

RNS Number: 9481O
Xaar PLC
18 October 2012

FOR IMMEDIATE RELEASE

18 October 2012

Xaar plc

INTERIM MANAGEMENT STATEMENT AND CORPORATE OPEN DAY

Xaar plc ("Xaar" or "the Group"), the inkjet printing technology group headquartered in Cambridge, is providing an Interim Management Statement covering trading from 1 July 2012.

Revenues for the third quarter of the year were in line with the Board's expectations. Sales continued to grow through the period, which resulted in a record revenue performance for the quarter. The Board continue to anticipate further growth in sales in the fourth quarter, with the outlook for full year revenue in line with expectations.

Gross margin in the third quarter was slightly higher than the margin achieved in the first half of the year, as production efficiencies from increased output more than offset the impact of the previously announced volume price discounts. Overall gross margin in the second half of 2012 is expected to be at least as strong as the first half of the year.

Operating profit in the third quarter benefited from the growth in both sales and gross margin although, as planned, the continued increase in investment in R&D resulted in a higher level of operating costs. The outlook for 2012 profitability continues to be in line with the Board's expectations.

The Group's balance sheet remains strong with net cash at 30 September 2012 of £18.8 million (30 June 2012: £15.7 million, 31 December 2011: £17.4 million).

On Tuesday, 23rd October 2012, Xaar is hosting an open day for investors and analysts at its Huntingdon manufacturing facility. The purpose of the event is to explain how Xaar's technology adds value in the end markets in which it operates, and to highlight the long term potential for digital inkjet. No new information will be presented.

END

CONTACTS

Xaar plc:	01223-423663
Ian Dinwoodie, Chief Executive	www.xaar.com
Alex Bevis, Finance Director	
Singer Capital Markets Limited:	020-3205-7500
Shaun Dobson	
Bankside Consultants:	
Simon Bloomfield	020-7367-8888 / 07771-758517
James Irvine-Fortescue	

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