



**Total Produce**

**Preliminary Results**  
**6 March 2012**

## Disclaimer: forward-looking statements



*Any forward-looking statements made in this presentation have been made in good faith based on the information available as of the date of this presentation 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.*



# Company Scale



## ➤ **Scale and reach.....**

- ❖ One of Europe's leading fresh produce companies with:
  - Sales of c. €2.5 billion +
  - EBITDA of c. €60m
- ❖ Leading produce company in Czech Republic, Denmark, Ireland, Spain and Sweden. Large operations in Italy, the Netherlands, Slovakia and the UK
- ❖ Over 90 facilities in 20 + countries
- ❖ 4,000+ employees
- ❖ Hundreds of lines of fresh produce and vegetables
- ❖ 250m + cartons distributed annually



# 2011 Financial Highlights



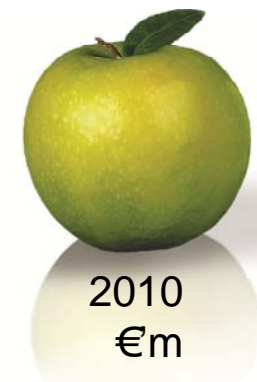
	<u>2011</u>	<u>2010</u>	% change
Revenue	€2,527m	€2,600m	(2.8%)
Profit before tax	€34.4m	€33.6m	+2.3%
Adjusted EPS* ^	7.24 cent	6.84 cent	+5.8%
Adjusted EBITDA*	€59.7m	€62.4m	(4.2%)
Adjusted EBITA*	€45.0m	€47.8m	(6.0%)
Total dividend per share	1.89 cent	1.783 cent	+6.0%

\*Excludes exceptional items, acquisition related costs, amortisation of intangible assets and related tax

^ 2010 adjusted EBITDA re-presented to treat the Group's share of joint ventures' and associates' depreciation within the adjusted EBITDA calculation



# 2011 Summary Income Statement



	2011 €m	2010 €m
<b>Revenue</b>	<b>2,527</b>	2,600
<b>Adjusted EBITDA*</b>	<b>59.7</b>	62.4
<b>Adjusted EBITA*</b>	<b>45.0</b>	47.8
Interest <i>(including share of JV/associates charge)</i>	<b>(5.3)</b>	(4.6)
Taxation <i>(includes share of JV/associates charge and excludes exceptional items)</i>	<b>(10.4)</b>	(11.8)
Non-controlling interests <i>(excluding exceptional items)</i>	<b>(5.4)</b>	(7.5)
Adjusted earnings attributable to equity shareholders	<b><u>23.9</u></b>	<u>23.9</u>
Weighted average number of share (million)	<b><u>329.9</u></b>	<u>349.5</u>
<b>Adjusted earnings per share (cent)*</b>	<b><u>7.24</u></b>	<u>6.84</u>

\* Excludes exceptional items, acquisitions related costs, amortisation of intangible assets and related tax



# Segmental Performance



	2011		2010	
	Revenue €m	EBITA * €m	Revenue €m	EBITA * €m
Eurozone Fresh Produce	1,205	19.8	1,282	27.9
Scandinavia Fresh Produce	595	16.5	602	16.4
UK Fresh Produce	486	5.9	508	4.0
Other Fresh Produce	171	4.5	159	3.3
Inter-segment revenue	(29)	-	(33)	-
<b>Total Fresh Produce</b>	<b>2,428</b>	<b>46.7</b>	<b>2,518</b>	<b>51.6</b>
<b>Consumer Goods and Healthfoods</b>	<b>99</b>	<b>1.2</b>	<b>82</b>	<b>(0.6)</b>
<b>Unallocated costs</b>	<b>-</b>	<b>(2.9)</b>	<b>-</b>	<b>(3.2)</b>
<b>Total Group</b>	<b>2,527</b>	<b>45.0</b>	<b>2,600</b>	<b>47.8</b>

\* Excludes exceptional items



# Eurozone Fresh Produce



	2011 €m	2010 €m
<b>Revenue</b>	<b>1,205</b>	1,282
<b>% change</b>		(6%)

## Revenue

- down €77m (6%)
- prolonged impact of EHEC from May onwards
- primarily volume related
- sharp price decreases from May offset average price increases in first 4 months of year

	2011 €'m	2010 €'m
<b>Adjusted EBITA</b>	<b>19.8</b>	27.9
<b>Adjusted EBITA Margin</b>	<b>1.64%</b>	2.18%

## Adjusted EBITA

- €8.1m decrease in 2011
- prolonged impact of EHEC
- comparative 2010 result benefited from strong market conditions for salads in the Netherlands



# Scandinavia Fresh Produce



	2011 €m	2010 €m
<b>Revenue</b>	<b>595</b>	602
<b>% change</b>		(1%)

## Revenue

- down 1% in the year
- reported results assisted by strength of SEK
- Single digit decreases in both volume and average prices

	2011 €m	2010 €m
<b>Adjusted EBITA</b>	<b>16.5</b>	16.4
<b>Adjusted EBITA Margin</b>	<b>2.77%</b>	2.72%

## Adjusted EBITA

- flat on prior year at €16.5m
- marginal increase in margins
- completion of expansion of Swedish facilities - some associated reorganisational costs
- benefit of strong SEK on reported results





# UK Fresh Produce



	2011 €m	2010 €m
<b>Revenue</b>	<b>486</b>	508
<b>% change</b>		(4%)

## Revenue

- reported revenue down €22m (4%)
- adverse effect of weaker average Sterling to Euro rate on reported results
- single digit decreases in both volume and average prices

	2011 €m	2010 €m
<b>Adjusted EBITA</b>	<b>5.9</b>	4.0
<b>Adjusted EBITA margin</b>	<b>1.21%</b>	0.79%

## Adjusted EBITA

- €1.9m increase
- improved trading margins
- 2010 profits impacted by poor weather, difficult trading conditions and rationalisation costs



# Other Fresh Produce



	2011 €m	2010 €m
<b>Revenue</b>	<b>171</b>	159
<b>% change</b>		+8%

## Revenue

- up €12m (8%)
- positive contribution of Capespan South Africa from July 2011 onwards
- offset by decreased revenue in Eastern Europe due to lower volumes and average prices as result of EHEC issue

	2011 €m	2010 €m
<b>Adjusted EBITA</b>	<b>4.5</b>	3.3
<b>Adjusted EBITA margin</b>	<b>2.63%</b>	2.08%

## Adjusted EBITA

- €1.2 increase in EBITA, with positive contribution of Capespan South Africa
- partly offset by lower profits in Eastern Europe as result of EHEC



# Consumer Goods and Healthfoods



	2011 €m	2010 €m
<b>Revenue</b>	<b>99</b>	82
<b>% change</b>		+21%

## Revenue

- up €17m (21%)
- positive contribution of two acquisitions in second half of year
- benefit of new business lines

	2011 €m	2010 €m
<b>Adjusted EBITA</b>	<b>1.2</b>	(0.6)

## Adjusted EBITA

- €1.2m contribution compared to a loss of €0.6m in 2010
- contribution of two acquisitions
- benefit of cost reduction and new business
- 2010 result included €0.5m in rationalisation costs



# 2011 Summary Cash flow



	2011 €m	2010 €m
<b>Operating cash flows (see appendix)</b>	<b>31.2</b>	39.4
Working capital and other movements	(7.7)	7.0
<b>Operating cash flows after working capital movements</b>	<b>23.5</b>	46.4
Maintenance capital expenditure (net of disposals)	(7.5)	(6.1)
Dividends to non-controlling interests & dividends from JVs/associates	(3.1)	(3.1)
<b>Total free cash flow</b>	<b>12.9</b>	37.2
Cash outflow on acquisitions (including JVs/associates and earn-out payments)	(29.1)	(7.4)
Development capital expenditure	(7.3)	(4.6)
Proceeds on disposal of joint ventures	4.2	-
Acquisition of own shares	-	(8.7)
Dividends to equity holders of the parent	(5.9)	(5.9)
<b>Total cash flow for the year</b>	<b>(25.2)</b>	10.6
<b>Net debt at beginning of year</b>	<b>(47.9)</b>	(50.6)
Drawdown of finance lease	(1.3)	(3.9)
Foreign exchange	(1.2)	(4.0)
<b>Net debt at year end</b>	<b>(75.6)</b>	(47.9)



# Summary Balance Sheet



	31 Dec 11 €m	31 Dec 10 €m
Tangible assets	146.5	145.3
Intangible assets / goodwill	152.5	140.6
Investment in joint ventures and associates	40.2	34.1
Non-current assets held for sale (Capespan Europe)	11.1	-
Other financial assets	0.6	9.7
Other (including working capital)	11.4	(2.1)
Provisions (mainly deferred consideration)	(12.4)	(19.5)
Pension liability (net of DT)	(14.8)	(8.8)
Corporation and deferred tax (ex. DT on pension)	(22.8)	(24.8)
Net debt	(75.6)	(47.9)
<b>Net assets</b>	<b>236.7</b>	<b>226.6</b>
Shareholders' equity	176.7	168.6
Non-controlling interests	60.0	58.0
<b>Shareholders' equity &amp; non-controlling interests</b>	<b>236.7</b>	<b>226.6</b>



# Key Ratios



Return on average capital employed

**2011**

**14.0%**

EV / EBITDA \*

**5.3 times**

Net debt / adjusted EBITDA

**1.3 times**

Adjusted EBITA / net interest

**9.5 times**

Dividend cover

**3.8 times**

\* Based on share price of 46 cent on 5 March 2012



# Dividend



Final Dividend

1.35 cent

Interim Dividend

0.54 cent

Total Dividend

1.89 cent

Payable on

24 May 2012

Full year dividend increase

+ 6.0% on prior year



# Development Activity



- Capex of €15m inclusive of development expenditure mainly in Sweden
- Deferred consideration payments of €14m in respect of previous acquisitions on achievement of profit targets
- Primarily in second half of year, Group invested €20m including deferred payments based on profit targets in new business interests including;
  - ❖ increase in investment in Capespan South Africa from 15.6% to 20.2%
  - ❖ investment in number of JV's and bolt-on acquisitions in Fresh Produce division
  - ❖ acquisition of business interests in Consumer Goods and Healthfoods division
- Total investment of almost €49m in the business in 2011





## Development Activity (continued)



- On 9 Jan 2012, Group completed the deal to sell 50% interest in Capespan Europe to Capespan South Africa for €13.0m satisfied by an exchange of additional 20m shares (5%) in Capespan South Africa and €8.5m in cash
- Deal takes Group's effective interest in Capespan South Africa to 25.3%
- Sale in May 2011 of a South African farm investment for €4.2m cash, realising an exceptional profit of €1.6m
- In December 2011, Group acquired a 50% shareholding in Frankort & Koning ("F&K") for a consideration of up to €15m. F&K has operations principally in the Netherlands, Germany and Poland. Regulatory approval obtained on 5 March 2012
- Continuing to pursue further acquisition opportunities to grow the business



# Our Competitive Advantage



➤ ***Total Produce: well positioned to operate in a demanding environment***

- ❖ leading fruit company in Europe and in many key markets
- ❖ diversified and large customer portfolio across Europe
- ❖ very good distribution facilities
- ❖ experienced management
- ❖ successful acquisition track record
- ❖ strong balance sheet and generating cash to facilitate expansion



# Conclusion and Outlook



- Solid performance in 2011 with 5.8% increase in adjusted EPS to 7.24 cent per share
- Benefit to adjusted EPS of share buyback completed in November 2010
- Last year saw challenging trading conditions in Continental and Eastern Europe due to prolonged impact of the EHEC scare in May 2011
- Positive contribution from acquisitions completed in the second half of 2011
- Overall trading conditions in early 2012 are satisfactory
- With benefit of a geographic spread of activities and the full year impact of 2011 acquisitions, the Group targets adjusted EPS for 2012 in the range of 7.0 to 8.0 cent per share
- The Group is cash generative with a strong balance sheet to facilitate expansion



## Further Information



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# Summary Income Statement



	2011 €'000	2010 €'000
<b>Revenue</b> <i>(including Group share of JVs and associates)</i>	<b>2,526,577</b>	2,600,460
<b>Operating profit</b> <i>(before exceptional items)</i>	<b>36,412</b>	39,387
Exceptional items	2,712	(2,350)
Interest, net	<b>(4,748)</b>	(3,441)
<b>Profit before tax</b>	<b>34,376</b>	33,596
Taxation	<b>(6,635)</b>	(8,371)
<b>Profit for the year</b>	<b>27,741</b>	25,225
<i>Attributable as follows:</i>		
Equity holders of the parent	<b>23,466</b>	18,337
Non-controlling interests	<b><u>4,275</u></b>	<u>6,888</u>
	<b><u>27,741</u></b>	<u>25,225</u>



# Adjusted EPS Calculation



	2011 €000	2010 €'000
<b>Profit attributable to equity holders of the parent</b>	<b>23,466</b>	18,337
Exceptional items	<b>(2,712)</b>	2,350
Amortisation of intangible assets (inc. share of JV's)	<b>6,036</b>	5,741
Acquisition related costs	<b>615</b>	-
Related tax on exceptional items / amortisation	<b>(2,366)</b>	(1,932)
Non-controlling interests share of exceptional items / amortisation	<b>(1,148)</b>	<u>(594)</u>
<b>Adjusted profit attributable to equity holders of the parent</b>	<b><u>23,891</u></b>	<u>23,902</u>
Weighted average number of shares ('000)	<b>329,887</b>	349,536
<b>Adjusted earnings per share</b>	<b>7.24</b>	6.84



## Exceptional items



	<b>2011</b> <b>€'000</b>	2010 €'000
Gain on available for sale financial asset reclassified from other comprehensive income to the income statement	<b>4,055</b>	-
Gain on disposal of a joint venture	<b>1,612</b>	-
Pension curtailment gain	<b>926</b>	-
Property impairments	<b>(1,331)</b>	-
Fair value losses on investment property	<b>(2,550)</b>	(2,119)
Fair value losses on joint ventures investment property (net of tax)	<u>-</u>	<u>(231)</u>
<b>Total net exceptional gain / (loss)</b>	<b><u>2,712</u></b>	<b><u>(2,350)</u></b>





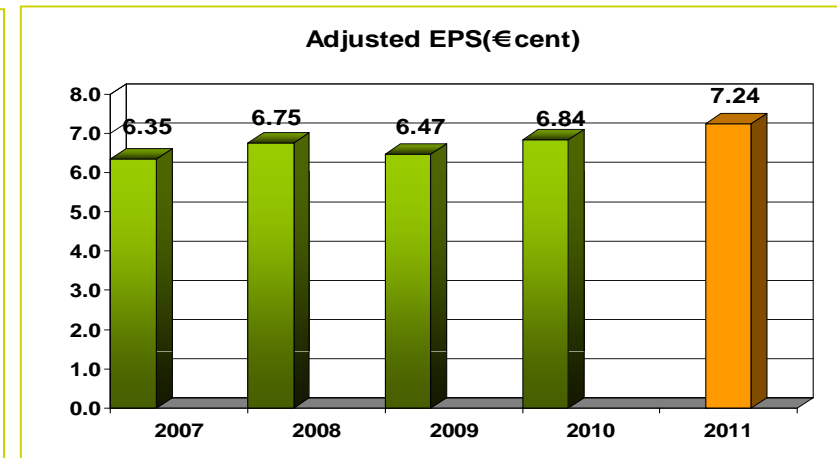
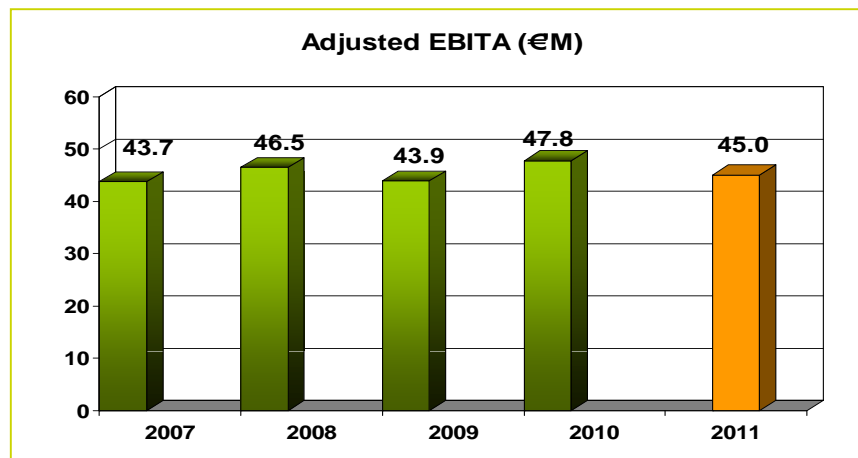
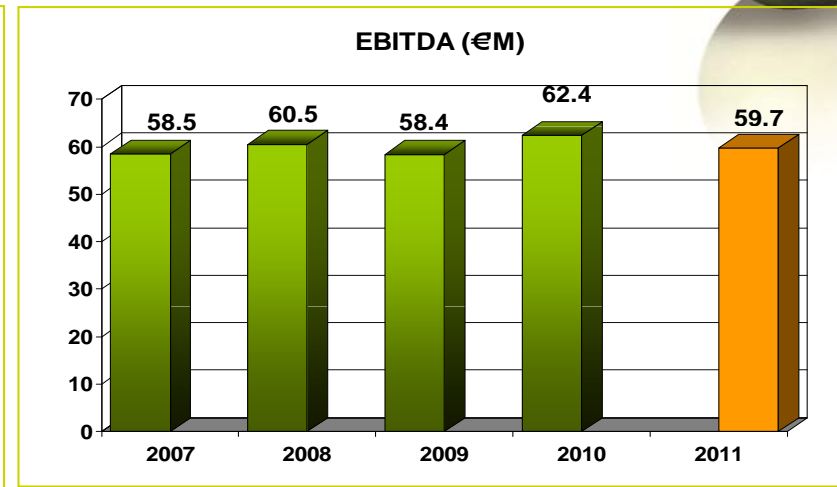
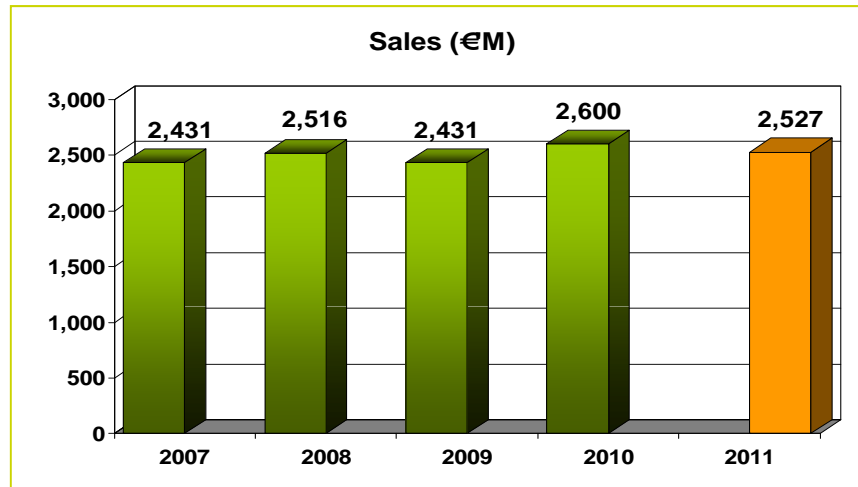
## 2011 Operating Cash flows



	2011	2010
	€m	€m
<b>EBITDA</b> (including JVs' and associates')	<b>59.7</b>	62.4
Deduct share of JV's adjusted EBITA	<b>(7.5)</b>	(6.5)
Net interest paid	<b>(5.2)</b>	(3.4)
Tax paid	<b>(11.3)</b>	(9.8)
Other	<b><u>(4.5)</u></b>	<u>(3.3)</u>
<b>Operating cash flows before working capital movement</b>	<b>31.2</b>	39.4
Working capital and other movements	<b>(7.7)</b>	7.0
<b>Operating cash flows</b>	<b>23.5</b>	46.4



# Revenues and Profitability



# 5 Year Summary



	2011 €m	2010 €m	2009 €m	2008 €m	2007 €m
<b>Revenue</b>	<b>2,527</b>	2,600	2,431	2,516	2,431
<b>Adjusted EBITDA * ^</b>	<b>59.7</b>	62.4	58.4	61.5	58.5
<b>Adjusted EBITA *</b>	<b>45.0</b>	47.8	43.9	46.5	43.7
Interest ( <i>including share of JV/associates interest charge</i> )	<b>(5.3)</b>	(4.6)	(3.8)	(5.7)	(4.8)
Taxation ( <i>excluding exceptional items</i> )	<b>(10.4)</b>	(11.8)	(10.9)	(10.7)	(11.5)
Non-controlling interests ( <i>excluding exceptional items</i> )	<b>(5.4)</b>	(7.5)	(6.4)	(6.3)	(5.1)
Adjusted earnings attributable	<b><u>23.9</u></b>	<u>23.9</u>	<u>22.8</u>	<u>23.8</u>	<u>22.3</u>
Weighed average number of shares (million)	<b><u>329.9</u></b>	<u>349.5</u>	<u>351.9</u>	<u>351.9</u>	<u>351.0</u>
<b>Adjusted earnings per share (cent)*</b>	<b><u>7.24</u></b>	<u>6.84</u>	<u>6.47</u>	<u>6.75</u>	<u>6.35</u>

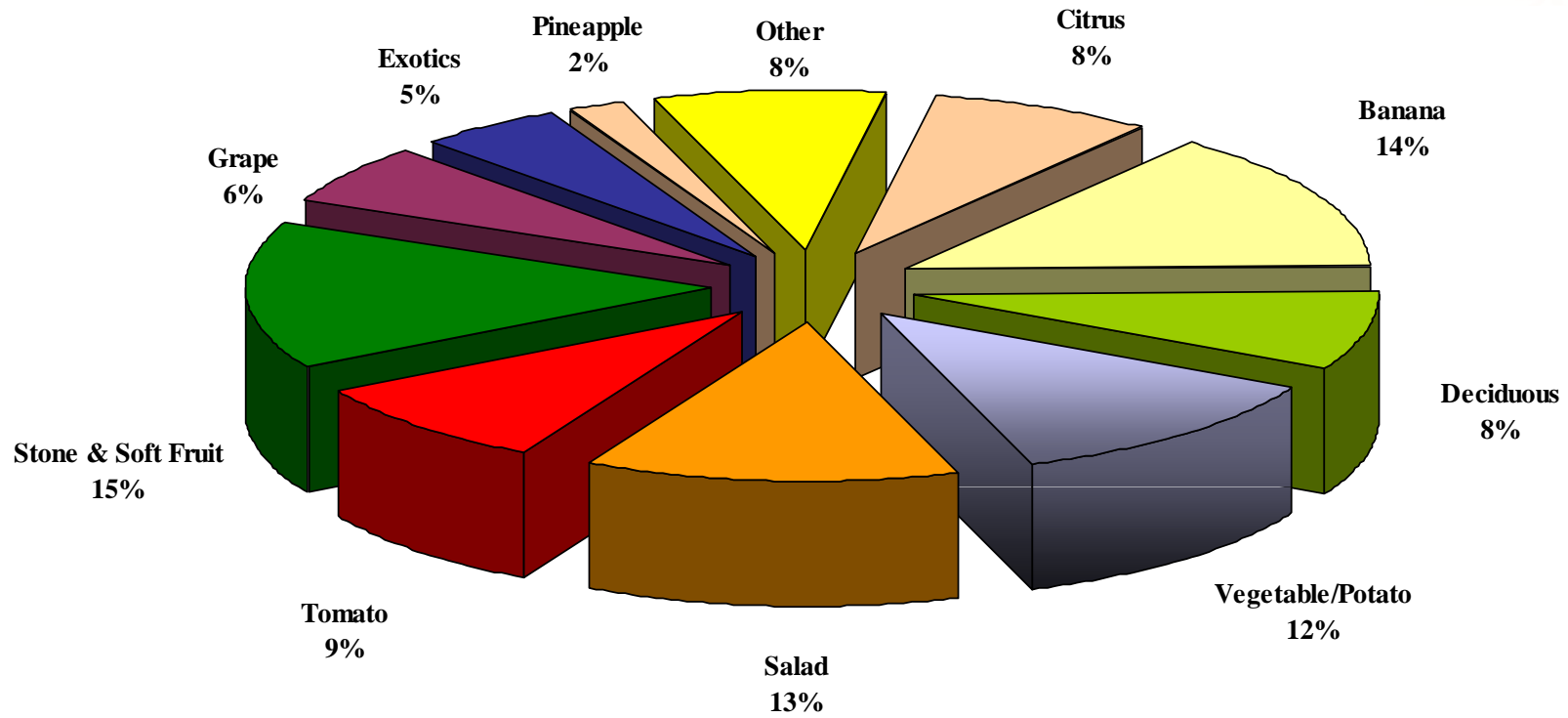
\* Excludes exceptional items, acquisition related costs, amortisation of intangible assets and related tax

^ EBITDA of 2006–2010 re-presented to treat the Group's share of joint ventures' and associates' depreciation in the adjusted EBITDA calculation



# Company Overview

## Our Produce Portfolio



# Company Overview

## Our Reach





Total Produce™