INTERIM MANAGEMENT STATEMENT

FULL YEAR RESULTS EXPECTED TO BE AT THE UPPER END OF GUIDANCE

YES RECOMMENDED BY GLANBIA BOARD TO IRISH DAIRY PROCESSING JOINT VENTURE VOTES IN NOVEMBER

7 November 2012 - Glanbia plc ('Glanbia'), the global nutritional solutions and cheese group, is issuing this Interim Management Statement in accordance with the reporting requirements of the EU Transparency Directive, for the nine month period to 29 September, 2012.

Commenting today, John Moloney, Group Managing Director said:
"The Group continues to perform well driven by positive overall trends in Global Nutritionals and results broadly in line with expectations elsewhere in the business. We are confident that full year results will be at the upper end of guidance, representing circa 10% growth in adjusted earnings per share on a constant currency basis. 2012 is expected to build on the excellent performance of Glanbia in the last two years and reflects both our successful international growth strategy and strong operational execution across the Group.

A key project this year has been reaching agreement on the proposed Irish dairy processing Joint Venture with Glanbia Co-operative Society, our majority shareholder. This transaction offers a new model for post quota growth for Glanbia milk suppliers and underpins a potential 60% expansion of our Irish dairy processing capacity. Voting to approve the transaction will take place in the coming weeks, with a strong 'yes' recommendation from the Glanbia Board. I believe this is the best route to deliver the next phase of growth in both our Irish and international businesses and to create further value for shareholders, including Glanbia Co-operative Society."

Market commentary
In the first half, milk supply outpaced good demand from emerging markets and global dairy market prices declined to the middle of the year, compared with strong prices in 2011. Growing concerns about the US drought and its impact on milk production that emerged in the third quarter reversed this price decline in recent weeks. For the remainder of the year, greater price stability is expected in a balanced market with good supply and demand characteristics and the outlook is broadly positive to year end.

Business performance *(on a constant currency basis)*
Total Group revenue including Joint Ventures & Associates to 29 September 2012 grew marginally when compared with the prior year as growth in the Global Nutritionals businesses was offset by a decline in revenue in the Dairy Ireland business segment. Group operating profit and margins for the first nine months were ahead of prior year underpinning the expected delivery of circa 10% growth in adjusted earnings per share for the full year 2012.

Revenue for US Cheese & Global Nutritionals to 29 September 2012 grew by 9% relative to 2011. While volume growth was positive in US Cheese, revenue declined due to lower cheese prices particularly in the first half of the year. The Global Nutritionals business grew by 20% in the period with price growth across all three nutritionals businesses and continued volume growth in the Performance Nutrition and Customised Premix Solutions businesses. Ingredient Technologies business continued to benefit from higher whey prices in the period, however, managing this whey input cost within the Performance Nutrition business remains the key challenge for Glanbia. The outlook for US Cheese & Global Nutritionals is positive with good performance in the first nine months expected to continue for the rest of 2012 resulting in revenue, operating profit and margin progression for the full year.

Revenue for Dairy Ireland to 29 September 2012 declined 4% relative to 2011, largely driven by lower revenue in Dairy Ingredients Ireland which in turn reflected a combination of lower dairy markets and lower volumes in the period. Despite this, a solid performance is expected for the full year in Dairy Ingredients Ireland. Consumer Products and Agribusiness performed in line with expectations. While 2012 revenues for Dairy Ireland are anticipated to be lower, overall profit performance is expected to be just marginally behind 2011, representing a good result in the current market environment.

Revenues for Joint Ventures & Associates for the first nine months of 2012 are behind prior year as volume growth in Southwest Cheese and Glanbia Cheese was offset by impact of lower cheese prices. While profits in Southwest Cheese are ahead of prior year, this is more than offset by the impact of higher milk input costs within Glanbia Cheese. As a result, the Group's share of profit after tax for Joint Ventures & Associates for 2012 is expected to be below the prior year.

Joint Venture Proposal Update

The Group has signed an agreement with Glanbia Co-operative Society, its majority shareholder, to enter into a 40% (Glanbia): 60% (Society) Joint Venture in respect of its Irish dairy processing operations. This transaction is well advanced and is now at the stage of both Society and plc shareholder approval. Society members are scheduled to vote on 13 November with a simple majority required for approval. The meeting of plc shareholders is scheduled for 20 November.

Contingent on the approval of the Joint Venture transaction, the Society will also be seeking approval from its members to reduce its shareholding in Glanbia to 41.4%. Voting on this proposal will take place on two separate days before the end of the year, requiring 75% approval from eligible members present and voting on the day.

Development update

Glanbia has invested circa €110 million on acquisitions and capital expenditure year to date. This amount includes the acquisition of Aseptic Solutions for US$60 million (€50 million) in July, the construction of the Customised Premix Solutions plant in Germany which was commissioned in July and the recently opened whey protein isolate plant in Ballyragget, Co Kilkenny. We are currently evaluating our options with regard to the reinstatement of our flax manufacturing capability following a fire at our Canadian facility earlier this year and we expect to be in a position to announce our plans shortly.

Financing

Glanbia's net debt as at 29 September 2012 was €585 million with rolling 12 month adjusted EBITDA to net debt at 2.2 times (HY 2012: 2.3 times). The Group's committed debt facilities total €824.9 million, and comprise of €320.0 million bank facilities maturing in July 2013, €190.0 million bank facilities maturing in January 2018, €63.5 million cumulative redeemable preference shares maturing in July 2014 and a US$325 million (€251.4 million) private debt placement maturing in June 2021. Discussions regarding the extension of the maturity date of the €320.0 million bank facilities from July 2013 to January 2018 are expected to be concluded shortly.

Constant currency basis

Glanbia's financial results are exposed to movements in the Euro/US dollar currency exchange rate. To reflect the underlying performance of the business, the Group uses constant currency as a basis for discussing financial results and providing earnings guidance. The 2012 full year average exchange rate is forecast to be circa €1=$1.28. This would compare with the average exchange rate for 2011 of €1=$1.39 and represents a depreciation in the Euro of circa 9%. On this basis, there would be a positive translation impact on adjusted earnings per share for 2012 of circa 8%. Based on our updated guidance for 2012 of adjusted earnings per share growth of circa 10% on a constant currency basis, this would result in reported adjusted earnings per share growth of circa 18%.

Outlook

Glanbia is confident of delivering 2012 adjusted earnings per share growth of circa 10%, on a constant currency basis, which is at the upper end of guidance. The Group will announce its full year 2012 results on Wednesday, 13 March, 2013.

Ends

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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 announcement. 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.