

3 December 2007

St Ives plc - Interim Management Statement

At its Annual General Meeting, to be held at 11.00 a.m. today, St Ives plc will make the following announcement, which will comprise its first Interim Management Statement referring to the 13 week period from 4 August 2007 to 2 November 2007.

Total sales for the 13 weeks to 2 November 2007, on a continuing business basis, were 14.6% greater than the same period for the previous year and are in line with management's expectations. Sales from Service Graphics, acquired in November 2006, accounted for 12.7% of the total sales growth mentioned above. Adjusting for currency movements, the business achieved underlying sales growth of 2.9%. Gross margin and operating profit for the period are also in line with management's expectations. The Group's financial position remains robust.

As announced on 19 October 2007, St Ives plc has been appointed by the Royal Mail Group plc to act as its sole supplier of print management services. The contract will run for a four year term and is expected to generate sales of approximately £40 million per annum, once transition of the work from existing suppliers has been completed. The transition of this work is now underway and is expected to be completed by June 2008.

Brian Edwards, Chief Executive, commented:

"We have made an encouraging start to the year with trading performance in line with our expectations. Although the economic outlook is uncertain, our strategy of selling the whole range of the Group's services to both new and existing customers continues to prove successful. We retain our focus on short run, time sensitive, added value print solutions with a strong emphasis on superior customer service."

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