

1 April 2016

TREATT PLC

Trading Update for half year ended 31 March 2016

Treatt Plc (the 'Group'), the manufacturer and supplier of innovative ingredient solutions for the flavour, fragrance and FMCG industries today publishes a trading update for the half year ended 31 March 2016.

The first half of the financial year began steadily and, as expected, momentum steadily progressed with the half year ending strongly in March as is consistent with the seasonality experienced in prior years.

Of particular note in H1 has been the volatility caused by the sharp movement in the GBP/USD exchange rate. Whilst the Group has in place a hedging strategy to try to ensure that the impact of exchange rate movements is broadly neutral to the income statement over the course of a financial year, as has been experienced previously, there can be material effects over shorter periods of time. We can therefore advise that, based on a foreign exchange rate of \$1.44 = £1, we anticipate that we will be reporting a net FX loss in H1 of approximately £0.6m. However, as a consequence of the hedging policies which are in place we do expect the FX impact on the Income Statement to be neutral over the course of the full financial year.

Since the Group has a US-based subsidiary, there will also be a Balance Sheet retranslation gain of £0.9m at the half year reporting date which will not be included within the Income Statement.

The Board appreciate that shareholders are eager to receive an update on our UK site relocation plans. We are therefore pleased to report that certain land options have now become available, and we have commenced initial discussions with land owners. A further update will be provided when we announce our half year results in six weeks' time.

Looking forward to the second half of the financial year, there continues to be good momentum across all parts of the business and whilst it remains too early to be certain, the Board believe the Group remains on course to meet its expectations for the full financial year ending 30 September 2016.

Treatt Plc's results for the half year ended 31 March 2016 will be announced on 17 May 2016.



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About the Group

Treatt is a 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, Treatt is recognised as a leader in its field.

The Group employs over 300 staff in Europe, North America, Africa and Asia and has manufacturing facilities in the UK, USA and Kenya. Its international foot print enables the Group to deliver powerful and integrated solutions for the food, beverage and fragrance industries across the globe.

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

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.