



9 January 2019

**GREGGS plc  
FOURTH QUARTER TRADING UPDATE**

***Greggs is the leading bakery food-on-the-go retailer in the UK,  
with more than 1,950 retail outlets throughout the country***

**A strong finish to a year of significant strategic progress**

**Financial year 2018\***

- Total sales up 7.2%
- Company-managed shop like-for-like sales up 2.9% (H1: 1.5%, H2:4.2%)
- 149 new shops opened in the year, 50 closures
- 1,953 shops trading as at 29 December 2018
- Full year underlying profit before tax expected to be at least £88m

\* 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)

**Chief Executive Roger Whiteside comments:**

“We delivered a very strong finish to 2018 despite the well-publicised challenges in the consumer sector. This performance was broad-based, reflecting the strength of our range of freshly-prepared food and drinks, and the strategic changes that we have made in recent years to focus more effectively on the food-on-the-go market.

In the year ahead, we will continue to innovate with products designed to reflect changing consumer tastes, and by opening in new locations that make Greggs even more accessible to customers. The investments that we are making in our supply chain will allow us to deliver the outstanding value and quality that Greggs is famous for across a growing shop estate.”

**Trading update**

For our 2018 financial year, total sales grew by 7.2 per cent and company-managed shop like-for-like sales grew by 2.9 per cent. In the fourth quarter company-managed shop like-for-like sales grew by 5.2 per cent, building on the strong trading performance that we reported in our November trading update.

Whilst seasonal products such as our iconic Festive Bake and freshly-baked mince pies sold well, we also saw further progress in growth categories such as hot drinks and breakfast. Operational delivery was strong, benefiting from the investments that we have made in systems and in staff training. As we enter the new year we continue to refresh our range to keep step with changing consumer tastes. The launch of our

new vegan-friendly sausage roll has proved very popular with a broad range of customers, and can now be combined with our vegan-friendly winter vegetable soup in a meal deal for just £2.25.

During the year we opened 149 new shops (including 62 franchised units) and closed 50, growing the estate to 1,953 shops trading as at 29 December 2018, 262 of which are franchised shops operated by partners in travel and other convenience locations. In the year ahead we expect net shop openings to be in the 90-100 range.

## **Outlook**

In 2019 we will continue to execute the supply chain change programme that supports our ambitious growth plans. Whilst there are many economic and other uncertainties hanging over the consumer environment, we enter the new year with good sales momentum and operational execution, a strong offer and a robust financial position. We now expect that we will deliver underlying profit before tax of at least £88 million, slightly ahead of our previous guidance, when we report our preliminary results for 2018 on 7 March 2019.

### **ENQUIRIES:**

#### **Greggs plc**

Roger Whiteside, Chief Executive  
Richard Hutton, Finance Director  
Tel: 0191 281 7721

#### **Hudson Sandler**

Wendy Baker / Hattie O'Reilly/ Nick Moore  
Tel: 020 7796 4133