

RNS Number : 4369L
Yule Catto & Co PLC
06 May 2010

6 May 2010

Yule Catto & Co plc

Interim Management Statement

Yule Catto & Co plc, the international producer of speciality chemicals, today issues its Interim Management Statement for the period from 1 January to 31 March 2010

The Group has made a good start to the year with first quarter PBT comfortably ahead of last year.

Polymer Chemicals is the Group's main business, accounting for 88% of divisional operating profit in 2009 with 50% of its revenue in Asia and emerging markets. The business made a good start to the year. Volumes were over 10% up on prior year, strongly ahead of the weak first quarter of 2009. Volumes in Asia remain strong. Whilst Europe started slowly, in part due to the difficult weather conditions, demand strengthened through the quarter and this has continued into April. Monomer prices continued to rise through the quarter and the business has continued to seek to recover these increases in the market place.

Pharma Chemicals has continued to trade weakly, with profits in the first quarter below prior year, though the business has a good current forward order book.

William Blythe, the remaining Impact Chemicals business was ahead of last year as expected.

Net debt rose during the quarter, as the improving demand position absorbed additional working capital, but is still comfortably below £100 million. We are still in the process of completing the announced sale of the Finewaters adhesive business, which will deliver a further reduction in debt of £11 million when concluded.

Looking forward in Polymers we expect to see continuing strong demand in Asia and modest volume improvement in Europe. Monomer prices have continued to rise during the second quarter and work is in hand to recover these increases. Pharma, after the slow start, is likely to trade a little below last year, whilst William Blythe will be ahead. Overall trading is in line with the Board's previous expectations for the full year.

ENQUIRIES:

YULE CATTO & Co plc
Adrian Whitfield, Chief Executive
David Blackwood, Finance Director

Tel: 01279 442791

HOGARTH
John Olsen
Andrew Jaques
Ian Payne

Tel: 020 7357 9477

This information is provided by RNS
The company news service from the London Stock Exchange

RNS news service provided by Hemscott Group Limited.