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Genus PLC
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Genus plc
('Genus' or the 'Company')

AGM - TRADING UPDATE

Genus, a leading global animal genetics company, today publishes a trading update to coincide with its AGM, for the period from 1 July 2016 to 16 November 2016.

Market conditions for Genus's customers were mixed. Strong pig production volumes in some markets, such as the US, resulted in significantly reduced pig prices for producers there, but pig prices improved in Europe and remained strong in China, which supported continuing good demand for Genus's PIC genetics and growth in volumes in the period. Dairy prices globally started to improve, but are still at levels where many dairy farmers are not profitable. Beef prices fell in the US throughout the year, resulting in a more cautious approach from customers. These market conditions, combined with increased price competition particularly in North and Latin America, resulted in lower semen volumes for Genus ABS, while IVB continued to grow embryo volumes.

Revenues for the four months to 31 October 2016 increased modestly in constant currency compared with the prior year, with increased porcine stockings and royalties largely offset by lower bovine semen sales. As expected, adjusted profit before tax was lower in constant currency as planned increases in research and development expenditure were made, while exchange rates provided a benefit during the period.

Saskia Korink, Chief Operating Officer of Genus ABS Dairy, has left the Company and Karim Bitar is leading the ABS Dairy business while a search for her successor, which is underway, is concluded.

Genus continues to await judgement from the Federal Court in Wisconsin on its request for an injunction to enable it to terminate its Sexing Technologies semen sorting contract without penalty or damages. This would enable the early introduction of competition into the market for processing sexed bovine semen through the launch of our Genus Sexed Semen technology.

Outlook

Genus made progress towards its strategic objectives during the period under review and expects to perform in line with overall expectations for the financial year 2017.

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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.

This information is provided by RNS

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