

28 January 2016

### **Third quarter trading statement**

Cranswick, the UK food producer, today provides an update on trading for the three months to 31 December 2015.

#### **Current trading**

Trading during the third quarter of the financial year was in line with the Board's expectations.

**Total revenue in the three months to 31 December 2015 was 5% ahead** of the same period last year, driven by strong volume growth of 11% and underpinned, as anticipated, by another strong Christmas trading period.

**Underlying revenue\* was 4% higher than the same period last year**, with corresponding volumes up 10% as the benefit of falling input prices was again passed on to the Group's customers. Export sales grew strongly, with volumes shipped to the Far East 28% ahead of the same quarter last year.

#### **Investment**

The Group continues to invest heavily across its asset base to increase capacity and drive further operating efficiencies.

#### **Financial position**

Following the expected seasonal increase in working capital and ongoing capital expenditure, net debt increased from £5 million to £18 million during the quarter, well below the £57 million reported at the same stage last year. The Group is in a sound financial position with committed, unsecured facilities of £120 million, providing significant headroom.

#### **Outlook**

Cranswick continues to work closely with its customers and to maintain its focus on service, quality and innovation to deliver exciting, competitively priced products in market conditions that are expected to remain competitive through the remainder of the financial year.

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.

\* Underlying revenue in both the current and prior financial years excludes the contribution from Benson Park prior to 22 October and sales from the pig breeding, rearing and trading activities