

FIRST QUARTER 2017 INTERIM MANAGEMENT STATEMENT

Glanbia Q1 2017 up date - strategic initiatives on track and full year guidance reiterated

26 April 2017 – Glanbia plc, the global nutrition group ('Glanbia', the 'Group' or the "plc"), is issuing this Interim Management Statement for the three month period ended 1 April 2017. This statement is issued in conjunction with the plc's Annual General Meeting which is being held today.

Commenting today, Siobhán Talbot, Group Managing Director said:

"Glanbia delivered good revenue growth in the first three months of 2017. Glanbia Nutritionals had a good performance and was the main driver of growth. Glanbia Performance Nutrition delivered in line with expectations, as a strong performance in non U.S. markets countered some challenges in the U.S. market. The outlook for the remainder of 2017 is positive and we reiterate our full year guidance of 7% to 10% growth in adjusted earnings per share, constant currency, from the continuing Group (pro-forma*) with growth weighted to the second half of the year.

Our strategic initiatives remain on track; we have completed the acquisition of Body & Fit, have signed binding legal agreements, subject to certain approvals, to sell 60% of the Dairy Ireland segment to Glanbia Co-operative Society Limited and continue to plan with our partners in the US for the creation of a new joint venture to build a scale cheese and whey plant in the State of Michigan."

Performance update

In the three months ended 1 April 2017, wholly owned revenue increased 7.0% on a reported basis and was up 4.7% on a constant currency basis when compared to the same period in 2016. This was driven by pricing growth of 2.1% mainly as a result of improved dairy markets versus prior year, volume growth of 1.7% and a contribution from acquisitions of 0.9%. Total Group Revenue, including Glanbia's share of Joint Ventures and Associates, increased 9.6% on a reported basis and 7.7% on a constant currency basis.

Glanbia Performance Nutrition (constant currency**)

Glanbia Performance Nutrition ('GPN') delivered in line with expectations in the first three months of the year. Revenues decreased marginally by 0.2%, as a 0.3% increase in pricing and 2.6% growth from the acquisition of Amazing Grass was offset by a 3.1% volume decrease. The overall revenue movement reflected branded revenue growth offset by a continued decline in contract business. On a like-for-like basis first quarter comparatives in the U.S. impacted performance however this was countered by strong year-on-year growth in non US markets. The Amazing Grass acquisition performed in line with expectations in the period, while GPN closed the Body & Fit acquisition on 31 March 2017. Existing management teams will remain with the acquired businesses and integration will largely be related to installing Glanbia support systems. GPN remains focused on growth through innovation and the recently launched thinkThin Super-fruit bars and ON Cake Bites are exciting additions to the portfolio, both of which are performing well.

The full year 2017 outlook for GPN is good, with like-for-like branded revenue growth expected to be in the mid-single digit range, driven by volume growth weighted towards the second half of the year. Full year EBITA margins are expected to be in the mid teen range albeit below 2016 levels as input cost increases are partly offset by price, mix and efficiency improvements.

Glanbia Nutritionals (constant currency**)

Glanbia Nutritionals ('GN') delivered a good performance in the first three months of 2017 with revenue growth of 10.3%. This was driven by a price increase of 7.6%, mainly as a result of improved dairy markets, versus prior year and volume growth of 2.7%, primarily driven by Nutritional Solutions.

Nutritional Solutions delivered price and volume increases in the period as sales growth of value added systems was broad based across a range of formats and sectors. Product mix continues to improve within the Nutritional Solutions portfolio increasing exposure to higher growth end markets.

US Cheese performed in line with expectations in the first quarter of 2017. Demand remains solid and average cheese prices were higher in the period versus prior year. Operationally the plants performed well.

The full year 2017 outlook for GN is good. Revenue and EBITA growth is expected to be driven by the continued growth of Nutritional Solutions and improved dairy markets.

Dairy Ireland

Dairy Ireland delivered a satisfactory performance in the first three months of the year despite the challenges of higher input costs. Revenue in the period increased by 2.3% which was driven by a volume increase of 7.2%, offset by a price decline of 4.9%.

Agribusiness delivered improved volumes from sales of animal feed and fertiliser which was offset somewhat by commodity related price declines. Consumer Foods delivered an improvement in overall product mix as continued growth in value-added-milks offset a reduction in private label business.

Joint Ventures & Associates (constant currency)**

Revenues from Joint Ventures & Associates (“JVAs”) increased by 19.2% in the first three months of 2017 versus prior year. Pricing increased by 17.7% as a result of improved dairy markets. Volume increased by 1.5% as growth in Glanbia Ingredients Ireland more than offset some volume declines in other JVAs.

Good progress has been made on strategic developments within JVAs. The project to expand production capacity by 25% at the South West Cheese facility in the U.S. is progressing to plan with commissioning expected in 2018. In addition the proposed creation of a new Joint Venture in Michigan, US to build a large scale cheese facility is on track.

Financing

Glanbia's net debt at 1 April 2017 was €735 million, which represents an increase of €297 million versus the net debt position at year end 2016. This was primarily driven by the acquisitions of Amazing Grass and Body & Fit which closed in the period, and seasonal working capital requirements. Total 2017 capital expenditure is expected to be approximately €90 million to €100 million.

Update on Dairy Ireland sale process

Today, Glanbia has announced that it has signed binding transaction agreements with Glanbia Co-operative Society Limited (the “Society”) to sell to the Society a 60% interest in the Dairy Ireland segment and related associate businesses (the “Proposed Transaction”). The Proposed Transaction is subject to shareholder approvals by both the Society and Glanbia which are likely to take place in May 2017. A separate announcement has been published today which outlines the key terms of the Proposed Transaction. A Circular outlining the Proposed Transaction will be posted shortly to all Glanbia shareholders on the register at 25 April 2017. If approved by the shareholders of Glanbia and the Society and remaining pre completion requirements are met, Glanbia expects the Proposed Transaction to complete by mid-year. The Dairy Ireland transaction is expected to be 5%-7% adjusted earnings per share dilutive on a full-year basis.

Full year outlook

Glanbia reiterates its guidance that on a pro-forma* basis adjusted earnings per share for the continuing Group is expected to grow between 7% - 10% constant currency for full year 2017 with growth evenly balanced across Glanbia Performance Nutrition and Glanbia Nutritionals.

* Pro-forma adjusted EPS of the continuing Group has been provided assuming the Dairy Ireland transaction took place at the start of FY 2016.

** To arrive at the Constant Currency Change, the average FX rate for the current period is applied to the relevant reported result from the same period in the prior year. The average Euro US Dollar FX rate for Q1 2017 was €1 = \$1.07 (Q1 2016: €1 = \$1.10).

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 an analysts' conference call to accompany this Interim Management Statement at **8.30 a.m.** (GMT) today.

To listen to the call, please dial-in using the following numbers:

Ireland	UK	Europe	USA	Pass code
01 246 5621	0330 336 9411	+44 330 336 9411	719 325 2385	3209114

A replay of the call will be available for 30 days from this afternoon. Please see the link below to the Investor Relations section of the Glanbia plc website for details:

<http://www.glanbia.com/investors/results-centre>

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