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4 March 2009

2008 Full year results

from local to global

a world

of cheese and nutritional ingredients

2008 Full year results

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- Good results in increasingly challenging market
- Like-for-like revenue up 8.9%
- Operating margin pre exceptional up 80 basis points
- Profit before tax pre exceptional up 20.8%
- Adjusted earnings per share up 18.5%
- Dividend per share up 7.1% for the year
- International division marginally down
- Robust performance from the Irish division
- Southwest Cheese leads strong performance from International JVs

2008 Summary income statement

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	2008	2007	Change
Revenue	€2,232.2m	€2,206.6m	Up 1.0%[1]
Operating profit pre exceptional	€134.1m	€115.8m	Up 15.7%
Operating margin pre exceptional	6.0%	5.2%	Up 80 bps
Net financing costs	(€21.1m)	(€17.3m)	Up €3.8m
Share of results of Joint Ventures & Associates	€7.3m	€1.0m	Up €6.3m
Profit after tax pre exceptional	€98.7m	€83.1m	Up 18.8%
Exceptional items	(€19.4m)	(€22.8m)	-
Adjusted earnings per share	35.86c	30.25c	Up 18.5%
Dividend per share in respect of the full year	6.51c	6.08c	Up 7.1%

1. Like for like revenue up 8.9%.

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2008 Exceptional Items

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	2008	2007
Exit from Pigmeat	(€3.9m)	(€20.4m)
Rationalisation costs	(€14.5m)	(€2.4m)
Joint Venture deferred tax charge	(€1.0m)	-
Total Exceptional	**(€19.4m)**	**(€22.8m)**

- Rationalisation costs relate primarily to redundancy programmes in Consumer Foods, Food Ingredients Ireland and Agribusiness.
- 226 redundancies with annualised cost savings of €10 million.

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2008 Key financial ratios

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- Net debt €452.1 million, up €231.9 million, mainly Optimum acquisition
- Free cash flow €72.4 million (2007: €53.1 million)
- EBIT interest cover 6.4 times (2007: 6.7 times)
- EBITDA interest cover 7.9 times (2007: 8.6 times)
- Net debt : EBITDA 2.7 times (2007: 1.5 times)
- Total debt facilities €661.5 million
- Weighted average maturity of facilities is 4.2 years
- Pension deficit increased €50.2 million to €164.4 million
  - arrangements to be reviewed in 2009

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Optimum Nutrition acquisition

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- Largest US manufacturer of whey protein based sports nutrition products
- Strong business – brands and performance
- Acquired August 2008 for US$323.0 million (€217.9 million)
- Global nutrition market large and growing; 7-8% p.a. to 2013
- Sports nutrition very attractive segment
  - US sports nutrition and weight loss markets estimated at c. US$20.0 billion
  - Key Optimum segment estimated at US$2.5 billion
- US market resilient despite economic downturn
- Optimum excess capacity and capability
- International growth opportunities
- Performance since acquisition in line with expectations

International

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	2008	2007	Change	% of Group
Revenue	€1,489.2m	€1,403.2m	Up 6.1%	57
Operating profit pre exceptional	€82.5m	€85.2m	Down 3.2%	55
Operating margin pre exceptional	5.5%	6.1%	Down 60 bps	

- Market environment
  - Nutritionals: good organic growth; major acquisition 'Optimum'
  - Food Ingredients USA: good demand and high cheese prices
  - Food Ingredients Ireland: extremely difficult and volatile dairy markets
- 2008 Results
  - Nutritionals: revenue, profit and margin growth; first time contribution from Optimum in line with expectations
  - Food Ingredients USA: strong set of results and margin improvement
  - Food Ingredients Ireland: time lag in reducing milk cost relative to market pricing affected profits and margins
- 2009 Outlook
  - Nutritionals: growth through ongoing innovation and full year contribution from Optimum
  - Food Ingredients USA: more challenging market environment, slight decline from strong 2008
  - Food Ingredients Ireland: breakeven for the year based on current view of dairy markets

Ireland

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	2008	2007	Change	% of Group
Revenue	€743.0m	€803.4m	Down 7.5%	29
Operating profit pre exceptional	€51.5m	€30.6m	Up 68%	34
Operating margin pre exceptional	6.9%	3.8%	Up 310 bps	

- Market environment
  - Consumer Foods: economic downturn affecting consumer sentiment
  - Agribusiness & Property: reasonable trading conditions
  - Pigmeat: disposed of in March 2008; reduced revenue by €168 million
- 2008 Results
  - Consumer Foods: margin recovery, product innovation and good cost management
  - Agribusiness: performed well in changing market environment
  - Property: performance in line with 2007
- 2009 Outlook
  - Consumer Foods: robust performance in difficult market environment
  - Agribusiness: farm incomes declining, expect reduction in sales of farm inputs
  - Property: expected to be in line with 2008

Joint Ventures & Associates

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	2008	2007	Change	% of Group
Revenue[1]	€370.3m	€352.9m	Up 4.9%	14
Operating profit pre exceptional	€17.0m	€5.9m	Up €11.1m	11
Profit after interest and tax[2]	€7.3m	€1.0m	Up €6.3m	

1. Not included in Group revenue. 2. Included in income statement as share of results of Joint Ventures & Associates.

- 2008 Results: major improvement on 2007; like-for-like revenue up 12%
- Southwest Cheese, USA
  - 2008: excellent year, strong operational performance
  - 2009: good results expected
- Glanbia Cheese, UK
  - 2008: improvement on 2007, margin growth achieved
  - 2009: satisfactory performance expected
- Nutricima, Nigeria
  - 2008: operationally good but delay in fully recovering raw material price increases
  - 2009: lower commodity prices will improve margins

How we progressed

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2007-2009 Targets	2007 A	2008 A	2009 F
Adjusted EPS growth 10-14%	+25%	+ 18.5%	+ c.2% - 5%
Operating margin 5%+	5.2%	6.0%	c. 6.0%
Free cash flow (pre exceptional) €45 million +	€53.1 million	€72.4 million	c. €60 million
Potential development spend €150 million	€58.2 million	€292.8 million	c. €35 million (Completion of commenced projects)
EBIT from international operations* >50%	74%	65%	c. 68%
EBIT interest cover 5-6 times	6.7 times	6.4 times	c. 5 times

* Including share of Joint Ventures & Associates

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2009 Outlook

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- Global dairy markets volatile and weak
- Global economic downturn and credit market issues affecting sentiment
- Consumer demand patterns changing; key segments for Glanbia remain resilient
- 2009 adjusted earnings per share low to mid single digit growth

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Summary

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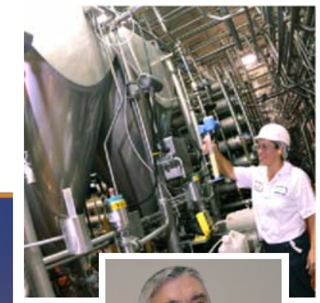
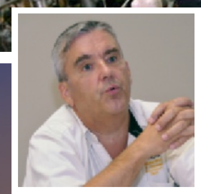
- Well invested in recent years, with good geographic and business balance
- Strong global footprint and leading market positions
- Scale facilities, excellent science-based nutritional ingredients capability
- Debt reduction a priority
- Cost saving initiatives in place across all businesses
- Continuing to maximise organic growth opportunities

Supplementary information





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Consolidated Income Statement – Pre Exceptional

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€'million	2008	2007
Revenue[1]	€2,232.2	€2,206.6
Operating profit pre exceptional	€134.1	€115.8
Finance income and costs	(€21.1)	(€17.3)
Share of results of Joint Ventures & Associates[1]	€7.3	€1.0
Profit before tax	€120.3	€99.5
Taxation	(€21.5)	(€16.4)
Profit for the Year	€98.7	€83.1

1. Revenue including Glanbia's share of the revenue of Joint Ventures & Associates was €2.6 billion for 2008, broadly similar to the same period last year. Share of results of joint ventures & associates is an after interest and tax amount.

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2008 Summary Group Cash Flow

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€ million	2008	2007
EBITDA pre exceptional	167.6	149.2
Working capital movement	0.5	(39.1)
Net interest and taxation paid	(49.7)	(20.0)
Additional pension contributions	(14.0)	(11.0)
Business sustaining capital investment	(23.6)	(20.8)
Other	(8.4)	(5.2)
Free cashflow	72.4	53.1
Acquisitions	(229.4)	(19.7)
Disposals	22.2	18.4
Strategic capital expenditure	(63.4)	(38.5)
Equity dividends	(18.5)	(17.3)
Currency exchange / fair value adjustments	(15.2)	8.2
Net (increase) / decrease in debt during the year	(231.9)	4.2
Net debt at the beginning of the year	(220.2)	(224.4)
Net debt at end of the year	(452.1)	(220.2)

2008 Summary Group balance sheet

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€ million	2008	2007	Change
Property, plant and equipment	361.1	298.8	62.3
Investments	100.6	98.1	2.5
Intangible assets	359.2	137.6	221.6
Non-current receivables	11.9	7.0	4.9
Working capital	52.6	67.0	(14.4)
Provisions for liabilities and charges/capital grants	(41.0)	(39.5)	(1.5)
Retirement benefit obligations	(164.4)	(114.2)	(50.2)
	680.0	454.8	225.2
Net financing	(452.1)	(220.2)	(231.9)
Shareholder’s equity	227.9	234.6	(6.7)

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