

Shareholder Communication

Countrywide Farmers plc ("Countrywide" or the "Company")

Store Closures

Countrywide Farmers plc, one of the UK's leading suppliers of products, services and advice to the rural community, announces store closures as it seeks to re-position the business for profitable growth moving forward.

Following on from the Trading Update in January, the Board is continuing to take decisive action to reduce costs and improve profitability. As part of these changes, Countrywide announces today that 14 of its 68 stores will close by the end of March, with a proportion of sales currently transacted through those stores expected to transfer to other locations. This change forms an important part in re-positioning the retail business for profitable growth in the future, recognising that online will play an increasingly vital role alongside physical stores in the multichannel retail world.

Trading performance in the early part of the year has been broadly in line with expectations. Rural Energy has seen a strong start with volumes ahead of prior year, as it continues to pursue its growth strategy. Retail like for like performance has stabilised with encouraging improvement in on-shelf availability.

The rollout of our new IT infrastructure was completed in January with all Cornwall Farmers stores successfully transitioned. Stabilisation of the system continues to improve alongside embedding new working practices.

Supportive conversations continue with key stakeholders around ongoing funding of the business through what continues to be a transitional period of change.

Commenting on store closures, John Hardman, Chief Executive Officer, said: "This has been a difficult decision which affects loyal and committed store teams but will enable re-positioning the Retail business for success moving forward."

The Company expects to release final results for the 52 week period to the 27 November 2016 by the end of March 2017 followed by an AGM in May 2017.

The Directors of Countrywide Farmers plc accept full responsibility for this statement

Find more information about Countrywide at www.countrywidefarmers.co.uk

Countrywide Farmers plc

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