Fyffes delivers further growth in revenue and earnings

Preliminary Results 2013

	2013 €	2012 *Restated* €	Change %
Total revenue (incl share of joint ventures)	**1,082.2m**	**1,017.8m**	**+6.3%**
EBITDA*	**40.0m**	**40.0m**	**+0.0%**
EBITA*	**32.7m**	**30.5m**	**+6.9%**
EBIT*	**31.3m**	**28.3m**	**+10.6%**
Diluted earnings per share*	**8.82 cent**	**8.55 cent**	**+3.2%**
Total dividend – including proposed final dividend	**2.17 cent**	**2.07 cent**	**+4.8%**

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

> *"Building on its very strong performance in the previous year, Fyffes is pleased to report a further increase in revenue and earnings in 2013, driven mainly by continued organic growth, with EBITA towards the upper end of the target range for the year. Overall trading conditions have been satisfactory in the year to date in 2014. Fyffes' target adjusted EBITA for 2014 is in the range €30m-€35m."*

** These financial terms are defined on the next page. Earnings for 2012 have been restated for the effects of a revision to the accounting standard for pensions, as more fully explained in the attached financial information.*

10 March 2014

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. Fyffes 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.

For further information, please view the 2013 results slide presentation at www.fyffes.com
or contact Brian Bell at Wilson Hartnell PR, Tel: +353-1-6690030.

Financial results and operating review

Revenue

Total revenue, including the Group's share of its joint ventures, increased by €64m (+6.3%) in 2013, to €1.1bn. Group revenue, excluding Fyffes' share of its joint ventures, amounted to €836m in the year, an increase of 6.6%. The increase in turnover in the year has been driven by further organic growth in the Group's banana and melon categories, combined with price inflation in the banana and pineapple categories, reflecting higher input costs.

Operating profit

Building on the very strong increase in operating profits achieved in 2012, Fyffes increased its Adjusted EBITA* by a further €2.1m (+6.9%) in 2013 to €32.7m. As explained below, the prior year result has been restated on a comparable basis to 2013, to reflect the impact of the change in the accounting standard on pensions. The calculations of Adjusted EBITA* and Adjusted EBITDA* are set out in note 2 of the accompanying financial information. Adjusted EBIT* amounted to €31.3m, up 10.6% year on year, reflecting a further reduction in amortisation charges in the year. The key drivers of performance in the Group's tropical produce operations are average selling prices, exchange rates and the costs of fruit, shipping and fuel, all of which can result in variability in year on year profitability.

Fyffes achieved a broadly satisfactory performance in the banana category in 2013, with profits slightly down on the very strong result in the previous year. The industry experienced further significant inflation in the cost of fruit during 2013, continuing a multi-year pattern. There was also an unfavourable movement in exchange rates year on year, due to the strength of the US Dollar particularly relative to Sterling. The impact of these adverse factors was partly offset by lower logistics costs, as a result of the reduction in fuel costs and further shipping efficiencies. In addition, Fyffes achieved further successful organic growth in the banana category in 2013, with new and existing customers. Market conditions were broadly positive during 2013, with slightly higher average selling prices driven by the increase in fruit costs and adverse exchange rates.

The Group delivered an improved result in the pineapple category in 2013. Production costs were higher year on year due to the ongoing work to integrate the farm acquired during the first half of the year which adjoins the Group's existing pineapple operations in Costa Rica. In addition, as in the banana category, exchange rates had a negative impact on performance in the year. However, market conditions were generally more positive throughout the year due to improved stability in supply volumes. The Group's own farms accounted for 56% of Fyffes' total pineapple volumes in the year.

Fyffes' US melon business delivered a satisfactory result in 2013. Favourable weather in the production regions during the key import season, in the first half of the year, resulted in improved yields and lower production costs. This also contributed to a significant increase in import volumes, consolidating the Group's position in this category in the US. Average selling prices were down on the very strong prices achieved in the previous year, mainly due to the increase in total import volumes.

Balmoral International Land Holdings plc ("Balmoral"), in which the Group has a 40% shareholding, reported its final results for 2012 in August 2013. These showed a further reduction in its net assets, with the Group's share amounting to €0.4m. Fyffes wrote down its investment in Balmoral to €50,000 in 2011. As a result, Fyffes does not recognise any further share of Balmoral's losses while the Group's share of its net assets exceeds this €50,000 carrying value. Balmoral has not yet reported its results for 2013.

The total operating profit for the Group, which is the Adjusted EBITA less amortisation charges and the Group's share of joint ventures interest and tax, amounted to €30m for the year, 9.9% up on the restated result in the previous year.

***** *Adjusted EBITDA is earnings before interest, tax, depreciation and amortisation, excluding the Group's share of Balmoral's result. Adjusted EBITA is adjusted EBITDA less depreciation charges. Adjusted EBIT is adjusted EBITA less amortisation charges. Adjusted diluted earnings per share excludes amortisation charges and related tax credits and the Group's share of Balmoral's result in previous years.*

Prior year adjustment

Certain revisions to the accounting standard on pensions became effective for the first time in 2013, as explained in note 5 of the accompanying financial information. These revisions were applied retrospectively, resulting in the restatement of the Group's 2012 figures, although there was no impact on the previously reported net pension deficit. The pension charge in the Income Statement for 2012 increased by €1m, with an equivalent reduction in the actuarial loss recognised in the Statement of Comprehensive Income. The related deferred tax credit in the Income Statement in 2012 increased by €0.2m, with a corresponding reduction in the deferred tax credit recognised in through the Statement of Comprehensive Income.

Financial expense

Net financial expense in the Group's subsidiary companies in 2013 amounted to €1.3m, compared to €1.2m in the previous year. Excluding non-cash interest costs of €0.8m (2012: €0.7m) relating to the discounting of deferred acquisition consideration and other provisions, cash interest expense amounted to €0.5m, unchanged on the previous year. The Group's share of the net financial expense of its joint ventures was €0.3m in 2013, compared to €0.1m in the previous year.

Profit before tax

Adjusted profit before tax for 2013 amounted to €31.1m, 6.3% up on the restated result for the previous year, similar to the increase in EBITA. As set out in note 2 of the accompanying financial information, adjusted profit before tax excludes the amortisation of intangible assets and the Group's share of the tax charge of its joint ventures, which is reflected in profit before tax under IFRS rules, and, in previous years, the Group's share of Balmoral's result. Profit before tax, excluding these adjustments, amounted to €28.7m compared to €26.1m (restated) in 2012, an increase of 9.8%, reflecting a reduction in amortisation charges.

Taxation

An analysis of the tax charge for the year is set out in note 3 of the accompanying financial information. The underlying tax charge in 2013 was €4m compared to €3.7m (restated) in the previous year, equivalent to a rate of 12.9% (2012: 12.6%), when applied to the Group's adjusted profit before tax. The underlying tax charge excludes deferred tax credits related to the amortisation of intangible assets and includes the Group's share of tax of its joint ventures. This underlying rate is used for the purposes of calculating adjusted earnings per share. The 2013 Income Statement shows a tax charge of €2.5m before these adjustments, compared to €2.2m (restated) in the previous year.

Non-controlling interests

The non-controlling interests share of profit after tax for the year amounted to €0.5m in 2013, compared to €0.1m in the previous year.

Earnings per share

The Group's adjusted diluted earnings per share in 2013 amounted to €8.82 cent, up 3.2% on the €8.55 cent restated result in the previous year. This increase reflects the 6.3% increase in adjusted profit before tax less the impact of the higher tax and non-controlling interests charges and a higher number of shares due to the diluting effect of share options as a result of the increase in the Group's share price. The calculation of adjusted earnings per share is set out in note 4 of the accompanying financial information. It excludes the amortisation of intangible assets and related tax credits and, in previous years, the Group's share of Balmoral's result. The diluted earnings per share after amortisation charges (and Balmoral's result in prior years) amounted to €8.51 cent in 2013, up 6.4% on the restated result for the previous year.

Dividend and share buyback

The Board is proposing to pay a final dividend for 2013 of €1.49 cent per share, up 4.9% on the previous year. Subject to shareholder approval at the forthcoming AGM, this dividend, which will be subject to Irish withholding tax rules, will be paid on 16 May 2014 to shareholders on the register on 11 April 2014. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 31 December 2013. Total dividends in respect of 2013 will amount to €2.17 cent, 4.8% up on the previous year and equivalent to a payout ratio of c. 25% based on adjusted earnings per share.

Fyffes will seek to renew its authority from shareholders to repurchase shares at its 2014 AGM. Subject to this authority and taking into account the Group's financial position and other investment opportunities, the company may from time to time repurchase further Fyffes plc shares in the market.

Balance sheet

Net funds
Fyffes' net cash balances amounted to €0.4m at 31 December 2013, compared to €8.6m at the beginning of the year. The Group generated strong cash flows from its operations in 2013, with operating cash flows in the year, before depreciation and amortisation charges and excluding the contribution from joint ventures, amounting to €37.1m. Total investment in property, plant and equipment in the year amounted to €19.8m, including the purchase of a pineapple farm in Costa Rica adjoining the Group's existing farm. Dividend and tax payments amounted to €6.2m and €4.8m respectively in 2013. The Group paid €9.6m in deferred consideration during the year, including the purchase of the final 20% of the Sol melon business in the US. The Group also made accelerated payments of €4.8m in respect of its MNOPF liabilities in order to reduce the significant interest costs of the deferred payment plan.

Pension obligations
The deficit in the Group's defined benefit pension schemes, before deferred tax, reduced from €29.6m at the beginning of the year to €28.2m at the end of the year. Asset values in the various schemes increased by €6.6m in 2013, while liabilities increased by €5.2m with the positive impact of lower bonds rates and lower inflation offset by higher assumed longevity.

Investment in Balmoral International Land Holdings plc ("Balmoral")
In accordance with International Financial Reporting Standards, Fyffes' 40% investment in Balmoral continues to be accounted for under equity accounting rules. Fyffes wrote down the carrying value of its investment to €50,000 in 2011 and there has been no change in this position since then. Balmoral continues to be actively managed and, given its extensive and well diversified portfolio of properties in Ireland, the UK and Continental Europe, remains in a position to benefit from any improvement in property market conditions.

Shareholders' funds
Shareholders' funds increased by €11.9m during 2013, to €147.6m at 31 December 2013. Retained profits of €25.6m in the year were partly offset by balance sheet translation losses of €5.5m on non-euro denominated net assets in overseas subsidiaries and joint ventures, losses of €1.8m on the marking to market of currency hedging instruments and dividend payments of €6.2m.

Post balance sheet event

Separately today (10 March 2014), Fyffes announced a recommended all share offer by Chiquita Brands International, Inc ("Chiquita"), pursuant to which Fyffes and Chiquita will combine to form ChiquitaFyffes plc.

Current trading

Overall trading conditions have been satisfactory in the year to date in 2014. Fyffes' target adjusted EBITA for 2014 is in the range €30m-€35m.

David McCann, Chairman **10 March 2014**
on behalf of the Board

Copies of this announcement are available from the Company's registered office, 29 North Anne Street, Dublin 7 and on our website at www.fyffes.com**.**

Fyffes plc
Summary Group Income Statement for the year ended 31 December 2013

	2013 **€'000**	2012 €'000 *Restated*
Revenue including Group share of joint ventures	**1,082,246**	1,017,825
Group revenue	**835,753**	783,701
Cost of sales	**(741,223)**	(694,578)
Gross profit	**94,530**	89,123
Distribution costs	**(26,325)**	(25,347)
Administrative expenses	**(38,861)**	(36,873)
Other net operating expense	**(932)**	(259)
Share of profit of joint ventures after tax	**1,563**	640
Share of profit of associates after tax – Balmoral International Land Holdings plc	**-**	-
Operating profit	**29,975**	27,284
Net financial expense	**(1,296)**	(1,158)
Profit before tax	**28,679**	26,126
Income tax expense	**(2,535)**	(2,218)
Profit for the financial year – continuing operations	**26,144**	23,908
Attributable as follows:		
Equity shareholders	**25,620**	23,782
Non-controlling interests	**524**	126
	26,144	23,908
Earnings per ordinary share – cent		
Basic	**8.61**	8.00
Diluted	**8.51**	8.00
Adjusted diluted	**8.82**	8.55

Fyffes plc
Summary Group Statement of Comprehensive Income for the year ended 31 December 2013

	2013	2012
	€'000	€'000
		Restated
Profit for the financial year	**26,144**	23,908
Other comprehensive income		
Items that are or may subsequently be reclassified to profit or loss		
Translation of net equity investments	**(5,524)**	(2,815)
Effective portion of cash flow hedges	**(2,047)**	(9,928)
Deferred tax on effective portion of cash flow hedges	**255**	1,241
Items that will never be reclassified to profit or loss		
Actuarial gain/(loss) recognised on defined benefit pension schemes	**870**	(8,547)
Deferred tax movements related to defined benefit pension schemes	**(996)**	1,370
Share of actuarial loss on joint ventures defined benefit pension schemes	**(227)**	(296)
Deferred tax on actuarial losses in joint ventures defined benefit pension schemes	**(63)**	(19)
Other comprehensive income (net of tax)	**(7,732)**	(18,994)
Total comprehensive income	**18,412**	4,914
Attributable as follows:		
Equity shareholders	**17,888**	4,788
Non-controlling interests	**524**	126
Total comprehensive income	**18,412**	4,914

Summary statement of movement in equity for the year ended 31 December 2013

	Share Capital €'000	Share Premium €'000	Other Reserves (Note 8) €'000	Retained Earnings €'000	Shareholders' Funds €'000	Non-controlling Interests €'000	Total Equity €'000
2013							
Total shareholders' equity at beginning of year	19,528	98,999	51,466	(34,330)	135,663	815	136,478
Total comprehensive income	-	-	(7,316)	25,204	17,888	524	18,412
Share options exercised	16	106	-	-	122	-	122
Share based payments	-	-	143	-	143	-	143
Dividends paid to equity shareholders	-	-	-	(6,249)	(6,249)	-	(6,249)
Total shareholders' equity at end of year	**19,544**	**99,105**	**44,293**	**(15,375)**	**147,567**	**1,339**	**148,906**
2012							
Total shareholders' equity at beginning of year	19,828	98,999	60,170	(43,192)	135,805	689	136,494
Total comprehensive income	-	-	(11,502)	16,290	4,788	126	4,914
Cancellation of treasury shares	(300)	-	1,869	(1,569)	-	-	-
Share based payments	-	-	929	-	929	-	929
Dividends paid to equity shareholders	-	-	-	(5,859)	(5,859)	-	(5,859)
Total shareholders' equity at end of year	19,528	98,999	51,466	(34,330)	135,663	815	136,478

Fyffes plc
Summary Group Balance Sheet as at 31 December 2013

	2013	2012
	€'000	€'000
Non-current assets		
Property, plant and equipment	**78,037**	69,611
Goodwill and intangible assets	**20,921**	22,159
Other receivables	**6,073**	6,485
Investments in joint ventures	**38,854**	37,108
Investments in associate – Balmoral International Land Holdings plc	**50**	50
Equity investments	**15**	15
Biological assets	**-**	168
Deferred tax assets	**9,248**	11,206
Total non-current assets	**153,198**	146,802
Current assets		
Inventories	**42,648**	42,427
Biological assets	**16,030**	12,498
Trade and other receivables	**73,614**	74,740
Hedging instruments	**193**	133
Corporation tax recoverable	**486**	85
Cash and cash equivalents	**30,997**	38,424
Total current assets	**163,968**	168,307
Total assets	**317,166**	315,109
Equity		
Called-up share capital	**19,544**	19,528
Share premium	**99,105**	98,999
Other reserves	**44,293**	51,466
Retained earnings	**(15,375)**	(34,330)
Total shareholders' equity	**147,567**	135,663
Non-controlling interests	**1,339**	815
Total equity and non-controlling interests	**148,906**	136,478
Non-current liabilities		
Interest bearing loans and borrowings	**2,276**	9,269
Employee retirement benefits	**28,150**	29,564
Other payables	**2,768**	2,807
Provisions	**2,083**	4,456
Corporation tax payable	**10,305**	10,985
Deferred tax liabilities	**3,246**	3,292
Total non-current liabilities	**48,828**	60,373
Current liabilities		
Interest bearing loans and borrowings	**28,284**	20,528
Trade and other payables	**82,587**	80,309
Provisions	**3,493**	12,324
Corporation tax payable	**927**	3,005
Hedging instruments	**4,141**	2,092
Total current liabilities	**119,432**	118,258
Total liabilities	**168,260**	178,631
Total liabilities and equity	**317,166**	315,109

Fyffes plc
Summary Group Cash Flow Statement for the year ended 31 December 2013

	2013 **€'000**	2012 €'000
Cash flows from operating activities (note 7.1)	**27,852**	25,112
Cash flows from investing activities (note 7.2)	**(28,561)**	(6,829)
Cash flows from financing activities (note 7.3)	**(7,194)**	(3,638)
Net movement in cash and cash equivalents	**(7,903)**	14,645
Cash and cash equivalents, including bank overdrafts at start of year	**33,732**	18,837
Transfer from short term deposits	**-**	97
Translation adjustment on cash and cash equivalents	**(529)**	153
Cash and cash equivalents, including bank overdrafts at end of year	**25,300**	33,732

Reconciliation of total net funds

(Decrease)/increase in cash and cash equivalents	**(7,903)**	14,645
Net increase/(decrease) in debt	**57**	(2,982)
Capital element of finance lease payments	**1,010**	761
New finance leases	**(1,241)**	(2,943)
Translation adjustment	**(113)**	337
Movement in net funds	**(8,190)**	9,818
Net funds/(debt) at the beginning of the year	**8,627**	(1,191)
Net funds at the end of the year	**437**	8,627

1. Basis of preparation

This preliminary financial information has been derived from the Group's consolidated financial statements for the year ended 31 December 2013, which were approved by the Board of Directors on 10 March 2014. It has been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU Commission and the accounting policies set out in the Group's 2012 annual report, with the exception of the changes resulting from revisions to IAS 19 *Employee Benefits*. As more fully explained in note 5 below, revisions to IAS 19 became effective for the Group for the first time in 2013. Comparative information for the year ended 31 December 2012 has been restated on a comparable basis as if the revisions to IAS 19 had been effective in 2012. These revisions have increased the pension charge recognised in the Income Statement and increased the related deferred tax credit, resulting in a reduction in the originally reported profits and earnings per share for the prior year. There has been a corresponding reduction in the actuarial loss recognised in the Statement of Comprehensive Income and related deferred tax credit. There is no net impact on the Group's net pension deficit in the prior year or to shareholders' funds.

The Group's full financial statements and annual report will be circulated to shareholders, published on the Group's website and filed with the Irish Registrar of Companies in due course.

In addition to the impact of IAS 19 above, IAS 1 *Presentation of financial statements* became effective in 2013 and has modified the presentation of items of other comprehensive income in the Group Statement of Comprehensive Income, to present separately items that may be reclassified to profit or loss in the future from those that would never be reclassified. The adoption of the Amendment to IAS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group. IFRS 13 *Fair Value Measurement*, also became effective for the Group for the first time in 2013. IFRS 13 has been applied in determining the values of the various assets and liabilities carried at fair value in the Group's balance sheet and in the disclosures provided in the relevant notes to the financial statements. It defines fair value as the rate at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. In the case of non-financial assets measured at fair value, the requirement is to fair value on a "highest and best use" basis which refers to the maximum value of the asset, considering potential uses that are physically possibly, legally permissible and financially feasible. The Group has applied the new fair value measurement prospectively. A number of other amendments to existing accounting standards also became effective in 2013. These have been considered by the directors and have not had a significant impact on the Group's consolidated financial statements.

The comparative financial information for the year ended 31 December 2012 presented in this preliminary results announcement represents an abbreviated version of the Group's statutory financial statements for that year, on which an unqualified audit report was issued and which have been filed with the Companies Registration Office in Dublin.

The financial information is presented in euro, rounded to the nearest thousand. The results and cash flows of Group companies denominated in foreign currencies have been translated into euro at the average exchange rates for the period while their balance sheets have been translated at the year end rate of exchange. Adjustments arising on retranslation of the opening net assets and results for the year of these non-euro denominated operations at the year end rate of exchange are recognised directly in equity, in the currency translation reserve, net of any movements on related foreign currency borrowings, including those arising on long term intra-Group loans regarded as quasi-equity in nature. All other translation differences are recognised in the income statement. The principal non-euro currencies applicable to the Group are Sterling and the US Dollar. The average and closing rates to the euro were as follows:

	Average		**Closing**	
	2013	2012	**2013**	2012
Pound Sterling	0.8395	0.8104	0.8353	0.8184
US Dollar	1.3069	1.3153	1.3777	1.3221

2. Adjusted profit before tax, EBITA and EBITDA

	2013 €'000	2012 €'000 *Restated*
Profit before tax per income statement	**28,679**	26,126
Adjustments		
Group share of tax charge of joint ventures	**1,091**	908
Amortisation of intangibles including share of joint ventures	**1,333**	2,217
Adjusted profit before tax	**31,103**	29,251
Exclude		
Net financial expense – Group	**1,296**	1,158
Net financial expense – share of joint ventures	**255**	133
Adjusted EBITA	**32,654**	30,542
Depreciation	**7,362**	9,462
Adjusted EBITDA	**40,016**	40,004

Fyffes is currently organised into two separate operating divisions – Tropical Produce and Property. Fyffes' Tropical Produce operations produce and import bananas, pineapples and melons sourced in Central and South America for distribution to customers in Europe and the US. Fyffes' Property activities comprise its 40% investment in Balmoral International Land Holdings plc ("Balmoral") which is an international property development company. This preliminary results announcement presents the separate information for Balmoral under equity accounting rules in the Income Statement and the Balance Sheet and in the reconciliation above. The performance of the Tropical Produce division is reviewed by the Chief Operating Decision Maker ("CODM"), being the executive team comprising the Executive Chairman, the Chief Operating Officer and the Finance Director, based on Adjusted EBITA which, while not a term defined in IFRS, Fyffes believes is the most appropriate measure of the underlying operating result of the Group. Adjusted EBITA is earnings before interest, tax and amortisation charges, excluding exceptional items, if any, and the Group's share of Balmoral's result and including the Group's share of its joint ventures on a consistent basis. Adjusted earnings per share are presented on a similar basis in note 4 below. Adjusted EBITA reflects the results of Fyffes' Tropical Produce operations, net of all central overheads, and is the basis for the analysis of the performance of that division in the accompanying text. Financial income and expense, income tax and certain corporate overheads are managed on a centralised basis. The only inter-segmental transactions between Fyffes' Tropical Produce division and Balmoral arise because Fyffes leases a number of its distribution centres from Balmoral and Fyffes in turn sublets space in its corporate head office to Balmoral.

Balmoral published its 2012 full year results in August 2013, reporting a loss attributable to equity shareholders of €14.1m, reducing its net equity to €1.1m. Fyffes' share of this net equity value is €430,000, which exceeds its €50,000 carrying value in the Group's balance sheet. Balmoral has not yet reported its 2013 results. Fyffes has no obligation to fund any net asset deficit which might arise in Balmoral in the future.

3. Income tax

	2013 €'000	2012 €'000 *Restated*
Tax charge per income statement	**2,535**	2,218
Group share of tax charge of its joint ventures netted in profit before tax	**1,091**	908
Total tax charge	**3,626**	3,126
Adjustments		
Deferred tax on amortisation of intangibles (including share of joint ventures)	**398**	569
Tax charge on underlying activities	**4,024**	3,695

3. Income tax *(continued)*

Including the Group's share of the tax charge of its joint ventures, amounting to €1.1m (2012: €0.9m), which is netted in operating profit in accordance with IFRS, the total tax charge for the year amounted to €3.6m (2012: €3.1m). Excluding the impact of deferred tax credits related to the amortisation of intangible assets, the underlying tax charge for the Group for the year was €4.0m (2012: €3.7m), equivalent to a rate of 12.9% (2012: 12.6%) when applied to the Group's adjusted profit before tax.

4. Earnings per share

	2013	2012
	€'000	€'000
		Restated
Profit for financial year attributable to equity shareholders	**25,620**	23,782
	'000	'000
Issued ordinary shares at start of year	**325,465**	330,465
Effect of own shares held	**(28,075)**	(28,308)
Effect of treasury shares cancelled	**-**	(4,767)
Effect of shares issued	**164**	-
Weighted average number of shares for basic earnings per share calculation	**297,554**	297,390
Weighted average number of options with dilutive effect	**3,524**	-
Weighted average number of shares for diluted earnings per share calculation	**301,078**	297,390
Basic earnings per share - € cent	**8.61**	8.00
Diluted earnings per share - € cent	**8.51**	8.00

Adjusted diluted earnings per share

	2013	**2013**	2012	2012
	€'000	**€ cent**	€'000	€ cent
			Restated	*Restated*
Profit for financial year attributable to equity shareholders	**25,620**	**8.51**	23,782	8.00
Adjustments				
Amortisation charge	**1,333**	**0.44**	2,217	0.74
Tax impact of amortisation charge	**(398)**	**(0.13)**	(569)	(0.19)
Adjusted diluted earnings	**26,555**	**8.82**	25,430	8.55

Adjusted diluted earnings per share is calculated to exclude, where applicable, the Group's share of the results of Balmoral International Land Holdings plc, exceptional items, intangible amortisation, related tax credits / charges, once-off tax credits and the impact of share options with a dilutive effect.

5. Post employment benefits

	2013 €'000	2012 €'000 *Restated*
Deficit at beginning of year	**(29,564)**	(21,675)
Current/past service cost less finance income recognised in income statement	**(3,207)**	(2,759)
Actuarial remeasurements recognised in statement of comprehensive income	**870**	(8,547)
Employer contributions to schemes	**3,223**	3,735
Foreign exchange movement	**528**	(318)
Deficit at end of year	**(28,150)**	(29,564)
Related deferred tax asset	**5,368**	6,570
Net deficit after deferred tax at end of year	**(22,782)**	(22,994)

The table summarises the movements during the year in the Group's defined benefit pension schemes in Ireland, the UK and Continental Europe. The current / past service cost is charged in the Income Statement, together with the interest cost of scheme liabilities net of the finance income on scheme assets. The actuarial (loss) / gain is recognised in the Statement of Comprehensive Income, in accordance with the amendment to IAS 19 *Employee Benefits (2011).* The measurement of the Group's pension obligations is based on a number of key assumptions which are determined in consultation with independent actuaries. One key assumption is the appropriate interest rate to use in discounting the estimated future cash flows of the schemes. At 31 December 2013, the Group used a rate of 4.00% (2012: 4.35%) in respect of its euro denominated schemes and 4.50% (2012: 4.15%) in respect of its UK scheme.

Certain revisions to IAS 19 became effective on 1 January 2013 and have been applied in calculating the movements in the deficit for the year in the above table. These revisions have been applied retrospectively and the figures for the year ended 31 December 2012 have been restated accordingly. The revisions, which include a requirement to calculate the return on scheme assets using the same interest rate used to discount scheme liabilities, did not change the previously reported net deficit in the schemes. However, the charge recognised in the Income Statement in 2012 has increased by €1,025,000, with an equivalent reduction in the charge recognised in the Statement of Comprehensive Income. The related deferred tax credit recognised in the Income Statement in 2012 increased by €235,000, with a corresponding reduction in the deferred tax credit recognised in equity through the Statement of Comprehensive Income.

6. Dividends and share buy-back

	2013 €'000	2012 €'000
Dividends paid on Ordinary €0.06 shares		
Interim dividend for 2013 of €0.68 cent (2012: €0.65 cent)	**2,024**	1,933
Final dividend for 2012 of €1.42 cent (2011: €1.32 cent)	**4,225**	3,926
Total cash dividends paid in the year	**6,249**	5,859

The directors have proposed a final dividend for 2013, subject to shareholder approval at the AGM of €1.49 cent per share. In accordance with IFRS, this dividend has not been provided for in the balance sheet at 31 December 2013.

At 31 December 2013, the company and subsidiary companies held 28,075,000 Fyffes plc ordinary shares (2012: 28,075,000). The right to dividends on these shares has been waived and they are excluded from the calculation of earnings per share.

7. Notes supporting cash flow statement

7.1 Cash generated from operations

	2013	2012
	€'000	€'000
		Restated
Profit for the year	**26,144**	23,908
Adjustments for		
Depreciation of property, plant and equipment	**7,362**	9,462
Net loss/(gain) on disposal of property, plant and equipment	**126**	(116)
Impairment of property, plant and equipment	**-**	3,271
Amortisation of intangible assets – subsidiaries	**1,333**	1,939
Equity settled compensation	**143**	929
Defined benefit pension scheme expense	**3,207**	2,759
Contributions paid to defined benefit pension schemes	**(3,223)**	(3,735)
Payments in connection with MNOPF	**(4,757)**	(989)
Increase in MNOPF liability charged in Income Statement	**1,598**	-
Share of profit of joint ventures	**(1,563)**	(640)
Movement in working capital	**(22)**	(13,645)
(Increase)/decrease in fair value of biological assets	**(963)**	1,523
Income tax charge per income statement	**2,535**	2,218
Income tax paid	**(4,753)**	(2,458)
Gain on ineffective hedging instruments	**(59)**	-
Net interest expense	**1,296**	1,158
Net interest paid	**(552)**	(472)
Cash flows from operating activities	**27,852**	25,112

7.2 Cash flows from investing activities

	2013	2012
	€'000	€'000
Investment in joint ventures	**(916)**	-
Dividends paid by joint ventures	**147**	-
Payment of deferred acquisition consideration	**(9,587)**	(972)
Acquisition of property, plant and equipment excluding leased assets	**(18,608)**	(6,283)
Proceeds from disposal of property, plant and equipment	**403**	426
Cash flows from investing activities	**(28,561)**	(6,829)

7.3 Cash flows from financing activities

	2013	2012
	€'000	€'000
Proceeds from issue of shares (including premium)	**122**	-
Net (reduction)/increase in borrowings	**(57)**	2,982
Capital element of lease payments	**(1,010)**	(761)
Dividends paid to equity shareholders	**(6,249)**	(5,859)
Cash flows from financing activities	**(7,194)**	(3,638)

7.4 Analysis of movement in net funds in the year

	Opening 1 Jan 2013 €'000	Cash flow €'000	Non cash movement €'000	Translation €'000	Closing 31 Dec 2013 €'000
Bank balances	12,586	11,088	-	(245)	**23,429**
Call deposits	25,838	(17,986)	-	(284)	**7,568**
Cash & cash equivalents per balance sheet	38,424	(6,898)	-	(529)	**30,997**
Overdrafts	(4,692)	(1,005)	-	-	**(5,697)**
Cash & cash equivalents per cash flow statement	33,732	(7,903)	-	(529)	**25,300**
Bank loans – current	(15,052)	52	(6,882)	278	**(21,604)**
Bank loans – non current	(7,004)	5	6,882	3	**(114)**
Finance leases	(3,049)	1,010	(1,241)	135	**(3,145)**
Total net funds	8,627	(6,836)	(1,241)	(113)	**437**

8. Reconciliation of other reserves

	Capital Reserves €'000	Share Options Reserve €'000	Currency Translation Reserve €'000	Revaluation Reserve €'000	Treasury Shares Reserve €'000	Hedging Reserve €'000	Total Other Reserves €'000
2013							
Total at beginning of year	74,107	2,483	(8,332)	2,291	(17,369)	(1,714)	51,466
Total comprehensive income	-	-	(5,524)	-	-	(1,792)	(7,316)
Currency movements in revaluation reserves	-	-	16	(16)	-	-	-
Share based payments	-	143	-	-	-	-	143
Total at end of year	**74,107**	**2,626**	**(13,840)**	**2,275**	**(17,369)**	**(3,506)**	**44,293**
2012							
Total at beginning of year	73,807	1,554	(5,501)	2,275	(18,938)	6,973	60,170
Total comprehensive income	-	-	(2,815)	-	-	(8,687)	(11,502)
Currency movements in revaluation reserves	-	-	(16)	16	-	-	-
Cancellation of treasury shares	300	-	-	-	1,569	-	1,869
Share based payments	-	929	-	-	-	-	929
Total at end of year	74,107	2,483	(8,332)	2,291	(17,369)	(1,714)	51,466

9. Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Summary Group Balance Sheet at 31 December 2013 are as follows:

	2013 Carrying value €'000	**2013 Fair value €'000**	2012 Carrying Value €'000	2012 Fair value €'000
Assets				
Equity investments	**15**	**15**	15	15
Trade and other receivables	**72,945**	**72,945**	73,045	73,045
Cash and cash equivalents	**30,997**	**30,997**	38,424	38,424
Hedging instruments	**193**	**193**	133	133
Total assets	**104,150**	**104,150**	111,617	111,617
Liabilities				
Trade and other payables	**(85,355)**	**(85,355)**	(83,116)	(83,116)
Interest bearing loans and borrowings	**(30,560)**	**(30,560)**	(29,797)	(29,797)
Deferred contingent consideration	**(2,942)**	**(2,942)**	(11,345)	(11,345)
Hedging instruments	**(4,141)**	**(4,141)**	(2,092)	(2,092)
Total liabilities	**(122,998)**	**(122,998)**	(126,350)	(126,350)

All of the Group's debt is due within one year with the exception of €2,276,000 (2012: €9,269,000).

Fair value of financial instruments carried at fair value

In accordance with IFRS 13 *Fair Value Measurement*, financial instruments recognised at fair value are analysed between those based on quoted prices in active markets for identical assets or liabilities (Level 1); those involving inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly (Level 2); and those involving inputs for the assets or liabilities that are not based on observable market date (Level 3). The following table sets out the fair value of all financial instruments whose carrying value is at fair value:

	Total		**Level 1**		**Level 2**		**Level 3**	
	2013 €'000	2012 €'000	**2013 €'000**	2012 €'000	**2013 €'000**	2012 €'000	**2013 €'000**	2012 €'000
Assets measured at fair value								
Equity investments	**15**	15	**15**	15	**-**	-	**-**	-
Designated as hedging instruments								
Foreign exchange contracts	**193**	-	**-**	-	**193**	-	**-**	-
Fuel contracts	**-**	133	**-**	-	**-**	133	**-**	
Liabilities at fair value								
At fair value through profit or loss								
Deferred contingent consideration	**(2,942)**	(11,345)	**-**	-	**-**	-	**(2,942)**	(11,345)
Designated as hedging instruments								
Foreign exchange contracts	**(4,141)**	(149)	**-**	-	**(4,141)**	(149)	**-**	-
Fuel contracts	**-**	(1,943)	**-**	-	**-**	(1,943)	**-**	-

The fair value of hedging instruments entered into by the Group is measured in accordance with Level 2 and consist of foreign currency forward contracts and bunker fuel forward contracts.

9. Financial instruments (continued)

Where derivatives are traded either on exchanges or liquid over-the-counter-markets, the Group uses the closing prices at the reporting date. Normally, the derivatives entered into by the Group are not traded on active markets. The fair values of these contracts are estimated using a valuation technique that maximises the use of observable market inputs, eg market exchange.

The fair value of deferred contingent consideration is measured in accordance with Level 3. Details of movements in the period are set out below. The contingent element is measured on a series of trading performance targets, and is adjusted by the application of a range of outcomes and associated probabilities.

Additional disclosures for Level 3 fair value measurements

	2013	2012
	€'000	€'000
Deferred contingent consideration		
At 1 January 2013	**11,345**	10,144
Increases during the year	**927**	2,050
Discounting charge	**315**	310
Paid during the year	**(9,587)**	(972)
Foreign exchange movements	**(58)**	(187)
At 31 December 2013	**2,942**	11,345

10. Post balance sheet event

Separately today (10 March 2014), Fyffes announced a recommended all share offer by Chiquita Brands International, Inc ("Chiquita"), pursuant to which Fyffes and Chiquita will combine to form ChiquitaFyffes plc ("the Announcement").

The directors of Fyffes accept responsibility for the information contained in the Announcement relating to Fyffes and the Fyffes Group and to the best of the knowledge and belief of the directors of Fyffes (who have taken all reasonable care to ensure such is the case), the information contained in the Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Under the provisions of Rule 8.3 of the Irish Takeover Rules, if any person is, or becomes, "interested" (directly or indirectly) in 1 per cent. or more of any class of "relevant securities" of Fyffes or Chiquita, all "dealings" in any "relevant securities" of Fyffes or Chiquita (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by not later than 3:30 p.m. (Irish time) on the "business day" following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes effective or on which the "offer period" otherwise ends. If two or more persons co-operate on the basis of any agreement either express or tacit, either oral or written, to acquire an "interest" in "relevant securities" of Fyffes or Chiquita, they will be deemed to be a single person for the purpose of Rule 8.3 of the Irish Takeover Rules. Under the provisions of Rule 8.1 of the Irish Takeover Rules, all "dealings" in "relevant securities" of Fyffes by Chiquita or "relevant securities" of Chiquita by Fyffes, or by any person "acting in concert" with either of them must also be disclosed by no later than 12 noon (Irish time) on the "business day" following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed can be found on the Irish Takeover Panel's website at www.irishtakeoverpanel.ie. "Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities. Terms in quotation marks are defined in the Irish Takeover Rules, which can be found on the Irish Takeover Panel's website.

If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, please consult the Irish Takeover Panel's website at www.irishtakeoverpanel.ie or contact the Irish Takeover Panel on telephone number +00353 (0)1 678 9020; fax number +00353 (0)1 678 9289.