

4 April 2011

**Cranswick plc**

**("Cranswick" or "the Company")**

## **Fourth quarter trading statement**

### **Current trading**

The Board anticipates that the Company's trading performance for the year to 31 March 2011 will be broadly in line with its expectations. The results are expected to be released on 16 May 2011.

Underlying, like-for-like sales for the year to 31 March 2011 increased by 4 per cent. Volumes were ahead by 6 per cent on the same basis. In the fourth quarter underlying sales were in line with those of the previous year. The Deeside cooked meat business was transferred into the Farmers Boy (Deeside) Limited joint venture on 9 July 2010 and from this date onwards sales are excluded from Group total sales. This impacts the comparison of total sales which for the full year were 2 per cent ahead of last year and in the fourth quarter were 6 per cent lower.

Operating margin was in line with management's expectations.

Following the successful commissioning of the new abattoir at the Company's fresh pork facility in Hull and investment to deliver improved operating efficiencies at the Norfolk facility, the Company's fresh pork activities are now fully integrated. The capital expenditure and commissioning of the project at the bacon factory is now substantially complete.

### **Financial position**

Cash generation from operating activities has remained strong through the final quarter, resulting in year-end net debt being lower than that of a year ago. The Company has put in place a new four year bank facility, on improved terms, which provides appropriate headroom going forward.

### **Outlook**

The difficulties facing the UK consumer and the dynamics of the competitive UK market in which the Company operates suggests the year to 31 March 2012 may be more demanding than usual. However, the Board anticipates that with the Company's well invested asset base, strong range of products, experienced management team and robust financial position, it is well positioned to continue the long-term development of the Company.