



# VICTORIA PLC

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**4 April 2018**  
**For Immediate Release**

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

**Victoria PLC**  
(‘Victoria,’ the ‘Company,’ or the ‘Group’)

## **Full Year Trading Update**

### **Results Ahead of Market Expectations**

Victoria PLC, (LSE: VCP) the international designers, manufacturers and distributors of innovative flooring, provides the following positive trading update:

The Board is pleased to announce that, for the fifth consecutive year, the Group’s revenue and underlying profit before tax are expected to be ahead of consensus market expectations for the financial year ended 31 March 2018.

The Group’s performance, driven by the strong operational management team, has continued to deliver like-for-like growth, gains in market share, plus operational synergies. This has included the previously announced rationalisation of the UK manufacturing facilities, which has positively impacted gross profit margin and reduced overheads since being implemented during the financial year. The trading performance of the two ceramics businesses acquired in late 2017 has also been encouraging and consistent with expectations.

### **Outlook**

Victoria remains focused on its mission to create wealth for shareholders.

In line with the Group’s strategy to diversify both geographically and by product category, nearly 60% of the Group’s earnings are now generated from outside the UK and are spread across several categories of flooring including carpets, ceramics, underlay, and LVT. This geographic and product diversification, coupled with the low operational gearing inherent in the business, reduces the Group’s overall operational risk.

Ongoing operational improvements in logistics, procurement, and production efficiencies are expected to continue to deliver further organic earnings growth over the coming 12 months.

Additionally, the Board of Victoria has invested a significant amount of management focus during the past year identifying additional suitable acquisition opportunities. Shareholders should anticipate further acquisition-led growth focussed on Europe.

Geoff Wilding, Executive Chairman, commented:

“We are now seeing the clear benefits of our strategy to develop a broadly based, resilient flooring business, where operational and manufacturing synergies lower costs, whilst also providing a robust platform for organic and acquisitive growth. This is in no small part due to the excellence of our wider senior management teams who continue to drive the business and create opportunities to grow market share while maintaining margins.

The Board is encouraged by 2018 trading to date. Together with progress on ongoing internal initiatives to deliver synergies and revenue growth, and the very attractive acquisition prospects already identified, the Board is confident it will deliver another year of significant, earnings-accretive growth in the 2018/19 financial year.”

### **Date of Preliminary Results**

The Board of Victoria expect to announce the Group’s preliminary results for the year ended 31 March 2018 in July 2018.

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