



The home of fresh baking®

9 January 2013

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

*Greggs is the leading bakery retailer in the UK,
with over 1,670 retail outlets throughout the country,
serving freshly baked products to six million customers each week*

RESILIENT CHRISTMAS PERFORMANCE - TOTAL SALES UP 4.3%

Christmas and New Year trading period*

- Total sales up 4.3%
- New wholesale and franchising revenues contributed 3.0% to total growth
- Like-for-like sales down 2.9% against strong 2011 comparatives (2011: up 5.1%)

Financial year 2012**

- Total sales up 4.8%
- New wholesale and franchising revenues contributed 2.8% to total growth
- Like-for-like sales down 2.7%
- Record shop opening programme added 100 net new shops
- Full year results anticipated to be broadly in line with expectations

**5 weeks ending 5 January 2013 (2011: 5 weeks ending 7 January 2012)*

***52 weeks ending 29 December 2012*

Chief Executive Ken McMeikan comments:

This is a resilient Christmas and New Year trading performance given the tough comparison versus last year when we had a particularly favourable trading pattern with Christmas Day and New Year's Day falling on Sundays. For the five week trading period ending 5 January 2013 total sales grew by 4.3 per cent and like-for-like sales were down 2.9 per cent (five weeks ending 7 January 2012: up 5.1 per cent).

During the Christmas period trading highlights included selling a record 8.5 million of our award winning shop-baked sweet mince pies, a seven per cent increase on last year. Our new channels to market of wholesaling and franchising also continued to perform well, adding 3.0 per cent to our total sales growth. Bake at home sales of Greggs-branded products through more than 750 Iceland stores performed strongly over the period with 11 product lines available including our newly launched cocktail sausage rolls. We now have 11 franchised shops in motorway service stations

across the UK in partnership with Moto Hospitality Limited, with more planned to open in 2013.

For our financial year as a whole (52 weeks ending 29 December 2012) total sales grew by 4.8 per cent and like-for-like sales were down by 2.7 per cent.

During the year we opened a record 121 new shops and delivered a net increase of 100, after 21 closures, to give us a total of 1,671 shops at 29 December 2012. We opened 48 per cent of our new shops in locations away from high streets. We also completed 118 shop refurbishments. The business continued to generate cash strongly and we finished the year with a net cash balance of £19 million.

We were encouraged by the performance of our refit programme in 2012 including the new ~~Greggs~~ the Bakeryqformat. In the year ahead we will substantially increase investment in our core business by refitting 200-300 shops. In addition we expect to open 80-90 new shops, with around 30 closures, giving a net 50-60 new shops for the year.

We anticipate that we will report full year results broadly in line with expectations when we make our preliminary announcement on 13 March 2013.

We expect that the tough trading environment will continue during 2013, with consumers remaining cautious and inflationary cost pressure on a number of key commodities. However, having built strong foundations in 2012 for our multi-channel approach, we are well placed to drive further sales growth in the year ahead.

ENQUIRIES:

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