



Press Release

Corporate Communications Department
Glanbia House
Kilkenny
Ireland

Telephone + 353 56 7772200
Facsimile + 353 56 7750834
www.glanbia.com

Deterioration in global dairy markets gives rise to 2009 earnings revision

30 April 2009 – Glanbia plc (Glanbia), the international cheese and nutritional ingredients Group, announces a downward revision to earnings guidance for the full year 2009.

Revised guidance is for adjusted earnings per share of between 30 to 32 cents for the full year, compared with current market expectations of 36 to 37 cents. 2008 adjusted earnings per share were 35.86 cents (2007: 30.25 cents).

Since the announcement of the Group's 2008 full year results on 4 March 2009 some key global dairy markets have deteriorated further. This has impacted on Food Ingredients Ireland, a business that was previously forecast to breakeven in 2009. While the Group has significantly reduced manufacturing milk price, this raw material input cost still lags market returns and remains at a level above which this business unit can breakeven. However, in the belief that dairy markets appear to have reached the bottom and with some recovery in markets anticipated in late-2009, Glanbia has decided to sustain this manufacturing milk price position. Despite resulting in a significant forecast loss at Food Ingredients Ireland, the Board believes this is an important step, in the current unprecedented circumstances, to help maintain its Irish dairy supply and trading base. In addition, the Board has committed to make available a fund of €8 million to manufacturing milk suppliers, which can be drawn down by way of loan in 2009 and repaid over a three-year period.

The effect of the decline in global dairy markets also has serious implications for farm incomes and purchasing power. Therefore, a further decrease in farm input sales and profits is expected for the Agribusiness unit. Combined with Food Ingredients Ireland this has led to the revision of the Group's 2009 earnings guidance.

All other aspects of Glanbia's business are performing well. Food Ingredients USA is experiencing good demand and performing in line with expectations. Nutritionals is achieving good organic growth and Optimum, acquired in August 2008, is on target for its expected full year contribution. Consumer Foods continues to deliver a reasonable performance in very challenging market circumstances. Joint Ventures and Associates are performing strongly. The planned expansion of Southwest Cheese has already commenced and the development of Nutricima, in Nigeria, is progressing well.

Commenting today, John Moloney, Group Managing Director, said:

"These are difficult times for the global dairy sector with market prices at historic lows. In the longer-term, we are confident of Ireland's ability to have a sustainable and profitable dairy sector, but this will require restructuring across the industry. In the shorter-term, there are very significant issues facing farming and these are having a major impact on our Food Ingredients Ireland and Agribusiness units, resulting in a downward revision of adjusted earnings per share to a range of 30 to 32 cents for 2009.

While it is disappointing to announce revised earnings guidance, we are focused on achieving a strong operational and cost management performance in 2009. We are pleased with how all other aspects of the business, developed as part of our growth strategy, are performing." Ends

For further information contact:

Geraldine Kearney
Director of Corporate Communications
T: 00 353 56 777 2241 / M: 00 353 87 231 9430