

GOOD INTERNATIONAL PERFORMANCE; DIFFICULT YEAR IN IRELAND STRATEGIC DEVELOPMENT PROGRESSING WELL

1 March 2006 - Glanbia plc, the international dairy foods and nutritional ingredients Group, announces its full year results for the year ended 31 December 2005, prepared under International Financial Reporting Standards (IFRS).

2005 Summary Results

Glanbia delivered a satisfactory performance overall in 2005. A difficult year in Ireland impacted the Group's results, as Irish operations continue to be affected by a combination of ongoing EU reform, inflationary pressures and a competitive market environment. International operations performed well. USA Food Ingredients delivered a solid result, together with strong organic growth in the evolving Nutritionals business. Joint ventures in New Mexico and Nigeria, which are central to the strategic development of the Group, are progressing well reaching key milestones in plant commissioning, production and customer performance.

	2005	2004	Change
Revenue	€1,830.0 m	€1,753.6 m	Up 4%
Operating profit pre exceptional	€80.6 m	€86.3 m	Down 7%
Operating margin pre exceptional	4.4%	4.9%	Down 50 bps
Net financing costs pre exceptional⁽¹⁾	(€12.8 m)	(€16.1 m)	Down 21%
Share of results of associates and joint ventures⁽²⁾	€0.9 m	(€1.5 m)	Up 160%
Profit before tax pre exceptional on a comparable basis⁽¹⁾	€68.7 m	€68.6 m	Similar
Profit after tax pre exceptional on a comparable basis⁽¹⁾	€61.1 m	€60.2 m	Up 2%
Exceptional items⁽³⁾	€0.5 m	€1.3 m	See note
Earnings per share	21.04 c	21.03 c	Similar
Adjusted earnings per share	20.86 c	20.59 c	Up 1%
Dividend per share	5.51 c	5.25 c	Up 5%
Net debt on a comparable basis	€215.7 m	€260.9 m	Down 17%

⁽¹⁾ Due to the timing of the implementation of the relevant IFRS standard, interest on preferred securities and preference shares in the income statement is shown as part of Group interest in the current financial year and as part of non-equity minority interest in the previous year.

⁽²⁾ In accordance with the relevant IFRS standard this is after interest and tax.

⁽³⁾ Exceptional items are primarily made up of a restructuring cost of €15.7 million for productivity and efficiency initiatives in Irish operations and a €5.3 million charge for the prepayment of US\$100 million preferred securities and €0.3 million relating to prior disposals, offset by €11 million realised from the sale of quoted investments, a €3.9 million foreign exchange credit arising from the implementation of IFRS and a tax credit of €6.9 million primarily relating to a prior business disposal.

John Moloney, Group Managing Director, said:

"Solid business execution in challenging circumstances in Ireland and a good international performance underpin the 2005 results. While there are ongoing challenges in Irish operations and unpredictability in energy prices, we expect key cost and product development initiatives in these businesses together with ongoing international development to underpin the delivery of 2006 results in line with current guidance. Growing momentum within the business supports the Group's progress towards double digit growth in 2007."

Announced 1 March, 2006