TOTAL PRODUCE PLC
RESULTS TO 30 JUNE 2014

TOTAL PRODUCE MAINTAINS FULL YEAR GUIDANCE

- Revenue [1] of €1.59 billion
- Profit before tax up 5.7% to €24.2m
- Adjusted earnings per share [1] up 0.4% to 4.86 cent
- Adjusted EBITDA [1] down 2.7% to €38.1m
- Adjusted EBITA [1] down 3.7% to €30.2m
- Adjusted profit before tax [1] down 4.6% to €27.2m
- Interim dividend increased by 5.0% to 0.64 cent per share

(1) *Key performance indicators are defined overleaf*

Commenting on the results, Carl McCann, Chairman, said:

"Total Produce has recorded a robust performance in the first half of 2014 when measured against a particularly strong comparative period in 2013. The Group continued to record volume growth in 2014 although average prices decreased in the period. We are pleased to report a marginal increase in adjusted earnings to 4.86 cent per share.

The Group's growth will continue to be driven by successful acquisitions. Total Produce has recently agreed to acquire the final 50% of All Seasons Fruit in The Netherlands and continues its expansion in North America with the acquisition of a 45% interest in Eco Farms in California, USA.

We are pleased to announce a 5% increase in the interim dividend to 0.64 cent. The Group is maintaining its full year adjusted earnings per share guidance of 8.40 to 9.40 cent per share."

For further information, please contact:
Sheila Gahan, Wilson Hartnell PR – Tel: +353-1-669-0030, Mobile: +353-87-234-2409

TOTAL PRODUCE PLC INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

	2014 €'million	2013* €'million	% change
Total revenue [(1)]	**1,588**	1,663	(4.5%)
Group revenue	**1,323**	1,373	(3.7%)
Adjusted EBITDA [(1)]	**38.1**	39.1	(2.7%)
Adjusted EBITA [(1)]	**30.2**	31.4	(3.7%)
Operating profit	**27.0**	25.5	+5.8%
Adjusted profit before tax [(1)]	**27.2**	28.5	(4.6%)
Profit before tax	**24.2**	22.9	+5.7%
	Euro cent	Euro cent	% change
Adjusted fully diluted earnings per share [(1)]	**4.86**	4.84	+0.4%
Basic earnings per share	**4.73**	4.03	+17.4%
Diluted earnings per share	**4.70**	4.03	+16.6%
Interim dividend per share	**0.64**	0.6095	+5.0%

**All comparative information for the period ended 30 June 2013 has been restated to reflect the reclassification of fair value movements on contingent consideration. See Note 1 of the accompanying financial information for further details.*

(1) Key performance indicators defined

Total revenue includes the Group's share of the revenue of its joint ventures and associates.

Adjusted EBITDA is earnings before interest, tax, depreciation, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

Adjusted EBITA is earnings before interest, tax, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

Adjusted profit before tax excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures and associates.

Adjusted fully diluted earnings per share excludes acquisition related intangible asset amortisation charges and costs, exceptional items and related tax on such items. It also excludes the Group's share of these items within joint ventures and associates.

Forward-looking statement

Any forward-looking statements made in this press release have been made in good faith based on the information available as of the date of this press release and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in these statements, and the Company undertakes no obligation to update any such statements whether as a result of new information, future events, or otherwise. Total Produce's Annual Report contains and identifies important factors that could cause these developments or the Company's actual results to differ materially from those expressed or implied in these forward-looking statements.

Summary of Results

Total Produce (the ‘Group’) has delivered a robust performance in first half of 2014 against a background of less favourable market conditions with a marginal increase in adjusted earnings per share to 4.86 cent (2013: 4.84 cent).

The performance in the period was satisfactory when measured against a very strong comparative period which included the results of Capespan Group Limited prior to its divestment on 23 April 2013 and the adverse translation impact of currency in the period. On a like-for-like basis, excluding the effect of divestments, acquisitions and currency translation, total revenue of €1.59 billion was 1.7% lower with some volume growth offset by average price decreases. Greater production and excess supply in some key produce lines led to downward pressure on prices in the period. Adjusted EBITA decreased by 3.7% in the period to €30.2m (2013: €31.4m) due to effect of average price decreases, divestments and currency translation partially offset by the incremental contribution of acquisitions completed in second half of 2013.

Operating profit before exceptional items amounted to €24.5m (2013: €25.5m). In addition, the Group recognised an exceptional gain in the period of €2.5m due to a fair value uplift in an equity interest. In the comparative period there was a small net exceptional loss. A full analysis of the exceptional items is set out in Note 5 of the accompanying financial information. Operating profit inclusive of these exceptional items increased to €27.0m (2013: €25.5m).

Statutory profit before tax in the period was up 5.7% to €24.2m (2013: €22.9m). Excluding exceptional items and acquisition related intangible asset amortisation charges and costs, adjusted profit before tax was €27.2m (2013: €28.5m).

The Group continues to be cash generative, with operating cash flows of €20.6m for the six month period (2013: €25.4m) before seasonal working capital outflows.

The Group has been active in corporate development in the period and has invested over €9m including contingent consideration payable on the achievement of future profit targets. The principal acquisition in the period was the agreement to acquire the second 50% shareholding in All Seasons Fruit (‘ASF’) in The Netherlands. An initial 20% shareholding was acquired on completion of the acquisition on 28 May 2014 with the balance to be acquired in subsequent years. ASF specialises in the soft fruit category. Post period-end the Group acquired a 45% interest in Eco Farms Investments Holdings LLC (‘Eco Farms’), the Californian based avocado grower, marketer and distributor. The Group has options to acquire further shares in Eco Farms in due course to give Total Produce a majority stake.

The Board is also pleased to announce a 5% increase in the interim dividend to 0.64 cent per share.

Operating Review

The table below details a segmental breakdown of the Group's revenue and adjusted EBITA for the six months ended 30 June 2014. Segment performance is evaluated based on revenue and adjusted EBITA.

	(Unaudited) **6 months to 30 June 2014**		*(Unaudited)* 6 months to 30 June 2013	
	Segmental revenue €'000	**Adjusted EBITA €'000**	Segmental revenue €'000	Adjusted EBITA* €'000
Fresh Produce				
- Eurozone	**752,059**	**10,997**	793,388	12,843
- Northern Europe	**451,226**	**12,958**	473,387	12,679
- UK	**263,825**	**3,527**	238,333	2,701
- International	**90,546**	**1,804**	131,955	1,551
Inter-segment revenue	**(29,454)**	**–**	(30,324)	–
Total Fresh Produce	**1,528,202**	**29,286**	1,606,739	29,774
Healthfoods and Consumer Products	**59,571**	**933**	56,034	1,615
Third party revenue and adjusted EBITA	**1,587,773**	**30,219**	1,662,773	31,389

* 2013 information has been reclassified to conform to the current year presentation.

Fresh Produce Division

The Group's core Fresh Produce Division is involved in the sourcing, importing, packaging, marketing and distribution of hundreds of lines of fresh fruits, vegetables and flowers. This division is split into four distinct reporting segments.

The performance in the period was satisfactory when benchmarked against a very strong comparative period which also included the results of Capespan Group Limited prior to its divestment on 23 April 2013 and the adverse translation impact of currency. On a like-for-like basis, excluding the effect of divestments, acquisitions and currency translation, total revenue of €1,528m was c. 2% lower with some volume growth offset by average price decreases. The warmer weather in Spring caused the domestic growing season to begin earlier leading to greater production and over supply resulting in downward pressure on prices particularly in some produce categories. Adjusted EBITA decreased by 1.6% in the period to €29.3m (2013: €29.8m) due to the effect of average price decreases, divestments and currency translation partially offset by the contribution of acquisitions completed in the second half of 2013.

Further information on each reporting segment follows.

Eurozone

Revenue in the Eurozone division decreased by 5.2% in the period to €752m (2013: €793m) with a 14.4% decrease in adjusted EBITA to €11.0m (2013: €12.8m). The decrease was due to less favourable trading conditions particularly in Continental Europe with the warm Spring leading to strong early season domestic volumes putting downward pressure on prices. Excluding the effect of bolt on acquisitions, revenue on a like-for-like basis was down c. 6% due to the decrease in average prices offset by a marginal increase in volumes.

Northern Europe

Reported revenue in the Group's Northern European business decreased by 4.7% to €451m (2013: €473m) due primarily to currency translation. On a like-for-like basis, revenue was in line with the prior year with a small increase in volumes offset by a decrease in average prices. Adjusted EBITA in the period increased 2.2% to €13.0m (2013: €12.7m) due to an increase in margin which was partially offset by unfavourable currency translation.

UK

Reported revenue in the Group's UK division increased by 10.7% in the period to €264m (2013: €238m) with adjusted EBITA increasing by 31% to €3.5m (2013: €2.7m). The results were assisted by the 4.4% strengthening of Sterling in the period which lead to higher translated Euro amounts and the positive impact of acquisitions completed in December 2013. On a like-for-like basis excluding currency translation and acquisitions, revenue was back c.3% with decreases in average prices offset by some volume increases.

International

The International division includes the Group's businesses in North America and India and in the comparative period also included the results of Capespan Group Limited up to its divestment on 23 April 2013. Reported revenue decreased to €91m (2013: €132m) due to the inclusion of Capespan Group Limited in the comparative period. Reported adjusted EBITA increased to €1.8m (2013: €1.6m) with a satisfactory first half performance in North America and India offset by the divestment of Capespan.

Healthfoods & Consumer Products Distribution Division

This division is a full service marketing and distribution partner to the healthfoods, pharmacy, grocery and domestic consumer products sectors. This segment distributes to retail and wholesale outlets in Ireland and the United Kingdom.

Revenue in this division increased by 6.3% in the period to €60m (2013: €56m) due to the contribution of new business. Adjusted EBITA decreased to €0.9m (2013: €1.6m) due to more competitive trading conditions in its markets.

Financial Review

Exceptional Items

The Group recognised a fair value gain of €2.5m in the period on a 10% investment in African Blue Limited which arose on reclassification of this interest from an equity investment to an investment in an associate. In the comparative period, on 23 April 2013, the Group sold its 25% shareholding in the Capespan Group Limited ('Capespan South Africa') for a total consideration of €21.7m. A profit of €0.2m was recognised on the disposal of this investment. Also in the comparative period there was an exceptional loss of €0.2m relating to the revaluation of investment property. See Note 5 of the accompanying financial information for further details regarding these items.

Net Financial Expense

Net financial expense for the period increased to €2.8m (2013: €2.6m). The Group's share of the net interest expense of joint ventures and associates in the period was €0.2m (2013: €0.2m). Net interest cover for the period was 10.7 times based on adjusted EBITA.

Profit Before Tax

Statutory profit before tax in the period was €24.2m (2013: €22.9m). Excluding exceptional items, acquisition related intangible asset amortisation charges and costs, adjusted profit before tax decreased by 4.6% to €27.2m (2013: €28.5m).

Non-Controlling Interests

The non-controlling interests' share of after tax profits in the period was €3.8m (2013: €4.3m). The decrease in the period was due to lower after tax profits in a number of the Group's non-wholly owned subsidiaries in the Eurozone.

Adjusted and Basic Earnings per Share

Adjusted earnings per share for the six months ended 30 June 2014 increased 0.4% to 4.86 cent per share (2013: 4.84 cent). Management believe that adjusted earnings per share excluding exceptional items, acquisition related intangible asset charges and costs and related tax on these items provides a fair reflection of the underlying trading performance of the Group.

Basic earnings per share and diluted earnings per share after these non-trading items amounted to 4.73 cent per share (2013: 4.03 cent) and 4.70 cent per share (4.03 cent) respectively with the increase assisted by the exceptional profit of €2.5m in the period.

Cash Flow and Net Debt

Net debt at 30 June 2014 was €69.1m compared to €74.1m at 30 June 2013 and €11.0m at 31 December 2013. The increase compared to 31 December 2013 is due to seasonal working capital outflows and acquisition-related expenditure (including debt assumed on acquisition). At 30 June 2014, the Group had available cash balances including bank deposits of €97.4m and interest bearing borrowings (including overdrafts) of €166.5m. Net debt to annualised adjusted EBITDA is 0.95 times and interest is covered 10.7 times by adjusted EBITA.

The Group generated €20.6m (2013: €25.4m) in operating cash flows in the first six months of 2014 before seasonal working capital outflows of €52.5m (2013: €44.3m). Cash outflows on routine capital expenditure, net of disposals, were €5.9m (2013: €5.7m). Dividends received from joint ventures and associates increased to €4.3m (2013: €3.7m). Dividends paid to non-controlling interests increased to €3.7m (2013: €3.4m) in the period due to strong earnings in 2013.

Cash outflows on acquisitions and contingent consideration payments relating to prior period acquisitions amounted to €5.1m in the period. In addition the Group assumed €10.8m of debt on the acquisition of subsidiaries. The final 2013 dividend of €5.5m (2013: €5.0m) was also paid in the period.

	(Unaudited) **6 months to 30 June 2014 €'million**	*(Unaudited)* 6 months to 30 June 2013 €'million	*(Audited)* Year ended 31 Dec 2013 €'million
Adjusted EBITDA	**38.1**	39.1	74.1
Deduct adjusted EBITDA of joint ventures & associates	**(6.0)**	(6.3)	(11.7)
Net interest and tax paid	**(9.1)**	(6.4)	(16.2)
Other	**(2.4)**	(1.0)	(1.2)
Operating cash flows before working capital movements	**20.6**	25.4	45.0
Working capital movements	**(52.5)**	(44.3)	14.5
Operating cash flows	**(31.9)**	(18.9)	59.5
Routine capital expenditure net of disposal proceeds	**(5.9)**	(5.7)	(12.9)
Dividends received from joint ventures & associates	**4.3**	3.7	4.1
Dividends paid to non-controlling interests	**(3.7)**	(3.4)	(5.6)
Free cash flow	**(37.2)**	(24.3)	45.1
Disposal of an associate interest	**–**	21.7	21.7
Acquisition expenditure (including contingent consideration)	**(5.1)**	(14.8)	(19.7)
Net (debt)/cash assumed on acquisition of subsidiaries	**(10.8)**	–	2.1
Development capital expenditure	**–**	(0.6)	(1.2)
Dividends paid to equity shareholders	**(5.5)**	(5.0)	(7.0)
Other	**0.4**	(0.2)	(1.2)
Total net debt movement in period	**(58.2)**	(23.2)	39.8
Net debt at beginning of period	**(11.0)**	(53.0)	(53.0)
Foreign currency translation	**0.1**	2.1	2.2
Net debt at end of period	**(69.1)**	(74.1)	(11.0)

Defined Benefit Pension Obligations

The net liability of the Group's defined benefit pension schemes (net of deferred tax) increased to €17.4m at 30 June 2014 from €3.9m at 31 December 2013. The increase in the liability is due to a decrease in the discount rates underlying the calculations of the present value of scheme obligations partially offset by increased return on pension scheme assets. Further details are outlined in Note 7 of the accompanying financial information.

Shareholders' Equity

Shareholders' equity has decreased €4.8m to €212.6m in the six month period to 30 June 2014. Earnings in the period of €15.6m attributable to equity shareholders were offset by remeasurement losses of €14.5m (net of deferred tax) on employee defined benefit pension schemes and the payment of the final 2013 dividend of €5.5m to equity shareholders of the Company. Also as described in Note 9 of the accompanying financial information the difference between the fair value of consideration paid and the non-controlling interests acquired of €1.5m was recognised directly within equity. This was partially offset by a €0.4m gain on the retranslation of the net assets of foreign currency denominated operations.

Development Activity

The Group has invested over €9m in the period including contingent consideration payable on the achievement of future profit targets.

The principal acquisition in the period was the agreement to acquire the second 50% shareholding in All Seasons Fruit ('ASF') in The Netherlands. An initial 20% shareholding was acquired on completion of the deal on 28 May 2014 with the balance to be acquired in subsequent years. ASF specialises in the soft fruit category. In addition, the Group made a number of other investments in Northern Europe and the Eurozone and has invested in new and existing joint ventures in the period.

Post period-end the Group acquired a 45% interest in Eco Farms Investments Holdings LLC (‘Eco Farms’), a Californian based avocado grower, marketer and distributor. The Group has options to acquire further shares in Eco Farms in due course to give Total Produce a majority stake.

Further details are provided in Note 9 of the accompanying financial information. The Group continues to actively pursue further investment opportunities in both new and existing markets.

Russian Sanctions

During August, in an unexpected development, Russia introduced sanctions banning the import of certain origins of fruits and vegetables, including the EU for a period of 12 months. Total Produce does not have any operations in Russia and whilst the Group’s sales to Russia are modest at less than 2% of total revenue, there may be an impact on prices due to excess supply in Europe. The Group is hopeful that this can be offset to some extent by EU market intervention initiatives. The Group continues to monitor developments and the sanctions are not expected to materially impact the Group.

Share Buyback

Under the authority granted at the AGM in 2014, the Group is permitted to purchase up to 10% of its issued share capital in the market if the appropriate opportunity arises at a price which would not exceed 105% of the average price over the previous five trading days. The Group continues to consider exercising its authority should the appropriate opportunity arise.

Dividends

The Board has declared an interim dividend of 0.64 (2013: 0.6095) cent per share, which represents a 5.0% increase on the comparative period. This dividend will be paid on the 17 October 2014 to shareholders on the register at 19 September 2014 and is subject to dividend withholding tax. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2014.

Outlook

Total Produce has recorded a robust performance in the first half of 2014 when measured against a particularly strong comparative period in 2013. The Group continued to record volume growth in 2014 although average prices decreased in the period. We are pleased to report a marginal increase in adjusted earnings to 4.86 cent per share.

The Group’s growth will continue to be driven by successful acquisitions. Total Produce has recently agreed to acquire the final 50% of All Seasons Fruit in The Netherlands and continues its expansion in North America with the acquisition of a 45% interest in Eco Farms in California, USA.

We are pleased to announce a 5% increase in the interim dividend to 0.64 cent. The Group is maintaining its full year adjusted earnings per share guidance of 8.40 to 9.40 cent per share.

Carl McCann, Chairman
On behalf of the Board
2 September 2014

Total Produce plc
Condensed Group Income Statement
for the half year ended 30 June 2014

	(Unaudited) **6 months to 30 June 2014 Pre-Exceptional €'000**	***(Unaudited)*** **6 months to 30 June 2014 Exceptional items (Note 5) €'000**	***(Unaudited)*** **6 months to 30 June 2014 Total €'000**	*(Unaudited)* 6 months to 30 June 2013 Pre-Exceptional €'000	*(Unaudited)* 6 months to 30 June 2013 Exceptional items (Note 5) €'000	*(Unaudited)* 6 months to 30 June 2013 Total €'000	*(Audited)* Year ended 31 Dec 2013 Pre-Exceptional €'000	*(Audited)* Year ended 31 Dec 2013 Exceptional items (Note 5) €'000	*(Audited)* Year ended 31 Dec 2013 Total €'000
Revenue, including Group share of joint ventures & associates	**1,587,773**	**–**	**1,587,773**	1,662,773	–	1,662,773	3,174,828	–	3,174,828
Group revenue	**1,322,742**	**–**	**1,322,742**	1,373,204	–	1,373,204	2,637,693	–	2,637,693
Cost of sales	**(1,146,359)**	**–**	**(1,146,359)**	(1,195,333)	–	(1,195,333)	(2,274,977)	–	(2,274,977)
Gross profit	**176,383**	**–**	**176,383**	177,871	–	177,871	362,716	–	362,716
Operating expenses	**(155,079)**	**2,455**	**(152,624)**	(155,263)	(16)	(155,279)	(321,055)	6,751	(314,304)
Share of profit of joint ventures & associates	**3,231**	**–**	**3,231**	2,922	–	2,922	5,260	(259)	5,001
Operating profit	**24,535**	**2,455**	**26,990**	25,530	(16)	25,514	46,921	6,492	53,413
Net financial expense	**(2,819)**	**–**	**(2,819)**	(2,646)	–	(2,646)	(5,178)	–	(5,178)
Profit before tax	**21,716**	**2,455**	**24,171**	22,884	(16)	22,868	41,743	6,492	48,235
Income tax (expense)/credit	**(4,796)**	**–**	**(4,796)**	(5,327)	63	(5,264)	(9,716)	(324)	(10,040)
Profit for the period	**16,920**	**2,455**	**19,375**	17,557	47	17,604	32,027	6,168	38,195
Attributable to:									
Equity holders of the parent			**15,621**			13,306			30,936
Non-controlling interests			**3,754**			4,298			7,259
			19,375			17,604			38,195
Earnings per ordinary share									
Basic			**4.73**			4.03			9.38
Fully diluted			**4.70**			4.03			9.36
Adjusted fully diluted			**4.86**			4.84			8.77

Total Produce plc
Condensed Group Statement of Comprehensive Income
for the half year ended 30 June 2014

	***(Unaudited)* 6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Profit for the period	**19,375**	17,604	38,195
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation effects:			
- foreign currency net investments - subsidiaries	**397**	(6,546)	(6,302)
- foreign currency net investments – joint ventures & associates	**168**	(2,247)	(2,469)
- foreign currency borrowings designated as net investment hedges	**113**	2,793	3,428
- foreign currency losses reclassified to income statement on disposal of joint ventures & associates	**–**	1,044	1,044
Gain on re-measuring available-for-sale financial asset	**2,455**	–	–
Reclassification of revaluation gain to income statement on available-for-sale financial asset becoming an associate	**(2,455)**	–	–
Effective portion of cash flow hedges, net	**172**	59	(165)
Deferred tax on items taken directly to other comprehensive income	**(43)**	(24)	41
Share of joint ventures & associates fair value adjustments on available-for-sale financial assets	**–**	(15)	(15)
Items that will not be reclassified to profit or loss:			
Remeasurement (losses)/gains on defined benefit pension schemes	**(17,508)**	(3,726)	12,164
Revaluation losses on property, plant and equipment, net	**–**	(2,977)	(1,630)
Deferred tax on items taken directly to other comprehensive income	**2,767**	846	(1,181)
Share of joint ventures & and associates remeasurement losses on defined benefit pension scheme	**–**	–	(40)
Share of joint ventures & and associates deferred tax on items taken directly to other comprehensive income	**–**	–	10
Other comprehensive income for the period	**(13,934)**	(10,793)	4,885
Total comprehensive income for the period	**5,441**	6,811	43,080
Attributable to:			
Equity holders of the parent	**1,521**	2,823	36,159
Non-controlling interests	**3,920**	3,988	6,921
	5,441	6,811	43,080

Total Produce plc
Condensed Group Balance Sheet
as at 30 June 2014

	***(Unaudited)* 30 June 2014 €'000**	*(Unaudited)* 30 June 2013 €'000	*(Audited)* 31 Dec 2013 €'000
Assets			
Non-current assets			
Property, plant and equipment	**138,524**	132,379	133,948
Investment property	**7,292**	10,470	7,150
Goodwill and intangible assets	**161,061**	145,865	157,643
Investments in joint ventures and associates	**55,243**	53,419	54,761
Other financial assets	**574**	603	649
Other receivables	**4,162**	5,303	5,090
Deferred tax assets	**8,223**	8,678	6,801
Employee benefits	–	–	3,282
Total non-current assets	**375,079**	356,717	369,324
Current assets			
Inventories	**71,001**	55,709	48,142
Trade and other receivables	**368,044**	372,338	279,095
Corporation tax receivable	**280**	1,522	201
Derivative financial instruments	**303**	549	20
Bank deposits	**4,700**	–	4,740
Cash and cash equivalents	**92,693**	88,623	103,463
Total current assets	**537,021**	518,741	435,661
Total assets	**912,100**	875,458	804,985
Equity			
Share capital	**3,573**	3,519	3,519
Share premium	**253,141**	252,574	252,574
Other reserves	**(113,547)**	(116,786)	(114,096)
Retained earnings	**69,439**	46,510	75,369
Total equity attributable to equity holders of the parent	**212,606**	185,817	217,366
Non-controlling interests	**68,072**	64,590	68,524
Total equity	**280,678**	250,407	285,890
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	**120,575**	133,853	114,311
Deferred government grants	**1,648**	1,876	1,681
Other payables	**1,976**	1,981	1,775
Contingent consideration	**13,282**	14,091	17,535
Corporation tax payable	**6,953**	7,569	6,973
Deferred tax liabilities	**13,385**	14,438	13,621
Employee benefits	**20,647**	31,038	7,940
Total non-current liabilities	**178,466**	204,846	163,836
Current liabilities			
Interest-bearing loans and borrowings	**45,868**	28,875	4,879
Trade and other payables	**389,981**	383,465	340,406
Contingent consideration	**15,621**	3,882	6,435
Derivative financial instruments	**97**	58	645
Corporation tax payable	**1,389**	3,925	2,894
Total current liabilities	**452,956**	420,205	355,259
Total liabilities	**631,422**	625,051	519,095
Total liabilities and equity	**912,100**	875,458	804,985

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2014

	Attributable to equity holders of the parent										
For the half year ended 30 June 2014 (*Unaudited*)	***Share capital €'000***	***Share premium €'000***	***Currency translation reserve €'000***	***Reval-uation reserve €'000***	***De-merger Reserve €'000***	***Own shares reserve €'000***	***Other equity reserves* €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2014	**3,519**	**252,574**	**(5,273)**	**20,319**	**(122,521)**	**(8,580)**	**1,959**	**75,369**	**217,366**	**68,524**	**285,890**
Comprehensive income											
Profit for the period	–	–	–	–	–	–	–	15,621	15,621	3,754	19,375
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects	–	–	365	–	–	–	–	–	365	313	678
Gain on re-measuring available-for sale financial asset	–	–	–	–	–	–	2,455	–	2,455	–	2,455
Reclassification of revaluation gain to income statement on available-for-sale financial asset becoming an associate	–	–	–	–	–	–	(2,455)	–	(2,455)	–	(2,455)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	111	–	111	61	172
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	(28)	–	(28)	(15)	(43)
Items that will not be reclassified to profit or loss:											
Remeasurement losses on defined benefit pension schemes, net	–	–	–	–	–	–	–	(17,287)	(17,287)	(221)	(17,508)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	2,739	2,739	28	2,767
Total other comprehensive income	–	–	365	–	–	–	83	(14,548)	(14,100)	166	(13,934)
Total comprehensive income	–	–	365	–	–	–	83	1,073	1,521	3,920	5,441
Transactions with equity holders of the parent											
New shares issued	54	567	–	–	–	–	–	–	621	–	621
Acquisition of non-controlling interests	–	–	–	–	–	–	–	(1,508)	(1,508)	(722)	(2,230)
Contribution by non-controlling interest	–	–	–	–	–	–	–	–	–	55	55
Dividends	–	–	–	–	–	–	–	(5,495)	(5,495)	(3,705)	(9,200)
Share-based payment transactions	–	–	–	–	–	–	101	–	101	–	101
Total transactions with equity holders of the parent	54	567	–	–	–	–	101	(7,003)	(6,281)	(4,372)	(10,653)
As at 30 June 2014	3,573	253,141	(4,908)	20,319	(122,521)	(8,580)	2,143	69,439	212,606	68,072	280,678

*Other equity reserves comprise the cash flow hedge reserve, available-for-sale reserve and the share option reserve

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2014 (Continued)

	Attributable to equity holders of the parent										
For the half year ended 30 June 2013 (*Unaudited)*	***Share capital €'000***	***Share premium €'000***	***Currency translation reserve €'000***	***Reval-uation reserve €'000***	***De-merger reserve €'000***	***Own shares reserve €'000***	***Other equity reserves* €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2013	3,519	252,574	(1,483)	20,914	(122,521)	(8,580)	1,627	41,752	187,802	64,162	251,964
Comprehensive income											
Profit for the period	–	–	–	–	–	–	–	13,306	13,306	4,298	17,604
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects	–	–	(4,730)	–	–	–	–	–	(4,730)	(226)	(4,956)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	41	–	41	18	59
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	(20)	–	(20)	(4)	(24)
Share of joint ventures & associates fair value adjustments on available-for-sale financial asset	–	–	–	–	–	–	–	(15)	(15)	–	(15)
Items that will not be reclassified to profit or loss:											
Remeasurement losses on defined benefit pension schemes, net	–	–	–	–	–	–	–	(3,614)	(3,614)	(112)	(3,726)
Reversal of previously recognised revaluation gains on property, plant and equipment	–	–	–	(2,977)	–	–	–	–	(2,977)	–	(2,977)
Deferred tax on items taken directly to other comprehensive income	–	–	–	744	–	–	–	88	832	14	846
Total other comprehensive income	–	–	(4,730)	(2,233)	–	–	21	(3,541)	(10,483)	(310)	(10,793)
Total comprehensive income	–	–	(4,730)	(2,233)	–	–	21	9,765	2,823	3,988	6,811
Transactions with equity holders of the parent											
Non-controlling interests arising on acquisition	–	–	–	–	–	–	–	–	–	(160)	(160)
Acquisition of non-controlling interests	–	–	–	–	–	–	–	(19)	(19)	21	2
Dividends	–	–	–	–	–	–	–	(4,988)	(4,988)	(3,421)	(8,409)
Share-based payment transactions	–	–	–	–	–	–	199	–	199	–	199
Total transactions with equity holders of the parent	–	–	–	–	–	–	199	(5,007)	(4,808)	(3,560)	(8,368)
As at 30 June 2013	3,519	252,574	(6,213)	18,681	(122,521)	(8,580)	1,847	46,510	185,817	64,590	250,407

*Other equity reserves comprise the cash flow hedge reserve, available for sale reserve and the share option reserve

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2014 (Continued)

	Attributable to equity holders of the parent										
	Share capital €'000	*Share premium €'000*	*Currency translation reserve €'000*	*Reval-uation reserve €'000*	*De-merger reserve €'000*	*Own shares reserve €'000*	*Other equity reserves €'000*	*Retained earnings €'000*	*Total €'000*	*Non-controlling interests €000*	*Total equity €'000*
For the year ended 31 December 2013 *(Audited)*											
As at 1 January 2013	3,519	252,574	(1,483)	20,914	(122,521)	(8,580)	1,627	41,752	187,802	64,162	251,964
Comprehensive income											
Profit for the year	–	–	–	–	–	–	–	30,936	30,936	7,259	38,195
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects	–	–	(3,790)	–	–	–	–	–	(3,790)	(509)	(4,299)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	(94)	–	(94)	(71)	(165)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	23	–	23	18	41
Share of joint ventures & associates fair value adjustments of available-for-sale financial assets	–	–	–	–	–	–	–	(15)	(15)	–	(15)
Items that will not be reclassified to profit or loss:											
Revaluation losses on property, plant and equipment, net	–	–	–	(1,663)	–	–	–	–	(1,663)	33	(1,630)
Remeasurement gains on defined benefit pension schemes	–	–	–	-	–	–	–	12,019	12,019	145	12,164
Deferred tax on items taken directly to other comprehensive income	–	–	–	1,068	–	–	–	(2,295)	(1,227)	46	(1,181)
Share of joint ventures & associates remeasurement losses on defined benefit pension scheme	–	–	–	–	–	–	–	(40)	(40)	–	(40)
Share of joint ventures & associates deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	10	10	–	10
Total other comprehensive income	–	–	(3,790)	(595)	–	–	(71)	9,679	5,223	(338)	4,885
Total comprehensive income	–	–	(3,790)	(595)	–	–	(71)	40,615	36,159	6,921	43,080
Transactions with equity holders of the parent											
Non-controlling interests arising on acquisition	–	–	–	–	–	–	–	–	–	3,428	3,428
Acquisition of non-controlling interests	–	–	–	–	–	–	–	1	1	(423)	(422)
Contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	15	15
Dividends	–	–	–	–	–	–	–	(6,999)	(6,999)	(5,579)	(12,578)
Share-based payment transactions	–	–	–	–	–	–	403	–	403	–	403
Total transactions with equity holders of the parent	–	–	–	–	–	–	403	(6,998)	(6,595)	(2,559)	(9,154)
As at 31 December 2013	**3,519**	**252,574**	**(5,273)**	**20,319**	**(122,521)**	**(8,580)**	**1,959**	**75,369**	**217,366**	**68,524**	**285,890**

Total Produce plc
Condensed Group Statement of Cash Flows
for the half year ended 30 June 2014

	***(Unaudited)* 6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Net cash flows from operating activities (Note 11)	**(31,878)**	(18,931)	59,475
Investing activities			
Acquisition of subsidiaries	**(1,831)**	(822)	(4,581)
(Bank overdrafts)/cash, assumed on acquisition of subsidiaries, net	**(7,391)**	–	2,109
Cash derecognised on subsidiary becoming a joint venture	**(97)**	–	–
Acquisition of, and investment in joint ventures & associates	**(1,000)**	(12,114)	(12,148)
Acquisition of other financial assets	**–**	–	(28)
Payments of contingent consideration	**(412)**	(1,867)	(2,296)
Payments of deferred consideration	**(806)**	–	–
Acquisition of property, plant & equipment	**(5,508)**	(5,621)	(13,392)
Expenditure on computer software	**(720)**	(243)	(1,265)
Research and development expenditure capitalised	**(86)**	(80)	(165)
Proceeds from disposal of property, plant & equipment	**361**	157	609
Loans advanced to joint ventures & associates	**(101)**	–	(210)
Dividends received from joint ventures & associates	**4,254**	3,652	4,056
Proceeds from disposal of joint ventures & associates	**–**	21,677	21,677
Government grants received	**110**	131	153
Net cash flows from investing activities	**(13,227)**	4,870	(5,481)
Financing activities			
Drawdown of borrowings	**8,526**	–	11,048
Repayment of borrowings	**(4,153)**	(18,100)	(47,577)
Decrease/(increase) in bank deposits	**40**	3,799	(941)
Decrease in cash held in escrow	**–**	11,360	11,360
Capital element of finance lease repayments	**(713)**	(655)	(1,315)
Proceeds from the issue of share capital	**621**	–	–
Dividends paid to equity holders of the parent	**(5,495)**	(4,988)	(6,999)
Acquisition of non-controlling interests	**(981)**	–	(422)
Capital contribution by non-controlling interests	**55**	–	15
Dividends paid to non-controlling interests	**(3,705)**	(3,421)	(5,579)
Net cash flows from financing activities	**(5,805)**	(12,005)	(40,410)
Net (decrease)/increase in cash, cash equivalents & overdrafts	**(50,910)**	(26,066)	13,584
Cash, cash equivalents and & overdrafts at start of period	**101,178**	88,960	88,960
Net foreign exchange difference	**(179)**	(758)	(1,366)
Cash, cash equivalents & overdrafts at end of the period (Note 12)	**50,089**	62,136	101,178

Total Produce plc
Condensed Summary Group Reconciliation of Net Debt
for the half year ended 30 June 2014

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Net (decrease)/increase in cash, cash equivalents & overdrafts	**(50,910)**	(26,066)	13,584
Repayment of borrowings	**4,153**	18,100	47,577
Drawdown of borrowings	**(8,526)**	–	(11,048)
(Decrease)/increase in bank deposits	**(40)**	(3,799)	941
Decrease in cash held in escrow	**–**	(11,360)	(11,360)
Borrowings arising on acquisition	**(1,620)**	–	–
Finance leases arising on acquisition	**(1,766)**	–	–
Capital element of finance lease repayments	**713**	655	1,315
Other movements on finance leases	**(151)**	(761)	(1,187)
Foreign exchange movement	**84**	2,153	2,218
Movement in net debt	**(58,063)**	(21,078)	42,040
Net debt at beginning of the period	**(10,987)**	(53,027)	(53,027)
Net debt at end of the period (Note 12)	**(69,050)**	(74,105)	(10,987)

Total Produce plc
Notes to the Interim Results for the half year ended 30 June 2014

1. Basis of preparation

The condensed consolidated interim financial statements of Total Produce plc as at and for the six months ended 30 June 2014 have been prepared in accordance with the recognition and measurement requirements of IAS 34 *Interim Financial Reporting,* as adopted by the EU. The accounting policies and methods of computation adopted in the preparation of the financial information are consistent with those set out in the Group's consolidated financial statements for the year ended 31 December 2013, with the exception of those disclosed below, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The interim financial information for both the six months ended 30 June 2014 and the comparative six months ended 30 June 2013 is unaudited. The financial information for the year ended 31 December 2013 represents an abbreviated version of the Group's statutory financial statements for that year. Those statutory financial statements contained an unqualified audit report and have been filed with the Registrar of Companies.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2013.

The financial information is presented in Euro, rounded to the nearest thousand. These condensed consolidated interim financial statements were approved by the Board of Directors on 1 September 2014.

Changes in accounting policy

The following are the new standards and amendments that are effective for the Group's financial year ending on 31 December 2014 and that had no significant impact on the results and financial position of the Group for the period ended 30 June 2014.

- IFRS 10: *Consolidated Financial Statements*
- IFRS 11: *Joint Arrangements*
- IFRS 12: *Disclosure of Interests in Other Entities*
- IAS 28: In*vestments in Associates and Joint Ventures (2011)*
- IAS 32: *Financial Instruments: Presentation*
- IAS 39 (*Amendment): Novation of Derivatives and Continuation of Hedge Accounting*
- IFRIC 21: *Levies*

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements in other IFRSs, including IFRS 7. As a result the Group included additional disclosures in this regard in its 2013 Annual Report.

As a result of the application of IFRS 13, the Group has amended the presentation and classification of fair value movements on contingent consideration. Under the provisions of IFRS 13, all fair value movements on each item measured at fair value must be presented as a single line item on the Group income statement.

1. Basis of preparation *(continued)*

The Group has elected to present fair value movements on the remeasurement of contingent consideration within other operating income/(expense). In the six month period ended 30 June 2013, the Group presented interest charges on unwinding the net present value of contingent consideration within financial expense and revisions to contingent consideration estimates within other operating income/(expense). The Group has restated the comparative 30 June 2013 income statement to ensure conformity of presentation with the current year.

The impact on the Group's income statement for the period ended 30 June 2013 was as follows:

- other operating expenses increase by €363,000
- finance expense decreases by €363,000

There is no effect on the Group's profit before tax or any of the Group's earnings per share measures.

2. Translation of foreign currencies

The reporting currency of the Group is Euro. Results and cash flows of foreign currency denominated operations have been translated into Euro at the exchange rate at the date of the transaction or an average exchange rate for the period where appropriate, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on the translation of the results of foreign currency denominated operations at average rates, and on restatement of the opening net assets at closing rates, are dealt with within a separate translation reserve within equity, net of differences on related foreign currency borrowings. All other translation differences are taken to the income statement. The rates used in the translation of results and balance sheets into Euro were as follows:

	Average rate 6 months to			**Closing rate**		
	30 June 2014	30 June 2013	% change	**30 June 2014**	31 Dec 2013	% change
Canadian Dollar	**1.5037**	1.3276	(13.3%)	**1.4583**	1.4641	0.4%
Czech Koruna	**27.4414**	25.7563	(6.5%)	**27.4487**	27.3718	(0.3%)
Danish Kroner	**7.4627**	7.4572	(0.1%)	**7.4550**	7.4601	0.1%
Indian Rupee	**82.7740**	72.2550	(14.6%)	**82.3437**	85.2304	3.4%
Polish Zloty	**4.1672**	4.1684	0.0%	**4.1575**	4.1578	0.0%
Pound Sterling	**0.8170**	0.8543	4.4%	**0.8007**	0.8319	3.8%
Swedish Krona	**8.9634**	8.5227	(5.2%)	**9.1529**	8.8498	(3.4%)
US Dollar	**1.3711**	1.3137	(4.4%)	**1.3691**	1.3780	0.6%

3. Segmental Analysis

In accordance with IFRS 8, the Group's reportable operating segments based on how performance is assessed and resources are allocated as follows:

- *Eurozone Fresh Produce:* This segment is an aggregation of operating segments in the Eurozone involved in the procurement, marketing and distribution of fresh produce. These operating segments have been aggregated because they have similar economic characteristics.
- *Northern Europe Fresh Produce*: This operating segment is involved in the procurement, marketing and distribution of fresh produce in Northern Europe.
- *UK Fresh Produce*: This operating segment is involved in the procurement, marketing and distribution of fresh produce in the United Kingdom.
- *International Fresh Produce*: This segment is an aggregation of operating segments outside of Europe involved in the procurement, marketing and distribution of fresh produce.
- *Healthfoods and Consumer Products Distribution*: This segment is a full service marketing and distribution partner to the healthfoods, pharmacy, grocery and domestic consumer products sectors. This segment distributes to retail and wholesale outlets in Ireland and the United Kingdom.

Operating segments for the comparative periods have been re-stated to conform to the current year presentation which aligns to current management reporting.

Segment performance is evaluated based on revenue and adjusted EBITA. Management believes that adjusted EBITA, while not a defined term under IFRS, gives a fair reflection of the underlying trading performance of the Group. Adjusted EBITA represents earnings before interest, tax, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and exceptional items. It also excludes the Group's share of these items within joint ventures & associates. Adjusted EBITA is, therefore, measured differently from operating profit in the Group financial statements as explained and reconciled in full detail in the analysis that follows.

Finance costs, finance income and income taxes are managed on a centralised basis. These items are not allocated between operating segments for the purpose of the information presented to the Chief Operating Decision Maker ('CODM') and are, accordingly, omitted from the detailed segmental analysis that follows.

	(Unaudited) **6 months to 30 June 2014**		*(Unaudited)* 6 months to 30 June 2013*		*(Audited)* Year ended 31 Dec 2013*	
	Segmental revenue €'000	**Adjusted EBITA €'000**	Segmental revenue €'000	Adjusted EBITA €'000	Segmental revenue €'000	Adjusted EBITA €'000
Fresh Produce						
- Eurozone	**752,059**	**10,997**	793,388	12,843	1,525,395	23,096
- Northern Europe	**451,226**	**12,958**	473,387	12,679	893,381	23,293
- UK	**263,825**	**3,527**	238,333	2,701	473,737	6,600
- International	**90,546**	**1,804**	131,955	1,551	226,862	3,128
Inter-segment revenue	**(29,454)**	**–**	(30,324)	–	(58,453)	-
Total Fresh Produce	**1,528,202**	**29,286**	1,606,739	29,774	3,060,922	56,117
Healthfoods and Consumer Products	**59,571**	**933**	56,034	1,615	113,906	2,588
Third party revenue and adjusted EBITA	**1,587,773**	**30,219**	1,662,773	31,389	3,174,828	58,705

All inter-segment revenue transactions are at arm's length.

* 2013 information has been reclassified to conform to the current year presentation

3. Segmental Analysis (continued)

Reconciliation of segmental profit to operating profit

Below is a reconciliation of adjusted EBITA per management reporting to operating profit and profit before tax per the Group income statement:

	Note	***(Unaudited)*** **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Adjusted EBITA per management reporting		**30,219**	31,389	58,705
Acquisition related intangible asset amortisation within subsidiaries	(i)	**(3,271)**	(3,184)	(6,369)
Share of joint ventures & associates acquisition related intangible asset amortisation	(i)	**(753)**	(708)	(1,593)
Fair value movement on contingent consideration	(ii)	**(365)**	(363)	(901)
Acquisition related costs within subsidiaries	(iii)	**(147)**	(68)	(87)
Share of joint ventures & associates net finance expense	(iv)	**(195)**	(224)	(594)
Share of joint ventures & associates tax	(iv)	**(953)**	(1,312)	(2,240)
Operating profit before exceptional items		**24,535**	25,530	46,921
Exceptional items (Note 5)	(v)	**2,455**	(16)	6,492
Operating profit after exceptional items		**26,990**	25,514	53,413
Net financial expense	(vi)	**(2,819)**	(2,646)	(5,178)
Profit before tax		**24,171**	22,868	48,235

(i) Acquisition related intangible asset amortisation charges are not allocated to operating segments in the Group's management reporting.

(ii) Fair value movements on contingent consideration are not allocated to operating segments in the Group's management reporting.

(iii) Acquisition related costs are transaction costs directly related to the acquisition of subsidiaries and are not allocated to operating segments in the Group's management reporting.

(iv) Under IFRS, included within profit before tax is the Group's share of joint ventures and associates profit after acquisition related intangible amortisation charges and costs, tax and interest. In the Group's management reporting the Group's share of these items are excluded from the adjusted EBITA calculation.

(v) Exceptional items (Note 5) are not allocated to operating segments in the Group's management reporting.

(vi) Financial income and expense is primarily managed at Group level, and is therefore not allocated to individual operating segments in the Group's management reporting.

4. Adjusted profit before tax, adjusted EBITA and adjusted EBITDA

For the purpose of assessing the Group's performance, Total Produce management believes that adjusted EBITDA, adjusted EBITA, adjusted profit before tax and adjusted earnings per share (Note 6) are the most appropriate measures of the underlying performance of the Group.

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Profit before tax per income statement	**24,171**	22,868	48,235
Adjustments			
Exceptional items (Note 5)	**(2,455)**	16	(6,309)
Fair value movement on contingent consideration estimates	**365**	363	901
Group share of tax charge of joint ventures & associates	**953**	1,312	2,057
Acquisition related intangible asset amortisation in subsidiaries	**3,271**	3,184	6,369
Share of joint ventures & associates acquisition related intangible asset amortisation	**753**	708	1,593
Acquisition related costs within subsidiaries	**147**	68	87
Adjusted profit before tax	**27,205**	28,519	52,933
Exclude;			
Net financial expense – Group	**2,819**	2,646	5,178
Net financial expense – share of joint ventures & associates	**195**	224	594
Adjusted EBITA	**30,219**	31,389	58,705
Exclude;			
Amortisation of software costs	**234**	57	261
Depreciation – Group	**6,730**	6,548	13,170
Depreciation – share of joint ventures & associates	**913**	1,153	1,990
Adjusted EBITDA	**38,096**	39,147	74,126

5. Exceptional items

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Gains on available-for-sale financial assets reclassified from other comprehensive income to income statement (a)	**2,455**	–	–
Credit from modification to Group's defined benefit pension arrangements (b)	**–**	–	10,317
Remeasurement to fair value of pre-existing interest in acquiree (c)	**–**	–	702
Profit on the disposal of joint venture and associate investments (d)	**–**	234	234
Change in fair value of investment property within subsidiaries (e)	**–**	(250)	(3,694)
Impairment of property, plant and equipment (f)	**–**	–	(808)
Share of joint ventures fair value movement on investment property (g)	**–**	–	(442)
Total exceptional items (after share of joint ventures & associates tax)	**2,455**	(16)	6,309
Share of joint ventures tax on fair value movements on investment property (h)	**–**	–	183
Exceptional items within operating profit	**2,455**	(16)	6,492
Net tax credit on exceptional items (b) & (e)	**–**	63	(324)
Total	**2,455**	47	6,168

(a) Gains on available-for-sale financial assets reclassified from other comprehensive income to income statement

In March 2014, the Group reclassified its 10% interest in African Blue Limited ('African Blue') from an available-for-sale financial asset to an associate investment. African Blue is a blueberry grower in Morocco. Due to the change in the nature of the Group's involvement in this entity in early 2014, it was deemed that the Group obtained significant influence in accordance with the provisions of IAS 28 *Investment in Associates and Joint Ventures (2011)*. In accordance with IFRS, the Group's 10% interest was fair valued in March resulting in a fair value uplift of €2,455,000. This uplift was reclassified to the income statement resulting in an exceptional gain of €2,455,000 for the period ended 30 June 2014.

(b) Credit arising from modification to Group's defined benefit pension arrangements

In December 2013, a modification to the structure of the Group's defined benefit pension arrangements resulted in a credit of €10,317,000 to the income statement. The deferred tax charge on this exceptional credit amounts to €1,290,000. Further details are outlined in the Group's 2013 Annual Report.

(c) Remeasurement to fair value of a pre-existing interest in acquiree

In December 2013, the Group acquired a controlling interest in a company in which it had a previously held an associate interest. In accordance with the provisions of IFRS, the previously held shareholding was remeasured at this date to fair value resulting in a remeasurement gain of €702,000 which was recognised in the income statement.

(d) Profit on disposal of joint venture and associate investments

In April 2013, the Group announced the completion of a transaction to sell its 25% shareholding in the South African fruit distribution business Capespan Group Limited for a total consideration of €21,677,000. A profit of €234,000 was recognised on disposal of this investment comprising the €1,278,000 difference between the sales proceeds and the associate's carrying value of €20,399,000 offset by the reclassification of €1,044,000 of currency translation losses from equity to the income statement.

(e) Fair value movements on investment property

Fair value losses of €3,694,000 relating to investment property were recognised in the income statement in the year ended 31 December 2013. A deferred tax credit of €966,000 was recognised in the income statement as a result of this fair value movement. For the six month period ended 30 June 2013, fair value losses of €250,000 and a related deferred tax credit of €63,000 were recognised in the income statement. No such impairment gains or losses were identified in the six month period to 30 June 2014.

5. Exceptional items *(continued)*

(f) Impairment of property, plant and equipment

On revaluation of the Group's properties at December 2013, two properties were identified in the UK and Ireland where the carrying value exceeded the fair value, resulting in an impairment charge of €808,000 to the income statement. No such impairments were identified in the six month period ended 30 June 2014.

(g) and (h) Share of joint ventures fair value movement on investment property

At December 2013, the Group's share of the fair value movements on investment property within joint ventures of €259,000, net of deferred tax, was recognised in the income statement. No such impairments were identified in the six month period ended 30 June 2014.

6. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, excluding shares purchased by the company which are held as treasury shares.

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Profit attributable to equity holders of the parent	**15,621**	13,306	30,936
	'000	'000	'000
Shares in issue at beginning of period	**351,887**	351,887	351,887
New shares issued (weighted average)	**331**	–	–
Effect of treasury shares held	**(22,000)**	(22,000)	(22,000)
Weighted average number of shares at end of period	**330,218**	329,887	329,887
Basic earnings per share – cent	**4.73**	4.03	9.38

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit per share attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Profit attributable to equity holders of the parent	**15,621**	13,306	30,936
	'000	'000	'000
Weighted average number of shares at end of period	**330,218**	329,887	329,887
Effect of share options with a dilutive effect	**1,889**	–	460
Weighted average number of shares at end of period (diluted)	**332,107**	329,887	330,347
Diluted earnings per share – cent	**4.70**	4.03	9.36

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on the quoted market prices for the year during which the options were outstanding.

6. Earnings per share (continued)

Adjusted fully diluted earnings per share

Management believe that adjusted fully diluted earnings per share as set out below provides a fair reflection of the underlying trading performance of the Group after eliminating the impact of acquisition related intangible asset amortisation charges and costs, property revaluations and exceptional items and the related tax on these items.

Adjusted fully diluted earnings per share is calculated by dividing the adjusted profit per share attributable to ordinary shareholders (as calculated below) by the weighted average number of ordinary shares outstanding after adjustments for the effects of all ordinary shares with a dilutive effect.

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Profit attributable to equity holders of the parent	**15,621**	13,306	30,936
Adjustments:			
Exceptional items – net of tax (Note 5)	**(2,455)**	(47)	(6,168)
Amortisation of acquisition related intangible assets within subsidiaries	**3,271**	3,184	6,369
Group share of joint ventures & associates acquisition related intangible asset amortisation charges	**753**	708	1,593
Acquisition related costs within subsidiaries	**147**	68	87
Tax effect of amortisation of intangible assets	**(802)**	(851)	(2,007)
Non-controlling interests share of exceptional items, acquisition related intangible asset amortisation charges and costs and related tax	**(406)**	(387)	(1,835)
Adjusted fully diluted earnings	**16,129**	15,981	28,975
	'000	'000	'000
Weighted average number of shares at end of period (diluted)	**332,107**	329,887	330,347
Adjusted fully diluted earnings per share – cent	**4.86**	4.84	8.77

7. Employee benefits

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Net liability at beginning of period	**(4,658)**	(28,324)	(28,324)
Net interest expense and current service cost recognised in the income statement	**(1,315)**	(2,154)	(4,053)
Past service credit arising on modification to Group's defined benefit pension arrangements recognised in the income statement	–	–	10,317
Employer contributions to schemes	**2,955**	2,711	4,819
Remeasurement (losses)/gains recognised in other comprehensive income	**(17,508)**	(3,726)	12,164
Translation adjustment	**(121)**	455	419
Net liability at end of period	**(20,647)**	(31,038)	(4,658)
Net related deferred tax asset	**3,252**	4,465	715
Net liability after tax at end of the period	**(17,395)**	(26,573)	(3,943)

The table above summarises the movements in the net liability of the Group's various defined benefit pension schemes in Ireland, the UK and Continental Europe in accordance with *IAS 19 Employee Benefits (2011)*.

The Group's balance sheet at 30 June 2014 reflects pension liabilities of €20.6m in respect of schemes in deficit, resulting in a net deficit of €17.4m after deferred tax.

The current and past service costs and the net finance expense on the net scheme liabilities are charged to the income statement. Remeasurement gains and losses are recognised in other comprehensive income.

In determining the valuation of pension obligations, consultation with independent actuaries is required. The estimation of employee benefit obligations requires the determination of appropriate assumptions such as discount rates, inflations rates and mortality rates.

The discount rates used in measuring the pension liability decreased significantly in the period. The discount rate in Ireland and the Eurozone decreased to 3.00% (31 December 2013: 3.90% and 30 June 2013: 3.70%) and in the UK decreased to 4.30% (31 December 2013: 4.60% and 30 June 2013: 4.60%). The long term Eurozone inflation rate used in measuring the Irish and Eurozone liability decreased to 1.70% (31 December 2013: 1.85% and 30 June 2013 1.85%). The UK inflation rate assumption was 3.30% (31 December 2013: 3.30% and 30 June 2013: 3.00%).

The increase in the net liability during the period was due to the above mentioned decreases in discount rates which results in an increase in the net present value of the obligations of these pension schemes. This was partly offset by positive returns on pension scheme assets and the impact of the reduction in the long term inflation rate in Eurozone schemes.

8. Dividends

The Board has approved an interim dividend of 0.64 (2013: 0.6095) cent per share which represents a 5.0% increase on the comparative period. This dividend, which will be subject to Irish withholding tax rules, will be paid on 17 October 2014 to shareholders on the register at 19 September 2014. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2014. The final dividend for 2013 of €5,495,000 was paid in May 2014.

Also during the period, the Group paid dividends of €3,705,000 (2013: €3,421,000) to non-controlling shareholders in certain of the Group's non wholly-owned subsidiaries.

9. Businesses acquired and other developments

In the six months to 30 June 2014, the Group made a number of investments in the business as explained below.

Acquisition of subsidiary interests
In the first half of 2014, the Group invested €6.1m in new subsidiary interests including €4.3m contingent consideration payable on the achievement of profit targets. In addition the Group assumed €10.8m of net debt on these acquisitions including bank loans, bank overdrafts and finance lease obligations.

The principal acquisition in the period was the agreement to acquire the second 50% shareholding in All Seasons Fruit ('ASF') in The Netherlands in three stages. An initial 20% shareholding was acquired on completion of the deal on 28 May 2014 with the balance to be acquired in subsequent years. ASF specialises in the soft fruit category. Prior to date of completion of this acquisition, ASF was a 50% joint venture of the Group and following the acquisition of the additional shareholding it becomes a subsidiary of the Group.

Also during the year, the Group invested in a number of other subsidiary interests in Northern Europe and the Eurozone.

For all acquisitions, the purchase method of accounting has been applied. The initial assignment of fair values to net assets has been performed on a provisional basis in respect of these acquisitions given the timing of completion of these transactions and will be finalised within twelve months of the acquisition date, as permitted by IFRS 3 (Revised) *Business Combinations*.

Analysis of consideration paid and identifiable assets acquired and liabilities assumed
In respect of acquisitions during the period, information on the cost of combination, amounts recognised at acquisition date for assets, liabilities and contingent liabilities and goodwill are disclosed in aggregate as the combinations are considered individually immaterial.

	(Unaudited) **6 months to 30 June 2014 €'000**
Consideration paid and payable	
Cash consideration	1,831
Contingent consideration	4,314
Total fair value of consideration	**6,145**
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	6,403
Intangible assets	3,836
Investment in joint ventures and associates	870
Inventories	1,754
Trade and other receivables	28,117
(Bank overdrafts)/cash and cash equivalents acquired, net	(7,391)
Bank borrowings	(1,620)
Finance leases	(1,766)
Corporation tax	(5)
Trade and other payables	(23,074)
Deferred tax liabilities	(811)
Fair value of net identifiable assets and liabilities acquired	**6,313**
Goodwill calculation	
Total fair value of consideration	6,145
Fair value of pre-existing interest in acquiree	3,728
Fair value of net identifiable assets and liabilities acquired	(6,313)
Goodwill arising	**3,560**

9. Businesses acquired and other developments *(continued)*

Cashflows relating to acquisition of subsidiaries

	(Unaudited) **6 months to 30 June 2014 €'000**
Consideration paid and payable	
Cash consideration for acquisition of subsidiary undertakings	(1,831)
Cash, cash equivalents and bank overdrafts acquired	(7,391)
Total fair value of consideration	**(9,222)**

Investment in joint ventures and associates
The Group invested over €1.1m in new and existing joint ventures and associates.

The initial assignment of fair values to net assets for all investments has been performed on a provisional basis in respect of these acquisitions given the timing of the completion of these transactions and will be finalised within twelve months from the acquisition date, as permitted by IFRS 3 (Revised) *Business Combinations*.

Acquisition of non-controlling interests
During the period, the Group invested up to €2.2m in acquiring the remaining shareholding of non-wholly owned subsidiaries. The investment includes €1.0m cash, €0.6m in deferred consideration to be paid at a later date and €0.6m contingent consideration payable on achievement of future profit targets. The €1.5m difference between the fair value of the consideration of €2.2m and the Group carrying value of the non-controlling interests acquired of €0.7m was accounted for directly in retained earnings in the period.

Payment of contingent and deferred consideration
During the period, the Group paid €0.4m of contingent consideration and €0.8m of deferred consideration relating to prior period acquisitions.

The Group continues to actively pursue further investment opportunities in both new and existing markets.

10. Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Condensed Group Balance Sheet at 30 June 2014, 30 June 3013 and 31 December 2013 are as follows:

	***(Unaudited)* 6 months to 30 June 2014 €'000**		*(Unaudited)* 6 months to 30 June 2013 €'000		*(Audited)* Year ended 31 Dec 2013 €'000	
	Carrying value €'000	**Fair value €'000**	**Carrying value €'000**	**Fair value €'000**	**Carrying value €'000**	**Fair value €'000**
Other financial assets	**574**	**574**	603	603	649	649
Trade and other receivables	**359,013**	**359,013**	365,492	365,492	276,880	276,880
Bank deposits	**4,700**	**4,700**	–	–	4,740	4,740
Cash and cash equivalents	**92,693**	**92,693**	88,623	88,623	103,463	103,463
Derivative financial assets	**303**	**303**	549	549	20	20
	457,283	**457,283**	455,267	455,267	385,752	385,752
Trade and other payables	**391,957**	**391,957**	385,446	385,446	342,181	342,181
Bank overdrafts	**42,604**	**42,604**	26,487	26,487	2,285	2,285
Bank borrowings	**117,920**	**117,427**	131,103	131,474	112,040	111,751
Finance lease liabilities	**5,919**	**6,333**	5,138	5,614	4,865	5,206
Derivative financial liabilities	**97**	**97**	58	58	645	645
Contingent consideration	**28,903**	**28,903**	17,973	17,973	23,970	23,970
	587,400	**587,321**	566,205	567,052	485,986	486,038

10. Financial Instruments *(continued)*

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

At 30 June 2014, 30 June 2013 and 31 December 2013 the Group recognised and measured the following instruments at fair value:

	30 June 2014 Total €'000	**30 June 2014 Level 1 €'000**	**30 June 2014 Level 2 €'000**	**30 June 2014 Level 3 €'000**
Assets measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	**303**	–	**303**	–
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	**(35)**	–	**(35)**	–
Contingent consideration	**(28,903)**	–	–	**(28,903)**
Designated as hedging instruments				
Foreign exchange contracts	**(56)**	–	**(56)**	–
Interest rate swaps	**(6)**	–	**(6)**	–

	30 June 2013 Total €'000	30 June 2013 Level 1 €'000	30 June 2013 Level 2 €'000	30 June 2013 Level 3 €'000
Assets measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	72	–	72	–
Designated as hedging instruments				
Foreign exchange contracts	477	–	477	–
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(5)	–	(5)	–
Contingent consideration	(17,973)	–	–	(17,973)
Designated as hedging instruments				
Foreign exchange contracts	(12)	–	(12)	–
Interest rate swaps	(41)	–	(41)	–

	31 Dec 2013 Total €'000	31 Dec 2013 Level 1 €'000	31 Dec 2013 Level 2 €'000	31 Dec 2013 Level 3 €'000
Assets measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	20	–	20	–
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(432)	–	(432)	–
Contingent consideration	(23,970)	–	–	(23,970)
Designated as hedging instruments				
Foreign exchange contracts	(213)	–	(213)	–

10. Financial Instruments *(continued)*

Additional disclosures for Level 3 fair value measurements

Contingent consideration

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
At beginning of period	**23,970**	17,121	17,121
Paid during the period	**(412)**	(1,867)	(2,296)
Arising on acquisition of subsidiaries	**4,314**	172	2,437
Arising on acquisition of non-controlling interests	**638**	–	–
Fair value adjustment to contingent consideration arising on acquisition of associate *	**417**	2,610	2,610
Fair value movement resulting in an adjustment to goodwill - subsidiaries	**(625)**	–	3,640
Foreign exchange movements	**236**	(426)	(443)
Included in the income statement			
- Fair value remeasurements	**365**	363	901
At end of period	**28,903**	17,973	23,970

*An initial provisional fair value was assigned to contingent consideration arising on the acquisition of an associate in 2013. This provisional fair value was finalised in the current period, within twelve months of the acquisition date, as permitted by IFRS 3 (Revised) *Business Combinations*. As this adjustment was not material, the 2013 balance sheet comparatives were not restated for this adjustment.

Additional disclosures for level 3 fair value measurements

Contingent consideration

Contingent consideration represents provision for the net present value of the amounts expected to be payable in respect of acquisitions which are subject to earn-out arrangements. Contingent consideration for each individual transaction is valued internally by the Group Finance team and updated as required at each reporting period.

11. Cash flows generated from operations

	(Unaudited) **6 months to 30 June 2014 €'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Operating activities			
Profit before tax	**24,171**	22,868	48,235
Adjustments for non-cash items:			
Depreciation of property, plant and equipment (excl. depreciation within joint ventures & associates)	**6,730**	6,548	13,170
Fair value movement on investment property	**–**	250	3,694
Impairment of property, plant and equipment	–	–	808
Fair value movement on contingent consideration estimates	**365**	363	901
Remeasurement to fair value of pre-existing interest in acquiree	–	–	(702)
Amortisation of intangible assets – acquisition related	**3,271**	3,184	6,369
Amortisation of intangible assets – development costs capitalised	**227**	217	413
Amortisation of intangible assets – computer software	**234**	57	261
Amortisation of grants	**(143)**	(131)	(348)
Share-based payment expense	**101**	199	403
Contributions to defined benefit pension schemes	**(2,955)**	(2,711)	(4,819)
Defined benefit pension scheme expense	**1,315**	2,154	4,053
Credit on modification to Group's defined benefit pension arrangements	–	–	(10,317)
Net gain on disposal of property, plant & equipment	**(136)**	(9)	(299)
Net interest expense	**2,819**	2,646	5,178
Net gain on non-hedging derivative financial instruments	**(575)**	(743)	(566)
Gain reclassified to the income statement on available-for-sale financial asset becoming an associate	**(2,455)**	–	–
Share of profits of joint ventures & associates	**(3,231)**	(2,922)	(5,001)
Gain on disposal of joint ventures & associates	**–**	(234)	(234)
Income tax paid	**(6,267)**	(3,319)	(10,829)
Net interest paid	**(2,824)**	(3,068)	(5,339)
Cash flows from operations before working capital movements	**20,647**	25,349	45,031
Movements in working capital:			
- Movements in inventories	**(20,967)**	(10,596)	(2,733)
- Movements in trade and other receivables	**(59,926)**	(97,132)	3,581
- Movement in trade and other payables	**28,368**	63,448	13,596
Total movements in working capital	**(52,525)**	(44,280)	14,444
Cash flows from operating activities	**(31,878)**	(18,931)	59,475

12. Analysis of Net Debt and Cash and Cash Equivalents

Net debt is a non-IFRS measure which comprises bank deposits, cash and cash equivalents and current and non-current interest-bearing loans and borrowings. The calculation of net debt at 30 June 2014, 30 June 2013 and 31 December 2013 is as follows:

	(Unaudited) **30 June 2014** **€'000**	*(Unaudited)* 30 June 2013 €'000	*(Audited)* 31 Dec 2013 €'000
Current assets			
Bank deposits	**4,700**	–	4,740
Cash and cash equivalents	**92,693**	88,623	103,463
Current liabilities			
Bank overdrafts	**(42,604)**	(26,487)	(2,285)
Current bank borrowings	**(1,848)**	(1,111)	(1,268)
Current finance leases	**(1,416)**	(1,277)	(1,326)
Non-current liabilities			
Non-current bank borrowing	**(116,072)**	(129,992)	(110,772)
Non-current finance leases	**(4,503)**	(3,861)	(3,539)
Net debt at end of period	**(69,050)**	(74,105)	(10,987)

Reconciliation of cash and cash equivalents per balance sheet to cashflow statement

	(Unaudited) **6 months to 30 June 2014** **€'000**	*(Unaudited)* 6 months to 30 June 2013 €'000	*(Audited)* Year ended 31 Dec 2013 €'000
Cash and cash equivalents per balance sheet	**92,693**	88,623	103,463
Bank overdrafts	**(42,604)**	(26,487)	(2,285)
Cash, cash equivalents and bank overdrafts per Cash flow statement	**50,089**	62,136	101,178

13. Post balance sheet events

Post period end the Group acquired a 45% interest in Eco Farms Investments Holdings LLC ('Eco Farms'), the Californian based avocado grower, marketer and distributor. The Group has options to acquire further shares in Eco Farms in due course to give Total Produce a majority stake. There have been no other material events subsequent to 30 June 2014 which would require disclosure in this report.

14. Related party transactions balance sheet events

There have been no related party transactions or changes to related party transactions other from those as described in the 2013 Annual Report that materially affect the financial position or affect the performance of the Group for the six month period ended 30 June 2014.

15. Board approval

This interim results statement was approved by the Board of Directors of Total Produce plc on 1 September 2014.