

A.G. BARR p.l.c.

Pre close trading update

A.G. BARR p.l.c. ("A.G. Barr"), the soft drinks group, will announce its interim financial results for the six months to 31 July on 28 September 2010.

The soft drinks market has enjoyed a period of sustained growth in the first half of the 2010 calendar year. Market data for the 26 weeks to 10 July shows the total soft drinks market to be up 5.5% in value and 1.9% in volume terms. This growth has accelerated over the early summer period with total soft drinks growing 7.1% in value terms in the thirteen weeks to 10 July as many parts of the UK enjoyed fine weather.

A.G. Barr has seen sales continue to perform ahead of the market and anticipates that total sales revenue will reach £118 million for the six month period ending 31 July, an increase of 13% on the prior year.

Sales growth continues to be delivered across all our core brands with strong performances from IRN-BRU, Barr and particularly Rubicon. We are supporting this growth with marketing investment in our key brands and also at the point of purchase.

Our operating margins have been in line with our expectations however we anticipate some significant inflation in imported fruit costs in the second half of our financial year which will impact the Rubicon brand. We are taking steps to minimise this impact where possible and expect to implement specific price increases for Rubicon in the next few months.

The investment in our manufacturing assets at Cumbernauld is progressing well and is in line with our previously advised timings. We are now operating much of our primary logistics activities through the Eddie Stobart system; a transition which has taken place over the past two months with minimal disruption.

Outlook

We have successfully carried much of the sales momentum achieved last year into the first half of this year. The combination of a strong core business and the growth possibilities offered by the Rubicon brand have delivered excellent sales in the six months to 31 July 2010. In the second half we face tougher year on year comparative trading conditions and expect our performance to return to levels more in line with the overall soft drinks market.

It is our intention to continue our investment across the business in order to deliver sustainable future growth. Despite the cost of this increased level of investment and our ongoing caution regarding the overall economic outlook we expect the full year trading performance to be ahead of management's expectations.

For further information, please contact:

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