



For Immediate Release

20 July 2005

## **AGM Statement**

Abbeycrest plc, the UK's leading jewellery manufacturing and distribution business held its Annual General Meeting at 2.00pm today.

All resolutions were duly passed.

As regards the Group's current trading and prospects, Mr Michael Lever, Chairman, told the meeting:

"The slowdown in consumer spending, which has been experienced by most retailers, has been well documented. The jewellery sector has been hit harder than most and the slowdown is prevalent both in the UK and in most of our export markets. We are consequently seeing a very cautious approach to stock purchasing by the majority of our customers.

Strategically, we have completed the closure of the Birmingham site, with all associated production transferred to Abbeycrest Thailand Limited. The enlarged factory in Lamphun, Northern Thailand is now fully operational and I am pleased to report that the introduction of the new raw material processes has gone extremely well. We now have a very strong manufacturing base, which is world-class in terms of technology and capacity.

Financially we are continuing to focus on working capital reduction and, in the current climate, very tight cost control.

We look forward to reporting further on the progress of the Group at the time of the interim announcement when we will have a better indication of the likely profile of customer spend ahead of the key Christmas trading period, on which our expectations for the full year outcome depend.

Michael Lever

Chairman

20.07.05

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