31 July 2018

INTERIM RESULTS FOR THE 26 WEEKS ENDED 30 JUNE 2018

Greggs is the leading bakery food-on-the-go retailer in the UK, with almost 1,900 retail outlets throughout the country

Resilient trading with good strategic progress

First half financial highlights

- Total sales up 5.2% to £476m
- Company-managed shop like-for-like sales* up 1.5%
- Underlying operating profit excluding property profits** and exceptional charge*** £25.7m (H1 2017: £27.6m)
- Reported pre-tax profit including property profits and exceptional charge £24.1m (H1 2017: £19.4m)
- Continued strong cash generation: £39.0m net inflow from operating activities (H1 2017: £34.0m)
- Ordinary interim dividend per share up 3.9% to 10.7p

* like-for-like sales in company-managed shops (excluding franchises) with a calendar year's trading history
** freehold property disposal profits of £0.3m in 2018 (H1 2017: £0.3m)
*** exceptional pre-tax charge of £1.9m in 2018 (H1 2017: £8.3m) in relation to previously-announced restructuring

Operational highlights

- Resilient trading, despite extreme weather conditions, with continued growth in developing strategic categories including hot drinks, breakfast, healthier choices and hot food options
- Strong demand for value meal deals which have been expanded to include:
  - broader £2 breakfast offer, now including yoghurts and fruit pots
  - new £2 'pizza slice + drink' offer after 4pm
- Shop opening programme progressing well:
  - 59 new shops opened, 25 closures; expect around 100 net new shops for the year as a whole
  - increasing presence in transport locations (1st Tube station at Westminster, 2nd Drive-Thru at Ashby-de-la-Zouch, Birmingham New Street station, Glasgow Buchanan bus station and East Midlands Airport)
  - 1,888 shops trading as at 30 June 2018
- Good progress with supply chain investment programme

"Greggs has delivered a resilient performance despite challenging market conditions and we have continued to make good progress with our strategic investment programme to transform the business into the customers' favourite for food-on-the-go. While we remain cautious in respect of the outlook for sales in the balance of the year given the consumer backdrop, we are confident in the medium and long-term growth potential for the business, supported by customers' response to our initiatives, our strong cash generation and the ongoing strategic investments that we are making. Over the year as a whole we continue to believe that underlying profits (before exceptional costs) are likely to be at a similar level to 2017."

\- ***Roger Whiteside, Chief Executive***

ENQUIRIES:
Greggs plc
Roger Whiteside, Chief Executive
Richard Hutton, Finance Director
Tel: 020 7796 4133 on 31 July only
0191 281 7721 thereafter

Hudson Sandler
Wendy Baker / Hattie O'Reilly / Nick Moore
Tel: 020 7796 4133

An audio webcast of the analysts' presentation will be available to download later today at http://corporate.greggs.co.uk/results-centre

High resolution images are available for the media to view and download from https://corporate.greggs.co.uk/media-centre/image-and-video-library

CHIEF EXECUTIVE'S REPORT

Greggs once again demonstrated its resilience by delivering sales growth in a tough operating environment in the first half of the year. Total sales for the 26 weeks to 30 June 2018 grew by 5.2 per cent to £476 million, with like-for-like sales in company-managed shops up by 1.5 per cent in a period that was significantly affected by extremes of weather and increased consumer caution. At the same time we made further good progress in delivering the investment programme that will complete the transformation of the business into a food-on-the-go specialist and provide the platform for further growth over the years ahead.

Operational review

In the five years since we launched our strategic plan to focus on the growing food-on-the-go market we have radically reshaped the business making it better balanced and more efficient whilst focusing the business on those areas which will provide a platform for continued long-term growth in a rapidly changing retail environment.

Our shop estate has been transformed to create an attractive food-on-the-go experience with relevant products, extended trading hours and seating, and a wide variety of location types offering convenient access wherever our customers are. We continue to grow and relocate our shop estate alongside investing in capacity in our internal supply chain. In the first half of 2018 we opened 59 new shops (including 19 franchised units) and closed 25 shops, giving a total of 1,888 shops (of which 219 are franchise units) trading at 30 June 2018.

We opened our second 'Drive-Thru' shop at Ashby-de-la-Zouch and our first London Underground shop in Westminster Tube station, along with openings in other transport locations such as Birmingham New Street station, Glasgow Buchanan bus terminal and East Midlands Airport. All are performing well and contributing to the ongoing rebalancing of the Greggs estate. In 2013 only 20 per cent of our shops served catchments outside of traditional shopping locations; today that figure is 35 per cent and we anticipate that it will continue to grow to more than 50 per cent in the longer term. Our pipeline of new shop opportunities remains strong and we expect around 100 net openings in the year as a whole, of which around 60 are anticipated to be with franchise partners.

In recent years new product categories have been developed alongside traditional bakery favourites, providing more reasons to choose Greggs. We have continued to see strong growth in sales of hot drinks, breakfast, healthier choices and hot food, which increases the range of options for customers across the day. These 'growth categories' now account for 30 per cent of sales (2013: 15 per cent). Alongside product development our reputation for great value has been reinforced by providing market-leading meal deals across the range and day. Recently we expanded our longstanding £2 breakfast deal to include a broader offer, adding yoghurts and fruit pots, and have also introduced a new £2 'pizza slice + drink' offer after 4pm. In May we launched our first vegan product, the Mexican Bean Wrap, and are well positioned to compete for sales in the months ahead with the launch of our autumn menu which will include a number of new hot sandwich options.

Our investment programmes in improved systems and expansion of our internal supply chain are providing capacity for further growth whilst improving product quality and making the business more efficient. Recent activity has focused on the installation of a new manufacturing platform for doughnuts, internal relocation of our pizza production and the adaptation of our distribution capability to handle the transfer of products around the network. In addition, we are advancing plans for the additional distribution centre that we plan to build at Amesbury in Wiltshire in 2019.

Alongside this we continue to progress the investment programme to upgrade our processes and systems. Preparations are well advanced for the replacement of our human resource and payroll systems, along with the implementation of a new system for estate management that will support the changes to lease accounting in 2019.

Strategic development

We are now a significant way through our transformation programme, which is on plan and scheduled to complete in 2020. This has required an exceptional level of capital investment and business change, but we have seen significant resulting benefits and it is positioning the business to succeed over the long term. When the programme has completed, we will have the capacity to grow the estate to circa 2,500 shops, as well as having a materially more efficient and flexible platform and infrastructure.

We currently expect that the capital requirements of the business will revert to lower maintenance levels in 2021 and thereafter, although we continue to review a number of investment opportunities to drive our business forward and will provide more details around longer-term strategic developments in due course.

Financial performance

Operating profit excluding property gains and exceptional charges was £25.7 million in the first half of 2018 (2017: £27.6 million), giving an underlying margin of 5.4 per cent (2017: 6.1 per cent). As previously reported, the impact of extreme weather conditions on customer footfall was the most significant factor affecting the first-half performance. Food input cost inflation continues to moderate as expected, however the current hot weather is affecting agricultural yields and higher energy prices have provided an additional cost headwind. We are seeing reductions in shop rents at the point of lease renewal and, overall, cost pressures currently remain in line with our expectations for the year.

Non-exceptional freehold property disposals realised profits of £0.3 million in the period (2017: £0.3 million) and we incurred a net exceptional charge of £1.9 million (2017: £8.3 million) as described below. Pre-tax profit including all property profits and exceptional charges was £24.1 million (2017: £19.4 million). Diluted earnings per share (including exceptional items) were 18.6 pence (2017: 14.9 pence); excluding the exceptional items diluted earnings per share were 20.1 pence (2017: 21.4 pence)

Exceptional items

Exceptional charges relate to the one-off costs of implementing our £100 million investment programme to reshape our manufacturing and distribution operations for future growth. The peak charge was incurred in 2017 when we recognised £10 million of net costs and the overall cost and exceptional charges expected to arise from the plan remain in line with previous guidance. £1.9 million of exceptional costs have been recognised in the first half of the year and we expect a total charge in 2018 of circa £6 million as a result of the changes required to consolidate our manufacturing operations across the country. To date £19 million has been charged in respect of exceptional costs and a further £11 million is expected through to 2020 (total expected charge £30 million). Cash expended to date is £9 million, with a further £16 million to come (total expected outlay £25 million).

Dividend

In setting the interim ordinary dividend the Board applies a formula so that the interim payment is the equivalent of approximately one third of the total ordinary dividend for the previous year. On this basis the Board has declared an interim dividend of 10.7 pence per share (2017: 10.3 pence). The overall ordinary dividend for the year will be declared in line with our progressive dividend policy, which targets a full year ordinary dividend that is two times covered by underlying earnings. The interim dividend will be paid on 4 October 2018 to those shareholders on the register at the close of business on 7 September 2018.

Capital expenditure and financial position

Capital expenditure during the first half was £33.1 million (2017: £36.4 million) as we progressed the investment in the transformation of our manufacturing and logistics capacity alongside new shop growth and estate refurbishment. Our overall plans for investment remain unchanged and, based on the latest anticipated phasing of our supply chain investment, we now expect total capital expenditure in 2018 to be in the range £85-90 million (2017: £70.4 million). Total capital expenditure plans through to programme completion in 2020 remain unchanged although phasing may shift between years as the operational roll out unfolds.

The Group continues to generate strong cash flows and remains in a robust financial position. Net cash inflow from operating activities in the period was £39.0 million (2017: £34.0 million) and we ended the period with a cash balance of £43.5 million (1 July 2017: £19.9 million).

Outlook

Greggs has delivered a resilient performance despite challenging market conditions and we have continued to make good progress with our strategic investment programme to transform the business into the customers' favourite for food-on-the-go. While we remain cautious in respect of the outlook for sales in the balance of the year given the consumer backdrop, we are confident in the medium and long-term growth potential for the business, supported by customers' response to our initiatives, our strong cash generation and the ongoing strategic investments that we are making.

Over the year as a whole we continue to believe that underlying profits (before exceptional costs) are likely to be at a similar level to 2017.

Roger Whiteside
Chief Executive
31 July 2018

Greggs plc
Consolidated income statement
For the 26 weeks ended 30 June 2018

	26 weeks ended 30 June 2018			26 weeks ended 1 July 2017			52 weeks ended 30 December 2017		
	Excluding exceptional items	**Exceptional items (see Note 5)**	**Total**	Excluding exceptional items	Exceptional items (see Note 5)	Total	Excluding exceptional items	Exceptional items (see Note 5)	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	**476,323**	**-**	**476,323**	452,851	-	452,851	960,005	-	960,005
Cost of sales	**(176,165)**	**(1,681)**	**(177,846)**	(166,020)	(8,346)	(174,366)	(348,098)	(10,060)	(358,158)
Gross profit	**300,158**	**(1,681)**	**298,477**	286,831	(8,346)	278,485	611,907	(10,060)	601,847
Distribution and selling costs	**(248,996)**	**(188)**	**(249,184)**	(233,074)	-	(233,074)	(476,215)	198	(476,017)
Administrative expenses	**(25,214)**	**-**	**(25,214)**	(25,862)	-	(25,862)	(53,517)	-	(53,517)
Operating profit	**25,948**	**(1,869)**	**24,079**	27,895	(8,346)	19,549	82,175	(9,862)	72,313
Finance (expense) / income	**(15)**	-	**(15)**	(148)	-	(148)	(368)	-	(368)
Profit before tax	**25,933**	**(1,869)**	**24,064**	27,747	(8,346)	19,401	81,807	(9,862)	71,945
Income tax	**(5,428)**	**349**	**(5,079)**	(5,903)	1,669	(4,234)	(16,923)	1,884	(15,039)
Profit for the period attributable to equity holders of the parent	**20,505**	**(1,520)**	**18,985**	21,844	(6,677)	15,167	64,884	(7,978)	56,906
Basic earnings per share	**20.4p**	**(1.5p)**	**18.9p**	21.7p	(6.6p)	15.1p	64.5p	(7.9p)	56.6p
Diluted earnings per share	**20.1p**	**(1.5p)**	**18.6p**	21.4p	(6.5p)	14.9p	63.5p	(7.8p)	55.7p

Greggs plc
Consolidated statement of comprehensive income
For the 26 weeks ended 30 June 2018

	26 weeks ended 30 June 2018 £'000	26 weeks ended 1 July 2017 £'000	52 weeks ended 30 December 2017 £'000
Profit for the period	**18,985**	**15,167**	56,906
Other comprehensive income			
Items that will not be recycled to profit or loss:			
Re-measurements on defined benefit pension plans	**11,159**	**2,252**	15,962
Tax on items taken directly to equity	**(1,897)**	**(383)**	(2,714)
Other comprehensive income for the period, net of income tax	**9,262**	**1,869**	13,248
Total comprehensive income for the period	**28,247**	**17,036**	70,154

Greggs plc
Consolidated balance sheet
as at 30 June 2018

	30 June 2018	1 July 2017	30 December 2017
	£'000	£'000	£'000
ASSETS			
Non-current assets			
Intangible assets	**16,370**	14,236	14,737
Property, plant and equipment	**321,470**	314,984	319,195
Deferred tax asset	**-**	2,225	782
Defined benefit pension surplus	**3,559**	-	-
	341,399	331,445	334,714
Current assets			
Inventories	**18,447**	16,075	18,688
Trade and other receivables	**31,238**	32,228	33,365
Cash and cash equivalents	**43,466**	19,922	54,503
	93,151	68,225	106,556
Total assets	**434,550**	399,670	441,270
LIABILITIES			
Current liabilities			
Trade and other payables	**(104,740)**	(93,738)	(107,126)
Current tax liability	**(6,717)**	(6,073)	(8,714)
Provisions	**(9,691)**	(5,525)	(12,090)
	(121,148)	(105,336)	(127,930)
Non-current liabilities			
Other payables	**(4,891)**	(5,363)	(5,127)
Deferred tax liability	**(1,313)**	-	-
Defined benefit pension liability	**-**	(20,908)	(7,506)
Long-term provisions	**(2,806)**	(7,996)	(1,344)
	(9,010)	(34,267)	(13,977)
Total liabilities	**(130,158)**	(139,603)	(141,907)
Net assets	**304,392**	260,067	299,363
EQUITY			
Capital and reserves			
Issued capital	**2,023**	2,023	2,023
Share premium account	**13,533**	13,533	13,533
Capital redemption reserve	**416**	416	416
Retained earnings	**288,420**	244,095	283,391
Total equity attributable to equity holders of the Parent	**304,392**	260,067	299,363

Greggs plc
Consolidated statement of changes in equity
For the 26 weeks ended 30June 2018

26 weeks ended 1 July 2017

	Issued capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2017	2,023	13,533	416	248,688	264,660
Profit for the period	-	-	-	15,167	15,167
Other comprehensive income	-	-	-	1,869	1,869
Total comprehensive income for the period	-	-	-	17,036	17,036
Transactions with owners, recorded directly in equity					
Sale of own shares	-	-	-	4,791	4,791
Purchase of own shares	-	-	-	(6,356)	(6,356)
Share-based payments	-	-	-	961	961
Dividends to equity holders	-	-	-	(21,768)	(21,768)
Tax items taken directly to reserves	-	-	-	743	743
Total transactions with owners	-	-	-	(21,629)	(21,629)
Balance at 1 July 2017	2,023	13,533	416	244,095	260,067

52 weeks ended 30 December 2017

	Issued capital	Share premium	Capital redemption reserve	Retained earnings	**Total**
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2017	2,023	13,533	416	248,688	264,660
Profit for the financial year	-	-	-	56,906	56,906
Other comprehensive income	-	-	-	13,248	13,248
Total comprehensive income for the year	-	-	-	70,154	70,154
Transactions with owners, recorded directly in equity					
Sale of own shares	-	-	-	5,358	5,358
Purchase of own shares	-	-	-	(11,352)	(11,352)
Share-based payments	-	-	-	1,835	1,835
Dividends to equity holders	-	-	-	(32,187)	(32,187)
Tax items taken directly to reserves	-	-	-	895	895
Total transactions with owners	-	-	-	(35,451)	(35,451)
Balance at 30 December 2017	2,023	13,533	416	283,391	299,363

26 weeks ended 30 June 2018

	Issued capital	Share premium	Capital redemption reserve	Retained earnings	**Total**
	£'000	£'000	£'000	£'000	**£'000**
Balance at 31 December 2017	2,023	13,533	416	283,391	**299,363**
Profit for the period	-	-	-	18,985	**18,985**
Other comprehensive income	-	-	-	9,262	**9,262**
Total comprehensive income for the period	-	-	-	28,247	**28,247**
Transactions with owners, recorded directly in equity					
Sale of own shares	-	-	-	4,068	**4,068**
Purchase of own shares	-	-	-	(5,288)	**(5,288)**
Share-based payments	-	-	-	936	**936**
Dividends to equity holders	-	-	-	(22,262)	**(22,262)**
Tax items taken directly to reserves	-	-	-	(672)	**(672)**
Total transactions with owners	-	-	-	(23,218)	**(23,218)**
Balance at 30 June 2018	2,023	13,533	416	288,420	**304,392**

Greggs plc
Consolidated statement of cash flows
For the 26 weeks ended 30 June 2018

	26 weeks ended 30 June 2018	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
	£'000	£'000	£'000
Operating activities			
Cash generated from operating activities (see page 11)	**46,515**	42,689	134,470
Income tax paid	**(7,550)**	(8,700)	(17,602)
Net cash inflow from operating activities	**38,965**	33,989	116,868
Cash flows from investing activities			
Acquisition of property, plant and equipment	**(24,105)**	(37,636)	(68,646)
Acquisition of intangible assets	**(3,139)**	(1,612)	(3,918)
Proceeds from sale of property, plant and equipment	**645**	2,393	2,171
Interest received	**79**	161	249
Net cash outflow from investing activities	**(26,520)**	(36,694)	(70,144)
Cash flows from financing activities			
Sale of own shares	**4,068**	4,791	5,358
Purchase of own shares	**(5,288)**	(6,356)	(11,352)
Dividends paid	**(22,262)**	(21,768)	(32,187)
Net cash outflow from financing activities	**(23,482)**	(23,333)	(38,181)
Net (decrease) / increase in cash and cash equivalents	**(11,037)**	(26,038)	8,543
Cash and cash equivalents at the start of the period	**54,503**	45,960	45,960
Cash and cash equivalents at the end of the period	**43,466**	19,922	54,503

Greggs plc
Consolidated statement of cash flows (continued)
For the 26 weeks ended 30 June 2018

Cash flow statement – cash generated from operations

	26 weeks ended 30 June 2018	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
	£'000	£'000	£'000
Profit for the period	**18,985**	15,167	56,906
Amortisation	**1,506**	1,630	3,435
Depreciation	**26,093**	24,131	50,044
Impairment	**(59)**	-	(415)
Loss / (profit) on sale of property, plant and equipment	**1,055**	1,982	2,719
Release of government grants	**(236)**	(236)	(472)
Share-based payment expenses	**936**	961	1,835
Finance expense / (income)	**15**	148	368
Income tax expense	**5,079**	4,234	15,039
Decrease / (increase) in inventories	**241**	(141)	(2,754)
Decrease / (increase) in receivables	**2,127**	(1,515)	(2,652)
(Decrease) / increase in payables	**(8,290)**	(9,679)	4,497
(Decrease) / increase in provisions	**(937)**	6,007	5,920
Cash from operating activities	**46,515**	42,689	134,470

Notes

1. Basis of preparation and accounting policies

The condensed accounts have been prepared for the 26 weeks ended 30 June 2018. Comparative figures are presented for the 26 weeks ended 1 July 2017. These condensed accounts have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. They do not include all the information required for full annual accounts, and should be read in conjunction with the Group accounts for the 52 weeks ended 30 December 2017.

These condensed accounts are unaudited and were approved by the Board of Directors on 27 July 2018.

The comparative figures for the 52 weeks ended 30 December 2017 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The Group continues to have strong operational cashflows and the Directors are of the view that the Group has sufficient funds available to meet its foreseeable working capital requirements. The Directors have concluded therefore that the going concern basis remains appropriate.

The accounting policies applied by the Group in these condensed accounts are the same as those applied by the Group in its consolidated accounts for the 52 weeks ended 30 December 2017 other than those disclosed in note 2.

2. Changes in accounting policies

Accounting policies

From 31 December 2017 the following standards, amendments and interpretations were adopted by the Group:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers.

The adoption of the above has not had a significant impact on the Group's profit for the period or equity.

3. Principal risks and uncertainties

The Directors consider that the principal risks and uncertainties which could have a material impact on the Group's performance in the remaining 26 weeks of the financial year remain substantially the same as those stated on pages 36-37 of our Annual Report and Accounts for the 52 weeks ended 30 December 2017, which is available on our website corporate.greggs.co.uk.

4. Operating segment

The Board is considered to be the 'chief operating decision maker' of the Group in the context of the IFRS 8 definition. In addition to its retail activities, the Group generates revenues from franchise and wholesale. However, these elements of the business are not sufficiently significant to be 'Reportable Segments' in the context of IFRS 8.

The Board regularly reviews the revenues of each segment separately but receives information on profits, assets and liabilities on an aggregated basis consistent with the Group accounts. Of the Group's revenue, £440,800,000 (2017: £419,900,000) was attributable to the retail segment.

5. Exceptional items

		26 weeks ended 30 June 2018	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
		£'000	£'000	£'000
Cost of sales				
Supply chain restructuring	- redundancy	**34**	7,407	7,458
	- gain on property disposal	**-**	(409)	(403)
	- depreciation and asset write-off	**426**	722	1,245
	- transfer of operations	**1,091**	559	1,302
	- property related	**130**	67	458
		1,681	8,346	10,060
Distribution and selling				
Supply chain restructuring	- transfer of operations	**188**	-	-
Prior year items	- property related	**-**	-	(198)
		188	-	(198)
Total exceptional items		**1,869**	8,346	9,862
		=======	=======	=======

Supply chain restructuring

This charge arises from the decisions, announced in 2016 and 2017, to invest in and reshape the Company's supply chain in order to support future growth. In 2018 the costs relate to additional running costs associated with the transfer of operations, accelerated depreciation and other contractual obligations. In 2017 the costs relate to the sale of one bakery site, including the gain on disposal, redundancy costs relating to the consolidation of production processes, accelerated depreciation and other contractual obligations that arise as a result of this consolidation.

Prior year items

These related to the movement on costs treated as exceptional in prior years and arise from the settlement of various property transactions.

6. Defined benefit pension scheme

The valuation of the defined benefit pension scheme for the purposes of IAS 19 (Revised) as at 30 December 2017 has been updated as at 30 June 2018 and the movements have been reflected in these condensed accounts.

7. Taxation

The taxation charge for the 26 weeks ended 30 June 2018 and 1 July 2017 is calculated by applying the Directors' best estimate of the annual effective tax rate to the profit for the period.

8. Earnings per share

	26 weeks ended 30 June 2018			26 weeks ended 1 July 2017			52 weeks ended 30 December 2017		
	Excluding exceptional items	**Exceptional items (see note 5)**	**Total**	Excluding exceptional items	Exceptional items (see note 5)	Total	Excluding exceptional items	Exceptional items (see note 5)	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000	£'000	£'000	£'000
Profit for the period attributable to equity holders of the parent	**20,505**	**(1,520)**	**18,985**	21,844	(6,677)	15,167	64,884	(7,978)	56,906
Basic earnings per share	**20.4p**	**(1.5p)**	**18.9p**	21.7p	(6.6p)	15.1p	64.5p	(7.9p)	56.6p
Diluted earnings per share	**20.1p**	**(1.5p)**	**18.6p**	21.4p	(6.5p)	14.9p	63.5p	(7.8p)	55.7p

Weighted average number of ordinary shares

	26 weeks ended 30 June 2018	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
	Number	Number	Number
Issued ordinary shares at start of period	**101,155,901**	101,155,901	101,155,901
Effect of own shares held	**(430,546)**	(652,218)	(510,293)
Weighted average number of ordinary shares during the period	**100,725,355**	100,503,683	100,645,608
Effect of share options on issue	**1,244,842**	1,686,815	1,489,067
Weighted average number of ordinary shares (diluted) during the period	**101,970,197**	102,190,498	102,134,675
Issued ordinary shares at end of period	**101,155,901**	101,155,901	101,155,901

9. Dividends

The following tables analyse dividends when paid and the year to which they relate:

Dividend declared	**26 weeks ended 30 June 2018**	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
	Pence per share	Pence per share	Pence per share
2016 final dividend	**-**	21.5p	21.5p
2017 interim dividend	**-**	-	10.3p
2017 final dividend	**22.0p**	-	-
	22.0p	21.5p	31.8p

	26 weeks ended 30 June 2018	26 weeks ended 1 July 2017	52 weeks ended 30 December 2017
	£'000	£'000	£'000
Total dividend payable			
2016 final dividend	**-**	21,768	21,768
2017 interim dividend	**-**	-	10,419
2017 final dividend	**22,254**	-	-
Total dividend paid in period	**22,254**	21,768	32,187
Dividend proposed at period end and not included as a liability in the accounts			
2017 interim dividend (10.3p per share)	**-**	10,419	-
2017 final dividend (22.0 p per share)	**-**	-	22,142
2018 interim dividend (10.7p per share)	**10,791**	-	-
	10,791	10,419	22,142

10. Related party transactions

There have been no related party transactions in the first 26 weeks of the current financial year which have materially affected the financial position or performance of the Group.

Related parties are consistent with those disclosed in the Group's Annual Report and Accounts for the 52 weeks ended 30 December 2017.

11. Half year report

The condensed accounts were approved by the Board of Directors on 27 July 2018. They will be available on the Company's website, corporate.greggs.co.uk

12. Statement of Directors' responsibilities

The Directors named below confirm on behalf of the Board of Directors that to the best of their knowledge:

- the condensed set of accounts has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
- the interim management report includes a fair review of the information required by:

(a) DTR4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first 26 weeks of the financial year and their impact on the condensed set of accounts; and a description of the principal risks and uncertainties for the remaining 26 weeks of the year; and

(b) DTR4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first 26 weeks of the financial year and that have materially affected the financial position or performance of the Group during the period; and any changes in the related party transactions described in the last annual report that could do so.

The Directors of Greggs plc are listed in the Annual Report and Accounts for the 52 weeks ended 30 December 2017. There have been no changes since the approval of the Annual Report and Accounts.

For and on behalf of the Board of Directors

Roger Whiteside　　　　Richard Hutton