INTERIM MANAGEMENT STATEMENT

Overall performance in line with expectations

Reiterating 2014 guidance of 8%-10% growth in adjusted earnings per share on a constant currency basis

13 May 2014 – Glanbia plc, the global performance nutrition and ingredients group (the 'Group', 'Glanbia'), is issuing this Interim Management Statement in accordance with the reporting requirements of the EU Transparency Directive, for the three month period to 5 April 2014.

Commenting today, Siobhán Talbot, Group Managing Director said:
"Glanbia delivered a good performance in the first three months of 2014. Global Performance Nutrition performed particularly well reflecting very strong revenue growth in both the USA and internationally, supported by the ongoing investment in the business. The results across the rest of the Group were as expected. Performance in Global Ingredients in the period was behind the prior year as lower milk throughput in Idaho reduced output of cheese and base whey; Dairy Ireland continued to be challenged while Joint Ventures & Associates' performance was ahead year-on-year. Overall the outlook for the remainder of the year is positive and we maintain our guidance of 8% to 10% growth in adjusted earnings per share on a constant currency basis."

Performance update (constant currency basis)[1]
Total Group revenue, including Joint Ventures and Associates, grew 17% in the three months to 5 April, compared to the same period in 2013. This is comprised of 7% volume growth, 9% pricing growth and enhanced product mix and 1% related to acquisitions.

Global Performance Nutrition
Global Performance Nutrition delivered a very strong performance for the first three months of the year. Revenues increased 38% against a relatively soft first quarter in 2013. This growth was driven almost entirely by volume growth. All regions performed well reflecting the strong reputation of our brands and reach both in the USA and internationally combined with positive underlying market trends. While we expect to continue to outpace market growth for 2014 we believe the rate of growth will moderate in the coming quarters reflecting more challenging year–on-year comparatives. Whey input costs have been on an upward trend since the second half of 2013 and in response to this, we have recently implemented a mid single-digit price increase across our protein-based products. As in recent years, we continue to invest to drive our top line growth. The first phase of our capacity expansion project in Chicago is progressing well and is currently being commissioned. A second phase, bringing the total investment in capacity expansion to €50 million, is expected to be commissioned in the first half of 2015. The outlook for the first half and full year for Global Performance Nutrition is positive and we expect continued growth on 2013 performance.

Global Ingredients
Global Ingredients delivered a satisfactory performance in the first quarter in a somewhat challenging milk purchasing environment in Idaho. While overall revenues increased 10%, the driver of this was a 17% increase in market pricing for cheese and certain whey products which also drives higher milk input

[1] Glanbia's financial results are exposed to movements in the Euro/US dollar currency exchange rate. To reflect the underlying performance of the business, we use constant currency as a basis for discussing financial results and providing earnings guidance. Constant currency is based on retranslating results for the prior year at the average exchange rate for the first three months of 2014.

costs. Volumes declined 9% in the period as the competitive milk purchasing environment led to lower milk throughput in our Idaho cheese and whey facilities. The acquisition of the small specialist cheese plant in Blackfoot, Idaho acquired in March 2013 drove a 2% increase in revenues. The decline in milk throughput noted above resulted in lower year-on-year performance in this business segment. We expect a gradual improvement over the remainder of the year and expect Global Ingredients to be broadly in line with the prior year for the first six months of the year and ahead for the full year.

US Cheese

US Cheese delivered a satisfactory performance in the period. Revenue growth was positive as the impact of higher market pricing more than offset a decline in volumes. The decline in cheese volumes reflected milk availability issues in Idaho arising from a competitive milk purchasing environment. We have responded to the competitive dynamic by putting in place longer term milk arrangements with our suppliers. In addition, cost saving initiatives have partially offset the impact of lower volumes and higher milk costs. We continue to closely monitor the milk supply environment and there are signs of increasing milk supply in the USA as producers respond to record high milk prices. The operational performance of the business continues to be strong and the innovation centre commissioned in late 2013 is operating well with positive customer engagement.

Ingredient Technologies

Revenues in Ingredient Technologies declined modestly in the period reflecting lower volumes relative to a strong first quarter 2013 and broadly stable pricing. Lower whey volumes combined with the impact of higher milk input costs that were not fully recovered in market pricing drove a lower year-on-year result for the business. Our strategy of focusing on higher value ingredient systems and solutions continues to gain momentum and the recent commissioning of the specialty grain processing plant in South Dakota further strengthens our ingredient capabilities.

Customised Solutions

Customised Solutions delivered a good performance in the first three months of the year. Revenue growth was positive due primarily to volume growth but pricing was also ahead of the prior year. Our volume growth reflects ongoing positive demand trends within our primary end markets. Our strategy of aligning ourselves with key growth customers remains in place and we continue to seek opportunities to expand our presence in new geographies and markets.

Dairy Ireland

Market conditions in Dairy Ireland continued to be challenging in the first three months of the year. Revenues in the period were broadly in line with the prior year reflecting 5% volume growth and a 5% decline in prices. Performance is forecast to improve over the course of the year with positive year-on-year growth expected for the full year.

Consumer Products

Consumer Products continued to face significant headwinds in the first three months of the year. The Irish retail environment remains challenging despite a modest improvement in consumer sentiment. The drive to value, through ever-increasing promotional activity alongside rising own label incidence is impacting margins for both supplier and retailer. Milk input costs also remain at historic levels and well above the prior year period. As previously outlined, we are addressing these challenges through the implementation of the cost rationalisation programme which is on track to deliver savings in 2014. Furthermore, the new Ultra Heat Treated (UHT) plant which was commissioned in recent weeks represents a positive development to extend our product portfolio outside Ireland and will enhance the long term growth potential of the business.

Agribusiness

Agribusiness delivered a satisfactory performance for the first three months of the year. Revenues for the period were broadly in line with the prior year reflecting good demand for fertiliser offset by lower feed demand compared to a strong prior year period. The first shipment of oats to Sturm Foods in the USA from our newly commissioned oats mill took place in January and represents a significant positive development for the business. In addition the organisational review which commenced in late 2013 is on track to deliver cost savings and operational efficiency improvements across the business.

Joint Ventures & Associates

Revenues for Joint Ventures & Associates were 27% ahead of the prior year due primarily to higher global dairy market pricing although volume growth was also positive. While performance was also positive, higher market pricing was largely offset by higher milk input costs. Construction of the €150 million processing plant in Belview, County Kilkenny by Glanbia Ingredients Ireland continues to progress well and remains on schedule for commissioning in early 2015.

Financing

Glanbia's net debt as at 5 April 2014 was €480 million. Committed debt facilities amounted to €743 million with €39 million maturing in July 2014, €467 million maturing in January 2018 and $325 million (€237 million) maturing in June 2021. We are currently reviewing a number of potential growth projects across the business and overall we expect to incur organic capital expenditure of €120 million to €130 million during 2014.

2014 outlook

The outlook for Glanbia for 2014 is positive. While the pace of growth observed in Global Performance Nutrition in the first three months of the year is expected to moderate over the coming quarters, we continue to anticipate growth rates in excess of the market in both the USA and internationally. Notwithstanding the current challenges in US Cheese and Ingredient Technologies related to milk supply, Global Ingredients is expected to deliver a positive year-on-year performance for the full year. Conditions remain challenging in Dairy Ireland but 2014 should see an improvement on the prior year while Joint Ventures and Associates are expected to be broadly unchanged. Overall the outlook is positive and we maintain our full year 2014 guidance of 8% to 10% growth in adjusted earnings per share, on a constant currency basis.

Ends

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 announcement, whether as a result of new information, future events, or otherwise.

IMS conference call dial-in details

There will be a conference call to accompany this Interim Management Statement at 8.30 a.m. today.

Please dial-in into the conference call using the following numbers:

Ireland	UK	Europe	USA	Pass code
01 2465604	020 3427 1930	+44 20 3427 1930	646 254 3376	5399938

A replay facility will be available this afternoon. Please dial-in using the following numbers:

Ireland	UK	Europe	USA	Pass code
01 4860902	020 3427 0598	+44 20 3427 0598	347 366 9565	5399938

For further information contact

Glanbia plc +353 56 777 2200
Mark Garvey, Group Finance Director
Shane Power, Head of Investor Relations +353 56 777 2244
Geraldine Kearney, Corporate Communications Director + 353 87 231 9430