Annual Report and Accounts 2007

Origin Enterprises PLC

Locations

Shetland Islands
Aberdeen
Marine Proteins
Fertiliser
PB Kent
Chemicals
Animal Feed
Food
Ayr
Derry
Killybegs
Belfast
Ardee
Immingham
Grimsby
Dublin
Portarlington
Foynes
Askeaton
New Ross
Ipswich
Cork
Ringaskiddy
Newport
Plymouth

Contents

Corporate profile

Origin Enterprises plc is a leading Agri-Nutrition and Food company. The Agri-Nutrition division, through its manufacturing and distribution operations in Ireland and the United Kingdom, has leading market positions in the supply of feed ingredients, crop nutrition and specialist marine proteins. The Group's Food Division, comprising sales, marketing, distribution and manufacturing activities in Ireland, has leadership positions in ambient food, across the retail, food service and manufacturing sectors. The Group has the benefit of a substantial operating asset base including a number of significant properties with development potential located in areas destined for future development and regeneration. In June 2007 Origin was admitted to the IEX and AIM markets of the Irish and London Stock Exchanges to provide access to capital for future development opportunities.

IEX ticker symbol: OIZ

AIM ticker symbol: OGN

Website: www.originenterprises.com

Financial highlights

"2007 marked a significant milestone in the development of Origin. All Group businesses performed strongly reflecting demand led growth within Agri-Nutrition and brand extension and development within Food. The successful Initial Public Offering ("IPO") and syndication of bank facilities during the year provides Origin with investment capacity to fund strategic development. The acquisition of the controlling interest in Odlums, subsequent to year-end, is an excellent fit complementing the Group's existing food brands and represents the first step in the strategic development of Origin. The Group continues to make progress with its significant property portfolio. We remain confident about the prospects for earnings growth from our existing businesses and from strategic development opportunities."

Tom O'Mahony
Chief Executive Officer

	2007 €m's	2006 €m's	% Change
Group revenue	889.4	816.9	8.9%
Group operating profit*	38.1	34.7	10.0%
Share of profit of associates (after interest and tax)	3.7	4.4	(15.9%)
Profit before financing costs*	41.8	39.1	7.0%
Adjusted fully diluted EPS* (cent)	23.93**	N/A	N/A

** Before intangible amortisation and exceptional items.*
***Based on 137m shares (post IPO and dilutive impact of Deferred Convertible Shares).*

Chairman's statement

Owen Killian
Chairman

Overview

I am pleased to present the first annual report for Origin Enterprises plc ("Origin").

Origin acquired the undertakings, operating assets and surplus property assets relating to the former core Agri-Nutrition and Ambient Food businesses of IAWS Group plc ("IAWS"). This initiative, which established a dedicated management team and facilitated a separate strategic funding capacity, provides a renewed growth momentum in these businesses and a context within which to unlock property value.

The renewed buoyancy within the markets in which Origin operates augurs well for the future growth of the Group. This buoyancy is a result of the dramatic changes in areas such as world food demand, global agricultural production, climate change and energy security. Origin's activities comprise businesses with leading market positions and strong brands in addition to significant property assets. The expertise of the Group's management team combined with access to development capital ensures that Origin is well placed to enhance future value for its shareholders.

During the year, the Group successfully completed a €350m syndicated bank facility. On 5 June 2007, Origin was admitted to the IEX market of the Irish Stock Exchange and the AIM market of the London Stock Exchange and raised €100m by way of IPO representing 25 per cent of Origin's share capital. These funds will ultimately be used for development opportunities within the different businesses.

I am pleased to report an excellent performance from Origin in its first year. Group revenue grew by 8.9 per cent to €889.4m with operating profit* increasing by 10 per cent to €38.1m.

Post the year-end, Origin completed the acquisition of the 50 per cent interest in the Odlum Group not already owned. Origin now owns 100 per cent of Odlums.

Board

Following admission to trading on AIM and IEX, the Board comprises of two executive and three non-executive directors. Mr. Hugh Cooney was appointed to the Board on the admission of Origin. Mr. Cooney's extensive corporate finance experience will be of immense benefit to the Group's development activities over the coming years.

Management

Origin has a highly experienced management team that has been involved in the development of the businesses. Tom O'Mahony, formally Chief Operations Officer of IAWS, was appointed CEO. Former IAWS senior management transferring to Origin include Peadar Kearney, Head of Food; Liam Larkin, Head of Agri Inputs and Tom Tynan, Head of Marine Proteins. New management appointments during the year were Brendan Fitzgerald, Chief Financial Officer and John Butler with responsibility for Business Development and Property.

I would like to acknowledge the commitment and contribution of management and staff throughout the businesses to achieving an excellent performance in the 2007 financial year.

Owen Killian
Chairman

19 September 2007

**Operating profit is stated before intangible amortisation and exceptional items.*

Review of business operations

Tom O'Mahony
Chief Executive Officer

This is the first set of results for Origin following flotation on 5 June 2007 on the IEX and AIM markets of the Dublin and London Stock Exchanges respectively. Origin was established to create a specialist focus around the former core Agri-Nutrition and Ambient Food businesses of IAWS. These operations have scale, leading market positions, strong brands and substantial property assets. There is a consistent track record of high investment returns and cash flow generation across these activities. This platform provides an excellent base for the Group to pursue development opportunities within the primary sectors of the food industry.

The context for primary food production is changing dramatically. This is being driven by increasing food demand resulting from a combination of world population growth and rising living standards, against a back drop of a restricted capability of global agricultural production to match this increased demand. In addition, the increased awareness of climate change and energy security has placed a significant focus on agriculture as an alternative energy supplier in the form of increased demand for grain crops for use in the biofuels industry. The combination of these factors has provided a price impetus in the key primary markets. Origin is well placed to benefit from this new growth dynamic given its leading position and relevance in servicing the primary producer.

The year under review saw the emergence of renewed optimism within the primary sectors of the food industry. Strong demand led growth brought new momentum to Origin's key Agri-Nutrition markets. In Food, the Group continued to reposition and extend its core brands creating new growth opportunities. Plans to maximise the potential of the Group's extensive property portfolio have also been advanced, particularly for its landmark 32 acre Cork city centre docklands footprint.

Results

Group revenue was 8.9 per cent higher at €889.4m, driven primarily by the Agri-Nutrition Division which accounts for 73 per cent of revenues. Increasing worldwide demand for food and the development of new applications for traditional food crops is driving the value of primary producer output, resulting in higher demand for the key protein, energy and nutrient ingredients supplied by Origin. Revenues in the Agri-Nutrition Division increased by 11 per cent in the period.

The Food Division experienced strong like for like revenue growth from the development of its branded product ranges. Ongoing development work and new product introductions are driving the successful extension of these brands into the convenience snacking and wellness categories. Since year-end, this momentum has been accelerated with the acquisition of the remaining 50 per cent of Odlums, adding an additional high profile range of branded goods to the *Shamrock* and *Roma* offerings.

Operating profit * increased by 10 per cent to €38.1m from €34.7m in the previous year. Operating profit within the Agri-Nutrition Division increased by 12 per cent to €27.7m, benefiting from improved operating efficiencies and increased volumes. Operating profit within Food increased by 5 per cent to €10.4m, principally driven by sales growth in its branded products and the extension of these product lines. The operating margin in Food improved from 4.2 per cent to 4.3 per cent.

Origin's associate investments in the period under review include a 50 per cent interest in Odlums and a 50 per cent interest in John Thompson and Sons Ltd ("Thompsons"). Share of profit from associates in the year was €3.7m compared to €4.4m in 2006, principally due to the timing of price increases within Odlums. Thompsons delivered a satisfactory performance in the period.

Profit before financing costs* for the year increased by 7 per cent to €41.8m compared to €39.1m in 2006.

Profit for the financial year**, was €32.0m compared to €30.8m in 2006. Adjusted earnings per share** amounted to 24.65 cent for the year. The adjusted diluted earnings per share amounted to 23.93 cent.

Cash generated from operating activities was €46.7m with year-end net debt of €71.7m, following receipt of IPO proceeds of €100m and a payment of €256m to acquire the undertaking and assets of the original businesses of IAWS.

**EPS, Profit for the financial year, Profit before financing costs and Operating profit are stated before intangible amortisation and exceptional items.*

***Profit before tax, Profit for the financial year and Earnings per share for the year-ended 31 July 2007 are not directly comparable with the 2006 numbers as the 2007 results reflects the financing costs associated with the separate bank facilities put in place by Origin in May 2007. Prior to May 2007, the Origin businesses were funded as part of the wider IAWS Group plc and the interest charge accordingly does not reflect the current financial structure.*

Agri-Nutrition

Agri-Nutrition which comprises agri-inputs (animal feed ingredients and fertiliser blending) and marine proteins (manufacture of fishmeal and fish oil) increased revenue in the year by 11 per cent to €647.7m with operating profit increasing by 12 per cent to €27.7m. Higher sales volumes and improved operating efficiencies were the main contributors to the improved performance.

In Ireland, both Feed Ingredients and Fertiliser Blending delivered a satisfactory performance. At farm level, confidence remains high as evidenced by stable livestock numbers and continuing capital investment despite significant input cost pressure. While the immediate effects of the single farm decoupled payment are difficult to isolate at this stage, the longer term impact will be improved economies of scale and greater control over decision making at the level of the farm enterprise.

In the UK, the improved returns for arable farming had a positive impact on the Group's fertiliser volumes in the year. The substantial investment in biofuel capacity is providing an impetus to UK cereal production, leading to increased plantings that augurs well for future fertiliser consumption.

The Marine Proteins business had a satisfactory performance in a year characterised by high fishmeal prices driven by the continuing growth in aquaculture.

Animal Feed Ingredients

R&H Hall, operating on an all Ireland basis, is involved in the sourcing, shipping, handling and distribution of grain and feed ingredients for the Irish animal feed and flour milling industries.

Ireland is deficit in the production of basic protein and energy feed raw materials, necessitating an import requirement of approximately 65 per cent of the total feed requirement. The business operates through quality port side facilities with extensive storage capacity at deep water ports in Dublin, Cork, Foynes, Belfast and Derry. Ingredients are sourced from over 15 countries and R&H Hall has long standing relationships with many of the world's leading suppliers of dry bulk ingredients.

The major animal feed compounders and flour millers in Ireland are customers of R&H Hall. The business benefits from the strength of its logistics infrastructure, its economies of scale, efficient cost base and its relationships with key customers and suppliers.

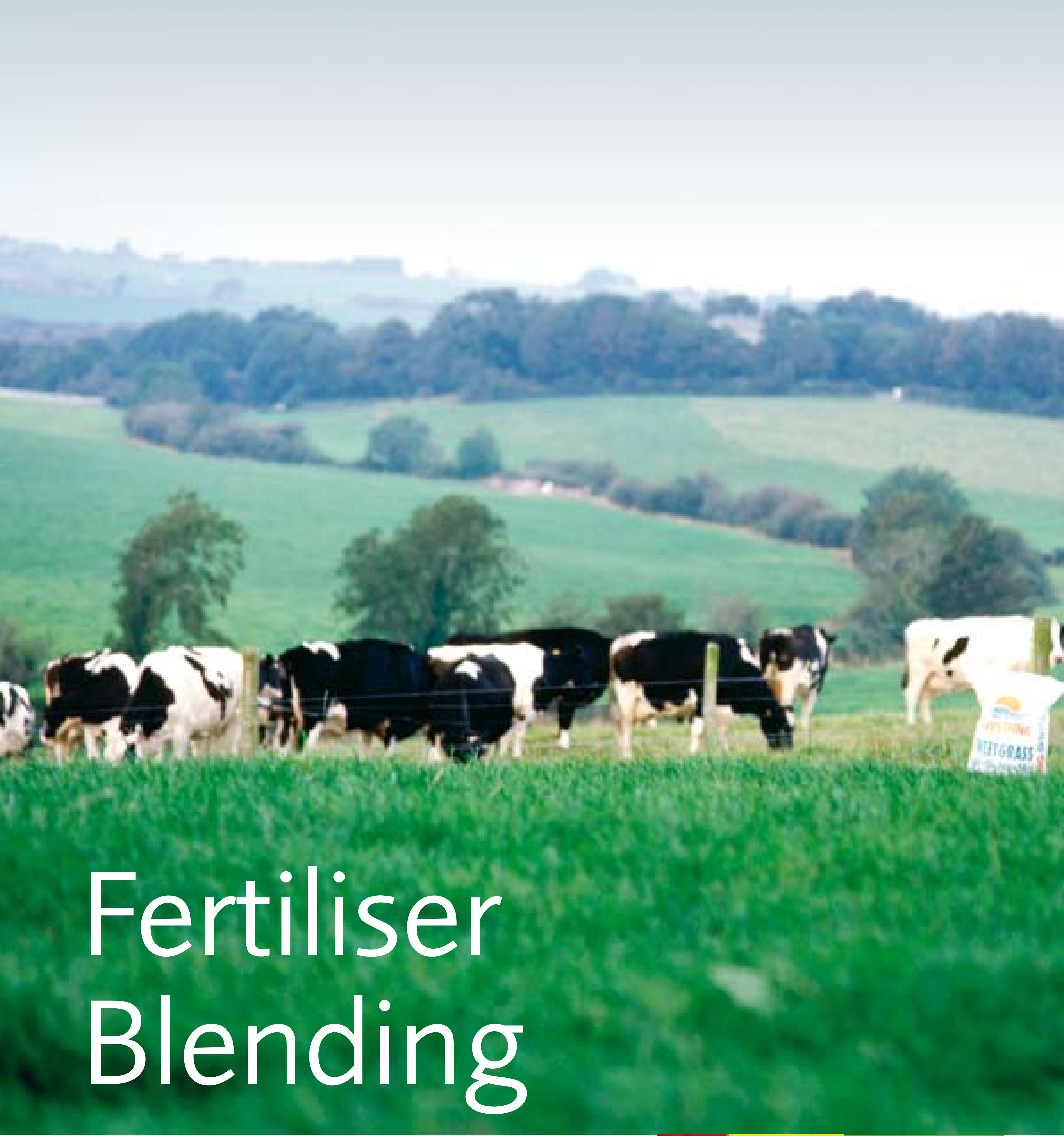
R&H Hall delivered a very satisfactory performance underpinned by strong output markets and underlying stability in livestock numbers.

John Thompson & Sons Limited

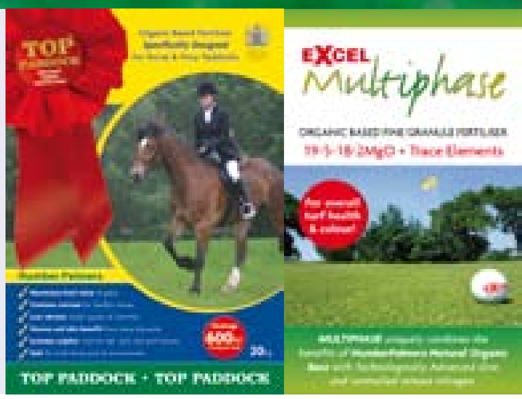
Origin has a 50 per cent interest in Thompsons, located in Belfast. Thompsons manufactures and distributes a comprehensive range of poultry, pig and ruminant feeds and delivered a satisfactory performance in the period.

Agri-Nutrition Animal Feed

Ireland is deficit in the production of basic protein and energy feed raw materials, necessitating an import requirement of approximately 65 per cent of the total feed requirement.



Fertiliser Blending



Fertiliser Blending

The Origin Fertiliser business encompasses agricultural and horticultural fertiliser.

Agricultural Fertiliser

The Agricultural Fertiliser business involves the importation, storage, blending, packing, wholesaling and retailing of fertiliser to co-operatives, merchants, agents and farmers. The business has operations throughout Ireland and the UK, principally at portside locations with strategic access to the key grassland and arable belts. In Ireland, the business operates under the *Goulding* brand which is the market leader. In the UK, the business has the benefit of a leading market position within the imported fertiliser blending market.

The core strength of the business is the ability to offer a prescription fertiliser solution tailored to the particular soil characteristics and business farm systems. The requirement is to deliver the solution on a just-in-time basis aligned to the farmer's needs. This capability requires a combination of well invested facilities to handle large volumes of dry bulk ingredients in a concentrated period, combined with a technical selling and advisory competence linking into the farm enterprise.

The Fertiliser business had a satisfactory performance during the year across both Ireland and the UK. In Ireland, grass production is the main driver of fertiliser demand, whilst arable production is the main driver of demand in the UK. The improved returns for arable farming in the UK had a positive impact on the Group's fertiliser volumes in the year.

Horticultural Fertiliser

Origin's UK Horticultural business manufactures and markets a range of bespoke granulated fertilisers for the home and garden, sports, amenity and niche agricultural sectors in the UK and Europe under the *Sheppy*, *Humber Palmer* and *Dingley* brands. It operates from a modern manufacturing facility based at Immingham, North Lincolnshire and is the leader in this specialised market. The business delivered an excellent performance in the year driven by a combination of strong demand led growth and operational efficiencies.

In Ireland, grass production is the main driver of fertiliser demand, whilst arable production is the main driver of demand in the UK.

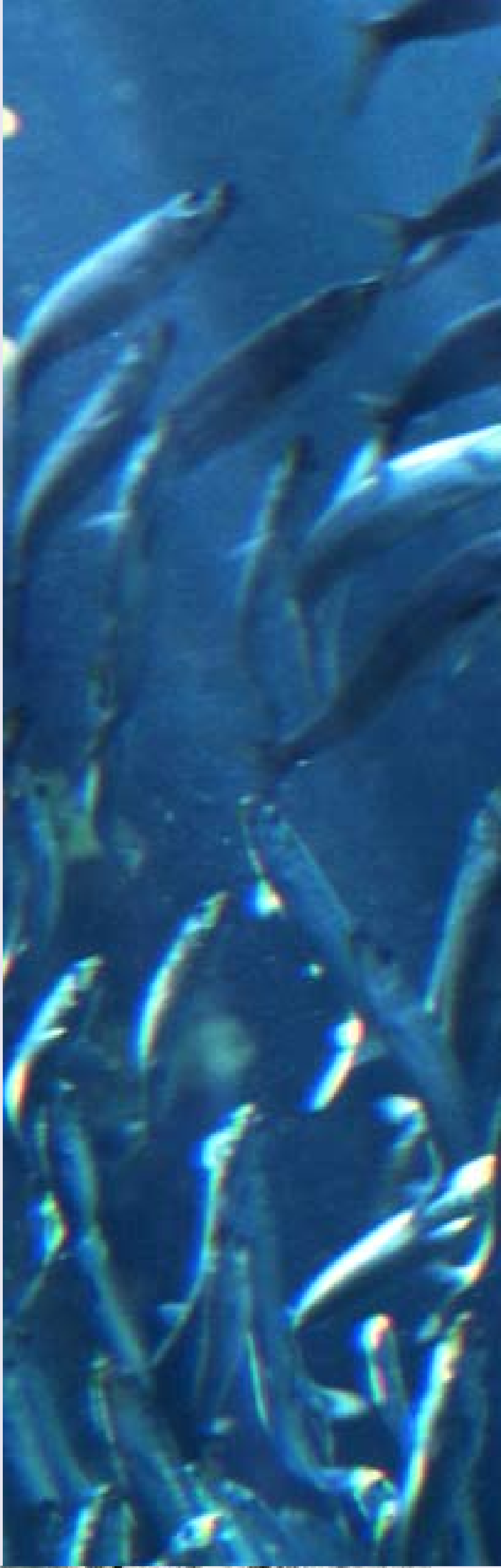
Marine Proteins

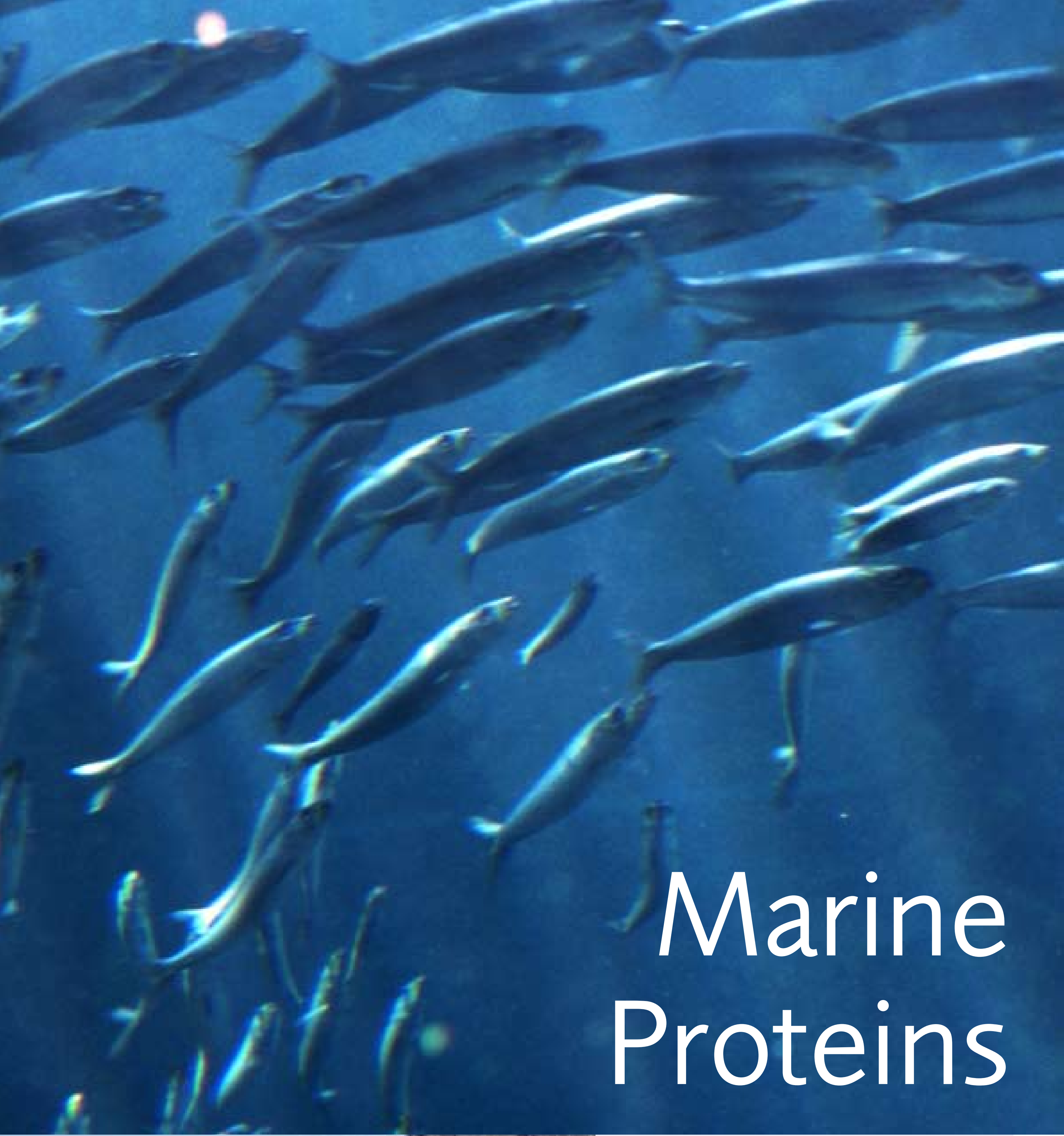
The Marine Proteins business involves the manufacture of fishmeal and fish oil, which are specialised protein and energy raw materials principally supplied to the aquaculture fish feed industry. Origin is the largest producer of fishmeal and fish oil in Ireland and the UK and third largest in the European Union. The raw material used is sourced from sustainable fisheries combining fish trimmings (by-products from the fish processing industry) and industrial whole fish. Industrial fish are pelagic species which typically do not feature in human diets.

Proximity to raw materials, either trimmings or industrial fish, is a key strength of the business. Origin has four manufacturing facilities in Killybegs, Aberdeen, Grimsby and the Shetland Islands. These facilities are strategically located in proximity to major centres of fish processing as well as the main pelagic fisheries in the North Atlantic. Killybegs in North West Ireland represents the optimal landing location for large commercial trawlers in the North Atlantic given its proximity to the major industrial fisheries. Trawler efficiency in terms of proximity of the fishing resource to the landing location is assuming increasing significance driven by the focus on energy costs. Plans to double Origin's capacity at Killybegs are progressing. The Group remains on schedule to commission a modern state-of-the-art facility in the 2009 / 2010 financial year.

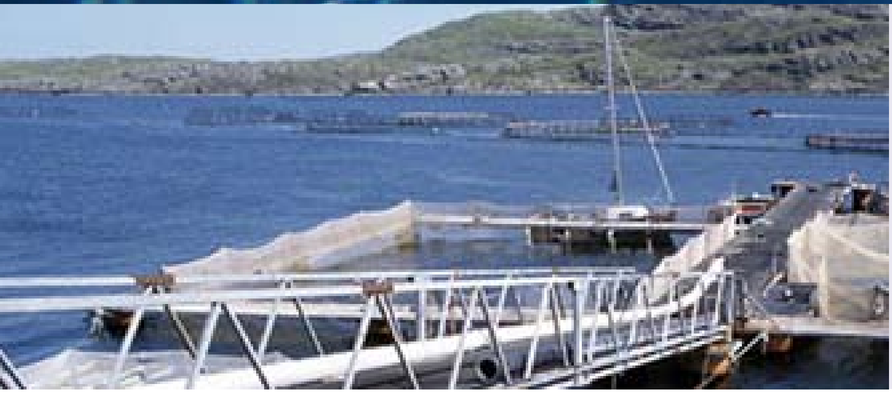
The main market for fishmeal and fish oil is aquaculture, which is estimated to be growing at 8 per cent per annum. South America, principally Chile and Peru, accounts for approximately 50 per cent of world fishmeal and fish oil production. China represents a key end user market consuming approximately 25 per cent of world production. Europe is deficit in the manufacture of fishmeal and fish oil requiring imports of circa 700,000 tonnes per annum.

Marine Proteins delivered a satisfactory performance in a year characterised by high prices for fishmeal.





Marine Proteins



Origin is the largest producer of fishmeal and fish oil in Ireland and the UK and third largest in the European Union.

Food


Shamrock


just
Mixed Nuts & Raisins
just
Almonds


Odlums
CREAM
Odlums
SELF RAISING
Pancake Mix

Origin Food is home to three of Ireland's leading ambient food brands, Shamrock, Odlums and Roma.

Food

Food delivered a satisfactory performance with strong underlying sales growth in the *Shamrock* and *Roma* brands as well as continuing growth within its agency businesses. Revenue increased to €241.7m with operating profit increasing by 5 per cent to €10.4m.

Origin's Food Division specialises in ambient sales, marketing and distribution, principally servicing the Irish retail grocery sector. The business has two of Ireland's leading food brands, *Shamrock* and *Roma*.

Leading market positions in these two key ambient food categories have been built through a combination of organic growth and focused product development. In addition the business provides extensive route-to-market services for major food manufacturers.

Shamrock, as Ireland's leading home-baking brand, achieved very satisfactory year-on-year sales growth, through a combination of its strong home-baking base and the continued extension of the brand into broader convenience snacking and wellness categories. Management has successfully extended the scope of the brand from its traditional home-baking base to these new convenience categories. The *Shamrock* home-baking brand performed well and there is a renewed focus and increasing enthusiasm for home-baking amongst consumers. During the year, Shamrock launched a new sub brand called "*Just*", which incorporates both 'Wellbeing' and 'Semi Indulgent' food categories. The main range of "*Just*" products is Fruit, Nuts and Seeds for snacking and inclusion in home cooking.

Roma, which has a leading market position within ambient Italian food ingredients, experienced strong sales growth reflecting the ongoing momentum within the category and the benefit of a number of new product launches during the year. As with the *Shamrock* brand, the scope of *Roma* was successfully extended to compete in the premium segments of the category. In May 2007, *Roma* launched a new sub brand "*Bella Vita*", in the premium sauce sector.

The Food Division has developed expertise in the area of category management and is a category partner with major retailers. The business provides a substantial suite of route-to-market services for third party food manufacturers and operates from a modern temperature controlled facility (approximately 21,000 square metres in size) which is located close to the main national routes, in west county Dublin. The company currently services approximately 2,400 customers and approximately 3,100 delivery points. The service solution includes supply chain management, national account management, trade marketing management, field sales management, customer care, quality assurance and working capital management. Brands supported include Mars, Twix, M&M's, Pedigree Chum, Kitekat, Dolmio, Uncle Bens, Ballymaloe Relishes, Punjana teas and Splenda sweeteners.

On 30 August 2007, Origin completed the acquisition of the remaining 50 per cent of Odlums for a consideration of €35m plus the assumption of related bank debt of €22m.

Odlums, as Ireland's leading cereal miller, is a strongly positioned brand focused business with a unique commitment to customer service and quality. It has an annual flour production capacity in excess of 175,000 tonnes. The company has a strong branded market position within the growing flour and oatmeal categories in Ireland, in addition to a growing branded export oatmeal business. Odlums main markets are Ireland, the UK and North America.

Through a combination of new product development and target marketing, the company has extended its product range to cater for the growing demand for convenience products, with the launch of its "Quick" range of products such as "*Quick Scones*" and "*Quick Cake*".

In the US, the company has seen continued growth in its export Oatmeal business, with its product sold under the *McCann's* brand. *McCann's*, as the authentic Irish oatmeal with a history of over 150 years, is the number one imported oatmeal brand in the US. This is a niche market experiencing good growth as consumers are increasingly focused on healthy eating with which oatmeal is synonymous.

The acquisition is an excellent fit for Origin complementing its existing food brands, raw material sourcing and logistics capability. The business comes with the benefit of a developable property footprint in Cork within the area covered by the recently published Cork South Docks Local Area Plan and is adjacent to Origin's existing property holding.

Roma has a leading market position in Ireland within ambient Italian food ingredients.

Property

Within the Group, there are a number of properties with significant development potential located in areas destined for future development and regeneration. These properties were valued at €165m by Savills Hamilton Osborne King (''SHOK'') who conducted an independent valuation of the properties during the year.

The Group has a dedicated team in place to maximise the value of this property portfolio. Plans for its key sites are being progressed.

Cork South Docks, Cork

The major property comprises 32 acres in the South Docks, close to the City Centre. This site is central to the proposed "Cork South Docks Local Area Plan" ("SDLAP") which is designed to facilitate the development and regeneration of Cork City as well as the wider Southwest region. In September 2006, Origin submitted a strategic master plan setting out its vision for the rejuvenation of this key city asset. In June 2007, Cork City Council published the SDLAP which sets out, for consultation, the City Council's vision for development of the South Docks. In August 2007, Origin made comprehensive submissions in response to the SDLAP in respect of its holdings. Cork City Council will shortly publish proposed amendments to the draft Plan arising from consideration of the various submissions received.

A planning application for Origin's key two acre riverfront site is currently being finalised. This site, by virtue of its position adjacent to the City Centre, provides opportunities not only to extend the city itself but also to act as a "Gateway" from the City Centre to the South Docks.

Newhall, Naas, Co. Kildare

Origin's 55 acre greenfield site at Newhall near Naas, Co. Kildare is currently zoned for industrial / warehouse use under the Kildare County Development Plan 2005 – 2011. A master plan for this site is currently being prepared for discussion with Kildare County Council.

Kilcock, Co. Kildare

Origin owns approximately 11 acres of land off the M4 motorway, approximately 3.5 kilometres south of Kilcock, Co. Kildare. The lands are currently unzoned. During the year the business that operated from this location was sold and plans for its relocation are currently being progressed.

Outlook

The Origin businesses are well positioned and have the operational flexibility to take advantage of opportunities within the primary sectors of the food industry.
The Group is well placed to achieve growth from continuing operations in the current financial year.

Tom O'Mahony
Chief Executive Officer

19 September 2007

R&H Hall, Cork South Docks.

Property

Financial review

Accounting policies and basis of preparation

The 2007 Group financial statements have been prepared in accordance with International Financial Reporting Standards and their interpretations issued by the International Accounting Standards Board as adopted by the EU.

During the year, the Group acquired the original core Agri-Nutrition and Ambient Foods businesses from IAWS Group plc ("IAWS"). As outlined in the basis of preparation note on pages 38 and 39, the consolidated financial statements have been prepared as if Origin had been in existence throughout 2006 and 2007.

Capital structure - Bank facilities and Initial Public Offering ("IPO")

In May 2007, syndicated bank facilities of €350m were finalised. Other than in the event of a disposal of the investment properties there are no scheduled capital repayments during the five year life of the facilities.

In June 2007, Origin raised €100m following a successful IPO on the IEX and AIM stock markets. The proceeds will ultimately be used for future development opportunities.

Prior to May 2007, the businesses were funded as part of the wider IAWS Group so the financing costs prior to that date are not reflective of the current financial structure. Accordingly profit before tax, profit for the financial year and earnings per share for the year-ended 31 July 2007 are not directly comparable with the 2006 numbers.

Analysis of results

A comprehensive commentary on Group performance for 2007 is included in the Review of business operations on pages 6 to 19.

Key performance indicators

The Group considers the following measures to be important indicators of the underlying performance of the business:

*Operating Profit**

Group operating profit increased by 10 per cent to €38.1m with operating profit from Agri-Nutrition increasing by 12 per cent to €27.7m and operating profit from Food increasing by 5 per cent to €10.4m.

*Operating margin**

Operating margin for the Group was 4.3 per cent in 2007 compared to 4.2 per cent in 2006. The operating margin in Agri-Nutrition remained constant year-on-year at 4.3 per cent while the operating margin in Food improved by 10 basis points to 4.3 per cent reflecting an improved sales mix as a result of higher sales of own branded products.

*Profit before financing costs**

Profit before financing costs increased by 7 per cent to €41.8m.

*Adjusted fully diluted earnings per share ("EPS")**

EPS, which has been calculated using the ordinary shares in issue post the IPO in June 2007, amounted to 23.93 cent per share.

Cash flow and Group net debt

Cash generated from operating activities amounted to €46.7m in 2007 reflecting the strong cash generative nature of the businesses. Group net debt at July 2007 amounted to €71.7m which represents less than 1.6 times earnings before interest, tax, depreciation and amortisation. The year-end represents the low point in the working capital cycle of the business and subsequent to the year-end the Group acquired the 50 per cent of Odlums not already owned for a total consideration including debt assumed of €57m.

Exceptional items

The profit for the financial year includes a net exceptional gain of €1.1m (before tax) (*2006 a net gain of €1.6m*) arising from an accounting profit on the insurance settlement following fires at two of our feed facilities during the year offset by a loss on the disposal of a non core operation and on the disposal of equipment.

Taxation

The effective tax rate on ordinary activities relating to the wholly owned businesses for the year-ended 31 July 2007 was 18.5 per cent reflecting the current mix of profits from businesses in Ireland and the UK.

**EPS, operating profit, operating margin and profit before financing costs are stated before intangible amortisation and exceptional items.*

Treasury management

Debt and currency risks are managed centrally. The Group does not engage in speculative trading and the objective is to minimise exposure to both foreign currency and interest rate fluctuations arising from its trading activities. The Group's objective is to minimise the impact of interest rate volatility on its interest cost and thereby protect profitability by maintaining between 40 per cent and 70 per cent of its overall average borrowings at fixed rates of interest through the use of interest rate swaps.

The Group's operations are in Ireland and the UK and accordingly it has transactional currency exposures that arise from non-base currency activities and foreign currency contracts are employed to reduce these currency exposures.

Dividend

As previously outlined no dividend will be paid in respect of the year-ended 31 July 2007. The Board will review its dividend policy during the current financial year bearing in mind the financial resources required for the development of the Group.

Share price

The Group's ordinary shares traded in the range of €3.00 to €4.04 in the period following the IPO to 31 July 2007. The Group's share price at 31 July 2007 was €3.90.

Brendan Fitzgerald
Chief Financial Officer

19 September 2007

Directors

The Board of Origin Enterprises plc ("Origin") consists of two executive directors and three non-executive directors.

(a) Chairman

Owen Killian (54) is Chief Executive Officer of IAWS Group plc ("IAWS"). He joined IAWS in 1977 and has held a number of senior executive positions, including Chief Operations Officer, where he played a key role in the development of strategy, in particular in relation to growth opportunities in the food sector driven by lifestyle change.

(b) Executive directors

Tom O'Mahony (45) was appointed Chief Executive Officer of Origin upon its formation. He previously played a key management role in acquisitions, disposals, business integration and financial control in IAWS, which he joined in 1985.

Brendan Fitzgerald (44) joined Origin in November 2006 as Chief Financial Officer. A former director with NCB Corporate Finance he has held senior financial positions with Greencore Group plc and Waterford Foods plc. He qualified as a chartered accountant with Arthur Andersen.

(c) Non-executive directors

Patrick McEniff (39) is Chief Financial Officer of IAWS where he has worked since 1989. He qualified as an accountant in 1991 and has filled several senior positions, most recently as Finance Director of the IAWS Lifestyle Foods business.

Hugh Cooney (55) is non-executive chairman of Siteserv plc. He has been involved in corporate finance since 1995 and is currently a partner with BDO Simpson Xavier. He has also worked for Arthur Andersen as a global corporate finance partner and was formerly Managing Director of NCB Corporate Finance.

Directors' report

for the year-ended 31 July 2007

The directors present their first report together with the audited consolidated financial statements for the year-ended 31 July 2007, which are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The Company was incorporated on 11 September 2006 and converted to a plc on 29 May 2007.

In 2006, IAWS announced its intention to create a specialist focus around its original core Agri-Nutrition and Ambient Food businesses. Origin was created with a dedicated management team to focus on and maximise the potential of these businesses. These financial statements have been prepared as if the businesses of Origin had, in substance, been in existence as a separate Group since 1 August 2005, as further explained in the basis of preparation on pages 38 and 39.

Origin shares were admitted to the IEX and AIM markets of the Dublin and London Stock Exchanges and have been traded since 5 June 2007.

Principal activity and business review

The Group's principal activities comprise the manufacture and distribution of Agri-Nutrition products as well as the marketing and distribution of Ambient Food products. Through its subsidiaries and associates, the Group has manufacturing, trading and distribution operations in the Republic of Ireland and the United Kingdom.

During the year under review, the Group continued to expand and develop its core activities. A detailed review of the performance of the Group is included in the Chairman's statement and the Review of business operations. The directors consider the state of affairs of the Company and the Group to be satisfactory. A list of the Company's significant subsidiaries and associates is set out on page 75.

Principal risks and uncertainties

Significant time and resources have been invested in identifying specific risks across the Group and in developing a culture of balanced risk minimisation. To facilitate this, the Group has formal risk assessment processes in place through which risks and mitigating controls are thoroughly evaluated. These processes are driven by business unit management who are best placed to identify the significant ongoing and emerging risks facing their businesses. The outputs of these risk assessment processes are subject to various levels of review and the risks identified and associated mitigating controls are also subject to audit as part of health and safety and operational/financial audit programmes.

The risks identified fall broadly into three categories: strategic/commercial, operational and financial. Some of the most significant strategic/commercial risks facing the Group include the availability of product, potential changes in the regulatory environment affecting this supply, potential changes in EU fishing regulations and the potential impact of competitor activity. The Group closely monitors emerging changes to regulations and legislation on an ongoing basis. The Group also addresses these risks by developing diverse sources of supply and distribution capability to ensure that the Group continues to compete effectively and that customer requirements are being anticipated and met on a continuing basis.

Origin faces risks and challenges associated with acquiring new businesses to generate growth. There is substantial experience within the Group in this regard and there is also strong project management capability with a track record of success in this area. Financial, commercial and operational due diligence is performed both by external consultants and in-house resources in advance of all acquisitions.

A key operational risk facing the Group, in common with most companies, is the risk of failure to address the increasing compliance requirements particularly in the areas of health and safety, emissions and effluent control. These types of risks are mitigated through the establishment of thorough hygiene and health and safety systems, environmental/discharge controls and ensuring product traceability.

The loss of a significant manufacturing/operational site through natural catastrophe or act of vandalism represents another risk that could, potentially, have a material impact on the Group. As a result, emphasis is given to ensuring that site security measures at all Group locations are robust. In addition, the Board is satisfied that significant management attention is given to the development of comprehensive disaster recovery plans. Similarly, a significant IT system failure could adversely impact on operations. As a result, IT disaster recovery plans and system backup processes are implemented.

While the Group has a track record of attracting and retaining high quality senior management and staff, it faces risks associated with the potential loss of key management personnel. The Board addresses these risks through incentivisation and retention initiatives in addition to robust succession planning.

As a Group with operations and interests outside the euro-zone, Origin is subject to the risk of adverse movements in foreign currency exchange rates. Exposures are managed through the use of foreign currency contracts. Financial risk management objectives

Directors' report *(continued)*

for the year-ended 31 July 2007

Principal risks and uncertainties (continued)

and policies are identified in the financial review and in note 21 to the Group financial statements on pages 63 and 64.

Results for the year

The results for the year are set out in the Group income statement on page 32. Profit for the financial year before dividends was €32,649,000 (*2006: €31,677,000*).

Dividends

There were no dividends paid or proposed by the Company since its incorporation.

Future developments

The Group will continue to pursue new developments to enhance shareholder value, through a combination of organic growth, acquisitions and development opportunities.

Research and development

The Group pursues ongoing research and development programmes directed towards the development of product range extensions in its Food business and specialised products in its Agri-Nutrition business.

Accounting records

The directors believe that they have complied with the requirement of Section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the Company are maintained at the Company's registered office at 151 Thomas Street, Dublin 8.

Corporate governance

The Board recognises the importance of sound corporate governance and that it is accountable to its shareholders in this regard. While there is no distinct Irish corporate governance regime for companies whose shares are traded on the AIM and IEX markets the directors intend that the Company will apply policies and procedures which reflect the principles of the 2003 FRC Combined Code on Corporate Governance as practicable and appropriate having regard to the Company's size and the markets on which its shares are traded.

The Board

Following admission to trading on AIM and IEX, the Board comprises two executive and three non-executive directors.

The Board considers all non-executive directors capable of exercising independent judgement.

Enhanced and effective governance is achieved by the separation of the roles of Chairman and Chief Executive Officer. The Board is responsible for setting the strategic direction and for providing leadership and control of the Company and Group.

The Board has reserved to itself decision making in the areas of:

- Continuity or alteration of strategic direction of the Group.
- Appointment or dismissal of the Chief Executive Officer or the Company Secretary and recommendation for appointment or dismissal of any member of the Board.
- Director and senior executive management succession planning.
- Policy on remuneration for executive directors and senior executive management.
- The issue of shares and debentures.
- Authorisation of arrangement of borrowing facilities.
- Setting budgets.
- Authorisation of major capital expenditure, acquisitions and disposals.
- Dividend policy.

Certain matters are delegated to Board committees, the details of which are set out below. Written terms of reference of all committees have been established.

The Chairman is responsible for the operational efficiency of the Board and for ensuring that all directors have full and timely access to the information necessary to enable them to discharge their duties. The Board has delegated responsibility for the day-to-day management of the Group, through the Chief Executive Officer, to executive management.

The directors have full access to the advice and services of the Company Secretary, who also acts as secretary to all of the Board committees, is responsible to the Board for ensuring that Board procedures are followed and ensuring compliance with applicable rules and regulations. The directors also have access to independent professional advice, at the Group's expense, if and when required.

On appointment to the Board, non-executive directors are provided with a comprehensive introduction to the Group's operations, including the opportunity to visit sites and meet with key management.

The Board (continued)

All directors are required to retire by rotation in accordance with the Company's Articles of Association. At every Annual General Meeting of the Company, as nearly as possible one-third will retire by rotation. The directors to retire are those who have been longest in office. A retiring director shall be eligible for re-election.

The Board intends to meet regularly throughout each financial year. The Board has established an Audit Committee and a Remuneration Committee. The Board does not have a formal Nominations Committee and consideration of appointments are made by the Board.

Audit Committee

The Audit Committee, which was established in July 2007, comprises two non-executive directors, namely Mr. H. Cooney (Chairman) and Mr. P. McEniff, both of whom have recent and relevant financial experience. The responsibilities of the Audit Committee are set out in the terms of reference of the Audit Committee which are available on the Company's website, www.originenterprises.com.

The Audit Committee is responsible for monitoring the integrity of the Group's financial statements and for reviewing significant financial reporting issues and judgements contained therein. The Committee reviews the accounting principles, policies and practices adopted in the preparation of the interim, preliminary and annual financial statements.

The Audit Committee is also responsible for monitoring the effectiveness of the external auditor and audit process, and for making recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor, and for approving their remuneration and terms of engagement. The Committee monitors the external auditor's independence and objectivity, taking into consideration relevant professional and regulatory requirements, extent of services provided and fees paid. The Audit Committee is also responsible for developing a policy on the engagement of the external auditor to provide non-audit services.

The Audit Committee monitors the effectiveness of the Group's systems of internal control, the processes for monitoring and evaluating risks and the effectiveness of the Internal Audit function. The Committee also reviews the Group's arrangements for its employees to raise concerns about possible improprieties in financial reporting or other matters in confidence.

Remuneration Committee

The Remuneration Committee comprises Mr. O. Killian (Chairman) and Mr. P. McEniff, both non-executive directors. The terms of reference of the Remuneration Committee are to determine the Group's policy on remuneration of executive directors and to consider and approve the salaries and other terms of the remuneration package for the executive directors.

The remuneration of the non-executive directors is determined by the Board, and reflects the time commitment and responsibilities of the role. The Group's policy on executive directors' remuneration recognises that employment and remuneration conditions for senior executives must properly reward and motivate them to perform in the best interests of the shareholders. The typical elements of the remuneration package for executive directors are basic salary and benefits, performance related bonuses, pensions and participation in the Company's Long Term Incentive Plan. Remuneration policy reflects the need to ensure that the Group can attract, retain and motivate executives to perform at the highest levels of expectation.

Basic salary of executive directors is reviewed annually with regard to personal performance, Group performance and competitive market practice. Employment related benefits consist principally of a company car. The Group pays performance related annual bonuses to executive directors which are linked to the overall performance of the Group. Pension benefits are determined solely in relation to basic salary.

Under the terms of the 2006 Origin Enterprises Long Term Incentive Plan (the "Origin Plan") directors and senior management acquired Ordinary Shares in the Company. To retain the Ordinary Shares issued under the Origin Plan the directors and senior management must remain with the Group for five years and financial/operational targets must be achieved. Directors and senior management also acquired Equity Entitlements in Origin. Provided certain targets are achieved the Equity Entitlements will be converted on a one-for-one basis into Ordinary Shares in Origin. Further details on the Origin Plan are outlined on pages 50 and 51.

Internal controls

The directors have overall responsibility for the Group's system of internal control and for reviewing its effectiveness. This involves an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and reviewing the effectiveness of the resultant system of internal control throughout the period and up to the date of approval of the Annual Report and Financial Statements. This system is designed to manage risks that may impede the achievement of the Group's business objectives rather than to eliminate these risks. The internal control system therefore provides reasonable, though not absolute, assurance against material misstatement or loss.

Directors' report *(continued)*

for the year-ended 31 July 2007

Internal controls (continued)

The directors have established a number of key procedures designed to provide an effective system of internal control. The key procedures, which are supported by detailed controls and processes, include:

- Examination of business processes on a risk basis by Internal Audit.
- Maintaining an organisation structure with defined lines of responsibility and specified delegation of authority within which the Group's activities can be planned and monitored.
- A comprehensive financial reporting system involving the setting of annual budgets and plans, timely monthly reporting and variance analysis and ongoing review, supported by information systems developed for the purpose.
- Comprehensive policies and procedures relating to computer security, capital expenditure, treasury risk management and credit risk management.
- Annual review of the effectiveness of the system of internal control as operated up to and including the date of approval of the financial statements.

Going forward, the Board will actively monitor the continued adequacy of the Group's management and control system to ensure that as the Group develops, appropriate resources are available for this purpose.

Communication with shareholders

Shareholder communication is given high priority by the Group. The Group has an ongoing programme of meetings between its senior executives, institutional shareholders, analysts and brokers. The Board is kept appraised of the views of shareholders, and the market in general, through feedback from the meetings programme. Analysts' reports on the Group are also circulated to the Board on a regular basis.

The Group will issue its results promptly to shareholders and they will also be published on the Group's website, www.originenterprises.com. The Company's Annual General Meeting will afford each shareholder the opportunity to question the Chairman of the Board, the Chairmen of all committees and all other Board members. The notice of AGM and related papers will be sent to shareholders at least 20 working days before the meeting.

Directors and Secretary and their interests

Origin was incorporated on 11 September 2006. The following changes in directors took place during the year:

	Appointed	Resigned
P. Egan	11 September 2006	9 February 2007
U. Burke	11 September 2006	9 February 2007
P. Morrissey	9 February 2007	29 May 2007
B. Fitzgerald	9 February 2007	-
T. O'Mahony	9 February 2007	-
O. Killian	23 April 2007	-
P. McEniff	23 April 2007	-
H. Cooney	29 May 2007	-

Mr. P. Morrissey was appointed Company Secretary on 23 April 2007.

None of the directors has a service contract with any Group company. Mr. H. Cooney's appointment is for an initial three year period under his letter of appointment.

The directors and Company Secretary who held office at 31 July 2007 had no interests, other than those shown below, in the shares in, or loan stock of, the Company or in any Group company. Beneficial interests at 31 July 2007 and 31 July 2006 (or date of appointment if later) were as follows:

Ordinary Shares in Origin Enterprises plc of €0.01 cent each

Directors	31 July 2007	Date of appointment
	Number of shares	Number of shares
T. O'Mahony	783,217	-
B. Fitzgerald	394,038	100
H. Cooney	66,667	-

There have been no changes in the interests as shown above between 31 July 2007 and 19 September 2007.

Equity Entitlements in Origin Enterprises plc

In addition, through Origin LTIP Trustee Limited, the directors held the following Equity Entitlements under the terms of the Origin Long Term Incentive Plan.

Directors	31 July 2007	Date of appointment
	Number of equity entitlements	Number of equity entitlements
T. O'Mahony	958,182	-
B. Fitzgerald	482,069	-

There have been no changes in the interests as shown above between 31 July 2007 and 19 September 2007.

Directors' report *(continued)*

for the year-ended 31 July 2007

Directors' and Company Secretary's interests in the Ordinary Shares of IAWS Group plc

Directors	31 July 2007	31 July 2006
	Number of shares	Number of shares
O. Killian	381,595	312,845
T. O'Mahony	81,766	70,084
P. McEniff	161,507	123,851
H. Cooney	-	-
Secretary		
P. Morrissey	74,038	57,029

Mr. H. Cooney acquired 2,850 Ordinary Shares in IAWS Group plc on 29 August 2007. There have been no other changes in the interests as shown above between 31 July 2007 and 19 September 2007.

Directors' and Company Secretary's interests in share options of IAWS Group plc 1997 Share Option Scheme

Directors	31 July 2006 and 2007	Earliest exercisable date †	Latest expiry date ‡	Weighted average option price at 31 July 2007
O. Killian	370,000	30/10/2006	21/04/2016	€12.62
P. McEniff	300,000	30/10/2006	21/04/2016	€12.68
T. O'Mahony	150,000	30/10/2006	21/04/2016	€11.57
Secretary				
P. Morrissey	150,000	30/10/2006	21/04/2016	€12.54

† First tranche of options granted
‡ Last tranche of options granted

Long term incentive scheme interests held during 2007 in respect of the ordinary shares of IAWS Group plc are as follows:

IAWS Plan - Matching Scheme

Directors	Share entitlements awarded during the year under Matching Scheme and held at 31 July 2007	Date by which qualifying conditions must be met
O. Killian	150,000	01/12/2009
P. McEniff	75,000	01/12/2009
Secretary		
P. Morrissey	30,000	01/12/2009

Notes:

1. *Matching shares are issued to a participant on a 3:1 basis by reference to Qualifying Investment Shares (in shares or equivalents) acquired by the participant. Matching shares may generally not vest earlier than the expiry of the third financial year-ending following their provision and then only to the extent that the relevant Qualifying Investment Shares are retained. EPS growth, measured over three financial years, has been fixed as the performance vesting criteria per the following table:-*

EPS Growth	Multiple (re Qualifying Investment Shares)
CPI plus 10% or more	3
CPI plus > 7.5% < 10%	2
CPI plus > 5% < 7.5%	1
CPI plus < 5%	0

Directors' report *(continued)*

for the year-ended 31 July 2007

IAWS Plan - Employee Equity Participation Scheme ("EEPS")

Directors	Share entitlements awarded during the year under the EEPS and held at 31 July 2007	Date by which qualifying conditions must be met	Weighted average exercise price at 31 July 2007
O. Killian	350,000	12/03/2010	€17.10
P. McEniff	200,000	12/03/2010	€17.10
Secretary			
P. Morrissey	50,000	12/03/2010	€17.10

Notes:

1. *Benefits under the Employee Equity Participation Scheme will generally not vest unless the growth in EPS during the performance period exceeds the growth in the Consumer Price Index plus 5 per cent on an annualised basis over such period. Other performance criteria which are acceptable under institutional investment guidelines may alternatively be applied by the Remuneration Committee. Where at least 50 per cent of a performance criterion has been achieved, the Remuneration Committee may apply the criterion on a scaled basis so as to allow a partial vesting of the benefit. Benefits will generally not vest earlier than the expiry of the third financial year-ending following their provision.*

Substantial holdings

As at 19 September 2007 the directors have been notified of the following shareholdings which amount to 3% or more of the Company's issued ordinary share capital:

	Number of shares	%
IAWS Group plc	95,000,004	71.4
Origin LTIP Trustee Limited	4,682,134	3.5
Cantor Fitzgerald	7,219,294	5.4

Post balance sheet events

On 31 July 2007, the Company announced that it had reached agreement to acquire the 50% stake in the Odlums Group not already owned, as set out in note 31 to the Group financial statements. The transaction was conditional upon clearance from the Competition Authority which was received on 29 August 2007 and the transaction was completed on 30 August 2007. Other than this, there have been no significant events since the year-end which would require disclosure in the financial statements.

Going concern

The directors have a reasonable expectation, having made appropriate enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Auditor

KPMG, Chartered Accountants, were appointed as auditor during the year and, in accordance with Section 160(2) of the Companies Act, 1963, continue in office.

On behalf of the Board

O. Killian
Director

T. O'Mahony
Director

19 September, 2007

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law the directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU (EU IFRS) and have elected to prepare the Company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the financial reporting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The Group financial statements are required by EU IFRS to present fairly the financial position and performance of the Group; the Companies Acts 1963 to 2006 provide, in relation to such financial statements, that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation. The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing each of the Group and Company financial statements, the directors are required to:

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

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts 1963 to 2006.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

O. Killian	**T. O'Mahony**
Director	Director

19 September 2007

Independent auditor's report to the members of Origin Enterprises plc

We have audited the Group and Company financial statements (the ''financial statements'') of Origin Enterprises plc for the year-ended 31 July 2007, which comprise the Group Income Statement, the Group Statement of Recognised Income and Expense, the Group Balance Sheet, the Group Cash Flow Statement, the Group Statement of Accounting Policies and the related notes, and the Company Balance Sheet, Company Statement of Accounting Policies and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Annual Report and the Group financial statements in accordance with applicable law and EU IFRS, and for preparing the Company financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), are set out in the Statement of Directors' Responsibilities on page 29.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Acts 1963 to 2006 and whether, in addition, the Group financial statements have been properly prepared in accordance with Article 4 of the IAS Regulation. We also report to you our opinion as to: whether proper books of account have been kept by the Company; whether at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Company balance sheet is in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Financial Highlights, the Chairman's Statement, the Review of Business Operations, the Financial Review and the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditor's report to the members of Origin Enterprises plc *(continued)*

Opinion

In our opinion

- the Group financial statements give a true and fair view, in accordance with EU IFRS, of the state of the Group's affairs as at 31 July 2007 and of its profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2006 and Article 4 of the IAS Regulation;
- the Company financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Company's affairs as at 31 July 2007; and
- the Company financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2006.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. The Company balance sheet is in agreement with the books of account.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

The net assets of the Company, as stated in the Company balance sheet, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 July 2007 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the Company.

KPMG

Chartered Accountants
Registered Auditor

19 September 2007

Group income statement

for the year-ended 31 July 2007

	Notes	**Pre-exceptional 2007 €'000**	**Exceptional 2007 €'000**	**Total 2007 €'000**	Pre-exceptional 2006 €'000	Exceptional 2006 €'000	Total 2006 €'000
Revenue	1	**889,363**	**-**	**889,363**	816,871	-	816,871
Cost of sales		**(793,046)**	**-**	**(793,046)**	(726,971)	-	(726,971)
Gross profit		**96,317**	**-**	**96,317**	89,900	-	89,900
Operating costs, net	2	**(58,190)**	**1,146**	**(57,044)**	(55,210)	1,575	(53,635)
Operating profit before amortisation of intangible assets	1	**38,127**	**1,146**	**39,273**	34,690	1,575	36,265
Amortisation of intangible assets	14	**(797)**	**-**	**(797)**	(722)	-	(722)
Operating profit		**37,330**	**1,146**	**38,476**	33,968	1,575	35,543
Share of profit of associates	6	**3,674**	**-**	**3,674**	4,371	-	4,371
Profit before financing costs	1	**41,004**	**1,146**	**42,150**	38,339	1,575	39,914
Financing income	3	**2,310**	**-**	**2,310**	1,173	-	1,173
Financing costs	3	**(4,955)**	**-**	**(4,955)**	(2,119)	-	(2,119)
Profit before tax		**38,359**	**1,146**	**39,505**	37,393	1,575	38,968
Income tax expense	9	**(6,406)**	**(450)**	**(6,856)**	(6,617)	(674)	(7,291)
Profit for the financial year		**31,953**	**696**	**32,649**	30,776	901	31,677
Attributable as follows:							
Equity shareholders				**32,686**			31,605
Minority interest	27			**(37)**			72
				32,649			31,677
Basic earnings per share	11			**24.57c**			23.76c
Diluted earnings per share	11			**23.86c**			N/A

Group statement of recognised income and expense

for the year-ended 31 July 2007

	Notes	2007 €'000	2006 €'000
Items of income and expense recognised directly in equity			
Foreign exchange translation adjustment		**2,053**	1,417
Actuarial gain on Group's defined benefit pension schemes		**7,039**	2,932
Deferred tax effect of actuarial gain		**(895)**	(214)
Actuarial gain on associate's defined benefit scheme		**3,745**	-
Loss relating to cash flow hedges and other		**(1,027)**	(1,531)
Deferred tax effect of cash flow hedges and other		**298**	159
Revaluation gains on properties transferred to investment properties		**87,380**	-
Deferred tax effect on gains on revaluation of properties transferred to investment properties		**(15,208)**	-
Net income recognised directly in equity		**83,385**	2,763
Profit for the financial year		**32,649**	31,677
Total recognised income and expense for the year		**116,034**	34,440
Attributable as follows:			
Equity shareholders		**116,071**	34,368
Minority interest	27	**(37)**	72
Total recognised income and expense for the year		**116,034**	34,440

Group balance sheet

as at 31 July 2007

	Notes	2007 €'000	2006 €'000
ASSETS			
Non current assets			
Property, plant and equipment	12	**71,149**	81,872
Investment properties	13	**165,473**	-
Goodwill and intangible assets	14	**15,220**	16,647
Investments in associates	15	**26,521**	19,620
Deferred tax assets	23	**1,633**	2,082
Total non current assets		**279,996**	120,221
Current assets			
Inventory	16	**67,476**	56,254
Trade and other receivables	17	**84,993**	93,757
Cash and cash equivalents	19	**31,989**	34,655
Total current assets		**184,458**	184,666
TOTAL ASSETS		**464,454**	304,887

Group balance sheet *(continued)*

as at 31 July 2007

	Notes	**2007 €'000**	2006 €'000
EQUITY			
Called up share capital	25	**1,382**	-
Share premium	26	**265,182**	-
Retained earnings and other reserves	26	**(83,171)**	89,321
Total equity attributable to equity shareholders of parent	26	**183,393**	89,321
Minority interest	27	**241**	278
TOTAL EQUITY		**183,634**	89,599
LIABILITIES			
Non current liabilities			
Interest bearing borrowings	20	**83,000**	-
Employee benefits	24	**1,771**	9,040
Deferred government grants	22	**2,674**	2,695
Deferred tax liabilities	23	**31,740**	5,482
Total non current liabilities		**119,185**	17,217
Current liabilities			
Interest bearing borrowings	20	**20,691**	232
Trade and other payables	18	**127,026**	118,671
Corporation tax payable		**8,556**	5,300
Derivative financial instruments	21	**2,216**	1,188
Amounts due to IAWS Group plc and subsidiaries		**3,146**	72,680
Total current liabilities		**161,635**	198,071
TOTAL LIABILITIES		**280,820**	215,288
TOTAL EQUITY AND LIABILITIES		**464,454**	304,887

Group cash flow statement

for the year-ended 31 July 2007

	Notes	2007 €'000	2006 €'000
Cash flows from operating activities			
Profit before tax		**39,505**	38,968
Financing costs, net	3	**2,645**	946
Share of profit of associates	6	**(3,674)**	(4,371)
Depreciation of property, plant and equipment	12	**7,527**	7,350
Amortisation of intangible assets	14	**797**	722
Amortisation of government grants	22	**(124)**	(131)
Employee share-based payment charge		**205**	-
Exceptional items	2	**(1,146)**	(1,575)
Foreign exchange losses/(gains)		**32**	(114)
Operating profit before changes in working capital		**45,767**	41,795
Increase in inventory		**(11,736)**	(1,059)
Decrease/(increase) in trade and other receivables		**9,103**	(16,264)
Increase in trade and other payables		**3,561**	11,061
Cash generated from operating activities		**46,695**	35,533
Interest paid		**(1,792)**	(488)
Net cash inflow from operating activities		**44,903**	35,045

Group cash flow statement *(continued)*

for the year-ended 31 July 2007

	Notes	2007 €'000	2006 €'000
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**205**	3,896
Purchase of property, plant and equipment			
- Ongoing		**(3,767)**	(5,705)
- New investments		**(2,336)**	(3,410)
Purchase of intangible assets		**-**	(854)
Insurance proceeds, net		**6,118**	-
Disposal of other investments		**-**	668
Disposal of subsidiary		**1,045**	-
Dividends received		**574**	1,604
Net cash flow from investing activities		**1,839**	(3,801)
Cash flows from financing activities			
Proceeds from issue of share capital		**104,192**	-
Share issue expenses		**(1,691)**	-
Net cash movement in balance with IAWS Group plc		**(255,545)**	(35,213)
Drawdown of loan capital		**83,000**	-
Net cash flow from financing activities		**(70,044)**	(35,213)
Net decrease in cash and cash equivalents		**(23,302)**	(3,969)
Translation adjustment		**177**	10
Cash and cash equivalents at start of year		**34,423**	38,382
Cash and cash equivalents at end of year	19	**11,298**	34,423

Statement of accounting policies

for the year-ended 31 July 2007

Origin Enterprises plc (the "Company") is a company domiciled and incorporated in Ireland. The Group's financial statements for the year-ended 31 July 2007 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as the "Group") and show the Group's interest in associates using the equity method of accounting.

The individual and Group financial statements of the Company were authorised for issue by the directors on 19 September 2007.

Statement of compliance

As required by European Union (EU) law, the Group financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU.

The IFRSs adopted by the EU applied by the Group in the preparation of these financial statements are those that were effective at 31 July 2007.

The Group has not applied the following IFRS and International Financial Reporting Interpretations Committee (IFRIC) Interpretations that have been issued but are not yet effective. The directors have formed the opinion that the adoption of these pronouncements will not have a significant effect on the Group financial statements, except for IFRS 7, *Financial Instruments: Disclosures* and Amendment to IAS 1, *Capital disclosures*. Their likely impact is briefly outlined below.

- Amendment to IAS 1, *Capital disclosures* (effective for periods beginning on or after 1 January 2007). This amendment will require additional disclosures regarding the capital structure of the Group;
- IFRS 7, *Financial Instruments: Disclosure* (effective for periods beginning on or after 1 January 2007). This standard updates and extends disclosure requirements of IAS 32 and will require significant additional disclosures relating to risk management policies, processes, and financial instruments;
- IFRIC 10, *Interim Financial Reporting and Impairment* (effective for periods beginning on or after 1 November 2006); and
- IFRIC 11, *IFRS 2: Group and Treasury Share Transactions* (effective for periods beginning on or after 1 March 2007).

Basis of preparation

In October 2006 IAWS Group plc announced its intention to establish a new operating company within its Group to create a specialist focus around its original core Agri and Ambient Foods businesses. In April 2007 as part of a group reorganisation the original core Agri and Ambient Foods businesses were transferred to the Company (which was incorporated on 11 September 2006) at which stage it was a wholly owned subsidiary of IAWS Group plc. It converted to a plc on 29 May 2007 and shares in Origin were admitted to trading on the IEX and AIM markets of the Dublin and London Stock Exchanges on 5 June 2007.

The businesses transferred to the Company were distinguishable both operationally and for financial reporting purposes from the other operations of IAWS Group plc.

The consolidated financial statements for the Group for the year-ended 31 July 2007 have been prepared as if the Group had always existed and consequently reflect the pre-existing carrying values in IAWS Group plc of the assets and liabilities transferred to the Company while the Group income statement, Group statement of recognised income and expenses and Group cash flow statement present the results, performance and cash flows of the businesses for the full year to 31 July 2007. The comparative information has also been presented as though the transaction had been implemented throughout the prior period. However, stand alone banking facilities and the capital structure of the Group were only established in May 2007. Consequently, share capital and share premium are only separately identified from May 2007 and previous financing was reflected in the total amount due to/from IAWS Group plc.

Accordingly, profit before tax, profit for the financial year and earnings per share for the year-ended 31 July 2007 are not directly comparable with the 2006 comparatives as the financial information for 2007 reflects the financing costs associated with the separate bank facilities put in place by Origin in May 2007. Prior to May 2007 the Origin businesses were funded as part of the wider IAWS Group plc and the interest charge accordingly does not reflect the current financial structure.

IFRS 1, *First-time Adoption of International Financial Reporting Standards*, requires an entity adopting International Financial Reporting Standards ("IFRSs") for the first time to explain how the transition from Irish GAAP to IFRSs affected its reported financial position, financial performance and cash flows. The directors have determined that such information is unnecessary for Origin Enterprises plc as the results for 2007 and 2006 have been presented in conformity with IFRSs and have never been presented under any other financial reporting standards. Furthermore, the Group's IEX and AIM admission document presented pro-forma historical financial information for the year-ended 31 July 2005 in accordance with both Irish GAAP and IFRSs, including a detailed reconciliation of the Group income statement between both sets of reporting standards.

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Basis of preparation (continued)

In accordance with Section 62 of the Companies Act, 1963, the ordinary shares issued by the Company in connection with the acquisition of the net assets from IAWS Group plc have been recorded at fair value.

The difference between the carrying value of the investment recorded in the Company balance sheet at fair value and the book value of the assets and liabilities transferred has been recognised as a reorganisation reserve in other reserves within equity together with the currency translation reserve and revaluation reserve. The amount shown for these separate reserves are the amounts which would have been recorded if the Group had always existed as a separate Group.

The Group financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment property, derivative financial instruments, pension obligations and share-based payments. The accounting policies have been applied consistently over both years. The financial statements are presented in euro, rounded to the nearest thousand, which is the functional currency of the parent and the majority of the Group's operations.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group financial statements, relate primarily to accounting for defined benefit pension schemes, financial instruments, investment properties, share-based payments, provisions, intangible assets, goodwill impairment and deferred tax.

Basis of consolidation

The Group financial statements reflect the consolidation of the results, assets and liabilities of all its subsidiaries, together with the Group's share of profits/losses of associates. Except for the reorganisation referred to above, where a subsidiary or associate is acquired or disposed of during the financial year, the Group financial information includes the attributable results from or to the effective date when control passes.

Subsidiary undertakings

Subsidiary undertakings are those entities over which the Group has the power to control the operating and financial policies so as to obtain economic benefit from their activities. The amounts included in these financial statements in respect of the subsidiaries are taken from their latest financial statements prepared up to the year-end. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Associates

Associates are those entities in which the Group has a significant influence over, but not control of, the financial and operating policies. Investments in associates are accounted for using the equity method of accounting.

Under the equity method of accounting, the Group's share of the post-acquisition profits or losses of its associates is recognised in the income statement. The income statement reflects, in profit before tax, the Group's share of profit after tax of its associates in accordance with IAS 28, *Investments in Associates*. The Group's interest in their net assets is included as investments in associates in the Group balance sheet at an amount representing the Group's share of the fair value of the identifiable net assets at acquisition plus the Group's share of post acquisition retained income and expenses. The Group's investment in associates includes goodwill on acquisition. The amounts included in the financial statements in respect of the post acquisition income and expenses of associates are taken from their latest financial statements prepared up to their respective year-ends together with management accounts for the intervening periods to the Group's year-end. Where necessary, the accounting policies of associates have been changed to ensure consistency with the policies adopted by the Group.

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Basis of consolidation (continued)

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the Group financial statements. Unrealised gains and income and expenses arising from transactions with associates are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that they do not provide evidence of impairment.

Revenue

Revenue represents the fair value of the sale of goods and services supplied to third parties, after deducting discounts and exclusive of value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographic segment), which is subject to risks and returns different from those of other segments.

The Group's primary format for segmental reporting is business segments and the secondary format is geographical segments. The risks and returns of the Group's operations are primarily determined by the different products that the Group sells rather than the geographical location of the Group's operations.

The Group has two business segments: Food and Agri/Nutrition. The Group's geographical segments are Ireland and the UK. Segment assets and liabilities consist of property, plant and equipment, goodwill and intangible assets and other assets and liabilities that can be reasonably allocated to the reported segment. Unallocated assets and liabilities principally include current and deferred income tax balances together with financial assets and liabilities.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Employee benefits

Pension obligations

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as the related employee service is received. The Group's net obligation in respect of defined benefit pension plans is calculated, separately for each plan, by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in the statement of recognised income and expense. Current and past service costs, interest on scheme liabilities and expected return on assets are recognised in the income statement.

Long Term Incentive Plan

During the year, the Group established the Origin Enterprises Long Term Incentive Plan (the "Origin Plan").

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Long Term Incentive Plan (continued)

All equity instruments issued under the Origin Plan are equity settled share-based payments as defined in IFRS 2, *Share-based Payment*. The fair value of equity instruments issued is recognised as an expense with a corresponding increase in equity. The fair value is measured at issue date and spread over the period during which the employees become unconditionally entitled to the equity instrument. The fair value of the equity instruments issued is measured taking into account the terms and conditions under which the equity instruments were issued. The plan is subject to non-market vesting conditions and, therefore, the amount recognised as an expense is adjusted to reflect the actual number of equity instruments that vest.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. If the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting or taxable profit or loss, it is not recognised. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be recovered. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Origin businesses were part of the tax arrangements of IAWS Group plc for the year-ended 31 July 2006 and for part of the year-ended 31 July 2007. The tax charges for the Group for the years ended 31 July 2006 and 31 July 2007 reflect the tax position of the Origin businesses as they existed within these tax arrangements.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to euro at the foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to euro at the actual rates when the transactions occurred. Foreign exchange differences arising on translation of the net assets of a foreign operation are recognised directly in equity, in a translation reserve.

Exchange gains or losses on long term intra-group loans and on foreign currency borrowings, used to finance or provide a hedge against Group equity investments in non-euro denominated operations, are taken to the translation reserve to the extent that they are neither planned nor expected to be repaid in the foreseeable future or provide an effective hedge of the net investment. Any differences that have arisen are recognised in the currency translation reserve and are recycled through the income statement on the repayment of the intra-group loan or on disposal of the related business.

Dividends

Dividends are recognised in the period in which they are approved by the Company's shareholders, or in the case of an interim dividend, when it has been approved by the Board of Directors and paid.

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure including repairs and maintenance costs is recognised in the income statement as an expense as incurred.

Depreciation is calculated to write off the cost less estimated residual value of property, plant and equipment, other than freehold land, on a straight line basis, by reference to the following estimated useful lives:

Buildings	25 to 50 years
Plant & machinery	3 to 15 years
Motor vehicles	3 to 7.5 years

The residual value of assets, if significant, and the useful life of assets is reassessed annually.

Gains and losses on disposals of property, plant and equipment are recognised on the completion of sale. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are included in operating profit.

Investment properties

Investment property, principally comprising land, is held for capital appreciation. Investment property is stated at fair value. The fair value is based on market value, being the estimated amount for which a property could be exchanged in an arms length transaction. Any gain or loss arising from a change in fair value is recognised in the income statement. When property is transferred to investment property following a change in use, any difference arising at the date of transfer between the carrying amount of the property immediately prior to transfer and its fair value is recognised in equity if it is a gain. Upon disposal of the property, the gain would be transferred to retained earnings. Any loss arising in this manner, unless it represents the reversal of a previously recognised gain, would be recognised immediately in the income statement.

Leased assets

The Group's leases are those where a significant portion of the risks and rewards of ownership are retained by the lessor and are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the lease term. The Group has no finance leases.

Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries and associates. In respect of acquisitions that have occurred since 1 August 2005, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. In respect of acquisitions prior to this date, goodwill is included on the basis of its deemed cost, i.e. original cost less accumulated amortisation from the date of acquisition up to 31 July 2005, which represents the amount recorded under Irish GAAP. Goodwill is now stated at cost or deemed cost less any accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment.

Intangible assets

All brand intangible assets were separately acquired and are capitalised at cost. Intangible assets are amortised over the period of their expected useful lives in equal annual instalments. The expected useful lives of brand intangible assets range from 5 to 6 years.

Computer software that is not an integral part of an item of computer hardware is also classified as an intangible asset. These intangible assets are stated at cost less accumulated amortisation and impairment losses. Cost comprises purchase price and other directly attributable costs. The expected useful life of computer software is 5 years.

Impairment

The carrying amounts of the Group's assets, other than inventories (which are carried at the lower of cost and net realisable value), deferred tax assets (which are recognised based on recoverability), investment properties (which are carried at fair value), and those financial instruments, which are carried at fair value, are reviewed to determine whether there is an indication of impairment when an event or transaction indicates that there may be, except for goodwill. If any such indication exists, an impairment test is carried out and the asset is written down to its recoverable amount. An impairment test is carried out annually on goodwill.

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Impairment (continued)

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then, to reduce the carrying amount of the other assets in the unit on a pro rata basis. An impairment loss, other than in the case of goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventory

Inventory is stated at the lower of cost on a first in, first out basis and net realisable value. Cost includes all expenditure, which has been incurred in the normal course of business in bringing the products to their present location and condition. Net realisable value is the estimated selling price of inventory on hand less all further costs to completion and all costs expected to be incurred in marketing, distribution and selling.

Trade and other receivables and payables

Trade and other receivables and payables are stated at cost less impairments, which approximates fair value given the short-dated nature of these assets and liabilities.

Trade receivables are carried at original invoice amount less an allowance for uncollectible debts. Provision is made when there is objective evidence that the Group may not be in a position to collect the associated debts.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Financial assets and liabilities

Set out below are the major methods and assumptions used in estimating the fair values of financial assets and liabilities.

Short-term bank deposits and cash and cash equivalents

For short-term bank deposits and cash and cash equivalents with a remaining maturity of less than one year, the nominal amount is considered to approximate fair value.

Trade and other receivables/payables

For receivables and payables with a remaining life of less than one year or demand balances, the nominal amount is considered to approximate fair value. All other receivables and payables are discounted to determine their fair value.

Derivatives

Forward currency contracts are marked to market using quoted market values.

Interest-bearing loans and borrowings

For interest-bearing loans and borrowings with a contractual repricing date of less than one year, the nominal amount is considered to approximate fair value. For loans with a repricing date of greater than one year, the fair value is calculated based on the expected future principal and interest cash flows, discounted at appropriate current market interest rates.

Derivative financial instruments

All derivatives are initially recorded at fair value on the date the contract is entered into and subsequently, at reporting dates remeasured to their fair value. The gain or loss arising on remeasurement is recognised in the income statement except where the instrument is a designated hedging instrument.

Derivative financial instruments are used to manage the Group's exposure to foreign currency risk and commodity price risk through the use of forward currency contracts and futures contracts. These derivatives are generally designated as cash flow hedges in accordance with IAS 39. The Group does not enter into speculative derivative transactions.

Statement of accounting policies *(continued)*

for the year-ended 31 July 2007

Derivative financial instruments (continued)

Cash flow hedges

Subject to the satisfaction of certain criteria, relating to the documentation of the risk, objectives and strategy for the hedging transaction and the ongoing measurement of its effectiveness, cash flow hedges are accounted for under hedge accounting rules. In such cases, any unrealised gain or loss arising on the effective portion of the derivative instrument is recognised in the cash flow hedging reserve, a separate component of equity. Unrealised gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction occurs the related gains or losses in the hedging reserve are transferred to the income statement.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using an effective interest rate method.

Exceptional items

The Group has adopted an income statement format which seeks to highlight significant items within the Group results for the year. The Group believes that this presentation provides a more informative analysis as it highlights one off items. Such items may include significant restructuring costs, profit or loss on disposal or termination of operations, profit or loss on disposal of property, plant and equipment, profit or loss on disposal of investments, claims and significant impairment of assets. Judgement is used by the Group in assessing the particular items, which by virtue of their scale and nature, should be disclosed in the income statement and related notes as exceptional items.

Government grants

Grants that compensate the Group for the cost of an asset are shown as deferred income and amortised in the Group income statement by instalments on a basis consistent with the depreciation policy of the relevant assets.

Other grants are credited to the income statement to offset the matching expenditure.

Notes to the Group financial statements

for the year-ended 31 July 2007

1 Segment information

(a) Analysis by business segment

(i) Segment revenue and result	Food		Agri-Nutrition		Total Group	
	2007	2006	**2007**	2006	**2007**	2006
	€'000	€'000	**€'000**	€'000	**€'000**	€'000
Segment revenue	**241,680**	234,916	**647,683**	581,955	**889,363**	816,871
Operating profit before exceptional items and amortisation of intangible assets	**10,474**	9,937	**27,653**	24,753	**38,127**	34,690
Exceptional items	**(1,314)**	-	**2,460**	1,575	**1,146**	1,575
Operating profit before amortisation of intangible assets	**9,160**	9,937	**30,113**	26,328	**39,273**	36,265
Amortisation of intangible assets	**(501)**	(498)	**(296)**	(224)	**(797)**	(722)
Operating profit	**8,659**	9,439	**29,817**	26,104	**38,476**	35,543
Share of profit of associates	**1,886**	2,667	**1,788**	1,704	**3,674**	4,371
Profit before financing costs	**10,545**	12,106	**31,605**	27,808	**42,150**	39,914
(ii) Segment assets						
Segment assets excluding investment in associates and investment properties	**69,313**	67,292	**169,525**	181,238	**238,838**	248,530
Investment in associates	**10,247**	7,933	**16,274**	11,687	**26,521**	19,620
Investment properties	-	-	**165,473**	-	**165,473**	-
Segment assets	**79,560**	75,225	**351,272**	192,925	**430,832**	268,150
Reconciliation to total assets as reported in Group balance sheet						
Cash and cash equivalents					**31,989**	34,655
Deferred tax assets					**1,633**	2,082
Total assets as reported in Group balance sheet					**464,454**	304,887

Notes *(continued)*

for the year-ended 31 July 2007

1 Segment information *(continued)*

(a) Analysis by business segment (continued)

(iii) Segment liabilities

	Food		Agri-Nutrition		Total Group	
	2007	2006	**2007**	2006	**2007**	2006
	€'000	€'000	**€'000**	€'000	**€'000**	€'000
Segment liabilities	**23,896**	21,767	**107,575**	108,639	**131,471**	130,406
Reconciliation to total liabilities as reported in Group balance sheet						
Interest bearing loans and liabilities					**103,691**	232
Due to IAWS Group plc and subsidiaries					**3,146**	72,680
Derivative financial instruments					**2,216**	1,188
Current and deferred tax liabilities					**40,296**	10,782
Total liabilities as reported in Group balance sheet					**280,820**	215,288

(iv) Other segment information

	Food		Agri-Nutrition		Total Group	
	2007	2006	**2007**	2006	**2007**	2006
	€'000	€'000	**€'000**	€'000	**€'000**	€'000
Depreciation	**1,109**	1,032	**6,418**	6,318	**7,527**	7,350
Capital expenditure – property, plant and equipment	**567**	602	**9,620**	8,043	**10,187**	8,645
Capital expenditure – computer related intangibles	**-**	-	**29**	69	**29**	69
Capital expenditure – brand related intangibles	**-**	-	**-**	782	**-**	782
Total capital expenditure	**567**	602	**9,649**	8,894	**10,216**	9,496

(b) Analysis by geographical segment

	IRELAND		UNITED KINGDOM		TOTAL	
	2007	2006	**2007**	2006	**2007**	2006
	€'000	€'000	**€'000**	€'000	**€'000**	€'000
Segment revenue	**612,841**	543,706	**276,522**	273,165	**889,363**	816,871
Segment assets	**339,173**	181,985	**91,659**	86,165	**430,832**	268,150
Capital expenditure	**6,708**	4,365	**3,508**	5,131	**10,216**	9,496

Notes *(continued)*

for the year-ended 31 July 2007

2 Operating costs

	2007	2006
	€'000	€'000
Distribution expenses	**22,094**	20,828
Administration expenses	**36,220**	34,513
Capital grants released to income statement	**(124)**	(131)
Exceptional items	**(1,146)**	(1,575)
	57,044	53,635

Exceptional items comprise the following net credits/(charges):

	2007	2006
	€'000	€'000
Loss on disposal of operations (i)	**(980)**	(385)
(Loss)/profit on disposal of property, plant and equipment	**(1,314)**	1,531
Profit on disposal of other investments	**-**	429
Insurance settlement and other restructuring costs (ii)	**3,440**	-
	1,146	1,575

(i) Loss on disposal of operations

Power Seeds Limited, an Irish based company engaged in the sale of seed and hardware products was disposed of in 2007. Premier Petfoods Limited, an Irish based company engaged in the distribution of pet foods was disposed of in 2006.

(ii) Insurance settlement and other restructuring costs

During 2007 two facilities operated by the Group suffered fire damage. Contingency plans were implemented and the impact on customers and operations was minimised. The gain represents the excess of the insurance claim proceeds over the net book value of the assets destroyed and other restructuring costs incurred during the year.

Notes *(continued)*

for the year-ended 31 July 2007

3 Financing costs

	2007	2006
	€'000	€'000
Financing income		
Interest income	**(159)**	(144)
Defined benefit pension obligations: expected return on scheme assets	**(2,151)**	(1,029)
Total financing (income)	**(2,310)**	(1,173)
Financing costs		
Interest payable on bank loans and overdrafts	**2,838**	104
Defined benefit pension obligations: interest cost on scheme liabilities	**2,117**	2,015
Total financing costs	**4,955**	2,119
Financing costs, net	**2,645**	946

4 Statutory and other information

Group operating profit was arrived at after charging/(crediting) the following amounts:

	2007	2006
	€'000	€'000
Depreciation of property, plant and equipment		
- owned assets	**7,527**	7,350
Amortisation of intangible assets	**797**	722
Amortisation of government grants	**(124)**	(131)
Operating lease rentals		
- plant and machinery	**203**	188
- other	**1,890**	1,823
Research and development expenditure	**867**	650
Auditor's remuneration for audit services	**373**	267

5 Directors' emoluments

As outlined in the Directors' report on pages 23 to 28 and in the basis of preparation note on pages 38 and 39 the company was incorporated on 11 September 2006. Directors' emoluments relate to the period from the date of the appointment of the director to the year-end. No emoluments were paid by Origin to Mr. O. Killian or Mr. P. McEniff in their capacity as directors of Origin Enterprises plc. The remuneration paid to the directors in their capacity as directors of Origin Enterprises plc is set out below.

	2007
	€'000
Executive directors	
Basic salaries	**218**
Performance bonus	**196**
Benefits in kind	**16**
Pension contributions	**29**
	459
Average number of executive directors	**2**

	€'000
Non-executive directors	
Fees	**8**
Average number of non-executive directors	**3**

Pension entitlements

The aggregate pension benefits attributable to directors under defined benefit schemes for the year were as follows:

	€'000
Increase in accrued pension (excluding inflation)	**2**
Transfer value of increase (excluding inflation)	**-**
Accrued annual pension at 31 July 2007	**62**

6 Group's share of associates' profit after tax

	2007	2006
	€'000	€'000
Group share of:		
Revenue	**132,082**	118,058
Profit after tax	**3,674**	4,371

Notes *(continued)*

for the year-ended 31 July 2007

7 Employment

The average number of persons employed by the Group during the year was as follows:

	2007	2006
Sales and distribution	**172**	169
Production	**250**	251
Management and administration	**187**	197
	609	617

Aggregate employment costs of the Group are analysed as follows:

	2007	2006
	€'000	€'000
Wages and salaries	**27,060**	26,527
Social welfare costs	**2,847**	2,624
Pension costs		
- defined benefit schemes – statement of recognised income and expense	**(7,039)**	(2,932)
- defined benefit schemes – income statement	**904**	2,063
- defined contribution schemes	**644**	533
Share-based payment	**205**	-
	24,621	28,815

8 Share-based payments

Under the terms of the 2006 Origin Enterprises Long Term Incentive Plan (the "Origin Plan"), which was approved by the shareholders of IAWS Group plc on 4 December 2006, 4,682,134 Ordinary Shares in Origin were issued to senior executives in Origin during the year. As the consideration paid for these shares equalled their fair value, no share-based compensation charge was recorded under IFRS 2, *Share-based Payment*. To retain some or all of the Ordinary Shares issued under the terms of the Origin Plan the senior executives must remain with the Group for five years and specified targets (financial and business development related) must be achieved. If a senior executive leaves before the end of the five year period or the targets are not achieved the Ordinary Shares issued under the terms of the Origin Plan may be reacquired by Origin at the lower of the amount paid for the shares and the then fair market value of the shares.

Senior executives of the Group also acquired 5,140,770 Equity Entitlements of €0.01 each in Origin during the year. Provided financial targets as defined under the Origin Plan (compound growth in earnings per share) are achieved and the senior executive remains with the Group for five years, the Equity Entitlements, or part thereof, will be converted on a one for one basis into Ordinary Shares in Origin. The Equity Entitlements are also convertible into Ordinary Shares in the event of a conversion event, defined in the Origin Plan as:

- The announcement of a firm intention to make an offer to acquire the entire issued equity share capital of Origin, which is recommended by the Board of Directors of Origin.
- An offer to acquire the entire issued equity share capital having received acceptances in respect of more than 50% of the issued equity share capital of Origin.
- The execution of an agreement whereby a person or persons acting together agree to acquire more than 50% of the issued equity share capital of Origin.

Notes *(continued)*

for the year-ended 31 July 2007

8 Share-based payments *(continued)*

The Equity Entitlements issued are equity-settled share-based payments as defined in IFRS 2. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share-based payments issued and stipulates that this methodology should be consistent with methodologies used for the pricing of financial instruments. The expense reported in the Group income statement in respect of these Equity Entitlements for the year-ended 31 July 2007 was €205,000 (*2006: nil*).

The weighted average fair value assigned to Equity Entitlements issued under the Origin Plan represents the fair value of an ordinary share adjusted for the lost dividends between the date of issue and the conversion date. No Equity Entitlements are convertible into Ordinary Shares at the end of the year.

9 Income tax

	2007 €'000	2006 €'000
Current tax:		
Republic of Ireland:		
Corporation tax on profits for the year at 12.5% (*2006: 12.5%*)	**4,365**	1,816
Less: manufacturing relief	**(189)**	(34)
Adjustments in respect of prior years	**(84)**	403
Double taxation relief	**-**	(148)
	4,092	2,037
Overseas:		
Current tax on profit for the year	**2,858**	2,558
Adjustments in respect of prior years	**(629)**	389
	2,229	2,947
Total current tax charge	**6,321**	4,984
Deferred tax:		
Origination and reversal of timing differences	**(68)**	2,096
Adjustments in respect of prior years	**603**	211
Total deferred tax charge	**535**	2,307
Income tax expense	**6,856**	7,291

The deferred tax charge for the Group for the year-ended 31 July 2007 includes a minor benefit reflecting the impact of the legislated reduction in UK tax rates from 30% to 28%.

Notes *(continued)*

for the year-ended 31 July 2007

9 Income tax *(continued)*

Reconciliation of average effective tax rate to applicable tax rate

	2007	2006
	€'000	€'000
Profit before tax	**39,505**	38,968
Less: share of profits of associates	**(3,674)**	(4,371)
	35,831	34,597
Taxation based on Irish corporate rate of 12.5% (*2006: 12.5%*)	**4,479**	4,325
Expenses not deductible for tax purposes	**688**	911
Higher rates of tax on other income	**311**	874
Higher rates of tax on overseas earnings	**1,677**	1,974
Adjustments to prior years	**(110)**	1,003
Manufacturing relief	**(189)**	(34)
Group relief	**-**	(1,762)
	6,856	7,291
Movement on deferred tax asset/(liability) recognised directly in equity		
Revaluation of properties transferred to investment properties	**(15,208)**	-
Relating to Group employee benefit schemes	**(895)**	(214)
Derivative financial instruments and other	**298**	148
	(15,805)	(66)

10 Dividends

	2007	2006
	€'000	€'000
Dividends paid	-	43,285

No dividend is proposed in respect of the current financial year. The dividend in 2006 was paid to IAWS Group plc and subsidiaries.

Notes *(continued)*

for the year-ended 31 July 2007

11 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year-ended 31 July 2007 was based on the profit for the financial year attributable to ordinary shareholders of €32,686,000 (*2006*: *€31,605,000*) and the weighted average number of ordinary shares outstanding from the date of the IPO of Origin in June 2007. Prior to the IPO the Company was under common control of IAWS Group plc and did not have a representative share capital. Accordingly, for the purposes of the calculations below it has been assumed that the shares in issue following the IPO were in issue for all of 2007 and for all of 2006.

	2007	2006
	€'000	€'000
Profit for financial year attributable to equity shareholders	**32,686**	31,605
Weighted average number of ordinary shares	**'000**	'000
Weighted average number of ordinary shares for the year	**133,016**	133,016
Basic earnings per share	**24.57 cent**	23.76 cent

Diluted earnings per share

The calculation of diluted earnings per share at 31 July 2007 was based on profit for the financial year attributable to ordinary shareholders of €32,686,000 and the weighted average number of ordinary shares outstanding of 136,983,607 calculated as follows:

	2007
	€'000
Profit for financial year attributable to equity shareholders	**32,686**
Weighted average number of ordinary shares (diluted)	**'000**
Weighted average number of ordinary shares used in basic calculation	**133,016**
Effect of convertible shares with a dilutive effect	**3,968**
Weighted average number of ordinary shares (diluted) for the year	**136,984**
Diluted earnings per share	**23.86 cent**

Notes *(continued)*

for the year-ended 31 July 2007

11 Earnings per share *(continued)*

Adjusted basic earnings per share

	2007 '000	2006 '000
Weighted average number of ordinary shares (basic)*	**133,016**	133,016

	2007 €'000	2007 Per share € cent	2006 €'000	2006 Per share € cent
Profit for the financial year	**32,686**	**24.57**	31,605	23.76
Adjustments:				
Amortisation of intangible assets	**797**	**0.60**	722	0.54
Exceptional items, net of tax	**(696)**	**(0.52)**	(901)	(0.68)
Adjusted basic earnings per share	**32,787**	**24.65**	31,426	23.62

*As explained on the previous page, the number of ordinary shares immediately following the IPO of Origin in June 2007 has been used as the weighted average number for 2006 and 2007.

Adjusted diluted earnings per share

	2007 '000
Weighted average number of ordinary shares (diluted)	**136,984**

	2007 €'000	2007 Per share € cent
Profit for the financial year	**32,686**	**23.86**
Adjustments:		
Amortisation of intangible assets	**797**	**0.58**
Exceptional items, net of tax	**(696)**	**(0.51)**
Adjusted diluted earnings per share	**32,787**	**23.93**

12 Property, plant and equipment

31 July 2007

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total €'000
Cost				
At 1 August 2006	67,865	97,165	2,051	167,081
Additions	4,065	5,941	181	10,187
Disposals	(2,356)	(5,136)	(760)	(8,252)
Transfers to investment property (note 13)	(13,644)	-	-	(13,644)
Translation adjustments	138	676	18	832
At 31 July 2007	**56,068**	**98,646**	**1,490**	**156,204**
Accumulated depreciation				
At 1 August 2006	20,523	63,031	1,655	85,209
Depreciation charge for year	1,735	5,533	259	7,527
Disposals	(477)	(1,609)	(726)	(2,812)
Transfers to investment property (note 13)	(5,374)	-	-	(5,374)
Translation adjustments	73	418	14	505
At 31 July 2007	**16,480**	**67,373**	**1,202**	**85,055**
Net book amounts				
At 31 July 2007	**39,588**	**31,273**	**288**	**71,149**
At 31 July 2006	47,342	34,134	396	81,872

Property, plant and equipment is stated at depreciated historic cost.

Notes *(continued)*

for the year-ended 31 July 2007

12 Property, plant and equipment *(continued)*

31 July 2006

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total €'000
Cost				
At 1 August 2005	70,274	94,835	2,310	167,419
Additions	979	7,544	122	8,645
Disposals	(3,498)	(5,716)	(396)	(9,610)
Translation adjustments	110	502	15	627
At 31 July 2006	**67,865**	**97,165**	**2,051**	**167,081**
Accumulated depreciation				
At 1 August 2005	20,451	62,605	1,695	84,751
Depreciation charge for year	1,752	5,353	245	7,350
Disposals	(1,732)	(5,228)	(285)	(7,245)
Translation adjustments	52	301	-	353
At 31 July 2006	**20,523**	**63,031**	**1,655**	**85,209**
Net book amounts				
At 31 July 2006	**47,342**	**34,134**	**396**	**81,872**
At 31 July 2005	49,823	32,230	615	82,668

Future purchase commitments at 31 July 2007 for property, plant and equipment

	2007 €'000	2006 €'000
Contracted for but not provided for	**219**	1,321
Authorised by the directors but not contracted for	**1,143**	1,024
Total	**1,362**	2,345

13 Investment properties

	2007
	€'000
Balance at 1 August 2006	-
Transfer from property, plant and equipment (note 12)	**8,270**
Revaluation	**87,380**
Transfer from IAWS Group plc	**69,500**
Other	**323**
Balance at 31 July 2007	**165,473**

Investment property, principally comprising land located in Ireland, is held for capital appreciation.

During the year, the Group conducted a review of its property portfolio and transferred sites with a carrying amount of €8,270,000 to investment property. The Group determined that these properties have significant development potential and are located in areas destined for future development and regeneration.

An independent valuations expert conducted a valuation of the Group's investment properties during the year resulting in revaluation gains of €87,379,731 and related deferred tax of €15,208,000. The valuation was on the basis of market value and complies with the requirements of the Valuation and Appraisal Standards (the Red Book) issued under the auspices of the Society of Chartered Surveyors. Market value represents the figure that would appear in a hypothetical contract of sale between a willing buyer and a willing seller in an arms length transaction.

The transfer of investment properties from IAWS Group plc was done at market value.

14 Goodwill and intangible assets

31 July 2007

		Intangible assets		
	Goodwill	**Brand**	**Computer related**	**Total**
	€'000	**€'000**	**€'000**	**€'000**
Cost				
At 1 August 2006	13,576	782	4,635	18,993
Additions	-	-	29	29
Disposals	(489)	-	(539)	(1,028)
Translation adjustments	115	6	14	135
At 31 July 2007	**13,202**	**788**	**4,139**	**18,129**
Accumulated amortisation				
At 1 August 2006	-	-	2,346	2,346
Amortisation	-	148	649	797
Disposals	-	-	(244)	(244)
Translation adjustments	-	-	10	10
At 31 July 2007	-	**148**	**2,761**	**2,909**
Net book amounts				
At 31 July 2007	**13,202**	**640**	**1,378**	**15,220**
At 31 July 2006	13,576	782	2,289	16,647

14 Goodwill and intangible assets *(continued)*

31 July 2006

		Intangible assets		
	Goodwill	Brand	Computer related	Total
	€'000	€'000	€'000	€'000
Cost				
At 1 August 2005	13,572	-	4,570	18,142
Additions	-	782	69	851
Disposals	-	-	(14)	(14)
Translation adjustments	4	-	10	14
At 31 July 2006	**13,576**	**782**	**4,635**	**18,993**
Accumulated amortisation				
At 1 August 2005	-	-	1,631	1,631
Amortisation	-	-	722	722
Translation adjustments	-	-	(7)	(7)
At 31 July 2006	**-**	**-**	**2,346**	**2,346**
Net book amounts				
At 31 July 2006	**13,576**	**782**	**2,289**	**16,647**
At 31 July 2005	13,572	-	2,939	16,511

The useful lives of all intangible assets are finite and range from 5 to 6 years depending on the nature of the asset.

Impairment testing of goodwill

No impairment losses have been recognised by the Group in respect of goodwill in either financial year.

The recoverable amounts of cash generating units are based on value in use calculations. Those calculations use cash flow projections based on expected future operating results and cash flows. The cash flow projections are based on current operating results of the individual cash generating units and a conservative assumption regarding future organic growth. For the purposes of the calculation of value in use, the cash flows are projected over a 5 year period with additional cash flows in subsequent years calculated using a terminal value methodology, unless a shorter period is appropriate to the circumstances of a particular cash generating unit. The cash flows are discounted using appropriate risk adjusted discount rates relevant to Origin Enterprises plc, averaging 8.12%, reflecting the risk associated with the individual future cash flows and the risk free rate. Any adverse change in the expected future operational results and cash flows may result in the value in use being less than the carrying value of a business unit and would require that the carrying value of the business unit be impaired and stated at the greater of the value in use or the recoverable amount of the business unit.

Key assumptions include management's estimates of future profitability, replacement capital expenditure requirements, trade working capital investment needs and tax considerations. The term of the discounted cash flow model is a significant factor in determining the fair value of the cash-generating units. The term has been arrived at taking account of the Group's strong financial position, its established history of earnings and cash flow generation.

15 Investments in associates

31 July 2007

	Share of net assets €'000	Goodwill €'000	Total €'000
At 1 August 2006	18,059	1,561	19,620
Share of profits after tax	3,674	-	3,674
Dividends received	(574)	-	(574)
Translation adjustments	56	-	56
Actuarial gains on associate's pension	3,745	-	3,745
At 31 July 2007	**24,960**	**1,561**	**26,521**

31 July 2006

	Share of net assets €'000	Goodwill €'000	Total €'000
At 1 August 2005	15,119	1,561	16,680
Share of profits after tax	4,371	-	4,371
Dividends received	(1,604)	-	(1,604)
Translation adjustments	173	-	173
At 31 July 2006	**18,059**	**1,561**	**19,620**

The amounts included in these financial statements in respect of the income and expenses of associates are taken from their latest financial statements prepared up to their respective year-ends together with management accounts for the intervening periods to the Group's year-end.

The investment in associates (including goodwill) is analysed as follows:

	2007 €'000	2006 €'000
Non-current assets	**18,830**	18,881
Current assets	**37,771**	36,490
Non-current liabilities	**(2,874)**	(10,177)
Current liabilities	**(28,767)**	(27,135)
Net assets	**24,960**	18,059
Goodwill	**1,561**	1,561
	26,521	19,620

16 Inventory

	2007 €'000	2006 €'000
Raw materials	**20,408**	10,327
Finished goods	**45,430**	43,862
Consumable stores	**1,638**	2,065
Total inventory at the lower of cost and net realisable value	**67,476**	56,254

17 Trade and other receivables

	2007 €'000	2006 €'000
Current		
Trade receivables	**66,488**	75,970
Trade receivables due from associates	**1,081**	912
VAT recoverable	**1,839**	631
Other receivables	**15,585**	16,244
	84,993	93,757

18 Trade and other payables

	2007 €'000	2006 €'000
Current		
Trade payables	**78,210**	80,405
Trade payables due to associates	**1,468**	1,169
Accruals and other payables	**45,698**	35,822
Income tax and social welfare	**414**	329
Value added tax	**1,236**	946
	127,026	118,671

Notes *(continued)*

for the year-ended 31 July 2007

19 Cash and cash equivalents

In accordance with IAS 7, *Cash Flow Statements*, cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Where investments are categorised as cash equivalents, the related balances have a maturity of three months or less from the date of acquisition. Bank overdrafts are classified as current interest bearing borrowings in the Group balance sheet.

	2007	2006
	€'000	€'000
Cash at bank and in hand	**31,989**	34,655
Bank overdrafts (note 20)	**(20,691)**	(232)
Included in the Group cash flow statement	**11,298**	34,423

Cash at bank and in hand earns interest at floating rates based on daily deposit bank rates.

20 Interest-bearing loans and borrowings

Interest-bearing loans and borrowings were as follows at 31 July:

	2007	2006
	€'000	€'000
Bank loans and overdrafts	**103,691**	232
Interest-bearing loans and borrowings	**103,691**	232
Included in current liabilities in the Group balance sheet		
Loans repayable within one year	**-**	-
Bank overdrafts	**20,691**	232
Current interest-bearing loans and borrowings	**20,691**	232
Non-current interest-bearing loans and borrowings	**83,000**	-

There is no significant difference between the book values and fair values of interest-bearing loans and borrowings.

Currency profile of interest-bearing loans and borrowings

All of the Group's interest-bearing loans are borrowed by a Group company which is based in Ireland and whose functional currency is euro. All of the carrying amounts of the Group's total interest-bearing loans and borrowings are denominated in euro.

All debt bears floating rate interest per the original contract.

Guarantees

Group borrowings are secured by fixed and floating charges over the property, assets and undertakings of the principal operational entities of the Group and cross guarantees from various companies within the Group. The Group treats these guarantees as insurance contracts and accounts for them as such.

Notes *(continued)*

for the year-ended 31 July 2007

20 Interest-bearing loans and borrowings *(continued)*

	2007	2006
	€'000	€'000
Repayment schedule – loans and overdrafts		
Within one year	**20,691**	232
Between one and two years	**-**	-
Between two and three years	**8,000**	-
Between three and four years	**-**	-
Between four and five years	**75,000**	-
After five years	**-**	-
Loans and overdrafts	**103,691**	232

Borrowing facilities

Various term borrowing facilities are available to the Group. The undrawn committed facilities available as at 31 July 2007, in respect of which all conditions precedent had been met, expire as follows:

	2007	2006
	€'000	€'000
Within one year	**-**	-
Between one and two years	**-**	-
Between two and five years	**217,000**	-
After five years	**-**	-
Total	**217,000**	**-**

21 Derivative and other financial instruments

Risk exposures

The Group's operations in Ireland and the UK expose it to different financial risks that include foreign exchange rate risks, credit risks, liquidity risks and commodity price risks. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group. The Board has determined the policies, as documented below, for managing these risks. It is the policy of the Board to manage these risks in a non-speculative manner.

Foreign exchange risk

In addition to the Group's operations carried out in Ireland, it also has operations in the UK. As a result the Group balance sheet is exposed to currency fluctuations in sterling movements. The Group manages its balance sheet having regard to the currency exposures arising from its assets denominated in foreign currencies. Transactional exposures arise from sales or purchases by an operating unit in currencies other than the unit's functional currency. The Group uses forward currency contracts to eliminate the currency exposures on certain foreign currency purchases. The forward currency contracts must be in the same currency as the hedged item.

Credit risk

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables.

Notes *(continued)*

for the year-ended 31 July 2007

21 Derivative and other financial instruments *(continued)*

Liquidity risk

The Group's objective is to maintain a balance between flexibility and continuity of funding. Short-term flexibility is achieved through the availability of overdraft facilities. The Group's policy is that not more than 50% of bank facilities should mature in the twelve month period following the year-end. 100% of the Group's total bank facilities other than bank overdrafts at the year-end will mature between two and five years.

Commodity price risk

The Group trades in certain commodities for its own use and uses derivative contracts to protect itself from movements in price other than exchange differences.

Accounting for derivatives and hedging activities

The fair value of derivative financial assets and liabilities at the balance sheet date is set out in the following table:

	2007	2006
	€'000	€'000
Cash flow hedges		
Currency forward contracts		
Assets	**-**	-
Liabilities	**(2,216)**	(1,188)
	(2,216)	(1,188)

Cash flow hedges

Cash flow hedges are those of highly probable forecasted future income or expenses. In order to qualify for hedge accounting, the Group are required to document the relationship between the item being hedged and the hedging instrument and demonstrate, at inception, that the hedge relationship will be highly effective on an ongoing basis. The hedge relationship must be tested for effectiveness on subsequent reporting dates.

Effective interest rate analysis

In respect of interest bearing liabilities, the following table sets out the effective interest rates at 31 July 2007:

	Carrying amount	**Effective interest rate**
	€'000	**%**
Variable rate borrowings		
Interest bearing borrowings	83,000	5.14
Bank overdrafts	20,691	4.98
	103,691	**5.11**

There are no significant differences between the book values and fair values of other financial assets or liabilities.

Notes *(continued)*

for the year-ended 31 July 2007

22 Government grants

	2007	2006
	€'000	€'000
At 1 August	**2,695**	2,824
Received	**18**	15
Other	**102**	-
Translation adjustment	**(17)**	(13)
Released to Group income statement	**(124)**	(131)
At 31 July	**2,674**	2,695

23 Deferred tax

The deductible and taxable temporary differences at the balance sheet date in respect of which deferred tax has been recognised are analysed as follows:

	2007	2006
	€'000	€'000
Deferred tax assets (deductible temporary differences)		
Pension related	**(959)**	(1,778)
Property, plant and equipment	**(19)**	(95)
Hedge related	**(279)**	(148)
Other deductible temporary differences	**(376)**	(61)
Total	**(1,633)**	(2,082)
Deferred tax liabilities (taxable temporary differences)		
Property, plant and equipment	**31,396**	5,391
Pension related	**261**	-
Other	**83**	91
Total	**31,740**	5,482

Movement in temporary differences, during the year, were as follows:

2007

	Property, plant & equipment €'000	Hedge related €'000	Pension related €'000	Other €'000	Total €'000
At 1 August	5,296	(148)	(1,778)	30	3,400
Recognised in Group income statement	504	-	187	(156)	535
Recognised in Group statement of recognised income and expense	15,208	(131)	895	(167)	15,805
Arising on transfer of assets	10,294	-	-	-	10,294
Foreign exchange and other	75	-	(2)	-	73
At 31 July	**31,377**	**(279)**	**(698)**	**(293)**	**30,107**

23 Deferred tax *(continued)*

2006

	Property, plant & equipment €'000	Hedge related €'000	Pension related €'000	Other €'000	Total €'000
At 1 August	5,206	-	(3,601)	(569)	1,036
Recognised in Group income statement	103	-	1,604	600	2,307
Recognised in Group statement of recognised income and expense	-	(159)	214	-	55
IAS 32/39	-	11	-	-	11
Foreign exchange and other	(13)	-	5	(1)	(9)
At 31 July	**5,296**	**(148)**	**(1,778)**	**30**	**3,400**

24 Retirement benefit obligations

A number of the Origin businesses participate in the defined benefit scheme currently operated by IAWS Group plc. Following the formation of Origin, a plan to restructure the IAWS Group plc scheme was approved and was in the final stages of implementation at year-end. On completion of this plan, Origin will replace IAWS Group plc as principal employer at which stage the scheme will only include active members employed by Origin and the current deferred members of the scheme. The information in the remainder of this section has been presented to reflect the position under the restructuring plan.

In addition, the Group operates two other defined benefit pension schemes and a defined contribution scheme with assets held in separate trustee administered funds. All of the defined benefit schemes are closed to new members.

Under IAS 19, *Employee Benefits*, the total deficit in the Group's defined benefit schemes at 31 July 2007 was €1,388,000 (*2006: €8,687,000*). During the previous year, the funding of the Group pension scheme was reviewed and a special contribution of €13.8 million was made to the scheme by IAWS Group plc.

The pension cost expensed in the income statement for the year in respect of the Group's defined benefit schemes was €904,000 (*2006: €2,063,000*) and €644,000 (*2006: €533,000*) in respect of the Group's defined contribution schemes.

Employee benefits included in the Group balance sheet comprises the following:

	2007 €'000	2006 €'000
Deficit in defined benefit schemes	**1,388**	8,687
Other provision (a)	**383**	353
Total	**1,771**	9,040

(a) In 1989, a provision was made to meet pension fund deficiencies in subsidiaries acquired, principally relating to unfunded pensions.

24 Retirement benefit obligations *(continued)*

The valuations of the defined benefit schemes used for the purposes of the following disclosures are those of the most recent actuarial valuations carried out as of 1 March 2004 and 1 January 2006 and updated to 31 July 2007 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

The main assumptions used by the actuary were as follows:

	2007	2006
Rate of increase in salaries	**4.01%**	4.01%
Rate of increases in pensions in payment and deferred benefits	**2.06%**	2.06%
Discount rate in scheme liabilities	**5.50%**	5.00%
Inflation rate	**2.06%**	2.06%

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in both geographic regions. The average life expectancy in years of a member retiring at age 65 is as follows:

	2007	2006
Male	**20.2**	20.2
Female	**23.2**	23.2

The expected long term rate of return on the assets of the schemes was:

	2007	2006
Equities	**7.75%**	7.30%
Bonds	**4.40%**	3.90%
Property	**7.00%**	6.70%
Other	**3.00%**	3.00%

Net pension liability	**2007**	2006
	€'000	€'000
Market value of scheme assets:		
Equities	**34,149**	22,740
Bonds	**2,881**	9,010
Property	**5,399**	1,762
Other	**240**	1,348
Total market value of assets	**42,669**	34,860
Present value of scheme liabilities	**(44,057)**	(43,547)
Deficit in the schemes	**(1,388)**	(8,687)
Related deferred tax asset	**698**	1,778
Net pension liability	**(690)**	(6,909)

24 Retirement benefit obligations *(continued)*

Movement in the fair value of scheme assets

	2007	2006
	€'000	€'000
Fair value of assets at 1 August	**34,860**	18,401
Expected return on scheme assets	**2,151**	1,029
Employer contributions	**1,164**	1,536
Transfers	**1,221**	-
Special employer contribution	**-**	13,789
Employee contributions	**337**	265
Benefit payments	**(331)**	(660)
Experience adjustment on scheme assets	**3,267**	500
Fair value of assets at 31 July	**42,669**	34,860

Movement in the present value of scheme obligations

	2007	2006
	€'000	€'000
Value of scheme obligations at 1 August	**(43,547)**	(43,282)
Current service cost	**(938)**	(1,077)
Interest on scheme obligations	**(2,117)**	(2,015)
Transfers	**(1,221)**	-
Employee contributions	**(337)**	(265)
Benefit payments	**331**	660
Experience adjustment on scheme liabilities	**183**	(2,098)
Effect of changes in actuarial assumptions	**3,589**	4,530
Value of scheme obligations at 31 July	**(44,057)**	(43,547)

Movement in net liability recognised in the balance sheet

	2007	2006
	€'000	€'000
Net liability in schemes at 1 August	**(8,687)**	(24,881)
Current service cost	**(938)**	(1,077)
Contributions	**1,164**	15,325
Other finance income/(expense)	**34**	(986)
Actuarial gain	**7,039**	2,932
Net liability in schemes at 31 July	**(1,388)**	(8,687)

24 Retirement benefit obligations *(continued)*

Analysis of defined benefit expense recognised in the Group income statement

	2007 €'000	2006 €'000
Current service cost	938	1,077
Past service cost	-	-
Total recognised in operating profit	938	1,077
Expected return on scheme assets	(2,151)	(1,029)
Interest cost on scheme liabilities	2,117	2,015
Included in financing costs	(34)	986
Net charge to Group's income statement	904	2,063
Actual return on pension scheme assets	5,418	1,529

Defined benefit pension income/(expense) recognised in the statement of recognised income and expense

	2007 €'000	2006 €'000
Actual return less expected return on scheme assets	3,267	500
Experience gains and (losses) on scheme liabilities	183	(2,098)
Changes in demographic and financial assumptions	3,589	4,530
Actuarial gain	7,039	2,932
Deferred tax	(895)	(214)
Actuarial gain recognised in statement of recognised income and expense	6,144	2,718

History of experience gains and losses:

	2007	2006
Difference between expected and actual return on assets		
- Amount (€'000)	3,267	500
- % of scheme assets	7.7%	1.4%
Experience gains/(losses) on scheme liabilities		
- Amount (€'000)	183	(2,098)
- % of scheme liabilities	0%	(4.8%)
Total actuarial gain recognised in statement of recognised income and expense		
- Amount (€'000)	7,039	2,932
- % of scheme liabilities	15.9%	6.7%

Notes *(continued)*

for the year-ended 31 July 2007

25 Share capital

	2007 '000	2007 €'000
Authorised		
Ordinary shares of €0.01 each	**240,000**	**2,400**
Deferred convertible ordinary shares of €0.01 each	**10,000**	**100**
Total	**250,000**	**2,500**
Allotted, called up and fully paid		
Ordinary shares of €0.01 each (i)	**133,016**	**1,330**
Deferred convertible ordinary shares of €0.01 each (ii)	**5,141**	**52**
Total	**138,157**	**1,382**

(i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.

(ii) The deferred convertible ordinary shares, which do not rank for dividend, were issued to directors and senior management of Origin as part of the Origin Long Term Incentive plan (see Note 8 for further details).

The initial issued share capital was €1 (100 shares of €0.01 each).

(a) On 4 April 2007, a total of 95 million Ordinary Shares of €0.01 each in the capital of the Company were allocated to IAWS Group plc in connection with the transfer of the original core Agri and Ambient Food Businesses to Origin.

(b) On 5 April 2007, the Company allotted the following Shares to a trustee company to hold on behalf of a number of directors and senior management of the Group as part of the Origin Long Term Incentive Plan:

Name of shareholder	***Number and class of share issued***
Origin LTIP Trustee Limited	4,682,134 Ordinary Shares of €0.01 each
Origin LTIP Trustee Limited	5,140,770 Deferred Convertible Ordinary Shares of €0.01 each

(c) On 21 May 2007, the Company allotted an additional 4 Ordinary Shares.

(d) 33,333,334 shares were issued in connection with the listing of Origin shares on the IEX and AIM markets of the Dublin and London Stock Exchanges on 5 June 2007.

Notes *(continued)*

for the year-ended 31 July 2007

26 Statement of changes in shareholders' equity

31 July 2007

	Share capital €'000	Share premium €'000	Cash flow hedge reserve €'000	Revaluation reserve €'000	Share-based payment reserve €'000	Re-organisation reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000 (Note 1)	Total €'000
At 1 August 2006	**-**	**-**	**(1,041)**	**-**	**-**	**-**	**(3,277)**	**93,639**	**89,321**
Reclassification of prior years retained earnings	-	-	-	-	-	93,639	-	(93,639)	-
Revaluation of investment properties	-	-	-	87,380	-	-	-	-	87,380
Deferred tax on revaluation	-	-	-	(15,208)	-	-	-	-	(15,208)
Issue of ordinary shares	1,382	153,855	-	-	-	-	-	-	155,237
Share issue expenses	-	(1,691)	-	-	-	-	-	-	(1,691)
Movement on reorganisation reserve	-	113,018	-	-	-	(288,768)	-	-	(175,750)
Share-based payments	-	-	-	-	205	-	-	-	205
Foreign exchange translation	-	-	-	-	-	-	2,053	-	2,053
Group defined benefit pension schemes	-	-	-	-	-	-	-	7,039	7,039
Deferred tax on Group defined benefit schemes	-	-	-	-	-	-	-	(895)	(895)
Net actuarial gain on associate defined benefit pension scheme	-	-	-	-	-	-	-	3,745	3,745
Losses related to cash flow hedges and other	-	-	(1,027)	-	-	-	-	-	(1,027)
Deferred tax relating to cash flow hedges and other	-	-	298	-	-	-	-	-	298
Profit for the period attributable to equity holders	-	-	-	-	-	-	-	32,686	32,686
At 31 July 2007	**1,382**	**265,182**	**(1,770)**	**72,172**	**205**	**(195,129)**	**(1,224)**	**42,575**	**183,393**

Note 1 The balance of retained earnings at 31 July 2007 comprises income earned and reported in 2007 which has not been allocated between the periods pre and post the reorganisation transaction in April 2007 that established the Origin Group.

Notes *(continued)*

for the year-ended 31 July 2007

26 Statement of changes in shareholders' equity *(continued)*

31 July 2006

	Cash flow hedge reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total €'000
At 1 August 2005	**-**	**(4,694)**	**102,601**	**97,907**
Impact of adoption of IAS 32 and IAS 39	342	-	-	342
Related deferred tax	(11)	-	-	(11)
At 1 August 2005 Adjusted	**331**	**(4,694)**	**102,601**	**98,238**
Foreign exchange translation	-	1,417	-	1,417
Group defined benefit pension schemes	-	-	2,932	2,932
Deferred tax on Group defined benefit schemes	-	-	(214)	(214)
Losses relating to cash flow hedges	(1,531)	-	-	(1,531)
Deferred tax relating to cash flow hedges	159	-	-	159
Profit for the period attributable to equity holders	-	-	31,605	31,605
Net dividends paid following group restructuring	-	-	(43,285)	(43,285)
At 31 July 2006	**(1,041)**	**(3,277)**	**93,639**	**89,321**

Cash flow hedge reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred since 1 August 2005.

Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences from 1 August 2005, arising from the translation of the net assets of the Group's non-euro denominated operations, including the translation of the profits of such operations from the average exchange rate for the year to the exchange rate at the balance sheet date.

Reorganisation reserve

As explained in the basis of preparation note, the difference between the fair value of the investment recorded in the Company balance sheet and the carrying value in IAWS Group plc of the assets and liabilities transferred has been recognised as a reorganisation reserve in other reserves within equity together with the currency translation reserve, cash flow reserve and revaluation reserve.

Share-based payment reserve

This reserve comprises amounts credited to reserves in connection with equity awards less the effect of any exercises of such awards.

27 Minority interest

	2007	2006
	€'000	€'000
Balance at 1 August	**278**	206
Share of (loss)/profit after tax for the year	**(37)**	72
Balance at 31 July	**241**	278

28 Commitments under operating leases

Non-cancellable operating lease rentals are payable as set out below. These amounts represent minimum future lease payments, in aggregate, that the Group are required to make under existing lease agreements.

	2007	2006
	€'000	€'000
Operating leases which expire:		
Within one year	**359**	347
In two to five years	**4,468**	3,676
After more than five years	**-**	739
Balance at 31 July	**4,827**	4,762

29 Contingent liabilities

	2007	2006
	€'000	€'000
(a) Government grants repayable if grant conditions are not met	**3,676**	3,549

(b) In order to avail of the exemption under Section 17 of the Companies (Amendment) Act, 1986 the Group has guaranteed the liabilities of certain of its subsidiaries registered in Ireland. Where the Group has entered into financial guarantee contracts to guarantee the indebtedness of such subsidiaries, the Group considers these to be insurance contracts and accounts for them as such. The Group treats the guarantee contract as a contingent liability until such time as it becomes probable that the Group will be required to make a payment under the guarantee.

(c) The Group and its principal subsidiaries have given composite guarantees and an indemnity to secure obligations of fellow subsidiary undertakings on all sums due in respect of bank loans and bank advances. The Group considers these to be insurance contracts and accounts for them as such.

30 Related party transactions

In the normal course of business, the Group undertakes arms-length transactions with its associates and other related parties. Related parties include IAWS Group plc and its subsidiaries. Included in sale of goods below are sales to associates of €71,002,000. A summary of transactions with these related parties during the year are as follows:

	2007	2006
	€'000	€'000
Sale of goods	**72,517**	70,969
Purchase of goods	**3,312**	3,019
Provision of services	**325**	1,429
Receiving of services	**5,091**	1,222

The trading balances owing to the Group from related parties were €2,425,180 (*2006: €5,912,000*) and the trading balances owing from the Group to these related parties were €319,360 (*2006: €2,157,000*).

Compensation of key management personnel

For the purposes of the disclosure requirements of IAS 24, *Related Party Disclosures*, the term "key management personnel" (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises the Board of Directors which manages the business and affairs of the Group. Full disclosure in relation to the compensation entitlements of the Board of Directors is provided in note 5 to the Group financial statements.

31 Subsequent events

On 30 August 2007, the Group completed the acquisition of the 50% interest in the Odlum Group ("Odlums") not already owned for a consideration of €35 million plus the assumption of related bank debt in Odlums of €22 million. Odlums has been accounted for as an associate for the year-ended 31 July 2007. The information required by paragraph 67 of IFRS 3, *Business Combinations*, has not been disclosed in this annual report due to the proximity between the date of the completion of the acquisition and the date of approval of the financial statements.

Principal subsidiary undertakings

At 31 July 2007 the Group had the following significant subsidiaries and associates:

	Name	Nature of business	Group % share	Registered office
(a)	*Subsidiaries – Ireland*			
	Goulding Chemicals Limited	Fertiliser blending and distribution	100	1
	R. & H. Hall Limited	Grain and feed trading	100	1
	Shamrock Foods Limited	Food distribution	100	1
	United Fish Industries Limited	Fish processing	100	1
	Torrox Limited	Holding company	100	1
(b)	*Subsidiaries – United Kingdom*			
	Hall Silos Limited	Grain handling	100	4
	IAWS Fertilisers (UK) Limited	Fertiliser blending and distribution	100	2
	SFP (Shetland Fish Products) Limited	Fish processing	50(i)	5
	United Fish Industries (UK) Limited	Fish processing	100	6
(c)	*Associates:*			
	John Thompson and Sons Limited	Provender millers	50	3
	North West Silos Limited	Feed processing	50	7
	Odlum Group	Flour milling	50 (ii)	8
	West Twin Silos Limited	Silo operation	50	4

(i) SFP (Shetland Fish Products) Limited is consolidated on the basis of the Group having the power to control the financial and operating policies of this undertaking.

(ii) Odlum Group has a year-end of 30 September. Management accounts have been used for the purposes of inclusion in the Origin Group financial statements.

Registered offices

1. 151 Thomas Street, Dublin 8, Ireland.
2. Orchard Road, Royston, Hertfordshire SG8 5HW, England.
3. 35/39 York Road, Belfast BT15 3GW, Northern Ireland.
4. 7 McCaughey Road, Belfast BT3 9AG, Northern Ireland.
5. Greenwell Place, Aberdeen AB12 3AY, Scotland.
6. Gilbey Road, Grimsby, South Humberside DN31 2SL, England.
7. Clarendon House, 23 Clarendon Road, Belfast BT1 3BG, Northern Ireland.
8. Alexandra Road, Dublin 1, Ireland.

The country of registration is also the principal location of activities in each case.

Company statement of accounting policies

from the date of incorporation 11 September 2006 to 31 July 2007

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements are prepared in euro and in accordance with Generally Accepted Accounting Principles under the historical cost convention, modified to include the revaluation of investment properties, and comply with financial reporting standards of the Accounting Standards Board, as promulgated by The Institute of Chartered Accountants in Ireland.

In accordance with the Companies Acts, 1963 to 2006 the Company is permitted to take advantage of the exemption in Section 148(8) of the Companies Act 1963 from presenting to its members its Company profit and loss account and related notes that form part of the approved Company financial statements. The Company also does not present a separate statement of total recognised gains and losses or a cash flow statement.

Investment properties

Investment properties are stated at open market value. Changes in the value of the investment properties are shown in the investment revaluation reserve through the statement of total recognised gains and losses, unless the total of the investment revaluation reserve is insufficient to cover a deficit, in which case the amount by which the deficit exceeds the amount in the investment revaluation reserve is charged in the profit and loss account.

Financial assets

Financial assets are carried at cost less provision for impairment. Income from financial assets is recognised in the profit and loss account in the year in which it is received.

Employee benefits

For the Company's defined benefit scheme, the difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as an asset/liability in the balance sheet, net of deferred tax to the extent that it is deemed to be recoverable.

The amount charged to operating profit is the actuarially determined cost of pension benefits promised to employees and earned during the period plus the cost of any benefit improvements granted to members during the period.

The expected return on the pension scheme's assets during the period and the increase in the scheme's liabilities due to the unwinding of the discount during the period are shown as financing costs in the profit and loss account. Any difference between the expected return on assets and that actually achieved, and any changes in the liabilities due to changes in assumptions or because actual experience during the period was different to that assumed, are recognised as actuarial gains and losses in the statement of total recognised gains and losses.

Taxation

Current tax is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, as required by FRS 19, *Deferred Tax*. Provision is made at the rates expected to apply when the timing differences reverse.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Company statement of accounting policies *(continued)*

from the date of incorporation 11 September 2006 to 31 July 2007

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the profit and loss account.

Cash flow statement

Under the provisions of FRS 1, *Cash Flow Statements*, a cash flow statement has not been prepared as the published Group financial statements, in which the Company's results are consolidated, include a cash flow statement.

Related party transactions

Under the exemption granted by FRS 8, *Related Party Disclosures*, the Company, as a member of a group which publishes Group financial statements in which the Company's results are consolidated, is not required to, and does not, disclose transactions with fellow members and associates of that Group.

Long term incentive plan

The Company grants Equity Entitlements under the Origin Enterprises Long Term Incentive Plan. All disclosures relating to the plan are made in Note 8 to the Group financial statements.

Company balance sheet

as at 31 July 2007

	Notes	2007
		€'000
Fixed assets		
Investment properties	1	69,500
Financial assets – investment in subsidiaries	2	2,014
		71,514
Current assets		
Debtors	3	383,745
Cash at bank and on hand		603
		384,348
Creditors: amounts falling due within one year	4	(168,716)
Net current assets		**215,632**
Total assets less current liabilities		**287,146**
Provisions for liabilities and charges - deferred tax	5	(10,294)
Net assets before post employment assets		**276,852**
Surplus on pension scheme	6	1,953
Net assets		**278,805**
Capital and reserves		
Called up share capital	7	1,382
Share premium	8	265,182
Profit and loss account and other reserves	8	12,241
Shareholders' funds		**278,805**

Notes to the Company balance sheet

as at 31 July 2007

1 Investment properties

	2007 €'000
Transfer from IAWS Group plc (see note 13 to the Group financial statements)	**69,500**

Investment property, principally comprising land located in Ireland, is held for capital appreciation.

2 Financial assets – Investments in subsidiaries

	2007 €'000
At date of incorporation	-
Acquired during the period	**328,804**
Transfer for consideration to subsidiary	**(326,790)**
At 31 July 2007	**2,014**

In April 2007, the Company acquired the undertakings and assets of the original core Agri and Ambient Foods businesses of IAWS Group plc as outlined in the basis of preparation note to the Group financial statements. In accordance with Section 62 of the Companies Act 1963 the Ordinary Shares issued by the Company in connection with the acquisition have been recorded at fair value. Subsequently a number of the businesses were transferred for consideration to a wholly owned subsidiary of the Company.

The principal subsidiaries are set out on page 75 to the Group financial statements.

3 Debtors

	2007 €'000
Amounts owed by subsidiaries	**383,429**
Amounts owed by IAWS Group plc	**260**
VAT recoverable	**56**
	383,745

Amounts owed by subsidiaries are unsecured and are repayable on demand.

4 Creditors: amounts falling due within one year

	2007 €'000
Amounts owed to subsidiaries	**168,325**
Trade creditors	**55**
Accruals and other payables	**336**
	168,716

Amounts owed to subsidiaries are unsecured and are payable on demand.

Notes to the Company balance sheet *(continued)*

as at 31 July 2007

5 Deferred tax

	2007
	€'000
At date of incorporation	-
Deferred tax on investment properties transferred from IAWS Group plc	10,294
At 31 July 2007	**10,294**

6 Pension schemes

The Company participates in the defined benefit scheme currently operated by IAWS Group plc. Following the formation of Origin, a plan to restructure the IAWS Group plc scheme was approved and was in the final stages of implementation at year-end. On completion of this plan, the Company will replace IAWS Group plc as principal employer at which stage the scheme will only include active members employed by the Group and the current deferred members of the scheme. The information in the remainder of this section has been presented to reflect the position under the restructuring plan. The scheme is closed to new members.

Under FRS 17 calculations the total surplus in the Company's defined benefit scheme at 31 July 2007 was €2,070,000. The pension cost expensed in the profit and loss account for the period in respect of the Company's defined benefit scheme was €398,000.

The valuation of the defined benefit scheme used for the purposes of the following disclosures are those of the most recent actuarial valuations carried out on 1 January 2006 and updated to 31 July 2007 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

The main assumptions used by the actuary were as follows:

	2007
Rate of increase in salaries	4.01%
Rate of increases in pensions in payment and deferred benefits	2.06%
Discount rate in scheme liabilities	5.50%
Inflation rate	2.06%

The expected long term rate of return on the assets of the schemes were:

	2007
Equities	7.75%
Bonds	4.40%
Property	7.00%
Other	3.00%

Notes to the Company balance sheet *(continued)*

as at 31 July 2007

6 Pension schemes *(continued)*

Net pension asset

	2007
	€'000
Market value of scheme assets:	
Equities	27,903
Property	6,088
Other	124
Total market value of assets	34,115
Present value of scheme liabilities	(32,045)
Surplus in the scheme	2,070
Related deferred tax liability	(117)
Net pension asset	1,953

Movement in net asset recognised in the balance sheet

	2007
	€'000
At date of incorporation	-
Transfer from IAWS Group plc	(5,260)
Current service cost	(609)
Contributions	472
Other finance income	211
Actuarial gain	7,256
Net asset in scheme at 31 July 2007	2,070

Analysis of defined benefit expense recognised in the profit and loss account

	2007
	€'000
Current service cost	609
Past service cost	-
Total recognised in operating profit	609
Expected return on scheme assets	(1,761)
Interest cost on scheme liabilities	1,550
Included in financing costs	(211)
Net charge to the profit and loss account	398

Notes to the Company balance sheet *(continued)*

as at 31 July 2007

6 Pension schemes *(continued)*

Defined benefit pension expense recognised in the statement of total recognised gains and losses

	2007
	€'000
Actual return less expected return on scheme assets	3,294
Experience adjustment on scheme liabilities	566
Changes in demographic and financial assumptions	3,396
Actuarial gain	7,256
Deferred tax charge	(764)
Actuarial gain recognised in statement of total recognised gains and losses	6,492

History of experience gains and losses:	**2007**
Difference between expected and actual return on assets	
- Amount (€'000)	3,294
- % of scheme assets	9.7%
Experience adjustment on scheme liabilities	
- Amount (€'000)	566
- % of scheme liabilities	1.8%
Total actuarial gain recognised in statement of total recognised gains and losses	
- Amount (€'000)	7,256
- % of scheme liabilities	22.6%

7 Called up share capital

	2007	2007
	'000	€'000
Authorised		
Ordinary shares of €0.01 each	240,000	2,400
Deferred convertible ordinary shares of €0.01 each	10,000	100
Total	250,000	2,500
Allotted, called up and fully paid		
Ordinary shares of €0.01 each (i)	133,016	1,330
Deferred convertible ordinary shares of €0.01 each (ii)	5,141	52
Total	138,157	1,382

(i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.

(ii) The deferred convertible ordinary shares were issued to directors and senior management of Origin as part of the Origin Long Term Incentive Plan (see note 8 to the Group financial statements for further details).

(iii) The history of the movement in share capital is set out in note 25 to the Group financial statements.

Notes to the Company balance sheet *(continued)*

as at 31 July 2007

8 Movement on reserves

	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Total €'000
At date of incorporation	-	-	-	-
Profit for the period	-	-	4,698	4,698
Foreign exchange translation	-	-	846	846
Actuarial gain on post employment liabilities	-	-	7,256	7,256
Deferred tax on actuarial gain	-	-	(764)	(764)
Share-based payments	-	205	-	205
Premium on shares issued	265,182	-	-	265,182
At 31 July 2007	**265,182**	**205**	**12,036**	**277,423**

9 Contingent liabilities

In order to avail of the exemption under Section 17 of the Companies (Amendment) Act, 1986 the Company has guaranteed the liabilities of certain of its subsidiaries registered in Ireland. Where the Company has entered into financial guarantee contracts to guarantee the indebtedness of such subsidiaries, the Company considers these to be insurance contracts and accounts for them as such.

The Company is party to cross guarantees on Group borrowings. These are treated as insurance contracts and accounted for as such.

10 Share-based payment

All disclosures relating to the Long Term Incentive Plan are laid out in Note 8 to the Group financial statements.

11 Statutory and other information

	2007 €'000
Auditor's remuneration for audit services	**80**
Profit for the financial period	**4,698**

Substantially all the Group audit fee is recharged by the Company to its subsidiaries.

12 Employment

The average number of persons employed by the Company during the year was as follows:

	2007
Management and administration	**5**

Notes to the Company balance sheet *(continued)*

as at 31 July 2007

12 Employment *(continued)*

Aggregate employment costs of the Company are analysed as follows:

	2007 €'000
Wages and salaries	**371**
Social welfare costs	**24**
Pension costs	
- defined benefit schemes – statement of total recognised gains and losses	**(7,256)**
- defined benefit schemes – profit and loss account	**398**
Share-based payment	**205**
	(6,258)

13 Approval of financial statements

These financial statements were approved by the Board on 19 September 2007.

Directors and other information

Directors	O. Killian – Chairman T. O'Mahony – Chief Executive Officer B. Fitzgerald – Chief Financial Officer H. Cooney P. McEniff
Secretary	P. Morrissey
Registered office	151 Thomas Street Dublin 8
Syndicate bankers	Ulster Bank Group Allied Irish Banks plc Bank of Ireland National Irish Bank Rabobank Ireland Plc
Registrars	Capita Corporate Registrars Plc Unit 5 Manor Street Business Park Dublin 7
IEX Advisor, Nominated Advisor and Stockbroker	Davy Davy House 49 Dawson Street Dublin 2
Auditor	KPMG Chartered Accountants 1 Stokes Place St Stephen's Green Dublin 2

Produced by Murray Consultants Limited.

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