



RNS Number : 2931X  
Mountfield Group plc

**23 November 2017**

**Mountfield Group Plc (the "Group")  
And its subsidiaries Connaught Access Flooring Limited ("Connaught" or "CAF") and  
Mountfield Building Group Limited ("MBG")**

**Trading Update**

The Board of the Group, the AIM listed commercial flooring and specialist construction services company, is pleased to provide a trading update for the year to date.

Following a review by the Directors of the Group's second half performance in 2017 and of the forecast revenue for the remainder of the year from contracts already announced, they advise that the net profit for the period is likely to exceed that achieved in both the first half of the year to 30 June 2017 and the second half of the year to 31 December 2016.

Since 30 June 2017, the Group has announced contract wins totalling £8.92m as follows:

<b>Announcement of Contract</b>	<b>Announced Contract Value (£)</b>	<b>Subsidiary</b>	<b>Expected Completion</b>
09/10/2017	4,000,000	CAF	October 2018
05/10/2017	1,020,000	MBG	February 2018
02/10/2017	1,650,000	MBG	March 2018
06/09/2017	750,000	MBG	January 2018
29/08/2017	1,500,000	CAF	September 2018

The Directors are pleased to advise that work has commenced and is on schedule for all of the contracts above.

Having successfully won a number of contracts in the second half of 2017 which are expected to be completed in 2018, the Group will enter 2018 on a stronger basis than this year. The Group's secured order book stood at £6.58m at the beginning of 2017 and of this, £6.08m had been won by CAF and £0.5m by MBG. It is expected the value of Group's secured work at the beginning of 2018 will total at least £8.1m. CAF will begin next year with secured turnover of £6.0m and MBG £2.1m.

Since the restructuring in 2016, the Group's emphasis has been on increasing margins and the minimisation of risk on contracts. Since then, there has been a noticeable improvement to the Group's working capital position as compared to previous years such that the Company can undertake larger projects within its existing financing facilities. Accordingly, the Directors do not require additional equity funding from the market.

The Board's strategy is to prioritise margins over turnover and the work won and under negotiation is at prices that accord with it. The trading climate remains extremely active and both MBG and CAF are involved in a number of tenders for work to be undertaken in 2018 and the Board believes that this level of activity will continue through to 2020 at least.

Andy Collins, MD of CAF and Group CEO said that:

"This has been a very good year for Mountfield and the repeat orders prove our ability to successfully deliver large and complex projects. As we near the year end, our secured work for 2018 is significantly above this time last year and we hope that we can continue to build on this year's success further."

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

For further information, please contact:

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