

28 July 2014

AGM and Interim Management Statement

Cranswick, the UK food producer, provides an update on trading for the period from 1 April 2014 to 27 July 2014. Trading information relates to the 3 months to 30 June 2014.

Current trading

Trading so far in the current financial year has been in line with the Board's expectations.

Revenue in the three months to 30 June 2014 was 5 per cent ahead of the same period last year reflecting continued growth across most product categories.

Operating margin[#] in the first quarter was similar to that achieved in the previous financial year as a whole.

During the period, the Group has invested further in its asset base to increase capacity and improve efficiency. Work to extend the Delico cooked meats facility in Milton Keynes is, as planned, nearing completion. The project will provide more capacity to meet anticipated sales growth and the investment in advanced cooking and slicing technology will deliver increased throughput and enhanced yields. A major upgrade to the chilling system at the Norfolk primary processing facility will deliver similar benefits.

Financial position

Net debt stood at £33 million at 30 June 2014, £22 million lower than the same point last year and compared to £17 million at 31 March 2014. The increase during the quarter reflects the usual seasonal uplift in working capital and the Group's on-going capital investment programme. The Group is in a sound financial position, with committed, unsecured facilities of £120 million which provide generous headroom going forward.

Board changes

As announced on 19 May 2014, Bernard Hoggarth will retire from the Board at today's Annual General Meeting.

Also as announced on 19 May 2014, John Worby will stand down from his position as a Non-Executive Director at today's Annual General Meeting. Mark Reckitt joined the Board as a Non-Executive Director on 1 May 2014 and will take over from John Worby as Chair of the Audit Committee at the conclusion of today's Annual General Meeting.

Outlook

With experienced management at all levels of the Group, a strong range of products, a well invested asset base and a robust financial position, the Board remains confident in the continued long term success and development of the business.

[#] excluding net IAS 41 valuation movement on biological assets in the current and prior financial years and non-recurring items in the prior financial year