

05 April 2016

Trading statement for the year ended 31 March 2016

Cranswick, the UK food producer, today issues the following scheduled update on trading for the year ended 31 March 2016. Cranswick expects to announce its full year results on 24 May 2016.

Current trading

Continued positive trading during the final quarter of the financial year resulted in total full year sales volumes being 12% higher than the previous year. Full year underlying* sales volumes increased by 10%, with corresponding revenues ahead by 5%, as the Group's customers and UK consumers continued to benefit from lower pork prices. Export sales grew strongly in the final quarter, maintaining the positive momentum seen in the previous nine months and reflecting the ongoing robust demand for pork products in Far Eastern markets.

Investment

The Group invested well in excess of £30 million across its asset base during the last financial year to support future growth and drive further operating efficiencies. This level of investment is expected to continue through the current financial year.

Financial position

Strong cash generation from operating activities resulted in the Group moving into a net funds position at 31 March 2016. This compared to net borrowings of £18 million at previous quarter end and £17 million reported at 31 March 2015. The Group is in a strong financial position, with committed, unsecured facilities of £120 million which provide comfortable headroom.

Outlook

The Board continues to expect to report a trading performance for the year ended 31 March 2016 in line with its expectations. 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 excludes the contribution from Benson Park prior to the anniversary of its acquisition (22 October 2015) in the current year and sales from the pig breeding, rearing and trading activities in both the current and prior financial years