

## **Camellia Plc**

### **Interim Management Statement**

28 March 2014

#### Interim Management Statement

This statement is made in accordance with Rule 4.3 of the UK Listing Authority's Disclosure and Transparency Rules and covers the period from 1 January 2014 to 28 March 2014.

Tea production in India and Bangladesh is minimal at this time of year. Whilst Indian tea prices are currently slightly in excess of last year those in Bangladesh are lower due to competition from cheaper imports.

The political situation in Bangladesh appears to have stabilised following the election earlier in the year.

In Kenya, tea crop production has been well ahead of budget but prices have been volatile and are currently lower than last year. There have been high levels of rainfall in Malawi and the outlook for production is promising for later in the season. However, currently prices are also lower than last year.

Estimates for the avocado harvest in Kenya are slightly below initial expectations due to the recent dry weather conditions.

The Macadamia crop in Malawi is expected to be in line with budget following favourable weather conditions at the end of 2013.

The soya harvest in Brazil has been impacted by a severe drought early in the season which resulted in a reduction in yield.

Citrus and pistachio production is expected to be in line with budget at Horizon Farms, despite the record drought in California. Investment in irrigation on the farm has helped protect the crops from the severe shortage of water.

The Group's UK engineering businesses continue to experience an uneven recovery. AJT Engineering in Scotland has performed well reflecting the strength of the oil and gas sector. Performance at AKD Engineering has been detrimentally and significantly impacted by the delay in, and the increased costs of, completing a major fabrication contract. Abbey Metal Finishing has seen a gradual improvement in sales but is yet to return to profitability. Loddon Engineering has seen an increase in enquiries for higher value overseas orders. Performance at BMT in Great Yarmouth has improved following the recovery in the UK construction industry. Trading has improved slightly during the period at GU Cutting & Grinding.

The severe shortage of prawns continues to impact sales by Affish BV in the Netherlands. Sales at Wylax International BV were in line with budget as the Dutch economy slowly started to recover.

The overall utilisation level of warehousing provided by Associated Cold Stores and Transport has improved slightly. However, transport performance is slightly below budget following the wet weather over the winter and a fall in demand for a product of a major customer.

Duncan Lawrie continues to see a rise in current account business following the success of recent marketing and business development activity although new lending has been slower than estimated at the end of 2013. However, the prospects for the lending business are promising for 2014 with the recovery in the UK economy.

Camellia Plc will announce its results for the year ended 31 December 2013 on 24 April 2014.

For further enquiries please contact Camellia Plc  
Malcolm Perkins, Chairman  
01622 746655  
28 March 2014