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9 June 2008

**MERGER OF IAWS GROUP PLC AND HIESTAND HOLDING AG
TO CREATE ARYZTA AG**

- The boards of IAWS Group, plc ('IAWS') and Hiestand Holding AG ('Hiestand') are pleased to announce the creation of ARYZTA AG ('ARYZTA')¹, the global leader in value added baked goods.
- IAWS also announces that it has reached agreement with Lion Capital ("Lion"), subject only to anti-trust clearance, for the acquisition of Lion's 32% stake in Hiestand in exchange for 12.7 million new shares in IAWS and €30 million in cash.
- ARYZTA is being created through an agreed merger of IAWS and Hiestand ("the Merger").
- IAWS is an international lifestyle food and agri-nutrition 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 agri-nutrition and ambient food businesses was successfully listed in 2007. IAWS is the majority shareholder in Origin and consolidates its results.
- Hiestand, founded in 1967 in Switzerland, is a leading European value added bakery and convenience food company focusing on the high quality growth segment of the market. With its innovative products and services it holds strong market positions in Switzerland and Germany and has fast growing operations in Eastern Europe, Asia and Australia.
- The Merger is a merger of two complementary businesses and is the result of a five year partnership and relationship resulting from IAWS's strategic shareholding in Hiestand:
 - IAWS and Hiestand operate in the value added bakery and convenience food market with a focus on innovative product development.
 - IAWS operates in North America, the UK, Ireland and France while Hiestand's main operations are in Switzerland, Germany, Austria, Poland, Malaysia, Japan and Australia.
 - IAWS and Hiestand deliver to an extensive network of customers in food service and retail channels.
 - IAWS and Hiestand have proprietary intellectual property and extensive direct store delivery facilities.
 - IAWS and Hiestand have a shared corporate culture that emphasises people and process, customer focus and consumer relevance.

¹ Anphi Holding AG, in the process of changing its name to ARYZTA AG

- The strong strategic fit of the businesses combined with a leading management team will create the global leader in value added baked goods. This can be achieved by delivering sustainable revenue and long-term earnings growth while deriving advantage from leveraging synergy opportunities.
- On a combined basis the two companies had pro forma revenue of €2.3 billion (CHF3.8 billion), EBITA of €213 million (CHF343 million) and net income of €145 million (CHF233 million) based on IAWS audited figures for the financial year ended 31 July 2007 and Hiestand audited figures for the financial year ended 31 December 2007.²
- ARYZTA will be chaired by Denis Lucey (Chairman of IAWS) and deputy chaired by Wolfgang Werlé (Chairman of Hiestand). All of the existing directors of IAWS and Hiestand will join the board of ARYZTA. ARYZTA will be managed by Chief Executive Officer Owen Killian (Chief Executive Officer of IAWS), Chief Operating Officer Hugo Kane (Chief Operating Officer of IAWS), and Chief Financial Officer Patrick McEniff (Chief Financial Officer of IAWS). Urs Jordi will remain as Chief Executive Officer of Hiestand International.
- Lyndon Lea, partner with Lion Capital, will join the board of IAWS on completion of the acquisition of Lion's 32% stake, and thereafter the board of ARYZTA.
- ARYZTA is incorporated in Switzerland and application will be made for ARYZTA's shares to be admitted to listing on the Official List of the Irish Stock Exchange and on the main segment of the SWX Swiss Exchange. Once listed the ARYZTA shares are expected to be included in the ISEQ index in Ireland and the SPI index in Switzerland.
- The respective exchange ratios to be applied for the purposes of the Merger will be 1 ARYZTA share for every 2 IAWS shares and 36 ARYZTA shares for every 1 Hiestand share. ARYZTA will be 83.3 per cent. owned by the shareholders of IAWS, 8.7 per cent. owned by the free float shareholders of Hiestand and 8.0 per cent. owned by Lion Capital.
- The exchange ratios have been agreed between IAWS and Hiestand taking into account the valuations of both companies and advice received from their respective financial advisors, Swiss Capital Group for Hiestand and Davy Corporate Finance, Credit Suisse and BNP Paribas for IAWS. In addition, the board of Hiestand has commissioned Bank Sarasin & Cie Ltd. to provide a fairness opinion which has confirmed the fairness of the agreed Hiestand exchange ratio.

² Fx rate €1 = 1.61 Swiss francs

- The Merger will be effected through the acquisition by ARYZTA of:
 - IAWS by means of a scheme of arrangement under Section 201 of the Companies Act 1963 of Ireland (the 'Scheme') and
 - Hiestand through a merger by absorption pursuant to the Swiss Merger Act.
- The Scheme and the merger by absorption will be inter-conditional. It is expected that the Merger will be completed in the third quarter of 2008.
- A consequence of completion of the agreement with Lion Capital is that IAWS will become obliged under Swiss Takeover Rules to make a public takeover offer to acquire all of the outstanding Hiestand shares. In this regard, IAWS and ARYZTA have announced today their intention to submit a public exchange offer on the same terms as the merger by absorption. The obligation to make the exchange offer will lapse upon completion of the merger by absorption.
- The Merger is conditional, inter alia, upon the approval of the Scheme by IAWS shareholders, approval by the relevant anti-trust authorities and the approval of the merger by absorption by Hiestand shareholders. The boards of IAWS and Hiestand have approved the Merger. IAWS and Hiestand shareholder approval will be sought at Extraordinary General Meetings of shareholders in each case (the 'Shareholder Meetings') to be convened in due course.
- The directors of IAWS, who have been so advised by Davy Corporate Finance, Credit Suisse and BNP Paribas consider the terms of the proposed Merger to be fair and reasonable. In providing their advice, Davy Corporate Finance, Credit Suisse and BNP Paribas have taken into account the commercial assessments of the directors of IAWS. Accordingly, the directors of IAWS intend unanimously to recommend that IAWS shareholders vote in favour of the Scheme, as they have irrevocably undertaken to do in respect of their own beneficial shareholdings.
- The directors of Hiestand, based on advice by Swiss Capital Group and a Fairness Opinion provided by Bank Sarasin & Cie Ltd., consider the terms of the proposed Merger to be fair and reasonable. Accordingly, the directors of Hiestand intend unanimously to recommend that Hiestand shareholders vote in favour of the Merger, as they intend to do in respect of their own beneficial shareholdings.

Commenting on the proposed Merger, Owen Killian, Chief Executive of IAWS said:

“The proposed transaction will create a global food business focused on niche segments of the value added bakery and convenience food market. ARYZTA will have geographical reach extending from North America through eastern and western Europe to South East Asia and Australia. Both IAWS and Hiestand have excellent track records of growth in complementary geographies. ARYZTA will seek to build on this excellent track record to deliver significant value creation to its shareholders and bring strategic benefits for employees, customers and suppliers.”

Commenting on the proposed Merger, Wolfgang Werlé, Chairman of Hiestand said:

“ARYZTA is the culmination of a successful 5 year partnership between Hiestand and its long time shareholder IAWS. We are proud to become part of the world’s leading global company for value added bakery goods. ARYZTA will have 23 manufacturing and 111 distribution facilities in complementary geographies servicing over 200,000 customers and we expect it to bring enhanced benefits to shareholders, employees, customers and suppliers of both Hiestand and IAWS.”

There will be a conference call with management of IAWS and Hiestand at 08.30 BST / 09.30 CET / 03.30 ET today.

UK: +44 (0)20 7138 0815
USA & Canada: +1 718 354 1359
Ireland: +353 (0)1 6550185
Switzerland: +41 (0)44 800 9658
France: +33 (0)1 70 99 42 72
Germany: +49 (0)69 9897 2631
Spain: +34 91 453 3434
Italy: +39 066 605 3182
Poland: +48 (0)22 356 1811
Norway: +47 2316 2729
Netherlands: +31 (0)20 713 2790

Access Code: 5788747

The presentation for this conference call will be available from 7.30 BST / 8.30 CET / 2.30 ET on the websites of both IAWS and Hiestand:

www.iaws.com

www.hiestand.ch

There will be recording of the conference call available later in the morning. Details of this recording can be found on the websites of IAWS Group, plc and Hiestand Holding AG (details above) later this morning.

Enquiries:

<i>IAWS Group, plc</i> Hilliard Lombard	Tel: +353 1 6121379	<i>Hiestand Holding AG</i> Wolfgang Werlé Roland Straub	Tel: +41 44 75525 70
<i>Davy Corporate Finance</i> Ivan Murphy Anthony Farrell	Tel: +353 1 6796363	<i>Swiss Capital Group</i> Martin Menzi Ralf Herrmann	Tel: +41 44 2265252
<i>Credit Suisse</i> Zachary Brech Simon Taurins	Tel: +44 207 8888888	<i>Hirzel.Neef.Schmid.</i> <i>Konsulenten</i> Aloys Hirzel	Tel: + 41 43 3444242
<i>BNP Paribas</i> Philippe Léopold	Tel: +33 1 55 77 51 26		
<i>Murray Consultants</i> Joe Murray Joe Heron	Tel: +353 1 4980300 +353 86 2534950 + 353 87 6909735		

The holder of 1% or more of any relevant securities in IAWS may from the date of this announcement have disclosure obligations under Rule 8.3 of the Irish Takeover Panel Act, 1997, Takeover Rules 2007 (the 'Irish Takeover Rules').

The holder of 3% or more of any relevant securities in Hiestand may from the date of this announcement have disclosure obligations under Art. 37 ff UEV_UEK ("Swiss Take-Over Ordinance").

The directors of IAWS accept responsibility for the information contained in this announcement, other than that relating to ARYZTA and the directors of ARYZTA. To the best of the knowledge and belief of the directors of IAWS (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of ARYZTA accept responsibility for the information contained in this announcement, other than that relating to IAWS and its subsidiaries and the directors of IAWS and Hiestand and its subsidiaries and the directors of Hiestand. To the best of the knowledge and belief of the directors of ARYZTA (who have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

For the avoidance of doubt this announcement does not constitute an announcement within the meaning of Rule 2.5 of the Irish Takeover Rules.

Davy Corporate Finance, which is authorised and regulated in Ireland by the Financial Regulator, is acting exclusively as financial adviser to IAWS in connection with the

Merger and no-one else and will not be responsible to anyone other than IAWS for providing the protections afforded to clients of Davy Corporate Finance or for providing advice in relation to the Merger, the content of this announcement or any matter referred to herein.

Credit Suisse Securities (Europe) Limited is authorised by the Financial Services Authority and is regulated by the Financial Services Authority for the conduct of UK business. Credit Suisse Securities (Europe) Limited is acting exclusively as financial adviser and broker to IAWS and ARYZTA and to no one else in connection with the Merger and will not be responsible to anyone other than IAWS and ARYZTA for providing the protections afforded to clients of Credit Suisse Securities (Europe) Limited nor for providing advice in relation to the Merger, the content of this announcement or any matter referred to herein.

BNP Paribas is acting exclusively as financial adviser to IAWS and to no one else in connection with the Merger and will not be responsible to anyone other than IAWS for providing the protections afforded to clients of BNP Paribas nor for providing advice in relation to the Merger, the content of this announcement or any matter referred to herein.

Swiss Capital Group is acting for Hiestand in connection with the Merger and no one else and will not be responsible to anyone other than Hiestand for providing the protections afforded to clients of Swiss Capital Group or for providing advice in relation to the Merger or any other matters referred to in this announcement.

Unless otherwise determined by IAWS and ARYZTA, this announcement will not be made or sent, directly or indirectly, in, into or from or by use of the mails of or by any means or instrumentality (including, without limitation, telephonically or electronically) of inter-state or foreign commerce of or any facilities of a national securities exchange of any jurisdiction where it would be unlawful to do so. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise distributed or sent in or into any jurisdiction where it would be unlawful to do so.

This announcement has been prepared for the purposes of complying with Irish law, the Listing Rules, the rules of the Irish Stock Exchange, the London Stock Exchange and the Irish Takeover Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside Ireland and the United Kingdom.

This announcement does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Merger or otherwise, nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation, sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. A prospectus relating to the ARYZTA shares prepared in accordance with Directive 2003/71/EC will be made available prior to the Shareholder Meetings on the websites of IAWS and Hiestand.

This announcement does not constitute a prospectus or prospectus equivalent document. IAWS shareholders are advised to read carefully the formal documentation in relation to the Merger once it has been despatched.

This announcement is not an offer of securities for sale in the United States and the ARYZTA shares, which will be issued in connection with the Merger, have not been, and will not be, registered under the US Securities Act of 1933, as amended, (the "Securities Act") or under the securities laws of any state or other jurisdiction of the United States and no regulatory clearance in respect of the ARYZTA shares has been, or will be, applied for in any jurisdiction other than Ireland and Switzerland. The ARYZTA shares may not be offered or sold in the United States absent registration under the US Securities Act or an exemption from registration. Subject to certain exceptions, the ARYZTA Shares may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan. No offer or sale of the ARYZTA Shares has been or will be registered under the US Securities Act or under the applicable securities laws of Australia, Canada or Japan. There will be no public offer of the ARYZTA Shares in the United States.