

Associated British Foods plc

AGM Trading update

Associated British Foods plc is holding its Annual General Meeting today. At the meeting the Chairman, Michael McLintock, will say:

"Today I am providing a trading update for the Group, further to our Annual Results Announcement on 9 November.

Trading to date in our new financial year across Grocery, Sugar, Ingredients and Agriculture has been in line with expectations. We are experiencing the impact of widely reported port congestion and road freight limitations and our businesses have been working hard to overcome these difficulties. We have seen an escalation in the cost of energy, logistics and commodities and we have been implementing plans to offset these through operational cost savings and, where necessary, the implementation of price increases.

Primark trading year to date has been ahead of expectations with improved like-for-like sales compared to the fourth quarter of our last financial year. We are managing disruption in our supply chain by prioritising products most in demand with the support of our logistics providers for whom we are a very important customer. We have stock cover on the vast majority of lines for the important Christmas trading period. The incidence of COVID-19 cases is increasing and the public health measures taken to date in our markets are mainly restrictions in trading hours in the Netherlands, the requirement for vaccine passes in Germany and the closure of our five stores in Austria. Primark margin year to date has been ahead of expectations. Looking ahead we currently expect Primark sales to be significantly better than sales in the comparable period in the last financial year, from December 2020 to April 2021, when the estate was largely closed.

Since the year end we have opened two new stores, one in Vigo, Spain, and one in Catania, Italy, bringing our total estate to a milestone of 400 stores, trading from 17.0 million sq ft.

Taking these factors into account, we continue to expect significant progress, at both the half and full year, in adjusted operating profit and adjusted earnings per share for the Group."

For further information please contact:

Associated British Foods:

John Bason, Finance Director
Tel: 020 7399 6545

Citigate Dewe Rogerson:

Tel: 020 7638 9571

Chris Barrie
Tel: 07968 727289

Jos Bieneman
Tel: 07834 336650