

19 September 2012

PZ Cussons Plc  
(the “Group”)

## **Interim Management Statement**

PZ Cussons Plc, a leading international consumer products group, today issues the following interim management statement which covers the period 1 June 2012 to 18 September 2012, in advance of its Annual General Meeting, to be held at 10:30 today.

### **Overview of financial performance and position**

The board is pleased to announce that the performance of the Group during the period has been in line with management expectations. The financial position of the Group remains strong with cash generation during the period also in line with expectations.

### **Trading Update**

#### **Europe**

In the UK, trading in the washing and bathing division has been robust despite continued high levels of promotional activity in the trade. New product launches remain key to driving differentiation and attracting consumers and the next few months will see the launch of new Imperial Leather limited edition shower and bath products, and a new seasonal edition of Original Source.

Cussons Mum and Me, the new range of products for mother and baby, achieved full UK distribution by the end of July and an extensive media campaign began in the middle of August. Early sales rates are encouraging.

In the beauty division, whilst the poor summer weather adversely impacted sales of St Tropez, the other brands in the portfolio have performed well with Sanctuary benefiting from the launch of the new Active Reverse skin care range with ballet star Darcey Bussell as brand ambassador. Further new product launches for both UK and International markets are planned during the remainder of the calendar year.

Performance in Poland has been strong whilst trading conditions in Greece remain difficult.

#### **Asia**

The positive momentum in Indonesia has continued with further growth in revenue and profitability during the period.

Whilst trading conditions in Australia remain challenging, the measures taken to improve the performance of the business continue to be successfully implemented. The production facility has now closed as part of the move to a variable cost model and the business as a whole is trading profitably.

#### **Africa**

In Nigeria, the two key issues affecting the performance of the business have remained. Unrest in the north of the country has continued to affect sales rates and

consumer disposable income remains affected by the removal of part of the fuel subsidy in January. More positively however, margins have improved as a result of lower raw material costs and margin improvement projects.

Construction of the palm oil refinery with Wilmar in Nigeria is on track with completion due by the end of the calendar year.

## **Outlook**

Trading conditions in most markets remain challenging as a result of general uncertainty regarding the global economic outlook and pressures on consumer disposable income from high food and fuel prices. The situation in the Group's important Nigerian market continues to be fragile although the longer term opportunity remains exciting.

The Group's focus remains on new product development and further margin improvement. Raw material cost trends are expected to be favourable this year and the benefits of the supply chain optimisation project are also beginning to be seen.

The Board remains confident of a return to profitable growth in the current financial year.

A further trading update will be made on 6 December 2012.

### **Enquiries:**

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