Nomad Foods

Fourth Quarter 2018 Earnings Results

February 28, 2019

Disclaimer

BY READING THIS PRESENTATION, YOU ARE DEEMED TO HAVE READ AND ACCEPTED THE STATEMENT BELOW.

This presentation has been prepared by Nomad Foods Limited. This presentation provides information about Nomad Foods Limited and its subsidiaries. Any references to Nomad shall mean Nomad Foods Limited and its subsidiaries.

While Nomad takes reasonable care to ensure the accuracy of the information in this presentation, to the extent permitted by law, it makes no representation or warranty, express or implied, of its accuracy or completeness. This presentation has not been the subject of an audit or a similar investigation. Nomad shall not be held responsible for any direct or indirect losses, damages or liabilities of whatsoever kind arising from the access to, the use of or reliance on this presentation or any of the information it contains. Nomad reserves the right to change, delete or move any of the material in this presentation at any time without notice. The information contained in this presentation should not be deemed accurate or current except as of the date of issue. Nomad does not intend to, and does not undertake any duty to, update or correct such information.

This presentation may contain financial information regarding the businesses and assets of Nomad and such financial information may not have been audited, reviewed or verified by any independent accounting firm. In addition, this presentation may include information pertaining to Nomad's markets and its competitive positions therein; such information is based on management estimates. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of Nomad's financial or trading position or prospects. Any use of this presentation by you for any purpose whatsoever will be entirely at your own risk.

This presentation may include projections, estimates, forecasts, targets, prospects, statements and/or opinions with respect to the anticipated future performance of Nomad. Such projections, estimates, forecasts, targets, prospects, statements and/or opinions reflect significant assumptions and subjective judgments by Nomad's management concerning anticipated results. These assumptions and judgments may or may not prove to be correct and there can be no assurance that any projections, estimates, forecasts, targets or prospects are attainable or will be realized. Accordingly, neither Nomad nor any of their respective directors, partners, employees or advisers nor any other person, shall give any representation or warranty as to achievements or reasonableness of future projections, estimates, forecasts, targets or prospects, nor will they be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement or opinion in, or omission from, this presentation and any such liability is expressly disclaimed. Past results are no indication as to future performance.

Certain statements in this announcement are forward-looking statements which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts, including expectations regarding (i) the future operating and financial performance of the Company, including the Company's guidance with respect to organic revenue percentage growth, Adjusted EBITDA and Adjusted EPS; (ii) the Company's anticipated financial and operational priorities in 2019; and (iii) the impact of IFRS 16 on the Company's 2019 financial results. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including (i) economic conditions, competition and other risks that may affect the Company's future performance, including increases in operating costs and the Company's ability to manage its cost structure; (ii) the ability to recognize the anticipated benefits to the Company of strategic initiatives, (iii) the Company's ability to successfully implement its growth model, strategic framework and marketing campaigns for its recent strategic acquisitions, (iv) uncertainty about the terms and timing of Brexit, as well as the potential adverse impact of Brexit on currency exchange rates, global economic conditions and cross-border agreements that affect the Company's business, (v) loss of the Company's financial arrangements with respect to receivables factoring, (vi) the loss of any of the Company's major customers or a decrease in demand for its products, (vii) the Company's ability to effectively compete in its markets, (viii) changes in consumer preferences and the Company's failure to anticipate and respond to such changes or to successfully develop and renovate products, (ix) the Company's ability to successfully interpret and respond to key industry trends and to realize the expected benefits of its responsive actions (x) changes in applicable laws or regulations; and (xi) the other risks and uncertainties disclosed in the Company's public filings and any other public disclosures by the Company. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation may contain information from other sources which are not controlled or maintained by Nomad. Nomad is not responsible for the accuracy of this information. The information contained in this presentation is not intended to be and shall not be deemed to be an offer, invitation or inducement to invest in or otherwise deal in any securities of Nomad or in any other investment, nor to provide or constitute any advice or recommendation in connection with any investment decision.

This presentation is not directed to, or intended for distribution to, directly or indirectly, or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration, licensing or other permission within such jurisdiction. If you require advice, please consult your independent professional financial adviser.

Nomad Foods also utilizes certain additional key performance indicators described within this presentation including, but not limited to, organic revenue growth, Adjusted gross margin, 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.

Nomad Foods provides guidance with respect to organic revenue growth, Adjusted EBITDA and Adjusted EPS. It does not provide reconciliations of such forward-looking non-GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations including adjustments that could be made for restructuring, M&A costs, share-based compensation amounts and other non-recurring items.

Fourth Quarter 2018 Financial Results Overview

Organic Revenue Growth	Adjusted Gross Margin	Adjusted EBITDA	Adjusted EPS
+4.2%	**29.9%**	**€101mn**	**€0.29/share**
+1.7% volume/mix +2.5% price	+20bp before the impact of acquisition mix	+23% growth	+7% growth

Fourth Quarter 2018 Highlights

Ended the year on a strong note with results exceeding guidance

Strong early response to new vegetable and plant protein product launches

Acquisitions continue to perform well and ahead of plan

Strong cash flow generation reduced pro-forma leverage to 3.8x

2019 Priorities

- Deliver another year of organic revenue and adjusted EBITDA growth
- Continue to drive growth from the core
- Further develop innovation agenda
- Strong cash flow generation
- Navigate external factors including higher raw material costs and Brexit

Fourth Quarter 2018 Key Operating Metrics

(in €m unless otherwise noted)	4Q 2018	4Q 2017	YoY Change
Revenue	**€615**	**€508**	**21.0%**
Organic revenue growth			*4.2%*
Adjusted gross profit	184	160	15%
Adjusted gross margin	*29.9%*	*31.5%*	*(160) bp*
Adjusted operating expense	(96)	(89)	8%
Advertising & promotion expense	(38)	(35)	10%
Indirect expense	(58)	(54)	7%
Depreciation & amortization	13	11	18%
Adjusted EBITDA	**€101**	**€82**	**23%**
Adjusted EBITDA margin	*16.4%*	*16.0%*	40 bp
Adjusted EPS	**€0.29**	**€0.27**	**7%**

Full Year 2018 Key Operating Metrics

(in €m unless otherwise noted)	FY2018	FY2017	YoY Change
Revenue	**2,173**	**€1,957**	**11.0%**
Organic revenue growth			*2.6%*
Adjusted gross profit	659	599	9%
Adjusted gross margin	*30.3%*	*30.6%*	*(30) bp*
Adjusted operating expense	(329)	(314)	5%
Advertising & promotion expense	(121)	(113)	7%
Indirect expense	(208)	(201)	3%
Depreciation & amortization	46	42	9%
Adjusted EBITDA	**€376**	**€328**	**15%**
Adjusted EBITDA margin	*17.3%*	*16.8%*	50 bp
Adjusted EPS	**€1.19**	**€1.00**	**19%**

Key Free Cash Flow Metrics

(in €m unless otherwise noted)	FY2018	FY2017
Adjusted EBITDA	**€376**	**€328**
Change in working capital	32	33
Capital expenditures[1]	(36)	(38)
Adjusted Operating cash flow	**€372**	**€323**
Operating cash flow conversion[2]	***99%***	***99%***
Adjusted cash taxes[3]	(33)	(38)
Adjusted cash interest & other[4]	(48)	(48)
Adjusted Free cash flow	**€291**	**€237**

[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 of €5.5 million (2017: €4.3 million).

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

[3] Calculated as net tax paid less payments relating to open tax audits for pre-Nomad periods which are considered one-off in nature of €nil (2017: €27.3 million).

[4] Calculated as the sum of financing costs paid less financing income received and one-off financing fees of €2.6 million (2017: €13.6 million) incurred in relation to the financing of debt.

Anticipated Impact of IFRS 16 on 2019 Results

Income Statement	Approximate[1] Impact to 2019
EBITDA	€15 million
Profit before tax	(€5) million
EPS	(€0.02) per share

Cash Flow & Balance Sheet	Approximate[1] Impact to 2019
Cash flow	no impact
Assets	€84 million
Liabilities	€120 million

[1] The actual impact of IFRS 16 on 2019 results depends not only on the lease agreements in effect at the time of adoption but also on new lease agreements entered into or terminated in 2019.

2019 Guidance (Including the Impact of IFRS 16)

Organic Revenue Growth	Adjusted EBITDA	Adjusted EPS
growth at a **Low-single digit** percentage rate	**€420 to €430** million	**€1.28 to €1.32** per share

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

- **Adjusted EBITDA** of **$479** to **$490 million**
- **Adjusted EPS** of **$1.46** to **$1.50 per share**

Translation of guidance into US dollars is for illustrative purposes and is based on the USD/Euro exchange rate of 1.14, as of February 26, 2019.

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 of reported to organic revenue growth
3. Reconciliation of reported to Adjusted financial information for the three months ended December 31, 2018
4. Reconciliation of reported to Adjusted financial information for the three months ended December 31, 2017
5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2018
6. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2017
7. Reconciliation of reported net cash flows from operating activities to Adjusted Operating Cash flow (excl. tax) for the twelve months ended December 31, 2018 and the twelve months ended December 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, acquisition purchase price adjustments, 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 expenses and related employer payroll taxes, and non-operating M&A transaction 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, acquisition purchase price adjustments, 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 expenses and related employer payroll taxes, and M&A transaction 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 – December 31, 2018 compared with December 31, 2017

	Three Months Ended December 31, 2018	Twelve Months Ended December 31, 2018
	YoY Growth	**YoY Growth**
Reported Revenue Growth	21.0%	11.0%
Of which:		
- Organic Revenue Growth	*4.2%*	*2.6%*
- Acquisitions	*17.3%*	*9.4%*
- Translational FX (a)	*(0.5)%*	*(1.0)%*
Total	***21.0%***	***11.0%***

(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 December 31, 2018

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

(in €m, except EPS)	As reported for three months ended December 31, 2018	Adjustments		As adjusted for three months ended December 31, 2018
Revenue	614.8	—		614.8
Cost of sales	(431.1)	—		(431.1)
Gross Profit	**183.7**	—		**183.7**
Other operating expenses	(99.6)	3.8	(a)	(95.8)
Exceptional items	(6.0)	6.0	(b)	—
Operating Profit	**78.1**	**9.8**		**87.9**
Finance income	—	—		—
Finance costs	(19.9)	(0.7)		(20.6)
Net Financing Cost	**(19.9)**	**(0.7)**	(c)	**(20.6)**
Profit Before Tax	**58.2**	**9.1**		**67.3**
Taxation	(17.4)	1.7	(d)	(15.7)
Profit for the period	**40.8**	**10.8**		**51.6**
Profit for the period attributable to equity owners of the parent	41.1	10.8		51.9
Weighted average shares outstanding in millions - basic	175.8			175.8
Basic Earnings per share	**0.23**			**0.29**
Weighted average shares outstanding in millions - diluted	175.9	(0.2)	(e)	175.7
Diluted Earnings per share	**0.23**			**0.29**

(a) Share-based payment charge including employer payroll taxes.
(b) Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) three months ended December 31, 2018' for a detailed list of exceptional items.
(c) Elimination of €1.0 million of realized gains on foreign currency derivatives as well as €0.3 million of realized and unrealized foreign exchange translation losses.
(d) 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.
(e) Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2018 but for which shares were issued on January 2, 2019

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

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

(in €m)	Three months ended December 31, 2018	
Profit for the period	**40.8**	
Taxation	17.4	
Net Financing Costs	19.9	
Depreciation	10.9	
Amortization	1.8	
EBITDA	**90.8**	
Exceptional Items		
Supply chain reconfiguration	*(0.1)*	(a)
Findus Group integration costs	*3.3*	(b)
Goodfella's Pizza & Aunt Bessie's integration costs	*5.3*	(c)
Factory optimization	*0.7*	(d)
Settlement of legacy matters	*(3.2)*	(e)
Other Adjustments:		
Other add-backs	*3.8*	(f)
Adjusted EBITDA (g)	**100.6**	

(a) Supply chain reconfiguration costs following the closure of the factory in Bjuv, Sweden. Following the closure in 2017, the Company has incurred costs relating to the relocation of production to other factories. The costs are partially offset by income from the disposal of the remaining tangible assets.
(b) Non-recurring costs related to the roll-out of the Nomad ERP system following the acquisition of the Findus Group in November 2015.
(c) Non-recurring costs associated with the integration of the Goodfella's pizza business in April 2018 and the Aunt Bessie's business in July 2018.
(d) Non-recurring costs associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories.
(e) Non-recurring income and costs associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups, settlements of tax audits, settlements of contingent consideration for acquisitions and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company including an income of €2.7 million recognized on settlement of contingent consideration for the purchase of the La Cocinera acquisition.
(f) Represents the elimination of share-based payment charges including employer payroll taxes.
(g) Adjusted EBITDA margin of 16.4% for the three months ended December 31, 2018 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €614.8 million.

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

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

(in €m, except EPS)	As reported for three months ended December 31, 2017	Adjustments		As adjusted for three months ended December 31, 2017
Revenue	508.2	—		508.2
Cost of sales	(348.2)	—		(348.2)
Gross Profit	**160.0**	—		**160.0**
Other operating expenses	(91.7)	3.2	(a)	(88.5)
Exceptional Items	(20.4)	20.4	(b)	—
Operating Profit	**47.9**	**23.6**		**71.5**
Finance income	—	—		—
Finance costs	(17.4)	3.7		(13.7)
Net Financing Cost	**(17.4)**	**3.7**	(c)	**(13.7)**
Profit Before Tax	**30.5**	**27.3**		**57.8**
Taxation	(3.2)	(9.1)	(d)	(12.3)
Profit for the period	**27.3**	**18.2**		**45.5**
Weighted average shares outstanding in millions - basic	166.8			166.8
Basic Earnings per share	**0.16**			**0.27**
Weighted average shares outstanding in millions - diluted	175.6	(8.7)	(e)	166.9
Diluted Earnings per share	**0.16**			**0.27**

(a) Share-based payment charge.
(b) Exceptional items which management believes do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) three months ended December 31, 2017' for a detailed list of exceptional items.
(c) Elimination of €0.6 million of costs incurred as part of the repricing of debt on December 20, 2017, €1.7 million of non-cash foreign exchange translation losses and €1.4 million of foreign exchange losses on derivatives.
(d) 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.
(e) Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2017 but for which shares were issued on January 2, 2018.

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

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

(in €m)	Three months ended December 31, 2017	
Profit for the period	**27.3**	
Taxation	3.2	
Net Financing Costs	17.4	
Depreciation	9.3	
Amortization	0.7	
EBITDA	**57.9**	
Exceptional items:		
Transactions related costs	0.7	(a)
Investigation and implementation of strategic opportunities	8.3	(b)
Supply chain reconfiguration	14.0	(c)
Findus Group integration costs	5.6	(d)
Settlement of legacy matters	(8.2)	(e)
Other Adjustments:		
Other add-backs	3.2	(f)
Adjusted EBITDA (g)	**81.5**	

(a) Costs incurred related to enhanced control compliance procedures in territories.
(b) Costs incurred in relation to investigation and implementation of strategic opportunities for the combined group following acquisitions by the Company. These costs primarily relate to changes to the organizational structure of the combined businesses.
(c) Supply chain reconfiguration costs, namely the closure of the Bjuv factory.
(d) Costs recognized by Nomad Foods relating to the integration of the Findus Group, primarily relating to the roll-out of the Nomad ERP system.
(e) Non-recurring income associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups including gains of €4.2 million from the reassessment of sales tax provisions, €1.2 million from the reassessment of interest on sales tax provisions, a €2.8 million gain on a legacy pension plan in Norway and a €1.3 million gain on disposal of a non-operational factory.
(f) Other add-backs include the elimination of share-based payment charges of €0.2 million and M&A related investigation costs, professional fees, transaction costs and purchase accounting related valuations of €3.0 million. We exclude these 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.
(g) Adjusted EBITDA margin 16.0% for the three months ended December 31, 2017 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €508.2 million.

5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2018

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2018

(in €m, except EPS)	As reported for twelve months ended December 31, 2018	Adjustments		As adjusted for twelve months ended December 31, 2018
Revenue	2,172.8	—		2,172.8
Cost of sales	(1,519.3)	5.7	(a)	(1,513.6)
Gross Profit	**653.5**	**5.7**		**659.2**
Other operating expenses	(352.7)	23.6	(b)	(329.1)
Exceptional items	(17.7)	17.7	(c)	—
Operating Profit	**283.1**	**47.0**		**330.1**
Finance income	1.6	(1.4)		0.2
Finance costs	(57.6)	(2.4)		(60.0)
Net Financing Cost	**(56.0)**	**(3.8)**	(d)	**(59.8)**
Profit Before Tax	**227.1**	**43.2**		**270.3**
Taxation	(56.6)	(4.7)	(e)	(61.3)
Profit for the period	**170.5**	**38.5**		**209.0**
Profit for the period attributable to equity owners of the parent	171.2	38.5		209.7
Weighted average shares outstanding in millions - basic	175.6	—		175.6
Basic Earnings per share	**0.97**			**1.19**
Weighted average shares outstanding in millions - diluted	175.8	(0.2)	(f)	175.6
Diluted Earnings per share	**0.97**			**1.19**

(a) Non-cash fair value uplift of inventory recorded as part of the Goodfella's Pizza and Aunt Bessie's purchase price accounting.
(b) Share-based payment expense including employer payroll taxes of €14.7 million and non-operating M&A transaction costs of €8.9 million.
(c) Exceptional items which management believes are non-recurring and do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2018' for a detailed list of exceptional items.
(d) Elimination of €1.1 million of costs incurred as part of the refinancing on the May 3, 2017 and repricing on December 20, 2017, €0.3 million of realized and unrealized foreign exchange translation losses and €5.2 million of gains on foreign currency derivatives.
(e) 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.
(f) Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2018 but for which shares were issued on January 2, 2019.

5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2018

EBITDA and Adjusted EBITDA (unaudited)
Twelve months ended December 31, 2018

(in €m)	Twelve months ended December 31, 2018	
Profit for the period	**170.5**	
Taxation	56.6	
Net Financing Costs	56.0	
Depreciation	39.3	
Amortization	7.0	
EBITDA	**329.4**	
Acquisition purchase price adjustments	5.7	(a)
Exceptional Items:		
Supply chain reconfiguration	1.2	(b)
Findus Group integration costs	10.4	(c)
Goodfella's Pizza & Aunt Bessie's integration costs	8.3	(d)
Factory optimization	1.6	(e)
Settlement of legacy matters	(3.8)	(f)
Other Adjustments:		
Other add-backs	23.6	(g)
Adjusted EBITDA (h)	**376.4**	

(a) Non-cash fair value uplift of inventory recorded as part of the Goodfella's Pizza and Aunt Bessie's purchase price accounting.
(b) Supply chain reconfiguration costs following the closure of the factory in Bjuv, Sweden. Following the closure in 2017, the Company has incurred costs relating to the relocation of production to other factories. The costs are partially offset by income from the disposal of the remaining tangible assets.
(c) Non-recurring costs related to the roll-out of the Nomad ERP system following the acquisition of the Findus Group in November 2015.
(d) Non-recurring costs associated with the integration of the Goodfella's pizza business in April 2018 and the Aunt Bessie's business in July 2018.
(e) Non-recurring costs associated with a three-year factory optimization program to develop a new suite of standard manufacturing and supply chain processes, that will provide a single network of optimized factories.
(f) Non-recurring income and costs associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups, settlements of tax audits, settlements of contingent consideration for acquisitions and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. This includes an income of €2.7 million recognized on settlement of contingent consideration for the purchase of the La Cocinera acquisition and net income of €0.7 million associated with settlements of tax audits.
(g) Represents the elimination of share-based payment charges including employer payroll taxes of €14.7 million and elimination of non-operating M&A related costs of €8.9 million. We exclude these 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.
(h) Adjusted EBITDA margin of 17.3% for the twelve months ended December 31, 2018 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €2,172.8 million.

6. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2017

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 30, 2017

(in €m, except EPS)	As reported for twelve months ended December 31, 2017	Adjustments		As adjusted for twelve months ended December 31, 2017
Revenue	1,956.6	—		1,956.6
Cost of sales	(1,357.2)	—		(1,357.2)
Gross Profit	**599.4**	—		**599.4**
Other operating expenses	(319.3)	5.6	(a)	(313.7)
Exceptional items	(37.2)	37.2	(b)	—
Operating Profit	**242.9**	**42.8**		**285.7**
Finance income	7.2	(7.0)		0.2
Finance costs	(81.6)	22.0		(59.6)
Net Financing Cost	**(74.4)**	**15.0**	(c)	**(59.4)**
Profit Before Tax	**168.5**	**57.8**		**226.3**
Taxation	(32.0)	(19.1)	(d)	(51.1)
Profit for the period	**136.5**	**38.7**		**175.2**
Weighted average shares outstanding in millions - basic	176.1			176.1
Basic Earnings per share	**0.78**			**1.00**
Weighted average shares outstanding in millions - diluted	184.8	(8.7)	(e)	176.1
Diluted Earnings per share	**0.74**			**1.00**

(a) Share-based payment charge.
(b) Exceptional items which management believes do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2017' for a detailed list of exceptional items.
(c) Elimination of €20.1 million of costs incurred as part of the refinancing on the May 3, 2017 and repricing on December 20, 2017, €3.9 million of foreign exchange translation losses and €9.0 million of foreign currency gains on derivatives.
(d) 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.
(e) Adjustment to eliminate the dilutive effect of the Founder Preferred Share Dividend earned as of December 31, 2017 but for which shares were issued on January 2, 2018.

6. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2017

EBITDA and Adjusted EBITDA (unaudited)
Twelve months ended December 31, 2017

(in €m)	Twelve months ended December 31, 2017	
Profit for the period	**136.5**	
Taxation	32.0	
Net financing costs	74.4	
Depreciation	35.9	
Amortization	6.5	
EBITDA	**285.3**	
Exceptional Items:		
Transactions related costs	3.2	(a)
Investigation and implementation of strategic opportunities	18.8	(b)
Supply chain reconfiguration	14.0	(c)
Findus Group integration costs	15.1	(d)
Settlement of legacy matters	(5.6)	(e)
Remeasurement of indemnification assets	(8.3)	(f)
Other Adjustments:		
Other add-backs	5.6	(g)
Adjusted EBITDA (h)	**328.1**	

(a) Costs incurred related to enhanced control compliance procedures in territories.
(b) Costs incurred in relation to investigation and implementation of strategic opportunities considered non-recurring for the combined group following acquisitions by the Company. These costs primarily relate to changes to the organizational structure of the combined businesses.
(c) Supply chain reconfiguration costs, namely the closure of the Bjuv factory.
(d) Costs recognized by Nomad Foods relating to the integration of the Findus Group, primarily relating to the rollout of the Nomad ERP system.
(e) Non-recurring income and costs associated with liabilities relating to periods prior to acquisition of the Findus and Iglo Groups, settlements of tax audits, sale of non-operating factories acquired and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. This includes a charge of €3.9 million associated with settlements of tax audits, offset by gains of €4.2 million from the reassessment of sales tax provisions, €1.2 million from the reassessment of interest on sales tax provisions, a €2.8 million gain on a legacy pension plan in Norway and a €1.3 million gain on disposal of a non-operational factory.
(f) Adjustment to reflect the remeasurement of the indemnification assets recognized on the acquisition of the Findus Group, which is capped at the value of shares held in escrow at the share price as at December 31, 2017. Offsetting are the release of indemnification assets associated with final settlement of indemnity claims against an affiliate of Permira Advisors LLP, which are legacy tax matters that predate the Company's acquisition of Iglo Group in 2015.
(g) Represents the elimination of share-based payment charges of €2.6 million and elimination of non-operating M&A related costs of €3.0 million. We exclude these 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.
(h) Adjusted EBITDA margin 16.8% for the twelve months ended December 31, 2017 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €1,956.6 million.

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

(in €m)	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017
Net Cash Flows From Operating Activities	**321.3**	**193.8**
Add back:		
Tax paid	32.9	65.2
Cash flows relating to exceptional items	43.4	99.5
Deduct:		
Capital expenditure (a)	(41.6)	(42.6)
Add back:		
Non-operating M&A related costs	8.9	3.0
Employer's tax charge on share based payment expense	1.7	—
Findus integration related capital expenditure	5.5	4.3
Adjusted Operating Cash Flow (excl.tax)	**372.1**	**323.2**

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