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10 September 2010

Strategic consolidation of Irish consumer food brands

Origin Enterprises plc ('Origin' or 'the Group') announces that it has reached agreement with CapVest Limited ('CapVest') to establish Valeo Foods Group Limited ('Valeo'), to facilitate consolidation of Irish consumer food brands. Origin and CapVest further announce that Valeo, in which Origin will have a 45 per cent equity shareholding, has reached conditional agreement to simultaneously acquire 100 per cent of the branded food business of Origin ('Origin Foods') and the Irish food company Batchelors ('The Transactions').

The Transactions are subject to a number of conditions including clearance from the Irish Competition Authority.

Origin Foods comprises three of Ireland's premier food brands; Odlums, Shamrock and Roma which enjoy market leading positions in the ambient home-baking and Italian food ingredients categories. Origin Foods has an extensive manufacturing and route-to-market capability servicing the major retail, bakery and foodservice channels. The business being acquired by Valeo excludes the Mars Ireland distribution activities, the contract for which is scheduled to cease.

Founded in 1935, Batchelors is a leading manufacturer and retail category partner for some of Ireland's most iconic food and drinks brands. These brands include Batchelors, Erin, Squeez, Amigo and Lustre servicing the canned vegetables, dry sauces and mixes, ambient juices and canned fruit categories. Batchelors is a strongly positioned brand focused business with a unique commitment to customer service and quality. Batchelors also represents a number of significant international food and beverage companies in the Irish market.

Under the terms of the transaction Origin will dispose of Origin Foods to Valeo based on an enterprise value of €78m. Origin will hold a 45 per cent equity interest in Valeo, receive cash consideration of €26m on completion and deferred consideration of €35m as a vendor loan note. The cash proceeds will initially be used to repay debt and ultimately to fund development of the Group's agri-services business. Valeo is being financed through a combination of ringfenced banking facilities, equity funding to be provided by CapVest, rolled equity and the vendor loan note from Origin.

Proforma turnover of Valeo is approximately €200m. On completion of the Transactions Origin's 45 per cent interest in Valeo will be accounted for under the

equity method of accounting as an associate undertaking. The transaction will be marginally earnings dilutive for the year ending 31 July 2011.

Valeo will be led by a strong management team drawn from both businesses. Peadar Kearney, Head of Origin Foods, will be Chief Executive Officer of Valeo and Aidan O’Byrne, Finance Director of Batchelors will become Chief Financial Officer of Valeo.

Valeo will comprise one of the strongest portfolios of Irish food brands and will be ideally positioned to participate in further brand consolidation in the Irish consumer food market. The combination of Origin Foods and Batchelors will substantially enhance the offering to consumers and will support superior levels of product innovation and service for customers.

Commenting on the announcement Tom O’Mahony, CEO of Origin said:

“We are very pleased to be partnering CapVest in the strategic development of our food business. CapVest has an impressive and extensive track record of investment in the food sector and their active management approach will support the transformation of the enlarged business.

The creation of Valeo marks a significant repositioning of the Origin Group and facilitates a sharpening of our strategic focus as we prioritise the development of the Group’s agri-services platform.”

Commenting on the announcement Seamus FitzPatrick, co-founder of CapVest said:

“CapVest is delighted to be partnering Origin in the creation of Valeo. This transaction is in line with CapVest’s strategy of investing in market leading businesses with strong management and in categories with further consolidation opportunities.”

As previously indicated Origin will issue its Preliminary Results Announcement for the year ended 31 July 2010 on 22 September 2010.

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About Origin Enterprises plc

Origin Enterprises plc is a leading Agri-Nutrition and Food company listed on the ESM and AIM markets of the Irish and London Stock Exchanges. The Agri-Nutrition division, through its manufacturing and distribution operations in Ireland, the United Kingdom, Poland and Norway has leading market positions in the supply of feed ingredients, integrated agronomy services, crop nutrition and marine proteins and oils. For the year to 31 July 2009 the Agri-Nutrition division generated revenues of €1,212.5m and operating profit of €57.8m.

The Group's Food division, comprising sales, marketing, distribution and manufacturing activities in Ireland, has leadership positions in ambient food across the retail, food service and manufacturing sectors. For the year to 31 July 2009 the Food division generated revenues of €295.3m and operating profit of €14.6m.

ESM ticker: OIZ

AIM ticker symbol: OGN

Website: www.originenterprises.com

About CapVest Limited

CapVest is a leading European mid-market private equity firm, headquartered in London, which has investments spread across mainland Europe, the UK and Ireland. Investment strategy is focussed on identifying and managing investments in companies and sectors where revenues are underpinned by non-discretionary demand. CapVest has a long history of successful investment in the food sector and the companies it has partnered with have included Food Vest (now known as the Findus Group), Europe's largest frozen food manufacturer and Vaasan & Vaasan, the largest bakery company in Finland and the Baltic region. CapVest's current portfolio includes Findus Group, United Coffee, one of Europe's largest coffee companies and The Mater Private, Ireland's leading private healthcare facility