ARYZTA AG
H1 2019 Results

12 March 2019

Forward Looking Statement

This document contains forward looking statements which reflect the Board of Directors' current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

You are cautioned not to place undue reliance on any forward-looking statements. These forward-looking statements are made as of the date of this document. The Company expressly disclaims any obligation or undertaking to publicly update or revise any forward-looking statements other than as required by applicable law

Strategic, Financial and Operational Highlights

Strategic

- First step towards delivery of multi-year turnaround commitment
- Developing a unified, cohesive Group with singular focus on core strengths
- Project Renew launched; seeing early benefits
  - delivered €7.6m savings in H1 2019
  - H2 2019 will see required step-up to deliver targeted €40m run-rate savings

Operational

- Ongoing organic revenue stability in the period
  - Europe benefitting from ongoing price/mix improvement and organic volume growth
  - North America remains challenging; QSR channel stable
  - Rest of World solid performance offset by currency

Financial

- Completed capital raise with net proceeds of €740m, which
  - strengthened ARYZTA's balance sheet
  - provided necessary liquidity and working capital funding
  - enables the financial flexibility and time to deliver on ARYZTA's €150m multi-year reorganisation plan, Project Renew

H1 2019 - Financial Overview

- Group organic revenue growth +0.7% in the period, reflecting ongoing stabilisation
- H1 2019 underlying EBITDA of €151.6m
- Group EBITDA margin stabilising at 8.9%, (10) bps decline year on year
- Net Debt of €811m with Net Debt: EBITDA covenant ratio of 2.5x
- Hybrid financing of €834m, including €60m of deferred hybrid dividends
- Renew savings of €7.6m in the period

Financial Review

ARYZTA Group Underlying Income Statement
Six month period ended 31 January 2019

in EUR '000	January 2019	January 2018	%
Group revenue	**1,710,705**	**1,786,549**	**(4.2)%**
Underlying EBITDA[1]	**151,629**	**161,284**	**(6.0)%**
Underlying EBITDA margin	8.9%	9.0%	(10) bps
Depreciation & ERP amortisation	(66,031)	(67,977)	2.9%
Underlying EBITA[1]	85,598	93,307	(8.3)%
Joint ventures underlying net profit	20,592	15,928	29.3%
Underlying EBITA including joint ventures	106,190	109,235	(2.8)%
Finance cost, net	(33,564)	(36,290)	7.5%
Hybrid instrument dividend	(18,221)	(15,344)	(18.8)%
Underlying pre-tax profits	54,405	57,601	(5.5)%
Income tax	(14,911)	(6,668)	(123.6)%
Underlying net profit[1]	**39,494**	**50,933**	**(22.5)%**
Underlying diluted EPS (cent)[2]	6.0	12.3	(51.2)%

1 See glossary on slide 36 for definitions of financial terms and references used in the presentation.

2 The 31 January 2019 weighted average number of ordinary shares used to calculate underlying earnings per share is 657,924,501 (H1 2018: 414,408,918). Comparatives have been restated to include the effect of the bonus issue of shares pursuant to the November 2018 rights issue.

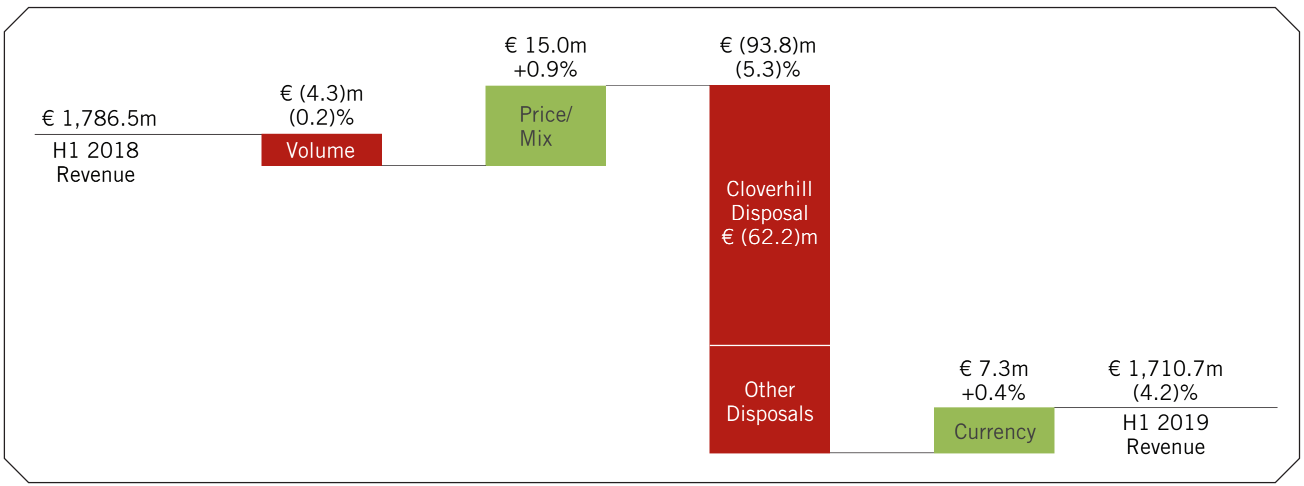
Underlying Income Statement reconciliation to IFRS
Six month period ended 31 January 2019

in EUR '000	January 2019	January 2018
Underlying EBITDA	151,629	161,284
Depreciation	(57,649)	(59,283)
ERP amortisation	(8,382)	(8,694)
Underlying EBITA	85,598	93,307
Amortisation of other intangible assets	(67,704)	(86,186)
Net loss on disposal of businesses and impairment of disposal groups held-for-sale	(847)	(149,336)
Restructuring-related costs	(6,296)	(51,816)
IFRS operating profit/(loss)	**10,751**	**(194,031)**
Share of profit after interest and tax of joint ventures	19,061	10,870
Finance cost, net	(33,564)	(36,290)
RCF termination costs	–	(12,415)
Loss before income tax	**(3,752)**	**(231,866)**
Income tax (expense)/credit	(558)	34,917
IFRS loss for the period	**(4,310)**	**(196,949)**
Hybrid instrument dividend	(18,221)	(15,344)
Loss used to determine basic EPS	(22,531)	(212,293)
IFRS diluted loss per share (cent)[1]	(3.4) cent	(51.5) cent

1 The 31 January 2019 weighted average number of ordinary shares used to calculate IFRS diluted loss per share is 657,377,825 (H1 2018: 412,433,979). Comparatives have been restated to include the effect of the bonus issue of shares pursuant to the November 2018 rights issue.

ARYZTA Group Revenue Performance
Six month period ended 31 January 2019

in EUR million	ARYZTA Europe	ARYZTA North America	ARYZTA Rest of World	**ARYZTA Group**
Revenue	859.7	717.9	133.1	**1,710.7**
Organic movement	1.9%	(1.8)%	6.7%	**0.7%**
Disposals movement	(2.8)%	(8.9)%	–	**(5.3)%**
Currency movement	(0.1)%	2.0%	(5.8)%	**0.4%**
Total revenue movement	(1.0)%	(8.7)%	0.9%	**(4.2)%**



ARYZTA Group – Quarterly Organic Revenue

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	H1 2019
ARYZTA Europe					
Volume %	(5.0)%	0.5%	(0.1)%	1.4%	0.6%
Price/Mix %	2.4%	2.1%	2.1%	0.5%	1.3%
Organic movement %	**(2.6)%**	**2.6%**	**2.0%**	**1.9%**	**1.9%**
ARYZTA North America					
Volume %	(1.9)%	1.2%	(2.1)%	(1.7)%	(1.9)%
Price/Mix %	0.6%	(3.6)%	(0.7)%	0.8%	0.1%
Organic movement %	**(1.3)%**	**(2.4)%**	**(2.8)%**	**(0.9)%**	**(1.8)%**
ARYZTA Rest of World					
Volume %	7.5%	5.7%	6.1%	2.0%	4.1%
Price/Mix %	1.8%	(1.4)%	1.6%	3.7%	2.6%
Organic movement %	**9.3%**	**4.3%**	**7.7%**	**5.7 %**	**6.7%**
ARYZTA Group					
Volume %	(2.7)%	1.2%	(0.6)%	0.1%	(0.2)%
Price/Mix %	1.5%	(0.7)%	0.9%	0.9%	0.9%
Organic movement %	**(1.2)%**	**0.5%**	**0.3%**	**1.0%**	**0.7%**

ARYZTA Group – Segmental EBITDA & EBITDA Margin

in EUR '000	Six months ended 31 January 2018	Six months ended 31 July 2018	Six months ended 31 January 2019	% Change H1-19 v. H1-18
ARYZTA Europe	90,740	81,237	82,199	(9.4)%
ARYZTA North America	49,962	39,940	48,671	(2.6)%
ARYZTA Rest of World	20,582	19,361	20,759	0.9%
ARYZTA Underlying EBITDA	**161,284**	**140,538**	**151,629**	**(6.0)%**

EBITDA Margin	Six months ended 31 January 2018	Six months ended 31 July 2018	Six months ended 31 January 2019	bps
ARYZTA Europe	10.5%	9.6%	9.6%	(90) bps
ARYZTA North America[1]	6.4%	5.9%	6.8%	40 bps
ARYZTA Rest of World	15.6%	15.5%	15.6%	–
ARYZTA Underlying EBITDA Margin	**9.0%**	**8.5%**	**8.9%**	**(10) bps**

- ARYZTA Europe underlying EBITDA margin decline of 90 bps
  - Ongoing insourcing impact
  - Raw material and logistics costs impacting margins
- ARYZTA North America underlying EBITDA margin stable
  - Operating efficiency driven by early benefits of Project Renew
  - Sustained cost control focus
- Rest of World underlying EBITDA margin flat
  - EBITDA growth in line with organic revenue growth of 6.7%, offset by currency impact

1 H1 2018 North America EBITDA margin of 6.9% excluding Cloverhill

ARYZTA Europe

in EUR million	H1 2019	H1 2018
Revenue	859.7	868.3
Underlying EBITDA	82.2	90.7
Underlying EBITDA margin	9.6%	10.5%

ARYZTA Europe H1 2019 Financial Metrics		
Revenue	↓	(1.0)%
Organic Revenue	↑	+1.9%
Underlying EBITDA	↓	(9.4)%
Underlying EBITDA margin	↓	(90) bps

- Organic revenue growth of +1.9%
- Price/mix improvement of +1.3%
- Positive performance in Switzerland, France and Poland; challenging trading in UK and Ireland
- Insourcing continues to impact performance in Germany
- Higher raw material and logistics costs weighing on margins
- Asset held-for-sale disposed in Eastern Europe




ARYZTA North America

in EUR million	H1 2019	H1 2018
Revenue	717.9	786.4
Underlying EBITDA	48.7	50.0
Underlying EBITDA margin	6.8%	6.4%

ARYZTA North America H1 2019 Financial Metrics		
Revenue	↓	(8.7)%
Organic Revenue	↓	(1.8)%
Underlying EBITDA	↓	(2.6)%
Underlying EBITDA margin	↑	40 bps

- Organic revenue declined by (1.8)%
- QSR revenues stable, however Retail and Foodservice channels challenging
- Underlying EBITDA margin stable
  - Early Project Renew benefits
  - Sustained cost control focus
- Ongoing stabilisation progressing; focus on customer relationships, commercial pipeline and operating performance




ARYZTA Rest of World

in EUR million	H1 2019	H1 2018
Revenue	133.1	131.9
Underlying EBITDA	20.8	20.6
Underlying EBITDA margin	15.6%	15.6%

ARYZTA Rest of World H1 2019 Financial Metrics		
Revenue	↑	+0.9%
Organic Revenue	↑	+6.7%
Underlying EBITDA	↑	+0.9%
Underlying EBITDA margin	→	–

- Organic revenue growth of +6.7%
- EBITDA growth in line with organic revenue growth, offset by currency impact
- Revenue growth capacity constrained in some markets
- Capex investment required to drive growth




Cash Generation
Six month period ended 31 January 2019

in EUR '000	January 2019	January 2018
Underlying EBITDA	151,629	161,284
Working capital movement	(79,105)	(32,594)
Working capital movement from debtor securitisation[1]	2,945	10,315
Capital expenditure	(35,102)	(41,959)
Proceeds from sale of fixed assets	1,650	772
Restructuring-related cash flows	(14,643)	(54,129)
Segmental operating free cash generation	27,374	43,689
Dividends received from joint venture	–	53,540
Interest and income tax paid, net	(59,548)	(52,490)
Recognition of deferred income from government grants	(1,977)	(1,936)
Other	(2,028)	(3,048)
Cash flow generated from activities	**(36,179)**	**39,755**

1 Total debtor balances securitised as of 31 January 2019 is €205m (31 July 2018: €199m).

Net Debt and Investment Activity
Six month period ended 31 January 2019

in EUR '000	January 2019	January 2018
Opening net debt as at 1 August	**(1,510,264)**	**(1,733,870)**
Cash flow generated from activities	(36,179)	39,755
Disposal of businesses, net	3,283	46,781
RCF termination costs	–	(12,415)
Proceeds from issue of shares, net of costs paid[1]	748,949	–
Foreign exchange movement	(13,385)	39,524
Other[2]	(3,440)	(2,840)
Closing net debt as at 31 January	**(811,036)**	**(1,623,065)**

1 Proceeds will amount to c. €740m net, after payment of outstanding transaction-related costs.

2 Other is comprised primarily of amortisation of upfront borrowing costs.

Capital raise of €740m Net Proceeds

Use of Funds	€m
Repayment of term loan facility	455
Funding to implement Project Renew	150
Cover movements in net working capital & gain financial flexibility	135
Total	740

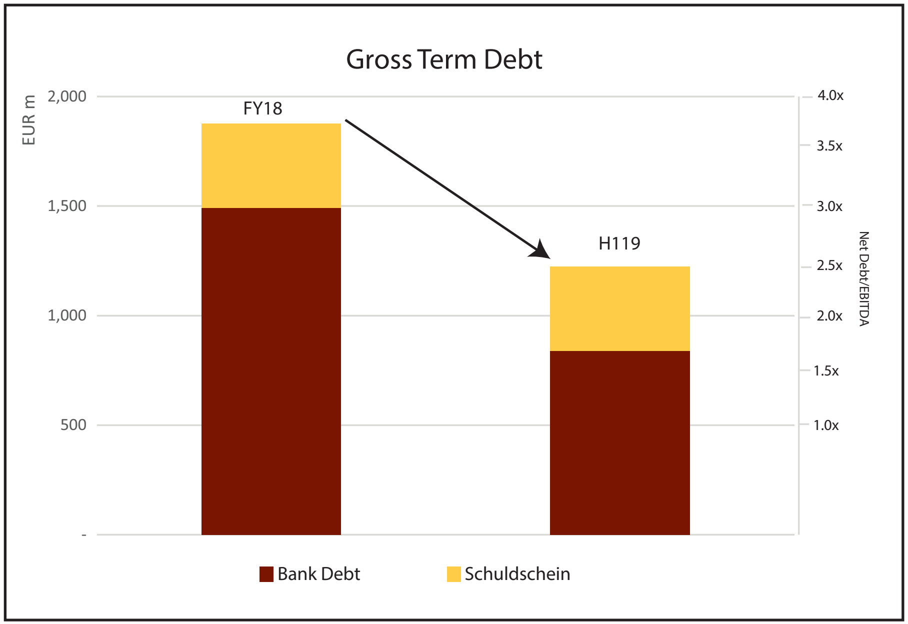
– Strengthens balance sheet and provides covenant headroom

– Provides the necessary liquidity for working capital and upcoming debt maturities

Target is to normalise balance sheet in line with relevant public companies over the medium term through the effective delivery of our business plan

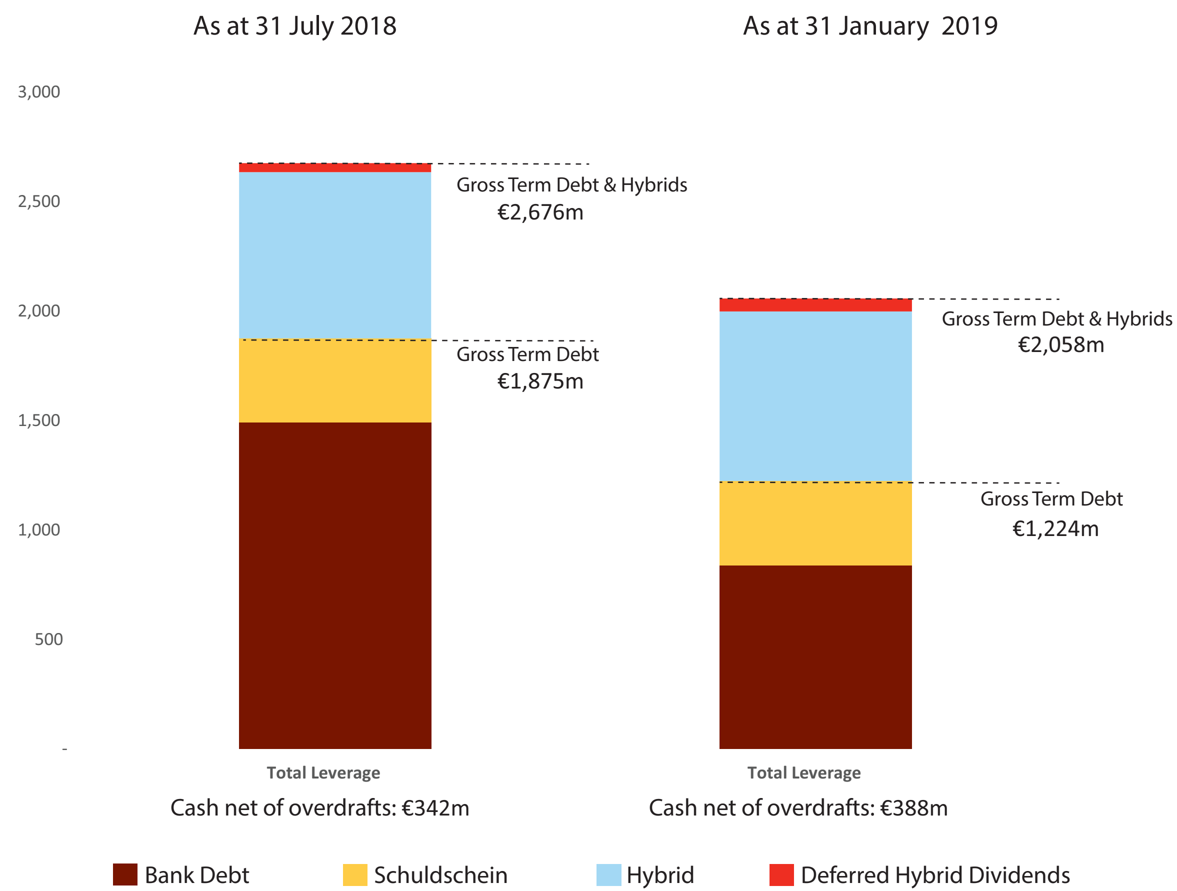
ARYZTA Senior Debt Financing

Syndicated Bank RCF, Term Loan & Schuldschein	January 2019	July 2018
Net Debt: EBITDA	2.50x	3.83x
Interest Cover (including hybrid deferred dividend)	3.13x	3.72x



- Reduction in senior net leverage to 2.5x Net Debt: EBITDA.
- Significant covenant headroom:
  - 4.0x covenant at January 31 2019
  - 3.5x covenant from July 31 2019 onwards

ARYZTA Capital Structure post Capital Raise



– Hybrid financing of €834m including €60m of deferred hybrid dividends
– €250m Euro Hybrid will not be called on 28 March 2019

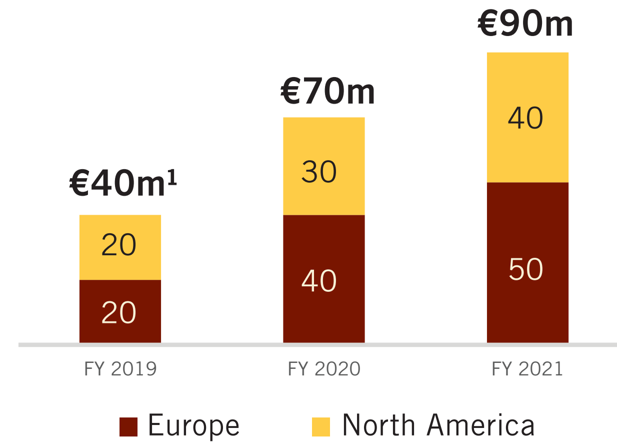
Update on Project Renew : Individual Project Examples

Workstream	Initiatives Example	Project Update
Operating Model	**US Management Team Downsizing:** » Reduction of 76 FTEs, including four members of management team » Financials - Project cost: \$1.9m; Annual project savings: \$7.4m; Payback period: 0.25 years	**Complete Savings Achieved**
	Back Office Consolidation: » Currently four separate trading entities in Northern Europe » Headcount reduction (30 FTEs) achieved through delayering, synergies and restructuring; » Financials - Project cost: €0.9m; Annual project savings: €1.7m; Payback period: 0.5 years	**Complete Savings Achieved**
Procurement Supply Chain	**Warehouse Outsourcing:** » Elimination of external intermediate warehouse and 2 leg transport journeys » Outsourcing of direct store delivery supply chain » Financials - Project cost €0.25m; Annual project savings: €2m; Payback period: 0.1 years	**On track – savings being delivered**
Manufacturing	**Bread: Auto–Scoring:** » Currently manual scoring of bread » Robotic auto-scoring system eliminates significant labour cost per shift » Financials - Project cost: \$1.3m; Annual project savings: \$0.65m; Payback period: 1.9 years	**On track – equipment design completed. Operational Q1-FY20**
	Muffins – Automatic Palletising » Muffin line currently uses manual palletising requiring 2 people per line » Auto-palletiser and stretch wrap system will eliminate significant labour costs » Financials - Project cost: \$0.4m; Project savings: \$0.3m; Payback period: 1.3 years	**On Track – completion planned in May 2019**

Project Renew

Workstream	% of target run rate savings
Manufacturing (automation & bakery optimisation)	c. 40%
Procurement Supply Chain	c. 35%
Operating Model	c. 25%

€90m Targeted Run-rate Savings in FY 2021



	FY2019	FY2020	FY2021
Planned Investment	€65m	€45m	€40m

- On track to achieve FY 2019 target of €40m run-rate savings
- €7.6m savings achieved in H1 2019
- Investment of €150m confirmed over next three years; 2/3 automation capex, 1/3 non-recurring restructuring cost
- Strong project governance and control in place with 200+ individual projects grouped into four major workstreams
- Projects prioritised for rapid payback and minimum customer disruption
- Significant increase in delivery activities planned for H2 2019 and subsequent periods

1. FY 2019 savings are expected to come on a phased basis. Aggregated level of achieved savings: Q1: 10% Q2: 20% Q3: 45% and Q4: 100%

Impairment, disposal and restructuring
Six month period ended 31 January 2019

in EUR `000	Impairment/ Disposal H1 2019	Restructuring H1 2019	Total H1 2019	Total H1 2018
Net gain/(loss) on disposal of businesses and impairment of assets held for sale	(847)	–	(847)	(149,336)
Labour-related business interruption	–	–	–	(38,730)
Severance and other staff-related costs	–	(2,130)	(2,130)	(6,695)
Advisory and other costs	–	(4,166)	(4,166)	(6,391)
Net impairment, disposal and restructuring-related costs	(847)	(6,296)	(7,143)	(201,152)

Joint Ventures
Six month period ended 31 January 2019

Joint Venture Underlying Income Statement

in EUR '000	**Picard January 2019**	Picard January 2018	**Signature January 2019**	Signature January 2018	**Total January 2019**	Total January 2018
Revenue	**800,508**	810,337	–	60,402	**800,508**	870,739
Underlying EBITDA	**122,342**	130,766	–	8,343	**122,342**	139,109
Underlying EBITDA margin	**15.3%**	16.1%	–	13.8%	**15.3%**	16.0%
Depreciation	**(15,327)**	(14,980)	–	(2,401)	**(15,327)**	(17,381)
Underlying EBITA	**107,015**	115,786	–	5,942	**107,015**	121,728
Finance cost, net	**(28,898)**	(42,186)	–	(203)	**(28,898)**	(42,389)
Pre-tax profit	**78,117**	73,600	–	5,739	**78,117**	79,339
Income tax	**(35,009)**	(45,546)	–	(1,190)	**(35,009)**	(46,736)
Joint venture underlying net profit	**43,108**	28,054	–	4,549	**43,108**	32,603
ARYZTA's share of JV underlying net profit	**20,592**	13,654	–	2,274	**20,592**	15,928

- ARYZTA's share of net profit of joint ventures increased 29% in the period
- Signature joint venture disposed of in March 2018
- French retail environment challenging in recent months
- ARYZTA remains committed to the disposal of Picard

Brexit

- **De-risked short term operational planning**
  - continuity of supply with key UK customers and product lines prioritised
  - additional frozen warehousing secured to enable increased inventory levels
  - alternate sourcing of key raw materials and some finished goods in place
  - contingency planning in place to cope with potential changes to transportation documentation, additional tariffs & taxation

- **Longer term risks remain given lack of clarity**
  - currency volatility
  - additional costs and increased barriers to trade in the UK
  - operational challenges such as border delays

- **Potential No Deal Brexit impact on ARYZTA**
  - FY 2019 impact expected to be <2% of EBITDA given short term contingency plans
  - Longer term impact more difficult to quantify

Summary

We make excellent products and have leading positions in key categories

- Market leader in 5 core categories accounting for c. 50% of sales
- Stable of well-known B2B brands improve category profitability for our customers

Artisan Bread
#1 in Europe
#1 in North America

Buns
#1 in Europe
Top 5 in North America

Donuts/Berliners
Top 3 in Europe
#1 in North America

Cookies
Top 3 in Europe
#1 in North America

Laminated Dough
Top 3 in Europe
Top 5 in North America

Hiestand
OFENFRISCHE – UNSER HANDWERK

Cuisine de France

Coup de pates
TRADITION & INNOVATION

LA BREA BAKERY

Otis Spunkmeyer

Leading B2B brands celebrating landmark anniversaries

– In celebration of “turning 30 years young” this year, La Brea Bakery announced plans to bring back La Brea founder, Nancy Silverton to help create new, special edition breads which will feature ingredients such as sprouted grains, alternative flours, and Nancy’s original sourdough starter, which came to life 30 years ago.

– This year Cuisine de France is celebrating 30 years of creating beautiful breads and perfect pastries for the Irish consumer.

Hiestand
OFENFRISCHE – UNSER HANDWERK

Cuisine de France

Coup de pates
TRADITION & INNOVATION

LA BREA BAKERY 1989

Otis Spunkmeyer

Ongoing actions to address key issues

Key Issues	Actions Undertaken
• Talent loss / gaps • Lack of Stakeholder Engagement	• Ongoing Board refreshment and renewal • New management team appointed • New organisational structure, evolving culture & communications • Refocus on customers, relationships & service
• Over Expansion / Over Capacity	• Non Core: Cloverhill, La Rousse and Signature JV sold • Project Renew announced; €90m run-rate savings from FY 2021 • Renew to focus on automation & capacity optimisation
• Over Leveraged • Disparate Group of Businesses	• Net €740m Capital raised November 2018 • Disposals of €137m in FY 2018; Picard Dividend €91m • Commitment to dispose of Picard stake
• Underlying Business	• Volume stability through customer / market focus • Rigorous financial controls • Heightened focus on management control and processes • Pricing discipline to offset cost inflation • Clear customer orientation • Developing a unified cohesive Group

Three Year Strategy - Stability, Performance & Growth

Stabilise the Business FY2018 → **H12019** → **Improve performance and drive profitable growth FY2019 - FY2021**

Stabilise the Business FY2018

- Build new management team, streamline structures ✓
- Re-build morale ✓
- Focus on customer relationships ✓
- Disciplined cash and capital management; increased utilisation ✓
- Divest non-core / non-strategic assets ✓

Improve performance and drive profitable growth FY2019 - FY2021

1. Margin growth driven by higher volumes and price increases
   H1 2019 margin stabilisation
2. Improve B2B customer relationships
   Support existing customer rollout to Europe and Asia
   New Top 20 QSR in H2 FY2019
3. Focus on customer driven innovation
   Bonne Maman croissant rollout
   New Hiestand bread range
4. Improve operational efficiency
   Project Renew
   €7.6m savings delivered in H1
5. Execute Project Renew
   On track to deliver €40m run rate savings in FY 2019
6. Selective investment in growth projects
   Brazil capacity expansion

Outlook

"The result in H1 2019 is consistent with our focus on stability.

This performance represents a first step towards the delivery of our multi-year turnaround commitment.

We are developing a unified, cohesive Group with a singular focus on our core strengths within a growing frozen B2B bakery market.

Project Renew will enhance both our operating efficiency and our competitive position and in H1 already delivered the expected level of savings.

Our focus on delivering excellence for our customers every day will also contribute to performance and, in time, growth."

Kevin Toland, Chief Executive Officer

Summary

- ARYZTA is a **global leader** in frozen B2B bakery
- **Clear turnaround strategy** and actions in place to deliver stability, performance and growth
- Creating a Customer focused **Integrated Industrial Operating Group**; focused on core businesses, operating performance and improvements
- Fully focused on stabilising the business and delivering on Year 1 of Project Renew
- ARYZTA is on track to deliver within its stated guided range[1] in the current financial year.

1 For the financial year ending 31 July 2019, ARYZTA expects underlying performance to be stable and the early benefits from Project Renew to flow into the income statement. The Group continues to expect mid-to-high single digit underlying EBITDA growth on a like-for-like basis excluding impacts from disposals and foreign currency movements.

Appendix

ARYZTA Group Balance Sheet
as at 31 January 2019

in EUR '000	January 2019	July 2018
Property, plant and equipment	1,237,038	1,243,692
Investment properties	14,861	14,574
Goodwill and intangible assets	2,013,696	2,057,703
Deferred tax on goodwill and intangibles	(92,365)	(104,075)
Working capital	(205,288)	(285,830)
Other segmental liabilities	(66,568)	(71,047)
Assets of disposal groups held-for-sale	2,408	7,000
Segmental net assets	2,903,782	2,862,017
Investments in joint ventures	439,046	420,016
Net debt	(811,036)	(1,510,264)
Deferred tax, excluding tax on goodwill and intangibles	(31,674)	(33,842)
Income tax payable	(70,959)	(65,506)
Derivative financial instruments	861	439
Net assets	**2,428,298**	**1,672,860**

Hybrid Financing

Perpetual Callable Subordinated Instruments		Coupon	Coupon rate if not called	in EUR `000
Not called	CHF 400m	5.3%	6.045% +3 Month Swiss Libor	(354,899)
First call March 2019	EUR 250m	4.5%	6.77% +5 Year Euro Swap Rate	(250,000)
First call April 2020	CHF 190m	3.5%	4.213% +3 Month Swiss Libor	(168,577)
Hybrid principal outstanding at 31 January 2019 exchange rates				**(773,476)**
Hybrid instrument deferred dividends				(60,086)
Total hybrid funding outstanding at 31 January 2019 exchange rates				**(833,562)**

ARYZTA Group – Return on Invested Capital

in EUR million	ARYZTA Europe	ARYZTA North America	ARYZTA Rest of World	ARYZTA Group
31 January 2019				
Segmental net assets[1]	1,400	1,323	181	2,904
TTM EBITA[1]	95	34	30	159
ROIC[1, 2]	6.8%	2.6%	16.5%	5.5%
31 July 2018				
Group share net assets[1]	1,354	1,331	177	2,862
TTM EBITA[1]	102	34	30	166
ROIC[1, 2]	7.6%	2.6%	17.0%	5.8%

1 See glossary on slide 36 for definitions of financial terms and references used.

2 Group WACC on a pre-tax basis is currently 8.6% (2018: 8.5%).

EUR Closing and Average FX Rates

Currency	Average H1 2019	Average H1 2018	% Change	Closing H1 2019	Closing FY 2018	% Change
CHF	1.1352	1.1573	1.9%	1.1271	1.1578	2.7%
USD	1.1483	1.1862	3.2%	1.1323	1.1651	2.8%
CAD	1.5119	1.4923	(1.3)%	1.5074	1.5219	1.0%
GBP	0.8904	0.8923	0.2%	0.8629	0.8888	2.9%

Presentation Glossary

- ‘Organic revenue’ – presents the revenue movement during the period, excluding impacts from acquisitions/(disposals) and foreign exchange translation.
- 'Underlying EBITDA' – presented as earnings before interest, taxation, depreciation and amortisation; before impairment, disposal and restructuring-related costs.
- 'Underlying EBITA' – presented as earnings before interest, taxation and non-ERP related intangible amortisation; before impairment, disposal and restructuring-related costs.
- ‘ERP’ – Enterprise Resource Planning intangible assets include the Group SAP system.
- ‘Joint ventures underlying net profit' – presented as profit from joint ventures, net of interest and tax, before non-ERP amortisation and the impact of associated non-recurring items.
- ‘Hybrid instrument’ – presented as Perpetual Callable Subordinated Instruments, which have no contractual maturity date and for which the Group controls the timing of settlement; therefore these instruments are accounted for as equity instruments in accordance with IAS 32 'Financial Instruments'
- ‘Underlying net profit’ – presented as reported net profit, adjusted to include the Hybrid instrument dividend as a finance cost; before non-ERP related intangible amortisation; before RCF termination costs and before impairment, disposal and restructuring-related costs, net of related income tax impacts. The Group utilises the underlying net profit measure to enable comparability of the results from period to period, without the impact of transactions that do not relate to the underlying business.
- ‘Segmental Net Assets’ – Excludes joint ventures, all bank debt, cash and cash equivalents and tax balances, with the exception of deferred tax liabilities associated with acquired goodwill and intangible assets, as those deferred tax liabilities represent a notional non-cash tax impact directly linked to segmental goodwill and intangible assets recorded as part of a business combination, rather than an actual cash tax obligation.
- ‘ROIC’ – Return On Invested Capital is calculated using a pro-forma trailing twelve month segmental Underlying EBITA (‘TTM EBITA’) reflecting the full twelve month contribution from acquisitions and full twelve month deductions from disposals, divided by the respective Segmental Net Assets, as of the end of each period.