

30 March 2015

TREATT PLC

Pre-close Trading Update for half year ending 31 March 2015

Treatt Plc (the 'Group'), the manufacturer and supplier of innovative ingredient solutions for the flavour, fragrance and FMCG industries today publishes a pre-close trading update for the half year ending 31 March 2015.

As reported in December 2014 the first half of the financial year began with a relatively slow Q1 which reflected the increased seasonality of the business. This seasonality relates to the Group's strategic focus on innovative ingredient solutions for the beverage market in particular. Trading has recovered well in Q2 in line with our expectations. Whilst underlying gross margins continue to improve, this improvement in the first half has been offset, as expected, by some adverse raw material price movements which have affected margins on some longer term fixed price contracts. Overall, H1 has seen solid revenue growth compared to the same period last year, with profits also up.

The first six months of this financial year have been encouraging with new business wins in a number of key market segments including the growing craft beer market, and in the sugar-reduction wellness arena for soft drinks. In addition, active concentration on our partnerships with global customers has enabled us to win added-value citrus and other flavour business across a range of beverage products.

Although movements in FX rates (particularly the US Dollar and Euro) have been more volatile than usual in the first half of the year, we have a number of hedging strategies in place which have mitigated any materially adverse impact which such movements could have caused.

The Board have continued to actively consider a number of options with regard to its UK plant and facilities at Bury St Edmunds which no longer meet the medium to long term needs of the business as we pursue our strategy towards becoming an ingredient solutions partner of choice for both global and local FMCG businesses. Whilst formal plans are some way off, we expect to be in a position to consult with key stakeholders to ensure their support as these plans come together over the next 6-9 months.

Looking ahead to the second half of the financial year, order books are encouragingly ahead of the same period last year and the Board believe the Group remains on course to meet its expectations for the full financial year ending 30 September 2015.

Treatt Plc's results for the half year ending 31 March 2015 will be announced on 19 May 2015.



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About the Group

Treatt is a leading global independent supplier of innovative ingredient solutions for the flavour, fragrance and FMCG industries renowned for its technical expertise and knowledge of ingredients, their origins and market conditions. With manufacturing facilities in the UK, USA and Kenya, Treatt provides integrated solutions for the food, beverage and fragrance industries.

Earthoil is the cosmetics ingredients division of Treatt, and specialises in pure, organic, fair trade essential and cold pressed vegetable seed oils, offering a broad spectrum of natural raw materials for cosmetic applications.

The Group employs over 300 staff in Europe, North America, Africa, and Asia.

For further information about the Group, visit www.treatt.com and www.earthoil.com.

CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries, sectors and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated. No assurances can be given that the forward-looking statements in this announcement will be realised. The forward-looking statements reflect the knowledge and information available at the date of preparation of this announcement and the Group undertakes no obligation to update these forward-looking statements. Nothing in this announcement should be construed as a profit forecast.