



The home of fresh baking®

11 January 2012

**GREGGS plc
CHRISTMAS AND NEW YEAR TRADING UPDATE**

*Greggs is the leading bakery retailer in the UK,
with over 1,550 retail outlets throughout the country,
serving freshly baked products to six million customers each week*

**EXCELLENT CHRISTMAS DESPITE TOUGH TRADING
CONDITIONS**

- **Christmas and New Year trading period* total sales up 10.8%, like-for-like sales up 5.1%**
- **Financial year 2011** total sales up 5.8%, like-for-like sales up 1.4%**
- **Record shop opening programme, adding 84 net new shops during 2011**
- **On track to deliver 2011 results in line with expectations**

** five weeks ending 7 January 2012*

*** 52 weeks ending 31 December 2011*

Chief Executive Ken McMeikan comments:

An excellent Christmas boosted our sales performance at the end of a tough year for high streets. For the five week Christmas and New Year trading period ending 7 January 2012, total sales grew by 10.8 per cent and like-for-like sales by 5.1 per cent.

Highlights during the Christmas period included record sales of our award-winning sweet mince pies with more than seven and a half million sold since the launch of our seasonal range, a 27 per cent increase in sales of Festive Bakes and coffee sales up 21 per cent.

For our financial year as a whole (52 weeks ending 31 December 2011) total sales grew by 5.8 per cent and like-for-like sales by 1.4 per cent.

The level of cost inflation in food ingredients began to ease towards the end of the year in line with our forecasts. Rising food and energy costs have been a feature of 2011 but to reduce the impact on customers we have continued to invest in promotional activity in order to maintain our value position in what has remained a very competitive market. Despite these pressures, we anticipate that we will report full year results in line with expectations when we make our preliminary announcement on 14 March 2012.

During the year we opened a record 98 new shops and delivered a net increase of 84, after 14 closures, to give us a total of 1,571 shops at 31 December 2011. We also completed 170 shop refurbishments. Our continued expansion created some 800 new jobs, lifting our total employee numbers above 20,000 for the first time.

We anticipate that the tough trading environment will continue during 2012, with consumers' disposable incomes remaining under pressure. We will therefore continue to focus on maximising our customer appeal through product innovation and strong promotional activity, building on Greggs' already excellent reputation for value.

We expect another year of marginally positive like-for-like sales growth in 2012 while total sales will benefit from the opening of around 90 net new shops, creating a further 800 new retail jobs and making Greggs even more accessible to customers across the UK.

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