RNS Number : 5259Y
Genus PLC
25 February 2013

For Immediate Release **25 February 2013**

Genus plc
('Genus' or the 'Group')
Second New Joint Venture in China

Genus, a leading global animal genetics company, is pleased to announce that it has signed a second porcine joint venture ("JV") agreement in China. This new JV is for a 1,000 sow nucleus farm with Yunnan Shennong Agricultural Group Co. Ltd. ("Shennong"), the leading integrated pork producer in the Yunnan province.

The JV expands further Genus' porcine business in China and is in line with its corporate strategy to focus on growing in key markets and segments such as the Chinese integrated pork producer segment. China is a very large potential market for Genus with approximately 50% of the world's pigs produced and consumed in country. Genus is currently implementing a growth strategy through JV partnerships with leading integrators and expanding its production base in China. This follows on from the JV with BeSun which Genus announced in July 2012.

Genus will be a 65% partner in the JV through a cash investment of approximately £2.7m. The JV will operate a state of the art nucleus farm, scheduled for completion within the next 12 months. Genus will provide pureline porcine stock from the Genus porcine genetic division's (PIC) global high health pyramid to stock the farm. The JV farm will be managed by Genus. The structure enables world class farm practices to be implemented and Genus' intellectual property to be protected. In addition, the JV structure will enable the introduction of a royalty revenue model which is already in operation across Genus' porcine businesses in other key geographies.

The JV will produce crossbred grandparent females. Shennong will use at least 40% of the output to support the expansion of its pig production programme. The remaining animals will provide important additional volume to support the growing sales of PIC breeding animals in China. Once in full operation, which is expected to be in 2014, the herd will underpin production of 2.5 million slaughter pigs per year.

Genus is continuing to pursue other JV opportunities in China to develop further its porcine business.

Commenting on the JV, Karim Bitar CEO said:

"This is a significant milestone in our strategy of growing our porcine business in China. The JV with Shennong marks our second JV in China and we continue to pursue further opportunities for porcine joint ventures in this large and important market.

"We look forward to strengthening our partnership with Shennong and achieving our shared objectives of producing affordable, safe and high quality pork."

Commenting on the JV, Mr. He, Founder and Chairman of Shennong said:

"Shennong has worked with PIC in China over the last 9 years as we have developed our farming operations. We now have aggressive targets for expanding our pig production system as we develop an integrated supply chain to provide safe, healthy pork products to our customers. We are very pleased to have sealed this partnership with PIC today to strengthen further our relationship and to provide a dedicated supply of PIC's world class genetics to meet the needs of our expansion plans."

For further information please contact:-

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Karim Bitar, Chief Executive

John Worby, Finance Director (before 1 March 2013)
Stephen Wilson, Finance Director (from 1 March 2013)

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

About Genus

Genus creates advances to animal breeding through biotechnology and sells added value products for livestock farming and food producers. Its technology is applicable across all livestock species and is 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. 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, technical service 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.

About Genus PIC

PIC is the global leader in providing genetically superior pig breeding stock and technical support for maximising genetic potential to commercial pork producers. Operating for more than 50 years, PIC's success is due to its concentration on and significant investment in all aspects of genetics, technology and health.

About Shennong

Shennong Agricultural Group is the leading vertically integrated pig producer in the Yunnan province, employing more than 2,000 people. Since beginning operations as a commercial feed producer in 1999, the privately held firm has established pig production farms and value-added slaughtering, meat processing and retailing businesses. The company operates 2 slaughter plants with combined capacity of 3 million pigs. Shennong aims to expand its 'feed to fork' integration by growing the production base to 80,000 sows with output of 2 million slaughter pigs a year by 2018.

This information is provided by RNS
The company news service from the London Stock Exchange

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