TotalProduce

TOTAL PRODUCE PLC
RESULTS TO 30 JUNE 2013

TOTAL PRODUCE INCREASES EARNINGS BY 10.2%

- Revenue [(1)] up 18.8% to €1.7 billion
- Adjusted EBITDA [(1)] up 7.5% to €39.1m
- Adjusted EBITA [(1)] up 9.8% to €31.4m
- Adjusted profit before tax [(1)] up 13.7% to €28.2m
- Adjusted earnings per share [(1)] up 10.2% to 4.84 cent
- Interim dividend increased by 7.5% to 0.6095 cent per share

(1) *Key performance indicators are defined overleaf*

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

"Total Produce has continued to deliver good results in 2013 with an 18.8% increase in revenues and a 10.2% increase in earnings. The Group's strong performance is driven by its overseas expansion programme.

The Group expanded into the North American Market in January 2013 with an agreement to acquire 65% of the Oppenheimer group, 35% initially with a commitment to acquire a further 30% in 2017.

Trading conditions are satisfactory and the Group is revising upwards its full year earnings target into the upper half of the range between 8.00 to 8.80 cent per share. The Group is pleased to announce a 7.5% increase in the interim dividend to 0.6095 cent per share."

3 September 2013

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TOTAL PRODUCE PLC INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

	2013 €'million	2012* €'million	% change
Total revenue (1)	**1,663**	**1,399**	+18.8%
Group revenue	**1,373**	**1,214**	+ 13.2%
Adjusted EBITDA (1)	**39.1**	**36.4**	+7.5%
Adjusted EBITA (1)	**31.4**	**28.6**	+9.8%
Operating profit	**25.9**	**23.4**	+10.6%
Adjusted profit before tax (1)	**28.2**	**24.8**	+13.7%
Profit before tax	**22.9**	**20.1**	+14.0%
	Euro cent	Euro cent	% change
Adjusted earnings per share (1)	**4.84**	4.40	+ 10.2%
Basic and diluted earnings per share	**4.03**	3.65	+ 10.4%
Interim dividend per share	**0.6095**	0.5670	+7.5%

(1) Key performance indicators defined

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

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

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

**** 2012 comparatives have been re-stated in accordance with IAS 19: Employee Benefits (2011)***

Forward-looking statement

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

Summary of Results

Total Produce (the 'Group') has recorded a good first half performance with an 18.8% increase in revenue [(1)] and adjusted earnings per share [(1)] growth of 10.2%. Continued overseas expansion and satisfactory market conditions underpinned the continuing strong trading performance in 2012 extending into 2013.

Revenue grew 18.8% to €1.66 billion (2012: €1.40 billion) with adjusted EBITA [(1)] up 9.8% to €31.4m (2012: €28.6m). Trading conditions overall were improved on the same period in 2012 and the results were assisted by the contribution of acquisitions completed in the past fifteen months offset in part by the divestment of the Group's 25% interest in Capespan Group Limited ('Capespan South Africa'). The effect of currency translation on the reported results was not material in the period. On a like-for-like basis, excluding impact of acquisitions, divestments and currency translation, revenue was up c. 11% in the period.

Operating profit before exceptional items increased 12.1% to €25.9m (2012: €23.1m). The Group recognised an exceptional profit of €0.2m in the period relating to the divestment of the Group's 25% associate investment in Capespan South Africa which was offset by a €0.2m impairment arising on the revaluation of investment property. This compares to an exceptional profit of €0.3m in the comparative period following the disposal of the Group's 50% interest in Capespan Europe. After these exceptional items, operating profit of €25.9m (2012: €23.4m) was up 10.6% on the same period in 2012.

Statutory profit before tax in the period was €22.9m (2012: €20.1m). Excluding exceptional items and acquisition related intangible asset amortisation charges and costs, adjusted profit before tax [(1)] increased by 13.7% to €28.2m (2012: €24.8m).

The Group continues to be cash generative, with operating cash flows of €25.4m for the six month period (2012: €20.6m) before seasonal working capital outflows.

The Group has concluded a number of investments in the first half of 2013 for a total consideration of €17.6m. The most significant investment being the acquisition of an initial 35% interest in the Oppenheimer Group on 7 January 2013, with a further 30% to be acquired in 2017. This development represents the Group's first investment in the North American market where the Oppenheimer Group is a leading distribution and marketing company with thirteen locations, of which nine are in the USA, three are in Canada and one in Chile.

In line with the Group's progressive dividend policy, the Board is pleased to announce a 7.5% increase in the interim dividend to 0.6095 cent per share.

Operating Review

The table below details a segmental breakdown of the Group's revenue and adjusted EBITA for the six months ended 30 June 2013. Segment performance is evaluated based on revenue and adjusted EBITA.

	(Unaudited) **6 months to 30 June 2013**		*(Unaudited)* 6 months to 30 June 2012	
	Segmental revenue €'000	**Adjusted EBITA €'000**	Segmental revenue €'000	Adjusted EBITA* €'000
Fresh Produce				
- Eurozone	**774,663**	**12,845**	661,011	9,572
- Northern Europe	**477,884**	**12,711**	397,766	12,280
- UK	**247,725**	**2,667**	244,573	3,465
- International	**131,955**	**1,551**	65,764	1,485
Inter-segment revenue	**(25,488)**	–	(21,704)	–
Total Fresh Produce	**1,606,739**	**29,774**	1,347,410	26,802
Healthfoods and Consumer Products	**56,034**	**1,615**	52,054	1,791
Third party revenue and adjusted EBITA	**1,662,773**	**31,389**	1,399,464	28,593

**2012 comparatives have been re-stated in accordance with IAS 19: Employee Benefits (2011) and also to conform to the current period presentation.*

Fresh Produce Division

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

Revenue in the division increased by 19.2% in the period to €1,607m (2012: €1,347m) with adjusted EBITA increasing 11.1% to €29.8m (2012: €26.8m). Net EBITA margins in the Fresh Produce Division at 1.85% were slightly down on the comparable period. The results were assisted by acquisitions in the past fifteen months offset to some extent by the divestment of the Group's 25% interest in Capespan South Africa in April 2013.

Trading conditions overall were improved on the same period in 2012 with a strong performance in the Eurozone and Northern Europe offset to a lesser extent by weaker conditions in the UK. The effect of currency translation on the reported results was not material in the period. On a like-for-like basis excluding impact of acquisitions, divestments and currency translation, revenue increased 11% due to both volume and average price increases.

Further information on each reporting segment follows.

Eurozone

Revenue in the Eurozone division increased by 17.2% in the period to €775m (2012: €661m) with a 34.2% increase in adjusted EBITA to €12.8m (2012: €9.6m). The increase was due to the contribution of acquisitions completed in the past fifteen months and improved trading conditions in certain Continental European locations. Excluding the effect of acquisitions, revenue on a like-for-like basis was up 11% in the period due to both volume and price increases.

Northern Europe

Reported revenue in the Group's Northern European business increased by 20.1% to €478m (2012: €398m) with adjusted EBITA increasing by 3.5% to €12.7m (2012: €12.3m). The increase in revenue was due to a mix of volume and average price increases, the continued introduction of new product lines and the impact of favourable currency translation in the period.

UK

Reported revenue in the Group's UK division increased by 1.3% in the period to €248m (2012: €245m) with adjusted EBITA decreasing by 23% to €2.7m (2012: €3.5m). The results were impacted by the weakening of Sterling by 4.9% which led to lower reported revenues and profits on translation to Euro and also by the late start to Spring in 2013 due to cold conditions continuing into April.

International

Reported revenue in the Group's International business increased by 101% to €132m (2012: €66m) with adjusted EBITA increasing 4.4% to €1.6m (2012: €1.5m). The results benefitted from the acquisition of Oppenheimer in January 2013 offset by the impact of the divestment of Capespan South Africa in April 2013.

Healthfoods & Consumer Products Distribution Division

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

Revenue in this division increased by 7.6% in the period to €56m (2012: €52m), with a net adjusted EBITA decreasing to €1.6m (2012: €1.8m). The revenue increase was due to the positive contribution from acquisitions completed in the second half of 2012 with a marginal decrease in the net margin due to a change in product mix.

Financial Review

Exceptional Items
On 23 April 2013, the Group sold its 25% shareholding in the Capespan Group Limited (‘Capespan South Africa’) for a total consideration of €21.7m. A profit of €0.2m was recognised on the disposal of this investment. Also in the period there was an exceptional loss of €0.2m (2012: €Nil) relating to the revaluation of investment property. In the comparative period in 2012, there was an exceptional gain of €0.3m relating to the sale of the Group’s joint venture interest in Capespan Europe. See Note 5 of the accompanying financial information for further details regarding these items.

Net Financial Expense
Net financial expense for the period was €3.0m (2012: €3.3m). The decrease of €0.3m in the period is largely due to lower average debt in the period assisted by proceeds received following the divestment of Capespan South Africa.

The Group’s share of the net interest expense of joint ventures and associates in the period was €0.2m (2012: €0.5m). Net interest cover for the period was 10.4 times based on adjusted EBITA.

Profit Before Tax
Statutory profit before tax in the period was €22.9m (2012: €20.1m). Excluding exceptional items, acquisition related intangible asset amortisation charges and costs, adjusted profit before tax [(1)] increased by 13.7% to €28.2m (2012: €24.8m).

Non-Controlling Interests
The non-controlling interests’ share of after tax profits in the period was €4.3m (2012: €3.3m). The increase was due to higher after tax profits in a number of the Group’s non-wholly owned subsidiaries in the Eurozone.

Adjusted and Basic Earnings per Share
Adjusted earnings per share for the six months ended 30 June 2013 increased 10.2% to 4.84 cent per share (2012: 4.40 cent). The adjusted earnings per share for 2012 has been re-stated in accordance with the amendments in *IAS 19: Employee Benefits (2011)* from 4.48 cent per share, as previously reported, to 4.40 cent per share.

Management believe that adjusted earnings per share excluding exceptional items, acquisition related intangible asset charges and costs and related tax on these items gives a fair reflection of the underlying trading performance of the Group. Basic earnings per share after these non-trading items amounted to 4.03 cent (2012: 3.65 cent).

Cash Flow

Net debt at 30 June 2013 was €74.1m compared to €94.6m at 30 June 2012 and €53.0m at 31 December 2012. At 30 June 2013, the Group had available cash balances of €88.6m and interest bearing borrowings (including overdrafts) of €162.7m. Net debt to annualised adjusted EBITDA is 1.0 times and interest is covered 10.4 times by adjusted EBITA.

The Group generated €25.4m (2012: €20.6m) in operating cash flows in the first six months of 2013 before seasonal working capital outflows of €44.3m (2012: €28.0m). The high seasonal working capital outflow in the period was due to increased sales and the effect of the reversal of exceptional working capital inflow at 31 December 2012. Cash outflows on routine capital expenditure, net of disposals, were €5.7m (2012: €3.8m). Dividends received from joint ventures & associates increased to €3.7m (2012: €2.5m) while dividends paid to non-controlling interests also increased to €3.4m (2012: €3.3m) in the period.

Cash outflows on acquisitions and contingent consideration payments amounted to €14.8m in the period. As highlighted earlier, the Group sold its investment in Capespan South Africa and received cash proceeds of €21.7m in the period. The final 2012 dividend of €5.0m (2011: €4.5m) was also paid in the period.

There was a positive impact of €2.1m on translation of foreign currency net debt into Euro at 30 June 2013 due primarily to the weaker Sterling and Swedish Krona exchange rates at the period end compared to the rates prevailing at 31 December 2012.

	(Unaudited) 6 months to 30 June 2013 €'million	(Unaudited) 6 months to 30 June 2012* €'million	(Audited) Year ended 31 Dec 2012* €'million
Adjusted EBITDA	**39.1**	36.4	69.7
Deduct adjusted EBITDA of joint ventures & associates	**(6.3)**	(5.4)	(11.4)
Net interest and tax paid	**(6.4)**	(8.4)	(17.6)
Other	**(1.0)**	(2.0)	(2.7)
Operating cash flows before working capital movements	**25.4**	20.6	38.0
Working capital movements	**(44.3)**	(28.0)	12.1
Operating cash flows	**(18.9)**	(7.4)	50.1
Routine capital expenditure net of disposal proceeds	**(5.7)**	(3.8)	(7.9)
Dividends received from joint ventures & associates	**3.7**	2.5	2.9
Dividends paid to non-controlling interests	**(3.4)**	(3.3)	(3.9)
Free cash flow	**(24.3)**	(12.0)	41.2
Disposal of an associate/joint venture interest	**21.7**	8.5	8.5
Acquisition expenditure (including contingent consideration)	**(14.8)**	(8.1)	(14.8)
Development capital expenditure	**(0.6)**	(0.6)	(3.8)
Dividends paid to equity shareholders	**(5.0)**	(4.5)	(6.3)
Other	**(0.2)**	(0.2)	(0.1)
Total net debt movement in period	**(23.2)**	(16.9)	24.7
Net debt at beginning of period	**(53.0)**	(75.6)	(75.6)
Foreign currency translation	**2.1**	(2.1)	(2.1)
Net debt at end of period	**(74.1)**	(94.6)	(53.0)

*2012 comparatives have been re-stated in accordance with *IAS 19: Employee Benefits (2011)*

Defined Benefit Pension Obligations

The net liability of the Group's defined benefit pension schemes (net of deferred tax) increased to €26.6m at 30 June 2013 from €23.7m at 31 December 2012. The increase in the liability is due to a decrease in the discount rates in Ireland and the Eurozone underlying the calculations of the present value of scheme obligations partially offset by increased return on pension scheme assets and an increase in discount rate in the UK.

The Group adopted IAS 19*: Employee Benefits (2011)* from 1 January 2013 with retrospective application to 2012 as required by the standard. Comparative numbers for 2012 have been re-stated to reflect any changes resulting from the amendment to the standard. See Note 1 of the accompanying financial information for further details.

Shareholders' Equity

Shareholders' equity has decreased marginally by €2.0m to €185.8m in the six month period to 30 June 2013. Earnings in the period of €13.3m attributable to equity shareholders were offset by losses of €4.7m on the retranslation of the net assets of foreign currency denominated operations, actuarial losses of €3.5m (net of deferred tax) on employee defined benefit pension schemes, revaluation losses of €2.2m (net of deferred tax) following the revaluation of property and the payment of the final 2012 dividend of €5.0m to equity shareholders of the Company.

Development Activity

In the six month period ended 30 June 2013, the Group invested over €17.6m in the business, including estimated contingent consideration of up to €2.8m payable on the achievement of future profit targets.

On 7 January 2013 the Group announced the completion of an agreement to acquire a 65% majority shareholding in the Oppenheimer Group in two stages over five years. The acquisition of an initial 35% of the Oppenheimer shares were completed on this date in January for an initial cash payment of CAD$15.0m (€11.4m) with additional consideration payable on these shares if certain profit targets are met. The fair value of the contingent consideration recognised at the date of acquisition of €2.6m was arrived at by discounting the expected payment to present value. A further 30% shareholding will be purchased in 2017 for a price to be determined based on future profits. The total consideration payable for the 65% shareholding is estimated not to exceed CAD$40.0m (€30.0m) at completion.

In addition to the activity detailed above, the Group made a number of other bolt-on acquisitions and invested in new and existing joint ventures in the period. The Group continues to actively pursue further investment opportunities in both new and existing markets.

Share Buyback

Under the authority granted at the AGM in 2013, the Group is permitted to purchase up to 10% of its issued share capital in the market if the appropriate opportunity arises at a price which would not exceed 105% of the average price over the previous five trading days. The Group continues to consider exercising its authority should the appropriate opportunity arise.

Dividends

The Board has declared an interim dividend of 0.6095 cent per share, representing a 7.5% increase on the 2012 interim dividend of 0.5670 cent per share. This dividend will be paid on the 18 October 2013 to shareholders on the register at 20 September 2013 and is subject to dividend withholding tax. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2013.

Outlook

Total Produce has continued to deliver good results in 2013 with an 18.8% increase in revenues and a 10.2% increase in earnings. The Group's strong performance is driven by its overseas expansion programme.

The Group expanded into the North American Market in January 2013 with an agreement to acquire 65 % of the Oppenheimer group, 35% initially with a commitment to acquire a further 30% in 2017.

Trading conditions are satisfactory and the Group is revising upwards its full year earnings target into the upper half of the range between 8.00 to 8.80 cent per share. The Group is pleased to announce a 7.5% increase in the interim dividend to 0.6095 cent per share.

Carl McCann, Chairman
On behalf of the Board
3 September 2013

(1) *See page 2 of this announcement for a definition of the Group's key performance indicators.*

Total Produce plc
Condensed Group Income Statement
for the half year ended 30 June 2013

	(Unaudited) 6 months to 30 June 2013 Pre-exceptional €'000	**(Unaudited) 6 months to 30 June 2013 Exceptional items €'000**	**(Unaudited) 6 months to 30 June 2013 Total €'000**	(Unaudited) 6 months to 30 June 2012* Pre-exceptional €'000	(Unaudited) 6 months to 30 June 2012* Exceptional items €'000	(Unaudited) 6 months to 30 June 2012* Total €'000	(Audited) Year ended 31 Dec 2012* Pre-exceptional €'000	(Audited) Year ended 31 Dec 2012* Exceptional items €'000	(Audited) Year ended 31 Dec 2012* Total €'000
Revenue, including Group share of joint ventures & associates	**1,662,773**	**–**	**1,662,773**	1,399,464	–	1,399,464	2,810,571	–	2,810,571
Group revenue	**1,373,204**	**–**	**1,373,204**	1,213,604	–	1,213,604	2,431,826	–	2,431,826
Cost of sales	**(1,195,333)**	**–**	**(1,195,333)**	(1,052,111)	–	(1,052,111)	(2,092,874)	–	(2,092,874)
Gross profit	**177,871**	**–**	**177,871**	161,493	–	161,493	338,952	–	338,952
Operating expenses	**(154,900)**	**(16)**	**(154,916)**	(140,604)	303	(140,301)	(301,031)	303	(300,728)
Share of profit of joint ventures & associates	**2,922**	**–**	**2,922**	2,209	–	2,209	4,572	–	4,572
Operating profit	**25,893**	**(16)**	**25,877**	23,098	303	23,401	42,493	303	42,796
Net financial expense	**(3,009)**	**–**	**(3,009)**	(3,348)	–	(3,348)	(6,410)	–	(6,410)
Profit before tax	**22,884**	**(16)**	**22,868**	19,750	303	20,053	36,083	303	36,386
Income tax (expense)/credit	**(5,327)**	**63**	**(5,264)**	(4,707)	–	(4,707)	(8,222)	43	(8,179)
Profit for the period	**17,557**	**47**	**17,604**	15,043	303	15,346	27,861	346	28,207
Attributable to:									
Equity holders of the parent			**13,306**			12,035			21,127
Non-controlling interests			**4,298**			3,311			7,080
			17,604			15,346			28,207
Earnings per ordinary share									
Basic			**4.03**			3.65 cent			6.40 cent
Fully diluted			**4.03**			3.65 cent			6.40 cent

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

Total Produce plc
Condensed Group Statement of Comprehensive Income
for the half year ended 30 June 2013

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Profit for the period	**17,604**	15,346	28,207
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation effects:			
-foreign currency net investments - subsidiaries	**(6,546)**	3,515	5,282
-foreign currency net investments – joint ventures & associates	**(2,247)**	268	367
-foreign currency borrowings designated as net investment hedges	**2,793**	(1,584)	(2,606)
-foreign currency losses reclassified to income statement on disposal of associate/joint venture investment	**1,044**	1,489	1,489
Effective portion of cash flow hedges, net	**59**	(18)	2
Deferred tax on items taken directly to other comprehensive income	**(24)**	3	(1)
Share of joint ventures & associates fair value adjustments on AFS equity investments	**(15)**	–	–
Items that will not be reclassified to profit or loss:			
Actuarial losses on defined benefit pension schemes	**(3,726)**	(6,851)	(11,543)
Revaluation gains on property, plant and equipment, net	**–**	–	1,771
Reversal of previously recognised revaluation gains on property, plant and equipment	**(2,977)**	–	–
Deferred tax on items taken directly to other comprehensive income	**846**	875	1,736
Share of joint ventures & and associates actuarial losses on defined benefit pension scheme	**–**	–	(331)
Share of joint ventures & and associates deferred tax on items taken directly to other comprehensive income	–	–	116
Other comprehensive income for the period	**(10,793)**	(2,303)	(3,718)
Total comprehensive income for the period	**6,811**	13,043	24,489
Attributable to:			
Equity holders of the parent	**2,823**	9,740	17,022
Non-controlling interests	**3,988**	3,303	7,467
	6,811	13,043	24,489

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

Total Produce plc
Condensed Group Balance Sheet
as at 30 June 2013

	(Unaudited) **30 June 2013 €'000**	*(Unaudited)* 30 June 2012 €'000	*(Audited)* 31 Dec 2012 €'000
Assets			
Non-current assets			
Property, plant and equipment	**132,379**	134,829	138,753
Investment property	**10,470**	11,084	11,067
Goodwill and intangible assets	**145,865**	152,091	152,098
Investments in joint ventures and associates	**53,419**	59,045	62,086
Other financial assets	**603**	637	636
Other receivables	**5,303**	5,563	6,505
Deferred tax assets	**8,678**	7,488	9,473
Total non-current assets	**356,717**	370,737	380,618
Current assets			
Inventories	**55,709**	44,217	45,565
Trade and other receivables	**372,338**	326,783	279,263
Corporation tax receivable	**1,522**	966	1,971
Derivative financial instruments	**549**	873	–
Bank deposits	**–**	–	3,799
Cash and cash equivalents	**88,623**	78,103	105,692
Total current assets	**518,741**	450,942	436,290
Total assets	**875,458**	821,679	816,908
Equity			
Share capital	**3,519**	3,519	3,519
Share premium	**252,574**	252,574	252,574
Other reserves	**(116,786)**	(112,748)	(110,043)
Retained earnings	**46,510**	38,776	41,752
Total equity attributable to equity holders of the parent	**185,817**	182,121	187,802
Non-controlling interests	**64,590**	60,117	64,162
Total equity	**250,407**	242,238	251,964
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	**133,853**	146,840	154,797
Deferred government grants	**1,876**	1,444	1,876
Other payables	**1,981**	2,580	1,881
Provisions	**14,091**	15,872	15,336
Corporation tax payable	**7,569**	7,754	7,569
Deferred tax liabilities	**14,438**	16,433	16,100
Employee benefits	**31,038**	24,080	28,324
Total non-current liabilities	**204,846**	215,003	225,883
Current liabilities			
Interest-bearing loans and borrowings	**28,875**	25,857	7,721
Trade and other payables	**383,465**	332,107	326,805
Provisions	**3,882**	3,396	1,785
Derivative financial instruments	**58**	691	341
Corporation tax payable	**3,925**	2,387	2,409
Total current liabilities	**420,205**	364,438	339,061
Total liabilities	**625,051**	579,441	564,944
Total liabilities and equity	**875,458**	821,679	816,908

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2013

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

*Other equity reserves comprise the cash flow hedge reserve and the share option reserve

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2013 (Continued)

	Attributable to equity holders of the parent										
For the half year ended 30 June 2012 (*Unaudited)****	***Share capital €'000***	***Share premium €'000***	***Currency translation reserve €'000***	***Reval-uation reserve €'000***	***De-merger Reserve €'000***	***Own shares reserve €'000***	***Other equity reserves €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2012	3,519	252,574	(5,808)	19,296	(122,521)	(8,580)	1,153	37,066	176,699	60,041	236,740
Comprehensive income											
Profit for the period	–	–	–	–	–	–	–	12,035	12,035	3,311	15,346
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects	–	–	3,585	–	–	–	–	–	3,585	103	3,688
Effective portion of cash flow hedges, net	–	–	–	–	–	–	(13)	–	(13)	(5)	(18)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	4	–	4	(1)	3
Items that will not be reclassified to profit or loss:											
Actuarial losses on defined benefit pension schemes, net	–	–	–	–	–	–	–	(6,731)	(6,731)	(120)	(6,851)
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	860	860	15	875
Total other comprehensive income	–	–	3,585	–	–	–	(9)	(5,871)	(2,295)	(8)	(2,303)
Total comprehensive income	–	–	3,585	–	–	–	(9)	6,164	9,740	3,303	13,043
Transactions with equity holders of the parent :											
Contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	57	57
Dividends	–	–	–	–	–	–	–	(4,454)	(4,454)	(3,284)	(7,738)
Share-based payment transactions	–	–	–	–	–	–	136	–	136	–	136
Total transactions with equity holders of the parent	–	–	–	–	–	–	136	(4,454)	(4,318)	(3,227)	(7,545)
	3,519	252,574	(2,223)	19,296	(122,521)	(8,580)	1,280	38,776	182,121	60,117	242,238

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half year ended 30 June 2013 (Continued)

	Attributable to equity holders of the parent										
	Share capital €'000	*Share premium €'000*	*Currency translation reserve €'000*	*Reval-uation reserve €'000*	*De-merger Reserve €'000*	*Own shares reserve €'000*	*Other equity reserves €'000*	*Retained earnings €'000*	*Total €'000*	*Non-controlling interests €000*	*Total equity €'000*
For the year ended 31 December 2012 ***(Audited)****											
As at 1 January 2012	3,519	252,574	(5,808)	19,296	(122,521)	(8,580)	1,153	37,066	176,699	60,041	236,740
Comprehensive income											
Profit for the year	–	–	–	–	–	–	–	21,127	21,127	7,080	28,207
Other comprehensive income:											
Items that may be reclassified subsequently to profit or loss:											
Foreign currency translation effects	–	–	4,325	–	–	–	–	–	4,325	207	4,532
Effective portion of cash flow hedges, net	–	–	–	–	–	–	2	–	2	–	2
Deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	(1)	–	(1)	–	(1)
Items that will not be reclassified to profit or loss:											
Actuarial losses on defined benefit pension schemes, net	–	–	–	–	–	–	–	(11,371)	(11,371)	(172)	(11,543)
Revaluation gains on property, plant and equipment, net	–	–	–	1,422	–	–	–	–	1,422	349	1,771
Deferred tax on items taken directly to other comprehensive income	–	–	–	196	–	–	–	1,537	1,733	3	1,736
Share of joint ventures & associates actuarial losses on defined benefit pension scheme	–	–	–	–	–	–	–	(331)	(331)	–	(331)
Share of joint ventures & associates deferred tax on items taken directly to other comprehensive income	–	–	–	–	–	–	–	116	116	–	116
Total other comprehensive income	–	–	4,325	1,618	–	–	1	(10,049)	(4,105)	387	(3,718)
Total comprehensive income	–	–	4,325	1,618	–	–	1	11,078	17,022	7,467	24,489
Transactions with equity holders of the parent											
Non-controlling interests arising on acquisition	–	–	–	–	–	–	–	–	–	481	481
Acquisition of non-controlling interests	–	–	–	–	–	–	–	(68)	(68)	–	(68)
Contribution by non-controlling interests	–	–	–	–	–	–	–	–	–	59	59
Dividends	–	–	–	–	–	–	–	(6,324)	(6,324)	(3,886)	(10,210)
Share-based payment transactions	–	–	–	–	–	–	473	–	473	–	473
Total transactions with equity holders of the parent	–	–	–	–	–	–	473	(6,392)	(5,919)	(3,346)	(9,265)
As at 31 December 2012	3,519	252,574	(1,483)	20,914	(122,521)	(8,580)	1,627	41,752	187,802	64,162	251,964

*2012 comparatives have been re-stated in accordance with *IAS 19: Employee Benefits (2011)*. See Note 1 for further details.

Total Produce plc
Condensed Group Statement of Cash Flows
for the half year ended 30 June 2013

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012 €'000	*(Audited)* Year ended 31 Dec 2012 €'000
Net cash flows from operating activities (Note 11)	**(18,931)**	(7,423)	50,058
Investing activities			
Acquisition of subsidiaries, net of cash acquired	**(822)**	(635)	(3,307)
Acquisition of, and investment in, joint ventures & associates including loans	**(12,114)**	(7,131)	(9,648)
Acquisition of other financial assets	**–**	(2)	(2)
Payments of contingent consideration	**(1,867)**	(311)	(1,855)
Acquisition of property, plant & equipment	**(5,621)**	(4,535)	(11,892)
Proceeds from disposal of property, plant & equipment	**157**	440	874
Dividends received from joint ventures & associates	**3,652**	2,466	2,909
Proceeds from disposal of associate/joint venture	**21,677**	8,456	8,456
Research and development expenditure capitalised	**(80)**	(77)	(146)
Software costs capitalised	**(243)**	(235)	(649)
Government grants received	**131**	18	599
Net cash flows from investing activities	**4,870**	(1,546)	(14,661)
Financing activities			
Net repayment of borrowings	**(18,100)**	(14,212)	(6,621)
Decrease/(increase) in bank deposits	**3,799**	–	(3,799)
Decrease/(increase) in cash held in escrow	**11,360**	–	(11,580)
Capital element of finance lease repayments	**(655)**	(577)	(1,135)
Dividends paid to equity holders of the parent	**(4,988)**	(4,454)	(6,324)
Acquisition of non-controlling interests	**–**	–	(68)
Capital contribution by non-controlling interests	**–**	57	59
Dividends paid to non-controlling interests	**(3,421)**	(3,284)	(3,886)
Net cash flows from financing activities	**(12,005)**	(22,470)	(33,354)
Net (decrease)/increase in cash, cash equivalents & overdrafts	**(26,066)**	(31,439)	2,043
Cash, cash equivalents and & overdrafts at start of period	**88,960**	85,813	85,813
Net foreign exchange difference	**(758)**	517	1,104
Cash, cash equivalents & overdrafts at end of the period (Note 12)	**62,136**	54,891	88,960

Total Produce plc
Condensed Summary Group Reconciliation of Net Debt
for the half year ended 30 June 2013

	(Unaudited) **30 June 2013 €'000**	*(Unaudited)* 30 June 2012 €'000	*(Audited)* 31 Dec 2012 €'000
Net (decrease)/increase in cash, cash equivalents & overdrafts	**(26,066)**	(31,439)	2,043
Net repayment of borrowings	**18,100**	14,212	6,621
(Decrease)/increase in bank deposits	**(3,799)**	–	3,799
(Decrease)/increase in cash held in escrow	**(11,360)**	–	11,580
Capital element of finance lease repayments	**655**	577	1,135
Other movements on finance leases	**(761)**	(327)	(535)
Foreign exchange movement	**2,153**	(2,064)	(2,117)
Movement in net debt	**(21,078)**	(19,041)	22,526
Net debt at beginning of the period	**(53,027)**	(75,553)	(75,553)
Net debt at end of the period (Note 12)	**(74,105)**	(94,594)	(53,027)

Total Produce plc
Notes to the Interim Results for the half year ended 30 June 2013

1. Basis of preparation

The condensed consolidated interim financial statements of Total Produce plc as at and for the six months ended 30 June 2013 have been prepared in accordance with the recognition and measurement requirements of IAS 34 *Interim Financial Reporting*, as adopted by the EU. The accounting policies and methods of computation adopted in the preparation of the financial information are consistent with those set out in the Group's consolidated financial statements for the year ended 31 December 2012, with the exception of those disclosed below, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The interim financial information for both the six months ended 30 June 2013 and the comparative six months ended 30 June 2012 are unaudited. The financial information for the year ended 31 December 2012 represents an abbreviated version of the Group's statutory financial statements for that year. Those statutory financial statements contained an unqualified audit report and have been filed with the Registrar of Companies.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2012.

The financial information is presented in Euro, rounded to the nearest thousand. These condensed consolidated interim financial statements were approved by the Board of Directors on 2 September 2013.

Changes in accounting policy

The following new standard is effective for the Group's financial year ending on 31 December 2013 and had an impact on the results and financial position of the Group for the period ended 30 June 2013.

IAS 19: Employee Benefits (2011)

As a result of IAS 19: (2011), the Group has changed its accounting policy with respect to the basis for determining the income or expense related to defined benefit schemes. The main impact of applying IAS 19: (2011) is in the income statement, with the replacement of the expected return on plan assets item and unwinding of discount on the defined benefit obligation with a single line item calculating the net interest on the (deficit)/surplus.

The impact on the Group's 2012 results and balance sheet were as follows:

- an additional pension cost to the Condensed Group Income Statement of €0.4m for the period ended 30 June 2012 and €0.7m for the year ended 31 December 2012, due to the increase in the net interest cost, with a corresponding decrease in actuarial losses on defined benefit schemes recognised in the Condensed Group Statement of Comprehensive Income

- this resulted in a reduction in the income tax charge in the Condensed Group Income Statement of €0.1m for the period ended 30 June 2012 and €0.1m for the year ended 31 December 2012 with a corresponding decrease in deferred tax credit on items recognised directly in reserves in the Condensed Group Statement of Comprehensive Income

- there was no impact on the net deficit in the Condensed Group Balance Sheet

1. Basis of preparation (continued)

Effect of changes in IAS 19: (2011) on the Condensed Group Income Statement and Statement of Comprehensive Income

Condensed Group Income Statement	6 months to 30 June 2012 €'000	Year ended 31 Dec 2012 €'000
Decrease in operating profit	(365)	(715)
Decrease in income tax expense	80	140
Decrease in profit after tax	(285)	(575)
Attributable to:		
Equity holders of the parent	(282)	(570)
Non-controlling interests	(3)	(5)
	(285)	(575)

Decrease in earnings per ordinary share	**€'cent**	**€'cent**
Basic	(0.08)	(0.18)
Fully diluted	(0.08)	(0.18)
Adjusted fully diluted	(0.08)	(0.17)

Condensed Group Statement of Comprehensive Income	6 months to 30 June 2012 €'000	Year ended 31 Dec 2012 €'000
Decrease in profit for the period	(285)	(575)
Other comprehensive income:		
Decrease in actuarial losses on defined benefit pension schemes	365	715
Decrease in deferred tax on items taken directly to other comprehensive income	(80)	(140)
Increase in other comprehensive income for the period, net of tax	285	575
Effect on total comprehensive income for the period, net of tax	–	–

Effect of changes in IAS 19: (2011) on the Condensed Group Statements of Cash Flows

	6 months to 30 June 2012 €'000	Year ended 31 Dec 2012 €'000
Decrease in profit before tax	(365)	(715)
Increase in defined benefit pension scheme expense	365	715
Effect on cash flows from operating activities	–	–

The following new standards are effective for the Group's financial year ending on 31 December 2013 and only impact the presentation of the interim results of the Group for the period ended 30 June 2013:

IAS 1 Presentation of Financial Statements
As a result of amendments to IAS 1 the Group now presents separately in the Group Statement of Comprehensive Income items that would be re-classified to profit or loss in future from those that wouldn't be. Comparative information has also been re-presented accordingly.

IAS 34 Interim Financial Reporting
IFRS13 and IFRS7 disclosures required by IAS 34 are effective for periods beginning on or after 1 January 2013 and accordingly have been disclosed in Note 10.

Amendments to existing standards
During the period, a number of amendments to accounting standards became effective. These have been considered by the directors and have not had a significant impact on the Group's consolidated interim financial statements.

2. Translation of foreign currencies

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

	Average rate 6 months to			Closing rate		
	30 June 2013	30 June 2012	% change	**30 June 2013**	31 Dec 2012	% change
Canadian Dollar	**1.3276**	–	–	**1.3714**	1.3127	(4.5%)
Czech Koruna	**25.7563**	25.1382	(2.5%)	**25.9756**	25.0942	(3.5%)
Danish Kroner	**7.4572**	7.4352	(0.3%)	**7.4589**	7.4606	0.0%
Indian Rupee	**72.2550**	68.3160	(5.8%)	**77.2454**	72.2313	(6.9%)
Polish Zloty	**4.1684**	4.2348	1.6%	**4.3304**	4.0800	(6.1%)
Pound Sterling	**0.8543**	0.8144	(4.9%)	**0.8570**	0.8110	(5.7%)
South African Rand	**12.1135**	10.2972	(17.6%)	**12.9042**	11.1852	(15.4%)
Swedish Krona	**8.5227**	8.8860	4.1%	**8.7735**	8.5763	(2.3%)
US Dollar	**1.3137**	–	–	**1.2999**	1.2698	(2.4%)

3. Segmental Analysis

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

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

Following recent corporate finance activities, as detailed in Note 9, the Directors re-assessed how performance was monitored throughout the Group and as a result the Group’s reportable operating segments have been re-aligned in the current period. Operating segments for the comparative periods have been re-stated.

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

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

3. Segmental Analysis (continued)

	(Unaudited) **6 months to 30 June 2013**		*(Unaudited)* 6 months to 30 June 2012		*(Audited)* Year ended 31 Dec 2012	
	Segmental revenue €'000	**Adjusted EBITA €'000**	Segmental revenue €'000	Adjusted EBITA* €'000	Segmental revenue €'000	Adjusted EBITA* €'000
Fresh Produce						
- Eurozone	**774,663**	**12,845**	661,011	9,572	1,319,544	20,200
- Northern Europe	**477,884**	**12,711**	397,766	12,280	802,762	22,077
- UK	**247,725**	**2,667**	244,573	3,465	498,181	5,960
- International	**131,955**	**1,551**	65,764	1,485	121,726	2,433
Inter-segment revenue	**(25,488)**	–	(21,704)	–	(34,404)	–
Total Fresh Produce	**1,606,739**	**29,774**	1,347,410	26,802	2,707,809	50,670
Healthfoods and Consumer Products	**56,034**	**1,615**	52,054	1,791	102,762	3,179
Third party revenue and adjusted EBITA	**1,662,773**	**31,389**	1,399,464	28,593	2,810,571	53,849

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*

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

Reconciliation of segmental profit to operating profit

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

	Note	*(Unaudited)* **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Adjusted EBITA per management reporting		**31,389**	28,593	53,849
Acquisition related intangible asset amortisation within subsidiaries	(i)	**(3,184)**	(3,256)	(6,732)
Share of joint ventures & associates acquisition related intangible asset amortisation	(i)	**(708)**	(626)	(1,089)
Acquisition related costs within subsidiaries	(ii)	**(68)**	(169)	(227)
Acquisition related costs within joint ventures & associates	(ii)	**–**	–	(189)
Share of joint ventures & associates net finance expense	(iii)	**(224)**	(490)	(861)
Share of joint ventures & associates tax	(iii)	**(1,312)**	(954)	(2,258)
Operating profit before exceptional items		**25,893**	23,098	42,493
Exceptional items (Note 5)	(iv)	**(16)**	303	303
Operating profit after exceptional items		**25,877**	23,401	42,796
Net financial expense	(v)	**(3,009)**	(3,348)	(6,410)
Profit before tax		**22,868**	20,053	36,386

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

3. Segmental Analysis (continued)

(i) Acquisition related intangible asset amortisation charges are not allocated to operating segments in the Group's management reporting.
(ii) Acquisition related costs are transaction costs directly related to the acquisition of subsidiaries and are not allocated to operating segments in the Group's management reporting.
(iii) Under IFRS, included within profit before tax is the Group's share of joint ventures & associates profit after acquisition related intangible amortisation charges and costs, tax and interest. In the Group's management reporting the Group's share of these items are excluded from the adjusted EBITA calculation.
(iv) Exceptional items (Note 5) are not allocated to operating segments in the Group's management reporting.
(v) Financial income and expense is primarily managed at Group level, and is therefore not allocated to individual operating segments in the Group's management reporting.

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

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

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Profit before tax per income statement	**22,868**	20,053	36,386
Adjustments			
Exceptional items (Note 5)	**16**	(303)	(303)
Group share of tax charge of joint ventures & associates	**1,312**	954	2,258
Acquisition related intangible asset amortisation in subsidiaries	**3,184**	3,256	6,732
Share of joint ventures & associates acquisition related intangible asset amortisation	**708**	626	1,089
Acquisition related costs within subsidiaries	**68**	169	227
Acquisition related costs within joint ventures & associates	**–**	–	189
Adjusted profit before tax	**28,156**	24,755	46,578
Exclude;			
Net financial expense – Group	**3,009**	3,348	6,410
Net financial expense – share of joint ventures & associates	**224**	490	861
Adjusted EBITA	**31,389**	28,593	53,849
Exclude;			
Depreciation – Group	**6,548**	6,675	13,370
Depreciation – share of joint ventures & associates	**1,153**	1,111	2,425
Adjusted EBITDA	**39,090**	36,379	69,644

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

5. Exceptional Items

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012 €'000	*(Audited)* Year ended 31 Dec 2012 €'000
Profit on disposal of joint ventures and associates (a)	**234**	303	303
Fair value movement on investment property (b)	**(250)**	–	–
Total exceptional items	**(16)**	303	303
Tax on exceptional items (b) and (c)	**63**	–	43
Total	**47**	303	346

(a) Profit on disposal of joint ventures and associates

In April 2013, the Group announced the completion of a transaction to sell its 25% shareholding in the South African fruit distribution business of Capespan Group Limited ('Capespan South Africa') 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.

In January 2012, the Group sold its 50% shareholding in the European fruit distribution business of Capespan International Holdings Limited ('Capespan Europe') to Capespan Group Limited ('Capespan South Africa') for a total consideration of €13,030,000 satisfied by the exchange of an additional 20 million shares in Capespan South Africa (valued at €4,574,000) and €8,456,000 in cash. A profit of €303,000 was recognised on disposal of this investment comprising the €1,792,000 difference between the sales proceeds and the joint venture's carrying value of €11,238,000 offset by the reclassification of €1,489,000 of currency translation losses from equity to the income statement.

Both of these items have been classified as exceptional to distinguish them from operating profits of the Group.

(b) Fair value movement on investment property

Fair value losses of €250,000 (2012: €nil) were recognised in the income statement for the 6 month period ended 30 June 2013 in relation to the revaluation of investment property. A deferred tax credit of €63,000 (2012: €Nil) was recognised in the income statement as a result of this fair value movement.

(c) Tax on exceptional items

For the year ended 31 December 2012, a net deferred tax credit of €43,000 was recorded in the year as a result of changes in the underlying tax rates that were previously applied in calculating deferred tax liabilities on prior year fair value gains on investment properties.

6. Earnings per share

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Profit attributable to equity holders of the parent	**13,306**	12,035	21,127
	'000	'000	'000
Shares for basic and diluted adjusted earnings per share calculation	**329,887**	329,887	329,887
Basic and diluted earnings per share - € cent	**4.03**	3.65	6.40

Calculation of adjusted earnings per share	*(Unaudited)* **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Profit attributable to equity holders of the parent	**13,306**	12,035	21,127
Adjustments:			
Exceptional items – net of tax (Note 5)	**(47)**	(303)	(346)
Acquisition related intangible asset amortisation in subsidiaries	**3,184**	3,256	6,732
Share of joint ventures & associates acquisition related intangible asset amortisation	**708**	626	1,089
Acquisition related costs within subsidiaries	**68**	169	227
Acquisition related costs within joint ventures and associates	**–**	–	189
Tax effect of acquisition related intangible asset amortisation charges	**(851)**	(890)	(2,063)
Non-controlling interests' impact of amortisation charges, acquisition related costs, exceptional items & related tax	**(387)**	(391)	(769)
Adjusted fully diluted earnings	**15,981**	14,502	26,186
Adjusted fully diluted earnings per share	**4.84**	4.40	7.94

*2012 comparatives have been re-stated in accordance with IAS 19: *Employee Benefits (2011)*. See Note 1 for further details.

Adjusted fully diluted earnings per share is calculated to adjust for exceptional items, acquisition related intangible asset amortisation charges and costs, related tax charges and the impact of any share options with a dilutive effect.

Share options outstanding at the 30 June 2013 (11,110,000), 30 June 2012 (7,260,000) and 31 December 2012 (7,060,000) were non-dilutive for all periods. Therefore, the weighted average number of shares outstanding applied in the calculation of basic and adjusted earnings per share is the same.

7. Employee benefits

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Net liability at beginning of period	**(28,324)**	(18,058)	(18,058)
Current/past service cost less net finance income recognised in income statement	**(2,154)**	(1,774)	(3,544)
Employer contributions to schemes	**2,711**	2,838	5,034
Actuarial losses recognised in other comprehensive income	**(3,726)**	(6,851)	(11,543)
Translation adjustment	**455**	(235)	(213)
Net liability at end of period	**(31,038)**	(24,080)	(28,324)
Related deferred tax asset	**4,465**	4,024	4,578
Net liability after tax at the end of the period	**(26,573)**	(20,056)	(23,746)

*2012 comparatives have been re-stated in accordance with the amendments in IAS 19: *Employee Benefits* (*2011*). See Note 1 for further details.

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

The Group's balance sheet at 30 June 2013 reflects pension liabilities of €31.0m in respect of schemes in deficit, resulting in a net deficit of €26.6m after deferred tax.

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

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

The increase in the net deficit during the period was due to a decrease in the Ireland and Eurozone discount rates which resulted in an increase in the net obligations of these pension schemes offset partly by positive returns on pension scheme assets and an increase in discount rates in the UK.

8. Dividends

The Board has approved an interim dividend of 0.6095 cent per share which represents a 7.5% increase on the 2012 interim dividend of 0.5670 cent per share. This dividend, which will be subject to Irish withholding tax rules, will be paid on 18 October 2013 to shareholders on the register at 20 September 2013. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2013. The final dividend for 2012 of €4,988,000 was paid in May 2013.

Also during the period, the Group paid dividends of €3,421,000 (2012: €3,284,000) to non-controlling shareholders in certain of the Group's non wholly-owned subsidiaries.

9. Businesses acquired and other developments

In the six months to 30 June 2013, the Group made a number of investments in the business as explained below.

Investment in joint ventures and associates

The Group invested over €14.5m including fees and up to €2.6m deferred consideration payable on achievement of profit targets in a number of new and existing joint ventures & associates.

On 7 January 2013 the Group announced the completion of an agreement to acquire a 65% majority shareholding in the Oppenheimer Group in two stages over five years. The acquisition of an initial 35% of the Oppenheimer shares were completed on this date for an initial cash payment of CAD$15.0m (€11.4m), with estimated additional consideration payable on these shares if certain profit targets are met. The fair value of the contingent consideration recognised at the date of acquisition of €2.6m was arrived at by discounting the expected payment to present value. A further 30% shareholding will be purchased in 2017 for a price to be determined based on future profits. The total consideration payable for the 65% shareholding is estimated not to exceed CAD$40.0m (€30.0m) at completion.

Also during the period the Group invested in a number of new and existing joint venture interests in its Fresh Produce division.

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

Acquisition of subsidiary interests

The Group invested €0.8m in a number of bolt-on acquisitions within both its Fresh Produce division and Healthfoods & Consumer Products Distribution division. These acquisitions will complement existing business interests in these divisions.

The purchase method of accounting has been applied for these acquisitions. The provisional fair value of the identifiable assets and liabilities acquired amounts to €0.8m, primarily relating to intangible assets. Goodwill of €0.2m arose on these transactions. The fair value of identifiable net assets acquired will be finalised within twelve months from the acquisition date, as permitted by IFRS 3 (Revised) *Business Combinations.*

Transaction expenses of €0.1m relating to the transactions were expensed to the Group’s income statement in the period.

Other

During the period, the Group paid €1.9m in respect of contingent consideration payments relating to previous acquisitions. There have been no significant changes in the possible outcome of contingent consideration recognised on acquisitions completed in 2012.

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

10. Financial instruments

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

	Carrying value €'000	Fair value €'000
Other financial assets	603	603
Trade and other receivables	365,492	365,492
Cash and cash equivalents	88,623	88,623
Derivative financial assets	549	549
	455,267	455,267
Trade and other payables	385,446	385,446
Bank overdrafts	26,487	26,487
Bank borrowings	131,103	131,474
Finance lease liabilities	5,138	5,614
Derivative financial liabilities	58	58
Contingent consideration	17,973	17,973
	566,205	567,052

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

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

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

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

Additional disclosures for Level 3 fair value measurements

Contingent consideration

	30 June 2013 €'000
At 1 January 2013	17,121
Discounting charge	363
Paid during the period	(1,867)
Arising on acquisition of subsidiaries	172
Arising on acquisition of joint ventures and associates	2,610
Foreign exchange movements	(426)
At 30 June 2013	**17,973**

10 Financial Instruments *(continued)*

Additional disclosures for level 3 fair value measurements

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

11. Cash flows generated from operations

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012* €'000	*(Audited)* Year ended 31 Dec 2012* €'000
Operating activities			
Profit before tax	**22,868**	20,053	36,386
Adjustments for non-cash items:			
Depreciation of property, plant and equipment (excl. depreciation within joint ventures & associates)	**6,548**	6,675	13,370
Fair value movement on investment property	**250**	–	–
Revision to deferred consideration estimates	**–**	–	(190)
Amortisation of intangible assets – acquisition related	**3,184**	3,256	6,732
Amortisation of intangible assets – development costs capitalised	**217**	190	395
Amortisation of intangible assets – computer software	**57**	–	25
Amortisation of grants	**(131)**	(142)	(292)
Movement on provisions	**–**	(432)	(523)
Share-based payment expense	**199**	136	473
Contributions to defined benefit pension schemes	**(2,711)**	(2,838)	(5,034)
Defined benefit pension scheme expense	**2,154**	1,774	3,544
Net gain on disposal of property, plant & equipment	**(9)**	(277)	(567)
Net gain on non-hedging derivative financial instruments	**(743)**	(298)	(304)
Net interest expense	**3,009**	3,348	6,410
Share of profits of joint ventures & associates	**(2,922)**	(2,209)	(4,572)
Gain on disposal of associate/joint venture	**(234)**	(303)	(303)
Income tax paid	**(3,319)**	(5,357)	(11,814)
Net interest paid	**(3,068)**	(3,000)	(5,744)
Cash flows from operations before working capital movements	**25,349**	20,576	37,992
(Increase)/decrease in working capital	**(44,280)**	(27,999)	12,066
Cash flows from operating activities	**(18,931)**	(7,423)	50,058

*2012 comparatives have been re-stated in accordance with *IAS 19: Employee Benefits (2011)*. See Note 1 for further details.

12. Analysis of Net Debt and Cash and Cash Equivalents

Net debt is a non-IFRS measure which comprises bank deposits, cash and cash equivalents and current and non-current borrowings. The calculation of net debt at 30 June 2013, 30 June 2012 and 31 December 2012 is as follows:

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012 €'000	*(Audited)* Year ended 31 Dec 2012 €'000
Current assets			
Cash and cash equivalents	**88,623**	78,103	109,491
Current liabilities			
Bank overdrafts	**(26,487)**	(23,212)	(5,372)
Current bank borrowings	**(1,111)**	(1,497)	(1,239)
Current finance leases	**(1,277)**	(1,148)	(1,110)
Non-current liabilities			
Non-current bank borrowing	**(129,992)**	(142,601)	(150,757)
Non-current Finance leases	**(3,861)**	(4,239)	(4,040)
Net debt at end of period	**(74,105)**	(94,594)	(53,027)

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

	(Unaudited) **6 months to 30 June 2013 €'000**	*(Unaudited)* 6 months to 30 June 2012 €'000	*(Audited)* Year ended 31 Dec 2012 €'000
Cash and cash equivalents per balance sheet	**88,623**	78,103	105,692
Bank overdrafts	**(26,487)**	(23,212)	(5,372)
Less cash held in escrow [a]	**–**	–	(11,360)
Cash, cash equivalents and bank overdrafts per Cash flow statement	**62,136**	54,891	88,960

[a] On 13 December 2012, the Group drew a Canadian Dollar loan of CAD$ 14,912,000 (€11,580,000), the proceeds of which were placed in escrow and were payable contingent on the completion of the acquisition of the initial 35% of the share capital of Oppenheimer group. At 31 December 2012, the translated Euro value of the CAD$ 14,912,000 cash balance was €11,360,000. The transaction completed on 7 January 2013 and the proceeds were remitted to the vendor on this date. In accordance with IAS 7 *Statement of Cashflows* this falls outside the classification of cash and cash equivalents and accordingly was omitted from cash and cash equivalents in the Group Cashflow Statement.

13. Post balance sheet events

There have been no material events subsequent to 30 June 2013 which would require disclosure in this report.

14. Related party transactions balance sheet events

There have been no related party transactions or changes to related party transactions other from those as described in the 2012 Annual Report that materially affect the financial position or affect the performance of the Group for the six month period ended 30 June 2013.

15. Board approval

This interim results statement was approved by the Board of Directors of Total Produce plc on 2 September 2013.