

2014 Preliminary Results

TótalPróduce
Let's Grow Together

3 March 2015



Local at heart
Global by nature
Delivering The Best of Both Worlds

Forward-Looking Statement

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.



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Highlights

Financial Highlights		
Revenue	€3,129m	(1.4%)
Adj. EBITDA	€73.0m	(1.5%)
Adj. EPS *	9.45 cent per share	+4.5%
Final dividend	1.763 cent per share	+6.0%

Financial Ratios		
Return on Average Capital Employed		14.4%
Net Debt / adj. EBITDA		0.2 times
Adj. EBITA / Net Interest		11.1 times

*Calculation of adjusted earnings per share is restated for 2013 to ensure conformity with the current year presentation whereby fair value movements on contingent consideration are excluded from adjusted earnings.

Development Highlights

- Completion of agreement to acquire final 50% of All Seasons Fruit ('ASF') in The Netherlands
- 45% investment in Eco Farms in California, USA
- Healthfoods and Consumer Product Distribution division acquired the trading assets of Gaspari Nutrition in Dec 2014
- Post y/e acquisition of 50% shareholding of the Gambles Group in Toronto

Segmental Performance

	2014		2013	
	Revenue €'m	EBITA* €'m	Revenue €'m	EBITA* €'m
Fresh Produce				
• Europe - Eurozone	1,475	20.2	1,525	23.1
• Europe - Non-Eurozone	1,405	32.2	1,366	29.9
• International	191	2.9	227	3.1
Inter-segment revenue	(62)	-	(57)	-
Total Fresh Produce	3,009	55.3	3,061	56.1
Healthfoods & Consumer Products	120	1.4	114	2.6
Revenue and adj. EBITA	3,129	56.7	3,175	58.7

*Excludes acquisition related intangible asset amortisation and costs, fair value movements on contingent consideration and exceptional items.



Company Overview

Company Overview

- 4,500+ people
- operating in 100+ facilities
- in 22 countries
- distributing 300m+ cartons of produce annually

SALES

€3.1bn

(FY 2014)

EBITDA

€73m

(FY 2014)

Europe's premier fresh produce provider

We grow, source, import, package, distribute and market hundreds of lines of fresh fruits, vegetables and flowers

Servicing Retail, Wholesale & Food Service sectors

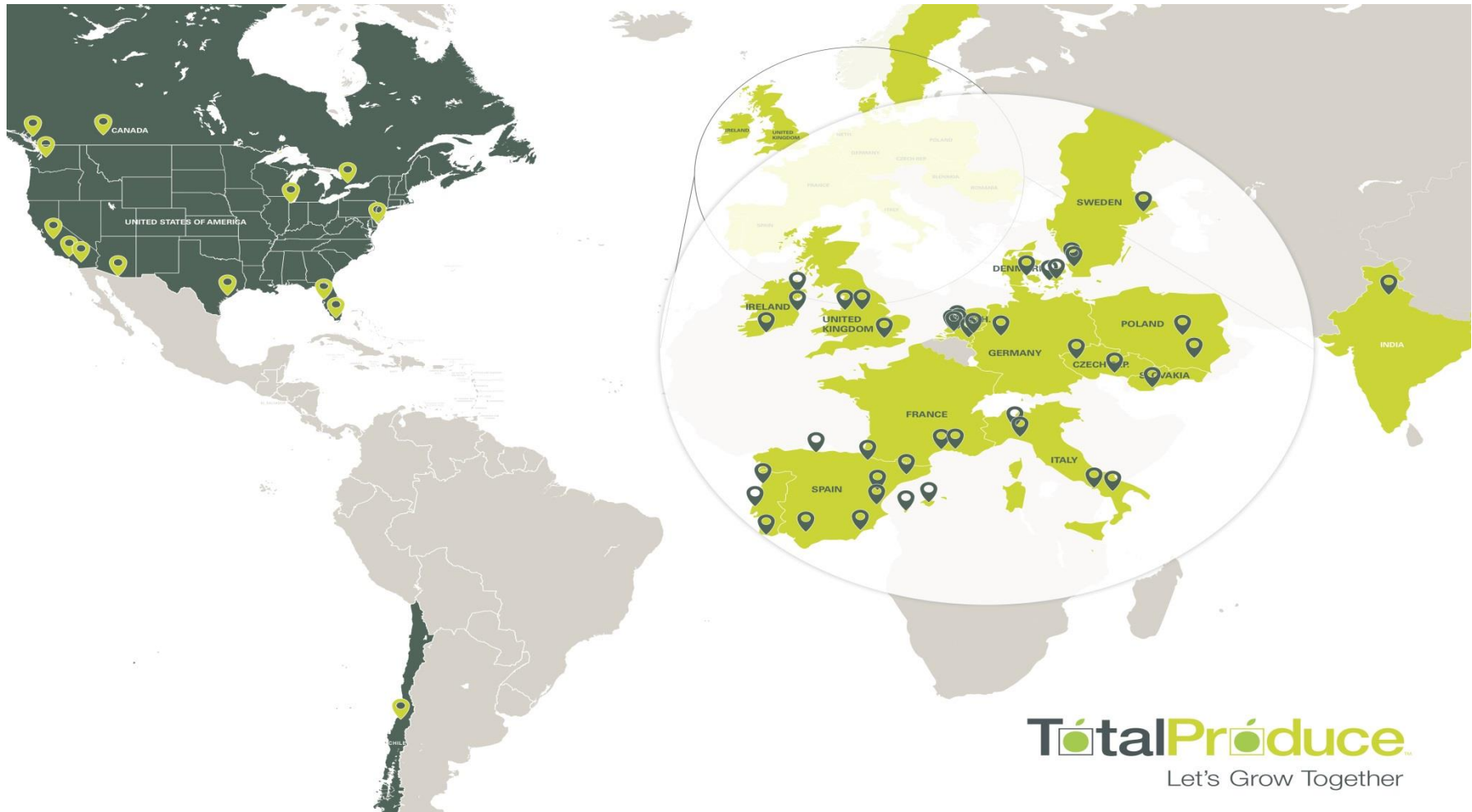
New Product Development

Cultivation

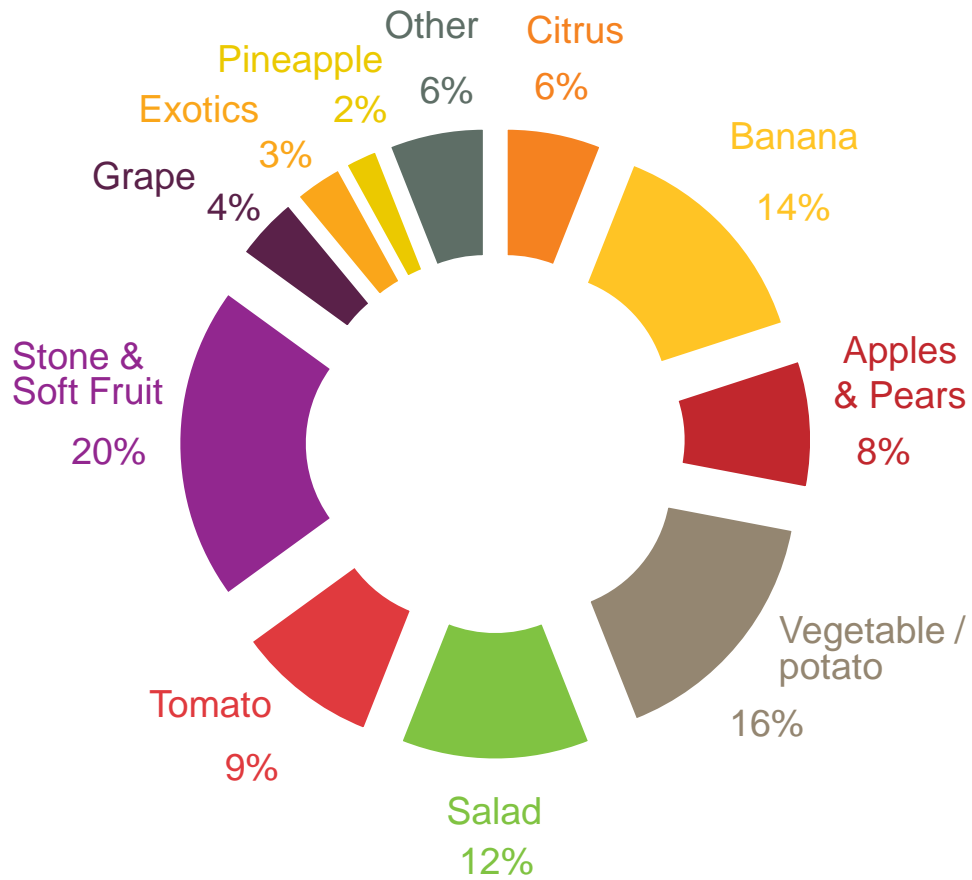
Category Management



Principal Company Locations



Our Produce Portfolio



Our Vision

- Total Produce is today one of the largest fresh produce companies with significant operations in Europe and in North America
- Significant global industry - the largest grocery category
- The Group has an excellent team of very focused people
- Scale creates efficiencies allowing for higher shareholder returns
- Medium to long term goal is to increase scale by a multiple of our current size by organic growth, innovation and acquisitions in fresh produce and in related areas



Competitive Advantage

Growth

Well positioned for sector consolidation

Economies of Scale

Scale offers operational & financial synergies

Acquisition Track Record

Successful identification & integration of acquisitions

Financial Strength

Strong balance sheet & cash generative

Management Team

Highly experienced senior management team





Financials

Financial Highlights

	2014	2013	% change
Revenue	€3,129m	€3,175m	(1.4%)
Adj. EBITDA ¹	€73.0m	€74.1m	(1.5%)
Operating profit before exceptional credits	€47.0m	€46.9m	+0.1%
Adj. EBITA ¹	€56.7m	€58.7m	(3.4%)
Adj. profit before tax ¹	€51.2m	€52.9m	(3.3%)
Adj. fully diluted EPS ¹	9.45 cent	9.04 cent	+4.5%
Total dividend per share	2.403 cent	2.2727 cent	+5.7%

¹ Excludes acquisition related intangible assets amortisation charges and costs, fair value movements on contingent consideration and exceptional items

Financials:

Statutory Income Statement

	2014 €'m	2013 €'m
Revenue	3,129	3,175
Adj. EBITA	56.7	58.7
<i>Intangible asset amortisation (incl. share of JV & associates)</i>	<i>(7.4)</i>	<i>(8.0)</i>
<i>Share of JV & Associates tax and interest charges</i>	<i>(2.4)</i>	<i>(2.8)</i>
<i>Acquisition costs / FV movements on contingent consideration</i>	<i>0.1</i>	<i>(1.0)</i>
Operating profit before exceptional items	47.0	46.9
Exceptional items	2.4	6.5
Operating profit after exceptional items	49.4	53.4
Net finance expense	(5.1)	(5.2)
Profit before tax	44.3	48.2

Financials: Exceptional Items

	2014 €'m	2013 €'m
Credit arising on modifications to pension arrangements	2.7	10.3
Gain on financial asset reclassified to income statement	2.4	-
Impairment of goodwill and intangible assets	(1.7)	-
Changes in the fair value of properties	(1.0)	(4.7)
Remeasurement to fair value of pre-existing interest in acquiree	-	0.7
Gains on disposals of associate investment	-	0.2
Total exceptional items	2.4	6.5
Tax charge, net	(0.1)	(0.3)
Total exceptional items net of tax	2.3	6.2

Financials: Cashflow

	2014 €'m	2013 €'m
Operating cash flows	37.7	45.0
Working capital movements	11.7	14.5
Operating cash flows after working capital movements	49.4	59.5
Routine capital expenditure (net of disposals)	(12.0)	(12.9)
Dividends from joint ventures & associates	4.6	4.1
Dividends to non-controlling interests	(6.5)	(5.6)
Total free cash flow	35.5	45.1
Proceeds from disposal of associate	-	21.7
Acquisition related expenditure (including contingent consideration payments)	(22.7)	(19.7)
(Debt)/cash assumed on acquisition	(10.1)	2.1
Development capital expenditure	-	(1.2)
Dividends to equity holders of the parent	(7.6)	(7.0)
Other, including translation movements	<u>(0.9)</u>	<u>1.0</u>
Movement in the year	(5.8)	42.0
Net debt at 1 January	(11.0)	(53.0)
Net debt at 31 December	(16.8)	(11.0)

Financials:

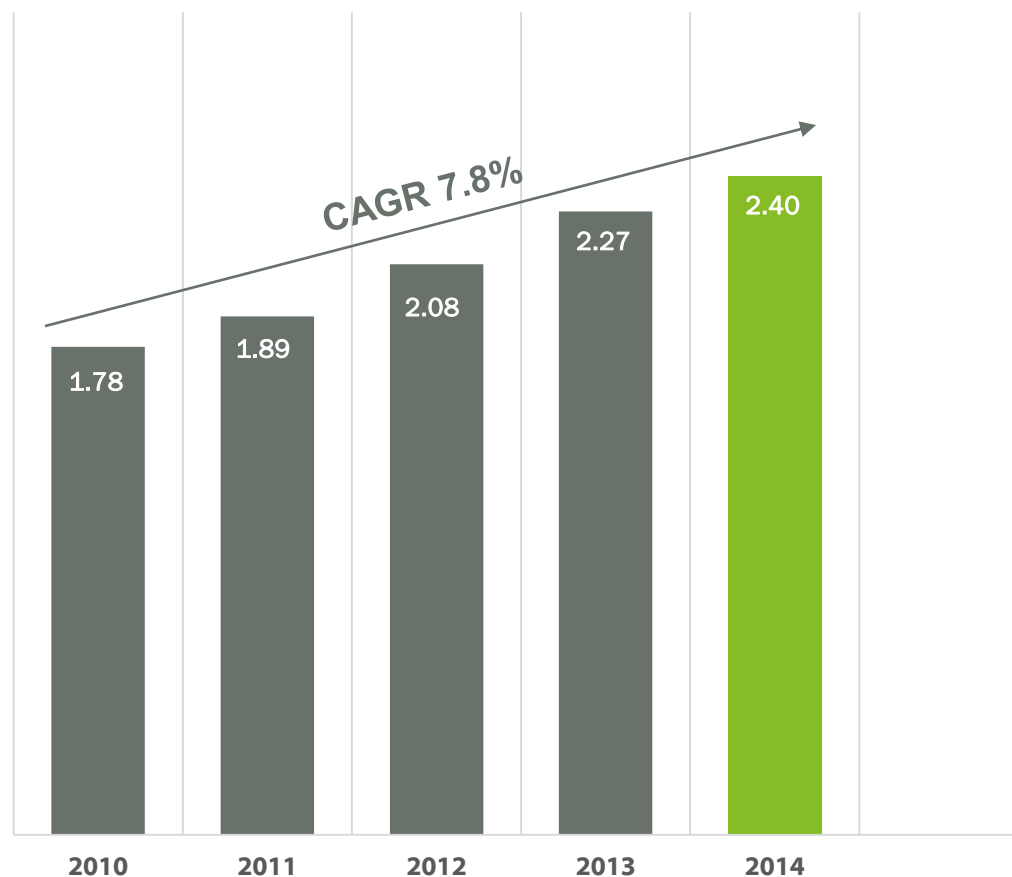
Balance Sheet

	2014 €'m	2013 €'m
Tangible assets	145.3	141.1
Intangible assets / goodwill	162.6	157.6
Investments (primarily joint ventures & associates)	63.6	55.4
Working capital & other	(10.7)	(11.3)
Contingent and deferred consideration	(23.5)	(24.8)
Pension liability (net of deferred tax)	(23.6)	(3.9)
Corporation and deferred tax (ex. DT on pension)	(11.5)	(17.2)
Net debt	(16.8)	(11.0)
Net Assets	285.4	285.9
Shareholders' equity	217.1	217.4
Non-controlling interests	68.3	68.5
Shareholders' Equity & Non-Controlling Interests	285.4	285.9

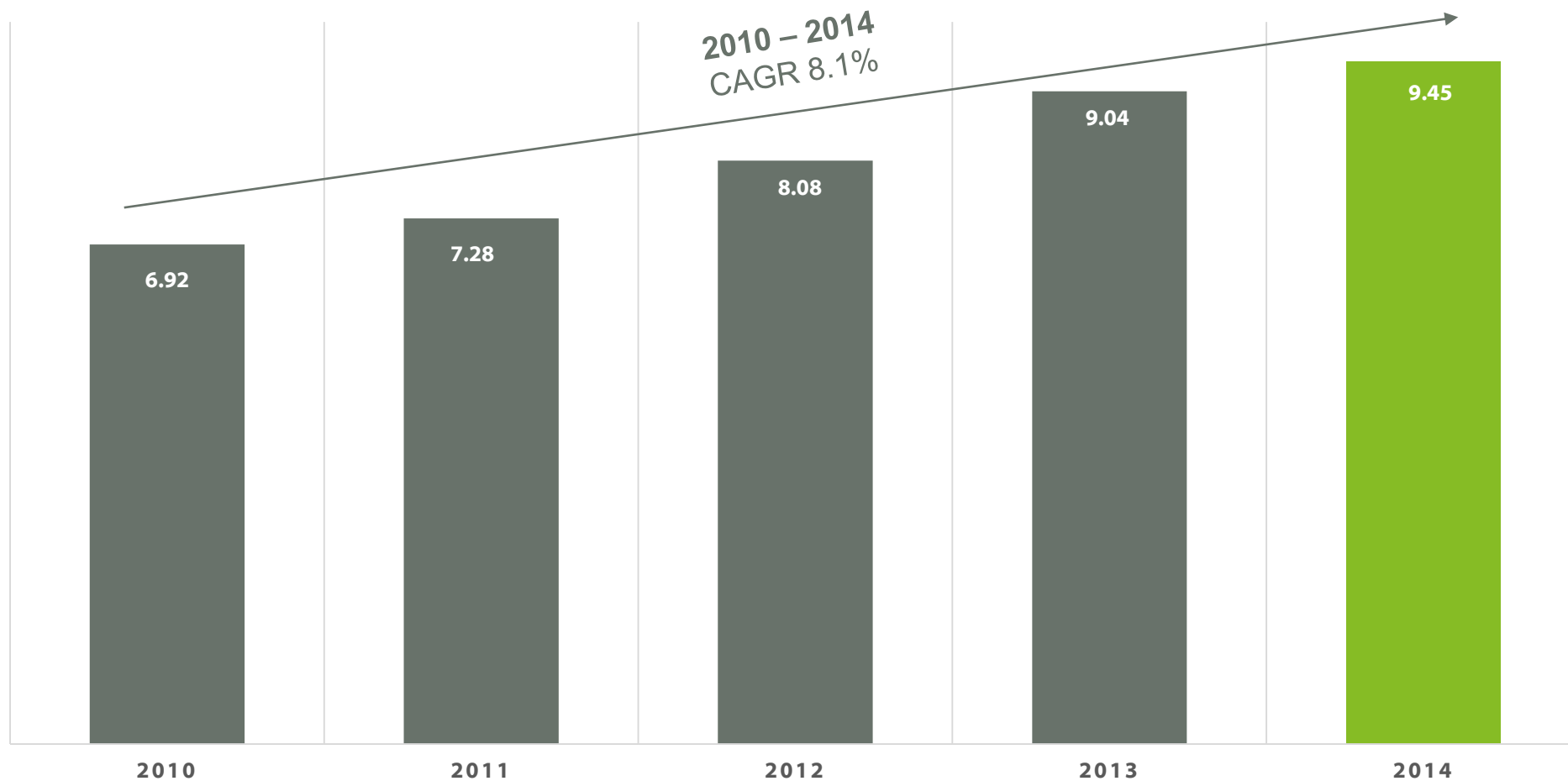
Financials: Dividend

- 6.0% increase in final dividend to 1.763 cent per share
- 5.7% increase in 2014 total dividend to 2.403 cent per share
- Dividend yield: 2.3% based on share price of €1.04
- Dividend pay-out of 25% of adjusted earnings

Total dividend (euro cent)

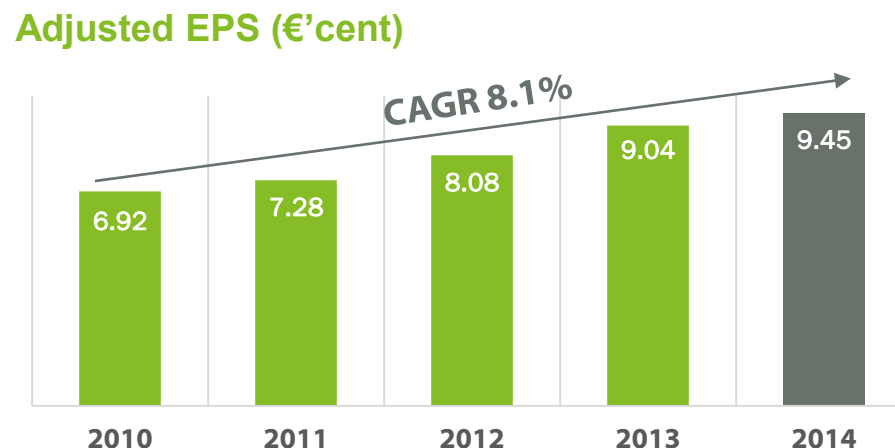
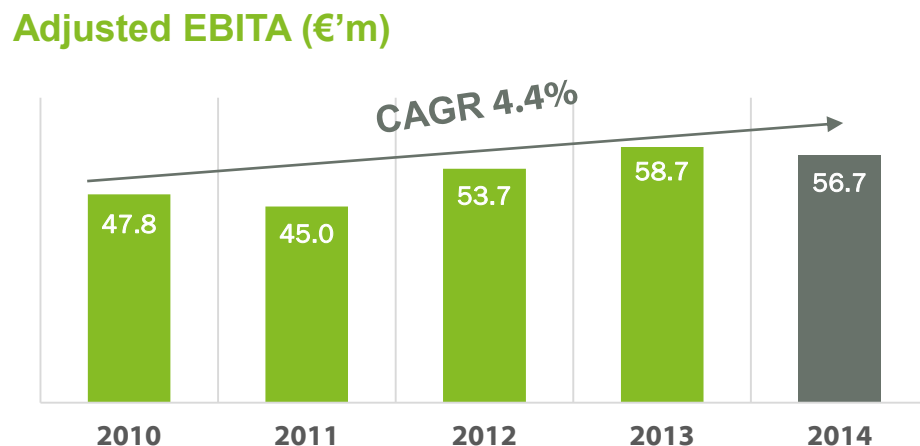
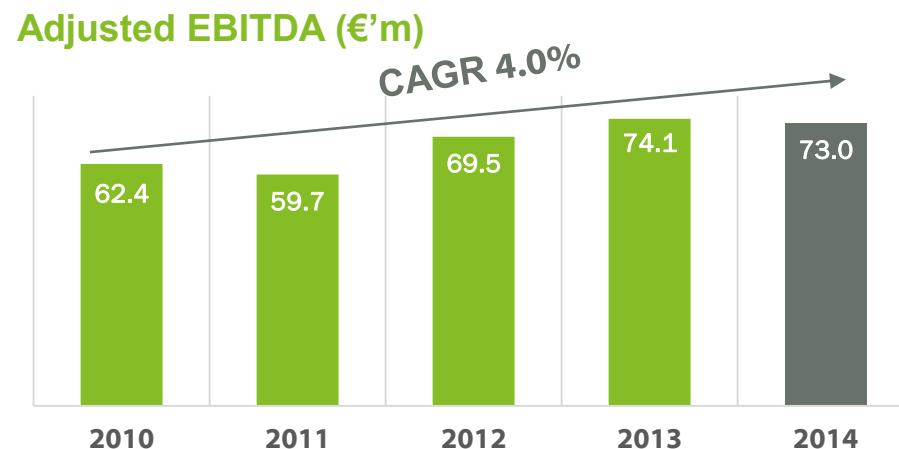
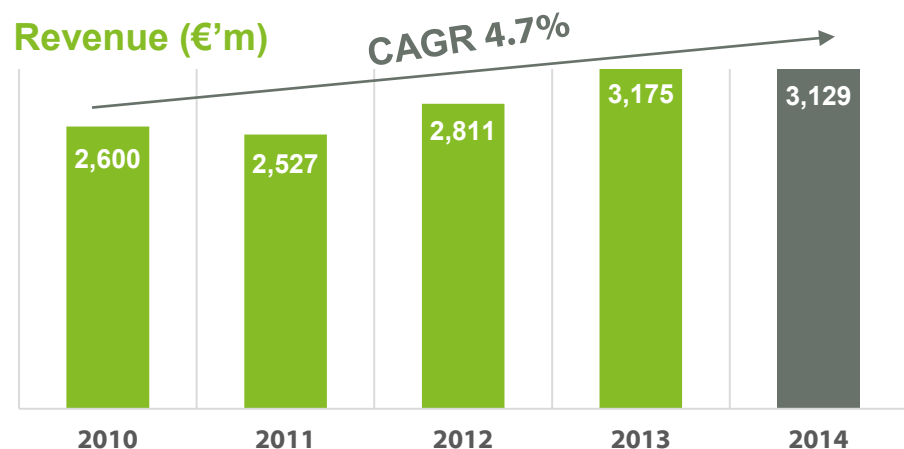


Financials: 5 Year Earnings per Share (euro cent)



**Calculation of adjusted earnings per share are restated for the periods 2010 to 2013 to ensure conformity with the current year presentation whereby fair value movements on contingent consideration are excluded from adjusted earnings.*

Financials: 5 Year Summary (2010 – '14)



Financials:

8 Year Cash Flow (2007 – 2014)

	2007 - 2014 €'m
Net debt at 1 Jan 2007 (pro-forma)	(62)
Operating cash flows	371
Routine capital expenditure (net of disposals)	(69)
Dividends from joint ventures & associates	21
Dividends to non-controlling interests	<u>(41)</u>
Total free cash flow	282
Acquisition related expenditure less proceeds from investment disposals	(143)
Development capital expenditure	(37)
Dividends to equity holders of the parent, share buy back	(55)
Other, including translation movements	<u>(2)</u>
Movement in net debt (1 Jan 2007 to 31 December 2014)	<u>45</u>
Net debt at 31 December 2014	(17)



Investment and Development Activity

2014 Investment and Development Activity

In 2014, the Group invested over €22m including contingent consideration payable on achievement of profit targets

- Agreement in May 2014, to acquire the final 50% shareholding in All Seasons Fruit (ASF) in The Netherlands
- 20% shareholding acquired taking Group's shareholding to 70% on completion with the balance to be acquired in subsequent years
- ASF specialises in the soft fruit category and strengthens our foothold in this market
- In 2014, the Group increased its focus on the 10% investment in African Blue, a blueberry grower in Morocco
- The Group has exclusive rights for distribution of African Blue's product in UK and Europe
- Acquisition of remaining shares in two non-wholly owned subsidiaries in the UK

2014 Investment and Development Activity

Continued expansion in North America in 2014 and early 2015

- Group has completed 4 acquisitions in North America in past two years
- In August, completed acquisition of 45% interest in Eco Farms, in California with options in place to acquire a majority stake in the future
- Founded in 1972, Eco Farms is an avocado grower, marketer and distributor and has been a key player in the avocado industry for over 40 years
- In December, the Group's Healthfoods and Consumer Products Division acquired the trading assets of Gaspari Nutrition in New Jersey
- Post year-end acquisition of a 50% interest in the Gambles Group, a fresh produce distributor based in Toronto

Successful Acquisition Strategy



35%
(will increase to 65%)



50%

Canada

- 2013: Fresh produce company headquartered in Vancouver
- 2015: Fresh produce company based in Toronto



100%



100%



50%

United Kingdom

- 2007: UK fresh produce importer and distributor
- 2009: Importer and supplier of exotic fresh produce
- 2013: UK based importer of African exotic vegetables



Sweden

- 2011: 50% investment in fresh cut salad facility
- 2012: 50% investment in potato peeling facility



45%



USA

- 2014: Californian based avocado marketer and distribution
- 2014: Acquired Trading assets of sports nutritional company



50%

Spain

- 2011: Fresh produce importer and distributor



70% (will increase to 100%)



50%

Netherlands

- 2014: Acquisition of additional 20% of soft fruit company, will increase to 100% in coming years
- 2012: Fresh produce company headquartered in Venlo with operations also in Germany and Poland
- 2008: Fresh produce companies who primarily specialise in local Dutch salads



60%



100%

Ireland

- 2008: Distributor of healthfood products



70%

France

- 2012: Acquisition of Indigo Fruit, a distributor of fresh fruits

Summary and Outlook

- Robust performance in 2014
- LFL volumes maintained with average price decreases due to unexpected developments in Russia
- Continued expansion in Europe and North America
- 6.0% increase in final dividend
- Satisfactory trading performance in early 2015
- Targeting 2015 adjusted EPS in the range of 9.2 to 10.2 cent per share



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