

*James Halstead*TM

JAMES HALSTEAD plc



30 July 2019

Pre-Close Trading Statement

James Halstead plc, the commercial flooring manufacturer and distributor, is providing the following trading update ahead of its final results for the year ended 30 June 2019.

We are pleased to report that sales for the year were ahead of the comparative year and at a record level. This, we feel, represents a creditable performance in still difficult trading conditions. Flooring installations through the year were wide ranging such as Harrow School, Euro Disney's Hotel New York and Chanel concessions across the globe and the Al Thumama Stadium in Qatar. Our healthcare business continues to make good progress and projects completed included Poissy Hospital in France and the newly built Quillota Hospital in Chile. It is particularly pleasing to report that our UK turnover (representing about 35% of total sales) is ahead of the prior year, by some 7%, in a market that seems to be quite robust despite the well reported high street retailer issues.

Across many regions, but especially in Europe competition is ever increasing with new entrants peddling an increasing array of flooring of various degrees of quality and availability. In the German market we have maintained market share but turnover was at a lower level. There are markets with double digit growth and France, South America and Holland are examples. We remain confident that our investment in marketing, sampling, sales representation and training / technical support continue to differentiate us from the pack.

Raw material prices are stable and the availability problems of last year have ameliorated and working capital remains robustly managed with our cash generation secure. Our long term focus on delivery of shareholder returns is undiminished.

Our profit for the year has grown and will be at a record level, representing modest growth.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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