Preliminary Statement of Results

19 FEBRUARY 2019

Foundational Technologies

Integrated Technology Value Creation

Channels & Customers
Disclaimer: Forward Looking Statements

This presentation/announcement may contain forward looking statements with projections regarding, among other things, the Group’s strategy, revenues, earnings, trading profit, trading margin, finance costs, tax rate, capital expenditure, dividends, cash flow, 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. Therefore actual results may differ materially from these projections.

These forward looking statements speak only as of the date they were made and the Group undertakes no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.
Preliminary Statement of Results 2018

1. Review of Business

2. Financial Review

3. Outlook & Future Prospects

Edmond Scanlon, Chief Executive

Marguerite Larkin, Chief Financial Officer
2018 – Consistent Performance in a Rapidly Changing Marketplace

**Continued Outperformance**

Strong volume driven performance ahead of our market

- **Kerry**
  - 3.5%

- **Market**
  - 1.0%

**Enhanced Taste & Nutrition Portfolio**

Continued development of our industry-leading integrated Taste & Nutrition capabilities

**Continued Investment**

Business development, capital and M&A enhancing foundational technologies, expanding presence and routes to market

- **Taste**
- **Nutrition**
- **Developing Markets**
- **Foodservice**

Kerry market estimates based on published data and company disclosures
2018 Performance – Delivering Growth and Return

**Growth**
- Volume: +3.5% (Outperforming market)
- Trading Margin: 12.2% (Good underlying progression)
- Adjusted EPS* (CCY): +8.6% (Continued growth)

**Return**
- ROACE*: 12.0% (On target)
- Free Cash Flow: €447m (72% conversion¹ in the period)
- Increased Total Dividend: +12.0% (49.2c final dividend proposed)

Note: * before brand related intangible asset amortisation and non-trading items (net of related tax) | ¹ expressed as a percentage of adjusted earnings after tax
2018 Marketplace Overview

Marketplace Dynamics

- Consumer demanding more – continuing to drive marketplace fragmentation
- Traditional supply chain models being redefined
- Geopolitical and regulatory changes
- Speed of innovation key to success
- Smaller brands and private label gaining share

Developed Markets

- Economic conditions relatively robust
- Food choices becoming more important in people’s lifestyles
- Focus on authentic and clean label continuing to evolve
- Plant protein innovations accelerating
- Premiumisation of taste and demand for world tastes driving innovation

Developing Markets

- Economic conditions varied but stable overall
- Currency volatility persists
- Localisation of new tastes driving innovation
- Regulatory environment continues to evolve
- Home delivery and digital growing at pace
2018 Revenue and Margin Growth

Group

€6,608m
VOLUME +3.5%
MARGIN +0bps

Taste & Nutrition

€5,351m
VOLUME +4.1%
MARGIN +20bps

Consumer Foods

€1,339m
VOLUME +1.1%
MARGIN -60bps
Business Review – Taste & Nutrition

- Continued volume growth ahead of our markets:
  - Meat, Beverage and Snacks EUMs growing strongly
  - Authentic Taste and Clean Label technology portfolios key drivers of growth
  - Developing markets – growth of 9.5%
  - Foodservice – growth of 5.8%
  - Winning across an increasingly diverse customer base

- Pricing of (0.5%) – lower raw material costs reflected through customer partnership agreements

- Margin progression – good underlying growth driven by operating leverage, portfolio enhancement and efficiencies, partially offset by currency headwinds and growth investment

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**End Use Markets (EUMs)**

<table>
<thead>
<tr>
<th>End Use Markets</th>
<th>2018 % volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakery &amp; Confectionery</td>
<td>+5.7%</td>
</tr>
<tr>
<td>Meat</td>
<td>+5.3%</td>
</tr>
<tr>
<td>Pharma</td>
<td>+9.0%</td>
</tr>
<tr>
<td>Cereal, Sweet &amp; Other</td>
<td>+2.1%</td>
</tr>
<tr>
<td>Meals</td>
<td>+3.8%</td>
</tr>
<tr>
<td>Dairy</td>
<td>+3.0%</td>
</tr>
<tr>
<td>Snacks</td>
<td>+5.3%</td>
</tr>
<tr>
<td>Beverage</td>
<td>+5.2%</td>
</tr>
</tbody>
</table>

**Key Financials 2018**

- Revenue: €5,351m
- Trading margin: 15.1%
- Growth: +4.1% \(^1\) (+20bps)

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Note: \(^1\) volume growth
**Americas**
- North America – Meat, Beverage and Snacks EUMs delivered good growth
- Innovations - speed and number has increased
- LATAM – Mexico and Central America delivered good growth, with a solid performance in Brazil

**Europe**
- Beverage, Meat and Dairy EUMs delivered good growth
- Foodservice – good performance considering very strong comparatives
- Southern Europe and Russia delivered strong growth

**APMEA**
- Meat, Meals and Snacks EUMs delivered strong growth
- Southeast Asia delivered an excellent performance
- Sub-Saharan Africa and the Middle East – good progress
- Strategic footprint expansion continued

**Volume Growth by Region**
- **AMERICAS**: 10.1%
- **EUROPE**: 2.8%
- **APMEA**: 2.3%

**Developed**
- 73%

**Developing**
- 27%

**KERRY MARKET**
- **AMERICAS**: €2,745m
- **EUROPE**: €1,422m
- **APMEA**: €1,105m

**Note:** Kerry third party revenue | Kerry market estimates based on published data and company disclosures
Business Review – Consumer Foods

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€1,339m</td>
<td>+1.1% ¹</td>
</tr>
<tr>
<td>Trading margin</td>
<td>7.5 %</td>
<td>(60bps)</td>
</tr>
</tbody>
</table>

**Everyday Fresh**
- Richmond – good performance, with new Richmond chicken sausage growing well
- Spreads – spreadable butter technology continued to perform well

**Convenience Meal Solutions**
- Performance challenged - volumes impacted by reduced promotional activity
- Frozen – category volumes contracted

**Food to Go**
- Cheestrings delivered strong growth
- Meat snacking – good performance across the range
- Food to Go solutions and Out of Home growing strongly with new listings

Note: ¹ volume growth

- Volume growth ahead of market – continued good performance across the ‘Food to Go’ range
- Pricing of (0.4%) – reflecting lower raw material pricing on average across the period
- Trading margin – underlying growth more than offset by the adverse impact of transaction currency
- Brexit currency mitigation programme complete
- Successful relaunch of Fridge Raiders brand covering a broader range of snacking products
Financial Highlights

Marguerite Larkin, Chief Financial Officer

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>TRADING PROFIT</th>
<th>ADJUSTED EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>€6,608m</td>
<td>€806m</td>
<td>353.4c</td>
</tr>
</tbody>
</table>
Continued Delivery in a Rapidly Changing Environment

**Volume Growth**
- Kerry: 3.5%
- Market: 1.0%

**Raw Material Costs**
- 2016: (4%)
- 2017: 4%
- 2018: (1%)

**Geopolitical Uncertainty**
- Brexit
- US/China trade tensions

**Strategic Priorities**
- Taste
- Nutrition
- Developing Markets
- Foodservice

**Consistent volume growth ahead of market**

**Managing input cost environment**

**Geopolitical uncertainty affecting marketplace dynamics**

**Continued investment for long term growth**

*Sources: Kerry raw material cost % changes, Kerry market estimates based on published data and company disclosures*
## 2018 Financial Highlights

<table>
<thead>
<tr>
<th>Result</th>
<th>Comment</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>€6,608m</td>
</tr>
<tr>
<td></td>
<td>+3.5% volume growth</td>
</tr>
<tr>
<td>Trading profit</td>
<td>€806m</td>
</tr>
<tr>
<td></td>
<td>+7.0% constant currency (4.1% reported)</td>
</tr>
<tr>
<td>Trading margin</td>
<td>12.2%</td>
</tr>
<tr>
<td></td>
<td>Reported margin maintained (impacted by 30bps fx headwinds)</td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>353.4c</td>
</tr>
<tr>
<td></td>
<td>+8.6% constant currency</td>
</tr>
<tr>
<td>Basic EPS</td>
<td>305.9c</td>
</tr>
<tr>
<td></td>
<td>(8.3%) reported (reflects 2017 US deferred tax credit)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>€447m</td>
</tr>
<tr>
<td></td>
<td>72% conversion</td>
</tr>
</tbody>
</table>

Note: *before brand related intangible asset amortisation and non-trading items (net of related tax) | ¹ expressed as a percentage of adjusted earnings after tax
Revenue Growth Analysis

2017
€6,408m

Translation currency
(3.4%)

Transaction currency
(0.1%)

Volume
3.5%

Price
(0.5%)

Acquisitions/disposals
3.6%

2018
€6,608m

3.1%
Continued Volume Growth Ahead of Our Markets

**Group Volume Growth**

- 2016: 3.6% (1.5% Kerry Volume Growth, 1.3% Market Volume Growth)
- 2017: 4.3% (1.3% Kerry Volume Growth, 1.0% Market Volume Growth)
- 2018: 3.5% (1.0% Kerry Volume Growth, 1.3% Market Volume Growth)

**Breakdown by Business**

- **Group**
  - Kerry Volume Growth: 3.5%
  - Market Volume Growth: 1.0%
  - Kerry Reported Revenue: €6.6bn

- **Taste & Nutrition**
  - Kerry Volume Growth: 4.1%
  - Market Volume Growth: 1.3%
  - Kerry Reported Revenue: €5.4bn

- **Consumer Foods**
  - Kerry Volume Growth: 1.1%
  - Market Volume Growth: (0.3%)
  - Kerry Reported Revenue: €1.3bn

Source: Kerry market estimates based on published data and company disclosures
Group Trading Margin Maintained at 12.2% – Led by Taste & Nutrition

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Foods</td>
<td>€100m</td>
<td>€716m</td>
<td>€805m</td>
</tr>
<tr>
<td>Taste &amp; Nutrition</td>
<td>14.7%</td>
<td>14.9%</td>
<td>15.1%</td>
</tr>
</tbody>
</table>

Trading Margin by Business

- Consumer Foods: €100m, Trading Margin: 7.5%, -60bps
- Taste & Nutrition: €805m, Trading Margin: 15.1%, +20bps

Taste & Nutrition Trading Margin

- 2016: €716m, Trading Margin: 14.7%, +60bps
- 2017: €767m, Trading Margin: 14.9%, +20bps
- 2018: €805m, Trading Margin: 15.1%, +20bps

Note: adverse currency impact on 2018 trading margin: Group (30bps) / Taste & Nutrition (10bps) / Consumer Foods (70bps)
Group Trading Margin Breakdown

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating leverage / Portfolio mix</th>
<th>Net price</th>
<th>KerryExcel Efficiencies</th>
<th>KerryExcel Investments</th>
<th>Currency</th>
<th>Acquisitions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>781</td>
<td>+0.1%</td>
<td>0.2%</td>
<td>(0.3%)</td>
<td>(0.3%)</td>
<td>0.0%</td>
<td>12.2%</td>
</tr>
<tr>
<td>2018</td>
<td>806</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12.2%</td>
</tr>
</tbody>
</table>

Group 12.2%
# Free Cash Flow – Performance in Line with Expectations

<table>
<thead>
<tr>
<th></th>
<th>2018 €m</th>
<th>2017 €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>806</td>
<td>781</td>
</tr>
<tr>
<td>Depreciation (net)</td>
<td>134</td>
<td>134</td>
</tr>
<tr>
<td>Movement in average working capital</td>
<td>(57)</td>
<td>93</td>
</tr>
<tr>
<td>Pension contributions paid less pension expense</td>
<td>(40)</td>
<td>(95)</td>
</tr>
<tr>
<td><strong>Cash inflow from operations</strong></td>
<td>843</td>
<td>913</td>
</tr>
<tr>
<td>Finance costs (net)</td>
<td>(65)</td>
<td>(60)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(46)</td>
<td>(55)</td>
</tr>
<tr>
<td>Capital expenditure (net)</td>
<td>(285)</td>
<td>(297)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>447</td>
<td>501</td>
</tr>
</tbody>
</table>

*Cash conversion* \(\text{%}\)  

* Expressed as a percentage of adjusted earnings after tax
Financial Ratios and Debt Profile

### Returns

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Target</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROACE¹</td>
<td>12%</td>
<td>12.0%</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

### Banking Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Covenant</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt: EBITDA*</td>
<td>Max 3.5x</td>
<td>1.7x</td>
<td>1.4x</td>
</tr>
<tr>
<td>EBITDA: net interest*</td>
<td>Min 4.75x</td>
<td>14.7x</td>
<td>16.2x</td>
</tr>
</tbody>
</table>

### Maturity Profile of Net Debt

- **2018**: €(400m)
- **2019**: €142m
- **2020**: €435m
- **2021**: €648m
- **2022**: €799m

Note: ¹ before brand related intangible asset amortisation and non-trading items (net of related tax)  | * calculated in accordance with lender covenants
<table>
<thead>
<tr>
<th>Other Matters</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance costs</strong></td>
</tr>
<tr>
<td><strong>Pension</strong></td>
</tr>
<tr>
<td><strong>Non-trading items</strong></td>
</tr>
<tr>
<td><strong>Kerryconnect</strong></td>
</tr>
<tr>
<td><strong>Raw materials</strong></td>
</tr>
</tbody>
</table>
| **Currency** | 2018 EPS impact: (5%) translation and (2%) transaction  
2019 EPS impact: current outlook of c. +2% translation and neutral transaction |
Outlook & Future Prospects

Edmond Scanlon, Chief Executive
Food for Life and Wellbeing Across Life-stages

**Generation Z (18-25 years)**
- **Key dietary changes**
  - High protein
  - Digestive health
  - Vegan/vegetarian
- **Lifestyle**
  - Physical health
  - Experiences, ‘made for me’ and ethical key drivers

**Key dietary changes**
- High protein
- Digestive health
- Plant-based (flexitarian)

**Lifestyle**
- Emotional health
- Green label, smaller brands, convenience key drivers

**Growth in Demand for Elevated Nutrition**
(% Growth rate NPD 2016-2018)

- **Plant Based**: 42.0%
- **Immune**: 14.0%
- **Reduced**: 10.0%
- **Digestive Health**: 8.0%
- **Clean & Natural**: 6.7%
- **‘Suitable For’**: 3.8%

**Millennials (26-35 years)**
- **Key dietary changes**
  - High protein
  - Digestive health
  - Plant-based (flexitarian)
- **Lifestyle**
  - Mental health
  - Taste, convenience and transparency key drivers

**Generation X (36-55 years)**
- **Key dietary changes**
  - Reduced calories
  - Reduced cholesterol
  - Reduced carbs
- **Lifestyle**
  - Increased physical activity
  - New experiences, local taste and trust key drivers

**Baby Boomers (55+ years)**
- **Key dietary changes**
  - Reduced fat
  - Reduced sodium
- **Lifestyle**
  - Increased physical activity
  - New experiences, local taste and trust key drivers

Source: Mintel, Euromonitor, Global Data, Innova and Kerry Insight 2019

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Accelerating Consumer Change – Impacting End-to-end Supply Chain

Consumer Revolution

- **Food for Life & Wellbeing**
  - Proactive nutrition
  - Reduced sugar, salt, fat
  - Clean & natural
  - Protein redefined

- **New Taste Experiences**
  - Multi-sensorial
  - New world taste
  - Localisation

- **Trust is Core**
  - Transparency to green label
  - Brands with purpose

- **‘Made-for-me’**
  - New bespoke experiences
  - Next generation snacking
  - Smaller brands

Driving Customer Transformation

- **Managing Accelerating Fragmentation**
  - Shorter product development cycles
  - Innovation to meet personal needs
  - Tailored brand proposition
  - Convenience – new packaging formats
  - Incubation hubs

- **Elevated Nutrition that Tastes Great**
  - Elevation of nutrition
  - Sophistication of taste
  - Authentic and natural

- **Being Trusted**
  - Ingredient provenance
  - Ethical brands
  - Sustainability central to strategy

- **Digital Transformation**
  - New age digital connectivity
  - Growth of virtual start-ups

Reshaping Industry

- **Organisational Agility Critical**
  - Integrated solutions portfolio
  - New service models for fragmenting customer base
  - Culture and mindset

- **Integrated Innovation Processes**
  - Locally led, globally connected innovation
  - Holistic partnerships
  - Shorter product development cycles
  - Innovation outsourcing

- **Supply Chains Being Redefined**
  - More streamlined supply chains
  - Shorter lead times
  - Greater collaboration across value chain

- **Manufacturing Needs Evolving**
  - Multi technology manufacturing network
  - Localisation of footprint
  - Process technology flexibility

Source: Mintel, Euromonitor, Global Data, Innova and Kerry Insight 2019
Unique Taste & Nutrition Positioning

Underpinned by 5R Clean Label Strategy

Enabled by our Taste & Nutrition Discovery Centre

Taste

Nutrition

Taste Sense

Authentic Savoury

Simply Nature

Underpinned by 5R Clean Label Strategy

Replace

Reduce

Remove

Reposition

Reinvent

Scientific Advisory Council

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Consumer Foods – Realignment for Growth in a New Landscape

Consumer Foods Strategy

Grow and outperform in our core | Invest and expand into adjacencies

Fundamental shift in landscape

Consumer Revolution
- Rapidly changing preferences
- Increased uncertainty / Brexit
- Value propositions being redefined

Channel Disruption
- Traditional store format challenged
- Food service and retail blurring
- Online disruption impact

Customer Transformation
- Retailer consolidation
- Discounter offering premium
- Supplier resets

IMPACTING RIGHT ALONG THE SUPPLY CHAIN

Realignment for Growth
Optimising Core
Simplifying Structure
Streamlining Footprint
## Strategic Acquisitions

**Completed in 2018**

<table>
<thead>
<tr>
<th>Taste</th>
<th>Nutrition</th>
<th>Developing Markets</th>
<th>Foodservice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hangman</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>SIAS</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Season to Season</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foremost Farms</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Ojah (JV)</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Flavour Source</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>AATCO</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fleischmann’s (FVC)</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

**Post Y/E**

<table>
<thead>
<tr>
<th></th>
<th>Taste</th>
<th>Nutrition</th>
<th>Developing Markets</th>
<th>Foodservice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeastern Mills <em>(SEM)</em></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ariake USA</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Ariake USA expected to close in Q2 2019

Total consideration of c. €843m
Outlook 2019

• Continue to outperform our markets
  • **Taste & Nutrition**: strong innovation pipeline and good growth prospects, as we continue to evolve our unique business model aligned to the changing market landscape
  • **Consumer Foods**: building on strategy – realigning core and investing in adjacencies to outperform market, whilst navigating the current uncertain Brexit environment

• Invest for growth as pace of marketplace fragmentation and localisation accelerates

• Pursue M&A opportunities aligned to our strategic growth priorities

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In 2019, we expect to deliver adjusted EPS* growth of 6% to 10% on a constant currency basis

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Note: * before brand related intangible asset amortisation and non-trading items (net of related tax)
Additional Information
## Revenue Growth Components FY 2018

<table>
<thead>
<tr>
<th></th>
<th>Volume</th>
<th>Price</th>
<th>Transaction Currency</th>
<th>Translation Currency</th>
<th>Acquisitions / Disposals</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>4.1%</td>
<td>(0.5%)</td>
<td>(0.1%)</td>
<td>(4.0%)</td>
<td>4.2%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>1.1%</td>
<td>(0.4%)</td>
<td>(0.3%)</td>
<td>(0.6%)</td>
<td>0.8%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Group</td>
<td>3.5%</td>
<td>(0.5%)</td>
<td>(0.1%)</td>
<td>(3.4%)</td>
<td>3.6%</td>
<td>3.1%</td>
</tr>
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</table>
## Trading Margin by Business

<table>
<thead>
<tr>
<th></th>
<th>2018 Revenue €m</th>
<th>2018 Trading Profit €m</th>
<th>%</th>
<th>2017 Revenue €m</th>
<th>2017 Trading Profit €m</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>5,350.6</td>
<td>805.3</td>
<td>15.1%</td>
<td>5,158.8</td>
<td>767.2</td>
<td>14.9%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>1,339.0</td>
<td>100.1</td>
<td>7.5%</td>
<td>1,331.0</td>
<td>107.8</td>
<td>8.1%</td>
</tr>
<tr>
<td>Eliminations/unallocated</td>
<td>(82.0)</td>
<td>(99.8)</td>
<td></td>
<td>(81.9)</td>
<td>(93.7)</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>6,607.6</td>
<td>805.6</td>
<td>12.2%</td>
<td>6,407.9</td>
<td>781.3</td>
<td>12.2%</td>
</tr>
</tbody>
</table>
## EPS Reconciliation

<table>
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<tr>
<th></th>
<th>2018 € cent</th>
<th>2017 € cent</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic EPS</td>
<td>305.9</td>
<td>333.6</td>
<td>(8.3%)</td>
</tr>
<tr>
<td>Brand related intangible asset amortisation</td>
<td>16.3</td>
<td>13.4</td>
<td></td>
</tr>
<tr>
<td>Non-trading items (net of related tax)</td>
<td>31.2</td>
<td>(5.8)</td>
<td></td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>353.4</td>
<td>341.2</td>
<td>3.6%</td>
</tr>
<tr>
<td>Retranslating PY adjusted EPS at current year average fx rates</td>
<td></td>
<td>(15.8)</td>
<td></td>
</tr>
<tr>
<td>Adjusted EPS in constant currency</td>
<td>353.4</td>
<td>325.4</td>
<td>8.6%</td>
</tr>
</tbody>
</table>
## Net Debt as at 31 December 2018

<table>
<thead>
<tr>
<th>Currency</th>
<th>Debt €m</th>
<th>@ Floating Rates €m</th>
<th>@ Fixed Rates €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro</td>
<td>1,416</td>
<td>622</td>
<td>794</td>
</tr>
<tr>
<td>Sterling</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>US dollar</td>
<td>607</td>
<td>389</td>
<td>218</td>
</tr>
<tr>
<td>Other</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td><strong>Gross debt</strong></td>
<td>2,038</td>
<td>1,026</td>
<td>1,012</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td>(414)</td>
<td>(414)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>1,624</td>
<td>612</td>
<td>1,012</td>
</tr>
</tbody>
</table>

### Gross debt
- **2018**: 50%
- **2017**: 40%

Weighted average period for which rate is fixed: 4.8 years
Exchange Rate Movements

Average Exchange Rates – 2018 v 2017

- AUD: (7%) decrease
- BRL: (20%) decrease
- CAD: (5%) decrease
- CNY: (3%) decrease
- GBP: (1%) decrease
- MXN: (7%) increase
- MYR: 2% increase
- USD: (5%) decrease
- ZAR: (6%) decrease
Strong Earnings Growth While Maintaining Return on Capital Employed

Note: * before brand related intangible asset amortisation and non-trading items (net of related tax)
Leader in R&D | No. 1 in Developing Markets

Largest R&D Spend
Taste & Nutrition

€m

Developing Market
Sales Taste & Nutrition

€m

Kerry estimates based on most recent accounts published & available information
Shareholder Analysis

Shares in issue at 31 December 2018: 176,298,416

North America 19%
UK 13%
Continental Europe | Rest of World 23%
Ireland 3%

Institutional Analysis

Retail 28%
Kerry Co-operative 14%
Institutions 58%
Towards 2020

Sustainability Pillars

<table>
<thead>
<tr>
<th>Environmental Sustainability</th>
<th>Marketplace Sustainability</th>
<th>Workplace Sustainability</th>
<th>Community Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>Nutrition &amp; Health</td>
<td>Our People</td>
<td>Social Impact</td>
</tr>
<tr>
<td>Resource Efficiency</td>
<td>Responsible Sourcing</td>
<td>Business Ethics</td>
<td>Economic Development</td>
</tr>
<tr>
<td>Waste Reduction</td>
<td>Product Quality</td>
<td>Health &amp; Wellbeing</td>
<td>Shared Purpose</td>
</tr>
</tbody>
</table>

**REDUCTION IN CARBON INTENSITY**
Versus 2013 base year
16.4%

**REDUCTION IN WASTE INTENSITY**
Versus 2013 base year
22.7%

**RESEARCH, DEVELOPMENT & APPLICATION**
Industry leading investment
€275m

**RESPONSIBLE SOURCING**
Certification of milk suppliers maintained at
100%

**HEALTH & SAFETY**
Year-on-year reduction in reported incidents
8%

**LEARNING & DEVELOPMENT**
Courses completed
>102,000

**RAIN PROGRAMME**
Commitment to tackling malnutrition
€1m

**SPECIAL OLYMPICS**
New partnership to support athletes over
2 YEARS

Environmental Sustainability
Marketplace Sustainability
Workplace Sustainability
Community Sustainability

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Preliminary Statement of Results

19 FEBRUARY 2019

Foundational Technologies

Integrated Technology Value Creation

Channels & Customers