



Press Release

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2009 FULL YEAR PRE - CLOSE TRADING STATEMENT

**On target to achieve adjusted earnings per share of 30 to 31 cents
Return to earnings growth expected in 2010**

6 January, 2010 – Glanbia plc (Glanbia), the international cheese and nutritional ingredients Group, issues this 2009 full year pre-close trading statement. This statement has been prepared in accordance with the new segmental reporting announced at the 2009 half year results. The Group expects to announce 2009 full year results in early March 2010 for the year ended 2 January, 2010.

2009 Performance

The impact of the downturn in global dairy markets in the first half of the year, lower US cheese prices and a poor economic backdrop with weak consumer demand resulted in a difficult year in 2009. Strong cost management together with an excellent operational performance could not fully offset an unprecedented trading environment. The Group expects to report adjusted earnings per share of 30 to 31 cents for 2009, in line with revised adjusted earnings per share guidance for the full year which was announced on 30 April 2009.

US Cheese & Global Nutritionals is expected to deliver a good result that is ahead of 2008. A good performance in Global Nutritionals driven by solid organic growth, new product introductions and the full year effect of the acquisition of Optimum Nutrition in August 2008 more than offset the effect of lower US cheese prices.

As previously announced the result from Dairy Ireland will be considerably lower than 2008. For most of the year the decline in global dairy markets created a very difficult environment for the Irish Dairy Ingredients business. Prices and returns for dairy processors and suppliers were below the cost of production, which gave rise to a major first time loss in Irish Dairy Ingredients for the full year. A reduction in farm incomes affected farm purchasing power leading to a performance in Agribusiness that will be lower than 2008. Consumer Products is expected to report a reasonable result for 2009 underpinned by a significant internal cost reduction programme. In the latter part of 2009, in response to a very competitive Irish food retail market, Consumer Products reduced prices to customers on a range of product lines.

Joint Ventures & Associates are now expected to deliver an improvement in performance in 2009. While performance was somewhat impacted by global dairy markets a robust performance by Southwest Cheese and an improved performance from Nutricima (Nigeria) more than offset a decline in Glanbia Cheese.

Exceptional items

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 approximately €15 million, mainly relating to redundancies, will be provided for in 2009.

A strategic review of the Group's pension arrangements was completed in 2009. The revisions to the overall Group pension arrangements, which are currently being finalised, give rise to a net reduction in pension liabilities which will result in a 2009 exceptional credit of approximately €50 million.

In 2009, a review of the internal corporate structures of the Group was also completed. This gave rise to an exceptional non-cash charge in 2009 of approximately €18 million on the repayment of sterling intergroup loans. This loss, which was previously recognised in the Group's currency reserve, is now transferred to the Group's income statement and therefore will not impact the overall Group's balance sheet.

In total, Glanbia is expecting a post tax net exceptional credit of approximately €17 million for the year.

2010 Outlook

Trading conditions improved somewhat in the later stages of 2009 with an uplift in global dairy and US cheese markets. However, markets remain volatile and consumer sentiment is fragile. Glanbia Board and Management remain cautious at this early stage of the year but based on current economic and dairy market forecasts expect a return to earnings growth in 2010 in the order of 6% to 8%.

ENDS

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Disclaimer: Certain information disclosed in this Pre-Close Trading Statement is forward-looking in nature. This information and related forward-looking statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual outcomes/events to differ materially from any expected results or performances referred to in this Pre-Close Trading Statement.