Nomad Foods

Investor Presentation

March 2019

Disclaimer

This presentation has been prepared and issued by Nomad Foods Limited (the "Company"). This Presentation has been provided solely for information and background. The information in this Presentation is provided as at the date of the Presentation (unless stated otherwise).

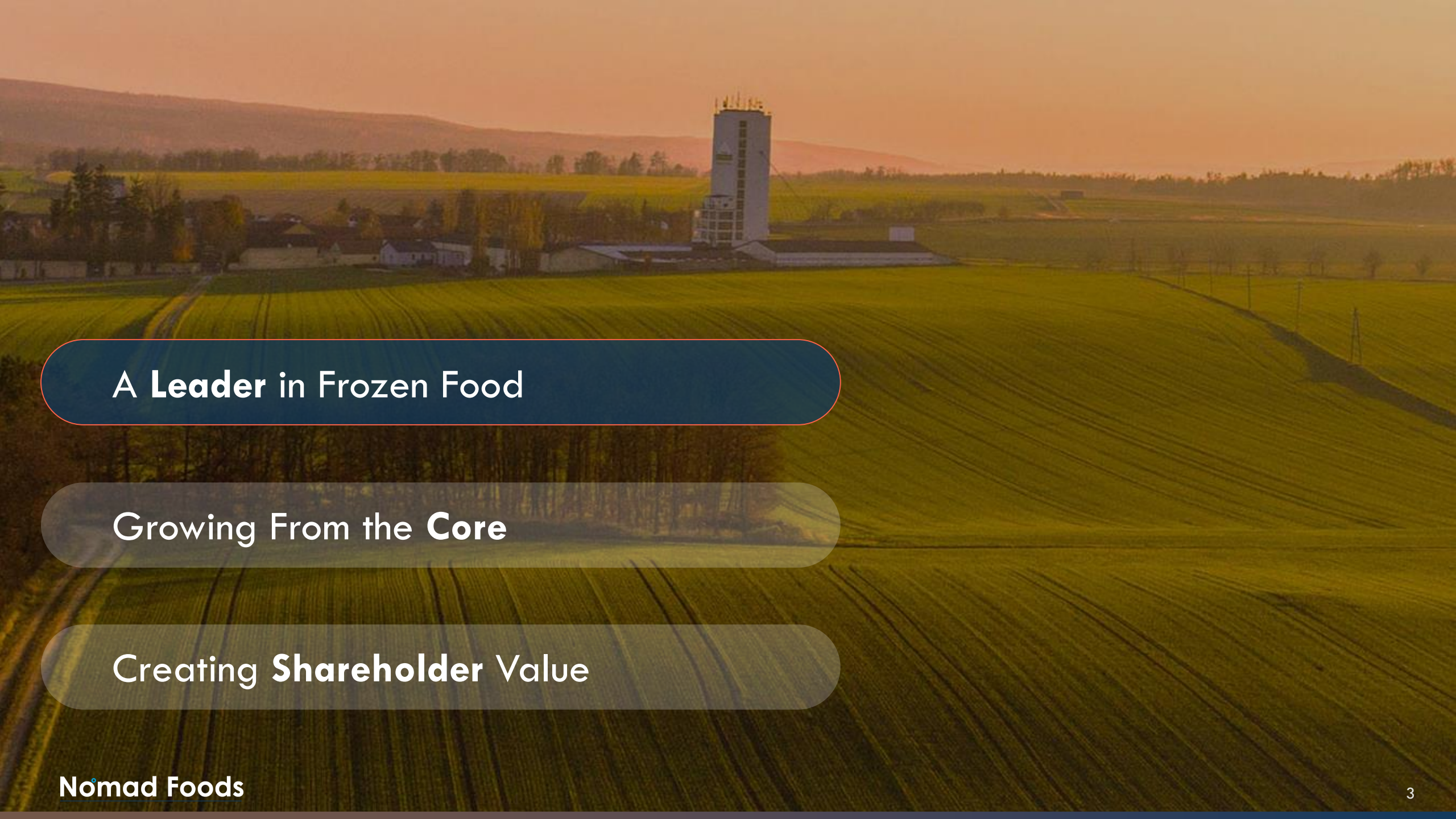
This Presentation does not constitute or form part of, and should not be construed as: (i) an offer, solicitation or invitation to subscribe for, sell or issue, underwrite or otherwise acquire any securities or financial instruments, nor shall it, or the fact of its communication, form the basis of, or be relied upon in connection with, or act as any inducement to enter into any contract or commitment whatsoever with respect to such securities or financial instruments; or (ii) any form of financial opinion, recommendation or investment advice with respect to any securities or financial instruments.

Certain statements and matters discussed in this Presentation may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "aim", "anticipate", "believe", "continue", "estimate", "expect", "intend", "may", "should", "strategy", "will" and words of similar meaning, including all matters that are not historical facts. This Presentation includes forward-looking statements about the Company's expectations regarding opportunities to further develop commercial capabilities and to further optimize space and place, the Company's ability to strengthen its net revenue management capabilities, the Company's beliefs regarding macro trends in the industry, the Company's expectations regarding future growth and its anticipated marketing and business strategies and the Company's expectations regarding future operating and financial performance, including its guidance with respect to organic revenue growth, Adjusted EBITDA and Adjusted EPS.

The forward-looking statements in this Presentation speak only as of the date hereof and are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. 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.

Other than in accordance with its legal or regulatory obligations, the Company is not under any obligation and the Company and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. This Presentation shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Presentation or that the information contained herein is correct as at any time subsequent to its date. No statement in this Presentation is intended as a profit forecast or estimate.
Market and competitive position data in this Presentation has generally been obtained from industry publications and surveys or studies conducted by third-party sources. There are limitations with respect to the availability, accuracy, completeness and comparability of such data. The Company has not independently verified such data, can provide no assurance of its accuracy or completeness and is not under any obligation to update, complete, revise or keep current the information contained in this Presentation. Certain statements in this document regarding the market and competitive position data are based on the internal analyses of the Company, which involves certain assumptions and estimates. These internal analyses have not been verified by any independent sources and there can be no assurance that the assumptions or estimates are accurate.

This Presentation includes certain additional key performance indicators which are considered non-IFRS financial measures including, but not limited to, organic revenue growth, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Gross Margin, Adjusted earnings per share and Free Cash Flow. Nomad Foods believe these non-IFRS financial measures provide an important alternative 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. You should not consider the Company's non-IFRS financial measures an alternative or substitute for the Company's reported results. For a reconciliation of these non-IFRS financial measures to the most directly comparable IFRS measures, refer to the Company earnings press release and investor presentation for the three and twelve months ended December 31, 2018 included on the Company's website at www.nomadfoods.com.



A **Leader** in Frozen Food

Growing From the **Core**

Creating **Shareholder** Value

Nomad Foods Overview

€2.2B

Net Revenues

#1

In Western Europe's

€26B

Savory
Frozen Food Category

13

Primary Countries
Across Western Europe

90%

Of Core Portfolio Ranked
#1 or #2 in Market Share

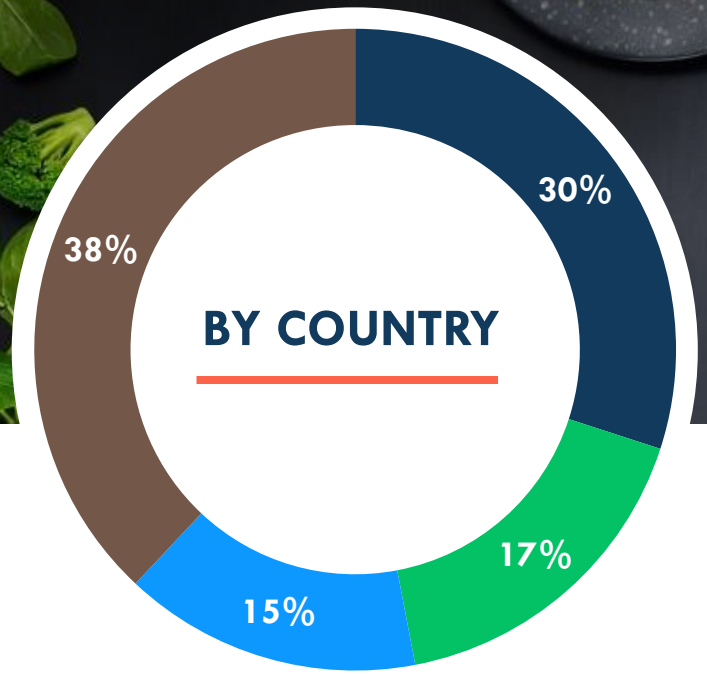
4,800

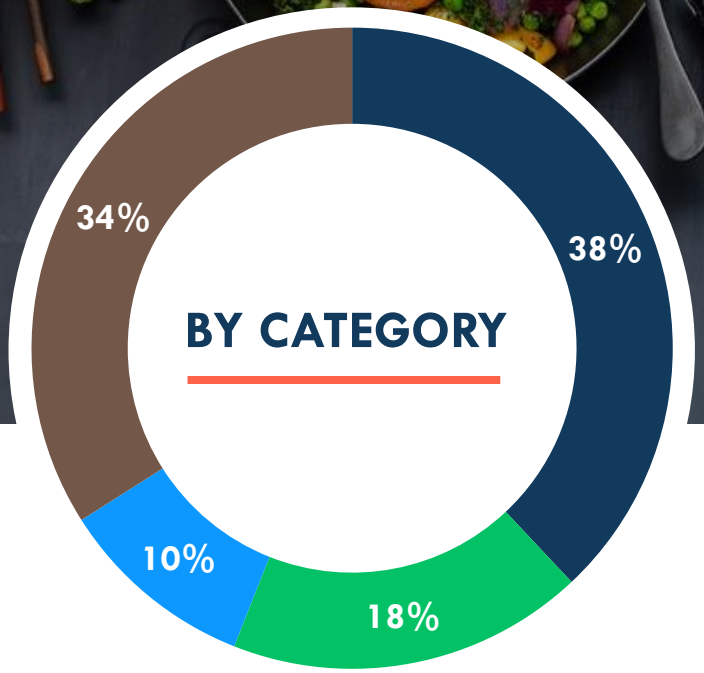
Company Employees

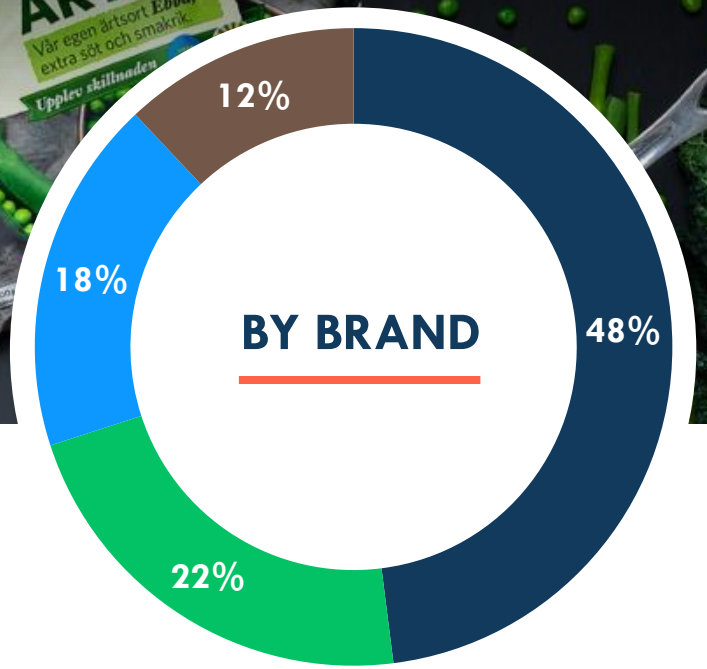
Nomad Foods

Iconic Brands Modernized for Today's Consumer

A Diversified Portfolio with €2.2 Billion in Revenues







UK | Italy | Germany | Other

Seafood | Vegetables | Ready Meals | Other

Findus | iglo | BirdsEye | Other

Nomad Foods

Figures above represent mix of 2018 net revenues

The Undisputed Leader in Western Europe Frozen Food

Western Europe
Savory Frozen Food

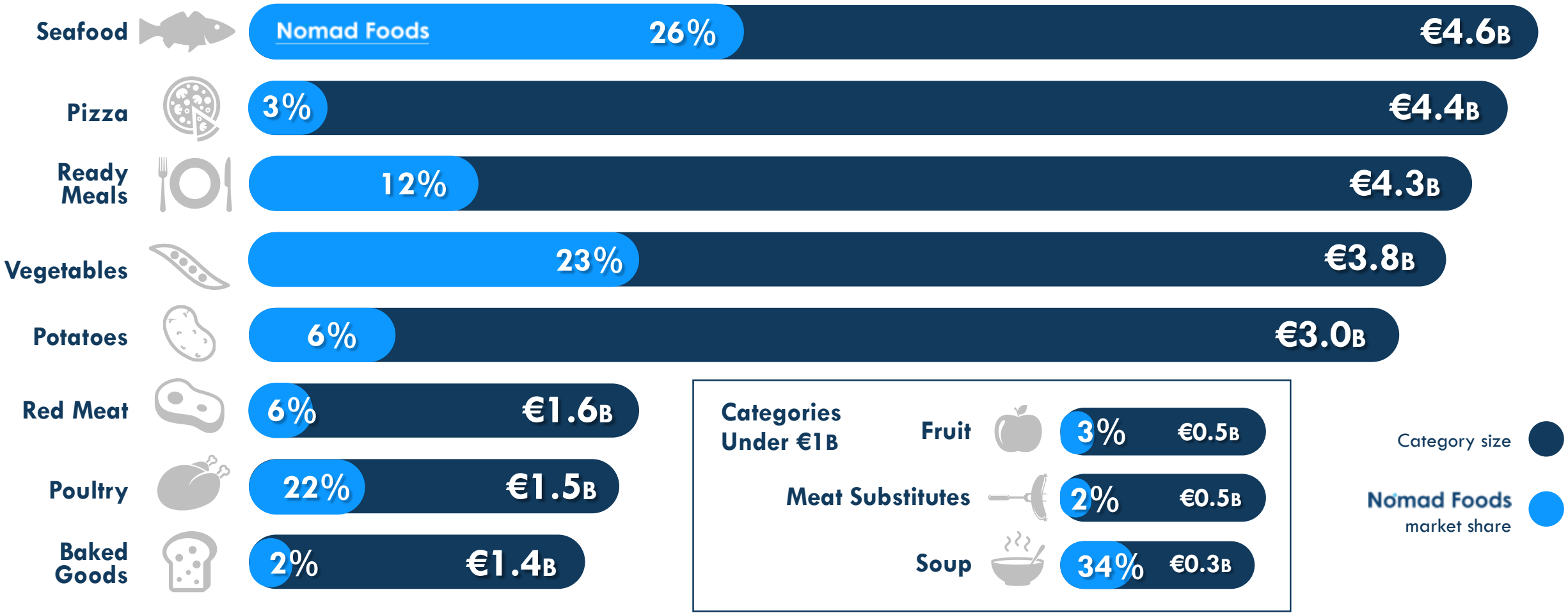
€26B

Total Retail Sales Value

Source: Euromonitor, 2018; branded only

Portfolio Breadth Across Most Frozen Savory Categories

Western Europe Savory Frozen – **Market Share by Category**



Nomad Foods

Source: Euromonitor, 2018; branded only

Strong Frozen Food Market Share at Local Category Level

90% of core portfolio

#1 or **2** in market share

	UK	Italy	Germany	Sweden	France	Norway	Austria	Spain	Netherlands	Belgium	Portugal	Finland	Ireland
Total Share	#1	#1	#1	#1	#1	#2	#1	#1	#2	#1	#1		#1
Seafood Share	#1	#1	#1	#1	#1	#1	#1		#1	#1	#2	#1	#2
Vegetables Share	#1	#1	#1	#1	#2	#1	#1	#1	#1	#1	#1	#2	#2

Figures above represent market share rank based on Euromonitor, 2018; branded only
Countries are ranked in order of 2018 revenues from left to right

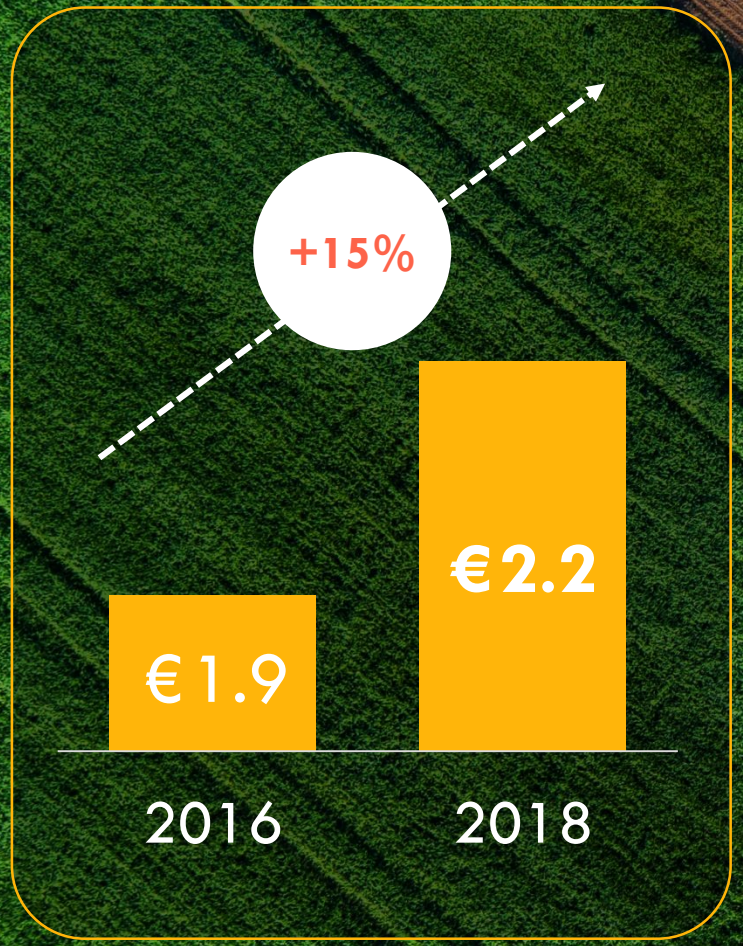
A **Leader** in Frozen Food

Growing From the **Core**

Creating **Shareholder** Value

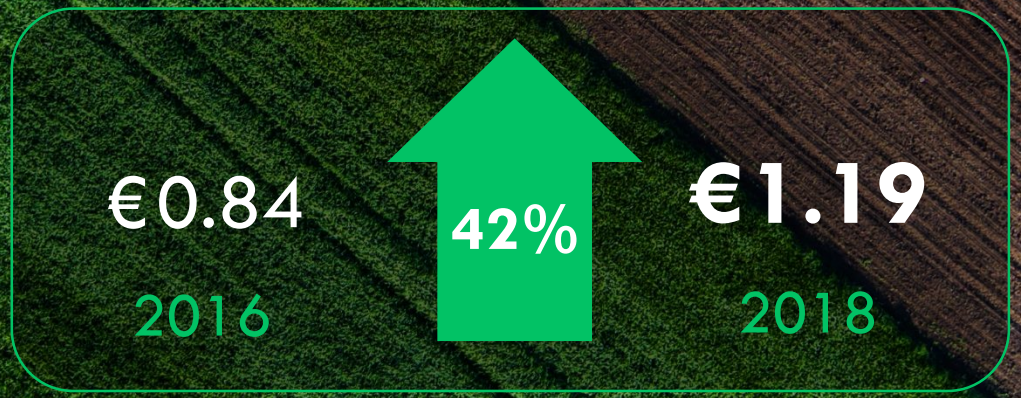
Two Years of Strong Financial Performance

NET REVENUES

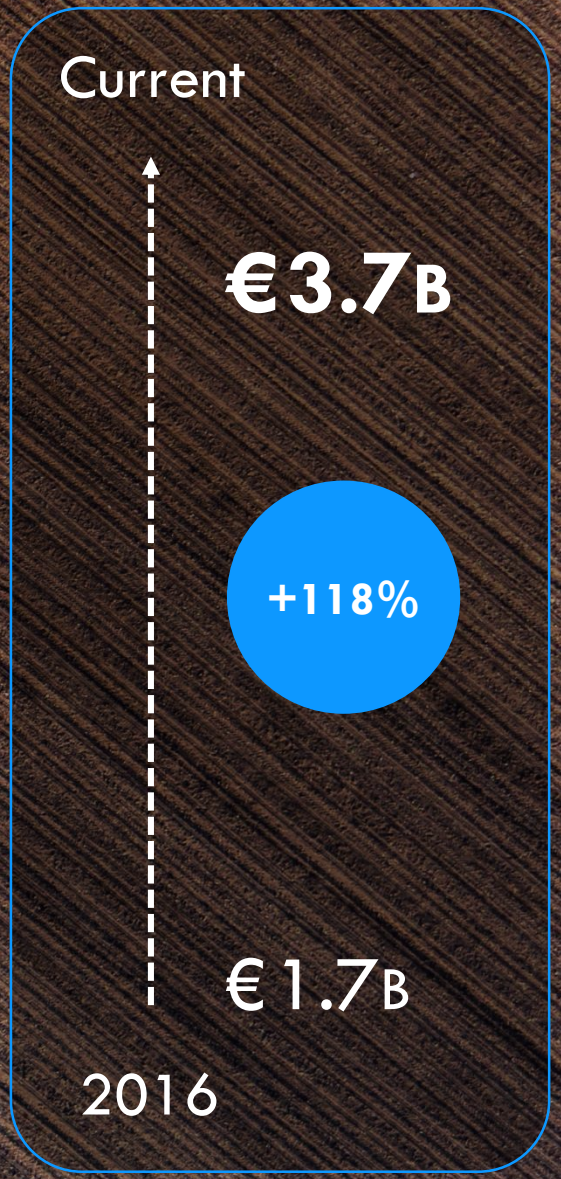


ADJUSTED EBITDA

ADJUSTED EPS

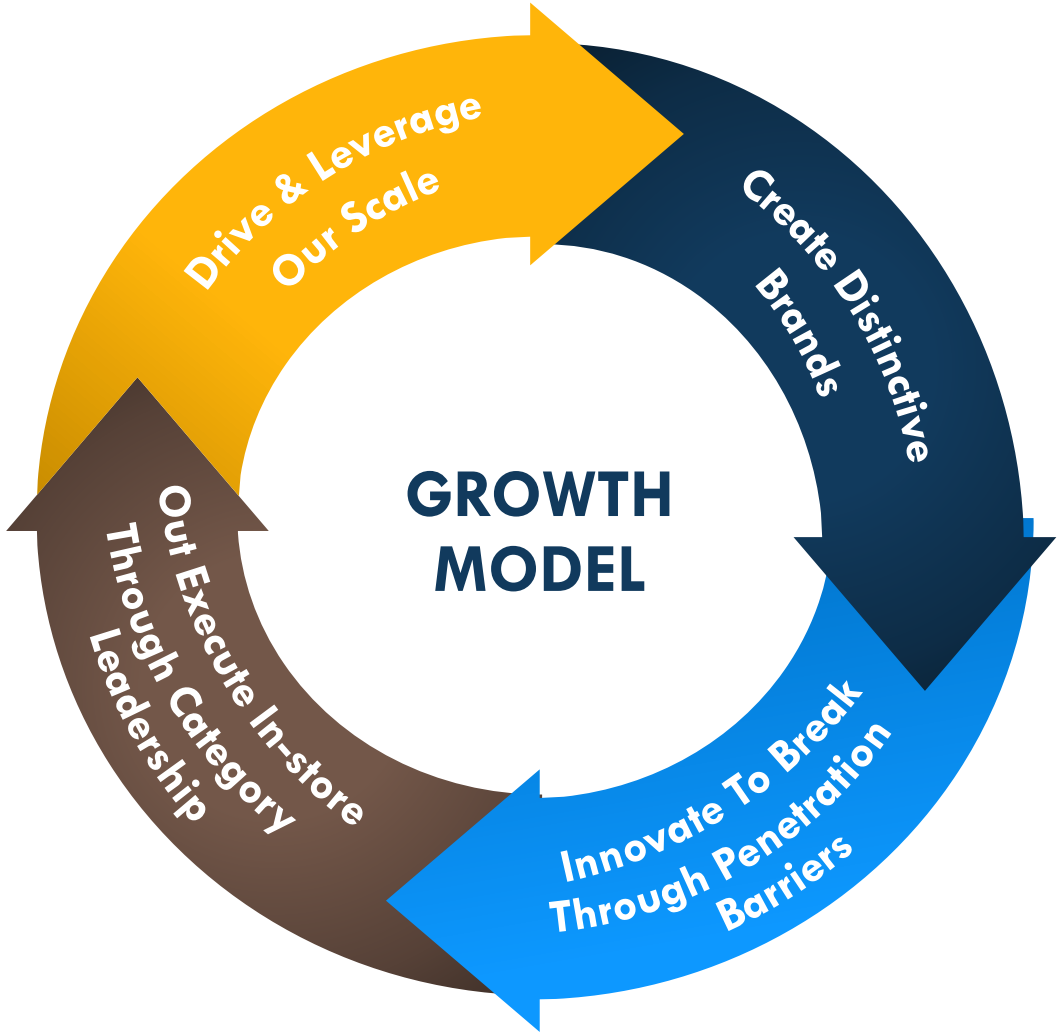


MARKET CAP



Note: growth rates represent percentage change from full year 2016 to full year 2018.
Current market cap is based on share price as of March 2, 2019. 2016 market cap is based on share price on 12/31/16.

A Proven Growth Model

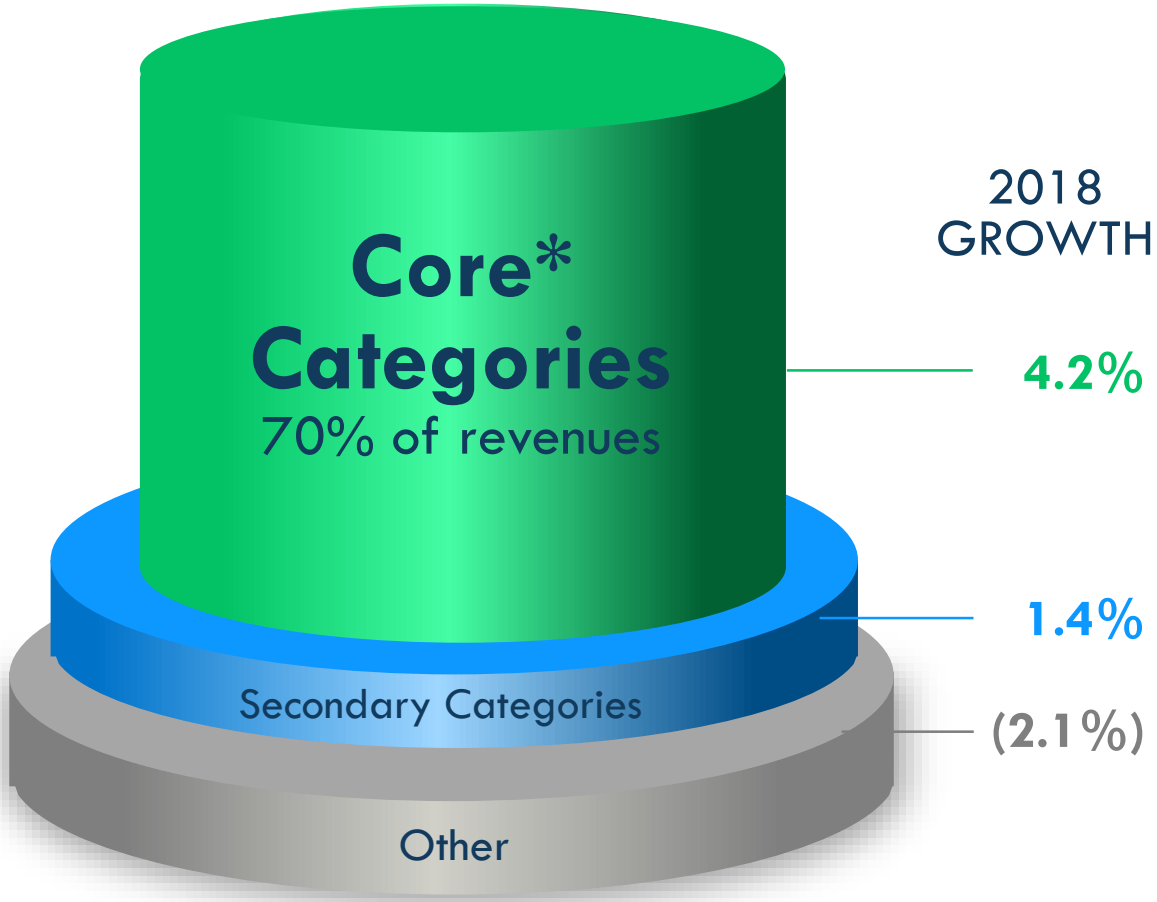


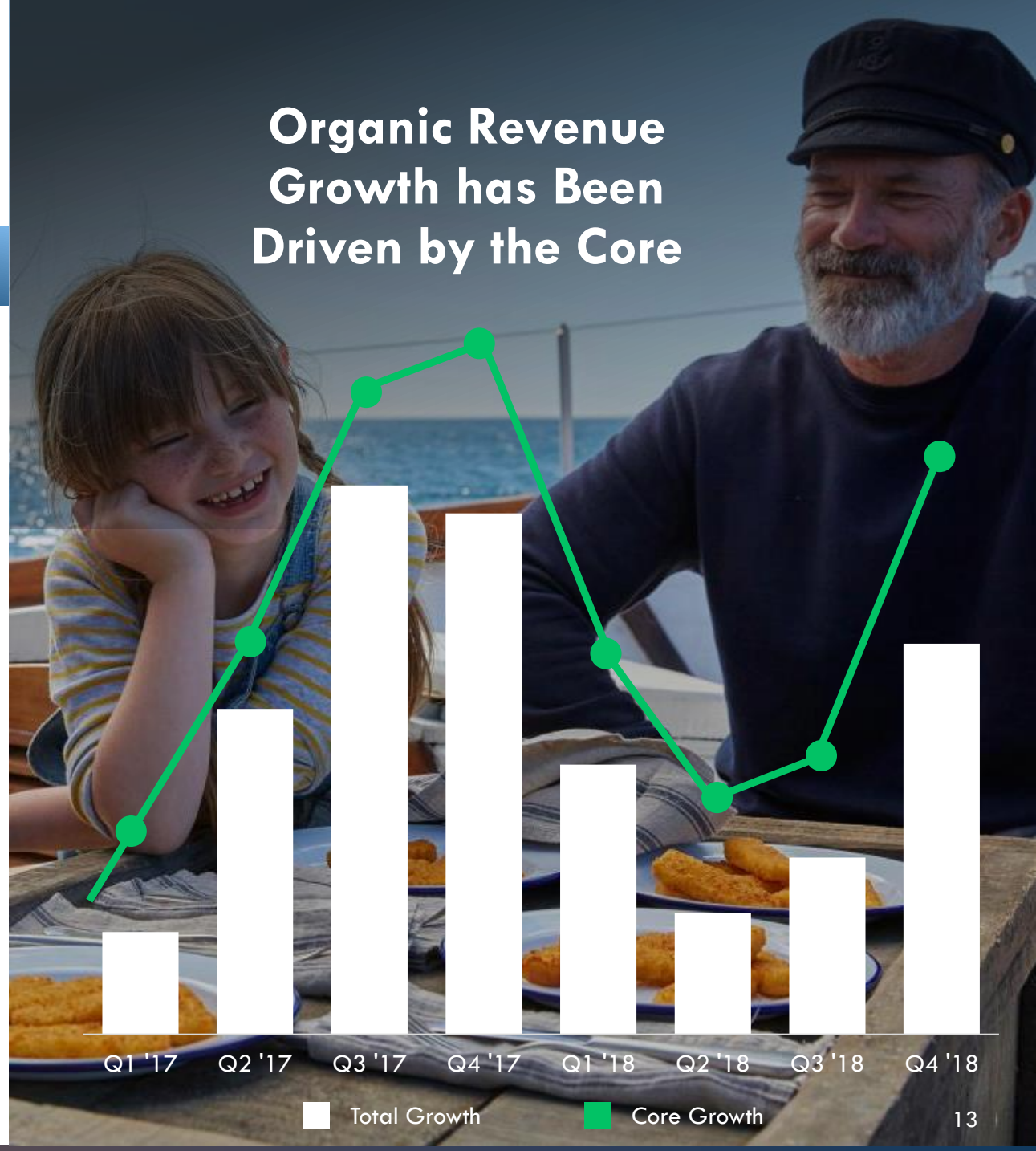
Eight Consecutive Quarters of Organic Revenue Growth

Nomad Foods

Prioritizing the Core

2018 Organic Revenue Growth = **2.6%**





Nomad Foods

*Core categories represent the highest gross margin / greatest market share categories and receive a disproportionate level of A&P investment.

Coated Fish – A Global Success Story in 2018

*RSV represents retail sales value based on Nielsen and IRI data.c

Kids Poultry Range Drove Strong Growth in the UK

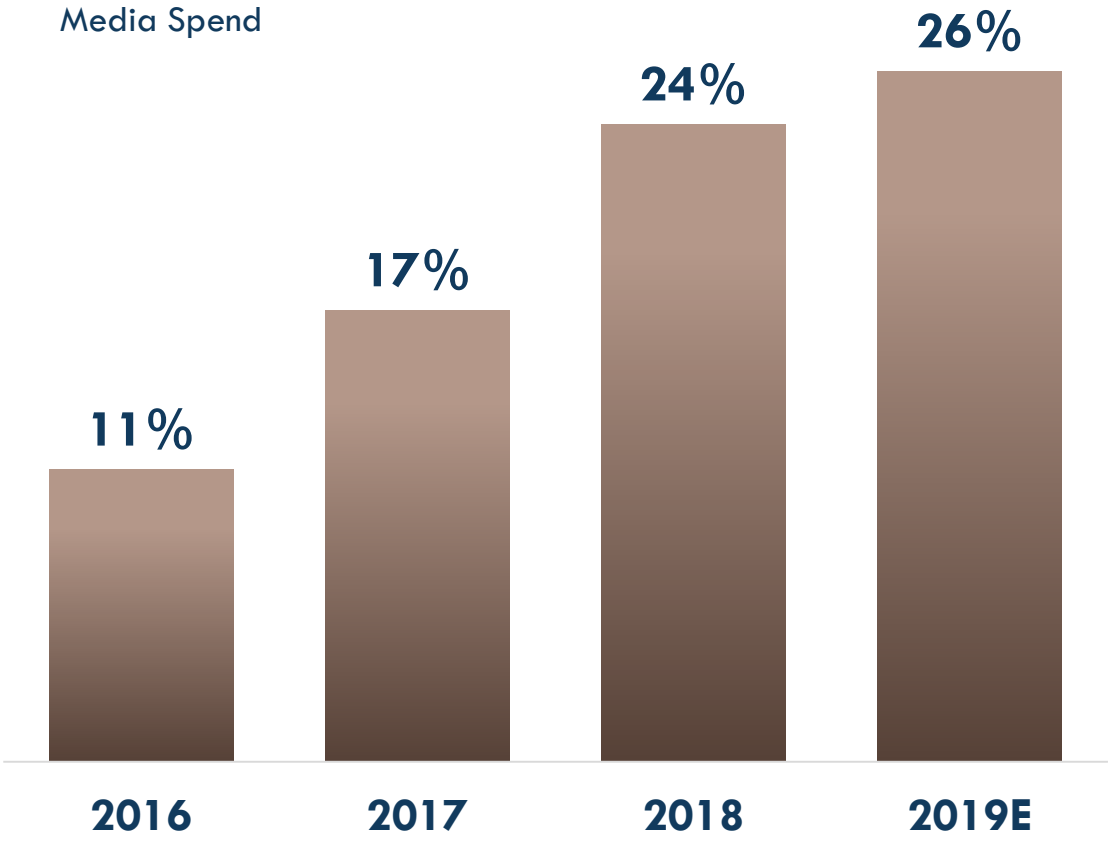
*RSV represents retail sales value based on Nielsen and IRI data.

Opportunity to Further Develop Commercial Capabilities

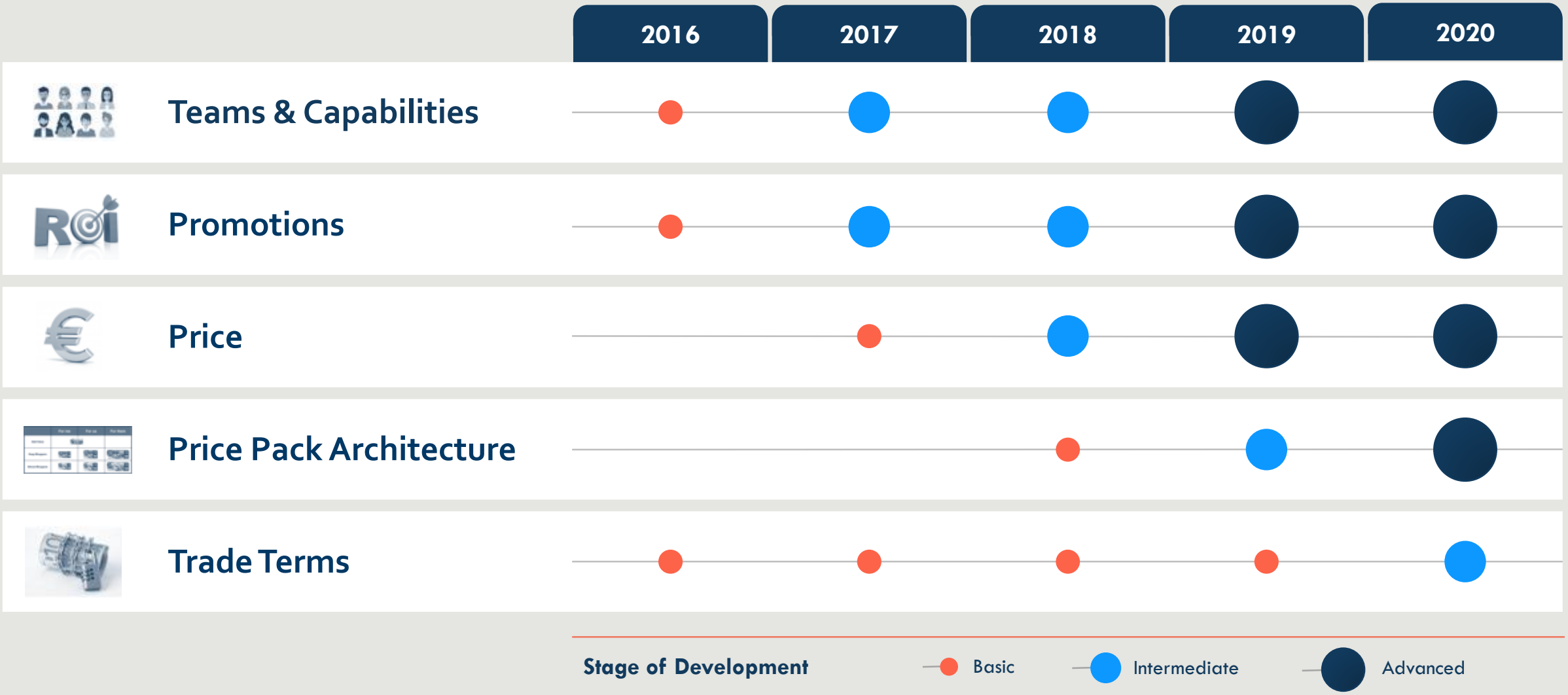
Commercial Pillar	Key Initiatives	Stage of Development
Media Efficiency	• Increase working media spend with high improved execution and higher ROI	
Net Revenue Management	• Promo optimization & pricing implemented • PPA and trade terms in development	
Sustainability & Nutrition	• Leverage portfolio's structural qualities into consumer-facing communication	
Innovation	• Concentrated effort around 'big bets' • Accretive to gross margins	
Space & Place	• Optimize placement in traditional trade • Gain market share in growing channels	

Driving Digital Media Engagement

Digital % of Total Media Spend



Strengthening Net Revenue Management Capabilities



Distribution Opportunity to Further Optimize Space & Place

OPTIMIZE
RETAIL EXECUTION

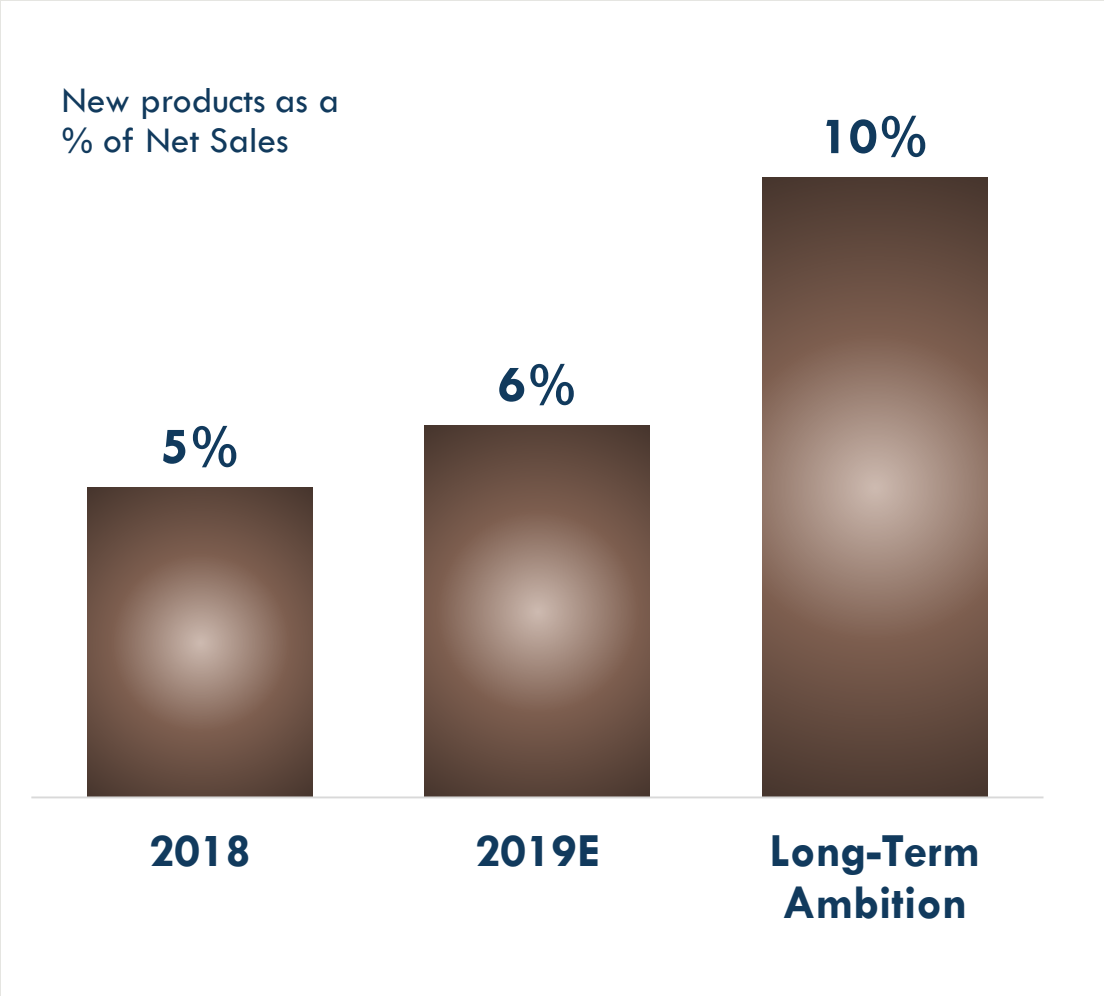
GROW WITH
HARD DISCOUNTERS

FURTHER
PENETRATE **ONLINE**

Raising Our Profile in Nutrition & Sustainability

Nomad Foods

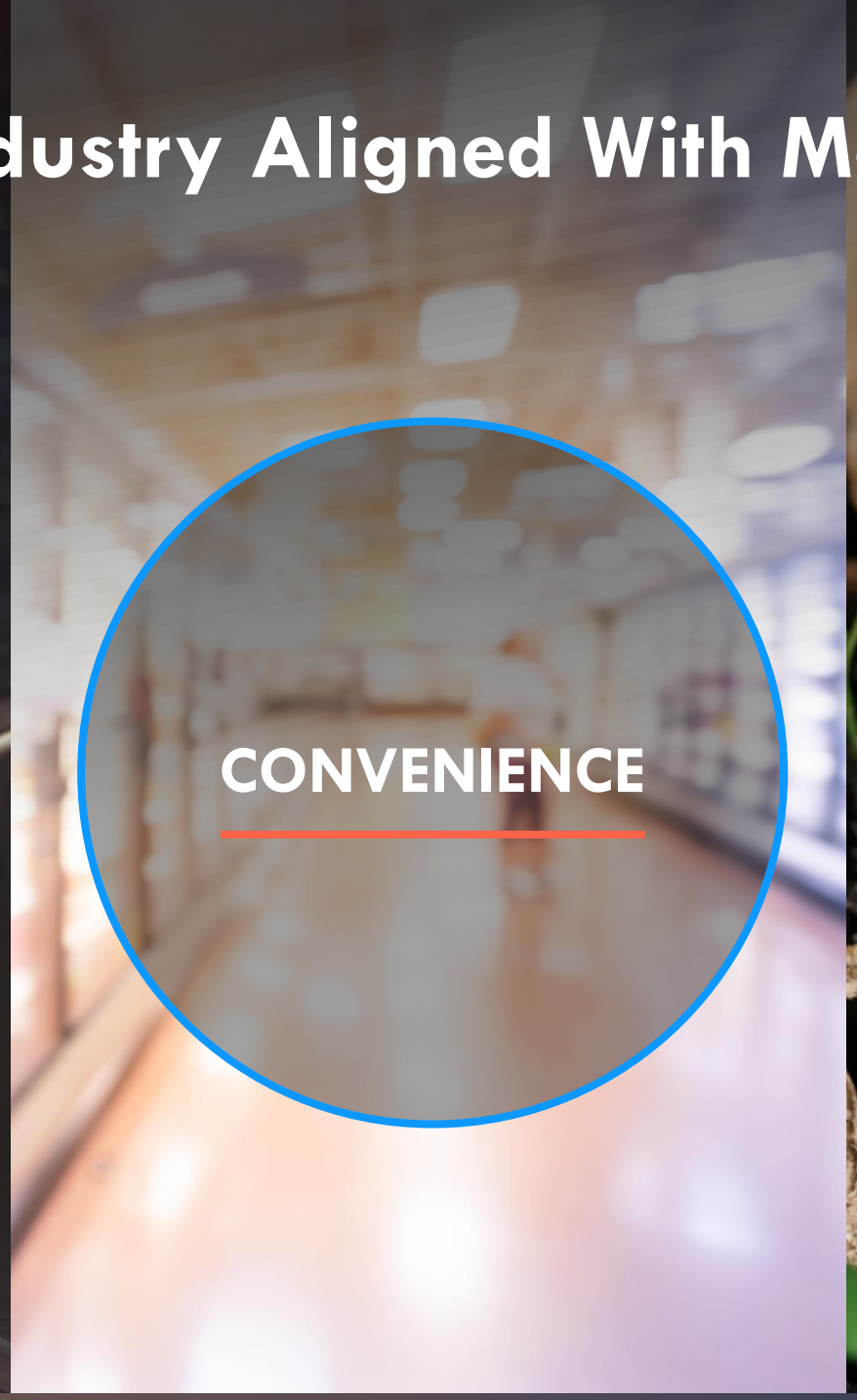
We Activated Our Innovation Pipeline in 2018



Nomad Foods

A Portfolio and Industry Aligned With Macro Trends

HEALTH & WELLNESS



CONVENIENCE

SUSTAINABILITY

Attracting Millennials with Modern Veggies

CLEAN
LABELS

HIGH
IN PROTEIN

MODERN
CONCEPTS

Expanding on the Recent Plant Protein Launch in the Nordics

way out west

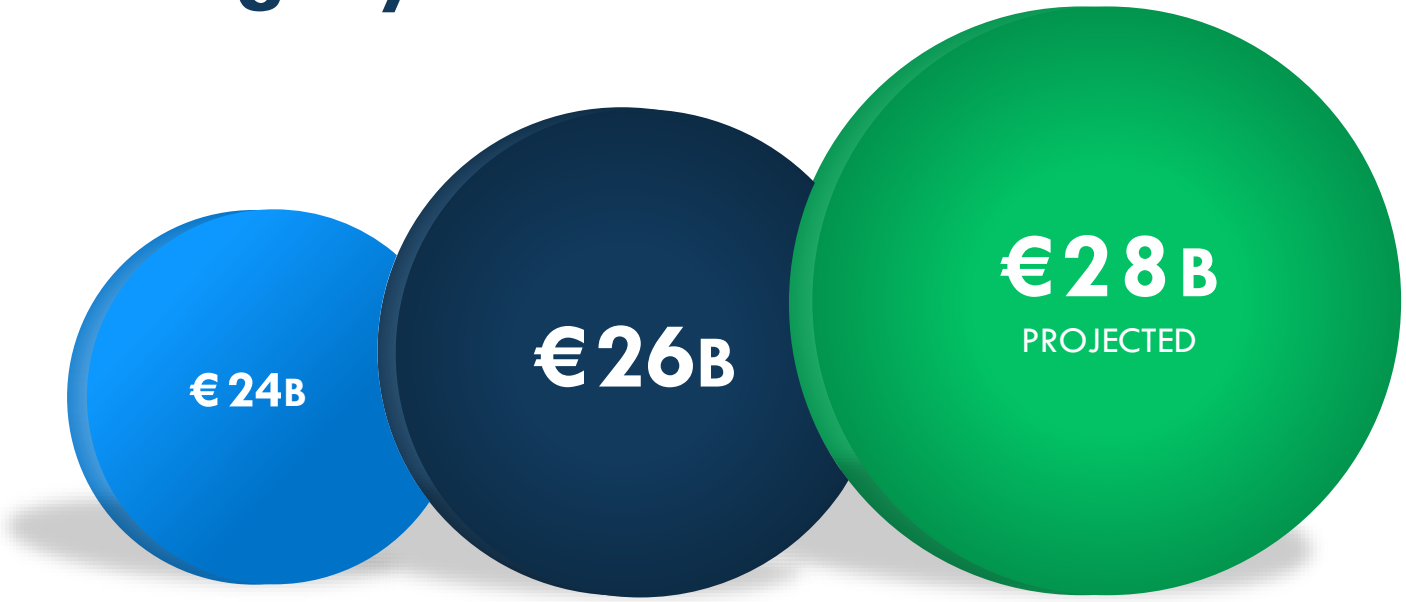
Nomad Foods

New Plant Protein Range Launching in the UK in Q2

Introducing Plant Protein to the UK Market

- A category **growing double digit %**
- Developed using **pea based protein**
- Leverage **Birds Eye's credibility** in peas
- Catering to **flexitarian** consumers

Frozen Food is a Category in Growth



Source: Euromonitor
Note: Data reflects Western Europe frozen savory category.

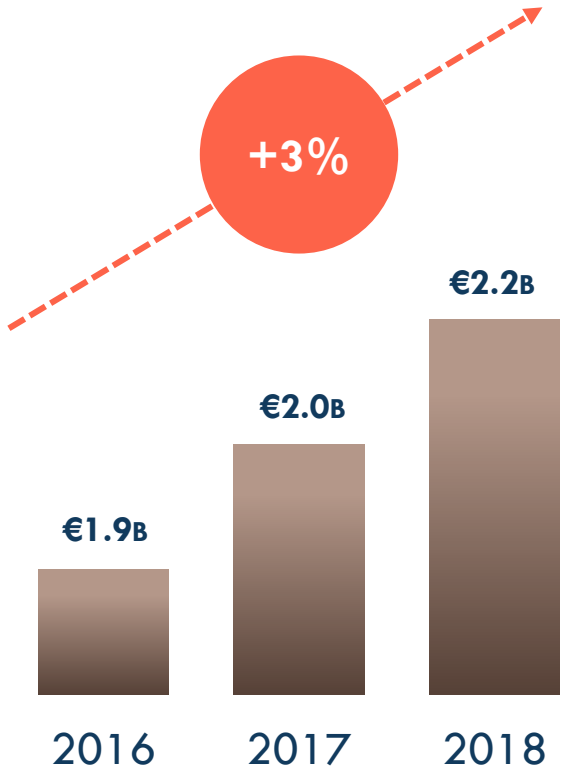
A Leader in Frozen Food

Growing From the Core

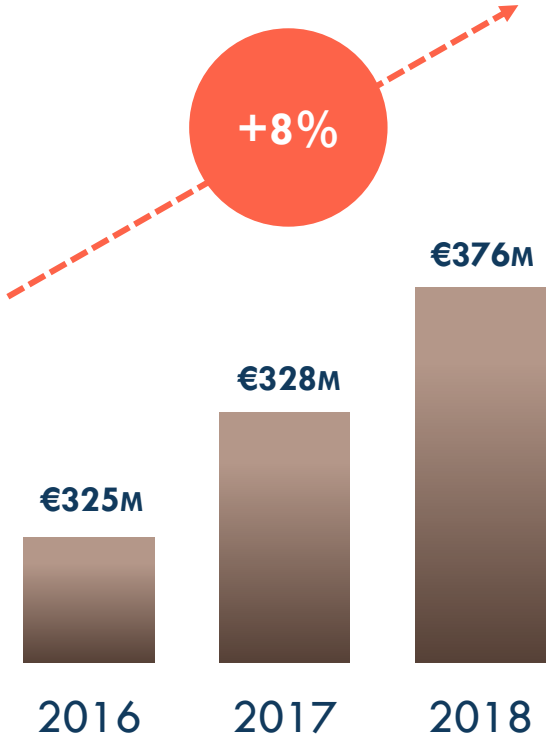
Creating Shareholder Value

A Track Record of Strong Financial Performance

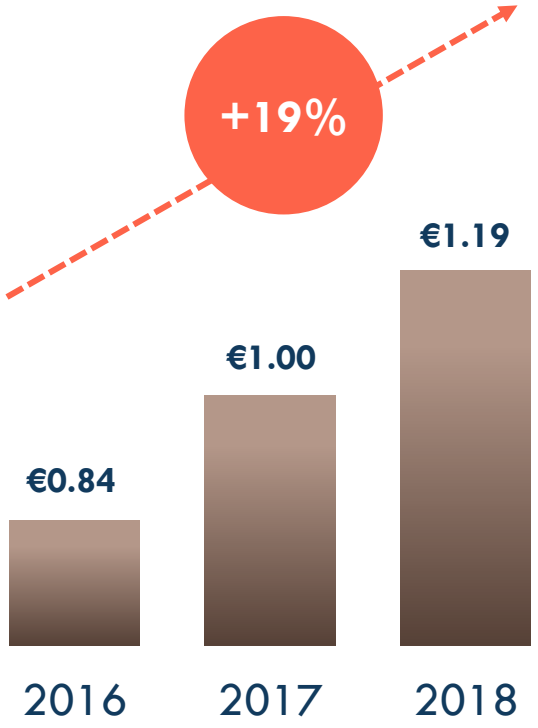
Organic Revenue Growth



Adjusted EBITDA



Adjusted EPS



Nomad Foods

Revenue figures from 2016 – 2018 reflect total revenues, including acquisitions, which are reflected from the close date of acquisition.
Note: percentage growth rates reflect average for organic revenue growth and CAGR for Adjusted EBITDA and Adjusted EPS.

2018 Financial Results Overview

Organic Revenue Growth	Adjusted Gross Margin	Adjusted EBITDA	Adjusted EPS
+2.6%	**30.3%**	**€376M**	**€1.19**/share
+1.2% volume/mix +1.4% price	+80bp before the impact of acquisition mix	+15% growth	+19% growth

Converted 99% of Adjusted EBITDA into Adjusted Operating Cash Flow
Reduced Pro-Forma Leverage to 3.8x Net Debt/Adjusted EBITDA

Long Term Drivers of EBITDA Margin Expansion

NET REVENUE MANAGEMENT

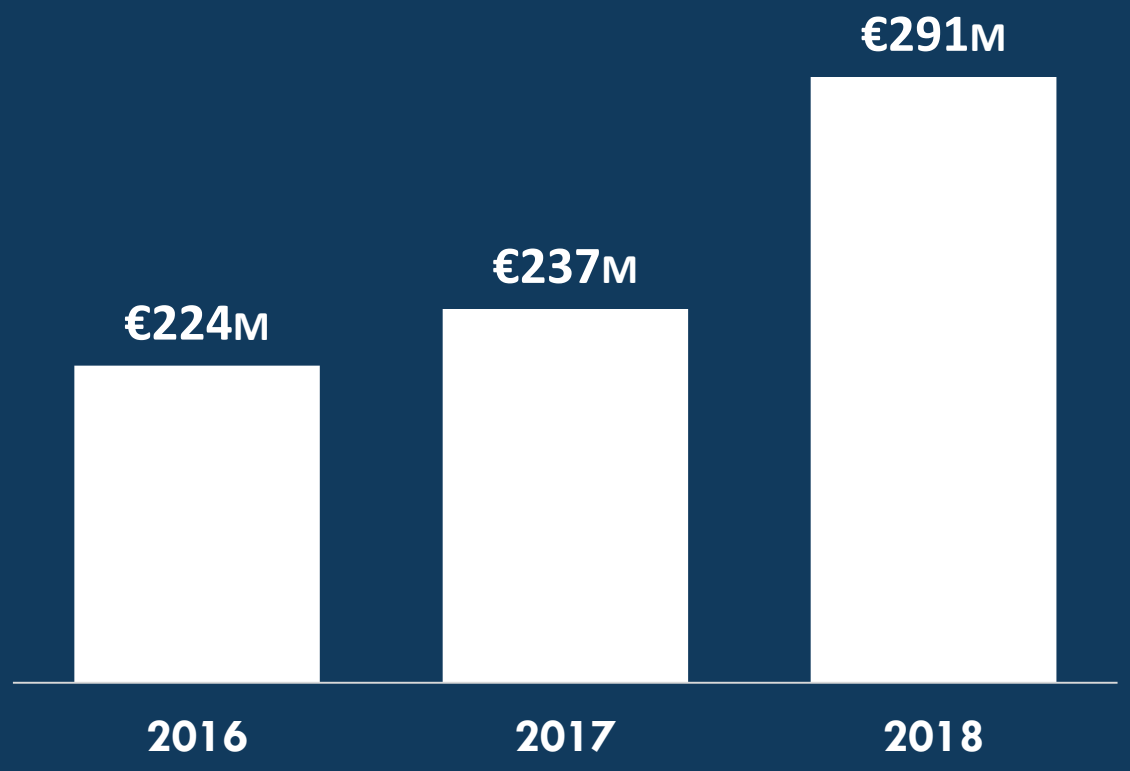
SUPPLY CHAIN PRODUCTIVITY

EXPENSE DISCIPLINE

Strong Balance Sheet and Cash Flow Generation

- Pro-forma leverage of 3.8x as 2018
- On target to reduce leverage further in 2019
- No significant debt maturities until 2024
- Average borrowing cost of ~3%
- Approximately 70% of debt is fixed

Adjusted Free Cash Flow



Defined as Adjusted EBITDA less change in working capital, capital expenditures, cash taxes and cash interest & other

Note: Revolving credit facility, currently undrawn, matures in 2023.

Nomad Foods Acquisition Strategy

Pursue **accretive M&A** to complement organic growth

Consolidate **European frozen food** and beyond

Create value through focus & operational excellence

Leverage **growth model** to drive commercial synergies

Realize **cost synergies** through economies of scale

2019 Guidance

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

2019 guidance equates to the following when translated into US dollars, the Company's equity trading currency.

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

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

Nomad Foods

Questions?

Findus iglo

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 for the twelve months ended December 31, 2018 and for the twelve months ended December 31, 2017.
3. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2018
4. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2017
5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2016
6. Reconciliation of key cash flow metrics for the twelve months ended December 31, 2018, the twelve months ended December 31, 2017 and the twelve months ended December 31, 2016
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, the twelve months ended December 31, 2017 and the twelve months ended December 31, 2016

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, chart of account ("CoA") alignments and exceptional items such as restructuring charges, goodwill and intangible asset impairment charges 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, 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

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
	YoY Growth	**YoY Growth**	**YoY Growth**	**YoY Growth**	**YoY Growth**
Reported Revenue Growth	1.5%	6.6%	15.6%	21.0%	11.0%
Of which:					
- Organic Revenue Growth	*2.9%*	*1.3%*	*1.9%*	*4.2%*	*2.6%*
- Acquisitions	*0.0%*	*6.4%*	*14.7%*	*17.3%*	*9.4%*
- Trading Day Impact	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
- Translational FX (a)	*(1.4%)*	*(1.1%)*	*(1.0%)*	*(0.5%)*	*(1.0%)*
Total	***1.5%***	***6.6%***	***15.6%***	***21.0%***	***11.0%***

Year on Year Growth – December 31, 2017 compared with December 31, 2016

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
	YoY Growth	**YoY Growth**	**YoY Growth**	**YoY Growth**	**YoY Growth**
Reported Revenue Growth	(2.9%)	0.5%	4.4%	4.7%	1.5%
Of which:					
- Organic Revenue Growth	*1.1%*	*3.5%*	*5.9%*	*5.6%*	*3.9%*
- Acquisitions					
- Trading Day Impact	*(1.7%)*	*0.0%*	*0.0%*	*0.0%*	*(0.5%)*
- Translational FX (a)	*(2.3%)*	*(3.0%)*	*(1.5%)*	*(0.9%)*	*(1.9%)*
Total	***(2.9%)***	***0.5%***	***4.4%***	***4.7%***	***1.5%***

(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 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 (g)	**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.
g) Adjusted gross margin of 30.3% for the twelve months ended December 31, 2018 is calculated by dividing Adjusted gross profit by Adjusted revenue of €2,172.8 million.

3. 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.

4. 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 31, 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 (f)	**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.
f) Adjusted gross margin 30.6% for the twelve months ended December 31, 2017 is calculated by dividing Adjusted gross profit by Adjusted revenue of €1,956.6 million.

4. 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.

5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2016

Adjusted Statement of Profit or Loss (unaudited)
Twelve months ended December 31, 2016

(in €m, except EPS)	As reported for the twelve months ended December 31, 2016	Adjustments		As adjusted for the twelve months ended December 31, 2016
Revenue	1,927.7	—		1,927.7
Cost of sales	(1,356.7)	—		(1,356.7)
Gross Profit (e)	**571.0**	**—**		**571.0**
Other operating expenses	(298.4)	1.2	(a)	(297.2)
Exceptional items	(134.5)	134.5	(b)	—
Operating Profit	**138.1**	**135.7**		**273.8**
Finance income	24.2	(18.3)		5.9
Finance costs	(86.3)	7.1		(79.2)
Net Financing Cost	**(62.1)**	**(11.2)**	(c)	**(73.3)**
Profit Before Tax	**76.0**	**124.5**		**200.5**
Taxation	(39.6)	(6.0)	(d)	(45.6)
Profit for the period	**36.4**	**118.5**		**154.9**
Weighted average shares outstanding in millions - basic	183.5			183.5
Basic earnings per share	**0.20**			**0.84**
Weighted average shares outstanding in millions - diluted	183.5			183.5
Diluted earnings per share	**0.20**			**0.84**

a) Adjustment to add back share based payment charge
b) Adjustment to add back exceptional items which management believes do not have a continuing impact. See table 'EBITDA and Adjusted EBITDA (unaudited) twelve months ended December 31, 2016' for a detailed list of exceptional items.
c) Adjustment to eliminate €18.3 million of non-cash foreign exchange translation gains, €4.3 million foreign exchange loss on derivatives and €2.8 million of other exceptional non-cash interest.
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.
e) Adjusted gross margin 29.6% for the twelve months ended December 31, 2016 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €1,927.7 million.

5. Reconciliation of reported to Adjusted financial information for the twelve months ended December 31, 2016

EBITDA and Adjusted EBITDA (unaudited)

Twelve months ended December 31, 2016

(in €m)	Twelve months ended December 31, 2016	
Profit for the period	**36.4**	
Taxation	39.6	
Net financing costs	62.1	
Depreciation	43.3	
Amortization	7.8	
EBITDA	**189.2**	
Exceptional items:		
Costs related to transactions	*4.8*	(a)
Costs related to management incentive plans	*1.9*	(b)
Investigation and implementation of strategic opportunities	*7.0*	(c)
Cisterna fire net income	*(4.3)*	(d)
Supply chain reconfiguration	*84.3*	(e)
Other restructuring costs	*(1.0)*	(f)
Findus Group integration costs	*29.6*	(g)
Settlement of legacy matters	*1.8*	(h)
Remeasurement of indemnification assets	*10.4*	(i)
Other Adjustments:		
Other add-backs	*1.2*	(j)
Adjusted EBITDA(k)	**324.9**	

a) Elimination of costs incurred in relation to completed and potential acquisitions and one-off compliance costs incurred as a result of listing on the New York Stock Exchange.
b) Adjustment to eliminate long term management incentive scheme costs from prior ownership.
c) Elimination of 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.
d) Elimination of net insurance income offset by incremental operational costs incurred as a result of a fire in August 2014 in the Iglo Group's Italian production facility which produces Findus branded stock for sale in Italy.
e) Elimination of supply chain reconfiguration costs, namely the closure of the Bjuv factory.
f) Elimination of a credit on release of provisions for restructuring activities associated with operating locations.
g) Elimination of costs recognized by Nomad Foods relating to the integration of the Findus Group.
h) Elimination of non-recurring costs associated with settlements of tax audits and other liabilities relating to periods prior to acquisition of the Findus and Iglo businesses by the Company. These were previously classified within Investigation and implementation of strategic opportunities and other items and have been reclassified into this line for the period presented.
i) 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, 2016.
j) Other add-backs include the elimination of share-based payment charges of €1.2 million.
k) Adjusted EBITDA margin 16.9% for the twelve months ended December 31, 2016 is calculated by dividing Adjusted EBITDA by Adjusted revenue of €1,927.7 million.

6. Key Cashflow Metrics for the twelve months ended December 31, 2018, the twelve months ended December 31, 2017 and twelve months ended December 31, 2016

(in €m unless otherwise noted)	FY2018	FY2017	FY2016
Adjusted EBITDA	**€ 376**	**€ 328**	**€ 325**
Change in working capital	32	33	31
Capital expenditures[1]	(36)	(38)	(40)
Adjusted Operating cash flow	**€ 372**	**€ 323**	**€ 316**
Operating cash flow conversion [2]	***99%***	***99%***	***97%***
Adjusted cash taxes[3]	(33)	(38)	(25)
Adjusted cash interest & other[4]	(48)	(48)	(68)
Adjusted Free cash flow	**€ 291**	**€ 237**	**€ 224**

[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, 2016 €2.6million).
[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, 2016: €nil).
[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, 2016: €nil) incurred in relation to the financing of debt.

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, the twelve months ended December 31, 2017 and twelve months ended December 31, 2016

(in €m)	Twelve months ended December 31, 2018	Twelve months ended December 31, 2017	Twelve months ended December 31, 2016
Net Cash Flows From Operating Activities	**321.3**	**193.8**	**282.1**
Add back:			
Tax paid	32.9	65.2	24.9
Cash flows relating to exceptional items	43.4	99.5	49.2
Deduct:			
Capital expenditure (a)	(41.6)	(42.6)	(42.4)
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	2.6
Adjusted Operating Cash Flow (excl.tax)	**372.1**	**323.2**	**316.4**

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