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Genus PLC
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For Immediate Release 11 November 2010

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

AGM and Interim Management Statement

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

Markets

The extent of the market recovery seen in most markets in the second half of our last financial year has been sustained.

The recent increase in animal feed costs has eroded short term profitability for many pig producers. Whilst some producers have become more cautious, the outlook for USA pig prices remains firm and most producers should continue to be profitable throughout 2011. Therefore, we expect the general improvement in demand that Genus has experienced in the first four months of the current financial year to continue.

In the bovine sector, milk prices continued to be at acceptable levels in most markets and showed a modest improvement in the USA.

Trading Performance

Adjusted profit before tax* for the four months to 31 October 2010 was in line with the Board's expectations and well ahead of the same period last year, reflecting a continuation of the trend of improved performance reported for the second half of the last financial year.
Revenue for the four months to 31 October 2010 rose strongly. Porcine sales of breeding animals were significantly higher as customers returned to updating their genetics, particularly in the USA, and bovine volumes also increased.

Adjusted operating profit* for the four months continued to grow. With improving global markets, profits rose strongly in both North and South America, particularly in the porcine sector. Cost reductions implemented in our USA dairy operations, together with slightly higher average selling prices, led to an improvement in bovine profits in a stable market. Profits in Europe were lower than in the same period last year due to the phasing of bovine sales in certain distributor markets. In the Far East, bovine prices in Australia improved as that market recovered and semen sales volumes in China increased. However, profits in the region were held back by poor performance by the porcine business in China where pig prices remained depressed.

Interest costs were lower, as a result of lower net debt and reduced pension interest costs.

Trends in trading performance have not been materially affected by exchange rate movements.

Strategic Progress

Good strategic progress was made in China. A Government licence has been received allowing the operation of the recently completed bovine stud and sales of locally produced semen have commenced.

In India, the recently announced 5 year commercial agreement with Chitale Dairy will provide local bull stud facilities for Genus sires in this large and fast growing dairy market. Sales of locally produced semen have already begun.
We are also pleased to announce the acquisition of a Genus bovine production facility in Krasnodar, Russia. The acquired facilities will be used to establish local production to supplement sales of imported semen in Russia with sales expected to begin towards the end of the second half of the current financial year.

Financial Position

Net debt at the end of October was £79.7m. This was significantly lower than at the same time last year (£95.2m) reflecting the positive underlying cash generation within the business now that the major expansion of production facilities has been completed.

Outlook

We have made an encouraging start to the current financial year. Despite higher feed costs, we expect to continue to make good progress in the year ahead and fully to meet the Board's expectations for the year. The strategic initiatives reported above are expected to add to growth in the next financial year.

**Adjusted profit before tax and adjusted operating profit 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 believes these additional non-GAAP measures provide a useful alternative measure for shareholders of the trading performance of the Group.*

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

About Genus:

Genus plays a key role in the world's agricultural economy in its creation of advances in animal breeding through naturally applied biotechnology, helping farmers and food producers across the world to improve quality and increase output.

Genus provides superior natural animal genetics, enabling our global customers in the bovine and porcine supply chain to produce offspring in their herds with greater production efficiency, milk and meat output and quality. The challenge of meeting growing global demand for milk, pork and beef from the decreasing resources available for food production requires innovative solutions that Genus provides.

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.

Genus' competitive edge has been created from the ownership and control of proprietary lines of breeding animals and the biotechnology used to improve them. Genus' global production and distribution network underpins our unique position in the world's growing agricultural markets.

Headquartered in Basingstoke, England, Genus is a FTSE250 company that operates in 30 countries on six continents, with research laboratories located in Madison, Wisconsin, USA.

This information is provided by RNS
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