

9 June 2016

PZ Cussons Plc
(the “Group”)

Trading Update

PZ Cussons Plc, a leading consumer products group, today issues the following trading update for the year ended 31 May 2016.

Overview of financial performance and position

The board is pleased to announce that the performance of the Group for the year ended 31 May 2016 has been in line with expectations with performance in Europe and Asia offsetting more difficult trading conditions in Africa.

The financial position of the Group remains strong with cash generation also in line with expectations.

Trading Update

Europe

In the UK washing and bathing division, all brands have performed strongly driven by a continuous programme of renovation and innovation. The Imperial Leather portfolio has been extended with a new range of Sweets and Fruits products for bath and shower. The new range of shower and bath products under the Carex brand has performed well in addition to good growth across the core range of handwash products. Original Source has also performed well with new fragrances launched across its range of shower, handwash and body care products.

In the beauty division, St Tropez has seen excellent growth its key markets of UK, US and Australia. The gradual tan in shower lotion launched last year has been particularly successful and the range has recently been extended with a darker variant. Further product launches have also taken place across the Sanctuary, Charles Worthington and Fudge brands.

Performance in the smaller markets of Poland and Greece has been in line with expectations.

Asia

In Australia, good performance across Personal Care, Beauty and Food & Nutrition has offset more difficult trading conditions in the Home Care category. Both five:am and Rafferty's Garden have extended their product portfolios during the year with Rafferty's Garden launching into chilled products and continuing its overseas expansion into selected geographies.

Indonesia has seen another year of good revenue growth with the entire baby range being completely re-launched in the second half of the year. Further renovation has also taken place across Imperial Leather, Carex and Original Source.

Overall performance in the smaller markets of Thailand and the Middle East has been in line with expectations.

Africa

In Nigeria, all business units are selling relatively well despite a challenging macro environment where consumers are being affected by inflationary pressures. We continue to have market leading brand shares across Personal Care, Home Care, Electricals and Food & Nutrition and product offerings at all price points. In addition, our nationwide distribution and heritage in Nigeria are serving us well in these difficult trading conditions.

There continues to be low levels of dollar liquidity in the economy with an additional cost of funding naira from the secondary market. Our focus is on securing materials for the key selling product lines, developing local sourcing to reduce our overall dollar requirements and ensuring relative pricing remains competitive.

Overall performance in the smaller markets of Ghana and Kenya has been in line with expectations.

Exceptional Charge

An exceptional charge of circa £17m is expected in relation to settling a brought forward dollar liability in Nigeria in the secondary market. The charge will be accounted for as it is realised with circa £7m being taken in the year to 31 May 2016.

Outlook

Performance in Europe and Asia is expected to be strong driven by the continuing brand renovation and innovation programme underpinned by strong cost control.

In Nigeria, which represents approximately 25% of group profits, trading conditions are expected to continue to be challenging, with a range of potential outcomes for the new financial year dependent on the translational and transactional impacts of any movement in the naira exchange rate. The Group remains well placed to benefit from its position in Nigeria once growth returns to the market.

The Group's balance sheet remains strong and well placed to pursue new opportunities for growth as they arise.

Final results

Final results for the year ended 31 May 2016 will be announced on Tuesday 26 July 2016.

An analysts' presentation will be given at 9:30am on that day. This will be held at the offices of Instinctif Partners, 65 Gresham Street, London, EC2V 7NQ. Dial in details will be available immediately following the final results announcement.

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