

Nomad Foods

First Quarter 2018 Earnings Results

May 10, 2018



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Nomad Foods also utilizes certain additional key performance indicators described within this presentation including, but not limited to, organic revenue growth, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted operating expense, Adjusted profit for the period, Adjusted EPS, Adjusted operating cash flow and Adjusted Free cash flow which are non-IFRS financial measures. Nomad Foods believe its non-IFRS financial measures provide an important additional measure with which to monitor and evaluate the Company's ongoing financial results, as well as to reflect its acquisitions. Nomad Foods' calculation of these financial measures may be different from the calculations used by other companies and comparability may therefore be limited. The Adjusted and Organic financial information presented herein is based upon certain assumptions that Nomad Foods believes to be reasonable and is presented for informational purposes only and is not necessarily indicative of any anticipated financial position or future results of operations that the Company will experience. You should not consider the Company's non-IFRS financial measures an alternative or substitute for the Company's reported results and are cautioned not to place undue reliance on these results and information as they may not be representative of our actual or future results as a Company.

First Quarter 2018 Financial Results Overview

Organic Revenue Growth	Year-On-Year Change In Gross Margin	Adjusted EBITDA	Adjusted EPS
+2.9% +1.5% volume/mix +1.4% price	+240bp to 31.8% of sales	€103mn +16% growth	€0.35/share +40% growth

Raising Full Year 2018 Guidance to €1.10 – €1.13 Adjusted EPS, the High End of the Prior Range

First Quarter 2018 Highlights

Positive momentum from 2017 has continued into the first quarter of 2018

Focus on the core remains central to the growth strategy

Strong gross margin performance, partly helped by phasing

Goodfella's acquisition expands portfolio into frozen pizza, a new category

2018 Growth Initiatives

Increased Execution Behind the Core



Mobilize Innovation Around Core Categories



Key Operating Metrics

(in €m unless otherwise noted)	1Q 2018	1Q 2017	YoY Change
Revenue	€539	€531	1.5%
<i>Organic revenue growth</i>			2.9%
Gross profit	171	156	10%
<i>Gross margin</i>	31.8%	29.4%	240bp
Adjusted Operating expense	(78)	(80)	(2)%
Advertising & promotion expense	(30)	(30)	1%
Indirect expense	(48)	(50)	(4)%
Depreciation & amortization	10	12	(17)%
Adjusted EBITDA	€103	€89	16%
<i>Adjusted EBITDA margin</i>	19.1%	16.8%	230bp
Adjusted EPS	€0.35	€0.25	40%

Key Free Cash Flow Metrics

(in €m unless otherwise noted)	1Q 2018	1Q 2017
Adjusted EBITDA	€103	€89
Change in working capital	(11)	3
Capital expenditures ¹	(4)	(7)
Adjusted operating cash flow	€89	€85
<i>Operating cash flow conversion²</i>	86%	95%
Cash taxes	(3)	1
Cash interest & other	(3)	(16)
Adjusted free cash flow	€83	€70

¹ Calculated as the sum of purchases of property, plant & equipment and intangible non-current assets less one-off Findus systems integration related capital expenditures (1Q 2018: €1.0 million, 1Q 2017: €1.2 million).

² Calculated as adjusted operating cash flow divided by adjusted EBITDA.

Raising 2018 Guidance to the High End of the Prior Range

Organic Revenue Growth	Adjusted EBITDA	Adjusted EPS
growth at a Low-single digit percentage rate	approximately €355 to €360 million	approximately €1.10 to €1.13 per share

2018 guidance equates to the following when translated into US dollars, the Company's equity trading currency:

- **Adjusted EBITDA** of approximately **\$420 to \$426 million**
- **Adjusted EPS** of approximately **\$1.30 to \$1.33 per share**

Translation of guidance into US dollars is for illustrative purposes and is based on the USD/Euro exchange rate of 1.18, as of May 9, 2018.

Nomad Foods

Q&A



Appendix

Contents

The following tables have been included to allow users to reconcile non-IFRS financial information as well as Adjusted financial information included within this presentation to reported IFRS financial information.

1. Definitions of all key terms and P&L measures referred to in this presentation.
2. Reconciliation from reported to organic revenue growth
3. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2018
4. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2017
5. Reconciliation of reported net cash flows from operating activities to Adjusted Operating Cash flow (excl. tax) for the three months ended March 31, 2018 and the three months ended March 31, 2017

1. Definitions of all key terms and P&L measures referred to in this presentation

Non-IFRS financial measures should not be considered as substitutes for, or superior to, measures of financial performance prepared in accordance with IFRS. They are limited in value because they exclude charges that have a material effect on the Company's reported results and, therefore, should not be relied upon as the sole financial measures to evaluate the Company's financial results. The non-IFRS financial measures are meant to supplement, and to be viewed in conjunction with, IFRS financial measures. Investors are encouraged to review the reconciliation of these non-IFRS financial measures to their most directly comparable IFRS financial measures as provided in the tables accompanying this document.

Adjusted EBITDA – EBITDA is profit or loss for the period before taxation, net financing costs, depreciation and amortization. Adjusted EBITDA is EBITDA adjusted to exclude, when they occur, the impacts of exited markets, trading day impacts, chart of account (“CoA”) alignments and exceptional items such as restructuring charges, goodwill and intangible asset impairment charges, charges relating to the Founders Preferred Shares Annual Dividend Amount, charges relating to the redemption of warrants and other unusual or non-recurring items. In addition, we exclude other adjustments such as the impact of share based payment charges and M&A related costs, because we do not believe they are indicative of our normal operating costs, can vary significantly in amount and frequency, and are unrelated to our underlying operating performance. The Company believes Adjusted EBITDA provides important comparability of underlying operating results, allowing investors and management to assess operating performance on a consistent basis.

Adjusted EPS is defined as basic earnings per share excluding, when they occur, the impacts of exited markets, trading day impacts, chart of account (“CoA”) alignments and exceptional items such as restructuring charges, goodwill and intangible asset impairment charges, unissued preferred share dividends, as well as certain other items considered unusual or non-recurring in nature. In addition, we exclude other adjustments such as the impact of share based payment charges and M&A related costs, because we do not believe they are indicative of our normal operating costs, can vary significantly in amount and frequency, and are unrelated to our underlying operating performance. The Company believes Adjusted EPS provides important comparability of underlying operating results, allowing investors and management to assess operating performance on a consistent basis.

Adjusted Financial Information – Adjusted financial information presented in this presentation reflects the historical reported financial statements of Nomad Foods, adjusted for share based payment charges, exceptional items and non-cash foreign currency translation charges/gain.

Organic – Organic is an adjusted measurement of our operating results. This comparison of current and prior period performance takes into consideration only those activities that were in effect during both time periods. Organic is a method of valuation that attempts to exclude any effects of constant currency, expansion, acquisitions, disposals, closures, chart of account (“CoA”) alignments, trading day impacts or any other event that artificially impact the comparability of our results.

2. Reconciliation of reported to organic revenue growth

Year on Year Growth – Three months ended March 31, 2018 compared with three months ended March 31, 2017

	YoY Change
Reported Revenue Growth	1.5%
Translation FX (a)	1.4%
Organic Revenue Growth	2.9%

(a) Translational FX is calculated by translating data of the current and comparative periods using a budget foreign exchange rate that is set once a year as part of the Company’s internal annual forecast process

3. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2018

Adjusted Statement of Profit or Loss (unaudited)
Three months ended March 31, 2018

(in €m, except EPS)	As reported for three months ended March 31, 2018	Adjustments	As adjusted for three months ended March 31, 2018
Revenue	539.2	—	539.2
Cost Of sales	(367.9)	—	(367.9)
Gross Profit	171.3	—	171.3
Other Operating Expenses	(82.8)	4.7 (a)	(78.1)
Exceptional Items	(1.5)	1.5 (b)	—
Operating Profit	87.0	6.2	93.2
Finance Income	6.2	(6.1)	0.1
Finance Costs	(12.3)	(0.9)	(13.2)
Net Financing Cost	(6.1)	(7.0) (c)	(13.1)
Profit Before Tax	80.9	(0.8)	80.1
Taxation	(18.5)	0.5 (d)	(18.0)
Profit for the period	62.4	(0.3)	62.1
Weighted average shares outstanding in millions - basic	175.5		175.5
Basic Earnings per share	0.36		0.35
Weighted average shares outstanding in millions - diluted	175.5		175.5
Diluted Earnings per share	0.36		0.35

- a. Adjustment to add back share based payment charge and non-operating M&A related costs.
- b. Adjustment to add back exceptional items.
- c. Adjustment to eliminate €1.1 million of non-cash foreign exchange translation gains and €5.9 million of foreign exchange gains on derivatives.
- d. Adjustment to reflect the tax impact of the above at the applicable tax rate for each adjustment, determined by the nature of the item and the jurisdiction in which it arises.

3. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2018

EBITDA and Adjusted EBITDA (unaudited)
Three months ended March 31, 2018

(in €m)	As reported for three months ended March 31, 2018	
Profit for the period	62.4	
Taxation	18.5	
Net Financing Costs	6.1	
Depreciation	8.5	
Amortization	1.5	
EBITDA	97.0	
Exceptional Items:	1.5	(a)
Other Adjustments:	4.7	(b)
Adjusted EBITDA (c)	103.2	

- a. Adjustment to add back exceptional items.
- b. Other adjustments include the elimination of share-based payment charges of €2.2 million and elimination of non-operating M&A related costs of €2.5 million.
- c. Adjusted EBITDA margin of 19.1% for the three months ended March 31, 2018 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €539.2 million.

4. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2017

Adjusted Statement of Profit or Loss (unaudited)
Three months ended March 31, 2017

(in €m, except EPS)	As reported for three months ended March 31, 2017	Adjustments	As adjusted for three months ended March 31, 2017
Revenue	531.3	—	531.3
Cost Of sales	(375.2)	—	(375.2)
Gross Profit	156.1	—	156.1
Other Operating Expenses	(80.9)	1.3 (a)	(79.6)
Exceptional Items	0.1	(0.1) (b)	—
Operating Profit	75.3	1.2	76.5
Finance Income	1.6	(1.4)	0.2
Finance Costs	(17.7)	—	(17.7)
Net Financing Cost	(16.1)	(1.4) (c)	(17.5)
Profit Before Tax	59.2	(0.2)	59.0
Taxation	(11.2)	(2.4) (d)	(13.6)
Profit for the period	48.0	(2.6)	45.4
Weighted average shares outstanding in millions - basic	183.6		183.6
Basic Earnings per share	0.26		0.25
Weighted average shares outstanding in millions - diluted	183.7		183.7
Diluted Earnings per share	0.26		0.25

- a. Adjustment to add back share based payment charge
- b. Adjustment to add back exceptional items.
- c. Adjustment to eliminate €0.9 million of non-cash foreign exchange translation gains and €0.5 million foreign exchange gains on derivatives.
- d. Adjustment to reflect the tax impact of the above at the applicable tax rate for each exceptional item, determined by the nature of the item and the jurisdiction in which it arises.

4. Reconciliation of reported to Adjusted financial information for the three months ended March 31, 2017

EBITDA and Adjusted EBITDA (unaudited)
Three months ended March 31, 2017

(in €m)	As reported for three months ended March 31, 2017	
Profit for the period	48.0	
Taxation	11.2	
Net Financing Costs	16.1	
Depreciation	9.9	
Amortization	2.4	
EBITDA	87.6	
Exceptional Items	(0.1)	(a)
Other Adjustments:	1.3	(b)
Adjusted EBITDA (c)	88.8	

a. Adjustment to add back exceptional items.

b. Other adjustments include the elimination of share-based payment charges of €1.3 million.

c. Adjusted EBITDA margin 16.7% for the three months ended March 31, 2017 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €531.3 million.

5. Reconciliation of reported net cash flows from operating activities to Adjusted Operating Cash flow (excl. tax) for the three months ended March 31, 2018 and the three months ended March 31, 2017

(in €m, except EPS)	As reported for three months ended March 31, 2018	As reported for three months ended March 31, 2017
Net Cash Flows From Operating Activities	81.5	68.7
Add back:		
Tax paid / (refunded)	2.6	(0.8)
Cash flows relating to exceptional items	6.0	23.4
Deduct:		
Capital expenditure (a)	(4.8)	(8.0)
Add back:		
Non operating M&A related costs	2.5	—
Findus integration related capital expenditure	1.0	1.2
Adjusted Operating Cash Flow (excl.tax)	88.8	84.5

(a) Defined as the sum of property, plant and equipment and intangible assets purchased in the year