

Topps Tiles

Strategy and markets align

FY25 results

Topps Tiles' (TPT's) FY25 results clearly demonstrated the profit leverage available as incremental revenue and services from the Mission 365 growth initiatives combined with more favourable end markets. Revenue growth was broad based across all divisions, which fed through to higher gross margins for all divisions and the group. Management remains confident in the growth strategy and the Mission 365 financial goals, which offer substantial upside from the current share price if achieved over the next few years.

Year end	Revenue (£m)	PBT (£m)	EPS (p)	DPS (p)	P/E (x)	Yield (%)
9/24	251.8	6.3	2.39	2.40	18.8	5.3
9/25	295.8	9.2	3.43	2.90	13.1	6.4
9/26e	313.4	11.4	4.50	3.51	10.0	7.8
9/27e	332.4	14.3	5.27	3.90	8.5	8.7

Note: Profit and earnings are company's adjusted definition. FY24 and FY25 PBT and EPS excludes CTD Tiles.

FY25 profit at the top end of expectations

TPT's FY25 adjusted PBT, which excludes the contribution by CTD Tiles (CTD), grew by 46% y-o-y to £9.2m, at the top-end of consensus expectations. The results reflect increasing growth rates as we move down the income statement, with 6.8% growth in adjusted revenue and c 8% growth in adjusted gross profit. Trade customers have been the engine of the growth, with many of the Mission 365 growth initiatives focused on this important and loyal customer group, while the weak trends for retail customers appear to have stabilised between H1 and H2. In addition to the better-than-expected profit performance, shareholder returns surprised on the upside, with the strong jump in profit enabling management to begin normalising the dividend payout ratio towards the stated long-term policy of a 67% payout on adjusted earnings.

Assuming good growth continues

We make no significant changes to our FY26 estimates for the time being as we offset a slight reduction in CTD revenue with a new contribution from Fired Earth, for which management has yet to quantify the financial benefits. TPT has a number of self-help drivers, including better trading and profitability from CTD and Tile Warehouse, as well as more to come from Mission 365. We introduce forecasts for FY27, with 6% revenue growth to £332m and 25% growth in adjusted PBT to a margin of 4.3% versus FY25's 3.1% and FY26's 3.6%. Our forecast for FY27 compares with management's Mission 365 target for FY29 of £363–398m, implying an acceleration in revenue growth beyond FY27. We expect strong growth in adjusted PBT beyond FY27 as our estimate of £14.3m compares with a projected range of £29.0–39.8m when applying management's margin target of 8–10%.

Valuation: Attractive on all measures

TPT trades at a significant discount to our unchanged discounted cash flow (DCF)-based valuation of 116p/share. Applying more appropriate peer-based valuations, and TPT's own historical multiples, both of which take account of relative profitability, supports our DCF-based valuation, which includes FY29e adjusted PBT towards the middle of management's financial goals.

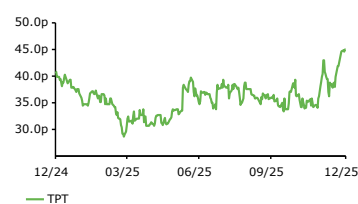
Retail

11 December 2025

Price 45.00p
Market cap £89m

Net cash at 30 September 2025 £7.4m
(excluding IFRS 16 liabilities of £99.8m)
Shares in issue 196.7m
Free float 70.2%
Code TPT
Primary exchange LSE
Secondary exchange N/A

Share price performance



%	1m	3m	12m
Abs	15.1	25.0	15.7
52-week high/low		45.8p	27.9p

Business description

Topps Tiles is the market-leading specialist retailer/distributor of wall and floor tiles, and associated products such as tools, grouts and adhesives, to its retail, trade and commercial customers in the UK.

Next events

Q126 trading update	7 January 2026
H126 trading update	1 April 2026

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Topps Tiles is a research client of Edison Investment Research Limited

FY25 results: Mission 365 and more favourable markets

Income statement: Revenue momentum and operating leverage

FY25 was strong year for the group, with Mission 365 growth initiatives along with a more favourable trading environment than the previous year.

On an underlying basis (ie excluding CTD) revenue grew by 6.8%, gross profit increased by 7.7% (as the gross margin moved to 53.8% from 53.3% in FY24), adjusted PBT increased by 46% to £9.2m and adjusted EPS by 43.5% to 3.43p per share. After TPT's Q425 trading update, we raised our FY25 revenue estimate to be consistent with management's indicated figures but retained our low-end estimates for adjusted PBT.

CTD contributed revenue of £30.4m, which was consistent with management's commentary since the acquisition was announced.

Relative to our previous estimates, underlying gross profit was marginally ahead, while CTD's gross profit was light. Therefore, cost control was better than we had anticipated in order to deliver adjusted PBT at the top end of consensus.

Exhibit 1: Summary income statement

£m	H124	H224	FY24	H125	H225	FY25	Edison FY25e
Reported revenue	122.8	129.0	251.8	142.9	152.9	295.8	296.0
Growth y-o-y	(5.8%)	(2.6%)	(4.2%)	16.4%	18.5%	17.5%	17.6%
- Topps Tiles	104.8	105.6	210.4	107.1	111.5	218.6	
- Parkside	4.2	3.4	7.6	3.9	4.6	8.5	
- Online Pure Play	13.8	16.7	30.5	16.8	21.5	38.3	
- CTD	0.0	3.3	3.3	15.1	15.3	30.4	30.0
Adjusted revenue - excluding CTD	122.8	125.7	248.5	127.8	137.6	265.4	265.0
Growth y-o-y	(5.8%)	(5.1%)	(5.4%)	4.1%	9.5%	6.8%	6.7%
Reported gross profit	66.2	68.1	134.3	74.1	80.2	154.3	157.2
Reported gross margin	53.9%	52.8%	53.4%	51.9%	52.5%	52.2%	53.1%
Adjusted gross profit - excluding CTD	66.2	66.3	132.5	68.3	74.5	142.7	141.8
Adjusted gross margin	53.9%	52.8%	53.3%	53.4%	54.1%	53.8%	53.5%
CTD gross profit		1.8	1.8	5.8	5.8	11.6	15.0
CTD gross margin		54.5%	54.5%	38.7%	37.7%	38.2%	50.0%
Operating profit (reported)	0.8	(12.2)	(11.4)	5.2	10.1	15.3	14.5
Margin	0.6%	(9.5%)	(4.5%)	3.7%	6.6%	5.2%	4.9%
Adjusted profit before tax (TTP definition)	3.1	3.2	6.3	3.2	5.7	9.2	8.3
Normalised profit before tax (Edison definition)	3.2	3.9	7.2	3.2	6.2	10.0	9.3
Effective tax rate	(35.0%)	26.6%	21.0%	36.5%	24.9%	27.5%	27.5%
Adjusted EPS (TTP definition)	1.03	1.36	2.39	1.12	2.31	3.43	3.05
DPS (p)	1.20	1.20	2.40	0.80	2.10	2.90	2.60

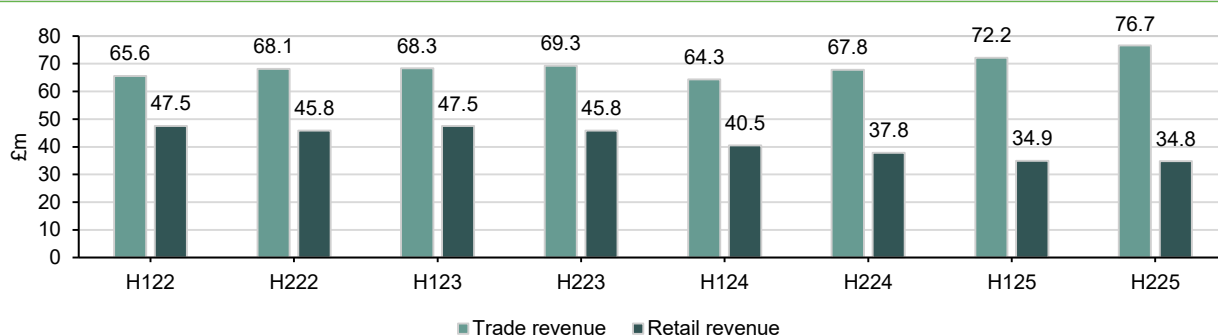
Source: Topps Tiles, Edison Investment Research

Management's commentary indicates good progress across many of the five key elements of the Mission 365 strategy:

- Expand into new category offerings.** Range additions (wall panels and porcelains splashbacks) and extensions (outdoor tiles) have been complemented by improved digital marketing and sales training to drive revenue growth of 12% for these newer categories and gross profit growth of 20%, with the latter helped by the direct sourcing of some products.
- Modernise the trade digital experience.** Management has placed a heavy emphasis in the early stages of the strategy on launching or enhancing: 1) its digital capabilities at the back end (new customer engagement platform) and front end (new trade website, with a new app to launch in H226); and 2) its offering (enhanced trade credit along with deals/benefits via 'Trade Club') in order promote trade growth. These have been well received as evidenced by the 12% growth in active customers by the period end and sales growth of 13.3% through the year.
- Business-to-business sales focus.** Over the last 12 months, the main developments include the acquisition of CTD, a new tile supply partnership with Wren Kitchens and a move to profitability by Parkside for the first time.
- Pro Tiler Tools.** The business continues to enjoy healthy growth as the previous capacity constraint has lifted, following the move to the new larger warehouse, and service has improved. Revenue increased to £35m from £28.8m in FY24, year-on-year growth of c 22%, with greater growth in H225 of c 26% versus H125's c 18%. Management is confident of achieving the stated medium-term revenue target of £50m and beyond, and anticipates that the new ranging and sourcing opportunities will help profitability.
- Tile Warehouse.** Although still small in a group context, with £3m of revenue, strong growth in online traffic and higher conversion, Tile Warehouse is the fastest-growing digital tile specialist. The sales growth has reduced losses to £0.5m in FY25 and management believes the current revenue run rate will enable it to move into profit in H226.

Trade customers have been the engine of growth, with many of the above Mission 365 initiatives specifically aimed at them, given their importance as brand ambassadors and their levels of repeat custom. At the group level (including the newly acquired revenue of CTD), trade customers represent 75% of sales. The importance of trade customers is apparent when looking at the Topps Tiles branded stores, as revenue from retail customers continues to decline year-on-year. However, we note signs of stabilisation in absolute revenue from H1 to H2 in FY25, the first time this has happened in the last four financial years.

Exhibit 2: Topps Tiles' trade and retail revenue



Source: Topps Tiles, Edison Investment Research

The prolonged Competition and Markets Authority (CMA) review of the CTD acquisition not only disrupted trading but also required a high level of one-off and advisory costs. The trading loss of £1.7m was a little higher than originally anticipated and one-off costs amounted to £5.2m, so in total weighed on reported PBT to the tune of £6.9m. Management anticipates CTD will generate a profit in FY26, which we assume will be H2 weighted given the CMA review and continuing challenging backdrop.

The improvement in the adjusted gross margin reflects a combination of positive influences such as better price inflation, lower discounts and better sourcing, partially offset by a greater contribution from the lower-margin business versus Topps Tiles branded stores and greater trade penetration.

There were a few headwinds with higher staff costs in FY25, including the 6.7% increase in the National Living Wage and the increase in employer National Insurance contributions from April, as well as higher performance-related pay. The company also invested in marketing and systems and to support growth in Online Pure Play so that on a gross basis adjusted operating expenses increased by £10m versus FY24, or just over 8%. Management's focus on cost savings and efficiencies and some savings from operating fewer stores (297 Topps Tiles branded stores at end FY25 versus 301 at the end of FY24) restricted growth in adjusted operating costs to about 4.7% in FY25. This was lower than the 7.75% growth in adjusted operating profit, and hence there was a significant improvement in the adjusted operating margin.

Total adjusting items, both operating and financial, netted out to a £0.9m benefit versus statutory profit.

The strong profit growth enabled management to surprise with a much higher final dividend, which took the FY25 total dividend to 2.9p per share, versus our estimate of 2.6p per share. The payout ratio on adjusted EPS was 85%, lower than FY24's 100%, as the company moves towards its medium-term target for a payout ratio of 67%.

Cash flow and balance sheet

Underlying operating cash flow generation before working capital improved versus FY24, however free cash flow generation was much lower than the previous year mainly due to two items. First, and most significant, FY25's working capital was marginally negative versus the inflow reported for FY24, which was helped by the phasing of payments to trade creditors, which fell after the FY24 period end. Second, CTD's operational cash flows and the advisory fees for the CMA review weighed on free cash flow.

By the period end the adjusted net cash position of £7.4m, before lease liabilities of £99.8m, was marginally lower than FY24's £8.7m. The drawings from the company's £30m revolving credit facility were lower at £11.0m versus £15.0m at the end of FY24.

Current trading, outlook and M&A

Given the lacklustre consumer sentiment over the last few months, ahead of the Budget, it is no surprise revenue growth

in the first nine weeks of FY26 has softened a little from the strong growth in Q424 and versus the positive growth reported through FY25.

Exhibit 3: Revenue growth trends

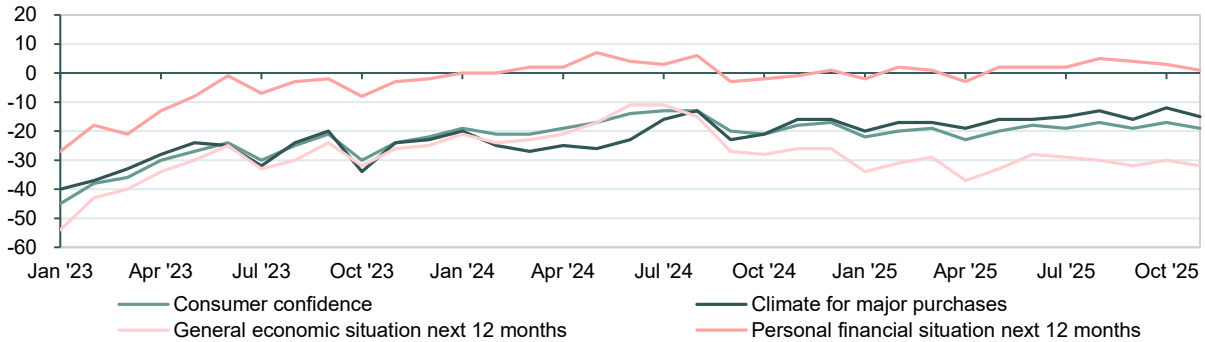
Growth y-o-y	Q124	Q224e	Q324	Q424	FY24	First 8 weeks of Q125	Q125	Q225	Q325	Q425 *	FY25	First 9 weeks of Q126
Group revenue ex CTD	(4.0%)	(7.8%)	(6.9%)	(4.4%)	(5.4%)	1.2%	4.6%	3.3%	10.1%	8.9%	6.8%	3.3%
Group revenue adjusted for change in period end							3.3%	4.4%				
Topps Tiles like-for-like	(7.1%)	(11.3%)	(9.7%)	(8.2%)	(9.1%)	(0.4%)	3.5%	3.7%	7.3%	8.1%	5.3%	2.0%

Source: Topps Tiles, Edison Investment Research. Note: *Edison estimate based on simple average.

Here it is worth highlighting that for the first time since the start of FY24 the company is reporting positive growth on a positive comparative from the prior year, instead of reporting positive growth on an easy comparative. Through FY25, the company enjoyed good revenue momentum, and it was clear that trends were improving as the year progressed, with positive two-year revenue growth through Q325 and Q425, having been negative for Q125 and Q225.

The overall consumer confidence indicator has been quite range-bound through 2025 so far.

Exhibit 4: UK consumer confidence



Source: LSEG Data & Analytics (GfK)

With the publication of the results, management announced the acquisition of the Fired Earth brand, IP, website and c £2.5m of inventory out of administration for a total consideration of £3.0m. This looks like an attractive valuation based on the inventory alone, and even more so in the context of the £15m of revenue Fired Earth reported in the year ended September 2024, suggesting good customer appeal for its high-end and quality products. Fired Earth was loss-making with an operating loss of £1.7m in that year, but this should have less of a negative effect on Topps Tiles as it has not acquired the company's store base. Management provided little commentary on the expected strategy for the brand and the expected financial effects of the transaction. However, we believe Topps Tiles' more extensive store portfolio and trade initiatives should be helpful for the Fired Earth brand.

Management's commentary suggests plenty of opportunity to improve profitability in the coming year. The main driver will be further developing the Mission 365 initiatives, which should be positive for revenue, all other things being equal, and profitability. CTD should not hold back group profitability, with management confident of delivering a profit in FY26, and there should be other drivers to better profitability (eg moving Tile Warehouse to a profit from a £0.5m loss in FY25).

There are no significant overall changes to our FY26 estimates, as the first-time revenue contribution from Fired Earth offsets a slight reduction in our forecast CTD revenue, as a store disposal is deferred into FY26. We introduce forecasts for FY27, with 6% revenue growth to £332m and 25% growth in adjusted PBT to a margin of 4.3% versus FY25's 3.1% and FY26's 3.6%. Our FY27 revenue forecast compares with management's Mission 365 target for FY29 of £363–398m, implying a good ramp in growth beyond FY27. Equally, we are implying strong growth in adjusted PBT beyond FY27 as our FY27 estimate of £14.3m compares with a projected range of £29.0–39.8m for FY29 when applying management's margin targets of 8–10% to the revenue.

Valuation

As we roll forward our estimates, we update our valuation from our August [Outlook note](#). All valuation measures point to a share price well north of the current share price.

DCF-based valuation: 116p per share on conservative estimates

Our DCF-based valuation of 116p per share is unchanged, with an estimated weighted average cost of capital (WACC) of 8.5% and a terminal growth rate of 2%. Our FY29 revenue estimate of £380m is towards the middle of the Mission 365 revenue target and we assume an adjusted PBT margin of 8.2%, at the low end of management's target range of 8–10%. Therefore, there is upside to our valuation if management achieves the top end of its Mission 365 targets.

The sensitivity of the valuation to changes in our estimated WACC and terminal growth rate is as follows:

Exhibit 5: DCF sensitivity (pence per share)

		Terminal growth rate				
		1.0%	2.0%	3.0%	4.0%	5.0%
WACC	11.0%	84	91	100	111	126
	10.5%	87	95	105	118	136
	10.0%	90	99	110	125	147
	9.5%	94	104	117	135	160
	9.0%	98	110	125	145	177
	8.5%	103	116	134	159	199
	8.0%	109	124	144	176	228
	7.5%	115	132	158	197	268
	7.0%	123	143	174	226	329
	6.5%	131	156	195	266	430

Source: Edison Investment Research

Significant discount to peers

TPT does not have a direct quoted peer, but there are a number of companies with a partial product overlap. Below we show its revenue growth rates, profitability and multiples with two sets of quoted peers: manufacturers and distributors of products that are exposed to the same end markets, and retailers exposed to housing-related spend. We have annualised all figures to TPT's September year-end using a simple average of their annual figures, which likely understates the seasonality of the peers.

Exhibit 6: Peer valuations

Company	Share price (p)	Market value (£m)	Sales growth (%)		Gross margin (%)		EBIT margin (%)		EV/sales (incl. leases) (x)		P/E (x)		Dividend yield (%)	
			Sept '26	Sept '27	Sept '26	Sept '27	Sept '26	Sept '27	Sept '26	Sept '27	Sept '26	Sept '27	Sept '26	Sept '27
Forterra PLC	182.2	388	5	7	29.2	30.3	11.3	12.9	1.2	1.1	13.7	10.9	3.7	4.7
Grafton Group PLC	928.2	1,776	6	4	N/A	N/A	7.0	7.3	0.7	0.7	12.5	11.3	4.2	4.3
Headlam Group PLC	54.0	44	(3)	4	31.5	30.9	(3.0)	0.7	0.2	0.2	N/A	N/A	0.0	0.0
Ibstock PLC	133.8	528	6	8	29.8	30.5	10.6	13.0	1.7	1.6	17.3	12.6	3.1	4.0
Marshalls PLC	174.6	442	4	4	45.6	46.4	9.4	10.4	1.0	0.9	11.9	9.9	4.2	5.1
Norcros PLC	297.0	267	10	7	41.8	41.8	11.7	12.1	0.8	0.7	8.4	7.5	3.6	3.7
Travis Perkins PLC	625.0	1,328	2	4	28.6	29.1	3.2	3.8	0.4	0.4	16.6	12.8	2.4	3.0
Victoria PLC	36.1	41	1	4	33.2	33.1	4.1	5.4	1.1	1.1	N/A	14.5	0.0	0.0
Other - median			4	4	31.5	30.9	8.2	8.8	0.9	0.8	13.1	11.3	3.3	3.8
Other - average			4	5	34.3	34.6	6.8	8.2	0.9	0.8	13.4	11.4	2.7	3.1
AO World plc	109.2	628	10	8	24.7	24.6	4.1	4.4	0.5	0.4	16.4	14.4	0.0	0.0
Currys PLC	132.6	1,474	3	2	21.5	N/A	2.6	2.8	0.3	0.2	10.8	9.8	2.0	2.2
DFS Furniture PLC	160.0	375	5	4	57.1	57.0	7.3	7.9	0.8	0.7	11.3	8.7	2.9	4.3
Dunelm Group PLC	1,125.0	2,268	5	4	52.6	52.4	12.5	12.5	1.4	1.3	13.7	13.2	5.1	5.3
Howden Joinery Group PLC	824.5	4,444	5	6	62.2	62.5	14.5	14.9	1.9	1.8	16.7	15.2	2.8	3.0
Kingfisher PLC	312.0	5,368	2	3	37.5	37.4	5.2	5.4	0.5	0.5	12.7	11.2	4.0	4.1
Marks Electrical Group PLC	45.0	47	1	5	20.7	22.7	0.1	0.8	0.4	0.4	N/A	68.4	0.0	0.0
Victorian Plumbing Group PLC	76.0	249	7	5	39.2	49.6	7.0	7.8	0.9	0.8	15.2	13.2	3.3	3.7
Wickes Group PLC	238.0	555	4	4	37.0	37.4	4.8	5.1	0.7	0.6	13.0	11.4	4.8	5.0
Retailers - median			5	4	37.5	43.5	5.2	5.4	0.7	0.6	13.3	13.2	2.9	3.7
Retailers - average			5	5	39.2	42.9	6.5	6.8	0.8	0.8	13.7	18.4	2.8	3.1
Topps Tiles PLC	44.7	88	6	6	52.4	52.1	6.2	6.8	0.6	0.5	9.9	8.5	7.9	8.7

Source: LSEG Data & Analytics, Edison Investment Research. Note: Prices at 5 December 2025.

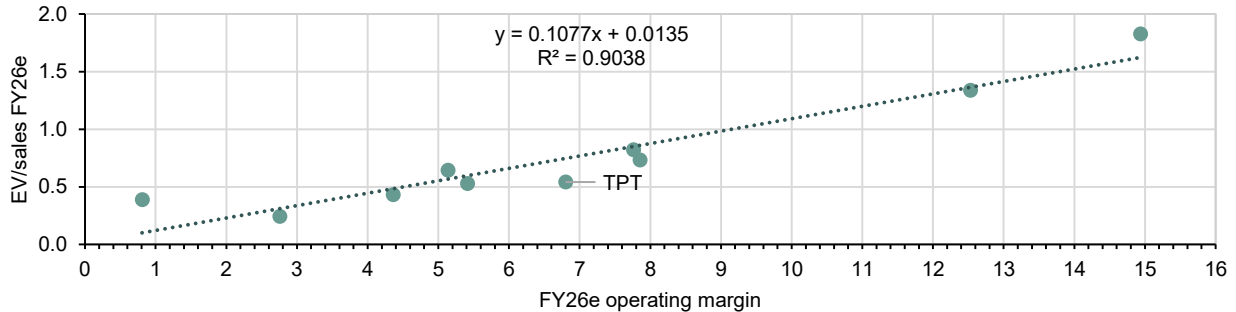
Consensus estimates expect mid-single-digit revenue growth on average for both sets of peers (ie a continued recovery). The peers have a wide range of gross and operating margins, with TPT's operating margin comparable to its

Distributed by London South East

retail peers. Despite our estimates for similar revenue growth and profitability, TPT trades at a high discount to the retail peers and offers a more attractive dividend yield.

There is a high correlation between prospective EV/sales multiples and operating margins for the UK retailers, and we can see TPT trades at a discount to its warranted valuation of 0.68x sales if we apply the line of best fit with a projected FY26 operating margin of 6.2%, or 0.98–1.2x if it can achieve the Mission 365 margin targets.

Exhibit 7: EV/sales versus operating margin for UK retailers



Source: LSEG Data & Analytics, Edison Investment Research. Note: Prices at 5 December 2025.

Applying these prospective EV/sales multiples to the Mission 365 financial goals and discounting the valuation back to today suggests a share price range of 97–141p, with an average of 119p.

Exhibit 8: Implied valuation if TPT achieves Mission 365 financial goals

	£m	£m
Prospective EV/sales multiple (x)	1.0	1.2
Prospective sales	365	398
Prospective enterprise value	358	478
Current net debt including leases	(92)	(92)
Prospective market value	265	385
Current shares (m)	197	197
Prospective share price (p)	135	196
Present value of prospective share price (p)	97	141

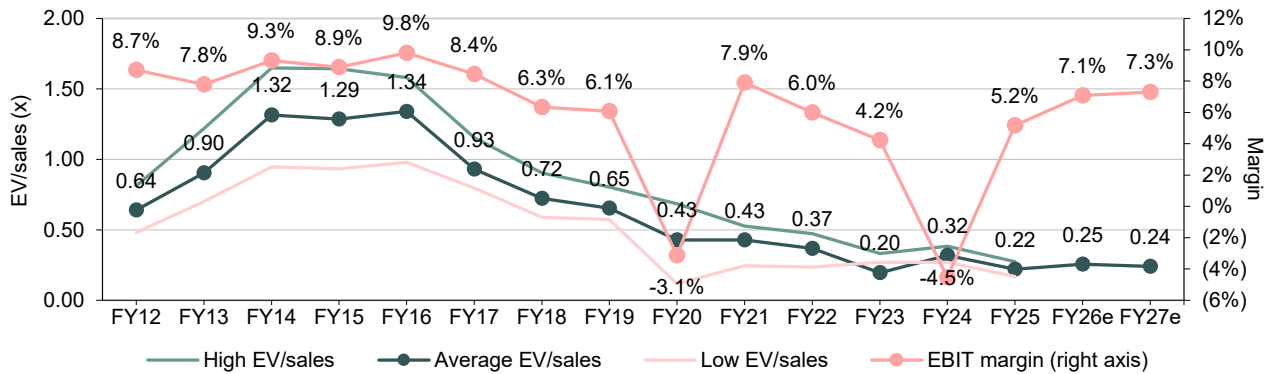
Source: Edison Investment Research

Low valuation versus own historical multiples

For each historical year, in Exhibit 9, we show the high, average (figure shown on the chart) and low EV/sales multiples. To make the comparison more valid over time, we exclude IFRS 16 liabilities from our calculation of enterprise value, while recognising IFRS 16 also makes comparison of the reported operating margin across time difficult. The multiples differ slightly from those shown in the peer valuation table as they include lease liabilities.

TPT's average EV/sales multiple since FY12 has been 0.70x, and therefore FY26's prospective EV/sales multiple of 0.25x looks low in the context of its long-term average in isolation and considering our projected levels of profitability.

Exhibit 9: TPT's EV/sales versus operating margin



Source: LSEG Data & Analytics, Edison Investment Research. Note: Prices at 5 December 2025.

Applying the long-term average EV/sales multiple to our FY26 sales estimate indicates a share price of 115p, which is consistent with our DCF-based valuation.

Exhibit 10: Sensitivity of TPT's valuation of FY26e EV/sales multiples

FY26e EV/sales multiple (x)	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
FY26e enterprise value (£m)	94.0	125.4	156.7	188.0	219.4	250.7	282.1	313.4
Current net debt/(cash) excl. leases (£m)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)	(7.4)
Prospective market value (£m)	101.5	132.8	164.1	195.5	226.8	258.1	289.5	320.8
Prospective share price (p per share)	52	68	83	99	115	131	147	163

Source: Edison Investment Research

Exhibit 11: Financial summary

Year end 30 September	£m	2022	2023	2024	2025	2026e	2027e
		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT							
Revenue		247.2	262.7	251.8	295.8	313.4	332.4
Adjusted revenue				248.5	265.4		
Cost of Sales		(111.8)	(123.5)	(117.4)	(141.4)	(149.3)	(159.2)
Gross Profit		135.4	139.2	134.3	154.3	164.1	173.2
EBITDA		44.3	42.2	35.0	39.9	41.3	43.6
Operating profit (before amort. and excepts.)		20.0	18.2	12.0	17.0	19.5	22.6
Amortisation of acquired intangibles		0.0	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Exceptionals		(4.7)	(5.7)	(22.6)	(0.9)	4.2	3.2
Share-based payments		(0.5)	(0.9)	(0.3)	(0.2)	(0.9)	(0.9)
Reported operating profit		14.8	11.1	(11.4)	15.3	22.2	24.3
Net Interest		(3.9)	(4.3)	(4.8)	(7.0)	(6.8)	(6.8)
Exceptionals		0.0	0.0	0.0	0.0	0.0	0.0
Adjusted Profit Before Tax (company)		15.6	12.5	6.3	9.2	11.4	14.3
Profit Before Tax (norm)		16.1	13.9	7.2	10.0	12.7	15.8
Profit Before Tax (reported)		10.9	6.8	(16.2)	8.3	15.4	17.5
Reported tax		(1.8)	(2.9)	3.4	(2.3)	(4.2)	(4.8)
Profit After Tax (norm)		12.5	10.2	5.5	7.6	9.2	11.5
Profit After Tax (reported)		9.2	3.9	(12.8)	6.0	11.2	12.7
Minority interests		(0.2)	(0.7)	(0.2)	0.0	0.0	0.0
Net income (normalised)		12.3	9.5	5.3	7.6	9.2	11.5
Net income (reported)		9.0	3.2	(13.0)	6.0	11.2	12.7
Average Number of Shares Outstanding (m)		195.6	196.3	196.6	196.5	196.7	196.7
EPS - normalised (p)		6.3	4.8	2.7	3.8	4.7	5.8
EPS - normalised fully diluted (p)		6.2	4.8	2.7	3.8	4.6	5.7
EPS - basic reported (p)		4.6	1.6	(6.6)	3.0	5.7	6.5
EPS - adjusted (company) (p)		6.1	4.5	2.4	3.4	4.5	5.3
Dividend (p)		3.6	3.6	2.4	2.9	3.5	3.9
Revenue growth (%)		8	6	(4)	17	6	6
Gross Margin (%)		54.8	53.0	53.4	52.2	52.4	52.1
Normalised Operating Margin		8.1	6.9	4.8	5.8	6.2	6.8
BALANCE SHEET							
Fixed Assets		119.0	109.0	91.3	108.6	109.8	110.8
Intangible Assets		7.5	6.9	12.5	11.2	10.8	10.3
Tangible Assets		109.4	100.2	72.7	94.7	96.4	97.8
Investments & other		2.1	1.9	6.1	2.6	2.6	2.6
Current Assets		61.8	65.4	76.1	79.3	84.3	83.0
Stocks		38.6	36.4	37.9	40.6	43.6	46.3
Debtors		6.4	5.3	13.4	18.0	19.1	20.3
Cash & cash equivalents		16.2	23.4	23.7	18.4	19.4	14.2
Other		0.5	0.4	1.2	2.2	2.2	2.2
Current Liabilities		(63.3)	(66.9)	(73.1)	(81.4)	(85.7)	(82.7)
Creditors		(43.7)	(45.1)	(57.5)	(64.4)	(68.2)	(64.7)
Tax and social security		(1.2)	(0.4)	0.0	0.0	0.0	0.0
Short-term borrowings		0.0	0.0	0.0	0.0	0.0	0.0
Leases		(18.2)	(15.6)	(14.6)	(16.8)	(16.8)	(16.8)
Other		(0.4)	(5.9)	(1.1)	(0.2)	(0.7)	(1.2)
Long-Term Liabilities		(88.4)	(81.1)	(88.7)	(98.8)	(95.5)	(92.2)
Long-term borrowings		0.0	0.0	(15.0)	(11.0)	(11.0)	(11.0)
Leases		(84.7)	(78.9)	(71.4)	(83.0)	(79.7)	(76.5)
Other long-term liabilities		(3.7)	(2.2)	(2.3)	(4.8)	(4.8)	(4.8)
Net Assets		29.0	26.4	5.6	7.7	12.9	18.8
Minority interests		2.5	3.2	0.0	0.0	0.0	0.0
Shareholders' equity		31.5	29.6	5.6	7.7	12.9	18.8
CASH FLOW							
Operating Cash Flow		44.3	42.2	35.0	39.9	41.3	43.6
Working capital		(11.0)	4.1	4.9	(0.6)	2.8	(7.3)
Exceptional & other		(3.1)	(1.7)	(9.0)	(8.5)	(4.8)	(5.4)
Tax		(3.5)	(3.3)	(2.3)	(0.3)	0.0	0.0
Net operating cash flow		26.8	41.3	28.6	30.5	39.2	30.9
Capex		(3.0)	(4.2)	(4.3)	(4.5)	(6.0)	(6.0)
Acquisitions/disposals		(4.0)	0.0	(9.0)	0.0	(3.0)	0.0
Net interest		(3.9)	(4.0)	(4.7)	(6.8)	(6.8)	(6.8)
Equity financing		0.1	0.0	(0.1)	(0.1)	0.0	0.0
Dividends		(8.0)	(7.5)	(8.2)	(3.9)	(6.4)	(7.2)
Other		(19.6)	(18.5)	(1.9)	(20.4)	(16.0)	(16.0)
Net Cash Flow		(11.5)	7.1	0.3	(5.2)	0.9	(5.1)
Opening net debt/(cash)		(27.8)	(16.2)	(23.4)	(8.7)	(7.4)	(8.4)
FX		0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash movements		(0.1)	0.1	(15.0)	4.0	0.0	0.0
Closing net debt/(cash)		(16.2)	(23.4)	(8.7)	(7.4)	(8.4)	(3.2)
Closing net debt/(cash) including leases		86.7	71.1	77.3	92.4	88.2	90.0

Source: Topps Tiles, Edison Investment Research

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