

TotalProduce™

Let's Grow Together

2017 Interim Results

31 August 2017



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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Financial Highlights

Total Revenue
€2.15bn

+12.2%

Adjusted EBITDA
€52.8m

+9.5%

Adjusted EBITA
€42.5m

+12.0%

Adjusted EPS
6.78cent

+10.1%

**Interim
Dividend**
0.8906cent

+10.0%

**Return on Average
Capital Employed**
14.7%

**Net Debt /
Adjusted EBITDA**
1.5 times

**Adjusted EBITA /
Net Interest**
13.9 times

Development Highlights

- Acquisition of a further 30% in the Oppenheimer Group in March 2017, taking shareholding to 65%
- Put and call option in place for remaining 35% exercisable from 2020
- Enhancements made to strategic agreements between Oppy and the New Zealand based T&G Global
- Number of bolt-on acquisitions in North America and Europe to complement existing businesses
- Total 2017 investments of €34.4m including €1.7m contingent on the achievement of profit targets

Segmental Performance

	6 months ended 30 June 2017		6 months ended 30 June 2016	
	Revenue €'m	EBITA* €'m	Revenue €'m	EBITA* €'m
Europe – Eurozone	903	13.8	870	13.2
Europe – Non-Eurozone	800	22.1	811	19.8
International	472	6.6	261	4.9
- Inter-segment revenue	(28)	-	(28)	-
Revenue and adj. EBITA	2,147	42.5	1,914	37.9

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

Business Overview



Company Overview

Operating
Facilities

138



Cartons sold
annually

350m+

Countries

26



Revenue
(Annualised)

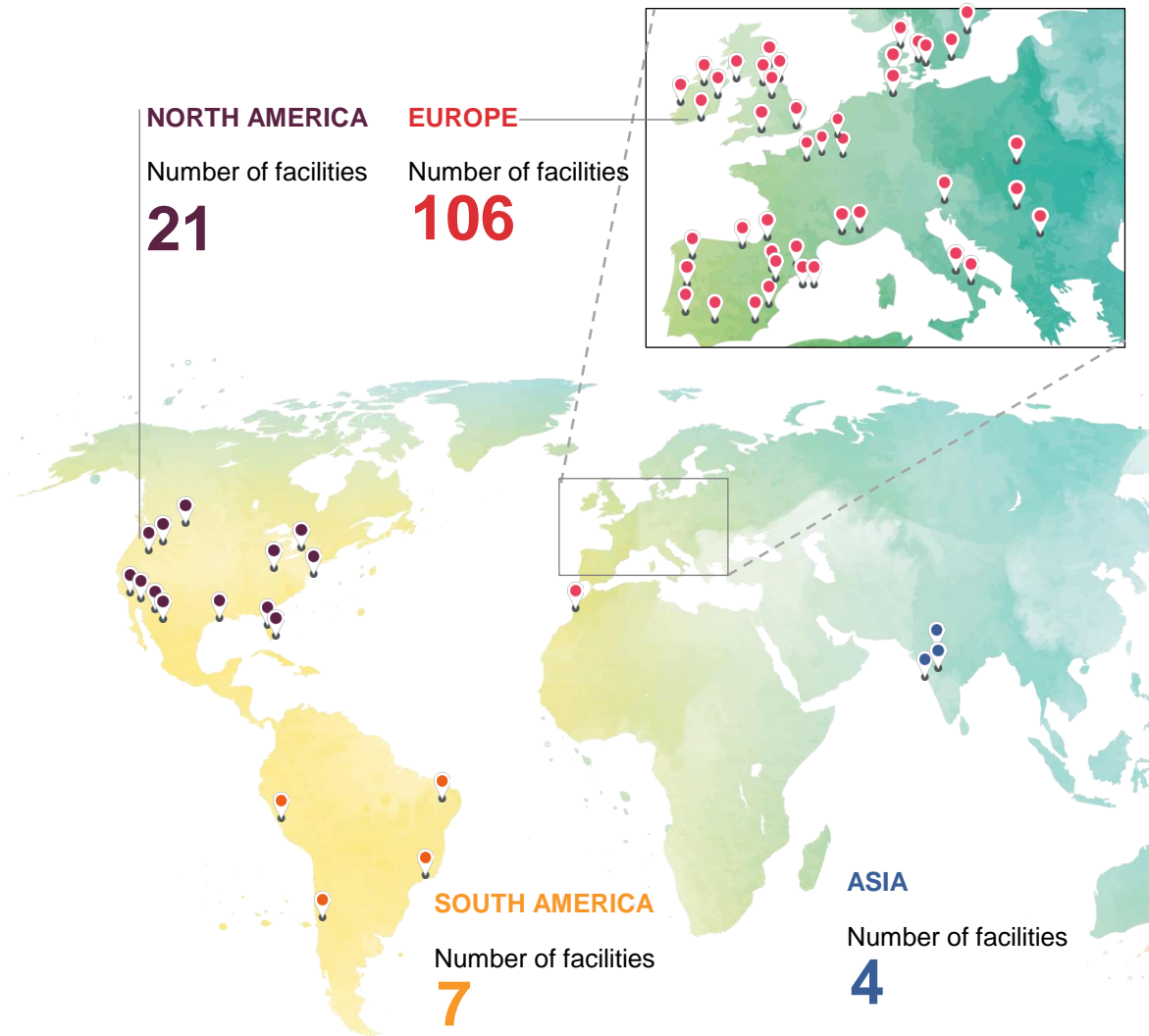
€4.0bn+

EBITA (Annualised)

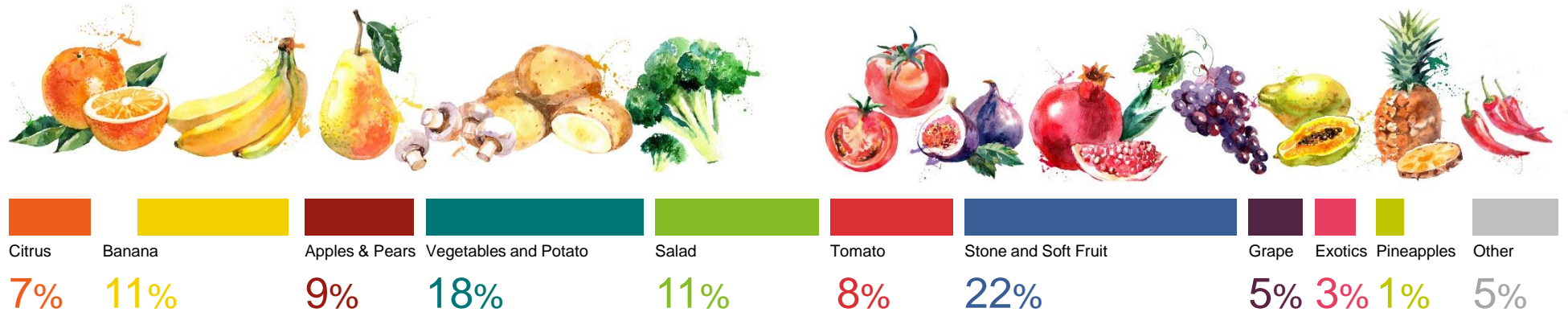
€78m+

EBITDA (Annualised)

€99m+



Our Produce Portfolio



Vision and Strategy

Our vision

To continue to develop our position as one of the world's leading fresh produce companies



Our strategy

Deliver long term shareholder value by

Leveraging our collective skills at a local level

Continued acquisitions and partnerships

Ensuring operational excellence

Building on our core competencies

Business Model and Supply Chain



Local at heart

Global by nature

People
Experience
Expertise
Relationships

Growers
Supporting
Advising
Consolidating

Scale
Collective procurement
synergies
Efficiencies

Resources
Financial strength
Security
Investment
Capacity

Infrastructure
Facilities
Logistics
Customisation

Category Management
Local markets
Local trading
Local consumers

Reach
New markets
New growers
New products

Added Value
Marketing
NPD
Shared core competencies

Competitive Advantage



Growth

**Well positioned
for sector
consolidation**



Economies of Scale

Scale offers
operational and
financial synergies



Acquisition Track Record

Successful
identification and
integration of
acquisitions



Financial Strength

Strong balance
sheet and cash
generative



Management Team

Highly experienced
senior management
team



Financials

Financial Highlights

	June 2017	June 2016	% change
Revenue	€2,147m	€1,914m	+12.2%
Adjusted EBITDA ¹	€52.8m	€48.2m	+9.5%
Adjusted EBITA ¹	€42.5m	€37.9m	+12.0%
Adjusted profit before tax ¹	€39.0m	€34.9m	+11.8%
Adjusted fully diluted EPS ¹	6.78 cent	6.16 cent	+10.1%
Interim dividend per share	0.8906 cent	0.8096 cent	+10.0%

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

Financials

Statutory Income Statement

	June 2017 €'m	June 2016 €'m
Revenue	2,147	1,914
Adjusted EBITA	42.5	37.9
<i>Intangible asset amortisation (incl. share of JV & Associates)</i>	<i>(6.3)</i>	<i>(5.1)</i>
<i>Share of JV & Associates tax and interest charges</i>	<i>(1.9)</i>	<i>(2.8)</i>
<i>Acquisition costs / FV movements on contingent consideration</i>	<i>(0.9)</i>	<i>(1.6)</i>
Operating profit before exceptional items	33.4	28.4
Exceptional items	5.1	–
Operating profit after exceptional items	38.5	28.4
Net finance expense	(3.1)	(2.8)
Profit before tax	35.4	25.6

Financials

Exceptional items

	June 2017 €'m	June 2016 €'m
Fair value uplift on associate investment	12.4	—
Employee defined benefit pension settlement credit	1.7	—
Goodwill impairment	(9.0)	—
Total exceptional items	5.1	—
Tax charge	(0.2)	—
Total exceptional items, net of tax	4.9	—

Financials

Cash flow statement

	June 2017 €'m	June 2016 €'m
Operating cash flows	33.3	32.5
Working capital movements	(45.9)	(57.7)
Operating cash flows after working capital movements	(12.6)	(25.2)
Routine capital expenditure (net)	(10.4)	(9.0)
Dividends from joint ventures and associates	6.5	7.8
Dividends to non-controlling interests	(8.5)	(3.8)
Total free cash flow	(25.0)	(30.2)
Acquisition expenditure (includes cash/debt acquired)	(57.4)	(34.1)
Subsidiary now a joint venture	(6.7)	–
Contingent/deferred consideration payments	(8.8)	(3.6)
Non-routine capital expenditure/property additions	(8.9)	(4.7)
Cashflows on exceptional items	(1.7)	–
Disposal of trading assets	–	3.8
Dividends to shareholders	(7.2)	(6.5)
Proceeds from share issue/Share buy-back	2.1	(4.7)
Other, including translation movements	8.7	2.4
Movement in the period	(104.9)	(77.6)
Net debt at 1 January	(48.4)	(18.1)
Net debt at 30 June	(153.3)	(95.7)

Financials

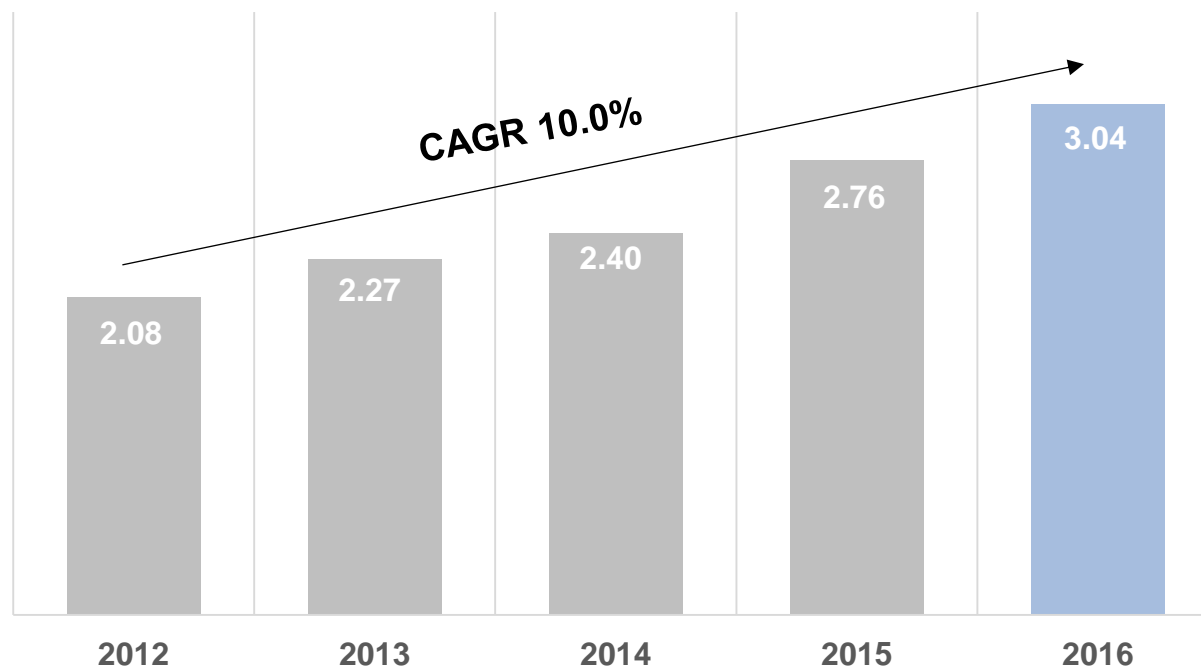
Balance sheet

	June 2017 €'m	June 2016 €'m	Dec 2016 €'m
Tangible assets	160.3	156.1	153.8
Intangible assets / goodwill	292.0	239.0	220.5
Investments <i>(primarily joint ventures and associates)</i>	87.8	77.0	93.5
Working capital & other	58.2	43.3	(5.4)
Contingent and deferred consideration	(37.5)	(50.9)	(46.9)
Put option liability	(42.0)	(17.1)	(21.2)
Post-employment benefits <i>(net of deferred tax)</i>	(27.6)	(33.5)	(31.8)
Corporation and deferred tax	(29.0)	(26.9)	(15.2)
Net debt	(153.3)	(95.7)	(48.4)
Net Assets	308.9	291.3	298.9
Shareholders' equity	234.5	216.1	226.3
Non-controlling interests	74.4	75.2	72.6
Shareholders' Equity & Non-Controlling Interests	308.9	219.3	298.9

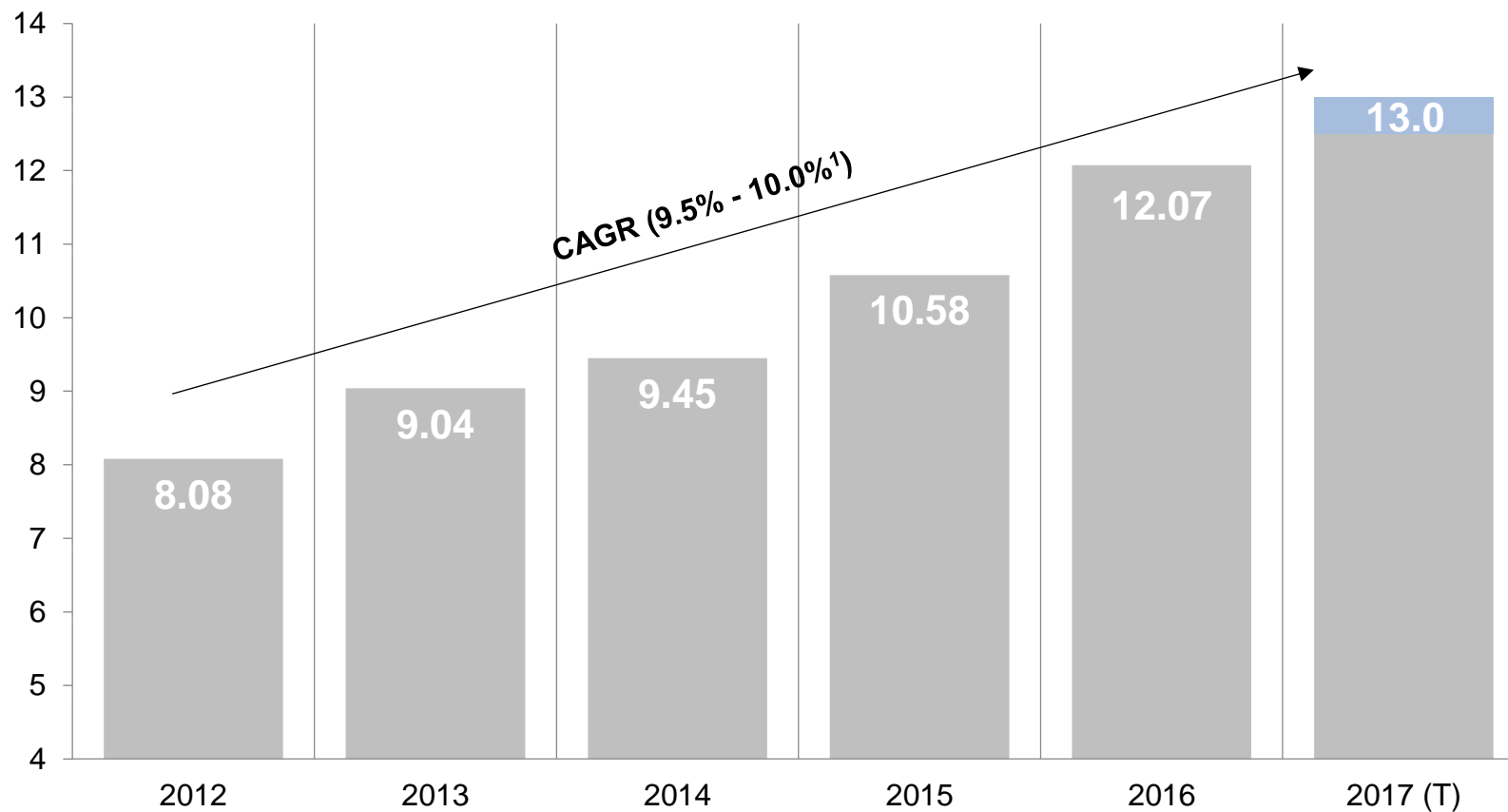
Dividends

- 10% increase in 2017 interim dividend to 0.8906 cent per share
- Prospective dividend yield of 1.5% based on share price of €2.18
- Average 5 year dividend pay-out (full year) of 25.5% of adjusted earnings

Total dividend (euro cent)



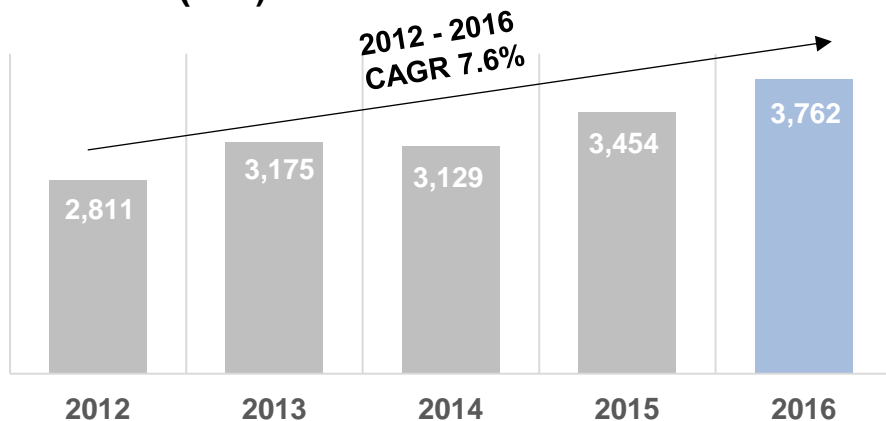
Earnings per Share (euro cent)



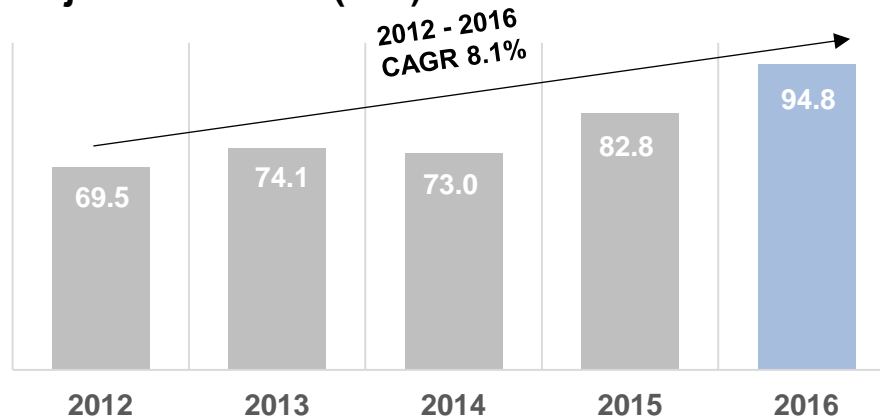
¹ Range based on midpoint and top end of 2017 earnings target

5 Year Summary (2012 – 2016)

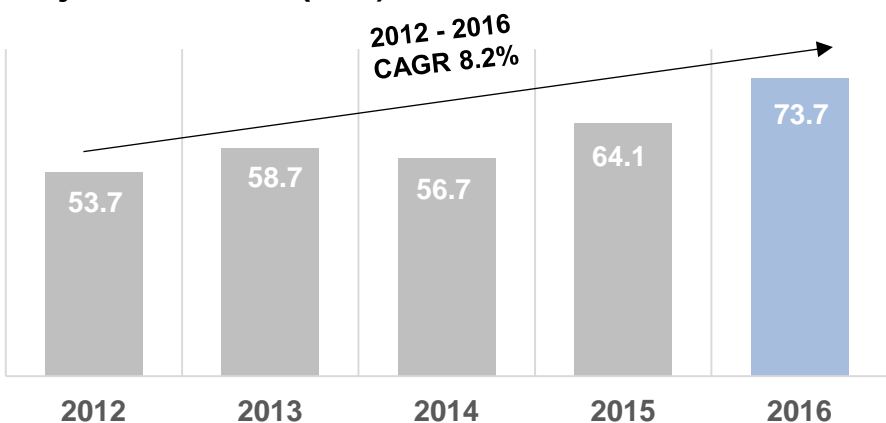
Revenue (€'m)



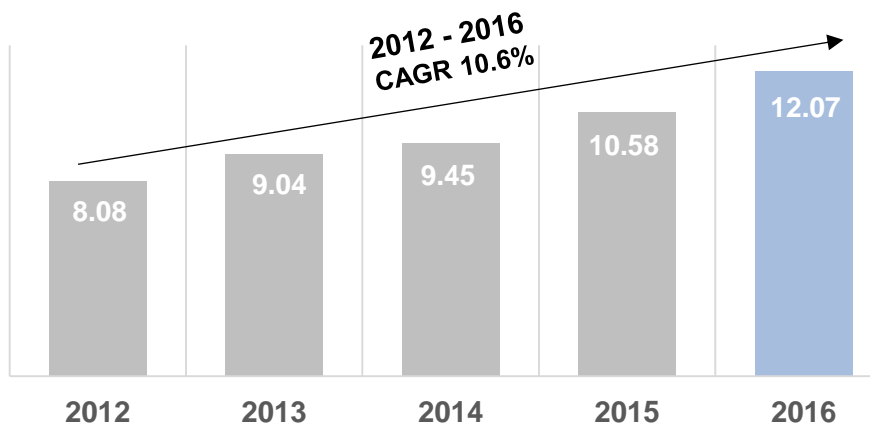
Adjusted EBITDA (€'m)



Adjusted EBITA (€'m)



Adjusted EPS (€'cent)



Investment and Development Activity



2017 Investments

In March 2017 the Group increased its shareholding in Oppy to 65%

- Total investment of €34.4m including €1.7m of deferred and contingent consideration payable on the achievement of future profit targets
- Acquired a further 30% of the Oppenheimer Group ('Oppy') for CAD \$39.5m (€28.2m) taking interest to 65%. Put and call options in place for the remaining 35% exercisable from early 2020
- Oppy has annual revenue in excess of CAD\$ 1 billion (€720m)
- Concurrent with this transaction, Oppy entered into a series of strategic transactions to enhance its relationship with the New Zealand based T&G Global Limited ('T&G')
 - Oppy acquired 50% of Delica North America which is focused on the export of fresh produce from the US to the Chinese and South East Asian markets
 - T&G increased its shareholding in Oppy's US subsidiary from 15% to 39.4%
- Oppy secures long term supply of key T&G proprietary varieties of apples and pears

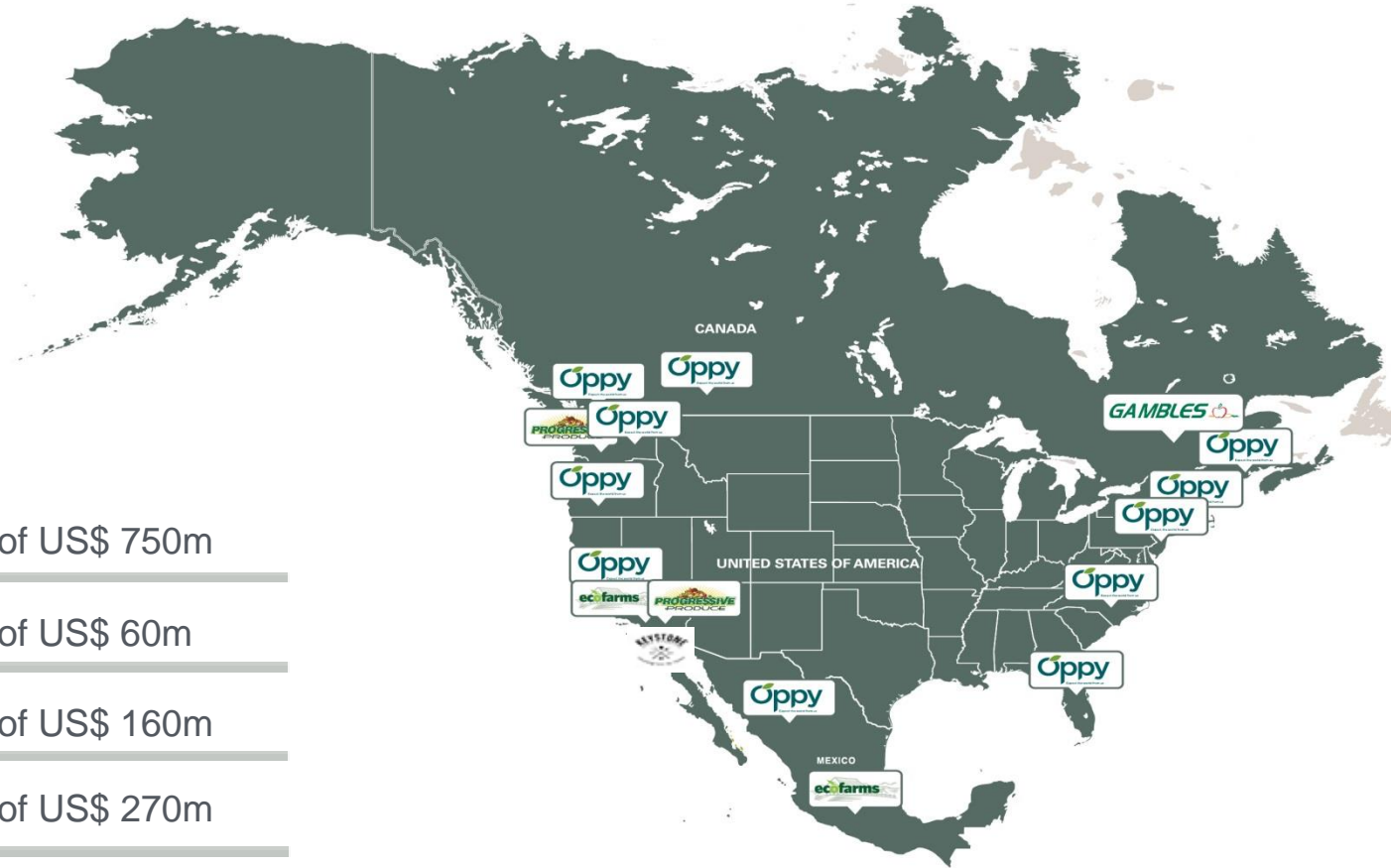
2017 Investments (continued)



Bolt-on investments in the period in Europe and North America

- In February 2017, Progressive Produce LLC acquired the trade and business assets of Keystone Fruit Marketing
- Keystone was founded in 1977 and markets sweet onions, asparagus, peaches, apples and watermelons and has offices in Pennsylvania, Florida, Washington, Texas, and California.
- The Group also made an number of bolt-on acquisitions in Europe which complement existing businesses

North America

The story so far....



	Revenue of US\$ 750m
	Revenue of US\$ 60m
	Revenue of US\$ 160m
	Revenue of US\$ 270m
Total North America*	Revenue of US \$1.2 billion

* Gross 100% revenue of each Company



Summary and Outlook

Summary and Outlook

- A strong performance in the first half of 2017
- Revenue up 12.2%, adjusted EBITA up 12.0% and adjusted EPS up 10.1%
- Results benefited from contribution of recent acquisitions
- Some weaker currencies impacted results on translation to Euro
- Like-for-like revenue up 4%
- 10.0% increase in the interim dividend
- Expansion in North America continues in 2017
- The Group continues to target increased full-year adjusted EPS in the upper half of the previously announced range of 12.0 to 13.0 cent per share



TotalProduce™

Let's Grow Together

Frank Davis
Finance Director

fdavis@totalproduce.com
+353 1 887 2721

