

TOTAL PRODUCE ANNOUNCES 11.4% INCREASE IN 2007 EARNINGS

- Sales revenue growth (incl. share of JV's) of 30.6%, to €2,431 million
- Adjusted EBITA* up €5.0m, (12.7%) to €43.8 million
- Adjusted profit before tax* up 7.9% to €38.9 million
- Statutory profit before tax up 75.3% to €33.2 million
- Adjusted earnings per share** up 11.4% to €6.35 cent
- Increase of €16.3 million in shareholders funds to €163.7 million

* *excludes fair value movements on investment property, exceptional items, amortisation of intangible assets and the Group's share of its joint ventures' tax.*

** *excludes fair value movements on investment property, exceptional items, amortisation of intangible assets and related tax.*

Commenting on the results, Carl McCann, Chairman, said:

“We are pleased to have achieved very satisfactory results, which are ahead of expectation, in our first year since demerger. The Group's earnings were up 11.4% and the business has grown by 30.6% since last year.”

4 March 2008

For further information, please contact:

Brian Bell, Wilson Hartnell PR - Tel: +353-1-669-0030

**TOTAL PRODUCE PLC PRELIMINARY RESULTS FOR
YEAR ENDED 31 DECEMBER 2007**

	2007	2006	
	€million	€million	% Change
Revenue, including share of JV/Assoc	2,431	1,861	30.6%
Group Revenue	2,151	1,577	36.4%
Adjusted EBITA *	43.8	38.8	12.7%
Adjusted profit before tax *	38.9	36.1	7.9%
Operating profit	37.7	21.7	73.5%
Profit before tax	33.2	18.9	75.3%
	Euro cent	Euro cent	
Adjusted earnings per share **	6.35	5.70	11.4%
Basic earnings per share	5.43	2.02	
Dividend per share	1.65	-	

* *excludes fair value movements on investment property, exceptional items, amortisation of intangible assets and the Group's share of tax of its joint ventures.*

** *excludes fair value movements on investment property, exceptional items, amortisation of intangible assets and related tax.*

Financial results and operating review

Income Statement

Total revenue for 2007 increased year-on-year by €70 million (30.6%) to €2.43 billion. Revenue excluding share of joint ventures grew 36.4% to €1.15 billion. The majority of this increase was in the general produce division and reflects in particular the acquisition of Redbridge Holdings in January 2007 and the contribution of a significant number of bolt-on acquisitions during the year. The current year also saw the full year impact on revenue of the acquisition of the remaining 50% of Lembcke A/S in September 2006. Modest mid-single digit increases in average selling prices also contributed to revenue growth. Revenue in the Group's distribution business grew by 14.9% helped by the acquisition of Wholefoods Wholesale Limited.

This performance is consistent with the Group's target to double its turnover over five years.

Operating profit

One of the Group's key performance measures for its overall business is adjusted EBITA * (as defined below) which grew € million or 12.7% year on year to €43.8 million. The full year cost of the UK rationalisation and integration programme was € million excluding which the increase of € million over 2006 would have been 20.6%. Net EBITA margins were 1.80% compared to 2.09% last year or 1.93% before the rationalisation programme. This was due to lower margins in Redbridge and higher rents payable to Blackrock International Land plc of €0.7 million reflecting a full year rent charge in 2007.

** Adjusted EBITA is operating profit excluding fair value movements on investment property, exceptional items, amortisation of intangible assets, and before interest and tax (including the equivalent share of joint ventures). This calculation is set out in note 2 of the accompanying preliminary financial information*

*** Adjusted profit before tax excludes fair value movements on investment property, exceptional items, amortisation of intangible assets and Group's share of joint ventures tax which under IFRS rules is reflected in profit before tax. This calculation is set out in note 2 of the accompanying preliminary financial information.*

The full-year outcome for the produce division was satisfactory despite poor summer weather and supply constraints in some key produce lines during the autumn and early winter. Weather conditions in the first half were particularly favourable for demand for our produce. EBITA in the Group's ambient consumer goods distribution business grew by 4% during 2007.

Operating profit for the Group amounted to €7.7 million in 2007 compared to €1.7 million in 2006.

Financial expense

The net financial expense for the year was €4.6 million as compared to €2.8 million for the prior year. The underlying capital structures are not, however, comparable as in 2006 the Group was a division of Fyffes plc. The net interest cover for 2007 was 9.3 times.

Profit before tax

Adjusted profit before tax ** as defined below amounted to €38.9 million which is a 7.9% increase on the 2006 figure of €36.1 million. Profit before tax amounted to €33.2 million compared to €18.9 million in 2006.

Taxation

The underlying tax charge is set out in Note 4 of the accompanying preliminary financial information. The charge, including the Group's share of the tax charge of its joint ventures and associates, was €1.5 million (29.4%) compared to a charge of €0.7 million (26.8%) for the previous year.

Minority interest

The minority share of profits was €5.1 million for 2007, a reduction of €1.4 million on 2006 due primarily to the deconsolidation of a subsidiary which is now treated as a joint venture.

Earnings per share

Adjusted earnings per share*** (as defined below) amounted to 6.35 cent for 2007 an 11.4% increase on the 2006 figure of 5.70 cent. This was slightly ahead of expectation. Basic earnings per share amounted to 5.43 cent compared to 2.02 cent in 2006.

Balance Sheet and Investments

The Group balance sheet grew significantly during the period with shareholders funds increasing by 11.0% to €163.7 million.

Net debt at the end of the year was €72.0 million which is slightly better than forecast. During the year, the Group spent €33.9 million on acquisitions which comprised of €33 million on acquisition of subsidiaries, €7.3 million for investments in joint ventures and deferred consideration payments of €43.6 million.

The Group in January 2007 acquired Redbridge Holdings, the UK fresh produce company, for a total consideration of €23 million which comprised of a cash consideration of €13 million, including fees, a maximum deferred payment of €4.5 million and an assumed pension liability of €5.5 million (net of deferred tax)

During the year, €17 million of expenditure was incurred on six bolt-on acquisitions in the Fresh Produce sector, while in its ambient consumer goods distribution business the Group acquired Wholefoods Wholesale Limited., the leading distributor of high quality health foods, vitamins and minerals in Ireland.

During 2007, the Group also invested €7.3 million in joint ventures. The net cash investment in the joint venture with Blackrock International Land plc to relocate our Dublin distribution facilities was €5.7 million. In February 2007, a joint venture was formed with Tata to create distribution facilities for fresh produce in India. The strategy is to use our initial investment to establish two state-of-the-art distribution facilities in India with plans to expand across the sub-continent in due course.

Deferred consideration of €43.6 million was paid during the year in respect of prior period acquisitions and €1.7 million of this relates to the final payment in respect of the Everfresh Group acquisition in May 2007.

During the year, €15.6 million was also expended in capital expenditure. The Group's two new state-of-art fresh produce distribution centres in Sighthill, Edinburgh and Dunmurry, Belfast were completed and commissioned during the year. Excluding these new facilities, routine capital expenditure was broadly equal to the depreciation charge of €13.7 million.

Buy-back

Having observed the recent Stock Market volatility, the Group is considering exercising its authority to buy its own shares in the market if the appropriate opportunities arise. This authority permits the Group to buy up to 10% of the issued share capital at a price which may not exceed 105% of the average price over the previous 5 trading days. Any shares which may be purchased will be acquired through a subsidiary of the Company and will be held as treasury shares and will not be cancelled. Any purchases should have a positive effect on earnings per share.

*** Adjusted earnings per share excludes fair value movement on investment property, exceptional items, amortisation of intangible assets and related tax. This calculation is set out in note 5 of the accompanying preliminary financial information.

Dividend

The Board is proposing a final dividend of 1.15 cent per share subject to approval at the forthcoming AGM. This dividend will be paid on 29 May 2008 to shareholders on the register on 25 April 2008 subject to dividend withholding tax. In accordance with company law, this dividend has not been provided for in the balance sheet at 31 December 2007. Total dividends for 2007 will amount to 1.65 cent per share.

Outlook

Trading in the year to date is in line with our expectation and the Board is targeting a mid-single digit growth in adjusted earnings per share for 2008. Total Produce will continue to pursue its plans to further expand and develop the Group.

**Carl McCann, Chairman
on behalf of the Board
4 March 2008**

Copies of this announcement will be available from the company's registered office, Charles McCann Building, Rampart Road, Dundalk, Co Louth and on our website at www.totalproduce.com.

Total Produce plc
Summary Group Income Statement for the year ended 31 December 2007

	Total 2007 €000	Pre- exceptional 2006 €000	Exceptional Items 2006 €000	Total 2006 €000
Revenue including Group share of joint ventures and associates	<u>2,431,147</u>	<u>1,860,892</u>	-	<u>1,860,892</u>
Group revenue	2,150,621	1,577,056	-	1,577,056
Cost of sales	<u>(1,859,871)</u>	<u>(1,353,920)</u>	-	<u>(1,353,920)</u>
Gross Profit	290,750	223,136		223,136
Distribution expenses	(212,739)	(150,685)	-	(150,685)
Administration expenses	(44,395)	(42,784)	-	(42,784)
Other operating expenses	(626)	(166)	(22,749)	(22,915)
Other operating income	2,757	2,065	9,550	11,615
Share of profit of joint ventures and associates (net of tax)	<u>1,986</u>	<u>3,381</u>	-	<u>3,381</u>
Operating profit	37,733	34,947	(13,199)	21,748
Net financial expense	<u>(4,575)</u>	<u>(2,832)</u>	-	<u>(2,832)</u>
Profit before tax	33,158	32,115	(13,199)	18,916
Income tax expense	<u>(8,979)</u>	<u>(8,773)</u>	<u>3,417</u>	<u>(5,356)</u>
Profit for the financial year	<u>24,179</u>	<u>23,342</u>	<u>(9,782)</u>	<u>13,560</u>
<i>Attributable as follows:</i>				
Equity shareholders	19,055			7,060
Minority interests	<u>5,124</u>			<u>6,500</u>
	<u>24,179</u>			<u>13,560</u>

Earnings per share - €cent

Basic	€5.43 cent	€2.02 cent
-------	------------	------------

Total Produce plc
Summary Group Statement of Recognised Income and Expense
for the year ended 31 December 2007

	2007	2006
	€000	€000
Movement on translation of net equity investments	(5,260)	3,639
Revaluation gains on property, plant and equipment	1,706	-
Deferred tax movement on revaluation of property, plant and equipment	204	-
Share of joint venture revaluation of property, plant and equipment	294	-
Share of joint venture tax on revaluation of property, plant and equipment	(41)	-
Revisions to deferred tax provision on revaluation reserve	-	585
Fair value adjustment on equity investments	(62)	1,400
Effective portion of cash flow hedges (net of deferred tax)	-	(52)
Actuarial gains recognised on defined benefit pension schemes	3,401	6,315
Deferred tax on actuarial gains on defined benefit pension schemes	(1,413)	(236)
Share of joint ventures actuarial gain/(loss) recognised on defined benefit pension schemes (net of deferred tax)	123	(460)
Share of joint ventures fair value gain on equity investments	<u>25</u>	<u>-</u>
Net income recognised directly in equity	(1,023)	11,191
Profit for the financial year	<u>24,179</u>	<u>13,560</u>
Total recognised income and expense	<u>23,156</u>	<u>24,751</u>
<i>Attributable as follows:</i>		
Equity shareholders	17,354	17,838
Minority interest	<u>5,802</u>	<u>6,913</u>
	<u>23,156</u>	<u>24,751</u>

Total Produce plc
Summary Group Balance Sheet as at 31 December 2007

	2007	2006
	€000	€000
Non-current assets		
Property, plant and equipment	124,226	112,049
Investment property	12,194	9,009
Goodwill & intangible assets	123,586	95,895
Other receivables	1,609	1,627
Investments in joint ventures and associates	41,453	26,859
Equity investments	9,462	11,011
Deferred tax assets	5,231	4,502
Employee benefits	<u>7,235</u>	<u>3,047</u>
Total non-current assets	<u>324,996</u>	<u>263,999</u>
Current assets		
Inventories	37,351	30,342
Trade and other receivables	267,177	221,351
Derivative financial instruments	171	17
Cash and cash equivalents	87,104	87,909
Corporation tax receivable	<u>1,803</u>	<u>-</u>
Total current assets	<u>393,606</u>	<u>339,619</u>
Total assets	<u>718,602</u>	<u>603,618</u>
Equity		
Called-up share capital	3,519	3,510
Share premium	252,574	251,998
Other reserves	(111,745)	(108,071)
Retained earnings	<u>19,366</u>	<u>-</u>
Total shareholders' equity	<u>163,714</u>	<u>147,437</u>
Minority interest	<u>45,997</u>	<u>48,501</u>
Total equity and minority	<u>209,711</u>	<u>195,938</u>
Non-current liabilities		
Interest-bearing loans and borrowings	109,946	60,066
Deferred government grants	2,385	2,081
Other payables	2,612	538
Provisions	8,380	4,384
Corporation tax payable	7,772	7,785
Deferred tax liabilities	20,151	15,047
Employee benefits	<u>8,675</u>	<u>3,237</u>
Total non-current liabilities	<u>159,921</u>	<u>93,138</u>
Current liabilities		
Interest-bearing borrowings	49,171	22,178
Debt due to Fyffes plc arising on demerger	-	15,665
Trade and other payables	296,282	227,630
Provisions	3,226	46,406
Derivative financial instruments	291	3
Corporation tax payable	<u>-</u>	<u>2,660</u>
Total current liabilities	<u>348,970</u>	<u>314,542</u>
Total liabilities	<u>508,891</u>	<u>407,680</u>
Total liabilities and equity	<u>718,602</u>	<u>603,618</u>

Total Produce plc**Summary Group Cash Flow Statement for the year ended 31 December 2007**

	2007	2006
	€000	€000
Operating activities		
Profit for the period	24,179	13,560
Income tax expense	8,979	5,356
Depreciation of property, plant and equipment	13,688	12,294
Impairment of property, plant and equipment	113	-
Fair value movement on investment properties	(360)	(6,120)
Impairments arising from demerger	-	22,749
Amortisation of intangible assets	5,026	3,021
Amortisation of research and development	518	-
Amortisation of grants	(521)	(323)
Contributions to defined benefit pension schemes	(4,563)	(2,760)
Defined benefit pension scheme expense	2,242	2,642
Net loss / (gain) on disposal of plant & equipment	69	(610)
Net interest expense	4,776	2,932
Share of profits of joint ventures and associates (after tax)	(1,986)	(3,381)
Corporation tax paid	(11,627)	(12,255)
Equity settled share-based compensation	93	-
Net loss on re-measurement of derivatives	94	(100)
Net interest paid	<u>(3,145)</u>	<u>(2,007)</u>
Cash generated from operations before movement in working capital	37,575	34,998
Decrease in working capital	<u>12,597</u>	<u>3,813</u>
Cash flows from operating activities	<u>50,172</u>	<u>38,811</u>
Investing activities		
Acquisition of subsidiaries, net of cash acquired	(32,994)	(10,255)
Acquisition of and investment in joint ventures including loans	(7,300)	(2,497)
Acquisition of trade investment	(40)	(1,991)
Payments of deferred consideration	(43,556)	(5,077)
Acquisition of property, plant and equipment	(15,609)	(27,477)
Acquisition of investment property	(22)	-
Proceeds from disposal of property, plant and equipment	1,128	1,480
Dividends received from joint ventures/associates	2,152	80
Proceeds from disposal of minority share	-	100
Government grants received	746	156
Research & development expenditure capitalised	(303)	-
Subsidiary becoming a Joint Venture	<u>(8,589)</u>	<u>-</u>
Cash flows from investing activities	<u>(104,387)</u>	<u>(45,481)</u>
Financing activities		
Proceeds from the issue of share capital to employees	585	-
Net increase in borrowings	68,026	22,635
Net cash movement in balances with Fyffes	(15,665)	34,299
Capital element of lease payments	(1,270)	(1,084)
Dividends paid to Fyffes plc during prior year	-	(4,534)
Capital contribution from minority interest	-	116
Dividends paid to equity shareholders	(1,755)	-
Dividends to minority interests	<u>(4,543)</u>	<u>(3,620)</u>
Cash flows from financing activities	<u>45,378</u>	<u>47,812</u>
Net movement in cash and cash equivalents	(8,837)	41,142
Cash and cash equivalents, including bank overdrafts at start of period	85,042	42,882
Exchange translation adjustment on cash and cash equivalents	<u>(2,094)</u>	<u>1,018</u>
Cash and cash equivalents, including bank overdrafts at end of period	<u>74,111</u>	<u>85,042</u>

Total Produce plc
Notes to Preliminary Results for the year ended 31 December 2007

1. Basis of preparation

The financial information included in these preliminary result statements have been extracted from the Groups' financial statements for the year ended 31 December 2007.

The financial information is presented in Euro, rounded to the nearest thousand.

2. Adjusted profit before tax, EBITA and minority interests

	2007	2006
	€000	€000
Profit before tax per income statement	33,158	18,916
<i>Adjustments</i>		
Exceptional items (note 3)	-	13,199
Fair value gains in investment property	(360)	-
Share of joint ventures fair value gains on investment property (before tax)	(271)	-
Group share of tax charge of joint ventures and associates	1,305	894
Amortisation of intangibles including share of joint ventures	<u>5,096</u>	<u>3,063</u>
Adjusted profit before tax	38,928	36,072
<i>Exclude</i>		
Financial expense – Group	4,575	2,832
Financial expense / (income) – share of joint ventures and associates	<u>251</u>	<u>(70)</u>
Adjusted EBITA	<u>43,754</u>	<u>38,834</u>

Total Produce believes that the adjusted profit before tax and adjusted earnings per share (note 5 below) are the appropriate measures of the underlying performance of the Group, excluding fair value gains on investment properties, exceptional items and amortisation charges. Similarly, adjusted earnings before interest, tax, fair value gains on investment properties, exceptional items and amortisation (adjusted EBITA) are a more indicative reflection of the underlying operations of the Group.

3. Exceptional items

	2007	2006
	€000	€000
Fair value gain on investment properties	-	6,120
Gain on disposal of leasehold interest in property	-	3,430
Impairment losses	<u>-</u>	<u>(22,749)</u>
Total exceptional items per income statement	<u>-</u>	<u>(13,199)</u>

During the prior year, the Group recognised impairment losses arising from changes in a number of the businesses giving rise to an aggregate non cash charge in the income statement of €2.7m. Exceptional operating income comprises the gain on disposal of a leasehold interest on a property occupied in Ireland giving rise to a gain of €3.4m and a fair value adjustment of €6.1m on an investment property in the UK.

4. Income Tax

	2007	2006
	€000	€000
Tax charge per Income Statement	8,979	5,356
Group share of tax charge of its joint ventures/associates netted in profit before tax	<u>1,305</u>	<u>894</u>
Total tax charge	10,284	6,250
<i>Adjustments</i>		
Deferred tax on amortisation of intangibles (including share of joint ventures/associates)	1,112	2,500
Deferred tax on fair value gains on investment properties	63	(2,072)
Tax impact of other exceptional items	-	(616)
Once-off tax credits arising on demergers during the prior year	<u>-</u>	<u>3,605</u>
Tax charge on underlying activities	<u>11,459</u>	<u>9,667</u>

Including the Group's share of the tax charge of its joint ventures and associates amounting to €1.3m (2006: €0.9m), which is netted in operating profit in accordance with IFRS, the total tax charge for the year amounted to €10.3m (2006: €6.3m).

Excluding the impact of once-off tax credits, deferred tax credits related to the amortisation of intangibles and the tax effect of exceptional items and fair value gains on investment properties, the underlying tax charge for the year was €1.5m (2006: €0.7m), equivalent to a rate of 29.4% (2006: 26.8%) when applied to the Group's adjusted profit before tax.

5. Earnings per share

	2007 €000	2006 €000
Profit for financial year attributable to equity shareholders	<u>19,055</u>	<u>7,060</u>
	'000	'000
Weighted average number of ordinary shares for the financial year	<u>351,003</u>	<u>349,951</u>
Basic earnings per share - €cent	<u>5.43</u>	<u>2.02</u>
Adjusted fully diluted earnings per share	2007 €000	2007 €cent per share
Profit for financial year attributable to equity shareholders	19,055	5.43
Adjustments:		
Fair value movement on investment properties	(360)	(0.10)
Share of joint ventures fair value movement on investment properties	(255)	(0.07)
Amortisation of intangible assets	5,096	1.45
Tax effect of fair value movement on investment properties and amortisation charges	(1,191)	(0.34)
Minority impact of intangible amortisation charges and related tax	<u>(63)</u>	<u>(0.02)</u>
Adjusted fully diluted earnings – 2007	<u>22,282</u>	<u>6.35</u>
	2006 €000	2006 €cent per share
Profit for financial year attributable to equity shareholders	7,060	2.02
Adjustments:		
Impairment losses (note 3)	22,749	6.50
Profit on disposal of leasehold interest (note 3)	(3,430)	(0.98)
Fair value movement on investment properties (note 3)	(6,120)	(1.75)
Amortisation of intangible assets	3,063	0.88
Tax effect of exceptional items and amortisation charges	(3,417)	(0.98)
Minority impact of exceptional items	282	0.08
Impact on earnings of dilutive share options	<u>-</u>	<u>(0.07)</u>
Adjusted fully diluted earnings – 2006	<u>20,187</u>	<u>5.70</u>

Adjusted fully diluted earnings per share is calculated to adjust for fair value movements on investment property, exceptional items, intangible amortisation, related tax charges/credits and the impact of share options with a dilutive effect

6. Employee post employment benefits

	2007	2006
	€000	€000
Deficit at beginning of year	(190)	(6,623)
Employee employment benefit liability acquired as part of acquisition of subsidiary	(7,467)	-
Current/past service cost less net finance income recognised in income statement	(2,242)	(2,642)
Actuarial gain recognised in statement of recognised income and expense	3,401	6,315
Contributions to schemes	4,563	2,760
Foreign exchange movement	<u>495</u>	<u>-</u>
Deficit at end of year	(1,440)	(190)
Related deferred tax asset	<u>833</u>	<u>592</u>
Net (deficit)/asset	<u>(607)</u>	<u>402</u>

The table summarises the movements in the net deficit on the Group's various defined benefit pension schemes in Ireland, the UK and Continental Europe. The Group's balance sheet at 31 December 2007 reflects pension assets of €5.2m in respect of schemes in surplus and pension liabilities of €8.7m in respect of schemes in deficit.

An employee post employment benefit liability of €7.5m (before deferred tax) was acquired during the year as part of the Group's acquisition of Redbridge Holdings.

The current/past service cost is charged in the Income Statement, net of the finance income on scheme assets and liabilities. Actuarial gains/(losses) are recognised in the Statement of Recognised Income and Expense.

The increase in the scheme's deficit during the year arose mainly because of the liability assumed as part of the Redbridge acquisition and the reduction in value of the schemes assets due to poor stock market returns in the second half of 2007. These increases in liabilities were offset by the impact of the increase in long term international interest rates which reduces the present value of the schemes liabilities.

7. Dividends

	2007	2006
	€000	€000
<i>Dividends paid on Ordinary €1 cent shares</i>		
Interim dividend for 2007 of €0.50 cent	<u>1,755</u>	=

The directors have proposed a final dividend for 2007, subject to shareholder approval at the AGM of 1.15 cent per share. This dividend has not been provided for in the balance sheet at 31 December 2007.

8. Summary Statement of Movement in Shareholders' Equity

	2007	2006
	€000	€000
Total shareholders' equity at beginning of year	147,437	165,678
Total recognised income and expense	17,354	17,838
Shares issued	585	
Share based payment expense	93	
Dividends paid to equity shareholders	(1,755)	
Dividends paid to Fyffes plc and subsidiaries	-	(4,534)
Distribution in specie arising from property demerger	-	(39,346)
Movement in funding balance with Fyffes	<u>-</u>	<u>7,801</u>
Total shareholders' equity at end of year	<u>163,714</u>	<u>147,437</u>

During the year, dividends of €1.8m were paid to the equity shareholders of the Company.

During the prior year, dividends of €4.5m were recognised and paid to Fyffes plc, the legal parent at the date of such distributions.

During the prior year, as part of the distribution by Fyffes plc of its property undertakings to Blackrock International Land plc, fair value gains of €9.3m recognised in respect of properties held by entities in its General Produce and Distribution business were distributed to Fyffes plc.

9. Businesses acquired during the year

During the year, the Group completed the acquisition of a number of businesses as described earlier in this announcement.

The total consideration for acquisitions of subsidiaries amounted to €1.1m (excluding cash and bank overdrafts acquired). Including cash and bank overdrafts acquired, the net cash outflow for these acquisitions amounted to €3.0m. The net spend on investment in new joint ventures during the year was €7.0m.

The acquisition method of accounting has been used to consolidate the businesses acquired. The accounting for some of the business acquisitions is provisional. Other than the valuation of intangible assets there are no material differences arising between the fair value of assets and liabilities acquired and the acquirees carrying value at acquisition date. If, however, any fair values need to be adjusted, they will be reflected in the acquisition accounting within one year of acquisition date.

10. Analysis of movement in net debt in the year

	1 Jan 2007 €000	Cash Flow €000	Acquisitions & disposals €000	Non-cash €000	Translation €000	31 Dec 2007 €000
Bank balances and deposits	87,909	1,643		-	(2,448)	87,104
Overdrafts	<u>(2,867)</u>	<u>(10,480)</u>	<u>-</u>	<u>-</u>	<u>354</u>	<u>(12,993)</u>
Cash and cash equivalents per cash flow statement	85,042	(8,837)	-	-	(2,094)	74,111
Bank loans – non current	(59,232)	(65,055)	(2,943)	14,391	3,686	(109,153)
Bank loans – current	(18,323)	(2,971)	-	(14,391)	207	(35,478)
Finance leases	<u>(1,822)</u>	<u>1,270</u>	<u>(552)</u>	<u>(556)</u>	<u>167</u>	<u>(1,493)</u>
Total interest bearing borrowings	(79,377)	(66,756)	(3,495)	(556)	4,060	(146,124)
Debt due to Fyffes plc arising on demerger	<u>(15,665)</u>	<u>15,665</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net debt	<u>(10,000)</u>	<u>(59,928)</u>	<u>(3,495)</u>	<u>(556)</u>	<u>1,966</u>	<u>(72,013)</u>