



Annual Report and Accounts 2009

Food Group Financial Statements

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Basis of Preparation

These unaudited Food Group Financial Statements comprise designated individual legal entities which are consolidated as subsidiaries of ARYZTA AG and show the Food Group's interest in associates and joint ventures of ARYZTA AG using the equity method, and which do not form part of Origin Enterprises, plc.

The accompanying financial statements comprise the Income Statement, Statement of Recognised Income and Expense, Balance Sheet and Cash Flow Statement ("the Food Group Financial Statements") of the Food Group for the year ended 31 July 2009 with 31 July 2008 comparatives.

The Directors have prepared the Food Group Financial Statements by applying accounting policies consistent with those applied by ARYZTA AG and extracting the differences between the audited financial statements of ARYZTA AG and the audited financial statements of Origin Enterprises, plc after reflecting appropriate adjustments deemed necessary to prepare the Food Group Financial Statements. The investment in Origin is carried at historic cost.

The comparative information comprises designated individual statutory entities which were consolidated as subsidiaries, associates or joint ventures of IAWS Group Limited (formerly IAWS Group plc), and did not form part of Origin Enterprises, plc.

The ARYZTA AG and Origin Enterprises, plc Group Financial Statements have been reported on by the ARYZTA AG auditor without qualification.

Food Group Income Statement

for the year ended 31 July 2009

	Total 2009 unaudited	Total 2008 unaudited
Revenue	1,712,754	1,156,704
Cost of sales	(1,026,643)	(682,548)
Gross profit	686,111	474,156
Distribution expenses	(360,112)	(263,429)
Administration expenses	(164,275)	(101,950)
Operating profit before merger and other expenses	161,724	108,777
Merger and other expenses	(22,738)	198
Operating profit	138,986	108,975
Share of profit of joint venture	13,808	25,818
Profit before financing income and costs	152,794	134,793
Financing income	1,785	3,416
Financing costs	(35,084)	(26,474)
Profit before tax	119,495	111,735
Income tax expense	(21,827)	(13,720)
Profit for the year	97,668	98,015
Attributable as follows:		
Equity shareholders	94,633	97,825
Minority interest	3,035	190
Profit for the year	97,668	98,015

Food Group Statement of Recognised Income and Expense

for the year ended 31 July 2009

	2009 unaudited	2008 unaudited
Items of income and expense recognised directly in equity		
Foreign exchange translation effects		
- foreign currency net investments	66,597	(97,970)
- foreign currency borrowings	(42,995)	46,823
Actuarial (loss)/gain on Group defined benefit pension schemes net of deferred tax	(115)	8
Effective portion of changes in fair value of cash flow hedge	(2,727)	(1,272)
Fair value of cash flow hedges transferred to income statement	(1,610)	547
Deferred tax effect of cash flow hedges	583	260
Share of joint venture's gains/(losses) on cash flow hedges	848	92
Share of joint venture's deferred tax relating to cash flow hedges	(144)	(11)
Revaluation of previously held investment in Hiestand	35,077	-
Net income/(expense) recognised directly in equity	55,514	(51,523)
Profit for the financial year	97,668	98,015
Total recognised income for the year	153,182	46,492
Attributable as follows:		
Equity shareholders	150,147	46,302
Minority interest	3,035	190
Total recognised income and expense for the year	153,182	46,492

Food Group Balance Sheet

as at 31 July 2009

	2009 unaudited	2008 unaudited
ASSETS		
Non current assets		
Property, plant and equipment	577,772	376,892
Investment property	3,761	–
Goodwill and intangible assets	1,382,431	719,460
Investments in associates and joint venture	55,720	145,287
Other investments	51,045	51,045
Deferred tax assets	21,754	14,260
Total non current assets	2,092,483	1,306,944
Current assets		
Amounts owed by Origin Enterprises plc	1,629	1,227
Inventory	96,381	73,438
Trade and other receivables	207,918	164,495
Derivative financial instruments	534	751
Cash and cash equivalents	204,586	74,861
Total current assets	511,048	314,772
TOTAL ASSETS	2,603,531	1,621,716

Food Group Balance Sheet (continued)

as at 31 July 2009

	2009 unaudited	2008 unaudited
EQUITY		
Called up share capital	1,005	39,275
Share premium	518,006	59,734
Retained earnings and other reserves	745,302	574,554
Total equity attributable to equity shareholders of parent	1,264,313	673,563
Minority interest	10,721	855
TOTAL EQUITY	1,275,034	674,418
LIABILITIES		
Interest bearing loans and borrowings	694,511	444,013
Employee benefits	5,108	2,485
Deferred income from government grants	16,465	1,262
Other payables	1,025	406
Deferred tax liabilities	184,109	106,483
Derivative financial statements	801	600
Deferred consideration	29,123	25,222
Total non current liabilities	931,142	580,471
Current liabilities		
Interest bearing borrowings	15,579	44,038
Trade and other payables	334,672	259,176
Corporation tax payable	38,116	33,735
Derivative financial instruments	5,165	1,904
Deferred consideration	3,823	27,974
Total current liabilities	397,355	366,827
TOTAL LIABILITIES	1,328,497	947,298
TOTAL EQUITY AND LIABILITIES	2,603,531	1,621,716

Food Group Cash Flow Statement

for the year ended 31 July 2009

	2009 unaudited	2008 unaudited
Cash flows from operating activities		
Profit before tax	119,495	111,735
Financing income	(1,785)	(3,416)
Financing costs	35,084	26,474
Share of profit of associates and joint venture	(13,808)	(25,818)
Merger and other expenses	22,738	(198)
Depreciation of property, plant and equipment	54,628	26,822
Amortisation of intangible assets	42,983	16,600
Amortisation of government grants	(1,881)	(212)
Employee share-based payment charge	2,827	11,177
Other	1,180	(2,796)
Operating profit before changes in working capital	261,461	160,368
Decrease/(Increase) in inventory	8,466	(8,310)
Decrease/(Increase) in trade and other receivables	45,997	(9,260)
(Decrease)/Increase in trade and other payables	(29,788)	14,689
Cash generated from operating activities	286,136	157,487
Interest paid	(33,694)	(24,838)
Income tax paid	(19,868)	(5,231)
Net cash inflow from operating activities	232,574	127,418

Food Group Cash Flow Statement (continued)

for the year ended 31 July 2009

	2009 unaudited	2008 unaudited
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	1,551	509
Purchase of property, plant and equipment		
- ongoing	(15,047)	(9,237)
- new investments	(56,229)	(118,246)
Grants received	2,377	-
Acquisition of subsidiaries and businesses, net of cash acquired	(66,312)	(29,262)
Purchase of intangible assets	(10,705)	(8,916)
Dividends received	18,830	17,485
Deferred consideration and acquisition costs paid	(27,384)	(1,671)
Other	-	(139)
Net cash outflow from investing activities	(152,919)	(149,477)
Cash flows from financing activities		
Net proceeds from issue of share capital	(626)	3,834
Drawdown of loan capital	78,437	40,530
Capital element of finance lease liabilities	(646)	(697)
Dividends paid	-	(20,902)
Net cash inflow from financing activities	77,165	22,765
Net increase in cash and cash equivalents	156,820	706
Translation adjustment	738	(6,160)
Cash and cash equivalents at start of year	31,752	37,206
Cash and cash equivalents at end of year	189,310	31,752