

**4 December 2020**

**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 statement of 2 November which detailed the store closures expected at that time due to government restrictions in many of the markets where Primark trades, and further to our annual results announcement of 3 November.

Stores in our major markets of the Republic of Ireland, England, France and Belgium reopened in the last week. Sales in the days since reopening in each of these markets have once again been very strong, reflecting the excitement and appeal of the Primark offering. We have extended the opening hours during this festive season in most of our stores in the Republic of Ireland and England to cater for the anticipated higher customer demand and to help ensure a safer environment by spreading shopping hours over a longer period.

Across our markets 34 stores remain temporarily closed, including all stores in Northern Ireland and Austria, and the government-announced periods of closure vary by market. This represents 7% of our total retail selling space compared to 62% when the highest number of stores were closed in November.

Our estimate for the loss of sales for the announced periods of closure this Autumn is now some £430m. The operating costs of the stores which were closed were reduced by some 25% during this period of closure. All orders placed with our suppliers have been honoured. In a small number of markets trading hours and store occupancy levels continue to be restricted and uncertainty about further temporary store closures in the short-term remains.

Since the start of this financial year we have opened new stores in the US: American Dream, New Jersey and Sawgrass Mills, Florida. The success of these store openings in the US and our like-for-like performance in our reopened stores is very encouraging, reinforcing our confidence in the acceleration of our US store opening programme. We had a very strong customer response to the opening of our first store in Rome, Italy last week. We have opened our fifth store in Barcelona, Spain and this morning we have opened our 50<sup>th</sup> store in Spain, in León. These store openings bring our total estate to 389 stores and 16.5m square feet of retail selling space.

Notwithstanding the currently announced periods of restriction, we continue to expect Primark sales and profit to be higher this financial year compared to last. We will continue to expand retail selling space.

At this early stage in our new financial year trading across Grocery, Sugar, Ingredients and Agriculture has been ahead of both expectation and last year. Our forecast for UK sugar production for 2020/21 is now 0.9m tonnes, lower than previously expected and well down on last year’s 1.19m tonnes, due to the severe impact of virus yellows disease on sugar beet. Mainly driven by an improved performance in Illovo, for the full year AB Sugar is still expected to deliver a higher profit.

Following the UK’s exit from the EU, our businesses have completed all practical preparations for the end of the transition period this month and contingency plans are in place should our businesses experience some disruption at that time.”

**For further enquiries please contact:**

**Associated British Foods**

John Bason, Finance Director

Tel: 020 7399 6545

Catherine Hicks, Corporate Affairs Director

Tel: 020 7399 6545

**Citigate Dewe Rogerson**

Chris Barrie

Tel: 07968 727 289

Jos Bieneman

Tel: 07834 336 650

Note: In light of the COVID-19 pandemic the AGM will be held as a closed meeting and regrettably shareholders are unable to attend in person. Further details can be found on the ABF website [here](#).