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Operator: Hello, and welcome to today's Nomad Foods Earnings Conference Call - Q3 2015 Update. Throughout this, all participants will be in listen-only mode, and afterwards there will be a question and answer session. Just to remind you, this session is being recorded. Today, I'm pleased to present Stefan Descheemaeker, CEO, and Paul Kenyon, CFO. Paul, over to you.

Paul Kenyon: Thank you, operator, and good morning, good afternoon, everybody. Before we start, I just want to just draw your attention to the disclaimer on page 1. I don't propose to read through it, but do draw your attention to it. And with that I will turn you over to Stefan.

Stefan Descheemaeker: Thank you Paul. And good morning everyone, and thank you for joining us. Before turning to the earnings presentation we wanted to update you on a few topics, as there has been a lot going on. We closed our first transaction as Nomad Foods, we completed a successful debt offering and we're actively working to implement our long-term value creation strategies whilst simultaneously looking to further expand the business by acquisitions. It's a really exciting time for us right now.

And I will start with the Findus transaction. As previously announced, we are pleased to report that we completed an acquisition of Findus Group's Continental European business on the 2nd November. This acquired business has approximately €619 million in sales in fiscal year 2015, generating an EBITDA of approximately €71 million, primarily in Sweden, Norway and France. Through this transaction, we believe we have strengthened our pan-European leadership position, by unifying the Findus brand in key markets, and diversified our geographic and product portfolio.

We will discuss some specifics in a few minutes but I want to highlight a few points. First, the underlying Findus business is performing well. Net sales for the 12 months, end of September 2015 were €619 million, an increase of 3.6% versus the prior year at constant currency. This growth was driven by modest growth in existing markets and the year-on-year impact of the La Cocinera [inaudible] acquisitions. France was the stand-out performer, where sales are up approximately 6% versus the prior year. In addition, we have a significant growth opportunity in Spain, as we look to build on the La Cocinera acquisition.

Second, since the time we launched the transaction in mid-August, we have had the opportunity to spend more time in the new markets and validate our business scale assumptions. As a result, we've become even more excited about the value-creation potential and believe the transaction is more pretty[?] than previously indicated. This is driven primarily from synergies, which we now expect to be between €35 and €40 million, but that addition is from taxes, where we expect overall blend of statutory tax rate closer to be 23% versus early guidance of 25%. Lastly, while it's too early to quantify, we are optimistic about the commercial opportunities as we seek to build upon the best of both legacy businesses to build a better Nomad.

Third, amidst a challenging[?] in southern credit markets, we have received substantial support from our credit partners, both long-term partners [inaudible] – we are happy to see interest from new investors as well. Our €285 million add-on facility was two times over-subscribed. We upsized modestly and closed the offering at €325 million priced as [inaudible] bought[?] for 400 at 99, which is a great outcome.

Excess proceeds, along with our existing and growing cash balances, position us increasingly well as we execute our business strategy. Meanwhile we continue to prudently manage our business, maintaining strong and attractive margins and free cash flow coverage [inaudible] despite the macro environment, which speaks to the resilience of our business model and the quality of underlying cash flow generation. To put some context to this, based on our business today, we expect to be in a position to generate approximately €200 million of cash flow next year. Ultimately our long-term strategy success will be determined by our ability to exist – executing and implementing our growth strategy. We believe that we have the right team with the right experience and expertise to improve upon an already strong platform to build a truly best-in-class integrator.

As we have expected and previously discussed, the grocery retail environment has been extremely challenging, driven by the tough economic situation across Europe and the consequent growth in discount channels, which have forced heavy promotional activity, resulting in continued pressure on our business.

Q3 sales: exclusive of the newly acquired Findus business, we are down 8.4% overall. We have declines seen in the majority of our markets. However, there have been bright spots as we look at continued growth in the online sales and certain markets, such as The Netherlands and Portugal. Meanwhile we continue to prudently manage our business, maintaining strong in the traffic margins and free cash flow characteristics, despite the macro environments, which speaks to the resilience of our business model and quality of underlying cash flow generation. Without understating[?] the relevance of the top-line decline, looking forwards, it's important to understand that we're executing the plan to restore the quality of our sales and strengthen the business before [inaudible] returning into growth.

Regarding our plan, we're shifting resources from innovation and new product development to renovation of our core existing products and flagship offerings, to increase functionality, relevance and value to our consumers. We believe these efforts will best position our brands among consumers and against private-label competition, while supporting an even healthier P&L in the future.

That said, we're not abandoning innovation as we look to continue to build upon the success of Inspirations, Earl Grey and Breakfast among others, but we shifted our internal priorities. Keep in mind that we remain incredibly relevant to our customers and consumers, and we expect these efforts to further enhance our value proposition versus private-label. We're targeting the approximately €1 billion gap between our gross sales and net sales, understanding the opportunity that better revenue management creates for our business. By obtaining [inaudible] visibility[?] to the effectiveness of our straight[?] spending, we can implement strategies to optimise our promotion spend and pricing architecture. We believe these efforts will better position our business against private-label, to stabilise the top line over the coming quarters and maintain margins.

We've made a number of management changes, both on the executive leadership team, and within the local markets. Following these changes, we believe we have the right team in place to quickly and effectively implement our vision. While our margins are really best in class, we believe there is still an opportunity to better manage costs and we're working to identify savings to reinvest behind our brands. We've initiated a rigorous review of cost base alongside the Findus acquisition, as part of next year's budgeting process.

Lastly, we continue to review the other components of our growth model, as we seek a better balance between the operational efficiencies of global management against the more gradual approach of managing the business through our local markets. As a whole, the frozen category remains stable. The market has grown 0.6% year-to-date with continued resilience. Also – and this is nothing new – there are a number of underlying trends looking to health and wellness, quality, convenience, limited ways for both the consumer and the retailer, among others, all supporting long-term category health. However, within the category, as we've discussed, we're working to balance the dynamics between branded and private-label. Our key objective is to reverse[?] the negative top-line trends. We know we're making the right decisions and we believe the work we're doing now will position us, in the category, well for years to come – this just takes time.

We're more encouraged than ever about the long-term scale of opportunity to grow our business via acquisitions. Following the acquisition of Findus, we've cemented ourselves as the market leader across Europe, which positions us extremely well to consolidate the frozen food sector within Europe, with an equally strong position to prudently and strategically expand our presence in adjacent and new categories. The US remains a strategic priority for us and we are actively evaluating opportunities to enter the market. It's fundamentally a matter of identifying the right platform.

With that overview I will now hand you over to Paul, who will take you through the financial performance in the quarter.

Paul Kenyon: Thank you Stefan, and good morning, good afternoon everyone. Before turning to the presentation please note that the financial statements represent pro-forma as adjusted figures, which are adjusted to reflect the combination of both Nomad Foods Limited and the stand-alone Iglo Group business during the comparable periods. All of my comments from here on will refer to those pro forma as adjusted numbers and, for the sake of clarity, do not include any results from the recently acquired Findus business.

As we look at slide 6, we list the key factors behind our performance in Q3. Net revenue was down 8.4% year-on-year in the quarter. Allowing for currency impacts, and the exit from Rumania, Slovakia and Turkey, the like-for-like decline was 11.2%. The sales performance was impacted by a continuation of the tough grocery retail environment across our three major markets, namely the UK, Germany and Italy, seen in previous quarters, as consumers continue to exhibit value-seeking behaviour.

Italy accounted for half of the net sales decline, as the prolonged relationship issues with our major customers continue to have a significant impact on the business. As part of our efforts to turn around the Italian business we have appointed new senior leadership in that market. And while it will take time to rebuild relationships with the Italian trade, and re-position our portfolio for growth, we are confident that we now have the right team in place. Gross margin declined by 3.3 percentage points, driven by higher levels of promotional investment year-on-year as we sought to remain relevant to value-seeking consumers, coupled with the impact of lower volume recoveries.

A&P investment was €2.2 million lower year-on-year, as we continue to realise the benefits of the move to a single global media buying deal. Year-to-date, gross rating points are broadly flat year-on-year, so the weight of advertising in front of consumer's eyes was maintained. Indirect costs were €8.7 million lower year-on-year, due to lower bonus accruals. Q3 2015 pro forma as adjusted EBITDA was €63.6 million, which was 13.6% down year-on-year, driven by the impact of lower sales. Despite a challenging quarter, we maintained EBITDA margins of 20.2%, which is consistent with our strategic target. EPS declined 5 cents year-on-year due to an increase in share issuance of 14.9 million shares and a decrease in profit of €5.4 million.

In terms of third-quarter product highlights, the recently launched wholegrain platform continued to perform well across continental Europe, with sales now at €10 million on a year-to-date basis. While in Italy, the Dolce Buongiorno breakfast platform continued to increase household penetration and repeat rate with year-to-date sales now at €3 million. While the overall sales environment has been tough, some markets continued to perform well and we call them out here. We are particularly encouraged by the continued progress in the online grocery business in the UK, which is our lead market for online business development.

Turning to the year-to-date performance, net revenue was down 4.3% year on year for the nine months to the end of September. Allowing for currency impacts, the exits from the Romania, Slovakia and Turkey and the impact of one less trading day year on year, the like-for-like decline was 6.9%. EBITDA for the nine months was €206.5 million, which was 5.3% down year-on-year, again, driven by the impact of lower sales. However, the EBITDA margin at 19.5%, remains in line with our strategic target of around 20%. EBS[?] has declined seven cents year-on-year due to an increase in share issuance of 5 million shares and a decrease in profit of €6.8 million. Cash conversion remains strong at 88.2% of adjusted EBITDA, with working capital remaining negative, on average, on a last 12 months' basis. Pro-forma leverage was artificially low at 2.7 times due to the equity raise in July ahead of the acquisition of Findus. Pro forma for the acquisition leverages 3.8 times, based on September last 12 months' EBITDA and balance sheet.

Turning to slide 7, I will give a little colour on the sales and margin performance. As a reminder, approximately 80% of our sales are concentrated in the UK, Germany and Italy, so I will focus my comments on those markets. The UK declined by 8.4% on a like-for-like basis in the quarter as consumer and customer trends continued to impact on the business. As was the case in the first half of the year, consumers continued to exhibit value-seeking behaviour and as a consequence the German discount chains continued to grow with Aldi up 17.3% and Lidl up 16% in the latest 12-week kantar data. They now account for roughly 10% of the market. Three out of the top four traditional retailers, who account for around 70% of our UK business, saw declines in sales in the same period. The big four remain highly focused on price, resulting in higher levels of promotional investment in our UK business year-on-year as we seek to remain relevant to consumers.

Online remains an opportunity in the UK; overall online grocery grew by 12% in the last quarter and now accounts for 7% of grocery sales in the UK. Our business continues to perform ahead of market norms, with 10% of our business going through retailers' online operations and we recorded growth of 13% in the quarter and 13% year-to-date. We remain optimistic about this channel and see the opportunity to increase our online presence in other markets such as France over time.

Germany declined by 10.9% in the quarter, as the hard-discounters continued to gain share through extending their ranges into added value products in the frozen category. The traditional retailers have responded by launching expanded private-label value-added ranges and, while we have only seen modest declines in distribution, the shelves have inevitably become more crowded and our business has suffered as a result. For example, spinach declined 15% in the quarter, and 7% year-to-date, as private-label expanded their spinach added-value offering.

Italy was the largest driver of the overall sales decline in the quarter with a drop of 17.5% year-on-year. Consumer confidence remains extremely fragile in Italy, resulting in increased penetration levels for private-label, which grew by 1.8%, and discounters, which grew by 0.7%. The bulk of the decline came in parts of the portfolio such as natural fish and natural vegetables, where the level of differentiation versus private-label is relatively low. A further decline driver was the core portfolio, where we decided to focus resources including A&P on supporting new product development ahead of the core.

The other strategic issue that we need to address in Italy is that of trade margin. While the trade made higher cash margins on our products, due to our relatively higher price points, they made lower percentage margins and, as they start to come under pressure from value-seeking consumers switching to discount channels, the current focus of the traditional retailers is on percentage margin. This has driven a significant dislocation with the trade this year, restricting our access to key promotional slots on the largest product lines, and in some cases, limiting distribution as well. As I commented earlier, we have made new appointments to the senior management team, who are already in place and working to drive a turnaround in the business.

Turning to the margin performance there are two key drivers: firstly, the impact of lower volume recoveries associated with the sales performance described just now; and secondly, the incremental investment in trade promotions required to remain relevant to value-seeking consumers. I will provide further detail in the next couple of slides.

Moving on to slide 8, we analysed the year-on-year sales movement in the quarter by key driver. We had benefited from a strong pound. Adjusting for the translation effects impact of our sterling sales in the UK, plus the exits from Romania, Slovakia and Turkey, gives a like-for-like sales comparator of €355.4 million. We have broken down the components of our sales to show the key drivers this quarter. The market was down by 1.5%, which impacted net sales by around €5.2 million. Retail impact in total amounted to around €19.3 million, which is entirely due to the significant step-up in promotional investment required to respond to current consumer behaviour – value-seeking – and the traditional retailers' response to it. The revenue management initiative that Stefan referred to earlier is specifically targeted at mitigating this impact. Portfolio impacts show a continued growth of €3.4 million in our priority product platforms, namely Stir Your Senses, Wholegrain, SteamFresh and Breakfast.

This is more than offset by the €18.3 million decline in the base portfolio, the majority of which is in Italy, as I commented earlier. A shift in focus back towards renovation of the core portfolio versus the recent focus on innovation in new occasions is targeted at mitigating this decline.

Moving on to slide 9, we analysed the year-on-year gross profits movement in the quarter by key driver. As previously commented, the major drivers of absolute gross profit performance are the €10.8 million volume impact arising from the lower sales, the €14.4 million impact of increased trade promotions, shown in the net pricing bar, and the €5.2 million factory performance, which is affected by the cost recovery impacts arising from the lower volumes and the slightly delayed spinach[?] charge[?]. Mitigating those impacts were the positive translation impact of stronger sterling on our UK profits, positive mix as we continue to manage the portfolio towards higher margin products, and supply chain savings delivered by our procurement team.

On slide 10, we show the year-to-date results for the nine months to the end of September. The sales and margin drivers are essentially the same as those for the quarter, also for indirect costs, but it is probably worth noting that the significant reduction in advertising and promotion costs year-on-year is driven by two factors: firstly, the non-recurrence of one-time costs associated with the development and roll-out of the Better Meals Together strategy in the early part of 2014 and, secondly, the impact of the move to a single global media buying deal with Hamas[?] that has enabled us to maintain the level of gross rating points, broadly flat year-on-year – that is, the weight of advertising in front of consumers' eyes whilst realising a significant reduction in euros invested.

On slide 11, we showed a cash flow performance for the nine months to the end of September. Aside from the EBITDA movement, working capital shows a similar position year-on-year, with the outflow in both years being driven by the normal cash flows associated with the harvest of the seasonal vegetable crops, mainly peas and spinach. Capital expenditure is phased a little earlier this year, but is not expected to be higher than last year on a full-year basis. As I commented at our 2014 full-year results, taxes in 2014 were lower than normal due to tax credits arising in our Italian business. 2015 is representative of a normal year and in line with our expectations. The pro forma numbers strip out non-recurring costs but the relevant cash flows for year-to-date 2015 and 2014 would have been €28.3 million and €12.2 million respectively. Cash conversion over the last 12 months has been in line with our strategic target at 88.2%, while the comparative 2014 performance was unusually high due to a poor pea harvest. As I commented earlier, leverage was artificially low at 2.7 times due to the equity raised in July ahead of the acquisition of Findus. Pro forma for the acquisition, leverage would have been 3.8 times based on September figures, down from 4.3 times at 30th September 2014.

I will now hand you back to Stefan for an update on our strategy.

Stefan Descheemaeker: Thank you Paul. Turning to slide 13, I will start by outlining how we are evolving the Group's organic growth strategy. First and foremost, it's critical to respond to ongoing top-line pressures from discounters and private-label across all markets. As we've stated, our goal is to strengthen our core and then grow the top-line line. First, safe to re-invest: through cost-cutting and disciplined cost management, we expect to fund investments behind top-line growth and become the lowest cost reducer, which will position us increasingly well against other branded private-label competitors. Today, we are taking a rigorous look at our cost base, alongside the integration of Findus. While we are not quite implementing zero-based budgeting, we do expect to adopt certain elements. Second, innovation and renovation – I touched on this earlier: we look to make a fundamental change by reallocating our resources, representing approximately €130 million budget focused on renovation versus innovation. To put that into context, the make-up of innovation pipeline value has evolved in the changes – since it started in May 2015. NPV renovation ratio has split 58%/42%; today it's 47%/53%.

Let me be clear about the strategy. We have been too focused on expanding to new occasions and introducing new products. While we have had success, we need to refocus on our core threats[?]. For example, in 2016 in the UK we planned best ever renovation in the revised pack size and pricing strategy on fish fingers, petit pois and waffles. In Germany we plan activation and renovation of

Captain Iglo and spinach [inaudible] including gluten-free and vegan variants. And in Italy, renovation on fish fingers, [inaudible]. Through this we'll continue to support our brands and justify our price premiums versus private-label. Through innovation we strengthen our core to protect sales with fewer, bigger innovations required to drive growth. Third, we have recalibrated the balance between local and global, to preserve the operational efficiencies arising from a centralised organisation without sacrificing the granular approach to local management and the execution at the customer-consumer level. After all, food is local.

Fourth, revenue and customer management: by obtaining greater visibility into the effectiveness of our trade spending we can implement strategies to optimise our promotional spend and pricing architecture, which will underpin our sales performance and support maintenance of our margin levels. Lastly, the frozen category supports consumer demand for fresh and 'better for you' products. With continued consumer education we expect theses attributes to resonate with consumers and support long-term trends[?].

Looking then at our external growth plans, we will develop a best-in-class organisation and structure for the future, thus driving – creating the pathways to be the best-in-class integrator to lead consolidation. We will deliver strict and an effective integration of new businesses to deliver synergies. Moreover, we will execute disciplined M&A to access additional value creation opportunities, and we will maintain prudent leverage levels.

I will now update you on our latest thinking regarding the Findus acquisition that we completed on the 2nd November. On slide 15 we provide an overview of the acquired business. The transactions perimeter includes Findus Group's non-UK operations, with approximately 85% of sales in the key markets of Norway, Sweden and France. The remaining 15% of sales are across Spain, Finland, Denmark and Belgium. Because these are 2014 numbers, Spain is under-represented and, following the lack of similar acquisition, now represents a good growth [inaudible] a relatively unconsidered market. Adjusting 2014 for estimated lack of La Cocinera sales, removes Spain from being approximately 7% of Findus Group sales to 12%. Findus maintains strong position in ski-markets[?], as well as in Finland and Spain. The transaction excludes Findus Group's UK business, Young's, as well as the UK private-labelled business.

In addition to the Findus brand, we're acquiring La Cocinera, a ready-meal business in Spain, and Lutosa, a potato business in Belgium. Key product categories include fish, vegetables, and ready-to-eat meals, which nicely complement all existing portfolio.

The geographic breakdown is relatively concentrated, but provides meaningful diversification for the combined group, due to the [inaudible] geographic overlap between the [inaudible] and Iglo business; in Belgium, where Iglo was the market leader, and France, where Findus was the market leader. We also acquire six manufacturing facilities as part of the deal, making ten in total across the combined business.

I now propose to go through slide 16 in detail. But it provides more detail on the strong market position and product category shares of the acquired businesses.

On slide 17, we lay out our strategic thinking and rationale behind the Findus transaction. As previously communicated, we have rigorous investment criteria, and Findus was a perfect building block for platform for a number of reasons. They are market leader with strong brand names in the frozen food space, with the added benefit of realizing[?] the Findus brand across most of Europe. In addition, Findus nicely fits with our existing footprint, with minimal overlap across geographies and crucially brings strong market positioning those geographies.

Next, Findus had a portfolio that was complementary to Nomad's core categories of fish, vegetables, and meals to support huge renovation and innovation of product.

And, lastly, Findus presented the greater [inaudible] for synergistic cost savings across our business operations, with further potential to drive top-line revenue growth with commercial synergies. In fact, as I mentioned before, we now expect to deliver even greater synergy than previously communicated. We are revising our previous target of €25 million to €30 million of synergies over 3 years to 2018, to a new target of €35 million to €40 million over the same period.

On slide 18 we lay out the anticipated synergies, showing where the initial €10 million of synergies are targeted to be achieved.

The third party[?] clean-room[?] process has increased our level of confidence in procurement synergies. While a more deepening understanding of the cost base has increased our level of confidence in indirect possibilities. The €10 million increase moves the synergy target from 4% of 2014 actual saves to 5.5%. We're considering our targets versus benchmarks. It's important to remember, that there was no head of this acquired as part of the deal, and there is a long history of private equity ownership in test constraints, which means the organisation has already been leaned out. In terms of synergies phasing of the 3 years to 2018, while we move quickly to implement the PRAN[?} programmes, the majority of this will be realised in 2017 and 2018.

Moving to slide 19, we provide more detail to you of how the Findus acquisition will greatly strengthen Nomad Food. We expect combined net sales to increase by approximately 43%, a significantly – significant increase in scale. Total combined adjusted EBITDA is expected to increase by approximately 36% to around €400 million past[?] synergies. In addition, our combined businesses will result in increased product category and geographic diversification. For example, historically 81% of Iglo Group sales were concentrated in its top 3 markets. Whereas going forward, six markets will account for 83% of our sales.

We expect a broader product range and increased scale in Europe to bring about [inaudible] to rollout products from both of the Legacy portfolios across our markets, leveraging Nomad's strength across its key geographies.

Lastly, following this appreciate acquisition of total market share within the frozen-food market in the western Europe, is approximately 14%, around 2.5 times greater than our next largest competitor, and encompassing strong market positions in 15 European countries.

Lastly, on slide 20 — I think that's worth mentioning, that we are just getting started. We clearly have work to do to strengthen our business and restore good growth. That being said, it would be remiss to not discuss what's going well. We have dominated European platform [inaudible] consolidation across the fragmented food sector, and, the leader in European frozen food markets with iconic brands. We have a strong balance sheet, and a business we generated tremendous amount of free cash flow, to drive value creation via M&A and leveraging. And, finally, there is a talented and experienced management team with a long-term vision to build a global portfolio best-in-class food companies and brands within the frozen category and across the broader food sector.

We, and I think I am speaking for everyone at Nomad, we made[?] incredibly excited about what the future has in store for us. And, with that, I will turn the session over to Q&A. Operator, back to you.

Operator: Thank you. Ladies and gentlemen, if you wish to ask a question, can you please press 0 and then 1 on your phone keypad now, in order to enter the queue. And, then after I announce you, just ask that question. And, if you find that question has been answered before it's your turn to speak, just press 0 and then 2 to cancel. And, there will be a brief pause while questions are being registered.

Our first question is from the line of John Tumlin[?] at CGS Securities. Please do go ahead. Your line is open.

John Tumlin: Good Morning. Thank you for taking my question. The increase in promotional investments you saw in Q3, does that have an immediate return in the quarter or is that a benefit for next quarter?

Paul Kenyon: So, we record the promotional costs as incurred, so, they would have been related to the third quarter. And, we do a trial process at the end of each quarter.

John Tumlin: Okay, got it. And, from a longer-term perspective, can you return to growth in the current consumer environment or do you need to see the benefit of stronger macro-backdrop?

Stefan Descheemaeker: I think we need to do both, but we need to do both at the same time. We first need to reinforce our core. So, that's why you have seen that we are fundamentally re-shifting resources from pure innovation to core innovations like fish fingers, like in natural veg and all these things. And, at the same time, we also need to – obviously to be smarter with all – with the promotions. So, that comes together. It's going to take a bit of time, obviously, at the same time, but these are the right things to do. So, are we going to go back to growth? Yes, we think so. And, we need to take time because we can't [inaudible].

John Tumlin: Okay, great. And, can you also talk about the environment for M&A? Are you focusing more on Europe or on the US? And, have you seen evaluations in a runaway at all or do you think financials will be more difficult in the future? Any colour on that would be appreciated.

Stefan Descheemaeker: I would say we have a holistic approach in Europe and the US. So, we're really working on three fronts, it would be that way. One is, obviously, to restore our fundamentals; that's one thing. Second is to work very hard on integration; to do two things, by the way, one is, obviously, to deliver the synergies, but also to really become best-in-class integrator. Which then leads the third point, which is M&A in terms of deal making. And so, from that standpoint, we're working both US and Europe, frozen food but also more globally, food.

John Tumlin: Okay, thanks. And, finally, any update on the progress of the New York Stock Exchange listing?

Paul Kenyon: Yes, we are working on that. We chose to prioritise closing the Findus deal more rapidly because we felt it was good to get hold of that. But, we are in good shape to list on the New York Stock Exchange right at the end of this year or early Q1 next year.

John Tumlin: Great, thank you.

Operator: We are now over to the line of Robert Dickerson of Consumer Edge Research. Please do go ahead, Robert. Your line is open.

David Mandel: Hi. This is David Mandel, in for Robert Dickerson. I wanted to follow-up quickly on promotional spend. Paul, I believe spoke about increased promotional spend in order to be relevant to consumers. In the past, you spoke about – and actually this release[?] just spoke[?] about gap between growth and net sales. Do you think that that opportunity still exists as, you know, the environment is more competitive, and discounters continue to pick up share? If you could just comment quickly on that.

Stefan Descheemaeker: I think more than ever this possibility[?] is real. As we said, it's the biggest, you know, difference in terms of between two lines within a business. And, I'm only talking here about Iglo. We haven't done the exercise yet for Findus. So, more than the €1 billion difference in terms of – in our P&L, it's something we are working on. We're working on the three fronts in the UK, in Germany, and in Italy. But, at the same time, we need to do this together with obviously an improved offering of terms of core products; with a combination of the two together, we'll deliver the result more than ever. Yeah.

David Mandel: And, thinking about the business going forward, is there kind of a scenario where, you know, similar to Kraft/Heinz or Heinz Europe Segment, where, you know, there is that sales pressure and volume pressure. And, we are seeing the double-digit sales decline, but also have that, you know, go forward, but in turn, have double-digit increases in EBITDA. Is that kind of the goal or, what should we think about it?

Stefan Descheemaeker: I think it's – there are some similarities, and as we said, you know, remember that I mentioned costs – cost-savings are absolutely a fundamental point of our strategy. Not only on a stand-alone basis, but also with Findus, we said repeatedly, that we want to become the lowest cost-producer. And, being – becoming the lowest cost-producer will help us, obviously, price-wise to compete with the private labels. At the same time also we need to – over time, you know, we need to restore our growth of[?] our top line. So, top line is absolutely fundamental in our business. I'm not saying this is something spectacular, but at least we need to come back to positive [inaudible]. So, we will address both at the same time. And, it comes together, by the way, because cost savings will help us to reinvest in our top line. So, that comes together.

David Mandel: Great. And, my last question before I pass it along is: in terms of being able to compete with private label and being the lowest cost provider, how does that compare or reconcile with spending on innovation? And, do you guys simply need to become bigger? Because you'll be the [inaudible] to reduce costs and have more power with retailers to reduce trade? Is that kind of the goal?

Stefan Descheemaeker: These obviously fundamental – very important points, you're right. They need – at the same time, as we said, we need to do two things: one is to be very relevant across price wise, and as a result, cost wise; but, at the same time we also need to be more relevant than ever to the private label, in terms of innovation, the quality. So, we need to increase our gap in terms of quality, and we need to, obviously, be very competitive price-wise. If we do both — and it's a never-ending story, don't get me wrong, it's not going to stop after one quarter. It's the story of food today, we need to do both to be relevant; so price and quality. But, don't forget quality in innovation. That's absolutely fundamental.

David Mandel: Thank you.

Operator: Okay. Just to remind all participants, that if you wish to ask a question, could you press 0 and then 1on your phone keypad now to enter the queue. And there will be a further pause while any further questions are being registered.

Okay, and we now go back to the line of John Tumlin-Kang[?] of CGS Securities. Please do go ahead. Your line is open again.

John Tumlin: Just a quick follow-up: have you seen any incremental pressure heading into Q4 from the consumer or is it more similar to Q3?

Stefan Descheemaeker: It's similar.

John Tumlin: It's similar, okay. And, Paul, just a quick one: what should we expect see in terms of exceptional items in Q4? [Inaudible].

Paul Kenyon: Well, we haven't published any guidance on that yet, John. Obviously we'll have, not just the start of the synergy process, although I think, to give some guidance on that, that will mainly be a 2016 event. We'll also have the purchase price accounting as well. So, we are still working through that having any – I think this is week 3. So, we're in good shape, happy with progress so far, but not able to give guidance at this point.

John Tumland: Okay, no worries. Thank you very much.

Operator: Okay, gentlemen, at this stage there seems to be no further questions in the queue. So, can I please pass it back to you two to close up?

Stefan Descheemaeker: Okay. Thank you, operator. So, I'll just say [inaudible], in terms of conclusion, we're going to work very hard on the three fronts. We know we can do this. Number one is to make sure that we restore fundamentals and from the fundamentals, we'll proceed[?] to come back to positive territory in terms of sales. That's one thing. Again, obviously with cost savings and the reinvestment, particularly with[?] integration. We're making – as Paul said – we're making very good progress; started really on day one. There was a great sense of urgency from both sides of the organisation, and from Findus and from Iglo, [inaudible] from Nomad. And, the third one, obviously, we are not losing this [inaudible] in terms of [inaudible]. There is a lot to be done in this industry. There is a lot of movement, you know, within the food industry, and in Europe, and in the US. It's shifting, it's moving significantly with a lot of opposing [inaudible] in the coming years – the coming months and the coming years. With this, back to you, operator.

Operator: Thank you. [Inaudible] this now concludes today's call. Thank you very much for attending. You may now disconnect.