



Treatt PLC - TET
Trading Statement
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TREATT PLC

Trading Update for the half year ending 31 March 2017

Treatt Plc ('Treatt' or the 'Group'), the manufacturer and supplier of innovative ingredient solutions for the flavour, fragrance, beverage and consumer product industries today publishes a trading update for the half year ending 31 March 2017.

In the latest trading update announced on 23 February 2017 the Board reported that momentum in the business had gathered pace and consequently the results for the six months to 31 March 2017 ('Half Year') were expected to show substantial progress when compared to the prior year. The Board also reported that it believed that profit before tax for the full year ending 30 September 2017 would substantially exceed its previous expectations.

Since that announcement, trading has continued to be strong and whilst the Group has benefitted from the effect of a stronger US Dollar, underlying revenue growth continues to gain momentum, with Half Year revenue expected to show an increase in excess of 25% over the prior year period, of which approximately 10% can be attributed to the effects of currency movements.

New business wins and a strong performance across all our categories, particularly in Sugar Reduction, Tea and Citrus, which are areas of strategic focus, together with the impact of current foreign exchange rates have combined in an order book which has increased materially compared with the same time last year.

As announced on 23 February 2017 the impact of higher raw material prices, increased order book and the strengthening of the US Dollar has resulted in net debt at the Half Year increasing to approximately £12m, being some £3.6m higher than the same time last year. Historically, the Group reports a net trading cash outflow in the first six months of the year and a net trading cash inflow in the second half of the year, and the Board would expect a similar pattern in the current financial year.

Outlook

Following a strong performance across the Group in March 2017 and clear signs that the momentum described above, which is being delivered by our 2020 Strategic Plan, is continuing into the second half of the current financial year, the Board now expect to exceed its revised expectations for the full financial year ending 30 September 2017.

The Board expects to announce Treatt's Half Year results on 9 May 2017.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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About the Group

Treatt is a global, independent supplier of innovative ingredient solutions for the flavour, fragrance and multinational consumer product industries, particularly in the beverage sector. 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 personal care 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.