



Always Fresh. Always Tasty.

13 January 2015

GREGGS plc TRADING UPDATE

***Greggs is the leading bakery food-on-the-go retailer in the UK,
with 1,650 retail outlets throughout the country***

Very strong finish to the financial year

Christmas trading

- December* own shop like-for-like sales up 8.2% (2013 comparable period up 3.1%)
- Very strong Christmas trading focused on serving the food-on-the-go customer

Financial year 2014**

- Total sales up 5.5%, own shop like-for-like sales up 4.5%
- Fourth quarter own shop like-for-like sales up 6.0%
- Estate improvement programme – 213 shop refurbishments completed in the year
- 50 new shop openings (including 20 with franchise partners), 71 closures
- 1,650 shops trading as at 3 January 2015
- Full year results anticipated to be above previous expectations

* Five week period ended 3 January 2015

** 53 weeks ended 3 January 2015 (total sales growth compares with 52 weeks in 2013)

Chief Executive Roger Whiteside comments:

"Since our last update on 15 December we have experienced a very strong level of trade through the Christmas and New Year period. Customers have clearly responded to the improvements in our product offer and service, designed to meet the needs of the food-on-the-go consumer, during this busy period.

"This has been a year in which we have made good progress with our strategic plans and seen a welcome improvement in financial performance. We remain clear on our priorities and are confident that we can make further progress in the year ahead."

Trading update

We traded strongly through the Christmas and New Year period. Since we last updated the market own shop like-for-like sales in the three weeks to 3 January have risen by 9.3 per cent. For the five week trading period ended 3 January 2015 total

sales grew by 7.6 per cent and like-for-like sales grew by 8.2 per cent (five weeks ended 4 January 2014: up 3.1 per cent on a like-for-like basis).

Our 'food-on-the-go' focused product range clearly struck a chord with customers over the Christmas period with growth in sales of sandwiches, sausage rolls and coffee. Sales of our "Balanced Choice" range of products with fewer than 400 calories continue to grow and new products such as our fresh soups and our steak and cheese roll were well received.

For our 2014 financial year as a whole (53 weeks ended 3 January 2015) total sales grew by 5.5 per cent including the impact of the additional trading week and like-for-like sales were up by 4.5 per cent. Sales have steadily improved during the year with own shop like-for-like sales growth in the fourth quarter averaging 6.0 per cent. Whilst trading conditions and the weather have been helpful, customers have clearly responded well to the improvements we have made to products, our service offer, and the investments we continue to make in the shop environment.

During the year we opened 50 new shops (including 20 franchised units) and increased the number of shop closures to 71 resulting in 1,650 shops trading at 3 January 2015. We now have 45 franchised shops operating in travel and other convenience locations and continue to see this as a route to further growth.

We successfully completed 213 shop refurbishments in the year. Returns continue to be good and we anticipate progressing with the estate improvement programme at a similar rate in the year ahead.

Outlook

Following the very strong finish to the financial year we now anticipate that we will report full year results above previous expectations when we make our preliminary announcement on 4 March 2015. Conditions for the first half of 2015 look encouraging with low input cost inflation expected along with an improved outlook for disposable incomes. In the year ahead we will continue to implement our plan to reshape the business to compete more effectively in the food-on-the-go market and create a strong platform for sustainable long term growth.

ENQUIRIES:

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