

The Directors of
Anglia Regional
Co-operative
Society are pleased
to present their
Interim Trading
Update for the 24
week period ended
21 February 2009.

In the Society's annual statement for September 2008, I reported that trading conditions were difficult on the high street and that these conditions were expected to continue. Since then the economic recession that we are all facing has become deeper and more prolonged than anyone forecasted.

The Board and management have taken decisive action to mitigate some of these difficult conditions and ensure the Society remains strong and ready for the long term. Investment has continued in the Society's offer and brand. Difficult decisions to reduce the cost base of the Society have also been necessary.

Food Group stores are in excellent shape to maximise sales and we are building on success with continuous improvement of even our most successful stores, by re-merchandising and reconfiguring layouts to add extra range and improve customer flow.

Our recently refurbished store at St Ives is a great example of how the Co-operative movement can compete against the likes of Tesco. The overall offer and standards are superb. The Co-operative product development over the last few years, supported by major brand advertising campaigns, is really working for us and we are starting to see the benefits.

Like for like growth in Food sales is 4.5% up at the half year.

Our Travel Team continues to be a strong performer in the movement too, always toward the top of the chart for sales performance, and picking up Awards at National Co-operative Travel events.

We are improving the offer of our Non Food business and ensuring it is right for our customers in these difficult times. We opened on schedule in January at Hartlepool with our new "co-op Home store" format, designed to give the store a new lease of life. Early signs show that we have made the right move re-establishing a Co-op identity and introducing furniture.

Interim Statement of Trading Activities

Anglia Co-operative

together we make the difference

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growth in Food
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Our Funeral
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for like sales
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Like for like sales in Non Food were down 14% at the half year but we are seeing signs of stabilisation and improvement in recent months and especially so since Easter.

Our Funeral business continues to grow with like for like sales increase of 16%.

Targeted capital expenditure has continued, with £3.5m invested in stores. This includes the completion of the refurbishment to the ground floor at our Westgate store in Peterborough and the opening of a new food store at the Orton centre, Peterborough.

In November 2008 we launched a new membership card and dividend scheme that extended membership benefits to our Food stores for the first time and also allows members to benefit from an affinity scheme with other Co-ops. Since then we have welcomed over 35,000 members bringing our total active membership to over 250,000. We are also proud to have one of the largest levels of staff membership in the co-op retail movement at 94%. Thanks to the continuing generosity of our members the Share 600 Charity account has raised over £22,000 in the period.

The directors acknowledge that the Society's progress is dependent on its members, customers and staff and takes this opportunity to thank them all for their dedication and loyalty during the period.