NEWS RELEASE
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Preliminary Statement of Results for the year ended 31 December 2009

Kerry, the global ingredients & flavours and consumer foods group, reports preliminary results for year ended 31 December 2009.

Highlights

- Sales revenue of €4.5 billion
- 2.2% increase in continuing business volumes
- 3.8% (LFL) increase in trading profit to €422m
- 80 basis points increase in trading profit margin to 9.3%
- Ingredients & Flavours trading margin up 90 basis points to 10.4%
- Consumer Foods trading margin up 40 basis points to 7.1%
- Adjusted EPS* up 8.2% to 166.5 cent
- Final dividend per share of 17.3 cent (Total 2009 dividend up 11.1% to 25 cent)
- Free cash flow of €367m (2008:€227m)
- R&D investment of €147.8m

**before intangible amortisation and non-trading items*

Commenting on the results Kerry Group Chief Executive Stan McCarthy said; "The Kerry business model performed robustly in what was a challenging environment in 2009 – delivering excellent product and business development opportunities, good margin improvement and cash generation. Our Group trading profit margin increased by 80 basis points to 9.3%, with ingredients & flavours contributing a 90 basis points improvement and consumer foods achieving a 40 basis points margin improvement. Our strategies and investment programmes will enable sustained business margin improvement and we are confident of delivering earnings growth in 2010 to a range of 182 to 185 cent per share (2009:166.5 cent)".

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CHAIRMAN'S STATEMENT

For the year ended 31 December 2009

Kerry made excellent progress in 2009, despite the impact of the challenging economic conditions in all major economies on consumer purchasing. The Group maintained its focus on building and strengthening its core businesses which contributed significantly to the robust operational and financial results for the year and augurs well for the future profitable growth of Group businesses.

The slowdown in economic growth in all regions adversely affected consumer confidence which led to increased personal saving and reduced expenditure on food and beverages in most markets. Strong promotional programmes resulted in increased shopping in value channels and increased market shares for private-label offerings at the expense of premium branded lines. Out-of-home expenditure was reduced which impacted foodservice growth particularly in full-serve restaurants, while major quick-serve outlets saw good growth year-on-year. As a result new-product-development was slow during the year but improved considerably in Q4 as food and beverage manufacturers targeted new growth opportunities and increased market differentiation in response to consumer trends.

Business performance throughout Kerry's end-use-markets continued to improve as the year progressed and the performance of all Group businesses in Q4 was particularly encouraging. The Group's re-organised ingredients & flavours business model, implemented through the 'go-to-market' programme, delivered strong results – leveraging Kerry's entire food and beverage technology base, end-use-market focus and applications expertise. The Group's consumer foods division performed well despite the slump in consumer spending in the Irish and UK markets and the impact of the adverse sterling to euro exchange rate in exporting from Ireland to the UK. We are greatly encouraged by the underlying performance and margin improvement in all Group businesses. This improvement also reflects the on-going efficiency programmes throughout the Group and synergies flowing from the business re-organisation programmes.

RESULTS

Group sales revenue in 2009 reported at €4.5 billion reflects a 4.8% reduction on a like-for-like (LFL) basis. However; allowing for elimination of non-core activities as a result of the 'go-to-market' and business restructuring programmes, improvements to product mix, lower pricing and trading currency movements; continuing business volumes were 2.2% ahead on a Group-wide basis. Continuing business volumes improved by 2.9% in ingredients & flavours and recovered in consumer foods as the year progressed to equal the 2008 level. Business restructuring in the Group's ingredients & flavours regional businesses was completed by year-end and was well advanced in the consumer foods division.

Trading profit increased to €422m, reflecting a 3.8% (LFL) increase and 80 basis points improvement in the Group trading profit margin to 9.3%. Ingredients & flavours achieved a 90 basis points improvement in trading profit margin to 10.4% and margins in consumer foods, driven by business efficiency programmes, increased by 40 basis points to 7.1%.

Profit before tax and non-trading items increased by 6% to €335.8m. Profit after tax before intangible asset amortisation and non-trading items increased by 8.4% to €291m. Adjusted earnings per share increased by 8.2% to 166.5 cent. Basic earnings per share increased from 101.3 cent to 115 cent. The Board recommends a final dividend of 17.3 cent per share, an increase of 10.9% on the 2008 final dividend. This brings the total dividend for the year to 25 cent per share, an increase of 11.1% on the previous year.

BUSINESS REVIEWS

INGREDIENTS & FLAVOURS

	2009	Like-for-like (LFL) Growth
Revenue	€3,261m	-4.5%
Trading profit	€340m	4.9%

The Group's ingredients & flavours businesses achieved 2.9% underlying volume growth in 2009 but elimination of non-core activities associated with the business restructuring programme -3.3% and 4.2% lower pricing due to favourable raw material costs meant that sales revenue declined by 4.5% (LFL) to €3,261m. Primary dairy, edible oils and wheat raw material costs were significantly below the prior year level. Trading profit grew by 4.9% (LFL) to €340m contributing a 90 basis points improvement in trading profit margin to 10.4%.

2009 represented the first full year's engagement in the Group's ingredients & flavours 'go-to-market' programme in the Americas region. Results in terms of business performance, efficiencies, speed of product development and customer satisfaction were most encouraging despite the relatively weaker market conditions in some end-use-markets. Similarly results to-date in the EMEA and Asia-Pacific regions also confirm the benefits of Kerry's new business model and integrated approach in leading product developments for food and beverage providers. Despite some trading down from premium offerings to more value driven or budget lines, provenance and authenticity of ingredients, convenience as well as health and satiety control have assumed more importance. This has contributed to continued momentum towards clean label declaration and increased demand for Kerry's all-natural, nutritional or functional ingredients & flavour systems – including calorie reduction, sodium reduction, fibre fortification and taste modulation technologies.

Americas Region

Revenue in the Americas region reported at €1,287m (-5.2%) LFL reflects continuing business volume growth of 3%, 3.3% lower pricing and 4.8% restructuring volume elimination.
The relatively weaker economic situation throughout American markets in 2009 impacted food and beverage consumption trends. Home consumption grew at the expense of foodservice demand. While store brands increased overall market share, leading brands recovered during the year due to strong promotional activity and an increased focus on new product development and value offerings. In the foodservice sector, full-serve and casual dining lost ground to 'fast-casual' and leading QSR chains who expanded their menu offerings into new categories.
Kerry's systems approach to technology development, aligned to the ingredients & flavours divisional end-use-market focus, produced excellent product development initiatives for key accounts in 2009. Assisted by the state-of-the-art facilities at the newly commissioned Kerry Center in Beloit (WI), this has led to a strong innovation pipeline under commercial development and significant 'innovation champion' awards from leading customers.

Savoury & Dairy systems performed well despite market related issues in the US and South American meat sectors. Significant inventory build-up delayed product development projects with the exception of new appetiser menu items for retail and QSR offerings. Kerry's culinary, wet/frozen sauce and savoury/dairy technologies achieved good growth despite overall weaker demand in the prepared meals, soups, sauces and dressings markets. Similarly while overall market demand was lower in the savoury snack sector, Kerry continued to achieve good results through its integrated technology platforms enabling development of fusion flavours and 'better-for-you' lines. The acquisition of Prima S.A. – a Costa Rican based savoury ingredients & flavours business, strengthened the Group's positioning in Central American markets.

Cereal & Sweet market segments proved challenging in 2009. The significant shift from premium to value offerings slowed market development in H1, but an increased focus on product differentiation led to good opportunities for Kerry technologies as the year progressed. Sales volumes were lower but Kerry's offering of innovative, value and consumer preferred product concepts achieved above average industry growth. The ready-to-eat cereal sector saw increased development of high-fibre and life-stage, more complex cereal products. Prior to year-end, California based Nutritional Food Products was acquired to complement Kerry's RTE cereal systems & flavours capability with the addition of puffed grain cereal technology. In the frozen desserts sector, the frozen novelties category recorded good growth. Demand for increased shelf-life and new 'healthy' product lines in the bakery sector provided solid growth opportunities for Kerry bakery technologies and functional ingredients.

Beverage systems & flavours performed well in 2009 driven by Kerry's taste modulation and natural flavour technologies. Strong growth was achieved in the carbonated and non-carbonated soft drinks categories, in particular in South American markets. While coffee applications declined in 2009, Kerry continued to achieve favourable market development opportunities through nutritional beverages and aseptic lines.

In the *Pharmaceutical* sector, Kerry achieved satisfactory growth despite lower market volumes due to industry consolidation and health sector trends.

EMEA Region

Market conditions were challenging in the EMEA region in 2009 as reduced consumer spending impacted trends in most food and beverage categories. Integration of Kerry's ingredients & flavours regional businesses progressed as planned during the year but notwithstanding this realignment the business was well positioned to respond to the prevailing market pressures. In general pricing was lower due to reduced raw material costs (in particular primary dairy commodities) and a shift from premium or added value lines to budget or value offerings. Revenue in the region reported at €1,124m (-6.2% LFL) reflects continuing business volume growth of 2.3%, 5% lower pricing, favourable trading currency impact of 0.2% and 3.7% restructuring volume elimination.

In 2009 food and beverage providers in the EMEA region maintained critical focus on cost optimisation to counteract the recessionary impact and on innovation to increase product differentiation in the marketplace. This resulted in manufacturers de-stocking, rationalising the supplier base and reduced NPD investment – relying on the services of selected ingredients & flavour partners. Despite the shift to more economy offerings; provenance, naturalness, health and convenience of product lines assumed greater importance – with a clear trend towards clean label. As in American markets, the European QSR sector grew at the expense of full-serve restaurants as consumers responded to value meal options.

Savoury & Dairy systems & flavours achieved satisfactory underlying volume growth despite the recessionary impact on core end-use-markets. Market volumes in the processed meats sector increased slightly in Western and Eastern Europe and by 5% in Middle Eastern Markets. Volumes held up in the prepared meals sector despite the weakness of the premium segment. The downturn in the full-serve restaurant sector meant that volumes were flat in culinary applications but overall savoury applications held up well due to the buoyancy of the QSR segment which achieved double digit growth year-on-year. Kerry's capability to service customer requirements in the meat and processed foods sectors, in

particular in Central/Eastern European and Middle Eastern markets, was strengthened through the acquisition of Dera Holding NV – a savoury flavourings business with manufacturing facilities in Belgium and the Czech Republic.
Increasing popularity of premium snack products and take home consumption contributed to growth of savoury & dairy flavourings in the snack sector. Wet dairy ingredient systems saw a reduction in volumes due to negative price pressure arising from the significant downturn in primary dairy markets. However good progress was achieved in the nutrition sector due to strong growth of infant and clinical nutrition markets.

Cereal & Sweet technology segments and end-use-markets were impacted by the significant changes in consumer purchasing but Kerry's integrated technologies recorded good progress year-on-year. Confectionery saw a significant volume impact but demand for healthier variants and functional benefits created new opportunities for Kerry technologies. The bakery sector proved more resilient with good growth in the cakes, pastries and biscuit segments providing new opportunities for Kerry's fruit fillings technologies. The introduction of Kerry's Biobake™ enzyme technology proved successful in clean label gluten reduction for all bread types. Unlike trends in other consumer product categories, premiumisation and indulgence continued to drive new product development in the EMEA ice-cream and frozen desserts markets, providing good growth opportunities for Kerry's dairy technologies, fruit systems, inclusions and functional ingredients. The Group's French based fruit preparations business was disposed of mid-year. Fruit preparations into the Western European ice-cream markets performed well and fruit inclusions made good progress across savoury, ice-cream, cereal and snacks markets. Despite the level of promotional activity in the cereal market Kerry achieved good growth due to its expanded technology platforms including a wider range of protein based and functional extruded products.

Beverage systems & flavours maintained development across EMEA end-use-markets despite flat to reduced consumption trends in most categories. The focus of manufacturers on product quality improvement and cost optimisation provided good opportunities for Kerry's sugar reduction, taste modulation, cloud systems and all-natural citrus flavour range. Brewing enzyme sales were lower due to the decline in beer volumes across Europe. However Kerry recorded good growth in the cider market and in the juice processing sector.

Functional ingredients performed well across EMEA markets despite the challenging market conditions in added value processed foods categories. Sheffield™ ingredients continued to outperform market growth rates in pharmaceutical markets.

Primary Dairy ingredients were considerably weaker in 2009 due to poor demand conditions throughout international dairy markets and a build up of stocks in all exporting countries. Prior to year-end, commodity dairy prices did respond to a welcome improvement in demand in some markets.

Asia-Pacific Region

As economic conditions recovered during 2009 in the Asia-Pacific region, demand improved across most food and beverage categories. Kerry continued to achieve good growth across all its regional technology platforms and end-use-markets. Revenue in the region reported at €404m (+6.6% LFL) reflects continuing business volume growth of 9.1% and 2.5% lower pricing.

Savoury & Dairy systems & flavours achieved good growth. The rapidly developing regional QSR sector provided a wide range of opportunities for Kerry technologies, including sauce systems and coatings systems. Meat systems recorded strong growth in Thailand and New Zealand. Reduced volumes in the Australian red meat markets were offset by increased sales in the poultry sector. Culinary systems also recorded good growth.

Savoury snack markets also showed strong regional growth. Dairy systems & flavours achieved double digit growth in the Indonesian snack and bakery markets and also recorded satisfactory growth in other Asian markets. Kerry's yeast extracts and culinary systems also performed well in the Indonesian and Philippines noodle markets. Lipid systems grew strongly throughout South East Asian markets, particularly in beverage applications. New healthier variants were introduced, especially in the infant nutrition sector, incorporating Kerry's San-A-Créme range of nutritional lipid powders. The expanding foodservice market and nutritional market segments in China also provided strong growth for Kerry's range of savoury & dairy technologies in 2009.

Beverage applications continue to achieve strong market growth particularly in China, North East Asia, Australia and Korea. Beverage systems and sauces achieved strong volume growth and Da Vinci branded flavoured beverage products increased sales through increased distribution in key chain accounts. With increased focus on health and well being, fruit based beverage lines achieved double digit market growth.

Functional ingredients benefited from Kerry's 'go-to-market' programme and saw wider applications of emulsifier and enzyme product lines in the Group's regional end-use-market focus areas.

Kerry Pinnacle maintained above average market growth rates in the Australian bakery sector and continued to progress market development in Asia. In Australia the lifestyle range of ready prepared bakery solutions again grew market share in the supermarket and shop chains segment. The Pinnacle lifestyle range was further diversified in 2009 through the acquisition of the Melbourne based Cookie Dough Co.

CONSUMER FOODS

	2009	Like-for-like (LFL) Growth
Revenue	€1,713m	(6.1%)
Trading profit	€122m	Unchanged

Consumer spending was significantly influenced in Ireland and the UK in 2009 by the economic downturn which impacted all food categories and brand performance. In Ireland consumer spending fell by 7.5% in a deflationary marketplace with the Consumer Price Index falling by 5% and a more pronounced 8% in food. Thus the level of promotions increased dramatically and private label offerings grew at the expense of leading brands as consumers shopped the offers. Conversely, in the UK market, despite consumer spending falling by 4% in real terms, consumer spending on groceries rose slightly – much of the increase driven by increased promotional activity. Against this background Kerry Foods' brands in the UK market performed well but in Ireland Kerry's brands underperformed versus private label offerings. In addition exports from Ireland to the UK were negatively impacted by the depreciation of the sterling/euro exchange rate which caused significant restructuring of operations during the year. Strong investment plans were in place by year-end to reposition Kerry's brands and meet 'value focused' consumer requirements for everyday low pricing.

While continuing business volumes recovered as the year progressed to equal the 2008 level, divisional sales revenue declined by 6.1% (LFL) to €1,713m. This reflects a 1.6% volume reduction due to business restructuring, 3.2% lower pricing and an adverse trading currency impact of 1.3%. On a reported basis divisional trading profit at €122m was down from €126m but was unchanged from the previous year on a like-for-like basis. Business efficiency programmes, including 'lean manufacturing', enabled the division to grow its trading profit margin by 40 basis points to 7.1%.

In Kerry Foods' ***UK Brands*** market segments, our leading brands performed well. Sausage grew strongly in value and volume terms as consumers bought-in to a value category. Richmond outperformed category growth benefiting from a highly successful TV advertising campaign. Wall's maintained the number 2 brand positioning with a new range architecture supported by an award winning advertising campaign. Meat snacking continues to show + 10% category growth. Mattessons Fridge Raiders is the main driver of growth in the sector – again achieving strong double digit growth year-on-year. As 'in-home' meal occasions grow in the current economic environment, Mattessons Smoked Pork Sausage also grew satisfactorily.
In the branded cheese snack sector, Cheestrings was relaunched with a new pack design – supported by a new advertising campaign. Q4 saw the launch of 'Cheestrings Shots' – an innovative cheese snack outside of the peelable format. As an appealing and nutritious element of children's diets, Cheestrings Shots has already achieved encouraging distribution and sales. Mid-year Kerry's Low Low brand was successfully launched in the growing UK low-fat cheese category. Made from semi-skimmed milk, the 100% natural cheese offers consumers a full-bodied taste and mature flavour with reduced fat.

In Kerry Foods' selected ***UK Private Label*** categories business performance was mixed relative to 2008. Development of the division's private label savoury pastry business was further advanced through the acquisition of G.Adams Pastry – a Spalding (UK) based cooked pastry products business. This has driven an expanded product offering and strengthened Kerry's category positioning with leading retailers. In February, a range of pastry products was successfully launched under the Wall's brand – initially with a range of on-the-go products through Kerry Foods Direct To Store into the convenience channel and later the range was extended to more main shop occasions through leading multiples.
The chilled ready meals category showed satisfactory volume and value growth in 2009. Kerry Foods outperformed category growth in the sector through the continued success of its ethnic meals range and 'Innocent' branded Vegetable Pots. Noon Products celebrated 20 years of successful development with leading retail customers. Kerry continued to grow its number 1 positioning in the ready-to-cook market through innovative new offerings and novel packaging formats.

Total sales in the frozen ready meals category were broadly flat relative to 2008. Exports from Ireland proved extremely challenging due to the sterling/euro exchange rate. While Kerry Foods remains the number 1 frozen ready meals supplier to the UK market, the business was forced to curtail its involvement in promotional activity and reduce its level of production. The lean programme at the Carrickmacross production facility led to increased efficiencies and the operating cost base was reduced in line with business volumes to maintain business margins. The business relaunched the Sharwood's and Bisto frozen ready meals ranges which were acquired under licence.

The UK private label dairy and low-fat spreads offering failed to maintain market share due to an unprecedented level of promotional activity by the major brands in the category. The ready-to-eat cheese market grew satisfactorily in volume and value, with cheese spreads outperforming overall market growth rates. Kerry Foods achieved good success in private label cheese slices through 'off-fixture-display-units' in leading retail chains during the summer season.

Kerry Foods' ***Brands Ireland*** had an extremely challenging year due to the deflationary recessional market environment which led to a fall-off in overall market demand and the growth of heavily promoted private label, discounter and tertiary brand offerings in most chilled food categories. The successful acquisition of Breeo Foods at the end of March 2009 brought a strategically important group of Irish food brands (including Dairygold, Galtee, and Shaws) which are significantly complementary to Kerry's brand portfolio.

In the sausage, rasher and pre-packed sliced meats categories, Kerry's brands underperformed in the marketplace due to intense competition from private label and discounter offers. Premium segments contracted due to growth in demand for value offers. Major brand investment plans were launched in Q4 to reposition Denny, Galtee and Shaws strategic growth and by year-end encouraging results were achieved in consumer response.

Dairygold and Low Low held their positioning and household penetration in the broadly flat butter and spreads market. Golden Cow brand lost ground to heavily discounted offers but maintained its number 1 positioning in the Northern Ireland butter and spreads market.
The ROI cheese market declined slightly in volume and value with the Charleville brand maintaining its status as the number 1 cheese brand in the market. Low Low maintained its positioning in the natural cheese and ready-to-eat cheese segments.

Ficello continued to make excellent progress in France and Holland.

2009 proved to be a very difficult year for Freshways pre-packed sandwiches and food-to-go products across the retail, travel and foodservice sectors. During the year the brand was relaunched with a significant investment in new packaging. A more competitive pricing strategy was introduced in Q4 which has already yielded good growth in the retail channel.

Prior to year-end, the Group reached agreement on a Management Buy-Out of the Kerry Spring mineral water business.

FINANCIAL REVIEW

Non-trading items

Business realignment relating to the Kerry Ingredients & Flavours 'go-to-market' programme is now complete. Consumer Foods progressed the value chain efficiency programme commenced in 2008 and following the acquisition of Breeo Foods in March the acquired business was integrated into Kerry Foods. The after tax impact of these restructuring activities, combined with the disposal of non-core businesses and assets, was a net expense of €73.3m. These activities resulted in a net cash outflow (after related tax) of €9.4m and a further €35.5m is expected to be paid in 2010 in relation to costs incurred in 2009.

Free Cash Flow

The Group achieved a free cash flow of €367m (2008:€227m) which is stated after net capital expenditure of €108m (2008:€145m). This includes a €133m reduction in working capital – approximately €100m of which can be attributed to the Group's restructuring programmes.

Free Cash Flow	2009 €m	2008 €m
EBITDA*	519	503
Decrease in working capital	133	18
Payments into pension plans (net)	(42)	(34)
Net investment in non-current assets	(108)	(145)
Finance costs paid (net)	(78)	(73)
Income taxes paid	(57)	(42)
Free cash flow	367	227

Finance Costs

Finance costs for the year decreased by €7.9m to €69.8m (2008:€77.7m) as strong cash flows and lower interest rates more than offset the impact of acquisitions and capital investment. During 2009 the Group's average interest rate decreased approximately 80 basis points to 5.0%.

Taxation

The tax charge for the year, before non-trading items, decreased by 2.4% to €61.2m (2008:€62.7m) which represents an effective tax rate of 18.2% (2008:19.8%). The decrease in the effective tax rate is primarily due to variations in the geographical split of profits earned, increased tax credits for research and development expenditure and changes in local statutory tax rates.

Financial Position

At 31 December 2009 net debt was €1,159m (2008:€1,164m). The free cash flow of €367m during the year was utilised as follows:

- Expenditure on acquisitions net of disposals, including deferred consideration on prior year acquisitions, of €291m (2008:€19m);
- Restructuring and other costs (before proceeds from disposals) of €37m (2008:€87m); and
- Equity dividends paid of €41m (2008:€36m)

	2009 TIMES	2008 TIMES
Net debt: EBITDA*	2.2	2.3
EBITDA: Net interest*	7.8	6.5

** Earnings before finance costs, income taxes, depreciation (net), intangible asset amortisation and non-trading items (net of related tax).*

Since the year end the Group has completed the issuance of US$600m of senior notes across four tranches with maturities ranging from 7 to 15 years. These senior notes were raised in the US private placement market and will be used primarily for the repayment of near term debt at the balance sheet date. The pro-forma impact of this refinancing on the maturity profile of net debt is as follows:

	Pro-forma* 31 Dec 2009 €m	31 Dec 2009 €m	31 Dec 2008 €m
Within 1 year	(238)	(104)	(161)
Between 1 and 2 years	332	604	321
Between 2 and 5 years	430	430	771
Greater than 5 years	635	229	233
	1,159	1,159	1,164

*Pro-forma is stated after the new bond issue on 20 January 2010. The average maturity of Group debt on a pro-forma basis post the bond issue has been extended from 2.8 years to 5.8 years.

DIVIDEND

The Board recommends a final dividend of 17.3 cent per share, an increase of 10.9% on 2008. Together with the interim dividend of 7.7 cent per share, this raises the total dividend for the year to 25 cent per share, reflecting an increase of 11.1% on the total 2008 dividend. The final dividend will be paid on 14 May 2010 to shareholders registered on the record date 16 April 2010.

ANNUAL REPORT AND ANNUAL GENERAL MEETING

The Group's Annual Report will be published in April and the Annual General Meeting will be held in Tralee on 5 May 2010.

FUTURE PROSPECTS

The Kerry business model has performed robustly through the recent challenging economic environment in major consumer markets. Our ingredients & flavours technology platforms, working synergistically with our end-use-market product development teams, will continue to deliver innovative solutions for leading customers in global food and beverage markets. In the Group's consumer foods UK and Irish marketplace, the brand strategies and investment programmes now in place will enable our leading brands to compete successfully and position our offers for the value focused consumer.

Our strategies will enable sustained business margin improvement and we are confident of delivering earnings growth in 2010 to a range of 182 to 185 cent per share (2009:166.5 cent).

Kerry Group plc

Consolidated Income Statement
for the year ended 31 December 2009

	Notes	**Before Non-Trading Items 2009 €'000**	**Non-Trading Items 2009 €'000**	**Total 2009 €'000**	2008 €'000
Continuing operations					
Revenue	*1*	**4,520,746**	**-**	**4,520,746**	4,790,770
Trading profit	*1*	**422,374**	**-**	**422,374**	409,234
Intangible asset amortisation		**(16,811)**	**-**	**(16,811)**	(14,891)
Non-trading items	*2*	**-**	**(83,887)**	**(83,887)**	(76,311)
Operating profit		**405,563**	**(83,887)**	**321,676**	318,032
Finance costs		**(69,810)**	**-**	**(69,810)**	(77,677)
Profit before taxation		**335,753**	**(83,887)**	**251,866**	240,355
Income taxes		**(61,199)**	**10,555**	**(50,644)**	(63,380)
Profit after taxation and attributable to equity shareholders		**274,554**	**(73,332)**	**201,222**	176,975
Earnings per A ordinary share				**Cent**	Cent
- basic	*3*			**115.0**	101.3
- diluted	*3*			**114.9**	101.1

Kerry Group plc

Consolidated Statement of Recognised Income and Expense
for the year ended 31 December 2009

	2009	2008
	€'000	€'000
Profit for the year after taxation	**201,222**	176,975
Other comprehensive income:		
Fair value movements on available-for-sale investments	**(6,984)**	(419)
Fair value movements on cash flow hedges	**3,515**	20,966
Exchange difference on translation of foreign operations	**39,609**	(140,038)
Actuarial losses on defined benefit post-retirement schemes	**(71,047)**	(118,113)
Deferred tax on items taken directly to reserves	**19,686**	22,616
Net expense recognised directly in other comprehensive income	**(15,221)**	(214,988)
Reclassification		
Cash flow hedges to profit or loss from equity	**(8,611)**	(10,622)
Total recognised income and expense for the year attributable to equity shareholders	**177,390**	(48,635)

Kerry Group plc

Consolidated Balance Sheet
as at 31 December 2009

	2009	2008
	€'000	€'000
Non-current assets		
Property, plant and equipment	**993,744**	985,970
Intangible assets	**1,871,631**	1,569,502
Financial asset investments	**11,502**	18,486
Deferred tax assets	**7,366**	22,962
	2,884,243	2,596,920
Current assets		
Inventories	**444,171**	512,788
Trade and other receivables	**547,119**	557,022
Cash and cash equivalents	**270,011**	195,818
Other financial assets	**3**	14,688
Assets classified as held for sale	**3,881**	-
	1,265,185	1,280,316
Total assets	**4,149,428**	3,877,236
Current liabilities		
Trade and other payables	**912,444**	909,834
Borrowings and overdrafts	**164,630**	36,211
Current financial liabilities	**1,951**	742
Tax liabilities	**23,427**	39,290
Provisions for liabilities and charges	**44,660**	9,865
Deferred income	**1,952**	2,163
	1,149,064	998,105
Non-current liabilities		
Borrowings	**1,216,865**	1,293,258
Non-current financial liabilities	**46,083**	31,509
Retirement benefits obligation	**194,360**	155,046
Other non-current liabilities	**61,202**	54,877
Deferred tax liabilities	**154,780**	147,793
Provisions for liabilities and charges	**28,434**	37,043
Deferred income	**14,585**	15,910
	1,716,309	1,735,436
Total liabilities	**2,865,373**	2,733,541
Net assets	**1,284,055**	1,143,695
Capital and reserves		
Share capital	**21,895**	21,845
Share premium account	**395,177**	392,184
Other reserves	**(187,345)**	(215,565)
Retained earnings	**1,054,328**	945,231
Shareholders' equity	**1,284,055**	1,143,695

Kerry Group plc

Consolidated Reconciliation of Movements in Shareholders' Equity
for the year ended 31 December 2009

	Share Capital €'000	Share Premium €'000	Other Reserves €'000	Retained Earnings €'000	Total €'000
At 1 January 2008	21,836	391,316	(83,961)	900,096	1,229,287
Profit for the year after taxation	-	-	-	176,975	176,975
Actuarial losses on defined benefit post-retirement schemes	-	-	-	(118,113)	(118,113)
Deferred tax on items taken directly to reserves	-	-	-	22,616	22,616
Movements in other reserves recognised in income and expense for year	-	-	(130,113)	-	(130,113)
Total other comprehensive income for year	-	-	(130,113)	81,478	(48,635)
Dividends paid	-	-	-	(36,343)	(36,343)
Long term incentive plan credit	-	-	(1,491)	-	(1,491)
Shares issued during year	9	868	-	-	877
At 31 December 2008	21,845	392,184	(215,565)	945,231	1,143,695
Profit for the year after taxation	**-**	**-**	**-**	**201,222**	**201,222**
Actuarial losses on defined benefit post-retirement schemes	**-**	**-**	**-**	**(71,047)**	**(71,047)**
Deferred tax on items taken directly to reserves	**-**	**-**	**-**	**19,686**	**19,686**
Movements in other reserves recognised in income and expense for year	**-**	**-**	**27,529**	**-**	**27,529**
Total other comprehensive income for year	**-**	**-**	**27,529**	**149,861**	**177,390**
Dividends paid	**-**	**-**	**-**	**(40,764)**	**(40,764)**
Long term incentive plan expense	**-**	**-**	**691**	**-**	**691**
Shares issued during year	**50**	**2,993**	**-**	**-**	**3,043**
At 31 December 2009	**21,895**	**395,177**	**(187,345)**	**1,054,328**	**1,284,055**

Other Reserves comprise the following:

	Capital Redemption Reserve €'000	Capital Conversion Reserve Fund €'000	Long Term Incentive Plan Reserve €'000	Available-for-sale Investment Reserve €'000	Translation Reserve €'000	Hedging Reserve €'000	Total €'000
At 1 January 2008	1,705	340	2,915	-	(57,578)	(31,343)	(83,961)
Fair value movements on available-for-sale investments	-	-	-	(419)	-	-	(419)
Fair value movements on cash flow hedges	-	-	-	-	-	20,966	20,966
Exchange differences on translation of foreign operations	-	-	-	-	(140,038)	-	(140,038)
Cash flow hedges to profit or loss from equity	-	-	-	-	-	(10,622)	(10,622)
Movements in other reserves recognised in income and expense for year	-	-	-	(419)	(140,038)	10,344	(130,113)
Long term incentive plan credit	-	-	(1,491)	-	-	-	(1,491)
At 31 December 2008	1,705	340	1,424	(419)	(197,616)	(20,999)	(215,565)
Fair value movements on available-for-sale investments	**-**	**-**	**-**	**(6,984)**	**-**	**-**	**(6,984)**
Fair value movements on cash flow hedges	**-**	**-**	**-**	**-**	**-**	**3,515**	**3,515**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**39,609**	**-**	**39,609**
Cash flow hedges to profit or loss from equity	**-**	**-**	**-**	**-**	**-**	**(8,611)**	**(8,611)**
Movements in other reserves recognised in income and expense for year	**-**	**-**	**-**	**(6,984)**	**39,609**	**(5,096)**	**27,529**
Long term incentive plan expense	**-**	**-**	**691**	**-**	**-**	**-**	**691**
At 31 December 2009	**1,705**	**340**	**2,115**	**(7,403)**	**(158,007)**	**(26,095)**	**(187,345)**

Kerry Group plc

Consolidated Cash Flow Statement

for the year ended 31 December 2009

	2009 €'000	2008 €'000
Operating activities		
Trading profit	**422,374**	409,234
Adjustments for:		
Depreciation (net)	**97,247**	94,024
Change in working capital	**132,438**	18,762
Payments into pension plans (net)	**(42,294)**	(34,483)
Exchange translation adjustment	**4,203**	(5,106)
Cash generated from operations	**613,968**	482,431
Income taxes paid	**(57,114)**	(41,986)
Interest received	**1,438**	3,670
Finance costs paid	**(79,398)**	(77,032)
Net cash from operating activities	**478,894**	367,083
Investing activities		
Purchase of non-current assets	**(126,136)**	(159,591)
Proceeds from the sale of non-current assets	**17,402**	13,516
Capital grants received	**801**	845
Purchase of subsidiary undertakings (net of cash acquired)	**(274,800)**	(62,120)
Proceeds from disposal of businesses (net of related tax)	**-**	44,857
Payment of deferred consideration on acquisition of subsidiaries	**(13,979)**	(1,672)
Expenditure on restructuring and other costs	**(37,389)**	(87,249)
Consideration adjustment on previous acquisitions	**(2,345)**	(185)
Net cash used in investing activities	**(436,446)**	(251,599)
Financing activities		
Dividends paid	**(40,764)**	(36,343)
Issue of share capital	**3,043**	877
Net movement on bank borrowings	**73,064**	(59,558)
(Decrease)/increase in bank overdrafts	**(7,726)**	3,225
Net cash movement due to financing activities	**27,617**	(91,799)
Net increase in cash and cash equivalents	**70,065**	23,685
Cash and cash equivalents at beginning of year	195,818	185,669
Exchange translation adjustment on cash and cash equivalents	**4,128**	(13,536)
Cash and cash equivalents at end of year	**270,011**	195,818

Reconciliation of Net Cash Flow to Movement in Net Debt

	2009 €'000	2008 €'000
Net increase in cash and cash equivalents	**70,065**	23,685
Cash (inflow)/outflow from debt financing	**(65,338)**	56,333
Changes in net debt resulting from cash flows	**4,727**	80,018
Fair value movement on interest rate swaps	**3,879**	5,162
Exchange translation adjustment on net debt	**(4,579)**	30,296
Movement in net debt in the year	**4,027**	115,476
Net debt at beginning of year	(1,163,503)	(1,278,979)
Net debt at end of year	**(1,159,476)**	(1,163,503)

Kerry Group plc

Notes to the Financial Statements
for the year ended 31 December 2009

1. Analysis of results

The Group has adopted IFRS 8 'Operating Segments' with effect from 1 January 2009. The Business Segments reported have not changed as a result of the adoption of this standard. There has however been some minor changes to the basis of measurement of segment performance, (principally inter-segment trading) which has necessitated some immaterial changes to prior year comparatives.

					Represented			
	Ingredients & Flavours 2009 €'000	**Consumer Foods 2009 €'000**	**Group Eliminations and Unallocated 2009 €'000**	**Total 2009 €'000**	Ingredients & Flavours 2008 €'000	Consumer Foods 2008 €'000	Group Eliminations and Unallocated 2008 €'000	Total 2008 €'000
Revenue	**3,261,006**	**1,712,915**	**(453,175)**	**4,520,746**	3,409,572	1,871,683	(490,485)	4,790,770
Trading profit	**340,119**	**122,085**	**(39,830)**	**422,374**	322,749	125,916	(39,431)	409,234
Intangible asset amortisation	**(12,964)**	**(1,718)**	**(2,129)**	**(16,811)**	(11,800)	(1,604)	(1,487)	(14,891)
Non-trading items	**(71,635)**	**(12,252)**	**-**	**(83,887)**	(44,322)	(31,989)	-	(76,311)
Operating profit	**255,520**	**108,115**	**(41,959)**	**321,676**	266,627	92,323	(40,918)	318,032
Finance costs				**(69,810)**				(77,677)
Profit before taxation				**251,866**				240,355
Income taxes				**(50,644)**				(63,380)
Profit after taxation				**201,222**				176,975
Segment assets and liabilities								
Segment assets	**2,462,540**	**1,021,215**	**665,673**	**4,149,428**	2,485,209	850,531	541,496	3,877,236
Segment liabilities	**(645,330)**	**(390,850)**	**(1,829,193)**	**(2,865,373)**	(675,103)	(297,866)	(1,760,572)	(2,733,541)
Net assets	**1,817,210**	**630,365**	**(1,163,520)**	**1,284,055**	1,810,106	552,665	(1,219,076)	1,143,695
Other segmental information								
Property, plant and equipment additions	**62,842**	**20,996**	**-**	**83,838**	141,196	23,882	-	165,078
Depreciation (net)	**69,036**	**27,425**	**786**	**97,247**	63,954	29,436	634	94,024
Intangible asset additions	**625**	**177**	**25,338**	**26,140**	1,156	811	3,961	5,928

Information about geographical areas

	EMEA 2009 €'000	**Americas 2009 €'000**	**Asia Pacific 2009 €'000**	**Total 2009 €'000**	EMEA 2008 €'000	Americas 2008 €'000	Asia Pacific 2008 €'000	Total 2008 €'000
Revenue by location of customers	**2,830,447**	**1,286,650**	**403,649**	**4,520,746**	3,063,719	1,343,431	383,620	4,790,770
Segment assets by location	**2,770,945**	**1,112,003**	**266,480**	**4,149,428**	2,443,800	1,180,515	252,921	3,877,236
Property, plant and equipment additions	**46,794**	**30,150**	**6,894**	**83,838**	63,480	89,841	11,757	165,078
Intangible asset additions	**25,727**	**392**	**21**	**26,140**	5,111	817	-	5,928

Kerry Group plc is domiciled in the Republic of Ireland and the revenues from third party customers in the Republic of Ireland was **€641,161,000** (2008: €672,108,000). The segment assets located in the Republic of Ireland are **€1,108,089,000** (2008: €981,758,000). The accounting policies of the reportable segments are the same as the Group's accounting policies as outlined in the Statement of Accounting Policies.

Notes to the Financial Statements (continued)
for the year ended 31 December 2009

2. Non-trading items

	Gross (Cost) / Income 2009 €'000	Tax 2009 €'000	Net (Cost) / Income 2009 €'000	Net (Cost) /Income 2008 €'000
Kerry Ingredients & Flavours reorganisation	**(56,636)**	**5,099**	**(51,537)**	(50,602)
Breeo Foods integration and Consumer Foods plant restructuring	**(35,655)**	**4,706**	**(30,949)**	(7,784)
(Loss)/profit on disposal of businesses	**(12,935)**	**-**	**(12,935)**	20,130
(Loss)/profit on disposal of non-current assets	**(1,814)**	**750**	**(1,064)**	3,119
Incomplete acquisition	**23,153**	**-**	**23,153**	(23,153)
Tax charge due to a change in legislation	**-**	**-**	**-**	(18,706)
	(83,887)	**10,555**	**(73,332)**	(76,996)

Kerry Ingredients & Flavours reorganisation
This investment programme was aimed at capturing operational synergies associated with the Group's 'go-to-market' strategy. This strategy consolidated sales and sales support centres, realigned research and development centres into centres of excellence and resulted in operational and manufacturing streamlining affecting 22 sites globally (Total: 50 sites over 2 years).

Breeo Foods integration and Consumer Foods plant restructuring
The Breeo Foods integration affected both the acquired business and the Consumer Foods business as the optimal structure was implemented. Consumer Foods also undertook significant restructuring of its other Irish operating facilities due to the current trading environment and the extreme impact of sterling exchange rates on both import and export competitiveness.

Included in the non-trading items detailed above are redundancies and contract compensation of **€59,607,000**, impairment of assets of **€10,744,000** and reversal of provisions related to pension schemes of **€8,719,000**.

Loss on disposal of businesses
The loss on disposal of businesses relates primarily to the disposal of a non-core business in France.

Loss on disposal of non-current assets
The loss on disposal of non-current assets relates to the sale of properties, plant and equipment mainly in the USA.

Incomplete acquisition
In 2008 a provision was created for the deposit and pre-acquisition costs relating to the Breeo Foods acquisition as the High Court decision in relation to the Group's appeal to annul the determination of the Competition Authority of Ireland to prohibit the Group's proposed acquisition of Breeo Foods was outstanding at that stage. In the current year, a judgement in Kerry Group's favour allowed the acquisition to proceed, therefore the provision has been reversed.

On 8 April 2009, the Competition Authority of Ireland served Notice of Appeal against the judgement of the High Court in relation to this matter. Kerry is determined to defend its position and will resist this appeal in the Supreme Court.

Tax
A net tax credit of **€10,555,000** arose on 2009 non-trading items due to tax deductions available on the restructuring, acquisition integration programme and the sale of non-current assets.

2008 Non-trading items
The gross cost of the 2008 non-trading items was €76,311,000 and after the net tax charge of €685,000, the net cost was €76,996,000. These costs related to the relocation of research and development facilities and the rationalisation of manufacturing facilities in Kerry Ingredients & Flavours, Consumer Foods plant restructuring programme and incomplete acquisition costs in relation to Breeo Foods. 2008 profits related to the disposal of the fragrance business in the USA, a non-core animal feed business in Ireland and property, plant and equipment. The tax charge also included a non-cash deferred tax charge as a result of the withdrawal of UK Industrial Buildings Allowances.

Cash impact
The non-trading items resulted in a net cash outflow (after related tax) of **€9,415,000** (2008: €3,070,000), which includes the reversal of incomplete acquisition costs of **€23,153,000**. The expected cash outflow in 2010 on 2009 non-trading items already provided is estimated to be **€35,482,000**.

3. Earnings per A ordinary share

	Notes	EPS cent	2009 €'000	EPS cent	2008 €'000
Basic earnings per share					
Profit after taxation and attributable to equity shareholders		**115.0**	**201,222**	101.3	176,975
Intangible asset amortisation		**9.6**	**16,811**	8.5	14,891
Non-trading items (net of related tax)	2	**41.9**	**73,332**	44.1	76,996
Adjusted earnings*		**166.5**	**291,365**	153.9	268,862
Diluted earnings per share					
Profit after taxation and attributable to equity shareholders		**114.9**	**201,222**	101.1	176,975
Adjusted earnings*		**166.3**	**291,365**	153.6	268,862

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

	Number of Shares 2009 000's	Number of Shares 2008 000's
Basic weighted average number of shares for the year	**174,989**	174,714
Impact of executive share options outstanding	**202**	301
Diluted weighted average number of shares for the year	**175,191**	175,015
Actual number of shares in issue as at 31 December	**175,164**	174,762

4. General information and accounting policies

The financial information set out in this document does not constitute full statutory financial statements for the years ended 31 December 2009 or 2008 but is derived from same. The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), applicable Irish law and the Listing Rules of the Irish and London Stock Exchanges. The Group's financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The 2009 and 2008 financial statements have been audited and received unqualified audit reports. The 2009 financial statements were approved by the Board of Directors on 22 February 2010.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial asset investments and financial liabilities (including derivative financial instruments), which are held at fair value. The Group's accounting policies will be included in the Annual Report & Accounts to be published in April 2010.