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Genus PLC
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**Genus plc**
**('Genus' or 'the Company')**
**Annual General Meeting ('AGM') and Interim Management Statement**

At the AGM of Genus to be held at 11.00am today, the following interim management statement will be made for the trading period from 1 July to 31 October 2012.

**Current Trading**

Following last year's record results, revenues for the four months to 31 October 2012 were slightly ahead of the strong performance achieved in the same period last year. Operating profits were lower than the same period last year driven by higher feed costs in our genetic nucleus farms and by delayed sales in Genus ABS caused by adverse weather conditions in Latin America.

The overall results have benefited from solid performances in Genus PIC and Genus Asia. In addition the strength of the Genus business model has limited the financial effect on Genus of the higher feed costs that are affecting many of our customers.

Genus PIC, comprising the porcine operations in North America, Latin America and Europe, achieved continued volume growth across all three regions. Operating profits were at a similar level to last year despite higher feed costs in our nucleus farm operations and planned increased investment in product development. Performance has benefited from continued growth in the CBV Plus and CBV Max programmes in North America and volume growth in Latin America. Europe has performed ahead of last year reflecting the start of restructuring benefits and the strengthening European porcine market.

Genus ABS, comprising the dairy and AI beef businesses in North America, Latin America and Europe, had a slow start to the year. Volumes were lower in Latin America where adverse weather conditions in Argentina and Brazil have caused a delay in semen sales. We expect these sales to be recovered as the year progresses. Performance in North America and Europe was slightly ahead of last year.

Genus Asia has had a good start to the year. Revenues and profits were in line with the strong performance achieved in the same period last year.

As expected finance costs were higher than last year, reflecting the previously indicated increase in pension interest costs following the additional pension provision made at 30 June 2012.

**Financial Position**

Net debt at the end of October 2012 was at a similar level to end June 2012 and well below the same time last year.

**Strategy**

We have made a good start in implementing our strategy to accelerate the rate of profit growth from

2014 onwards.

Following the implementation of a new market-place oriented organisation structure in July 2012, we are establishing global technical services, global marketing and a global supply chain for each of our porcine and dairy/AI beef businesses. This is already starting to create opportunities to enhance customer service which is a key element of our overall growth strategy.

In line with our strategy, we have appointed Saskia Korink Romani to the new position of Chief Marketing Officer. Saskia, who joins in January 2013, brings significant international business and marketing experience having worked for 10 years at Cargill, most recently as Vice President of Marketing, Animal Nutrition Division.

In Asia, key personnel appointments have been made as part of our plans to ensure we have the right resources in place to meet our growth aspirations.

In China, the initial stocking of the Besun porcine joint venture farm has been completed as planned and discussions with other potential joint venture partners are progressing.

**Outlook**

We expect to see a gradual improvement in performance as the year progresses particularly after the slow start in our Genus ABS business. We believe Genus remains on course to achieve another year of growth.

With the investments being made in the current year, particularly in emerging markets such as China and in core competencies such as marketing, technical services and product development, the Group is well placed to take advantage of the long-term opportunities available in the global animal genetics market.

For further information please contact:-

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

**About Genus**

Genus creates advances to animal breeding and genetic improvement by applying biotechnology and sells added value products for livestock farming and food producers. Its technology is applicable across all livestock species and is currently commercialised by Genus in the dairy, beef and pork food production sectors.

Genus' worldwide sales are made in seventy countries under the trademarks "ABS" (dairy and beef cattle) and "PIC" (pigs) and comprise semen and breeding animals with superior genetics to those animals currently in production. Genus' customers' animals produce offspring with greater production efficiency, 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 supply chain, technical service and sales and distribution network.

With headquarters in Basingstoke, United Kingdom, Genus companies operate in thirty countries on six continents, with research laboratories located in Madison, Wisconsin, USA.

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