

# Smiths News PLC

## Smiths News PLC ('Smiths News' or "the Group")

### INTERIM MANAGEMENT STATEMENT

Smiths News PLC ("the Group"), the largest UK newspaper and magazine wholesaler, a leading UK book supplier and a leading specialist distributor of consumable products to the education market, is today issuing its Interim Management Statement covering the 19 week period to 11 January 2014.

The Group remains on track to deliver strong growth in underlying profit before tax for the year to 31 August 2014, in line with market expectations.

Total Group revenues decreased 0.4% year on year. The performance of each business unit is as follows;

- Smiths News total revenues declined by 2.0% and by 2.8% on a like for like basis. Both newspaper and magazine performance is marginally above recent run rates, although full year expectations remain in line with last year's performance and prior guidance.
- Bertrams total revenues increased by 9.7% and decreased by 0.4% on a like for like basis. Total revenues are being driven by recent acquisitions, with like for like revenues favourably impacted by the continued growth in Wordery, which is being offset by decreases in international and libraries revenues.
- The Consortium total revenues increased by 4.2% and by 4.2% on a like for like basis. Education and Early years performed in line with expectations. Core revenues were up 6.0% benefitting from a strong peak performance in September.
- Media total revenues increased by 2.0% and by 0.2% on a like for like basis.

There has been no change in the underlying financial condition of the Group since the year ended 31 August 2013 and the Group continues to operate well within its bank facilities.

The Group will announce its interim results for the six months ending 28 February 2014 on 23 April 2014.

*Note: The following definitions apply consistently throughout Smiths News PLC results*

*(1) Underlying profit before tax results exclude non-recurring items.*

*(2) Like for like revenues exclude the impact of gains and losses, including contracts, new business and acquisitions reported in the current or prior year total sales.*

Enquiries:

Smiths News PLC

Mark Cashmore, Group Chief Executive

Nick Gresham, Chief Financial Officer

Tel: 01793 563641

#### About Smiths News PLC:

Smiths News PLC comprises Smiths News, the UK's leading wholesaler of newspapers and magazines, Bertram Books, a leading UK book wholesaler and The Consortium, a leading independent distributor of consumable products to the education and care markets.

Smiths News distributes newspapers and magazines on behalf of all the major national publishers as well as a large number of regional publishers. The business serves approximately 30,000 customers across England and Wales, supplying large general retailers as well as smaller independent newsagents. Smiths News has an approximate 55% share of the newspaper and magazine wholesaling market in the UK. In addition to its distribution activities, Smiths News collects and processes returns, supplies sales information to publishers and provides a range of services for its retail customers.

Bertram Books supplies books to a mix of independent booksellers, on-line and multiple retailers, and libraries. Bertrams is a leading supplier of consumer and academic books in the UK and a growing player in international, digital and direct to consumer markets.

The Consortium supplies consumable products to approximately 30,000 customers across the education and care markets. The Consortium is a leading UK distributor with an approximate 5% share in a growing and fragmented market.