

## Regulatory Story

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**Company** [Alexandra PLC](#)  
**TIDM** AXD  
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Alexandra PLC  
("Alexandra" or "the Company")  
Interim Management Statement

In accordance with the UK Listing Authority's Disclosure and Transparency rules, Alexandra plc, one of Europe's leading workplace clothing suppliers, issues its interim management statement for the third quarter of the financial year to 31 January 2010.

### Trading update

In the Company's Interim Results statement released on 30 September 2009, the Board stated that revenue was 17% below the same period last year. Alexandra now reports that there has been no further decline and turnover for the nine months ended 31 October 2009 was again down approximately 17% on the same period last year. Moreover, monthly sales increased significantly in September and again in October, as management's new implemented strategies and initiatives started to take effect. Turnover in November was at a similar level to October, with both months in line with management's targets.

The impact on EBITDA of the lower turnover has been mitigated by proactive management, and a significant reorganisation and cost reduction programme, which has resulted in a decrease in overheads of over 17% compared to last year. Nonetheless current indications are that profit before tax and exceptional items for the full year is likely to be below management's expectations.

Following the write-downs of redundant inventory previously announced, the disposal of redundant lines is in line with management's expectations and has helped to limit the Company's borrowings, as has improved management of

old debts.

## **Operations update**

The change management programme designed to better align the Company's operations to deliver a focussed service offering is now approximately two thirds complete and, as indicated above, there has been a significant reduction in overheads as well as some improvement to revenue in recent months and, more significantly, good progress in winning new contracts. Having addressed the matter of excess overheads, the management is working hard to improve the top-line with good quality, profitable long term contracts whilst, at the same time, addressing the funding structure of the Company.

## **Banking Update**

As indicated in the announcement on 12 November 2009 the Board is pursuing all options to put in place an appropriate funding and capital structure for the longer term. Constructive discussions with the Company's bankers are still ongoing. Although the Company's bank facilities remain repayable on demand and the next formal review date is now 31 January 2010 the Board has every reason to believe they will be extended whilst it endeavours to secure other funding for the Company.

## **Outlook**

Looking ahead, the Company is continuing to submit tenders for new contracts, and further initiatives are being planned through Alexandra's revitalised sales, marketing activities and improved levels of customer service. In recent weeks new contracts with an annual value of approximately £4.2 million have been won, the benefit of which will be felt over the next three years.

The Board remains cautiously optimistic about Alexandra's prospects and its ability to exit from the current economic climate stronger and more able to build on its market leading position. The current priority is to establish an appropriate funding and capital structure to facilitate this.

Once the current distractions referred to above have been resolved and with the new management team fully focused on the imperatives of securing further new business and negotiating margin enhancing supply arrangements, the Board firmly believes that Alexandra will be able to further capitalise on the significant opportunities that exist in a fragmented industry which has been damaged by the worldwide economic difficulties.

18 December 2009

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### Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the Takeover Code (the "Code"), if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of the Company, all "dealings" in any "relevant securities" of the Company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of the Company, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of the Company by the offeror or the offeree company, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

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