NEWS RELEASE
Tuesday 26 February 2013

Preliminary Statement of Results for the year-ended 31 December 2012

Kerry, the global ingredients & flavours and consumer foods group, reports preliminary results for the year-ended 31 December 2012.

Highlights

• Adjusted EPS* up 11.3% to 237.6 cent
• Sales revenue increased by 10.3% to €5.8 billion
• 2.8% increase in continuing business volumes
• Trading profit increased by 10.8% to €555m
• Group trading margin up 10 basis points to 9.5%
    ➢ Ingredients & Flavours +10 basis points to 12%
    ➢ Consumer Foods 20 basis points lower at 7.6%
• Final dividend per share of 25 cent (Total 2012 dividend up 11.2% to 35.8 cent)
• Record free cash flow of €380m (2011 : €279m)
• R&D investment of €186m
 	
**before brand related intangible asset amortisation and non-trading items (net of related tax)*

Commenting on the results Kerry Group Chief Executive Stan McCarthy said; "We are pleased to report a strong Groupwide performance in 2012 and 11.3% growth in adjusted earnings per share. Our 1 Kerry Business Transformation Programme is well underway which through exploiting the technologies and expertise of the organisation will drive our future growth. We continue to invest in our technologies, innovation and nutritional expertise, and also in expanding our footprint throughout developing markets. In 2013 we expect to achieve 7% to 11% growth in adjusted earnings per share."

Contacts:

Media	Investor Relations
Frank Hayes, Director of Corporate Affairs Tel: +353 66 718 2304 Email: corpaffairs@kerry.ie Web: www.kerrygroup.com	Brian Mehigan, Chief Financial Officer Ronan Deasy, Group Controller & Head of Investor Relations Tel: +353 66 718 2253 Email: investorrelations@kerry.ie

CHAIRMAN'S STATEMENT

for the year-ended 31 December 2012

Kerry Group achieved another year of solid growth in 2012. The global economic landscape again proved challenging, impacting consumer confidence in some developed markets. However Kerry maintained a strong operational and financial performance and made further progress in embedding our 1 Kerry strategies and global infrastructure to drive the future growth of the organisation. Significant resources were also deployed towards achievement of the Group's growth objectives in developing markets contributing double digit growth in Kerry's developing markets in 2012. Group businesses maintained close management of input costs which, coupled with increased business efficiencies achieved through 1 Kerry Business Transformation programmes, delivered good growth in continuing operations in all geographies. Performance was also assisted by successful integration of businesses acquired in 2011.

Group ingredients & flavours businesses continued to perform well – benefiting from creative and speedy innovation delivered through Technology and Innovation Centres providing access to Kerry's complete technology portfolio, culinary and nutritional expertise, supported by market-leading integrated applications and processing capability for global food, beverage and pharmaceutical markets.

The Group's primary consumer foods' markets in Ireland and the UK remain highly competitive due to the adverse impact of economic conditions on consumer spending and the response of retailers through deeper and wider promotional activity. However Kerry Foods maintained a satisfactory overall business performance through product innovations and ongoing business efficiency improvements.

RESULTS

Group sales on a reported basis increased by 10.3% to €5.8 billion, reflecting like-for-like (LFL) growth of 1.7% when account is taken of acquisitions net of disposals and currency translation. Continuing business volumes increased by 2.8% and pricing / mix increased by 0.1%.

Volume growth and trading performance in ingredients & flavours' markets improved sequentially as the year progressed. Allowing for 0.7% volume loss due to business restructuring programmes to optimise the division's manufacturing footprint, continuing business volumes increased by 4%. Continuing business volumes in Kerry Foods increased by 0.6% allowing for 2.2% rationalisation volume loss as a result of restructuring of production across a number of consumer foods' sites.

Group trading profit increased by 10.8% to €555m reflecting 5% LFL growth. Excluding development costs relating to the Group's global IT ('Kerryconnect') project, the Group trading profit reflects 7.2% LFL growth. Good progress was achieved in advancing the Group's 1 Kerry Business Transformation Programme to optimise and align manufacturing to our global technology strategies. This followed a review of the Group's manufacturing footprint - taking account of recent acquisitions, streamlining of existing manufacturing facilities and the disposal of non-core activities.

Ingredients and flavours achieved 10 basis points margin improvement to 12%. Consumer foods margin was back 20 basis points to 7.6%. Allowing for the increased level of expenditure relating to the Kerryconnect programme and the Group's 1 Kerry Business Transformation Programme, the Group trading profit margin increased by 10 basis points to 9.5% reflecting an underlying trading margin improvement of 60 basis points.

Adjusted profit before tax, brand related intangible asset amortisation and non-trading items increased by 10.6% to €497m. The income statement charge arising from integration of acquisitions, restructuring/reorganisation costs and loss on disposal of non-current assets/businesses amounted to €136m (net of tax) resulting in a net cash outflow of €43m after tax.

Adjusted profit after tax before brand related intangible asset amortisation and non-trading items increased 11.4% to €417m. Adjusted earnings per share increased 11.3% to 237.6 cent (2011 : 213.4

cent). The Board recommends a final dividend of 25 cent per share, an increase of 11.6% on the 2011 final dividend. Together with the interim dividend of 10.8 cent per share, this brings the total dividend for the year to 35.8 cent, an increase of 11.2% on 2011.

Investment in research and development increased to €186m (2011 : €167m). Net capital expenditure amounted to €156m (2011 : €162m). The Group achieved a free cash flow of €380m (2011 : €279m).

BUSINESS REVIEWS

INGREDIENTS & FLAVOURS

	2012	Growth
Revenue	€4,225m	14%
Trading profit	€506m	15.1%
Trading margin	12%	+10bps

Kerry Ingredients & Flavours develops, manufactures and delivers innovative taste solutions and nutritional and functional ingredients for food, beverage and pharmaceutical markets.

The Group's Ingredients & Flavours businesses achieved a strong performance across all key technology platforms, end-use-markets and geographies – benefiting from our 1 Kerry strategic focus and the breadth and depth of Group technologies. Sales revenue grew by 14% on a reported basis to €4.2 billion reflecting 3.4% LFL growth. Continuing business volumes increased by 4% outperforming market growth rates. Rationalisation volume loss was 0.7% and pricing/mix increased by 0.1%. Trading profit grew by 15.1% to €506m with the division's trading margin improved by 10 basis points to 12%.

Ingredients & Flavours, with a well diversified and strong market position across all end-use-markets, accounted for 71% of Group revenue and 79% of Group trading profit in 2012.

Good growth was achieved through key accounts across developed and developing markets. Despite challenging market conditions in some consumer food and beverage categories, in particular in relatively mature developed market sectors, demand for new product development remained strong – driven by consumer health and wellness trends towards 'clean label', high fibre, 'heart healthy', reduced calorie, enhanced nutritional and dietary products – in addition to ongoing demand for convenient delivery systems, hand-held or snackable products, cost effective solutions and affordable indulgence. Kerry continued to invest in its technology, research, development & applications expertise and facilities to capitalise on the Group's technology layering potential and industry leading processing capabilities. All technology clusters maintained solid growth in 2012. Revenue grew by 9.3% in Savoury & Dairy systems, 18.5% in Cereal & Sweet systems, 40.7% in Beverage systems and 11.5% in Pharma, Nutritional & Functional ingredients.

Americas Region

Kerry again grew solidly in North American markets with good growth across major food & beverage accounts and foodservice providers. Encouraging market development and expansion was also achieved in Latin America. Revenue in the Americas region increased by 16% on a reported basis to €1,807m, reflecting 3.2% LFL growth. Continuing business volumes grew by 3.5%, allowing for 0.4% rationalisation volume loss due to the manufacturing footprint optimisation programmes and acquisition integration. Business performance benefited from the successful integration of 2011 acquisitions, in particular Cargill's flavours business, and the ongoing 1 Kerry Business Transformation Programme. Pricing/mix increased by 0.1%.

Savoury, Dairy & Culinary systems performed well outperforming sluggish growth in some industry categories. Good growth was achieved in the meat and poultry sector with strong innovation in response to health and wellness, 'clean-label' and gluten-free trends. Performance also benefited from increased integration of Kerry's flavour expertise in wider applications. Dairy systems saw continued growth through frozen yoghurt applications. Culinary sauces grew strongly through retail and foodservice channels. Savoury & Dairy snack seasonings continued to grow through key regional accounts. As previously reported, Indianapolis (IN) based Millennium Foods was acquired in August adding to Kerry's technology expertise serving dairy, culinary and prepared meals end-use-markets. Griffith do Brasil, a specialist manufacturer of meat systems, flavours and texturant systems was also acquired – extending the Group's capability to serve added value growth segments of the Brazilian meat industry.

Cereal & Sweet systems and flavours performed well despite industry sectoral issues. Kerry delivered strong innovation to key retail and foodservice providers in the ice cream and frozen desserts sector. Our integrated solutions approach in the bakery sector continues to record good results. Snackable opportunities provided solid growth in the confectionery sector. Despite the market difficulties in the ready-to-eat cereals sector, Kerry continued to achieve good growth by leveraging its technology and processing expertise. The cereal bar segment saw continued growth driven by health and wellness trends. Latin American cereal markets continue to experience good growth through premium offerings providing significant opportunity for the Group's recently acquired manufacturing facility in Argentina.

Beverage systems & flavours delivered good growth through new product launches via major customer accounts leveraging Kerry's ingredients, flavours and packaging/processing capability assisted by industry leading innovation through the Group's Technology and Innovation Centres in the region. Performance was also boosted by the integration of Cargill's flavours business acquired prior to year-end 2011. North American markets saw good growth across nutritional beverages, tea & coffee applications and through beverage syrups with key customers in the foodservice and café segments. In Latin American markets Kerry achieved strong growth in taste solutions into soft drinks, new launches into the energy drinks sector and through hot and cold beverage applications for the foodservice channel.

Prior to year-end, the Group acquired Lake Forest, California based *Big Train* – a major global foodservice, branded speciality beverage provider including cappuccino mixes, protein mixes, smoothies and flavoured syrups, strengthening Kerry's speciality beverage market positioning, international branded portfolio and manufacturing capability.

Pharma ingredients, which develops excipient and cell nutritional products for pharmaceutical, nutritional and bio-technology applications, again advanced its global market positioning. The Group's new coatings production facility in India was commissioned and a development & applications facility was also established to service the Group's rapidly expanding customer base in the region. Kerry's anhydrous DT lactose also won a major new listing with a leading global pharmaceutical account.

EMEA Region

In EMEA markets Kerry Ingredients & Flavours achieved a satisfactory broad based business performance despite the challenging economic landscape. Performance was assisted by a strong focus on business efficiencies, cost management and successful integration of businesses acquired in 2011. Reported sales revenue increased by 9.5% to €1,614m, reflecting LFL growth of 0.5%. Continuing business volumes grew by 1.8% allowing for 1.4% rationalisation volume loss and a 0.1% pricing/mix increase. Ongoing implementation of the Group's 1 Kerry strategies and customer focused approach provided a strong pipeline for innovation allowing the division to outperform market growth rates. In particular good progress was achieved in regional developing markets.

Savoury, Dairy & Culinary systems maintained a satisfactory growth momentum despite the challenging trading environment. Strong innovation was achieved in convenience sectors due to customer demand for consumer preferred taste solutions and enhanced nutritional benefits. In the meat sector, Kerry's coatings technologies recorded good growth through major customer accounts. A novel reduced fat Slendercoat™ coating system was successfully introduced to the market. Encouraging market development was recorded in Russia and in the MENAT developing market region (Middle East, North Africa & Turkey). Progress in EMEA developing markets was also assisted by the South Africa based FlavourCraft business acquired prior to year-end 2011. Integration of FlavourCraft has delivered good growth and reinforced the Group's commitment to global and regional customers in EMEA developing markets.

Cereal & Sweet systems and flavours performed well. Good growth was achieved in the dairy sector and in the cereal bar category. Technology developments included introduction of low-water activity fillings and textured sauces. Notwithstanding the weather-related poor ice cream season, a strong performance was achieved in the European ice cream sector through applications in a number of successful product launches. Bitesize confectionery offerings incorporating Kerry technologies also proved successful. Performance in the RTE cereals sector again proved challenging due to industry trends but cereal technologies continued to achieve good growth in dairy market applications. The SuCrest sweet ingredients & flavours business acquired in October 2011 was successfully integrated and performed in line with expectations.

Beverage systems & flavours benefited from Kerry's expanded product portfolio and technical capabilities following the acquisition of Cargill's flavours business in December 2011. Integration of the acquisition continues to be progressed, assisting growth momentum in the challenging European beverages sector. Market development continues to be achieved through cost effective beverage solutions and 'fmt' flavour technology. Kerry has successfully partnered with leading brewers serving African markets by providing innovative enzyme systems which allow for utilisation of locally grown grain in the brewing process.

Functional ingredients maintained solid growth benefiting from embedding technologies through Kerry's integrated solutions approach. New texture and lipid systems were successfully launched through yoghurt, ice cream, dairy beverage and savoury sauce applications.

Primary Dairy markets progressively improved through Q3 and Q4 relative to weak international market conditions in the first half of the year.

In October the Group announced the establishment of a *Kerry Global Technology & Innovation Centre* in Ireland to serve our global and regional customers in the EMEA region. Kerry will invest €100m in the new EMEA Centre which will provide strategic customers with access to our complete breadth and depth of technologies and will be a focal point for all scientific research, technology and product development and innovation. The Global Technology and Innovation Centre in the EMEA Region will be supported by four strategically located Regional Development and Applications Centres; in Bornem (Belgium), Mozzo (Italy), Durban (South Africa) and Dubai (UAE).

Asia-Pacific Region

Kerry continued to achieve excellent growth in Asia-Pacific markets in 2012. While consumer spend in the region's developed markets was more constrained; the pace of urbanisation coupled with GDP and food expenditure growth in Asia-Pacific developing markets continued to provide a solid platform for growth. Kerry's sales revenue in the region grew by 19.9% on a reported basis to €726m reflecting 9.5% LFL growth. Business volumes grew by 9.3% and pricing/mix increased by 0.2%.

Savoury, Dairy & Culinary systems maintained solid growth momentum. Demand for dairy taste solutions continues to increase in particular in the Philippines, Indonesia and China. Nutritional solutions grew across the region with double digit growth recorded in lipid nutritional applications in China. Dairy systems continue to perform strongly in the snack and bakery end-use-markets, and in foodservice applications. Culinary systems also grew well in snack applications across South East Asia and in Australasia. Meat technologies performed well throughout the region, with significant product launches in

QSR markets and continued strong growth in the poultry sector. In Australia, Kerry achieved good growth through coating systems and solid volume growth was also maintained in New Zealand. Development in the meat and culinary sectors was strengthened through the acquisition of Angsana Food Industries completed in Malaysia in June and in China in September.

Sweet technologies again advanced considerably with continued growth in bakery applications particularly in Thailand, China and the Philippines. Kerry Pinnacle recorded good growth through both retail and QSR channels in Australia. New launches boosted category leadership through major national retail accounts and success was also achieved through increased consumer demand for 'clean label' bakery technologies.

Beverage technologies grew strongly across the region. Continued innovation through speciality beverage offerings provided strong results in key QSR accounts. Da Vinci branded syrups recorded excellent growth throughout Asia with high double digit growth in China in 2012. Kerry's Café D'Amore brand was also successfully launched into Kerry's suite of premium beverage offerings to foodservice providers in the region. In 2012, a beverage syrups production line was also commissioned at the Group's Johor Bahru facility in Malaysia. Cargill's flavours business acquired in December 2011 provided a significant boost through new product launches and broader beverage applications throughout Asian markets. The acquisition of Australia based Food Spectrum Group Pty Ltd in July 2012 also significantly expanded Kerry's specialist aseptic processing/packaging capability in the Asia-Pacific region and also assisted technical development in the added value dairy, nutritional and infant food/beverage categories.

Functional ingredients continued to outperform market growth rates in the region due to wider integration with Kerry's total technology offering. Emulsifiers and texturants achieved strong growth in dairy and ice cream applications, and in the meat and tea & coffee market sectors.

CONSUMER FOODS

	2012	Growth
Revenue	€1,712m	2.3%
Trading profit	€130m	0.1%
Trading margin	7.6%	-20bps

Kerry Foods is a leading manufacturer and marketer of added value branded and customer branded chilled foods to the UK and Irish consumer foods markets.

Consumer foods markets in Ireland and the UK remain challenged by the breadth and intensity of promotional activity and the difficulty in cost recovery following significant raw material inflation. Kerry Foods performed satisfactorily against this background due to continued innovation and investment in the division's key brands and ongoing business efficiency improvements. UK branded segments continued to perform well, as did Kerry's market leading dairy brands in Ireland. Performance in the Irish meat category was impacted by intense price and promotional activity through private label offerings in the multiple retail and discounter channels. However Kerry Foods saw some improvement in sausage, rasher and spreads brand shares in Ireland in the last quarter of the year. The 'direct-to-store' service to the independent retail trade in Ireland and the UK continues to be impacted by the level of promotional activity in the multiple retail sector.

Reported sales revenue increased by 2.3% to €1,712m, reflecting a decline of 1.5% LFL. Allowing for 2.2% rationalisation volume loss on restructuring of production across a number of Kerry Foods' sites, continuing business volumes increased by 0.6%. Pricing/mix increased by 0.1% reflecting a lag in raw material cost recovery. Trading profit reported at €130m was unchanged from the prior year level. The divisional trading margin reduced by 20 basis points to 7.6%.

UK Brands continued to perform well. Richmond achieved good volume and brand value growth in both the fresh and frozen sausage categories, attracting new consumers to the market leading brand. In the prepacked sliced cooked meats sector, the Richmond all-natural ham range was successfully launched mid-year and received a favourable consumer response – as the first 100% natural ingredient ham on the UK market, significantly improving the nutritional profile of the product. Wall's again grew market share in the savoury pastry sector and in the sausage roll category, but lost brand share in the fresh sausage market. The meat snacking category continued to record good growth with Mattessons Fridge Raiders delivering double digit growth.

LowLow successfully repositioned its market focus to the cheese spreads and slices market segments – promoting the brand's taste and health values. Cheestrings brand share in the cheese snacking sector was down slightly due to heavy promotion in the category. With a renaissance in home baking in the UK market, Homepride Flour achieved double digit growth year-on-year. Green's baking mixes also achieved good growth in the UK market and through Green's Carmelle, dry cake and dessert mixes in export markets.

In Kerry Foods' ***UK Customer Brands*** categories performance was mixed. Good growth was again recorded in the chilled ready meals and ready-to-cook categories, and in dairy spreads. Performance in the chilled ready meals sector benefited from successful launches in the premium sector delivering quality fresh ingredients and new recipes in the oriental and Indian segments. In the frozen meals category, Kerry Foods restructured its manufacturing base, consolidating production at the Carrickmacross site in Ireland. Due to continuing competitive pressures in the cooked meats sector, the division's Durham facility was also closed – with production transferring to the Spalding and Attleborough facilities in the UK and the Shillelagh plant in Ireland.

As reported at the half-year stage, conditions in the Irish consumer foods market remained challenging in 2012 but Kerry Foods stabilised the performance of its ***Brands Ireland*** business. Denny brought significant innovation to the sliced meats market with the launch of Ireland's first 100% Natural Ingredients Denny Deli Style ham. In the sausage sector Denny Gold Medal Sausage was re-launched with a new improved recipe. The Galtee range of pork products achieved good growth year-on-year.

Kerry Foods' brands continued to perform well in the Irish dairy products market. Dairygold maintained its brand leadership supported by its successful 'Butter it with Dairygold' marketing campaign. In September 'Dairygold Baking Block' was successfully introduced in response to the growth in home-baking. LowLow and Charleville performed satisfactorily in the spreads and cheese categories. Ficello maintained good progress in France – assisted by the launch of 'Ficello Spaghetti' in May. Cheestrings continued to achieve strong development in the German market.

Recognising the challenging market conditions in the Irish meat category and the difficult trading situation impacting the direct-to-store service to the independent retail sector in the UK and Ireland, Kerry Foods will adjust its business model to focus on its core offerings in these sectors.

FINANCIAL REVIEW

Reconciliation of adjusted* earnings to profit after taxation	% Change	2012 €m	2011 €m
Revenue	10.3%	**5,848.3**	5,302.2
Trading profit	10.8%	**554.7**	500.5
Trading margin		***9.5%***	*9.4%*
Computer software amortisation		**(8.7)**	(5.4)
Finance costs (net)		**(49.2)**	(46.0)
Adjusted* earnings before taxation	10.6%	**496.8**	449.1
Income taxes (excluding non-trading items)		**(79.6)**	(74.6)
Adjusted* earnings after taxation	11.4%	**417.2**	374.5
Brand related intangible asset amortisation		**(14.7)**	(13.9)
Non-trading items (net of related tax)		**(135.5)**	0.1
Profit after taxation	(26.0%)	**267.0**	360.7
		EPS Cent	EPS Cent
Adjusted* EPS	11.3%	**237.6**	213.4
Brand related intangible asset amortisation		**(8.4)**	(7.9)
Non-trading items (net of related tax)		**(77.2)**	-
Basic EPS	(26.0%)	**152.0**	205.5

**Before brand related intangible asset amortisation and non-trading items (net of related tax)*

Analysis of Results

Group revenue increased by 10.3% to €5.8 billion. After allowing for the impact of business acquisitions net of disposals of 3.7% and reporting currency of 4.9% LFL revenue increased by 1.7% Continuing volumes, which increased each quarter throughout the year, grew by 2.8% while product pricing/mix increased by 0.1%. Rationalisation volumes, due to restructuring of production across the Group's manufacturing sites, amounted to 1.2% for the year.

On a reported basis Group trading profit increased by 10.8% to €554.7m. This equates to LFL growth of 7.2% after allowing for incremental expenditure of €11.0m on the Kerryconnect programme, the positive impact of reporting currency of 4.2% and the contribution from business acquisitions net of disposals of 1.6%.

Total costs recorded in the Income Statement during the year on the Kerryconnect project were €46.0m (2011 : €35.0m) with €36.0m recorded centrally (2011 : €26.0m) and €10.0m recorded at divisional level (2011: €9.0m).

Group trading margin increased 10 basis points to 9.5% (2011 : 9.4%). On an underlying basis trading margin increased 60 basis points driven by operational leverage and business efficiency programmes, however this was offset by the incremental expenditure on Kerryconnect (-20bps), the dilutive impact of acquisitions/disposals (-20bps) and the impact of cost recovery pricing (-10bps) resulting in a net increase of 10 basis points on a reported basis.

Finance costs (net)

Finance costs (net) for the year increased by €3.2m to €49.2m (2011 : €46.0m) as interest costs arising from business acquisitions and capital expenditure outweighed the interest benefit from higher cash flows and lower interest rates. The Group's average interest rate for the year was 3.5% a decrease of 50 basis points from the prior year (2011 : 4.0%).

Taxation

The tax charge for the year, before non-trading items, was €79.6m (2011 : €74.6m) representing an effective tax rate of 16.5% (2011 : 17.1%). The decrease in the effective tax rate, which excludes the impact of non-trading items, was primarily driven by the geographical mix of profits.

Loss on disposal of businesses / non-current assets

The Group disposed of a number of non-core businesses along with some property, plant and equipment during the year. A loss of €35.7m (net of tax) was recorded on these disposals while the net cash inflow was €7.4m.

Exchange rates

Group results are impacted by fluctuations in exchange rates versus the Euro, in particular movements in the US dollar and sterling exchange rates. The average and closing rates for the US dollar used to translate reported results and balance sheet were 1.28 (2011 : 1.40) and 1.32 (2011 : 1.29) respectively. The average and closing rates for sterling used to translate reported results and balance sheet were 0.81 (2011 : 0.87) and 0.82 (2011 : 0.84) respectively.

Free cash flow

In 2012 the Group achieved a free cash flow of €379.5m (2011 : €278.8m). Over the 5 year period from 2008 to 2012 the Group has generated in excess of €1.5 billion free cash flow.

Free Cash Flow	2012 €m	2011 €m
Trading profit	**554.7**	500.5
Depreciation (net)	**114.3**	100.8
Change in working capital	**(6.2)**	(3.8)
Pensions contributions paid less pension expense	**(25.2)**	(34.0)
Finance costs paid (net)	**(48.6)**	(46.6)
Income taxes paid	**(53.5)**	(75.9)
Free cash flow before capital expenditure	**535.5**	441.0
Net investment in non-current assets	**(156.0)**	(162.2)
Free cash flow	**379.5**	278.8

Intangible assets and acquisitions

Intangible assets increased by €165.3m to €2,459.9m (2011 : €2,294.6m) as a result of acquisitions completed during the year. These acquisitions (six in total at a cost of €177.3m) were completed by the Group's Ingredients & Flavours division and strengthen the Group's capabilities across a range of technologies and expand Kerry's footprint in developing regions.

Acquisition	Technology	Geography
Angsana Food Industries	Savoury & Dairy/Cereal & Sweet	Malaysia
Shanghai Angsana Food Company	Savoury & Dairy/Cereal & Sweet	China
Food Spectrum Group Pty Limited	Beverage	Australia
Griffith do Brasil	Savoury & Dairy	Brazil
Millenium Foods, LLC	Savoury & Dairy	USA
Big Train Industries, Inc.	Beverage	USA

During the year the Group incurred €58.9m (net of tax) of acquisition integration costs relating to current and prior year acquisitions (primarily Cargill's flavours business). These expenses represent costs associated with factory closures, relocation of resources and the streamlining of operations in order to integrate the businesses into Kerry's existing business model. The cash outflow associated with these activities (after tax) was €29.8m.

Costs were also incurred during the year relating to the Group's footprint and supply chain restructuring programme. Total costs amounted to €40.9m (net of tax) while the net cash outflow was €20.4m.

Retirement benefits

At the balance sheet date, the net deficit for defined benefit schemes (after deferred tax) was €245.5m (2011 : €212.5m). The increase year-on-year represents higher schemes' liabilities driven primarily by lower discount rates the impact of which was partially offset by an increase in the market value of pension schemes' assets. The net deficit expressed as a percentage of market capitalisation at 31 December was 3.5% (2011 : 4.3%). The charge to the income statement during the year, for both defined benefit and defined contribution schemes was €42.2m (2011 : €34.8m).

The Group will account for retirement benefits in accordance with the revised IAS 19 from 1 January 2013. The impact of adopting the revised standard reduces 2012 and 2011 profit after taxation by €6.3m. This equates to a decrease of 3.6 cent in 2012 and 2011 adjusted EPS (approximately 2%). From 1 January 2013 (with comparatives restated) the Group will report the net interest cost associated with defined benefit schemes in finance costs (previously in staff costs).

Financial position

Net debt at the end of the year was €1,210.8m (2011 : €1,287.7m).

At 31 December the key financial ratios were as follows;

	Covenant	2012 TIMES	2011 TIMES
Net debt: EBITDA*	Maximum 3.5	**1.8**	2.0
EBITDA: Net interest*	Minimum 4.75	**13.8**	13.5

** Calculated in accordance with lenders' facility agreements*

The Group's balance sheet is in a good position and with a net debt to EBITDA* ratio of 1.8 times the organisation has sufficient headroom to support its future growth plans.

Shareholders' equity increased by €171.9m to €2,017.2m (2011 : €1,845.3m) as profits generated exceeded the negative impact of actuarial losses on defined benefit schemes.

The Company's shares traded in the range €27.45 to €41.45 during the year. The share price at 31 December was €40.06 (2011 : €28.28) giving a market capitalisation of €7.0 billion (2011 : €5.0 billion). Total Shareholder Return for 2012 was 43% and for the last 5 years was 95% (representing a compound annual growth rate of 14%).

DIVIDEND

The Board recommends a final dividend of 25 cent per share (an increase of 11.6% on the 2011 final dividend) payable on 10 May 2013 to shareholders registered on the record date 12 April 2013. When combined with the interim dividend of 10.8 cent per share this brings the total dividend for the year to 35.8 cent per share, an increase of 11.2% relative to the previous year.

ANNUAL REPORT AND ANNUAL GENERAL MEETING

The Group's Annual Report will be published in early April and the Annual General Meeting will be held in Tralee on 1 May 2013.

POST BALANCE SHEET EVENTS

Since year-end the Group has reached agreement to acquire Cape Town, South Africa based *Orley Foods* – a leading manufacturer and supplier of sweet ingredient solutions to food manufacturers and foodservice providers in South Africa. Orley Foods has well established customer relationships with leading global and regional food processors – providing a range of chocolate coatings and compounds, fruit & sweet systems and nuggets, syrups and sweet sauce systems. The business being acquired complements Kerry's existing ingredients and flavours business in the region, following the Group's recent acquisitions of FlavourCraft and Cargill's flavours business, providing a significant platform to meet customer requirements and Kerry's growth strategy in Sub Saharan Africa. The transaction has already achieved regulatory approval and is scheduled to be completed in March 2013.

FUTURE PROSPECTS

We look forward to another year of progress in 2013. The opportunities for our technologies, applications, culinary expertise and processing capabilities augur well for the future growth of Group businesses. Our investment in strategically located, industry-leading Kerry Global Technology & Innovation Centres will provide access to the Group's entire technological base and expertise – further strengthening our strategic customer alliances. We are firmly focused on expanding our footprint throughout regional developing markets.

In our consumer foods business, we will continue to invest in product innovation and quality and in optimising operational efficiencies to ensure continued profitable growth.

Our 1 Kerry Business Transformation Programme is well underway across all operations and functional workstreams to leverage the Group's global expertise - optimising manufacturing scale and efficiency benefits.

The Group expects to achieve 7% to 11% growth in adjusted earnings per share in 2013.

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

Kerry Group plc

Consolidated Income Statement
for the year ended 31 December 2012

	Notes	**Before Non-Trading Items 2012 €'m**	**Non-Trading Items 2012 €'m**	**Total 2012 €'m**	2011 €'m
Continuing operations					
Revenue	*1*	**5,848.3**	**-**	**5,848.3**	5,302.2
Trading profit	*1*	**554.7**	**-**	**554.7**	500.5
Intangible asset amortisation		**(23.4)**	**-**	**(23.4)**	(19.3)
Acquisition integration and restructuring costs	*2*	**-**	**(120.2)**	**(120.2)**	(10.7)
(Loss)/profit on disposal of businesses	*2*	**-**	**(35.3)**	**(35.3)**	17.3
Loss on disposal of non-current assets	*2*	**-**	**(2.5)**	**(2.5)**	(8.4)
Operating profit		**531.3**	**(158.0)**	**373.3**	479.4
Finance income		**1.1**	**-**	**1.1**	0.9
Finance costs		**(50.3)**	**-**	**(50.3)**	(46.9)
Profit before taxation		**482.1**	**(158.0)**	**324.1**	433.4
Income taxes		**(79.6)**	**22.5**	**(57.1)**	(72.7)
Profit after taxation and attributable to owners of the parent		**402.5**	**(135.5)**	**267.0**	360.7
Earnings per A ordinary share				**Cent**	Cent
- basic	*3*			**152.0**	205.5
- diluted	*3*			**151.9**	205.4

Kerry Group plc

Consolidated Statement of Recognised Income and Expense

for the year ended 31 December 2012

	2012 €'m	2011 €'m
Profit after taxation and attributable to owners of the parent	**267.0**	360.7
Other comprehensive (expense)/income:		
Fair value movements on cash flow hedges	**(0.8)**	(7.1)
Exchange difference on translation of foreign operations	**(0.3)**	11.5
Actuarial losses on defined benefit post-retirement schemes	**(53.5)**	(112.5)
Deferred tax on items taken directly to reserves	**10.5**	18.6
Net expense recognised directly in other comprehensive income	**(44.1)**	(89.5)
Reclassification to profit or loss from equity:		
Cash flow hedges	**4.9**	(2.5)
Total comprehensive income	**227.8**	268.7

Kerry Group plc

Consolidated Balance Sheet
as at 31 December 2012

	2012 €'m	2011 €'m
Non-current assets		
Property, plant and equipment	**1,205.6**	1,208.7
Intangible assets	**2,459.9**	2,294.6
Financial asset investments	**18.8**	19.3
Non-current financial instruments	**86.1**	84.0
Deferred tax assets	**10.0**	10.2
	3,780.4	3,616.8
Current assets		
Inventories	**637.3**	658.5
Trade and other receivables	**706.1**	709.8
Cash at bank and in hand	**215.4**	237.9
Other current financial instruments	**10.0**	1.4
Assets classified as held for sale	**0.5**	5.6
	1,569.3	1,613.2
Total assets	**5,349.7**	5,230.0
Current liabilities		
Trade and other payables	**1,149.8**	1,136.9
Borrowings and overdrafts	**212.7**	39.0
Other current financial instruments	**1.8**	16.5
Tax liabilities	**32.7**	25.2
Provisions	**42.3**	26.1
Deferred income	**2.3**	2.3
	1,441.6	1,246.0
Non-current liabilities		
Borrowings	**1,287.4**	1,559.9
Other non-current financial instruments	**11.9**	10.7
Retirement benefits obligation	**308.8**	277.5
Other non-current liabilities	**60.1**	63.1
Deferred tax liabilities	**163.9**	173.0
Provisions	**37.7**	33.1
Deferred income	**21.1**	21.4
	1,890.9	2,138.7
Total liabilities	**3,332.5**	3,384.7
Net assets	**2,017.2**	1,845.3
Issued capital and reserves attributable to owners of the parent		
Share capital	**21.9**	21.9
Share premium	**398.7**	398.7
Other reserves	**(88.1)**	(94.3)
Retained earnings	**1,684.7**	1,519.0
Shareholders' equity	**2,017.2**	1,845.3

Kerry Group plc

Consolidated Statement of Changes in Equity

for the year ended 31 December 2012

	Notes	**Share Capital €'m**	**Share Premium €'m**	**Other Reserves €'m**	**Retained Earnings €'m**	**Total €'m**
At 1 January 2011		21.9	398.7	(98.2)	1,304.6	1,627.0
Total comprehensive income		-	-	1.9	266.8	268.7
Dividends paid	*4*	-	-	-	(52.4)	(52.4)
Long term incentive plan expense		-	-	2.0	-	2.0
Shares issued during year		-	-	-	-	-
At 31 December 2011		21.9	398.7	(94.3)	1,519.0	1,845.3
Total comprehensive income		**-**	**-**	**3.8**	**224.0**	**227.8**
Dividends paid	*4*	**-**	**-**	**-**	**(58.3)**	**(58.3)**
Long term incentive plan expense		**-**	**-**	**2.4**	**-**	**2.4**
Shares issued during year		**-**	**-**	**-**	**-**	**-**
At 31 December 2012		**21.9**	**398.7**	**(88.1)**	**1,684.7**	**2,017.2**

Other Reserves comprise the following:

	Capital Redemption Reserve €'m	**Capital Conversion Reserve Fund €'m**	**Long Term Incentive Plan Reserve €'m**	**Translation Reserve €'m**	**Hedging Reserve €'m**	**Total €'m**
At 1 January 2011	1.7	0.3	3.4	(100.7)	(2.9)	(98.2)
Total comprehensive income/(expense)	-	-	-	11.5	(9.6)	1.9
Long term incentive plan expense	-	-	2.0	-	-	2.0
At 31 December 2011	1.7	0.3	5.4	(89.2)	(12.5)	(94.3)
Total comprehensive (expense)/income	**-**	**-**	**-**	**(0.3)**	**4.1**	**3.8**
Long term incentive plan expense	**-**	**-**	**2.4**	**-**	**-**	**2.4**
At 31 December 2012	**1.7**	**0.3**	**7.8**	**(89.5)**	**(8.4)**	**(88.1)**

Kerry Group plc

Consolidated Cash Flow Statement
for the year ended 31 December 2012

	Notes	**2012 €'m**	2011 €'m
Operating activities			
Trading profit		**554.7**	500.5
Adjustments for:			
Depreciation (net)		**114.3**	100.8
Change in working capital		**(6.2)**	(3.8)
Pension contributions paid less pension expense		**(25.2)**	(34.0)
Expenditure on acquisition integration costs		**(40.5)**	(13.9)
Expenditure on restructuring programme		**(30.1)**	-
Exchange translation adjustment		**(1.8)**	(2.8)
Cash generated from operations		**565.2**	546.8
Income taxes paid		**(53.5)**	(75.9)
Finance income received		**1.1**	0.9
Finance costs paid		**(49.7)**	(47.5)
Net cash from operating activities		**463.1**	424.3
Investing activities			
Purchase of non-current assets		**(167.5)**	(174.0)
Proceeds from the sale of property, plant and equipment		**8.3**	9.9
Capital grants received		**3.2**	1.9
Purchase of subsidiary undertakings (net of cash acquired)	*6*	**(174.7)**	(361.6)
(Payments)/proceeds due to disposal of businesses (net of related tax)		**(2.1)**	5.6
Payments relating to previous acquisitions		**(5.0)**	(3.2)
Net cash used in investing activities		**(337.8)**	(521.4)
Financing activities			
Dividends paid	*4*	**(58.3)**	(52.4)
Issue of share capital		**-**	-
Net movement on bank borrowings		**(88.6)**	233.0
Net cash movement due to financing activities		**(146.9)**	180.6
Net (decrease)/increase in cash and cash equivalents		**(21.6)**	83.5
Cash and cash equivalents at beginning of year		237.0	152.1
Exchange translation adjustment on cash and cash equivalents		**-**	1.4
Cash and cash equivalents at end of year		**215.4**	237.0

Reconciliation of Net Cash Flow to Movement in Net Debt

Net (decrease)/increase in cash and cash equivalents	**(21.6)**	83.5
Cash outflow/(inflow) from debt financing	**88.6**	(233.0)
Changes in net debt resulting from cash flows	**67.0**	(149.5)
Fair value movement on interest rate swaps recognised in shareholders' equity	**(1.4)**	(4.6)
Exchange translation adjustment on net debt	**11.3**	(21.7)
Movement in net debt in the year	**76.9**	(175.8)
Net debt at beginning of year	(1,287.7)	(1,111.9)
Net debt at end of year	**(1,210.8)**	(1,287.7)

Notes to the Financial Statements
for the year ended 31 December 2012

1. Analysis of results

The Group has two operating segments: Ingredients & Flavours and Consumer Foods. The Ingredients & Flavours operating segment manufactures and distributes application specific ingredients and flavours spanning a number of technology platforms while the Consumer Foods segment manufactures and supplies added value brands and customer branded foods to the Irish and UK markets.

	Ingredients & Flavours 2012 €'m	**Consumer Foods 2012 €'m**	**Group Eliminations and Unallocated 2012 €'m**	**Total 2012 €'m**	Ingredients & Flavours 2011 €'m	Consumer Foods 2011 €'m	Group Eliminations and Unallocated 2011 €'m	Total 2011 €'m
External revenue	**4,147.3**	**1,701.0**	**-**	**5,848.3**	3,638.1	1,664.1	-	5,302.2
Inter-segment revenue	**77.9**	**11.3**	**(89.2)**	**-**	68.3	9.4	(77.7)	-
Revenue	**4,225.2**	**1,712.3**	**(89.2)**	**5,848.3**	3,706.4	1,673.5	(77.7)	5,302.2
Trading profit	**505.5**	**130.5**	**(81.3)**	**554.7**	439.3	130.4	(69.2)	500.5
Intangible asset amortisation	**(14.1)**	**(1.3)**	**(8.0)**	**(23.4)**	(13.6)	(1.4)	(4.3)	(19.3)
Non-trading items	**(115.4)**	**(42.6)**	**-**	**(158.0)**	6.2	(8.0)	-	(1.8)
Operating profit	**376.0**	**86.6**	**(89.3)**	**373.3**	431.9	121.0	(73.5)	479.4
Finance income				**1.1**				0.9
Finance costs				**(50.3)**				(46.9)
Profit before taxation				**324.1**				433.4
Income taxes				**(57.1)**				(72.7)
Profit after taxation				**267.0**				360.7
Segment assets and liabilities								
Segment assets	**3,330.4**	**1,088.3**	**931.0**	**5,349.7**	3,267.7	1,114.3	848.0	5,230.0
Segment liabilities	**(847.4)**	**(460.5)**	**(2,024.6)**	**(3,332.5)**	(820.4)	(472.4)	(2,091.9)	(3,384.7)
Net assets	**2,483.0**	**627.8**	**(1,093.6)**	**2,017.2**	2,447.3	641.9	(1,243.9)	1,845.3
Other segmental information								
Property, plant and equipment additions	**114.7**	**26.0**	**5.1**	**145.8**	111.4	31.0	-	142.4
Depreciation (net)	**84.7**	**26.8**	**2.8**	**114.3**	71.0	29.8	-	100.8
Intangible asset additions	**0.5**	**-**	**22.3**	**22.8**	0.5	0.1	29.1	29.7

Information about geographical areas

	EMEA 2012 €'m	**Americas 2012 €'m**	**Asia Pacific 2012 €'m**	**Total 2012 €'m**	EMEA 2011 €'m	Americas 2011 €'m	Asia Pacific 2011 €'m	Total 2011 €'m
Revenue by location of external customers	**3,315.7**	**1,806.8**	**725.8**	**5,848.3**	3,139.2	1,557.7	605.3	5,302.2
Segment assets by location	**3,330.0**	**1,547.1**	**472.6**	**5,349.7**	3,329.7	1,494.9	405.4	5,230.0
Property, plant and equipment additions	**64.7**	**67.1**	**14.0**	**145.8**	70.6	56.6	15.2	142.4
Intangible asset additions	**22.3**	**0.2**	**0.3**	**22.8**	29.3	0.3	0.1	29.7

Kerry Group plc is domiciled in the Republic of Ireland and the revenues from external customers in the Republic of Ireland were **€559.8m** (2011: €548.3m). The non-current assets located in the Republic of Ireland are **€884.6m** (2011: €872.3m).

Revenues from external customers include **€1,813.8m** (2011: €1,706.0m) in the United Kingdom and **€1,408.0m** (2011: €1,202.0m) in the US. The non-current assets in the UK are **€745.3m** (2011: €766.7m) and in the US are **€872.0m** (2011: €809.3m).

Notes to the Financial Statements
for the year ended 31 December 2012

2. Non-trading items

(a) Acquisition integration and restructuring costs

	Gross Cost €'m	Tax €'m	Net Cost €'m
Acquisition integration costs	**69.6**	**(10.7)**	**58.9**
Footprint and supply chain restructuring programme	**50.6**	**(9.7)**	**40.9**
2012 Acquisition integration and restructuring costs	**120.2**	**(20.4)**	**99.8**
2011 Acquisition integration and restructuring costs	10.7	(1.4)	9.3

Of which:

	Acquisition integration costs €'m	Footprint and supply chain restructuring programme €'m	Total Gross Cost €'m	Tax €'m	Net Cost €'m
Redundancies and contract compensation	**32.6**	**30.5**	**63.1**	**(10.9)**	**52.2**
Impairment of assets and other non-cash costs	**10.7**	**12.9**	**23.6**	**(4.2)**	**19.4**
Relocation and dual running costs	**12.9**	**6.9**	**19.8**	**(3.3)**	**16.5**
Transitional service agreements and acquisition transaction costs	**3.6**	**-**	**3.6**	**(0.4)**	**3.2**
Other	**9.8**	**0.3**	**10.1**	**(1.6)**	**8.5**
Acquisition integration and restructuring costs	**69.6**	**50.6**	**120.2**	**(20.4)**	**99.8**

Acquisition integration costs represent additional investment by the Group in the recently acquired businesses, in particular the Cargill's flavours business, in order to realise their full value and achieve expected synergies. The costs reflect the closure of factories, relocation of resources and the streamlining of operations in order to integrate the businesses into the existing Kerry operating model.

Footprint and supply chain restructuring programme are the costs associated with the Group's progression of the 1 Kerry business excellence programme across all manufacturing operations and functional areas to leverage Kerry's global expertise and capabilities, whilst optimising manufacturing, scale and efficiency benefits.

The 2012 costs reflect the impact of closing or streamlining 13 sites within the Group.

The 2011 acquisition integration costs included transaction expenses incurred in completing the 2011 acquisitions as well as initial costs in integrating the acquisitions into the Group's operations and structure.

Tax
A tax credit of **€20.4m** (2011: €1.4m) arose due to tax deductions available on the acquisition integration and restructuring costs.

Cash impact
The acquisition integration costs resulted in net cash outflow (after related tax) of **€29.8m** (2011: €12.5m), of which €1.0m relates to prior year programmes. The restructuring costs resulted in net cash outflow (after related tax) of **€20.4m.** The future expected cash outflow on acquisition integration costs already provided for is estimated to be **€23.2m** and the future expected cash outflow on restructuring costs already provided for is estimated to be **€7.6m**.

(b) (Loss)/profit on disposal of businesses

The loss of **€35.3m** relates primarily to the disposal of the Candied Fruit business in France, Cargill Aroma Chemicals US business and other non-core businesses in the UK and Ireland. The 2011 profit of €17.3m on acquisition of businesses was due to the Group acquiring the controlling interest of previously held investments which was partially offset by losses on the sale of non-core businesses in Ireland and the US. A net tax credit of **€0.9m** (2011: €0.3m) arose due to tax deductions available on the losses.

(c) Loss on disposal of non-current assets

The loss of **€2.5m** relates primarily to the disposal of property, plant & equipment in the US and UK. The 2011 loss of €8.4m relates primarily to the disposal of property, plant and equipment in the US, UK and Brazil. A net tax credit of **€1.2m** (2011: €0.2m) arose due to tax deductions available on the losses.

Notes to the Financial Statements
for the year ended 31 December 2012

3. Earnings per A ordinary share

	Notes	EPS cent 2012	2012 €'m	EPS cent 2011	2011 €'m
Basic earnings per share					
Profit after taxation and attributable to owners of the parent		**152.0**	**267.0**	205.5	360.7
Brand related intangible asset amortisation		**8.4**	**14.7**	7.9	13.9
Non-trading items (net of related tax)	*2*	**77.2**	**135.5**	-	(0.1)
Adjusted earnings		**237.6**	**417.2**	213.4	374.5
Diluted earnings per share					
Profit after taxation and attributable to owners of the parent		**151.9**	**267.0**	205.4	360.7
Adjusted earnings		**237.3**	**417.2**	213.3	374.5

In addition to the basic and diluted earnings per share, an adjusted earnings per share is also provided as it is considered more reflective of the Group's underlying trading performance. Adjusted earnings is profit after taxation before brand related intangible asset amortisation and non-trading items (net of related tax). These items are excluded in order to assist in the understanding of underlying earnings.

Number of Shares	**2012 m's**	2011 m's
Basic weighted average number of shares	**175.6**	175.5
Impact of share options outstanding	**0.2**	0.1
Diluted weighted average number of shares	**175.8**	175.6
Actual number of shares in issue as at 31 December	**175.6**	175.5

4. Dividends

	2012 €'m	2011 €'m
Amounts recognised as distributions to equity shareholders in the year		
Final 2011 dividend of **22.40 cent** per A ordinary share paid 11 May 2012 (Final 2010 dividend of 20.00 cent per A ordinary share paid 13 May 2011)	**39.3**	35.2
Interim 2012 dividend of **10.80 cent** per A ordinary share paid 16 November 2012 (Interim 2011 dividend of 9.80 cent per A ordinary share paid 11 November 2011)	**19.0**	17.2
	58.3	52.4

Since the year end the Board has proposed a final 2012 dividend of 25.00 cent per A ordinary share. The payment date for the final dividend will be 10 May 2013 to shareholders registered on the record date as at 12 April 2013. These consolidated financial statements do not reflect this dividend.

5. Amendments to IAS 19 (revised)

The Group will transition to the revised IAS 19 (amendment) "Employee Benefits" from 1 January 2013. The Group estimates that the adoption of the revised IAS 19 would result in an additional pension charge to the Consolidated Income Statement for the year ended 31 December 2012 of €8.6m. This is due to the increase in the net interest cost. As at 31 December 2012, the Group has €2.8m of unrecognised past service costs which are required to be recognised under the revised standard. This recognition would result in an increase in the net deficit. The Group currently recognises all actuarial gains and losses immediately in the Consolidated Statement of Recognised Income and Expense, as required by the revised standard.

From 1 January 2013, the Group intends to report the net interest cost associated with defined benefit pension schemes within finance costs in the Consolidated Income Statement, previously shown in staff costs. Under the revised IAS 19, which gives rise to a total pension cost of €50.8m, the Group estimates that this change would result in a decrease in staff costs of €4.3m and a corresponding increase in finance costs of €12.9m for the year ended 31 December 2012.

The pension charge for the year ended 31 December 2013 is expected to be in line with the 2012 revised pension charge.

Consolidated Income Statement	**2012 As reported €'m**	2012 Revised €'m
Pension cost included in staff costs	**42.2**	37.9
Pension cost included in finance costs	**-**	12.9
Consolidated Balance Sheet		
Net recognised deficit in plans after deferred tax	**(245.5)**	(248.3)

6. Business combinations

During 2012, the Group completed six bolt on acquisitions, all of which are 100% owned by the Group.

	Acquiree's Carrying Amount Before Combination 2012 €'m	**Fair Value Adjustments 2012 €'m**	**Total 2012 €'m**
Recognised amounts of identifiable assets acquired and liabilities assumed:			
Non-current assets			
Property, plant and equipment	**21.3**	**(2.1)**	**19.2**
Brand related intangibles	**-**	**66.1**	**66.1**
Current assets			
Inventories	**15.0**	**(0.3)**	**14.7**
Trade and other receivables	**15.5**	**(0.2)**	**15.3**
Current liabilities			
Trade and other payables	**(21.7)**	**(0.5)**	**(22.2)**
Non-current liabilities			
Other non-current liabilities	**(0.4)**	**(3.9)**	**(4.3)**
Total identifiable assets	**29.7**	**59.1**	**88.8**
Goodwill			**88.5**
Total consideration			**177.3**
Satisfied by:			
Cash			**174.7**
Deferred payment			**2.6**
			177.3

The acquisition method of accounting has been used to consolidate the businesses acquired in the Group's financial statements. Since the valuation of the fair value of assets and liabilities recently acquired is still in progress, the above values are determined provisionally. Due to the fact that the main prior year acquisitions were completed near the end of 2011, there have been revisions of the provisional fair value adjustments since the initial values were established. These revisions were not material. The cash discharged figure above includes **€0.3m** of net debt taken over at the date of acquisition.

6. Business combinations (continued)

The goodwill is attributable to the expected profitability, revenue growth, future market development and assembled workforce of the acquired businesses and the synergies expected to arise within the Group after the acquisition. **€9.1m** of goodwill recognised is expected to be deductible for income tax purposes.

Transaction expenses related to these acquisitions of **€0.6m** were charged against acquisition integration and restructuring costs in the Group's Consolidated Income Statement during the year.

The fair value of the financial assets includes trade and other receivables with a fair value of €15.3m and a gross contractual value of €15.6m.

In June and September 2012, the Group acquired the business and certain assets of Angsana Food Industries Sdn. Bhd. and Shanghai Angsana Food Co. Ltd, respectively. The acquired businesses which are based in Malaysia and China, manufacture and supply savoury and sweet ingredients products to a range of customers primarily located in Asia.

In July 2012 the Group acquired Food Spectrum Group Pty Limited, a specialist provider of food ingredients and aseptic solutions based in Australia.

The Group acquired Griffith do Brasil, a specialist manufacturer of meat systems, flavours and texturant systems for a range of customers primarily located in Brazil in August 2012.

In August 2012 the Group acquired Millennium Foods, LLC. The acquired company, based in the US, manufactures flavourings and food formulations for a range of customers primarily located in the US.

The Group acquired Big Train Industries, Inc. in December 2012. Based in the US, the company develops and produces branded speciality beverage products for foodservice and retail markets.

Due to the rapid integration of the acquired businesses into the Group's current structure, involving all aspects of business activities such as manufacturing, commercial, finance and IT, separate disclosure of the acquisitions' revenues and profit or loss is impracticable.

7. Events after the balance sheet date

Since the year end, the Group has:

- reached agreement to acquire Cape Town, South Africa based Orley Foods - a leading manufacturer and supplier of sweet ingredient solutions to food manufacturers and foodservice providers in South Africa. The transaction has already achieved regulatory approval and is scheduled to be completed in March 2013; and
- proposed a final dividend of 25.00 cent per A ordinary share (note 4).

There have been no other significant events, outside the ordinary course of business, affecting the Group since 31 December 2012.

8. General information and accounting policies

The financial information set out in this document does not constitute full statutory financial statements for the years ended 31 December 2012 or 2011 but is derived from same. The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), applicable law and the Listing Rules of the Irish Stock Exchange and the UK Listing Authority. The Group's financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The 2012 and 2011 Group's financial statements have been audited and received unqualified audit reports. The 2012 consolidated financial statements were approved by the Board of Directors on 25 February 2013.

The Group's financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial asset investments and certain financial assets and liabilities (including derivative financial instruments), which are held at fair value. The Group's accounting policies, which will be included in the 2012 Annual Report & Accounts to be published in April 2013, are consistent with those described in the 2011 Annual Report & Accounts. New standards and interpretations effective for 2012 did not have any material impact on the 2012 financial statements.