

Alfesca decides not to acquire Oscar Mayer

Alfesca announces that discussions relating to its proposed acquisition of the UK private label ready meals supplier, Oscar Mayer, have been terminated.

The decision was taken following significant raw material cost inflation in recent months, which has impacted the results of the Company and caused the trading environment within the ready meals sector in the UK to deteriorate. Given the current uncertainties, the proposed transaction would not be conducive to Alfesca creating value for its shareholders at this time.

Alfesca will continue with its strategy to further develop and grow its business. With the benefit of a strong balance sheet and support of its banking consortium and key shareholders, Alfesca is evaluating new opportunities taking into account current market conditions. Further announcements will be made in due course.

Enquiries:

Antony Hovanessian	Business Development Director	+354 477 7000
Hrefna Ingolfsdottir	Head of Corporate Communications	+354 477 7007

About Alfesca

Alfesca is a leading European producer in its selected categories of smoked salmon and other fish; foie gras and duck products; prawns and shellfish and blinis and spreadables. The Company's products are sold under its own brand names, including Labeyrie, Blini, Delpierre, Skandia, Lyons and Farne. The Company also has a substantial presence in the private label markets in the UK, France and Spain. Annual turnover is €616 million and 3,500 employees work for the Group.

Alfesca is listed on OMX Nordic Exchange in Iceland (OMXI: A).

Information about Alfesca can be found on: <http://www.alfesca.com>