

A.G. BARR p.l.c.

Pre Close trading update

A.G. BARR p.l.c., the soft drinks group, today updates the market that final quarter trading continues to be well ahead of the prior year.

It is anticipated that total sales in the final quarter will be circa 5% ahead of the prior year, giving a full year like for like growth of circa 10%. The performance in the final quarter is especially pleasing given the strong comparative period in the prior year, the significant operational challenges posed by weather in late November/December and the greater promotional intensity experienced in the market.

Across the financial year all of our core brands have performed strongly. IRN-BRU has performed well in its core market as well as delivering excellent growth in the North of England, where additional resources have been focused. Rubicon has grown revenue over the year by over 30% and is now a brand with sales of circa £50m, around double the sales at the time of our acquisition. The Barr carbonates range has extended distribution across the UK and is growing significantly ahead of the market.

Despite the operational challenges of the final quarter and increases in raw material costs we anticipate margins will be in line with our expectations.

The investment in our Cumbernauld operation is progressing well and we now anticipate final production from the Mansfield site in March. The Mansfield site has now been sold and will be cleared during the course of March and April and fully vacated in June 2011.

Over the period our free cashflow generation and Balance Sheet have remained strong, with net debt reducing in line with expectations.

Outlook

Over the course of the next financial year we expect to see increased pressure on consumers as rising inflation and static household incomes impact purchasing power. Despite this difficult economic environment we anticipate further sales growth opportunities through our core brands which offer a broad choice of high quality excellent value products across an increasing geographic area. The investments we have made in our asset base to improve efficiency together with tight cost control and price increases will continue to help offset rising commodity costs.

Across 2011/12 we expect to maintain our focus on delivering above market sales growth, strong cash generation and a robust margin profile, combined with continued investment in the long term development of our brands, assets and people.

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