RNS Number : 4228C
Genus PLC
12 November 2009

For Immediate Release 12 November 2009

GENUS plc
("Genus" or "the Company")

AGM and Interim Management Statement

At the Annual General Meeting of Genus plc ('Genus') to be held today at 2.30pm, the following interim management statement will be made:

Trading performance

In the face of continuing difficult agricultural markets, Genus' performance in the financial year up to the date of this announcement has been solid at the trading level.

Adjusted operating profit for the four months to 31 October 2009 was broadly in line with last year, a period before the agricultural recession began. Trading conditions remained difficult in North America, articularly in dairy where customers are continuing to trade down. In the North American porcine business, revenue was lower than last year, as customers have sought to defer updating the genetics in their herds. However, the resilience of the royalty model and tight control of costs have protected profits. In Latin America, the bovine business has performed well, whilst the porcine business has been temporarily held back by phasing of shipments. Europe reported positive results with improved sales and the benefits of cost reductions on profitability. Increasing semen sales in China for Mengnui contract farmers benefited the Far East region and helped offset difficult porcine trading due to poor markets conditions.

As expected, research and product development costs have been higher than last year reflecting, in particular, the double running costs of bringing on stream the new nucleus herd facility in South Dakota in the USA.

Adjusted profit after interest* at constant currency for the four months to 31 October 2009 was 15% lower than last year, largely due to increased finance costs associated with the refinancing in February 2009 and higher interest charges on pension liabilities. Exchange rate movements have had a marginally beneficial effect on the results to date.

Financial Position

Net debt at 31 October 2009 rose to £95.2m, in line with the usual seasonal increase in working capital. Cash flow before working capital movements was positive.

Outlook

We have seen early signs of recovery in agricultural markets in Europe and Latin America, but little to date elsewhere. In the USA conditions appear to have deteriorated further. As a result, the Board expects first half profits at constant currency to be lower than last year. We expect to see an improvement in performance in the second half compared with last year, the extent of which will depend on the timing of market recovery, particularly in the USA.

Despite depressed short-term market conditions, the underlying fundamentals of long term growth in World agricultural markets driven by population growth and increased urbanisation in developing economies remain undiminished.

The Group's continued investment in product development and leading market position leaves it well placed to take full advantage of the anticipated recovery in its markets as and when this occurs. Therefore, the Board remains very positive about the Group's long term prospects.

**Adjusted operating profit and adjusted profit after interest are calculated before net IAS41 valuation movements in biological assets, amortisation of acquired intangibles, share based payments, exceptional items and other gains and losses. The Board believe these measures provide valuable insight to underlying business performance.*

For further information please contact:

Genus plc Tel: 01256 345970

Richard Wood, Chief Executive
John Worby, Finance Director

Buchanan Communications Tel: 0207 466 5000

Charles Ryland
Suzanne Brocks
Jennie Spivey

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

About Genus:

Genus sells added value products for livestock farming and food producers by creating advances to animal breeding through biotechnology. Its non-genetically modified organism (GMO) 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 use Genus genetics in their herds to produce offspring with greater production efficiency, milk and meat output and quality. These offspring are used to supply the global dairy and meat supply chain.

Genus' competitive edge has been created from the ownership and control of proprietary lines of breeding animals, the biotechnology used to improve them and the Group's 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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