

Electrocomponents plc today issues a trading update for the year ended 31 March 2016, ahead of publishing full-year results on 19 May 2016.

Sales growth⁽¹⁾

<u>Region</u>	<u>Quarter to Mar 2016</u>	<u>Year to Mar 2016</u>
UK	4%	0%
Continental Europe	8%	11%
North America	-4%	-2%
Asia Pacific	-8%	-2%
Group	2%	3%

- We anticipate that Group headline profit before tax ⁽²⁾ for the full year will be around the top end of market expectations ⁽³⁾.
- In the final quarter Group underlying sales growth ⁽¹⁾ was 2%, leading to 3% revenue growth for the full year.
- UK recovery gained pace with 4% ⁽⁴⁾ growth in the period.
- Continental Europe continued to see strong growth of 8% during the period with all major markets performing well.
- North America saw declines moderate to 4% aided in part by easier comparatives.
- Asia Pacific revenues were down 8% as we saw the anticipated disruption impact of the significant restructuring we are carrying out in the region.
- In the final quarter we have continued to see a stabilisation in the gross margin with the year-on-year decline reducing to 0.4% points. As a result, we expect full-year gross margin to be down around 1% point year on year.
- We remain on track to deliver the targeted £25 million annualised savings, with at least £6 million delivered in the year to March 2016.

Enquiries:

David Egan	Group Finance Director	01865 204000
Polly Elvin	Investor Relations and Corporate PR	01865 207427
David Allchurch / Martin Robinson	Tulchan Communications	020 7353 4200

Notes:

- (1) Sales growth rates, unless otherwise stated, are adjusted for trading days and currency movements (“underlying sales growth/decline”).
- (2) Full-year headline profit before tax is expected to be positively impacted by around £1 million due to the impact of one extra average trading day (H1 2016 impact: £0 million).
- (3) The consensus for full-year headline profit before tax is £73.1 million (the consensus PBT range is £71.8 million to £74.5 million).
- (4) UK excluding Raspberry Pi revenue growth was 2% in Q4 and -1% FY.
- (5) Our profits remain sensitive to movements in exchange rates on translation of overseas profits. Every one cent movement in the Euro will have a £0.5 million impact on profits. Every one cent movement in US \$ will have a £0.2 million impact on profits.
- (6) Reported 2015 full-year headline profit before tax of £80.1 million would be around £3 million lower if translated at year to March 2016 average exchange rates.
- (7) As announced in November, we are restating our results to show the profit and loss split for our five operating regions: Northern Europe, Central Europe, Southern Europe, North America and Asia Pacific. Fully restated regional breakdowns for the year to 31 March 2015 and the half year to November 2015 will be available in the investor section of our website by the end of April.