IMMEDIATE RELEASE 9 November 2015

CARR'S GROUP PLC ("Carr's" or the "Group")

FULL YEAR RESULTS

"Diversity strengthens performance"

Carr's (CARR.L), the fully-listed Agriculture, Food and Engineering Group, announces results for the year ended 29 August 2015.

Financial highlights (continuing operations)

- Revenue **down** 4.1% to £411.6m (2014: £429.0m) primarily due to low commodity prices
- EBITDA **up** 6.0% to £21.6m (2014: £20.4m)
- Profit before taxation **up** 5.5% to £17.5m (2014: £16.6m)
- Basic EPS **up** 4.7% to 13.4p (2014 restated: 12.8p**)
- Adjusted* EPS **up** 3.8% to 13.6p (2014 restated: 13.1p**)
- Proposed final dividend of 1.85p **up** 8.8% resulting in a total for the year of 3.7p (2014 restated: 3.4p**)
- Capital expenditure of £7.3m during the year with net debt of £24.4m at the year-end (2014: £24.6m)

Divisional highlights

- Agriculture profit before tax (excluding contribution from associate and JVs) **up** 8.8% to £10.4m, driven by a strong performance in the USA feed block business;

- Food profit before tax **up** 6.3% to £2.4m due to improved operational efficiencies;

- Engineering profit before tax **down** 16.7% to £3.1m due to contract mix and market difficulties.

Chris Holmes, Chairman, said:

"I am pleased to report that the Group achieved another record year of profit before tax, despite a number of headwinds across all of our divisions. We have been able to achieve this due to the diversity of our business and the resilience of our business model, together with the hard work of our management team and all of our employees.

While we expect these headwinds to continue in 2016, we are in a very strong position to handle those challenges and capitalise on any potential opportunities."

*Adjusted earnings per share is calculated after adjusting for non-recurring items and amortisation of intangible assets.
** Restated due to share split of 10:1 which took place on 14 January 2015.

Enquiries:

Carr's Group plc 01228 554600
Tim Davies (Chief Executive Officer)
Neil Austin (Group Finance Director)

Powerscourt 020 7250 1446
Nick Dibden carrs@powerscourt-group.com
Sophie Moate

Notes to Editors

Carr's Group plc is an international business operating across Agriculture, Food and Engineering, supplying over 35 countries around the world.

The Agriculture division compromises an international feed block supplement business with manufacturing locations in the USA, UK and Europe. In the UK it sells animal feed, fertiliser, animal health products, oil, farm machinery and rural supplies from its 30 Country Stores.

The Food division produces flour from three strategically located mills in the UK to the bread, biscuit and retail markets.

The Engineering division designs, manufactures and supplies specialist precision parts, equipment, robotics and remote handling products from three sites in the UK and one site in Germany. These highly specialised products and services are supplied predominately into the nuclear and oil and gas markets.

The Group is listed on the London Stock Exchange.

Chairman's Statement

Review of the Year

I am pleased to report that the Group has delivered another record year of profit before tax. This is particularly encouraging given the challenging market backdrop across all three of our divisions. Achieving this performance is testament to the management team and employees of the Group and the Board would like to thank everyone involved for their dedication and continuing to strive for excellence.

Revenue for the year fell by 4.1% to £411.6 million (2014: £429.0 million). Profit before tax was up 5.5% to £17.5 million (2014: £16.6 million). This comprised an 8.8% increase in Agriculture profit before tax to £10.4 million (2014: £9.6 million), a 6.3% increase in Food profit before tax to £2.4 million (2014: £2.3 million), and a 16.7% reduction in Engineering profit before tax to £3.1 million (2014: £3.7 million). Basic earnings per share were up by 4.7% to 13.4 pence per share (2014 restated: 12.8 pence), with fully diluted earnings per share of 12.9 pence (2014 restated: 12.3 pence) and adjusted earnings per share, excluding non-recurring items and amortisation of intangibles, of 13.6 pence (2014 restated: 13.1 pence). Net debt decreased slightly to £24.4 million (2014: £24.6 million).

In Agriculture, the business continued to build on the momentum established in previous years, with our retail operations expanding into new territories through both acquisitions and organic growth. Our geographic presence and relevance of our product offering will be key to supporting farming customers, given the tough market climate they face over the forthcoming year.

Our international feed block business has performed well, with a key strength of the business being our geographic reach. In the UK, lower farm incomes, coupled with excellent quality forage, resulted in reduced demand. However, in the USA we have seen a significant uplift in demand on the back of the rebuilding of beef herds together with favourable weather conditions. We continue to invest heavily in the R&D of these products both in the UK and internationally to drive future growth.

The Food division has delivered further growth despite changes in the consumer market having an adverse impact on our customers, which is expected to continue into the current financial year. Our continuing excellent customer service across all three mills means we are well placed to face these challenges and ensure the needs of our customers are surpassed.

It has been a tough year for our Engineering division with a combination of the depressed oil price and the impact of a complicated factory move affecting our precision engineering business, Chirton Engineering. Additionally, reduced activity in the nuclear sector in Japan and economic sanctions with Russia impacted Wälischmiller. However, we have continued to invest across the division in order to build for the future and to benefit from the expected increase in demand from the UK nuclear sector.

Share split

The Company's shares split 10:1 on 14 January 2015 following shareholder approval. This reduced the nominal value of the ordinary shares to 2.5 pence each, and was undertaken primarily to improve the liquidity of the Company's shares.

Dividend

The Board is proposing an 8.8% increase in the final dividend to 1.85 pence per ordinary share, which together with the two interim dividends, each of 0.925 pence per ordinary share, paid on 15 May and 9 October 2015, make a total of 3.7 pence per share for the year (2014 restated: 3.4p), representing an increase of 8.8%. The final dividend, if approved by the Shareholders, will be paid on 15 January 2016 to Shareholders on the register at close of business on 18 December 2015, and the shares will go ex-dividend on 17 December 2015.

The Board

During the year, John Worby was appointed as a Non-Executive Director of the Board, taking over as Senior Independent Director and Audit Committee Chairman from Alistair Wannop and Robert Heygate respectively. John's experience in FTSE 250 companies Fidessa plc, Genus plc, Cranswick plc and Uniq plc, coupled with his financial and sector experience, enhances the Board's expertise. Since the year-end the Board has been further strengthened with the appointment of Non-Executive Director Ian Wood, who has extensive experience in the engineering and energy sectors, working currently for Centrica plc.

In addition, on 10 September 2015 it was announced that Robert Heygate had decided to stand down from the Board after 25 years' service, with effect from April 2016. I would like to take this opportunity to thank Bob, for his contribution, dedication, enthusiasm, and support during his time with Carr's.

Outlook

In the year ahead we expect the headwinds seen across all three divisions to continue. However, we remain confident that the Group's diversity and resilient business model positions us well to make further progress in 2016. We will continue to build on our success and invest for the future across the Group, both in the UK and internationally. We expect our innovative approach, in particular the development of new products, to continue to differentiate us from the competition and we will remain alert to suitable complementary acquisitions. This, alongside plans to develop existing businesses organically, ensures the Group is well placed in the medium term.

Chris Holmes
Chairman

Chief Executive's Review

During the year we have continued to build on our vision to be recognised as a truly international business at the forefront of innovation and technology across Agriculture, Food and Engineering.

Agriculture

The geographic spread and operational diversity of our businesses within the Agriculture division led to another record year.

Feed Blocks

Feed block sales in the USA have been exceptional this year with sales volumes, excluding joint ventures, 19.9% higher. Record production levels have been driven by favourable market and weather conditions. The drought in the South East, Mid-West and North West States continues to recede, resulting in beef herds being rebuilt across our key territories. The investment at the plant in Silver Springs, Nevada, has been on-going and remains on track to begin production of our branded product, Smartlic®, in November 2015. This plant expands our geographic reach in the USA by supplying low moisture feed blocks to the West Coast dairy and beef markets.

There has been positive initial reaction to the launch in the summer of our innovative new product Piglyx®, which is an environmental enrichment product reducing stress levels in pigs, enabling the farmers to increase their returns. In the summer, Horslyx®, a product for the equine leisure market, was exported to the USA for the first time, and resultant revenues are expected in the current financial year.

We have continued with our strategy of research and development to ensure we deliver sustainable growth. A research project into our unique feed block, Megastart®, completed this year, has demonstrated significant benefits to livestock, which has led to a substantial increase in sales of Megastart® during the year. Crystalyx® has seen a decline in UK sales this year as a result of high quality forage harvested during 2014, and declining farm incomes. We continue our commitment to our international growth strategy with Crystalyx®, and have employed personnel in Brazil to develop this potential market. On-farm trials of Crystalyx® are due to commence in Brazil by the end of 2015.

Retail

The strategy for growing our retail business delivered results exceeding expectations, with sales 8.6% higher year on year, a third consecutive record year. Like for like sales, excluding the impact of additional stores, also increased by 5.3%. Our presence in strategic locations, coupled with the diverse retail offering, further strengthened our business. With a new Country Store at Rothbury, and redeveloped facilities in Appleby and Selkirk, we continue our commitment to, and investment in, servicing both the agricultural and rural communities. In addition to organic growth, in June 2015 we undertook the strategic acquisition of Reid and Robertson Ltd, an agricultural merchant business specialising in veterinary medicines, based at Balloch, Ayr and Oban in Scotland. This expands our geographic reach in Scotland, and provides access to a new customer base for our existing product offering. Since the year-end we have acquired Green (Agriculture) Co, an agricultural merchant business based in Morpeth, near our existing machinery Country Store. This acquisition strengthens the Country Store network in Northumberland and enhances the services offered to the local community. With organic growth and acquisitions, we now have 30 Country Stores in our network with a further 5 livestock market locations.

Our integrated oil distribution business has also surpassed expectations this year with increased sales volumes of 4.4%, despite the benign weather and increased competition. This is due to investment in our fleet, increased presence across our regions and our emphasis on customer service.

The acquisition of WM Nicholls & Company (Crickhowell) Ltd in October 2014, together with the previous year's acquisition of B E Williams Ltd, further developed our strategy for our feed business in South Wales. We have combined these businesses into a central administration location in Brecon, whilst maintaining a presence in Sennybridge in the short term. The UK feed market is currently suffering from pricing pressure due to falling farm incomes, and the impact of increased manufacturing activity in our geographic markets has intensified competition. Despite this, our feed business performed well with total feed volumes up 4.1% year on year.

While we remain cognisant of the uncertainty facing the UK agriculture sector, we believe that our strong regional presence, technical expertise, and diverse product offering provides a solid platform to service our customers' needs through the next financial year and beyond.

AminoMax®

AminoMax®, the patented animal bypass protein product for dairy cows, manufactured at Watertown, New York State, USA, and Lancaster, UK recorded flat worldwide sales this year, predominantly as a result of the fall in farm incomes due to the declining farm-gate milk price. The falling soya and canola commodity prices, and continuing pressures on farm incomes, are expected to have an adverse impact on AminoMax® sales in the forthcoming year. However, we are continuing with research and development to extend this innovative product range.

Market Conditions

Farmer confidence has been adversely affected this year and it is anticipated this will continue in the medium term, as a direct result of the significant decline in the farm-gate milk price, both in the UK and internationally. Many of our farming customers are starting to modify their spending in reaction to the ongoing uncertainty in the UK agriculture market, and are postponing sizable capital investments until they have further market visibility. Once again, UK farmers benefited from a mild winter and benign spring, resulting in lower costs of production, which provided some respite from market conditions. We continue to support our farming customers in choosing the appropriate strategy to enable them to navigate a path through these difficult markets.

Food

We have enjoyed strong growth in the Food division this year with sales volumes 4.6% higher than last year. Through the year our reputation for customer service, quality and technical expertise has resulted in important new business wins. The growth in the division's sales volumes follows last year's step change in operating performance, which was driven by the commissioning of our state-of-the-art mill at Kirkcaldy. We have continued our investment programme with the installation of cutting edge equipment at our other mills, which ensures we remain ahead of our customers' ever increasing demands, particularly in the need for food safety. The ongoing investment supports the commercial benefits derived from increased customer confidence in our ability to produce quality flour, milled to the highest standards of product integrity.

The wheat harvest in summer 2014 was relatively normal at just over 16 million tonnes, however there were inconsistencies in quality. Our versatility with regard to wheat sourcing and mill processing meant that we were well positioned to respond to the changing market dynamics. The 2015 harvest has been large and consistent in quality and the position of our three mills enables us to benefit from this exceptional harvest.

Changes in the retail landscape and consumers' shopping habits are impacting the whole food supply chain, including the bakery sector. In the current financial year, ending August 2016, it is anticipated that these headwinds will persist. This challenging backdrop will in part be off-set by our investment in technology, high standards of customer service, and our on-going commitment to operational efficiencies throughout our three mills which, over the medium term, leaves us well placed to handle these changing markets.

Engineering

2015 has been a year in which we have invested in the future growth of our Engineering division. Our Engineering business operates in high value markets and within two areas, manufacturing and remote handling. During the year there has been increased collaboration throughout the division with joint bids being submitted and parts being manufactured internally for the remote handling businesses.

Our remote handling businesses have met expectations and performed well this year in difficult markets. In particular, Carrs MSM has had an excellent year, and this is expected to continue with the Life of Plant contract at Sellafield and other significant contracts to the nuclear sector being delivered in the current financial year.

Wälischmiller had a successful site acceptance test for the Demo 2000 Telbot® project in Norway, and will now progress to the live testing phase. This project removes the need for human inspection of oil and gas tanks, improving safety and reducing the time needed to shut down the plant by up to 700 man hours per tank. In addition, operating within a UK led engineering consortium, Wälischmiller has also been awarded a contract for the design and supply of robotic remote handling equipment for ITER with potential sales due for delivery between 2017 and 2020. ITER is the international collaboration for the creation of an experimental fusion reactor based in France.

Wälischmiller has also invested in state of the art machinery, development of a new showroom, and a marketing programme in the USA. This will help offset the continuing macro-economic pressure resulting from the funding and political issues faced in Russia and Japan, which is expected to continue through 2016. There are signs of increased activity in the UK nuclear market, with delivery of two power manipulators to Dounreay, Scotland expected by the end of 2015, and the successful completion of a remote handling project for Sellafield, with further orders through to 2017 being received after the year-end.

Bendalls, one of our two manufacturing businesses, is also benefitting from the increased activity in the UK nuclear market with multiple new framework agreements being awarded by Sellafield, operational through 2016-2019. We invested in the organic growth of the business through the creation of a new design department in 2015, which has been awarded its first contract from Sellafield for the design of a skip conveyor system. The BP Shah Deniz project, for the manufacture of 33 pressure vessels for the gas pipeline in Azerbaijan, has been successfully delivered in accordance with the agreed timeline, with one vessel to be delivered in spring 2016, as previously announced.

Chirton has had a difficult trading year due to the decline in the oil price and the impact of a complicated move to new factory premises in March 2015. The delay in moving to the new factory caused a greater level of disruption than expected, and issues commissioning new equipment resulted in extra costs and more lost production time than planned. This has adversely affected results in the short term. The low oil price has had a direct impact on Chirton's oil exploration customers, and as a result management have taken the decision to accelerate Chirton's entry into the nuclear market. To facilitate this, it is working closely with our other Engineering businesses, taking advantage of the sector expertise, to ensure that cross selling opportunities are maximised. During the year, Chirton commenced selling engineered parts for our remote handling operations, and this is set to continue through the next financial year.

Tim Davies
Chief Executive Officer
9 November 2015

UNAUDITED CONSOLIDATED INCOME STATEMENT
for the year ended 29 August 2015

	Note	**2015 £'000**	2014 £'000
Continuing operations			
Revenue	2	**411,565**	428,956
Cost of sales		**(356,708)**	(378,670)
Gross profit		**54,857**	50,286
Distribution costs		**(21,313)**	(19,438)
Administrative expenses		**(17,169)**	(15,421)
Group operating profit		**16,375**	15,427
Finance income		**197**	264
Finance costs		**(1,412)**	(1,624)
Share of post-tax profit in associate		**1,500**	1,579
Share of post-tax profit in joint ventures		**807**	907
Profit before taxation	2	**17,467**	16,553
Taxation	3	**(3,774)**	(3,660)
Profit for the year		**13,693**	12,893
Profit attributable to:			
Equity shareholders		**11,989**	11,372
Non-controlling interests		**1,704**	1,521
		13,693	12,893
Earnings per ordinary share			
Basic	4	**13.4p**	12.8p
Diluted		**12.9p**	12.3p
Adjusted	4	**13.6p**	13.1p

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 29 August 2015

	2015 **£'000**	2014 £'000
Profit for the year	**13,693**	12,893
Other comprehensive income/(expense)		
Items that may be reclassified subsequently to profit or loss:		
- Foreign exchange translation gains/(losses) arising on translation of overseas subsidiaries	**20**	(950)
Items that will not be reclassified subsequently to profit or loss:		
- Actuarial (losses)/gains on retirement benefit obligation:		
- Group	**(2,848)**	3,209
- Share of associate	**70**	(619)
- Taxation credit/(charge) on actuarial (losses)/gains on retirement benefit obligation:		
- Group	**570**	(642)
- Share of associate	**(14)**	124
Other comprehensive (expense)/income for the year, net of tax	**(2,202)**	1,122
Total comprehensive income for the year	**11,491**	14,015
Total comprehensive income attributable to:		
Equity shareholders	**9,787**	12,494
Non-controlling interests	**1,704**	1,521
	11,491	14,015

UNAUDITED CONSOLIDATED BALANCE SHEET
as at 29 August 2015

	2015 £'000	2014 £'000
Assets		
Non-current assets		
Goodwill	**10,849**	9,798
Other intangible assets	**448**	499
Property, plant and equipment	**58,385**	56,626
Investment property	**636**	656
Investment in associate	**8,439**	6,883
Interest in joint ventures	**5,012**	4,836
Other investments	**79**	77
Financial assets		
- Non-current receivables	**50**	501
Retirement benefit asset	**1,767**	2,056
Deferred tax assets	**861**	1,507
	86,526	83,439
Current assets		
Inventories	**35,031**	33,315
Trade and other receivables	**64,454**	63,623
Current tax assets	**839**	47
Financial assets		
- Derivative financial instruments	**50**	-
- Cash and cash equivalents	**16,488**	17,268
	116,862	114,253
Total assets	**203,388**	197,692
Liabilities		
Current liabilities		
Financial liabilities		
- Borrowings	**(15,157)**	(19,688)
- Derivative financial instruments	**(72)**	(15)
Trade and other payables	**(54,496)**	(54,236)
Current tax liabilities	**(472)**	(1,631)
	(70,197)	(75,570)
Non-current liabilities		
Financial liabilities		
- Borrowings	**(25,744)**	(22,189)
Deferred tax liabilities	**(4,184)**	(4,111)
Other non-current liabilities	**(4,300)**	(5,995)
	(34,228)	(32,295)
Total liabilities	**(104,425)**	(107,865)
Net assets	**98,963**	89,827

UNAUDITED CONSOLIDATED BALANCE SHEET
as at 29 August 2015 (continued)

	2015	2014
	£'000	£'000
Shareholders' equity		
Share capital	**2,244**	2,235
Share premium	**8,615**	8,453
Equity compensation reserve	**1,138**	640
Foreign exchange reserve	**(515)**	(535)
Other reserve	**862**	875
Retained earnings	**74,706**	67,996
Total shareholders' equity	**87,050**	79,664
Non-controlling interests	**11,913**	10,163
Total equity	**98,963**	89,827

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 29 August 2015

	Share Capital £'000	Share Premium £'000	Equity Compensation Reserve £'000	Foreign Exchange Reserve £'000	Other Reserve £'000	Retained Earnings £'000	Total Shareholders' Equity £'000	Non-controlling Interests £'000	Total £'000
At 1 September 2013	2,223	8,183	326	415	888	57,396	69,431	8,610	78,041
Profit for the year	-	-	-	-	-	11,372	11,372	1,521	12,893
Other comprehensive (expense)/income	-	-	-	(950)	-	2,072	1,122	-	1,122
Total comprehensive (expense)/income	-	-	-	(950)	-	13,444	12,494	1,521	14,015
Dividends paid	-	-	-	-	-	(2,912)	(2,912)	-	(2,912)
Equity-settled share-based payment transactions, net of tax	-	-	314	-	-	55	369	32	401
Allotment of shares	12	270	-	-	-	-	282	-	282
Transfer	-	-	-	-	(13)	13	-	-	-
At 30 August 2014	2,235	8,453	640	(535)	875	67,996	79,664	10,163	89,827
At 31 August 2014	**2,235**	**8,453**	**640**	**(535)**	**875**	**67,996**	**79,664**	**10,163**	**89,827**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**11,989**	**11,989**	**1,704**	**13,693**
Other comprehensive income/(expense)	**-**	**-**	**-**	**20**	**-**	**(2,222)**	**(2,202)**	**-**	**(2,202)**
Total comprehensive income/(expense)	**-**	**-**	**-**	**20**	**-**	**9,767**	**9,787**	**1,704**	**11,491**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**(3,110)**	**(3,110)**	**-**	**(3,110)**
Equity-settled share-based payment transactions, net of tax	**-**	**-**	**498**	**-**	**-**	**40**	**538**	**46**	**584**
Allotment of shares	**9**	**162**	**-**	**-**	**-**	**-**	**171**	**-**	**171**
Transfer	**-**	**-**	**-**	**-**	**(13)**	**13**	**-**	**-**	**-**
At 29 August 2015	**2,244**	**8,615**	**1,138**	**(515)**	**862**	**74,706**	**87,050**	**11,913**	**98,963**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 29 August 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities			
Cash generated from operations	5	**15,127**	17,125
Interest received		**194**	275
Interest paid		**(1,380)**	(1,668)
Tax paid		**(3,965)**	(3,226)
Net cash generated from operating activities		**9,976**	12,506
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash acquired)		**(1,749)**	(3,649)
Return/(cost) of investment in joint venture		**488**	(965)
Loan repaid by/(paid to) joint ventures		**129**	(159)
Loan repaid by associate		**500**	225
Other loans		**220**	(270)
Purchase of intangible assets		**(15)**	(57)
Proceeds from sale of property, plant and equipment		**462**	738
Purchase of property, plant and equipment		**(5,970)**	(7,201)
Disposal of investment		**-**	32
Redemption of preference shares in joint venture		**150**	150
Net cash used in investing activities		**(5,785)**	(11,156)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		**171**	283
Net proceeds from issue of new bank loans		**9,061**	2,731
Finance lease principal repayments		**(2,395)**	(2,325)
Repayment of loan from related party		**(500)**	(225)
Repayment of borrowings		**(4,880)**	(7,077)
(Decrease)/increase in other borrowings		**(3,638)**	2,256
Dividends paid to shareholders		**(3,110)**	(2,912)
Receipt of grant income		**500**	450
Net cash used in financing activities		**(4,791)**	(6,819)
Effect of exchange rate changes		**(150)**	(181)
Net decrease in cash and cash equivalents		**(750)**	(5,650)
Cash and cash equivalents at beginning of the year		**17,025**	22,675
Cash and cash equivalents at end of the year		**16,275**	17,025

NOTES TO THE UNAUDITED PRELIMINARY STATEMENT

1. Basis of preparation

The Group's unaudited Preliminary Announcement does not constitute statutory consolidated financial statements for the year ended 29 August 2015 or the year ended 30 August 2014. The statutory accounts for the year ended 29 August 2015 will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

The financial statements for the year ended 30 August 2014 were unqualified and have been delivered to the Registrar of Companies.

2. Segmental information

The segmental information for the year ended 29 August 2015 is as follows:

	Agriculture £'000	Food £'000	Engineering £'000	Other £'000	Group £'000
Total segment revenue	297,811	80,280	33,588	47	411,726
Inter segment revenue	(115)	-	(46)	-	(161)
Revenue from external customers	297,696	80,280	33,542	47	411,565
EBITDA[1]	13,557	4,995	4,201	(1,117)	21,636
Depreciation of property, plant and equipment	(2,259)	(1,860)	(815)	(125)	(5,059)
Depreciation of investment property	-	(4)	-	(16)	(20)
Profit/(loss) on the disposal of property, plant and equipment	50	12	(24)	(12)	26
Amortisation of intangible assets	(100)	(15)	(93)	-	(208)
Operating profit/(loss)	11,248	3,128	3,269	(1,270)	16,375
Finance income	49	1	2	145	197
Finance costs	(865)	(695)	(180)	328	(1,412)
	10,432	2,434	3,091	(797)[2]	15,160
Share of post-tax profit of associate	1,500	-	-	-	1,500
Share of post-tax profit of joint ventures	807	-	-	-	807
Profit/(loss) before taxation	12,739	2,434	3,091	(797)	17,467

[1]Earnings before interest, tax, depreciation and amortisation (and before profit/(loss) on the disposal of property, plant and equipment)

[2]Includes Head Office net expense of £(663,000) and retirement benefit charge of £(120,000)

2. Segmental information (continued)

The segmental information for the year ended 30 August 2014 is as follows:

	Agriculture £'000	Food £'000	Engineering £'000	Other £'000	Group £'000
Total segment revenue	315,019	87,107	26,939	47	429,112
Inter segment revenue	(94)	(1)	(61)	-	(156)
Revenue from external customers	314,925	87,106	26,878	47	428,956
EBITDA[1]	12,563	4,955	4,618	(1,719)	20,417
Depreciation of property, plant and equipment	(2,215)	(1,856)	(690)	(121)	(4,882)
Depreciation of investment property	-	(4)	-	(15)	(19)
Profit on the disposal of property, plant and equipment	102	(6)	8	-	104
Amortisation of intangible assets	(56)	(17)	(120)	-	(193)
Operating profit	10,394	3,072	3,816	(1,855)	15,427
Finance income	88	2	3	171	264
Finance costs	(897)	(784)	(107)	164	(1,624)
	9,585	2,290	3,712	(1,520)[3]	14,067
Share of post-tax profit of associate	1,579	-	-	-	1,579
Share of post-tax profit of joint ventures	907	-	-	-	907
Profit before taxation	12,071	2,290	3,712	(1,520)	16,553

[3]Includes Head Office net expense of £(753,000) and retirement benefit charge of £(687,000)

3. Taxation

	2015 £'000	2014 £'000
(a) Analysis of the charge in the year		
Current tax:		
UK corporation tax		
Current year	**1,736**	1,480
Adjustment in respect of prior years	**114**	238
Foreign tax		
Current year	**621**	1,722
Adjustment in respect of prior years	**(33)**	98
Group current tax	**2,438**	3,538
Deferred tax:		
Origination and reversal of timing differences		
Current year	**1,293**	362
Adjustment in respect of prior years	**43**	(240)
Group deferred tax	**1,336**	122
Tax on profit from ordinary activities	**3,774**	3,660

(b) Factors affecting tax charge for the year

The tax assessed for the year is higher (2014: lower) than the rate of corporation tax in the UK of 20.58% (2014: 22.17%). The differences are explained below:

	2015 £'000	2014 £'000
Profit before taxation	**17,467**	16,553
Tax at 20.58% (2014: 22.17%)	**3,595**	3,670
Effects of:		
Tax effect of share of profit in associate and joint ventures	**(475)**	(551)
Tax effect of expenses that are not allowable in determining taxable profit	**154**	75
Tax effect of non-taxable income	**(92)**	-
Effects of different tax rates of foreign subsidiaries	**478**	420
Effects of changes in tax rates	**(16)**	(57)
Adjustment in respect of prior years	**124**	96
Other	**6**	7
Total tax charge for the year	**3,774**	3,660

4. Earnings per share

Basic earnings per share are based on profit attributable to shareholders and on a weighted average number of shares in issue during the year of 89,574,461 (2014 restated: 88,995,250). The calculation of diluted earnings per share is based on 92,672,538 shares (2014 restated: 92,254,310).

	2015		2014	
	Earnings £'000	**Earnings per share pence**	Earnings £'000	Earnings per share pence[2]
Earnings per share – basic	**11,989**	**13.4**	11,372	12.8
Amortisation and non-recurring items:				
Amortisation of intangible assets	**208**	**0.2**	193	0.2
Taxation relief on amortisation	**(52)**	**(0.1)**	(50)	(0.1)
Acquisition related costs[1]	**58**	**0.1**	123	0.2
Earnings per share – adjusted	**12,203**	**13.6**	11,638	13.1

[1]Disallowable for tax purposes
[2]Restated for the effect of the 10:1 share split in January 2015

5. Cash generated from operations

	2015	2014
	£'000	£'000
Profit for the year	**13,693**	12,893
Adjustments for:		
Tax	**3,774**	3,660
Tax credit in respect of R&D	**(623)**	(102)
Depreciation of property, plant and equipment	**5,059**	4,882
Depreciation of investment property	**20**	19
Intangible asset amortisation	**208**	193
Profit on disposal of property, plant and equipment	**(26)**	(104)
Amortisation of grants	**(120)**	(54)
Net fair value loss on share based payments	**584**	401
Net foreign exchange differences	**53**	160
Net fair value losses on derivative financial instruments in operating profit	**7**	9
Interest income	**(197)**	(264)
Interest expense and borrowing costs	**1,445**	1,679
Share of profit from associate and joint ventures	**(2,307)**	(2,486)
Pension contributions – deficit reduction	**(2,340)**	(2,340)
– ongoing	**(339)**	(466)
IAS19 income statement charge	**120**	687
Changes in working capital (excluding the effects of acquisitions):		
(Increase)/decrease in inventories	**(967)**	807
Decrease in receivables	**320**	4,880
Decrease in payables	**(3,237)**	(7,329)
Cash generated from operations	**15,127**	17,125

6. Pensions

The Group operates its current pension arrangements on a defined benefit and defined contribution basis. The valuation of the defined benefit scheme under the IAS19 accounting basis showed a surplus net of the related deferred tax liability in the scheme at 29 August 2015 of £1.4m (2014: £1.6m).

In the year, the retirement benefit charge in respect of the Carr’s Group Pension Scheme was £120,000 (2014: £687,000).

7. Analysis of changes in net debt

	At 30 August 2014 £'000	Cash Flow £'000	Other Non-Cash Changes £'000	Exchange Movements £'000	**At 29 August 2015 £'000**
Cash and cash equivalents	17,268	(630)	-	(150)	**16,488**
Bank overdrafts	(243)	30	-	-	**(213)**
	17,025	(600)	-	(150)	**16,275**
Loans and other borrowings:					
- current	(17,211)	6,327	(1,886)	-	**(12,770)**
- non-current	(13,927)	(6,370)	1,853	-	**(18,444)**
Finance leases:					
- current	(2,234)	2,395	(2,335)	-	**(2,174)**
- non-current	(8,262)	-	962	-	**(7,300)**
Net debt	(24,609)	1,752	(1,406)	(150)	**(24,413)**

8. The Board of Directors approved the preliminary announcement on 9 November 2015.

9. The Company intends to post a Summary Report and Accounts to shareholders by 1 December 2015. The full Report and Accounts will be available upon request from the Company Secretary, Carr's Group plc, Old Croft, Stanwix, Carlisle, CA3 9BA or alternatively on the Company's website: www.carrsgroup.com