

**IAWS Group, plc**  
**Interim Management Statement**

**28<sup>th</sup> May 2008**

IAWS Group, plc ('IAWS') issues its first third quarter Interim Management Statement in accordance with the reporting requirements of the Transparency Regulations 2007. IAWS is an international Lifestyle Food and Agri company with operations in Europe and North America. The Lifestyle Food business focuses on niche high quality growth segments of the value added bakery and convenience food market. Origin Enterprises plc ('Origin'), which consists of the Group's original Agri-Nutrition and ambient food businesses, was successfully listed in June 2007, raising €100m of development capital. IAWS remains the majority shareholder of Origin and therefore consolidates its results.

The following Interim Management Statement is for the nine month period ended 26<sup>th</sup> April 2008.

**Underlying Revenue**

	<b>Food Europe</b>	<b>Food North America</b>	<b>Total Food</b>	<b>Origin</b>	<b>Group</b>
<b>Group Revenue (€000)</b>	524.7	347.3	872.0	1,052.5	1,924.6
<b>Revenue Increase</b>	10.9%	30.5%	17.9%	52.6%	34.7%
<b>Currency</b>	3.2%	12.3%	6.5%	2.9%	4.8%
<b>Acquisitions</b>	(3.6%)	(30.9%)	(13.4%)	(27.6%)	(20.3%)
<b>Underlying Growth</b>	10.5%	11.9%	11.0%	27.9%	19.2%

**Highlights**

- Group revenue of €1.9bn, an increase of 34.7 per cent
- Underlying Group revenue growth, excluding the impact of acquisitions and foreign exchange movements, of 19.2 per cent
- All business segments contributed to operating performance
- Operating profit margin maintained throughout the Group

Owen Killian, Chief Executive Officer commented:

“I am pleased to say that IAWS has further built on the strong performance we reported at our Interim Results announcement. The nine months to April 26<sup>th</sup> 2008 have delivered excellent revenue and operating profit growth and we continue to see strong underlying growth across all segments of the business. I am particularly encouraged by the strategic development and performance of Origin since its IPO. This level of performance and development would not have been possible without access to capital which was facilitated by the Origin IPO.”

### **Operating Performance**

Group revenues increased by 34.7 per cent, to €1.9 bn over the period. Group underlying revenue growth, which excludes the impact of acquisitions and foreign exchange movements, was 19.2 per cent. The Lifestyle Foods business saw a continuation of the robust rate of underlying revenue growth that was reported in the Interim Results announcement, with growth of 11.0 per cent over the period. Notably, both Food Europe and Food North America contributed to this very strong performance, with Food Europe posting 10.5 per cent growth and Food North America delivering 11.9 per cent underlying revenue growth. Meanwhile Origin posted underlying revenue growth of 27.9 per cent for the period.

Operating profit margin has been maintained throughout the group in the period.

### **Financial Position**

IAWS continues to have a strong balance sheet and excellent free cash flow generation to fund organic growth and acquisitions. The construction of the Group's new world class bakery and innovation centre at Grangecastle continues to plan with €135.1m spent on the facility as at 26<sup>th</sup> April 2008.

Masstock Group Holdings Limited was acquired by Origin in February 2008 and funded by Origin from its own standalone bank facilities.

### **Outlook**

The Lifestyle Food business will continue to focus on driving consumer footfall for its customers through its 'always fresh' and convenient food offerings. The Lifestyle Food value added bakery business model is more cost efficient for its customers than traditional bakery models. This gives the business a competitive edge in the current inflationary environment. The Group's consistent track record of strong operating performance and cash flow generation leaves IAWS well positioned to fuel future growth in this dynamic market place. The Group is confident that it can achieve the markets adjusted earnings\* expectation for its financial year ended 31<sup>st</sup> July 2008.

\* Before intangible amortisation and exceptional items

## **Enquiries**

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## **About IAWS Group, plc**

IAWS is an international Lifestyle Food and Agri company with operations in Europe and North America. The Lifestyle Foods business focuses on niche high quality growth segments of the bakery and convenience food markets.

IAWS is the majority shareholder in Origin, a leading player in the Agri-Nutrition sector in Ireland, the UK and Poland and which has a leading Ambient Food and Cereal Milling businesses in Ireland.

IAWS is listed on the Dublin and London Stock Exchanges and has been publicly quoted since 1988.

Dublin ticker symbol IAW.ID  
London ticker symbol IAW.LN  
Website: [www.iaws.com](http://www.iaws.com)

*All comments are based on unaudited management accounts. Certain statements made in this Interim Management Statement are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results referred to in these forward-looking statements*

**ENDS**