

Company [Stanley Gibbons Group PLC](#)
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Headline Trading Update
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The Stanley Gibbons Group plc
("Stanley Gibbons" or the "Company")

Trading Update

Before entering its close period, the Board provides an update to the market on its estimated results for the preceding financial year, ended 31 December 2010, and a trading outlook for the current year.

2010 trading results

Turnover for 2010 is estimated to be ahead of and profits broadly in line with market expectations. Our interim results announcement on 6 August 2010 advised of the substantial one-off costs incurred during the year associated with the development of our websites, database asset management system and international marketing campaigns promoting rare stamps and historical documents as an alternative investment asset class. Despite this expenditure in creation of future growth strategy, we continue to grow current operating profits.

Operating cash generation for the year was strong, providing us with the ability to fund acquisitions together with capital investment in the refurbishment of our retail premises at 399 Strand and investment in our websites and IT systems to facilitate our future growth opportunities, all done from internal cash resources.

Key performance highlights;

- Development of our websites, which are scheduled for a phased launch in the first quarter of 2011
- Successful implementation of a digital asset management system representing a significant step forward in the management of data for both online and print publishing
- Completion of the substantial refurbishment works on our flagship retail premises at 399 Strand in April, presenting the brand image in line with our mission, to become the largest collectibles business in the world
- Substantial additional profits and clients generated through our new investment office in Jersey
- Development of trading relationships in China and the related expertise in its rare stamps in order to gain access to this biggest stamp market in the world, (an estimated 30 million collectors). Also we have extended our product offering to our investment clients into what currently represents the highest growth market in rare stamps
- Introduction of new high net worth clients as a result of our extensive international marketing and PR campaigns during the year

- Completion of two bolt-on acquisitions during the year - the businesses of M & N Haworth and the Benham Group, both of which will further strengthen our overall brand offering and providing additional predictable revenue and profit streams in future years

Current trading and outlook

Trading in the first quarter of 2011 is expected to benefit from our strong order book from investment clients following the success of our various marketing efforts in December.

The launch of our new websites in the first quarter will build substantial new profit streams for the business over time through cost effective online trading channels, particularly appropriate for lower value stock items.

Our recent acquisition of the Benham Group business has proved timely following the announcement of the Royal Wedding to take place in April 2011. This business stands to benefit from sales of associated first day covers and other commemorative collectible products marking the most exciting Royal event in recent years.

The Board is satisfied with the way management is implementing its strategy and believes there are substantial opportunities to continue to grow sales and profits in 2011 and beyond.

Martin Bralsford, Non-Executive Chairman commented:

"The result for the year is good, particularly having regard to the additional burden on management of longer term development projects whilst still meeting current profit growth objectives.

Future growth in revenues and profits are anticipated from the valuable groundwork laid in 2010.

Overall, the Group's businesses are developing in line with strategy and are in a stronger position to deliver continued growth to Shareholders in the future than at any time in recent years."

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