

# HAYNES PUBLISHING GROUP P.L.C. (“the Haynes Group”)

## Interim Management Statement (IMS)

The Haynes Group presents its third quarter IMS covering the 13 weeks to 29 February 2012 and to the date of publication of this Statement (“the period”) in accordance with DTR 4.3.4.

### Third quarter trading and business highlights

During the period the Group started on the development of the first 50 UK automotive repair manuals in an electronic format. Once completed, the new digital UK manuals will add to the top 50 selling US manuals launched shortly before our financial half year in November 2011 and will be followed by the top 50 selling Motorcycle titles.

Group revenue for the 13 week period to 29<sup>th</sup> February 2012 was 4% down on the prior year, reducing the shortfall for the financial year-to-date to 8%.

Revenue in North American & Australia, the Group’s largest operating segment ended the third quarter, in local currency, 2% down on the prior period. This is an improvement on the 16% shortfall in first half of the year and sales in Australia, in particular, have continued to build on the positive performance in the first six months of the financial year with strong double digit growth. In the UK & Europe, revenue ended the quarter 8% down on the prior year. Sales of UK automotive repair manuals were affected by lower purchasing from the major UK retail chains and ended the 13 week period 24% down on the prior year. Elsewhere, revenue from the UK’s non-automotive DIY titles once again performed well in difficult market conditions, ending the 13 week period 2% ahead of the prior year while in Europe, Vivid revenue in local currency for the third quarter was in-line with the prior year.

As we enter our fourth quarter, trading conditions for our core products on both sides of the Atlantic remain challenging but we will continue to work closely with our key customers to improve sales during this important trading period for the Group.

During the period the Company purchased 1,240,000 of its own ordinary 20p shares, funded through internal working capital, to place in Treasury. Apart from the buy-back of shares, there have been no other significant changes in the financial position of the Group since we reported our interim results for the six months ended 30 November 2011.

The Haynes Group will report the results of its 4<sup>th</sup> quarter trading and its preliminary results for the financial year ending 31 May 2012 on 23 August 2012.

### Cautionary Statement :

This report contains certain forward-looking statements with regards the financial condition and results of the operations of Haynes Publishing Group P.L.C. These statements and forecasts involve risk factors which are associated with, but are not exclusive to, the economic and business circumstances occurring from time to time in the countries and sectors in which the Group operates. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, Haynes Publishing Group P.L.C. has no obligation to update the forward-looking statements or to correct any inaccuracies therein.

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## **Business Description**

The Haynes Group comprises two geographical business segments as follows :

- UK & Europe
- North America & Australia.

The UK & European business has headquarters in Somerset, England and subsidiaries in the Netherlands, Italy, Spain, Romania and Sweden. The core business of the European operations is the publication and supply of automotive repair and technical information to the professional automotive and DIY aftermarkets. The European business also publishes a wide range of titles which are practical, instructional, easy to read and aimed at those with an interest in more general DIY related activities as well as motoring, motor sport, transport, aviation and military.

The North American & Australian business has headquarters near Los Angeles, California and publishes DIY repair manuals for cars and motorcycles under the Haynes and Chilton brands, in both the English and Spanish languages. It has a branch operation in Sydney, Australia which publishes similar products under both the Haynes and Gregory's brands. The Australian business also publishes information for the professional automotive market. Through its print facility in Nashville, Tennessee the North American business is the central print facility for the Group's printed products.