
THIS DOCUMENT AND ITS ENCLOSURES ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial advisor, who is authorised or exempted pursuant to the Investment Intermediaries Act 1995 or the Stock Exchange Act 1995 if you are in Ireland or who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial advisor if you are in an Overseas Territory.

If you sell or have sold or otherwise transferred all of your Fyffes Shares, please forward this document and the accompanying documents to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer is/was effected for onward transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Fyffes Shares, you should retain this document.

Davy is acting exclusively for the Company and no one else in connection with the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Proposals.

For a discussion of certain risk factors which should be taken into account when considering whether to vote in favour of the Resolutions, see Part 3 (Risk Factors) of this document. Investors should read the whole document and not rely solely on the summarised financial information.

Fyffes plc

(Registered in Ireland under the Companies Acts 1963 to 2005 with registered number 73342)

Proposed Bonus Issue and Demerger of Fyffes' General Produce and Distribution Business and

Proposed Cancellation of Listing on the Official List of the Irish Stock Exchange and the Official List of the United Kingdom Listing Authority and

Admission to Trading on the Irish Enterprise Exchange, which is regulated by the Irish Stock Exchange Limited ("IEX") and on the Alternative Investment Market of the London Stock Exchange plc ("AIM")

Notice of Extraordinary General Meeting

Irish and UK Sponsor

Davy

Your attention is drawn to the letter from the Chairman of Fyffes on pages 4 to 19 of this document, which recommends that you vote in favour of the Resolutions described herein. You should read this document in its entirety and consider whether to vote in favour of the Resolutions in light of the information contained in this document. Notice of an Extraordinary General Meeting of Fyffes, to be held at 10.00am at the Westin Hotel, College Green, Dublin 2 on 5 December 2006 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the Extraordinary General Meeting. Shareholders are requested to complete and return the Form of Proxy whether or not they intend to be present at the meeting. To be valid, Forms of Proxy should be completed and signed in accordance with the instructions printed thereon and returned by post or by hand so as to reach the Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, as soon as possible and, in any event, by no later than 10.00am on 3 December 2006. Return of a Form of Proxy will not preclude a Shareholder from attending and voting at the meeting.

The B Tracker Shares and Total Produce Shares to be issued in connection with the proposed Bonus Issue and Demerger will not be, and are not required to be, registered with the SEC under the US Securities Act of 1933, as amended (the "Securities Act") or any US state securities laws. Neither the SEC nor any US state securities commission has approved or disapproved the B Tracker Shares or the Total Produce Shares or passed comment or opinion upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Neither the B Tracker Shares nor the Total Produce Shares have been, or will be, registered under the applicable securities laws of any Restricted Jurisdiction. Accordingly, neither the B Tracker Shares nor the Total Produce Shares may be offered, sold, delivered or transferred, directly or indirectly, in or into any Restricted Jurisdiction or to or for the account or benefit of any national, resident or citizen of any Restricted Jurisdiction.

IMPORTANT INFORMATION: Fyffes is not offering to the public any Fyffes Shares or B Tracker Shares or Total Produce Shares or any other securities in connection with the proposed Bonus Issue and Demerger. This document has been prepared pursuant to and in compliance with the Listing Rules solely in order to obtain Fyffes Shareholders' approval of the Proposals. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Fyffes Shares or B Tracker Shares or Total Produce Shares or any other securities in any jurisdiction. Neither the B Tracker Shares nor the Total Produce Shares will be generally made available or marketed to the public in any jurisdiction in connection with the proposed Bonus Issue and Demerger of Fyffes' General Produce and Distribution Business or in connection with the Proposals. This document is not a prospectus, nor is it a document containing information regarded by the Financial Regulator in Ireland or the Financial Services Authority of the United Kingdom as being equivalent to that of a prospectus.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	10am on 3 December 2006
Extraordinary General Meeting of Fyffes	10am on 5 December 2006
Latest time and date for transfers of Fyffes Shares to be registered in order for the Transferee to be registered at the Demerger Record Date	5pm on 29 December 2006
Update of Fyffes Share Register for Bonus Issue of B Tracker Shares	5pm on 29 December 2006
Demerger Record Date	5pm on 29 December 2006
Effective time and date of Demerger, redemption and cancellation of B Tracker Shares and accounts credited with Total Produce Shares	5pm on 30 December 2006
Admission of Total Produce to IEX and AIM and commencement of dealings in Total Produce Shares	8am on 2 January 2007
Posting of share certificates for Total Produce Shares to certified holders	by 5 January 2007
Delisting of Fyffes from Official Lists	8am on 10 January 2007
Admission of Fyffes to IEX and AIM	8am on 10 January 2007

Notes:

- (1) Each of the times and dates in the above timetable is based on current expectations and is subject to change.
- (2) All references to time in this document are to Dublin time unless otherwise stated.

SHAREHOLDER HELPLINE

Any Fyffes Shareholder requiring assistance in understanding the matters raised in this document may telephone our shareholder helpline on 01 431 9826 if you are an Irish shareholder, on 0870 703 6244 if you are a UK shareholder and on +353 1 431 9826 if you are an Overseas Shareholder. The helpline is open from 9.00 am to 5.00 pm on Monday to Friday (excluding holidays). For legal reasons this helpline will not provide advice on the merits of the Bonus Issue, Demerger or Commute or give any legal, financial or taxation advice, for which you will need to consult your own legal, financial or taxation advisor.

Fyffes and/or Total Produce may include forward looking statements in oral or written public statements issued by or on behalf of Fyffes and/or Total Produce. These forward looking statements may include, amongst other things, plans, objectives, projections and anticipated future economic performance based on assumptions and the like that are subject to risks and uncertainties. As such, actual results or outcomes may differ materially from those discussed in the forward looking statements. For details of important risk factors which may cause actual results to differ please read Part 3 (Risk Factors) of this document.

Neither Fyffes nor Total Produce undertakes any obligation to update the forward looking statements to reflect actual results, or any change in events, conditions or assumptions or other factors, unless required to do so by law or the rules of any appropriate regulatory authority.

PART 1 — LETTER FROM THE CHAIRMAN OF FYFFES



(Registered in Ireland under the Companies Acts 1963 to 2005 with registered number 73342)

Directors:

C P McCann (Chairman)
D V McCann (Chief Executive)
C Bos (Executive Director)
R P Byrne (Executive Director)
J F Gernon (Group Finance Director)
J P Tolan (Corporate Development Director)
Dr P F deV Clüver (Non-Executive Director)
R B Hynes (Non-Executive Director)
J D McCourt (Non-Executive Director)
G B Scanlan (Non-Executive Director)
W M Walsh (Non-Executive Director)

Registered Office:

29 North Anne Street
Dublin 7
Ireland
Telephone: +353 (1) 8872700

10 November 2006

To Fyffes Shareholders and, for information only, to holders of options under the Share Option Scheme.

Dear Shareholder,

**Proposed Bonus Issue and Demerger of
Fyffes' General Produce and Distribution Business
and**

**Proposed Cancellation of Listing on the Official List of the Irish Stock Exchange and the Official List of
the United Kingdom Listing Authority
and**

**Admission to Trading on the Irish Enterprise Exchange, which is regulated by the Irish Stock Exchange
Limited ("IEX") and on the Alternative Investment Market of the London Stock Exchange plc ("AIM")**

1. INTRODUCTION

On 7 September 2006 the Company announced the principal details of the proposed demerger of the General Produce and Distribution Business (the "Demerger") from Fyffes into a new, separately quoted company, Total Produce plc ("Total Produce"). It is intended that Total Produce will be owned 100% by Fyffes' Shareholders, and will be quoted on the IEX market of the Irish Stock Exchange and the AIM market of the London Stock Exchange. In addition, the Board today announced its intention to implement the "fast track" admission procedures applicable to companies moving from the Official List of the Irish Stock Exchange ("ISE") to IEX and from the Official List of the United Kingdom Listing Authority ("UKLA") to AIM, and to apply for the cancellation of its listing on the Official Lists (together the "Commute"). The Commute is not conditional on the Demerger proceeding. The Board believes that the Commute is in the best interests of the Company and Shareholders as a whole, whether or not the Demerger is approved.

Due to the size of the transaction, the Demerger is conditional, inter alia, on the approval of Shareholders, which is being sought at the EGM. Subject to, inter alia, this approval, the Demerger is expected to become effective on 30 December 2006 and Total Produce Shares are expected to be admitted to trading on IEX and AIM on 2 January 2007. The cancellation of the Listing is also conditional, inter alia, on the approval of Shareholders. I am writing to you today to give you full details of the Proposals and to ask you to vote in favour of the Resolutions.

The purpose of this document is:

- (a) to provide you with full details of the Proposals;
- (b) to explain why your Board believes that the Proposals are in the best interests of Fyffes and its Shareholders;
- (c) to explain to you the Resolutions to be put to Shareholders at the Extraordinary General Meeting; and
- (d) to seek your vote in favour of the Resolutions.

You will find a Form of Proxy for the Extraordinary General Meeting enclosed with this document. The EGM will be held at the Westin Hotel, College Green, Dublin 2 at 10am on 5 December 2006.

The Resolutions require your approval at the EGM. In order for the Resolutions to be implemented, it is important that there is sufficient Shareholder support. I therefore ask you to vote at the EGM either in person or by completing the Form of Proxy. I recommend you read the whole of this document and not rely solely on the summarised information contained in this letter.

2. BACKGROUND TO AND REASONS FOR THE DEMERGER

Fyffes' current operations comprise two distinct businesses, its Tropical Produce Business and its General Produce and Distribution Business. The Board has decided that it is in the best interests of Shareholders to demerge the General Produce and Distribution Business from Fyffes for the following reasons:

Financial Rationale

The Board believes that the current market valuation of Fyffes does not adequately reflect the value of the Company's component parts. Consequently, it is the Board's belief that the separation of these two business units will facilitate the creation of incremental Shareholder value through greater transparency of each units' financial performance. The Demerger, together with the Commute, will create two separate listed companies quoted on IEX and AIM allowing Shareholders to attribute value more specifically.

Strategic Rationale

Fyffes' two trading businesses, the Tropical Produce Business and the General Produce and Distribution Business, operate within different segments of the distribution chain with separate operational management and facilities. The Tropical Produce Business is integrated back to the source of production and is primarily involved in the production, procurement, shipping and marketing of bananas, pineapples and melons which are sourced from Central America. The General Produce and Distribution Business is primarily involved, through the utilisation of its 66 distribution and wholesale facilities and five ancillary offices throughout Europe, in the distribution and marketing of a broad range of fresh produce, including produce sourced from the Tropical Produce Business, to both retail and wholesale customers.

The Tropical Produce Business and General Produce and Distribution Business have different risk profiles. The Tropical Produce Business has a higher economic risk profile as it acts as principal by sourcing most of its produce on an annual fixed price basis, whilst it markets most of its produce on either a weekly or short-term price basis. The General Produce and Distribution Business sources its produce on a daily or weekly basis and therefore is subject to a lower market risk.

The Board believes that the Demerger will enable both businesses to pursue independent growth strategies with the Tropical Produce Business continuing to pursue industry consolidation primarily within the Tropical Produce sector and the General Produce and Distribution Business primarily continuing to pursue acquisitions within the General Produce and Distribution sector. The Board also believes that the Demerger will enhance management focus as the respective Boards and management of Fyffes and Total Produce will be fully focused on the sector in which they operate and the Board believes that this will help the two businesses to maximise their performance.

3. PRINCIPAL TERMS OF THE BONUS ISSUE AND DEMERGER

Bonus Issue

In preparation for the Demerger, the Directors will make a Bonus Issue of B Tracker Shares to persons registered as Shareholders on the Demerger Record Date except that, where the Directors are advised that the issue of B Tracker Shares to an Overseas Shareholder would or may infringe the law of any jurisdiction or necessitate compliance with any special requirement, the Directors may determine that such B Tracker Shares shall be issued to a nominee on behalf of such Overseas Shareholder. Any Total Produce Shares resulting from such 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. Following the Bonus Issue, one B Tracker Share will have been issued for each Fyffes Share in issue at the Demerger Record Date.

The B Tracker Shares will neither be admitted to the Official Lists nor to trading on the Stock Exchanges' markets for listed securities nor to trading on IEX or AIM. The B Tracker Shares will be issued as fully paid up as to their nominal value by the capitalisation of up to €5,000 of the distributable reserves of the Company. The B Tracker Shares will have exclusive rights to vote on matters affecting the General Produce and Distribution Business and the exclusive right to all income and gains arising from the General Produce and Distribution Business. The B Tracker Shares will not be transferable. The B Tracker Shares will be capable of being redeemed by a distribution of the General Produce and Distribution Business to or for the benefit of the holders of the B Tracker Shares.

The B Tracker Shares will be issued on 29 December 2006 (assuming approval of Resolutions 1, 2 and 6 at the EGM).

The Demerger

The Demerger will take place on 30 December 2006 on the redemption of the B Tracker Shares, subject to the Business Transfer Agreement becoming unconditional. The Demerger will involve the transfer of the General Produce and Distribution Business to Total Produce in exchange for the allotment and issue by Total Produce of one Total Produce Share for each B Tracker Share in issue. The Demerger will cause the B Tracker Shares to be redeemed and cancelled.

As a result of the Bonus Issue and Demerger, Total Produce Shares will be issued to eligible Fyffes Shareholders as follows (assuming approval of Resolutions 1, 2 and 6 at the EGM):

For each 1 Fyffes Share held at the Demerger Record Date	1 B Tracker Share
and	
For each 1 B Tracker Share	1 Total Produce Share

The terms under which the General Produce and Distribution Business will be transferred to Total Produce are set out in the Business Transfer Agreement dated 6 November 2006 (a summary of which is contained in Section 8(1)(b) of Part 6 (Additional Information) of this document). The Business Transfer Agreement requires Total Produce to issue one Total Produce Share for every B Tracker Share in issue in consideration for the transfer from Fyffes of the General Produce and Distribution Business and the redemption and cancellation of the B Tracker Shares. The Business Transfer Agreement specifies the assets, liabilities and shareholdings that will be required to be transferred as part of the General Produce and Distribution Business. The Business Transfer Agreement requires Total Produce to assume the liabilities of the General Produce and Distribution Business, which will include €10 million of net bank debt and the assumption of an Everfresh Group share purchase obligation (as set out in Section 8(2)(a) of Part 6, (Additional Information), of this document) of an amount based on a multiple of average profits in the three years ending 31 December 2006, less the initial payment of €29.4 million, subject to a maximum remaining payment of €49.6 million. Fyffes is not giving any representations or warranties (other than limited warranties in respect of title to the shareholdings being transferred, capacity and corporate authority) in the Business Transfer Agreement in respect of the General Produce and Distribution Business it is transferring.

In addition to the approval of Resolutions 1, 2 and 6, the proposed Demerger is conditional, inter alia, on the approval of the issue and subsequent redemption and cancellation of the B Tracker Shares by the Board and on the allotment and issue of the Total Produce Shares by Total Produce pursuant to the Business Transfer Agreement. The Demerger is not conditional on Admission taking place. Accordingly, the Demerger may be completed without Total Produce Shares having been admitted to trading on IEX and AIM.

The Bonus Issue is not conditional on the Demerger so, if Resolutions 1 and 6 are approved but not Resolution 2, the Directors would have the authority to issue the unlisted, non-transferable B Tracker Shares to Fyffes Shareholders pursuant to the Bonus Issue. In these circumstances, the Board would meet to consider the appropriate action to take, and whether to proceed with the Bonus Issue. At that time, it would be open to the Directors to propose resolutions to Fyffes Shareholders amending the rights attaching to the B Tracker Shares. Further details of the Bonus Issue and Demerger are set out in Part 2 of this document.

Debt allocation

As at 30 June 2006, Fyffes had net cash of approximately €90 million. As part of the Proposals, Total Produce will be allocated net debt of €10 million.

Everfresh Group obligation

As at 30 June 2006, Fyffes had accrued €35 million in relation to the acquisition of the remaining 40% of Everfresh (as set out in Section 8(2)(a) of Part 6 (Additional Information) of this document), which is expected to complete by May 2007 (extracted without material adjustment from the consolidation schedules of the Fyffes unaudited Interim Results 2006). Total Produce will assume and discharge the obligation as part of the Proposals.

4. BACKGROUND TO AND REASONS FOR THE COMMUTE

After careful consideration, the Board has concluded that IEX and AIM are the most appropriate markets for the Fyffes Shares.

IEX, which was established in April 2005 by the Irish Stock Exchange, is a market designed primarily for small to mid-sized companies and is gradually attracting more companies. IEX was designed to complement a quotation on AIM.

AIM is a fast growing market focussed on growing companies. AIM companies enjoy wide investor support from both the institutional and retail investor communities. AIM is gradually attracting an increasing number of international companies.

The main market regulatory regime associated with membership of the Official Lists continues to become more demanding following the implementation of several EU directives which impose additional obligations on companies whose securities are admitted to trading on regulated markets and is therefore more costly for the Company.

Overall, the Board believes that the regulatory regime attaching to IEX and AIM companies is better matched to the circumstances of Fyffes, whether or not the Demerger is approved, than the regime attaching to larger companies on the Official Lists, which are subject to the Listing Rules. The principal differences between the obligations of an IEX and AIM quoted company and a company listed on the Official Lists are as follows:

- Under the IEX Rules and AIM Rules an IEX adviser and nominated adviser respectively, is required to be appointed at all times and has ongoing responsibilities to both the Company and the Irish Stock Exchange and London Stock Exchange respectively. Davy would be appointed as IEX adviser to Fyffes under the IEX Rules and as nominated adviser under the AIM Rules. On admission to IEX and AIM, Davy, which acts as sponsor to the Company in Ireland and the UK for the purposes of the Listing Rules, would continue to act as broker to the Company.
- Under the Listing Rules of the Irish Stock Exchange and the UK Listing Authority, a broader range of transactions require shareholder approval. For IEX and AIM companies prior shareholder approval is only required for reverse takeovers and disposals that result in a fundamental change of business (transactions that exceed 75% of various tests, such as the ratio of consideration to market capitalisation of the quoted company).
- There is no requirement under the IEX Rules or the AIM Rules for admission documents for further issues of securities (except in the context of a reverse takeover), unless as otherwise required by law.

Resolution 7 is not conditional on the passing of any other Resolutions. Therefore, if Resolution 7 is approved but the Demerger does not proceed, it is intended that the Company will proceed with the implementation of the Commute.

5. IMPLEMENTATION OF THE COMMUTE

By providing no less than 20 business days notice following the receipt of shareholder approval (to be sought at an Extraordinary General Meeting as referred to below), the Listing is expected to be cancelled at 8.00am on 10 January 2007. As the IEX and AIM admission procedures allow eligible companies commuting from the respective designated markets to gain admission by giving 20 business days notice to the Irish Stock Exchange and the London Stock Exchange respectively without being required to publish an admission document, it is expected that Fyffes' shares will be admitted to IEX and to AIM at the start of trading in each market on 10 January 2007, immediately following cancellation of the Listing.

Following its admission to IEX and AIM, the Company will be subject to the regulatory and disciplinary controls of IEX and of AIM as constituent markets of the Irish Stock Exchange and the London Stock Exchange respectively. The Fyffes Shares will continue to be eligible for inclusion on the ISEQ Index and be traded on the XETRA platform in Ireland. In the UK, the Fyffes Shares will continue to be traded on SEAQ and will also be eligible for inclusion in the FTSE AIM Index. Trading in Fyffes Shares following the transfer to IEX and AIM may be conducted in the same way as prior to the Commute.

6. INFORMATION ON THE TROPICAL PRODUCE BUSINESS

The Continuing Group will retain the Tropical Produce Business which is primarily involved in the production, procurement, shipping, ripening, distribution and marketing of bananas, pineapples and melons. This fruit is generally procured and shipped from Central and Latin America and is sourced under long term supply contracts with purchase prices agreed annually. The Tropical Produce Business currently markets fruit in Europe and the United States primarily under the Fyffes, Turbana and Nolem brands and is one of the leading importers of bananas into the EU. The acquisition in late 2005 of a 50% shareholding in Turbana Inc also gives the Tropical Produce Business a presence in the United States banana market. From a start-up position four years ago, this business is one of the leading marketers of supersweet pineapples globally and, following its recent acquisition of 60% of Nolem Comercial Importadora e Exportadora SA in Brazil, it is also now one of the leading suppliers of melons in Europe.

On completion of the Demerger, the Continuing Group will continue to pursue further industry consolidation in its three key Tropical Produce categories — namely bananas, pineapples and melons. Fyffes remains ambitious to apply the Continuing Group's resources and management expertise in order to continue to develop its business organically and through further acquisitions and alliances. The Board is focused on enhancing shareholder value as demonstrated by the Demerger. In the event that the Demerger does not proceed, the Board will continue to focus on enhancing Shareholder value, in accordance with the Continuing Group's existing strategy.

7. INFORMATION ON THE GENERAL PRODUCE AND DISTRIBUTION BUSINESS

The General Produce and Distribution Business is one of the leading operators within the European fresh produce distribution sector. It operates 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. It is primarily involved in the distribution of a broad range of fresh produce to both retail and wholesale customers under a range of brand names on a year round basis. The General Produce and Distribution Business is also one of the leading distributors of southern hemisphere fresh produce in Europe, in particular fresh produce sourced from South Africa.

The main companies, investments and businesses that will be transferred to Total Produce are set out below:

Group investment or business transferring to Total Produce	Shareholding held by Fyffes %	Business description	Primary location
Fyffes Group Ireland Limited	100	General produce distributor	Ireland
Everfresh Group A/B	60	General produce distributor	Sweden
Brdr Lembcke A/S	100	General produce distributor	Denmark
EurobananCanarias SA	50	General produce distributor	Spain
Hortim sro	70	General produce distributor	Czech Republic
Produce business of Fyffes Group Ltd	100	General produce distributor	United Kingdom
Allegro Limited	90	Ambient goods distributor	Ireland
Peviani SpA	50	General produce distributor	Italy
Produce business of Fyffes BV	100	Importer of non-tropical fruit	Holland
Capespan International Holdings Limited	50	Importer of South African produce	United Kingdom

Rory Byrne is currently the executive director of Fyffes plc with operational responsibility for this division and he currently reports to David McCann, chief executive of Fyffes plc. Each of the companies or businesses transferring to Total Produce has a managing director who reports to Rory Byrne. The relevant managing directors are set out below:

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

Post the Demerger, Carl McCann will become executive chairman, Rory Byrne will become chief executive, Frank Gernon will become finance director and Frank Davis will become chief financial officer and company secretary of Total Produce. No further changes are anticipated in relation to the operating management structure as a consequence of the proposed Demerger.

Total Produce has been established specifically to become the ultimate holding company of the General Produce and Distribution Business and has not traded since its incorporation. Total Produce was incorporated on 6 October 2006 by Attleborough Limited, a company secretarial and formation company, for the purpose of the Demerger. Attleborough Limited is the legal and/or beneficial owner of all of the Total Produce Shares in issue at the date of this document and has agreed that these shares will be bought back for nil consideration and cancelled by Total Produce on the allotment and issue of the Total Produce Shares to the holders of B Tracker Shares. Fyffes does not currently hold any Total Produce Shares.

On completion of the Demerger, the objective of the General Produce and Distribution Business is to achieve further growth both organically and by pursuing bolt-on acquisitions within its sector.

The table below, the contents of which have been extracted without material adjustment from the financial information in Part 4 (Historical Financial Information for the General Produce and Distribution Business) of this document, summarises the trading results of the General Produce and Distribution Business for the three years ended 31 December 2005. The information has been prepared under Irish GAAP for 2003 and 2004 and under IFRS for 2004 and 2005.

	<i>Irish GAAP</i>		<i>IFRS</i>	
	<i>Year ended 31 Dec 2003 €'000</i>	<i>Year ended 31 Dec 2004 €'000</i>	<i>Year ended 31 Dec 2004 €'000</i>	<i>Year ended 31 Dec 2005 €'000</i>
Turnover	1,538,763	1,744,978	1,547,734	1,676,206
Operating profit including share of joint ventures and associates	<u>28,650</u>	<u>31,194</u>	<u>29,617</u>	<u>32,349</u>

As stated in Part 4 (Historical Financial Information for the General Produce and Distribution Business) of this document, Fyffes adopted IFRS with effect from 1 January 2005.

Further financial information on the General Produce and Distribution Business is set out in Part 4 of this document.

8. ONGOING RELATIONSHIPS BETWEEN FYFFES AND TOTAL PRODUCE

On completion of the Demerger, Fyffes and Total Produce will operate as separately quoted companies. Fyffes and Total Produce will continue to have trading relationships which will be conducted on an arm's length commercial basis. Both companies will enter into a number of arm's length commercial agreements which will become effective upon completion of the Demerger. These agreements, summarised below, reflect the current trading relationships.

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 shall be for an initial period of six years with a two year rolling notice of termination. Pricing will be agreed on an arms length basis. Total Produce 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 Total Produce 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 shall be 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.

Trade Mark Agreements

While Fyffes will retain ownership of its full range of "Fyffes" trade marks, under a Trade Mark Licence Agreement dated 6 November 2006, Fyffes will grant 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.

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 “Ramparts” 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 at Rotterdam, The Netherlands known as the “Banana Office” will be 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.

9. CURRENT TRADING

Based on its trading performance for the year to date, the Group’s expectations of its results for the full year 2006 remain in line with its previous announcements in this regard.

In the Group’s announcement on 28 November 2005, it stated that the EU’s decision to revise its system of regulating banana imports from 1 January 2006 would result in a changed trading environment for the industry. The Group indicated that the increase in the import tariff was expected to increase its duty costs by approximately €40 million per annum, based on prior year volumes. The Group also highlighted on 12 December 2005 that the impact of higher fruit, shipping and fuel costs and less favourable exchange rates was expected to be in the order of €15 million in 2006. On 2 May 2006 the Group announced that the cost of shipping fuel had been higher than anticipated and was not being recovered in selling prices and despite better than anticipated exchange rates, it expected that the additional impact of these factors on its full year results would be in the order of €9 million. These costs are likely to have a material impact on the Continuing Group’s prospects.

10. FINANCIAL EFFECTS OF THE DEMERGER

Assuming completion of the Demerger, the Demerger would have reduced Fyffes’ turnover by approximately €1,676 million, and operating profit by approximately €32 million, if the Demerger had taken place on 31 December 2005 (the turnover and operating profit figures are extracted without material adjustment from the historical financial information for the General Produce and Distribution Business in Part 4 (Historical Financial Information for the General Produce and Distribution Business) of this document). If the Demerger had taken place on 30 June 2006, Fyffes’ total net assets would have been reduced by €164 million, (extracted without material adjustment from the unaudited pro forma statement of net assets of Fyffes in Part 5 (Unaudited Pro Forma Statement of Net Assets of Fyffes following the Bonus Issue and the Demerger) of this document).

11. BOARD MEMBERS OF FYFFES FOLLOWING COMPLETION OF THE DEMERGER

Following completion of the Demerger, it is expected that the board of directors of Fyffes will comprise the following members:

D V McCann	<i>Chairman</i>
J P Tolan	<i>Chief Executive</i>
C Bos	<i>Chief Operating Officer</i>
T G Murphy	<i>Finance Director</i>
J D McCourt	<i>Non-Executive Director</i>
W M Walsh	<i>Non-Executive Director</i>
G B Scanlan	<i>Non-Executive Director</i>
Dr P F deV Clüver	<i>Non-Executive Director</i>
R B Hynes	<i>Non-Executive Director</i>

Rose Hynes will remain on the Board of Fyffes until 30 April 2007.

Profiles of the expected directors of Fyffes following completion of the Demerger are set out below:

Executive Directors

D V McCann, 48, Chairman, BCL. David McCann joined Fyffes in 1986, having previously qualified as a solicitor and practised as a partner in a leading Dublin law firm. He became Managing Director in 1989 with responsibility for the Group's operations. He was appointed Chief Executive in 1995.

J P Tolan, 43, Chief Executive, B Comm, FCA. Jimmy Tolan joined Fyffes in 1990 from KPMG. He managed the Group's acquisitions team from 1993. He was appointed to the board of directors of Fyffes as Corporate Development Director in 1999.

C Bos, 51, Chief Operating Officer. Coen Bos was a merchant navy ship's master and was active at sea until 1983. He subsequently joined Velleman & Tas BV in Holland and was its Banana Marketing Director when it was acquired by Fyffes in 1996. He was appointed to the position of Managing Director of the Group's Tropical Produce division in 2000. He was appointed to the board of directors of Fyffes on 1 January 2006.

T G Murphy, 46, Finance Director, B Comm, FCA. Tom Murphy joined Fyffes in 1990 from Coca Cola. He has held a number of senior accounting positions in Fyffes. He was appointed to the position of Finance Director and deputy Managing Director of the Group's Tropical Produce division in 2000. He is expected to be appointed to the board of directors of Fyffes on completion of the Demerger.

Non Executive Directors

Dr P F deV Clüver, 64, Non Executive, MBChB, ChM, MD, PhD. Dr Paul Cluver was appointed to the board of directors of Fyffes in 1999. He is Chairman of Capespan Pty Limited in South Africa. He is also Chairman of Unifruco, Vinfruco and Kromco in South Africa. He is a trustee of the Worldwide Fund for Nature SA.

J D McCourt, 60, Non Executive, MA, MBA. Declan McCourt was appointed to the board of directors of Fyffes in 2003. He is Chief Executive of automobile distributor, the OHM Group. He qualified as a barrister. He is a member of the Court of Bank of Ireland, a director of Dublin Docklands Development Authority, a director of Blackrock International Land plc, Chairman of the Mater Hospital Foundation and a director of a number of other companies.

G B Scanlan, 72, Non Executive, FIB. Gerry Scanlan was appointed to the board of directors of Fyffes in 1995. He is the nominated senior independent non executive director. He is a former Group Chief Executive of Allied Irish Banks plc and a former Chairman of the Irish Stock Exchange.

W M Walsh, 45, Non Executive, MSc. Willie Walsh was appointed to the board of directors of Fyffes in 2004. He is Chief Executive of British Airways plc. He was previously Chief Executive of Aer Lingus Group plc, having joined that company in 1979.

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.

Details of the Directors' and PDMR's interests in shares and share options in Fyffes are set out in Section 2 of Part 6 (Additional Information) in this document.

12. BOARD MEMBERS OF TOTAL PRODUCE

It is expected that the board of directors of Total Produce will, with effect from the completion of Demerger, comprise the following members:

C P McCann	<i>Executive Chairman</i>
R P Byrne	<i>Chief Executive</i>
J F Gernon	<i>Finance Director</i>
R B Hynes	<i>Non-Executive Director</i>
J J Kennedy	<i>Non-Executive Director</i>

Profiles of the expected directors of Total Produce following completion of the Demerger 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 InterTradeIreland, the Trade and Development Body established by the North-South Ministerial Council of Ireland. He is a director of a number of other companies.

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.

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 in 1998 and to the board of directors of Fyffes on 8 January 1998.

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.

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 will resign as a non executive director of Blackrock International Land plc with effect from 31 December 2006.

13. DIVIDEND POLICY

Future dividends will depend on the circumstances at the time and the dividend policy of Fyffes and Total Produce will be a matter for their respective boards of directors following the Demerger.

14. PENSIONS

The Demerger will result in some active members of three of the Group's defined benefit schemes transferring to new defined benefit pension schemes. The three schemes are the 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 completion of the Demerger, the active members of the Fyffes Group Ireland Limited pension scheme who are engaged in the Tropical Produce Business and who will remain with the Continuing Group, 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 Continuing 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 transferring members in respect of service up to completion of the Demerger. The new scheme will be funded on an ongoing basis by the Continuing Group and will have an identical benefit structure to the Fyffes Group Ireland Limited pension scheme. Following the Demerger, the Fyffes Group Ireland Limited pension scheme will continue to be operated in the same way as at present.

Fyffes Group Limited pension scheme

Fyffes Group Limited currently operates a defined benefit registered scheme, Fyffes Group Pension Scheme, which provides final salary benefits to members. The assets of the scheme are held by Fyffes Group Nominee Holdings Limited (the scheme trustee) separately from Fyffes Group Limited.

A full actuarial valuation of Fyffes Group Pension Scheme is carried out every three years with interim reviews in the intervening years. The last full actuarial valuation was carried out as at 31 October 2003 by the scheme actuary, Hewitt, Bacon & Woodrow Limited using the "Projected Unit Method".

A review of the scheme was carried out at 30 June 2006 which showed a gross deficit on an IAS 19 basis of STG£7.6 million.

The Demerger will result in the ownership of a number of legal entities 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.

It is intended that following the Demerger, the Fyffes Group Pension Scheme will continue to be operated in the same way as at present.

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. Following the Demerger, the Fyffes BV pension scheme will continue to be operated in the same way as at present.

15. CONTINUATION OF SHARE SCHEMES FOR EMPLOYEES IN THE TOTAL PRODUCE GROUP

Fyffes operates 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 Fyffes also incentivises employees by granting share options under the Share Option Scheme.

As Total Produce is planning to incentivise its employees in the same way as they have currently been incentivised in the Fyffes Group, it is proposed that Total Produce would operate exactly the same schemes following the Demerger. Accordingly, in Resolutions 3, 4 and 5, shareholders are being asked to authorise the establishment by the directors of Total Produce of an APSS, SIP and Share Option Scheme.

Full details of the APSS, SIP and the Share Option Scheme are set out in Section 9 of Part 6 (Additional Information) of this document.

16. TAXATION

It is envisaged that the Demerger will, if approved by Shareholders, be effected in a manner which should not, subject to the tax risk factors noted herein, give rise to a tax liability for Irish or United Kingdom resident or ordinarily resident shareholders. Shareholders resident outside Ireland and the United Kingdom may be liable to tax in their own jurisdictions.

The information on taxation contained in this document, which is intended as a general guide only, does not purport to be an exhaustive analysis of all possible tax considerations. In particular, the Irish and UK stamp duty consequences of the Demerger are not considered for Shareholders. The gift tax/inheritance tax consequences of the ownership of B Tracker Shares, Fyffes Shares or Total Produce Shares or the impact that a double tax agreement may have on any liability to tax are not considered nor are the consequences of any dividend payments by Total Produce and Fyffes.

Investors should, in all cases, satisfy themselves as to the tax consequences of the Demerger by consulting their own tax advisers. A more detailed outline of certain taxation issues for UK and Irish resident Shareholders in connection with the Demerger is provided in Section 5 of Part 2 (Further Details on the Bonus Issue and the Demerger) of this document.

17. SHAREHOLDER APPROVAL REQUIRED

At the Extraordinary General Meeting, you will be asked to approve the Resolutions. If passed, the Resolutions will approve the Proposals.

Further details of the Proposals are set out in Part 2 (Further Details on the Bonus Issue and the Demerger) of this document. The Resolutions are shown in full in the Notice. The Extraordinary General Meeting of the Company will be held at the Westin Hotel, College Green, Dublin 2 at 10am on 5 December 2006.

Summary of the Resolutions

Resolutions 1 and 6 are interconditional. The Bonus Issue is conditional upon the passing of Resolutions 1 and 6, but is not conditional upon the Demerger taking place. The Demerger is conditional, *inter alia*, upon the passing of Resolutions 1, 2 and 6, the approval of the redemption of the B Tracker Shares by the Board on the allotment and the issue of the Total Produce Shares pursuant to the Business Transfer Agreement. The Demerger is not conditional on Admission taking place. The Bonus Issue and the Demerger are not conditional on the Commute.

Resolution 1

The first Resolution is an ordinary resolution and it is intended to achieve the following:

- (i) *to alter the Company’s authorised share capital*

In order to allow for the issue of the B Tracker Shares, the Company proposes to increase the Company’s current authorised share capital to €45,005,000 (divided into 750,000,000 ordinary shares) and 500,000,000 B Tracker Shares. The rights attaching to the B Tracker Shares will be

included in the New Articles of Association, details of which are summarised in the description of Resolution 6 below. The same resolution will also cancel the A Tracker Shares which were authorised earlier this year but are no longer required following the demerger of Blackrock International Land plc.

(ii) *to authorise the Directors to issue the B Tracker Shares by way of the Bonus Issue*

As noted in paragraph (i) above, the Company proposes to increase its authorised share capital by the creation of 500,000,000 B Tracker Shares. Under section 20 of the 1983 Act, the Company must resolve in general meeting to authorise any allotment of relevant securities. No such prior authority exists in respect of the Bonus Issue and, accordingly, Shareholders' approval is being sought by ordinary resolution. The authority sought would give the Board, until the earlier of 31 May 2007 or the completion of the Demerger, authority to allot relevant securities up to €5,000 in nominal value, representing 500,000,000 B Tracker Shares or 0.02% of the total issued ordinary share capital of the Company (excluding Fyffes Treasury Shares) as at 3 November 2006 being the latest practicable date prior to the publication of this document. The Directors intend to use this authority to allot B Tracker Shares for the purposes of the Bonus Issue. The existing authority, which was given to the Directors for the purpose of section 20 of the 1983 Act at the 2005 annual general meeting, will remain unaffected by this new authority.

(iii) *to authorise the capitalisation of part of the Company's profit and loss account in order to fund the Bonus Issue of the B Tracker Shares*

Shareholder approval is being sought to capitalise up to €5,000 of the Company's profit and loss account in order to effect the Bonus Issue of 500,000,000 B Tracker Shares paid up as to their nominal value. In addition, Shareholders are being asked to authorise the Directors to take such action as they consider necessary or expedient to deal with any legal, regulatory or practical problems arising in any Overseas Territory, or the requirements of any regulatory body and otherwise to further and give effect to the provisions of this Resolution. This is necessary as there are legal restrictions in some Overseas Territories which may make it unduly onerous for the Company to issue the B Tracker Shares to Shareholders with addresses in such jurisdictions.

Resolution 2

The second Resolution is an ordinary resolution to approve the Business Transfer Agreement (further details of which are set out in Section 8(1)(b) of Part 6 (Additional Information) of this document. As the Demerger constitutes a Class 1 disposal for the purpose of the Listing Rules, prior Shareholder approval must be obtained before the Demerger can be implemented. In addition, Shareholders are being asked to authorise the Directors to determine the timing at which each of the steps required to effect the Demerger shall take place.

Resolutions 3, 4 and 5

In Resolutions 3, 4 and 5, shareholders are being asked to authorise the establishment by the directors of Total Produce of an APSS, SIP and a Share Option Scheme. Resolutions 3, 4 and 5 are all ordinary resolutions and are conditional on the passing of Resolutions 1 and 6.

Resolution 6

The sixth Resolution is a special resolution to amend the Memorandum and Articles of Association of the Company to facilitate the Bonus Issue, which is an integral part of the Demerger. If adopted, the amendments to the Memorandum and Articles of Association will provide for the following:

- (a) the description of the share capital of the Company in the Memorandum and Articles of Association will include the B Tracker Shares;
- (b) the New Articles of Association will provide that the B Tracker Shares shall be capable of being issued to Shareholders provided that, where the Directors are advised that the issue or transfer of B Tracker Shares to any Shareholder would or may infringe the law of any jurisdiction or necessitate compliance with any special requirement, the Directors may determine that such B Tracker Shares shall not be issued or transferred to any such Shareholders, and the Shareholders' entitlements shall be sold in the market on behalf of such Overseas Shareholder as soon as reasonably practicable at the best price which can reasonably be obtained at the time of sale, with the proceeds of such sale, net of sale and currency conversion expenses, being remitted to the Overseas Shareholder;

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- (c) the B Tracker Shares will have exclusive rights to vote on matters affecting the General Produce and Distribution Business and the exclusive right to all income and gains arising from the General Produce and Distribution Business; and
 - (d) the B Tracker Shares will be capable of being redeemed by a distribution of the General Produce and Distribution Business to or for the benefit of the holders of the B Tracker Shares.

The full terms of the proposed amendments to the Memorandum and Articles of Association will be available for inspection as described in Section 11 of Part 6 (Additional Information) of this document and at the location of the EGM for at least 15 minutes before the EGM and during the EGM.

Resolution 7

The seventh Resolution is a special resolution to effect the cancellation of listing on the Official Lists. This will facilitate the Commute.

Under Resolution 7 the approval of Shareholders is being sought to approve the cancellation of the Listing. The Listing Rules require that, in order to cancel the listing of Fyffes Shares on the Official Lists, Resolution 7 must be passed by a majority of not less than 75% of the holders of the Fyffes Shares as (being eligible to do so) vote in person or by proxy on the Resolution.

Assuming Resolution 7 is approved by Shareholders, Fyffes will give no less than 20 business days' notice of its intention to cancel the Listing. Application will be made for admission of the Fyffes Shares to IEX and AIM in parallel to safeguard continuity of a trading facility for Shareholders. It is expected that admission to IEX and AIM will become effective at the start of trading on each market at 8am on 10 January 2007, immediately following cancellation of the Listing.

Resolution 7 is not conditional on any of the other Resolutions being passed.

18. INFORMATION FOR OVERSEAS SHAREHOLDERS

United States

The B Tracker Shares and Total Produce Shares to be issued pursuant to the Bonus Issue and Demerger have not been registered under the US Securities Act of 1933.

Shareholders who are citizens of or resident in the United States are advised that the B Tracker Shares and Total Produce Shares have not been and will not be registered under the US Exchange Act of 1934. Total Produce expects to obtain an exemption from the reporting requirements of Section 12(g) of the US Exchange Act pursuant to Rule 12g3-2(b) thereunder. Pursuant to such exemption, so long as it has more than 300 shareholders resident in the United States, Total Produce will comply with the information requirements of Rule 12g3-2(b), which require Total Produce to furnish to the SEC information that (a) it has made or is required to make public in Ireland; (b) it has filed or is required to file with IEX and /or AIM and which was made public by IEX and AIM; or (c) it has distributed or is required to distribute to its shareholders. Information that is furnished to the SEC by Total Produce may be obtained from the public reference facilities maintained by the SEC in Washington, DC at prescribed rates.

Total Produce Shares are expected to be admitted to trading on IEX and AIM. Total Produce does not intend to obtain a quotation on Nasdaq or any other inter-dealer quotation system in the United States. Neither Fyffes nor Total Produce intend to take action to facilitate a market in either the B Tracker Shares or Total Produce Shares in the United States. Consequently, Fyffes believes that it is unlikely that an active market in the United States will develop for the B Tracker Shares or Total Produce Shares.

Neither the SEC nor any US state securities commission has approved or disapproved the B Tracker Shares or the Total Produce Shares or passed comment or opinion upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Other Jurisdictions

Any person who is resident in, or who has a registered address in, or is a citizen of an Overseas Territory and who is to receive B Tracker Shares and Total Produce Shares pursuant to the proposed Bonus Issue and the Demerger should consult his or her professional advisors and satisfy himself or herself as to the full observance of the laws of the relevant territory in connection therewith, including obtaining any requisite government or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory.

The implications of the Bonus Issue and the Demerger for Overseas Shareholders may be affected by the laws of their respective jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

In any case where Fyffes or Total Produce, as applicable, are advised that the issue or transfer of B Tracker Shares or Total Produce Shares to a Fyffes Shareholder would or may infringe the law of any jurisdiction or necessitate compliance with any special requirement, the directors of Fyffes or Total Produce, as applicable, may determine that such B Tracker Shares or Total Produce Shares, as applicable, shall not be issued in, or transferred into, the name of such Overseas Shareholder. Instead the Total Produce Shares to which the Overseas Shareholder is entitled will be allotted to a nominee and sold in the market on behalf of such Shareholder as soon as reasonably practicable following Admission at the best price which can reasonably be obtained at the time of sale, with the proceeds of such sale, net of sale and currency conversion expenses, being remitted to the Overseas Shareholder.

19. ACTION TO BE TAKEN

You will find enclosed within this document a Form of Proxy for use at the Extraordinary General Meeting or at any adjournment thereof. You are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible, but in any event so as to be received no later than 10am on 3 December 2006, to the Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland.

The return of a Form of Proxy will not preclude you from attending the EGM and voting in person if you wish to do so.

CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice. The lodging of the Form of Proxy (or the electronic appointment of a proxy) will not preclude you from attending and voting at the EGM in person if you so wish. Only Shareholders may vote at the Extraordinary General Meeting.

20. EFFECT OF THE DEMERGER ON THE SHARE OPTION SCHEME

It is expected that all Group employees who will become employees of the Total Produce Group as a consequence of the Demerger, will do so because of the transfer to Total Produce of the issued share capital in their employer companies. In these circumstances, the rules of the Fyffes 1997 Share Option Scheme (the "Share Option Scheme") provide that the vested share options held by such persons will remain exercisable following the Demerger.

Arising from the Bonus Issue and the subsequent redemption of the B Tracker Shares pursuant to the Demerger (as described in Section 3 of this Part 1), the Compensation Committee shall, in accordance with the provisions of the Share Option Scheme, require all unvested options which have not lapsed, to be surrendered for a nil payment or a cash payment equal to their market value as computed by an independent external advisor. All vested options will remain exercisable post the Demerger but will be adjusted by the Compensation Committee in accordance with the provisions of the Share Option Scheme. Prior to finalising such adjustment, the Compensation Committee is required under the rules of the Share Option Scheme to obtain confirmation in writing from the auditors of the Company that in their opinion such adjustment is fair and reasonable.

21. FURTHER INFORMATION

Your attention is drawn to the further information set out in Part 2 (Further Details on the Bonus Issue and the Demerger) to Part 6 (Additional Information) of this document.

Neither Fyffes nor Total Produce is raising funds as part of the Demerger or the Commute and neither will have a shareholding in the other following the Demerger. Following the expected resignation of Rose Hynes from the Board on 30 April 2007, there will be no common directors on the board of directors of Fyffes and Total Produce.

22. RECOMMENDATION

The Board, which has been so advised by Davy in its capacity as financial advisor to Fyffes, considers the terms of the Bonus Issue, the Demerger and the Commute to be in the best interest of the Company and Shareholders as a whole. In providing advice to the Board, Davy has relied upon the Board's commercial assessments of the proposed Bonus Issue and Demerger of Fyffes General Produce and Distribution Business.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the EGM, as they intend to do in respect of their own beneficial holdings, amounting to 2,709,792 Ordinary Shares which represent approximately 0.8% of Fyffes' existing issued ordinary share capital.

Yours sincerely,

CARL McCANN
Chairman

PART 2 — FURTHER DETAILS ON THE BONUS ISSUE AND THE DEMERGER

1. SUMMARY OF THE BONUS ISSUE AND THE DEMERGER

If fully implemented, the Bonus Issue and the Demerger will result in a new publicly quoted company, Total Produce, becoming the holding company for the General Produce and Distribution Business. The Proposals require Shareholder approval pursuant to the Listing Rules.

Following completion of the Demerger, in addition to the shares you own in Fyffes, you will also hold shares in Total Produce. Eligible Fyffes Shareholders will receive:

For each 1 Fyffes Share held at the Demerger Record Date 1 B Tracker Share
and
For each B Tracker Share 1 Total Produce Share

In order to effect the Bonus Issue and the Demerger in the most efficient way, it is proposed that they will be implemented in several steps as follows:

The Bonus Issue

At the EGM, the Company proposes to create the B Tracker Shares as a new class of redeemable shares. These shares will have exclusive rights to vote on matters affecting the General Produce and Distribution Business and the exclusive right to all income and gains arising from the General Produce and Distribution Business. The B Tracker Shares will not be transferable. Following the creation of the B Tracker Shares a bonus issue of these shares will be made to, or for the benefit of, all eligible Fyffes Shareholders on the Fyffes Share Register at the Demerger Record Date equal to the number of Fyffes Shares held by them on the basis of:

For each 1 Fyffes Share held at the Demerger Record Date 1 B Tracker Share

The Directors will allot and issue B Tracker Shares to persons registered as Fyffes Shareholders on the Demerger Record Date, provided that where the Directors are advised that the issue of B Tracker Shares to a Fyffes Shareholder would or may infringe the law of any jurisdiction or necessitate compliance with any special requirement, the Directors may determine that such B Tracker Shares shall be issued to a nominee on behalf of such Shareholder, and the Total Produce Shares resulting from such Shareholder's entitlement to B Tracker Shares shall be sold in the market on behalf of such Shareholder as soon as reasonably practicable at the best price which can reasonably be obtained at the time of sale, with the proceeds of such sale, net of sale and currency conversion expenses, being remitted to the Shareholder. As the Fyffes Treasury Shares do not carry the right to receive distributions, the Fyffes Treasury Shares will be ignored for the purpose of calculating the entitlements to B Tracker Shares. The names and addresses of the holders of the B Tracker Shares will be entered into the Fyffes Share Register. Following the Bonus Issue, one B Tracker Share will have been issued for each Fyffes Share in issue at the Demerger Record Date.

The B Tracker Shares will be issued on 29 December 2006, assuming the relevant Resolutions are approved.

The Demerger

The Demerger will take place on 30 December 2006, following the issue of the B Tracker Shares, subject to the Business Transfer Agreement becoming unconditional. 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 on the basis of:

For each B Tracker Share 1 Total Produce Share

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 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 will cause the B Tracker Shares to be redeemed and cancelled.

Fyffes Shareholders are being asked to approve Resolutions 1, 2 and 6 to effect the Bonus Issue and the Demerger.

2. CONDITIONS OF THE BONUS ISSUE AND THE DEMERGER

The Bonus Issue is conditional upon the passing of Resolutions 1 and 6, but is not conditional upon the Demerger taking place. The Demerger is conditional, inter alia, upon the passing of the Resolutions 1, 2 and 6 and the approval of the redemption of the B Tracker Shares by the Board on the allotment and issue of the Total Produce Shares pursuant to the Business Transfer Agreement. The Demerger is not conditional on Admission taking place or the Commute occurring. The Notice of the Extraordinary General Meeting appears on pages 56 to 58 of this document.

3. ADMISSION, SHARE CERTIFICATES AND CREST

Admission

Application will be 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 8am on 2 January 2007. The Total Produce Shares will rank *pari passu* for distributions.

Share Certificates

Holders of B Tracker Shares on the Fyffes Share Register at the Demerger Record Date will constitute the opening register of members of Total Produce.

The entitlement to receive Total Produce Shares pursuant to the Demerger is not transferable save to satisfy valid market claims. 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. 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 New Articles of Association permit the holding of Fyffes Shares and 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.

4. CONTINUING ARRANGEMENT BETWEEN FYFFES AND TOTAL PRODUCE

Following implementation of the Demerger, any business arrangement between any member of the Continuing Group and Total Produce will be entered into at arm's length. Further details are set out in Section 8 of Part 1 (Letter from the Chairman of Fyffes) of this document.

5. IRISH AND UK TAXATION

The following is intended as a brief and general guide only based on current legislation and revenue authority practices in Ireland and in the United Kingdom (which may change in the future) and does not constitute legal advice. It is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it.

All Fyffes Shareholders should satisfy themselves as to the consequences of the Bonus Issue and the Demerger by consulting with their own tax advisors.

Irish Taxation

The following paragraphs summarise certain aspects of the Irish taxation position only for those Fyffes Shareholders who:

- are resident or ordinarily resident in Ireland for tax purposes;
- beneficially own their Fyffes Shares;
- hold their Fyffes Shares as an investment; and
- receive Total Produce Shares.

The Bonus Issue and the Demerger

Fyffes has received confirmation from the Revenue Commissioners of the Irish taxation implications of the Bonus Issue and the Demerger. On the basis of the confirmations obtained, no Irish tax liability should arise for Shareholders solely by reason of the Bonus Issue and the Demerger.

(a) Income tax

The Revenue Commissioners have confirmed that, in accordance with established revenue practice, the Demerger will not be treated as giving rise to a distribution taxable as income in the hands of Shareholders.

(b) Capital gains tax and corporation tax on chargeable gains

The Revenue Commissioners have confirmed that, for the purposes of Irish taxation of chargeable gains, reorganisation relief should be available to Shareholders in respect of the issue of B Tracker Shares and their cancellation subsequent to the issue to them of Total Produce Shares. Accordingly, such Fyffes Shareholders should not be treated as making a disposal of their Fyffes Shares and the Total Produce Shares issued should be treated as the same asset and as having been acquired at the same time as the Fyffes Shares. The allowable original cost of a Shareholder's holding of Fyffes Shares should be apportioned between his Fyffes Shares and the Total Produce Shares issued to him pursuant to the Demerger by reference to the market value of Fyffes Shares and Total Produce Shares on the date of Admission.

Subsequent disposal of Total Produce Shares

A subsequent disposal of all or any of the Total Produce Shares acquired pursuant to the Demerger may give rise to a gain or loss for the purposes of liability to Irish taxation on chargeable gains.

A Total Produce shareholder who is resident or ordinarily resident in Ireland for taxation purposes and who realises a gain in respect of any Total Produce Shares will, subject to the shareholder's particular circumstances and subject to any exemptions or reliefs, be liable to Irish capital gains tax or corporation tax on that gain.

An Irish resident investor who becomes a Total Produce shareholder and who ceases to be Irish resident for a period of less than five years and who disposes of shares during that period may be liable, on a return to Ireland, to capital gains tax on any gain realised.

Subsequent disposal of Fyffes Shares

A subsequent disposal of all or any of the Fyffes Shares may give rise to a gain or loss for the purposes of Irish taxation tax on chargeable gains.

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

An Irish resident investor who is a Shareholder and who ceases to be Irish resident for a period of less than five years and who disposes of Fyffes Shares during that period, may be liable, on a return to Ireland, to capital gains tax on any gain realised.

UK Taxation

The following paragraphs summarise certain aspects of the United Kingdom taxation position only for those holders of Fyffes Shares who:

- are resident or ordinarily resident in the United Kingdom for tax purposes;
- beneficially own their Fyffes Shares;
- hold their Fyffes Shares as an investment; and
- receive Total Produce Shares.

The Bonus Issue and the Demerger

(a) Income tax

HM Revenue and Customs has confirmed that the Demerger should not give rise to a receipt of relevant foreign income for the purposes of UK income tax or income arising from a foreign possession for the purposes of UK corporation tax.

(b) Capital gains tax and corporation tax on chargeable gains

For the purposes of UK taxation of chargeable gains, reorganisation relief should be available to Fyffes Shareholders in respect of the issue of B Tracker Shares and their cancellation subsequent to the issue to them of Total Produce Shares. Accordingly, such Fyffes Shareholders should not be treated as making a disposal of their Fyffes Shares and the Total Produce Shares issued should be treated as the same asset and as having been acquired at the same time as the Fyffes Shares. The allowable original cost of a Fyffes Shareholder's holding of Fyffes Shares should be apportioned between his Fyffes Shares and the Total Produce Shares issued to him pursuant to the Demerger by reference to the market value of Fyffes Shares and Total Produce Shares on the date of Admission.

Fyffes Shareholders are advised that clearance has been granted by HM Revenue and Customs under Section 707 of the Income and Corporation Taxes Act 1988 in respect of the Demerger. Fyffes Shareholders who, alone or together with persons connected with them, hold more than 5% of, or any class of shares in or debentures of Fyffes are advised that clearance has been received from HM Revenue and Customs under Section 138 of the Taxation of Chargeable Gains Act 1992 in respect of the Demerger. Accordingly, HM Revenue and Customs has confirmed it is satisfied that the Demerger is effected for bona fide commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is an avoidance of liability to capital gains tax or corporation tax.

Subsequent disposal of Total Produce Shares

A subsequent disposal of all or any Total Produce Shares acquired pursuant to the Demerger may give rise to a gain or loss for the purposes of UK taxation of chargeable gains.

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

Total Produce shareholders who are temporarily non-resident for a period of less than five years may be subject to UK tax on disposals of their shares as if, broadly, the disposal was made in such shareholders' year of return to the UK.

Subsequent disposal of Fyffes Shares

A subsequent disposal of all or any Fyffes Shares may give rise to a gain or loss for the purposes of UK taxation of chargeable gains.

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

Shareholders who are temporarily non-resident for a period of less than 5 years may be subject to UK tax on disposals of their Fyffes Shares as if, broadly, the disposal was made in such Shareholders' year of return to the UK.

PART 3 — RISK FACTORS

The following risk factors should be considered carefully by Shareholders when deciding whether or not to vote in favour of the Resolutions. The risk factors should be read in conjunction with all other information relating to the Continuing Group, the General Produce and Distribution Business, the Demerger, Admission and the Commute contained in this document. The risks and uncertainties set out below are those which the Directors believe are material risks relating to the Continuing Group, the General Produce and Distribution Business, the Demerger, Admission and the Commute. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently consider to be immaterial, may also have a material adverse effect on the Continuing Group, the General Produce and Distribution Business, the Demerger, Admission and the Commute. The headings for each risk factor set out in this Part 3 (Risk Factors) are not definitive and you should read in their entirety each risk factor.

1. RISKS RELATING TO THE DEMERGER

Business risks

The operations of the Continuing Group will be smaller and its activities less diverse. Should any one of its operations under-perform, this may have a larger impact on the Continuing Group than it would on the Fyffes Group prior to the Demerger. Similarly, under-performance of any one of the General Produce and Distribution Business's operations is likely to have a larger impact on the Total Produce Group than it would on the Fyffes Group prior to the Demerger.

Issue of B Tracker Shares

The B Tracker Shares will neither be admitted to the Official Lists nor to trading on the Stock Exchanges' markets for listed securities, nor to trading on IEX or AIM. The B Tracker Shares will be issued as fully paid up as to their nominal value by the capitalisation of up to €5,000 of the distributable reserves of the Company. The B Tracker Shares will have exclusive rights to vote on matters affecting the General Produce and Distribution Business and the exclusive right to all income and gains arising from the General Produce and Distribution Business. The B Tracker Shares will not be transferable. The B Tracker Shares will be capable of being redeemed by a distribution of the General Produce and Distribution Business to or for the benefit of the holders of the B Tracker Shares.

In addition to the approval of the relevant Resolutions, the proposed Demerger is conditional, inter alia, on the approval of the issue and subsequent redemption and cancellation of the B Tracker Shares by the Board and on the allotment and issue of the Total Produce Shares by Total Produce pursuant to the Business Transfer Agreement. The Demerger is not conditional on Admission taking place. Accordingly, the Demerger may be completed without Total Produce Shares having been admitted to trading on IEX and AIM.

The Bonus Issue is not conditional on the Demerger so, if Resolutions 1 and 6 are approved but not Resolution 2, the Directors would have the authority to issue the unlisted, non-transferable B Tracker Shares to Fyffes Shareholders pursuant to the Bonus Issue. In these circumstances, the Board would meet to consider the appropriate action to take, and whether to proceed with the Bonus Issue. At that time, it would be open to the Directors to propose resolutions to Fyffes Shareholders amending the rights attaching to the B Tracker Shares.

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 Fyffes Shares and Total Produce Shares could impact their market price

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

2. RISKS IN RELATION TO THE CANCELLATION OF THE LISTING AND ADMISSION TO IEX AND AIM

Both IEX and AIM are markets designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The IEX Rules and the AIM Rules are less demanding than those applicable to companies listed on the Official Lists with fewer transactions to be subject to shareholder approvals and less shareholder documentation to be subject to regulatory review and approval.

While the market in Fyffes Shares is expected to continue to operate as effectively on IEX and AIM as on the Official Lists, the future success and liquidity of these markets for the Fyffes Shares cannot be guaranteed. The market in the Company's shares may, therefore, be less liquid or subject to fluctuations following the Commute.

In the event that the Demerger is not approved, and where Shareholders approve the Commute, the Company intends to proceed with the implementation of the Commute. Therefore Shareholders must be mindful when voting that the existing Fyffes shares may, following the EGM, commute to IEX and AIM.

In the event that the Resolution to effect the Commute is not approved, the Continuing Group will retain its listing on the Official Lists.

3. RISKS RELATING TO THE CONTINUING GROUP'S OPERATIONS

This section describes the risks that could materially affect the Continuing Group. The risks below are not the only ones that the Continuing Group faces. Some risks may exist that are not yet known to Fyffes and some risks that Fyffes does not currently believe to be material could later turn out to be material. Each of these risks could materially affect the Continuing Group's business, turnover, operating profit, earnings, net assets, liquidity and/or capital resources.

Regulation of the EU banana market

Up to the end of 2005, EU banana imports were regulated by a system of quotas and duties. From 1 January, 2006, the quantitative restrictions on certain Latin American sources of bananas were removed and the applicable duty was increased from €75 per tonne to €176 per tonne. Bananas from ACP countries continue to benefit from duty-free access for up to 775,000 tonnes per annum. This regulatory change is expected to increase Fyffes' duty costs by approximately €40 million per annum, based on prior year volumes. The impact on selling prices of the elimination of quotas on banana volumes imported from Latin America is still being assessed. In addition any further changes in the duty rate for third country bananas, changes in the manner in which the ACP quota is administered or changes in the duty-free status for bananas from ACP countries could have a material adverse effect on Fyffes' business, results of operations and financial condition.

Earnings sensitivity to market conditions

Fyffes' earnings are significantly dependent on the selling prices obtained for Tropical Produce. Tropical Produce competes directly in any given market with other imported fresh produce and with local production when in season. Pricing is largely determined by market supply of and demand for Tropical Produce and competing fresh produce. Market demand is a function of population size, per capita consumption, the availability and quality of Tropical Produce, the availability, quality and price of locally produced or imported competing products and climatic and other general conditions in the marketplace. The global and individual country markets can from time to time be over-supplied. Excess supplies of Tropical Produce or competing

fresh produce could lead to reduced selling prices for Tropical Produce and could have a material adverse effect on Fyffes' business, results of operations and financial condition. In such a trading environment it can be difficult to pass on inflationary increases in supply chain costs to customers.

Currency exposure

The primary costs of Fyffes' Tropical Produce Business are the costs of fruit, shipping and fuel. Most of these costs are in US dollars while most sales are made in Euro and Sterling. Although Fyffes may engage in foreign currency hedging transactions from time to time, there can be no assurance that those hedging transactions will be sufficient to protect against adverse exchange rate fluctuations, meaning that the results of Tropical Produce operations may be affected by fluctuations in exchange rates. A strengthening of the US dollar against the Euro and Sterling could have a material adverse effect on the Continuing Group's business, results of operations and financial condition.

Possible loss of sales 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, Fyffes relies on positive brand recognition. It is possible that serious quality issues and, in particular, contamination of produce whether deliberate or accidental, could have a significant negative impact on sales revenue.

Highly competitive industry

Fyffes may face significant competition, both actual and potential, including competition from global rivals which have large capital resources in the same business as that carried on by Fyffes. Competition in the industry is based upon, amongst other things: the range, price, quality of products and the service offer, geographical reach and reputation. If Fyffes does not compete effectively, the Continuing Group's business, results of operations and financial condition could be materially adversely affected.

Risks of operating internationally

The Continuing Group's operations are in part dependent upon activities and investments in jurisdictions outside of the EU. Although Fyffes aims to co-operate with and invest only in countries that are politically stable, these operations and investments are subject to risks that are inherent in operating in certain foreign countries, including:

- political changes and economic crises may lead to significant changes in the business environment; and
- economic downturns, political instability, war or civil disturbances may disrupt individual markets.

Production and related sourcing risks

Adverse weather and other unfavourable conditions for Tropical Produce production can adversely affect crop size and quality. In extreme circumstances, entire harvests may be lost in specific geographic areas. These factors can increase costs, decrease revenues and lead to additional charges to earnings which, from time to time, may have a material adverse effect on the Continuing Group's business, results of operations and financial condition.

EU Competition Investigation

The European Commission is currently undertaking an investigation into whether there have been infringements of Article 81 of the Treaty of Rome and Article 53 of the EEA agreement by businesses involved in the supply of bananas and pineapples within the EEA. In June 2005 the Commission carried out inspections at a number of companies operating in these markets, including Fyffes. At this time, it is not possible for Fyffes to determine the final outcome of these investigations, including whether the European Commission may seek to impose any fines and, if so, the level of any such fines. To date, Fyffes has received two requests for information from the Commission and is co-operating with it in relation to this matter.

Joint ventures

The Continuing Group operates some of its businesses through joint ventures in which its rights to control business decisions are limited. The Continuing Group may enter into additional joint ventures in the

future. The approval requirements imposed by certain joint venture agreements may limit the Continuing Group's flexibility and ability to implement strategies and tactics that it believes are in its and the joint venture's best interests.

Social responsibility issues

There are social and environmental issues associated with the products that Fyffes sources and sells, particularly as much of its Tropical Produce supplies originate in developing countries. Fyffes' works closely with its suppliers to minimise the environmental impact of production and to promote best practice in terms of social and ethical standards, particularly as regards labour welfare. Fyffes expects to incur expenditure on an ongoing basis to comply with this best practice. Promotion of best practice could increase Fyffes' expenses. In addition, the reputation of the Continuing Group could be damaged by a significant failure to meet these standards.

Dependence on key management personnel

The Continuing Group 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 the Continuing Group's business, results of operations and financial condition. Fyffes does not maintain key-man insurance for its executive directors because the Board believes that the cost of obtaining key-man insurance is disproportionate to its usefulness.

Importance of acquisition activity

The Company's growth strategy is firmly focused on making acquisitions and alliances to increase Shareholder value. There can be no guarantee that Fyffes will be able to source and execute suitable acquisitions in the future.

General investment/market risks

A number of factors outside the Continuing Group'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.

Concentration of customers

The Continuing Group's customers will primarily be major retailers and wholesalers. Increasingly, the retail customers are large supermarket chains which have large and growing shares of the markets in which they operate. The increasing concentration in the market, means that it is more difficult for the Continuing Group to pass on unexpected cost increases in the price of fruit, shipping, fuel or other costs when they arise. The increasing concentration of customers also increases credit risk.

Transportation risks

An extended interruption in Fyffes' ability to ship or distribute its products could have a material adverse effect on the Continuing Group's business, financial condition and results of operations. While Fyffes believes it is adequately insured and would attempt to transport its products by alternative means if there was an interruption due to strike, natural disasters or otherwise, the Company cannot be sure that it would be able to do so or be successful in doing so in a timely and cost-effective manner. Shipping and fuel are among the principal costs of the Company. In the event of an increase in these costs, the Continuing Group may not be able to pass on these higher costs to customers.

Future trading relationships with Total Produce

Following completion of the Demerger, approximately 20% of Fyffes' revenue will be derived from sales to Total Produce and, consequently, Fyffes will be exposed to the future operational performance of Total Produce's business.

Blackrock International Land plc

Fyffes owns 40% of Blackrock International Land plc, the quoted property company which was formed and listed on IEX and AIM following the demerger of Fyffes' property undertaking in May of this year.

This investment is a material asset of Fyffes and as at 3 November 2006, being the latest practicable date prior to the publication of this document, has a market value of approximately €89m. The value of the investment in Blackrock will be linked to the performance of the property markets in Ireland, the United Kingdom and other markets in which it may invest in the future. Its performance will depend on a number of factors including its ability to retain its key employees, the success of its management team in sourcing new profitable property opportunities, exploiting the development and redevelopment opportunities presented by its existing properties and on Blackrock's ability to raise debt funding as required and to meet financing related obligations. A decline in the performance of Blackrock could have a material adverse affect on Fyffes' financial condition.

Tax treatment of the transactions contemplated in this document

The tax treatment of the transactions contemplated in this document may differ from the treatment currently anticipated if any of the opinions given by the Revenue Commissioners to Fyffes in connection with the transactions contemplated in this document, or any of the opinions given by HM Revenue and Customs to Fyffes in connection with this document, are withdrawn after completion.

4. RISKS RELATING TO TOTAL PRODUCE OPERATIONS

Following the Bonus Issue and the Demerger, Shareholders will acquire an interest in Total Produce and, as a result, will become subject to the risks affecting Total Produce, its business and financial condition. These risks include but are not limited to:

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 are primarily major retailers and wholesalers. Increasingly, Total Produce's retail customers will be large supermarket chains which have large 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.

Highly competitive industry

Total Produce may face significant competition, both actual and potential, including competition from European rivals which have large capital resources in the same business as that carried on by Total Produce. Competition in the industry is based upon, amongst other things the range, price and quality of products and services offered, geographical reach and reputation. 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 will be 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 to its usefulness.

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 will seek 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 consolidated net debt of €10 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.

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.

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 operational performance of Fyffes' bananas and pineapples.

5. RISKS RELATING TO FYFFES AND TOTAL PRODUCE

The following additional risks could materially affect the Continuing Group and Total Produce upon implementation of the Demerger:

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

Statements in this document with respect to Fyffes' or Total Produce'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 the Proposals may result in increased expense and a decline in profitability such that the shareholders of Fyffes or Total Produce may not realise all of the anticipated benefits of the proposals, either in a timely manner or at all.

Loss of diversification benefits and failure to realise other anticipated benefits

At present Fyffes' fresh produce operations comprise the two distinct businesses of the Tropical Produce Business and the General Produce and Distribution Business, which have different modes of operation. The Tropical Produce Business purchases under contract, takes ownership of and bears the market risk on the products which it sells. It takes charge of the related procurement and shipping activities. Total Produce will act primarily as a marketer and distributor of fresh produce for the major international producer organisations. As such the businesses bear different risks and, to a large extent their financial performance and prospects are impacted by different and unrelated factors which provide a diversification benefit. Following completion of the Proposals, there could be a greater risk of share price volatility for Fyffes and Total Produce, as this diversification benefit will cease to exist.

Both Fyffes and Total Produce will have smaller capital bases and therefore potentially carry more risks as separate entities than combined

Following completion of the Proposals, Fyffes and Total Produce will individually have reduced asset bases and levels of revenue and profit compared to Fyffes prior to the implementation of the Proposals. This increases the risks to Total Produce and the Continuing Group and should either or both new entities under-perform, there may be a larger impact on the separated groups' capital base than when combined.

PART 4 — HISTORICAL FINANCIAL INFORMATION FOR THE GENERAL PRODUCE AND DISTRIBUTION BUSINESS

Financial information relating to the General Produce and Distribution Business

Shareholders should read the whole of this document and should not rely only on the financial information contained in this Part 4 (Historical Financial Information for the General Produce and Distribution Business). The Demerger comprises the disposal of the General Produce and Distribution Business. The financial information below has been extracted without material adjustment from the consolidation schedules used to prepare IFRS and Irish GAAP audited consolidated accounts of Fyffes for the three financial years ended 31 December 2003, 2004 and 2005 and the unaudited interim accounts of Fyffes for the 6 months ended 30 June 2006.

The IFRS and Irish GAAP financial information set out below has been prepared for the purposes of this document and does not constitute statutory accounts within the meaning of Section 4 of the Companies (Amendment) Act 1986. The consolidated statutory accounts of Fyffes for the three years ended 31 December 2003, 2004, and 2005 have been audited without qualification by KPMG, Chartered Accountants and Registered Auditors, of 1 Stokes Place, St Stephens Green, Dublin 2, Ireland. No audit was conducted in respect of the six month period ended 30 June 2006.

Combined profit and loss account for the General Produce and Distribution Business for the years ended 31 December 2004 and 2003 (Irish GAAP)

	2004	2003
	€'000	€'000
Turnover including share of joint ventures and associates	1,744,978	1,538,763
Less: Share of joint ventures' turnover	(253,585)	(251,968)
Less: Share of associates' turnover	<u>(11,862)</u>	<u>(12,692)</u>
Turnover – continuing operations	1,479,531	1,274,103
Cost of sales	<u>(1,273,138)</u>	<u>(1,099,068)</u>
Gross profit – continuing operations	206,393	175,035
Net operating expenses – continuing operations	(173,943)	(144,829)
Goodwill amortisation – subsidiaries	<u>(4,280)</u>	<u>(1,606)</u>
Operating profit – continuing operations	28,170	28,600
Share of joint ventures' goodwill amortisation	(994)	(994)
Share of joint ventures' operating profit	3,830	664
Share of associates' operating profit	<u>188</u>	<u>380</u>
Operating profit – including share of joint ventures and associates	31,194	28,650
Exceptional items		
Profit on disposal of fixed assets	4,962	1,503
Cost of terminated Bocchi acquisition	(2,250)	–
Profit on disposal & termination of subsidiaries	582	511
Share of joint ventures' exceptional items	<u>–</u>	<u>(544)</u>
Profit on ordinary activities before interest	34,488	30,120
Net interest receivable & income from financial assets – subsidiaries	(2,366)	(2,702)
Share of net interest payable – joint ventures	(199)	(197)
Share of net interest payable – associates	<u>(5)</u>	<u>(11)</u>
Profit on ordinary activities before taxation	31,918	27,210
Tax on profit on ordinary activities	<u>(10,016)</u>	<u>(8,421)</u>
Profit on ordinary activities after taxation	21,902	18,789
Minority interest – equity	<u>(8,215)</u>	<u>(9,120)</u>
Profit for the financial year attributable to shareholders	<u>13,687</u>	<u>9,669</u>
	€ cent	€ cent
Basic earnings per share	3.95	2.80
Fully diluted earnings per share	3.91	2.77
Adjusted fully diluted earnings per share	4.25	3.35

Combined Income Statement for the General Produce and Distribution Business for the years ended 31 December 2005 and 2004 (IFRS)

	2005 €'000	2004 €'000
Revenue including share of joint ventures and associates	<u>1,676,206</u>	<u>1,547,734</u>
Group revenue	1,355,973	1,187,005
Cost of sales	<u>(1,173,309)</u>	<u>(1,024,884)</u>
Gross profit	182,664	162,121
Other operating income	4,222	6,649
Distribution expenses	(130,755)	(113,033)
Administrative expenses	(26,167)	(26,753)
Other operating expenses	(1,767)	(4,755)
Share of profit of joint ventures	4,097	5,351
Share of profit of associates	<u>55</u>	<u>37</u>
Operating profit	32,349	29,617
Financial income	1,060	780
Financial expense	<u>(3,754)</u>	<u>(3,230)</u>
Profit before tax	29,655	27,167
Income tax expense	<u>(9,302)</u>	<u>(7,313)</u>
Profit for the financial year	<u>20,353</u>	<u>19,854</u>
<i>Attributable as follows:</i>		
Equity shareholders	13,356	13,684
Minority interest	<u>6,997</u>	<u>6,170</u>
Profit for the financial year	<u>20,353</u>	<u>19,854</u>
All activities were in respect of continuing operations.		
	€ cent	€ cent
Basic earnings per share	3.83	3.95
Fully diluted earnings per share	3.78	3.90
Adjusted fully diluted earnings per share	4.76	4.76

Combined Balance Sheet for the General Produce and Distribution Business as at 31 December 2005 (IFRS)

	<i>31 December 2005 €'000</i>
Assets	
Non current	
Property, plant and equipment	134,766
Investment property	10,543
Goodwill and intangible assets	79,941
Other receivables	1,116
Investments in joint ventures and associates	42,057
Equity investments	16,524
Deferred tax assets	<u>4,070</u>
Total non-current assets	<u>289,017</u>
Current	
Inventories	28,206
Trade and other receivables	163,258
Non-trade receivables from Fyffes and subsidiaries	226,655
Cash and cash equivalents	<u>55,043</u>
Total current assets	<u>473,162</u>
Total assets	<u>762,179</u>
Liabilities	
Non-current	
Interest bearing loans and borrowings	29,133
Employee benefits	6,623
Other payables	520
Deferred government grants	2,248
Provisions	28,151
Corporation tax payable	8,085
Deferred tax liabilities	<u>21,121</u>
Total non-current liabilities	<u>95,881</u>
Current	
Interest bearing loans and borrowings	39,686
Trade and other payables	169,413
Non-trade payables to Fyffes and subsidiaries	234,340
Provisions	5,930
Derivative financial instruments	69
Corporation tax payable	<u>5,178</u>
Total current liabilities	<u>454,616</u>
Total liabilities	<u>550,497</u>
Total net assets	<u>211,682</u>
Equity shareholders	165,678
Minority interest	<u>46,004</u>
Total equity	<u>211,682</u>

Combined Income Statement for the General Produce and Distribution Business for the six months ended 30 June 2006 (IFRS)

	<i>(Unaudited)</i> <i>6 months to</i> <i>30 June 2006</i> <i>€'000</i>
Revenue, including share of joint ventures and associates	<u>917,070</u>
Group Revenue	<u>758,906</u>
Group operating profit	18,434
Intangible amortisation	(1,437)
Share of profit of joint ventures and associates	<u>2,034</u>
Operating profit	19,031
Net financial expense	<u>(1,477)</u>
Profit before tax	17,554
Income tax expense	<u>(4,086)</u>
Profit for the period	<u><u>13,468</u></u>
<i>Attributable as follows:</i>	
Equity shareholders	9,740
Minority interest	<u>3,728</u>
Profit for the period	<u><u>13,468</u></u>
	€ cent
Basic earnings per share	2.78
Fully diluted earnings per share	2.75
Adjusted fully diluted earnings per share	3.06

**Combined Balance Sheet for the General Produce and Distribution Business as at 30 June 2006
(IFRS)**

(Unaudited)
30 June 2006
€'000

Assets

Non-current assets

Property, plant and equipment	90,164
Investment property	2,841
Goodwill and intangible assets	85,748
Other receivables	1,105
Investments in joint ventures and associates	38,840
Equity investments	16,673
Employee benefits	4,592
Deferred tax assets	<u>3,437</u>
Total non-current assets	<u>243,400</u>

Current assets

Inventories	27,394
Trade and other receivables	210,008
Non-trade receivables from Fyffes and subsidiaries	258,660
Cash and cash equivalents	<u>71,624</u>
Total current assets	<u>567,686</u>

Total assets

811,086

Liabilities

Non-current liabilities

Interest bearing loans and borrowings	24,224
Other payables	3,759
Employee benefits	1,535
Corporation tax payable	8,085
Deferred tax liabilities	<u>14,491</u>
Total non-current liabilities	<u>52,094</u>

Current liabilities

Interest bearing loans and borrowings	75,494
Trade and other payables	218,305
Non-trade payables to Fyffes and subsidiaries	206,560
Derivative financial instruments	34
Provisions	36,314
Corporation tax payable	<u>1,379</u>
Total current liabilities	<u>538,086</u>

Total liabilities

590,180

Total net assets

220,906

Equity shareholders	174,197
Minority interest	<u>46,709</u>
Total equity	<u>220,906</u>

PART 5 — UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF FYFFES FOLLOWING THE BONUS ISSUE AND THE DEMERGER

The following unaudited pro forma statement of net assets of Fyffes (the “pro forma net assets statement”) has been prepared to illustrate the effect of the Bonus Issue and the Demerger on the Group as at 30 June 2006. The pro forma net assets statement has been prepared for illustrative purposes only and does not constitute statutory financial statements of Fyffes. Because of its nature, the pro forma net assets statement addresses a hypothetical situation, and therefore does not represent the Group’s actual financial position or results. The pro forma net assets statement has been prepared on the basis of the notes set out overleaf.

	<u>Pro forma Adjustments</u>				<i>Pro forma net assets</i> €'000
	<i>Net assets of Fyffes</i> <i>Note 1</i> €'000	<i>Demerger of the General Produce & Distribution Business</i> <i>Note 2</i> €'000	<i>Other adjustments</i> <i>Note 3</i> €'000	<i>Estimated expenses</i> <i>Note 4</i> €'000	
Non current assets					
Property, plant and equipment	97,067	(90,164)			6,903
Investment property	2,892	(2,841)			51
Goodwill and intangibles	88,386	(85,748)			2,638
Other receivables	1,105	(1,105)			–
Investments in joint ventures and associates	187,144	(38,840)			148,304
Equity investments	16,695	(16,673)			22
Employee benefits	4,592	(4,592)			–
Deferred tax assets	7,450	(3,437)			4,013
Total non current assets	405,331	(243,400)			161,931
Current assets					
Inventories	40,363	(27,394)			12,969
Trade and other receivables	262,360	(210,008)	9,184(i)		61,536
Non-trade receivables from Fyffes and subsidiaries	–	(258,660)	258,660(ii)		–
Derivative financial instruments	426	–			426
Short term cash deposits	139,409	–			139,409
Cash and cash equivalents	328,917	(71,624)			257,293
Total current assets	771,475	(567,686)	267,844		471,633
Total assets	1,176,806	(811,086)	267,844		633,564
Non current liabilities					
Interest bearing loans and borrowings	129,532	(24,224)			105,308
Employee benefits	13,079	(1,535)			11,544
Other payables	3,768	(3,759)			9
Provisions	3,375	–			3,375
Corporation tax payable	24,621	(8,085)			16,536
Deferred tax liabilities	17,132	(14,491)			2,641
Total non current liabilities	191,507	(52,094)			139,413
Current liabilities					
Interest bearing loans and borrowings	248,352	(75,494)			172,858
Trade and other payables	261,951	(218,305)		4,000	47,646
Non-trade payables to Fyffes and subsidiaries	–	(206,560)	206,560(ii)		–
Provisions	44,396	(36,314)			8,082
Derivative financial instruments	441	(34)			407
Corporation tax payable	4,174	(1,379)			2,795
Total current liabilities	559,314	(538,086)	206,560	4,000	231,788
Total liabilities	750,821	(590,180)	206,560	4,000	371,201
Net assets	425,985	(220,906)	61,284	(4,000)	262,363

Notes to the pro forma net assets statement

1. Net assets of Fyffes

The net assets of Fyffes as at 30 June 2006 have been extracted, without material adjustment, from the consolidated balance sheet of the unaudited consolidated Interim Results for Fyffes for the six months ended 30 June 2006.

2. Demerger of the General Produce and Distribution Business

The figures for the General Produce and Distribution Business have been extracted without material adjustment from the historical financial information on the General Produce and Distribution Business set out in Part 4 (Historical Financial Information for the General Produce and Distribution Business) of this document.

3. Other adjustments

- (i) The reinstatement of trade receivables owed by Total Produce to Fyffes which had previously been eliminated on consolidation.
- (ii) Adjustment for non-trading receivables and non-trading payables between the Continuing Group and the General Produce and Distribution Business, which were previously eliminated on consolidation.

4. Estimated expenses

Provision has been made for expenses, comprising professional fees (legal, accounting, tax and financial advisory), accruing to Fyffes relating to the Bonus Issue and Demerger of Fyffes' General Produce and Distribution Business of €4.0 million (excluding VAT).

5. Subsequent trading results

No account has been taken of trading results subsequent to 30 June 2006.



Chartered Accountants
Dublin
Ireland

The Directors
Fyffes plc
29 North Anne Street
Dublin 7
Ireland

10 November 2006

Dear Sirs

Accountant's report on pro forma financial information of Fyffes plc (the "Group")

We report on the pro forma financial information (the 'pro forma financial information') set out in Part 5 (Unaudited Pro Forma Statement of Net Assets of Fyffes following the Bonus Issue and the Demerger) of the Circular dated 10 November 2006, which has been prepared on the basis described on page 34, for illustrative purposes only, to provide information about how the proposed Bonus Issue and Demerger of Fyffes' General Produce and Distribution Business might have affected the financial information presented on the basis of the accounting policies adopted by Fyffes plc in preparing the Interim Financial Information for the six month period ended 30 June 2006. This report is required by paragraph 10.5.31 of the Listing Rules of the Irish Stock Exchange and paragraph 13.5.31R of the Listing Rules of the UK Listing Authority and is given for the purpose of complying with these paragraphs and for no other purpose.

Responsibilities

It is the responsibility solely of the directors of Fyffes plc to prepare the pro forma financial information in accordance with paragraph 10.5.31 of the Listing Rules of the Irish Stock Exchange and paragraph 13.5.31R of the Listing Rules of the UK Listing Authority.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the pro forma financial information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary shareholders as a result of the inclusion of this report in the Class 1 circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Irish Listing Rule 10.4.1(6) and FSA Listing Rule 13.4.1R(6), consenting to its inclusion in the Class 1 circular.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the pro forma financial information with the directors of Fyffes plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the pro forma financial information has been properly compiled on the basis stated.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of Fyffes plc.

Yours faithfully,
KPMG,
Chartered Accountants
Dublin, Ireland

PART 6 — ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names are set out on page 4 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.

2. DIRECTORS' AND OTHERS' INTERESTS

2.1 Directors' and PDMRs' Interests

- (a) The interests of the Directors and PDMRs and their families or other persons connected with them in the issued share capital of the Company, which have been notified to the Company pursuant to sections 53 and 64 of the Companies Act 1990, or Regulation 12 of the Market Abuse Regulations or which are shown in the register of directors' interests maintained pursuant to section 59 of the Companies Act 1990, all of which are beneficial unless otherwise stated, (other than by virtue of holding share options) at 3 November 2006, being the latest practicable date prior to the publication of this document were as follows:

	<i>Beneficial number Fyffes plc ordinary shares of €0.06</i>	<i>% of existing issued share capital</i>
Directors		
C P McCann	1,525,863	0.44%
D V McCann	600,650	0.17%
C Bos	—	—
R P Byrne	53,561	0.02%
J F Gernon	351,613	0.10%
J P Tolan	68,105	0.02%
Dr P F de V Clüver	—	—
R B Hynes	50,000	0.01%
J D McCourt	50,000	0.01%
G B Scanlan	10,000	0.00%
W M Walsh	—	—
PDMR		
S P Keenan	54,806	0.02%
T G Murphy	156,034	0.04%
F G Davis	111,582	0.03%

Fyffes currently holds 9,021,610 shares in treasury representing 2.6% of the entire issued share capital.

(b) Information on Directors' and PDMRs' share options to subscribe for ordinary shares of the Company, pursuant to the Share Option Scheme, is set out below:

	<i>Options held at 3 November 2006</i>	<i>Exercise price</i>	<i>Date from which exercisable</i>	<i>Expiry date</i>
Directors				
C P McCann	950,000	€0.76	22/09/2000	21/09/2007
	265,000	€1.89	12/01/2002	11/01/2009
	200,000	€0.44	27/03/2004	25/03/2011
	125,000	€1.15	17/03/2007	15/03/2014
D V McCann	950,000	€0.76	22/09/2000	21/09/2007
	265,000	€1.89	12/01/2002	11/01/2009
	200,000	€0.44	27/03/2004	25/03/2011
	125,000	€1.15	17/03/2007	15/03/2014
C Bos	50,000	€1.15	17/03/2007	15/03/2014
R P Byrne	250,000	€0.76	22/09/2000	21/09/2007
	100,000	€1.89	12/01/2002	11/01/2009
	120,000	€0.44	27/03/2004	25/03/2011
	50,000	€1.15	17/03/2007	15/03/2014
J F Gernon	350,000	€0.76	22/09/2000	21/09/2007
	100,000	€1.89	12/01/2002	11/01/2009
	130,000	€0.44	27/03/2004	25/03/2011
	75,000	€1.15	17/03/2007	15/03/2014
J P Tolan	300,000	€0.76	22/09/2000	21/09/2007
	131,250	€1.89	12/01/2002	11/01/2009
	130,000	€0.44	27/03/2004	25/03/2011
	75,000	€1.15	17/03/2007	15/03/2014
PDMR				
S P Keenan	50,000	€0.76	22/09/2000	21/09/2007
	30,000	€1.37	21/05/2005	13/02/2008
	25,000	€1.89	12/01/2002	11/01/2009
	20,000	€2.29	25/01/2003	24/01/2010
	50,000	€0.44	27/03/2004	25/03/2011
	35,000	€1.15	17/03/2007	15/03/2014
T G Murphy	100,000	€0.76	22/09/2000	21/09/2007
	33,334	€1.89	12/01/2002	11/01/2009
	40,000	€2.29	25/01/2003	24/01/2010
	140,000	€0.44	27/03/2004	25/03/2011
	50,000	€1.15	17/03/2007	15/03/2014
F G Davis	80,000	€0.76	22/09/2000	21/09/2007
	33,333	€1.89	12/01/2002	18/01/2009
	70,000	€0.44	27/03/2004	25/03/2011
	50,000	€1.15	17/03/2007	15/03/2014

Options granted on and subsequent to 22 September 1997 are only exercisable when the earnings per share figure, in respect of the third or any subsequent accounting period after the end of the basis year (i.e. accounting period preceding the date of the grant), is greater than the earnings per share figure for the basis year by a percentage which is not less than (on a year on year basis) the annual percentage increase in the consumer price index plus 2% compounded during that period.

The Directors have not been granted, nor have they exercised, any options since 31 December 2005.

2.2 Interests of Major Shareholders

As at 3 November 2006, being the latest practicable date prior to the publication of this document, so far as the Company is aware, the following are the only holdings of Fyffes Shares, other than those held by a Director, that directly or indirectly represent 5% or more of the issued ordinary share capital of the Company:

	<i>No of shares held</i>	<i>% of existing issued share capital</i>
Balkan Investment Company and related parties (including Tarncott Company)	37,238,334	10.6
Marathon Asset Management Limited	21,078,883	6.0
Bank of Ireland Asset Management Limited	19,759,933	5.6
Tarncott Company (related party to Balkan Investment Company)	19,944,275	5.7

Balkan Investment Company, Bank of Ireland Asset Management Limited, Marathon Asset Management Limited and Tarncott Company have notified the Company that they each hold between 5% and 10% of the issued share capital of the Company. Bank of Ireland Asset Management Limited and Marathon Asset Management Limited state that these shares are not beneficially owned by them.

3. DIRECTORS' SERVICE CONTRACTS

Save for the Director's service contract disclosed below, there are no existing service contracts between any Director and the Company or any of its subsidiaries.

Coen Bos' service contract was entered into with Velleman & Tas BV on 27 June, 1997. Coen Bos' current salary is €362,543 per annum. In addition to his salary, Coen Bos' service contract entitles him to a holiday allowance payable in May of each year, a contribution towards disability insurance premiums by his employer, an annual bonus, car, participation in the employer's medical policy and the provision of a pension scheme. Coen Bos is entitled to a compensation payment equal to twice his income if his employment is terminated by the Group except in one of the following circumstances: (i) a summary dismissal for an urgent reason immediately communicated to Coen Bos within the meaning of Dutch law; (ii) after an illness lasting 2 years (or longer); or (iii) termination of the employment agreement by law on reaching 65 years or such earlier retirement date as provided in his pension scheme. Also no compensation payment arises where his employment is terminated as a consequence of a dissolution based on important reasons within the meaning of section 7:685 of the Dutch Civil Code at the request of the company provided that the dissolution is based on a change in circumstances within the meaning of section 7:685 of the Dutch Civil Code. In calculating the compensation payment, Coen Bos' contract provides that his income shall be understood to include his annual salary, the vacation allowance payable under his contract and the average bonus paid to him over the three calendar years preceding the termination of the employment.

4. WORKING CAPITAL

The Company is of the opinion that, taking into account the banking and other facilities available to the Continuing Group, the Continuing Group has sufficient working capital for its present requirements, that is, for at least 12 months from the date of publication of this document.

5. RELATED PARTY TRANSACTIONS

During the years ended 31 December 2003, 2004 and 2005 and the current financial year to 31 October 2006, Fyffes entered into the following related party transactions. Related party transactions for these purposes are those set out in the standards adopted according to Regulation (EC) No 1606/2002:

Identity of related parties

Under IAS 24, *Related Party Disclosures*, the Group has a related party relationship with its joint ventures and associates. Transactions with the Group's joint ventures and associates are set out below.

IAS 24 also requires the disclosure of compensation paid to the Group's key management personnel. This comprises its executive and non-executive directors, together with PDMRs as defined in Regulation 12(8)

of the Market Abuse Regulations, being the managing and finance directors of the Group's two main operating divisions and the Company secretary.

	2005 €'000	2004 €'000	2003 €'000
Short term benefits (salary, bonus, incentives)	6,602	5,686	4,519
Post employment benefits (pension contribution)	2,566	407	391
Equity based compensation (share option expense)	<u>102</u>	<u>81</u>	<u>—</u>
Total	<u>9,270</u>	<u>6,174</u>	<u>4,910</u>

In accordance with IAS 19, *Employee Benefits*, the pension expense recognised in the Group's income statement for the year ended 31 December 2005 for these key management personnel amounted to €2,653,000 (2004: €298,000) compared to the cash contributions above of €2,566,000 (2004: €407,000). The actuarial losses, recognised in the statement of recognised income and expense in respect of the pension benefits of these key management personnel for 2005 amounted to €1,296,000 (2004: €1,476,000). The figures above, have been extracted without material adjustment from the consolidation schedules of Fyffes' audited consolidated financial statements, which have been prepared under IFRS for the years ended 31 December 2005 and 2004 and which have been prepared under Irish GAAP for the year ended 31 December 2003.

In the ten months from 1 January 2006 to 31 October 2006 (the latest practical date before the publication of this document) the remuneration of these key management amounted €4,385,000, comprising short term benefits (salary, accrued bonuses and incentives) of €3,872,000, post employment benefits (accrued pension contributions) of €430,000 and equity based compensation (share option expense) of €83,000. These figures have been extracted without material adjustment from the Fyffes' unaudited management accounts.

Details of the number of Fyffes Shares owned and the outstanding share options of each of Fyffes' PDMRs are set out in Section 2.1 of Part 6 of this document.

Related party transactions with joint ventures and associates

The Group trades 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:

	Revenue 10 mths ended 31 Oct 2006 €'000	Revenue 12 mths ended 31 Dec 2005 €'000	Revenue 12 mths ended 31 Dec 2004 €'000	Revenue 12 mths ended 31 Dec 2003 €'000	Purchases 10 mths ended 31 Oct 2006* €'000	Purchases 12 mths ended 31 Dec 2005 €'000	Purchases 12 mths ended 31 Dec 2004 €'000	Purchases 12 mths ended 31 Dec 2003 €'000
Joint ventures	38,709	94,740	100,411	41,784	55,634	44,793	59,548	24,386
Associates	<u>630</u>	<u>1,301</u>	<u>1,557</u>	<u>2,818</u>	<u>3,835</u>	<u>2,076</u>	<u>1,491</u>	<u>8,501</u>
Total	<u>59,339</u>	<u>96,401</u>	<u>101,968</u>	<u>44,602</u>	<u>59,469</u>	<u>46,869</u>	<u>61,039</u>	<u>32,887</u>

* Includes rent payable to Blackrock International Land plc, the Group's 40% owned associate.

The amounts due from joint ventures and associates are as follows:

	10 months ended 31 October 2006 €'000	12 months ended 31 December 2005 €'000	12 months ended 31 December 2004 €'000	12 months ended 31 December 2003 €'000
Trade and other receivables				
Current				
Trade receivables due from joint ventures	3,525	2,075	2,542	3,088
Non-trade receivables due from joint ventures	5,489	3,841	1,797	6,184
Non-current				
Non-trade receivables due from joint ventures	<u>—</u>	<u>—</u>	<u>—</u>	<u>38</u>
Total	<u>9,014</u>	<u>5,916</u>	<u>4,339</u>	<u>9,310</u>

The amounts due to joint ventures and associates are as follows:

	<i>10 months ended 31 October 2006 €'000</i>	<i>12 months ended 31 December 2005 €'000</i>	<i>12 months ended 31 December 2004 €'000</i>	<i>12 months ended 31 December 2003 €'000</i>
Trade and other payables				
Current				
Trade payables due to joint ventures	5,293	2,694	4,286	–
Non-trade payables due to joint ventures	<u>1,153</u>	<u>1,153</u>	<u>81</u>	<u>3,527</u>
Total	<u>6,446</u>	<u>3,847</u>	<u>4,367</u>	<u>3,527</u>

The figures above have been extracted without material adjustment from the consolidation schedules of Fyffes audited consolidated financial statements, which have been prepared under IFRS for the years ended 31 December 2005 and 2004 and which have been prepared under Irish GAAP for the year ended 31 December 2003, and in respect of the 10 months ended 31 October 2006 from the unaudited management accounts of the Group.

Related party transactions with shareholders in Group companies

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 Group. During the year ended 31 December 2005, EurobananCanarias SA purchased goods and services from Coplaca in the normal course of its business which are not material in relation to the sales and purchases of the Group. During the period ended 1 January 2006 to 31 October 2006, EurobananCanarias SA purchased goods and services from Coplaca in the normal course of its business which are not material in relation to the sales and purchases of the Group. At 31 December 2005, the net amount due to Coplaca from EurobananCanarias SA was €8,824,000 (2004: €7,726,000, 2003: €6,505,000). At 31 October 2006, the net amount due to Coplaca from EurobananCanarias SA was €8,273,000.

These figures have been extracted without material adjustment from the notes to the audited accounts for the Group for the year ended 31 December 2005, which have been prepared under IFRS. The figures for 2006 have been extracted without material adjustment from unaudited management accounts of the Group.

6. SIGNIFICANT CHANGE

Continuing Group

There has been no significant change in the financial or trading position of the Continuing Group since 30 June 2006, the date to which the unaudited Interim Results for the Group were prepared. The unaudited Interim Results were published on 7 September 2006.

The Total Produce Group

Other than the acquisition of the second 50% of Brdr Lembcke A/S (as set out in Section 8(1)(e) of Part 6, (Additional Information), of this document), there has been no significant change in the financial or trading position of the General Produce and Distribution Business since 30 June 2006.

7. LITIGATION AND INVESTIGATIONS

Continuing Group

Save as disclosed below, no member of the Continuing Group is or has been engaged in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened by or against it, of which Fyffes 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 Continuing Group and for the Continuing Group's financial position or profitability.

(a) DCC

In January 2002, Fyffes initiated a legal action in the High Court in Dublin against DCC plc, S&L Investments Limited, Mr Jim Flavin and Lotus Green Limited claiming that the sale of 31,169,493 ordinary Fyffes Shares between 3 February and 14 February 2000 constituted an unlawful dealing within the meaning of Part V of the Companies Act 1990 (the "1990 Act").

In December 2005, the High Court in Dublin determined that the defendants dealt in the Fyffes shares, as alleged, but were not in possession of price sensitive information at the time and that, consequently, the dealings were not unlawful within the meaning of the Act. At a subsequent hearing, the High Court decided that the defendants should be responsible for certain elements of their own costs and awarded the balance of defendants' costs against the Continuing Group. The Continuing Group's own costs in this action, which amounted to €4.8 million in 2005 and €10.1 million in aggregate, have been expensed as incurred. The Continuing Group has not yet received details of the costs which the defendants intend to claim under this order. In these circumstances, and having regard to its own costs and the Court's ruling on the issue, the Continuing Group has provided €7.5 million in respect of the defendants' costs. On 7 April 2006, the Board announced its intention to appeal the High Court decision to the Supreme Court. No date has yet been set for the hearing of this appeal.

(b) EU Competition Investigation

The European Commission is currently undertaking an investigation into whether there have been infringements of Article 81 of the Treaty of Rome and Article 53 of the EEA agreement by businesses involved in the supply of bananas and pineapples within the EEA. In June 2005 the Commission carried out inspections of a number of companies operating in these markets, including Fyffes. At this time, it is not possible for the Continuing Group to determine the final outcome of these investigations, including whether the European Commission may seek to impose any fines and, if so, the level of any such fines. Fyffes has received two requests for information from the Commission and continues to co-operate with it in relation to this matter.

The Total Produce Group

No member of the General Produce and Distribution Business is or has been engaged in any governmental, legal or arbitration proceedings (including any such proceedings, which are pending or threatened, of which Fyffes 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 General Produce and Distribution Business.

8. MATERIAL CONTRACTS

(1) Continuing Group

A summary of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Continuing Group within the two years immediately preceding the date of this document which are or may be material or which have been entered into by Fyffes or any member of the Continuing Group at any other time and which contain provisions under which Fyffes or any member of the Continuing Group has an obligation or entitlement that is material to the Continuing Group as at the date of this document, is set out below:

(a) Wibdeco

Fyffes, together with the governments of the Windward Islands, had guaranteed the bank borrowings of Windward Island Banana Development and Export Company (Wibdeco) which were used to fund Wibdeco's equity investment in the joint venture companies set up by Fyffes and Wibdeco to acquire the banana business of Geest plc in January 1996. This guarantee was entered into by Fyffes and the governments of the Windward Islands on 9 January 1996. On 31 December 2004 the amount outstanding was approximately €3.5 million but as at 31 December 2005, these borrowings had been fully repaid.

Fyffes and Wibdeco have jointly and severally indemnified Geest plc against any one of the joint venture companies failing to meet its obligations under the bareboat charter agreements relating to the two Island Class ships, which were taken over under the acquisition. The total amount due under the bareboat charter agreements at 31 December 2005 was US\$49.6 million (€42.1 million) (2004: US\$56.5 million (€41.6 million)), 50% of which has been accounted for as part of the Group's equity investment in the joint venture. Under the terms of the agreement between Geest plc and the financiers of these ships, they can be handed back to the financiers in 2009, at which point the obligation of the joint venture companies under the bareboat charter agreements will cease, as will Fyffes' and Wibdeco's obligations under their indemnity to Geest plc. The two Island Class ships are currently bareboat chartered to a third party for the remainder of the finance lease term.

(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 to Total Produce if the Demerger takes place. The Business Transfer Agreement requires Total Produce to issue one Total Produce Share 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.

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 will remain with Fyffes after the completion of the Demerger.

Amongst the shares being transferred to Total Produce pursuant to the Business Transfer Agreement are the shares owned by Fyffes in Everfresh Group.

Fyffes acquired 60% of Everfresh Group in 2004 for an initial consideration of €29.4 million (as set out in Section 8(2)(a) of Part 6 (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).

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

- (i) the approval of Resolutions 1, 2 and 6;
- (ii) the Board having resolved to make the allotment of the B Tracker Shares for the purposes of the Bonus Issue and the Registrar confirming in writing to the Board that the allotment of all of the B Tracker Shares has been recorded in the Fyffes Share Register;
- (iii) the approval of the redemption and cancellation of the B Tracker Shares by the Board upon the allotment and issue of the Total Produce Shares pursuant to the Business Transfer Agreement;
- (iv) the verbal opinions given by the Revenue Commissioners being confirmed in writing and written 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;
- (v) 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
- (vi) 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.

In addition, the Business Transfer Agreement provides that the General Produce and Distribution Business in the United Kingdom will transfer directly to Total Produce on 30 December 2006, subject to the Demerger having taken place.

The Business Transfer Agreement provides that the agreements set out in Section 8 of Part 1 (Letter from the Chairman of Fyffes) below will be entered into with effect from completion of the Demerger and sets out details of the material terms of such agreements, which terms have been approved by Fyffes.

The parties may at any time agree in writing to waive in whole or in part conditionally or unconditionally the conditions set out in paragraphs (iv), (v) or (vi) above.

The Business Transfer Agreement will lapse if the Demerger is not completed within 6 months of the date for which the EGM is originally convened.

(c) Bank facilities

In connection with the proposed Demerger, new credit facilities have been negotiated with a number of banks for Total Produce and Fyffes. In addition to existing debt in certain joint ventures, Fyffes will have committed three year facilities amounting to €45m and uncommitted one year facilities of €55m.

(d) Blackrock Demerger Agreements

A business transfer agreement and option agreement were entered into by Fyffes and Blackrock on 12 April 2006 and set out the terms under which Fyffes' property undertaking would be transferred to Blackrock. One share in Blackrock was issued for every A Tracker Share held by Shareholders in consideration for the transfer. All leases and contracts relating to the assets were transferred. Leases were granted to companies in the Fyffes Group on terms set by independent valuers, satisfactory to Fyffes. Rent payable was equal to the market rent. Blackrock is required to indemnify on demand and keep indemnified the relevant companies in the Fyffes Group from all costs, claims, losses, liabilities and expenses which the relevant companies in the Fyffes Group may incur in respect of claims made against them under certain guarantees, indemnities or undertakings. Robert Knox and Niall Quigley transferred from Fyffes to Blackrock as employees. Fyffes did not give any representations or warranties in respect of the property undertaking transferred. Completion of the demerger occurred on 11 May 2006. The option agreement provided that Fyffes was entitled, and could be required by Blackrock, to subscribe approximately €83 million to acquire a 40% shareholding in Blackrock. Huntroyde, a wholly owned subsidiary of Fyffes, subscribed for the Blackrock shares on 12 May 2006.

(e) Lembcke Acquisition Agreement

On 30 August 2006, Fyffes 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, Fyffes 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.

(2) The Total Produce Group

A summary of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the General Produce and Distribution Business within the two years immediately preceding the date of this document which are or may be material or which have been entered into by the General Produce and Distribution Business at any other time and which contain provisions under which the General Produce and Distribution Business has an obligation or entitlement that is material to the General Produce and Distribution Business as at the date of this document, is set out below:

(a) Everfresh Group

On 6 May 2004, the Group signed a purchase agreement to acquire Everfresh Group from European Fruit SA. The Group paid €29.4 million for an initial 60% of Everfresh Group and entered a binding agreement to complete the acquisition of the remaining 40% in May 2007, the terms of which gave Fyffes a beneficial entitlement to all of the earnings of Everfresh Group from the date of acquisition. Accordingly, the Group is 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 €49.6 million. As part of the acquisition of Everfresh Group, Fyffes 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.

(b) Bank facilities

In connection with the proposed Demerger, new credit facilities have been negotiated with a number of banks for Total Produce and Fyffes. 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 31 December 2006 with €10m net debt. No new equity capital is being raised by Total Produce in relation to the Demerger.

9. PROPOSED NEW APSS, SIP AND OPTION SCHEME FOR TOTAL PRODUCE

(a) Total Produce Profit Sharing Scheme (the “APSS”)

The APSS is a mechanism whereby Irish resident employees are given the opportunity to acquire and retain shares in the parent company of the group. The APSS must be established under a deed of trust which must be approved by the Revenue Commissioners. The employer contributes money to the trustees which is used by it to acquire shares for participating employees.

All employees in Total Produce must be allowed to participate in the APSS on similar terms. This means that any 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”)

A SIP is a whole share ownership plan (as opposed to an option over shares) in which all qualifying UK employees of Total Produce can participate. The SIP will permit participating employees to buy shares in Total Produce out of their pre-tax salary. Since the SIP is an employee share scheme which is drafted so as to be capable of approval by Her Majesty’s Revenue and Customs in the UK, it can provide benefits to participating UK resident employees in a tax efficient manner once it is approved.

From time to time, Total Produce 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 Total Produce, which may be no more than one year. If deductions are accumulated, the price at which shares are purchased by each participant would be 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 would also permit Total Produce 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, it is not proposed to allow for the award of either Free Shares or Matching Shares in the rules of the SIP.

All Shares acquired in accordance with the SIP shall be 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 will be 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) Provision applicable to the three Schemes

Qualifying employees for each Scheme

Participation in the APSS shall be open to all Irish employees of Total Produce and its subsidiaries who shall be determined by Total Produce as being qualifying employees.

Participation in the SIP shall be open to all UK employees of Total Produce and its subsidiaries which are determined by Total Produce to be “participating companies”. Employees who act as trustees are not 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 are not 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 shall be determined from time to time by Total Produce. The maximum value of shares that may be appropriated to an individual employee under the APSS may not exceed the statutory maximum for approved 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 Total Produce to set an overall limit on the number of shares which are available for purchase by SIP participants.

Individual option grants under the Option Scheme shall be 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 Total Produce or order or regulation governing dealing in shares by which Total Produce 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 are 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 held in the SIP Trust may, if Total Produce permits, be reinvested in further shares in Total Produce 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 will otherwise rank pari passu with existing shares.

Adjustment of appropriations, awards or grants

On a variation of the capital of Total Produce, 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 Total Produce and the auditors of Total Produce 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, Total Produce 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 Total Produce. 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 Total Produce 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.

10. CONSENT

- (a) KPMG has given and has not withdrawn its written consent to the inclusion in this document of its report set out in Part 5 (Unaudited Pro Forma Statement of Net Assets of Fyffes following the Bonus Issue and Demerger), and references to its report and its name in the form and context in which they appear and has authorised the contents of those sections of this document.
- (b) Davy has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which it appears.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during usual business hours on any weekday (public holidays excepted) at the offices of Arthur Cox, Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland and at the offices of Arthur Cox, 29 Ludgate Hill, London EC4M 7JE, United Kingdom from the date of this document up to and including the date of the Extraordinary General Meeting:

- (a) the Memorandum and Articles of Association of Fyffes;
- (b) the draft memorandum and articles of association of Fyffes showing the amendments that would be made by the relevant Resolutions;
- (c) the Business Transfer Agreement referred to in Section 8 of this Part 6 (Additional Information);
- (d) the draft rules of the proposed new APSS, SIP and Share Option Scheme for Total Produce referred to in Section 9 of this Part 6 (Additional Information);
- (e) the consent letters referred to in Section 10 of this Part 6 (Additional Information);
- (f) the Annual Reports and Accounts of Fyffes, including the audited consolidated accounts for the years ended 31 December 2003, 31 December 2004 and 31 December 2005 and unaudited consolidated interim report of the company for the six months ended 30 June 2006;

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- (g) the report by KPMG on the pro forma statement of net assets contained in Part 5 (Unaudited Pro Forma Statement of Net Assets of Fyffes following the Bonus Issue and the Demerger) of this document;
 - (h) the service contract of Coen Bos, a Director referred to in Section 3 of this Part 6 (Additional Information); and
 - (i) this document.

Dated: 10 November 2006

DEFINITIONS

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

“1990 Act”	the Companies Act 1990;
“1983 Act”	the Companies (Amendment) Act 1983;
“A Tracker Shares”	the A Tracker Shares of €0.00001 each in the capital of the Company;
“ACP countries”	African, Caribbean and Pacific countries;
“Admission”	the admission of the Total Produce Shares issued and to be issued pursuant to the proposed Demerger, to IEX and AIM pursuant to the IEX Rules and the AIM Rules;
“Admission Document”	the document to be prepared by Total Produce in accordance with the IEX Rules and the AIM Rules for the purpose of Admission;
“AIM”	the Alternative Investment Market operated by the London Stock Exchange;
“AIM Rules”	the rules for AIM companies and their nominated advisors issued by the London Stock Exchange;
“Articles of Association”	the Articles of Association of the Company;
“Auditing Practice Board”	The Auditing Practice Board is a part of the Financial Reporting Council which leads the development of auditing practice in the United Kingdom and the Republic of Ireland;
“B Tracker Shares”	the shares to be issued pursuant to the Bonus Issue with a nominal value of €0.00001 each, which grant an exclusive right to receive the income and gains derived from the General Produce and Distribution Business and to vote on matters relating to the General Produce and Distribution Business;
“Blackrock”	Blackrock International Land plc;
“Board” or “Directors”	the board of directors of the Company as at the date of this document whose names are set out on page 4 of this document;
“Bonus Issue”	the proposed capitalisation of the distributable reserves of Fyffes by way of the issue of B Tracker Shares;
“Business Transfer Agreement”	the agreement entered into between Fyffes and Total Produce on 6 November 2006, concerning the transfer of Fyffes’ General Produce and Distribution Business to Total Produce in consideration for the issue of Total Produce Shares to the holders of B Tracker Shares;
“Certificated or certificated form”	recorded in the share register without reference to the CREST system;

“Circular”	this document dated 10 November 2006;
“Combined Entities”	the entities of Fyffes which when combined will transfer to Total Produce to form the Total Produce Group;
“Combined Financial Information”	the financial information on the Combined Entities;
“Companies Acts”	the Companies Acts 1963-2005 and every statutory extension, modification or re-enactment thereof from time to time in force;
“Compensation Committee”	the compensation committee of the Board;
“Commute”	the proposed cancellation of Fyffes’ listing on the Official Lists and admission to trading on IEX and AIM;
“Continuing Group”	Fyffes and its subsidiary undertakings following the completion of the Bonus Issue and the Demerger;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which CRESTCo is the operator;
“CREST Regulations”	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. 68 of 1996) of Ireland and the Companies Act 1990 (Uncertificated Securities) (Amendment) Regulations 2005 (SI 693 of 2005) of Ireland;
“Davy”	J&E Davy, trading as Davy, including its affiliate, Davy Corporate Finance Limited and any other affiliates, or any of its subsidiary undertakings;
“Demerger”	the Demerger of the General Produce and Distribution Business involving the transfer of the General Produce and Distribution Business to Total Produce in consideration for the issue of Total Produce Shares by Total Produce as set out in the Business Transfer Agreement;
“Demerger Record Date”	5.00pm (Irish time) on 29 December 2006, being the date on which Shareholders are required to be on the Fyffes Share Register in order to be entitled to an allotment of B Tracker Shares;
“Dollar Bananas”	bananas not sourced from the EU or African, Pacific or Caribbean countries;
“Dutch Civil Code”	the legislative code of that name in operation in the Netherlands;
“EEA”	the European Economic Area, being the 25 EU member states plus Iceland, Liechtenstein and Norway;
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at the Westin Hotel, College Green, Dublin 2 at 10am on 5 December 2006 convened by the Notice set out at the end of this document for the purpose of approving the Bonus Issue, the Demerger and the Commute;
“EU”	the European Union;

“European Commission” or “Commission”	the college of commissioners representing the member states of the EU;
“Everfresh”	European Fruit Holdings NV;
“Everfresh Group”	Everfresh and its subsidiaries, based primarily in Sweden;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the EGM;
“Fyffes” or “the Company”	Fyffes plc;
“Fyffes Group” or “the Group”	Fyffes and those companies which are its subsidiary undertakings and associated companies prior to the Demerger;
“Fyffes Share(s)”	ordinary share(s) of €0.06 each in the capital of the Company;
“Fyffes Shareholder”	a holder of a Fyffes Share other than a Fyffes Treasury Share;
“Fyffes Share Register”	the register of shareholders of Fyffes;
“Fyffes Treasury Shares”	9,021,610 Fyffes Shares representing 2.6% of the total ordinary share capital in issue (excluding treasury shares) held by Fyffes or any of its subsidiaries pursuant to section 224 of the 1990 Act as at 3 November 2006, being the latest possible date prior to publication of this document;
“FSMA”	the Financial Services and Markets Act 2000 of the United Kingdom;
“General Produce and Distribution Business” or the “Total Produce Group”	the General Produce and Distribution Business of Fyffes;
“Irish Stock Exchange”	The Irish Stock Exchange Limited;
“IEX”	the Irish Enterprise Exchange operated by the Irish Stock Exchange;
“IEX Rules”	the rules for IEX companies and their IEX advisors issued by the Irish Stock Exchange in relation to IEX traded securities;
“Interim Results”	the financial results of the Group for the six months ended 30 June 2006;
“Joint Venture”	a legal entity formed between two or more parties, over which those parties share rights of control;
“Listing”	the listing of Fyffes Shares on the Official Lists;
“Listing Rules”	the listing rules of the UK Listing Authority and/or the Irish Stock Exchange, as the context requires;
“London Stock Exchange”	London Stock Exchange plc;
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company;

“Market Abuse Regulations”	Market Abuse (Directive 2003/6/EC) Regulations 2005 of Ireland;
“New Articles of Association”	the articles of association of the Company to be adopted pursuant to Resolution 6;
“Notice”	the Notice of Extraordinary General Meeting set out at the end of this document;
“Official Lists”	each of the official lists of securities maintained by the UK Listing Authority and the Irish Stock Exchange;
“Overseas Shareholder(s)”	Shareholders resident in or nationals or citizens of an Overseas Territory;
“Overseas Territory”	countries, territories or jurisdictions outside Ireland or the United Kingdom;
“PDMRs”	persons discharging managerial responsibility, as defined in Regulation 12 of the Market Abuse Regulations;
“Proposals”	collectively the Bonus Issue, the Demerger and the Commute as described in this document;
“Registrar”	Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland;
“Resolutions”	the resolutions set out in the Notice;
“Restricted Jurisdictions”	Canada, Australia, New Zealand, South Africa and Japan;
“SEC”	the United States Securities and Exchange Commission;
“Section 75 debt”	Section 75 of the 1995 UK Pensions Act;
“Shareholder(s)”	holder(s) of Fyffes Shares;
“Share Option Scheme”	1997 Fyffes plc Share Option Scheme;
“Stock Exchanges”	the Irish Stock Exchange and the London Stock Exchange;
“Total Produce” or “Total Produce plc”	the holding company for the General Produce and Distribution Business;
“Total Produce Group”	Total Produce and its subsidiary undertakings following the completion of the Bonus Issue and the Demerger;
“Total Produce Share(s)”	ordinary share(s) of €0.01 each in the capital of Total Produce;
“Tropical Produce”	bananas, pineapples and melons;
“Tropical Produce Business”	the Tropical Produce business of Fyffes;
“UK Listing Authority”	the Financial Services Authority acting in its capacity as competent authority for the purposes of Part VI of FSMA;

“uncertificated” or “in uncertificated form”	recorded on the register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland; and
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

Notes:

- (i) Unless otherwise stated in this document, all reference to statutes or other forms of legislation shall refer to statutes of legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.
- (ii) The symbol “€” refers to euro, the lawful currency of Ireland pursuant to the provisions of the Economic and Monetary Union Act 1998.
- (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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Fyffes plc

(Incorporated in Ireland under the Companies Acts 1963 to 2005, with registered number 73342)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “Meeting”) of Fyffes plc (the “Company”) will be held at the Westin Hotel, College Green, Dublin 2 at 10am on 5 December 2006 to consider and, if thought fit, pass the following Resolutions:

As ordinary resolutions

Resolution 1

THAT, subject to and conditional upon the passing of Resolution 6 in the notice of this Meeting:

- (a) the authorised share capital of the Company be and is hereby altered so that:
 - (i) it shall consist exclusively of €45,005,000 divided into 750,000,000 Ordinary Shares of €0.06 each and 500,000,000 B Tracker Shares of €0.00001 each, such Ordinary Shares and B Tracker Shares having the rights and being subject to the restrictions set out in the Articles of Association of the Company as amended by Resolution 6 in the notice of this meeting; and
 - (ii) any other class of share in the unissued share capital of the Company (which for the avoidance of doubt are shares which have either been redeemed or have not been taken or agreed to be taken by any person) are hereby cancelled.
- (b) in addition to all existing authorities, the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 20 of the Companies (Amendment) Act 1983 (the “1983 Act”) to exercise all the powers of the Company to allot relevant securities (within the meaning of section 20(10) of the 1983 Act) up to €5,000 in nominal value. The authority hereby given shall expire on the earlier of 31 May 2007 or on the completion of the Demerger, as defined in the circular to the Company’s shareholders issued on 10 November 2006 (the “Circular”), and for the purposes of identification signed by the Chairman of the Meeting (the “Demerger”);
- (c) the Directors be authorised and directed to capitalise an amount of up to €5,000 (being part of the amount standing to the credit of the profit and loss account of the Company) and to apply such amount as may be required in paying up in full at par value a bonus issue of one B Tracker Share per ordinary share to each holder of the ordinary shares in the Company as recorded in the register of member at 5.00pm (Irish time) on 29 December 2006 provided that the Directors be and are hereby authorised to take such action as they consider necessary or expedient to deal with any legal, regulatory or practical problems arising in any Overseas Territory (as defined in the Circular), or the requirements of any regulatory body and otherwise to further and give effect to the foregoing provisions of this resolution; and
- (d) for the purpose of effecting and implementing the Demerger, the Directors be authorised to redeem and cancel all B Tracker Shares in exchange for the allotment and issue of ordinary shares of €0.01 each in Total Produce plc (a “Total Produce Share”) to the shareholders of the Company on the basis of 1 Total Produce Share for every 1 B Tracker Share in the Company held by such shareholders as recorded in the register of members of the Company at 5.00pm (Irish time) on 29 December 2006 provided that such Total Produce Shares shall have been allotted and issued in consideration for the transfer to Total Produce plc of the General Produce and Distribution Business, (as more particularly described in the Business Transfer Agreement entered into between the Company and Total Produce (being the material contract referred to in Section 8(1)(b) of Part 6 of the Circular)) (the “General Produce and Distribution Business”) and such redemption shall have been made by reducing the distributable reserves of the Company, including that element of the revaluation reserves falling to be treated as realised, by an amount equal to the carrying value of the General Produce and Distribution Business.

Resolution 2

THAT the Business Transfer Agreement (being the material contract referred to in Section 8(1)(b) of Part 6 of the Circular) be and is hereby approved and the Directors be and are hereby authorised (i) to

do or procure to be done all such acts and things on behalf of the Company and any of its subsidiaries as they consider necessary or expedient for the purpose of giving effect to the transactions described in the Circular (including, without prejudice to the generality of the foregoing, the implementation of the Demerger); and (ii) to determine the timing at which each such act or thing shall be done; provided no such act or thing is done in a way or at a time which is materially inconsistent with information described in the Circular.

Resolution 3

THAT, subject to and conditional upon the passing of Resolutions 1, 2 and 6, the rules of the Total Produce Profit Sharing Scheme, the main features of which are summarised in Section 9 of Part 6 (Additional Information) of the Circular and a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification, be approved and the directors of Total Produce, or a duly authorised committee of them, be authorised to do all such acts and things as they may consider necessary or expedient to carry the Total Produce Profit Sharing Scheme into effect (including making any amendments required to the rules in order to obtain the approval to them of the Irish Revenue Commissioners).

Resolution 4

THAT, subject to and conditional upon the passing of Resolutions 1, 2 and 6, the rules of the Total Produce Share Incentive Plan, the main features of which are summarised in Section 9 of Part 6 (Additional Information) of the Circular and a copy of which is produced to the meeting and initialled by the Chairman for the purposes of identification, be approved and the directors of Total Produce, or a duly authorised committee of them be authorised to do all such acts and things as they may consider necessary or expedient to carry the Total Produce Share Incentive Plan into effect (including making any amendments required to the rules in order to obtain the approval to them of Her Majesty's Revenue and Customs).

Resolution 5

THAT, subject to and conditional upon the passing of Resolutions 1, 2 and 6, the rules of the Total Produce Executive Share Option Scheme (the Total Produce Option Scheme), the main features of which are summarised in Section 9 of Part 6 (Additional Information) of the Circular and a copy of which is produced to the meeting and initialled by the Chairman for the purpose of identification, be approved and the directors of Total Produce, or a duly authorised committee of them, be authorised to do all such acts and things as they may consider necessary or expedient to carry the Total Produce Option Scheme into effect (including making any amendments required to the approved part of the Total Produce Option Scheme in order to obtain the approval of Her Majesty's Revenue and Customs), and the directors of Total Produce or a duly authorised committee of them, be authorised to establish any schedule to the Total Produce Option Scheme they consider necessary in relation to employees in jurisdictions outside of Ireland, with any modifications necessary or desirable to take account of local securities laws, exchange control and tax legislation, provided that any ordinary shares in the capital of Total Produce made available under any schedule are treated as counting against the relevant limits on individual and overall participation in the Total Produce Option Scheme.

As special resolutions

Resolution 6

THAT, subject to and conditional upon the passing of Resolution 1 in the notice of this Meeting, the amendments required to be made to the memorandum and articles of association (as described in paragraph 17 of Part 1 (Letter from the Chairman of Fyffes) of the Circular) as a result of the increase in share capital provided for in Resolution 1 above and the regulations contained in the draft produced to the Meeting and signed for the purposes of identification by the Chairman of the board of directors of the Company, be and are hereby adopted as the new memorandum of association and the new articles of association of the Company in substitution for and to the exclusion of the memorandum of association and the articles of association of the Company for the time being.

Resolution 7

THAT the Company shall make an application forthwith to each of the Irish Stock Exchange and the United Kingdom Listing Authority for the listing of the ordinary share capital of the Company on the Official List of the Irish Stock Exchange and the Official List of the United Kingdom Listing Authority respectively to be cancelled with effect from 8.00 am on 10 January 2007, or in any event no less than twenty business days from the date of passing of this resolution.

By order of the Board

SEAMUS KEENAN
Company Secretary

10 November 2006

Registered Office:
29 North Anne Street
Dublin 7
Ireland

Notes:

1. Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend, speak and vote in his/her place. Completion of a form of proxy will not affect the right of a member to attend, speak and vote at the Meeting in person.
2. To be valid, proxy forms duly signed together with the power of attorney or such other authority (if any) under which they are signed (or a certified copy of such power or authority) must be lodged with the Company's Registrars, Computershare Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland not later than 10am on 3 December 2006.
3. The Company, pursuant to Regulation 14 of the Companies Act 1990 (Uncertificated Securities) Regulations, 1996, specifies that only those shareholders registered in the register of members of the Company as at 10am on 3 December 2006 (or in the case of an adjournment as at 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their names at the time. Changes to entries in the register after that time will be disregarded in determining the right of any person to attend and/or vote at the Meeting.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Services (Ireland) Limited (ID **3RA50**) by 5pm on 1 December 2006. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.
5. Resolution 7 must, pursuant to rule 1.6.9 of the Listing Rules of the Irish Stock Exchange, be passed by a majority of not less than 75% of the holders of the Ordinary Shares as (being eligible to do so) vote in person or by proxy on the Resolution.

