11 December 2013

PZ Cussons Plc
(the "Group")

TRADING UPDATE

PZ Cussons Plc announces its trading update in respect of the half year to 30 November 2013.

First half trading

The board is pleased to announce that the overall performance of the Group for the first half of the year has been in line with management expectations.

Revenue and operating profit respectively were 4% and 6% higher than the comparative period with performance in Africa and Europe offsetting the impact of weakening in Asian currencies. Excluding the impact of exchange rates, revenue and operating profit were 6% and 8% higher.

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, performance in the washing and bathing division has been robust with new product launches key to attracting consumers and helping to differentiate our brands in a competitive trading environment. A highlight during the period has been the relaunch of the premium Imperial Leather Foamburst shower range with new imagery and fragrances.

All four brands in the beauty division have performed well. St Tropez, in particular, has benefited from the appointment of Kate Moss at the start of the summer and has seen distribution expand further in overseas markets.

Performance in Poland has been strong in both Home Care and Personal Care. Merger control clearance for the sale of the Home Care brands is in its final review stage and we await a decision as to whether clearance will be granted.

Greece has performed well with growth being achieved versus the comparative period.

Asia

Underlying performance in the Australian Home Care and Personal Care portfolios has been good with the key Morning Fresh and Radiant brands performing well. Rafferty's Garden, the Australian baby food business purchased in July, has also performed well and plans for international expansion continue to be developed. Both businesses have been impacted by higher input costs as a result of the significant weakening in the Australian dollar which has also reduced results on conversion to sterling.

In Indonesia, the market leading Cussons Baby range has continued to deliver double digit local currency revenue growth albeit at a lower rate as a result of the slowing macro environment. Similarly, results have been affected on conversion by the significant weakening in the rupiah. Further progress has been made in the period with the expansion of the Asian brand portfolio into neighbouring geographies.

Africa

At a macro level, high interest rates in Nigeria have helped maintain the stability of the naira to US dollar exchange rate, although this has resulted in liquidity levels in the market remaining tight. In the north of the country the trading environment has slightly improved despite ongoing disruption. Overall, the positive growth momentum seen in the second half of last year has continued into the first half, supported by significant new product launches across the Personal Care, Home Care and Electricals portfolios.

Nutricima, the nutritional beverage joint venture with Glanbia, has seen strong revenue growth although higher milk costs are impacting profitability.

The palm oil refinery, constructed as part of the joint venture with Wilmar, has continued to increase production levels on a monthly basis since commissioning in January. Mamador, the new premium edible oils brand launched in August in multiple sizes and formats, is growing well with positive consumer reaction. A second brand, Devon Kings, has also been launched to capture the rapidly growing economy segment of the market. The remaining output is being sold in bulk format to business customers. The total business moved into monthly profitability at the end of the period.

Revenue in Ghana and Kenya is ahead of the prior period although the Ghana results have been impacted by the significant weakening in the cedi.

Full year outlook

The trading environment in most markets remains challenging, and in particular in Asia as a result of ongoing currency weakness. Despite this, brand renovation and innovation continues to drive organic revenue and profit growth across the Group.

Interim Announcement

Interim results for the half year to 30 November 2013 will be announced on Tuesday 21st January 2014.