



Always Fresh. Always Tasty.™

1 July 2014

**GREGGS plc
HALF YEAR TRADING STATEMENT**

***Greggs is the leading bakery food-on-the-go retailer in the UK,
with almost 1,700 retail outlets throughout the country***

Good trading year to date

- Total sales in the 26 weeks to 28 June 2014 up 3.1%
- Own shop like-for-like sales in the first 26 weeks up 3.2% (2013: 2.9% decline)
- 131 refits completed
- 26 new shops opened, 36 closures
- Property gains on disposal of £1.4 million (2013: £0.2 million)
- Good cost control

Trading performance

We have continued to trade well through the first half of the year. Our total sales for the 26 weeks to 28 June 2014 grew by 3.1 per cent. Like-for-like sales in our own shops grew by 3.2 per cent over the same period.

Whilst our year-on-year performance has benefitted from comparison with a period of weak trading in 2013, sales growth is also being driven by initiatives that have further improved our products, availability, service and value.

During the first 26 weeks we completed 131 shop refurbishments, in line with our plan to refit around 200 shops during 2014. We also opened 26 new shops and closed 36 shops, giving a total of 1,661 shops trading at 28 June. We expect shop numbers for the year as a whole to be broadly flat.

As previously reported we have disposed of a number of surplus freehold properties in the year to date realising property profits of £1.4million (2013: £0.2 million).

Given the encouraging trading performance in the first half of the year, along with good cost control and the benefit of property disposal profits, we expect to show operating profits of around £16-17 million when we report our interim results on 30 July 2014 (2013: £11.5 million).

Outlook

Sales comparables strengthen in the second half although the risk of further input cost inflation appears to be reducing. Overall, we expect to deliver an improved financial result for the year and further progress against our strategic plan.

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