Press Announcement

25 February 2003

Kerry Group plc Annual Results 2002

Kerry, the global ingredients, flavours and consumer foods group, reports preliminary results for the year ended 31 December 2002.

Financial Highlights

- Sales increased by 25% to €3.8 billion
- Like-for-like sales growth of 6%
- EBITDA increased by 18% to €390m
- Operating profit* increased by 17% to €305m
- Adjusted profit after tax* up 22% to €189m
- Adjusted earnings per share* increased by 15.8% to 101.8 cent
- Final dividend per share up 16.3% to 7.85 cent
- €273m acquisition programme
- Free cash flow €232m.

*before goodwill and exceptionals

Kerry Group Managing Director, Hugh Friel said:
"The strong performance of the Group in 2002 is most encouraging and was achieved across all businesses and territories. Like-for-like sales grew by 6% reflecting the Group's focus and response to changing market dynamics and consumer trends. Free cash flow exceeded €200m for the first time and the Group again demonstrated its capability to speedily and efficiently integrate the acquired businesses. Based on our core strengths and global service capabilities, we view the prospects of the Group with confidence".

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Kerry Group plc

Preliminary Statement

Results for the year ended 31 December 2002

Kerry made excellent progress in 2002 achieving record sales, profitability and cash flow. The Group's strong performance again underlines the breadth of its geographic and technical base in ingredients markets and its reputation for innovative products and service to all major food manufacturing and foodservice companies. Equally, in chilled foods markets, Kerry's performance in 2002 further consolidates its position as the leading added value chilled food supplier to the UK and Irish markets, underpinned by above average industry growth in the Group's key branded categories. In addition the Group maintained momentum in providing a strong platform for future growth by successfully completing and integrating a range of acquisitions in flavour, culinary and nutritional growth sectors and in convenience lifestyle chilled food market segments.

Results

Group turnover increased by 25% to €3.8 billion. Like-for-like sales growth was 6% when account is taken of acquisitions, divestitures and foreign exchange fluctuations. This performance was broad based across all geographic markets and core business areas. Operating profit before goodwill and exceptionals increased by 17 % to €305.4m, again reflecting solid business development in all Group operations and good progress through integration of 2001 acquisitions. As signalled at year-end 2001, due to the profile and phase of development of acquisitions completed during that year, the Group operating margin was 8.1% in 2002, compared to the prior year level of 8.7%. On a like-for-like basis the operating margin increased by 30 basis points.

Adjusted profit after tax increased by 22% to €189m. Adjusted earnings per share increased by 15.8% to 101.8 cent. Earnings per share after allowing for goodwill and exceptionals was 26% lower than 2001 at 56.1 cent.

The Group continued to invest in strategic acquisitions and in research and development. Expenditure on acquisitions during the year amounted to €273.4m and expenditure on research and development programmes amounted to €78.5m.

Operations Reviews

Ireland and Rest of Europe

Sales originating from Irish based operations increased by 56% to €1.4 billion reflecting a full years contribution from the former Golden Vale businesses and underlying growth of 4% year-on-year. Operating profit increased by 39% to €62.6m.
European operations (excluding Ireland) increased sales by 9% to €1.3 billion, recording 6% like-for-like growth. Operating profits in the region increased by 11% to €109.6m.

In Europe Kerry Ingredients recorded a strong performance, despite lower economic growth in the main consumer markets. The Aromont and Voyager businesses acquired in 2001 performed well, broadening Kerry's offering particularly to the dynamic prepared meals sector. While the food coatings sector proved difficult in the first half of 2002, Kerry nevertheless achieved solid growth overall in the sector through its ability to support its customer base across the spectrum of trading conditions from its multi-site facilities across Europe. Kerry again made satisfactory progress in the snack sector, in line with market growth levels. The division's expanded ingredients range also contributed to further gains in the quick-serve-restaurant sector. Eastern European markets again exhibited good growth. Kerry commissioned a new factory in Budapest to enhance its ingredients manufacturing capability and service in the region.

Kerry's sweet and fruit ingredients business across Europe benefited from stronger consumer demand for convenient, indulgent products in the dairy, bakery, cereal, confectionery and snack sectors.

In the UK and Irish consumer food markets, continued buoyancy in snacking and convenience sectors provided good growth opportunities for Kerry Foods, consolidating its position as the leading supplier of added value chilled foods. The Richmond, Walls and Denny brands continue to gain market share across sausage, rasher, sandwich fillings and premium sliced meats lines. In March, Kerry further broadened its position in the UK sausage sector with the addition of the Bowyers and Porkinsons brands as part of the acquisition of the Northern Foods van sales operation. The acquisition makes 'Kerry Foods Direct to Store' the unrivalled leader in servicing the chilled cabinet requirements of customers in the independent and convenience retail sectors. Kerry Foods also recorded excellent progress through its prepared meals offerings, chilled and frozen, in Ireland through the Denny brand and through customer brands in the UK markets. The UK chilled ready meals market, valued at Stg£1.1 billion, grew by 14% in value terms year-on-year.

In Ireland integration of the former Golden Vale businesses proved very successful. The Bailieboro and Artigarvan dairy processing operations were sold and processing across the Listowel and Charleville sites was streamlined. Difficulties in international dairy markets impacted on margins in the Irish milk processing sector, with change in input pricing during the year lagging reduced output prices.

Kerry Foods achieved good growth through its cheese brands and Cheestrings successfully broadened its offering in the children's snacking sector. Cheese slices grew satisfactorily in the European quick-serve-restaurant sector.

Considerable resources were applied in advancing the Group's global flavour business development strategy in 2002. 'Mastertaste', the Group's new flavour division was launched in June, to spearhead development across the Group's European, American and Asia-Pacific flavour businesses. Building on its 2001 and 2002 acquisitions, Mastertaste has streamlined the constituent flavour businesses and focused technical development across sweet, savoury and cheese and dairy flavour capabilities for the food and beverage industries.

R & D investment in Mastertaste in 2002 was focused on the development of natural flavours for both savoury and sweet applications and to extension of the division's line of functional flavours. Mastertaste Italy (SGF), which has a strong heritage in botanical and herbal extracts - developed originally for the Italian beverage sector, made good progress through development of a wide range of natural extracts.

Further development in European markets in 2002 included the acquisition of;

(a) Ingredients Business

EBI Foods Ltd, based in Abingdon, Oxfordshire, UK, - a leading provider of food coatings and blended ingredients to food manufacturers, supplying the foodservice sector across European, Middle Eastern and Far Eastern markets.

(b) Consumer Foods

Deli Products (Ireland) to further develop Kerry Foods' snack and convenience offering to the foodservice sector including sandwich bars and the hot and cold serve-over counter trade.

Northern Foods (Van Sales Service) extending Kerry Foods Direct to Store chilled foods distribution service to independent retail and convenience stores in the UK.

Freshways Limited, based in Dublin, - the leading manufacturer and distributor of pre-packed sandwiches to the Irish market. The acquired business supplies major retail groups, the fast growing travel sector and major foodservice outlets including healthcare and educational establishments.

Americas

Sales in American markets again grew satisfactorily by 18% to €945m reflecting the contribution from 2001/2002 acquisitions and like-for-like growth of 7% year-on-year. Operating profits increased by 14% to €120.5m.

In the USA, development across Kerry's seasonings, foodservice, coatings, sweet ingredients, speciality ingredients and 'Nutriant' nutritional ingredients businesses was again in line with expectations. Seasonings saw increased new product activity in the second half of 2002, with good progress in both salty snack and meat seasonings markets. In the speciality ingredients sectors, Kerry again grew in line with overall industry demand through dairy, cheese and speciality lipid ingredients. Business development through 'wet systems' targeted at the fast growing ready-to-use sauce category proved successful with both foodservice product manufacturers and retail branded sectors. Margins in the food coatings sector were weaker due to higher wheat flour and energy costs. Cereal prices remained firm in the second half of 2002, but were part compensated by some price improvement in coatings markets. In the foodservice sector, Kerry's brands - in particular Golden Dipt, performed well through focused marketing programmes with key distributors and chains. Commencing with the acquisition of Shade Foods in 2000, Kerry has established a substantial, fast growing industry leading sweet ingredients business, serving the cereal, snack foods, ice cream, bakery and nutritional sectors with customised confectionery products and speciality extrusion technology. Having successfully integrated the SPI Foods acquisition, acquired in 2001, the division continued to lead development in the dynamic breakfast cereal and nutrition bar markets. Building on the Group's mission to become a leading supplier of nutritional ingredients through products and technologies that provide specific health benefits; 'Nutriant', combining the Solnuts and Iowa Soy businesses, launched mid-year, has already made excellent progress through its specialist non-chemically processed soy concentrates and isolates, organic lines, nut replacements and vegetarian products.

Kerry Canada continued to grow satisfactorily through export oriented food manufacturers. In Mexico and Latin America good growth was achieved, particularly in snack and bakery categories. Notwithstanding the economic crisis in Argentina and currency depreciation in Brazil, Kerry again advanced its business development in South America from its Brazilian based facilities.

Apart from on-going development through meat seasonings, functional dairy ingredients and speciality lipids, Kerry's sweet ingredients business recorded strong growth through chocolate compound coatings, variegates and inclusions - Brazil being one of the leading consumers of sweet products in the global marketplace. The Siber and Nutrir businesses, acquired in 2001, were integrated and production of Nutrir products was transferred to the Tres Coracoes site.

In American markets, Mastertaste successfully integrated the Geneva and Hickory flavour businesses acquired in 2001. A new divisional headquarters was established in Rosemont, Chicago. Drawing on synergies throughout the flavour division, a functional flavours development unit was established in the USA. Focused on traditional snacks, prepared meals and dairy growth sectors including dairy based beverages, Mastertaste North America also made good progress through its cheese and dairy flavour unit and through synergies derived by combining Kerry's culturing technologies and Mastertaste flavours.

The Group's focus on the continued development of its ingredients and flavour businesses in American markets led to the following strategic acquisitions in 2002;

(a) Ingredients Businesses

Industrial Deshidratadora, S.A. de C.V. (IDSA), operating from manufacturing facilities in San Juan del Rio and Mexico City is the largest producer of convenience blends in Mexico. The acquisition of IDSA expands Kerry's capability to supply ingredients for application in instant beverages, ready-to-eat cereals, cereal bars and mueslis. In addition IDSA has a well established retail branded franchise, including Benedik Coffee and Lautrec Coffee Creamer.

Ringger Foods, located in Gridley, Illinois extending Kerry's market leadership position in North American speciality extruded food ingredients for application in cereals, confectionery products and nutrition bars.

Roskam Cereal & Agglomerates, based in Grand Rapids, Michigan, adding to Kerry's manufacturing capacity in the fast growing sweet ingredients sector.

Stearns & Lehman Inc., a leading manufacturer of coffeehouse chain, foodservice and branded Italian-style flavoured syrups, beverage flavourings and toppings for the speciality coffee and beverage industries - adding to Kerry's product offering in the foodservice sector.

Building on the launch of 'Nutriant', the Group's U.S. based dedicated nutritional ingredients business, a modern manufacturing facility in Turtle

Lake, Wisconsin was acquired to support the manufacture of organic soy isolates and soy concentrates for the nutrition bar and nutritional beverage markets.

Rector Foods, based in Brampton, Ontario, Canada, a leading producer of seasoning blends and marinades for the meat industry, processed food and foodservice sectors.

The Original International Food Ingredients (IFI), located in Irving, Texas, specialising in the development and manufacture of sauce seasonings, meat seasonings, marinades and soup seasonings for the foodservice sector.

(b) Flavour Businesses

St. Louis Flavors, based in Fenton, Missouri was acquired by Mastertaste to enhance the flavour division's technical base in sweet flavours and strengthen its service within the U.S. bakery, beverage and confectionery sectors.

Metarom, located in Granby, Quebec acquired prior to year-end, is the largest private flavour business in Canada. With strong technical capability in the sweet flavour sector, the business is focused on the beverage, dairy and confectionery industries - complementing Mastertaste's U.S. based sweet flavour development facilities.

Asia Pacific

Economic conditions in Kerry's Asia Pacific markets improved in 2002, and the Group recorded a 7% increase in turnover in the region to €143m, with like-for-like sales increased by 5%. Operating profit grew by 10% to €12.7m.

In South East Asia excellent progress was achieved through food coatings and meat seasonings, particularly in Malaysia and Thailand. To meet market growth requirements, prior to year-end, Kerry acquired a major seasonings and marinade manufacturing facility near Bangkok to service the requirements of the meat and seafood industries in the region.

In North Asia, Kerry's speciality ingredients business achieved solid growth in Taiwan, Japan and China, primarily through nutritional bases, cheese powders and speciality lipids. The Group's North Asia regional office in Hong Kong has assisted in building Kerry's customer relationships in this important marketplace.

In the Australian ingredients sector Kerry again made good progress in all sectors with strong advances in meat and poultry segments and the quick-serve-

restaurant sector. Excellent growth was also achieved through snack seasonings and food coatings in New Zealand.
Kerry Pinnacle continued to benefit from the growth of in-store bakery chains and franchise shop chains in Australia.

Post Balance Sheet Events

Since year-end, the Group has completed the acquisition of SunPure, a leading manufacturer of natural citrus flavours and ingredients. Located at the centre of the North American citrus industry in Lakeland, Florida, SunPure is also a significant producer of apple essence and beverage flavours and bases. The business, acquired for a total consideration of US$68m, operates from state of the art manufacturing facilities servicing the requirements of a strong customer base in the USA and Japan - including leading flavour houses, branded beverage companies and private label beverage producers. The company has a strong growth record, capitalising on the growth of citrus flavour usage and beverage flavours. Flavoured beverage markets have exhibited strong growth in recent years, fuelled by consumer interest in natural, ethnic and healthier beverage options with more pronounced flavour levels.

In combining SunPure with the Group's existing flavour businesses and technologies, Mastertaste will focus on the significant growth opportunities in wider flavour and beverage growth markets across Europe, Latin America and Asia, as well as its established markets in the U.S. and Japan.

Finance

Operating cash flow (EBITDA) increased by 18% to €390.4m. Allowing for a working capital reduction of €46m, net cash expenditure on capital projects of €92m, interest payments of €50m, tax of €43.6m and dividends of €19m, free cash flow available to the Group was a record €232m.

The total consideration, including debt, arising from Group acquisitions in 2002 amounted to €273m. Net debt at year-end amounted to €763.8m compared to the prior year-end level of €818.9m. Debt to EBITDA stood at a comfortable 2.1 times. Interest charges increased slightly to €50.2m, with EBITDA to interest covered 7.8 times (2001: 6.9 times).

FRS 19 – 'Deferred Tax' and the transitional provisions of FRS 17 'Retirement Benefits' have been adopted in the Group's 2002 Financial Statements. The adoption of FRS 17 has had no effect on either the results for the current year or on results reported in prior periods. The disclosures under the FRS 17 mark to market calculations indicate a net pension deficit of €90m at year-end. The company is reviewing measures to address this deficit which represents less than 5% of current market capitalisation.

FRS 19 requires deferred tax to be accounted for on a full provision basis on all timing differences that have originated but not reversed by the balance sheet date, except as otherwise required by the standard. Accordingly, results for prior periods have been restated in line with the new standard. In summary, the current taxation charge in each of the periods under review was approximately 25% of normal trading profits. The FRS 19 restatement has had the effect of adding a further 6% charge against profits for the year but has no cash impact.

As announced at year-end 2001, the Board approved an integration plan for businesses connected with 2001 acquisitions principally Golden Vale. The programme at a cost of €56.6m in 2002 is now nearing completion. The Group is confident that the benefits of this programme in terms of business development and efficiencies will be significant.

The basic weighted average number of ordinary shares in issue for the year was 185,363,778 (2001: 175,674,473). The total number of shares in issue at year-end was 185,613,945 (2001: 184,998,845).

Dividend

The Board has declared a final dividend of 7.85 cent per share, an increase of 16.3% on 2001. Together with the interim dividend of 3.65 cent per share, this raises the total dividend payment for the year to 11.5 cent per share, an increase of 15% on the 2001 dividend. The final dividend will be paid on 30 May 2003 to shareholders registered on the record date 2 May 2003.

Board Changes

Mr. Denis Brosnan has signalled his intention to retire as Chairman later this year and the Board has decided to appoint Mr. Denis Buckley, currently Vice Chairman, as Chairman Designate to succeed Mr. Brosnan. Mr. Buckley is Chairman of Kerry Co-operative Creameries Limited and a Director of IAWS Group plc.

Mr. James L. Brosnan and Mr. Michael Harty retired from the Board on 1 November 2002. Mr. Patrick Anthony Barrett, Mr. Patrick Minogue and Mr. Denis Wallis were co-opted to the Board on 29 January 2003.

Annual Report and Annual General Meeting

The Group's Annual Report will be published at the beginning of May and the Annual General Meeting will be held in Tralee on 27 May 2003.

Future Prospects

Kerry is well focused on fast growing sectors of the global food industry through its strong geographical base in ingredients and flavours markets. The Group has demonstrated its ability to service the requirements of global food companies through a network of locally based international development and manufacturing operations, achieving preferred supplier status to major multinational food companies.

In the Irish and UK consumer foods markets, Kerry will continue to enhance its position as the leading added value chilled foods supplier.

The Group's strong pipeline of development and acquisition opportunities continues. With a strong balance sheet and record free cash generation, coupled with Kerry's successful track record of speedily integrating a range of acquisitions, the Group is well placed to capitalise on such opportunities.

Notwithstanding currency fluctuations, the trading outlook for the current year is good and the Group is confident of meeting market expectations.

Kerry Group plc
Consolidated Profit and Loss Account
for the year ended 31 December 2002

	Notes	Pre Exceptional Items 2002 €'000	Exceptional Items 2002 €'000	Total 2002 €'000	2001 €'000 (Restated)*
Turnover					
Continuing operations	1	**3,754,808**	**-**	**3,754,808**	3,002,781
Operating profit - continuing operations					
Before goodwill amortisation and exceptional items	1	**305,410**	**-**	**305,410**	260,445
Goodwill amortisation		**41,401**	**-**	**41,401**	23,367
Exceptional restructuring costs	4	**-**	**56,602**	**56,602**	8,097
Operating profit	1	**264,009**	**(56,602)**	**207,407**	228,981
Profit on sale of businesses	4	**-**	**1,744**	**1,744**	6,205
Profit on sale of fixed assets	4	**-**	**279**	**279**	2,187
Interest payable and similar charges		**50,238**	**-**	**50,238**	47,644
Profit before taxation		**213,771**	**(54,579)**	**159,192**	189,729
Taxation - current tax		**52,721**	**(6,116)**	**46,605**	47,204
- deferred tax		**13,744**	**(5,060)**	**8,684**	9,391
Profit after taxation and attributable to ordinary shareholders		**147,306**	**(43,403)**	**103,903**	133,134
Dividends - paid		**6,806**	**-**	**6,806**	6,004
- proposed		**14,571**	**-**	**14,571**	12,487
		21,377	**-**	**21,377**	18,491
Retained profit for the year		**125,929**	**(43,403)**	**82,526**	114,643
Earnings per ordinary share (cent)					
-basic before goodwill amortisation and exceptional items	5			**101.8**	87.9
-basic after goodwill amortisation and exceptional items	5			**56.1**	75.8
-fully diluted after goodwill amortisation and exceptional items	5			**55.7**	75.3

* Comparative figures have been restated to reflect the adoption of FRS 19 “Deferred Tax”.

The financial statements were approved by the Board of Directors on 24 February 2003 and signed on its behalf by:

Denis Brosnan, Chairman
Hugh Friel, Managing Director

Kerry Group plc
Consolidated Balance Sheet
as at 31 December 2002

	2002	2001
	€'000	€'000
		(Restated)*
Fixed assets		
Tangible assets	**870,406**	885,773
Intangible assets	**765,384**	685,941
	1,635,790	1,571,714
Current assets		
Stocks	**363,545**	362,173
Debtors	**500,606**	515,063
Cash at bank and in hand	**46,584**	19,794
	910,735	897,030
Creditors: Amounts falling due within one year	**(821,823)**	(775,579)
Net current assets	**88,912**	121,451
Total assets less current liabilities	**1,724,702**	1,693,165
Creditors: Amounts falling due after more than one year	**(824,134)**	(857,674)
Provisions for liabilities and charges	**(64,571)**	(41,143)
	835,997	794,348
Capital and reserves		
Called-up equity share capital	**23,202**	23,125
Capital conversion reserve fund	**340**	340
Share premium account	**362,974**	357,873
Profit and loss account	**418,012**	376,208
	804,528	757,546
Deferred income	**31,469**	36,802
	835,997	794,348

* Comparative figures have been restated to reflect the adoption of FRS 19 “Deferred Tax”.

The financial statements were approved by the Board of Directors on 24 February 2003 and signed on its behalf by:

Denis Brosnan, Chairman
Hugh Friel, Managing Director

Kerry Group plc
Consolidated Cash Flow Statement
for the year ended 31 December 2002

	2002	2001
	€'000	€'000
Operating profit before goodwill amortisation and exceptional items	**305,410**	260,445
Depreciation (net)	**84,952**	70,438
Change in working capital	**48,786**	(34,473)
Exchange translation adjustment	**(2,691)**	453
Net cash inflow from operating activities	**436,457**	296,863
Returns on investments and servicing of finance		
Interest received	**1,751**	1,882
Interest paid	**(51,583)**	(47,614)
Taxation	**(43,612)**	(44,298)
Capital expenditure		
Purchase of fixed assets	**(96,183)**	(95,647)
Proceeds on the sale of fixed assets	**3,584**	5,641
Development grants received	**398**	993
Acquisitions and disposals		
Purchase of subsidiary undertakings	**(237,539)**	(599,422)
Proceeds on the sale of businesses	**33,199**	22,049
Deferred creditors paid	**(8,883)**	(30)
Exceptional restructuring costs	**(33,717)**	(8,097)
Consideration adjustment on previous acquisitions	**(393)**	475
Equity dividends paid	**(19,293)**	(16,574)
Cash outflow before the use of liquid resources and financing	**(15,814)**	(483,779)
Financing		
Issue of share capital	**5,178**	165,794
Increase in debt due within one year	**81,677**	36,590
(Decrease) / increase in debt due after one year	**(44,251)**	273,194
Increase / (decrease) in cash in the year	**26,790**	(8,201)

Reconciliation of Net Cash Flow to Movement in Net Debt
for the year ended 31 December 2002

Increase / (decrease) in cash in the year	**26,790**	(8,201)
Cash flow from debt financing	**(37,426)**	(309,784)
Change in net debt resulting from cash flows	**(10,636)**	(317,985)
Exchange translation adjustment	**65,756**	(22,592)
Movement in net debt in the year	**55,120**	(340,577)
Net debt at beginning of year	**(818,924)**	(478,347)
Net debt at end of year	**(763,804)**	(818,924)

Kerry Group plc
Statement of Total Recognised Gains and Losses
for the year ended 31 December 2002

	2002 €'000	2001 €'000 (Restated)*
Profit attributable to the Group	**103,903**	133,134
Exchange translation adjustment on foreign currency net investments	**(40,722)**	(3,309)
	63,181	129,825
Prior year adjustment - deferred tax	**(36,063)**	-
Total recognised gains and losses relating to the year	**27,118**	129,825

* Comparative figures have been restated to reflect the adoption of FRS 19 “Deferred Tax”.

Reconciliation of movements in share capital and reserves

for the year ended 31 December 2002

	Share Capital and Premium €'000	Capital Conversion Reserve Fund €'000	Profit & Loss Account (Restated) €'000	Total (Restated) €'000
At beginning of year	380,998	340	412,271	793,609
Prior year adjustment - deferred tax	-	-	(36,063)	(36,063)
	380,998	340	376,208	757,546
Retained profit	**-**	**-**	**82,526**	**82,526**
Shares issued during year	**5,213**	**-**	**-**	**5,213**
Share issue costs	**(35)**	**-**	**-**	**(35)**
Exchange translation adjustment	**-**	**-**	**(40,722)**	**(40,722)**
At end of year	**386,176**	**340**	**418,012**	**804,528**

The Profit & Loss Account figures comprise the following:

	Intangible Assets Written Off €'000	Retained Profits (Restated) €'000	Profit & Loss Account (Restated) €'000
At beginning of year	(438,298)	850,569	412,271
Prior year adjustment - deferred tax	-	(36,063)	(36,063)
	(438,298)	814,506	376,208
Retained profit	**(41,401)**	**123,927**	**82,526**
Exchange translation adjustment	**-**	**(40,722)**	**(40,722)**
At end of year	**(479,699)**	**897,711**	**418,012**

The exchange translation adjustment arises on the retranslation of the Group's opening net investment in its overseas subsidiaries.

Kerry Group plc
Notes to the Financial Statements
for the year ended 31 December 2002

1. Analysis of results by region

	2002 Turnover €'000	2002 Operating Profit €'000	2002 Net Assets €'000	2001 Turnover €'000	2001 Operating Profit €'000	2001 Net Assets €'000 (Restated)
By geographical market of origin:						
Ireland	**1,373,681**	**62,637**	**463,743**	883,267	45,075	490,532
Rest of Europe	**1,293,154**	**109,586**	**635,040**	1,183,774	98,524	634,286
Americas	**944,767**	**120,473**	**437,909**	801,728	105,324	416,532
Asia Pacific	**143,206**	**12,714**	**63,109**	134,012	11,522	71,922
	3,754,808	**305,410**	**1,599,801**	3,002,781	260,445	1,613,272
Goodwill amortisation	**-**	**(41,401)**	**-**	-	(23,367)	-
Exceptional restructuring costs	**-**	**(56,602)**	**-**	-	(8,097)	-
Group net debt	**-**	**-**	**(763,804)**	-	-	(818,924)
	3,754,808	**207,407**	**835,997**	3,002,781	228,981	794,348

	2002 Turnover €'000	2001 Turnover €'000
By destination:		
Ireland	**766,027**	520,707
Rest of Europe	**1,788,914**	1,422,996
Americas	**1,002,942**	873,436
Asia Pacific	**196,925**	185,642
	3,754,808	3,002,781

Turnover, operating profit and net assets as presented above are stated net of intra Group transactions and balances.

2. Accounting policies

These accounts have been prepared using the same accounting policies as detailed in the 2001 annual financial statements with the exception of FRS 19 "Deferred Tax" which is applicable to the Group for the first time in the year ended 31 December 2002.

FRS 19 requires deferred tax to be accounted for on a full provision basis on all timing differences that have originated but not reversed by the balance sheet date, except as otherwise required by the standard. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are discounted.

The implementation of FRS 19 has decreased the profit for the year ended 31 December 2001 by €10.3m to €133.1m and decreased net assets as at 31 December 2001 by €36.1m to €794.3m.

3. Basis of preparation and reporting currency

The financial information set out in this document does not constitute full statutory accounts for the years ended 31 December 2002 or 2001 but is derived from same. The 2002 and 2001 accounts have been audited and received unqualified audit reports. The 2002 financial statements were approved by the Board of Directors on 24 February 2003.

The financial statements are prepared under the historical cost convention.

4. Exceptional items

	2002 **€'000**	2001 €'000 (Restated)
Exceptional restructuring costs	**(56,602)**	(8,097)
Profit on sale of businesses	**1,744**	6,205
Profit on sale of fixed assets	**279**	2,187
	(54,579)	295
Tax on exceptional items	**11,176**	1,735
	(43,403)	2,030

The exceptional restructuring costs relate to the rationalisation of new and existing businesses arising from the integration of acquisitions made in the current and previous year. These costs can be analysed as follows:

	2002 **€'000**	2001 €'000
Redundancies and contract compensation	**27,058**	4,010
Plant closure / relocation	**18,510**	3,405
Plant and other assets written off	**5,889**	-
Standardisation of information systems	**3,597**	682
Other	**1,548**	-
	56,602	8,097

During the year the Group disposed of a number of businesses in Ireland and the UK. These included the Baileboro and Artigarvan milk processing businesses, which were acquired in 2001 as part of the Golden Vale Group, and the fried products business based in Poole, UK.

The profit on sale of businesses in 2001 relates to the sale of a number of businesses including SPP bakery ingredients in the UK.

5. Earnings per share

	Notes	**EPS cent**	**2002 €'000**	EPS cent (Restated)	2001 €'000 (Restated)
Adjusted earnings before FRS 19**		109.2	202,451	94.6	166,260
Deferred tax - FRS 19		7.4	13,744	6.7	11,789
Adjusted earnings*		**101.8**	**188,707**	87.9	154,471
Goodwill amortisation		**22.3**	**41,401**	13.2	23,367
Exceptional items (net)	4	**23.4**	**43,403**	(1.1)	(2,030)
Profit after taxation, goodwill amortisation and exceptional items		**56.1**	**103,903**	75.8	133,134
Share option dilution		**0.4**	**-**	0.5	-
		55.7	**103,903**	75.3	133,134

The basic weighted average number of ordinary shares in issue for the year was **185,363,778** (2001: 175,674,473). The diluted weighted average number of ordinary shares in issue for the year was **186,389,840** (2001: 176,870,079). The dilution arises in respect of executive share options outstanding.

In addition to the basic and diluted earnings per share, an earnings per share before goodwill amortisation and exceptional items calculation is also provided, as it more accurately reflects the Group's underlying trading performance.

* Adjusted earnings per share is calculated as profit after taxation, before goodwill amortisation and exceptional items divided by the weighted average number of ordinary shares.

** Adjusted earnings per share before FRS 19 is adjusted earnings as defined above before the adoption of FRS 19 (i.e. as previously reported). This measure is given to show the impact of adopting the new deferred tax standard.