NEWS RELEASE
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A world of
cheese and nutritional
ingredients

2009 full year results

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SOLID RESULT IN VERY CHALLENGING TRADING ENVIRONMENT

10 March 2010 - Glanbia plc ('Glanbia'), the international nutritional ingredients and cheese Group, announces its full year results for the year ended 2 January 2010. In a separate Stock Exchange announcement today Glanbia plc announces that it is in discussions with Glanbia Co-operative Society Limited, its 54.64% shareholder, in relation to the potential disposal of its Irish Dairy and Agri Businesses.

2009 full year results summary

- Solid financial results, in line with market expectations, in a very challenging trading environment.
- Strong result in Global Nutritionals; particularly Optimum Nutrition.
- Major cost saving initiatives throughout the Group during the year; continuing in 2010 in Ireland.
- Increased contribution by higher margin businesses improves operating margin by 10 basis points to 6.1%.
- Strong operational performance achieved across the business.
- Adjusted earnings per share amounted to 30.68 cent, down 14.4%.
- Dividend increase by 5% to 6.84 cents per share.
- Significant capacity expansion programme in Southwest Cheese on track for successful delivery

	2009	2008	Change
Revenue[1]	€1,830.3m	€2,232.2m	**(18.0%)**
Operating profit pre exceptional	€111.2m	€134.1m	**(17.1%)**
Operating margin pre exceptional	6.1%	6.0%	**10 bps**
Net financing costs	(€24.0m)	(€21.1m)	**€2.9m**
Share of results of Joint Ventures & Associates[1]	€10.2m	€7.3m	**39.7%**
Profit before tax pre exceptional	€97.4m	€120.3m	**(19.0%)**
Taxation pre exceptional	(€19.1m)	(€21.5m)	**(€2.4m)**
Profit after tax pre exceptional	€78.3m	€98.8m	**(20.7%)**
Net exceptional items (post tax)[2]	€34.9m	(€19.4m)	**-**
Basic earnings per share	38.46c	26.76c	**43.7%**
Adjusted net income[3]	€89.9m	€105.1m	**(14.4%)**
Adjusted earnings per share[3]	30.68c	35.86c	**(14.4%)**
Dividend per share in respect of the full year	6.84c	6.51c	**5.0%**
Net debt	€442.6 m	€452.1m	**(€9.5m)**

(1) Revenue including Glanbia's share of the revenue of Joint Ventures & Associates was €2.1 billion for full year, compared with €2.6 billion for full year 2008. Share of results of Joint Ventures & Associates is an after interest and tax amount.

(2) See commentary on exceptional items on page 3 of this announcement.

(3) Before exceptional items and amortisation of intangible assets.

John Moloney, Group Managing Director, said:

"In 2009, the Group delivered a solid financial performance in very challenging circumstances. The global economic recession led to extreme volatility in global dairy markets in the first half of the year, in particular, and this had a significant impact on Glanbia's revenue, profitability and earnings. Throughout the year we focused on embedding strategic cost reductions and running our operations as effectively and efficiently as possible. We contained the decline in our financial results with a strong performance by Global Nutritionals, a resilient performance by US Cheese and the benefits of strategic cost reductions. This cost competitiveness focus will continue into 2010.

We achieved a 10 basis points improvement in the Group's operating margin, reflecting an increased contribution by higher margin businesses and our EBITDA margin grew 80 basis points to 8.3%.

Whilst the outlook remains challenging, we are seeing some positive signs in our operating environment which should underpin our performance in 2010."

2009 full year results

For the year ended 2 January 2010

Market commentary

2009 was a very difficult year. Demand for dairy products weakened as a result of the global economic recession. Economic uncertainty and credit availability significantly reduced consumer confidence. As a result, global dairy prices declined sharply through the first half of the year remaining at extremely low levels until the last quarter of 2009 when market conditions improved.

It was a year of negative returns for Irish dairy processors and farmer suppliers mainly as a result of the scale and pace of market changes in the first half of the year. The sharp reduction in farm incomes, together with difficulty in accessing finance, had a significant impact on farmer spending power.

A deep consumer recession in Ireland drove an exceptionally competitive food retailing environment. This led to a change in shopping profiles, to which suppliers and retailers are responding.

In 2009, nutritional markets had a resilient year despite the global economic recession. Demand was particularly robust in Performance Nutrition, a key sector for Glanbia Global Nutritionals. However, the US dairy market mirrored global trends. US cheese prices fell sharply in January and remained low and volatile until the latter part of the year.

Finance review

	2009					2008				
	Revenue	Operating profit*	Operating margin	EBITDA*	EBITDA margin	Revenue	Operating profit*	Operating margin	EBITDA*	EBITDA margin
	€m	€m		€m		€m	€m		€m	
US Cheese & Global Nutritionals	792.4	90.0	11.4%	110.0	13.9%	844.2	83.8	9.9%	96.7	11.5%
Dairy Ireland	1,028.8	24.0	2.3%	45.2	4.4%	1,340.6	49.7	3.7%	69.9	5.2%
Other Business	9.1	(2.8)	(30.8%)	(2.7)	(29.7%)	47.4	0.6	1.3%	1.0	2.1%
Group (as reported)**	**1,830.3**	**111.2**	**6.1%**	**152.5**	**8.3%**	**2,232.2**	**134.1**	**6.0%**	**167.6**	**7.5%**
JVs & Associates	297.6	17.4	5.8%	23.8	8.0%	370.3	17.0	4.6%	23.1	6.2%
Total including JVs & Associates	**2,127.9**	**128.6**	**6.0%**	**176.3**	**8.3%**	**2,602.5**	**151.1**	**5.8%**	**190.7**	**7.3%**

* Pre exceptional

** Reported results exclude Joint Ventures & Associates. Share of results of Joint Ventures & Associates in the income statement is an after interest and tax amount.

Revenue

Total revenue (including share of Joint Ventures & Associates) declined 18.2% to €2,127.9 million (2008: €2,602.5 million). Revenue in US Cheese & Global Nutritionals was down €51.8 million to €792.4 million. This reflects the impact of significant price reductions in the US cheese markets, which were not fully offset by strong revenue growth in Global Nutritionals (including the full year effect of the acquisition of Optimum Nutrition). Revenue in Dairy Ireland declined €311.8 million to €1,028.8 million. Weak global dairy markets reduced revenue in the Dairy Ingredients and Agribusiness divisions while extremely challenging Irish consumer market conditions impacted Consumer Products. Revenue in Joint Ventures & Associates was down €72.7 million primarily due to a decline in revenue in Southwest Cheese driven by lower US cheese prices.

Profitability and margins

Operating profit pre exceptional (including share of Joint Ventures & Associates) declined 14.9% to €128.6 million (2008: €151.1 million), driven primarily by a significant loss in Irish Dairy Ingredients. The US Cheese & Global Nutritionals segment, however, delivered a significant increase in operating margin pre exceptional, due to a strong performance by Global Nutritionals together with a resilient performance by US Cheese, despite reduced cheese prices. Joint Ventures & Associates also delivered a robust performance. Operating margin pre exceptional (including share of Joint Ventures & Associates) increased 20 basis points to 6.0% (2008: 5.8%).

Earnings before interest, tax, depreciation and amortisation (EBITDA)

EBITDA declined 7.6% to €176.3 million (2008: €190.7 million). EBITDA margin (including share of Joint Ventures & Associates) increased 100 basis points to 8.3% (2008: 7.3%).

Segmental analysis including Joint Ventures & Associates

Dairy Ireland is the largest business segment by revenue representing 48.3% of total revenue, including Joint Ventures & Associates. Its operating profit declined to 18.7% of total operating profit pre exceptional reflecting a difficult year. In 2009, US Cheese & Global Nutritionals represented 37.2% of total revenue and 70.0% of total operating profit pre exceptional. The Other Business segment is less than 0.5% of total revenue and was loss making in 2009. Joint Ventures & Associates, represent 14.0% of total revenue and 13.5% of total operating profit pre exceptional. Share of results of Joint Ventures & Associates are reported as an after interest and tax amount in the income statement.

Net financing costs

Financing costs increased 13.7% by €2.9 million to €24.0 million (2008: €21.1 million) due mainly to increased debt levels as a result of the acquisition of Optimum Nutrition in August 2008. EBIT to net financing cost interest cover was 4.6 times in 2009 compared to 6.4 times in 2008. EBITDA to net financing cost interest cover was 6.4 times compared to 7.9 times in the prior year.

Joint Ventures & Associates

Glanbia has three principle International Joint Ventures - Southwest Cheese in the USA, Glanbia Cheese in the UK and Nutricima in Nigeria - and a number of smaller Irish based Joint Ventures and Associates.

Glanbia's share of revenue from Joint Ventures & Associates declined 19.6% to €297.6 million (2008: €370.3 million). Lower US cheese prices impacted Southwest Cheese. Weaker pricing for mozzarella cheese reduced revenue in Glanbia Cheese. Revenue at Nutricima was broadly flat year-on-year as double digit volume growth was offset by the impact of a depreciating Nira:Euro exchange rate. Glanbia's share of operating profit increased to €17.4 million (2008: €17.0 million). Operating margin grew 120 basis points to 5.8% (2008: 4.6%). Southwest Cheese delivered a good performance including an increase in operating margin. Glanbia Cheese experienced a marginal decline in operating profit although margins remained stable while Nutricima achieved a profit for the year relative to a loss in 2008. The income statement reports Glanbia's share of Joint Ventures & Associates as a post interest and tax result which increased to €10.2 million (2008: €7.3 million).

Profit before tax pre exceptional

Profit before tax pre exceptional declined 19.0% to €97.4 million (2008: €120.3 million).

Taxation

The 2009 pre exceptional tax charge decreased by €2.4 million to €19.1 million (2008: €21.5 million) reflecting the reduction in Group operating profit pre exceptional. The Group's effective tax rate, excluding Joint Ventures & Associates increased to 21.9% (2008: 19.1%)

Exceptional items

In 2009 there was an overall net exceptional credit of €34.9 million (€45.7 million pretax).

As part of ongoing improvements focused on achieving sustainable cost competitiveness Glanbia is implementing a further significant cost reduction programme in 2010 in Dairy Ireland. A net provision of €15.1 million, mainly relating to redundancies, has been made in 2009.

A strategic review of the Group's pension arrangements was completed in 2009. The revisions to the overall Group pension arrangements gives rise to a net reduction in pension liabilities and an exceptional gain of €79.0 million in 2009. More detailed information on Glanbia's pension liability is on page 4 of this announcement.

In 2009, a review of the internal corporate structures of the Group was also completed. This gave rise to an exceptional non-cash charge of €18.3 million on the repayment of sterling intergroup loans. This loss, which was previously recognised in the Group's currency reserve, is now recycled to the Group's income statement and therefore will not impact the overall Group's balance sheet.

Basic earnings per share

Basic earnings per share (EPS) increased 43.7% to 38.46 cent (2008: 26.76 cent) as the impact of the net exceptional gain in 2009 of €34.9 million set out above offsets the effect of the decline in profit pre exceptional for the year relative to 2008.

Adjusted earnings per share

Adjusted EPS is calculated as the profit for the year attributable to the owners of the Group before exceptional items and amortisation of intangible assets (net of tax). Adjusted earnings per share declined by 14.4% to 30.68 cent, driven by the decline in operating profit in Dairy Ireland.

Dividends

The Board is recommending a final dividend of 3.95 cent per share (2008: final dividend 3.76 cent per share), an increase of 5.0%. This brings the total dividend for the year to 6.84 cent per share (2008: 6.51 cent per share), representing a total increase of 5.0% for the year. Subject to shareholder approval, dividends will be paid on Wednesday, 26 May 2010 to shareholders on the register of members as at Friday, 30 April 2010. Irish withholding tax will be deducted at the standard rate where appropriate.

Cash flow

Net debt decreased by €9.5 million in the year to €442.6 million (2008: €452.1 million). The Group generated free cash flow of €52.0 million in the year (2008: €72.4 million). Free cash flow is after charging business sustaining capital expenditure and before acquisition costs, strategic capital expenditure and the payment of equity dividends. Free cash flow reduced in 2009 relative to 2008 due to the reduction in EBITDA driven by the decline in performance in the Dairy Ireland business segment.

Dividends of €17.9 million were received in 2009 (2008: nil) from Southwest Cheese. Total strategic capital expenditure for 2009 including loans to Joint Ventures which were driven by capital investment amounted to €45.8 million (2008: €63.9 million). The key strategic investments in 2009 included the completion of the upgrade of the cheese and whey facilities in Dairy Ingredients Ireland, investment in the whey facilities in the USA and the investment in the expansion of Southwest Cheese. The Group has made a significant investment in acquisitions and strategic organic growth projects in recent years and debt reduction is a priority for the Group in the short term.

Financing

The Group has total committed debt facilities of €729.1 million incorporating bank facilities of €665.6 million and €63.5 million cumulative redeemable preference shares. Additional bank facilities of €100.0 million were secured during the year. Bank facilities are held with nine banks under bilateral arrangements with common documentation and terms. €255.6 million of the facilities are renewable in July 2012 and €410.0 million in July 2013. The cumulative redeemable preference shares mature in July 2014. The Group's average interest rate for 2009 was 4.3% compared to 5.1% for 2008. Glanbia operates a policy of fixing a significant amount of its interest exposure with approximately 70% contracted at fixed rates for 2010.

Pensions

Glanbia operates defined contribution and defined benefit pension schemes in Ireland and the UK and defined contribution schemes in the USA and other international locations. At 2 January 2010 the Group's net pension liability under IAS 19, before deferred tax, was €85.8 million (2008: €164.4 million). The Group's provisions for other liabilities and charges also includes a provision of €20.1 million (2008: €1.3 million) in relation to administration and certain other costs associated with pension schemes in the UK relating to businesses disposed of in prior years.

Movement in the liability for retirement benefit obligations during the year	**2009 €m**	**2008 €m**
At the beginning of the year	**(164.4)**	**(114.2)**
Exchange movements	(1.8)	6.0
Movements relating to disposed operations	(1.3)	(0.5)
Total expense pre curtailment and negative past service cost	(12.8)	(7.9)
Curtailment gain and negative past service cost	100.1	0.4
Actuarial loss	(31.2)	(68.2)
Contributions paid	25.6	20.0
At the end of the year	**(85.8)**	**(164.4)**

The fair value of the assets of the pension schemes at 2 January 2010 was €349.2 million (2008: €301.5 million) and the value of the scheme liabilities was €435.0 million (2008: €465.9 million).

The funding of the pension schemes is decided by the Group in conjunction with the Trustees of the schemes and the advice of external actuaries. Recognising the scale of the pension liability a strategic review of the Group's pension arrangements was completed during 2009 following which the Group revised benefits under the Irish defined benefit schemes giving rise to an exceptional gain, in accordance with IAS 19, in the year of €100.1 million relating to curtailment gains and negative past service costs of €14.1 million and €86.0 million respectively. The curtailment gains and negative past service costs arise following the removal of guaranteed increases to pensions in payment for all members and the provision of benefits for members in employment on a career average basis from a final salary basis. The Group has completed its consultation process with all members of the main schemes. The Group has a number of pension schemes in the UK relating to businesses disposed of in prior years. In 2009 a provision for future regulatory and administration costs of €21.1 million relating to these schemes has been recognised.

Operations review

US Cheese & Global Nutritionals

	2009	2008	Change
Revenue	€792.4m	€844.2m	**Down 6.1%**
Operating profit pre exceptional	€90.0m	€83.8m	**Up 7.4%**
Operating margin pre exceptional	11.4%	9.9%	**Up 150 bps**
EBITDA pre exceptional	€110.0m	€96.7m	**Up 13.8%**
EBITDA margin pre exceptional	13.9%	11.5%	**Up 240 bps**

While overall revenue was down 6.1%, US Cheese & Global Nutritionals operating profit pre exceptional increased 7.4% or €6.2 million during the year to €90.0 million (2008: €83.8 million) and operating margins pre exceptional increased to 11.4% (2008: 9.9%) as a strong performance in Global Nutritionals driven by solid organic growth, new product introductions and the full year effect of the Optimum Nutrition acquisition more than offset the impact of lower US cheese prices. EBITDA pre exceptional increased €13.3 million to €110.0 million (2008: €96.7 million) and EBITDA margin pre exceptional increased 240 basis points in the year to 13.9% (2008: 11.5%).

Glanbia's wholly-owned US Cheese business, combined with the output from the Group's Southwest Cheese Joint Venture, is a leading producer of American-style cheddar cheese with a significant market share. This business operates modern, large scale, low cost plants in two leading milk producing regions in the USA.

The US Cheese business delivered a solid result in the context of market circumstances and a very strong 2008 pricing environment. In 2009, US cheese volumes and milk supply were stable. However, cheese prices declined steeply in January and remained low until the latter part of the year. Average 2009 US block cheddar prices on the Chicago Mercantile Exchange were 30% lower than 2008 levels. While reduced prices impacted revenue and profits, operating margin was sustained as a result of the risk management mechanisms of this business unit.

The Global Nutritionals business is a leading supplier of advanced technology whey proteins and fractions, flax and customised micro-nutrients, vitamin and mineral premixes. It comprises three distinct businesses – Ingredient Technologies (business-to-business nutritional ingredients development and marketing); Customised Premix Solutions (business-to-business premix solutions provider) and Performance Nutrition (business-to-consumer manufacturer and marketer of products for performance nutrition and health and wellness).

Global Nutritionals had a strong year demonstrating resilience against the global economic recession. The focus for Global Nutritionals during the year continued to be volume growth, further development of science-based nutritional solutions and the expansion of Optimum Nutrition which was acquired in August 2008. In 2009, all of Glanbia's core nutritional sectors continued to grow outperforming market growth rates. Glanbia Nutritionals is now a scale business with market leadership positions. In 2009, operating profit and operating margin all showed good improvements.

Dairy Ireland

	2009	2008	Change
Revenue	€1,028.8m	€1,340.6m	**Down 23.3%**
Operating profit pre exceptional	€24.0m	€49.7m	**Down 51.7%**
Operating margin pre exceptional	2.3%	3.7%	**Down 140 bps**
EBITDA pre exceptional	€45.2m	€69.9m	**Down 35.3%**
EBITDA margin pre exceptional	4.4%	5.2%	**Down 80 bps**

Dairy Ireland comprises three business units. Dairy Ingredients is the largest dairy processor in Ireland, assembling a milk pool of 1.4 billion litres annually and processing this into dairy products and ingredients for sale on a business-to-business basis to customers in 50 countries. Consumer Products is one of the largest branded food suppliers into the Irish grocery sector and has 7 brands in the Top 100. Agribusiness is engaged in feed milling, grain processing and marketing and retails a range of farm inputs to the Group's large Irish farmer supplier base. Its operations also include 'CountryLife', which is a broader retail offering for rural based communities.

Dairy Ireland had a very challenging year. Revenue declined 23.3% to €1,028.8 million (2008: €1,340.6 million) operating profit pre exceptional was down 51.7% to €24.0 million (2008: €49.7 million) and the operating margin pre exceptional was 140 basis points lower at 2.3% (2008: 3.7%). While the most significant impact was the major loss in Irish Dairy Ingredients, Consumer Products experienced a very competitive market place and Agribusiness suffered as a consequence of reduced farm spending. EBITDA pre exceptional decreased €24.7 million to €45.2 million (2008: €69.9 million) with EBITDA margin pre exceptional decreasing 80 basis points to 4.4% (2008: 5.2%).

Irish Dairy Ingredients performance was severely impacted as raw material costs did not fully reflect the fall in product prices on global markets. Significant losses were incurred in the first half of the year with the rate of loss reduced as expected in the second half due to some recovery in markets and the impact of strategic cost reductions. Notwithstanding the difficulties of 2009, Irish Dairy Ingredients continued to develop its product portfolio through diversification of its cheese product mix, entering new cheese markets and developing protein technologies. In addition, the whey processing facility was commissioned during the year to achieve the highest quality food and infant formula standards.

Consumer Products delivered a reasonable performance in a very competitive market place. The recession in Ireland led to a strong consumer focus on price and weaker sterling increased sterling-based competition. Consumer Products responded to this trading environment by reducing wholesale pricing, improving store-by-store sales force coverage, sustainable cost reduction initiatives and improving operational efficiency. While volumes for the year declined broadly in line with the overall market decline of 7%, the rate of decline was significantly reduced by the fourth quarter through reshaping, increasing promotional plans and successfully launching new pack formats.

Reduced farm incomes led to weaker sales performance from Agribusiness. As a result, revenue, operating profit and operating margin for this business unit were down on 2008. In response to market conditions and changing customer demands Agribusiness reshaped its sales organisation and developed a key account focus with dedicated individual sales staff for key commercial farm accounts.

Joint Ventures & Associates

	2009	2008	Change
Revenue(1)	€297.6m	€370.3m	**Down 19.6%**
Operating profit pre exceptional	€17.4m	€17.0m	**Up 2.4%**
Operating margin pre exceptional	5.8%	4.6%	**Up 120 bps**
Profit after interest and tax(2)	€10.2m	€7.3m	**Up 39.7%**

(1) Not included in Group revenue. (2) Included in the income statement as share of results of Joint Ventures & Associates.

The largest business in the Group's Joint Ventures & Associates is Southwest Cheese in the USA. In 2009, Southwest Cheese accounted for over 50% of the Group's share of revenue of Joint Ventures & Associates and over 80% of Glanbia's share of operating profit pre exceptional. All the output from Southwest Cheese is marketed by Glanbia in conjunction with the output from the Group's wholly-owned US cheese and whey businesses. Combined, these businesses produce 340,000 tonnes of cheese in 2009, making Glanbia a leading supplier of American-style cheddar cheese in the US market today. Joint Ventures & Associates also include the Group's share in Glanbia Cheese which produces mozzarella cheese for the European pizza market; and in Nutricima which supplies liquid, condensed and powdered milk-based products to the Nigerian market.

In 2009, the 19.6% decline in revenue for Joint Ventures & Associates is mainly as a result of lower prices in US cheese markets and European mozzarella markets. Glanbia's share of the operating profit pre exceptional in the Joint Ventures & Associates at €17.4 million was marginally increased on 2008 levels. Operating profit pre exceptional in Southwest Cheese declined marginally in the year which represented a robust performance in the context of an extremely low cheese price environment in the USA through 2009. Operating profit in Glanbia Cheese in the UK also declined marginally during the year due to weaker pricing for mozzarella cheese in its markets. Revenue at Nutricima in Nigeria was broadly flat year-on-year as double digit volume growth was offset by the impact of a depreciating Nira: Euro exchange rate. In May 2009, Nutricima commissioned it's new 'Ready To Drink' factory which will service this fast growing sector of the market. Overall, Nutricima recorded a profit in 2009 representing an improved performance relative to the loss incurred in 2008. Operating margin pre exceptional in the Joint Ventures & Associates increased 120 basis points to 5.8% (2008: 4.6%). Glanbia's share of the EBITDA of the Joint Ventures & Associates increased €0.7 million to €23.8 million (2008: €23.1 million) with EBITDA margins increasing 180 basis points to 8.0%.

Other Business

	2009	**2008**	**Change**
Revenue	€9.1m	€47.4m	**Down €38.3m**
Operating profit pre exceptional	(€2.8m)	€0.6m	**Down €3.4m**

The Group's Other Business segment includes a small dairy ingredients related operation in Mexico and Glanbia's property unit. The Irish pigmeat business which was disposed of in March 2008 was also part of this business segment. A combination of the effects of global dairy markets and few property transactions resulted in a €2.8 million loss for the full year.

Annual General Meeting

The AGM will be held on Friday 21 May 2010 and the Annual Report will be posted on Tuesday 20 April 2010.

2010 outlook

Whilst the outlook remains challenging, we are seeing some positive signs in our operating environment which should underpin our performance in 2010.

US Cheese is expected to benefit from a better pricing environment. Global Nutritionals will continue to develop its product range and geographical reach. Overall, US Cheese & Global Nutritionals is expected to deliver good underlying growth although margins are likely to reduce somewhat due to a significant investment by Global Nutritionals in developing its resources and business.

Dairy Ireland is expected to deliver a marked improvement this year mainly as a result of a recovery in Irish Dairy Ingredients and a continuation of the sustainable cost reduction programme.

Joint Ventures & Associates is expected to deliver a reasonable result, underpinned by a good year from Southwest Cheese.

Cautionary Statement

This announcement contains forward-looking statements. These statements have been made by the directors in good faith based on the information available to them up to the time of their approval of this report. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. The directors undertake no obligation to update any forward-looking statements contained in this report, whether as a result of new information, future events, or otherwise.

Group income statement
for the year ended 2 January 2010

	Notes	Pre-exceptional 2009 €'000	Exceptional 2009 €'000 (note 3)	Total 2009 €'000	Pre-exceptional 2008 €'000	Exceptional 2008 €'000 (note 3)	Total 2008 €'000
Revenue	2	**1,830,327**	**-**	**1,830,327**	2,232,161	-	2,232,161
Cost of sales		**(1,507,119)**	**(5,084)**	**(1,512,203)**	(1,890,549)	(10,113)	(1,900,662)
Gross profit		**323,208**	**(5,084)**	**318,124**	341,612	(10,113)	331,499
Distribution expenses		**(116,115)**	**(1,486)**	**(117,601)**	(121,373)	(3,251)	(124,624)
Administration expenses		**(95,927)**	**(8,485)**	**(104,412)**	(86,185)	(5,939)	(92,124)
Other gains and losses		**-**	**60,730**	**60,730**	-	-	-
Operating profit		**111,166**	**45,675**	**156,841**	134,054	(19,303)	114,751
Finance income	4	**5,542**	**–**	**5,542**	5,590	–	5,590
Finance costs	4	**(29,576)**	**–**	**(29,576)**	(26,695)	–	(26,695)
Share of results of Joint Ventures & Associates		**10,225**	**–**	**10,225**	7,306	(947)	6,359
Profit before taxation		**97,357**	**45,675**	**143,032**	120,255	(20,250)	100,005
Income taxes	5	**(19,103)**	**(10,770)**	**(29,873)**	(21,528)	892	(20,636)
Profit for the year		**78,254**	**34,905**	**113,159**	98,727	(19,358)	79,369
Attributable to:							
Owners of the Parent				**112,676**			78,399
Minority interests				**483**			970
				113,159			79,369
Basic earnings per share (cents)				**38.46**			26.76
Diluted earnings per share (cents)				**38.35**			26.63

Group statement of comprehensive income
for the year ended 2 January 2010

	2009 €'000	2008 €'000
Profit for the year	**113,159**	79,369
Other comprehensive income / (expense)		
Actuarial loss – defined benefit schemes	**(31,215)**	(68,246)
Deferred tax on actuarial loss	**2,684**	7,084
Share of actuarial loss – Joint Ventures & Associates	**(1,364)**	(204)
Currency translation differences	**6,258**	17,251
Fair value movements on available for sale financial assets	**(3,367)**	(3,597)
Fair value movements on cash flow hedges	**5,114**	(20,297)
Deferred tax on fair value movements	**(503)**	964
Other comprehensive expense for the year, net of tax	**(22,393)**	(67,045)
Total comprehensive income for the year	**90,766**	12,324
Total comprehensive income attributable to:		
Owners of the Parent	**90,283**	11,354
Minority interests	**483**	970
	90,766	12,324

Group statement of changes in equity
for the year ended 2 January 2010

	Notes	Share capital and share premium €'000	Other reserves €'000	Retained earnings €'000	Total €'000	Minority interests €'000	Total €'000
		Attributable to owners of the Parent					
Balance at 29 December 2007		**98,450**	**107,909**	**21,176**	**227,535**	**7,040**	**234,575**
Profit for the year		–	–	78,399	**78,399**	970	**79,369**
Other comprehensive income / (expense)							
Actuarial loss – defined benefit schemes		–	–	(68,246)	**(68,246)**	–	**(68,246)**
Deferred tax on actuarial loss		–	–	7,084	**7,084**	–	**7,084**
Share of actuarial loss – Joint Ventures & Associates		–	–	(204)	**(204)**	–	**(204)**
Fair value movements		–	(23,894)	–	**(23,894)**	–	**(23,894)**
Deferred tax on fair value movements		–	964	–	**964**	–	**964**
Currency translation differences		–	17,251	–	**17,251**	–	**17,251**
Total comprehensive (expense) / income for the year		**–**	**(5,679)**	**17,033**	**11,354**	**970**	**12,324**
Dividends paid during the year	7	–	–	(18,502)	**(18,502)**	–	**(18,502)**
Cost of share options		–	827	–	**827**	–	**827**
Discount on options		175	(175)	–	**–**	–	**–**
Shares issued		13	–	–	**13**	–	**13**
Premium on shares issued		347	–	–	**347**	–	**347**
Shares purchased		(1,665)	–	–	**(1,665)**	–	**(1,665)**
Balance at 3 January 2009		**97,320**	**102,882**	**19,707**	**219,909**	**8,010**	**227,919**
Profit for the year		–	–	112,676	**112,676**	483	**113,159**
Other comprehensive income / (expense)							
Actuarial loss – defined benefit schemes		–	–	(31,215)	**(31,215)**	–	**(31,215)**
Deferred tax on actuarial loss		–	–	2,684	**2,684**	–	**2,684**
Share of actuarial loss – Joint Ventures & Associates		–	–	(1,364)	**(1,364)**	–	**(1,364)**
Fair value movements		–	1,747	–	**1,747**	–	**1,747**
Deferred tax on fair value movements		–	(503)	–	**(503)**	–	**(503)**
Exceptional foreign exchange loss	3	–	18,280	–	**18,280**	–	**18,280**
Currency translation differences		–	(12,022)	–	**(12,022)**	–	**(12,022)**
Total comprehensive income for the year		**–**	**7,502**	**82,781**	**90,283**	**483**	**90,766**
Dividends paid during the year	7	–	–	(19,484)	**(19,484)**	(2,000)	**(21,484)**
Cost of share options		–	187	–	**187**	–	**187**
Balance at 2 January 2010		**97,320**	**110,571**	**83,004**	**290,895**	**6,493**	**297,388**

Goodwill previously written off amounting to €93.0 million (2008: €93.0 million) is included in opening and closing retained earnings, see note 9.

Group statement of financial position
as at 2 January 2010

	Notes	2009 €'000	2008 €'000
ASSETS			
Non-current assets			
Property, plant and equipment		**363,152**	361,131
Intangible assets		**342,112**	359,212
Investments in associates		**10,041**	11,597
Investments in joint ventures		**58,276**	64,895
Trade and other receivables		**33,718**	12,767
Deferred tax assets		**12,022**	25,380
Available for sale financial assets		**20,397**	24,112
Derivative financial instruments		**2,718**	2,754
		842,436	861,848
Current assets			
Inventories		**201,577**	267,422
Trade and other receivables		**191,594**	182,749
Derivative financial instruments		**7,501**	10,378
Cash and cash equivalents	8	**152,789**	132,572
		553,461	593,121
Total assets		**1,395,897**	1,454,969
EQUITY			
Issued capital and reserves attributable to owners of the Parent			
Share capital and share premium		**97,320**	97,320
Other reserves		**110,571**	102,882
Retained earnings	9	**83,004**	19,707
		290,895	219,909
Minority interests		**6,493**	8,010
Total equity		**297,388**	227,919
LIABILITIES			
Non-current liabilities			
Borrowings	8	**594,462**	569,374
Derivative financial instruments		**5,631**	9,248
Deferred tax liabilities		**66,337**	59,056
Retirement benefit obligations		**85,765**	164,410
Provisions for other liabilities and charges		**20,133**	4,899
Capital grants		**18,582**	12,694
		790,910	819,681
Current liabilities			
Trade and other payables		**265,912**	351,452
Current tax liabilities		**2,816**	332
Borrowings	8	**945**	15,281
Derivative financial instruments		**10,615**	16,815
Provisions for other liabilities and charges		**27,311**	23,489
		307,599	407,369
Total liabilities		**1,098,509**	1,227,050
Total equity and liabilities		**1,395,897**	1,454,969

Group statement of cash flows
for the year ended 2 January 2010

	Notes	2009 €'000	2008 €'000
Cash flows from operating activities			
Cash generated from operations	10	**104,710**	146,946
Interest received		**5,352**	7,149
Interest paid		**(30,484)**	(30,768)
Tax paid		**(5,533)**	(26,096)
Net cash from operating activities		**74,045**	97,231
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired		**(521)**	(217,942)
Payment of deferred consideration on acquisition of subsidiaries		**(762)**	(11,427)
Purchase of property, plant and equipment		**(51,187)**	(84,507)
Dividends received from Joint Ventures		**17,924**	451
Loans advanced to Joint Ventures		**(21,508)**	(12,602)
Disposal of available for sale financial assets		**433**	2,513
Proceeds from sale of property, plant and equipment		**1,609**	7,629
Disposal proceeds received - exit from Pigmeat		**–**	3,308
Insurance proceeds received - exit from Pigmeat		**–**	8,820
Net cash used in investing activities		**(54,012)**	(303,757)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		**–**	360
Purchase of treasury shares		**–**	(1,665)
Decrease in borrowings		**16,642**	188,090
Finance lease principal payments		**(908)**	(934)
Dividends paid to Company's shareholders	7	**(19,484)**	(18,502)
Dividends paid to minority interests		**(2,000)**	–
Capital grants received		**6,793**	9,655
Net cash from financing activities		**1,043**	177,004
Net increase / (decrease) in cash and cash equivalents		**21,076**	(29,522)
Cash and cash equivalents at the beginning of the year		**132,572**	159,819
Effects of exchange rate changes on cash and cash equivalents		**(859)**	2,275
Cash and cash equivalents at the end of the year		**152,789**	132,572

	Notes	2009 €'000	2008 €'000
Reconciliation of net cash flow to movement in net debt			
Net increase/(decrease) in cash and cash equivalents		**21,076**	(29,522)
Cash outflow from debt financing		**(15,734)**	(187,156)
		5,342	(216,678)
Fair value of interest rate swaps qualifying as fair value hedges		**597**	(5,544)
Exchange translation adjustment on net debt		**3,526**	(9,686)
Movement in net debt in the year		**9,465**	(231,908)
Net debt at beginning of year		**(452,083)**	(220,175)
Net debt at end of year	8	**(442,618)**	(452,083)
Net debt comprises:			
Borrowings		**(595,407)**	(584,655)
Cash and cash equivalents		**152,789**	132,572
	8	**(442,618)**	(452,083)

Notes to the financial information
for the year ended 2 January 2010

1. Basis of preparation

The financial information has been prepared under the historical cost convention as modified by use of fair values for available for sale financial assets and derivative financial instruments, and the accounting policies that the Group has adopted for 2009.

The financial information set out in this document does not constitute full statutory financial statements but has been derived from the Group financial statements for the year ended 2 January 2010 (referred to as the 2009 financial statements). The 2009 financial statements have been audited and have received an unqualified audit report.

Amounts are stated in euro thousands (€'000) unless otherwise stated.

The financial information is prepared for a 52 week year ending on 2 January 2010. Comparatives are for the 53 week year ended 3 January 2009. The statements of financial position for 2009 and 2008 have been drawn up as at 2 January 2010 and 3 January 2009 respectively.

The financial statements were approved by the Board of Directors on 9 March 2010 and signed on its behalf by L Herlihy, J Moloney and S Talbot.

2. Segment information

On adoption of IFRS 8, the Group has changed the basis of segmental reporting from Ireland and International to US Cheese & Global Nutritionals, Dairy Ireland, Joint Ventures & Associates and Other Business. These segments align with the Group's internal financial reporting system and the way in which the Chief Operating Decision Maker assesses performance and allocates the Group's resources. A segment manager is responsible for each segment and is directly accountable for the performance of that segment to the Glanbia Executive Committee which acts as the Chief Operating Decision Maker for the Group.

Each segment derives their revenues as follows: US Cheese & Global Nutritionals earns its revenues from the sale of cheese, whey protein and other nutritional ingredients; Dairy Ireland incorporates the manufacture and sale of a range of dairy products and the sale of feed, fertiliser and other farm inputs; Joint Ventures & Associates revenues mainly include the sale of cheese, whey proteins, dairy consumer products and each segment is reviewed in its totality by the Chief Operating Decision Maker. Other refers to all other segments which comprise Property, a small dairy operation in Mexico and the Pigmeat business which was disposed of in March 2008.

The Glanbia Executive Committee assesses the trading performance of operating segments based on a measure of earnings before interest and tax. This measure excludes exceptional items.

Comparatives for the 2008 full year have been restated to reflect the revised segment analysis as shown at section 2.2 below.

2.1 The segment results for the year ended 2 January 2010 are as follows:

		US Cheese & Global Nutritionals	Dairy Ireland	JV's and Associates	Other	Group including JV's and Associates
		€'000	€'000	€'000	€'000	€'000
Total gross segment revenue	(a)	795,974	1,037,473	297,587	9,168	**2,140,202**
Inter-segment revenue		(3,581)	(8,707)	–	–	**(12,288)**
Segment external revenue		792,393	1,028,766	297,587	9,168	**2,127,914**
Segment earnings before interest, tax and exceptional items	(b)	89,982	24,004	17,453	(2,820)	**128,619**
Exceptional items - segment rationalisation costs		(219)	(13,738)	–	(84)	**(14,041)**
Segment earnings before interest and tax		89,763	10,266	17,453	(2,904)	**114,578**

Included in external revenue are related party sales between Dairy Ireland and Joint Ventures & Associates of €58.0 million and related party sales between US Cheese & Global Nutritionals and Joint Ventures & Associates of €2.2 million.

Notes to the financial information
for the year ended 2 January 2010

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

2.1 (a) Segment revenue is reconciled to reported external revenue as follows:

	2009 €'000
Segment revenue	**2,140,202**
Inter-segment revenue	(12,288)
Joint ventures & associates revenue	(297,587)
Reported external revenue	**1,830,327**

2.1 (b) Segment earnings before interest, tax and exceptional items is reconciled to reported profit before tax and profit after tax as follows:

	2009 €'000
Segment earnings before interest and tax	**128,619**
Exceptional items - segment rationalisation costs	(14,041)
Exceptional items - unallocated	59,716
Joint Ventures & Associates interest and tax	(7,228)
Finance income	5,542
Finance costs	(29,576)
Reported profit before tax	**143,032**
Income taxes	(29,873)
Reported profit after tax	**113,159**

Finance income, finance costs and income taxes are not allocated to segments as this type of activity is driven by the central treasury and taxation functions, which manage the cash and taxation position of the Group.

Other segment items included in the income statement for the year ended 2 January 2010 are as follows:

	US Cheese & Global Nutritionals €'000	Dairy Ireland €'000	JV's and Associates €'000	Other €'000	Group including JV's and Associates €'000
Depreciation	9,692	18,964	6,691	79	**35,426**
Amortisation of intangibles	10,364	3,494	6	–	**13,864**
Capital grants released to income statement	(11)	(1,226)	(396)	–	**(1,633)**
Exceptional items – segment rationalisation costs	(219)	(13,738)	–	(84)	**(14,041)**
Exceptional items – unallocated	-	-	-	-	**59,716**

Notes to the financial information
for the year ended 2 January 2010

The segment assets and liabilities at 2 January 2010 and segment capital expenditure & acquisitions for the year then ended are as follows:

		US Cheese & Global Nutritionals €'000	Dairy Ireland €'000	JV's and Associates €'000	Other €'000	Group including JV's and Associates €'000
Segment assets	(c)	630,530	445,854	102,035	23,809	**1,202,228**
Segment liabilities	(d)	164,351	235,174	–	1,202	**400,727**
Segment capital expenditure and acquisitions	(e)	24,704	21,907	29,993	3,435	**80,039**

2.1 (c) Segment assets are reconciled to reported assets as follows:

	2009 €'000
Segment assets	**1,202,228**
Unallocated assets	193,669
Reported assets	**1,395,897**

Unallocated assets primarily include taxation, cash and cash equivalents, available for sale financial assets and derivatives.

2.1 (d) Segment liabilities are reconciled to reported liabilities as follows:

	2009 €'000
Segment liabilities	**400,727**
Unallocated liabilities	697,782
Reported liabilities	**1,098,509**

Unallocated liabilities primarily include items such as taxation, borrowings and derivatives.

2.1 (e) Segment capital expenditure and acquisitions are reconciled to reported expenditure as follows:

	2009 €'000
Segment capital expenditure and acquisitions	**80,039**
Joint ventures & associates capital expenditure	(29,993)
Unallocated capital expenditure	426
Reported capital expenditure and acquisitions	**50,472**

Notes to the financial information
for the year ended 2 January 2010

2.2 The restated segment results for the comparative year ended 3 January 2009 are as follows:

		US Cheese & Global Nutritionals €'000	Dairy Ireland €'000	JV's and Associates €'000	Other €'000	Group including JV's and Associates €'000
Total gross segment revenue	(a)	847,888	1,357,027	370,315	47,391	**2,622,621**
Inter-segment revenue		(3,672)	(16,473)	–	–	**(20,145)**
Segment external revenue		**844,216**	**1,340,554**	**370,315**	**47,391**	**2,602,476**
Segment earnings before interest, tax and exceptional items	(b)	83,839	49,660	17,039	555	**151,093**
Exceptional items		–	(15,971)	(947)	(3,332)	**(20,250)**
Segment earnings before interest and tax		**83,839**	**33,689**	**16,092**	**(2,777)**	**130,843**

Included in external revenue are related party sales between Dairy Ireland and Joint Ventures & Associates of €69.3 million and related party sales between US Cheese & Global Nutritionals and Joint Ventures & Associates of €2.9 million.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

2.2 (a) Segment revenue is reconciled to reported external revenue as follows:

	2008 €'000
Segment revenue	**2,622,621**
Inter-segment revenue	(20,145)
Joint ventures & associates revenue	(370,315)
Reported external revenue	**2,232,161**

Notes to the financial information
for the year ended 2 January 2010

2.2 (b) Segment earnings before interest, tax and exceptional items is reconciled to reported profitbefore tax and profit after tax as follows:

	2008 €'000
Segment earnings before interest and tax	**151,093**
Exceptional items	(20,250)
Joint Ventures & Associates interest and tax	(9,733)
Finance income	5,590
Finance costs	(26,695)
Reported profit before tax	**100,005**
Income taxes	(20,636)
Reported profit after tax	**79,369**

Finance income, finance costs and income taxes are not allocated to segments as this type of activity is driven by the central treasury and taxation functions, which manage the cash and taxation position of the Group.

Other segment items included in the income statement for the year ended 3 January 2009 are as follows:

	US Cheese & Global Nutritionals €'000	Dairy Ireland €'000	JV's and Associates €'000	Other €'000	Group including JV's and Associates €'000
Depreciation	7,935	17,394	6,634	460	**32,423**
Amortisation of intangibles	4,902	3,455	140	–	**8,497**
Capital grants released to income statement	(10)	(590)	(695)	–	**(1,295)**
Exceptional items	–	(15,971)	(947)	(3,332)	**(20,250)**

The segment assets and liabilities at 3 January 2009 and segment capital expenditure & acquisitions for the year then ended are as follows:

		US Cheese & Global Nutritionals €'000	Dairy Ireland €'000	JV's and Associates €'000	Other €'000	Group including JV's and Associates €'000
Segment assets	©	617,242	536,846	89,259	32,675	**1,276,022**
Segment liabilities	(d)	173,357	378,080	–	12,196	**563,633**
Segment capital expenditure and acquisitions	(e)	252,600	45,218	4,326	3,955	**306,099**

Notes to the financial information
for the year ended 2 January 2010

2.2 (c) Segment assets are reconciled to reported assets as follows:

	2008
	€'000
Segment assets	**1,276,022**
Unallocated assets	178,947
Reported assets	**1,454,969**

Unallocated assets primarily include taxation, cash and cash equivalents, available for sale financial assets and derivatives.

2.2 (d) Segment liabilities are reconciled to reported liabilities as follows:

	2008
	€'000
Segment liabilities	**563,633**
Unallocated liabilities	663,417
Reported liabilities	**1,227,050**

Unallocated liabilities primarily include items such as taxation, borrowings and derivatives.

2.2 (e) Segment capital expenditure and acquisitions are reconciled to reported expenditure as follows:

	2008
	€'000
Segment capital expenditure and acquisitions	**306,099**
Joint ventures & associates capital expenditure	(4,326)
Unallocated capital expenditure	2,841
Reported capital expenditure and acquisitions	**304,614**

Notes to the financial information
for the year ended 2 January 2010

2.3 Entity wide disclosures

Revenue from external customers for each group of similar product in the US Cheese & Global Nutritionals, Dairy Ireland, Joint Ventures & Associates and Other Business segments are outlined at section 2.1 and 2.2 above.

Geographical information

Revenue by geographical destination is also viewed by the Chief Operating Decision Maker. The breakdown of revenue by geographical destination is as follows:

	2009 €'000	2008 €'000
Ireland	**703,217**	1,055,597
UK	**116,194**	69,981
Rest of Europe	**244,294**	112,450
USA	**583,718**	859,234
Other	**182,904**	134,899
	1,830,327	2,232,161

The total of non-current assets other than financial instruments and deferred tax assets located in Ireland is €289.1 million and located in other countries, mainly USA, is €538.6 million.

3. Exceptional items

	Notes	2009 €'000	2008 €'000
Rationalisation costs	(a)	**(15,055)**	(15,971)
Non-cash foreign exchange loss	(b)	**(18,280)**	–
Defined benefit schemes			
– Irish defined benefit schemes	(c)	**100,098**	–
– UK defined benefit schemes	(d)	**(21,088)**	–
Exit from Pigmeat		**–**	(3,332)
Joint venture – deferred tax charge		**–**	(947)
Total exceptional credit / (charge) before tax		**45,675**	(20,250)
Exceptional tax (charge)/credit (note 5)		**(10,770)**	892
Net exceptional credit / (charge)		**34,905**	(19,358)

(a) An exceptional charge of €15.1 million was incurred during the year, primarily relating to redundancy costs, due to the on-going rationalisation programmes in the Dairy Ireland segment.

(b) During the year, a review of the internal corporate structures of the Group was completed. This gave rise to an exceptional non-cash charge of €18.3 million on the repayment of certain sterling inter-group loans. This loss, which was previously recognised in the Group's currency reserve is now recycled to the Group's income statement.

Notes to the financial information
for the year ended 2 January 2010

(c) A strategic review of the Group's pension arrangements was completed during 2009, following which the Group revised benefits under the Irish defined benefit schemes giving rise to an exceptional gain, in accordance with IAS 19, in the year of €100.1 million relating to curtailment gains and negative past service costs of €14.1 million and €86.0 million respectively. The curtailment gains and negative past service costs arise following the removal of guaranteed increases to pensions in payment for all members and the provision of benefits for members in employment on a career average basis from a final salary basis. The Group has completed its consultation process with all members of the main schemes.

(d) The Group's UK defined benefit schemes exceptional charge of €21.1 million relates to the scheme's administration and certain other costs associated with businesses disposed of in prior years.

4. Finance income and costs

Finance income	**2009** **€'000**	**2008** **€'000**
Interest income	**4,662**	5,164
Interest income on deferred consideration	**880**	426
Total finance income	**5,542**	5,590

Finance costs	**2009** **€'000**	**2008** **€'000**
Bank borrowings repayable within five years	**(16,756)**	(21,471)
Interest cost on deferred consideration	**(67)**	(22)
Finance lease costs	**(241)**	(360)
Interest rate swaps, transfer from equity	**(8,163)**	(477)
Interest rate swaps, fair value hedges	**1,524**	(1,295)
Fair value adjustment to borrowings attributable to interest rate risk	**(1,524)**	1,295
Finance cost of preference shares	**(4,349)**	(4,365)
Total finance costs	**(29,576)**	(26,695)
Net finance costs	**(24,034)**	(21,105)

Net finance costs exclude borrowing costs attributable to the acquisition, construction or production of a qualifying asset which has been capitalised.

Notes to the financial information
for the year ended 2 January 2010

5. Income taxes

	Notes	2009 €'000	2008 €'000
Irish corporation tax		3,044	8,961
Adjustments in respect of prior years		(1,623)	(99)
Irish current tax on income for the year		**1,421**	**8,862**
Foreign tax		4,727	11,857
Adjustments in respect of prior years		215	(607)
Foreign current tax on income for the year		**4,942**	**11,250**
Total current tax		**6,363**	**20,112**
Deferred tax		12,740	1,416
Pre exceptional tax charge		**19,103**	**21,528**
Exceptional tax charge/(credit)			
Current	(a)	(1,742)	(1,073)
Deferred	(b)	12,512	181
Total tax charge		**29,873**	**20,636**

(a) The restructuring provision charged in 2009 resulted in an exceptional current tax credit of €1.7 million.

(b) The curtailment gain and negative past service cost recognised in the defined benefit obligation during the year resulted in an exceptional deferred tax charge of €12.5 million.

The net tax charges and credits in 2009 and 2008, by virtue of their nature and size, have been separately disclosed as exceptional charges and credits in the financial statements.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the corporation tax rate in Ireland, as follows:

	2009 €'000	2008 €'000
Profit before tax	**143,032**	**100,005**
Tax calculated at Irish rate of 12.5% (2008: 12.5%)	**17,879**	12,501
Earnings at reduced and higher Irish rates	**(2,067)**	(2,732)
Difference due to overseas tax rates	**13,001**	9,396
Adjustment to tax charge in respect of previous periods	**(1,071)**	(54)
Tax on profits of Joint Ventures & Associates shown in profit before tax	**(1,278)**	(913)
Expenses not deductible for tax purposes and other differences	**3,409**	2,438
Total tax charge	**29,873**	**20,636**

Notes to the financial information
for the year ended 2 January 2010

6. Earnings per share

Basic

Basic earnings per share is calculated by dividing the net profit attributable to the owners of the Parent by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as own shares.

	2009 €'000	2008 €'000
Profit attributable to owners of the Parent	112,676	78,399
Weighted average number of ordinary shares in issue	**292,985,630**	**293,018,610**
Basic earnings per share (cents per share)	**38.46**	**26.76**

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options are dilutive potential ordinary shares. In respect of share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2009 €'000	2008 €'000
Weighted average number of ordinary shares in issue	292,985,630	293,018,610
Adjustments for share options	830,517	1,356,809
Adjusted weighted average number of ordinary shares	**293,816,147**	**294,375,419**
Diluted earnings per share (cents per share)	**38.35**	**26.63**

Adjusted

Adjusted earnings per share is calculated on the net profit attributable to owners of the Parent, pre exceptional and before intangible asset amortisation (net of related tax). Adjusted earnings per share is considered to be more reflective of the Group's overall underlying performance.

	2009 €'000	2008 €'000
Profit attributable to owners of the Parent	112,676	78,399
Amortisation of intangible assets (net of related tax)	12,126	7,312
Net exceptional items	(34,905)	19,358
	89,897	**105,069**
Adjusted earnings per share (cents per share)	**30.68**	**35.86**
Diluted adjusted earnings per share (cents per share)	**30.60**	**35.69**

Notes to the financial information
for the year ended 2 January 2010

7. Dividends

The dividends paid in 2009 and 2008 were €19.5 million (6.65 cents per share) and €18.5 million (6.33 cents per share) respectively. On 30 September 2009 an interim dividend of 2.89 cents per share on the ordinary shares amounting to €8.5 million was paid to shareholders on the register of members as at 11 September 2009. The Directors have recommended the payment of a final dividend of 3.95 cents per share on the ordinary shares which amounts to €11.6 million. Subject to shareholders approval this dividend will be paid on 26 May 2010 to shareholders on the register of members as at 30 April 2010, the record date. These financial statements do not reflect this final dividend.

8. Net debt

	2009	**2008**
	€'000	**€'000**
Borrowings due within one year	**945**	15,281
Borrowings due after one year	**594,462**	569,374
Less:		
Cash and cash equivalents	**(152,789)**	(132,572)
Net debt	**442,618**	452,083

Notes to the financial information
for the year ended 2 January 2010

9. Retained earnings

	Retained earnings €'000	Goodwill write-off €'000	Total €'000
Balance at 29 December 2007	**114,137**	**(92,961)**	**21,176**
Actuarial loss – defined benefit schemes	(68,246)	–	(68,246)
Deferred tax on actuarial loss	7,084	–	7,084
Share of actuarial loss – Joint Ventures & Associates	(204)	–	(204)
Net expense recognised directly in other comprehensive income	(61,366)	–	(61,366)
Profit for the year	78,399	–	78,399
Total comprehensive income for the year	**17,033**	**–**	**17,033**
Dividends paid during the year	(18,502)	–	(18,502)
Balance at 3 January 2009	**112,668**	**(92,961)**	**19,707**
Actuarial loss – defined benefit schemes	(31,215)	–	(31,215)
Deferred tax on actuarial loss	2,684	–	2,684
Share of actuarial loss – Joint Ventures & Associates	(1,364)	–	(1,364)
Net expense recognised directly in other comprehensive income	(29,895)	–	(29,895)
Profit for the year	112,676	–	112,676
Total comprehensive income for the year	**82,781**	**–**	**82,781**
Dividends paid during the year	(19,484)	–	(19,484)
Balance at 2 January 2010	**175,965**	**(92,961)**	**83,004**

Notes to the financial information
for the year ended 2 January 2010

10. Cash generated from operations

	2009 €'000	2008 €'000
Profit before taxation	**143,032**	100,005
Development costs capitalised	**(2,639)**	(3,252)
Impairment charge	**1,078**	620
Non-cash exceptional (gain)/loss	**(45,675)**	16,914
Share of results of Joint Ventures & Associates	**(10,225)**	(6,359)
Depreciation	**28,735**	25,789
Amortisation	**13,858**	8,357
Cost of share options	**187**	827
Difference between pension charge and cash contributions	**(12,863)**	(12,483)
Gain on disposal of property, plant and equipment	**(716)**	(5,319)
Interest income	**(5,542)**	(5,590)
Interest expense	**29,576**	26,695
Amortisation of government grants received	**(1,237)**	(600)
Cash generated from operations before changes in working capital	**137,569**	**145,604**
Change in net working capital:		
– Decrease/(increase) in inventory	**71,568**	(20,888)
– (Increase)/decrease in short term receivables	**(10,504)**	27,088
– Decrease in short term liabilities	**(78,077)**	(1,481)
– Decrease in provisions	**(15,846)**	(3,377)
Cash generated from operations	**104,710**	146,946

11. Statutory financial statements

The financial information in this preliminary announcement is not the statutory financial statements of the Company, a copy of which is required to be annexed to the Company's annual return to the Companies Registration Office. A copy of the financial statements in respect of the financial year ended 2 January 2010 will be annexed to the Company's annual return for 2010. The auditors of the Company have made a report, without any qualification on their audit, of the financial statements of the Group and Company in respect of the financial year ended 2 January 2010, which were approved by the Directors on 9 March 2010. A copy of the financial statements of the Group in respect of the year ended 3 January 2009 has been annexed to the Company's annual return for 2009 to the Companies Registration Office.