2004 Interim Results
1 September 2004

GLANBIA COMPLETES REORGANISATION.

GROUP WELL POSITIONED TO DELIVER SOLID EARNINGS GROWTH.

Glanbia plc, an international Consumer Foods, Dairy Food Ingredients and Nutritionals Group, announces its interim results for the first half of 2004.

Commenting today John Moloney, Group Managing Director, said:

"As outlined in March this year, 2004 is a year of transition for Glanbia as the reorganised and refocused Group moves into a development and growth phase.

The Group performed broadly in line with expectations in the first half and the results reflect a strong performance from the Food Ingredients division, offset by difficult trading conditions in the Fresh Pork business unit of the Consumer Foods division. Good progress was also made on sales volumes, prices and new product launches in the developing Nutritionals business.

Going forward the Group is well positioned to deliver solid earnings growth. We have an ongoing programme of investing for the future, combined with strong market positions and leading brands in core operations."

	Half year ended 3 July 2004	Half year ended 5 July 2003	Full year ended 3 January 2004
Group Turnover	€974.0m	€1,050.8 m	€2,041.1 m
Operating profit*	€40.3 m	€45.7 m	€92.8 m
Operating margins*	4.1%	4.4%	4.5%
Profit before Tax (pre exceptionals)	€35.7m	€37.6m	€77.1 m
Profit before Tax	€35.7m	€10.7m	(€14.9m)
Earnings per share	8.62c	(0.16c)	(12.01c)
Adjusted EPS**	8.65c	9.14c	19.26c
Dividend	2.16c	2.06c	5.00c

**pre exceptional items and including share of joint ventures & associates*
***pre exceptional items and amortisation of goodwill*

RESULTS

The first half performance is broadly on track in the context of a challenging year in 2004. The Group's turnover declined 7.3% to €974.0 million (H1 2003: €1,050.8 million) mainly as a result of the planned restructuring of the Group's UK operations within the Consumer Foods division. Sales (adjusted for all disposed businesses) increased by 9.2%, a combination of volumes and pricing and a strong performance by the Food Ingredients division.

Operating profit, pre exceptionals and including share of joint ventures and associates, declined by 11.8% to €40.3 million (H1 2003: €45.7 million). The operating margin, pre exceptionals and including share of joint ventures and associates, was 4.1% (H1 2003: 4.4%). Both measures reflect the impact of the difficulties in the Irish pigmeat sector on the first half results.

Profit before tax increased substantially to €35.7 million (H1 2003: €10.7 million) as there were no exceptionals in the first half of 2004 compared with €26.9 million exceptional charges in the first half of 2003.

Adjusted earnings per share amounted to 8.65c (H1 2003: 9.14c), while the interim dividend increased by 5% to 2.16c per share (H1 2003: 2.06c).

Net debt increased by €19.8 million to €173.6 million, compared with €153.8 million at the 2003 year end. This reflects the traditional seasonality in the underlying businesses and a somewhat higher level of capital expenditure, offset by the proceeds of the part disposal of Glanbia Foods Ltd (the UK Cheddar cheese operations) and good working capital management. However, net debt decreased by €77.2 million when compared with €250.8 million at the half year 2003.

The interest charge declined substantially to €4.5 million (H1 2003: €8.2 million) due to lower financing costs as a result of lower interest rates and the lower level of net debt. Interest cover improved to 8.9 times for the first half 2004 compared with 5.6 times for the first half last year (FY 2003: 5.9 times).

DIVIDENDS

The Board has decided to pay an interim dividend of 2.16c per share, compared with a 2.06c per share interim dividend in 2003. This represents an increase of 5%. Dividends will be paid on Wednesday, 6 October 2004 to shareholders on the register as at Friday, 10 September 2004, the record date. Irish dividend withholding tax will be deducted at the standard rate where appropriate.

GROUP REORGANISATION

The final phase of the planned restructuring of the Group's UK businesses was completed in the first half of 2004, with the part sale of Glanbia Foods Ltd and the related Glanbia Milk operations in the UK, and the creation of a joint venture cheese company with Milk Link Ltd. This follows the exit from consumer meat activities in the UK in 2002 and fresh meat activities in 2003. This has reorganised Glanbia into cohesive business units structured around developing the Group's strategic focus on Consumer Foods, Dairy Food Ingredients and Nutritionals.

DEVELOPMENT INITIATIVES

The Group's development strategy is centred on high growth areas in Consumer Foods, Dairy Food Ingredients and the Nutritionals market. The expansion of these areas of operation will be achieved through a programme of acquisitions, strategic joint ventures and ongoing investment for organic growth and operational efficiency. Continued progress was made in investing for the future of the business during the first half of the year. The timing and phasing of these investments are such that the benefits will begin to accrue from next year onwards:

- The Group made a number of small acquisitions/investments in the first half including the €1.3m equity stake in Westgate Biologicals Limited and the €1.3m joint venture agreement with Nash's Mineral Waters.
- The US$27 million programme of ongoing investment at the Idaho facilities including the commissioning of two new plant extensions in the first half and the further expansion of a protein isolates plant scheduled for operation in December this year.
- The innovation centre to be based in Kilkenny and opening later this year, which will further enhance the Group's strong competitive advantage in the Nutritionals market segment.
- The 50:50 joint venture with PZ Cussons plc to build a new US$20 million facility in Nigeria is progressing well and is due for commissioning early 2005. This investment will pave the way for a new route to market for the Irish food ingredients business.
- Construction of the new US$190 million cheese and whey products production facility in New Mexico, through the Southwest Cheese LLC joint venture, is on target for completion in late 2005 and once fully commissioned the new facility will be one of the largest and most efficient plants of its kind in the world. Annually this facility will process over 2.4 billion pounds of milk, producing in excess of 110,000 tonnes of cheese and 7,500 tonnes of high value-added whey proteins.

OPERATIONS REVIEW

AGRI BUSINESS

In Ireland the Agribusiness division is the key linkage between Glanbia and its raw materials supply base and its principal activities are feed milling/marketing, fertilizers, milk assembly, grain trading and farm input sales. Overall the division had a satisfactory performance in the first half of the year. While turnover was down 4.1% to €143.8 million (H1 2003: €149.9 million), operating profits were broadly similar at €9.2 million reflecting increased operational efficiencies in the business and the benefits of ongoing rationalisation.

CONSUMER FOODS

The Consumer Foods division had a challenging first half as a result of the current difficulties in the pigmeat sector. Overall turnover declined to €316.6 million (H1 2003: €472.7 million) and operating profits declined to €10.7 million (H1 2003: €22.7 million). Post the restructuring of the Group's UK operations this division now includes the Irish consumer foods business (liquid milk and chilled foods), Irish based fresh pork processing operations and UK cheese joint ventures. Turnover from continuing operations amounted to €223.0 million in the first half, while operating profits from continuing operations was €10.2 million. Discontinued operations relate to the Glanbia Foods business, which was sold in April this year as part of the creation of the Group's joint venture with Milk Link Ltd.

Better cost efficiencies together with a focused innovation agenda and a reorganised Consumer Foods division underpins the inherent strength and opportunity of this business. Glanbia is the leading supplier of branded and value-added liquid milk products, fresh dairy products, cheeses, soups and spreads in Ireland, a leading fresh pork and bacon processor for Irish and International markets and the No. 1 pizza cheese supplier in Europe.

Liquid Milk and Chilled Foods

In the first half of 2004 the liquid milk and chilled foods businesses performed satisfactorily in an environment that is increasingly competitive as a result of new entrants, increased levels of milk imports from Northern Ireland and aggressive competition in food retailing.

However, this was offset by the strength of the Glanbia brand portfolio – including Yoplait, Avonmore, Premier, Snowcream and Kilmeaden – and the ongoing development and extension of the product range to meet consumer needs for taste, nutrition, variety and convenience. An example of this is the introduction of new fresh flavoured milks in the first half of 2004. These products are intended to position milk as a tasty and nutritious drink option and are aimed primarily at encouraging children as milk drinkers. Since introduction sales have exceeded expectations. Also during the first half a 50:50 joint venture agreement was concluded with Nash's Mineral Waters for a cash consideration of €1.3 million. Nash's is a premium brand in the Irish bottled water market and this investment will facilitate the development of the Group's value added beverage business.

With a common set of customers and distribution channels the Group has unified the organisation structure of the liquid milk and chilled food businesses, which, along with other planned initiatives in sales and distribution and customer service, will strengthen the Group's position across all customer groups and distribution channels.

Fresh Pork

Glanbia is the largest pig processor in Ireland selling fresh pork and bacon to retailers and food processors in Ireland, Europe, the US and Asia. The business had a difficult first half in 2004, with a substantial decline in profitability. The pigmeat industry overall is cyclical and this has been compounded in recent years by overcapacity and inefficiencies in production. While 2004 is expected to be the low point of the ongoing cycle there are positive signs going forward. The Group has made recent investments at its Roscrea and Edenderry facilities that will provide considerable benefits in terms of scale and efficiency. Additionally industry consolidation is creating further opportunity for better capacity utilisation and operating efficiencies.

UK Cheese Joint Ventures

Following the restructuring of the Group's UK operations in recent years the Group has two joint venture cheese operations, servicing the UK domestic and European markets.

Glanbia Cheese is a joint venture with Leprino Foods, the largest pizza cheese manufacturer in the world. It is Europe's leading producer of premium mozzarella cheese, serving quick service restaurants and chilled and frozen pizza manufacturers. In the first half volumes remained particularly robust with growth in overall market share, against the backdrop of the implementation of Mid Term Review (MTR) in EU dairy markets. In the medium term this business is a solid platform for development, with its unique technology, premium product and a strong set of customers, which offers good opportunity for scale in a growth market.

In April 2004 the Group completed a joint venture agreement that included the sale of Glanbia Foods Ltd to a new company - Cheese Company Holdings Ltd. This is 75% owned by Milk Link Ltd and 25% by Glanbia and is the second largest cheese processor in the UK, producing cheddar, Stilton and British territorial cheeses. This business is a route to market for cheese produced by the Group in Ireland.

FOOD INGREDIENTS

The Food Ingredients division performed strongly in the first half of 2004 driven by a strong US cheese market compared with the first half of 2003 and good operational efficiencies in the Irish food ingredients businesses. This division comprises the US and Irish dairy ingredients operations, as well as the Group's developing Nutritionals business. Overall sales grew 19.9% to €513.5 million (H1 2003: €428.1 million) and operating profits increased 49.4% to €20.4 million (H1 2003: €13.6 million). Operating margins grew from 3.2% to 4.0% in the period.

USA

The Group's US cheese business had a strong performance in the first half buoyed by solid volume growth and improved market pricing for cheese. The Group is the largest producer of barrel cheese in the US and is one of the top producers of American type cheddar cheese, supplying the food service, food processing and retail sectors.

As part of an ongoing programme of investment in this business an increase in capacity at the Idaho facilities for cheese and whey products was completed in the first half. Commissioning of these plant extensions has been successful and the new capacity came on stream in June 2004. The benefits of this will begin to accrue in accelerated organic growth in this business in the second half of the year. In December 2004 a further phase of investment will add new plant for manufacturing protein isolates, which is a core product in the Nutritionals business.

Ireland

The Irish food ingredients business delivered a good performance in the first half of the year with solid demand in the sector. The division also benefited from increased operational efficiency as a result of an ongoing programme of investment and rationalisation, which is in preparation for the shifting market dynamics and lower prices in dairy products heralded by the MTR of the EU Common Agricultural Policy (CAP).

On 1 July 2004 the latest round of CAP reform in the milk production sector began. This saw institutional price cuts in a move away from producer subsidies to direct payments (which will begin in October 2004). This will necessitate a rebalancing between product prices and raw material prices over time.

Glanbia has already undertaken a number of initiatives to offset the impact of these changes including better operational efficiency focused on scale and competitiveness and investing in sourcing alternative and new routes to market and new market segments. Notwithstanding the inevitable pressures from MTR and macro inflationary pressures, such as oil prices, a dynamic and competitive milk processing industry in Ireland offers good potential for efficient milk producers and processors alike and Glanbia's businesses, with leading market positions, are well positioned in this context.

Nutritionals

The principal driver for the development of the food industry is the requirement to meet the growing consumer demand for products that satisfy their need for health and wellness, as well as convenience and value. This is across a range of products for general food, sport or medical needs and the primary quotient is meeting consumers' nutritional expectation.

Glanbia's leading technologies and capability in formulating whey proteins and focusing on their efficacy for health and wellness applications is the basis for the development of the Nutritionals business. The Group is opening a new innovation centre to be located in Ireland later this year and this centre of excellence will complement existing R&D facilities in the US. This enhanced capability is aimed at developing tailored products/solutions for food manufacturers through food and beverage applications and leverages the scientific knowledge and leading technologies already within the Group. The Nutritionals division will operate on a Group-wide and global basis.

Good progress was made in the first half with a number of new product launches in the EU and the US that are part of an overall pipeline of new products in the area. In addition the business made a small strategic investment of a 28% equity stake in Westgate Biologicals Limited for a cash consideration of €1.3 million. Westgate, based in Ireland, holds patented technology based on the production and medical use of an anti-microbial substance, which is obtained from a dairy source. There is ongoing opportunity to develop the Nutritionals business through acquisition, which will enhance the Group's capability in key areas such as formulation, packaging, marketing and distribution.

OUTLOOK

Glanbia had a satisfactory first half with good performances from the Group's strategic growth platforms within Consumer Foods, Dairy Food Ingredients and Nutritionals. Based on current trading conditions the Group expects earnings per share for the full year will be in line with market expectations. Going forward Glanbia is well positioned to deliver solid earnings growth.

Ends

For further information, contact:

Glanbia plc
Geraldine Kearney, Group Director of Communications, Glanbia plc
☎ +353 56 777 2200 (office) or +353 87 231 9430 (mobile)

Hogarth Partnership
John Olsen / Tom Leatherbarrow
☎ +44 207 357 9477

CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Half year ended 3 July 2004			Half year ended 5 July 2003			Year ended 3 January 2004		
		Pre Exceptional	**Exceptional**	**Total**	Pre Exceptional	Exceptional	Total	Pre Exceptional	Exceptional	Total
	Notes	**€'000**	**€'000**	**€'000**	€'000	€'000	€'000	€'000	€'000	€'000
Turnover										
Continuing operations		**919,753**	**-**	**919,753**	904,736	-	904,736	1,724,790	-	1,724,790
Discontinued operations		**93,600**	**-**	**93,600**	178,587	-	178,587	384,970	-	384,970
Less share of turnover of joint venture		**(39,341)**	**-**	**(39,341)**	(32,553)	-	(32,553)	(68,687)	-	(68,687)
Group turnover	1	**974,012**	**-**	**974,012**	1,050,770	-	1,050,770	2,041,073	-	2,041,073
Operating profit										
Continuing operations		**39,740**	**-**	**39,740**	46,664	(9,505)	37,159	88,472	(16,451)	72,021
Discontinued operations		**429**	**-**	**429**	(1,238)	-	(1,238)	3,397	-	3,397
Group operating profit	4(a)	**40,169**	**-**	**40,169**	45,426	(9,505)	35,921	91,869	(16,451)	75,418
Share of operating profit of joint venture & associates		**108**	**-**	**108**	301	-	301	916	-	916
Operating profit including joint venture & associates	1	**40,277**	**-**	**40,277**	45,727	(9,505)	36,222	92,785	(16,451)	76,334
Loss on termination of operations	2	**-**	**-**	**-**	-	(7,038)	(7,038)	-	(9,827)	(9,827)
Loss on sale of operations	3	**-**	**-**	**-**	-	(21,902)	(21,902)	-	(28,190)	(28,190)
Profit on sale of investments/fixed assets	4(b)	**-**	**-**	**-**	-	11,595	11,595	-	11,594	11,594
Provision for loss on sale of operation	5	**-**	**-**	**-**	-	-	-	-	(49,146)	(49,146)
Net interest	6	**(4,168)**	**-**	**(4,168)**	(7,949)	-	(7,949)	(15,023)	-	(15,023)
Share of interest of joint venture and associates		**(360)**	**-**	**(360)**	(217)	-	(217)	(627)	-	(627)
Profit/(loss) before taxation		**35,749**	**-**	**35,749**	37,561	(26,850)	10,711	77,135	(92,020)	(14,885)
Taxation		**(4,795)**	**-**	**(4,795)**	(5,055)	-	(5,055)	(10,272)	1,546	(8,726)
Profit/(loss) after taxation		**30,954**	**-**	**30,954**	32,506	(26,850)	5,656	66,863	(90,474)	(23,611)
Equity minority interest				**(315)**			(450)			(251)
Non-equity minority interest				**(5,602)**			(5,679)			(11,005)
Profit/(loss) for the period				**25,037**			(473)			(34,867)
Dividends	7			**(6,274)**			(5,980)			(14,515)
Profit retained/(loss absorbed) for the period				**18,763**			(6,453)			(49,382)
Earnings per share	8			**8.62c**			(0.16c)			(12.01c)
Adjusted earnings per share	8			**8.65c**			9.14c			19.26c

CONSOLIDATED BALANCE SHEET

	Notes	**3 July 2004 €'000**	5 July 2003 €'000	3 January 2004 €'000
Fixed assets				
Tangible assets		**315,394**	372,308	363,641
Goodwill		**2,416**	2,681	2,466
Financial assets		**62,622**	36,510	38,454
		380,432	411,499	404,561
Current assets				
Stocks		**121,009**	208,217	202,736
Debtors	9	**360,697**	326,168	210,402
Cash and bank balances	10	**38,364**	28,799	59,775
		520,070	563,184	472,913
Current liabilities				
Creditors		**309,208**	324,549	305,530
Borrowings	10	**527**	64,750	43,221
		309,735	389,299	348,751
Net current assets		**210,335**	173,885	124,162
Total assets less current liabilities		**590,767**	585,384	528,723
Less non-current liabilities				
Creditors		**44,341**	31,306	40,890
Borrowings	10	**211,388**	214,804	170,351
Capital grants		**15,732**	17,331	16,611
		271,461	263,441	227,852
		319,306	321,943	300,871
Capital and reserves				
Called up equity share capital		**17,559**	17,551	17,551
Share premium account		**80,212**	80,005	80,005
Merger reserve		**113,148**	113,148	113,148
Revenue reserves	11	**(19,726)**	(20,838)	(34,088)
Capital reserves		**2,825**	2,825	2,825
Equity shareholders' funds		**194,018**	192,691	179,441
Equity minority interests		**5,986**	5,970	5,671
Non-equity minority interests	12	**119,302**	123,282	115,759
		319,306	321,943	300,871

SUMMARISED CASH FLOW STATEMENT

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Net cash inflow from operating activities			
Operating profit before exceptional items	**40,169**	45,426	91,869
Reorganisation costs	**(432)**	(194)	(338)
Profit on disposal of fixed assets	**(57)**	(18)	(415)
Depreciation and amortisation	**17,196**	22,326	36,979
Changes in working capital	**(88,843)**	(118,201)	(33,588)
	(31,967)	(50,661)	94,507
Returns on investments and servicing of finance	**(11,397)**	(15,258)	(28,306)
Taxation	**(1,100)**	(3,174)	(9,816)
Purchase of fixed assets (net of disposals/grants)	**(24,006)**	(17,442)	(39,107)
Purchase of investments	**(24,336)**	-	(2,410)
Fire insurance proceeds (net of redundancy and other costs)	**-**	7,628	7,332
Termination of operations	**-**	-	(1,851)
Disposal of subsidiary undertakings	**90,642**	-	795
Minority interest acquired	**-**	(100)	(100)
Share capital issued	**215**	-	-
Equity dividends paid	**(8,535)**	(8,100)	(14,080)
Change in net debt resulting from cash flows	**(10,484)**	(87,107)	6,964
Translation difference	**(9,270)**	12,660	15,547
Movement in net debt in the period	**(19,754)**	(74,447)	22,511
Net debt at beginning of period	**(153,797)**	(176,308)	(176,308)
Net debt at end of period	**(173,551)**	(250,755)	(153,797)

NOTES TO THE FINANCIAL STATEMENT

1. SEGMENTAL ANALYSIS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Turnover by business class			
Agribusiness	**143,828**	149,970	234,452
Consumer Foods	**316,642**	472,661	900,411
Food Ingredients	**513,542**	428,139	906,210
	974,012	1,050,770	2,041,073

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Operating profit by business class			
Agribusiness	**9,236**	9,350	14,247
Consumer Foods	**10,666**	22,743	44,773
Food Ingredients	**20,375**	13,634	33,765
	40,277	45,727	92,785

The turnover and operating profits arising from discontinued operations relates to the sale by the Group of a 75% interest in its UK hard cheese business (Glanbia Foods Ltd) which was announced on 23 February 2004 and completed on 7th April 2004, and which formed part of Consumer Foods.

2. LOSS ON TERMINATION OF OPERATIONS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Loss arising on termination of operations	**-**	(5,757)	(8,578)
Goodwill written off on termination	**-**	(1,281)	(1,249)
	-	(7,038)	(9,827)

The loss on termination in 2003 arose from the closure of the Group's UK fresh meats operations at Drongan and Gainsborough.

3. LOSS ON SALE OF OPERATIONS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Loss on disposal of asset	**-**	(10,731)	(16,920)
Goodwill write-back to profit and loss account on sale	**-**	(11,171)	(11,171)
Goodwill written off on sale	**-**	-	(99)
	-	(21,902)	(28,190)

The loss on sale in 2003 arose mainly from the Group's sale of its UK fresh meats operation at West Brom. In 2003 the Group also sold a pig farm and recognised an additional loss representing increased pension obligations to former employees of the UK Dairies operation which was disposed of in a prior period.

4. EXCEPTIONAL ITEMS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
(a) Redundancy cost arising from fire at Roosky plant	**-**	(9,505)	(9,505)
Restructuring cost associated with EU Commission's Mid Term Review of Common Agricultural Policy	**-**	-	(6,946)
	-	(9,505)	(16,451)
(b) Profit on disposal of Roosky plant	**-**	11,595	11,594

The profit on disposal of Roosky plant arises from the excess of insurance proceeds received over the net book value of assets destroyed by fire at the pigmeat processing plant in Roosky, Ireland on 8 May 2002.

The directors took the decision not to reinstate the processing plant at Roosky but rather to restore the lost capacity at its two remaining pig processing plants, with the result that a redundancy cost of €9,505k was incurred in 2003.

5. PROVISION FOR LOSS ON SALE OF OPERATION

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Loss on disposal of asset	**-**	-	(18,629)
Goodwill write-back to profit and loss account on sale	**-**	-	(30,517)
	-	-	(49,146)

The provision in 2003 arose from the sale by the Group of a 75% interest in its UK hard cheese business (Glanbia Foods Ltd) which was announced on 23 February 2004 and completed on 7 April 2004.

6. NET INTEREST

		Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Loans and overdrafts :	Repayable within five years	**(1,760)**	(4,145)	(7,362)
	Repayable after five years	**(2,241)**	-	-
Senior notes		**(929)**	(3,868)	(7,735)
Finance leases		**(110)**	(75)	(149)
Bank interest receivable		**132**	139	223
Loan note interest receivable		**740**	-	-
		(4,168)	(7,949)	(15,023)

7. DIVIDENDS

	Half year ended 3 July 2004	Half year ended 5 July 2003	Year ended 3 January 2004
Dividends paid / proposed per share (cent)	**2.16**	2.06	5.00
Total dividend (€'000)	**6,274**	5,980	14,515

8. EARNINGS PER ORDINARY SHARE

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Profit after taxation and minority interest	**25,037**	(473)	(34,867)
Weighted average number of ordinary shares in issue (million)	**290.477**	290.292	290.303
Earnings per share (cent)	**8.62c**	(0.16c)	(12.01c)
Adjustments:			
Goodwill amortisation	**0.03c**	0.05c	0.10c
Loss on sale of operations / investments	**-**	9.25c	31.17c
Adjusted earnings per share	**8.65c**	9.14c	19.26c

9. DEBTORS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Amounts falling due within one year			
- Trade debtors	**216,366**	216,917	148,349
- Amounts due by joint venture	**385**	4,333	9,043
- Other debtors and prepayments	**86,283**	85,033	38,928
Amounts falling due after one year			
- Pension prepayments / surplus	**5,424**	19,885	14,082
- Loan note	**52,239**	-	-
	360,697	326,168	210,402

10. GROUP BORROWINGS

	Half year ended 3 July 2004 €'000	Half year ended 5 July 2003 €'000	Year ended 3 January 2004 €'000
Borrowings due within one year	**527**	64,750	43,221
Borrowings due after one year	**211,388**	214,804	170,351
Less:			
Cash and bank balances	**(38,364)**	(28,799)	(59,775)
Net borrowings	**173,551**	250,755	153,797

11. REVENUE RESERVES

	Profit Retained €'000	**Currency Translation Reserve €'000**	**Goodwill Reserve €'000**	**Total €'000**
At 3 January 2004	**26,244**	**(26,970)**	**(33,362)**	**(34,088)**
Profit retained	**18,763**			**18,763**
Currency translation difference on foreign currency net investments		**(4,074)**	**(327)**	**(4,401)**
At 3 July 2004	**45,007**	**(31,044)**	**(33,689)**	**(19,726)**

12. NON-EQUITY MINORITY INTERESTS

Non-equity minority interests include $100 million 7.99% cumulative preferred securities issued by a subsidiary in 1996 and €38.2 million (IR£30.1 million) cumulative redeemable preference shares issued by a subsidiary in 1993 and 1995, both net of unamortised issue costs.

13. OTHER

The figures for the half-years ended 3 July 2004 and 5 July 2003 are unaudited. The figures for the full year ended 3 January 2004 represent an abbreviated version of the Group's financial statements for the year, which received an unqualified audit report.