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19<sup>th</sup> May 2008

## Information Update – Q1 2008

Dear Investor,

I am delighted to inform you that the first three months of 2008 have seen a continued strong performance in One51. This update is intended to provide you with information on developments which have taken place in recent months.

The first quarter of 2008 saw continued volatility in the world's financial markets. With our well balanced capital structure, the situation presents an investment company like One51 with opportunities. In our business to date we have consistently sought to deliver shareholder value by taking significant interests in businesses that complement specific strategic objectives. One51 has a solid financial position and is a selective investor, valued both for its ability to deliver efficiency and promote entrepreneurship.

Our portfolio primarily includes investments in the following sectors:

- Environmental Services
- Infrastructure
- Renewable Energy
- Food

### 1. One51 Environmental Services

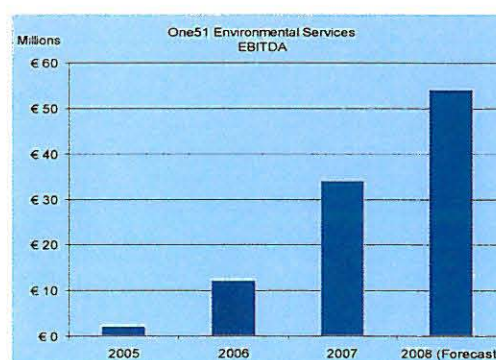
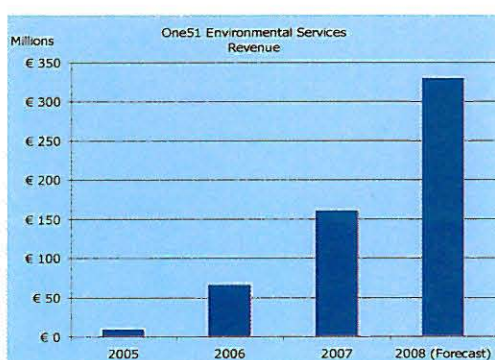
From the outset One51 identified the environmental sector as one which offered significant growth opportunities. The company has moved quickly to gain a solid footing in this sector and One51 Environmental Services has grown to become a substantial operation. One51 Environmental Services is now involved in metal recycling (including electrical and electronic waste), materials recycling (including glass, dry recyclables and plastics) and hazardous waste management across Ireland, the UK, Continental Europe and North America. Further opportunities are constantly under review.

Since the beginning of 2008 One51 Environmental Services has acquired additional metal and material recycling businesses. These new acquisitions further strengthen our cluster policy of regional sector integration. As anticipated, synergies are emerging within the division and organic growth is ahead of expectations.

Given the scale and opportunities in Environmental Services the Board recently made the decision to establish One51 Environmental Services with its own operating Board and management team, separate from the core One51 organisation.

The stand alone One51 Environmental Services division has the potential to be separately branded in time. It is lead by Hans Droog who was previously Managing Director of One51's metal recycling and plastics business and sits on the Board of One51 plc. Prior to his involvement with One51, Hans held a senior executive position in the IAWS group and was previously a senior partner with Ernst & Young.

Hans Droog is supported by a strong team of senior managers with significant industry experience. Their leadership and collective knowledge ensures that One51 Environmental Services will maintain its current growth trajectory and deliver superior long-term value to shareholders.



One51's other interests continue to be managed by the core One51 team, led by me. This team included dedicated investment management and support professionals.

## 2. Infrastructure

As an island economy, Ireland is dependant on its ports for international trade. Years of underinvestment in Irish ports mean that the country's capacity is not keeping pace with expected demand.

One51 is developing a presence in Irish Ports infrastructure. The firm has a 50% interest in Greenore Port in conjunction with Dublin Port Company.

An Bord Pleanála recently confirmed that the deep water Greenore Port comes under the Critical Infrastructure Act and as such has been entered on the fast track planning approval process. Project financing facilities for a new €40m Ro-Ro and Lo-Lo facility have been put in place. Development work is due to commence upon receipt of final planning approval, which is expected in quarter four.

We also have a 25% holding in Irish Continental Group plc (held in partnership with Doyle Group Ltd). Irish Continental Group was identified as an undervalued asset by One51 in March 2007. The company has since announced particularly strong results for the year ending March 2008. Operating profit was up 55.6% on the previous 12

months and EBITDA growth was 33%. The company also continues to demonstrate strong cash conversion and continued debt reduction.

### **3. Renewable Energy**

The EU Renewable Energy Directive requires that Ireland source more than 15% of its electricity from renewable energy by 2010, up from just 5.2% in 2004. The Department of the Environment has further committed to a target of 33% by 2020.

One51 was an early investor in Irish wind energy via its 25.38% investment in NTR. This holding has a current market value of €344m. NTR have also signalled a liquidity event for their shareholders in mid 2008 which follows from the sale of their 51% stake in Airtricity.

One51 has an 11.28% stake in OpenHydro, the tidal turbines company. OpenHydro recently announced that Emera Inc, a large Canadian energy group, had become an investor with a 7% shareholding. Emera's COO also joins the Board of OpenHydro. Emera's investment values One51's holding in OpenHydro at €15.5m post money, an increase of 193% on our original investment.

### **4. Food**

One51's investment in the Food Sector comprises of a 100% shareholding in Irish Pride Bakeries Ltd. ("Irish Pride"), the second largest baker in Ireland. Irish Pride recently acquired the Life Fibre brand. Financial performance for the first quarter highlighted the division's continued strong earnings and cash flow generation.

### **Grey Market**

Following on from the creation of a 'grey market' in our shares in 2007, One51 has decided to increase the number of broking houses covering our stock. Over the coming months NCB, Bloxham, Goodbody Stockbrokers and Merrion Capital intend to commence research coverage and trading of One51 plc stock, in conjunction with our existing broker Davy.

### **Audited Accounts**

Financial Statements for the year ending December 2007 have been approved by our auditors and are enclosed. A date for the Annual General Meeting will be communicated in due course.

You may note, as per the financial statements, that EBITDA for 2007 is €32m. The run-rate EBITDA is now well in excess of €50m.

## **Board Appointment**

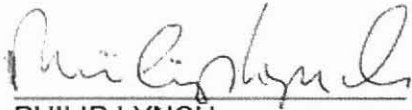
We are delighted to welcome Eithne Fitzgerald to the One51 Board. Eithne is a partner at A&L Goodbody and heads their corporate finance department. Eithne will bring additional strength to the One51 Board.

## **Outlook**

One51 continue to focus on organic growth and integration in our existing businesses. With access to a strong pipeline of potential targets and investment opportunities we are confident that our strategy will continue to deliver strong growth in profits, positive cash flow and superior returns to our shareholders.

Thank you for your continued support.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Philip Lynch', written over a horizontal line.

**PHILIP LYNCH**  
Chief Executive Officer