Full Year Results
for the year ended 31 July 2010

Zurich / Switzerland, 27 September 2010 – ARYZTA AG announces financial results for the financial year ended 31 July 2010

Key performance highlights

Group
- Underlying Group revenue declined by 8.6% to €3.01bn.
- Operating profit (incl. associates and JVs) increased by 2.2% to €305m.
- Underlying fully diluted EPS increased by 4.0% to 244.0 cent.
- Proposed dividend payout of 36.6 cent (CHF 0.4802[1]) per share based on a payout ratio of 15% of underlying fully diluted EPS.

Food Group
- Underlying Food Group revenue declined by 6.7% to €1.68bn.
- Operating profit (incl. JVs) increased by 4.0% to €227m.
- Strong cash flow generation of €251m – over 100% profit conversion.
- Food Group closing Net Debt: EBITDA of 2.96x.

Origin
- Origin Enterprises underlying earnings growth of 3.0%.
- Origin Enterprises closing Net Debt: EBITDA of 1.41x.

Commenting on the results, ARYZTA AG Chief Executive Officer Owen Killian said:

"Economic conditions for consumers remain very challenging. ARYZTA has responded by continuing to focus on operating efficiencies, cost management, innovation and cash flow generation, while working alongside its retail and foodservice partners to provide fresh and convenient, high quality baked goods at competitive prices.

Securing two complementary acquisitions in Fresh Start Bakeries and Great Kitchens substantially enhances ARYZTA's strategic market position by developing partnerships with leading operators in every consumer channel. ARYZTA's expanded product range, increasingly diversified geographical footprint and greater channel access to consumers offers further opportunities for growth over an enlarged business base.

The operating environment is likely to remain difficult in many key markets. ARYZTA's business model is therefore focused on operational resilience, while remaining well positioned to benefit from any economic recovery."

1 Based on EUR 0.3660 per share converted at the foreign exchange rate of one Euro to CHF 1.3121 on 23 September 2010, the date of approval of the ARYZTA financial statements.

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About ARYZTA
ARYZTA AG ('ARYZTA') is a Swiss company based in Zurich with operations in North America, South America, Europe, South East Asia, Australia and New Zealand. ARYZTA has a primary listing on the SIX Swiss Exchange and a secondary listing on the ISE Irish Exchange (SIX: ARYN, ISE: YZA).

ARYZTA is the majority shareholder (71.4%) in Origin Enterprises plc, which has a listing on the AIM in London and the ESM in Dublin (AIM: OGN, ESM: OIZ).

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Analyst conference call
An analyst call will take place today at 09.00 CET (08.00 BST).

Dial in numbers are: Switzerland: 0565 800 007, Ireland: 0143 196 48 or 0150 601 53, the UK: 0844 493 3800, USA: 1866 966 9439, International: +44 1452 555 566. Please supply the following code: 11588858 to access the call.

Printable pdf versions of slides will be available to download from the ARYZTA website **www.aryzta.com** 15 minutes before the call.

A conference call webcast replay will be available from the ARYZTA website **www.aryzta.com**.

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1 Summary income statement for year ended 31 July

in Euro `000	Food Group 2010	Origin 2010	Total Group 2010	Total Group 2009	% Change
Group revenue	**1,679,417**	**1,330,309[4]**	**3,009,726**	3,212,270	(6.3%)
Group operating profit[1]	**207,119**	**65,854**	**272,973**	280,409	(2.7%)
Share of associates and JVs[2]	**20,041**	**11,572**	**31,613**	17,525	–
Operating profit incl. associates and JVs[1]	**227,160**	**77,426**	**304,586**	297,934	2.2%
Finance cost, net	**(36,272)**	**(15,213)**	**(51,485)**	(50,652)	–
Pre tax profits[1]	**190,888**	**62,213**	**253,101**	247,282	–
Income tax[1]	**(30,571)**	**(11,027)**	**(41,598)**	(45,085)	–
Non-controlling interest[3]	**(2,630)**	**–**	**(17,624)**	(17,649)	–
Underlying fully diluted net profit	**157,687**	**51,186**	**193,879**	184,548	5.0%
Underlying fully diluted EPS (cent)	**–**	**37.26[5]**	**244.0[6]**	234.7[6]	**4.0%**

Reported profit to underlying net profit reconciliation for year ended 31 July

in Euro `000	Food Group 2010	Origin 2010	Total Group 2010	Food Group 2009	Origin 2009	Total Group 2009
Reported net profit	**117,420[7]**	**48,039**	**151,729**	94,633	(56,825)	54,010
Amortisation of intangible assets[1]	46,816	3,914	50,730	42,983	3,294	46,277
Tax on amortisation	(11,192)	(767)	(11,959)	(10,800)	(380)	(11,180)
Property write down	–	–	–	–	134,543	134,543
Tax on property write down	–	–	–	–	(30,940)	(30,940)
Non-controlling interest adj. on property write down	–	–	–	–	–	(29,609)
Acquisition and merger costs	4,643	–	4,643	22,738	–	22,738
Tax on merger costs	–	–	–	(218)	–	(218)
Underlying net profit	**157,687**	**51,186**	**195,143**	149,336	49,692	185,621
Dilutive impact of Origin management equity entitlements	–	–	(1,264)	–	–	(1,073)
Underlying fully diluted net profit	**157,687**	**51,186**	**193,879**	149,336	49,692	184,548
Underlying fully diluted EPS (cent)	**–**	**37.26[5]**	**244.0[6]**	–	36.16[5]	234.7[6]

1 Before the impact of non SAP related intangible amortisation, transaction costs, non-recurring items and related tax credits. SAP amortisation for the financial year 2010 is €634,000 (2009: nil).
2 Associates & JVs profit net of tax and interest.
3 Presented after dilutive impact of Origin management equity entitlements, non-recurring items and related tax credits.
4 Origin revenue is presented after deducting intra group sales between Origin and Food Group.
5 Actual Origin 2010 underlying fully diluted EPS is calculated using the weighted average number of shares in issue of 137,376,888 (2009: 137,417,000).
6 Actual 2010 underlying fully diluted EPS is calculated using the weighted average number of shares in issue of 79,443,701 (2009: 78,626,718).
7 Food Group reported net profit excludes dividend income of €7,600,000 from Origin.

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2 Underlying revenue growth

in Euro million	Food Europe	Food North America	Food Rest of World	Total Food Group	Origin[1]	Total Group
Group revenue	1,072.0	571.6	35.8	1,679.4	1,330.3	3,009.7
Underlying growth	(8.2%)	(4.3%)	8.4%	(6.7%)	(10.8%)	(8.6%)
Acquisitions[3]	2.0%	8.4%	57.2%	4.8%	0.2%[2]	2.6%
Currency	0.5%	(1.1%)	9.9%	0.0%	(0.7%)	(0.3%)
Revenue growth	**(5.7%)**	**3.0%**	**75.5%**	**(1.9%)**	**(11.3%)**	**(6.3%)**

1 Origin revenue is presented after deducting intra group sales between Origin and Food Group.
2 Includes the impact of Origin's disposal of its Marine Protein and Oils business in February 2009 which is now recognised as part of joint ventures.
3 Includes the impact of seven weeks revenue from Great Kitchens and three weeks revenue from Fresh Start Bakeries.

3 Segmental operating profit performance[1]

in Euro '000	Food Europe	Food North America	Food Rest of World	Total Food Group	Origin	Total Group
Operating Profit[1]	131,245	69,911	5,963	207,119	65,854	272,973
Growth	(2.9%)	3.6%	180.9%	1.2%	(13.0%)	(2.7%)
Operating Margin	**12.2%**	**12.2%**	**16.6 %**	**12.3%**	**5.0%**	**9.1%**
Operating Margin (FY ended 31 July, 2009)	11.9%	12.2%	10.4%	12.0%	5.0%	8.7%

1 The above figures exclude non SAP intangible amortisation, transaction costs and non-recurring items, and include other income of €82,000. SAP amortisation for the financial year 2010 is €634,000 (2009: nil). During the financial year 2010, the Food Group commenced the implementation of SAP ERP across its businesses. No further material investment is planned in its existing IT infrastructure. As a result of the substantial investment in SAP intangibles, SAP amortisation will no longer be added back to underlying profit.

4 Food Group business

ARYZTA's Food Group business is primarily focused on speciality baking, a niche segment of the overall bakery market. Speciality bakery consists of freshly prepared offerings giving the best value, variety, taste and convenience to consumers at the point of sale. ARYZTA's customer mix is an evenly balanced mix of convenience and independent retail, large retail, quick service restaurants and other foodservice categories.

Revenues declined during the period across most channels and markets. Convenience retail and foodservice on the island of Ireland and the UK were the most severely impacted channels and markets. Continued pressure on the consumer in Europe and North America made for a challenging year. Operating profit remained stable, underlying ARYZTA's operating leverage. Cost curtailment and operating efficiency initiatives allowed the business to reduce its cost to serve its customers. As a result, ARYZTA's customers were facilitated to increase their value propositions to consumers.

5 Food Europe

Food Europe has leading market positions in the speciality bakery market in Switzerland, Germany, Poland, the UK, Ireland, France, Sweden and Spain. In Europe, ARYZTA has a mixture of business to business and consumer brands, including Hiestand, Cuisine de France, Delice de France, Coup de Pates and Fresh Start Bakeries. It has a diversified customer base including convenience retail, gas stations, multiple retail, restaurants, catering and hotels, leisure and quick service restaurants.

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Food Europe continued to face tough trading conditions in the financial year 2010, with underlying revenue declining 8.2%. Food Europe's operating profit declined 2.9% to €131.2m.

In Europe, the decline in revenue has been mostly evident in the UK and Ireland. The consumer has endured stringent austerity measures, significantly impacting their disposable income. Support was provided to customers, which reduced costs to serve, particularly on the island of Ireland, facilitating operators to increase their value offerings. This was underpinned by ARYZTA's cost curtailment and operating efficiencies initiatives during the period.

Continental Europe revenues remain stable where continued investment in new field sales personnel and growth from new customers, with a particular focus on the independent segment (bakeries, boulangeries and independent restaurants), have aided performance.

The Irish and UK businesses were combined with the Hiestand business following year end. This will provide integrated solutions to their customers and improve cross-selling and skill transfer between businesses.

6 Food North America

Food North America is a leading player in the US bakery market. It has a diversified customer base including multiple retail, restaurants, catering and hotels, leisure, hospitals, military, fundraising and quick service restaurants.

Otis Spunkmeyer and La Brea Bakery are two iconic brands which evoke emotional appeal with the consumer. Fresh Start Bakeries (incorporating Pennant Foods and Sweet Life) is a global supplier of speciality bakery products with a leading position in the quick service restaurant segment, while Great Kitchens is a leading supplier of pizza and appetisers with a focus on the deli segment of the retail grocery channel.

Food North America delivered revenues of €571.6m which represented a decline of 4.3% in underlying revenue for the financial year 2010. Operating Profit grew by 3.6% to €69.9m.

In North America, conditions were weak and value propositions for consumers remain centre stage. Cost curtailment and operating efficiencies have compensated for weak revenues (following a high 2009 growth comparator) in the period.

7 Food Rest of World

ARYZTA has existing businesses in Japan, Malaysia and Australia. ARYZTA is continuing to understand the customer diversity and opportunity in this vast market. Through the acquisition of Fresh Start Bakeries (and its incorporated business of Sweet Life), ARYZTA now has new business operations in Brazil, Australia and New Zealand as well as joint venture production facilities in Chile and Guatemala.

Food Rest of World delivered revenues of €35.8m which represented an increase of 8.4% in underlying revenue for the financial year 2010. Food Rest of World operating profits grew by 180.9% to €6.0m for the financial year 2010.

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8 ARYZTA's Food Group Business – Strategic market position

The current financial year acquisitions of Fresh Start Bakeries and Great Kitchens are milestones to deliver on ARYZTA's long term strategic objectives. These acquisitions provide additional product expansion in North America, greater geographic expansion across Europe and Rest of World, increased access into retail and quick service restaurant channels and a substantially increased bakery capability and capacity.

As a Group, ARYZTA can now demonstrate leadership across product categories supplied from unmatched international manufacturing capabilities and delivered through well balanced access to customer channels, strategically aligned with the key growth drivers of the industry. The key growth drivers include: declining in-home food, shortage of skilled labour and increasing demand for consistent quality at moderate costs.

Furthermore, significant benefits are expected to accrue to the Group from these new acquisitions through increased cross selling, more efficient capital allocation, enhanced customer service and increased international customer partnerships.

These factors together with the tremendous depth of management skills and industry knowledge across all ARYZTA businesses' executive teams should contribute to the further growth prospects of the Group.

9 ARYZTA Technology Initiative

Adding to the implementation of the SAP Enterprise Resource Planning ('ERP') system in Otis Spunkmeyer in 2009, La Brea Bakery has now also been integrated. The implementation in both businesses was completed in line with budgeting and scheduling forecasts.

The continued phased implementation of a global ERP system is enabling the businesses to operate shared common 'best in class' processes and procedures.

10 Canadian joint venture

This joint venture has yielded a net contribution after interest and tax of €19.9m in the financial year 2010 compared with a net contribution of €13.8m after interest and tax in the financial year 2009.

Subsequent to the closing of the financial year 2010, ARYZTA's subsidiary IAWS Group Ltd. ('IAWS') reached an agreement with Tim Hortons Inc. (its 50-50 partner under the Maidstone Bakery joint venture) to acquire the remaining 50% share of Maidstone Bakery.

11 Financial position

ARYZTA's 71.4% subsidiary and separately listed company, Origin, has separate funding structures, which are financed without recourse to ARYZTA. Origin's net debt amounted to €111.9m at 31 July 2010.

The consolidated net debt of the Group excluding Origin's non-recourse debt amounted to €1,115.6m and relates to the food segments of the Food Group. This represented a Net Debt to EBITDA ratio of 2.96 times (based on banking facility covenant definition).

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Food Group cash generation

in Euro `000	July 2010	July 2009
EBIT	160,252	161,724
Amortisation	47,450	42,983
EBITA[1]	207,702	204,707
Depreciation	60,363	54,628
EBITDA	268,065	259,335
Working capital movement from debt factoring	21,554	–
Working capital movement	3,264	24,675
Dividends received[4]	24,158	18,830
Maintenance capital expenditure	(10,330)	(15,047)
Interest and tax	(54,224)	(53,562)
Other[2]	(1,469)	2,126
Cash flows generated from activities	**251,018**	**236,357**
Underlying net profit[3]	157,687	149,336
Depreciation	60,363	54,628
	218,050	203,964
Net underlying cash earnings conversion	**115.1%**	**115.9%**

1 Food Group EBITA is shown before other income of €51,000, contribution from joint ventures and deduction of SAP related amortisation. SAP related amortisation for financial year 2010 is €634,000 (2009: nil).

2 “Other” comprises predominantly of non-cash share-based charges and government grants amortisation.

3 Underlying net profit before non SAP related intangible amortisation, transaction costs, non-recurring items and related tax credits.

4 Includes dividend received from Origin of €7,600,000.

Food Group net debt and investment activity

in Euro `000	Food Group
Food Group opening net debt as at 31 July 2009	**(505,504)**
Cash flows generated from activities	251,018
Cost of acquisitions (incl. transaction costs and net debt acquired)	(860,313)
Share placement	115,001
Investment capital expenditure	(46,546)
Deferred consideration	(2,128)
Dividends paid	(30,599)
Foreign exchange movement[1]	(33,148)
Other	(3,404)
Food Group closing net debt 31 July 2010	**(1,115,623)**
Net Debt to EBITDA[2]	2.96x

1 Foreign exchange movement is primarily attributable to the fluctuation in the US Dollar to Euro rate between July 2009 (1.4252) and July 2010 (1.3079).

2 Food Group net debt to EBITDA ratio based on banking facility covenant definition (EBITDA including pro forma TTM contribution from Fresh Start Bakeries and Great Kitchens and dividend contribution from Canadian JV). Food Group net debt to EBITDA ratio based on Private Placement covenant definition (EBITDA including pro forma TTM contribution from Fresh Start Bakeries and Great Kitchens and EBITDA contribution from Canadian JV, and excluding non-recurring items) is 2.84x.

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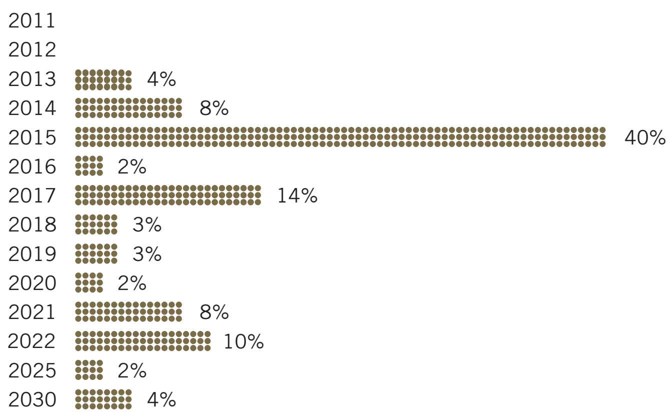
ARYZTA's funding facilities and key financial covenant (excluding Origin, which has separate ring-fenced structures which are financed without recourse to ARYZTA) are as follows:

Description	Principal	Maturity
May 2010 – Syndicated Bank Loan	CHF 600m	Dec 2014
May 2010 – US Private Placement	USD 420m/EUR 25m	May 2013 – May 2022
Dec 2009 – US Private Placement	USD 200m	Dec 2021 – Dec 2029
Nov 2009 – Swiss Bond	CHF 200m	March 2015
Jun 2007 – US Private Placement	USD 450m	Jun 2014 – Jun 2019

Key Covenant	
Net debt: EBITDA (not greater than)	3.5 times

Weighted average interest cost of the Food Group is circa. 4.24%. The current weighted average maturity is 7.1 years.

Gross Term Debt Maturity Profile[1]



1 Profile of term debt maturity is set out based on the Group's financial year end. Food Group gross term debt at 31 July 2010 of €1.4bn (excluding overdrafts of €42.8m). Total Food Group net debt at 31 July 2010 of €1.1bn.

During the financial year 2010, ARYZTA negotiated a new syndicated bank loan of CHF 600m maturing in December 2014. Credit Suisse and Zürcher Kantonalbank (ZKB) acted together with Bank of America, BNP Paribas, Rabobank and UBS as mandated lead arrangers. Ten Swiss Cantonal banks participated in the syndicated bank facility[1]. ARYZTA also placed notes in the United States under private placements of USD 200m in December 2009 and USD 420m and EUR 25m in May 2010 which had an average maturity of 9.2 years at issuance. The Group also completed a CHF 200m Swiss bond issue in November 2009.

These funding initiatives enhanced operating funding facilities for the Group and replaced previous ARYZTA banking facilities due to expire in June 2013.

1 Cantonal Banks - Aargauische Kantonalbank, Bank Cantonale Vaudoise, Bank Coop AG, Basler Kantonalbank, Basellandschaftliche Kantonalbank, Schaffhauser Kantonalbank, Luzerner Kantonalbank AG, Raiffeisen Schweiz Genossenschaft, Banca dello Stato del Cantone Ticino, Thurgauer Kantonalbank.

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12 Assets, goodwill & intangibles

Group balance sheet in Euro '000	Total Group 2010	Total Group 2009
Property, plant and equipment	945,100	664,532
Investment properties	20,648	62,975
Goodwill and intangible assets	2,264,421	1,498,430
Associates and joint ventures	162,881	139,351
Working capital	(58,672)	(14,871)
Other segmental liabilities	(79,336)	(93,592)
Segmental net assets	3,255,042	2,256,825
Net debt	(1,227,512)	(659,256)
Deferred tax, net	(294,096)	(176,474)
Income tax	(53,209)	(40,650)
Derivative financial instruments	(6,375)	(12,477)
Net assets	**1,673,850**	**1,367,968**

Food Group balance sheet in Euro '000	Food Group 2010	Food Group 2009
Property, plant and equipment	815,918	577,772
Investment properties	4,646	3,761
Goodwill and intangible assets	2,149,826	1,382,431
Joint ventures	73,140	55,720
Investment in Origin	51,045	51,045
Working capital	(49,997)	(28,744)
Other segmental liabilities	(56,024)	(55,544)
Segmental net assets	2,988,554	1,986,441
Net debt	(1,115,623)	(505,504)
Deferred tax, net	(280,665)	(162,355)
Income tax	(47,437)	(38,116)
Derivative financial instruments	(1,778)	(5,432)
Net assets	**1,543,051**	**1,275,034**

The movement in the Food Group's fixed asset base reflects its strategic investment in its new businesses, Fresh Start Bakeries (incorporating Pennant Foods and Sweet Life) and Great Kitchens.

The newly recognised goodwill and intangibles reflect the strength of value contained within ARYZTA's businesses. This strength contributes and supports the resilient operating profit growth in these challenging economic times.

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13 Return on investment

in Euro million	Food Europe	Food North America	Food Rest of World	Total Food Group	Origin	Total
2010						
Group share net assets[1]	1,427	1,281	230	2,938	382[4]	3,320
EBITA & associates/JVs cont.[2]	141	137	23	301	77	378
ROI	9.9%	10.7%[3]	10.0%	10.2%	20.3%	11.4%
2009						
Group share net assets[1]	1,292	638	4	1,934	387[4]	2,321
EBITA & associates/JVs cont.[2]	135	81	3	219	79	298
ROI	10.4%	12.7%	56.7%	11.3%	20.4%	12.8%

1 Net assets exclude all bank debt, cash and cash equivalents and tax related balances.
2 Pro forma earnings before interest, tax and non SAP amortisation (EBITA) is presented before the impact of non-recurring items. The contribution from associates and JVs is net profit (i.e. presented after interest and tax). SAP amortisation for the financial year 2010 is €634,000 (2009: nil).
3 Re-translating July 2010 pro forma EBITA & associates/JVs contribution for Food North America at the July 2010 closing rate of 1.3079 would result in an ROI of 11.3%.
4 Origin net assets adjusted for the fluctuation in its average quarterly working capital by €64,000,000.
5 The Group WACC on a pre-tax basis is currently 8.1% (2009: 9.4%). Group WACC on a post-tax basis is currently 6.5% (2009: 7.6%).

14 Proposed dividend

The Board recommends a final dividend of CHF 0.4802[1] to be paid on 1 February 2011, if approved by shareholders at the General Meeting to be held on 2 December 2010.

In order to allow both Swiss and non-Swiss shareholders to avail of the cash flow and administrative advantages from the introduction into Swiss tax legislation of a 0% withholding tax rate on dividend distributions made from “unrestricted contributed reserves” after 1 January 2011, the Group is proposing to delay the 2010 dividend distribution until 1 February 2011, being the most efficient date from a Group administrative perspective for the dividend distribution, after the Group’s interim close date of 31 January 2011.

1 Based on EUR 0.3660 per share converted at the foreign exchange rate of one Euro to CHF 1.3121 on 23 September 2010, the date of approval of the ARYZTA financial statements.

15 Origin

Origin results for the period were robust, and as a result, its return on investment was maintained at circa 20%. Outlook for the financial year 2011 has improved, arising from the current positive trend in agri-markets. Subsequent to the closing of the financial year 2010, Origin created an Irish food consolidation with CapVest that has sharpened its strategic focus on its agri-business. Origin’s strong balance sheet with a net debt to EBITDA ratio of 1.41x provides support for further strategic growth.

The Board of Origin have proposed a dividend per ordinary share of 9 cent for the period ended 31 July 2010. ARYZTA has a holding of 95 million shares in Origin Enterprises.

Origin’s separately published results are available at www.originenterprises.com.

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16 Outlook

ARYZTA will continue to focus on operating efficiencies, cost management, innovation and cash flow generation. ARYZTA's opportunity will be to unlock the full potential across its enlarged business base.

In recent times, there has been a re-emergence of commodity inflation which underpins a long term trend of higher food prices. ARYZTA's business model supports stable margins, and bakery offers a most compelling food value proposition for the consumer, providing resilience in an inflationary environment.

ARYZTA believes, through its newly acquired businesses, which have diversified its geographical scope, product expansion and channel access points, it is better equipped to deliver a robust and sustainable performance in the future through all economic cycles.

As previously guided in its Strategic Acquisitions Announcement of 8 June 2010, the Group expects an EPS uplift of 45.0 cent arising from acquisitions in the financial year 2011.

Forward looking statement

This document contains forward looking statements which reflect management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

Extract from 2010 Annual Report

Group Risk Statement
Principal Risks and Uncertainties

The Board and senior management have invested significant time and resources in identifying specific risks across the Group, and in developing a culture of balanced risk minimisation. The Group has formal risk assessment processes in place through which risks and mitigating controls are evaluated. These processes are driven by business unit management, who are best placed to identify the significant ongoing and emerging risks facing the businesses. The outputs of these risk assessment processes are subject to various levels of review by management, and a consolidated Risk Map is reviewed by the ARYZTA Board of Directors on an annual basis. Risks identified and associated mitigating controls are also subject to audit as part of operational, financial and health and safety audit programmes.

The key risks facing the Group include the following:[1]

- As an international Group with substantial operations and interests outside the euro-zone, ARYZTA is subject to the risk of adverse movements in foreign currency exchange rates.
- The Group faces business risks associated with cash and collectables given the current curtailment of credit for all businesses.
- Operational risks facing the Group include issues associated with product contamination and general food scares affecting relevant products.
- Changing dietary trends and the increased emphasis on health and wellness among consumers present both opportunities and risks for the Group.
- A further operational risk to the Group, in common with most companies, is the risk of failure to address increasing compliance requirements particularly in the areas of health and safety, emissions and effluent control.
- The loss of a significant manufacturing/operational site through natural catastrophe or act of vandalism represents a risk that could, potentially, have a material impact on the Group.
- Similarly, a significant IT or security system failure could adversely impact on operations.
- The Group faces the challenge of fluctuations in commodity and energy costs.
- The Group faces the risk of a decrease in consumer spending in the current economic climate.
- The Group faces the risk of impairment of its various brands, particularly through the move by customers towards “value” brands.
- Having grown both organically and through acquisitions, the Group faces risks and challenges associated with managing growth, and ensuring that processes around acquiring and integrating new businesses are robust.
- The Group faces risks associated with the potential loss of key management personnel.
- In the event that the Group breached a banking covenant it may have to renegotiate its facilities resulting in a higher cost of funds for the Group.
- A loss of a significant supplier as a result of the current economic environment could adversely impact ongoing operations of the business.
- As the Group operates in a competitive industry it is subject to the risk of the loss of a significant customer.
- The implementation of a future group-wide ERP system requires substantial investment, and would result in significant costs in the event of a failed implementation.

1 These risks are not in order of importance.

Extract from 2010 Annual Report

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the Group and Company Financial Statements, in accordance with applicable law and regulations. Company law requires the directors to prepare Group and Company Financial Statements for each financial year. Under that law, the directors are required to prepare the Group Financial Statements in accordance with International Financial Reporting Standards ('IFRSs') and the requirements of Swiss Law.

This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of the Group and Company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing each of the Group and Company Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with IFRSs and the requirements of Swiss Law.

They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

On behalf of the Board

Denis Lucey
Chairman, Board of Directors

Owen Killian
CEO, Member of the Board of Directors

23 September 2010

Extract from Group Financial Statements 2010

Group Income Statement
for the year ended 31 July 2010

in Euro `000	Notes	2010	2009
Revenue		**3,009,726**	3,212,270
Cost of sales		**(2,169,030)**	(2,344,377)
Gross profit		**840,696**	867,893
Distribution expenses		**(416,666)**	(415,047)
Administration expenses		**(201,869)**	(218,714)
Operating profit before fair value adjustment, acquisition and merger costs and other income		**222,161**	234,132
Fair value adjustment on investment properties		**–**	(134,543)
Acquisition and merger costs		**(4,643)**	(22,738)
Other income		**82**	106
Operating profit		**217,600**	76,957
Share of profit after tax of associates and joint ventures		**31,613**	17,525
Profit before financing income and costs		**249,213**	94,482
Financing income		**10,230**	7,055
Financing costs		**(61,715)**	(57,707)
Profit before tax		**197,728**	43,830
Income tax		**(29,639)**	(2,853)
Profit for the year		**168,089**	40,977
Attributable as follows:			
Equity shareholders of the company		**151,729**	54,010
Non-controlling interest		**16,360**	(13,033)
Profit for the year		**168,089**	40,977

		2010	2009
Earnings per share for the year	Notes	**Euro cent**	Euro cent
Basic earnings per share	3	**190.99**	68.87
Diluted earnings per share	3	**189.49**	68.69

Extract from Group Financial Statements 2010

Group Statement of Comprehensive Income
for the year ended 31 July 2010

in Euro `000	2010	2009
Profit for the year	**168,089**	40,977
Other comprehensive income		
Foreign exchange translation effects		
– Foreign currency net investments	**101,287**	51,553
– Foreign currency borrowings	**(44,173)**	(34,336)
– Recycle of foreign exchange gain on settlement of quasi equity loans	**(4,679)**	–
– Share of joint ventures and associates' foreign exchange translation adjustment	**(679)**	(192)
Cash flow hedges		
– Effective portion of changes in fair value of cash flow hedge	**3,933**	(2,727)
– Fair value of cash flow hedges transferred to income statement	**2,209**	(6,992)
– Deferred tax effect of cash flow hedges	**(990)**	1,314
– Share of joint ventures (loss)/gain on cash flow hedges	**(368)**	848
– Share of joint ventures deferred tax effect of cash flow hedges	**48**	(144)
Defined benefit plans		
– Actuarial (loss) on Group defined benefit pension plans	**(2,336)**	(3,913)
– Deferred tax effect of actuarial loss	**563**	817
– Share of associates' actuarial (loss) on defined benefit plan	**(973)**	(1,576)
– Share of associates' deferred tax effect of actuarial loss	**272**	442
Deferred tax effect of capital gains tax rate change in Ireland	**–**	(7,035)
Revaluation of previously held investment in Hiestand	**–**	35,077
Total other comprehensive income	**54,114**	33,136
Total comprehensive income for the year	**222,203**	74,113
Attributable as follows:		
Equity shareholders of the company	**204,649**	93,522
Non-controlling interest	**17,554**	(19,409)
Total comprehensive income for the year	**222,203**	74,113

Group Balance Sheet
as at 31 July 2010

in Euro `000	2010	2009
Assets		
Non current assets		
Property, plant and equipment	**945,100**	664,532
Investment properties	**20,648**	62,975
Goodwill and intangible assets	**2,264,421**	1,498,430
Investments in associates and joint ventures	**162,881**	139,351
Deferred tax assets	**62,290**	27,053
Total non current assets	**3,455,340**	2,392,341
Current assets		
Inventory	**212,085**	192,646
Trade and other receivables	**426,917**	406,774
Derivative financial instruments	**889**	599
Cash and cash equivalents	**394,587**	294,536
Total current assets	**1,034,478**	894,555
Total assets	**4,489,818**	3,286,896

Group Balance Sheet (continued)
as at 31 July 2010

in Euro `000	2010	2009
Equity		
Called up share capital	**1,061**	1,005
Share premium	**632,951**	518,006
Retained earnings and other reserves	**980,190**	801,345
Total equity attributable to equity shareholders of the company	**1,614,202**	1,320,356
Non-controlling interest	**59,648**	47,612
Total equity	**1,673,850**	1,367,968
Liabilities		
Non current liabilities		
Interest bearing loans and borrowings	**1,575,265**	927,252
Employee benefits	**15,454**	28,544
Deferred income from government grants	**18,477**	18,941
Other payables	**7,107**	1,025
Deferred tax liabilities	**356,386**	203,527
Derivative financial instruments	**804**	3,244
Deferred consideration	**25,829**	41,259
Total non current liabilities	**1,999,322**	1,223,792
Current liabilities		
Interest bearing loans and borrowings	**46,834**	26,540
Trade and other payables	**697,674**	614,291
Corporation tax payable	**53,209**	40,650
Derivative financial instruments	**6,460**	9,832
Deferred consideration	**12,469**	3,823
Total current liabilities	**816,646**	695,136
Total liabilities	**2,815,968**	1,918,928
Total equity and liabilities	**4,489,818**	3,286,896

Group Statement of Changes in Equity
for the year ended 31 July 2010

31 July 2010 in Euro `000	Share capital	Share premium	Treasury shares	Cash flow hedge reserve	Re-valuation reserve	Share-based payment reserve	Foreign currency trans-lation reserve	Retained earnings	Total share-holders equity	Non-controlling interest	Total
At 1 August 2009	**1,005**	**518,006**	**(30)**	**(6,882)**	**35,108**	**4,131**	**(41,147)**	**810,165**	**1,320,356**	**47,612**	**1,367,968**
Profit for the year	–	–	–	–	–	–	–	151,729	151,729	16,360	168,089
Foreign exchange translation effects	–	–	–	–	–	–	50,844	–	50,844	912	51,756
Cash flow hedges	–	–	–	4,279	–	–	–	–	4,279	553	4,832
Defined benefit plans	–	–	–	–	–	–	–	(2,203)	(2,203)	(271)	(2,474)
Total comprehensive income	**–**	**–**	**–**	**4,279**	**–**	**–**	**50,844**	**149,526**	**204,649**	**17,554**	**222,203**
Issue of shares, net of costs	56	114,945	–	–	–	–	–	–	115,001	–	115,001
Equity dividends	–	–	–	–	–	–	–	(27,861)	(27,861)	–	(27,861)
Dividends paid to non-controlling interest	–	–	–	–	–	–	–	–	–	(5,779)	(5,779)
Share-based payments	–	–	–	–	–	2,057	–	–	2,057	261	2,318
At 31 July 2010	**1,061**	**632,951**	**(30)**	**(2,603)**	**35,108**	**6,188**	**9,697**	**931,830**	**1,614,202**	**59,648**	**1,673,850**

31 July 2009 in Euro `000	Share capital	Share premium	Treasury shares	Cash flow hedge reserve	Re-valuation reserve	Share-based payment reserve	Foreign currency trans-lation reserve	Retained earnings	Total share-holders equity	Non-controlling interest	Total
At 1 August 2008	**39,275**	**59,734**	**–**	**(510)**	**127,446**	**19,986**	**(60,035)**	**599,372**	**785,268**	**61,482**	**846,750**
Profit for the year	–	–	–	–	–	–	–	54,010	54,010	(13,033)	40,977
Foreign exchange translation effects	–	–	–	–	–	–	18,888	–	18,888	(1,863)	17,025
Cash flow hedges	–	–	–	(6,372)	–	–	–	–	(6,372)	(1,329)	(7,701)
Defined benefit plans	–	–	–	–	–	–	–	(3,057)	(3,057)	(1,173)	(4,230)
Deferred tax effect of capital gains tax rate change in Ireland	–	–	–	–	–	–	–	(5,024)	(5,024)	(2,011)	(7,035)
Revaluation of previously held interest in Hiestand	–	–	–	–	–	–	–	35,077	35,077	–	35,077
Total comprehensive income/(loss)	**–**	**–**	**–**	**(6,372)**	**–**	**–**	**18,888**	**81,006**	**93,522**	**(19,409)**	**74,113**
Issue of shares, net of costs	3,810	182,631	–	–	–	–	–	–	186,441	–	186,441
Effect of reverse acquisition	(42,110)	275,641	–	–	–	–	–	–	233,531	–	233,531
Issue of treasury shares	30	–	(30)	–	–	–	–	–	–	–	–
Transfer to retained earnings	–	–	–	–	(92,338)	–	–	92,338	–	–	–
Share-based payments	–	–	–	–	–	21,594	–	–	21,594	264	21,858
Share-based payment reserve released on cancellation of schemes	–	–	–	–	–	(37,449)	–	37,449	–	–	–
Arising on business combination	–	–	–	–	–	–	–	–	–	8,092	8,092
Repurchase/disposal of non-controlling interests	–	–	–	–	–	–	–	–	–	(2,817)	(2,817)
At 31 July 2009	**1,005**	**518,006**	**(30)**	**(6,882)**	**35,108**	**4,131**	**(41,147)**	**810,165**	**1,320,356**	**47,612**	**1,367,968**

Group Cash Flow Statement
for the year ended 31 July 2010

in Euro `000	2010	2009
Cash flows from operating activities		
Profit for the year	**168,089**	40,977
Income tax	**29,639**	2,853
Financing income	**(10,230)**	(7,055)
Financing costs	**61,715**	57,707
Share of profit after tax of associates and joint ventures	**(31,613)**	(17,525)
Fair value adjustment on investment properties, merger costs and other income	**(82)**	157,175
Depreciation of property, plant and equipment	**66,888**	62,195
Amortisation of intangible assets	**51,364**	46,277
Recognition of deferred income from government grants	**(2,994)**	(2,026)
Share-based payments	**2,318**	3,743
Other	**26**	(22)
Cash flows from operating activities before changes in working capital	**335,120**	344,299
(Increase)/decrease in inventory	**13,956**	70,296
(Increase)/decrease in trade and other receivables	**52,926**	28,840
Increase/(decrease) in trade and other payables	**(35,829)**	(72,127)
Cash generated from operating activities	**366,173**	371,308
Interest paid	**(46,626)**	(54,989)
Interest received	**1,446**	3,415
Income tax paid	**(30,424)**	(33,396)
Net cash flows from operating activities	**290,569**	286,338

Extract from Group Financial Statements 2010

Group Cash Flow Statement (continued)
for the year ended 31 July 2010

in Euro `000	Notes	2010	2009
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**1,866**	2,973
Purchase of property, plant and equipment			
– maintenance capital expenditure		**(16,305)**	(22,762)
– investment capital expenditure		**(29,632)**	(56,229)
Grants received		**1,117**	2,377
Purchase of investment properties		**–**	(775)
Acquisitions of subsidiaries and businesses, net of cash acquired [1]	4	**(564,419)**	(80,546)
Purchase of intangible assets		**(18,037)**	(10,705)
Sale of intangible assets		**–**	6,837
Dividends received		**22,365**	23,004
Investments in associates and joint ventures		**(3,052)**	(26,184)
Deferred consideration paid		**(2,128)**	(27,384)
Net cash flows from investing activities		**(608,225)**	(189,394)
Cash flows from financing activities			
Net proceeds from issue of share capital		**115,001**	(626)
Gross drawdown of loan capital		**1,776,942**	2,467,751
Gross repayment of loan capital		**(1,467,590)**	(2,399,509)
Capital element of finance lease liabilities		**(1,693)**	(1,300)
Dividends paid to non-controlling interests		**(5,779)**	–
Dividends paid to equity shareholders		**(27,861)**	–
Net cash flows from financing activities		**389,020**	66,316
Net increase in cash and cash equivalents		**71,364**	163,260
Translation adjustment		**7,841**	(875)
Net cash and cash equivalents at start of year		**269,144**	106,759
Net cash and cash equivalents at end of year		**348,349**	269,144

1 Total cash flow impact of acquisitions for the period was €860,313,000. This is made up of €569,062,000 of directly related net acquisition costs and total debt acquired including finance leases of €292,251,000.

Notes to the Group Financial Statements
for the year ended 31 July 2010

1 Basis of preparation

The financial information included on pages 14 to 28 of this News Release have been extracted from the ARYZTA Group financial statements for the year ended 31 July 2010 on which the auditor has issued an unqualified audit opinion.

The financial information has been prepared in accordance with the accounting policies set out in the Group's financial statements for the year ended 31 July 2009 which were prepared in accordance with International Financial Reporting Standards (IFRS), and have been updated for changes in IFRS applicable to the financial year 2010 as outlined in the Group accounting policies note to the interim financial statements for the period ended 31 January 2010.

The consolidated financial information is presented in Euro, rounded to the nearest thousand, unless otherwise stated.

2 Segment information

2.1 Analysis by business segment

I) Segment revenue and result	Food Europe		Food North America		Food Rest of World		Origin		Total Group	
in Euro `000	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
Segment revenue[1]	**1,072,010**	1,137,230	**571,585**	555,110	**35,822**	20,414	**1,330,309**	1,499,516	**3,009,726**	3,212,270
Operating profit before non-recurring items	**95,518**	101,893	**59,079**	57,771	**5,655**	2,060	**61,909**	72,408	**222,161**	234,132
Non-recurring items[2]	**118**	(22,738)	**(4,710)**	–	**–**	–	**31**	(134,437)	**(4,561)**	(157,175)
Operating profit	**95,636**	79,155	**54,369**	57,771	**5,655**	2,060	**61,940**	(62,029)	**217,600**	76,957
Share of profit after tax of associates and joint ventures	**–**	–	**19,923**	13,808	**118**	–	**11,572**	3,717	**31,613**	17,525
Profit before financing income and costs	**95,636**	79,155	**74,292**	71,579	**5,773**	2,060	**73,512**	(58,312)	**249,213**	94,482
Financing income									**10,230**	7,055
Financing costs									**(61,715)**	(57,707)
Profit before tax as reported in Group Income Statement									**197,728**	43,830

1 There are no significant intercompany revenues between the Group's food business segments. There were €6,756,000 (2009: €8,321,000) in intra group revenue between the Origin and food segments of the Group.

2 Non-recurring items in the financial year 2010 comprise transaction costs of €4,643,000 and gain on sale of property, plant and equipment of €82,000.

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

II) Segment assets	Food Europe		Food North America		Food Rest of World		Origin		Total Group	
in Euro `000	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
Segment assets excluding investments in associates and joint ventures	**1,716,751**	1,566,132	**1,387,060**	691,875	**243,862**	10,256	**521,498**	557,094	**3,869,171**	2,825,357
Investments in associates and joint ventures	**293**	–	**69,584**	55,720	**3,263**	–	**89,741**	83,631	**162,881**	139,351
Segment assets	**1,717,044**	1,566,132	**1,456,644**	747,595	**247,125**	10,256	**611,239**	640,725	**4,032,052**	2,964,708
Reconciliation to total assets as reported in Group Balance Sheet										
Derivative financial instruments									**889**	599
Cash and cash equivalents									**394,587**	294,536
Deferred tax assets									**62,290**	27,053
Total assets as reported in Group Balance Sheet									**4,489,818**	3,286,896

III) Segment liabilities	Food Europe		Food North America		Food Rest of World		Origin		Total Group	
in Euro `000	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
Segment liabilities	**290,001**	274,289	**175,808**	109,594	**17,544**	6,325	**293,657**	317,675	**777,010**	707,883
Reconciliation to total liabilities as reported in Group Balance Sheet										
Interest bearing loans and borrowings									**1,622,099**	953,792
Derivative financial instruments									**7,264**	13,076
Current and deferred tax liabilities									**409,595**	244,177
Total liabilities as reported in Group Balance Sheet									**2,815,968**	1,918,928

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

IV) Other segment information in Euro `000	Food Europe 2010	Food Europe 2009	Food North America 2010	Food North America 2009	Food Rest of World 2010	Food Rest of World 2009	Origin 2010	Origin 2009	Total Group 2010	Total Group 2009
Depreciation	**45,324**	40,928	**14,057**	13,177	**982**	523	**6,525**	7,567	**66,888**	62,195
Amortisation of intangible assets	**35,609**	33,210	**11,533**	9,710	**308**	63	**3,914**	3,294	**51,364**	46,277
Fair value adjustment	**–**	–	**–**	–	**–**	–	**–**	134,543	**–**	134,543
Capital expenditure										
– Property, plant and equipment	**24,155**	66,063	**13,967**	11,331	**581**	615	**6,169**	5,854	**44,872**	83,863
– Computer related intangibles	**6,076**	7,050	**11,074**	2,827	**30**	43	**1,062**	668	**18,242**	10,588
– Other intangibles	**–**	1,086	**–**	–	**–**	–	**160**	–	**160**	1,086
Total capital expenditure	**30,231**	74,199	**25,041**	14,158	**611**	658	**7,391**	6,522	**63,274**	95,537

2.2 Analysis by geographical segment

in Euro `000	Europe 2010	Europe 2009	North America 2010	North America 2009	Rest of World 2010	Rest of World 2009	Total Group 2010	Total Group 2009
Segment revenue[1]	**2,402,319**	2,636,746	**571,585**	555,110	**35,822**	20,414	**3,009,726**	3,212,270
Segment assets	**2,328,283**	2,206,857	**1,456,644**	747,595	**247,125**	10,256	**4,032,052**	2,964,708
IFRS 8 non-current assets	**1,820,547**	1,700,830	**1,346,701**	661,959	**225,802**	2,499	**3,393,050**	2,365,288

1 Revenues from external customers attributed to the Group's country of domicile, Switzerland, is 5.8% of total Group revenues (2009: 5.3%). Revenues from external customers attributed to material foreign countries are United States 19.0% (2009: 17.3%), Ireland 28.5% (2009: 31.2%) and the United Kingdom 23.6% (2009: 25.4%). For the purposes of this analysis customer revenues are allocated based on geographic location of vendor.

As is common in this industry the Group has a large number of customers, and there is no single customer with a share of revenue greater than 10% of total group revenue.

Notes to the Group Financial Statements (continued) for the year ended 31 July 2010

3 Earnings per share

Basic earnings per share	2010 in Euro `000	2009 in Euro `000
Profit for year attributable to equity shareholders	**151,729**	54,010
Weighted average number of ordinary shares	`000	`000
Issued ordinary shares at 1 August[1]	**78,946**	63,669
Effect of shares issued during the year	**498**	14,758
Weighted average number of ordinary shares for the year	**79,444**	78,427
Basic earnings per share	**190.99 cent**	68.87 cent

Diluted earnings per share	2010 in Euro `000	2009 in Euro `000
Profit for year attributable to equity shareholders	**151,729**	54,010
Effect on non-controlling interests share of profits due to dilutive effect of Origin management equity entitlements[2]	**(1,187)**	–
Diluted profit for financial year attributable to equity shareholders	**150,542**	54,010
Weighted average number of ordinary shares (diluted)	`000	`000
Weighted average number of ordinary shares used in basic calculation	**79,444**	78,427
Effect of equity instruments with a dilutive effect	**–**	200
Weighted average number of ordinary shares (diluted) for the year	**79,444**	78,627
Diluted earnings per share	**189.49 cent**	68.69 cent

1 Issued share capital excludes 2,234,359 treasury shares issued during the financial year 2009.
2 This adjustment reflects the dilutive impact of equity entitlements granted to Origin senior management under the Origin Long Term Incentive Plan. These equity entitlements dilute the Group's share of Origin profits available as part of its diluted earnings per share calculation.

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

4 Acquisitions in financial year 2010

During the year, the Group completed the acquisitions of Fresh Start Bakeries on 08 July 2010 and Great Kitchens on 07 June 2010.

Fresh Start Bakeries acquisition

Fresh Start Bakeries (incorporating Pennant Foods and Sweet Life) (FSB) is a global supplier of speciality bakery products with a leading position in the quick service restaurant segment. It operates 29 specialist production facilities across the US, Canada, Germany, Poland, Sweden, Spain, Brazil, Australia and New Zealand and has three joint ventures located in North America, Chile and Guatemala. Pennant Foods is a leading provider of speciality bakery products and solutions to the North American quick service restaurant, foodservice and retail in-store bakery channels. Sweet Life is a leading innovator and manufacturer of sweet baked goods servicing the North American and Asian quick service restaurant channel.

Great Kitchens acquisition

Great Kitchens, a wholly owned subsidiary of Arbor Frozen Foods, Inc. is a leading supplier of pizza and appetisers with a focus on the deli segment of the North American retail grocery channel.

The goodwill arising on these business combinations is attributable to the skills and talent of the acquired businesses' work force and the synergies expected to be achieved from integrating the companies into the Group's existing business.

2010 in Euro `000	**Total Provisional Fair value**	**Fresh Start Bakeries**	**Great Kitchens**
Net assets acquired:			
Property, plant and equipment	246,378	239,751	6,627
Intangible assets	391,076	317,077	73,999
Investments in associates and JVs	4,747	4,747	–
Inventory	28,674	21,767	6,907
Trade and other receivables	68,591	51,258	17,333
Trade and other payables	(89,949)	(75,656)	(14,293)
Debt acquired	(289,882)	(266,301)	(23,581)
Finance leases	(1,369)	–	(1,369)
Deferred tax	(122,279)	(93,926)	(28,353)
Income tax	(1,518)	(1,518)	–
Net assets acquired	**234,469**	**197,199**	**37,270**
Goodwill arising on acquisition	329,950	244,635	85,315
Consideration	**564,419**	**441,834**	**122,585**
Satisfied by:			
Cash consideration	582,973	460,281	122,692
Cash acquired	(18,554)	(18,447)	(107)
Consideration	**564,419**	**441,834**	**122,585**

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

The net cash outflow on acquisitions during the period was disclosed in the Group Cash Flow Statement as follows:

in Euro `000	Total
Cash flows from operating activities	
Transaction costs paid	**4,643**
Cash flows from investing activities	
Cash consideration	**582,973**
Cash acquired	**(18,554)**
	564,419
Cash flows from financing activities	
Debt acquired including finance leases	**291,251**
Total cash spend on acquisitions	**860,313**

For the identification and estimation of the fair value of the acquired intangibles of Great Kitchens and FSB, ARYZTA was assisted by an independent appraisal firm. The identified intangibles include the fair value of contract related intangibles, brands and the customer relationships. To value the contract related intangibles and brands, the relief-from-royalty methodology (income approach method) has been applied. The excess earnings method (income approach method) was the basis for the fair value valuation of customer relationships.

The fair values presented in this note for the acquisitions of Fresh Start Bakeries and Great Kitchens are based on provisional valuations.

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

5 Analysis of net debt

Analysis of net debt in Euro `000	1 August 2009	Cash flow	Arising on business combination	Non cash movements	Translation adjustment	31 July 2010
Cash	294,536	92,130	–	–	7,921	394,587
Overdrafts	(25,392)	(20,766)	–	–	(80)	(46,238)
Cash and cash equivalents	**269,144**	**71,364**	**–**	**–**	**7,841**	**348,349**
Loans	(924,492)	(309,352)	(289,882)	(4,376)	(44,173)	(1,572,275)
Finance leases	(3,908)	1,693	(1,369)	–	(2)	(3,586)
Net debt	**(659,256)**	**(236,295)**	**(291,251)**	**(4,376)**	**(36,334)**	**(1,227,512)**

Split of net debt in Euro `000	1 August 2009	Cash flow	Arising on business combination	Non cash movements	Translation adjustment	31 July 2010
Food Group net debt	(505,504)	(282,148)	(291,251)	(3,572)	(33,148)	(1,115,623)
Origin net debt	(153,752)	45,853	–	(804)	(3,186)	(111,889)
Net debt	**(659,256)**	**(236,295)**	**(291,251)**	**(4,376)**	**(36,334)**	**(1,227,512)**

6 Current litigation

A former Hiestand shareholder has taken legal action against the company asserting, in essence, entitlement under the Hiestand and IAWS merger of August 2008 to a price for its Hiestand shares equal to the price IAWS Group paid Lion Capital for its former Hiestand shares under their contract. While such an action is permitted under Swiss Law (based on Article 105 of the Swiss Merger Act), it does not affect the implementation of the merger. The Group considers the case to be without merit. A complete defence to the claim, based on the law and the facts, is being vigorously pursued.

7 Dividends

At the 2 December 2010 General Meeting, shareholders will be invited to approve a proposed dividend of CHF 0.4802 (Euro equivalent €0.3660) per share to be paid to share holders after the balance sheet date. A dividend of CHF 0.5324 per share was paid during the period (2009: no dividend paid during the period).

8 Post balance sheet events after 31 July 2010

Origin Food business transaction

On 10 September 2010, ARYZTA's 71.4% subsidiary; Origin Enterprises Plc (Origin), concluded a strategic agreement with CapVest Limited facilitating the consolidation of Irish consumer food brands by establishing a new food business venture, Valeo Food Group (Valeo), in which Origin will hold an associate interest of 45%.

As part of this agreement, Origin will transfer its food business which includes the premier Irish food brands, Odlums, Shamrock and Roma into Valeo for net cash proceeds of €26 million and a deferred consideration in the form of loan notes of €35 million. This transfer will conclude the exit by Origin of a direct involvement in its previously reported Food business segment, which contributed revenues of €253 million, operating profits of €13.8 million to the ARYZTA AG 31 July 2010 Group financial statements.

Notes to the Group Financial Statements (continued)
for the year ended 31 July 2010

The disposal of the Origin Food business assets into Valeo is expected to result in a loss on disposal of approximately €8 million and will be shown as a non-recurring item in the financial statements for the year ended 31 July 2011. In addition to acquiring Origin's food business, Valeo has also reached agreement on the same date to acquire Batchelors, a leading manufacturer and retail category partner for a number of Ireland's most iconic ambient food and drink brands including Batchelors, Erin, Squeez and Lustre servicing the canned vegetables, dry sauces & mixes, juices and canned fruit categories in Ireland. The Batchelors transaction will not have a material impact on ARYZTA's share of profit from associates.

Valeo is being financed through a combination of external ring-fenced senior bank debt facilities and equity funding provided by CapVest.

For the year ended 31 July 2011, Origin's 45 per cent interest in Valeo will be treated as an associate undertaking and will be accounted for using the equity method in accordance with IAS 28.

Food Group joint venture acquisition
On 12th August 2010, ARYZTA announced that its subsidiary IAWS Group Limited reached agreement with Tim Hortons Inc. (Tim Hortons), its 50-50 partner under the CillRyan's joint venture, to acquire Tim Hortons 50% share of CillRyan's for consideration of CAD 475 million (€349 million).

CillRyan's principle operating entity Maidstone Bakery Limited (Maidstone), operates in Brantford, Ontario from a purpose built c.400,000 square foot bakery. Currently Maidstone exclusively services the Tim Hortons network under a contractual arrangement which extends to 2016 (or 2017 at Tim Hortons' option) and may be extended beyond this point by mutual agreement. Following this investment, Maidstone will be under ARYZTA's 100% ownership. The carrying value of the investment in Maidstone JV at 31 July 2010 is €68.3 million. Completion of the Maidstone transaction will close at earliest by end of calendar year 2010.

Food Rest of World investment
Separately ARYZTA's US subsidiary, Fresh Start Bakeries, is in the process of completing an investment in three bakeries in Asia (located in Taiwan, Singapore and Malaysia) and will commence the construction of a new bakery in Brazil. These bakeries principally service a leading international quick service restaurant operator, which continues to expand in these regions. The cost of these investments by Fresh Start Bakeries is expected to total in the order of USD 48 million (€36 million).

Food Group financing
It is planned that ARYZTA will issue a Perpetual Callable Subordinated Instrument ('Hybrid instrument') in the near term as the principal financing for these strategic investments.