

Interim Results 2001

11th September 2001



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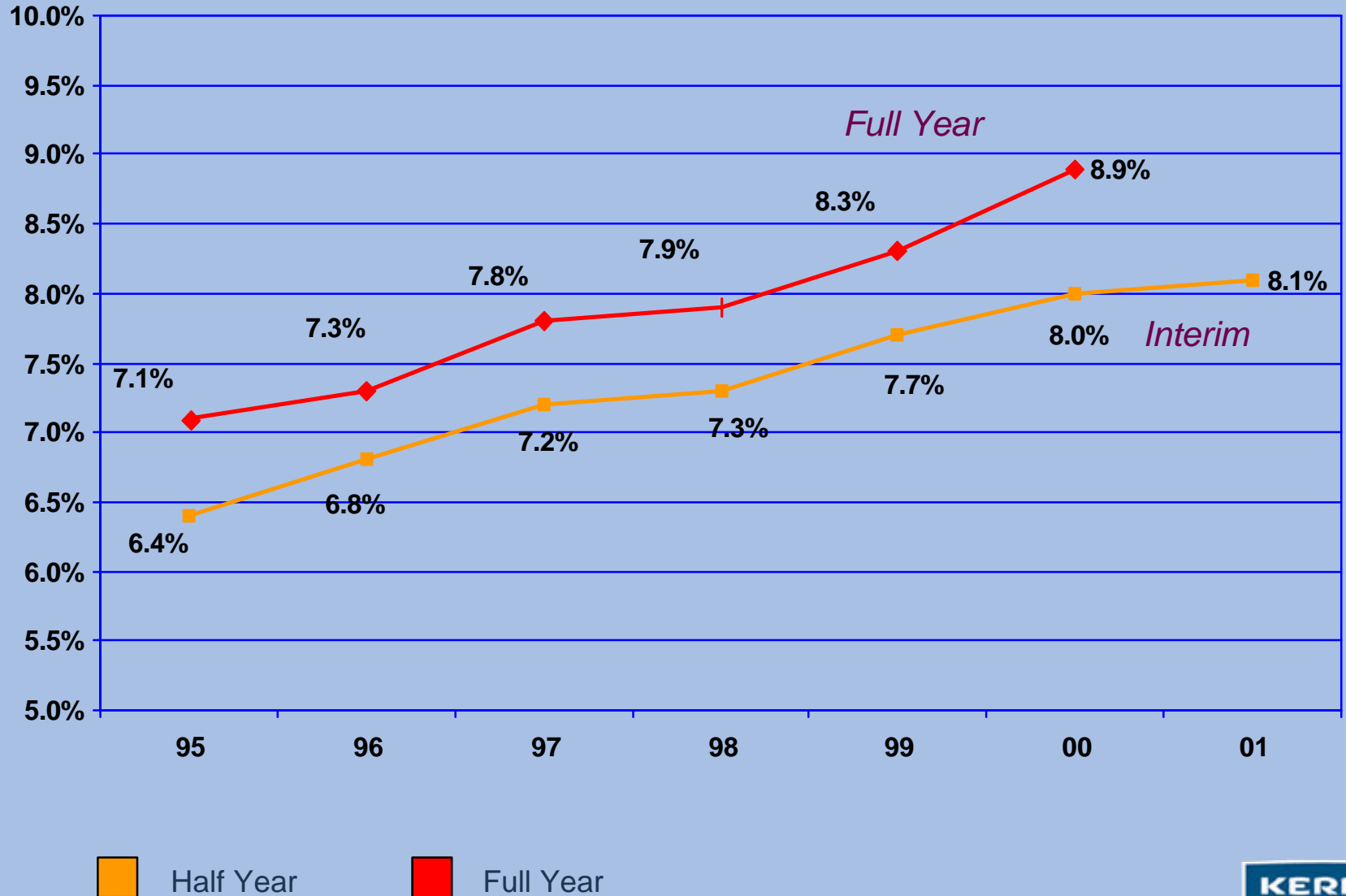
Financial Highlights - *Interim Results*

	2001	2000	Growth
Turnover	€1,339.7m	€1,264.8m	5.9%
EBITDA*	€142.5m	€134.2m	6.2%
Operating Profit	€107.8m	€101.3m	6.5%
Profit Attributable	€58.8m	€52.8m	11.2%
EPS (pre goodwill/excep.)	38.7c	35.1c	10.3%
EPS (FRS3)	34.1c	30.7c	11.1%

Note: * pre exceptionals

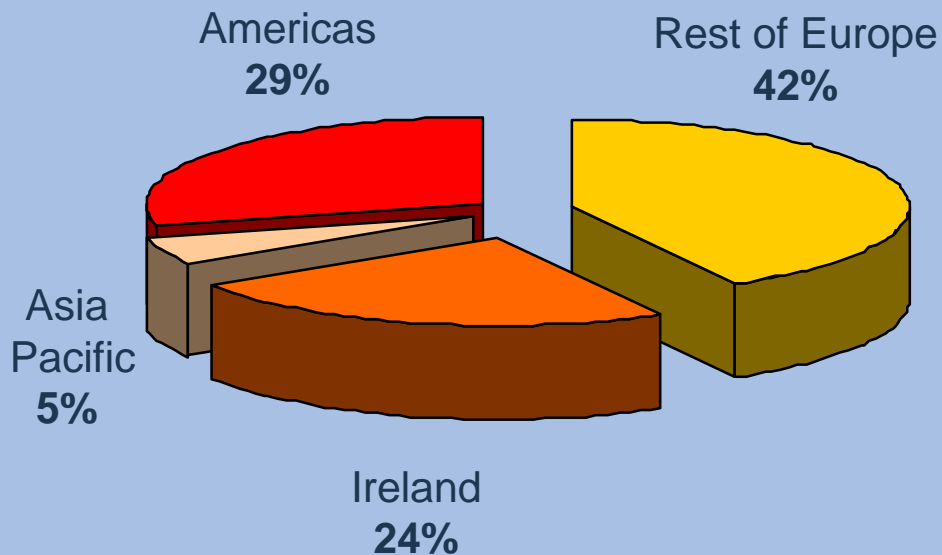


Operating Profit %



Turnover Analysis - By Origin

Geographic Split

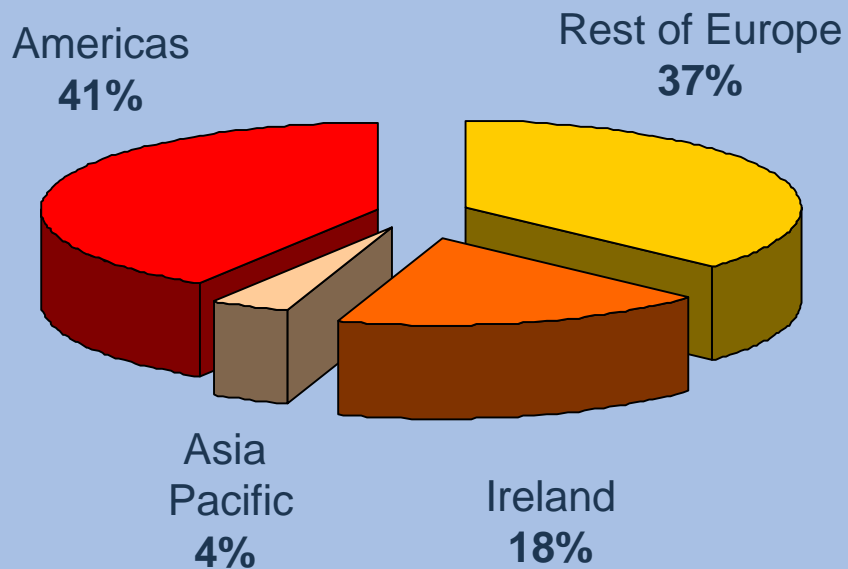


½ Year Growth

Americas	11.3%
Ireland	8.4%
Rest of Europe	1.9%
Asia Pacific	0.7%
Group	5.9%

Operating Profit Analysis - By Origin

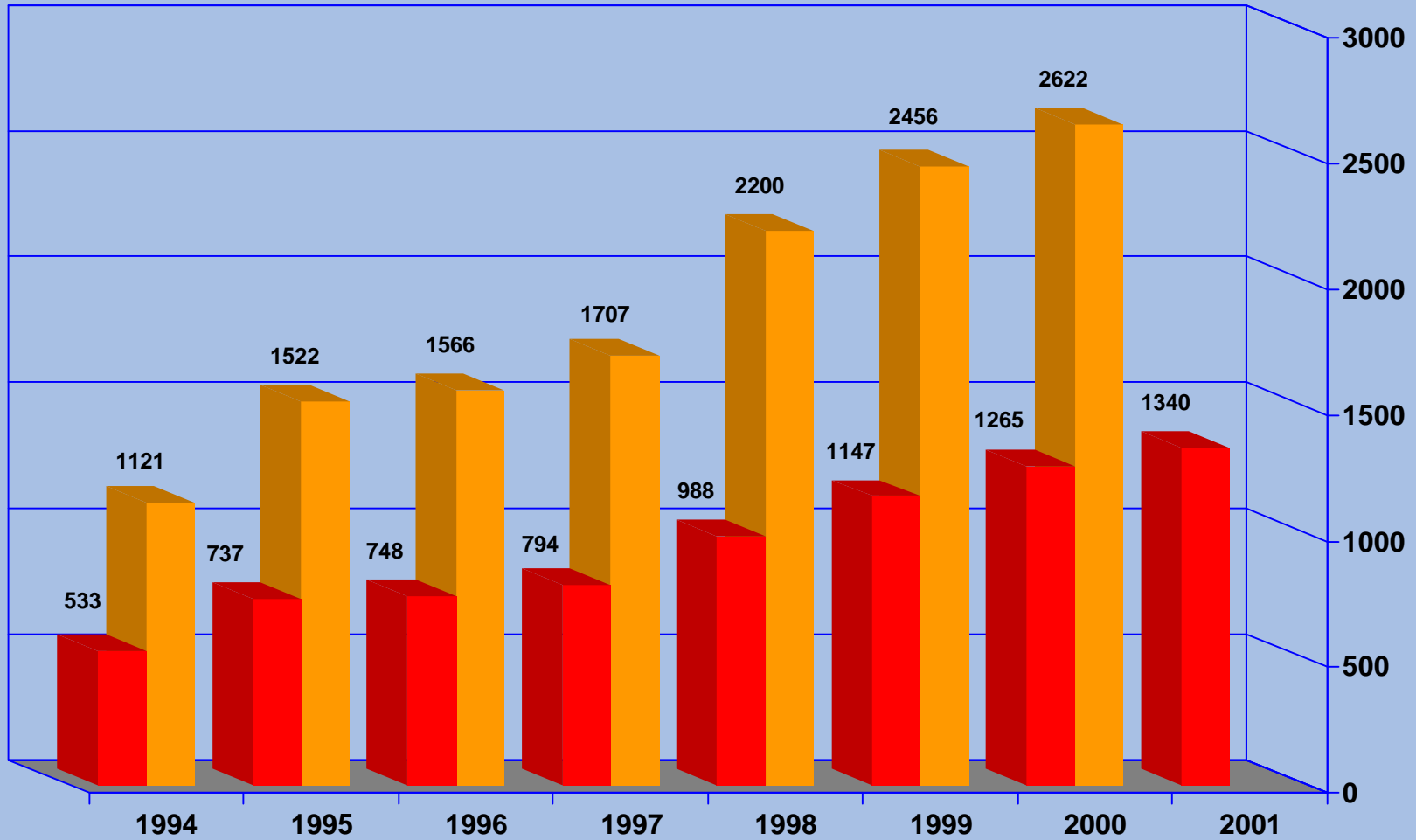
Geographic Split



½ Year Growth

Americas	8.4%
Rest of Europe	6.4%
Ireland	3.4%
Asia Pacific	0.8%
Group	6.5%

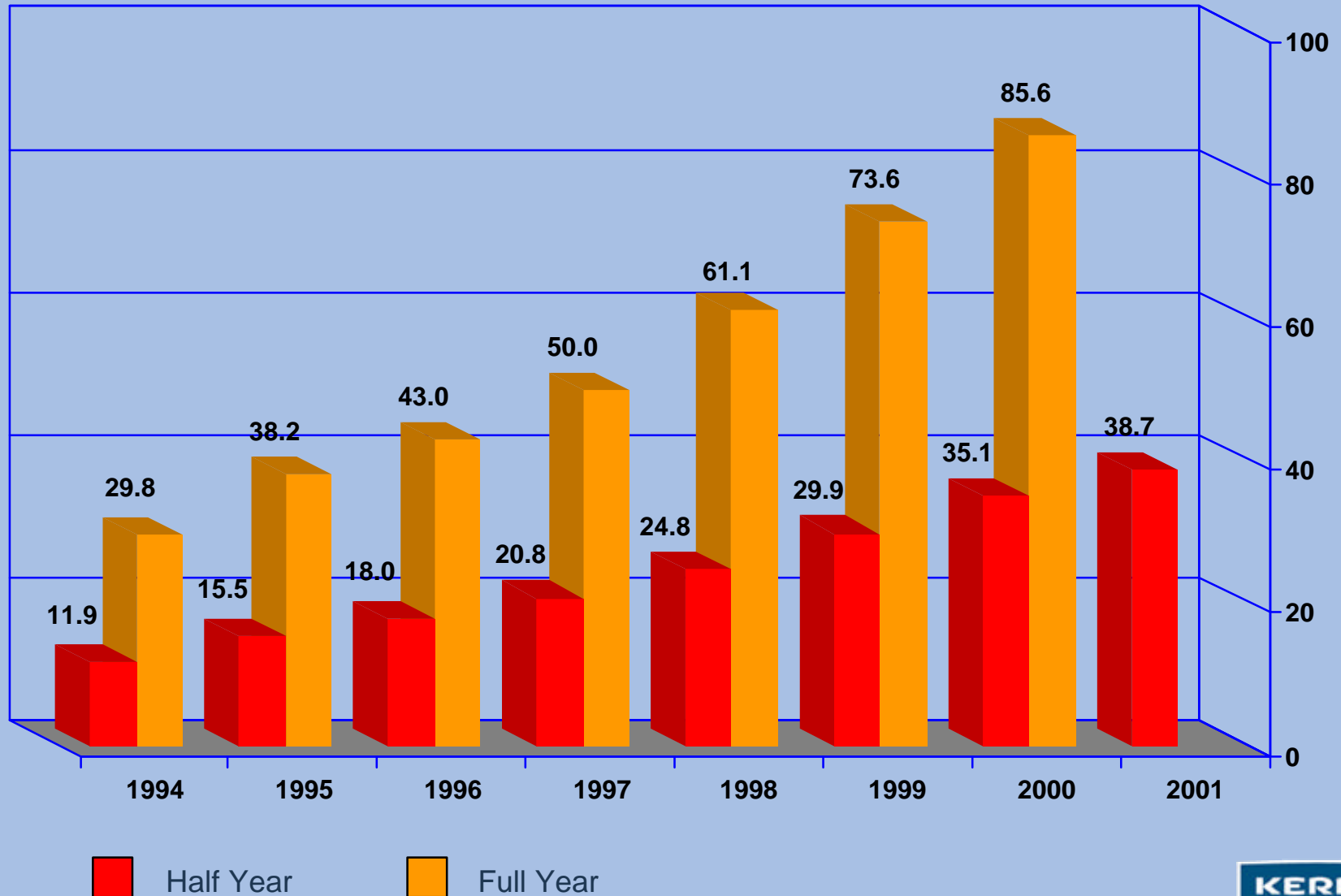
Sales Growth



 Half Year

 Full Year

Earnings Per Share Growth - *Pre Goodwill & Exceptional Items*



Cash Flow (€m)

	2001	2000
Operating profits	107.8	101.3
Depreciation	34.7	32.7
Working Capital (increase)	(112.2)	(69.2)
Cash from operations	30.3	64.8
Financing and tax		
- Interest	(21.1)	(23.5)
- Tax	(17.9)	(21.8)
- Dividends	(10.6)	(9.2)
	(49.6)	(54.5)
	(19.3)	10.3
Investing activities		
- Capital Expenditure	(46.4)	(46.2)
- Businesses acquired	(70.3)	(72.3)
- Business sold	-	104.9
- Other	-	(5.1)
	(116.7)	(18.7)
	(136.0)	(8.4)
Exchange adjustment	(44.3)	(16.3)
(Increase) in borrowings	(180.3)	(24.7)
Opening Net Debt	(478.3)	(544.5)
Closing net debt	(658.6)	(569.2)

Financial Ratios

	2001	2000
Debt : Equity	67%	67%
Debt : Market capitalisation	28%	24%
Debt : EBITDA*	2.2x	2.1x
Interest coverage**	6.5x	5.9x

Note: * before exceptional items

** Interest covered by EBITDA*

Analysis of Results by Region (€m)

Group	2001			2000		
	Turnover	Operating Profit	%	Turnover	Operating Profit	%
Ireland	€318.6	€18.8	5.9%	€293.9	€18.3	6.2%
Rest of Europe	€568.5	€40.4	7.1%	€558.1	€37.9	6.8%
Americas	€388.1	€44.7	11.5%	€348.7	€41.2	11.8%
Asia Pacific	€64.5	€3.9	6.0%	€64.1	€3.9	6.0%
Total	€1339.7	€107.8	8.1%	€1264.8	€101.3	8.0%

Geographical Analysis of Interim Operating Profit %

	2001	2000	1999
Ireland	5.9%	6.2%	5.9%
Rest of Europe	7.1%	6.8%	7.0%
Americas	11.5%	11.8%	11.4%
Asia Pacific	6.0%	6.0%	3.1%
Group	8.1%	8.0%	7.7%

Developments - Ingredients Europe

- Strong operational performance
- Recovery in France and Germany
- Continued expansion in Eastern Europe
- Coatings: strong sectoral growth
 - poultry applications
 - Q.S.R.'s
- Snack sector - continued growth
- Fruit preparations static

Developments - Foods Europe

- Brands buoyant performance
- Gains in sausage, premium meats, prepared meals
- Growth in convenience and snacking
- NPD - Ready Meals
- Restructured liquid milk operations
- Acquisition of Platter Foods
- FMD
 - no operational impact
 - time-lag in implementing price increases

Developments - Americas

- Organic growth 5%
- Impact of industry consolidation
- Growth achieved through
 - foodservice applications
 - nutritional products
- Launch of FlavorCore™ - extrusion technology
- Seasonings - expansion in meat sector
- Flavours and nutrition strategy: acquisitions
- Continuing investment: Brazil, Mexico

Developments - Asia Pacific

- Sales growth (local currencies) 5%
- Australia - broadly static
- Asia - good growth
- Capacity constraints
- New facilities commissioned
- Growth continuing
 - foodservice
 - nutritional sectors

Acquisitions To Date in 2001

- Alferi Laboratories USA Meat Seasonings
- Corol S.A. France Savoury Ingredients
- Creative Seasonings & Spices USA Seasonings
- Iowa Soy USA Nutritional Ingredients
- San Giorgio Flavors Italy Flavours
- Platter Foods IRL Salads & Desserts
- SPI Foods Inc. USA Textured Ingredients
- Nutrir Products Alimenticios S.A. Brazil Branded convenience blends

Acquisitions in Pipeline

- North America - 2
- South America - 1
- Ingredients Europe - 3
- Foods IRL / UK - 2

G.V. Sales and Profits by Activity €m

	1999	2000	2001*
SALES			
Consumer Foods	442.0	421.1	480.0
Butter & Milk Powder	277.0	298.8	300.9
Agri-Trading	51.4	39.2	40.0
Total	770.4	759.1	820.9
OPERATING PROFIT			
Consumer Foods	34.4	31.4	31.6
Butter & Milk Powder	-0.1	6.6	5.8
Agri-Trading	2.3	2.1	1.7
Total	36.6	40.1	39.1
MARGINS %			
Consumer Foods	7.8%	7.5%	6.6%
Butter & Milk Powder	0.0%	2.2%	1.9%
Agri-Trading	4.5%	5.4%	4.3%
Total	4.8%	5.3%	4.8%

Note: * Goodbody Stockbrokers - estimate



Rationale

- Dairy processing
 - Milk assembly and processing synergies
 - Kerry can add significantly more value to GV milk by converting it to dairy ingredient components for sale or internal use.
- Consumer foods complementary to Kerry
 - Integration of Rye Valley Ready Meals
 - Kerry's Irish & UK chilled distribution to carry GV range of cheese & dairy products
 - GV's snack products to be introduced to a wider range of customers
- Food service
 - Food service and QSR range will complement Kerry's

Pro Formas

€ M	Kerry 2000	G.V. 2000	Combined
Turnover	2,622	759	3,381
EBITDA	296	54	350
EBIT	219	37	256
Stockmarket / Bid Value	2,408	242	2,650

Valuation

	Historic	Prospective
P/E Exit Multiple	8.5	8.5
EBIT / Enterprise Value	9.0	8.6
EBITDA / Enterprise Value	5.8	5.7

Management Changes

- From 1 / 1 / 2002
 - Denis Brosnan Non-Executive Chairman
 - Hugh Friel Managing Director
 - Denis Cregan C.E.O. Ingredients & Deputy MD
 - Brian Mehigan Finance Director

Prospects

- Full year in line with expectations
- Golden Vale - acquisition and integration
- Strategic Investment in flavours / nutrition
- Further complementary acquisitions
- Management, financial and operational resources to capitalise on sectoral growth opportunities



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