PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

TOTAL PRODUCE INCREASES EARNINGS BY 4.5%

- Adjusted fully diluted EPS [(1)] [(2)] up 4.5% to 9.45 cent
- Total revenue [(1)] of €3.13 billion
- Operating profit (before exceptional credits) up 0.1% to €47.0m
- Adjusted EBITDA [(1)] down 1.5% to €73.0m
- Final dividend up 6.0% to 1.763 cent per share
- Targeting 2015 adjusted fully diluted EPS in the range of 9.2 to 10.2 cent per share

(1) *Key performance indicators are defined overleaf*

(2) *The calculation of adjusted earnings per share for 2013 is restated to ensure conformity with the current year calculation whereby fair value movements on contingent consideration are excluded from adjusted earnings. Management believe this presentation more fairly presents the underlying trading performance of the Group.*

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

"Total Produce has delivered a robust performance in 2014 and is pleased to record a 4.5% increase in adjusted earnings per share in a mixed year for the fresh produce industry.

The Group was active in corporate development in 2014 with investments of over €22m in Europe and North America. Post year-end, the Group completed its fourth investment in North America with a 50% investment in Gambles, the Toronto based fresh produce company with annual turnover of CAD$170m.

We are also pleased to propose a 6.0% increase in the final dividend to 1.763 cent per share. The Group actively continues to pursue further investment opportunities and is targeting adjusted earnings per share for 2015 in the range of 9.2 to 10.2 cent per share"

3 March 2015

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TOTAL PRODUCE PLC PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 €'million	2013 €'million	% change
Total revenue [(1)]	**3,129**	3,175	(1.4%)
Group revenue	**2,667**	2,638	1.1%
Adjusted EBITDA [(1)]	**73.0**	74.1	(1.5%)
Adjusted EBITA [(1)]	**56.7**	58.7	(3.4%)
Operating profit (before exceptional credits)	**47.0**	46.9	0.1%
Adjusted profit before tax [(1)]	**51.2**	52.9	(3.3%)
Profit before tax	**44.3**	48.2	(8.1%)
	Euro cent	**Euro cent**	**% change**
Adjusted fully diluted earnings per share [(1)]	9.45	9.04 *	4.5%
Basic earnings per share	8.83	9.38	(5.9%)
Diluted earnings per share	8.79	9.36	(6.1%)
Total dividend per share	2.403	2.2727	5.7%

**The calculation of adjusted earnings per share for 2013 is restated to ensure conformity with current year calculation whereby fair value movements on contingent consideration are excluded from adjusted earnings. Management believe this presentation more fairly presents the underlying trading performance of the Group.*

[(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 earnings per share and adjusted fully diluted earnings per share excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, 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.

Overview

Total Produce (the ‘Group’) has delivered a robust performance in 2014 and is pleased to report a 4.5% increase in adjusted earnings per share to 9.45 cent (2013: 9.04 cent).

The performance in the year was satisfactory in a mixed market when measured against a strong comparative period which included the results of Capespan Group Limited prior to its divestment on 23 April 2013 and the marginal adverse impact of currency translation in the year. This was partially offset by the incremental contribution from acquisitions completed in the second half of 2013 and in 2014. On a like-for-like basis excluding the effect of divestments, acquisitions and currency translation, total revenue of €3.13 billion was 2% lower than 2013. Adjusted EBITA decreased by 3.4% to €56.7m (2013: €58.7m) due to the effect of average price decreases and divestments, partially offset by the incremental contribution of acquisitions. Further details on the trading performance are outlined in the operating review that follows.

Operating profit before exceptional items amounted to €47.0m (2013: €46.9m). The Group recognised net exceptional credits in the year of €2.4m (2013: €6.5m) and a full analysis of these items are set out in Note 5 of the accompanying financial information. Operating profit after these net exceptional credits was €49.4m (2013: €53.4m). Statutory profit before tax in 2014 was €44.3m (2013: €48.2m) while adjusted profit before tax [(1)] decreased by 3.3% to €51.2m (2013: €52.9m).

Adjusted earnings per share [(1)] for the year ended 31 December 2014 of 9.45 cent (2013: 9.04 cent) represented a growth of 4.5%, assisted by lower non-controlling interests’ share of profits and a lower tax charge. The calculation of adjusted earnings per share for 2013 is restated to ensure conformity with current year calculation whereby fair value movements on contingent consideration are excluded from adjusted earnings. Management believe this presentation more fairly presents the underlying trading performance of the Group.

The Group continues to generate positive cashflows with operating cashflow of €37.7m (2013: €45.0m) and free cashflow of €35.5m (2013: €45.1m).

Development activity

The Group successfully concluded a number of acquisitions and investments in 2014 with a total investment of over €22m including contingent consideration payable on the achievement of future profit targets. The Group completed an agreement to acquire the second 50% shareholding in All Seasons Fruit (‘ASF’) in the Netherlands, a company which specialises in the soft fruit category. An initial 20% shareholding was acquired bringing the Group’s shareholding to 70% on 28 May 2014 with the balance to be acquired in subsequent years. In August 2014, 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. In December 2014, the Group’s Healthfoods and Consumer Products division acquired the trading assets of Gaspari Nutrition (‘Gaspari’) out of a bankruptcy process. Gaspari is a sports nutrition company based in New Jersey. Post year-end, the Group completed an agreement to acquire a 50% interest in the Gambles Group, a North American fresh produce company based in Toronto. This represents the Group’s fourth investment in North America in the past two years. Further details on these acquisitions are outlined in Note 11 of the accompanying financial information.

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

Dividend

The Board is proposing a 6.0% increase in the final dividend to 1.763 cent per share (2013: 1.6632 cent), subject to the approval of shareholders at the forthcoming AGM. If approved, this dividend will be paid on 22 May 2015 to shareholders on the register at 1 May 2015 subject to dividend withholding tax. The total dividend for 2014 will amount to 2.403 (2013: 2.2727) cent per share and represents an increase of 5.7% on 2013.

Operating Review

The table below details a segmental breakdown of the Group's total revenue and adjusted EBITA for the year. Segment performance is evaluated based on revenue and adjusted EBITA.

	2014		2013*	
	Segmental revenue €'000	**Adjusted EBITA €'000**	Segmental revenue €'000	Adjusted EBITA €'000
Fresh Produce				
- Europe - Eurozone	**1,475,135**	**20,200**	1,525,395	23,096
- Europe - Non-Eurozone	**1,404,351**	**32,216**	1,365,657	29,893
- International	**190,983**	**2,902**	226,862	3,128
Inter-segment revenue	**(62,035)**	**-**	(56,992)	-
Total Fresh Produce	**3,008,434**	**55,318**	3,060,922	56,117
Healthfoods and Consumer Products	**120,404**	**1,372**	113,906	2,588
Third party revenue and adjusted EBITA	**3,128,838**	**56,690**	3,174,828	58,705

* 2013 segment information has been restated to ensure conformity with the current year presentation.

Fresh Produce Division

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

Revenue in this division decreased 1.7% in 2014 to €3,008m (2013: €3,061m). The prior year results included the results of Capespan Group Limited prior to its divestment on 23 April 2013 while the 2014 results benefited from the contribution of acquisitions completed during the second half of 2013 and in 2014. Currency translation had a marginally adverse impact on reported results in the year. On a like-for-like basis, excluding the effect of divestments, acquisitions and currency translation, total revenue of €3,008m was 2.2% lower than prior year due to average price decreases with volumes similar to prior year. The warmer weather in Spring caused the European domestic growing season to begin earlier leading to greater production and over supply resulting in downward pressure on prices particularly in some product categories in Europe. Additionally in August 2014, in an unexpected development, Russia introduced sanctions banning the import of fruits and vegetables from certain origins, including from the EU, for twelve months. Whilst the Group does not have any operations in Russia, and Group sales to Russia are modest at less than 2% of revenue, there was an impact on the market generally for certain categories, particularly apples and pears.

Adjusted EBITA in this division decreased 1.4% to €55.3m (2013: €56.1m) due to the effects of average price decreases, divestments and currency translation which were offset in part by the contribution of acquisitions completed in the second half of 2013 and in 2014.

Overall, the robust performance in these mixed market conditions is underpinned by the Group's resilient business model.

Further information on each reporting segment follows.

Europe - Eurozone

Revenue decreased by 3.3% to €1,475m (2013: €1,525m) with a 12.5% decrease in adjusted EBITA to €20.2m (2013: €23.1m). Excluding the effect of acquisitions, revenue on a like-for-like basis was down 5% due to a decrease in average prices and a marginal decrease in volumes. The decrease was due to less favourable trading conditions particularly in Continental Europe with the warm Spring leading to strong early season domestic volumes. In addition to this the impact of the Russian ban on certain imports put downward pressure on prices of certain product lines.

Europe - Non-Eurozone

This reportable segment includes businesses in Scandinavia, UK, Czech Republic and Poland. Revenue increased by 2.8% to €1,404m (2013: €1,366m) with adjusted EBITA increasing 7.8% to €32.2m (2013: €29.9m). The results benefited from the contribution of acquisitions in late 2013. The impact of currency translation in the period was not material, with weakening of the Swedish Krona and the Czech Koruna largely offset by the positive impact of strengthening of Sterling. On a like-for-like basis excluding the effects of acquisitions and currency translation, revenue was in line with the prior year with a marginal increase in volumes offsetting average price decreases.

International

This reportable segment includes the Group's businesses in North America and India and in the comparative period also included the results of Capespan Group Limited prior to its divestment on 23 April 2013. Reported revenue decreased to €191m (2013: €227m) and adjusted EBITA decreased to €2.9m (2013: €3.1m) due to the inclusion of the results of Capespan Group Limited in the comparative period.

Healthfoods and Consumer Products Distribution Division

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

Revenue increased 5.7% to €120m (2013: €114m) due to the contribution of new business and bolt-on acquisitions completed in the second half of the year. Adjusted EBITA decreased to €1.4m (2013: €2.6m) due to competitive trading conditions in some of its markets and changed product mix.

Financial Review

Net financial expense
Net financial expense in the year decreased to €5.1m (2013: €5.2m). The Group's share of the net financial expense in its joint ventures and associates was €0.4m compared to €0.6m in 2013. Net interest cover for the year was 11.1 times based on adjusted EBITA.

Exceptional items
Exceptional items in the year amounted to a net credit before tax of €2.4m (2013: net credit of €6.5m). A full analysis of these exceptional items is set out in Note 5 of the accompanying financial information.

Profit before tax
Statutory profit before tax in 2014 amounted to €44.3m (2013: €48.2m). Excluding the exceptional items, acquisition related amortisation charges and costs and fair value movements on contingent consideration, adjusted profit before tax (1) decreased by 3.3% to €51.2m (2013: €52.9m).

Taxation
The tax charge for the year including the Group's share of joint ventures and associates tax and before non-trading items, as set out in Note 6 of the accompanying financial information, was €12.0m (2013: €14.0m) representing an underlying tax rate of 23.4% (2013: 26.4%) when applied to the Group's adjusted profit before tax. The lower tax rate reflects reduced corporation tax rates in some jurisdictions and the geographical blend of profits.

Non-controlling interest
The non-controlling interest's share of after tax profits was €6.7m (2013: €7.3m). Included in the 2014 charge was the non-controlling interest's share of €1.0m (2013: €1.8m) of exceptional items and acquisition related charges and costs. Excluding these non-trading items, the non-controlling interest's share of after tax profits decreased by €1.4m in 2014. This decrease was due to a reduction in the after tax profits in a number of the Group's non-wholly owned subsidiaries in Europe partially offset by the non-controlling interest's share of after tax profits in acquisitions completed in late 2013.

Earnings per share
Adjusted fully diluted earnings per share increased 4.5% to 9.45 cent (2013: 9.04 cent) assisted by lower taxation charges, lower interest charges and the lower non-controlling interest share of after tax profits. The calculation of adjusted earnings per share for 2013 is restated to ensure conformity with current year calculation whereby fair value movements on contingent consideration are excluded from adjusted earnings. Management believe that adjusted earnings per share excluding exceptional items, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and related tax on these items provides a fairer 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 8.83 cent (2013: 9.38 cent) and 8.79 cent (2013: 9.36 cent) respectively with the decrease primarily due to lower exceptional gains in 2014.

Note 7 of the accompanying financial information provides details on the calculation of the respective earnings per share amounts.

Net debt and cash flow

Net debt at 31 December 2014 was €16.8m (2013: €11.0m). The Group had cash balances (including bank deposits) of €115.8m and interest bearing borrowings (including overdrafts) of €132.6m. Net debt relative to adjusted EBITDA was 0.2 times and interest is covered 11.1 times by adjusted EBITA.

The Group generated operating cash flows of €37.7m in 2014 (2013: €45.0m) before working capital movements with the decrease primarily due to lower trading profits and higher tax payments due to timing. There were €11.7m (2013: €14.5m) of working capital inflows in the year assisted by an incremental €5.8m (2013: €12.4m) inflow from additional trade receivables financing, and working capital inflows from companies acquired mid-year. Cash outflows on routine capital expenditure, net of disposals, were €12.0m (2013: €12.9m). Dividends received from joint ventures and associates increased to €4.6m (2013: €4.1m) with dividend payments to non-controlling interests increasing to €6.5m (2013: €5.6m).

Free cash flow generated by the Group decreased to €35.5m (2013: €45.1m). Free cash flow is the funds available after outflows relating to routine capital expenditure and dividends to non-controlling shareholders but before acquisition expenditure, development capital expenditure and the payment of dividends to equity shareholders.

Cash outflows on acquisitions and contingent consideration payments relating to prior period acquisitions amounted to €22.7m (2013: €19.7m). In addition the Group assumed €10.1m of debt (2013: cash of €2.1m) on the acquisition of subsidiaries. In 2013 the Group received cash proceeds of €21.7m from the sale of its investment in Capespan Group Limited. The Group also distributed €7.6m (2013: €7.0m) in dividends to equity shareholders in the year.

There was a negative impact of €1.3m on translation of foreign currency net debt into Euro at 31 December 2014 primarily due to stronger Sterling and US Dollar exchange rates offset by the weaker Swedish Krona and Czech Koruna exchange rates compared to the rates prevailing at 31 December 2013.

	2014 €'million	2013 €'million
Adjusted EBITDA	**73.0**	74.1
Deduct adjusted EBITDA of joint ventures and associates	**(12.5)**	(11.7)
Net interest and tax paid	**(18.6)**	(16.2)
Other	**(4.2)**	(1.2)
Operating cash flows before working capital movements	**37.7**	45.0
Working capital and other movements	**11.7**	14.5
Operating cash flows	**49.4**	59.5
Routine capital expenditure net of disposal proceeds	**(12.0)**	(12.9)
Dividends received from joint ventures and associates	**4.6**	4.1
Dividends paid to non-controlling interests	**(6.5)**	(5.6)
Free cash flow	**35.5**	45.1
Disposal of an associate interest	**–**	21.7
Acquisitions expenditure (including contingent & deferred consideration)	**(22.7)**	(19.7)
Net (debt)/cash assumed on acquisition of subsidiaries	**(10.1)**	2.1
Development capital expenditure	**–**	(1.2)
Dividends paid to equity shareholders	**(7.6)**	(7.0)
Proceeds from shares issued on exercise of employee share options	**1.0**	–
Other	**(0.6)**	(1.2)
Movement in net debt in the year	**(4.5)**	39.8
Net debt at beginning of year	**(11.0)**	(53.0)
Foreign currency translation	**(1.3)**	2.2
Net debt at end of year	**(16.8)**	(11.0)

Defined benefit pension obligations

The net liability in the Group's defined benefit pension schemes (net of deferred tax) increased to €23.6m (2013: €3.9m). As explained in further detail in Note 8 of the accompanying financial information the increase in liability is due to a sharp fall in discount rates used to calculate the present value of pension obligations offset partially by strong returns on pension scheme assets and a credit arising on the modification to the structure of the Group's defined benefit pension arrangements.

Shareholders' Equity

Shareholders' equity decreased €0.3m to €217.1m (2013: €217.4m). After tax profits in the year of €29.2m attributable to equity shareholders of the parent were offset by €21.7m of losses recognised directly in the statement of other comprehensive income and expense. This €21.7m net loss included remeasurement losses of €24.1m (net of deferred tax) on employee defined benefit pension schemes offset by revaluation gains of €1.6m (net of deferred tax) and currency translation gains of €0.8m that arose on translation of foreign currency denominated assets to Euro. The Group also paid €7.6m in the year in dividends to equity shareholders of the parent. In addition as described in Note 11 of the accompanying financial information the difference between the fair value of consideration paid and the book value of non-controlling interests acquired of €1.6m was recognised directly as a reduction within equity.

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 the authority should the appropriate opportunity arise. The Group will seek to renew this authority at the forthcoming AGM in May 2015.

Summary and Outlook

Total Produce has delivered a robust performance in 2014 and is pleased to record a 4.5% increase in adjusted earnings per share in a mixed year for the fresh produce industry.

The Group was active in corporate development in 2014 with investments of over €22m in Europe and North America. Post year-end, the Group completed its fourth investment in North America with a 50% investment in Gambles, the Toronto based fresh produce company with annual turnover of CAD$170m.

We are also pleased to propose a 6.0% increase in the final dividend to 1.763 cent per share. The Group actively continues to pursue further investment opportunities and is targeting adjusted earnings per share for 2015 in the range of 9.2 to 10.2 cent per share.

Carl McCann, Chairman
On behalf of the Board
3 March 2015

(1) *See page two of this announcement for a definition of the Group's key performance indicators.*

Copies of this announcement will be available from the Company's registered office at Charles McCann Building, Rampart Road, Dundalk, Co. Louth, Ireland and on our website at www.totalproduce.com.

Total Produce plc
Extract from the Group Income Statement
for the year ended 31 December 2014

	Note	**Before exceptional items 2014 €'000**	**Exceptional items (Note 5) 2014 €'000**	**Total 2014 €'000**	Before exceptional items 2013 €'000	Exceptional items (Note 5) 2013 €'000	Total 2013 €'000
Revenue, including Group share of joint ventures and associates	3	**3,128,838**	**–**	**3,128,838**	3,174,828	–	3,174,828
Group revenue		**2,667,014**	**–**	**2,667,014**	2,637,693	–	2,637,693
Cost of sales		**(2,302,369)**	**–**	**(2,302,369)**	(2,274,977)	–	(2,274,977)
Gross profit		**364,645**	**–**	**364,645**	362,716	–	362,716
Operating expenses (net)		**(324,414)**	**2,432**	**(321,982)**	(321,055)	6,751	(314,304)
Share of profit of joint ventures and associates	10	**6,743**	**–**	**6,743**	5,260	(259)	5,001
Operating profit		**46,974**	**2,432**	**49,406**	46,921	6,492	53,413
Financial income		**1,576**	**–**	**1,576**	2,123	–	2,123
Financial expense		**(6,671)**	**–**	**(6,671)**	(7,301)	–	(7,301)
Profit before tax		**41,879**	**2,432**	**44,311**	41,743	6,492	48,235
Income tax expense	6	**(8,233)**	**(157)**	**(8,390)**	(9,716)	(324)	(10,040)
Profit for the year		**33,646**	**2,275**	**35,921**	32,027	6,168	38,195
Attributable to:							
Equity holders of the parent				**29,218**			30,936
Non-controlling interests				**6,703**			7,259
				35,921			38,195
Earnings per ordinary share							
Basic	7			**8.83 cent**			9.38 cent
Fully diluted	7			**8.79 cent**			9.36 cent
Adjusted fully diluted	7			**9.45 cent**			9.04 cent

Total Produce plc
Extract from the Group Statement of Comprehensive Income
for the year ended 31 December 2014

	2014 €'000	2013 €'000
Profit for the year	**35,921**	38,195
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation effects:		
- foreign currency net investments – subsidiaries	**(63)**	(6,302)
- foreign currency net investments – joint ventures and associates	**2,009**	(2,469)
- foreign currency losses reclassified to the income statement on disposal of joint venture and associate investments	**–**	1,044
- foreign currency borrowings designated as net investment hedges	**(590)**	3,428
Gain on remeasuring 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	**326**	(165)
Deferred tax on items taken directly to other comprehensive income	**(87)**	41
Share of joint ventures and associates fair value adjustment on available-for-sale financial asset	**–**	(15)
Items that will not be reclassified to profit or loss:		
Remeasurement (losses)/gains on employee defined benefit pension schemes	**(28,666)**	12,164
Revaluation gains/(losses) on property, plant and equipment, net	**1,122**	(1,630)
Deferred tax on items taken directly to other comprehensive income	**4,636**	(1,181)
Share of joint ventures and associates remeasurement losses on employee defined benefit pension schemes	**(52)**	(40)
Share of joint ventures and associates deferred tax on items taken directly to other comprehensive income	**13**	10
Other comprehensive income for the year, net of tax	**(21,352)**	4,885
Total comprehensive income for the year, net of tax	**14,569**	43,080
Attributable to:		
Equity holders of the parent	**7,536**	36,159
Non-controlling interests	**7,033**	6,921
	14,569	43,080

Total Produce plc
Extract from the Group Balance Sheet
as at 31 December 2014

Assets	**2014**	2013
	€'000	€'000
Non-current		
Property, plant and equipment	**137,938**	133,948
Investment property	**7,414**	7,150
Goodwill and intangible assets	**162,551**	157,643
Investments in joint ventures and associates	**62,917**	54,761
Other financial assets	**698**	649
Other receivables	**2,999**	5,090
Deferred tax assets	**9,942**	6,801
Employee benefits	**–**	3,282
Total non-current assets	**384,459**	369,324
Current		
Inventories	**49,464**	48,142
Trade and other receivables	**282,915**	279,095
Corporation tax receivables	**1,802**	201
Derivative financial instruments	**425**	20
Bank deposits	**2,000**	4,740
Cash and cash equivalents	**113,830**	103,463
Total current assets	**450,436**	435,661
Total assets	**834,895**	804,985
Equity		
Share capital	**3,533**	3,519
Share premium	**253,565**	252,574
Other reserves	**(111,678)**	(114,096)
Retained earnings	**71,628**	75,369
Total equity attributable to equity holders of the parent	**217,048**	217,366
Non-controlling interests	**68,341**	68,524
Total equity	**285,389**	285,890
Liabilities		
Non-current		
Interest-bearing loans and borrowings	**114,909**	114,311
Deferred government grants	**1,683**	1,681
Other payables	**1,696**	1,775
Contingent consideration	**12,105**	17,535
Corporation tax payable	**6,794**	6,973
Deferred tax liabilities	**11,991**	13,621
Employee benefits	**27,514**	7,940
Total non-current liabilities	**176,692**	163,836
Current		
Interest-bearing loans and borrowings	**17,769**	4,879
Trade and other payables	**343,038**	340,406
Contingent consideration	**10,754**	6,435
Derivative financial instruments	**180**	645
Corporation tax payable	**1,073**	2,894
Total current liabilities	**372,814**	355,259
Total liabilities	**549,506**	519,095
Total liabilities and equity	**834,895**	804,985

Total Produce plc
Extract from the Group Statement of Changes in Equity
for the year ended 31 December 2014

	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
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 year	–	–	–	–	–	–	–	**29,218**	**29,218**	**6,703**	**35,921**
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects, net	–	–	**790**	–	–	–	–	–	**790**	**566**	**1,356**
Gain on remeasuring available-for-sale financial asset	–	–	–	–	–	–	**2,455**	–	**2,455**	–	**2,455**
Reclassification to the income statement of fair value gain on available-for-sale financial asset becoming an associate	–	–	–	–	–	–	**(2,455)**	–	**(2,455)**	–	**(2,455)**
Effective portion of cash flow hedges, net	–	–	–	–	–	–	**207**	–	**207**	**119**	**326**
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	**(55)**	–	**(55)**	**(32)**	**(87)**
Items that will not be reclassified subsequently to profit or loss:											
Revaluation gains/(losses) on property, plant and equipment, net	–	–	–	**1,212**	–	–	–	–	**1,212**	**(90)**	**1,122**
Remeasurement losses on employee defined benefit pension schemes	–	–	–	–	–	–	–	**(28,208)**	**(28,208)**	**(458)**	**(28,666)**
Deferred tax on items taken directly to other comprehensive income	–	–	–	**351**	–	–	–	**4,060**	**4,411**	**225**	**4,636**
Share of joint ventures and associates remeasurement losses on employee defined benefit pension schemes	–	–	–	–	–	–	–	**(52)**	**(52)**	–	**(52)**
Share of joint ventures and associates deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	**13**	**13**	–	**13**
Total other comprehensive income	–	–	**790**	**1,563**	–	–	**152**	**(24,187)**	**(21,682)**	**330**	**(21,352)**
Total comprehensive income	–	–	**790**	**1,563**	–	–	**152**	**5,031**	**7,536**	**7,033**	**14,569**
Transactions with equity holders of the parent											
New shares issued	**14**	**991**	–	–	–	–	**(408)**	**408**	**1,005**	–	**1,005**
Acquisition of non-controlling interests	–	–	–	–	–	–	–	**(1,565)**	**(1,565)**	**(723)**	**(2,288)**
NCI disposed on derecognition of pre-existing relationship with acquiree	–	–	–	–	–	–	–	–	–	**(327)**	**(327)**
Contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	**375**	**375**
Dividends paid	–	–	–	–	–	–	–	**(7,615)**	**(7,615)**	**(6,541)**	**(14,156)**
Share-based payment transactions	–	–	–	–	–	–	**321**	–	**321**	–	**321**
Total transactions with equity holders of the parent	**14**	**991**	–	–	–	–	**(87)**	**(8,772)**	**(7,854)**	**(7,216)**	**(15,070)**
As at 31 December 2014	**3,533**	**253,565**	**(4,483)**	**21,882**	**(122,521)**	**(8,580)**	**2,024**	**71,628**	**217,048**	**68,341**	**285,389**

Total Produce plc
Extract from the Group Statement of Changes in Equity
for the year ended 31 December 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*
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, net	–	–	(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 and associates fair value adjustments of available-for-sale financial asset	–	–	–	–	–	–	–	(15)	(15)	–	(15)
Items that will not be reclassified subsequently to profit or loss:											
Revaluation (losses)/gains on property, plant and equipment, net	–	–	–	(1,663)	–	–	–	–	(1,663)	33	(1,630)
Remeasurement gains on employee 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 and associates remeasurement losses on employee defined benefit pension schemes	–	–	–	–	–	–	–	(40)	(40)	–	(40)
Share of joint ventures and 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 interest	–	–	–	–	–	–	–	1	1	(423)	(422)
Contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	15	15
Dividends paid	–	–	–	–	–	–	–	(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
Extract from the Group Statement of Cash Flows
for the year ended 31 December 2014

	2014	2013
	€'000	€'000
Net cash flows from operating activities before working capital movements (Note 12)	**37,715**	45,031
Movements in working capital (Note 12)	**11,689**	14,444
Net cash flows from operating activities (Note 12)	**49,404**	59,475
Investing activities		
Acquisition of subsidiaries	**(11,499)**	(4,581)
(Bank overdrafts)/cash, assumed on acquisition of subsidiaries, net	**(6,746)**	2,109
Cash derecognised on subsidiary becoming a joint venture	**(97)**	–
Acquisition of, and investment in joint ventures and associates	**(3,581)**	(12,148)
Loans advanced to joint ventures and associates	**(180)**	(210)
Dividends received from joint ventures and associates	**4,562**	4,056
Payments of contingent consideration	**(5,524)**	(2,296)
Payments of deferred consideration	**(806)**	–
Acquisition of property, plant and equipment	**(11,473)**	(13,392)
Acquisition of intangible assets -computer software	**(1,269)**	(1,265)
Development expenditure capitalised	**(200)**	(165)
Proceeds from disposal of property, plant and equipment	**744**	609
Proceeds from disposal of joint ventures and associates	**–**	21,677
Acquisition of other financial assets	**(106)**	(28)
Government grants received	**323**	153
Net cash flows from investing activities	**(35,852)**	(5,481)
Financing activities		
Drawdown of borrowings	**26,001**	11,048
Repayment of borrowings	**(16,706)**	(47,577)
Decrease/(increase) in bank deposits	**2,740**	(941)
Decrease in cash held in escrow	–	11,360
Proceeds from issue of new shares	**1,005**	–
Capital element of finance lease repayments	**(1,615)**	(1,315)
Acquisition of non-controlling interests	**(981)**	(422)
Capital contribution by non-controlling interests	**375**	15
Dividends paid to non-controlling interests	**(6,541)**	(5,579)
Dividends paid to equity holders of the parent	**(7,615)**	(6,999)
Net cash flows from financing activities	**(3,337)**	(40,410)
Net increase in cash, cash equivalents, and bank overdrafts	**10,215**	13,584
Net foreign exchange difference	**(1,003)**	(1,366)
Cash, cash equivalents and bank overdrafts at 1 January	**101,178**	88,960
Cash, cash equivalents and bank overdrafts at 31 December (Note 13)	**110,390**	101,178

Total Produce plc
Extract from the Group Statement of Cash Flows
for the year ended 31 December 2014 (continued)

Group Reconciliation of Net Debt
for the year ended 31 December 2014

	2014	2013
	€'000	€'000
Net increase in cash, cash equivalents and bank overdrafts	**10,215**	13,584
Drawdown of borrowings	**(26,001)**	(11,048)
Repayment of borrowings	**16,706**	47,577
(Decrease)/increase in bank deposits	**(2,740)**	941
Decrease in cash held in escrow	–	(11,360)
Interest-bearing loans and borrowings arising on acquisition	**(1,618)**	–
Capital element of finance lease repayments	**1,615**	1,315
Other movements on finance leases	**(961)**	(1,187)
Finance leases arising on acquisition	**(1,766)**	–
Foreign exchange movement	**(1,311)**	2,218
Movement in net debt	**(5,861)**	42,040
Net debt at 1 January	**(10,987)**	(53,027)
Net debt at 31 December (Note 13)	**(16,848)**	(10,987)

Total Produce plc
Selected explanatory notes for the Preliminary Results for the year ended 31 December 2014

1. Basis of preparation

The financial information included in this preliminary results statement has been extracted from the Group's Financial Statements for the year ended 31 December 2014 and is prepared based on the accounting policies set out therein, which are consistent with those applied in the prior year with the exception of the effect of the new accounting standards listed below. As permitted by the European Union (EU) law and in accordance with AIM/ESM rules, the Group Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU.

The financial information prepared in accordance with IFRSs as adopted by the EU included in this report do not comprise "full group accounts" within the meaning of Regulation 40(1) of the European Communities (Companies: Group Accounts) Regulations 1992 of Ireland insofar as such group accounts would have to comply with the disclosure and other requirements of those Regulations. The information included has been derived from the Group Financial Statements which have been approved by the Board of Directors on 2 March 2015. The Financial Statements will be filed with the Irish Registrar of Companies and circulated to shareholders in due course. The financial information is presented in Euro, rounded to the nearest thousand where appropriate.

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous year except for the following new and amended IFRS and IFRIC interpretations adopted by the Group and Company in these financial statements.

- IFRS 10 *Consolidated Financial Statements*
- IFRS 11 *Joint Arrangements*
- IFRS 12 *Disclosure of Interests in Other Entities*
- IAS 27 *Separate Financial Statements (2011) (Amended)*
- IAS 28 *Investment in Associates and Joint Ventures (2011)*
- IAS 32 *Financial Instruments: Presentation (Amended)*

The above new standards have not had a material impact on the results and financial position of the Group for the year ended 31 December 2014.

2. Translation of foreign currencies

The presentation currency of the Group is Euro, which is the functional currency of the parent. Results and cash flows of foreign currency denominated operations have been translated into Euro at the average exchange rates for the period, 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 accounted for within a separate translation reserve within equity, net of differences on related foreign currency borrowings designated as hedges of those net investments to the extent they are effective. All other translation differences are taken to the income statement. The principal rates used in the translation of results and balance sheets into Euro were as follows:

	Average rate			**Closing rate**		
	2014	2013	% change	**2014**	2013	% change
Canadian Dollar	**1.4674**	1.3685	(7.2%)	**1.4015**	1.4641	4.3%
Czech Koruna	**27.5046**	26.3221	(4.5%)	**27.7147**	27.3718	(1.3%)
Danish Kroner	**7.4551**	7.4580	0.0%	**7.4463**	7.4601	0.2%
Indian Rupee	**80.8676**	77.2560	(4.7%)	**76.3804**	85.2304	10.4%
Polish Zloty	**4.1775**	4.1875	0.2%	**4.2981**	4.1578	(3.4%)
Pound Sterling	**0.8028**	0.8510	5.7%	**0.7760**	0.8319	6.7%
South African Rand	**14.4120**	12.8226	(12.4%)	**13.9986**	14.4319	3.0%
Swedish Krona	**9.1075**	8.6418	(5.4%)	**9.4725**	8.8498	(7.0%)
US Dollar	**1.3295**	1.3285	(0.1%)	**1.2101**	1.3780	12.2%

3. Segmental Analysis

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

- *Europe - Eurozone Fresh Produce:* This reportable segment is an aggregation of ten 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.
- *Europe - Non-Eurozone Fresh Produce*: This operating segment is an aggregation of four operating segments involved in the procurement, marketing and distribution of fresh produce in Scandinavia, United Kingdom, Poland and the Czech Republic. These operating segments have been aggregated because they have similar economic characteristics.
- *International Fresh Produce:* This segment is an aggregation of operating segments outside Europe involved in the procurement, marketing and distribution of fresh produce.
- *Healthfoods and Consumer Products Distribution*: This division is a full service marketing and distribution partner to the healthfoods, vitamins, minerals and supplements, pharmacy, grocery, and domestic consumer products sectors. This segment markets and distributes to retail and wholesale outlets in Ireland, the United Kingdom and the United States.

During the year the Directors have re-assessed how performance is monitored throughout the Group and as a result the Group's reportable operating segments have been re-aligned in the current year and operating segments for 2013 have been restated.

Segmental performance is evaluated based on revenue and adjusted EBITA. Management believe that adjusted EBITA, while not a defined term under IFRS, provides 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, remeasurement to fair value of contingent consideration estimates and exceptional items. It also excludes the Group's share of these items within joint ventures and 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 primarily 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.

	2014			2013 *(Restated)**		
	Segmental revenue €'000	**Third party revenue €'000**	**Adjusted EBITA €'000**	Segmental revenue €'000	Third party revenue €'000	Adjusted EBITA €'000
Fresh Produce						
- Europe - Eurozone	**1,475,135**	**1,459,781**	**20,200**	1,525,395	1,511,247	23,096
- Europe - Non-Eurozone	**1,404,351**	**1,357,670**	**32,216**	1,365,657	1,322,813	29,893
- International	**190,983**	**190,983**	**2,902**	226,862	226,862	3,128
Inter-segment revenue	**(62,035)**	**–**	**–**	(56,992)	–	–
Total Fresh Produce	**3,008,434**	**3,008,434**	**55,318**	3,060,922	3,060,922	56,117
Healthfoods and Consumer Products	**120,404**	**120,404**	**1,372**	113,906	113,906	2,588
Third party revenue and adjusted EBITA	**3,128,838**	**3,128,838**	**56,690**	3,174,828	3,174,828	58,705

* 2013 segment information has been restated to ensure conformity with current year presentation as explained above.

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

Reconciliation of segmental profits to operating profit

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

	Note	**2014 €'000**	2013 €'000
Adjusted EBITA per management reporting		**56,690**	58,705
Acquisition related intangible asset amortisation in subsidiaries	(i)	**(5,969)**	(6,369)
Share of joint ventures and associates acquisition related intangible asset amortisation	(i)	**(1,456)**	(1,593)
Remeasurement to fair value of contingent consideration estimates	(ii)	**738**	(901)
Acquisition related costs within subsidiaries	(iii)	**(602)**	(87)
Share of joint ventures and associates net financial expense	(iv)	**(428)**	(594)
Share of joint ventures and associates income tax	(iv)	**(1,999)**	(2,240)
Operating profit before exceptional items		**46,974**	46,921
Exceptional items (Note 5)	(v)	**2,432**	6,492
Operating profit after exceptional items		**49,406**	53,413
Net financial expense	(vi)	**(5,095)**	(5,178)
Profit before tax		**44,311**	48,235

(i) Acquisition related intangible asset amortisation charges are not allocated to operating segments in the Group's management reports.
(ii) Remeasurement to fair value of contingent consideration estimates are not allocated to operating segments in the Group's management reports.
(iii) Acquisition related costs are transaction costs directly related to acquisitions of subsidiaries completed and are not allocated to operating segments in the Group's management reports.
(iv) Under IFRS, included within profit before tax is the Group's share of joint ventures and associates profit after acquisition related intangible asset amortisation charges, tax and interest. In the Group's management reports 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 reports.
(vi) Financial income and expense is primarily managed at Group level and is therefore not allocated to operating segments in the Group's management reports.

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

For the purpose of assessing the Group's performance, Total Produce management believe that adjusted EBITA, adjusted profit before tax and adjusted earnings per share (Note 7) are the most appropriate measures of the underlying performance of the Group.

	2014	2013
	€'000	€'000
Profit before tax per the income statement	**44,311**	48,235
Adjustments		
Exceptional items before group share of joint ventures and associates tax on exceptional items (Note 5)	**(2,432)**	(6,309)
Share of joint ventures and associates income tax	**1,999**	2,057
Acquisition related intangible asset amortisation in subsidiaries	**5,969**	6,369
Share of joint ventures and associates acquisition related intangible asset amortisation	**1,456**	1,593
Remeasurement to fair value of contingent consideration estimates	**(738)**	901
Acquisition related costs within subsidiaries	**602**	87
Adjusted profit before tax	**51,167**	52,933
Exclude		
Net financial expense – Group	**5,095**	5,178
Share of joint ventures and associates net financial expense	**428**	594
Adjusted EBITA	**56,690**	58,705
Exclude		
Amortisation of software costs	**569**	261
Depreciation – subsidiaries	**13,851**	13,170
Share of joint ventures and associates depreciation	**1,922**	1,990
Adjusted EBITDA	**73,032**	74,126

5. Exceptional items

	2014	2013
	€'000	€'000
Credit arising from modification to the Group's defined benefit pension arrangements (a)	**2,694**	10,317
Gain on available-for-sale financial asset reclassified from other comprehensive income to income statement (b)	**2,455**	–
Impairment of goodwill and intangible assets (c)	**(1,684)**	–
Impairment of property, plant and equipment (d)	**(1,033)**	(808)
Gain on disposal of joint venture and associate investments (e)	**–**	234
Remeasurement to fair value of pre-existing interest in an associate (f)	–	702
Fair value movements on investment property (g)	**–**	(3,694)
Share of joint ventures fair value movement on investment property (h)	**–**	(442)
Total exceptional items (after share of joint ventures and associates tax)	**2,432**	6,309
Share of joint ventures tax on fair value movements on investment property (h)	**–**	183
Exceptional items within operating profit	**2,432**	6,492
Net tax credit on exceptional items (a), (c) & (g)	**(157)**	(324)
Total	**2,275**	6,168

(a) Credit arising from modification to Group's defined benefit pension arrangements
Modification to the structure of the Group's defined benefit pension arrangements during 2014 resulted in a credit of €2,694,000 (2013: €10,317,000) to the income statement. The deferred tax charge on this exceptional credit amounts to €337,000 (2013: €1,290,000).

(b) Gain on available-for-sale financial asset 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.

(c) Impairment of goodwill and intangible assets
During the year the Group recognised a charge of €1,684,000 in relation to the impairment of goodwill and intangible assets within the Group's Healthfoods and Consumer Products distribution business. A deferred tax credit of €39,000 on the impairment of the intangible assets was recognised in the income statement.

(d) Impairment of property, plant and equipment
On revaluation of the Group's properties in 2014, a property was identified in Scandinavia where the carrying value exceeded the fair value resulting in an impairment charge of €1,033,000. In 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 in the 2013 income statement.

(e) Gain on disposal of associate and joint venture undertakings
In April 2013, the Group announced the completion of a transaction to sell its 25% shareholding in 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.

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

(g) Fair value movements on investment property

In 2013 fair value losses amounting to €3,694,000 were recognised in the income statement in relation to investment property along with a resulting deferred tax credit of €966,000. No fair value losses were identified in 2014 and a deferred tax credit of €141,000 was recognised due to recognition of capital losses on prior year movements.

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

In 2013, the Group's share of the fair value losses on investment property within joint ventures of €259,000 net of deferred tax was recognised in the income statement. No fair value movements were identified in 2014.

6. Income tax

	2014	2013
	€'000	€'000
Income tax expense	**8,390**	10,040
Group share of tax charge of its joint ventures and associates netted in profit before tax	**1,999**	2,057
Total tax charge	**10,389**	12,097
Adjustments		
Deferred tax on amortisation of intangible assets - subsidiaries	**1,360**	1,578
Share of joint ventures and associates deferred tax credit on amortisation of intangible assets	**398**	429
Net deferred tax credit on fair value movements on investment properties – subsidiaries	**141**	966
Net deferred tax credit on fair value movements on investment properties – share of joint ventures	**–**	183
Tax impact of other exceptional items	**(298)**	(1,290)
Tax charge on underlying activities	**11,990**	13,963

The total tax charge for the year amounted to €10.4m (2013: €12.1m), including the Group's share of the tax charge of its joint ventures and associates of €2.0m (2013: €2.1m), which is netted in profit before tax in accordance with IFRS.

Excluding the impact of deferred tax credits related to the amortisation of intangibles and the tax effect of exceptional items, the underlying tax charge for the year was €12.0m (2013: €14.0m), equivalent to a rate of 23.4% (2013: 26.4%) when applied to the Group's adjusted profit before tax.

7. 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.

	2014	2013
	€'000	€'000
Profit attributable to equity holders of the parent	**29,218**	30,936
	'000	'000
Shares in issue at beginning of year	**351,887**	351,887
New shares issued (weighted average)	**823**	–
Effect of treasury shares held	**(22,000)**	(22,000)
Weighted average number of shares at end of year	**330,710**	329,887
Basic earnings per share – cent	**8.83**	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.

	2014	2013
	€'000	€'000
Profit attributable to equity holders of the parent	**29,218**	30,936
	'000	'000
Weighted average number of shares at end of year	**330,710**	329,887
Effect of share options with a dilutive effect	**1,778**	460
Weighted average number of shares at end of year (diluted)	**332,488**	330,347
Diluted earnings per share - cent	**8.79**	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.

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, remeasurement to fair value of contingent consideration estimates, property revaluations and exceptional items and the related tax on these items.

	2014	*Restated** 2013
	€'000	€'000
Profit attributable to equity holders of the parent	**29,218**	30,936
Adjustments:		
Exceptional items – net of tax (Note 5)	**(2,275)**	(6,168)
Acquisition related intangible asset amortisation in subsidiaries	**5,969**	6,369
Share of joint ventures and associates acquisition related intangible asset amortisation	**1,456**	1,593
Acquisition related costs within subsidiaries	**602**	87
Remeasurement to fair value of contingent consideration estimates	**(738)**	901
Tax effect of amortisation of intangible assets	**(1,758)**	(2,007)
Non-controlling interests share of items above	**(1,041)**	(1,836)
Adjusted fully diluted earnings	**31,433**	29,875
	'000	'000
Weighted average number of shares at end of year (diluted)	**332,488**	330,347
Adjusted fully diluted earnings per share – cent	**9.45**	9.04

* The calculation of adjusted earnings per share for 2013 is restated to ensure conformity with current year calculation whereby remeasurement to fair value of contingent consideration estimates are excluded from adjusted earnings. Management believe this presentation more fairly presents the underlying trading performance of the Group.

8. Employee benefits

	2014	2013
	€'000	€'000
Net pension liability at beginning of year	**(4,658)**	(28,324)
Net interest expense and current service cost recognised in the income statement	**(1,995)**	(4,053)
Past service credit arising on the modification to Group's defined benefit pension arrangements recognised in the income statement	**2,694**	10,317
Employer contributions to schemes	**5,257**	4,819
Remeasurement (losses)/gains recognised in other comprehensive income	**(28,666)**	12,164
Foreign exchange movement	**(146)**	419
Net pension liability at end of year	**(27,514)**	(4,658)
Net related deferred tax asset	**3,933**	715
Net pension liability after tax	**(23,581)**	(3,943)

The table summarises the movements in the net liability on the Group's various employee 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 31 December 2014 reflects pension scheme assets of €Nil (2013: €3.3m) in respect of schemes in surplus and pension liabilities of €27.5m (2013: €7.9m) in respect of schemes in deficit. Pension scheme assets increased by 17.2% to €170.1m (2013: €145.1m) while pension scheme obligations increased by 31.9% to €197.6m (2013: €149.8m).

The current and past service costs and 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, inflation rates and mortality rates.

The discount rates used in measuring the pension liability decreased significantly in 2014 with the discount rate in Ireland and Continental Europe decreasing to 2.20% (2013: 3.90%) and the rate in the UK decreasing to 3.80% (2013: 4.60%). The long term inflation rate used in measuring the liability in Ireland and Continental Europe decreased to 1.50% (2013: 1.85%) and the long term rate used in measuring the liability in the UK decreased to 3.00% (2013: 3.30%).

The increase in the net liability in 2014 was due to the above mentioned significant decrease in discount rates which results in an increase in the net present value of the obligations of these schemes. This was partly offset by strong returns on pension scheme assets in 2014 and a credit of €2.7m arising from modifications to the structure of the Group's defined benefit arrangements.

9. Dividends

	2014	2013
	€'000	€'000
Dividends paid on Ordinary Euro 1 cent shares		
Final dividend for 2013 of 1.6632 cent per share (2012: 1.512 cent)	**5,495**	4,988
Interim dividend for 2014 of 0.64 cent per share (2013: 0.6095 cent)	**2,120**	2,011
Total dividend	**7,615**	6,999
Total dividend per share	**2.3032**	2.1215

The Board is proposing a 6.0% increase in the final dividend to 1.763 cent per share (2013: 1.6632 cent), subject to the approval at the forthcoming AGM. If approved, this dividend will be paid on 22 May 2015 to shareholders on the register at 1 May 2015 subject to dividend withholding tax. The total dividend for 2014 will amount to 2.403 (2013: 2.2727) cent per share and represents an increase of 5.7% on 2013.

10. Joint ventures and associates

	2014 €'000	2013 €'000
Investment in joint ventures and associates at beginning of the year	**54,761**	62,086
Share of profit after tax	**6,743**	5,001
Share of other comprehensive expense, net	**(39)**	(45)
Investment in year in joint ventures - cash (a)	**3,506**	220
Loans advanced during the year to joint ventures (a)	**180**	210
Investment in year in associates - cash (b)	**75**	11,928
Investment in associates – contingent consideration (b)	**427**	2,610
Joint ventures arising on acquisition of subsidiary (c)	**871**	–
Joint venture becoming a subsidiary (c)	**(3,728)**	–
Subsidiary becoming a joint venture (d)	**126**	–
Available-for-sale financial asset becoming an associate (e)	**2,548**	–
Disposal of associate (f)	–	(20,399)
Dividends received	**(4,562)**	(4,056)
Fair value uplift on step acquisition of associate (g)	–	702
Associate becoming a subsidiary (g)	–	(953)
Foreign exchange movement	**2,009**	(2,469)
Revision to goodwill (h)	–	(74)
Investment in joint ventures and associates at end of the year	**62,917**	54,761

(a) Investment in joint ventures *

Investments in 2014

During the year the Group invested €3,686,000 in a number of new and existing joint venture interests in its Fresh Produce Division. The main investment was a 45% interest in Eco Farms Investments Holdings LLC ('Eco Farms'), a Californian based avocado grower, marketer and distributor in August. The Group has options to acquire further shares in Eco Farms in due course to give Total Produce a majority stake.

Investments in 2013

Investments in 2013 are described in the 2013 Annual Report.

(b) Investment in associates *

Investments in 2014

The Group invested €75,000 in an existing associate investment in 2014.

Investments in 2013

Details of the Group's investments in 2013 are disclosed in the 2013 Annual Report.

** For the aforementioned 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 and will be finalised within twelve months from the acquisition date as permitted by IFRS 3 Business Combinations. 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 Business Combinations resulting in a revision upwards of contingent consideration by €427,000. As this adjustment was not material, the 2013 balance sheet comparatives were not restated for this adjustment.*

(c) Joint venture becoming a subsidiary

In May 2014, the Group entered an agreement to acquire the second 50% shareholding in the All Seasons Fruit Group ('ASF') in The Netherlands in four 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. Prior to the 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. The carrying value of the original investment at this date of €3,728,000 was determined to be the fair value.

ASF includes two joint venture investments and as part of this acquisition, the Group acquires a further effective interest of €871,000 in these joint ventures.

(d) Subsidiary becoming a joint venture
In 2014, as a result of entering into an agreement with another investor, a subsidiary of the Group became a joint venture investment.

(e) Available-for-sale financial asset becoming an associate
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)* and therefore the fair value of €2,548,000 was reclassified from an available-for-sale financial asset to an associate investment.

(f) Disposal of an associate
In April 2013, the Group announced the completion of a transaction to sell its 25.3% shareholding in Capespan Group Limited for a total consideration of €21,677,000. In 2013, 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. This was disclosed as an exceptional gain (Note 5) in accordance with the Group’s accounting policy.

(g) Remeasurement of associate investment to fair value
In December 2013 the Group increased its investment in Provenance Partners Limited from a 9% interest to a controlling interest. Under the provisions of IFRS 3 *Business Combinations* the previously held 9% interest was remeasured to fair value which was determined to be €953,000. The equity accounted carrying value of the original 9% investment was €251,000 and the fair value adjustment of €702,000 was recognised in the Group income statement in 2013 within other operating income and was disclosed as an exceptional gain (Note 5) in accordance with the Group accounting policy.

(h) Revision to goodwill
In 2013, a revision of €74,000 to contingent consideration due on a joint venture acquired prior to 1 January 2010 was applied against goodwill.

11. Businesses acquired and other developments in 2014

The Group made the following investments in the business in 2014:

Acquisition of subsidiary interests
During the year, the Group invested €16.2m in new subsidiary interests including €4.7m contingent consideration payable dependent on the achievement of profit targets in both its Fresh Produce and Healthfoods and Consumer Products Divisions.

In May 2014, the Group completed an agreement to acquire the second 50% shareholding in the All Seasons Fruit Group (‘ASF’) in The Netherlands in four stages. An initial 20% shareholding was acquired on completion of the deal bringing its shareholding to 70% 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.

In December 2014, the Group acquired the trading assets of Gaspari Nutrition (‘Gaspari’) out of a bankruptcy process. Gaspari is a sports nutrition company based in New Jersey.

In addition, the Group made a number of bolt-on acquisitions in Europe in both its Fresh Produce Division and Healthfoods and Consumer Products Division. These acquisitions will complement existing business interests in these divisions.

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 the completion of these transactions and will be finalised within twelve months from the acquisition date, as permitted by IFRS 3 *Business Combinations*.

Analysis of consideration paid and identifiable assets acquired and liabilities assumed
In respect of acquisitions during the year, information on the cost of combination, amounts recognised at acquisition date for assets, liabilities and contingent liabilities and goodwill arising are disclosed in aggregate as none of the combinations are considered sufficiently material to warrant individual disclosure.

	2014	*2013*
	€'000	*€'000*
Consideration paid and payable		
Cash consideration	**11,499**	4,581
Contingent consideration arising on current year acquisitions	**4,688**	2,437
Deferred consideration arising on current year acquisitions	**–**	788
Total fair value of consideration	**16,187**	7,806
Identifiable assets acquired and liabilities assumed		
Property, plant and equipment	**6,632**	307
Intangible assets	**8,620**	7,316
Joint venture investments within subsidiaries acquired	**871**	–
Inventories	**3,978**	303
Trade and other receivables	**23,835**	6,754
Cash, cash equivalents and bank overdrafts	**(6,746)**	2,109
Bank borrowings	**(1,618)**	–
Finance leases	**(1,766)**	–
Corporation tax	**58**	(233)
Trade and other payables	**(18,131)**	(6,931)
Deferred tax liabilities (net)	**(1,338)**	(1,316)
Derivative financial liability	**(160)**	–
Non-controlling interests acquired	**–**	(3,428)
Fair value of net identifiable assets and liabilities acquired	**14,235**	4,881
Goodwill calculation		
Total fair value of consideration	**16,187**	7,806
Fair value of pre-existing interest in acquiree	**3,728**	953
Fair value of pre-existing relationship with acquiree	**762**	–
Fair value of net identifiable assets and liabilities acquired	**20,677**	8,759
Goodwill arising	**6,442**	3,878

Cashflows relating to the acquisition of subsidiaries

	2014	*2013*
	€'000	*€'000*
Cash consideration for acquisition of subsidiary undertakings	**(11,499)**	(4,581)
Cash, cash equivalents and bank overdrafts acquired	**(6,746)**	2,109
Cash outflow per statement of cash flows	**(18,245)**	(2,472)

Investment in joint ventures and associations
As highlighted in Note 10 the Group invested €3.8m in new and existing joint venture and associate interests.

Acquisition of non-controlling interests
During 2014, the Group invested up to €2.3m in acquiring the remaining shareholding of non-wholly owned subsidiaries. The investment included €1.0m cash, €0.6m deferred consideration to be paid at a later date and €0.7m of contingent consideration payable on achievement of future profit targets. The €1.6m difference between the fair value of the consideration of €2.3m and the Group's carrying value of the non-controlling interests acquired of €0.7m was accounted for directly in retained earnings.

Payment of contingent and deferred consideration
During 2014, the Group paid €5.5m of contingent consideration and €0.8m of deferred consideration relating to prior period acquisitions.

12. Cash flows generated from operations

	2014	2013
	€'000	€'000
Operating activities		
Profit for the year	**35,921**	38,195
Non-cash adjustments to reconcile profit to net cash flows:		
Income tax expense	**8,390**	10,040
Income tax paid	**(13,610)**	(10,829)
Depreciation of property, plant and equipment	**13,851**	13,170
Fair value movement on investment property	–	3,694
Impairment of property, plant and equipment	**1,033**	808
Remeasurement to fair value of contingent consideration estimates	**(738)**	901
Remeasurement to fair value of pre-existing interest in acquiree	–	(702)
Gain reclassified to the income statement on available-for-sale financial asset becoming an associate	**(2,455)**	–
Amortisation of intangible assets - acquisition related	**5,969**	6,369
Amortisation of intangible assets – development costs capitalised	**350**	413
Amortisation of intangible assets - computer software	**569**	261
Impairment of goodwill and intangible assets	**1,684**	–
Amortisation of government grants	**(321)**	(348)
Defined benefit pension scheme expense	**1,995**	4,053
Defined benefit pension scheme – gain on modification to accruing benefits	**(2,694)**	(10,317)
Contributions to defined benefit pension schemes	**(5,257)**	(4,819)
Share based payment expense	**321**	403
Net gain on disposal of property, plant and equipment	**(328)**	(299)
Financial income	**(1,576)**	(2,123)
Financial expense	**6,671**	7,301
Financial income received	**1,620**	2,191
Financial expense paid	**(6,579)**	(7,530)
Gains on non-hedging derivative financial instruments	**(358)**	(566)
Gain on disposal of joint venture and associates	–	(234)
Share of profit of joint ventures	**(4,016)**	(2,546)
Share of profit of associates	**(2,727)**	(2,455)
Cash flows from operations before working capital movements	**37,715**	45,031
Movements in working capital:		
-Movements in inventories	**3,142**	(2,733)
-Movements in trade and other receivables	**22,027**	3,581
-Movement in trade and other payables	**(13,480)**	13,596
Total movements in working capital	**11,689**	14,444
Cash flows from operating activities	**49,404**	59,475

13. 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 borrowings. The calculation of net debt at 31 December 2014 and 31 December 2013 is as follows:

	2014 €'000	2013 €'000
Current assets		
Bank deposits	**2,000**	4,740
Bank balances	**90,141**	77,799
Call deposits (demand balances)	**23,689**	25,664
Current liabilities		
Bank overdrafts	**(3,440)**	(2,285)
Current bank borrowings	**(12,347)**	(1,268)
Current finance leases	**(1,982)**	(1,326)
Non-current liabilities		
Non-current bank borrowing	**(111,196)**	(110,772)
Non-current finance leases	**(3,713)**	(3,539)
Net debt at end of year	**(16,848)**	(10,987)

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

	2014 €'000	2013 €'000
Bank balances	**90,141**	77,799
Call deposits (demand balances)	**23,689**	25,664
Cash and cash equivalents per balance sheet	**113,830**	103,463
Less bank overdrafts	**(3,440)**	(2,285)
Cash, cash equivalents and bank overdrafts per cashflow statement	**110,390**	101,178

14. Post balance sheet events

Post year-end, the Group completed an agreement to acquire a 50% interest in the Gambles Group, a North American fresh produce company based in Toronto, Canada. Other than this acquisition there have been no material events subsequent to 31 December 2014 which would require disclosure or adjustment in the financial statements.

15. Related party transactions

There have been no related party transactions or changes to related party transactions other than those as described in the 2013 Annual Report that materially affect the financial position or affect the performance of the Group for the year ended 31 December 2014.

16. Board approval

This announcement was approved by the Board of Directors of Total Produce plc on 2 March 2015.