

Origin Enterprises plc

Highly challenging operating conditions in First Half - resulting in lower Full Year outlook

26 February 2020

Origin Enterprises plc ('Origin' or 'the Group'), the Agri-Services group, today announces a reduced outlook for the full year ending 31 July 2020 following the impact of prolonged and challenging weather conditions in Ireland & the UK.

As outlined in our Q1 trading update on 20 November 2019, significant rainfall in the UK in the September to November period meant that the total area for winter crops was expected, at that time, to be 25% down on the previous year. Following further heavy and sustained rainfall from December 2019 to February 2020 to-date it is now expected that the total winter planted area in the UK will be at least 40% lower year on year. Autumn / winter rainfall has been at its highest level in 30 years, with more than double the number of continuous days rainfall compared to the prior year and the fifth wettest on record. It is anticipated that a greater area will now transfer to spring cropping, with a consequential lower investment spend by farmers and growers on agronomy services and crop inputs. With the extent of the shortfall in winter cropping in addition to the poor establishment of already sown crops, the total planted area for the 2020 financial year is expected to be circa 10% lower year on year, compared to the anticipated 2% reduction at the time of the Q1 trading update.

In Continental Europe, the season has progressed well and we anticipate good sales growth for the full year. Operating profit in this division is expected to grow year on year.

Our LATAM division had a good start to the year, delivering underlying volume growth against lower market demand due to a delayed Brazilian soybean planting season. Operating profit in this division is expected to grow year on year.

The impact on Ireland and UK performance of the adverse conditions experienced to-date together with the challenges associated with an anticipated large increase in spring cropping, means that it is expected that Group operating profit and adjusted diluted earnings per share for the full year will now be significantly below the current range of analysts' estimates.

We will publish Interim Results on 5 March 2020 and provide further detail on trading conditions at that time. However, the outlook for the spring planting season remains uncertain, and consistent with prior years, we will be in a better position to provide a meaningful update on full year guidance at the time of the third quarter trading update on 17 June 2020. We do not expect any change to the long-term growth rates for the business units or the Group as guided at the time of our 2019 Capital Markets Day.

ENDS

This announcement contains inside information. The person responsible for arranging release of this announcement on behalf of Origin is Barbara Keane, Company Secretary & General Counsel.

Enquiries

Origin Enterprises plc
Sean Coyle
Chief Financial Officer

Tel: +353 (0)1 563 4959

Brendan Corcoran
Head of Investor Relations and Group Planning

Tel: +353 (0)1 563 4900

Goodbody (Euronext Growth (Dublin) Adviser)
Finbarr Griffin

Tel: +353 (0)1 641 9278

Davy (Nominated Adviser)
Anthony Farrell

Tel: +353 (0)1 614 9993

Numis Securities (Stockbroker)
Stuart Skinner

Tel: +44 (0)20 7260 1314

FTI Consulting (Financial Communications Advisers)
Jonathan Neilan / Patrick Berkery

Tel: +353 (0)1 765 0884

About Origin Enterprises plc

Origin Enterprises plc is a focused Agri-Services group providing specialist on-farm agronomy services, digital agricultural services and the supply of crop technologies and inputs. The Group has leading market positions in Ireland, the United Kingdom, Belgium, Brazil, Poland, Romania and Ukraine. Origin is listed on the Euronext Growth (Dublin) and AIM markets of the Irish and London Stock Exchanges.

Euronext Growth (Dublin) ticker symbol:

OIZ

AIM ticker symbol:

OGN

Website:

www.originenterprises.com