

FOR IMMEDIATE RELEASE

3 MARCH 2015

SANDERSON GROUP PLC

Annual General Meeting ('AGM') Statement

Sanderson Group plc ('Sanderson' or 'the Group'), the software and IT services business specialising in multi-channel retail and manufacturing markets in the UK and Ireland, will hold its AGM in Coventry at 10.00 am, today. At the AGM, Chairman, Christopher Winn, will make the following statement to shareholders:

"The Group has made a good start to the current financial year ending 30 September 2015 ('current year') and trading results to the end of January 2015 ('the period') are ahead of the comparative period for the year ended 30 September 2014 ('last year'). Sales order intake is ahead of last year and the value of the Group order book is higher than the £2.41 million at 30 September 2014.

The manufacturing division (incorporating the businesses which address companies in the manufacturing sector), has made a positive start and has gained six new customers, albeit at a lower average initial order value. This compares with nine new customers during the whole of last year. Consequently, the Group business which focuses on the general manufacturing sector has achieved an improved level of trading.

The multi-channel retail division which is continuing to increase its penetration of the online sales, ecommerce and catalogue markets has continued to achieve overall growth, notwithstanding a slowdown in the wholesale distribution and cash and carry market. One iota, focused on the rapidly developing mobile commerce market, continues to forge ahead and in the period achieved a higher revenue than in the whole of the full year prior to its acquisition in October 2013. The Proteus business which was acquired in December 2014, has also made a steady start as part of the Group.

Sanderson continues to invest for the future. Product development, especially in the area of mobile solutions is continuing at a high level but in line with the Board's conservative policy, with the majority of the development continuing to be fully expensed as it is incurred. The Group is also making an additional investment in both operational management and sales and marketing. This investment is not expected to have an adverse effect on profitability in the current year.

UK capital expenditure has only recently recovered to 2008 levels and the Group's customers and prospective customers, which are generally small and medium-sized ('SME') businesses remain cautious. However, customers and prospective customers in the online sales, ecommerce and catalogue sectors are generally more optimistic albeit sales cycles are still prolonged.

The Sanderson business is robust, with over 50% of revenues being 'recurring' (pre-contracted for a minimum of a year ahead) and this provides the Group with a cash generative business model, supporting the Board's progressive dividend policy. A recommended final dividend of 1.0 pence per share, for approval at today's AGM, will make a total dividend for last year of 1.8 pence per share, representing an increase of 20% over the previous year. The strong Sanderson business model, cash-backed balance sheet, good order book and positive business momentum provide the Board with confidence that the Group will make further progress in the current financial year ending 30 September 2015".

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