

CRODA

29 October 2009

Croda International Plc

Third Quarter Trading Statement

Commenting on trading for the quarter ending 30 September 2009, Martin Flower, Chairman of Croda International Plc, said:

"I am pleased to report strong progress in the third quarter, resulting in record sales and pre-tax profits from continuing operations. The result took the year-to-date pre-tax profit above that recorded in the same period in 2008 despite the effects of the recession on industrial end markets and the lack of last year's windfall glycerine profit (worth £7.8m year-to-date).

For the three months ended 30 September 2009, Group sales from continuing operations increased 1.1% to £238.1m (2008: £235.4m). Operating profit from continuing operations increased 23.5% to £34.7m (2008: £28.1m). Interest costs fell, due to both lower borrowings and lower rates, resulting in continuing pre-tax profit increasing 31.3% to £31.9m (2008: £24.3m).

Year-to-date, the pre-tax profit from continuing operations is up 0.8% at £75.5m (2008: £74.9m).

Our performance during the quarter was helped significantly by an impressive improvement in Industrial Specialities trading. Whilst overall volumes remain down on 2008, the severe destocking in our industrial customer base does appear to have come to an end. Industrial Specialities has been trading profitably for four months with a steadily improving trend in both volumes and profitability. Third quarter operating profit is up 47.0% to £9.7m (2008: £6.6m), a record for this sector.

Consumer Care has continued to trade robustly with double digit increases in sales and operating profit and improved margins versus the corresponding quarter in 2008.

The quarter also saw another significant reduction in net debt with a cash inflow of £31.2m before adverse currency translation of £11.7m, bringing the year-to-date figure to £53.2m with favourable currency translation taking the total net debt reduction to £66.5m for the nine months. At the end of September, net debt stood at £331.6m.

Croda's robust and efficient business model, together with the steps we have taken to reduce costs, has enabled the Group to overcome tough market conditions. We are confident of making further progress, both in the rest of the current year and in 2010."

For further information please contact:

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The company will host a conference call for analysts at 8.00am today.

Please dial +44 (0)1452 542 304 and quote “Croda International” to gain access to the call.

£m	Q3			9 months		
	2009	2008		2009	2008	
Consumer Care	116.5	105.8		353.6	309.2	
Industrial Specialities	121.6	129.6		332.0	390.3	
Continuing Turnover	238.1	235.4	+1.1%	685.6	699.5	-2.0%
Consumer Care	25.0	21.5		78.4	65.5	
Industrial Specialities	9.7	6.6		7.3	21.8	
Continuing operating profit	34.7	28.1	+23.5%	85.7	87.3	-1.8%
Operating Margin	14.6%	11.9%		12.5%	12.5%	
Interest	(2.8)	(3.8)		(10.2)	(12.4)	
Continuing pre tax profit	31.9	24.3	+31.3%	75.5	74.9	+0.8%
Analysis of Q3 turnover uplift						
Price/mix			-5.5%			
Volume			-3.4%			
Currency translation			+10.0%			
Continuing turnover increase			+1.1%			