



("Norcros", the "Group" or the "Company")

## Interim Management Statement

Norcros, the home consumer products group publishes its Interim Management Statement covering the 18 week period to 2 August 2009.

The Group announced its results for the year ended 31 March 2009 on 31 July 2009 and commented then that "we expect conditions will continue to be tough in the current year but having stabilised the performance of the business we are aiming to improve returns". There has been no material change to the trading environment since this date.

Group revenues for the period increased by 2.1% in Sterling but declined by 3.7% on a constant currency basis relative to the comparable period last year, reflecting a revenue decline of 1.5% in our UK operations and constant currency revenue declines of 6.6% and 7.7% in our South African and our Rest of the World operations respectively.

### **UK**

Our UK businesses continue to perform well in testing market conditions.

Triton, the UK market leader in domestic showers, experienced stabilisation in its UK performance growing UK revenues by 3.2%. Export revenues, representing c17% of Triton's total sales, continued to be impacted by the contraction in activity in the Irish market and declined by 22.9%. As a result, Triton's overall revenues declined by 2.5%.

Johnson Tiles, a leading UK manufacturer and supplier of ceramic tiles, recorded a particularly strong performance in the UK retail segment on the back of new product introductions and range changes. Overall UK revenues were ahead by 1.5% despite lower trade revenues. Export revenues, representing c13% of Johnson Tiles' total sales, were 12.5% lower. As a result, Johnson Tiles overall revenues were lower by 0.6% in the period.

The rate of new business growth in our UK adhesives business slowed with total revenues in line with the comparable period last year.

### **South Africa**

In South Africa, our performance continues to be impacted by the lower levels of market demand with no appreciable change in activity levels experienced in the period. The new senior management team is settling in well and has identified further actions to improve efficiencies in both the tile manufacturing and retail operations.

Our retail operation, Tile Africa, experienced a constant currency revenue decline of 4.3% with new store gains partly offsetting LFL declines of 13.6%. TAL, our adhesive operation, recorded a decline in constant currency revenues of 12.0 % reflecting in particular a lower level of demand in its tile and building construction business segments limited by market share gains and new product introductions. Johnson Tiles, our tile manufacturing operation, also recorded revenues in constant currency lower by 9.5%.

Overall revenues declined by 6.6% in constant currency but were higher by 9.4% in Sterling.

12 August 2009

**ENQUIRIES:**

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For further information please visit the Company website:  
[www.norcros.com](http://www.norcros.com)