



FROZEN MARKET FLAT AND INFLATION TURNS NEGATIVE

The latest data kindly supplied by Kantar Worldpanel shows that the frozen food market is worth £5.1 billion and is flat year on year, whilst volume is marginally up by 0.2%.

Ice cream which is enjoying value growth of 7.3% and volume growth of 5.3% has built on an improvement last year, which only now compensates for the two horrendous summers previously.

The pizza market recorded very healthy volume growth year on year of 7.4% whilst value moved up by 1.9%.

Whilst it is a crude average, the average price per Kilo in the market shows a negative inflation of 0.2% year on year compared to previous years inflation numbers of 1.1%, 2.3%, 4.4% and 5.2% respectively for each of the preceding years.

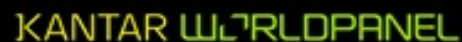
The retail market in general continues to be extremely flat and the frozen food market has performed broadly in line.

In the next few weeks, we will see the Government's announcements of the significant public spending cuts, whilst the VAT increases are just around the corner. It will be interesting to see what impact those changes have on our market along with a picture of inflation beginning to grow.

RETAIL FROZEN FOOD STATISTICS YEAR ON YEAR TO 5 SEPTEMBER 2010

| Retail Categories | Value (000's £) | | | Volume (000's Kgs) | | |
|------------------------|---------------------|---------------------|-------------|---------------------|---------------------|-------------|
| | 52 w/e 06 Sep 09 | 52 w/e 05 Sep 10 | % Gain/Loss | 52 w/e 06 Sep 09 | 52 w/e 05 Sep 10 | % Gain/Loss |
| Total Frozen Foods | 5,102,706 | 5,102,256 | 0.0 | 2,006,953 | 2,010,534 | 0.2 |
| Total Ice Cream | 648,127 | 695,352 | 7.3 | 325,213 | 342,379 | 5.3 |
| Frozen Confectionary | 281,651 | 275,514 | -2.2 | 82,602 | 80,661 | -2.3 |
| Frozen Fish | 718,353 | 725,509 | 1.0 | 123,388 | 125,494 | 1.7 |
| Frozen Meat & Poultry | 578,038 | 551,696 | -4.6 | 176,274 | 161,004 | -8.7 |
| Frozen Vegetables | 407,584 | 412,552 | 1.2 | 288,397 | 289,667 | 0.4 |
| Frozen Potato Products | 538,118 | 534,138 | -0.7 | 464,224 | 469,966 | 1.2 |
| Frozen Ready Meals | 659,106 | 645,583 | -2.1 | 184,990 | 179,422 | -3.0 |
| Frozen Pizza | 376,451 | 383,632 | 1.9 | 97,904 | 105,144 | 7.4 |
| Frozen Savoury Food* | 895,277 | 878,280 | -1.9 | 263,962 | 256,797 | -2.7 |

*Savoury Food includes Frozen Bread, Frozen stuffing Cooked poultry, Meat Products, Processed Poultry, Savoury Bakery, vegetarian products and Other Frozen Foods



Source: Kantar Worldpanel
 For further information, contact:
 Chris Hayward Tel: 020 8967 4551
 Email: chris.hayward@kantardworldpanel.com