

14 June 2019

The Alumasc Group plc (ALU.L)
Trading update
June 2019

The Alumasc Group plc (Alumasc, ALU.L) today issues the following trading statement relating to the financial year ending 30 June 2019.

The Roofing & Water Management and Housebuilding & Ancillaries divisions, together representing approximately 80% of Group revenues, are both continuing to grow well ahead of the UK construction market and are expected to deliver very encouraging overall year-on-year revenue growth. We have addressed the margin issues experienced in the first half year in the Gatic brand and this is already leading to a much improved second half performance.

The group's Architectural Screening, Solar Shading and Balconies business, Levolux, which represents approximately 20% of group revenues, will report a higher operating loss in the second half of the year than was anticipated at the half year stage. Whilst we had expected a stronger pick up in revenue in the second half based on a firm order book, Levolux has continued to experience construction project delays both before and after the placement of customer orders, and margins remain below expectations in the embryonic balconies business. In response to this, the Board has moved to change and restructure the Levolux management team in recent months and is already working with the new team on operational improvements to restore profit as soon as possible, together with a strategy to maximise value.

As a consequence of the weaker second half performance at Levolux, the Board anticipates reporting Group full year underlying profit before tax from continuing operations some 10-15% below its previous expectations.

Previously announced plans to reduce fixed costs across the Group by £1 million on an annualised basis into the 2019/20 financial year are on track to be delivered, with a further £1 million of additional savings now

expected from the restructuring of Levolux.

The Group's cash performance remains strong, with modest net debt of circa £5 million expected at the year-end. The Group has committed banking facilities of £20 million.

On the basis of the expectations set out above, the Board's intention is to recommend to shareholders at the appropriate time that the Group dividend of 7.35 pence per share is retained for the current financial year. The Group continues to have a progressive dividend policy with the intention of growing future dividends in line with growth in underlying earnings.

The Board believes the Group remains well positioned to continue to grow its Roofing, Water Management and Housebuilding Products businesses over the medium term, whilst improving performance and value at Levolux.

This announcement contains inside information for the purposes of Market Abuse Regulation (Regulation (EU) No. 596/2014). The person responsible for making this announcement on behalf of the Company is Helen Ashton, Group Company Secretary.

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Notes to Editors:

Alumasc is a UK-based supplier of premium building products, systems and solutions. Almost 80% of group sales are driven by building regulations and specifications (architects and structural engineers)

because of the performance characteristics offered.

The group has three business segments with strong positions and brands in their individual markets: Roofing & Water Management; Architectural Screening, Solar Shading & Balconies; and Housebuilding Products & Ancillaries.

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Results and Trading Reports

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