2015

Interim Report and Accounts

ARYZTA
Passion for good food

Table of Contents
Interim Report 2015

Interim Report 2015
Interim Financial and Business Review

1 Key performance highlights

Food Group
– Revenue increase of 17.2% to €1.86bn.
  - Food Europe increased by 5.4% to €805.1m.
  - Food North America increased by 31.1% to €937.2m.
  - Food Rest of World increased by 8.5% to €115.6m.
– EBITA increase of 15.8% to €224.8m.
  - Food Europe increased by 7.1% to €98.6m.
  - Food North America increased by 25.7% to €113.0m.
  - Food Rest of World increased by 8.1% to €13.2m.
– EBITA increase of 13.0% to €219.4m using constant currency.
– Food Group EBITA margin declined by 20bps to 12.1%.
– Underlying fully diluted net profit increased 6.9% to €138.3m.
– Underlying net profit conversion to cash 117.0% (January 2014: 93.2%).
– Syndicated bank loan Net debt: EBITDA ratio of 2.49x.

Origin
– Revenue increased by 2.7% to €531.6m.
– EBITA increased by 2.4% to €4.1m.
– Contribution from associates and joint ventures decreased by (6.1)% to €6.3m.
– Underlying fully diluted EPS decreased by (2.2)% to 5.80 cent.

Group
– Group revenue increased by 13.6% to €2.39bn.
– Group EBITA increased by 15.5% to €229.0m.
– Group EBITA margin increased by 20bps to 9.6%
– Underlying fully diluted net profit increased by 6.6% to €144.5m.
– Underlying fully diluted EPS increased by 5.9% to 161.4 cent.

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

"Revenue growth of 17.2% to €1.86bn underscores the substantial expansion of our Food Group business over the last six months. Our Customer Centric strategy is working and generating positive demand for our bakeries. Optimising our bakery capacity through SKU rationalisation continues to negatively impact underlying revenue growth in North America, reflecting the timing of replacement volume. However, this process will reduce investment capital requirements and positively impact return on invested capital and net cash generation over the next three years.

Our European performance remains resilient, being well positioned and well invested to benefit from continued strong growth in the In-Store Bakery channel. The restructuring of our flatbread business into a 50/50 JV will reduce European revenues by 6% over the next 12 months. Our immediate focus is to generate sustainable underlying revenue growth, while optimising our production for higher returns and increased free cash flow.

Weak underlying revenue growth, combined with favourable currency translation, suggests underlying fully diluted EPS at the lower end of our 7%-12% guidance."

Interim Financial and Business Review (continued)

2 ARYZTA Group – Income Statement

Six month period ended 31 January 2015

in EUR `000	January 2015	January 2014	% Change
Group revenue	2,389,469	2,102,800	13.6%
EBITA	228,954	198,254	15.5%
EBITA margin	9.6%	9.4%	–
Associates and JVs, net	5,730	6,693	–
EBITA incl. associates and JVs	234,684	204,947	14.5%
Finance cost, net	(44,131)	(26,005)	–
Hybrid instrument accrued dividend	(14,359)	(14,258)	–
Pre-tax profits	176,194	164,684	–
Income tax	(28,199)	(25,193)	–
Non-controlling interests	(3,468)	(3,913)	–
Underlying fully diluted net profit	144,527	135,578	6.6%
Underlying fully diluted EPS (cent)	**161.4c[1]**	**152.4c[1]**	**5.9%**

1 ARYZTA January 2015 weighted average number of ordinary shares used to calculate diluted earnings per share is 89,553,157 (January 2014: 88,951,383).

2 See glossary in section 18 for definitions of financial terms and references used in the financial and business review.

3 ARYZTA Group – Underlying revenue growth

Six month period ended 31 January 2015

in EUR million	Food Europe	Food North America	Food Rest of World	Total Food Group	Origin	ARYZTA Group
Group revenue	805.1	937.2	115.6	1,857.9	531.6	2,389.5
Underlying growth	2.4%	(5.8)%	7.1%	(0.9)%	(5.4)%	(1.5)%
Acquisitions, net	1.7%	29.6%	–	14.1%	3.4%	11.4%
Currency	1.3%	7.3%	1.4%	4.0%	4.7%	3.7%
Revenue Growth	**5.4%**	**31.1%**	**8.5%**	**17.2%**	**2.7%**	**13.6%**

4 ARYZTA Group – Segmental EBITA

Six month period ended 31 January 2015

in EUR `000	January 2015	January 2014	% Change	EBITA Margin 2015	EBITA Margin 2014	% Change
Food Group						
Food Europe	98,635	92,097	7.1%	12.3%	12.1%	20 bps
Food North America	112,974	89,899	25.7%	12.1%	12.6%	(50)bps
Food Rest of World	13,235	12,246	8.1%	11.5%	11.5%	– bps
Total Food Group	224,844	194,242	15.8%	12.1%	12.3%	(20)bps
Origin	4,110	4,012	2.4%	0.8%	0.8%	– bps
Total Group EBITA	**228,954**	**198,254**	**15.5%**	**9.6%**	**9.4%**	**20bps**

Associates & JVs, net			
Food JV	(554)	–	(100.0)%
Origin associates & JV	6,284	6,693	(6.1)%
Total associates & JVs, net	5,730	6,693	(14.4)%
EBITA incl. associates and JVs	**234,684**	**204,947**	**14.5%**

Interim Financial and Business Review (continued)

5 Food Group – Income Statement

Six month period ended 31 January 2015

in EUR `000	January 2015	January 2014	% Change
Group revenue	1,857,870	1,585,194	17.2%
EBITA	224,844	194,242	15.8%
EBITA margin	12.1%	12.3%	–
JV	(554)	–	–
EBITA incl. JV	224,290	194,242	15.5%
Finance cost, net	(41,342)	(23,631)	–
Hybrid instrument accrued dividend	(14,359)	(14,258)	–
Pre-tax profits	168,589	156,353	–
Income tax	(27,890)	(24,824)	–
Non-controlling interests	(2,386)	(2,125)	–
Underlying net profit	138,313	129,404	6.9%

6 Food Group business

ARYZTA's Food Group business is primarily focused on speciality baking, a niche segment of the overall bakery market. Speciality bakery ensures the best value, variety, taste and convenience to consumers at the point of sale. ARYZTA's customer channels consist of a mix of large retail, convenience and independent retail, Quick Serve Restaurants ('QSR') and other foodservice categories.

Food Group revenue grew by 17.2% to €1.86bn, entirely due to acquisitions and currency. Underlying revenue declined in the period by (0.9)%, reflecting the impact of the ongoing capacity optimisation strategy and its associated SKU rationalisation. As communicated during Q1, these efforts are aimed at freeing capacity for larger customers without increasing investment capital. The negative impact from these strategies will continue into the second half, albeit at a decreasing rate. The contribution to revenue growth from acquisitions was strong at 14.1%. The first half also benefited from a favourable currency impact of 4.0%, primarily as a result of the strengthening of the US Dollar.

Food Group EBITA increased by 15.8% to €224.8m, while EBITA margins declined by (20) bps to 12.1%, reflecting the short-term reduced operating leverage as a result of the capacity optimisation efforts in North America.

Food Group 2015 underlying revenue growth during the quarters to date, and the comparative quarters during the prior year, were as follows:

	Q1 2015	Q2 2015	H1 2015
Food Europe	3.1%	1.7%	**2.4%**
Food North America	(3.2)%	(8.4)%	**(5.8)%**
Food Rest of World	6.1%	8.1%	**7.1%**
Total Food Group	**0.5%**	**(2.4)%**	**(0.9)%**

	Q1 2014	Q2 2014	H1 2014	Q3 2014	Q4 2014	FY 2014
Food Europe	0.7%	2.6%	**1.7%**	4.1%	1.2%	**2.1%**
Food North America	1.7%	(2.1)%	**(0.2)%**	2.7%	2.7%	**1.3%**
Food Rest of World	8.9%	2.9%	**5.9%**	7.4%	12.6%	**7.9%**
Total Food Group	**1.8%**	**0.3%**	**1.1%**	**3.7%**	**2.6%**	**2.1%**

Interim Financial and Business Review (continued)

7 Food Europe

Food Europe outperformed in the first half, with revenue growth of 5.4% to €805.1m, of which underlying revenue increased by 2.4%, compared to European GDP growth of 1.3%. European GDP is expected to improve due to the ECB programme of quantitative easing. However, the positive impact of the European monetary policies have yet to substantially translate into improved consumer spending, which benefits out of home food consumption.

Growth in the speciality bakery segment in Europe remains polarized at the premium and value channels and categories, with the middle market remaining under pressure.

ARYZTA Bakeries Europe and ARYZTA Food Solutions are both well positioned to participate in market growth opportunities. European Bakeries outperformed Food Solutions in underlying growth, reflecting the strong growth in the In-Store Bakery ('ISB') segment within the large retail channel.

In addition, acquisitions contributed 1.7% and there was also a favourable currency impact of 1.3%.

Food Europe EBITA increased by 7.1% to €98.6m, while EBITA margins also increased by 20 bps to 12.3%, primarily as a result of improved operating leverage arising from increased volume.

During January 2015, the Group agreed to exchange certain assets within the Food Europe operating segment for a 50% interest in Signature Flatbreads (UK) Ltd. Signature is a pioneering flatbread producer in India and the UK, producing an innovative range of authentic Indian breads, as well as high-quality international flatbreads, tortillas, pizza bases and pittas. The transaction is expected to formally complete during the second half of 2015. This will result in the loss of approximately €100m of annualized revenue, commencing in the second half of the year.

During the period, Food Europe incurred cash non-recurring costs of €9.8m, primarily related to advisory, severance or staff-related costs, either as part of finalising certain ATI programme projects or in connection with the Signature Flatbreads Joint Venture transaction. Food Europe also invested €20.0m in completing the ERP roll-out in certain locations, as well as adding additional functionality to the existing installations. A further €82.6m was invested in a variety of bakery expansion-related capital projects, primarily the expansion of additional In-Store-Bakery capacity within Continental Europe.

Interim Financial and Business Review (continued)

8 Food North America

Food North America first half underlying revenue declined by (5.8%), significantly underperforming compared to the improving North American GDP growth of 2.2%. The improving macroeconomic environment in North America reflects falling unemployment and record new household formations by millennials. This in turn has impacted out-of-home food consumption trends, with strong growth in premium and fresh driving channel and operator switching. According to the USDA, food consumed out of home has risen steadily over the past 45 years and is now at its highest level, approaching 50% of total US household food expenditure.

Food North America revenue increased by 31.1% to €937.2m. While underlying revenue declined by (5.8)%, there was a strong contribution of 29.6% from acquisitions and a favourable currency impact of 7.3%. The decline in underlying revenue reflects the timing impact of the capacity optimisation strategy within North America to free up capacity for higher volume customers. This strategy will continue to impact Food North America underlying revenue development in the second half of the year, albeit at a decreasing rate, as replacement volumes begin to rebuild from the planned customer pipeline. As a result of these efforts, management expects to be able to reduce capital allocations during the current and future years.

North America EBITA increased by 25.7% to €113.0m, while Food North America EBITA margins decreased by (50)bps to 12.1%, reflecting the impact of decreased operating leverage, as post rationalisation lower volumes were left to absorb existing overhead costs during this short-term transitional period.

In North America, cash costs for non-recurring items totalled €8.0m, primarily related to severance and staff-related costs paid in connection with employees whose services were discontinued or costs for other advisory services associated with integrating and aligning the operational processes of recently acquired businesses to those of the existing Food Group network. An additional €10.6m was invested in deploying the ERP system within recently acquired businesses and expanding functionality for existing ERP installations. An additional €57.5m was invested in a variety of bakery expansion-related capital projects, primarily in expanding two customer focused bakeries in the United States. Additional non-cash asset write-downs of €9.0m were also recorded in North America for obsolete distribution assets, due to the reduction in activities related to those assets.

9 Food Rest of World

Food Rest of World revenues increased by 8.5% to €115.6m, with a strong underlying growth contribution of 7.1% and a favourable currency impact of 1.4%. The underlying revenue growth relates primarily to an increase in production volumes, as capacity continues to be optimised within the region.

Food Rest of World EBITA increased by 8.1% to €13.2m as a result of the increased production, while maintaining EBITA margins at 11.5%.

Interim Financial and Business Review (continued)

10 Integration and capital investments

As part of the Pineridge and Cloverhill acquisitions during the prior year, the Food Group announced an estimated €70.0m investment related to integrating the ERP systems and aligning the operational processes of those businesses into the existing Food Group network.

During the period, the Food Group has incurred the following costs related to the integration and rationalisation activities and other capital expenditures:

in EUR `000	Food Group Integration Investments				
Acquisition, disposal and restructuring-related costs	**Cash**		**Total integration**	**Non-cash**	**Total**
Period ended 31 January 2015	20,002	–	**20,002**	18,722	**38,724**
Investment capital expenditure		**Optimisation-related & ERP**	**Total integration**	**Expansion-related**	**Total**
Period ended 31 January 2015	–	30,524	**30,524**	141,571	**172,095**
Total integration investment	**20,002**	**30,524**	**50,526**		
Estimated integration investment			**70,000**		

As part of restructuring the business, as well as optimising manufacturing capacities to address market growth opportunities such as expansion into In-Store-Bakery in Europe and focus on higher margin "on trend" consumer driven volumes in North America, the Food Group has experienced significantly higher capital intensity during recent years.

While management expects 2015 investment capital expenditure in line with the previous estimates of €300m, as a result of the SKU rationalisation efforts in North America and review of the overall production capacities throughout the Food Group, management expects capital investments will reduce going forward. By 2017, management expects that investment capital expenditure will begin to normalize at approximately 3–4% of revenue, in line with depreciation and underlying revenue growth expectations. These reductions in capital allocations will in turn lead to a substantial expansion in cash generated from activities after investment capital expenditure.

11 Financial position

ARYZTA's 68.1% subsidiary and separately listed company, Origin Enterprises plc ('Origin'), has separate funding structures, which are financed without recourse to ARYZTA. Origin's net debt amounted to €161.2m as of 31 January 2015.

In October 2014, the Group repaid the CHF 400m perpetual callable subordinated instrument ('Hybrid Instrument') funded in October 2010, in line with the initial call date associated with that instrument.

In October 2014, the Group issued a CHF 190m Hybrid Instrument with a 3.5% coupon. This Hybrid Instrument is undated, with an initial call date in April 2020. In November 2014, the Group issued a €250m Hybrid Instrument with a 4.5% coupon. This Hybrid Instrument is undated, with an initial call date in March 2019.

Interim Financial and Business Review (continued)

As of 31 January 2015, the Food Group's financing facilities, related capitalised upfront borrowing costs, overdrafts and cash balances outstanding were as follows:

Debt Funding as at January 2015	Principal	Maturity	Outstanding in EUR `000
Feb 2014 – Syndicated Bank Loan	USD 600m	Feb 2019	(528,262)
Feb 2014 – Syndicated Bank Loan	CAD 195m	Feb 2019	(134,706)
Feb 2014 – Syndicated Bank Loan	GBP 100m	Feb 2019	(132,837)
Feb 2014 – US Private Placement	USD 490m / EUR 25m	Feb 2020 – Feb 2024	(456,414)
May 2010 – US Private Placement	USD 350m / EUR 25m	May 2016 – May 2022	(333,153)
Dec 2009 – US Private Placement	USD 200m	Dec 2021 – Dec 2029	(176,087)
Nov 2009 – Swiss Bond	CHF 200m	Mar 2015	(190,132)
Jun 2007 – US Private Placement	USD 300m	Jun 2017 – Jun 2019	(264,131)
Food Group gross term debt			**(2,215,722)**
Food Group upfront borrowing costs			15,535
Food Group term debt, net of upfront borrowing costs			**(2,200,187)**
Food Group finance leases			(275)
Food Group cash and cash equivalents, net of overdrafts			339,163
Food Group net debt			**(1,861,299)**

Hybrid Funding as at January 2015			
Nov 2014 – Perpetual callable subordinated instrument	EUR 250m	No maturity – First call date March 2019	(245,335)
Oct 2014 – Perpetual callable subordinated instrument	CHF 190m	No maturity – First call date April 2020	(155,679)
April 2013 – Perpetual callable subordinated instrument	CHF 400m	No maturity – First call date April 2018	(319,442)
Hybrid funding at historical cost, net of associated costs			**(720,456)**
Hybrid funding fair value adjustment to period-end exchange rates			(90,434)
Hybrid funding			**(810,890)**

As of 31 January 2015, the Food Group interest cover was 8.38x (excluding hybrid interest). The weighted average maturity of the Food Group gross term debt was 4.97 years. The weighted average interest cost of Food Group debt financing facilities (including overdrafts) was 3.83%. ARYZTA intends to maintain an investment grade position in the range of 2x – 3x net debt to EBITDA. The Food Group's key financial ratios were as follows:

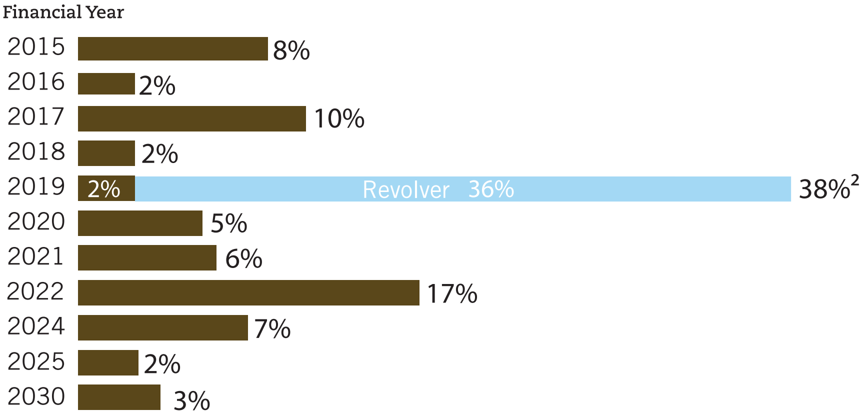
	January 2015
Net Debt: EBITDA[1] (hybrid as equity)	2.77x
Net Debt: EBITDA[1] (hybrid as debt)	3.97x
Net Debt: EBITDA[2] (syndicated bank loan)	2.49x

1 Calculated based on the Food Group EBITDA for the 12 month period, including dividend received from Origin, adjusted for the pro forma full-year contribution of Food Group acquisitions.

2 Calculated based on the terms of the Food Group syndicated bank loan revolving credit facility.

Interim Financial and Business Review (continued)

Food Group Gross Term Debt Maturity Profile (excluding hybrid)[1]



1 The Food Group term debt maturity profile is set out as at 31 January 2015. Food Group gross term debt at 31 January 2015 is €2,215.7m. Food Group net debt at 31 January 2015 is €1,861.3m, which also includes overdrafts and finance leases, and is net of cash and related capitalised upfront borrowing costs.

2 Incorporating the drawn amount on the Revolving Credit Facility of €795.8m as at 31 January 2015, which represents 36% of the Food Group gross term debt.

The principal euro foreign exchange currency rates used by the Group for the preparation of these Interim Financial Statements are as follows:

Currency	Average H1 2015	Average H1 2014	% Change	Closing H1 2015	Closing FY 2014	% Change
CHF	1.1894	1.2314	3.4%	1.0519	1.2169	13.6%
USD	1.2548	1.3510	7.1%	1.1358	1.3430	15.4%
CAD	1.4226	1.4191	(0.2)%	1.4476	1.4611	0.9%
GBP	0.7872	0.8430	6.6%	0.7528	0.7933	5.1%

Interim Financial and Business Review (continued)

Food Group cash generation

in EUR `000	January 2015	January 2014
EBIT	140,420	134,701
Amortisation	84,424	59,541
EBITA	224,844	194,242
Depreciation and ERP amortisation	64,990	46,422
EBITDA	289,834	240,664
Working capital movement	(40,319)	(10,768)
Working capital movement from debtor securitisation	90,699	(1,494)
Maintenance capital expenditure	(46,637)	(22,867)
Dividends received from Origin	17,056	16,388
Hybrid dividend paid[1]	(16,815)	(16,221)
Interest and income tax paid	(54,397)	(41,436)
Other non-cash income	(1,533)	(386)
Cash flow generated from activities	**237,888**	**163,880**
Investment capital expenditure[2]	(172,095)	(122,892)
Cash flows generated from activities after investment capital expenditure	**65,793**	**40,988**
Underlying net profit	**138,313**	**129,404**

Food Group net debt and investment activity

in EUR `000	January 2015	January 2014
Food Group opening net debt as at 1 August	**(1,642,079)**[3]	**(849,228)**
Cash flows generated from activities	237,888	163,880
Hybrid instrument proceeds, net of repayment and issuance costs	69,334	–
Origin tender offer proceeds	–	71,789
Net debt cost of acquisitions	–	(83,712)
Acquisition and restructuring-related cash flows	(39,705)	(33,388)
Investment capital expenditure[2]	(172,095)	(122,892)
Contingent consideration	(3,280)	(777)
Dividends paid	(4,330)	(3,248)
Foreign exchange movement[4]	(305,292)	15,766
Other[5]	(1,740)	1,472
Food Group closing net debt as at 31 January	**(1,861,299)**	**(840,338)**[3]

1 Hybrid dividends paid have been reclassified and included within Cash generated from activities. This reclassification was made to apply consistent treatment between these cash payments and the associated Hybrid instrument accrued dividend, which is included as an expense within the Group and Food Group underlying income statements.

2 Includes expenditure on intangible assets.

3 The movement in the Food Group closing net debt position from 31 January 2014 to 1 August 2014 relates primarily to the funding of €779.1m of acquisitions during that period, including the acquisitions of Pineridge and Cloverhill.

4 Foreign exchange movement for the period ended 31 January 2015 primarily attributable to the fluctuation in the US Dollar to euro rate from July 2014 (1.3430) to January 2015 (1.1358) and in the Swiss Franc to euro rate from July 2014 (1.2169) to January 2015 (1.0519).

5 Other comprises primarily proceeds from disposal of property, plant and equipment, and amortisation of financing costs.

Interim Financial and Business Review (continued)

12 Net assets, goodwill & intangibles

Group Balance Sheet in EUR `000	Total Group January 2015	Total Group July 2014
Property, plant and equipment	1,542,685	1,374,010
Investment properties	32,271	30,716
Goodwill and intangible assets	3,942,771	3,690,597
Deferred tax on acquired intangibles	(259,532)	(255,639)
Associates and joint venture	91,835	54,911
Other financial assets	70,530	42,586
Working capital	(217,024)	(197,394)
Other segmental liabilities	(148,576)	(122,708)
Segmental net assets	5,054,960	4,617,079
Net debt	(2,022,503)	(1,653,991)
Deferred tax, net	(112,177)	(105,799)
Income tax	(59,204)	(60,152)
Derivative financial instruments	(22,991)	(5,680)
Net assets	**2,838,085**	**2,791,457**

Food Group Balance Sheet in EUR `000	Food Group January 2015	Food Group July 2014
Property, plant and equipment	1,448,055	1,283,584
Investment properties	24,696	23,141
Goodwill and intangible assets	3,786,566	3,539,225
Deferred tax on acquired intangibles	(250,244)	(246,717)
Joint venture	31,302	–
Other financial assets	26,852	–
Working capital	(285,635)	(149,277)
Other segmental liabilities	(105,832)	(93,481)
Segmental net assets	4,675,760	4,356,475
Investment in and receivable from Origin	46,526	46,515
Net debt	(1,861,299)	(1,642,079)
Deferred tax, net	(111,721)	(102,102)
Income tax	(41,543)	(41,019)
Derivative financial instruments	(22,244)	(4,465)
Net assets	**2,685,479**	**2,613,325**

Interim Financial and Business Review (continued)

13 Return on invested capital

in EUR million	Food Europe	Food North America	Food Rest of World	Total Food Group	Origin[3]	ARYZTA Group[3]
31 January 2015						
Group share net assets[1]	1,875	2,571	230	4,676	443	5,119
EBITA incl. associates and JVs[1]	239	255	26	520	93	613
ROIC	12.7%[2]	9.9%[2]	11.5%	11.1%	20.9%	12.0%
31 July 2014						
Group share net assets[1]	1,811	2,303	243	4,357	432	4,789
EBITA incl. associates and JVs[1]	237	261	26	524	93	617
ROIC	13.1%	11.3%	10.6%	12.0%	21.5%	12.9%

1 See glossary in section 18 for definitions of financial terms and references used.

2 Re-translating January 2015 pro forma EBITA and JV contribution at closing foreign exchange rates would result in an ROIC of 13.2% for Food Europe and 10.9% for Food North America.

3 Origin net assets adjusted for the put option liability and fluctuation in average working capital by €63.6m (July 2014: €171.8m).

4 The Food Group WACC on a pre-tax basis is currently 7.4% (July 2014: 7.0%).

14 Origin

Origin is a leading agri-services group focused on integrated agronomy and agri-inputs in the UK, Ireland, Poland and Ukraine.

Origin's separately published results, which were released on 12 March 2015, are available at www.originenterprises.com.

15 Outlook

Weak underlying revenue growth, combined with favourable currency translation, suggests underlying fully diluted EPS at the lower end of our 7% – 12% guidance.

16 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 Board considers the risks and uncertainties disclosed on page 58 of the ARYZTA AG 2014 Annual Report and Accounts to continue to reflect the principal risks and uncertainties of the Group over the remaining six months of the financial year.

17 Forward looking statement

This report 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.

Interim Financial and Business Review (continued)

18 Glossary of financial terms and references

'Associates and JVs, net' – presented as profit from associates and JVs, net of taxes and interest, before non-ERP amortisation and the impact of associated non-recurring items.

'EBITA' – presented as earnings before interest, taxation, non-ERP related intangible amortisation; before net acquisition, disposal and restructuring-related costs and related tax credits.

'EBITDA' – presented as earnings before interest, taxation, depreciation and amortisation; before net acquisition, disposal and restructuring-related costs and fair value adjustments and related tax credits.

'ERP' – Enterprise Resource Planning intangible assets include the Food Group SAP and Origin Microsoft Dynamics AX software systems.

'Hybrid instrument' – presented as Perpetual Callable Subordinated Instrument in the Financial Statements.

'Net Assets' – Based on segmental net assets, which excludes all bank debt, cash and cash equivalents and tax balances, with the exception of deferred tax liabilities associated with intangible assets, as those deferred tax liabilities represent a notional non-cash tax impact directly linked to segmental intangible assets recorded as part of a business combination, rather than an actual cash tax obligation.

'Non-controlling interests' – presented after the dilutive impact of related subsidiaries' management incentives.

'Return On Invested Capital' – calculated using a pro-forma trailing twelve months segmental EBITA and Profit from associates and JVs ('TTM EBITA') reflecting the full twelve months contribution from acquisitions and a corresponding deduction for disposals, divided by the respective Net Assets as of the end of the period.

'Underlying earnings' – presented as reported net profit adjusted to include the Hybrid instrument accrued dividend as finance cost; before non-ERP related intangible amortisation; net acquisition, disposal and restructuring-related costs and before any non-controlling interest allocation of those adjustments, net of related income tax impacts.

The Group utilises the Underlying earnings measure to enable comparability of the results from period to period, without the impact of transactions that do not relate to the underlying business. It is also the Group's policy to declare dividends based on underlying fully diluted earnings per share, as this provides a more consistent basis for returning dividends to shareholders.

Bridge to Group Consolidated Income Statement
for the six months ended 31 January 2015

in EUR `000	Food Group January 2015	Origin January 2015	Origin non-controlling interests	Total Group January 2015	Total Group January 2014
Group revenue	**1,857,870**	**531,599**	–	**2,389,469**	2,102,800
EBITA	**224,844**	**4,110**	–	**228,954**	198,254
Associates and JVs, net	**(554)**	**6,284**	–	**5,730**	6,693
EBITA incl. associates and JVs	**224,290**	**10,394**	–	**234,684**	204,947
Finance cost, net	**(41,342)**	**(2,789)**	–	**(44,131)**	(26,005)
Hybrid instrument accrued dividend	**(14,359)**	–	–	**(14,359)**	(14,258)
Pre-tax profits	**168,589**	**7,605**	–	**176,194**	164,684
Income tax	**(27,890)**	**(309)**	–	**(28,199)**	(25,193)
Non-controlling interests	**(2,386)**	–	**(1,082)**	**(3,468)**	(3,913)
Underlying fully diluted net profit	**138,313**	**7,296**	**(1,082)**	**144,527**	135,578
Underlying fully diluted EPS (cent)	–	**5.80c[1]**		**161.4c[2]**	152.4c[2]

Underlying net profit reconciliation

in EUR `000	Food Group January 2015	Origin January 2015	Origin non-controlling interests	Total Group January 2015	Total Group January 2014
Reported net profit[3]	**56,208**	**2,048**	**(653)**	**57,603**	40,582
Intangible amortisation	**84,424**	**3,492**	–	**87,916**	62,400
Tax on amortisation	**(17,919)**	**(561)**	–	**(18,480)**	(14,537)
Share of associate intangible amortisation, net of tax	–	**1,038**	–	**1,038**	–
Hybrid instrument accrued dividend	**(14,359)**	–	–	**(14,359)**	(14,258)
Net acquisition, disposal and restructuring-related costs	**38,724**	**1,354**	–	**40,078**	70,503
Tax on asset write-downs and costs arising on integration	**(8,765)**	**(75)**	–	**(8,840)**	(8,392)
Non-controlling interest portion of acquisition, disposal and restructuring-related costs	–	–	**(407)**	**(407)**	(720)
Underlying net profit	**138,313**	**7,296**	**(1,060)**	**144,549**	135,578
Dilutive impact of Origin management incentives	–	–	**(22)**	**(22)**	–
Underlying fully diluted net profit	**138,313**	**7,296**	**(1,082)**	**144,527**	135,578
Underlying fully diluted EPS (cent)	–	**5.80c[1]**		**161.4c[2]**	152.4c[2]

1 Origin January 2015 underlying fully diluted EPS is calculated using the weighted average number of shares in issue of 125,714,124 (January 2014: 134,296,257).

2 ARYZTA January 2015 weighted average number of ordinary shares used to calculate diluted earnings per share is 89,553,157 (January 2014: 88,951,383).

3 Food Group reported net profit excludes dividend income of €17,056,000 (January 2014: €16,388,000) from Origin.

Group Consolidated Income Statement
for the six months ended 31 January 2015

in EUR `000	Notes	Six months ended 31 January **2015** **Unaudited**	2014 Unaudited
Revenue	3	**2,389,469**	2,102,800
Cost of sales		**(1,753,529)**	(1,580,026)
Distribution expenses		**(214,176)**	(186,379)
Gross profit		**421,764**	336,395
Selling expenses		**(99,579)**	(96,406)
Administration expenses		**(220,607)**	(173,975)
Operating Profit	4	**101,578**	66,014
Share of profit after tax of associates and joint ventures		**4,074**	6,030
Profit before financing income, financing costs and income tax expense	4	**105,652**	72,044
Financing income		**2,200**	3,515
Financing costs		**(46,331)**	(29,520)
Profit before income tax expense		**61,521**	46,039
Income tax expense		**(879)**	(2,264)
Profit for the period		**60,642**	43,775
Attributable as follows:			
Equity shareholders		**57,603**	40,582
Non-controlling interests		**3,039**	3,193
Profit for the period		**60,642**	43,775

Earnings per share for the period	Notes	Six months ended 31 January **2015** **Euro cent**	2014 Euro cent
Basic earnings per share	7	**48.8**	29.9
Diluted earnings per share	7	**48.3**	29.6

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Statement of Comprehensive Income
for the six months ended 31 January 2015

in EUR `000	Notes	Six months ended 31 January 2015 Unaudited	2014 Unaudited
Profit for the period		**60,642**	43,775
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation effects			
– Foreign currency net investments		**361,317**	(82,416)
– Foreign currency borrowings	8	**(321,652)**	14,614
Cash flow hedges			
– Effective portion of changes in fair value of cash flow hedges		**(21,088)**	(1,732)
– Fair value of cash flow hedges transferred to income statement		**3,100**	(2,584)
– Deferred tax effect of cash flow hedges		**1,428**	585
– Share of joint ventures and associates gain/(loss) on cash flow hedges, net of deferred tax		**2,967**	(122)
Total of items that may be reclassified subsequently to profit or loss		**26,072**	(71,655)
Items that may not be reclassified to profit or loss:			
Defined benefit plans			
– Actuarial (loss)/gain on Group defined benefit pension plans	9	**(24,713)**	4,888
– Deferred tax effect of actuarial loss/(gain)		**4,755**	(748)
– Share of associates' actuarial (loss)/gain on defined benefit plans, net of deferred tax		**(353)**	2,153
Total of items that may not be reclassified to profit or loss		**(20,311)**	6,293
Total other comprehensive income/(loss)		**5,761**	(65,362)
Total comprehensive income/(loss) for the period		**66,403**	(21,587)
Attributable as follows:			
Equity shareholders of the Company		**61,983**	(27,607)
Non-controlling interests		**4,420**	6,020
Total comprehensive income/(loss) for the period		**66,403**	(21,587)

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Balance Sheet
as at 31 January 2015

in EUR `000	Notes	31 January 2015 Unaudited	31 July 2014 Audited
Assets			
Non-current assets			
Property, plant and equipment		**1,542,685**	1,374,010
Investment properties		**32,271**	30,716
Goodwill and intangible assets		**3,942,771**	3,690,597
Investments in associates and joint ventures		**91,835**	54,911
Other receivables		**70,530**	42,586
Deferred income tax assets		**88,769**	72,748
Derivative financial instruments		**–**	342
Total non-current assets		**5,768,861**	5,265,910
Current assets			
Inventory		**454,596**	362,469
Trade and other receivables		**396,722**	614,326
Derivative financial instruments		**3,363**	1,077
Cash and cash equivalents	8	**872,579**	694,838
Total current assets		**1,727,260**	1,672,710
Total assets		**7,496,121**	6,938,620

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Balance Sheet
as at 31 January 2015 (continued)

in EUR `000	Notes	31 January 2015 Unaudited	31 July 2014 Audited
Equity			
Called up share capital		**1,172**	1,172
Share premium		**773,735**	773,735
Retained earnings and other reserves		**1,983,447**	1,928,798
Total equity attributable to equity shareholders		**2,758,354**	2,703,705
Non-controlling interests		**79,731**	87,752
Total equity		**2,838,085**	2,791,457
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	8	**2,253,941**	1,898,435
Employee benefits	9	**38,145**	12,451
Deferred income from government grants		**19,641**	21,261
Other payables		**78,737**	73,742
Deferred income tax liabilities		**460,478**	434,186
Derivative financial instruments		**8,856**	3,445
Contingent consideration		**3,300**	7,100
Total non-current liabilities		**2,863,098**	2,450,620
Current liabilities			
Interest-bearing loans and borrowings	8	**641,141**	450,394
Trade and other payables		**1,068,342**	1,174,189
Income tax payable		**59,204**	60,152
Derivative financial instruments		**17,498**	3,654
Contingent consideration		**8,753**	8,154
Total current liabilities		**1,794,938**	1,696,543
Total liabilities		**4,658,036**	4,147,163
Total equity and liabilities		**7,496,121**	6,938,620

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Statement of Changes in Equity
for the six months ended 31 January 2015

for the six months ended 31 January 2015 in EUR `000	Share capital	Share premium	Treasury shares	Other equity reserve	Cash flow hedge reserve	Revaluation reserve	Share-based payment reserve	Foreign currency translation reserve	Retained earnings	Total shareholders equity	Non controlling interests	Total
At 1 August 2014	**1,172**	**773,735**	**(55)**	**604,446**	**(3,616)**	**13,322**	**19,454**	**(29,045)**	**1,324,292**	**2,703,705**	**87,752**	**2,791,457**
Profit for the period	–	–	–	–	–	–	–	–	57,603	57,603	3,039	60,642
Other comprehensive (loss)/ income	–	–	–	–	(14,661)	–	–	35,326	(16,285)	4,380	1,381	5,761
Total comprehensive (loss)/income	**–**	**–**	**–**	**–**	**(14,661)**	**–**	**–**	**35,326**	**41,318**	**61,983**	**4,420**	**66,403**
Issue of perpetual callable subordinated instruments (note 10)	–	–	–	401,014	–	–	–	–	–	401,014	–	401,014
Redemption of perpetual callable subordinated instrument (note 10)	–	–	–	(285,004)	–	–	–	–	(46,676)	(331,680)	–	(331,680)
Release of treasury shares due to exercise of LTIP	–	–	7	–	–	–	–	–	–	7	–	7
Share-based payments	–	–	–	–	–	–	2,777	–	–	2,777	–	2,777
Transfer of share-based payment reserve to retained earnings	–	–	–	–	–	–	(19,919)	–	19,919	–	–	–
Equity dividends	–	–	–	–	–	–	–	–	(65,034)	(65,034)	–	(65,034)
Dividends to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(12,307)	(12,307)
Dividend accrued on perpetual callable subordinated instrument (note 10)	–	–	–	–	–	–	–	–	(14,359)	(14,359)	–	(14,359)
Total contributions by and distributions to owners of the company	**–**	**–**	**7**	**116,010**	**–**	**–**	**(17,142)**	**–**	**(106,150)**	**(7,275)**	**(12,307)**	**(19,582)**
Non-controlling interests acquired	–	–	–	–	–	–	–	–	(59)	(59)	(134)	(193)
Total transactions with owners of the company recognised directly in equity	**–**	**–**	**7**	**116,010**	**–**	**–**	**(17,142)**	**–**	**(106,209)**	**(7,334)**	**(12,441)**	**(19,775)**
At 31 January 2015	**1,172**	**773,735**	**(48)**	**720,456**	**(18,277)**	**13,322**	**2,312**	**6,281**	**1,259,401**	**2,758,354**	**79,731**	**2,838,085**

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Statement of Changes in Equity (continued)
for the six months ended 31 January 2015

for the six months ended 31 January 2014 in EUR `000	Share capital	Share premium	Treasury shares	Other equity reserve	Cash flow hedge reserve	Revaluation reserve	Share-based payment reserve	Foreign currency translation reserve	Retained earnings	Total share-holders equity	Non controlling interests	Total
At 1 August 2013	**1,172**	**773,735**	**(56)**	**604,446**	**(106)**	**13,380**	**8,862**	**(7,726)**	**1,269,312**	**2,663,019**	**97,610**	**2,760,629**
Profit for the period	–	–	–	–	–	–	–	–	40,582	40,582	3,193	43,775
Other comprehensive (loss)/income	–	–	–	–	(3,644)	–	–	(69,509)	4,964	(68,189)	2,827	(65,362)
Total comprehensive (loss)/income	**–**	**–**	**–**	**–**	**(3,644)**	**–**	**–**	**(69,509)**	**45,546**	**(27,607)**	**6,020**	**(21,587)**
Release of treasury shares due to exercise of LTIP	–	–	1	–	–	–	–	–	–	1	–	1
Share-based payments	–	–	–	–	–	–	3,390	–	–	3,390	–	3,390
Equity dividends	–	–	–	–	–	–	–	–	(47,898)	(47,898)	–	(47,898)
Dividends to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(10,751)	(10,751)
Dividend accrued on perpetual callable subordinated instrument	–	–	–	–	–	–	–	–	(14,258)	(14,258)	–	(14,258)
Total contributions by and distributions to owners	**–**	**–**	**1**	**–**	**–**	**–**	**3,390**	**–**	**(62,156)**	**(58,765)**	**(10,751)**	**(69,516)**
Origin tender offer share buyback and dilution	–	–	–	–	13	(58)	(5)	100	(1,772)	(1,722)	(26,526)	(28,248)
Total transactions with owners recognised directly in equity	**–**	**–**	**1**	**–**	**13**	**(58)**	**3,385**	**100**	**(63,928)**	**(60,487)**	**(37,277)**	**(97,764)**
At 31 January 2014	**1,172**	**773,735**	**(55)**	**604,446**	**(3,737)**	**13,322**	**12,247**	**(77,135)**	**1,250,930**	**2,574,925**	**66,353**	**2,641,278**

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Cash Flow Statement
for the six months ended 31 January 2015

in EUR `000	Notes	Six months ended 31 January 2015 Unaudited	 2014 Unaudited
Cash flows from operating activities			
Profit for the period		**60,642**	43,775
Income tax expense		**879**	2,264
Financing income		**(2,200)**	(3,515)
Financing costs		**46,331**	29,520
Share of profit after tax of associates and joint ventures		**(4,074)**	(6,030)
Net loss on disposals and asset write downs	4	**18,722**	49,918
Other restructuring-related payments in excess of current-period costs		**(20,656)**	(15,342)
Depreciation of property, plant and equipment		**59,647**	46,216
Amortisation of intangible assets		**97,573**	66,382
Recognition of deferred income from government grants		**(1,643)**	(1,794)
Share-based payments	5	**2,524**	3,390
Other		**(3,924)**	(1,980)
Cash flows from operating activities before changes in working capital		**253,821**	212,804
Increase in inventory		**(78,264)**	(57,377)
Decrease in trade and other receivables		**225,645**	144,947
Decrease in trade and other payables		**(212,481)**	(189,233)
Cash generated from operating activities		**188,721**	111,141
Interest paid, net		**(41,645)**	(28,433)
Income tax paid		**(18,271)**	(17,751)
Net cash flows from operating activities		**128,805**	64,957

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Group Consolidated Cash Flow Statement
(continued)
for the six months ended 31 January 2015

in EUR `000	Notes	Six months ended 31 January 2015 Unaudited	2014 Unaudited
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**303**	2,638
Purchase of property, plant and equipment			
– maintenance capital expenditure		**(51,604)**	(28,998)
– investment capital expenditure		**(134,574)**	(80,233)
Purchase of intangible assets		**(37,776)**	(43,450)
Grants received		**–**	63
Acquisitions of subsidiaries and businesses, net of cash acquired	11	**–**	(90,971)
Proceeds from disposal of Origin joint venture		**475**	94,002
Dividends received		**2,651**	1,703
Contingent consideration paid		**(3,280)**	(777)
Net cash flows from investing activities		**(223,805)**	(146,023)
Cash flows from financing activities			
Issue of perpetual callable subordinated instruments	10	**401,014**	–
Repayment of perpetual callable subordinated instrument	10	**(331,680)**	–
Gross drawdown of loan capital	8	**87,561**	138,768
Gross repayment of loan capital	8	**(59,610)**	–
Capital element of finance lease liabilities	8	**(81)**	(600)
Dividend paid on perpetual callable subordinated instrument		**(16,815)**	(16,221)
Acquisition of non-controlling interest		**(193)**	–
Origin tender offer paid to non-controlling interests and related costs		**–**	(28,432)
Dividends paid to non-controlling interests		**(12,307)**	(10,751)
Net cash flows from financing activities		**67,889**	82,764
Net increase in cash and cash equivalents	8	**(27,111)**	1,698
Translation adjustment	8	**10,129**	(1,776)
Net cash and cash equivalents at start of period	8	**438,807**	392,476
Net cash and cash equivalents at end of period	8	**421,825**	392,398

The notes on pages 23 to 41 are an integral part of these Group consolidated financial statements.

Notes to the Group Condensed Interim Financial Statements
for the six months ended 31 January 2015

1 Basis of preparation

The Group Condensed Consolidated Interim Financial Statements (hereafter the 'Interim Financial Statements') have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ('IAS 34').

These Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's most recent Annual Financial Statements in respect of the year ended 31 July 2014, which have been prepared in accordance with International Financial Reporting Standards ('IFRS').

These Interim Financial Statements for the six months ended 31 January 2015 and the comparative figures for the six months ended 31 January 2014 are unaudited and have not been reviewed by the auditors. The extracts from the Group's Annual Financial Statements for the year ended 31 July 2014 represent an abbreviated version of the Group's full accounts for that year, on which the auditors issued an unqualified audit report.

Certain amounts in the 31 January 2014 and 31 July 2014 comparative financial statement figures and related notes have been reclassified to conform to the 31 January 2015 presentation. The reclassifications were made for presentation purposes to better align the Group's financial statement presentation to a more commonly used approach and have no effect on total revenues, expenses, profit for the period, total assets, total liabilities, total equity or cash flow classifications as previously reported.

Income tax expense is recognised based upon the best estimate of the average annual income tax rate expected for the full year.

The principal euro foreign exchange currency rates used by the Group for the preparation of these Interim Financial Statements are as follows:

Currency	Average H1 2015	Average H1 2014	% Change	Closing H1 2015	Closing FY 2014	% Change
CHF	1.1894	1.2314	3.4%	1.0519	1.2169	13.6%
USD	1.2548	1.3510	7.1%	1.1358	1.3430	15.4%
CAD	1.4226	1.4191	(0.2)%	1.4476	1.4611	0.9%
GBP	0.7872	0.8430	6.6%	0.7528	0.7933	5.1%

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

2 Accounting policies

Except as described below, the Interim Financial Statements have been prepared on the basis of the accounting policies, significant judgements, key assumptions and estimates, as set out on pages 75 to 88 of the ARYZTA AG 2014 Annual Report and Accounts.

The IFRS applied by the Group in preparation of these financial statements are those that were effective for accounting periods beginning on or before 1 August 2014. The following standards and interpretations, issued by the International Accounting Standards Board ('IASB') and the IFRS Interpretations Committee, are effective for the first time in the current financial year and have been adopted by the Group:

- Amendment to IAS 32 – Offsetting financial assets and financial liabilities
- Amendment to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 – Levies
- Improvements to IFRSs (2010-2014)

While the above standards and interpretations adopted by the Group modify certain presentation and disclosure requirements, these requirements are not significantly different than information presented as part of the 31 July 2014 year-end financial statements and have no material impact on the consolidated results or financial position of the Group.

The Group has not applied early adoption of any standards which are not yet effective.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

3 Analysis by business segment

I) Segment revenue and result

in EUR `000	Food Europe Six months ended 31 January 2015	2014	Food North America Six months ended 31 January 2015	2014	Food Rest of World Six months ended 31 January 2015	2014	Total Food Group Six months ended 31 January 2015	2014	Origin Six months ended 31 January 2015	2014	Total Group Six months ended 31 January 2015	2014
Segment revenue[1]	**805,143**	764,001	**937,171**	714,683	**115,556**	106,510	**1,857,870**	1,585,194	**531,599**	517,606	**2,389,469**	2,102,800
Operating profit/(loss)	**34,061**	28,608	**59,869**	32,389	**7,766**	5,610	**101,696**	66,607	**(118)**	(593)	**101,578**	66,014
Share of profit/(loss) after tax of associates and joint ventures	**(554)**	–	**–**	–	**–**	–	**(554)**	–	**4,628**	6,030	**4,074**	6,030
Profit before financing income, financing cost and income tax expense	**33,507**	28,608	**59,869**	32,389	**7,766**	5,610	**101,142**	66,607	**4,510**	5,437	**105,652**	72,044
Financing income[2]							**689**	2,166	**1,511**	1,349	**2,200**	3,515
Financing costs[2]							**(42,031)**	(25,797)	**(4,300)**	(3,723)	**(46,331)**	(29,520)
Profit before income tax expense as reported in Group Consolidated Income Statement							**59,800**	42,976	**1,721**	3,063	**61,521**	46,039

1 There were no significant intercompany revenues between business segments.

2 Financing income/(costs) and income tax expense are managed on a centralised basis for the Food Group and separately for Origin. Therefore these items are not allocated between business segments for the purposes of presenting information to the Chief Operating Decision Maker.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

II) Segment assets	Food Europe		Food North America		Food Rest of World		Total Food Group		Origin		Total Group	
in EUR `000	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014
Segment assets excluding investments in associates and joint ventures	**2,347,525**	2,315,520	**3,096,590**	2,770,263	**306,365**	310,814	**5,750,480**	5,396,597	**618,565**	675,521	**6,369,045**	6,072,118
Investments in associates and joint ventures and related financial assets	**58,154**	–	**–**	–	**–**	–	**58,154**	–	**104,211**	97,497	**162,365**	97,497
Segment assets	**2,405,679**	2,315,520	**3,096,590**	2,770,263	**306,365**	310,814	**5,808,634**	5,396,597	**722,776**	773,018	**6,531,410**	6,169,615
Reconciliation to total assets as reported in the Group Consolidated Balance Sheet												
Derivative financial instruments							**698**	847	**2,665**	572	**3,363**	1,419
Cash and cash equivalents							**786,230**	555,262	**86,349**	139,576	**872,579**	694,838
Deferred income tax assets							**83,951**	68,938	**4,818**	3,810	**88,769**	72,748
Total assets as reported in Group Consolidated Balance Sheet							**6,679,513**	6,021,644	**816,608**	916,976	**7,496,121**	6,938,620

III) Segment liabilities	Food Europe		Food North America		Food Rest of World		Total Food Group		Origin		Total Group	
in EUR `000	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014	**as at 31 Jan 2015**	as at 31 Jul 2014
Segment liabilities	**530,658**	504,389	**525,354**	467,559	**76,862**	68,174	**1,132,874**	1,040,122	**343,576**	512,414	**1,476,450**	1,552,536
Reconciliation to total liabilities as reported in the Group Consolidated Balance Sheet												
Interest-bearing loans and borrowings							**2,647,529**	2,197,341	**247,553**	151,488	**2,895,082**	2,348,829
Derivative financial instruments							**22,942**	5,312	**3,412**	1,787	**26,354**	7,099
Current and non-intangible deferred income tax liabilities							**237,215**	212,059	**22,935**	26,640	**260,150**	238,699
Total liabilities as reported in Group Consolidated Balance Sheet							**4,040,560**	3,454,834	**617,476**	692,329	**4,658,036**	4,147,163

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

4 Net acquisition, disposal and restructuring-related costs

In accordance with IAS 1, the Group Consolidated Income Statement is presented by function. As outlined below, management has identified certain acquisition, disposal and restructuring-related costs within each functional area that do not relate to the underlying business of the Group. Due to the relative size or nature of these items, they have been presented as a separate component of operating profit in the table below, along with related income tax impacts, and have been excluded from the calculation of underlying fully diluted net profit (note 7), to enable comparability of the Group's underlying results from period to period.

in EUR `000	IFRS Income Statement 2015	Net acquisition, disposal, restructuring-related costs 2015	Intangible amortisation 2015	Financial Business Review 2015	IFRS Income Statement 2014	Net acquisition, disposal, restructuring-related costs 2014	Intangible amortisation 2014	Financial Business Review 2014
Revenue	**2,389,469**	–	–	**2,389,469**	**2,102,800**	–	–	**2,102,800**
Cost of sales	**(1,753,529)**	14,565	–	**(1,738,964)**	**(1,580,026)**	47,835	–	**(1,532,191)**
Distribution expenses	**(214,176)**	3,226	–	**(210,950)**	**(186,379)**	3,964	–	**(182,415)**
Gross profit	**421,764**	17,791	–	**439,555**	**336,395**	51,799	–	**388,194**
Selling expenses	**(99,579)**	129	–	**(99,450)**	**(96,406)**	1,240	–	**(95,166)**
Administration expenses	**(220,607)**	21,540	87,916	**(111,151)**	**(173,975)**	16,801	62,400	**(94,774)**
Operating profit	**101,578**	39,460	87,916	**228,954**	**66,014**	69,840	62,400	**198,254**
Share of profit after tax of associates and joint ventures	**4,074**	618	1,038	**5,730**	**6,030**	663	–	**6,693**
Profit before financing income, financing costs and income tax expense	**105,652**	40,078	88,954	**234,684**	**72,044**	70,503	62,400	**204,947**

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

in EUR `000	Notes	Food Europe Six months ended 31 January 2015	Food Europe 2014	Food North America Six months ended 31 January 2015	Food North America 2014	Food Rest of World Six months ended 31 January 2015	Food Rest of World 2014	Total Food Group Six months ended 31 January 2015	Total Food Group 2014	Origin Six months ended 31 January 2015	Origin 2014	Total Group Six months ended 31 January 2015	Total Group 2014
Asset disposal and write-down on contribution to JV	4.1	**(9,740)**	–	**–**	–	**–**	–	**(9,740)**	–	**–**	–	**(9,740)**	–
Acquisition and disposal-related costs	4.2	**(1,942)**	(682)	**(155)**	(1,498)	**–**	–	**(2,097)**	(2,180)	**–**	(912)	**(2,097)**	(3,092)
Restructuring-related costs	4.3												
Asset write-downs and disposals		**–**	(19,207)	**(8,982)**	(28,829)	**–**	(1,882)	**(8,982)**	(49,918)	**–**	–	**(8,982)**	(49,918)
Severance and other staff-related costs		**(3,768)**	(5,101)	**(2,924)**	(2,083)	**(18)**	–	**(6,710)**	(7,184)	**(601)**	(834)	**(7,311)**	(8,018)
Advisory and other costs		**(4,045)**	(6,194)	**(4,892)**	(2,618)	**(2,258)**	–	**(11,195)**	(8,812)	**(753)**	(663)	**(11,948)**	(9,475)
Total restructuring-related costs		**(7,813)**	(30,502)	**(16,798)**	(33,530)	**(2,276)**	(1,882)	**(26,887)**	(65,914)	**(1,354)**	(1,497)	**(28,241)**	(67,411)
Total acquisition, disposal and restructuring-related costs		**(19,495)**	(31,184)	**(16,953)**	(35,028)	**(2,276)**	(1,882)	**(38,724)**	(68,094)	**(1,354)**	(2,409)	**(40,078)**	(70,503)

4.1 Asset disposal and write-down on contribution to Joint Venture

During January 2015, the Group agreed to exchange certain assets within the Food Europe operating segment, which historically generated approximately €100,000,000 in annual revenues, for a 50% interest in Signature Flatbreads (UK) Ltd.

As the €56,256,000 total estimated fair value of the Group's 50% interest and the associated Vendor Loan Note receivable from the Joint Venture were less than the €66,099,000 carrying value of the associated net assets, an estimated loss on asset disposal and write-downs on contribution to joint venture in the amount of €9,740,000 has been reflected in the financial statements during the period ended 31 January 2015, net of associated foreign exchange gains of €103,000.

The transaction is expected to formally complete during the second half of 2015.

4.2 Acquisition and disposal-related costs

During the period ended 31 January 2015 the Group incurred acquisition and disposal-related costs of €2,097,000 (2014: €3,092,000). These costs include due diligence and other professional service fees primarily related to the joint venture transaction with Signature Flatbreads (UK) Ltd.

Notes to the Group Condensed Interim Financial Statements (continued) for the six months ended 31 January 2015

4.3 Restructuring-related costs

During the period, progress has continued on integrating Food Group acquisitions made during the prior year to align the operational processes of those businesses to the existing Food Group network. Origin has also continued to progress on its own separate business transformation programme. As a result of these programmes the Group has recognised costs, including providing for amounts as required by IAS 37, Provisions, Contingent Liabilities and Contingent Assets, in the Group Consolidated Income Statement as follows:

Asset write-downs

The Group incurred €8,982,000 (2014: €49,918,000) of asset write-downs during the period. These amounts relate to the write-down of certain distribution, manufacturing and administration assets, due to those assets becoming obsolete as a result of the Food Group integration and transformation.

Severance and other staff-related costs

The Group has incurred and provided for €7,311,000 (2014: €8,018,000) in severance and other staff-related costs during the period in relation to employees whose service was discontinued following certain rationalisation decisions throughout the Group.

Advisory and other costs

During the period, the Group incurred €11,948,000 (2014: €9,475,000) in other costs related directly to the implementation of its integration and rationalisation programs. These costs are comprised principally of incremental integration and restructuring-related advisory costs directly associated with aligning the operational processes of recently acquired businesses to those of the existing Food Group network.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

5 Share Based Payments
The Group has outstanding grants of equity-based incentives under the following LTIP plans:

- ARYZTA Matching Plan LTIP
- ARYZTA Option Equivalent Plan LTIP
- Origin Enterprises Matching Plan LTIP

The total cost reported in the Group consolidated financial statements in the current period in relation to equity settled share-based payments is €2,777,000 (2014: €3,390,000), of which €2,524,000 (2014: €3,390,000) was reported in the Group Consolidated Income Statement.

Analysis of movements within the LTIP plans during the period are as follows:

5.1 ARYZTA Matching Plan LTIP

Matching Plan awards	Weighted conversion price 2015 in CHF	Number of equity entitlements 2015
Outstanding at beginning of the period	**0.02**	**723,000**
Exercised during the period	**0.02**	**(327,052)**
Forfeited during the period	**0.02**	**(395,948)**
Outstanding at the end of the period	–	–
Vested at end of the period	–	–

The performance conditions associated with 327,052 Matching Plan awards (173,359 of which were held by Executive Management) were fulfilled during the year ended 31 July 2014 and these awards were exercised during the period ended 31 January 2015. As the performance criteria for the remaining awards outstanding under the Matching Plan were not met, they were forfeited, as they are no longer capable of vesting.

No new equity entitlements were awarded under the Matching Plan during the period ended 31 January 2015.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

5.2 ARYZTA Option Equivalent Plan LTIP

Option Equivalent Plan awards	Weighted conversion price 2015 in CHF	Number of equity entitlements 2015
Outstanding at beginning of the period	**39.59**	**2,095,500**
Issued during the period	**81.00**	**980,000**
Exercised during the period	**40.57**	**(501,000)**
Outstanding at the end of the period	**55.21**	**2,574,500**
Vested at end of the period	**39.36**	**1,594,500**

Option Equivalent Plan awards outstanding by conversion price	Conversion price in CHF	Number of equity entitlements	Actual remaining life (years)
Issued during financial year 2010	37.23	**550,000**	**4.6**
Issued during financial year 2012	39.95	**962,500**	**6.7**
Issued during financial year 2013	46.70	**82,000**	**7.8**
Issued during financial year 2015	81.00	**980,000**	**9.7**
As of 31 January 2015	55.21	**2,574,500**	**7.4**

Plan description

The equity instruments granted under the ARYZTA Option Equivalent Plan LTIP are equity-settled share-based payments as defined in IFRS 2, Share-based Payment. The Group has no legal or constructive obligation to repurchase or settle the Option Equivalent awards in cash.

Vesting of the awards under the Option Equivalent Plan is conditional on compound annual growth in underlying fully diluted EPS (including the associated cost of any awards expected to vest) in three consecutive accounting periods exceeding the compound growth in the Euro-zone Core Consumer Price Index, plus 5%, on an annualised basis.

Awards under the Option Equivalent Plan are subject to additional conditions, including notably:

(a) the requirement to remain in service throughout the performance period;
(b) the requirement that the ARYZTA Food Group's reported ROIC over the expected performance period is not less than its weighted average cost of capital; and
(c) the requirement that annual dividends to shareholders are at least 15% of the underlying EPS during the performance period.

The Option Equivalent Plan awards granted in the periods before financial year 2015 can be exercised as of the time the performance conditions described above have been met, but no longer than ten years after grant date. Awards granted during financial year 2015, which meet the conditions for vesting after the three year performance period, are subject to additional conditions, including notably an additional two year holding period before they can be exercised.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

The Group's compound annual growth in underlying fully diluted EPS for the three consecutive accounting periods ended 31 July 2014 was 10.8%, which exceeded the growth in the Eurozone Core Consumer Price Index over the same period of 1.2%, plus 5%. Accordingly, the performance conditions associated with the Option Equivalent Plan awards outstanding as of 31 July 2014 were met. As a result, 1,445,500 Option Equivalent Plan awards (970,000 of which were held by Executive Management) vested during September 2014. Of these, 1,044,500 remain outstanding as at 31 January 2015.

550,000 additional Option Equivalent Plan awards, held by Executive Management, remain outstanding as of 31 January 2015 and were already fully vested and eligible to be exercised as of the beginning of the period.

During the period ended 31 January 2015, 501,000 vested Option Equivalent awards were exercised, in exchange for 256,703 shares. The weighted average share price at the time of these exercises was CHF 80.00 per share. The shares issued as part of these exercises were issued out of shares previously held in treasury.

The weighted average fair value assigned to share option equivalents granted under the ARYZTA Option Equivalent Plan LTIP during the period ended 31 January 2015 was CHF 11.93, which was determined using the Black-Scholes valuation model. The significant inputs into the model were the price of the shares as at the grant date, an expected option life of 5.5 years, expected share price volatility of 20.30%, the exercise price of CHF 81.00 or €67.11, the expected dividend yield of 1.5%, and the risk-free rate of 0.16%.

The weighted average exercise price of all Option Equivalent Plan awards that remain outstanding and for which the vesting conditions have been met is CHF 39.36.

5.3 Origin Enterprises Matching Plan LTIP
No significant activity occurred within the Origin Enterprises Matching Plan LTIP during the period.

6 Dividends
The proposed dividend covering the 12 month period ended 31 July 2014 of CHF 0.7646 (31 July 2013: CHF 0.6652) per registered share was approved at the annual general meeting held on 2 December 2014. The total resulting dividend of €65,034,000 (2014: €47,898,000) was paid in February 2015 to those shareholders holding shares in ARYZTA AG on 29 January 2015.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

7 Earnings per share

	Six months ended 31 January 2015	2014
Basic earnings per share	in EUR `000	in EUR `000
Profit attributable to equity shareholders	**57,603**	40,582
Perpetual callable subordinated instrument accrued dividend	**(14,359)**	(14,258)
Profit used to determine basic earnings per share	**43,244**	26,324
Weighted average number of ordinary shares	'000	'000
Ordinary shares outstanding at 1 August[1]	**88,175**	88,120
Effect of vesting and exercise of equity instruments during the period[2]	**380**	14
Weighted average number of ordinary shares used to determine basic earnings per share	**88,555**	88,134
Basic earnings per share	**48.8 cent**	29.9 cent

	2015	2014
Diluted earnings per share	in EUR `000	in EUR `000
Profit used to determine basic earnings per share	**43,244**	26,324
Effect on non-controlling interests share of reported profits, due to dilutive impact of Origin management equity entitlements[3]	**(6)**	–
Profit used to determine diluted earnings per share	**43,238**	26,324
Weighted average number of ordinary shares (diluted)	'000	'000
Weighted average number of ordinary shares used to determine basic earnings per share	**88,555**	88,134
Effect of equity-based incentives with a dilutive impact[2]	**998**	817
Weighted average number of ordinary shares used to determine diluted earnings per share	**89,553**	88,951
Diluted earnings per share	**48.3 cent**	29.6 cent

1 Issued share capital excludes treasury shares.

2 The change in the equity instruments with a dilutive impact is due to continued vesting of management share-based incentives, offset by the impact of incentives exercised during the year, which are now included in the weighted average number of ordinary shares used to determine basic earnings per share.

3 Reflects the dilutive impact of equity entitlements granted to Origin senior management under the Origin 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 Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

In addition to the basic and diluted earnings per share measures required by IAS 33, Earnings per Share, as calculated above, the Group also presents an underlying fully diluted earnings per share measure, in accordance with IAS 33 paragraph 73. This additional measure enables comparability of the Group's underlying results from period to period, without the impact of transactions that do not relate to the underlying business. It is also the Group's policy to declare dividends based on underlying fully diluted earnings per share, as this provides a more consistent basis for returning dividends to shareholders.

As shown below, for purposes of calculating this measure, the Group adjusts reported net profit by the following items and their related tax impacts:
- includes the perpetual callable subordinated instrument accrued dividend as a finance cost, as already included in the calculation of basic and diluted earnings per share;
- excludes intangible amortisation, except ERP intangible amortisation;
- excludes net acquisition, disposal and restructuring-related costs; and
- adjusts for the impact of dilutive instruments on non-controlling interests share of adjusted profits.

	Six months ended 31 January	
	2015	2014
Underlying fully diluted earnings per share	in EUR `000	in EUR `000
Profit used to determine basic earnings per share	**43,244**	26,324
Amortisation of non-ERP intangible assets	**87,916**	62,400
Tax on amortisation of non-ERP intangible assets	**(18,480)**	(14,537)
Share of associate intangible amortisation, net of tax	**1,038**	–
Net acquisition, disposal and restructuring-related costs (note 4)	**40,078**	70,503
Tax on net acquisition, disposal and restructuring-related costs	**(8,840)**	(8,392)
Non-controlling interest portion of acquisition, disposal and restructuring-related costs	**(407)**	(720)
Effect on non-controlling interests share of adjusted profits due to dilutive impact of Origin management equity entitlements	**(22)**	-
Underlying fully diluted net profit	**144,527**	135,578
Weighted average number of ordinary shares used to determine basic earnings per share	**88,555**	88,134
Underlying basic earnings per share	**163.2 cent**	153.8 cent
Weighted average number of ordinary shares used to determine diluted earnings per share	**89,553**	88,951
Underlying fully diluted earnings per share	**161.4 cent**	152.4 cent

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

8 Analysis of net debt

Analysis of net debt in EUR `000	**1 August 2014**	**Cash flows**	**Non-cash movements**	**Translation adjustment**	**31 January 2015**
Cash	694,838	145,293	–	32,448	872,579
Overdrafts	(256,031)	(172,404)	–	(22,319)	(450,754)
Cash and cash equivalents	**438,807**	**(27,111)**	**–**	**10,129**	**421,825**
Loans	(2,092,264)	(27,951)	(1,986)	(321,652)	(2,443,853)
Finance leases	(534)	81	–	(22)	(475)
Net debt	**(1,653,991)**	**(54,981)**	**(1,986)**	**(311,545)**	**(2,022,503)**

Split of net debt in EUR `000	**1 August 2014**	**Cash flows**	**Non-cash movements**	**Translation adjustment**	**31 January 2014**
Food Group net debt	(1,642,079)	87,817	(1,745)	(305,292)	(1,861,299)
Origin net debt	(11,912)	(142,798)	(241)	(6,253)	(161,204)
Net debt	**(1,653,991)**	**(54,981)**	**(1,986)**	**(311,545)**	**(2,022,503)**

Finance leases include amounts due within one year of €255,000 (July 2014: €276,000).

ARYZTA's 68.1% subsidiary and separately listed company, Origin, has separate ring-fenced funding structures, which are financed without recourse to ARYZTA AG or any Group subsidiaries outside of the Origin Group.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

9 Employee Benefits

The Group operates a number of defined benefit and defined contribution pension plans in various jurisdictions within both the Food Group and Origin business segments. The majority of plans are externally funded with plan assets held in corresponding separate trustee-administered funds, governed by local regulations and practice in each country.

The valuations of the defined benefit schemes used for the purposes of the following disclosures are those of the most recent actuarial reviews carried out at 31 January 2015 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

Movement in net liability recognised in the Group Consolidated Balance Sheet in EUR `000	31 January 2015	31 July 2014
Total deficit in defined benefit plans at 1 August	**(10,885)**	(18,921)
Current service cost	**(1,992)**	(3,753)
Past service gain	–	1,424
Settlement gain	–	1,294
Employer contributions	**3,440**	4,983
Special contribution on scheme wind up	–	6,500
Net interest expense	**(99)**	(434)
Actuarial loss on Group defined benefit pension plans	**(24,713)**	(1,852)
Other	–	(177)
Translation adjustments	**(2,127)**	51
Total deficit in defined benefit plans	**(36,376)**	(10,885)
Deficit in Food Group defined benefit plans	**(17,248)**	(5,692)
Deficit in Origin defined benefit plans	**(19,128)**	(5,193)
Total deficit in defined benefit plans	**(36,376)**	(10,885)
Other[1]	**(1,769)**	(1,566)
Total	**(38,145)**	(12,451)

1 Other includes provisions to meet unfunded pension fund deficiencies in a variety of insignificant subsidiaries.

The primary driver of the increase in the scheme deficits is the decrease in the discount rate assumptions used to calculate the present value of plan obligations. The discount rates used are detailed below:

Discount rate assumptions	31 January 2015	31 July 2014
UK schemes	**3.1%**	4.4%
Switzerland schemes	**0.7%**	1.8%
Republic of Ireland schemes	**1.9%**	3.1%
France schemes	**1.6%**	2.5%

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

10 Shareholders equity

Other equity reserve
In October 2010, the Group raised CHF 400,000,000 through the issuance of a perpetual Callable Subordinated Instrument ('Hybrid Instrument'), which was recognised at a carrying value of €285,004,000 within equity, net of transaction costs. This Hybrid Instrument offered a coupon of 5.0% and had no maturity date, with an initial call date by ARYZTA in October 2014. In October 2014, the Group repaid the CHF 400,000,000 (€331,680,000) Hybrid Instrument, in line with the initial call date.

In April 2013, the Group raised CHF 400,000,000 through the issuance of an additional Hybrid Instrument, which was recognised at a carrying value of €319,442,000 within equity, net of transaction costs of €4,865,000. This Hybrid Instrument offers a coupon of 4.0% and has no maturity date, with an initial call date by ARYZTA in April 2018. In the event that the call option is not exercised, the coupon would be 605 bps plus the 3-month CHF LIBOR.

In October 2014, the Group raised CHF 190,000,000 through the issuance of an additional Hybrid Instrument. This Hybrid Instrument offers a coupon of 3.5% and has no maturity date, with an initial call date by ARYZTA in April 2020. In the event that the call option is not exercised, the coupon would be 421 bps plus the 3-month CHF LIBOR.

In November 2014, the Group raised €250,000,000 through the issuance of an additional Hybrid Instrument. This Hybrid Instrument offers a coupon of 4.5% and has no maturity date, with an initial call date by ARYZTA in March 2019. In the event that the call option is not exercised, the coupon would be 677 bps plus the 5 year swap rate.

The two Hybrid instruments issued during the period ended 31 January 2015 were recognised at a combined value of €401,014,000 within equity, net of related transaction costs of €6,534,000.

Other equity reserve	in EUR `000
At 1 August 2014	604,446
Redemption of perpetual callable subordinated instrument	(285,004)
Issuance of hybrid instruments, net of transaction costs	401,014
At 31 January 2015	**720,456**

The total coupon recognised for these Hybrid instruments during the period ended 31 January 2015 was €14,359,000 (January 2014: €14,258,000).

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

11 Business Combinations

11.1 Acquisitions during the interim period ended 31 January 2015

There were no acquisitions completed by the Group during the period ended 31 January 2015.

11.2 Acquisitions during the interim period ended 31 January 2014

During the prior period, the Food Group completed multiple small acquisitions and Origin completed the acquisition of a controlling interest in Agroscope, a leading provider of agronomy services. The details of the net assets acquired and goodwill arising from these business combinations are set out below. The goodwill arising on these business combinations is attributable to the skills and talent of the in-place work-force and the synergies expected to be achieved from integrating the acquired operations into the Group's existing businesses.

in EUR `000	Final fair values
Final fair value of net assets acquired:	
Property, plant and equipment	38,058
Intangible assets	33,749
Inventory	12,658
Trade and other receivables	4,681
Trade and other payables	(11,374)
Deferred tax	(2,290)
Income tax payable	(978)
Net assets acquired	**74,504**
Goodwill arising on acquisitions	42,122
Consideration	**116,626**

Satisfied by:	
Cash consideration	91,055
Cash acquired	(84)
Net cash consideration	**90,971**
Consideration payable within one year	6,071
Contingent consideration	3,800
Put option liability	15,784
Total consideration	**116,626**

The net cash outflow on these acquisitions during the period ended 31 January 2014 is disclosed in the Group Consolidated Cash Flow Statement as follows:

in EUR `000	Total
Cash flows from investing activities	
Cash consideration	91,055
Cash acquired	(84)
Cost of acquisitions	**90,971**

Notes to the Group Condensed Interim Financial Statements (continued) for the six months ended 31 January 2015

As part of Origin's acquisition of 60% of the ordinary shares of Agroscope, Origin has also entered into an arrangement under which the non-controlling shareholder has the right at various dates to sell the remaining 40% shareholding to Origin. In the event that this option is not exercised, Origin has a similar right to acquire the 40% shareholding. Accordingly, Origin recognised a put option liability at the fair value of the future estimated amount payable to exercise the option, which is included within other long-term liabilities in the ARYZTA Group consolidated balance sheet. This amount represents the fair value of the future estimated amount payable to exercise the option and was determined based on an agreed formula, which includes an expectation of future trading performance and timing of when the options are expected to be exercised, discounted to present value. The estimated amount payable will be adjusted in future periods through the income statement. There has been no material movement in the fair value of the put option liability since the date of acquisition.

Acquisition-related costs of €3,092,000 were charged to net acquisition, disposal and restructuring-related costs in the Group Consolidated Income Statement related to these transactions during the period ended 31 January 2014.

The identified intangibles associated with these acquisitions primarily includes the fair value of customer relationships. The income approach method was the basis for the fair value of these intangibles.

Other than the movements reflected above, and the results of foreign currency translation adjustments, there were no further adjustments to goodwill during the period. The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. No indication of impairment has been identified during the period ended 31 January 2015.

12 Contingent liabilities

The Group is not aware of any significant changes with regard to contingent liabilities, in comparison with the situation as of 31 July 2014.

13 Seasonality

Due to the nature of the Agri-services sector, Origin results are significantly impacted by seasonality as customers defer buying decisions until closer to the main springtime application period. This seasonality is also reflected in Origin's increased inventory balance during January, compared to the July year-end balance.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

14 Related party transactions

There have been no significant changes in related party transactions other than those described in the ARYZTA AG 2014 Annual Report and Accounts, which could have a material impact on the financial position or performance of the Group in the six months to 31 January 2015.

15 Estimates, risks and uncertainties

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those risks outlined on page 146 of the ARYZTA AG 2014 Annual Report and Accounts.

During the period ended 31 January 2015:
- Share-based payment awards have been granted, as outlined in note 5;
- Estimated fair value of investment properties, financial instruments, exposures to credit, liquidity, foreign exchange, interest rate or commodity price risk have remained consistent with 31 July 2014;
- No indication of impairment of goodwill has been noted; however, see the loss recognised on asset disposal and write-down on contribution to Joint Venture included in note 4;
- Estimates associated with the provision for income tax and deferred income tax have remained consistent with 31 July 2014; and
- Estimates used in determining the net employee benefit obligation on Group pension plans have remained consistent with 31 July 2014, with the exception of a change in the discount rates applied, as outlined in note 9.

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. There have been no changes in the risk management department or any risk management policies since the year-end. The Board considers the risks and uncertainties disclosed on page 58 of the ARYZTA AG 2014 Annual Report and Accounts to continue to reflect the principal risks and uncertainties of the Group over the remaining six months of the financial year.

Notes to the Group Condensed Interim Financial Statements (continued)
for the six months ended 31 January 2015

16 Distribution of interim report

The Annual Report and Accounts, Interim Management Statements, Interim Report and Accounts and other useful information about the Company, such as the current share price, is available on our website www.aryzta.com.

We confirm our responsibility for the half year interim results and that to the best of our knowledge:

- The condensed set of interim financial statements comprising the Group consolidated income statement, the Group consolidated statement of comprehensive income, the Group consolidated balance sheet, the Group consolidated statement of changes in equity, the Group consolidated cash flow statement and the related notes have been prepared in accordance with IAS 34, Interim Financial Reporting;

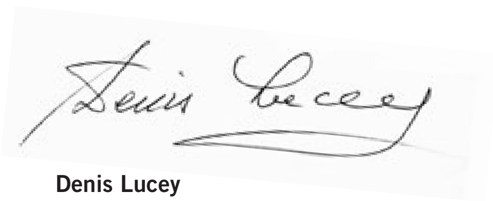
- The review of operations includes a fair review of the information required by:

  a) *Regulation 8 (2) of the Transparency (Directive 2004/109/EC) Regulations 2007,* being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b) *Regulation 8 (3) of the Transparency (Directive 2004/109/EC) Regulations 2007,* being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Group's auditor has not audited these half year interim results.

On behalf of the Board



Denis Lucey
Chairman, Board of Directors

Owen Killian
CEO, Member of the Board of Directors

16 March 2015