

ELECTROCOMPONENTS PLC - Trading Statement

Electrocomponents plc has today issued its trading statement for the period from 1 October 2015 to 31 January 2016.

<u>Region</u>	<u>Q1 to June 2015</u>	<u>Sales growth⁽¹⁾</u>	
		<u>Q2 to Sept 2015</u>	<u>4 months to Jan 2016</u>
Continental Europe	13%	13%	10%
North America	3%	(3)%	(6)%
Asia Pacific	0%	0%	(2)%
International	7%	4%	3%
UK	(1)%	(1)%	0%
Group	5%	3%	2%

- For the four months to 31 January 2016 Group underlying sales growth ⁽¹⁾ was 2%
- UK revenues stabilised during the period and International sales growth slowed to 3%
- Continental Europe saw 10% growth with all major markets in the region performing well
- As anticipated, North America saw continued weakness due to the well-publicised softness in manufacturing output
- While Asia Pacific experienced some disruption due to the significant restructuring, to date this has been less than expected
- In the four month period we saw some stabilisation in the gross margin, with a reduction in the year-on-year decline to 0.6% points vs 1.7% points in the first half of the year
- Year-to-date Group gross margin is around 1.3% below the prior year. Approximately 0.7% points of the decline is due to the negative impact of foreign exchange with the balance due to price and mix
- We remain on track to deliver the targeted £25m annualised savings, with £6m to be delivered in Q4 of this financial year

Lindsley Ruth, Chief Executive Officer, commented:

“Our largest business, Continental Europe, continues to show double-digit growth trends, however this is set against the well-documented slowdown in the North American industrial market and some near-term disruption in Asia Pacific.

“We are making good progress on our journey to transform the financial performance of this organisation. We are on track to deliver the targeted £25m annualised savings and work continues to identify further efficiencies. These actions mean we are well positioned to make progress in FY17 despite an uncertain and challenging global macroeconomic outlook.”

Enquiries:

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Notes:

- 1) Sales growth rates, unless otherwise stated, are adjusted for trading days and currency movements (“underlying sales growth/decline”).
- 2) Full-year Group headline profit before tax is expected to be positively impacted by around £1m due to the impact of just under one extra average trading day (H1 2016 impact: £0m).
- 3) Reported 2015 full-year headline profit before tax of £80.1m would be around £5m lower if translated at year-to-date average foreign exchange rates (H1 saw an adverse impact of c. £3m from translational impacts.)

Electrocomponents plc - Conference Call Dial in Instructions

Date: Wednesday 10 February 2016
UK Time: From 07:50 for 08:00 call

Telephone number: +44 (0) 1452 555566
PIN: 35740227

Chairman: Lindsley Ruth

Electrocomponents plc - Replay Dial in Instructions (available until 18 February 2016)

Telephone number: +44 (0)1452 550000
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