THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document and what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser (being in the case of persons resident in Ireland, an organisation or firm authorised or exempted pursuant to the Investment Intermediaries Act 1995 of Ireland or the Stock Exchange Act 1995 of Ireland and, in the case of persons resident in the United Kingdom, an organisation or firm authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA")) immediately.

This Document does not constitute or include an offer to any person to sell or to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares in any jurisdiction. This Document is not for distribution in or into the United States of America, Canada, Australia, New Zealand, South Africa or Japan or their respective territories or possessions. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act, 1933, as amended (the "Securities Act") or qualified for sale under the laws of any state of the United States of America or under the applicable securities laws of any province or territory of Canada, Australia, New Zealand, South Africa or Japan and may not be offered or sold in the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and, subject to certain exceptions, may not be offered or sold within any of Canada, Australia, New Zealand, South Africa or Japan or to any national, resident or citizen of any of the United States of America, Canada, Australia, New Zealand, South Africa or Japan or their respective territories or possessions.

IEX and AIM are both markets designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached by comparison to larger or more established companies. IEX and AIM securities are not admitted to either the Official List of the Irish Stock Exchange or the Official List of the UK Listing Authority (together the "Official Lists"). A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The rules of IEX and AIM are not as extensive as those of the Official Lists and it is emphasised that no application is being made for admission of the Ordinary Shares to either of the Official Lists. Furthermore, neither the Irish Stock Exchange, the London Stock Exchange nor the UK Listing Authority have examined or approved the contents of this Document.

Application has been made for the Ordinary Shares of Total Produce plc (the "Company") to be admitted to trading on the Irish Enterprise Exchange of the Irish Stock Exchange ("IEX") and on the AIM market of the London Stock Exchange ("AIM") and it is expected that dealings in the Ordinary Shares will commence on 2 January 2007.

Your attention is drawn to the Risk Factors set out in Part II of this Document. This Document should be read in its entirety in particular in light of these risk factors.

Total Produce plc

(Incorporated and registered in Ireland under the Companies Acts 1963 to 2005 with registered number 427687)

Admission to trading on IEX and AIM

IEX Adviser, Nominated Adviser, and Broker

Davy

SHARE CAPITAL ON ADMISSION

Authorised			Issued and Fully Paid	
Number	Amount (€)		Number	Amount
1,000,000,000	10,000,000	Ordinary Shares of € 0.01 each	350,972,445	€3,509,724

This Document comprises an Admission Document and has been drawn up in accordance with the IEX Rules and AIM Rules and it does not comprise a prospectus for the purposes of the Prospectus (Directive 2003/71/EC) Regulations 2005 in Ireland or the Prospectus Regulations 2005 in the United Kingdom but has been drawn up in accordance with the requirements of Directive 2003/71/EC (the "Prospectus Directive") in so far as required by the IEX Rules and the AIM Rules. This Document has not been delivered to the Registrar of Companies in Dublin or the Registrar of Companies in England and Wales for registration.

The Directors of Total Produce plc, whose names appear on page 3 of this Document, accept responsibility, both individually and collectively, for the information contained in this Document including responsibility for compliance with the IEX Rules and the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts, and this Document makes no omission likely to affect the import of such information.

Davy, which is regulated in Ireland by the Financial Regulator, has been appointed as IEX adviser and nominated adviser (pursuant to the IEX Rules and AIM Rules respectively) and broker to the Company. Davy is acting exclusively for the Company in connection with arrangements described in this Document and is not acting for any other person and will not be responsible to any person for providing the protections afforded to customers of Davy or for advising any other person in connection with the arrangements described in this Document. In accordance with the IEX Rules and the AIM Rules, Davy has confirmed to the Irish Stock Exchange and the London Stock Exchange, respectively, that it has satisfied itself that the Directors have received advice and guidance as to the nature of their responsibilities and obligations to ensure compliance by the Company with the IEX Rules and the AIM Rules. Davy accepts no liability whatsoever for the accuracy of any information or opinions contained in this Document or for the omission of any material information, for which it is not responsible.

Copies of this Document will be available to the public, free of charge, at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland and the offices of Arthur Cox, 29 Ludgate Hill, London EC4M 7JE, United Kingdom, from the date of this Document for a period of one month from Admission. Copies of this Document will also be available on the Company's website www.totalproduce.com, from Admission.

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DIRECTORS, SECRETARY AND ADVISERS

Directors:	Carl Patrick McCann (Executive Chairman) Rory Patrick Byrne (Chief Executive Officer) John Francis Gernon (Executive Director) Rose Bridget Hynes (Non-Executive Director) Jerome Joseph Kennedy (Non-Executive Director)
Company Secretary:	Francis James Davis
Registered Office:	Charles McCann Building Rampart Road Dundalk Co. Louth Ireland
IEX Adviser, Nominated Adviser and Broker:	Davy Davy House 49 Dawson Street Dublin 2 Ireland
Solicitors to the Company:	Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2 Ireland
Reporting Accountants and Auditors:	KPMG Chartered Accountants and Registered Auditors 1 Stokes Place St. Stephens Green Dublin 2 Ireland
Registrar:	Computershare Investor Services (Ireland) Limited Heron House Corrig Road Sandyford Industrial Estate Dublin 18 Ireland
Principal Bankers:	Allied Irish Banks plc Bankcentre Ballsbridge Dublin 4 Ireland
	Bank of Ireland Corporate Banking Head Office Lower Baggot Street Dublin 2 Ireland
	Ulster Bank Group George's Quay Dublin 2 Ireland
	BNP Paribas 5 George's Dock IFSC Dublin 1 Ireland

ADMISSION STATISTICS

Number of Ordinary Shares in issue	350,972,445
ISIN code	IE00B1HDWM43

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

CREST member accounts credited (where applicable)	2 January 2007
Admission effective and dealings commence on IEX and AIM	2 January 2007
Expected latest date for despatch of definitive share certificates	5 January 2007

FORWARD LOOKING STATEMENTS

This Document includes forward-looking statements. These forward looking statements include, but are not limited to, all statements other than statements of historical fact contained in this Document, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, plans, objectives, goals and targets, and future developments in the market or markets in which the Company participates or is seeking to participate.

In some cases, forward-looking statements can be identified by terminology such as "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "potential", "predict", "project", "should", or "will" or the negative of such terms or other comparable terminology. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Certain risks to and uncertainties for the Company are specifically described in Part II of this Document entitled "*Risk Factors*". If one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

These forward-looking statements speak only as at the date of this Document. Neither the Directors nor the Company undertake any obligation to update forward-looking statements or risk factors other than as required by the IEX Rules, the AIM Rules or by the rules of any other securities regulatory authority, whether as a result of new information, future events or otherwise.

PART I — INFORMATION ON THE TOTAL PRODUCE GROUP

1. INTRODUCTION AND BACKGROUND

Total Produce plc was incorporated on 6 October 2006 for the purposes of the Demerger by Fyffes plc of its General Produce and Distribution Business. At an EGM on 5 December 2006 Fyffes' shareholders approved proposals effecting, *inter alia,* the transfer of the General Produce and Distribution Business of Fyffes to Total Produce in exchange for the issuance of Ordinary Shares in Total Produce to Fyffes' shareholders. Each shareholder in Fyffes will receive one Ordinary Share in Total Produce for each B Tracker Share which they hold in Fyffes on 29 December 2006 (the "Record Date").

The General Produce and Distribution Business, which will form the entire business of Total Produce, is primarily involved in the distribution and marketing of a broad range of fresh produce, to retailers and wholesalers throughout Europe.

Prior to the Demerger, Fyffes operations comprise two distinct businesses, the Tropical Produce Business and the General Produce and Distribution Business. The Tropical Produce Business is primarily involved in the production, procurement, shipping and ripening of bananas, pineapples and melons. On Demerger, these two businesses will be separated into two companies, namely Fyffes plc and Total Produce plc respectively, and separate quotations will be procured for each on IEX and AIM.

The General Produce and Distribution Business operates within a different segment of the distribution chain to the Tropical Produce Business. It sources a wide range of produce from a large number of producers and other sources with whom the Group has long established relationships with pricing determined based on prevailing market conditions.

2. BUSINESS AND OPERATIONS

The Group is one of the leading operators within the European General Produce and Distribution Sector. It is primarily involved in the marketing and distribution of a broad range of branded and unbranded fresh produce to retailers and wholesalers. The Group procures its products worldwide and is one of the leading distributors of southern hemisphere fresh produce in Europe, in particular fresh produce sourced from South Africa and South America.

The Group operates through its subsidiaries, joint ventures and associates from a total of 66 retail and wholesale distribution facilities and 5 ancillary offices throughout Europe with facilities in Ireland, the United Kingdom, Sweden, Denmark, Spain, Italy, Holland, Belgium, France, the Czech Republic and Slovakia. The Group is one of the largest ripeners of bananas in Europe with ripening facilities throughout Europe.

The main companies, investments and businesses of Total Produce are set out below:

Company Name	*Shareholding held %*	*Business description*	*Primary location*
Total Produce Ireland Limited[1]	100	General produce distributor	Ireland
Everfresh Group[2]	60	General produce distributor	Sweden
Brdr Lembcke A/S	100	General produce distributor	Denmark
EurobananCanarias SA	50	General produce distributor	Spain
Hortim International spol sro	70	General produce distributor	Czech Republic
Total Produce Limited[3]	100	General produce distributor	United Kingdom
Peviani SpA	50	General produce distributor	Italy
Total Produce BV[4]	100	General produce distributor	Holland
Capespan International Holdings Limited	50	Importer of South African produce	United Kingdom
Allegro Limited	90	Ambient goods distributor	Ireland

1. Currently known as Fyffes Group Ireland Limited and in the process of changing its name.
2. Total Produce is obliged to acquire the remaining 40% of the Everfresh Group in the first half of 2007
3. Owner of the General Produce and Distribution Business formerly owned by Fyffes Group Limited (UK).
4. Owner of the General Produce and Distribution Business formerly owned by Fyffes BV.

The European fresh produce distribution sector is characterised by a large number of companies which market and distribute a wide range of local and imported fresh produce to a large number of pan European and national multiple retailers and wholesalers on a year round basis. The Group has strong positions in many of the European markets in which it operates and long established trading relationships with fresh produce producers throughout the world.

The Group's key products include bananas, citrus, apples, pears, stonefruit, grapes, tomatoes, pineapples, exotics, salads, vegetables and potatoes. Some of the main brands distributed by the Group include:

Through its shareholdings in the Irish companies Allegro Limited and Uniplumo Limited, the Group is also involved in the marketing and distribution of ambient goods to wholesalers and retailers in Ireland, in the growing of and the marketing and distribution of pot plants to Irish retailers.

3. HISTORY, ORIGINS AND FUTURE STRATEGY OF THE TOTAL PRODUCE BUSINESS

The origins of the Total Produce Business lie in the McCann family fruit and wholesale business which was established in Ireland in the early 1900's. In the 1950's, Neil V McCann joined this business and masterminded the development of the business into the premier pan European fruit marketer and distributor that it has become. Throughout the 1950's and 1960's, the business in Ireland grew organically and by acquisition culminating in the formation of Fruit Importers of Ireland ("FII") in 1968. In the following decade, the business continued to expand and obtained a listing on the Irish Stock Exchange in 1981.

Expansion of the business

Subsequent to the flotation of FII, the business continued to grow in both Northern Ireland and the Republic of Ireland and expanded its geographic reach beyond these markets. In 1986, FII made its most significant acquisition, that of Fyffes Group Limited in the UK, which then consisted of two businesses, namely a banana import and ripening business and a general produce wholesale business. In the late 1980's and early 1990's, the business was further expanded in the United Kingdom through the acquisition of Rowe & Company Limited, James Lindsay & Sons plc and Glass Glover Group Limited.

Commencing in 1991, the business also pursued an acquisition strategy in Continental Europe and made a number of strategic investments in the period 1991 to 1998 broadening the Group's General Produce and Distribution capability in Holland, Denmark, Spain and Italy. In 1999, the Group acquired a 50% shareholding in Capespan International Holdings Limited, the largest marketer of South African produce. The Group also continued its policy of bolt-on acquisitions in Ireland, the United Kingdom, Spain, Denmark and Holland.

In 2002, the Group further broadened its geographic reach in the Czech Republic and Slovakia through the acquisition of 70% of Hortim srl and, in 2004, further strengthened its presence in Scandinavia through the acquisition of a 60% shareholding in the Everfresh Group with agreement to acquire the remaining 40% in 2007. It completed the acquisition of the remaining 50% of Brdr Lembcke A/S in Denmark in August 2006.

The Group is now a leading operator in Ireland, Spain, Denmark, Sweden and the Czech Republic and commands a strong position in the UK, Dutch and Italian markets. The Group's produce is also extensively marketed in the German and French markets through its Capespan International Holdings Limited joint venture.

Future strategy

The strategic objective of the Board is to further enhance Shareholder value through a combination of organic growth and by continuing to pursue acquisitions of companies in the General Produce and Distribution Sector.

4. MANAGEMENT TEAM

Total Produce has a strong and experienced management team. Rory Byrne, the chief executive officer of the Group was previously an executive director of Fyffes plc with operational responsibility for the General Produce and Distribution Business. He led the successful development of the Total Produce Business in the Spanish market from 1993 onwards. As is currently the case within the Fyffes Group, the managing directors of each of the main companies or businesses which form part of the Total Produce Group, as listed below, will report to Mr Byrne. The Group's Executive Chairman, Carl McCann and its Finance Director, Frank Gernon have spent almost all of their working careers in the fresh produce industry holding senior management positions in Fyffes for many years similar to those they are expected to hold in Total Produce.

Company, investment or business transferring to Total Produce	*Managing Director*
Total Produce Ireland Limited[1]	Francis McKernan
Everfresh Group	Bengt Nielsen
Brdr Lembcke A/S	Lars Lembcke
EurobananCanarias SA	Donal O'Driscoll and Angel Rey
Hortim International spol sro	Zdenek Hort
Total Produce Limited[2]	Seamus Mulvenna
Peviani SpA	Pino Peviani
Total Produce BV[3]	Charles Shaughnessy
Capespan International Holding Limited	Louis Kriel
Allegro Limited	David Fox

1. Currently known as Fyffes Group Ireland Limited and in the process of changing its name.
2. Owner of the General Produce Business formerly owned by Fyffes Group Limited (UK).
3. Owner of the General Produce Business formerly owned by Fyffes BV.

5. MARKET AND COMPETITION

The Group faces competition from local and international companies in each market in which it operates. The sector continues to evolve and there is a trend towards consolidation of retailers, wholesalers and distributors operating in the sector.

In recent years the sector has witnessed consistent year on year increases in the global production of fresh produce. In addition to current important geographic sources of production which include South Africa, South America, New Zealand and local European production, new emerging sources such as China, Peru and India are becoming more important to European and world markets. The sector has experienced pricing pressure as a result of this increased supply.

Continued competition in the General Produce and Distribution Sector is driving increasing efficiencies in the supply network including improvements in transit times and a reduction in general supply chain and logistics costs.

The Group benefits from a broad base of producers worldwide, with which it has built excellent long term relationships. The breadth of this supply base helps the Group to minimise the impact on customers of disruptions in supply from individual production areas that may experience adverse climatic conditions or other disruptions to production from time to time.

6. REASONS FOR ADMISSION TO IEX AND AIM

The Board believes that the Admission will support the future growth of the Company by allowing it to:

- use its quoted shares, where possible, as partial or total consideration for acquisitions;
- raise its profile with vendors and financiers;
- enhance its access to opportunities in the General Produce and Distribution Sector;
- provide a trading mechanism for the Ordinary Shares.

7. SUMMARY FINANCIAL INFORMATION

The table below, the contents of which have been extracted without material adjustment from the financial information in Part IV (B) (Accountants Report on the General Produce and Distribution Business) of this Document, summarises the trading record of the General Produce and Distribution Business for the three years ended 31 December 2003, 31 December 2004, 31 December 2005 and for the six months ended 30 June 2006. The information has been prepared under Irish GAAP for 2003 and 2004 and under IFRS for 2004, 2005 and the six months to 30 June 2006.

	IFRS	*IFRS*		*Irish GAAP*	
	6 Mths Ended 30 June 2006 €'000	*Year ended 31 Dec 2005 €'000*	*Year ended 31 Dec 2004 €'000*	*Year ended 31 Dec 2004 €'000*	*Year ended 31 Dec 2003 €'000*
Turnover	917,070	1,676,206	1,547,734	1,744,978	1,538,763
Operating profit including share of joint ventures and associates	19,031	32,349	29,617	31,194	28,650

Further financial information on the General Produce and Distribution Business is set out in Part IV of this Document. Shareholders should read the whole of this Document and not just the information summarised above.

8. CURRENT TRADING AND PROSPECTS

Based on its trading performance for the year to date, the Group's expectations of the results of the General Produce and Distribution Business for the full year 2006 remain in line with the previous announcements made by the Board of Fyffes plc in this regard.

In the announcement of its first half results on 7 September 2006, the board of Fyffes outlined that Fyffes' General Produce and Distribution Business delivered a satisfactory out-turn in the period to 30 June 2006, with adjusted operating profits of €22 million (as adjusted mainly for goodwill amortisation and the Business's share of the tax charge of joint ventures and associates) compared to €21.1 million in the comparative period of 2005. This increase in profits reflected organic growth.

Total Produce will continue to pursue further acquisitions as a matter of routine to supplement organic growth. With the benefit of recent acquisitions, further growth is anticipated in the division for the full year 2006.

9. BANK FACILITIES AND CAPITAL STRUCTURE

Total Produce will commence operations on 1 January 2007 with net debt of €10 million. In addition, the Group has an obligation to pay the consideration for the remaining 40% of the Everfresh Group in the first half of 2007. This consideration is based on a multiple of average profits for the three years ending 31 December 2006, less the initial payment, subject to a maximum remaining payment of €49.6 million. In connection with the Demerger, new credit facilities have been negotiated for the Company with a number of banks. In addition to existing debt in certain non wholly owned subsidiaries and joint ventures, the Company will have committed three and five year facilities amounting to €110 million and uncommitted one year facilities of €90 million. The Board does not intend to raise new equity capital at this time.

10. ONGOING RELATIONSHIPS BETWEEN FYFFES AND TOTAL PRODUCE

On completion of the Demerger and following Admission, Total Produce and Fyffes will operate as separately quoted companies. Total Produce and Fyffes will continue to have trading relationships which will be conducted on an arm's length commercial basis. Both companies have entered into a number of arm's length commercial agreements which become effective upon completion of the Demerger on 30 December 2006. These Supply, Trade Mark Licence, Transitional Service and Lease Agreements are summarised in section 10 of Part V of this Document.

11. RELATIONSHIP WITH BLACKROCK INTERNATIONAL LAND PLC

On 12 May 2006 Fyffes demerged 30 properties into a newly listed company, Blackrock International Land plc. These properties included certain properties which are leased to the Group on terms set by independent valuers with rents agreed at market rates. Carl McCann (the Total Produce Executive Chairman) is an executive director and chairman of Blackrock International Land plc.

12. PENSIONS

The Demerger will result in some active members in three of the existing Fyffes defined benefit schemes transferring to new defined benefit pension schemes (Fyffes Group Ireland Limited pension scheme in Ireland, the Fyffes Group Limited pension scheme in the United Kingdom and the Fyffes BV pension scheme in Holland.)

Fyffes Group Ireland Limited pension scheme

It is proposed that on or prior to completion of the Demerger, the active members of the Fyffes Group Ireland Limited pension scheme who will continue to be employed by Fyffes, will transfer out of the Fyffes Group Ireland Limited pension scheme to a new defined benefit scheme to be managed by trustees on behalf of the Fyffes Group. This will involve a bulk transfer payment being made by the trustees of the Fyffes Group Ireland Limited pension scheme to the new scheme, in discharge of the accrued benefits of the relevant Fyffes employees in respect of service up to completion of the Demerger. Following the Demerger, the Fyffes Group Ireland Limited pension scheme will continue to be operated in the same way as at present for the benefit of its members that are transferring to Total Produce.

UK pension scheme

The Demerger will result in the ownership of a number of companies in the General Produce and Distribution Business which are currently adhered to the Fyffes Group Pension Scheme transferring to Total Produce plc and also a number of employees of Fyffes Group Limited transferring to Total Produce Limited. A new defined benefit pension scheme will be established by Total Produce Limited to provide retirement benefits to employees of those legal entities and also to those active members currently employed by Fyffes Group Limited, whose employment is transferring to Total Produce Limited. It is intended that the new pension scheme will be capable of accepting a bulk transfer from the Fyffes Group Pension Scheme and will be registered with HM Revenue and Customs.

The benefits provided under the new scheme will initially be the same as those available under Fyffes Group Pension Scheme. Agreement has been reached, in principle, with Fyffes Group Nominee Holdings Limited and the scheme actuary as regards the terms of the bulk transfer to the new scheme in relation to the past service assets and liabilities of the members transferring.

When implemented, the Demerger will crystallise "Section 75" debts worth approximately STG£7.8m for the companies which will no longer be adhered to the Fyffes Group Limited scheme. Fyffes plc will procure the payment of those "Section 75" debts to the Fyffes Group Limited pension scheme.

Fyffes BV pension scheme

Fyffes BV currently operates a defined benefit scheme which provides career average salary benefits to members. The assets of the scheme are held by National Nederland separately from Fyffes BV. Contributions to the scheme are determined annually by National Nederland.

The Demerger will result in a number of active members of the Fyffes BV pension scheme, whose employment is transferring to Total Produce BV, transferring to a new defined benefit scheme to be managed by National Nederland on behalf of Total Produce BV. This will involve the transfer of the past service assets and liabilities of the transferring active members. The benefits provided under the new scheme will be the same as those available under the current Fyffes BV scheme.

13. SHARE SCHEMES FOR EMPLOYEES IN THE GROUP

Total Produce is proposing to establish an Irish Revenue approved profit sharing scheme ("APSS") for its employees in Ireland and a HM Revenue and Customs approved Share Incentive Plan ("SIP") for its employees in the UK. From time to time the Group may also incentivise employees by granting share options under a share option scheme (the "Option Scheme").

Full details of the APSS, SIP and the Option Scheme are set out in section 3 of Part V of this Document.

14. DIRECTORS AND SENIOR MANAGEMENT

The board of Total Produce comprises three executive Directors and two non-executive Directors. Carl McCann (Executive Chairman), Rory Byrne (Managing Director) and Frank Gernon (Finance Director) are the executive Directors. Rose Hynes and Jerome Kennedy are the non-executive Directors.

Details of the Directors' terms of appointment are set out in section 5 of Part V of this Document.

Profiles of the individual Directors of Total Produce are set out below:

Executive Directors

C P McCann, 53, Chairman, BBS, MA, FCA. Carl McCann was elected Chairman of Fyffes in 2003. He had been Vice Chairman of the Company since 1988, having joined Fyffes from KPMG in 1980. He is Chairman of Blackrock International Land plc and is an Irish Government nominee to Inter*Trade*Ireland, the Trade and Development Body established by the North-South Ministerial Council of Ireland. He is a director of a number of other companies. Carl intends to resign as an executive director of Fyffes plc with effect from 30 December 2006.

R P Byrne, 46, Chief Executive, B Comm, FCA. Rory Byrne joined Fyffes in 1988 from KPMG. He has held a number of senior positions within Fyffes including Finance Director of the Group's UK business and Managing Director of its Spanish operations. He was appointed to the position of Managing Director of the Group's General Produce division in 2002. He was appointed to the board of directors of Fyffes on 1 January 2006. Rory intends to resign as an executive director of Fyffes plc with effect from 30 December 2006.

J F Gernon, 53, Finance Director, FCCA. Frank Gernon joined Fyffes in 1973. He has held various senior accounting and financial positions in Fyffes, including Company Secretary and Chief Financial Officer. He was appointed Group Finance Director and to the board of directors of Fyffes in 1998. Frank intends to resign as an executive director of Fyffes plc with effect from 30 December 2006.

Non-Executive Directors

R B Hynes, 49, Non Executive, BCL, AITI. Rose Hynes was appointed to the board of directors of Fyffes in 2003. She was a non executive director of Aer Lingus Group plc from 1997 to 2002 and previously held a number of senior executive positions with GPA Group plc and Debis AirFinance. She is a non executive director of Bord Gais Eireann, Bank of Ireland Mortgage Bank, Northern Ireland Water Service, Shannon Airport Authority plc, Blade Engine Securitization Ltd and a number of other companies. Rose intends to resign as a non-executive director of Fyffes plc with effect from 30 April 2007.

J J Kennedy, 58, Non Executive, FCA. Jerome Kennedy was managing partner of KPMG Ireland from 1995 to 2004. During that time he was also a board member of KPMG Europe. He was a member of the board of KPMG Worldwide from 2002 to 2004. He led the successful integration of the Andersen Ireland firm into KPMG Ireland. He is currently a non executive director on the boards of Bank of Ireland Life, New Ireland Assurance Company plc, Blackrock International Land plc and a number of other companies. Jerome intends to resign as a non executive director of Blackrock International Land plc with effect from 31 December 2006.

15. DIVIDEND POLICY

It is the intention of the Board to commence the payment of dividends as soon as practicable, bearing in mind the financial resources required for the development of the Total Produce Group, and to pursue a progressive, but prudent, dividend policy thereafter.

16. CORPORATE GOVERNANCE

The Board recognises the importance of sound corporate governance and that it will be accountable to the Company's Shareholders in respect of corporate governance. The Directors intend to ensure that, following Admission, the Company will apply policies and procedures, which reflect the principles of the Combined Code on Corporate Governance as appropriate to the Company's size and listing status.

On Admission, the Board will consist of three executive Directors and two non-executive Directors. The Company will hold Board meetings throughout the year at which key matters relating to the Company's operations, together with financial reports shall be considered. The Board will be responsible for formulating, reviewing and approving the Company's strategy, budgets, major items of capital expenditure and acquisitions.

The Company has established an audit committee the members of which are Rose Hynes and Jerome Kennedy and a remuneration committee the members of which are also Rose Hynes and Jerome Kennedy. Both committees have formally delegated duties and responsibilities. It is intended that the audit committee will review the Company's internal control and risk management systems, will monitor the integrity of the financial statements of the Company, will oversee the Company's relations with the external auditors and will assess the scope, independence and effectiveness of their audit process. It is intended that the remuneration committee will determine the terms and conditions of service, including remuneration and other benefits granted or proposed to be granted by the Company to Executive Directors, including basic salary, short and long term bonuses and pension arrangements. Membership of these committees is determined by the Board, having regard to and as far as possible in compliance with, the principles of the Combined Code.

The Directors intend to comply with Rule 21 of the IEX Rules and the AIM Rules relating to directors' dealings, as applicable to both IEX and AIM companies, and will take all reasonable steps to ensure compliance by the Group's employees to whom the rules are applicable.

17. TAXATION

Information regarding Irish and United Kingdom taxation is set out in section 13 of Part V of this Document. Shareholders should in all cases satisfy themselves as to their own tax position by consulting their own tax advisers.

18. TRENDS

Save as set out in this Document, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for at least the current financial year.

19. ADMISSION, SETTLEMENT AND DEALINGS

Application has been made to the Irish Stock Exchange and the London Stock Exchange for the Ordinary Shares to be admitted to trading on IEX and on AIM. It is expected that Admission will take place, and that dealings in the Ordinary Shares on IEX and on AIM will commence at 8.00am on 2 January 2007.

20. DEALING ARRANGEMENTS

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by way of a written instrument. The Directors have arranged for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission will take place within the CREST system if the relevant Shareholder so wishes. The Articles provide for the transfer of shares in dematerialised form in CREST.

CREST is a voluntary system and Shareholders who wish to receive and/or retain share certificates may do so.

21. FURTHER INFORMATION

Your attention is drawn to the additional information set out in Parts II to V of this Document.

22. RISK FACTORS

The IEX and AIM markets are designed primarily for emerging or smaller companies to which a higher investment risk attaches than that associated with larger or more established companies. A prospective investor should be aware of the potential risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser, being in the case of persons resident in Ireland, a person authorised or exempted under the Investment Intermediaries Act 1995 or the Stock Exchange Act 1995 of Ireland and, in the case of persons resident in the United Kingdom, a person authorised under the Financial Services and Markets Act 2000.

Your attention is drawn to the Risk Factors set out in Part II of this Document.

PART II — RISK FACTORS

In addition to the other information set out in this Document, the following specific factors should be considered carefully in evaluating whether to make an investment in the Company. The risks associated with holding Ordinary Shares include (but may not be limited to) the following identifiable risks which, individually or in aggregate, could have a material adverse effect on the Group and Shareholders. The value of Ordinary Shares may go down as well as up.

An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which might result from such an investment. If you are in any doubt about the contents of this Document and what action you should take, you should consult your stockbroker, bank manager, solicitor or other independent financial adviser (being in the case of persons resident in Ireland, an organisation or firm authorised or exempted pursuant to the Investment Intermediaries Act 1995 or the Stock Exchange Act 1995 and, in the case of persons resident in the United Kingdom, an organisation or firm authorised pursuant to FSMA) immediately.

The risks identified below are those which the Directors believe to be material in the context of the Group but these risks may not be the only risks faced by the Group. Additional risks, including those that the Directors are unaware of or currently deem immaterial, may also result in decreased income, increased expenses or other events that could result in a decline in the value of Ordinary Shares.

Earnings sensitivity to supply and demand for fresh produce

The General Produce and Distribution Business generates the majority of its income as marketer and distributor throughout Europe of a wide range of fresh produce for the major international producer organisations. Total Produce's earnings will be dependent on the volume of sales and the selling prices obtained for products sold. These, in turn, are largely determined by market supply and demand. The annual rate of growth of per capita consumption of fresh produce is relatively low. Fresh produce supplies in individual markets are affected by the geography of production, growing conditions (including climate), seasonality and perishability. Market demand is a function of population size, per capita consumption, the availability and quality of individual products and competing products and climatic and other general conditions in the marketplace. Excess supplies of fresh produce leading to reduced selling prices could have a material adverse affect on Total Produce's business, results of operations and financial condition.

Concentration of customers

Total Produce's customers will be primarily major retailers and wholesalers. Increasingly, Total Produce's retail customers will be large supermarket chains which have significant and growing shares of the markets in which they operate. The increasing concentration in the market means that it will be more difficult for the Total Produce Group to pass on unexpected cost increases in the price of fruit, or other costs when they arise. The increasing concentration of customers also increases credit risk. Any consolidation of the customer base of the Group which results in a change in the procurement policies of individual customers could positively or adversely affect the operations and profitability of the Group.

Highly competitive industry

Total Produce may face significant competition, both actual and potential, including competition from existing European rivals which have large capital resources and from other companies with large capital resources which may commence activities in competition with the Group. Competition in the industry is based upon, amongst other things the range, price and quality of products and services offered, geographical reach and reputation. Pricing can be influenced by the strength of the currencies of individual producing countries relative to that of competing countries. If Total Produce does not compete effectively, its business, results of operations and financial condition could be materially adversely affected.

Dependence on key management personnel

Total Produce is dependent on the continuing commitment of its directors and senior management team. Although it is believed that key employees could be replaced in an orderly fashion should the need arise, the loss of such personnel without adequate replacement could have a material adverse effect on Total Produce's business, results of operations and financial condition. Total Produce does not intend to maintain key-man insurance for its executive Directors as its board of Directors believes the cost of obtaining key-man insurance is disproportionate.

Possible loss of sales value due to poor quality or product contamination

Profitability in the fresh produce sector is dependent on high quality supplies and consistency of delivery. As part of its overall business model, Total Produce seeks to rely on positive brand recognition. It is possible that serious quality issues and, in particular, contamination of product whether deliberate or accidental, could have a significant negative impact on sales revenue.

Importance of acquisition activity

Total Produce's growth strategy is partly focused on making acquisitions and alliances to increase shareholder value. There can be no guarantee that Total Produce will be able to source and execute suitable acquisitions in the future.

Gearing

At the date of the Demerger Total Produce is expected to have opening consolidated net debt of €10 million. In addition, the Group has an obligation to pay the consideration for the remaining 40% of the Everfresh Group in the first half of 2007. This consideration is based on a multiple of average profits for the three years ending 31 December 2006, less the initial payment, subject to a maximum remaining payment of €49.6 million. Any investments or acquisitions that Total Produce makes in the future may involve borrowing funds. Although the use of gearing may increase the return on those investments and on existing operations, it creates higher potential for loss.

Future trading relationships with Fyffes

Following completion of the Demerger, Total Produce shall primarily procure its bananas and pineapples from Fyffes and, consequently Total Produce will be exposed to the future performance of Fyffes' bananas and pineapples.

Actual results differing from forward-looking statement and failure to realise anticipated benefits

Statements in this Document with respect to the Group's plans, strategies, projected financial figures and beliefs, as well as other statements that are not historical facts are forward-looking statements involving risks and uncertainties. Unforeseen difficulties relating to these proposals may result in increased expense and a decline in profitability such that the Shareholders may not realise all of the anticipated benefits of the proposals, either in a timely manner or at all.

General investment/market risks

A number of factors outside Total Produce's control could impact on its performance and the price of its shares, including investor sentiment and local and international stock market conditions. Shareholders should recognise that the price of shares may fall as well as rise.

No prior public trading of Total Produce

Prior to Admission, there will have been no public market for trading in Total Produce Shares. There can be no assurance that an active trading market for Total Produce Shares will develop or, if one does develop, that it will be sustained following completion of the Demerger. If an active trading market does not develop or is not maintained, the liquidity and trading price of Total Produce Shares could be adversely affected.

Total Produce will be admitted to trading on IEX and AIM

Application will be made for the Total Produce Shares to be admitted to trading on IEX and AIM. These markets are designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to companies on the Official Lists. An investment in shares quoted on IEX and AIM may carry a higher risk than an investment in shares quoted on the Official Lists. The future success and liquidity in the market for Total Produce Shares cannot be guaranteed.

Substantial future sales of Total Produce Shares could impact their market price

On Admission, there will be approximately 350 million Total Produce Shares in issue. The possibility of a substantial number of Shares being offered for sale following Admission could have an adverse affect on the market prices of the Shares.

PART III — FURTHER INFORMATION RELATING TO THE DEMERGER

1. SUMMARY OF THE DEMERGER

The Demerger will involve the transfer of the General Produce and Distribution Business to Total Produce in consideration for the allotment and issue by Total Produce of Total Produce Shares credited as fully paid up, to the holders of B Tracker Shares on the Fyffes Share Register so that upon the Demerger being completed, one Total Produce Share will have been issued for each B Tracker Share held at the Demerger Record Date. The Demerger will be effected by way of a bonus issue of B Tracker Shares by Fyffes to its shareholders on the basis of one B Tracker Share for each share recorded in the Fyffes Share Register on 29 December 2006. Fyffes shareholders shall receive one Total Produce share for each B Tracker Share that they hold. Following the transfer of the General Produce and Distribution Business in exchange for the allotment and issue of Total Produce Shares to the holders of the B Tracker Shares, the B Tracker Shares will be redeemed and cancelled. Following completion of the Demerger, which is expected to occur on 30 December 2006, each Fyffes Shareholder will hold one Ordinary Share in Total Produce for each B Tracker Share held.

2. ADMISSION, DEALINGS AND SETTLEMENT ARRANGEMENTS

Admission

Application is being made for Admission of the Total Produce Shares to trading on IEX and AIM. It is expected that Admission will become effective and dealings for normal settlement in the Total Produce Shares will commence at 8.00am on 2 January 2007.

Share Certificates

Holders of B Tracker Shares on the Fyffes Share Register at the Demerger Record Date will constitute the register of members of Total Produce on Admission. It is expected that definitive certificates in respect of the Total Produce Shares will be posted to eligible Fyffes Shareholders (who hold their Fyffes Shares in certificated form) at their registered address on the Fyffes Share Register no later than 5 January 2007. The entitlement to receive Total Produce Shares pursuant to the Demerger is not transferable save to satisfy valid market claims. Temporary documents of title will not be issued. Pending despatch of the certificates, transfers will be certified against the relevant share register by the Registrar. Share certificates will be despatched to Total Produce shareholders at their own risk.

CREST

CREST is a paperless settlement system enabling shares to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Total Produce articles of association will permit the holding of Total Produce Shares under the CREST system. Total Produce will apply for its shares to be admitted to CREST with effect from Admission.

PART IV (A) — ACCOUNTANT'S REPORT ON TOTAL PRODUCE PLC FOR THE PERIOD FROM 6 OCTOBER 2006 (THE DATE OF INCORPORATION) TO 30 NOVEMBER 2006

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

The Directors
Total Produce plc
Charles McCann Building
Rampart Road
Dundalk
Co Louth

21 December 2006

Dear Sirs,

Accountant's Report on Total Produce plc (the 'Company') for the period from 6 October 2006 (date of incorporation) to 30 November 2006

We report on the financial information set out in Part IV (A) of the Admission Document of the Company dated 21 December 2006 (the 'Admission Document'). This financial information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 2 to the financial information. This report is required by paragraph (a) of Schedule Two of the IEX Listing Rules and paragraph (a) of Schedule Two of the AIM Listing Rules and is given for the purpose of complying with these paragraphs and for no other purpose.

Responsibilities

The directors of the Company are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work 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 information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 21 December 2006, a true and fair view of the state of affairs of Total Produce plc as at the date stated and of its result for the period then ended, in accordance with the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM and IEX Listing Rules we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the IEX Listing Rules and Schedule Two of the AIM Listing Rules.

Yours faithfully,

KPMG

Income statement

The Company did not trade during the period from incorporation to 30 November 2006 and received no income and incurred no expenditure. Consequently, during this period the Company made neither a profit nor a loss.

Accordingly the closing balance in cumulative profit and loss account remains at €nil.

The Company had no recognised income or expenses during this period and accordingly no statement of recognised income and expense nor a reconciliation of movements in shareholders' equity is presented.

Cash flow statement

Cash flows from operating activities	*Notes*	*55 day period ended 30 November 2006 €'000*
Net cash flows from operating activities		–
Cash flows from financing activities		
Proceeds from the issue of share capital	5	10
Net cash inflow from financing activities		10
Net increase in cash and cash equivalents		10
Cash and cash equivalents at date of incorporation		–
Cash and cash equivalents at 30 November 2006	5	10

Balance sheet

	Notes	*30 November 2006 €'000*
Assets		
Other receivables	4	29
Cash	5	10
Total current assets		39
Total assets		39
Equity		
Issued share capital	5	39
Retained earnings		–
Total equity attributable to equity holders		39
Total equity		39
Total equity and liabilities		39

Notes to the financial information

1. CONTENT OF FINANCIAL INFORMATION

The financial information presents the financial record of Total Produce plc, a company incorporated and registered in Ireland, for the period from the date of incorporation (being 6 October 2006) to 30 November 2006.

The Company's registered office is Charles McCann Building, Rampart Road, Dundalk, Co Louth.

The Company was formed pursuant to the proposed demerger of the general produce and distribution division from Fyffes plc. The Company currently has no operations, although, the transfer of the business of the General Produce and Distribution Business from Fyffes plc to Total Produce plc by way of bonus issue to existing shareholders of Fyffes plc is proposed to occur on 30 December 2006.

The financial information includes the cash flow statement and the balance sheet of the Company. The financial information has been prepared from accounting records for the period from incorporation to 30 November 2006.

Statement of compliance

The financial information has been prepared in accordance with International Financial Reporting Standards ('IFRS') and their interpretations issued by the International Accounting Standards Board ('IASB') as adopted by the EU.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The individual financial statements of the Company have been prepared on the historical cost basis. The financial statements are presented in Euro.

The preparation of financial statements in conformity with IFRSs 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.

(b) Cash and cash equivalents

Cash and cash equivalents, comprise cash balances and call deposits, including bank deposits of less than three months maturity.

(c) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method if long term in nature, less provision for impairment. A provision for impairment is established when there is objective evidence that the Company will not be able to collect amounts due according to the original term of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the income statement.

(d) Transaction costs on equity offerings

Transaction costs on equity offerings are accounted for as a deduction from equity (net of any related tax benefit) to the extent that they are incremental costs attributable to the equity transaction that otherwise would have been avoided. The costs of an equity transaction that is abandoned are recognised as an expense.

(f) Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company has not yet commenced trading.

3. STAFF NUMBERS AND COSTS

The Company has no employees.

4. OTHER RECEIVABLES

Other receivables consist of the balance of partially paid up share capital (see note 5).

5. CAPITAL AND RESERVES

	30 November 2006 €'000
Authorised	
1,000,000,000 ordinary shares of €0.01 each	10,000

Allotted and called up	*Paid €'000*	*Unpaid €'000*	*Total €'000*
7 ordinary shares of €0.01 each — fully paid	–	–	–
3,899,993 ordinary shares of €0.01 each — partially paid	10	29	39
In issue at 30 November 2006	10	29	39

6. RECONCILIATION OF MOVEMENT IN EQUITY

	Retained earnings €'000s	*Share capital €'000s*	*Total €'000s*
At 6 October 2006	–	–	–
Shares issued	–	39	39
Profit/(loss) for the period	–	–	–
At 30 November 2006	**–**	**39**	**39**

7. POST BALANCE SHEET EVENTS

There have been no post balance sheet events that require disclosure in the financial information.

As disclosed in Part 1 of the Admission Document, the Company is expected to acquire the General Produce and Distribution Business of Fyffes plc on 30 December 2006.

PART IV (B) — ACCOUNTANT'S REPORT ON THE TOTAL PRODUCE BUSINESS FOR THE THREE YEARS ENDED 31 DECEMBER 2003, 31 DECEMBER 2004 AND 31 DECEMBER 2005

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

The Directors
Total Produce plc
Charles McCann Building
Rampart Road
Dundalk
Co Louth

21 December 2006

Dear Sirs,

Accountant's report on the historical financial information of the General Produce and Distribution Business ("the Demerged Business") of Fyffes plc for the years ended 31 December 2003, 2004 and 2005.

We report on the historical financial information set out in Part IV(B)(ii) and Part Part IV(B)(iii) ("the financial information") of the Admission Document of the Demerged Business dated 21 December 2006 (the 'Admission Document'). This financial information has been prepared for inclusion in the Admission Document on the basis of the accounting policies and basis of preparation note set out in note 1 to the financial information. This report is required by paragraph (a) of Schedule Two of the IEX Listing Rules and paragraph (a) of Schedule Two of the AIM Listing Rules and is given for the purpose of complying with these paragraphs and for no other purpose.

Responsibilities

The Directors of the Demerged Business are responsible for preparing the financial information in accordance with the basis of preparation set out in Note 1, of Parts IV(B)(ii) and IV(B)(iii) of the Admission Document and the recognition and measurement principles of the financial reporting standards applicable to the financial information at each year end.

It is our responsibility to form an opinion on the financial information and report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work 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 information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives for the purposes of the Admission Document dated 21 December 2006, a true and fair view of the aggregated state of affairs of the Demerged Business as at the dates stated and of the profits and recognised income and expenses for the periods then ended in accordance with the basis of preparation set out in Note 1, of Parts IV(B)(ii) and IV(B)(iii) of the Admission Document and in accordance with the recognition and measurement principles of the financial reporting standards applicable to the financial information at each year end.

Declaration

For the purposes of paragraph (a) of Schedule Two of the IEX Rules and paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the IEX Rules and Schedule Two of the AIM Rules.

Yours faithfully

KPMG
Chartered Accountants
Dublin, Ireland

PART IV(B)(i) — FINANCIAL INFORMATION FOR INTERIM PERIODS ENDED 30 JUNE 2006 AND 2005 (IFRS)

The Directors are responsible for the unaudited interim financial information presented below. This information has been extracted without material adjustment from the underlying books and records of the Combined Entities.

Combined Income Statement

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Revenue including share of joint ventures and associates	917,070	901,680
Revenue	758,906	716,860
Operating profit	18,434	19,296
Intangible amortisation	(1,437)	(1,285)
Share of profit of joint ventures/associates (after tax and before exceptional items)	2,034	798
Exceptional items (including share of joint ventures/associates)	–	912
Operating profit	19,031	19,721
Net financial expense	(1,477)	(1,515)
Profit before tax	17,554	18,206
Income tax expense	(4,086)	(5,453)
Profit for the period	13,468	12,753
Attributable as follows:		
Equity shareholders	9,740	7,983
Minority interest	3,728	4,770
Profit for the period	13,468	12,753
Basic earnings per share	€2.78 cent	€2.29 cent
Fully diluted earnings per share	€2.75 cent	€2.26 cent
Adjusted fully diluted earnings per share	€3.06 cent	€2.33 cent
Adjusted fully diluted earnings per share excluding deferred tax release	€2.65 cent	€2.33 cent

Combined Statement of Recognised Income and Expense

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Items of income and expense recognised directly in equity:		
Foreign currency translation	1,080	1,330
Revaluation of property	–	5,030
Deferred tax on revaluation gains	–	(1,538)
Deferred tax impact of movements in revaluation reserves	489	–
Share of joint ventures revaluation of property	–	951
Deferred tax on joint ventures revaluation of property	–	(172)
Fair value adjustment on investments	–	(1,400)
Effective portion of cash flow hedges	–	48
Deferred tax on effective portion of cash flow hedges	–	(9)
Actuarial gain/loss recognised on defined benefit pension schemes	9,352	(6,224)
Deferred tax movements related to pension schemes	(1,211)	738
Net income recognised directly in equity	9,710	(1,246)
Profit for period	13,468	12,753
Total recognised income and expense	23,178	11,507
Attributable as follows:		
Equity shareholders	19,288	6,360
Minority interest	3,890	5,147
Total recognised income and expense	23,178	11,507

Combined Balance Sheet as at 30 June 2006

	(Unaudited) 30 June 2006 €'000	*(Unaudited) 30 June 2005 €'000*
Assets		
Non-current assets		
Property, plant and equipment	90,164	124,664
Investment property	2,841	16,565
Goodwill and intangible assets	85,748	77,832
Other receivables	1,105	1,279
Investments in joint ventures and associates	38,840	39,835
Equity investments	16,673	16,541
Employee benefits	4,592	–
Deferred tax assets	3,437	4,360
Total non-current assets	243,400	281,076
Current assets		
Inventories	27,394	26,555
Trade and other receivables	210,008	185,026
Non-trade receivables from Fyffes and subsidiaries	258,660	203,208
Derivative financial instruments	–	243
Cash and cash equivalents	71,624	43,003
Total current assets	567,686	458,035
Total assets	811,086	739,111
Liabilities		
Non-current liabilities		
Interest bearing loans and borrowings	24,224	32,398
Other payables	3,759	2,921
Provisions	–	28,507
Employee benefits	1,535	9,736
Income tax payable	8,085	6,035
Deferred tax liabilities	14,491	21,682
Total non-current liabilities	52,094	101,279
Current liabilities		
Interest bearing loans and borrowings	75,494	56,446
Trade and other payables	218,305	186,369
Non-trade payables to Fyffes and subsidiaries	206,560	173,492
Derivative financial instruments	34	–
Provisions	36,314	640
Income tax payable	1,379	5,631
Total current liabilities	538,086	422,578
Total liabilities	590,180	523,857
Total net assets	220,906	215,254
Equity shareholders	174,197	170,658
Minority interest	46,709	44,596
Total equity	220,906	215,254

Combined Statement of Operating Cash Flows

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Cash flows from operating activities		
Profit for financial year	13,468	12,753
Adjustments for:		
Income tax expense	4,086	5,453
Depreciation on property, plant and equipment	5,693	5,118
Fair value movement on investment property	–	(568)
Amortisation of intangible assets	1,437	1,285
Amortisation of grants	(188)	(156)
Contributions to defined benefit pension schemes	(1,229)	(1,263)
Defined benefit pension scheme expense	902	804
Net gain on disposal of property, plant and equipment	(346)	(93)
Net interest expense	1,477	1,515
Share of profit of joint ventures and associates	(2,034)	(1,142)
Movement in working capital	5,128	(781)
Income tax paid	(10,065)	(3,444)
Net interest paid	(781)	(805)
Net cash inflow from operating activities	17,548	18,676

Notes to support interim financial statements

1. BASIS OF PREPARATION

The interim financial information has been prepared in accordance with the accounting policies set out on page 34 of this document and have been prepared in accordance with the measurement and recognition principles of International Financial Reporting Standards (IFRS).

2. ADJUSTED PROFIT BEFORE TAX

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Profit before tax per income statement	17,554	18,206
Adjustments		
Share of tax charge of joint ventures and associates	1,113	879
Exceptional items	–	(912)
Amortisation of intangible assets	1,437	1,285
Adjusted profit before tax	20,104	19,458

The Combined Entities believe that adjusted profit before tax and adjusted earnings per share (Note 5) are the appropriate measures of the underlying performance of the Combined Entities, excluding exceptional items and amortisation charges.

3. EXCEPTIONAL ITEMS

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Fair value gain on investment properties	–	568
Share of fair value gain on joint ventures investment properties	–	344
Total exceptional items	–	912

4. TAXATION

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Tax charge per income statement	4,086	5,453
Share of tax charge of its ventures in profit before tax	1,113	879
Total tax charge	5,199	6,332
Deferred tax on amortisation of intangible assets	354	360
Tax effect of exceptional items	–	(224)
	5,553	6,468
Deferred tax release on property demerger	1,453	–
	7,006	6,468

Including the Combined Entities' share of tax of its joint ventures amounting to €1,113,000 (2005 first half: €879,000), which is netted in operating profit in accordance with IFRS, the total tax charge for the period amounted to €5,199,000 (2004 first half: €6,332,000).

Adjusting for the tax effect of exceptional items and deferred tax credits related to the amortisation of intangible assets, the underlying tax charge for the period was €7,006,000 (2004 first half: €6,468,000), equivalent to a rate of 34.8% (2005 first half: 33.2%) when applied to the Combined Entities' adjusted profit before tax.

5. EARNINGS PER SHARE

Basic earnings per share

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Profit for the financial period attributable to equity shareholders	9,740	7,983
	Number of shares €'000	*Number of shares €'000*
Weighted average number of ordinary shares for the period	349,796	348,561
Basic earnings per share	€2.78 cent	€2.29 cent

Diluted earnings per share

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Profit for the financial period attributable to equity shareholders	9,740	7,983
	Number of shares €'000	*Number of shares €'000*
Weighted average number of ordinary shares (diluted) for the period	353,600	353,109
Diluted earnings per share	€2.75 cent	€ 2.26 cent

Adjusted fully diluted earnings per share

	(Unaudited) 6 months to 30 June 2006		*(Unaudited) 6 months to 30 June 2005*	
	Earnings €'000	*Per share € cent*	*Earnings €'000*	*Per share € cent*
Per basic earnings per share	9,740	2.78	7,983	2.29
Adjustments:				
Exceptional items	–	–	(912)	(0.26)
Amortisation of intangible assets	1,437	0.41	1,285	0.37
Tax effect of exceptional items	–	–	224	0.06
Deferred tax credit on amortisation of intangible assets	(354)	(0.10)	(360)	(0.10)
Impact on earnings of dilutive share options	–	(0.03)	–	(0.03)
Adjusted fully diluted earnings per share	10,823	3.06	8,220	2.33
Deferred tax liability release on property reorganisation	(1,453)	(0.41)	–	–
Adjusted earnings per share excluding deferred tax release	9,370	2.65	8,220	2.33

Adjusted fully diluted earnings per share excludes the impact of exceptional items, after tax and minority interest and amortisation charges on intangible assets and related deferred tax credits and the impact of share options with a dilutive effect. Included in basic earnings per share for the six months ended 30 June 2006 is a tax credit of €0.41 cent per share which relates to a release of a deferred tax liability which arose as a consequence of the property demerger. The impact of this reversal of the deferred tax liability release has been separately identified in adjusted earnings per share excluding the deferred tax release on property.

6. DIVIDENDS PAID TO EQUITY SHAREHOLDERS

During the financial period the following dividends were recognised and paid to equity shareholders of the Combined Entities.

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Net dividends to equity shareholders	4,421	5,088

7. EMPLOYEE POST EMPLOYMENT BENEFITS

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
(Liability) at beginning of period	(6,623)	(3,971)
Current/past service cost less finance income recognised in income statement	(902)	(804)
Actuarial gain/(loss) recognised in statement of recognised income and expense	9,352	(6,224)
Contributions to schemes	1,230	1,263
Net employee asset/(liability) at end of period	3,057	(9,736)
Represented as follows in the balance sheet:		
Employee benefit asset	4,592	–
Employee benefit liability	(1,535)	(9,736)
Net employee asset/(liability) at end of period	3,057	(9,736)
Related deferred tax (liability)/asset	(382)	1,217
Net asset/(liability)	2,675	(8,519)

The current/past service cost is charged in the Income Statement, net of the finance income on scheme assets. The actuarial gain/(loss) is recognised in the Statement of Recognised Income and Expense, in accordance with the amendment to IAS 19 *Actuarial Gains and Losses, Group Plans and Disclosures*. The reduction in the scheme deficit during the period arose mainly as a result of the impact of the increase in long term international interest rates on the scheme liabilities.

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' EQUITY

	(Unaudited) 6 months to 30 June 2006 €'000	*(Unaudited) 6 months to 30 June 2005 €'000*
Total shareholders' equity at beginning of period	165,678	157,705
Impact of adoption of IAS 32/39 on 1 January 2005 (net of tax)	–	(39)
Total shareholders' equity as restated	165,678	157,666
Total recognised income and expense	19,288	6,360
Dividends paid to equity shareholders	(1,453)	(1,086)
Movement in balances with Fyffes	(9,316)	7,718
Total shareholders' equity at end of period	174,197	170,658

Movement in balances with Fyffes includes the impact of the in-specie distribution arising on property demerger. The tax impact is set out in notes 4 and 5.

PART IV(B)(ii) — FINANCIAL INFORMATION FOR THE YEARS ENDED 31 DECEMBER 2005 and 2004 (IFRS)

Combined Income Statement

		Year to 31 December 2005			*Year to 31 December 2004*		
	Note	*Pre Exceptional €'000*	*Exceptional €'000*	*31 Dec 2005 Total €'000*	*Pre Exceptional €'000*	*Exceptional €'000*	*31 Dec 2004 Total €'000*
Revenue including share of joint ventures and associates	1	1,676,206	–	1,676,206	1,547,734	–	1,547,734
Revenue	1	1,355,973	–	1,355,973	1,187,005	–	1,187,005
Cost of sales		(1,173,309)	–	(1,173,309)	(1,024,884)	–	(1,024,884)
Gross profit		182,664	–	182,664	162,121	–	162,121
Other operating income	2	3,086	1,136	4,222	4,137	2,512	6,649
Distribution expenses		(130,439)	(316)	(130,755)	(113,033)	–	(113,033)
Administrative expenses		(26,167)	–	(26,167)	(26,753)	–	(26,753)
Other operating expenses	3	(201)	(1,566)	(1,767)	(103)	(4,652)	(4,755)
Share of profit of joint ventures	13	3,409	688	4,097	4,901	450	5,351
Share of profit of associates	13	55	–	55	37	–	37
Operating profit		32,407	(58)	32,349	31,307	(1,690)	29,617
Financial income	4			1,060			780
Financial expense	4			(3,754)			(3,230)
Profit before tax				29,655			27,167
Income tax expense	7			(9,302)			(7,313)
Profit for the financial year				20,353			19,854
Attributable as follows:							
Equity shareholders				13,356			13,684
Minority interest	19			6,997			6,170
Profit for the financial year				20,353			19,854

All activities were in respect of continuing operations.

Basic earnings per share	9	€3.83 cent	€3.95 cent
Diluted earnings per share	9	€3.78 cent	€3.90 cent
Adjusted fully diluted earnings per share	9	€4.76 cent	€4.76 cent

Combined Statement of Recognised Income and Expense

	Note	2005 €'000	2004 €'000
Items of income and expense recognised directly in equity:			
Foreign currency translation		(967)	(231)
Revaluation gains on property	10	12,742	8,753
Deferred tax on revaluation gains	24	(3,077)	(2,175)
Share of joint ventures revaluation gains on property		722	468
Share of joint ventures deferred tax on revaluation gains		(12)	(348)
Fair value adjustment on equity investments	14	(1,400)	–
Effective portion of cash flow hedges		61	–
Deferred tax relating to cash flow hedges		(9)	–
Actuarial loss recognised on defined benefit pension schemes	26	(3,282)	(7,487)
Deferred tax on defined benefit pension schemes	24	410	935
Share of joint ventures actuarial gain/loss on defined benefit pension schemes		(585)	270
Share of joint ventures deferred tax on defined benefit schemes		135	(62)
Net income recognised directly in equity		4,738	123
Profit for the financial year		20,353	19,854
Total recognised income and expense		25,091	19,977
Attributable as follows:			
Equity shareholders	18	17,087	13,080
Minority interest	19	8,004	6,897
Total recognised income and expense		25,091	19,977
Impact of first time adoption of financial instrument standards, IAS 32 and 39			
Cash flow hedges		(48)	–
Deferred tax relating to cash flow hedges		9	–
		(39)	–

Combined Balance Sheet

	Note	*31 December 2005 €'000*	*31 December 2004 €'000*
Assets			
Non current			
Property, plant and equipment	10	134,766	122,776
Investment property	11	10,543	15,420
Goodwill and intangible assets	12	79,941	79,171
Other receivables	16	1,116	1,289
Investments in joint ventures and associates	13	42,057	38,319
Equity investments	14	16,524	17,963
Deferred tax assets	24	4,070	3,622
Total non-current assets		289,017	278,560
Current			
Inventories	15	28,206	23,956
Trade and other receivables	16	163,258	165,516
Non-trade receivables from Fyffes and subsidiaries		226,655	200,596
Cash and cash equivalents	17	55,043	41,967
Total current assets		473,162	432,035
Total assets		762,179	710,595
Liabilities			
Non-current			
Interest bearing loans and borrowings	20	29,133	28,162
Deferred government grants		2,248	2,548
Other payables	21	520	555
Provisions	22	28,151	28,507
Deferred tax liabilities	24	21,121	20,455
Employee benefits	26	6,623	3,971
Income tax payable		8,085	6,035
Total non-current liabilities		95,881	90,233
Current			
Interest bearing loans and borrowings	20	39,686	46,589
Trade and other payables	21	169,413	165,193
Non-trade payables to Fyffes and subsidiaries		234,340	201,343
Provisions	22	5,930	2,690
Derivative financial instruments	29	69	–
Income tax payable		5,178	3,391
Total current liabilities		454,616	419,206
Total liabilities		550,497	509,439
Total net assets		211,682	201,156
Equity shareholders	18	165,678	157,705
Minority interest	19	46,004	43,451
Total equity		211,682	201,156

Combined Statement of Operating Cash Flows

	Note	*2005* *€'000*	*2004* *€'000*
Cash flows from operating activities			
Profit for financial year		20,353	19,854
Adjustments for:			
Income tax expense		9,302	7,313
Depreciation on property, plant and equipment	10	10,582	9,924
Impairment of property, plant and equipment	10	316	–
Fair value movement on investment property	11	(1,136)	(1,930)
Amortisation of intangible assets		3,110	1,713
Amortisation of grants		(305)	(436)
Contributions to defined benefit pension schemes	26	(2,316)	(2,013)
Defined benefit pension scheme expense	26	1,686	1,277
Net gain on disposal of property, plant and equipment		–	(156)
Net loss on disposal of investment property		1,566	–
Interest income	4	(973)	(780)
Interest expense	4	3,754	3,230
Share of profit of joint ventures	13	(4,097)	(5,351)
Share of profit associates	13	(55)	(37)
Movement in trade and other receivables		2,172	(2,548)
Movement in trade and other payables		3,791	(4,810)
Movement in inventories		(4,233)	2,645
Loss on disposal of joint venture	6	–	2,402
Gain on disposal of subsidiary	6	–	(582)
Income tax paid		(10,695)	(9,580)
Interest received		991	871
Interest paid		(2,591)	(2,200)
Net cash inflow from operating activities		31,222	18,806

Significant accounting policies

Basis of preparation

The combined financial information presents the financial record of the Combined Entities for the two financial years ended 31 December 2005, prepared in accordance with the measurement and recognition principles of International Financial Reporting Standards (IFRS). The combined financial information is presented in Euro.

The financial information has been consolidated by aggregating the financial information of the Combined Entities from the audited consolidation reporting packages of relevant subsidiaries and branches and equity accounting the appropriate share of relevant joint ventures and associates. Intra group transactions between the Combined Entities have been eliminated. The Combined Entities did not constitute a statutory sub-group at each of the dates being reported on. Consequently no consolidated financial statements were prepared at the reporting dates. The combined financial information does not purport to represent what the results of operations would have been had the Combined Entities been a group for each of the years being reported on.

The financial information does not constitute statutory accounts within the meaning of Section 4 of the Companies (Amendment) Act 1986. The Fyffes consolidation reporting packages from which the financial information has been extracted without material adjustment, were compiled for the purpose of preparing the consolidated accounts of Fyffes for the two financial years ended 31 December 2005 and the two interim periods to 30 June 2006. The auditors, KPMG, have reported without qualification in respect of the Fyffes plc consolidated financial statements for the two financial years ended 31 December 2005. No audit was conducted in respect of the two interim periods ended 30 June 2006.

As stand alone businesses within Fyffes, the Combined Entities have their own management and administrative functions. However, Fyffes did provide certain central services including, but not limited to:

- accounting, legal, procurement and professional services;
- employee benefit administration, including payroll and pension services;
- cash and treasury management.

Certain central costs have been allocated to the Combined Entities. While the costs of these central services have been allocated to the Combined Entities for the purposes of preparing the combined financial information, these charges may not be representative of the actual costs that will arise in the Combined Entities following the Demerger.

The Combined Entities were actually part of the tax arrangements of Fyffes and, consequently, the tax charges presented which were based on the tax position of the Combined Entities as if the Combined Entities had existed as stand along legal entities separate from Fyffes, may not be representative of actual tax charges that would have been incurred, or those which will be incurred following the Demerger.

Dividends paid to shareholders of Fyffes have not been allocated to the Combined Entities, notwithstanding that they contributed to the funding of those dividends. Dividends paid/received by the Combined Entities to/from subsidiaries of Fyffes, which would previously have been eliminated on consolidation, are now reflected as net dividends paid in the combined financial information.

The financial information is prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: property, investment property, derivative financial instruments, certain financial assets and pension obligations. The accounting policies have been applied consistently by the Combined Entities. The financial information is presented in Euro, rounded to the nearest thousand.

The preparation of financial information in conformity with the measurement and recognition principles of 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 accounting policies applied in the preparation of the financial information for the two financial years ended 31 December 2005 are set out below. These have been applied consistently with the exception of those accounting policies pertaining to IAS 32 *Financial Instruments: Disclosure and Presentation* and IAS 39 *Financial Instruments: Recognition and Measurement* which, in accordance with the transitional provisions of IFRS 1 *First-time Adoption of International Financial Reporting Standards*, were not applied in the 2004 comparatives presented in the financial information. Accounting policies affected by IAS 32 and IAS 39 are highlighted and details of the policies applied in the 2004 statutory numbers are also set out below.

Statement of compliance

The IFRS's adopted by the EU applied in the preparation of the combined financial information are those that were effective at 31 December 2005 together with the early adoption of the Amendment to IAS 19 *Actuarial Gains and Losses, Group Plans and Disclosures*. The following provides a brief outline of the IFRSs adopted by the EU which are not yet effective and have not been early adopted in the combined financial information:

- Amendment to IAS 1 *Capital* disclosures: This amendment will require additional disclosures regarding the capital structure of the Combined Entities.
- Amendments to IAS 39 *Cash Flow Hedge Accounting of Forecast Intragroup Transactions*: This amendment is not expected to impact on the Combined Entities significantly.
- Amendments to IAS 39 *The Fair Value Option*: This amendment is not expected to impact on the Combined Entities significantly.
- Amendments to IAS 39 and IFRS 4: *Financial Guarantee Contracts*: Where the Combined Entities have issued a guarantee over the performance of a subsidiary, joint venture or associate, this is considered to be in the nature of an insurance contract and consequently the impact of this amendment is likely to be minimal.
- IFRS 7 *Financial Instruments: Disclosures*: This standard updates and extends the existing disclosure requirements of IAS 32 and will require significant additional disclosures relating to risk management policies and processes.

Accounting for subsidiaries, joint ventures and associates

Subsidiaries

Subsidiaries are those entities over which the Combined Entities have the power to control operating and financial policy so as to obtain economic benefit from its activities. Subsidiaries are consolidated from the date on which control is transferred to the Combined Entities and are no longer consolidated from the date that control ceases. The amounts included in the combined financial information in respect of subsidiaries are taken from their latest financial statements prepared up to their respective year ends, together with management accounts for the intervening periods to the period end, where necessary, although all significant subsidiaries have coterminous financial year ends. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Combined Entities.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the combined financial information, except to the extent they provide evidence of impairment.

Joint Ventures and Associates

Joint ventures are those entities over which the Combined Entities exercise control jointly, under a contractual agreement, with one or more parties. Investments in joint ventures are accounted for under the equity method of accounting. Associates are those entities in which the Combined Entities have significant influence over, but not control of the financial and operating policies. Investments in associates are accounted for by the equity method of accounting.

Under the equity method of accounting, the Combined Entities' share of the post-acquisition profits or losses of its joint ventures and associates are recognised in the income statement. The income statement reflects in profit before tax, the Combined Entities' share of profit after tax of its joint ventures and associates in accordance with IAS 31, *Interests in Joint Ventures*, and IAS 28, *Investments in Associates*. The Combined Entities' interest in their net assets is included as investments in joint ventures and associates in the balance sheet at an amount representing its share of the fair value of the identifiable net assets at acquisition plus its share of post acquisition retained income and expenses. The Combined Entities' investment in joint ventures and associates includes goodwill on acquisition. The amounts included in these financial statements in respect of the post acquisition income and expenses of joint ventures and 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 period end, where necessary, although all significant joint ventures and associates have coterminous financial year ends. Where necessary, the accounting policies of joint ventures and associates have been changed to ensure consistency with the policies adopted by the Combined Entities.

Unrealised gains and income and expenses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Combined Entities' interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that they are not evidence of impairment.

Property, plant and equipment

Property is recognised at fair value with the increase in the value of the property reflected in revaluation gains in the statement of recognised income and expense.

Plant and equipment is stated at cost less accumulated depreciation and impairment losses. Expenditure incurred to replace a component of property, plant and equipment that is accounted for separately is capitalised. 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 carrying amount of property, plant and equipment, other than freehold land, on a straight line basis, by reference to the following estimated useful lives:

- Freehold properties: 30-50 years
- Leasehold improvements: Over the lesser of 40 years or the unexpired portion of the lease
- Plant and equipment: 5-20 years
- Motor vehicles: 5 years

The residual value of assets, if not insignificant, and the useful life of assets is reassessed annually.

Gains and losses on disposal of property, plant and equipment are recognised on the ultimate 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 property

Investment property, principally comprising office buildings and warehouses, is property (including separate, self contained parts of such buildings) which is held for rental income or capital appreciation and is not occupied by the Combined Entities. 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 for in an arms length transaction. Any gain or loss arising from a change in fair value is recognised in the income statement. When investment properties are identified, following a change in use, properties are recognised as investment properties based on fair value at the date of transfer.

Rental income from investment property is recognised in the income statement on a straight-line basis over the term of the lease.

Government grants

Grants that compensate the Combined Entities for the cost of an asset are recognised in the income statement as income on a systematic basis over the useful life of the asset.

Leases

Leases of property, plant and equipment, where the Combined Entities have substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property, plant or equipment or the present value of the minimum lease payments. The corresponding rental obligations, net of finance expenses, are included in interest bearing loans and borrowings. The interest element of the finance cost is expensed in the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rentals are expensed in the income statement on a straight line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Foreign currency

Transactions in foreign currencies are translated into the functional currency of the entity at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets carried at historic cost are not subsequently retranslated. Non-monetary assets carried at fair value are subsequently remeasured at the exchange rate at the date of valuation. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currencies 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 average exchange rate for the financial period. Foreign exchange differences arising on translation of the net investment in a foreign operation, including those arising on long term intra Combined Entities' loans deemed to be quasi equity in nature, are recognised directly in equity, in a translation reserve. They are released to the income statement upon disposal.

The portion of exchange gains or losses on foreign currency borrowings used to provide a hedge against a net investment in a foreign operation, that is determined to be an effective hedge, is recognised directly in equity. The ineffective portion is recognised immediately in the income statement.

Any differences that have arisen since 1 January 2004, the date of transition to IFRS, are recognised in the currency translation reserve and are recycled through the income statement on disposal of the related business. Translation differences that arose before the date of transition to IFRS in respect of all non-Euro denominated operations are not presented separately.

Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries, joint ventures and associates. In respect of business acquisitions that have occurred since 1 January 2004, 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 since acquisition up to 31 December 2003, which represents the amount recorded under Irish GAAP. The classification and accounting treatment of business combinations that occurred prior to 1 January 2004 has not been reconsidered in preparing the Combined Entities' opening IFRS balance sheet at 1 January 2004. Goodwill is allocated to cash generating units and is now no longer amortised but is tested annually for impairment at a consistent time each year. Goodwill is now stated at cost or deemed cost less any accumulated impairment losses. In respect of joint ventures and associates, the carrying amount of goodwill is included in the carrying amount of the investment.

Goodwill which arose on acquisitions prior to 1 November 1998 was eliminated against reserves on acquisition as a matter of accounting policy. In preparing the Combined Entities' IFRS balance sheet at 1 January 2004 this goodwill is considered to have been permanently offset against retained earnings and, on any subsequent disposal, will not form part of the gain or loss on the disposal of the business.

Intangible assets

Identifiable intangible assets acquired by the Combined Entities are stated at cost less accumulated amortisation and impairment losses, when separable or arising from contractual or other legal rights and reliably measurable.

Amortisation is expensed in the income statement on a straight-line basis over the estimated useful lives of intangible assets, unless such lives are indefinite, from the date they are available for use. Intangible assets reflecting the value of customer relationships, which arise on acquisitions, are amortised over their useful lives ranging from one to ten years.

Impairment reviews and testing

The carrying amounts of the Combined Entities' assets, other than inventories, (which are carried at the lower of cost and net realisable value), certain financial assets (which are carried at fair value) and deferred tax assets, (which are recognised based on recoverability), are assessed for impairment when an event or transaction indicates that an impairment may have occurred except for goodwill which is assessed annually for impairment. If any such indication exists, an impairment test is carried out and the asset is written down to its recoverable amount.

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Goodwill and indefinite-lived intangible assets were tested for impairment at 1 January 2004, the date of transition to IFRS, and at the balance sheet date even through no indication of impairment existed. Goodwill and intangible assets with an indefinite useful life are tested for impairment at each balance sheet date. 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 cash-generating units 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.

Revenue

Revenue comprises the fair value of the sale of goods, excluding value added tax, delivered to or collected by third party customers during the accounting period and after eliminating intra-group sales. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Employee benefits — Pension obligations

Obligations for contributions to defined contribution pension schemes are recognised as an expense in the income statement as services from employees are received. The Combined Entities' net obligation in respect of defined benefit pension schemes 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 credit rated bonds that have maturity dates approximating the terms of the obligations. The calculation is performed by the Combined Entities' actuaries using the projected unit credit method. All actuarial gains and losses as at 1 January 2004, the date of transition to IFRS, were recognised in full against retained earnings. Actuarial gains and losses for subsequent periods 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 and included in operating profit.

Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Taxation 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, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. If the temporary difference 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 nor taxable profit or loss, it is not recognised. Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Combined Entities and it is probable that the temporary difference will not reverse in the foreseeable future or where no taxation is expected to arise on any ultimate remittance. 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. 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 utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Provisions

A provision is recognised in the balance sheet when the Combined Entities have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Cash and cash equivalents

Cash and cash equivalents, comprise cash balances and call deposits, including bank deposits of less than three months maturity. Bank overdrafts that are repayable on demand and form an integral part of the Combined Entities' cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Financial instruments — from 1 January 2005

Equity investments

Equity investments are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss being recognised directly in equity (in the fair value reserve), except for impairment losses and, in the case of monetary items such a debt securities, foreign exchange gains and losses. When a devaluation of these assets is significant or prolonged, it is removed from its fair value reserve and shown as an impairment loss in the income statement. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Derivative financial instruments

Foreign currency derivatives are entered into only when they match an existing foreign currency asset or liability or where they are used to hedge a forecasted transaction. The Combined Entities do not enter into speculative transactions. Derivative financial instruments are measured at fair value at each reporting date and the movement in fair value recognised in the income statement unless they are classified as cash flow hedges under IAS 39. Where such instruments are classified as cash flow hedges, and 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, they are accounted for under hedge accounting rules. In such cases, any gain or loss arising on the effective portion of the derivative instrument is recognised in the hedging reserve, a separate component of equity. Gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction matures 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 with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Financial instruments — up to 31 December 2004

The Combined Entities are a party to derivative financial instruments (derivatives), primarily to manage its exposure to fluctuations in foreign currency exchange rates and interest rates. Gains and losses on derivative contracts used to hedge foreign exchange exposures arising on future planned transactions are recognised in the profit and loss account when the hedged transactions occur.

Interest rate swap agreements and similar contracts are used to manage interest rate exposures. Amounts payable or receivable in respect of these derivatives are recognised as adjustments to interest expense over the period of the contracts. Financial income and expense is recognised on an accruals basis.

1. SEGMENT REPORTING

The Combined Entities' activities are in one business segment being distribution. There are no other significant classes of business, either singularly or in aggregate.

Segment information is presented in respect of the Combined Entities' geographical segments. Inter-segment pricing is determined on an arms length basis. Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Geographical segments

The Combined Entities operate in three principal geographical regions being the Eurozone, the UK and Sweden. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the subsidiary. Segment assets are based on the geographical location of the assets.

	Eurozone 2005 €'000	*UK 2005 €'000*	*Sweden 2005 €'000*	*Other 2005 €'000*	*Total 2005 €'000*
Revenue including share of joint ventures and associates	931,116	253,803	291,850	199,437	1,676,206
Revenue	806,151	147,872	291,377	110,573	1,355,973
Segment assets	431,286	84,391	104,441	40,891	661,009
Capital expenditure	4,135	4,889	882	1,431	11,337

	Eurozone 2004 €'000	*UK 2004 €'000*	*Sweden 2004 €'000*	*Other 2004 €'000*	*Total 2004 €'000*
Revenue including share of joint ventures and associates	910,620	255,939	176,028	205,147	1,547,734
Revenue	776,323	127,278	175,712	107,692	1,187,005
Segment assets	397,417	85,348	98,427	45,495	626,687
Capital expenditure	4,064	562	793	947	6,366

2. OTHER OPERATING INCOME

	2005 €'000	*2004 €'000*
Rental income from investment property	2,712	1,733
Amortisation of government grants	305	436
Revenue grants	69	35
Gain on disposal of property, plant and equipment	–	156
Foreign exchange gain	–	1,777
	3,086	4,137
Exceptional items in other operating income (Note 6)		
Fair value movements on investment property	1,136	1,930
Gain on disposal/termination of activities of subsidiaries	–	582
	4,222	6,649

3. OTHER OPERATING EXPENSES

	2005 €'000	2004 €'000
Maintenance costs of investment property	(144)	(103)
Foreign exchange loss	(57)	–
	(201)	(103)
Exceptional items in other operating expenses (Note 6)		
Loss on disposal of investment property to Fyffes	(1,566)	–
Loss on disposal of joint venture	–	(2,402)
Costs of terminated Bocchi acquisition	–	(2,250)
	(1,767)	(4,755)

4. FINANCIAL INCOME AND EXPENSE

	2005 €'000	2004 €'000
Interest income	973	780
Gain on disposal of investments	87	–
Financial income	1,060	780
Interest expense on interest bearing borrowings	(2,423)	(2,279)
Interest expense on finance leases	(161)	(100)
Other interest expense	(1,170)	(851)
Financial expense	(3,754)	(3,230)
Net financial income	(2,694)	(2,450)

5. OTHER INCOME STATEMENT DISCLOSURES

	2005 €'000	2004 €'000
Depreciation of property, plant and equipment		
– owned assets	9,306	8,757
– under finance lease	1,276	1,167
Amortisation of intangible assets	3,110	1,713

6. EXCEPTIONAL ITEMS

	2005 €'000	2004 €'000
Fair value movements on investment properties	1,136	1,930
Share of joint ventures fair value movement on investment properties	688	450
Impairment of property, plant and equipment	(316)	–
Loss on disposal of investment property to Fyffes	(1,566)	–
Gain on disposal/termination of activities of subsidiaries	–	582
Loss on disposal of joint venture	–	(2,402)
Cost of terminated Bocchi acquisition	–	(2,250)
Total exceptional items	**(58)**	**(1,690)**

Fair value gains on investment property

Fair value gains arising during the year amounting to €1,136,000, together with the Combined Entities' share of similar gains in its joint ventures amounting to €688,000, have been recognised in the income statement. The Combined Entities' 2004 results include similar fair value gains in respect of last year amounting to €1,930,000 and €450,000 respectively.

Revaluation of property, plant and equipment

As explained in Note 10, the Combined Entities revalued its property, plant and equipment at 31 December 2005. In addition to the substantial revaluation gains included in the statement of recognised income and expense, this process identified one property where the depreciated historic cost exceeded market value, giving rise to an impairment charge in the year amounting to €316,000.

Loss on disposal of investment property to Fyffes

During 2004, the Combined Entities disposed of an investment property to Fyffes incurring a loss of €1,566,000.

Gain on disposal/termination of activities of subsidiaries

During 2004, the Combined Entities terminated the activities of certain subsidiaries and together with the recovery of deferred consideration due from the disposal of a subsidiary in previous years, gave rise to a net gain of €582,000.

Loss on disposal of joint venture

In 2004, the Combined Entities disposed of its 50% interest in a joint venture engaged in the production of tropical produce incurring a loss of €2,402,000.

Costs of terminated Bocchi acquisition

During 2004 the Combined Entities incurred external costs and advisory fees amounting to €2,250,000 in connection with the planned acquisition of Bocchi which did not complete.

7. INCOME TAX EXPENSE

	2005 €'000	2004 €'000
Tax on profit on ordinary activities		
Ireland		
Corporation tax on profit for the year	905	2,064
Adjustment in respect of prior year	2,022	279
	2,927	2,343
Overseas		
Current year tax on profit for the year	8,680	6,331
Adjustment in respect of prior year	119	(788)
	8,799	5,543
Total current tax	**11,726**	**7,886**
Deferred tax expense		
Origination and reversal of temporary differences (Note 24)	(2,424)	(573)
	9,302	**7,313**
Deferred tax recognised directly in equity		
Employee benefit schemes	410	935
Revaluation of property	(3,077)	(2,175)
	(2,667)	**(1,240)**

	2005 %	2005 €'000	2004 %	2004 €'000
Reconciliation of effective tax rate				
Profit before tax		29,655		27,167
Taxation based on Irish Corporate rate	12.50	3,707	12.50	3,396
Effects of:				
Expenses not deductible for tax purposes	6.83	2,026	7.96	2,161
Tax on income from joint ventures and associates	(1.75)	(519)	(2.48)	(674)
Differences in tax rates	8.26	2,452	12.23	3,322
Adjustments to prior years	7.23	2,141	(1.87)	(509)
Goodwill not deductible for tax purposes	–	–	(1.42)	(383)
Previously unrecognised deferred tax asset	(0.75)	(222)	–	–
Other items	(0.95)	(283)	–	–
Current tax charge for the Combined Entities for the year	**31.37**	**9,302**	**26.92**	**7,313**

8. DIVIDENDS TO EQUITY SHAREHOLDERS

During the financial year, the following dividends were recognised and paid to equity shareholders of the Combined Entities.

	2005 €'000	2004 €'000
Net dividends to equity shareholders	26,954	28,636

9. EARNINGS PER SHARE

Basic earnings per share

	2005 €'000	***2004 €'000***
Profit for the financial year attributable to equity shareholders	13,356	13,684
	Number of shares '000	***Number of shares '000***
Weighted average number of ordinary shares for the year	348,971	346,716
Basic earnings per share	€3.83 cent	€3.95 cent

Diluted earnings per share

	2005 €'000	***2004 €'000***
Profit for the financial year attributable to equity shareholders	13,356	13,684
	Number of shares '000	***Number of shares '000***
Weighted average number of ordinary shares (diluted) for the year	353,512	350,498
Diluted earnings per share	€3.78 cent	€3.90 cent

Adjusted fully diluted earnings per share

	2005 Earnings €'000	***2005 Per share € cent***	***2004 Earnings €'000***	***2004 Per share € cent***
Per basic earnings per share	13,356	3.83	13,684	3.95
Adjustments:				
Fair value movement on investment properties	(1,136)	(0.33)	(1,930)	(0.56)
Share of joint ventures fair value movement on investment properties	(688)	(0.20)	(450)	(0.13)
Impairment on property	316	0.09	—	—
Loss on disposal of investment property to Fyffes	1,566	0.45	—	—
Gain on disposal/termination of activities of subsidiaries	—	—	(582)	(0.17)
Loss on disposal of joint ventures	—	—	2,402	0.69
Costs of terminated Bocchi acquisition	—	—	2,250	0.66
Amortisation of intangible assets	3,110	0.90	1,713	0.49
Tax effect of exceptional items	286	0.08	(391)	(0.11)
Impact on earnings of dilutive share options	—	(0.06)	—	(0.06)
Adjusted fully diluted earnings per share	16,810	4.76	16,696	4.76

Adjusted fully diluted earnings per share are calculated to adjust for exceptional items, intangible amortisation and the impact of share options with a dilutive effect.

10. PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings €'000	*Plant and Equipment €'000*	*Motor Vehicles €'000*	*Total €'000*
Cost or valuation				
Balance at 1 January 2004	75,989	60,368	8,976	145,333
Additions	1,119	3,604	1,643	6,366
Arising from business combinations	8,083	7,167	79	15,329
Disposals	–	(2,828)	(772)	(3,600)
Foreign exchange movement	583	250	267	1,100
Reclassification	928	(928)	–	–
Revaluation	6,728	–	–	6,728
Balance at 31 December 2004	93,430	67,633	10,193	171,256
Additions	4,951	3,873	2,513	11,337
Arising from business combinations	–	20	71	91
Disposals	(516)	(1,517)	(2,376)	(4,409)
Transfers to investment property	(49)	–	–	(49)
Foreign exchange movement	257	138	266	661
Reclassification	(822)	154	668	–
Revaluation	10,529	–	–	10,529
Balance at 31 December 2005	107,780	70,301	11,335	189,416
Depreciation and impairment losses				
Balance at 1 January 2004	–	38,178	5,142	43,320
Depreciation charge for the year	2,025	6,033	1,866	9,924
Disposals	–	(2,463)	(645)	(3,108)
Foreign exchange movement	–	194	175	369
Revaluation	(2,025)	–	–	(2,025)
Balance at 31 December 2004	–	41,942	6,538	48,480
Depreciation charge for the year	2,213	6,518	1,851	10,582
Impairment charge for the year	316	–	–	316
Disposals	–	(1,237)	(1,707)	(2,944)
Foreign exchange movement	–	247	182	429
Reclassification	–	(129)	129	–
Revaluation	(2,213)	–	–	(2,213)
Balance at 31 December 2005	316	47,341	6,993	54,650
Carrying amount				
As at 31 December 2004	93,430	25,691	3,655	122,776
As at 31 December 2005	107,464	22,960	4,342	134,766

Land and buildings are stated at their revalued amounts and plant and equipment and motor vehicles are stated at depreciated historic cost.

At 31 December 2005, the Combined Entities undertook a revaluation of its properties. The impact of investment properties is set out in Note 11 below. Market values for non-investment properties represent the amount for which a property should exchange between a willing buyer and a willing seller in an arms length transaction which is consistent with market value as defined, inter alia, by the Royal Institution of Chartered Surveyors. In excess of 90% of the value of all the properties have been valued by external professionally qualified valuers, with the balance valued by management on a consistent basis. Market values at 31 December 2004 and 1 January 2004 have been estimated by management by reference to relevant property value indices.

The Combined Entities' 2004 financial information reflects revaluation gains amounting to €8,753,000 and related deferred tax and minority interests of €2,175,000 and €577,000 respectively. The Combined Entities' share of the equivalent gains in its joint ventures amount to €468,000 in 2004, before deferred tax of €348,000. These amounts have been reflected in the statement of recognised income and expense for the year.

Revaluation gains arising in 2005 amounted to €12,742,000 before tax and minority interests of €3,077,000 and €915,000 respectively. The Combined Entities' share of gains in its joint ventures in the year amounted to €585,000, before deferred tax of €12,000.

The cost of assets under construction included in land and buildings amounts to €443,000 (2004: €Nil). The historic cost of property which was revalued amounted to €44,619,000 (2004:€42,943,000).

Leased property, plant and equipment

The Combined Entities' lease items of property, plant and equipment under a number of finance lease agreements. At 31 December 2005, the carrying amount of leased assets included in property, plant and equipment was €2,486,000 (2004: €3,712,000).

	Plant and equipment €'000	*Motor Vehicles €'000*	*Total €'000*
At 31 December 2004	3,326	386	3,712
At 31 December 2005	2,045	441	2,486

11. INVESTMENT PROPERTY

	2005 €'000	*2004 €'000*
Balance at 1 January	15,420	13,106
Arising from business combinations	–	460
Transfer from property, plant and equipment	49	–
Disposals	(582)	–
Disposal to Fyffes	(4,084)	–
Loss on disposal to Fyffes	(1,566)	–
Fair value adjustments	1,136	1,930
Foreign exchange movement	170	(76)
Balance at 31 December	10,543	15,420

Investment property, comprising land and buildings located mainly in Ireland and the UK, is held for rental income or capital appreciation and is not occupied by the Combined Entities. These properties are stated at fair value and not depreciated.

The fair value of the Combined Entities' investment property is the amount the property should exchange between a willing buyer and a willing seller in an arms length transaction which is consistent with market value as defined, inter alia, by the Royal Institute of Chartered Surveyors. The fair value of these properties, mainly in Ireland and the UK, at 31 December 2005 has been determined by professionally qualified independent valuers. The fair values of the properties at 1 January 2004 and 31 December 2004 have been determined internally by management, on a similar basis.

The Combined Entities' 2004 results reflect fair value gains arising during the year amounting to €1,930,000 have been recognised in the income statement, included in exceptional items. Deferred tax on these fair value gains, amounting to €265,000, is included in the tax charge for the year. The Combined Entities' share of fair value gains arising during the year in its joint venture operations, amounting to €450,000, has also been recognised in the income statement, included in exceptional items. The Combined Entities' share of deferred tax liabilities in respect of fair value gains on investment properties in its joint ventures amounted to €120,000 in 2004.

Fair value losses arising in 2005 on investment properties held in the Combined Entities' subsidiaries, amounting to €1,136,000, have been reflected in the income statement as exceptional items. The

Combined Entities' share of the fair value gains on the investment properties held by its joint ventures, amounting to €688,000 have similarly been reflected in the income statement as exceptional items. Deferred tax liabilities have been recognised in respect of these fair value gains, amounting to €98,000 and €346,000 respectively.

12. GOODWILL AND INTANGIBLE ASSETS

	Customer relationships €'000	*Goodwill €'000*	*Total €'000*
Cost			
Balance at 1 January 2004	–	20,969	20,969
Arising from business combinations	25,694	33,222	58,916
Foreign exchange movement	167	832	999
Balance at 31 December 2004	25,861	55,023	80,884
Arising from business combinations	722	5,013	5,735
Reclassifications	115	(115)	–
Foreign exchange movement	(765)	(1,091)	(1,856)
Balance at 31 December 2005	25,933	58,830	84,763
Accumulated amortisation and impairment			
Balance at 1 January 2004	–	–	–
Amortisation for the year	1,713	–	1,713
Foreign exchange movement	–	–	–
Balance at 31 December 2004	1,713	–	1,713
Amortisation for the year	3,110	–	3,110
Foreign exchange movement	(1)	–	(1)
Balance at 31 December 2005	4,822	–	4,822
Carrying amount			
At 31 December 2004	24,148	55,023	79,171
At 31 December 2005	21,111	58,830	79,941

Customer relationships are amortised over their estimated useful lives, ranging from one to ten years. Goodwill and intangible assets arise in connection with acquisitions, including revisions of estimates of deferred consideration payable in respect of acquisitions in previous years, as set out in Note 25.

Impairment testing on intangible assets

	2005 €'000	*2004 €'000*
General Produce		
– Eurozone	4,106	4,207
– UK	1,160	1,135
– Sweden	37,207	33,334
– Czech Republic	13,632	13,622
General Produce	56,105	52,298
Distribution activities	2,725	2,725
Goodwill	58,830	55,023
Goodwill arising on investments in joint ventures	15,842	15,827

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 other 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 twenty year period, 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 averaging 7.2% (2004: 6.7%), reflecting the risk associated with the individual future cash flows and the risk free rate. Any significant adverse change in the expected future operating 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. Included in investment in joint ventures and associates is goodwill with a carrying amount €15,842,000 (2004: €15,827,000). This goodwill is subject to annual impairment testing on a similar basis to the goodwill arising in the Combined Entities' subsidiaries.

Earnings are significantly dependent on the selling prices obtained for products sold. These, in turn, are largely determined by market supply and demand. Fresh produce supplies in individual markets are affected by the geography of production, growing conditions (including climate), seasonality and perishability. Market demand is a function of population size, per capita consumption, the availability and quality of individual products and competing products and climatic and other general conditions in the marketplace. Excess supplies of fresh produce leading to reduced selling prices (particularly for products purchased under contract) could have a material adverse effect on the Combined Entities' business, results of operations and financial condition.

13. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

The Combined Entities' interests in its joint ventures and associates, all of which are unlisted, are set out below:

	Joint Ventures €'000	*Associates €'000*	*Total €'000*
Balance at 1 January 2004	39,896	302	40,198
Share of profit after tax	5,351	37	5,388
Share of total recognised gains and losses after tax	328	–	328
Dividends received	(2,595)	(91)	(2,686)
Disposal of businesses	(4,998)	–	(4,998)
Joint venture acquired with subsidiary	180	–	180
Foreign exchange movement	(91)	–	(91)
Balance at 31 December 2004	38,071	248	38,319
Increased investment in year	86	–	86
Share of profit after tax	4,097	55	4,152
Share of total recognised gains and losses after tax	260	–	260
Dividends received	(681)	(41)	(722)
Foreign exchange movement	(38)	–	(38)
Balance at 31 December 2005	41,795	262	42,057

Investments in joint ventures and associates include the Combined Entities' share of fair value gains arising from the revaluation of property, plant and equipment (see note 10). In addition, the share of profits for the year includes the fair value gains on revaluing investment properties held in joint ventures and associates (see note 11).

The following additional disclosures are set out in respect of the Combined Entities' share of joint ventures and associates:

	Joint Ventures €'000	*Associates €'000*	*Total €'000*
Non-current assets	21,551	72	21,623
Employee benefit assets	1,095	–	1,095
Cash and cash equivalents	14,997	1	14,998
Other current assets	49,108	1,988	51,096
Non-current liabilities	(2,005)	(36)	(2,041)
Employee benefit liabilities	(3,500)	–	(3,500)
Current liabilities	(48,569)	(1,501)	(50,070)
Interest bearing loans and borrowings	(10,433)	(276)	(10,709)
Share of net assets	22,244	248	22,492
Goodwill	15,827	–	15,827
Balance at 31 December 2004	38,071	248	38,319
Non-current assets	22,022	58	22,080
Employee benefit assets	405	–	405
Cash and cash equivalents	10,605	11	10,616
Other current assets	34,829	2,111	36,940
Non-current liabilities	(2,262)	(43)	(2,305)
Employee benefit liabilities	(418)	–	(418)
Current liabilities	(33,091)	(1,597)	(34,688)
Interest bearing loans and borrowings	(6,137)	(278)	(6,415)
Share of net assets	25,953	262	26,215
Goodwill	15,842	–	15,842
Balance at 31 December 2005	41,795	262	42,057
Share of revenue 2004	352,829	7,900	360,729
Share of revenue 2005	311,997	8,236	320,233

14. EQUITY INVESTMENTS

	2005 €'000	*2004 €'000*
Balance at 1 January	17,963	17,521
Fair value movement	(1,400)	–
Additions	36	37
Arising on acquisition of subsidiary	–	415
Reclassifications	(52)	–
Foreign exchange movement	(23)	(10)
Balance at 31 December	16,524	17,963

Equity investments include the 11.5% investment in Capespan Group Holdings Limited, a company registered in South Africa. This investment is stated at fair value and during the year there was a decrease in its fair value amounting to €1,400,000. The fair value is determined based on expected future cash flows arising from this investment using a discount rate of 7.0%. The main activity of Capespan Group Holdings Limited is the procurement and distribution of fresh produce.

15. INVENTORIES

	2005 €'000	*2004 €'000*
Goods for resale	26,292	22,470
Consumable stores	1,914	1,486
	28,206	23,956

16. TRADE AND OTHER RECEIVABLES

	2005 €'000	*2004 €'000*
Non-current		
Other receivables	1,116	1,289
Current		
Trade receivables	147,174	147,886
Trade receivables due from joint ventures	917	206
Other receivables	11,760	11,958
Prepayments and accrued income	3,035	5,351
Non-trade receivables due from joint ventures	372	115
	163,258	165,516

17. CASH AND CASH EQUIVALENTS

	2005 €'000	*2004 €'000*
Bank balances	42,377	32,477
Call deposits (demand balances)	12,666	9,490
Cash and cash equivalents per balance sheet	55,043	41,967
Bank overdrafts	(12,161)	(11,074)
Cash and cash equivalents	42,882	30,893
Non-current bank borrowings	(27,726)	(26,005)
Current bank borrowings	(26,543)	(34,113)
Finance leases	(2,389)	(3,559)
Net debt as at 31 December	(13,776)	(32,784)

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' EQUITY

	2005 *€'000*	*2004* *€'000*
Balance at 1 January	157,705	123,103
Impact of IAS 32 and 39	(39)	–
Shareholders equity as restated	157,666	123,103
Total recognised gains and losses	17,087	13,080
Dividends to equity shareholders	(21,503)	(24,717)
Movement in balances with Fyffes	12,428	46,239
Balance at 31 December	165,678	157,705

19. MINORITY INTEREST

	2005 *€'000*	*2004* *€'000*
Balance at 1 January	43,451	40,290
Share of profit after tax for year	6,997	6,170
Share of revaluation gains on property, plant and equipment	915	577
Share of foreign exchange movement	213	274
Share of other movements in recognised income and expense	(121)	(124)
Share of total recognised income and expense	8,004	6,897
Arising on acquisition	–	183
Dividends paid	(5,305)	(3,587)
Investment repaid to minority	(146)	(332)
Balance at 31 December	46,004	43,451

20. INTEREST BEARING LOANS AND BORROWINGS

	2005 *€'000*	*2004* *€'000*
Non-current		
Bank borrowings	27,726	26,005
Finance lease liabilities	1,407	2,157
	29,133	28,162
Current		
Overdrafts	12,161	11,074
Bank borrowings	26,543	34,113
Finance lease liabilities	982	1,402
	39,686	46,589
Interest bearing loans and borrowings repayable as follows:		
Bank borrowings and overdrafts		
Within one year	38,704	45,187
After one but within two years	4,033	16,508
After two but within five years	22,073	1,663
After five years	1,620	7,834
Finance lease liabilities	982	1,402
Within one year	1,407	2,157
After one but within five years	68,819	74,751

Total future minimum lease payments on finance leases amount to €2,531,000. Total interest bearing loans and borrowings include borrowings of €3,548,000 (2004: €16,073,000) secured on land and buildings of certain non-wholly owned subsidiaries.

21. TRADE AND OTHER PAYABLES

	2005 €'000	2004 €'000
Non-current		
Other creditors	520	555
Current		
Trade payables	132,852	124,994
Trade payables due to joint ventures	2,143	1,603
Accruals and deferred income	15,262	16,765
Other payables	12,469	16,793
Irish income tax and social welfare	632	1,539
Irish value added tax	1,924	1,254
Other tax	3,388	2,164
Non-trade payables due to joint ventures	743	81
	169,413	165,193

22. PROVISIONS

	Total €'000
Balance at 1 January 2005	31,197
Discounting	968
Payments	(2,701)
Revisions to previous estimates	5,006
Arising on acquisitions	239
Foreign exchange movement	(628)
Balance at 31 December 2005	34,081
Analysed as follows:	
Non-current	28,151
Current	5,930
Balance at 31 December 2005	34,081

Deferred consideration

Total deferred consideration amounting to €34,081,000 (2004: €31,197,000) represents the best estimate of the net present value of the amounts expected to be payable in respect of prior year acquisitions which are subject to earn-out arrangements. The movement during the year in this liability includes the impact of revisions to estimates arising from changes in the profit expectations of acquired businesses together with payments, currency movements and the discounting charge. Deferred acquisition consideration is due entirely within five years. Total payments of deferred consideration during the year amounted to €2,701,000.

23. OPERATING LEASES

Leases as lessee

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

	2005 €'000	2004 €'000
Payable in:		
Less than one year	2,293	2,092
Between one and five years	4,936	3,101
More than five years	2,033	759
	9,262	5,952

The Combined Entities' leases certain property, plant and equipment under operating leases. The leases typically run for an initial lease period with the potential to renew the leases after the initial period. During the year, €3,820,000 (2004: €4,171,000) was recognised as an expense in the income statement in respect of operating leases.

Leases as lessor

The Combined Entities' leases out some of its investment property under operating leases. Non-cancellable operating lease rentals are receivable as set out below. These amounts represent the minimum future lease payments, in aggregate, that the Combined Entities will receive under existing lease agreements.

	2005 €'000	2004 €'000
Receivable in:		
Less than one year	922	880
Between one and five years	2,534	2,347
	3,456	3,227

During the year, €2,712,000 (2004 €1,733,000) was recognised as rental income in the income statement and €144,000 (2004: €103,000) was recognised as an expense for the operating costs of investment property.

24. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets 2005 €'000	Liabilities 2005 €'000	Net 2005 €'000	Assets 2004 €'000	Liabilities 2004 €'000	Net 2004 €'000
Property, plant and equipment	270	(12,863)	(12,593)	59	(11,162)	(11,103)
Investment property	–	(1,796)	(1,796)	–	(1,698)	(1,698)
Intangible assets	389	(5,995)	(5,606)	2,332	(6,790)	(4,458)
Employee benefits	828	–	828	479	–	479
Derivative financial instruments	9	–	9	–	–	–
Trade and other payables	1,017	(268)	749	510	(8)	502
Other items	–	(386)	(386)	535	(1,111)	(576)
Tax value of losses carried forward	1,744	–	1,744	21	–	21
Tax assets/(liabilities)	4,257	(21,308)	(17,051)	3,936	(20,769)	(16,833)
Offset	(187)	187	–	(314)	314	–
Net deferred tax assets/(liabilities)	4,070	(21,121)	(17,051)	3,622	(20,455)	(16,833)
Deferred tax assets have not been recognised in respect of the following:						
Tax losses			3,539			3,985

No deferred tax asset is recognised in relation to certain tax losses incurred by the Combined Entities on the grounds that there is insufficient evidence that the assets will be recoverable. In the event that sufficient profits are generated in the relevant jurisdictions in the future these assets may be recovered. The estimated unrecognised deferred tax asset at 31 December 2005 is €1,695,000 (2004: €2,141,000).

Similarly, no deferred tax asset is recognised in relation to certain capital losses incurred by the Combined Entities on the grounds that there is insufficient evidence that the assets will be recoverable. The estimated unrecognised deferred tax asset at 31 December 2005 is €1,844,000 (2004: €1,844,000).

No deferred tax is recognised in respect of the unremitted earnings of Combined Entities' overseas subsidiaries, branches, associates and joint ventures as the Combined Entities' do not anticipate additional tax on any ultimate remittance.

Movement in temporary differences during the year are set out below:

	Balance 1 January 2005 €'000	*Arising in income 2005€'000*	*Arising in equity 2005 €'000*	*Arising on acquisitions 2005 €'000*	*Foreign exchange movement 2005 €'000*	*Balance 31 Dec 2005 €'000*
Property, plant and equipment	(11,103)	1,600	(3,077)	–	(13)	(12,593)
Investment property	(1,698)	(98)	–	–	–	(1,796)
Intangible assets	(4,458)	(1,148)	–	–	–	(5,606)
Employee benefits	479	(61)	410	–	–	828
Derivative financial instruments	–	9	–	–	–	9
Trade and other payables	502	234	–	–	13	749
Other items	(576)	194	–	–	(4)	(386)
Tax value of losses carried forward	21	1,694	–	–	29	1,744
	(16,833)	2,424	(2,667)	–	25	(17,051)

	2004 €'000	*2004 €"000*	*2004 €'000*	*2004 €'000*	*2004 €'000*	*2004 €'000*
Property, plant and equipment	(6,133)	(1,247)	(2,175)	(1,525)	(23)	(11,103)
Investment property	(1,429)	(265)	–	–	(4)	(1,698)
Intangible assets	(642)	1,476	–	(5,292)	–	(4,458)
Employee benefits	(364)	(92)	935	–	–	479
Trade and other payables	(47)	549	–	–	–	502
Other items	(730)	152	–	–	2	(576)
Tax value of losses carried forward	21	–	–	–	–	21
	(9,324)	573	(1,240)	(6,817)	(25)	(16,833)

25. ACQUISITIONS, DISPOSALS AND TERMINATIONS

Subsidiaries

During the year, the Combined Entities acquired a number of small businesses, mainly in the UK and Ireland. Including estimated deferred consideration payable of €239,000, the total consideration for these transactions was €907,000. Goodwill arising amounted to €14,000 and the value attributed to the customer relationships acquired, included in intangible assets, amounted to €722,000.

The Combined Entities have reviewed its estimate of the deferred consideration payable in respect of prior year acquisitions. Arising from this there has been a net increase in deferred consideration liabilities and a related increase in goodwill of €5,006,000.

The Combined Entities did not dispose of any subsidiaries in 2005 or in 2004.

During 2004, the Combined Entities acquired the Everfresh Group in Sweden. The Combined Entities paid €29,400,000 for an initial 60% of the Everfresh Group and entered a binding agreement to complete the acquisition of the remaining 40% in May 2007, the terms of which give the Combined Entities a beneficial entitlement to all of the earnings of the Everfresh Group from the date of acquisition. Accordingly, the Combined Entities are accounting for 100% of Everfresh Group activities from the date of acquisition and has accrued an estimate of the deferred consideration which may become payable in 2007. The consideration for the remaining shares is based on a multiple of average profits in the three years ending 31 December 2006, less the initial payment, subject to a maximum remaining payment of €49,600,000. After adjusting for deferred tax, including subsequent fair value adjustments, goodwill amounting to €32,961,000 and intangible assets of €25,694,000 in respect of customer relationships in the Everfresh Group, arose on this acquisition. In accordance with IFRS 3, comparative figures for 2004 have been restated following the completion of subsequent fair value adjustments. Following the acquisition of the Everfresh Group, a number of its activities have been terminated and costs amounting to €271,000 were incurred.

The Combined Entities acquired a number of other smaller businesses in 2004, mainly in the UK, giving rise to goodwill of €543,000. During 2004, the Combined Entities also reviewed its estimate of deferred consideration payable in respect of acquisitions in previous years. Combined with a number of minor adjustments to the assets and liabilities acquired, the net impact of these revisions was to reduce goodwill by €282,000. Towards the end of 2004, the Combined Entities recovered €853,000 in final settlement of amounts owed in respect of a subsidiary disposed of in 2001.

All fair value adjustments have been made effective at the date of acquisition, and any consequent amendments to depreciation and amortisation have been recognised in the current year.

	Acquirees carrying amount 2005 €'000	*Fair value adjustments 2005 €'000*	*Provisional fair value 2005 €'000*	*Adjustments to prior year acquisitions 2005 €'000*	*Total 2005 €'000*
Property, plant and equipment (note 10)	167	–	167	–	167
Intangible assets					
– customer relationships (note 12)	–	722	722	–	722
Inventories	4	–	4	–	4
Net identifiable assets and liabilities	171	722	893	–	893
Goodwill (note 12)			14	5,006	5,020
			907	5,006	5,913
Consideration					
Cash			654	–	654
Fees			14	–	14
Deferred consideration			239	5,006	5,245
			907	5,006	5,913

	Acquirees carrying amount 2004 €'000	Fair value adjustments 2004 €'000	Provisional fair value 2004 €'000	Adjustments to prior year acquisitions 2004 €'000	Total 2004 €'000
Property, plant and equipment (note 10)	15,551	–	15,551	–	15,551
Investment property	95	365	460	–	460
Intangible assets					
– Customer relationships (note 12)	–	25,694	25,694	–	25,694
Investment in joint ventures (note 13)	180	–	180	–	180
Investments (note 14)	415	–	415	–	415
Inventories	3,525	–	3,525	–	3,525
Cash and cash equivalents, including overdrafts	(2,886)	–	(2,886)	–	(2,886)
Trade and other receivables	35,497	(608)	34,889	–	34,889
Trade and other payables	(38,712)	–	(38,712)	–	(38,712)
Interest bearing borrowings	(11,287)	–	(11,287)	–	(11,287)
Corporation tax	(1,514)	–	(1,514)	42	(1,472)
Deferred tax	(1,525)	(5,250)	(6,775)	(42)	(6,817)
Minority interest (note 19)	(136)	–	(136)	(47)	(183)
Net identifiable assets and liabilities	(797)	20,201	19,404	(47)	19,357
Goodwill(note 12)			33,504	(282)	33,222
			52,908	(329)	52,579
Consideration					
Cash			30,018	322	30,340
Fees			611	–	611
Deferred consideration			22,279	(651)	21,628
			52,908	(329)	52,579

Joint ventures

During 2004, one of the Combined Entities, together with its partner, sold a joint venture which owned a significant development property in the North East of Ireland. However, as a result of the change in accounting policy relating to investment property, this profit of €4,998,000 (net of tax) has been reflected in retained earnings on transition to IFRS. Also in 2004, one of the Combined Entities sold its 50% interest in a joint venture engaged in the production of tropical produce in Central America, incurring a loss on disposal amounting to €2,402,000. The Combined Entities did not dispose of any joint ventures in 2005.

26. EMPLOYEE BENEFITS

	2005 €'000	2004 €'000
Remuneration		
The aggregate employee costs for the Combined Entities are as follows:		
Wages and salaries	62,238	54,498
Social security contributions	11,325	9,555
Pension costs – defined contribution schemes	2,326	2,278
Pension costs – defined benefit schemes	1,686	1,277
Actuarial losses – defined benefit schemes	3,282	7,487
	80,857	75,095
The average weekly number of employees, including executive directors, during the year was as follow:		
Production	212	579
Sales and distribution	1,562	1,104
Administration	279	427
	2,053	2,110

Pension schemes

The Combined Entities operate a number of externally funded defined benefit and defined contribution pension schemes. The schemes are set up under trusts and the assets of the schemes are therefore held separately from those of the Combined Entities. The pension benefits on retirement are determined based on years of service and final salary.

The accompanying disclosures relate to all of the Combined Entities' defined benefit retirement schemes. The previous full actuarial valuations of these schemes, for the purposes of these disclosures, were updated to 31 December 2005. All calculations were carried out by independent actuaries using the projected unit method. The actuarial reports are not available for public inspection. However, the results of the valuations are advised to members of the schemes.

The principal assumptions used by the actuaries were:

	2005 %	2004 %
Rate of increase in salaries	4.0	4.0
Rate of increase in pensions	2.0	2.0
Inflation rate	2.0	2.0
Discount rate	4.25	4.9

The expected long term rates of return on assets at 31 December were:

	2005 %	2004 %
Equities	7.75	8.25
Bonds	4.0	5.0
Property	6.0	7.0
Other	2.0	3.0

The Combined Entities used certain mortality rate assumptions when calculating scheme obligations. The current assumptions for all major schemes retain a prudent allowance for future improvements in longevity and reflects experience. All major schemes use the PMA92 (2020) mortality table for current employees and PMA92 (2000) for retired members.

Analysis of net liability

	2005 €'000	2004 €'000
Equities	54,374	41,565
Bonds	8,094	9.032
Property	6,159	4,425
Other	1,624	2,144
Fair value of scheme assets	70,251	57,166
Present value of scheme obligations	(76,874)	(61,137)
Employee benefits (liability)	(6,623)	(3,971)
Deferred tax assets	828	479
Net (liability) in schemes	(5,795)	(3,492)

Movements in the fair value of scheme assets

	2005 €'000	2004 €'000
Fair value of assets at 1 January	57,166	50,975
Expected return on scheme assets	3,940	3,666
Employer contributions	2,316	2,013
Employee contributions	218	173
Transfers	–	571
Benefit payments	(1,907)	(1,247)
Experience adjustments on scheme assets	8,518	1,015
Fair value of assets at 31 December	70,251	57,166

Movements in the present value of scheme obligations

	2005 €'000	2004 €'000
Value of scheme obligations at 1 January	(61,137)	(48,195)
Current/past service cost	(2,582)	(2,234)
Interest on scheme obligations	(3,044)	(2,709)
Employee contributions	(218)	(173)
Transfers		(571)
Benefit payments	1,907	1,247
Experience adjustments on scheme liabilities	(819)	(1,680)
Effect of changes in actuarial assumptions	(10,981)	(6,822)
Value of scheme obligations at 31 December	(76,874)	(61,137)

Movements in the net liability recognised in the balance sheet

	2005 €'000	2004 €'000
Net (liability)/asset in schemes at 1 January	(3,971)	2,780
Employer contributions	2,316	2,013
(Expense) recognised in income statement	(1,686)	(1,277)
(Expense) recognised in statement of total recognised income and expense	(3,282)	(7,487)
Net (liability) in schemes at 31 December	(6,623)	(3,971)

Defined benefit pension expense recognised in statement of recognised income and expenses

	2005 €'000	*2004 €'000*
Experience adjustments on scheme assets	8,518	1,015
Experience adjustments on scheme liabilities	(819)	(1,680)
Effect of changes in actuarial assumptions	(10,981)	(6,822)
	(3,282)	(7,487)

The cumulative loss, before deferred tax, recognised in the statement of recognised income and expense is €10,769,000 (2004: €7,487,000).

Defined benefit pension expense recognised in income statement

	2005 €'000	*2004 €'000*
Current/past service costs	(2,582)	(2,234)
Interest on scheme obligations	(3,044)	(2,709)
Expected return on scheme assets	3,940	3,666
	(1,686)	(1,277)
Actual return on scheme assets	12,458	4,686

27. CAPITAL COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

Capital expenditure contracted for at 31 December 2005 amounted to €2,378,000 (2004: €100,000).

(b) Guarantees

Where any of the Combined Entities enter into financial guarantee contracts to guarantee the indebtedness of joint ventures or associates, these are considered to be insurance arrangements and accounts for them as such.

(c) Contingencies

From time to time, the Combined Entities are involved in other claims and legal actions, which arise in the normal course of business. Based on information currently available, and legal advice, management believe such litigation will not, individually or in aggregate, have a material adverse effect on the financial statements and that the Combined Entities are adequately positioned to deal with the outcome of any such litigation.

28. RELATED PARTIES

Related party transactions with joint ventures and associates

The Combined Entities trade in the normal course of its business, in some situations under long term supply contracts, with its joint ventures and associates. A summary of transactions with these related parties is as follows:

	2005 Revenue €'000	*2004 Revenue €'000*	*2005 Purchases €'000*	*2004 Purchases €'000*
Joint ventures	16,487	37,801	25,180	31,476
Associates	1,301	1,557	2,076	1,491
	17,788	39,358	27,256	32,967

The amounts due from and to joint ventures and associates at the year end are disclosed in aggregate, in notes 16 and 21 respectively.

Related party transactions with shareholders in the Combined Entities

Coplaca is a co-operative of banana growers in the Canary Islands and owns 50% of the share capital of EurobananCanarias SA, the other 50% being owned by the Combined Entities. During the year, EurobananCanarias SA purchased goods and services from Coplaca in the normal course of its business which are not material in relation to the revenues and purchases of the Combined Entities. At 31 December 2005, the net amount due to Coplaca from EurobananCanarias SA was €8,824,000 (2004: €7,726,000).

29. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

As explained earlier, in accordance with the first time adoption exemptions in IFRS 1, First-time Adoption of International Financial Reporting Standards, the Combined Entities did not apply IAS 32, *Financial Instruments: Presentation and Disclosure* nor IAS 39, *Financial Instruments: Recognition and Measurement* to the 2004 comparatives. These standards have been applied from 1 January 2005. The impact of adoption of these standards on 1 January 2005 is reflected in the reconciliation of shareholders equity. The first part of this note sets out the disclosures in accordance with IAS 32 and 39 for the financial year ended 31 December 2005. The later part of the note sets out the disclosures required in accordance with Irish GAAP for the financial year ended 31 December 2004.

(a) Disclosures in accordance with IAS 32 and IAS 39 for 2005

Risk exposures

The Combined Entities' multinational operations expose it to different financial risks that include foreign exchange rate risks, credit risks, liquidity risks and interest rate risks. The Combined Entities have a risk management program in place which seeks to limit the impact of these risks on the financial performance of the Combined Entities. The management has determined the policies for managing these risks. It is the policy of the management to manage these risks is a non-speculative manner.

Foreign exchange risk

While many of the Combined Entities' operations are carried out in Euro-zone economies, it also has significant operations in the UK, Sweden, Denmark and the Czech and Slovak Republics. As a result, the Combined Entities' balance sheet is exposed the currency fluctuations including, in particular, Sterling movements. The Combined Entities generally finances initial overseas investments through foreign currency borrowings which hedge the foreign currency investment. Going forward, these businesses generally fund their operations locally.

Credit and liquidity risk

The Combined Entities have detailed procedures for monitoring and managing the credit risk related to its trade receivables. Cash and short term bank deposits are invested with institutions of the highest credit rating with limits on amounts held with individual banks or institutions at any one time. It is also the policy of the Combined Entities to have adequate committed undrawn facilities available at all times to cover unanticipated financing requirements. The maximum exposure to credit risk is represented by the carrying amount of the financial assets in the balance sheet.

Interest rate risk

The Combined Entities' balance sheet contains both interest bearing assets and interest bearing liabilities. In general, the approach employed by the Combined Entities to manage its interest rate exposure is to maintain the majority of its cash, short term bank deposits and interest bearing borrowings on floating rates. Rates are generally fixed for relatively short periods in order to match funding requirements while being able to benefit from opportunities due to movements in longer term rates.

Accounting for derivatives and hedging activities

All derivatives are initially recorded at fair value on the date the contract is entered into and subsequently, at reporting dates remeasured to fair value. The gain or loss arising on remeasurement is recognised in the income statement except where the instrument is a designated hedging instrument. The fair value of derivatives on 1 January 2005 was adjusted against the opening balance on the hedging reserve. The accounting treatment of derivatives designated as hedges depends on their designation.

The fair value of derivatives at 31 December 2005 is set out in the following table:

	Liabilities €'000
Foreign currency contracts	69

The Combined Entities use foreign currency borrowings to hedge the net investment in foreign entities. The gain or loss on the effective portions of such borrowings are recognised in equity. Ineffective portions of the gain or loss on such borrowings are recognised in the income statement. Gains and losses accumulated in equity are included in the income statement on disposal of the foreign entity.

The fair values of the foreign currency hedging loans at 31 December 2005 are as follows:

	€'000
Czech Crowns	9,299
Danish Krona	8,714
	18,013

Effective interest rates and contractual repricing analysis

In respect of income-earning financial assets and interest bearing financial liabilities, the following table set out the effective interest rates at 31 December 2005. All of these financial instruments reprice within one year.

	Carrying amount €'000	*Effective interest rate %*
Cash and cash equivalents	55,043	2.31
Bank borrowings, excluding overdrafts	(54,269)	3.10
Bank overdrafts	(12,161)	2.68
Finance lease liabilities	(2,389)	3.48
Current payables	(727)	2.95
	(14,503)	

Fair values of financial assets and liabilities

In respect of the financial assets and liabilities below, the following table sets out the carrying amount in the Combined Entities balance sheet and their respective fair values at 31 December 2005:

	Carrying amount €'000	***Fair value €'000***
Equity investments	16,524	16,524
Trade and other receivables	163,258	163,258
Cash and cash equivalents	55,043	55,043
Bank borrowings	(66,430)	66,430
Derivative financial instruments	(69)	(69)
Finance lease liabilities	(2,389)	(2,389)
Trade and other payables	(169,413)	(169,413)
	(3,476)	(3,476)
Unrecognised gain/(loss)		–

Estimation of fair values

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

Equity investments

When market values are available, fair is determined by reference to the bid market price for such investments without any deduction for transactions costs. When market values are not available, the fair values have been determined based on expected future cash flows at current interest rates and exchange rates.

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 deemed to reflect 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 deemed to reflect fair value. All other receivables and payables are discounted to determine the fair value.

Derivatives (currency options and forward currency contracts)

Currency options are marked to market using quotes from financial institutions. Forward currency contracts are either marked to market using market prices or by discounting the contractual forward price and deducting the current spot rate.

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 deemed to reflect 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.

Finance lease liabilities

Fair value is based on the present value of future cash flows discounted at market rates.

(b) Disclosures in accordance with Irish GAAP

Interest rate risk profile

	Financial Assets 2004 €'000	***Financial Liabilities 2004 €'000***	***Net 2004 €'000***
Denominated in Euro			
Interest rate fixed	–	(4,330)	(4,330)
Interest rate floating	27,026	(37,743)	(10,717)
Interest free	18,554	(2,621)	15,933
	45,580	(44,694)	886
Denominated in Sterling			
Interest rate fixed	–	–	–
Interest rate floating	7,661	(6,365)	1,296
Interest free	382	(90)	292
	8,043	(6,455)	1,588
Denominated in US Dollars			
Interest rate fixed	–	–	–
Interest rate floating	7	–	7
Interest free	–	–	–
	7	–	7
Denominated in other currencies			
Interest rate fixed	–	(197)	(197)
Interest rate floating	6,792	(26,053)	(19,261)
Interest free	797	(28,507)	(27,710)
	7,589	(54,757)	(47,168)
Total	61,219	(105,906)	(44,687)

In accordance with the definitions set out in FRS 13 *Derivatives and other financial instruments: disclosures,* financial liabilities comprise bank loans and overdrafts, finance lease liabilities and sundry creditors falling due after more than one year, including deferred acquisition consideration and government grants. Financial assets comprise cash at bank and bank deposits together with trade investments and sundry debtors due after more than one year. Sundry debtors and creditors falling due within one year are not included.

The Combined Entities' floating rate financial assets and liabilities primarily bear interest rates based on EURIBOR rates fixed for periods ranging from one to twelve months and LIBOR rates ranging from one to twelve months.

The weighted average interest rates of fixed rate instruments are as follows:

	2004 Liabilities
Euro denominated	3.64%
Denominated in other currencies	3.40%

The weighted average period for which these rates are fixed is as follows:

	2004 Liabilities
Euro denominated	2.0 Years
Denominated in other currencies	0.4 Years

The non interest bearing financial assets and liabilities primarily comprise trade investments and certain sundry debtors and creditors, due after more than one year, including, in particular, deferred acquisition consideration.

The maturity profile of the Combined Entities' financial liabilities, (consisting primarily of bank loans and overdrafts) is as follows:

	2004 Liabilities
Within one year (or on demand)	46,589
Between one and two years	22,924
Between two and five years	27,605
After five years	8,788
Total	105,906

At 31 December 2004, the Combined Entities had available undrawn committed banking facilities amounting to €10,700,000, all of which expire within one year.

Currency analysis

The balance sheets of various subsidiary companies include monetary assets and liabilities denominated in currencies other than the operating currencies of those subsidiaries. After taking into account any currency hedges in place, these balance sheet currency exposures at 31 December 2004 were as follows:

	Currency denomination of asset / liability				
	EUR 2004 €'000	***GBP 2004 €'000***	***USD 2004 €'000***	***Other 2004 €'000***	***Total 2004 €'000***
Monetary assets	818	6,724	49	782	8,373
Monetary liabilities	(8,196)	(3,759)	(469)	(5,806)	(18,230)
Net	(7,378)	2,965	(420)	(5,024)	(9,857)

Hedging activities

The Combined Entities enter a variety of derivative instruments on a non-speculative basis in order to manage its currency and interest rate risks. These instruments are predominately forward purchases and sales of foreign currency. Certain of these derivative instruments are accounted for under hedge accounting whereby changes in the fair value of these instruments are not recognised in the financial statements until the hedged item is recognised. Unrecognised gains and losses on the instruments were as follows:

	Gains 2004 €'000	***Losses 2004 €'000***	***Total net gains/ (losses) 2004 €'000***
Unrecognised gains/(losses) on hedges at beginning of period	34	(35)	(1)
Less (gains)/losses arising in previous periods which were recognised in current year	(34)	35	1
Gains/(losses) arising in the current period which were not recognised in the current period	–	(8)	(8)
Unrecognised gains/(losses) on hedges at end of year	–	(8)	(8)
Of which: Gains/(losses) expected to be recognised in 2005	–	(8)	(8)

30. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses.

Particular areas which are subject to accounting estimates and judgements in these financial statements are areas such as impairment testing, post employment benefits, share options, fair values of properties and in relation to judgemental provisions and accruals. Specific details on the valuation basis of properties are included in notes 10 and 11.

Impairment testing assets, particularly of goodwill, involves estimating the future cash flows for a cash generating unit and an appropriate discount rate to determine a recoverable value. The estimation of employee benefit costs requires the use of actuaries and the determination of appropriate assumptions such as discount rates and expected future rates of return as set out in note 26.

31. IMPACT OF TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Set out below is a reconciliation of the profit before tax and operating profit for the Combined Entities for 2004.

	2004 ***€'000***
Profit before tax reported under Irish GAAP	31,918
Adjustments to conform to IFRS	
Subsidiaries reclassified as joint ventures	(3,966)
Reversal of goodwill amortisation	5,274
Amortisation of intangibles on restated business combinations	(1,713)
Pension costs, including share of joint venture	1,051
Tax charge of joint ventures and associates included in profit before tax	
– Original joint ventures tax charge under Irish GAAP	(1,242)
– Decreased tax charge in joint ventures and associates	84
– Increased tax charge from revaluation of investment property	(120)
Reversal of gain on disposal of joint venture credited to equity on transition to IFRS	(4,998)
Reversal of gain on disposal of property credited to equity on transition to IFRS	(1,854)
Fair value gains on investment property	1,930
Reversal of depreciation on investment property	235
Fair value gains on invest property – share of joint venture	450
Reversal of depreciation on investment property – share of joint venture	118
Profit before tax in accordance with IFRS	27,167

	2004 €'000
Operating profit reported under Irish GAAP	31,194
Adjustments to conform to IFRS	
Subsidiaries reclassified as joint ventures	(3,966)
Interest in joint ventures now included in operating profit	
– Original joint ventures interest expense under Irish GAAP	(204)
– Interest on new joint ventures under IFRS	84
Reversal of goodwill amortisation	5,274
Amortisation of intangibles on restated business combinations	(1,713)
Pension costs, including share of joint venture	1,051
Tax charge of joint ventures and associates included in profit before tax	
– Original joint ventures tax charge under Irish GAAP	(1,242)
– Decreased tax charge in joint ventures and associates	84
– Increased tax charge from revaluation of investment property	(120)
Gain on disposal of property, plant and equipment	512
Reversal of depreciation on investment property	235
Reversal of depreciation on investment property – share of joint venture	118
Operating profit in accordance with IFRS (pre-exceptional items)	31,307
Exceptional items:	
Fair value gains on investment properties	1,930
Share of fair value gains on joint ventures	450
Gain on disposal/termination of activities of joint ventures	582
Loss on disposal of joint venture	(2,402)
Costs of terminated Bocchi acquisition	(2,250)
Operating profit in accordance with IFRS	29,617

PART IV(B)(iii) — FINANCIAL INFORMATION FOR THE YEARS ENDED 31 DECEMBER 2004 and 2003 (IRISH GAAP)

Combined Profit and Loss Account

	Note	*Pre Exceptional Items 2004 €000*	*Acquisitions 2004 €'000*	*Total 2004 €'000*	*Total 2003 €'000*
Turnover including share of joint ventures and associates	1	1,568,397	176,581	1,744,978	1,538,763
Less: Share of joint ventures' turnover		(253,269)	(316)	(253,585)	(251,968)
Less: Share of associates' turnover		(11,862)	–	(11,862)	(12,692)
Turnover — continuing operations		1,303,266	176,265	1,479,531	1,274,103
Cost of sales		(1,115,716)	(157,422)	(1,273,138)	(1,099,068)
Gross profit — continuing operations		187,550	18,843	206,393	175,035
Net operating expenses — continuing operations	2	(159,198)	(14,745)	(173,943)	(144,829)
Goodwill amortisation — subsidiaries		(3,439)	(841)	(4,280)	(1,606)
Operating profit — continuing operations		24,913	3,257	28,170	28,600
Share of joint ventures' goodwill amortisation		(994)	–	(994)	(994)
Share of joint ventures' operating profit		3,813	17	3,830	664
Share of associates' operating profit		188	–	188	380
Operating profit — including share of joint ventures and associates	4	27,920	3,274	31,194	28,650
Exceptional items					
Profit on disposal of fixed assets	5			4,962	1,503
Cost of terminated Bocchi acquisition				(2,250)	–
Profit on disposal and termination of subsidiaries	5			582	511
Share of joint ventures' exceptional item	5			–	(544)
Profit on ordinary activities before interest				34,488	30,120
Net interest receivable and income from financial assets — subsidiaries	3			(2,366)	(2,702)
Share of net interest payable — joint ventures	3			(199)	(197)
Share of net interest payable — associates	3			(5)	(11)
Profit on ordinary activities before taxation				31,918	27,210
Tax on profit on ordinary activities	6			(10,016)	(8,421)
Profit on ordinary activities after taxation				21,902	18,789
Minority interest — equity				(8,215)	(9,120)
Profit for the financial year attributable to shareholders				13,687	9,669
Dividends	7			(24,641)	(12,428)
Retained profit/(loss) for the financial year				(10,954)	(2,759)
Basic earnings per share	8			€3.95 cent	€2.80 cent
Fully diluted earnings per share	8			€3.91 cent	€2.77 cent
Adjusted fully diluted earnings per share	8			€4.25 cent	€3.35 cent

Significant accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the two years ending 31 December 2004 are set out below. The combined financial information is presented in Euro.

Basis of preparation

The combined financial information of the Combined Entities is prepared under the historical cost convention in accordance with the recognition and measurement principles of the financial reporting standards applicable in the Republic of Ireland and the United Kingdom.

This financial information has been consolidated by aggregating the financial information of the Combined Entities from the audited consolidation reporting packages of relevant subsidiaries and branches and equity accounting the appropriate share of relevant joint ventures and associates. Intra-group transactions between the Combined Entities have been eliminated. The Combined Entities did not constitute a statutory sub-group at each of the dates being reported on. Consequently no consolidated financial statements were prepared at the reporting dates. The combined financial information does not purport to represent what the results of operations would have been had the Combined Entities been a group for each of the two years being reported on.

The financial information does not constitute statutory accounts within the meaning of Section 4 of the Companies (Amendment) Act 1986. The Fyffes consolidation reporting packages from which the financial information has been extracted without material adjustment, were compiled for the purpose of preparing the consolidated accounts of Fyffes for the two financial years ended 31 December 2004. The auditors, KPMG, have reported without qualification in respect of the Fyffes plc consolidated financial statements for the two financial years ended 31 December 2004.

As stand alone businesses within Fyffes, the Combined Entities has its own management and administrative functions. However, Fyffes did provide certain central services including, but not limited to:

- accounting, legal, procurement and professional services;
- employee benefit administration, including payroll and pension services;
- cash and treasury management.

Certain central costs have been allocated to the Combined Entities. While the costs of these central services have been allocated to the Combined Entities for the purposes of preparing the combined financial information, these charges may not be representative of the actual costs that will arise in the Combined Entities following the Demerger.

The Combined Entities were actually part of the tax arrangements of Fyffes and, consequently, the tax charges presented which are based on the tax position of the Combined Entities as if the Combined Entities had existed as stand alone legal entities separate from Fyffes, may not be representative of actual tax charges that would have been incurred, or those which will be incurred following the Demerger.

Dividends paid to shareholders of Fyffes have not been allocated to the Combined Entities, notwithstanding that they contributed to the funding of those dividends. Dividends paid/received by the Combined Entities to/from subsidiaries of Fyffes, which would previously have been eliminated on consolidation, are now reflected as net dividends paid in the combined financial information.

Basis of consolidation

The results of Combined Entities acquired or disposed of in the year are included in the combined profit and loss account from the date of acquisition or up to the date of the disposal. Upon the acquisition of a business, fair values are attributed to the identifiable net assets acquired. Goodwill arising on acquisitions is dealt with as set out below. Certain undertakings in which the Combined Entities has a 50% voting shareholding are treated as subsidiary undertakings where the directors are of the opinion that the Combined Entities have dominant influence over the financial and operating policies of that undertaking.

Joint venture undertakings

Joint venture undertakings (joint ventures) are those undertakings over which the Combined Entities exercise control jointly with one or more parties. The Combined Entities' share of the profits less losses of joint ventures is included in the combined profit and loss account. The Combined Entities' interest in their net assets is included as a fixed investment in the combined balance sheet using the gross equity method at an amount representing the Combined Entities' share of the fair value of the net assets at acquisition plus the Combined Entities' share of post acquisition retained profits or losses. Goodwill arising on the acquisition of joint ventures is dealt with as stated below.

The amounts included in the combined financial information in respect of the post acquisition profits of joint ventures are taken from their latest financial statements prepared up to their respective financial year ends together with management accounts for the intervening periods to 31 December each year.

Associated undertakings

Associated undertakings (associates) are those undertakings in which the Combined Entities have a participating interest in the equity capital and over which it is able to exercise significant influence.

The Combined Entities' share of the profits less losses of associates is included in the combined profit and loss account. The Combined Entities' interest in their net assets is included as a fixed asset investment in the combined balance sheet using the equity method at an amount representing the Combined Entities' share of the fair value of the net assets at acquisition plus its share of post acquisition retained profits or losses. Goodwill arising on the acquisition of associates is dealt with as stated below.

The amounts included in the combined financial information in respect of the post acquisition profits of associates are taken from their latest financial statements prepared up to their respective financial year ends together with management accounts for the intervening periods to 31 December each year.

Goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets when they were acquired. Subsequent changes to the amount of deferred contingent consideration is adjusted for against goodwill. Any excess of the aggregate of the fair value of the identifiable net assets acquired over the fair value of the acquisition cost is negative goodwill.

Purchased goodwill arising on acquisitions prior to 1 November 1998 was eliminated against reserves on acquisition and negative goodwill arising on such acquisitions was credited directly to reserves as a mater of accounting policy. On the disposal of a business, any goodwill so treated is included in determining the profit or loss on sale of the business.

Purchased goodwill arising on acquisitions after 1 November 1998 is capitalised in the balance sheet and amortised over the estimated economic life of the goodwill.

Negative goodwill arising on such acquisitions is also capitalised and shown separately in the balance sheet and credited to the profit and loss account to match the periods in which the acquired non-monetary assets are recovered. Any excess over the non-monetary assets acquired is credited to the profit and loss account in the periods benefited. Goodwill arising on the acquisition of subsidiaries is shown separately in the balance sheet within intangible assets. Goodwill arising on the acquisition of joint ventures and associates is included in the carrying amount of the investments.

Turnover

Turnover represents the fair value of goods, excluding value added tax, delivered to or collected by third party customers in the accounting period.

Taxation

Current tax, including Irish corporation tax and foreign tax, is provided on taxable profits, at amounts expected to be paid 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. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Combined Entities' taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the combined financial information.

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.

Profits on sale of properties

Profits on sale of properties are recognised on the completion of sale and receipt of cash.

Pensions

The Combined Entities make contributions to independently administered pension funds. The regular cost of providing benefits is charged to operating profit over the service lives of the members of the scheme on the basis of a constant percentage of pensionable pay. Variations from regular costs, arising from periodic valuations of the principal schemes, are allocated to operating profit over the expected remaining service lives of the members.

Foreign currencies

Results of subsidiaries, joint ventures and associates denominated in currencies other than the Euro are translated at the average rates of exchange which applied during the year. Balance sheet figures of such subsidiaries, joint ventures and associates are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising on the restatement of opening net investments and results for the year to the balance sheet rate are taken directly to retained profits and reflected in the statement of total recognised gains and losses.

Exchange gains or losses on foreign currency borrowings and long term inter company loans, used to finance or provide a hedge against equity investments in overseas subsidiaries, joint ventures and associates, are offset against retained profits to the extent of the exchange differences arising on the net investments.

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the date of the transactions or at contracted rates where matching contracts exist. All resulting monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date or at the contracted rate. The resulting profits or losses are dealt with in the profit and loss account.

Derivative financial instruments

The Combined Entities are a party to derivative financial instruments (derivatives), primarily to manage its exposure to fluctuations in foreign currency exchange rates and interest rates.

Gains and losses on derivative contracts used to hedge foreign exchange exposures arising on future planned transactions are recognised in the profit and loss account when the hedged transactions occur.

1. SEGMENTAL ANALYSIS

The Combined Entities' activities are in one business segment, being distribution activities. There are no other significant classes of business either singularly or in aggregate.

Turnover and operating profit are analysed as follows by business activity and geographical market.

The Combined Entities — including its share of joint ventures and associates

Geographical Market — by origin

	Turnover 2004 €'000	*Operating Profit 2004 €'000*	*Turnover 2003 €'000*	*Operating Profit 2003 €'000*
Ireland, UK and other	689,160	15,811	679,726	12,871
Continental Europe	1,055,818	20,657	859,037	18,379
	1,744,978	36,468	1,538,763	31,250
Goodwill amortisation	–	(5,274)	–	(2,600)
	1,744,978	31,194	1,538,763	28,650

The geographical analysis of turnover by destination is not materially different.

A segmental analysis of turnover and operating profit and net assets by geographical area not provided separately for the Combined Entities or for its joint ventures and associates as, in the opinion of the directors, the disclosure of such information would be seriously prejudicial to the interests of the Combined Entities, its joint ventures and associates.

2. NET OPERATING EXPENSES

	Total 2004 €'000	*Total 2003 €'000*
Distribution costs	126,344	105,141
Administrative expenses	50,079	41,661
Other operating (income)/expenses	(2,480)	(1,973)
Net operating expenses	173,943	144,829

3. NET INTEREST RECEIVABLE AND INCOME FROM FINANCIAL ASSETS

	2004 €'000	2003 €'000
Subsidiaries		
Interest receivable	964	945
Interest payable on bank loans and overdrafts repayable within five years	(1,891)	(2,357)
Interest payable on other loans	(59)	(66)
Finance lease interest	(120)	(119)
Other interest	(1,260)	(1,105)
Net interest payable	(2,366)	(2,702)
Joint ventures		
Interest receivable	24	178
Interest payable on bank loans and overdrafts repayable within five years	(172)	(273)
Interest payable on bank loans repayable after more than five years	(41)	(54)
Finance lease interest	(10)	(36)
Other interest payable	–	(12)
	(199)	(197)
Associates		
Interest payable on bank loans and overdrafts repayable within five years	(5)	(11)

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004 €'000	2003 €'000
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	12,132	10,317
Operating lease rentals		
– Plant and machinery	792	999
– Other	5,641	5,528
Profit on disposal of tangible fixed assets	(2,366)	(1,371)
Amortisation of grants	(436)	(515)
Profit on disposal and termination of operations of subsidiary undertakings	(582)	(511)
Profit on disposal or termination of activities of joint venture and associates	(2,596)	(132)
Amortisation of capitalised goodwill		
– Subsidiaries	4,280	1,606
– Joint ventures	994	994

5. EXCEPTIONAL ITEMS

	2004 ***€'000***	***2003*** ***€'000***
Profit on disposal of tangible fixed assets	2,376	1,371
Loss on disposal of tangible fixed assets	(10)	–
Net profit on disposal of tangible fixed assets	2,366	1,371
Profit on disposal of joint venture	4,998	132
Loss on disposal of joint venture	(2,402)	–
Net profit on disposal of joint ventures	2,596	132
Net profit on disposal of fixed assets	4,962	1,503
Costs of terminated Bocchi acquisition	(2,250)	–
Profit on disposal or termination of subsidiary undertakings	853	511
Loss on disposal or termination of subsidiary undertakings	(271)	–
Net profit on disposal and termination of subsidiary undertakings	582	511
Share of joint ventures' exceptional item	–	(544)
Net exceptional profit	3,294	1,470

During 2004, the Combined Entities disposed of a number of properties, mainly in Ireland, giving rise to a net profit of €2,376,000. In addition, during the first half of the year the Combined Entities sold its 50% interest in a joint venture undertaking which owned a significant development property in Ireland. The Combined Entities realised a net profit on this disposal amounting to €4,998,000. Towards the end of the year, the Combined Entities recovered a final payment of €853,000, net of costs, in respect of a subsidiary sold in 2001 (2003: €511,000). Post acquisition, the Combined Entities terminated the activities of the Everfresh Group in Finland incurring closure costs of €271,000.

In 2003, the Combined Entities disposed of a number of non-core properties in Ireland, the UK and Continental Europe which realised a net profit before tax of €1,371,000. The Combined Entities also disposed of a small joint venture undertaking in the Czech Republic which gave rise to a profit on disposal of €132,000. The Combined Entities' share of losses in its Capespan joint venture in 2003 in relation to the termination of certain activities of its UK subsidiaries amounted to €544,000.

In 2004, the Combined Entities incurred external costs and advisory fees of €2,250,000 (2003: €Nil) in relation to the terminated Bocchi acquisition.

These exceptional items gave rise to a tax credit of €766,000 in 2004 (2003: charge of €490,000).

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 €'000	2003 €'000
Current tax		
Ireland		
Current tax on profit for the year	2,130	874
Adjustment in respect of prior year	279	–
	2,409	874
Overseas		
Current tax on profit for the year	7,546	6,864
Adjustment in respect of prior period	(963)	(162)
	6,583	6,702
Current tax charge of the Combined Entities for the year	8,992	7,576
Deferred tax (credit)/charge	(144)	32
Combined Entities tax charge	8,848	7,608
Share of tax charge of joint ventures	1,081	670
Share of tax charge of associates	87	143
Tax on profit of ordinary activities	10,016	8,421

	2004 €'000	2003 €'000
Reconciliation of current corporation tax charge		
Profit on ordinary activities before tax	31,918	27,210
Profit on ordinary activities multiplied by the standard rate of tax of 12.5% (2003: 12.5%)	3,990	3,401
Effects of:		
Expenses not deductible for tax purposes	1,672	397
Depreciation in excess of capital allowances	158	(536)
Other timing differences	31	113
Investment income not taxable	(776)	–
Tax effect of profits on associates and joint ventures	(191)	129
Difference in tax rates	4,792	4,234
Adjustments to prior years	(684)	(162)
Current tax charge of the Combined Entities for the year	8,992	7,576

Factors that may affect future tax charges

In accordance with FRS 19, no deferred tax has been provided where taxable gains have been rolled over into replacement assets in the UK. Such tax would become payable only if the replacement assets were sold without further replacement. The total amount unprovided in respect of rolled over gains is €325,000 (2003: €326,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

No deferred tax asset is recognised in relation to certain losses incurred by the Combined Entites on the grounds that there is insufficient evidence that the assets will be recoverable. In the event that sufficient profits are generated in the relevant jurisdictions in the future these assets may be recovered. The estimated unrecognised deferred tax asset at 31 December 2004 is €Nil (2003: €Nil).

No deferred tax is recognised in the unremitted earning of overseas subsidiaries, associates and joint ventures as no commitment has been made for the remittance of earnings. As the earnings are continually reinvested by the Combined Entites, no tax is expected to be payable on them in the foreseeable future.

No deferred tax asst is recognised in relation to certain capital losses incurred by the Combined Entities on the grounds that there is insufficient evidence that the assets will be recoverable. In the event that plans are put in place for the sale of assets and the resulting gains will be sheltered by these losses, the assets may be recovered. The estimated unrecognised deferred tax asset at 31 December 2004 is €1,844,000 (2003: €1,074,000).

7. DIVIDENDS TO EQUITY SHAREHOLDERS

During the financial year, the following dividends were recognised and paid to equity shareholders of the Combined Entities.

	2004 *€'000*	*2003* *€'000*
Net dividends to equity shareholders	24,641	12,428

8. EARNINGS PER SHARE

Basic earnings per share	*2004* *€'000*	*2003* *€'000*
Profit for the financial year attributable to equity shareholders	13,687	9,669
	Number of shares '000	*Number of shares '000*
Weighted average number of ordinary shares for the year	346,716	345,885
Basic earnings per share	€3.95 cent	€2.80 cent

Fully diluted earnings per share	*€'000*	*€'000*
Profit for the year attributable to equity shareholders	13,687	9,669
	Number of shares '000	*Number of shares '000*
Weighted average number of ordinary shares (diluted) for the year	350,498	348,761
Fully diluted earnings per share	€3.91 cent	€2.77 cent

	2004		**2003**	
Adjusted fully diluted earnings per share	*Earnings €'000*	*Per Share € cent*	*Earnings €'000*	*Per Share € cent*
Per basic earnings per share calculation	13,687	3.95	9,669	2.80
Adjustments				
Profit on disposal of tangible fixed assets	(2,366)	(0.68)	(1,371)	(0.40)
Profit on disposal/termination of associates and joint ventures	(2,596)	(0.75)	(132)	(0.04)
Profit on disposal of subsidiaries	(582)	(0.17)	(511)	(0.15)
Goodwill amortisation	5,274	1.52	2,600	0.75
Share of joint ventures' exceptional item	–	–	544	0.16
Minority share of exceptional items	–	–	393	0.11
Cost of terminated Bocchi acquisition	2,250	0.65	–	–
Tax effect of exceptional items	(766)	(0.22)	490	0.14
Impact on earnings of dilutive options	–	(0.05)	–	(0.02)
Adjusted fully diluted earnings per share	14,901	4.25	11,682	3.35

Adjusted fully diluted earnings per share is calculated to adjust for the impact of exceptional items, goodwill amortisation and the impact of share options with a dilutive effect.

9. EMPLOYEES

The average weekly number of employees, including executive directors, during the year analysed by category, was as follows:

	2004 Number	*2003 Number*
Production	614	366
Sales and distribution	1,410	1,396
Administration	480	439
	2,504	2,201

The aggregate payroll costs of the employees of the parent and subsidiaries were as follows:

	2004 €'000	*2003 €'000*
Wages and salaries	75,261	61,598
Social welfare costs	10,249	7,442
Other pension costs	3,963	2,848
	89,473	71,888

PART V — ADDITIONAL INFORMATION

The Directors, whose names appear on page 3 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. INCORPORATION AND STATUS OF THE COMPANY

The Company was incorporated in Ireland under the Irish Companies Acts as a limited company with the name Total Produce Limited on 6 October 2006 with registered number 427687. On 19 October 2006, the Company was re-registered as a public limited company under the name Total Produce Public Limited Company.

The principal legislation under which the Company operates are the Irish Companies Acts and regulations made thereunder.

The address of the Company's registered office is at Charles McCann Building, Rampart Road, Dundalk, Co. Louth, Ireland and its telephone number is +353 42 933 5451. The liability of the members of the Company is limited.

The Company will be the holding company of the Group. The main companies, investments and businesses of the Group are set out below:

Company Name	*Shareholding held %*	*Business description*	*Primary location*
Total Produce Ireland Limited[1]	100	General produce distributor	Ireland
Everfresh Group[2]	60	General produce distributor	Sweden
Brdr Lembcke A/S	100	General produce distributor	Denmark
EurobananCanarias SA	50	General produce distributor	Spain
Hortim International spol sro	70	General produce distributor	Czech Republic
Total Produce Limited[3]	100	General produce distributor	United Kingdom
Peviani SpA	50	General produce distributor	Italy
Total Produce BV[4]	100	General produce distributor	Holland
Capespan International Holdings Limited	50	Importer of South African produce	United Kingdom
Allegro Limited	90	Ambient goods distributor	Ireland

1. Currently known as Fyffes Group Ireland Limited and in process of changing its name.
2. Total Produce is obliged to acquire the remaining 40% of the Everfresh Group in the first half of 2007.
3. Owner of General Produce and Distribution Business, formerly owned by Fyffes Group Limited (UK).
4. Owner of the General Produce and Distribution Business. formerly owned by Fyffes BV.

2. SHARE CAPITAL OF THE COMPANY

(i) The authorised and issued share capital of the Company immediately following Admission are, and will be, as follows:

Authorised and issued fully paid share capital of Total Produce

	Nominal value €	*Number of Ordinary Shares €'000*
Authorised share capital	10,000,000	1,000,000,000
Allotted, called up and fully paid share capital	3,509,724	350,972,445

(ii) On incorporation, the authorised share capital was €10,000,000 divided into 1,000,000,000 ordinary shares of €0.01 each, of which 2 ordinary shares of €0.01 were issued as fully paid at par on incorporation. On 13 October 2006, a further 3,899,998 ordinary shares were issued, of which, 4 were paid up as to their par value and 3,899,993 were paid up to one quarter of nominal value. From the date of incorporation up to the date of this Document, there have been the following changes in the authorised and issued share capital of the Company;

(a) On 14 November 2006, the shareholders of the Company as of that date resolved at an extraordinary general meeting of the Company to give the Board general authority to allot ordinary shares with an aggregate nominal amount of €4,788,200 (478,820,000 ordinary shares of €0.01 each) pursuant to Section 20 of the Companies (Amendment) Act, 1983; to disapply the statutory pre-emption provisions on the issuance of shares of the Company set out in Section 23 of the Companies (Amendment) Act, 1983; and to give the Board authority to buy back and make market purchases of the Company's shares (such authority to expire on the date of the next Annual General Meeting of the Company, or 15 months from the date of the passing of this resolution, whichever comes first). The Board has no current intention of exercising the authority to make market purchases of the Company's shares following Admission and would only do so at price levels which it considered to be in the best interests of the Shareholders generally after taking account the Company's overall financial position.

(b) On 30 December 2006, 350,972,445 Ordinary Shares will be allotted to Fyffes shareholders in consideration for the transfer to Total Produce of the General Produce and Distribution Business.

(c) On 30 December 2006, the Company will buy back 3,900,000 Ordinary Shares for nil consideration pursuant to the terms of section 41(2) of the Companies (Amendment) Act, 1983 of Ireland from the shareholders of the Company.

(iii) The ISIN number of the Company's securities is IE00B1HDWM43.

3. SHARE SCHEMES

Total Produce is proposing to establish the following share schemes.

(a) Total Produce Profit Sharing Scheme (the "APSS")

The APSS is a mechanism whereby Irish resident employees of the Group are given the opportunity to acquire and retain shares in the Company. The APSS is established under a deed of trust which is approved by the Revenue Commissioners. The employer contributes money to the trustees which is used to acquire shares for participating employees. Employees are allowed to participate in the APSS on similar terms. This means that any eligible employees who wish to participate in the scheme must be allocated shares on the same basis, though it is possible to distinguish between employees on the basis of objective criteria such as length of service.

(b) Total Produce Share Incentive Plan (the "SIP")

The SIP is a whole share ownership plan (as opposed to an option over shares) in which all qualifying UK employees of the Company will be able to participate. The SIP permits participating employees to buy shares in Total Produce out of their pre-tax salary. The SIP is an employee share scheme which is approved by Her Majesty's Revenue and Customs in the UK, therefore, it can provide benefits to participating UK resident employees in a tax efficient manner. From time to time, the Company may invite applications from qualifying employees in accordance with the rules of the SIP. Employees may enter into a contract to acquire shares in accordance with the rules of the SIP ("Partnership Shares"). Partnership Shares may be acquired monthly out of a participant's salary or deductions may be accumulated for a period as determined by the Company, which may be no more than one year. If deductions are accumulated, the price at which shares are purchased by each participant are determined as the lower of the market value of the shares at the beginning of the accumulation period and the market value of the shares on the date the shares are acquired. The relevant legislation in the UK also permits the Company to make an outright award of shares ("Free Shares") to employees and/or, if an employee agrees to buy a certain number of Partnership Shares, to make a matching award of shares ("Matching Shares"). However, the rules of the SIP do not allow for the award of either Free Shares or Matching Shares. All Shares acquired in accordance with the SIP are held in a UK resident trust.

(c) Total Produce Share Option Scheme (the "Option Scheme")

The Option Scheme is a "basic tier" share option scheme. It allows options to be granted over an aggregate maximum number of shares equal to 5% of the issued ordinary share capital, from time to time. These options become exercisable once EPS growth exceeds growth in the Consumer Price Index by 5% compounded over a period of at least three years subsequent to the granting of the option. The subscription price per share at which options may be exercised is the higher of par and mid-market price of the shares on the day preceding the date on which the option is granted. Options may be exercised not later than ten years from the date of grant of the option, and not earlier than three years from the date of grant.

(d) Provisions applicable to the three Schemes

Qualifying employees for each Scheme

Participation in the APSS will be open to all Irish employees of the Company and its subsidiaries who are determined by the Company as being qualifying employees. Participation in the SIP will be open to all UK employees of the Company and any of its subsidiaries which are determined by the Company as being "participating companies". Employees who act as trustees will not be ineligible to participate in the SIP. Participation in the Option Scheme shall be open to all employees and executive directors of Total Produce and its subsidiaries who are approved by the Board for the purpose of being granted an option. Non-executive Directors will not be eligible to participate in the APSS, SIP and Option Scheme.

Individual limits for each Scheme

The number of shares that may be appropriated under the APSS in any year will be determined from time to time by the Company. The maximum value of shares that may be appropriated to an individual employee under the APSS may not exceed the statutory maximum for profit sharing schemes approved by the Revenue Commissioners. The number of shares which an individual participant can acquire under the SIP is limited by the amount of his or her contributions from salary. The maximum amount which a participant can contribute towards the purchase of Partnership Shares is STG£1,500 per tax year, or if less 10% of salary for the tax year. The SIP rules enable the Company to set an overall limit on the number of shares which are available for purchase by participants. Individual option grants under the Option Scheme are subject to the limits recommended in paragraph 8 of the March 1999 Corporate Governance, Share Option and other Incentive Scheme Guidelines (the "IAIM Guidelines") of the Irish Association of Investment Managers.

Share capital and flow rate limits

The aggregate number of unissued shares in respect of which appropriations, awards or grants may be made under the APSS, SIP and Option Scheme shall be subject to the limits recommended in paragraphs 5, 13 and 19 of the IAIM Guidelines.

Timing of appropriations, awards or grants

Appropriations, awards or grants under the APSS, SIP and Option Scheme will only be made at times permitted by the Model Code contained in the Listing Rules of the Exchanges (as amended from time to time) and any code adopted by the Company or order or regulation governing dealing in shares by which the Company is bound that may be issued from time to time.

Non-transferability of appropriations, awards or grants

Appropriations, awards or grants under the APSS, SIP and Option Scheme will not be not transferable.

Restrictions on shares and release of shares

Shares appropriated under the APSS may not be disposed of until the second anniversary of the date of appropriation. Cash dividends received in relation to Partnership Shares, if Total Produce permits, can be reinvested in further shares in the Company subject to a limit (of, currently, STG£1,500) on the value of such cash dividends which may be re-invested in any tax year.

Allotment and transfer of shares

Shares issued in respect of the APSS, SIP or Option Scheme will not rank for dividends payable by reference to a record date falling before the date on which the shares are acquired but otherwise rank pari passu with existing shares.

Adjustment of appropriations, awards or grants

On a variation of the capital of the Company, the number of shares subject to appropriations, awards or grants under the APSS or Option Scheme may be adjusted in such manner as the Directors of the Company and the auditors of the Company determine to be fair and reasonable. Under the SIP, there is no mechanism for adjusting the number of Partnership Shares held by a participant to take account of any variation of share capital.

Duration

Total Produce may not make appropriations, awards or grants under the APSS or Option Scheme more than ten years after their adoption. Under the SIP, the Company may not hold any new shares under the SIP more than ten years after its adoption.

Amendments

Amendments to the APSS, SIP and Option Scheme may be made at the discretion of the Directors of the Company. However, the provisions governing eligibility requirements, equity dilution, share utilisation and individual participation limits and the adjustments that may be made following a rights issue or any other variation of capital and the limitations on the number of shares that may be issued cannot be altered to the advantage of employees without prior shareholder approval, except for minor amendments to benefit the administration of the APSS, SIP and Option Scheme, to take account of changes in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for the Group.

Any amendments to key features of the APSS are subject to the approval of the Revenue Commissioners in Ireland.

Any amendments to key features of the SIP are subject to the approval of Her Majesty's Revenue and Customs in the UK.

General

Any benefits appropriated, awarded or granted under the APSS, SIP and Option Scheme will not be pensionable.

4. MEMORANDUM AND ARTICLES OF ASSOCIATION

The following is a summary of the Company's Memorandum and Articles of Association.

(a) Memorandum of Association

Clause 3 of the Memorandum of Association of the Company provides that the objects for which the Company is established include:

(i) to acquire and hold controlling and other interests in the share or loan capital of any company or companies; and

(ii) to acquire the General Produce and Distribution Business as more particularly described in the Business Transfer Agreement.

(b) Articles of Association

(i) *Issuing shares*

(A) Subject to the provisions of the Irish Companies Acts, and without prejudice to any rights attached to any existing shares or class of shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

(B) Subject to the Articles and to the provisions of the Irish Companies Acts, the Company may issue any shares which are to be redeemed, or which at the option of the Company or the holder are liable to be redeemed.

(C) Subject to the Articles and to the provisions of the Irish Companies Acts, the unissued shares of the Company (whether forming part of the original or any increased capital) are at the disposal of the board but so that no share will be issued at a discount and so that the amount payable on application on each share, in the case of shares offered to the public, shall be not less than one quarter of the nominal value of the share and the whole of any premium thereon.

(ii) *Lien and forfeiture*

(A) The Company has a first and paramount lien on every share (not being a fully paid share) for all monies payable to the Company (whether presently or not) in respect of that share. Subject to the terms of allotment, the Board may from time to time make calls on the members in respect of any monies unpaid on their shares.

(B) If a payment is not made when due, the board may give not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. If that notice is not complied with, any share in respect of which it was sent may, at any time before the payment required by the notice has been made, be forfeited by a resolution of the board. The forfeiture shall include all dividends or other monies payable in respect of the forfeited share which have not been paid before the forfeiture.

(iii) *Variation of share capital and variation of rights*

The Company from time to time by ordinary resolution, may increase its authorised share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

The Company, by ordinary resolution may:

(A) consolidate and divide all or any of its share capital into shares of larger amounts; or

(B) subject to the provisions of the Irish Companies Acts, subdivide its shares, or any of them, into shares of smaller amounts; or

(C) cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the shares so cancelled.

Subject to the Irish Companies Acts, the Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account.

The rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of winding-up.

(iv) *Transfer of shares*

Subject to the restrictions contained in the Articles and to such conditions of issue as may be applicable, the shares of any member may be transferred by instrument in writing in any usual or common form or any other form which the Directors may approve. The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a share which is not fully paid or any transfer to or by a minor or person of unsound mind but this shall not apply to a transfer of such a share resulting from a sale of the share through a stock exchange on which the share is listed. The Directors may decline to recognise any instrument of transfer unless:

(A) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(B) the instrument of transfer is in respect of one class of share only;

(C) the instrument of transfer is in favour of not more than four transferees; and

(D) it is lodged at the registered office or at such other place as the Directors may appoint.

(v) *Dividends and other distributions*

(A) Subject to the provisions of the Irish Companies Acts, the Company may, by ordinary resolution, declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Directors.

(B) Subject to the provisions of the Irish Companies Acts, the board may pay interim dividends if it appears to the board that they are justified by the profits of the Company available for distribution. If the board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights. No dividend or other monies payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

(C) A general meeting declaring a dividend may, on the recommendation of the board by ordinary resolution direct that payment of any dividend be satisfied wholly or partly by the distribution of assets, including without limitation paid up shares or debentures of any body corporate.

(D) The Board may, subject to the provisions of the Irish Companies Acts and, in particular, if duly authorised by an ordinary resolution of the Company, offer any holder of shares the right to elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of all or any dividend specified by that resolution).

(vi) *General Meetings*

All general meetings shall be held in Ireland unless otherwise determined by ordinary resolution of the members. The Directors may convene general meetings. Extraordinary general meetings may also be convened on such requisition, or in default may be convened by such requisitionists, and in such manner as may be provided by the Irish Companies Acts. If at any time there are not within the State sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which general meetings may be convened by the Directors.

(vii) *Voting rights*

Votes may be given either personally or by proxy or by a duly authorised representative of a corporate body. Subject to rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member shall have one vote, so, however, that no individual shall have more than one vote, and on a poll, every member present in person or by proxy or duly authorised representative members shall have one vote for every share carrying voting rights of which he is the holder.

(viii) *Distribution of assets on liquidation*

In the event that the Company is wound up and the assets available for distribution among the members are insufficient to repay the whole of the paid up (or credited as paid up) share capital, the assets shall be distributed so that, as nearly as may be, the losses will be borne by the members in proportion to the capital paid up (or credited as paid up) by them at the commencement of the winding up. If, however, the assets available for distribution among the members are more than sufficient to repay the whole of the paid up (or credited as paid up) share capital, the excess shall be distributed among the members in proportion to the capital paid up (or credited as paid up) by them at the commencement of the winding up.

(ix) *Unclaimed dividends*

If the Directors so resolve, any dividend which has remained unclaimed for 12 years from the date of its declaration shall be forfeited in favour of the Company and cease to remain owing by the Company. Any dividend which remains unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or other money's payable in respect of a share into a separate account shall not make the Company trustee in respect of the payments.

(x) *Untraced shareholders*

The Company may sell at the best price reasonably obtainable any share of a holder or any share to which a person is entitled by transmission if and provided that:

(A) for a period of 12 years no cheque or warrant sent by the Company through the post in a pre-paid letter addressed to the holder or to the person entitled by transmission to the share at his address on the Register or at the last known address given by the holder or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the holder or the person entitled by entitled by transmission (provided that during such 12 year period at least three dividends shall have become payable in respect of such share);

(B) at the expiration of the said period of 12 years by advertisement in a national daily newspaper published in Ireland (and a national daily newspaper published in the United Kingdom) and in a newspaper circulating in the area in which the address referred to in subparagraph (A) above is located the Company has given notice of its intention to sell such share;

(C) during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale the Company, has not received any communication from the holder or person entitled by transmission; and

(D) The Company has first given notice in writing to the Irish Stock Exchange and the London Stock Exchange of its intention to sell such shares.

(xi) *Purchase of own shares*

Subject to and in accordance with the provisions of the Irish Companies Acts and without prejudice to any relevant special rights attached to any class of shares, the Company may purchase any of its own shares of any class at any price (whether at par or above or below par) and so that any shares to be so purchased may be selected in any manner whatsoever and cancelled or held by the Company as treasury shares. The Company shall not make a purchase of its shares in the Company unless the purchase has first been authorised by a special resolution of the Company, and by a special resolution passed at a separate general meeting of the holders of each class of shares or a resolution passed by a majority representing three-quarters of the votes cast at a separate general meeting of the holders of the Company's loan stock (if any) which at the date on which the purchase is authorised by the Company in general meeting, entitle them, either immediately or at any time subsequently to convert all or any of the shares or loan stock of that class held by them into equity, share capital of the Company. On 14 November 2006, the shareholders of the Company resolved to give the Board authority to make such purchases, such authority to expire on the date of the next Annual General Meeting of the Company, or 15 months from the date of the passing of this resolution, whichever comes first.

(xii) *Directors*

(A) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be more than ten or less than two.

(B) At each annual general meeting of the Company, one-third of the Directors, or if their number is not three or a multiple of three then the number nearest to one-third shall retire from office. Retiring Directors may be reappointed. The Directors to retire will be those who have been longest in office. As between those who were appointed or re-appointed on the same day, those to retire will be (unless they otherwise agree) determined by lot.

(C) The emoluments of any Director holding executive office for his services as such shall be determined by the board, and may be of any description.

(D) The ordinary remuneration of the Directors who do not hold executive office for their services (excluding amounts payable under any other provision of the Articles) shall not exceed in aggregate €1,000,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Subject thereto, each such Director shall be paid a fee for their services (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the Board. In addition, any Director who does not hold executive office and who performs services, which in the opinion of the board are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Board may determine.

(E) In addition to any remuneration to which the Directors are entitled under the Articles, they may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the board or committees of the board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

(F) Any Director who holds an executive office (including for this purpose the office of Chairman or Deputy Chairman) or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

(G) The Directors may provide benefits, whether by way of pensions, gratuities, or otherwise for any Director, former Director or other officer or former officer of the Company, or to any person who holds or has held any employment with the Company or with any, body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary and to any member of his family or any person who is or was dependent on him and may set up, establish, support, alter, maintain and continue any scheme for providing all or any of such benefits and for such purposes any Director accordingly may be, become or remain a member of, or rejoin, any scheme and receive and retain for his own benefit all benefits to which he may be or become entitled thereunder. The Directors may pay out of the funds of the Company any premiums, contributions or sums payable by the Company under the provisions of any such scheme in respect of any of the persons or class of persons above referred to who are or may be or become members thereof.

(H) Subject to the provisions of the Irish Companies Acts and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director, notwithstanding his office:

(i) may be party to or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company, thereof or in which the Company or any subsidiary or associated company, thereof is otherwise interested;

(ii) may be a director or other officer of or employed by or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by the Company, or in which the Company or any subsidiary or associated company thereof is otherwise interested; and

(iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any, such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

(I) Save as otherwise provided by the Articles, a Director shall not vote at a meeting of the Directors or committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material or a duty, which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.

(J) A Director shall be entitled (in the absence of some other material interest than is indicated below) to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

(i) the giving of any security, guarantee or indemnity to him in respect of money lent by him or any other person to the Company or any of its subsidiary or associated companies, or obligations incurred by him or by any other person at the request of, or for the benefit of, the Company or any of its subsidiary or associated companies;

(ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary or associated companies for which he himself has assumed responsibility, in whole or in part and whether alone or jointly with others, under a guarantee or an indemnity or by the giving of a security;

(iii) any proposal concerning any offer of shares or debentures or other securities of or by the Company or any of its subsidiary or associated companies for subscription, purchase or exchange in which offer he is or may be entitled to participate as a holder of securities or he is or is to be interested as, a participant in the underwriting or sub-underwriting thereof;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer, shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in 1% or more of the issued shares of any class of the equity share capital of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived) any such interest being deemed to be a material interest in all circumstances;

(v) any proposal concerning the adoption modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval for taxation purposes by the appropriate Revenue authorities;

(vi) any proposal concerning the adoption, modification or operation of any scheme for enabling employees (including full time executive Directors) of the Company and/or any subsidiary thereof to acquire shares in the Company or any arrangement for the benefit of employees of the Company or any of its subsidiaries under which the Director benefits or may benefit; or

(vii) any proposal concerning the giving of any indemnity of the type referred to in "Indemnity of officers" paragraph (xiv) below or the discharge of the cost of any insurance cover which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons (including Directors).

(K) The Company, by ordinary resolution, may remove any Director before the expiry of his period of office notwithstanding anything in the Articles or in any agreement between the Company and such Director. This does not prevent such a person from claiming compensation or damages in respect of the termination.

(xiii) *Borrowing powers*

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property, assets, and uncalled capital or any part thereof and, subject to Part III of the Companies (Amendment) Act 1983, to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, without any limitation as to amount.

(xiv) *Indemnity of officers*

Subject to the provisions of, and so far as may be permitted by the Irish Companies Acts, every Director, Managing Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending civil or criminal proceedings which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

5. DIRECTORS' AND OTHER INTERESTS

(i) The interests of the Directors and the persons connected with them (all of which are beneficial save where otherwise stated) in the Issued Share Capital which are required to be shown in the register maintained under Section 59 of the Irish Companies Act 1990 or which are required to be notified by a director (or, in the case of such a connected person, would be required to be notified by that person had he been a director) to the Company pursuant to Section 53 of the Irish Companies Act 1990 or Section 64 of the Irish Companies Act 1990 immediately following Admission will be, as follows:

Directors	***Number of Ordinary Shares***	***% of Ordinary Shares***
Carl McCann (Chairman)	1,533,353	0.44
Rory Byrne	231,051	0.07
Frank Gernon	359,103	0.10
Rose Hynes	50,000	0.10
Jerome Kennedy	–	–

These shares will be acquired by the Directors on the Demerger. None of the Directors hold any shares in the Company at the date of this Document.

(ii) Save as disclosed in sub paragraph (i) above, no Director has any interest in the Issued Share Capital. No Director or member of a Director's family has a related financial product referenced to the Company's Ordinary Shares.

(iii) As at 20 December 2006 (being the last practicable date prior to publication of this Document) and save as disclosed in section 8 of this Part V, the Directors are not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

(iv) There are no outstanding loans granted or guarantees provided by any company in the Group to or for the benefit of any of the Directors.

(v) Save as otherwise disclosed in this Document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group taken as a whole and which was effected by the Company or any other member of the Group during the current or immediately preceding financial year, or during any earlier financial year which remains in any respect outstanding or unperformed.

6. ADDITIONAL INFORMATION ON DIRECTORS

(i) In addition to directorships of the Company, the Directors hold or have held the following directorships or are or have been partners in the following partnerships within the five years prior to the date of this Document:

Director Name	*Current Directorships and Partnerships*	*Previous Directorships and Partnerships*
Carl McCann	Blackrock International Land plc	Calderford Limited
	Bologna Investment Company	Cowbridge Limited
	Burgundy Investments and subsidiaries	Geest Bananas Limited
	Brunker Holdings and subsidiaries	Geest Shipping Limited
	Castle Wicklow Holdings Limited and subsidiaries	Green Spring No I, LLC
	Charles McCann Investments Limited	Ingredientsnet.com Limited
	Clanbrassil Trustee Company Limited	Irish Food Processors Limited
	Clanbrassil Investments Ireland Limited	Kinsale Capital Management Limited
	Cricklade Company and subsidiary	Lepra Ireland
	Dolphin Properties Limited and subsidiaries	Other subsidiaries of Fyffes plc
	Future Properties Limited and subsidiary	Other subsidiaries of Burgundy Investments
	Fyffes plc and subsidiaries*	Windward Isles Bananas Co (UK) Limited
	Green Spring No III, LLC and subsidiaries	Wormegay Limited
	Knockadoon Investment Company	
	Knockumber Holdings Limited	
	Knockumber Limited	
Rory Byrne	Anaco Greeve International BV (The Netherlands)	
	Anaco International BV (The Netherlands)	
	Capespan Iberica SA (Spain)	
	Capespan International plc (UK)	
	Capespan International Holdings Limited (UK)	
	Capespan Group Holdings Limited (South Africa)	
	Eurobanan Canarias SA and subsidiaries (Spain)	
	Fyffes plc and subsidiaries*	
	Holland Citrus BV (The Netherlands)	
	Reybanpack SA (Spain)	
Frank Gernon	Fyffes plc and subsidiaries	Other subsidiaries of Fyffes plc
		Dundalk Chamber of Commerce Limited
		Dundalk 2000 Information Age Limited
Rose Hynes	Avion Capital Limited	Aer Lingus Group plc and subsidiaries
	Bank of Ireland Mortgage Bank	AerCo Limited (Jersey)
	Beechwood Consultancy Services Limited	Alfred Leasing Limited (Bermuda)
	Blade Leasing Ireland Limited	ARX Capital Limited
	Blade Engine Securitisation Limited (Cayman Islands)	Concern Worldwide
		Debis AirFinance Ireland plc
	Blade Holdings sarl (Luxembourg)	Guiletta Aircraft Leasing Limited
	Bord Gais Eireann**	GPA-ATR Limited
	Chasseral Aircraft Leasing Limited	
	Chasseron Aircraft Leasing Limited	
	Fyffes plc*	
	Largrummet December NR 1279 Aktiobolog (under change of name to Blade Leasing Sweden AB) (Sweden)	
	Northern Ireland Water Service (Northern Ireland)***	
	Olbia Limited	
	Seven Air Leasing Limited	
	Shannon Airport Authority plc	
	VGS Aircraft Holding (Ireland) Limited	
Jerome Kennedy	Bank of Ireland Life Holdings plc	Audit Committee Institute Limited
	Blackrock International Land plc****	Cargillside Company Limited
	Caulfield McCarthy Group Property Limited	Caulfield McCarthy Group (Holdings) Limited
	Caulfield McCarthy Group Retail Limited	Chillmoor Investment Company

Director Name	*Current Directorships and Partnerships*	*Previous Directorships and Partnerships*
Jerome Kennedy (continued)	HCJV Limited New Ireland Assurance Company plc	Court Software Epperly Limited Harclon Holdings Harcourt Motors Limited Iditarod Limited Ionat Investment Limited (Jersey) Kalgoorlie Limited K Legal K Tax Limited (formerly SKC Limited) Kippure Limited Klynveld Peat Marwick Goerdeler KPMG KPMG Business Development Services KPMG Consulting Limited KPMG Corporate Finance Limited KPMG Financial Services KPMG Peat Marwick (Northern Ireland) KPMG People Strategies KPMG Pension & Actuarial Consulting KPMG Pension Trustees KPMG Personal Finance Services KPMG Publications Limited (Northern Ireland) KPMG Publications KPMG Services KPMG Stokes Kennedy Crowley (Northern Ireland) KPMG Trade and Customs Limited KPMG Trust KPMG Trustees Limited Lancer Investment Company Limited M M Properties (Northern Ireland) Nixen Investment Company Peat Marwick Mitchell & Co Ruby Investment Company Limited Saltburn Company Limited Stokes Bros & Pim Stokes Kennedy Crowley Stokes Kennedy Crowley & Co Stokes Kennedy Crowley Financial Services Stokes Kennedy Crowley Legal SKC Employee Benefit Services Torbay Investment Company Twyford Investment Company Verify Investment Company Waugh Holdings **Previous Partnerships** KPMG KPMG & Company KPMG & Partners

* *With effect from the date of the Demerger, 30 December 2006, Carl McCann, Rory Byrne and Frank Gernon intend to resign from their directorships of Fyffes plc and those subsidiaries and Group companies of Fyffes plc which do not transfer to Total Produce plc as part of the Demerger. Rose Hynes intends to remain on the board of Fyffes until 30 April 2007.*

** *Bord Gais Eireann is a body corporate established under the Gas Act 1976 as amended.*

*** *Northern Ireland Water Service is a statutory body in Northern Ireland.*

**** *With effect from 31 December 2006, Jerome Kennedy intends to step down from his position as director of Blackrock International Land plc.*

(ii) As at the date of this Document none of the Directors has:

(a) any unspent convictions in relation to indictable offences;

(b) had any bankruptcy order made against him or entered into any individual voluntary arrangements;

(c) been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;

(d) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(e) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

(f) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

(g) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

7. DIRECTORS SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

There are no service contracts, existing or proposed between any Director and any member of the Group.

The employment and contractual rights of Carl McCann, Rory Byrne and Frank Gernon will transfer automatically from Fyffes to Total Produce on 30 December 2006 through the transfer of Fyffes Group Ireland Limited and/or pursuant to the provisions of the European Communities (Protection of Employees on Transfers of Undertaking) Regulations 2003 of Ireland.

The non-executive Directors have entered into letters of appointment for three-year periods. Such appointments are terminable at the discretion of either party upon three months notice. Each non-executive Director is entitled to an annual fee of €65,000.

8. SUBSTANTIAL SHAREHOLDERS

At the date of this Document, in so far as is known to the Directors, the only holders of Ordinary Shares, other than those listed under Section 5 above, who on Admission will be interested directly or indirectly in 3% or more of the Issued Share Capital are listed below:

Shareholder	***Number of Ordinary Shares***	***% of Ordinary Shares***
Balkan Investment Company and related parties (including Arnsberg Investment Company)	37,238,334	10.6
Marathon Asset Management Limited	21,078,883	6.0
Arnsberg Investment Company	19,944,275	5.7
Bank of Ireland Asset Management Limited	19,759,933	5.6
Nordea Investment Funds SA	15,929,550	4.5
Sparinvest SA	14,832,412	4.2
Irish Life Investment Management	13,652,520	3.9
Barclays Global Investors	12,757,946	3.6

Notes

(i) None of the Company's major shareholders, as listed above, have different voting rights attaching to shares held by them in the Company.

Save as disclosed above, the Group is not aware of and has not received any notification from any person confirming that such person is interested, directly or indirectly, in 3% or more of the nominal share capital of the Company, nor is it aware of any person who directly or indirectly, jointly or separately, exercises or could exercise control over the Group.

9. DISCLOSURE OF INTERESTS IN ORDINARY SHARES

The Irish Companies Acts make provision regarding the disclosure of interests in shares. The Irish Companies Act 1990 requires *inter alia* that any person, which would include a person not resident in Ireland, who has an interest in shares of a public limited company which carries full voting rights is required to notify his interest to the company, if the total number of such shares in which he has an interest equals or exceeds a certain percentage (currently 5%) of all such shares. Where that person ceases to hold that percentage or there is a change in the percentage level of his shareholding, he is also obliged to notify the company. The obligation to notify must be performed within the period of 5 clear business days from the date upon which the obligation arises. Under the Company's Articles of Association, persons are also obliged to make the same notification where the person is interested in 3% or more of the issued share capital of the Company.

The notification to the relevant company must be in writing and must specify the share capital to which it relates; the number of shares comprised in that share capital in which the person making the notification knows he was interested immediately after the time when the obligation arose and give details of the registered holder of the shares and the number of shares held by them. In a case where the person no longer has a notifiable interest in shares comprised in the share capital, the notifier must state that he no longer has an interest; identify the notifier and give his address.

The IEX Rules and the AIM Rules require an IEX and AIM company to issue a notification without delay of any relevant changes, being changes to the legal or beneficial interest, whether direct or indirect, to the holding of a significant shareholder, such a shareholder being 3% or more of any class of security, which increases or decreases such holding through any single percentage.

10. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Total Produce or the General Produce and Distribution Business within the two years immediately preceding the date of this Document and are, or may be, material:

(a) IEX Adviser, Nomad Adviser and Broker Agreement

On 21 2006, the Company and Davy entered into an IEX Adviser, Nominated Adviser and Broker Agreement pursuant to which Davy has agreed to act as IEX Adviser, Nominated Adviser and Broker to the Company for the purposes of the IEX Rules and AIM Rules and following Admission. Either party may terminate the agreement forthwith in the event of the material breach by the other party of its obligations under the agreement. The Company shall be entitled to terminate the agreement if Davy shall cease to be registered as a nominated adviser or broker or if a receiver or examiner is appointed over or an encumbrancer takes possession of or sells an asset of Davy. Davy may terminate the agreement if similar circumstances occur in respect of the Company.

(b) Business Transfer Agreement

The Business Transfer Agreement was entered into by Fyffes and Total Produce on 6 November 2006 and sets out the terms under which the General Produce and Distribution Business will be transferred from Fyffes to Total Produce if the Demerger takes place. The Business Transfer Agreement requires Total Produce to issue one Total Produce Share to Fyffes shareholders for every B Tracker Share in issue in consideration for the transfer from Fyffes of the General Produce and Distribution Business to Total Produce and the redemption and cancellation of all of the B Tracker Shares.

In preparation for the Demerger, the directors of Fyffes will make a Bonus Issue of B Tracker Shares to persons registered as shareholders on the Demerger Record Date except that, where the directors of Fyffes are advised that the issue of B Tracker Shares to a Fyffes Overseas Shareholder would or may infringe the law of any jurisdiction or necessitate compliance with any special requirement, the directors of Fyffes may determine that such B Tracker Shares shall be issued to a nominee on behalf of such Overseas Shareholder. Total Produce will issue one Total Produce Share for each B Tracker Share in accordance with the Business Transfer Agreement, however, any Total Produce Shares resulting from the entitlements of a Fyffes Overseas Shareholder's entitlement shall be sold in the market on behalf of such Overseas Shareholder as soon as is reasonably practicable at the best price which can reasonably be obtained at the time of sale. The proceeds of such sale, net of sale and currency conversion expenses will be remitted to the Overseas Shareholder. Pursuant to the Bonus Issue, one B Tracker Share will be issued for each Fyffes Share in issue at the Demerger Record Date.

The Business Transfer Agreement provides that Total Produce will be responsible for all costs, claims, losses, liabilities and expenses which Fyffes may incur in respect of claims made against it under certain guarantees which Fyffes has given with respect to the General Produce and Distribution Business which remain with Fyffes after the completion of the Demerger.

Amongst the shares to be transferred to Total Produce pursuant to the Business Transfer Agreement are the shares owned by Fyffes in the European Fruit Holding NV, the parent company of the Everfresh Holding AB and subsidiaries.

Fyffes acquired 60% of European Fruit Holding NV in 2004 for an initial consideration of €29.4 million (as set out in Section 10(g) of Part V (Additional Information) of this Document) and is contractually bound to pay additional consideration of up to €49.6 million upon the purchase of the remaining 40% of Everfresh Group in May 2007. In consideration of Fyffes agreeing to transfer its entire interest in Everfresh Group to Total Produce the Business Transfer Agreement contains an obligation for Total Produce to assume this obligation.

The Business Transfer Agreement requires Total Produce to undertake to Fyffes that it will not engage in the construction of a new ripening facility in a new location in Ireland or the United Kingdom for a period of twelve months from the completion of the Business Transfer Agreement.

The Business Transfer Agreement also requires Total Produce to assume the liabilities of the General Produce and Distribution Business including €10 million of net bank debt.

Fyffes is not giving any representations or warranties in respect of the General Produce and Distribution Business it is transferring (other than certain limited warranties with respect to title to the shares being transferred, capacity and corporate authority).

In addition, the Business Transfer Agreement provides that the General Produce and Distribution Business of Fyffes in the United Kingdom will transfer directly to Total Produce on 30 December 2006.

The Business Transfer Agreement provides that the Supply Agreements, the Trade Mark Agreements and the Transitional Service and Lease Agreements as set out below will be effective from completion of the Demerger and set out details of the material terms of such agreements, which terms have been approved by Fyffes and Total Produce.

The Business Transfer Agreement is conditional on, and will not be capable of being enforced without:

(i) the Board of Fyffes having resolved to make the allotment of the B Tracker Shares for the purposes of the Bonus Issue and the Registrar of Fyffes confirming in writing to the Board of Fyffes that the allotment of all of the B Tracker Shares has been recorded in the Fyffes Share Register;

(ii) the approval of the redemption and cancellation of the B Tracker Shares by the Board of Fyffes upon the allotment and issue of the Total Produce Shares pursuant to the Business Transfer Agreement;

(iii) the opinions given by the Revenue Commissioners and HM Revenue and Customs to Fyffes in connection with the transactions contemplated in this Document not having been withdrawn, nothing in writing having been received from the Revenue Commissioners or HM Revenue and Customs prior to the completion of the Business Transfer Agreement, as applicable, indicating that such opinions will be withdrawn prior to the completion of the Business Transfer Agreement and a written commitment from Total Produce to be bound by certain undertakings given by or to be given by Fyffes to the Revenue Commissioners with respect to de-grouping concessions;

(iv) all of the shares and assets which comprise the General Produce and Distribution Business that are not already owned by Fyffes having first been transferred to it; and

(v) any shares or assets not comprising part of the General Produce and Distribution Business but owned by companies transferring to Total Produce having first been transferred from such companies to Fyffes' companies not transferring with such business.

(c) Supply Agreements

Fyffes and Total Produce entered into four supply agreements on 6 November 2006 in relation to the supply of produce covering Ireland, the Iberian Peninsula (Spain and Portugal), Scandinavia (Sweden and Denmark) and Italy.

In the case of Scandinavia, the supply agreement is for an initial period of six years with a two year rolling notice of termination. Pricing will be agreed on an arms length basis. The Company has agreed to procure the majority of its banana volumes from Fyffes.

In relation to the Iberian Peninsula, Fyffes has granted Total Produce exclusivity in relation to the supply of bananas and pineapples and the Company has agreed to use its reasonable endeavours to purchase between 18,000 and 55,000 cases of Dollar bananas per week during the term and between 500,000 and 800,000 cases of pineapples each year during the term. Pricing will be agreed on an arms length basis and Total Produce shall receive a market based commission rate. The supply agreement is for an initial period of six years with a two year rolling notice of termination.

In relation to Ireland, Fyffes has agreed to supply bananas, pineapples and melons to Total Produce on an exclusive basis for sale to wholesale customers. Pricing will be negotiated on an arms length basis for wholesale customers. Total Produce shall receive an agreed fee for services provided to retail customers. Total Produce has agreed to procure 100% of its requirements on an exclusive basis for the initial term of five years and a majority of its requirements for the following five years.

In relation to Italy, Fyffes has agreed to supply bananas, pineapples and melons to Total Produce on an exclusive basis for a two year period. Pricing will be agreed on an arms length basis.

(d) Trade Mark Agreement

Under a Trade Mark Licence Agreement dated 6 November 2006, Fyffes retains ownership of its full range of "Fyffes" trade marks and has granted Total Produce a royalty-free exclusive right to use the "Fyffes" and "Fyffes device/logo" trade marks in relation to a specified range of fresh produce and also on other non-fresh produce consumer products. This can be terminated upon 5 years notice by Fyffes subject to no such notice of termination being issued before 31 December 2009.

(e) Transitional Services and Lease Agreements

Pursuant to the Business Transfer Agreement, Total Produce and Fyffes entered into four shared services agreements and one lease agreement on 3 November 2006, and a further lease agreement on 6 November 2006 whereby Fyffes and Total Produce have agreed to provide certain shared services and shared arrangements to/for each other on a transitional basis.

Internal audit, payroll, IT consulting and support, health and safety, human resources and certain accounting, administrative services and tax services will be provided from Total Produce to Fyffes. Certain marketing support services, payroll, health and safety, IT consulting and support and human resource services will be provided from Fyffes to Total Produce. The charges for these services will substantially all be calculated on a direct variable cost basis and are not expected to represent a material overhead cost for either party. Such services will be terminable by either party on three months notice and will be provided for a term of no less than six months (no less than twelve months in the case of internal audit, payroll, IT consulting and human resource services).

In addition, pursuant to a sub-lease agreement between Total Produce and Fyffes, part of the premises known as the Charles McCann Building, located on Rampart Road in Dundalk, Co Louth will be leased from Total Produce to Fyffes and related costs and outgoings will be shared for a term of four years and seven days, expiring on 7 January 2011 at an annual rent of €27,522.

Pursuant to a lease agreement, certain premises on Marconistraat in Rotterdam are being leased from Total Produce to Fyffes for a minimum term of three years at an initial yearly rent of €38,000 subject to annual adjustment and related costs and outgoings will be shared. Certain additional services principally related to such property will also be provided pursuant to this lease on an actual cost basis.

(f) Bank facilities

In connection with the Demerger, new credit facilities have been negotiated with a number of banks for Total Produce. In addition to existing debt in certain non wholly owned subsidiaries and joint ventures, Total Produce will have committed three and five year facilities amounting to €110m and uncommitted one year facilities of €90m. It is intended that Total Produce will commence operations on 1 January 2007 with €10m net debt. No new equity capital is being raised by Total Produce in relation to the Demerger.

(g) Everfresh Group

On 6 May 2004, the Fyffes Group signed a purchase agreement to acquire European Fruit Holding NV (Parent of Everfresh Holding AB and subsidiaries) from European Fruit SA. The Fyffes Group paid €29.4 million for an initial 60% of European Fruit Holding NV and entered a binding agreement to complete the acquisition of the remaining 40% in May 2007, the terms of which gave the Fyffes Group a beneficial entitlement to all of the earnings of Everfresh Group from the date of acquisition. As part of the preliminary reorganisation of the Fyffes Group in advance of the Demerger, the shareholding in European Fruit Holding NV and all of the rights and obligations of the Fyffes Group under both of the share purchase agreements were transferred to Total Produce Holdings BV, a Group company. Accordingly, the Total Produce Group will account for 100% of Everfresh Group activities from the date of acquisition and has accrued an estimate of the deferred consideration which may become payable in 2007. The consideration for the remaining shares is based on a multiple of average profits in the three years ending 31 December 2006, less the initial payment, subject to a maximum remaining payment of €49.6 million. As part of the acquisition of European Fruit Holding NV, the Fyffes Group received certain warranties from the vendors including certain tax warranties. There are limitations as to the amount that can be recovered and the time within which a claim in respect of the warranties can be made. The warranties are typical of a transaction of this nature.

(h) Lembcke Acquisition Agreement

On 30 August 2006, the Fyffes Group acquired the remaining 50% which it did not already own of Brdr Lembcke A/S, the Danish fresh produce company, for a consideration of DKK125 million (€16.8 million). This Agreement was subject to customary representations and warranties. As part of this acquisition, the Fyffes Group also acquired 100% of Interbanan A/S and 100% of Valby Bananimport A/S for a total consideration of DKK45 million (€6.0 million). These acquisitions were also subject to customary representations and warranties. As part of the preliminary reorganisation of the Fyffes Group in advance of the Demerger, the shareholding in Brdr Lembcke A/S was transferred to Lembcke Holdings A/S, a Group company.

11. LITIGATION

No member of the Total Produce Group is or has been engaged in any governmental, legal or arbitration proceedings (including any such proceedings, which are pending or threatened, of which the Board is aware), during the 12 months preceding the date of this Document, which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Total Produce Group.

12. WORKING CAPITAL

The Directors are of the opinion that, having made due and careful enquiry, the Company will have sufficient working capital for its present requirements, that is, for at least twelve months from Admission.

13. IRISH AND UK TAXATION

(i) General

The following summary, which is intended as a general guide only, outlines certain aspects of legislation and Revenue practice in Ireland and the United Kingdom regarding the ownership and disposition of Ordinary Shares. It relates only to the position of Shareholders who are resident or ordinarily resident in Ireland or the United Kingdom for tax purposes and who hold Ordinary Shares as capital assets and not for the purpose of a trade. This summary does not address the position of certain classes of Shareholders such as dealers in securities, to whom special rules apply and does not address the social insurance, stamp duty or gift/inheritance tax consequences of the acquisition, ownership and disposition of Ordinary Shares. This summary is not exhaustive and Shareholders are advised to consult their own tax advisers as to the taxation consequences of their purchase, ownership and disposition of Ordinary Shares. The summary is based on current Irish and United Kingdom tax legislation. Shareholders should be aware that future legislative, administrative and judicial changes could affect the taxation consequences described below.

(ii) Taxation of the Company

The Company is an Irish incorporated company and is managed and controlled in Ireland and accordingly it is resident in the Republic of Ireland for tax purposes.

(iii) Withholding Tax on Dividends

Withholding tax at the standard rate of income tax (currently 20%) applies to dividend payments and other profit distributions by an Irish resident company. Certain categories of Shareholders can receive dividends free of dividend withholding tax provided they supply relevant declarations to the company. The categories of shareholders include

- an Irish resident company;
- an Irish pension fund or Irish charity approved by the Irish Revenue Commissioners;
- an individual who is neither resident nor ordinarily resident in Ireland and is resident in another EU Member State or in a treaty country;
- a company resident in a treaty country or another EU Member State that is not controlled by Irish residents;
- Certain intermediaries

(iv) Taxation of Dividends

(a) Taxation of Irish Resident Shareholders

Irish resident or ordinarily resident Shareholders who are individuals will be subject to income tax and levies on the aggregate of the net dividend received and the withholding tax deducted. The withholding tax deducted will be available for offset against the individual's income tax liability. A Shareholder may claim to have the withholding tax refunded to him to the extent it exceeds his income tax liability.

An Irish resident Shareholder, that is a company, will not be subject to Irish corporation tax on dividends received from the Company and tax will not be withheld at source by the Company provided the appropriate declaration is validly made. A Company, which is a close company, as defined under Irish legislation, may be subject to a corporation tax surcharge on such dividend income to the extent that it is not subsequently distributed.

Shareholders who are Irish approved pension funds or Irish approved charities are generally exempt from tax on their dividend income and will not have tax withheld at source by the paying Company from dividends received provided the appropriate declaration is validly made.

(b) Taxation of United Kingdom Resident Shareholders

Dividends paid to a United Kingdom resident Shareholder will not be subject to Irish withholding tax provided the Shareholder validly makes the appropriate declaration referred to above.

United Kingdom resident or ordinarily resident Shareholders who are individuals will be subject to income tax on the aggregate of the net dividend received and the withholding tax deducted (if any). The withholding tax deducted will be available for offset against the individual's income tax liability.

A United Kingdom corporate resident Shareholder which either directly or indirectly controls, or is a subsidiary of a company which either directly or indirectly controls, more than 10% of the voting power of the Company (a "10% Holder") is entitled to additional tax credits in the UK. Such a company will be liable to United Kingdom corporation tax on the aggregate of the dividend (plus any withholding tax suffered) and the underlying Irish corporation tax. The underlying Irish corporation tax (and any Irish withholding tax suffered) will be available for set off against the related United Kingdom corporation tax liability.

A United Kingdom resident corporate Shareholder which is not a 10% Holder will be subject to corporation tax in the United Kingdom on the aggregate of the net dividends received and the withholding tax deducted (if any). The withholding tax deducted will be available for offset against the related United Kingdom corporation tax liability.

A United Kingdom resident Shareholder that is not subject to tax in the United Kingdom by reason of the United Kingdom law affording relief to charities and certain superannuation schemes may not be subject to tax in the United Kingdom on a dividend from the Company.

(v) Capital Gains Tax and corporation tax on chargeable gains

(a) Ireland

The Company's Ordinary Shares constitute chargeable assets for Irish capital gains tax purposes and, accordingly, Shareholders who are resident or ordinarily resident in Ireland, depending on their circumstances, may be liable to Irish tax on capital gains on a disposal of Ordinary Shares. The Irish capital gains tax rate is currently 20%. Shareholders of the company who are neither resident nor ordinarily resident in Ireland are not subject to Irish tax on capital gains arising on the disposal of Ordinary Shares.

A Shareholder who acquired shares as a result of the Demerger should refer to the circular issued by Fyffes plc in connection with the Demerger for commentary on the calculation of the allowable cost of the shares acquired in the Company when calculating any future gain for taxation purposes.

(b) United Kingdom

A Shareholder who is resident or ordinarily resident in the United Kingdom for taxation purposes and who realises a gain in respect of Ordinary Shares in the Company will, subject to the Shareholder's particular circumstances and subject to any exemptions or reliefs, be liable to United Kingdom capital gains tax or corporation tax on that gain.

A Shareholder who acquired shares as a result of the Demerger should refer to the circular issued by Fyffes plc in connection with the Demerger for commentary on the calculation of the allowable cost of the shares acquired in the Company when calculating any future gain for taxation purposes.

14. MANDATORY BIDS, SQUEEZE-OUT AND BUY-OUT RULES

(a) Mandatory bids

Upon Admission, the Irish Takeover Rules will apply to the Company. Under the Irish Takeover Rules, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to Ordinary Shares carrying 30% or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Irish Takeover Panel) to make an offer for the outstanding shares at a price not less than the highest price paid for the Company's Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of shares by a person holding (together with its concert parties) shares carrying between 30% and 50% of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights by 0.05%.

(b) Squeeze-out

Under the Irish Companies Acts, if an offeror were to acquire 80% of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 20%. It would do so by sending a notice to its shareholders telling them that it would compulsorily acquire their shares and then, unless the High Court of Ireland determined otherwise one month later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. Where the offeror already owns more than 20% of the Company at the time that the offeror makes an offer for the balance of the shares, then the compulsory acquisition rights only apply if the offeror acquires at least 80% of the remaining shares which also represent at least 75% in number of the holders of the accepting shareholders.

(c) Buy-out rules

The Irish Companies Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in the Company and at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 80% of the Company's ordinary shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give all shareholders notice of their right to be bought out within one month of that right arising.

15. CONSENTS

KPMG, chartered accountants and registered auditors, who are registered to carry out audit work by the Institute of Chartered Accountants in Ireland, has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of its reports in Part IV of this Document and of the references to its name in the form and context in which it appears and has authorised the contents of Part IV of this Document for the purposes of Section 79 (3) of the Financial Services and Markets Act 2000 (UK) and the Financial Services and Markets Act (Official Listing of Securities) Regulations 2001 (UK).

Davy, which is regulated by the Financial Regulator, has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which it appears.

16. GENERAL

(i) The total costs and expenses relating to Admission are being paid by Fyffes.

(ii) The Ordinary Shares are in registered form and the liability of members is limited to the amount, if any, unpaid on their shares.

(iii) Save as disclosed in this Document, the Directors are unaware of any exceptional factors which have influenced the Company's activities.

(iv) Save as disclosed in this Document, the Directors are not aware of any patents or other intellectual property rights, licenses or particular contracts which are or may be of fundamental importance to the Company's business.

(vi) (a) Save as disclosed in this Document there has been no significant change in the trading or financial position of Total Produce plc since 30 November 2006, the date to which the Company's Accountant's Report on Total Produce plc in Part IV(A) of this Document was prepared.

(b) Save as disclosed in this Document, there has been no significant change in the trading or financial position of the General Produce and Distribution Business since 30 June 2006, the date to which the Accountants' Report on General and Distribution Business in Part IV(B) of this Document was prepared.

(vii) Save as disclosed in this Document, there are no investments by the Group in progress which are significant.

(viii) The accounting reference date of the Company is 31 December.

(ix) As at 30 November 2006, the Group employed 3,213 persons excluding the Directors.

(x) Save as disclosed in this Document, no person (excluding the Company's professional advisers to the extent disclosed elsewhere in this Document and trade suppliers) in the 12 months preceding the Company's application for Admission received, directly or indirectly, from the Company or has entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after Admission any of the following:

(a) fees totalling either Stg£10,000, €14,000 or more;

(b) securities in the Company with a value of either Stg£10,000, €14,000 or more; or

(c) any other benefit with a value of either Stg£10,000, €14,000 or more at the date of Admission.

(xi) This Document contains no offer of securities to the public within the meaning of the Regulations or the Investments Funds, Companies and Miscellaneous Provisions Act, 2005 of Ireland or otherwise. This Document has not been approved by the Financial Services Authority of the UK or the Financial Regulator of Ireland.

(xii) This Document does not constitute a prospectus and a copy of it has not and will not be delivered to the Registrar of Companies in Ireland or in England and Wales.

(xiii) No new Ordinary Shares are being made available, in whole or in part, to the public in conjunction with the application for Admission.

(xiv) The liability of the members of the Company is limited to the amount (if any) unpaid on the shares held by them in the capital of the Company.

(xv) There is no fixed date on which any Shareholders' entitlements to dividends arises.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of this Document will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland and the offices of Arthur Cox, 29 Ludgate Hill, London EC4M 7JE, United Kingdom for one month from the date of Admission. Copies of this Document will also be available on the Company's website www. totalproduce.com, from the date of Admission.

Dated: 21 December 2006

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

"Admission"	admission of the Ordinary Shares to trading on IEX and AIM, becoming effective in accordance with the IEX Rules and the AIM Rules respectively;
"Admission Document" or "the Document"	this document dated 19 December 2006;
"AIM"	the market of that name operated by the London Stock Exchange;
"AIM Rules"	the rules for AIM companies and their nominated advisers, issued by the London Stock Exchange in relation to AIM traded securities;
"Articles" or "Articles of Association"	the articles of association of the Company;
"B Tracker Shares"	the shares issued pursuant to the Bonus Issue by Fyffes plc, which were exchanged for Total Produce shares as part of the Demerger process;
"Board" or "Directors"	the board of directors of the Company, whose names are set out on page 3 of this Document;
"Bonus Issue"	the capitalisation of the distributable reserves of Fyffes plc by way of the issue of B Tracker Shares;
"Business Day"	a day, other than a Saturday, Sunday or public holiday when banks are normally open for the transaction of normal banking business in Dublin and London;
"Business Transfer Agreement"	the business transfer agreement dated 6 November 2006 between Fyffes and the Company and described in Section 10 of Part V of this Document;
"Combined Code"	the Principles of Good Governance and the Code of Best Practice published by the Committee on Corporate Governance;
"Combined Entities"	those companies and businesses which, following the Demerger, will comprise the Total Produce Group;
"Company" or "Total Produce"	Total Produce plc;
"Consumer Price Index"	the Irish Consumer Price Index;
"CREST"	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by CRESTCo Limited in accordance with the CREST Regulations;
"CREST Regulations"	Companies Act 1990 (Uncertificated Securities) Regulations 1996 (SI No 68/1996) of Ireland including any modification thereof or any regulation in substitution therefore for the time being in place;
"Davy"	J&E Davy, trading as Davy including its affiliate Davy Corporate Finance Limited and other affiliates, or any of its subsidiary undertakings;

"Demerger"	the transfer of Fyffes' General Produce and Distribution Business to Total Produce in consideration for the issue to the holders of B Tracker Shares in Fyffes of Total Produce Ordinary Shares as set out in the Business Transfer Agreement and the cancellation of the B Tracker Shares;
"Demerger Record Date"	29 December 2006;
"EGM" or "Extraordinary General	the extraordinary general meeting of Fyffes plc which was held on 5 December 2006 where Fyffes shareholders approved the Bonus Issue and Demerger;
"EPS"	earnings per share;
"Everfresh Group"	European Fruit Holdings NV and its subsidiaries
"Financial Regulator"	the Irish Financial Services Regulatory Authority, a constituent part of the Central Bank and Financial Services Authority of Ireland;
"FSMA"	Financial Services and Markets Act 2000 (UK);
"Fyffes"	Fyffes plc;
"Fyffes Group"	Fyffes and its subsidiary undertakings;
"Fyffes Overseas Shareholder"	Shareholders resident in or nationals or citizens of an Overseas Territory;
"Fyffes Share Register"	the register of members of Fyffes;
"General Produce and Distribution	means the general produce and distribution business currently
Business" or "Total Produce Business"	carried on by the Fyffes Group, principally through the Companies Listed in Section 2 of the Part 1 of this Document, which business will be transferred to Total Produce as part of the Demerger;
"General Produce and Distribution Sector"	the sector in which the Group operates;
"Group" or "Total Produce Group"	following the Demerger or pre-Demerger collectively, the companies carrying on the General Produce and Distribution Business (as the context requires);
"Group Companies"	the companies making up the Total Produce Group;
"IEX" or "Irish Enterprise Exchange"	the market of that name operated by the Irish Stock Exchange;
"IEX Rules"	the rules for IEX companies and their IEX advisers', issued by the Irish Stock Exchange in relation to IEX traded securities;
"Irish Companies Acts"	Companies Acts 1963 to 2005 of Ireland;
"Issued Share Capital"	350,972,445 Ordinary Shares being the number of fully paid Ordinary Shares in issue as at 19 December 2006 (the date of this Document);

"Ireland"	the Republic of Ireland;
"Irish Stock Exchange"	The Irish Stock Exchange Limited;
"Irish Takeover Rules"	the Irish Takeover Panel Act 1997, Takeover Rules 2001 and 2002 (as amended) or any of them as the context may require;
"London Stock Exchange"	The London Stock Exchange plc;
"Official List(s)"	the official list maintained by the UKLA and/or the official list maintained by the Irish Stock Exchange, as the context may require;
"Ordinary Shares" or "Total Produce Shares"	the ordinary shares of €0.01 each in the capital of the Company;
"Overseas Territory"	countries, territories or jurisdictions outside Ireland or the United Kingdom;
"Regulations"	the Prospectus Regulations, 2005 (UK) and the Prospectus (Directive 2003/71/EC) Regulations, 2005 of Ireland;
"Registrar"	Computershare Investor Services (Ireland) Limited;
"Shareholders"	holders of Ordinary Shares;
"Total Produce" or "the Company"	Total Produce plc;
"Tropical Produce Business"	the tropical produce business of Fyffes, consisting primarily of the production, procurement, shipping and ripening of bananas, pineapples and melons;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"UKLA"	UK Listing Authority, which is the Financial Services Authority acting in its capacity as the competent authority pursuant to Part VI, FSMA;
"uncertificated" or "in uncertificated form"	shares recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of an instruction issued in accordance with the rules of CREST; and
"USA" or "United States"	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America;

Notes:

(i) Unless otherwise stated in this Document, all reference to statutes or other forms of legislation shall refer to statutes or forms of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

(ii) The symbols "€" and "c" refer to Euro and Euro cent respectively, the lawful currency of Ireland pursuant to the provisions of the Economic & Monetary Unit Act 1998. The symbols "Stg£" or "£" or "p" refer to sterling.

(iii) Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neuter gender.