

RNS Number : 8378I  
Billington Holdings PLC  
09 July 2013

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## **Billington Holdings Plc**

('Billington' or 'the Group' or 'the Company')

### Trading Update

Billington (AIM: BILN), one of the UK's leading structural steel and construction safety solutions specialists, today provides the following update on trading for the six months ended 30 June 2013, ahead of its interim results which are expected to be announced no later than 30 September 2013.

### Trading Update

Billington has made a very positive start to the year and the directors confirm the Company is now trading ahead of market expectations. The improved trading performance is due to a combination of the Group benefitting from the restructuring activity carried out over the course of the two prior financial years and an improvement in underlying trading performance.

As previously announced, following a wide-ranging operational review, annualised costs savings of £2.8 million have been delivered in order to appropriately right size Group operations to market conditions. The benefit of this action is now being realised.

Encouragingly, the Group's trading performance has also improved. Margins in the Company's core structural steel business have improved albeit from historically low levels, partly as a result of capacity exiting the market and tenders now being bid for at more realistic levels. Additionally, the Group's efforts to diversify its business offering, reducing the Company's historic reliance on its traditional construction related structural steel business, and focus on new sectors including rail and energy, has enhanced trading performance and presented new areas of opportunity for the business. The Company has also broadened its geographic scope and this financial year has, for the first time, won tenders in Northern Europe. Finally, recent senior management changes implemented at the Group's easi-edge and hoard-it subsidiaries have contributed to trading improvement at both of these divisions.

The Group's balance sheet remains robust and the Group's order book is healthy, leaving the Board confident that the improvement in trading will continue throughout the remainder of the current financial year.

In summary, while market conditions remain challenging, the Board is confident that the combination of restructuring action taken by the Group and genuine, if tentative, signs of sustainable market improvement should ensure that Billington is well placed to deliver sustainable growth throughout 2013 and beyond.

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For further information please contact:

**Billington Holdings Plc**                      Tel:    01226 340666

Peter Hems, Non Executive Chairman

Steve Fareham, Chief Executive

**Blythe Weigh Communications**        Tel:    020 7138 3204

Paul Weigh / Robert Kellner

**W H Ireland Limited**                      Tel:    0161 819 8875

Katy Mitchell