investing for the Future
- **INGREDIENTS & FLAVOURS**: Kerry’s Leading Taste Positioning Delivering Across Nutritional Management Space Global Technology & Innovation Leadership Developing Markets Strategic Growth Plan
- **KERRY FOODS**: Investment in Brand Leadership & Technologies
- **SUSTAINABILITY**: Securing Sustainable Growth 1 Kerry Sustainability Programme
1 Kerry Business Transformation

**Business Strategies**
- Kerry Ingredients & Flavours ‘Go-to-market Strategy’
- Kerry Foods ‘Go-to-market Strategy’

**Operating Models**
- Driving market leadership and global alignment
- Optimising scale and efficiency benefits
- Building talent for a global organisation

**Kerryconnect**
- ‘Enabling better business’
- Standardised ways of working
- Common data
- Integrated ICT system
Kerry’s Leading Taste Positioning

FOOD & BEVERAGE FOCUSED

NO.1 GLOBALLY FOR TASTE & INGREDIENT SOLUTIONS

TOP 5 PLAYER IN GLOBAL FLAVOURS

BREADTH OF APPLICATIONS & SENSORY EXPERTISE
» General Wellness
Meeting daily recommended nutrition guidelines
(Calories, Fat, Sodium, Sugar, Protein, Fibre etc)

» Life Stages & Gender
Meeting specific nutrition requirements based upon age and/or gender
(Calcium, DHA, Probiotics, Iron etc.)

» Condition & Needstate
Meeting specific nutrition requirements based upon health condition or desired physical state
(Disease Management, Disease Prevention, Malnutrition, Sports Nutrition etc)
Global Technology Application and Culinary Leadership

- Best-in-class global development and applications model
- Layer and leverage development and process capability
- Raw material category technology management
- Ensure regional development and management of customised system technologies while maintaining global alignment
- Develop flavours and technical ingredients platforms globally with regional product management and application
- Significant investment in technology know-how and applications via acquisitions
- Execute through Kerry Global Technology & Innovation Centres supported by Regional Development and Application Centres.

R&D EXPENDITURE

GLOBAL TECHNOLOGY & INNOVATION CENTRES

Note: * 2008 to 2010 re-presented in line with management reporting changes
Kerry Global Technology & Innovation Centre
EMEA Region

Vision:
» To develop and establish an industry-leading Kerry Global Technology & Innovation Centre of Excellence serving global and regional customers in the EMEA region

Objectives:
» Deliver industry-leading technology and innovation for key global and regional customers
» Focal point for advancing scientific research, developing and innovating product technologies, and developing new and innovative technology platforms
» Promote collaboration across Kerry’s breadth and depth of technologies to provide market-leading integrated solutions
» Focus Group wide capability to drive strategic customer engagement and deliver global growth and development
» Leverage technology layering opportunities and enterprise development throughout food and beverage end-use-markets
» Optimise innovation/technology synergies to deliver unequalled speed-to-market
» Accelerate graduate/early career development, talent management and training, functional and business leadership development
Kerry Global Technology & Innovation Centre Functional Building Blocks

Management Centre
» I&F Global & Regional Management

Customer Centre
» Customer Suites and Applications Suites

Innovation Centre
» Innovation Laboratories, Culinary Theatres, Consumer Sensory Facilities

Technical/Commercialisation Centre
» Application Technology Centres (replicating customer manufacturing technologies)
» Kerry Development Centres (Kerry processing technology pilot facilities)

Global Business Services
» 1 Kerry Global Business Services and Support Functions

Site Selected: Millennium Business Park, Naas Ireland
Investment: €100m
Completion: 2015
Kerry Ingredients & Flavours Developing Markets Strategy

**STRATEGIES**

» In line with brand globalisation, GDP growth, population and urbanisation trends in developing markets

» Transfer proven Kerry End Use Market and Technology expertise

» Leverage global purchasing power to deliver maximum value

» Continue to invest in innovation and leading edge technology solutions

» Invest in strategic acquisitions

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**Kerry Group Revenue in Developing Markets**

€1bn

23% of Ingredients & Flavours Revenue
Kerry Foods: Diversified Product Portfolio and Strong Market Positioning

### CONSUMER FOODS – ADDED VALUE CHILLED CATEGORIES

<table>
<thead>
<tr>
<th>Segment</th>
<th>Markets</th>
<th>Key Products</th>
<th>Market Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEAT &amp; SAVOURY PROVISIONS</td>
<td>GB Cooked Meats</td>
<td><strong>Richmond</strong></td>
<td>#1&amp;2 breakfast product brands in Ireland</td>
</tr>
<tr>
<td></td>
<td>GB Pastry</td>
<td><strong>Caulfield’s Thick</strong></td>
<td>#1&amp;2 cooked meat brands in Ireland</td>
</tr>
<tr>
<td></td>
<td>GB Rasher</td>
<td><strong>Denny</strong></td>
<td>#1&amp;2 sausage brands in GB</td>
</tr>
<tr>
<td></td>
<td>GB Sausage</td>
<td><strong>Galtee Family Pies</strong></td>
<td>#2 (fastest growing) meat snacking brand in GB</td>
</tr>
<tr>
<td></td>
<td>Ireland</td>
<td><strong>Heinz</strong></td>
<td>#2 customer brand pastry in GB</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Kildare</strong></td>
<td>Largest branded dairy supplier in Ireland</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Lactiwise</strong></td>
<td>#1 spreads brand in Ireland</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Red &amp; White</strong></td>
<td>#1 cheese brand in Ireland</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>White Rose</strong></td>
<td>#1 kids cheese snack in GB</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Coleraine</strong></td>
<td>#1 customer brand dairy spreads and RTE cheese in GB</td>
</tr>
<tr>
<td>DAIRY PRODUCTS</td>
<td>GB Cheese</td>
<td><strong>Crackalack</strong></td>
<td>#1 GB customer brand supplier of</td>
</tr>
<tr>
<td></td>
<td>GB Yellow Fats</td>
<td><strong>Chuckie’s</strong></td>
<td>– chilled ready meals</td>
</tr>
<tr>
<td></td>
<td>Ireland</td>
<td><strong>Downstairs</strong></td>
<td>– frozen ready meals</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Lowe’s</strong></td>
<td>– ready to cook</td>
</tr>
<tr>
<td>MEAL SOLUTIONS</td>
<td>GB Chilled Ready Meals</td>
<td><strong>Innocent</strong></td>
<td>#1 GB customer brand supplier of</td>
</tr>
<tr>
<td></td>
<td>GB Ready to Cook</td>
<td><strong>Levi’s Hot Wings</strong></td>
<td>– chilled ready meals</td>
</tr>
<tr>
<td></td>
<td>GB Frozen Ready Meals</td>
<td><strong>Paradigm</strong></td>
<td>– frozen ready meals</td>
</tr>
<tr>
<td></td>
<td>Ireland</td>
<td><strong>TASTY</strong></td>
<td>– ready to cook</td>
</tr>
</tbody>
</table>
Kerry Foods: GB & Ireland Marketplace

Consumer Confidence GB and Ireland

Source: Nielsen Global Consumer Confidence Study
Kerry Foods: Strategic Brand Investment, Innovation - supported by ‘Lean Efficiency’
Kerry’s Sustainability plan represents a journey of continuous improvement – an ongoing process and strategy to secure sustainable growth.

It offers Kerry Group a framework through which to ensure the long-term development of the organisation by building competitiveness, while at the same time enhancing the quality of life and protecting our natural resources.

» Integrated in 1 Kerry strategies and operational activities
» Directed and governed by our Kerry Sustainability Council
» Groupwide time-bound, quantified targets established to measure progress

Environment
Marketplace
Workplace
Community
Sustainability
Sustainability
Sustainability
Sustainability

Viable
Sustainable
Equitable
Bearable
<table>
<thead>
<tr>
<th>KPI</th>
<th>Target</th>
<th>Performance v Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2% to 4% LFL volume growth</td>
<td>✔ +3.4%</td>
</tr>
<tr>
<td>Margin</td>
<td>10% trading margin</td>
<td>9.5%**</td>
</tr>
<tr>
<td>Adjusted* EPS Growth</td>
<td>10%+</td>
<td>CAGR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✔ 10.8%</td>
</tr>
<tr>
<td>ROAE*</td>
<td>15%+</td>
<td>✔ 16.5%</td>
</tr>
<tr>
<td>CFROI</td>
<td>12%+</td>
<td>11.6%**</td>
</tr>
</tbody>
</table>

Note: ** target achieved excluding impact of Kerryconnect investment

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)
Strong Earnings Growth While Increasing Return on Capital Employed

Note: * before brand related intangible asset amortisation and non-trading items (net on tax)
## Long Term Targets (5 Years 2013 – 2017)

### GROWTH

- **Adjusted EPS* Growth**: +10% p.a.

**Achieved by:**

- **Revenue Growth (LFL Volume)**
  - Kerry Ingredients & Flavours: 4% to 6% p.a.
  - Consumer Foods: 2% to 3% p.a.
  - Group: 3% to 5% p.a.**

- **Margin expansion**
  - Kerry Ingredients & Flavours: 50 bps p.a.
  - Consumer Foods: 20 bps p.a.
  - Group: 30 bps p.a. (+ an additional 100 bps at end of Kerryconnect project)

- **Financial and Tax Leverage**
  - Structures aligned with 1 Kerry model

### RETURN

- **ROACE* 12%+**
- **CFROI 12%+**
- **ROAE* 15%+**

---

* before brand related intangible asset amortisation and non-trading items (net of tax)

** Assumes market growth rate of 2% to 3% p.a, and neutral currency and raw materials
Summary: Future Prospects

» Encouraging start to 2013

» Strong growth opportunities for Kerry Taste & Nutritional Solutions

» 1 Kerry programmes enabling realisation of Kerry business potential

» Global alignment objectives and efficiencies delivering excellent results

» Continued investment to support future growth
  » Global Technology & Innovation
  » Developing markets

» NPD, brand investment and efficiencies to drive growth in UK and Irish Consumer Foods

Expect to achieve 7% to 11% growth in adjusted* earnings per share in 2013

Note: * before brand related intangible asset amortisation and non-trading items (net of tax). Comparatives will be re-presented to reflect the impact of IAS 19
continuing volumes +3.5%

» Good growth in key Kerry technologies despite some industry sectoral issues

» Solid performance in Dairy & Culinary systems
  » acquisition of Millennium Foods (IN)
  » acquisition of Griffith do Brasil

» Strong innovation in ice cream and frozen desserts boosts Kerry performance

» Health and wellness trends drives growth in cereal bar segment

» Beverage applications benefit from Cargill’s flavours acquisition
  » acquisition of California based Big Train prior to year-end

» Continued growth through all technologies in Latin America

» Pharma ingredients expands global market positioning

Note: third party revenue by location of customers
Business Review – Ingredients & Flavours
EMEA

<table>
<thead>
<tr>
<th>Revenue</th>
<th>2012</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1,614m</td>
<td></td>
<td>9.5%</td>
</tr>
</tbody>
</table>

» Continuing volumes +1.8%

» Implementation of 1 Kerry strategies drives innovation

» Meat technologies record good growth in EMEA developing markets
  » Assisted by FlavourCraft acquisition in South Africa

» Successful product launches incorporating Kerry’s sweet systems in ice cream sector
  » Acquisition of South Africa based Orley Foods nears completion

» Development in European beverage sector through Kerry’s ‘fmt’ flavour technology and through enzyme applications into brewing industry

» Greater integration of functional ingredients in integrated solutions

» Primary dairy recovery in Q3 and Q4

Note: third party revenue by location of customers
Continuing volumes +9.3%

Continued strong growth in all technologies

Double digit growth through nutritional solutions in China

Significant launches in QSR sector through meat technologies
  
  meat and culinary applications boosted by acquisition of Angsana Food Industries in Malaysia and China

Kerry Pinnacle achieved strong growth in retail and QSR channels

Record growth in beverage applications throughout region
  
  assisted by Cargill’s flavours acquisition and acquisition of Australia based Food Spectrum Group

Functional ingredients achieved good growth in wider food applications across dairy, meat and beverage sectors

Note: third party revenue by location of customers
### Environment
- **Climate**
  - Continue to improve our environmental stewardship
  - Drive efficiency in resource use (energy & water)
  - Exceed in efforts to reduce waste and increase recycling
- **Efficiency**
  - Manage climate change, drive efficiency in resource use and reduce waste
  - Develop long and short term sustainability gains in operations
  - Deliver on our brand sustainability strategy plan
- **Waste**
  - Achieve our annual goal for ISO 14001 approvals
  - Achieve an overall 12% reduction in greenhouse gas emissions by 2014 (compared to baseline year 2009)
  - Reduce water use by 4% by 2014 (compared to baseline year 2011)
  - Reduce waste by 6.5% by 2014 (compared to baseline year 2011)

### Marketplace
- **Quality**
  - Through our leading innovation and product development expertise, we will continue to enhance the nutritional value of our ingredients and continue to assist our valued customers
- **Sourcing**
  - Leverage Kerry’s ingredients & flavours technology platforms and applications expertise to improve nutritional values of food and beverage products in partnership with our customers
  - Embed positive nutritional values in product development and innovation programmes aligned to customer requirements
- **Nutrition**
  - Achieve Global Food Safety Initiative (GFSI) certification of all Kerry manufacturing sites
  - Partner with our customers in sustainable sourcing of strategic ingredients

### Workplace
- **People**
  - Continue to conduct our business in a responsible and ethical manner and be an employer of choice
  - Through our Code of Conduct we will continue to provide a safe and healthy environment in which to work
- **Ethics**
  - Drive ethical business practices and compliance to Kerry Code of Conduct
  - Ensure wages are competitive and all labour standards are fair, equitable and meet or exceed local guidelines
  - Embrace diversity across our workforce, our customer base and the communities we serve

### Community
- **Social**
  - Be a responsible neighbour by driving and supporting outreach initiatives in our local communities.
  - Continue to partner with international programme to alleviate world hunger in developing regions
- **Economic**
  - Assist and actively engage in development programmes in our communities to improve health and nutrition, entrepreneurship, amenity/community development projects, education, sport and the arts
  - Assist Concern Worldwide in implementing the ‘RAIN’ (Realigning Agriculture to Improve Nutrition) project in the developing world
# EPS Reconciliation

<table>
<thead>
<tr>
<th>2011</th>
<th>2012</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ cent</td>
<td>€ cent</td>
<td>%</td>
</tr>
<tr>
<td>213.4</td>
<td>237.6</td>
<td>11.3%</td>
</tr>
<tr>
<td>Adjusted* EPS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7.9)</td>
<td>(8.4)</td>
<td></td>
</tr>
<tr>
<td>Brand related intangible asset amortisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>Non-trading items (net of tax)</td>
<td>(77.2)</td>
</tr>
<tr>
<td>205.5</td>
<td>152.0</td>
<td>(26.0%)</td>
</tr>
<tr>
<td>Basic EPS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)
## Net Debt Profile (€m) as at 31 Dec 2012

<table>
<thead>
<tr>
<th>Currency</th>
<th>Net debt</th>
<th>@ Floating rates</th>
<th>@ Fixed rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro</td>
<td>644</td>
<td>415</td>
<td>229</td>
</tr>
<tr>
<td>US Dollar</td>
<td>496</td>
<td>41</td>
<td>455</td>
</tr>
<tr>
<td>Sterling</td>
<td>108</td>
<td>108</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(37)</td>
<td>(37)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,211</strong></td>
<td><strong>527</strong></td>
<td><strong>684</strong></td>
</tr>
</tbody>
</table>

|                | 100%     | 44%             | 56%           |

**Weighted average period for which rate is fixed: 2.2 years**
In excess of €1.5bn Free Cash Flow over 5 years

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>555</td>
<td>501</td>
<td>470</td>
<td>422</td>
<td>409</td>
</tr>
<tr>
<td>Depreciation (net) &amp; impairment</td>
<td>114</td>
<td>101</td>
<td>148</td>
<td>97</td>
<td>94</td>
</tr>
<tr>
<td>Movement in working capital</td>
<td>(6)</td>
<td>(4)</td>
<td>(21)</td>
<td>133*</td>
<td>18</td>
</tr>
<tr>
<td>Pension contributions paid less pension expense</td>
<td>(25)</td>
<td>(34)</td>
<td>(41)</td>
<td>(42)</td>
<td>(34)</td>
</tr>
<tr>
<td>Capital expenditure (net)</td>
<td>(156)</td>
<td>(162)</td>
<td>(139)</td>
<td>(108)</td>
<td>(145)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(49)</td>
<td>(47)</td>
<td>(58)</td>
<td>(78)</td>
<td>(73)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(53)</td>
<td>(76)</td>
<td>(54)</td>
<td>(57)</td>
<td>(42)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>380</strong></td>
<td><strong>279</strong></td>
<td><strong>305</strong></td>
<td><strong>367</strong></td>
<td><strong>227</strong></td>
</tr>
</tbody>
</table>

* Approximately €100m attributable to the Group restructuring programme
With effect from 1 January 2013, the Group will transition to the revised ‘IAS 19 Employee Benefits’ accounting standard.

Interest cost on pensions, net of return on assets, will be recognised in Finance Costs (previously within staff costs in Trading Profit).

2012 Income Statement will be re-presented on a consistent basis. Impact on 2012:

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading Profit</td>
<td>4.3</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>(12.9)</td>
</tr>
</tbody>
</table>

Net impact at PBT (8.6)  
Tax impact 2.3  
Net impact at PAT (6.3)

Adjusted* EPS impact of -3.6 cent (-2%). Similar impact on 2011 EPS.

2012 restated adjusted* EPS =234.0 cent

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)
Shareholder Analysis

Institutional Analysis
- UK 19%
- North America 16%
- Continental / Rest of Europe 13%
- Ireland 5%

Institutions 53%
Kerry Co-op 17%
Retail 30%

Shares in issue 31 December 2012: 175,626,663
Revenues and Profitability

**Group Revenues (€bn)**

10 Year CAGR 4.5%

**Group Trading Profit (€bn)**

10 Year CAGR 6.1%

**Ingredients & Flavours Trading Profit**

**Consumer Foods Trading Profit**

Note: * 2008 to 2010 re-presented in line with management reporting changes
Cash Flow and Adjusted EPS*

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)

EBITDA (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (€m)</th>
<th>% Change</th>
<th>Value (€m)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>503</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>519</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>618</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>601</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>669</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Free Cash Flow (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>227</td>
</tr>
<tr>
<td>2009</td>
<td>367</td>
</tr>
<tr>
<td>2010</td>
<td>305</td>
</tr>
<tr>
<td>2011</td>
<td>279</td>
</tr>
<tr>
<td>2012</td>
<td>380</td>
</tr>
</tbody>
</table>

Adjusted EPS* and Dividends (cent)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EPS* (€)</th>
<th>Dividend per share (cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>151.8</td>
<td>22.5</td>
</tr>
<tr>
<td>2009</td>
<td>163.9</td>
<td>25.0</td>
</tr>
<tr>
<td>2010</td>
<td>192.1</td>
<td>28.8</td>
</tr>
<tr>
<td>2011</td>
<td>213.4</td>
<td>32.2</td>
</tr>
<tr>
<td>2012</td>
<td>237.6</td>
<td>35.8</td>
</tr>
</tbody>
</table>

Note: * before brand related intangible asset amortisation and non-trading items (net of tax)

- Adjusted Earnings: Profit after taxation before brand related intangible asset amortisation and non-trading items (net of tax)
- Adjusted EPS: Adjusted earnings/basic weighted average number of shares in issue
- LFL Volume Growth: Growth in continuing volumes excluding discontinued volumes and volume impact of acquisitions / (disposals)
- Margin Expansion is measured at trading profit level
- Operating Cashflow: EBITDA +/- change in average working capital* - net pension contributions – taxation paid – net capital expenditure
- Capital Employed: Shareholders’ Equity + Net Debt
- ROAE: Adjusted earnings / Average Shareholders’ Equity
- ROACE: Adjusted earnings before finance costs / Average Capital Employed
- CFROI: Operating Cashflow / Average Capital Employed

* Previously change in year end working capital