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Genus plc
('Genus')

Trading Update

Genus, a leading global animal genetics company, today publishes a trading update for the period from 1 July 2014 to 13 November 2014.

Genus performed in line with expectations in the period under review. Genus's volumes, revenues and adjusted profit before tax for the first four months all increased compared with last year's performance. The growth in actual currency terms was at a lower rate than in constant currency.

Market conditions for Genus's bovine and porcine customers have generally been favourable with very good harvests in the Northern Hemisphere leading to falling input costs. Pork prices have been recovering in China, but the exceptionally high prices in North America over the summer have now reduced. Dairy prices globally have generally declined since the start of the financial year, while beef prices have remained elevated.

Current Trading

Genus PIC's profits improved with a continued strong performance in the Americas which benefited from improving market conditions and from Génétiporc, which had not been acquired until the end of the prior year period. Results in Europe were similar to the prior year. In September, PIC completed the acquisition for £6m of Birchwood Genetics Inc., a boar stud partner providing male PIC genetics to mid- and small-sized customers in the USA.

Dairy and beef volumes in Genus ABS grew in Europe and Latin America, while North America's overall volumes were stable. In aggregate, ABS increased revenues but higher product costs and expense phasing resulted in profits being slightly lower in the period.

In Genus Asia, bovine volumes grew, driven by China and India, while porcine volumes reduced due to lower shipments in Russia which has closed its border to imports from the EU and North America. Overall profits in Asia improved, with better performances in both species in China and in the Philippines, partially offset by lower profits in Russia.

Research and development spending was higher for the first four months on core research projects. We continued to invest in Genus Sexed Semen ('GSS'), with the successful completion of further large-scale field trials. Our previously announced US litigation relating to the GSS technology against Inguran LLC (trading as Sexing Technologies) continues, with a trial date set for early 2016 in the Western District of Wisconsin.

Financial Position

Genus maintains a strong financial position. Net debt at the end of October 2014 was lower than October 2013 but has increased compared with June 2014. The increase in net debt since the start of the year reflects the acquisition of Birchwood, exchange rate movements and expected seasonal cash flow patterns.

Outlook

Genus is trading in line with our expectations for the full year. The headwinds experienced last year are abating as expected. As we continue to execute our strategy, we anticipate achieving growth expectations for the

financial year 2015.

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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's 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's 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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