

THIRD QUARTER 2016 INTERIM MANAGEMENT STATEMENT

Good performance in the first nine months of 2016

Reiterating full year guidance of 8%-10% growth in adjusted earnings per share, constant currency

2 November 2016 – Glanbia plc, the global nutrition group ('Glanbia', the 'Group' or the "plc"), is issuing this Interim Management Statement for the nine month period to 1 October 2016.

Commenting today, Siobhán Talbot, Group Managing Director said:

"Glanbia delivered a good performance in the first nine months of 2016. On a constant currency basis wholly owned revenues grew by 2.4% versus the same period in 2015. All segments of the Group delivered volume growth in the period as we continue to invest in developing our portfolio of brands and value-added ingredients to benefit from the long term consumer trends in nutrition. The outlook for the remainder of 2016 is positive and we reiterate our full year guidance of adjusted earnings per share growth of 8% to 10% on a constant currency basis."

Performance update*

In the nine months to 1 October 2016, wholly owned revenue increased 2.0% on a reported basis and was up 2.4% on a constant currency basis when compared to the same period in 2015. On a constant currency basis this was driven by volume growth of 3.9% and a contribution from acquisitions of 3.6%, offset by price declines of 5.1% primarily associated with reduced dairy market prices and brand investment. Total Group Revenue, including Joint Ventures and Associates, declined 0.4% on a reported basis and grew 0.2% on a constant currency basis.

Glanbia Performance Nutrition (constant currency)

Glanbia Performance Nutrition ('GPN') delivered a good performance in the first nine months of the year when compared against the same period in 2015. Revenue increased by 10.9% which was driven by a strong volume increase of 5.6%, with growth across all regions demonstrating the continued healthy consumer franchise for GPN's brands. In addition, the thinkThin acquisition contributed 10.9% of overall GPN revenue growth. Acquired in December 2015, thinkThin has performed well in the period with strong sales momentum across the core range coupled with successful innovation. Revenue growth in the period was offset by a price decline of 5.6%, a reduced rate versus earlier in the year and it is expected this trend will continue for the full year. Overall revenue mix remained positive with year to date like-for-like branded revenue growth offsetting continued declines in contract business. As expected, the competitive landscape in the US was challenging in quarter three and GPN expects full year like-for-like branded revenue growth in the low-single digits with strong volume growth offset by brand investment.

The full year 2016 outlook for GPN is positive with strong year on year EBITA growth expected. The main drivers are strong margin progression versus prior year, mid-single digit like-for-like volume growth and a good contribution from the thinkThin acquisition. GPN remains focused on innovation as a platform for branded revenue growth with a solid pipeline of new product launches in place for the remainder of the year and into 2017.

* To eliminate the effects of foreign exchange on reported numbers all commentary on business performance is on a constant currency basis. The average Euro US dollar exchange rate for the first nine months of 2016 was \$1.12 compared to \$1.11, the average for the same period in 2015.

Glanbia Nutritionals (constant currency)

Glanbia Nutritionals ('GN') delivered a satisfactory performance in the first nine months of 2016 with a good third quarter. Revenue declined in the period by 0.8% as volume growth of 3.9% was offset by a price decline of 4.7%, reflecting lower dairy market pricing. Volume growth was mainly driven by value-added dairy nutritional ingredient sales including systems and high-end whey. Dairy market pricing remained at relatively low levels in the first half of 2016 with some price recovery taking place in the third quarter.

The full year 2016 outlook for GN is for delivery of EBITA and margin improvement versus 2015 due to growth of both dairy and non-dairy value-added nutritional ingredient sales.

Dairy Ireland

Dairy Ireland delivered a satisfactory performance in the first nine months of the year. Revenue in the period declined by 3.3% which was driven by a price decline of 5.3% as a result of reduced input prices, offset by a volume increase of 1.7% and a small bolt on acquisition contributing 0.4% to revenue in the period. Volume growth was mainly driven by improved value-added branded milk, fertiliser and animal feed sales versus the same period in 2015.

Joint Ventures & Associates (constant currency)

Revenue from Joint Ventures & Associates declined 6.6% in the first nine months of 2016 versus prior year. This was driven by a price decline of 10.3%, as a result of reduced dairy markets, offset by volume growth of 5.3%, largely associated with increased milk processed in Glanbia Ingredients Ireland. The impact of the Nutricima disposal in April 2015 further reduced revenue by 1.6% in the period.

The full year 2016 outlook expected for Dairy Ireland and Joint Ventures & Associates is for delivery of moderate EBITA improvement on prior year.

Financing

Glanbia's net debt at 1 October 2016 was €626 million, which represents a decrease of €18 million versus the net debt position at half year 2016. The full year 2016 net debt to adjusted EBITDA ratio is expected to be below 1.5 times based on current business activity. Total full year 2016 capital expenditure is expected to be between €100 million and €110 million.

Full year outlook

For full year 2016, Glanbia expects to deliver adjusted earnings per share growth of 8% to 10% 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 an analysts' conference call to accompany this Interim Management Statement at **8.45 a.m.** (BST) today.

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

Ireland	UK	Europe	USA	Pass code
01 246 5605	0203 427 1922	+44 (0) 203 427 1922	646 254 3370	6962111

A replay of the call will be available within 24 hours of its conclusion and will remain available for 30 days. 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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