

26 JUNE 2023

**Associated  
British Foods**  
plc

## Third Quarter trading update

Associated British Foods plc today issues a trading update for the 12 weeks to 27 May 2023 summarising the significant trading developments since the last market update.

### Trading performance

The following table sets out revenues by business segment for the third quarter of the financial year and for year to date.

	Third quarter £m	Change at constant currency	Year to date £m	Change at constant currency
Grocery	1,058	+13%	3,163	+11%
Sugar	665	+51%	1,854	+35%
Agriculture	458	+4%	1,408	+11%
Ingredients	547	+10%	1,635	+20%
<b>Total Food</b>	<b>2,728</b>	<b>+18%</b>	<b>8,060</b>	<b>+18%</b>
Retail	1,998	+13%	6,226	+15%
<b>Group</b>	<b>4,726</b>	<b>+16%</b>	<b>14,286</b>	<b>+17%</b>

References to growth in the following commentary are based on constant currency except where stated.

### Food

Trading across our Food businesses has continued to be good, following the trends seen in our second quarter. In particular, we have seen strong constant currency sales growth in Grocery and Ingredients largely driven by the necessary pricing actions taken earlier in the year to offset input cost increases.

In Sugar, trading has continued to be strong across its key African markets. As previously announced, British Sugar has had to secure alternative sources of supply as a consequence of the production shortfall from the 2022/23 campaign. After delayed planting, the 2023 UK beet sugar crop is now progressing well.

### Retail

Primark has continued to trade in line with our expectations, with summer ranges performing well as the season started in our markets. Sales grew by 13% in the quarter, with like-for-like sales growth of 7%, supported by higher average selling prices. Like-for-like sales growth for the year to date is now 9%. Like-for-like sales growth in the quarter was 6% in the UK and 7% in Europe excluding the UK. As well as seasonal clothing and accessories, sales in health and beauty products were particularly strong. Sales in our flagship city centre stores have continued to be good.

The deployment of Primark's much-improved website continued, launching in Germany, Spain, Italy, and the US in the period and in France shortly after the period ended. The remaining markets will follow over the summer.

The contribution from new and extended stores continues to be strong. Our exciting store expansion plan remains on track. We opened four stores in the period: Venice, Italy; Walden Galleria, Buffalo, NY; Toledo, Spain; and Bratislava, Slovakia, our first in that country which becomes our 16<sup>th</sup> market. In the US, we have now signed the lease for our first store in Texas.

### Overall

The Group continues to trade well. Based on current trading conditions, we now expect the Group's adjusted operating profit for the full year to be moderately ahead of last year. Adjusted EPS will also benefit from a Group Effective Tax Rate that is now expected to be below that seen in the first half of the year.

As at the close of trading 23<sup>rd</sup> June we have completed £319m of the £500m share buyback programme.

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Notes:

- Definitions of the alternative performance measures referred to in this announcement can be found in note 30 of our Annual Report and Accounts 2022.