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Genus PLC
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Genus plc
('Genus' or 'the Company')

Genus announces important advances in its porcine strategy for China

Genus' porcine genetics subsidiary, PIC China, has signed an agreement to add more nucleus herd (great-grandparent) capacity to its nationwide network of breeding stock production. The Company has contracted to lease a new 600 sow farm that will be built to PIC's specification by Benxi Mu Gongshang Co. Ltd, a firm formed by the Benxi Animal Husbandry Bureau and private investors in the north-eastern province of Liaoning. Construction has already begun on a biosecure site under the supervision of PIC's project management team and will be stocked by import early in 2009. The herd will function primarily as a sire line nucleus, producing a range of high-performance boars to maximize the rate for multiplication of elite genetics to be used by China's foremost pork producers.

Two similar projects were commissioned in 2008: a nucleus farm in Jiangxi province by importing pigs from PIC's nucleus farm in Canada and the acquisition of a nucleus farm in Sichuan. Currently, negotiations are at an advanced stage to build a further nucleus facility dedicated to the development of an integrated pork chain. It will produce one million market pigs a year.

PIC China's production base is the best established source of prime porcine genetics in China and, with the Benxi herd, includes five nucleus farms comprising 4,500 sows. Together with a network of contract multiplication farms, PIC controls 10,000 breeding sows producing breeding stock for customers and partners countrywide. In addition, PIC's larger customers have their own multiplication farms using PIC grandparents. These supply parent gilts for their commercial farms.

The above investments demonstrate Genus' increased focus for expansion in China and its position as the premier supplier of advanced swine genetics to an industry that is modernizing quickly the quality of its pork chain.

Richard Wood, Chief Executive, commented, 'These projects demonstrate Genus' commitment to China. There is a wind of change in the Chinese pig industry triggered by the pork supply crisis in 2007 and high feed costs. These factors are driving industry consolidation. Larger producers enjoy the economies of scale and operating efficiencies. Also, there are a raft of incentives available from the government to increase and stabilize supply from these companies that produce the nation's favourite meat. Hardly a week goes by without Genus being contacted about a new project which plans to produce between one million and five million pigs demonstrating clearly that PIC genetics are at the forefront of the restructuring of pig production in China.'

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This announcement is available on the Genus website, www.genusplc.com

Notes for Editors:

Genus creates advances to animal breeding through biotechnology and sells added value products for livestock farming and food producers. Its non-genetically modified organism technology is applicable across all livestock species but is only commercialised by Genus in the bovine and porcine farming sectors.

Genus' worldwide sales are made in seventy countries under the trade marks 'ABS' (dairy and beef cattle) and 'PIC' (pigs) and comprise semen and breeding animals with superior genetics to those animals currently in production. Customers' animals produce offspring with greater production efficiency, milk and meat output and quality and use these to supply the global dairy and meat supply chain.

The group's competitive edge has been created from the ownership and control of proprietary lines of breeding animals, the biotechnology used to improve them and its global production and distribution network.

Headquartered in Basingstoke, England, Genus companies operate in 30 countries on six continents, with research laboratories located in Madison, Wisconsin, USA.

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