

Cranswick PLC

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Cranswick half-year profit declines during "uncertain" domestic market conditions

Cranswick plc (LON: CWK) on Tuesday said half-year profit declined, with the food producer noting its overall performance was delivered during "uncertain" domestic conditions.

In the six months to September 30, group operating pretax profit was £42.6m compared with £44.5m a year ago. Revenue, however, rose to £719.2m from £714.6m, helped by a "significant increase" in sales of poultry products.

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Cranswick said strong revenue growth from poultry, sausages and continental products offset lower year-on-year revenue in other pork-related categories.

Adam Couch, Cranswick's CEO, said: "The first half performance was in line with our expectations. They were achieved despite more uncertain domestic market conditions and softer pricing in key export markets."

Total export revenue was down 2.6% than the year-ago period, reflecting softer pricing in the company's Far Eastern markets although volumes shipped to the Far East were ahead 12.4%, it said.

Cranswick said continued uncertainty the UK's exit from the EU has been driving volatility in currency markets and uncertainty within the European labour market. It said key issues for the business include access to and cost of labour, and the potential for import tariffs on EU pork and continental food products.

The company said that during the first half of the year it commissioned a new £27 million Continental Products facility in Bury, Lancashire. It has also invested heavily in its agricultural operations and in the construction of a £60 million poultry processing facility in Eye, Suffolk, which is due to be completed towards the end of the next financial year.

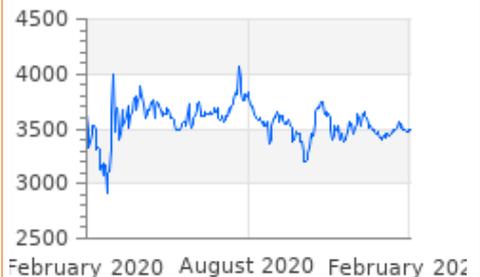
Crouch added: "The Board is confident that continued focus on the strengths of the Company, which include its long-standing customer relationships, breadth and quality of products, developing export channels and asset infrastructure, will support the delivery of its expectations for the current year and its further successful development over the longer term."

Shares of Cranswick fell 3.9% to 2,759.33p in early Tuesday trade.

Price: 3500

Market Cap: £1.84 billion

1 Year Share Price Graph



Share Information

Code: CWK

Listing: LSE

52 week High Low
4126 34.6199

Sector: Food & drink

Website: www.cranswick.co.uk

Company Synopsis:

Cranswick PLC is a United Kingdom-based company. The activities of the company include the supply of fresh pork, gourmet sausages, charcuterie, cooked meats, sandwiches and traditional dry cured bacon.

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