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VICTORIA PLC

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IMMEDIATE RELEASE

VICTORIA PLC

INTERIM MANAGEMENT STATEMENT AND ANNUAL GENERAL MEETING

At the Annual General Meeting of Victoria PLC held today (30 July 2009), Chairman, Alexander Anton, provided the following Interim Management Statement to shareholders covering the period 5 April to 4 July 2009:

"As outlined in my Statement in the Annual Report and Accounts recently published, we anticipated that the first-half of the Group's current financial year would be challenging with no expectation of any market improvement.

The first quarter in what is traditionally the quieter seasonal half-year period saw, if anything, a further weakening of trade in the UK and a significant further downturn in the Irish market. Trade in Australia remains extremely competitive. As a result, the Group's revenues for the first quarter were down by 13.8% (on a constant currency basis, revenues were down by 17.1%), and gross margins declined from 28.4% to 25.3%.

Looking at the performance in each of the geographical regions in which we operate:

United Kingdom

The first quarter in the UK saw sales revenues fall on a like-for-like basis by 16.2%; however, gross margins improved as the restructuring implemented in the previous year started to benefit the business.

The UK operation also saw better utilisation of its yarn spinning capacity as it prepared to re-launch its award winning tufted twist pile ranges, the *Crown* and *Tudor Twist* Collections. It is anticipated that the launch of these two enhanced products will significantly improve the Group's UK performance in the second half of this financial year.

Ireland

The Irish business has had to contend with a collapse in its local economy, which has caused an unprecedented negative impact in the demand for carpets and other consumer goods.

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When compared against a particularly strong first quarter performance last year, the decline in sales revenues of 59.2% in local currency terms looks fairly stark, however, gross margins improved slightly.

With there being little likelihood of any short-term improvement in market conditions, the Group has moved to restructure its business to bring its cost base in-line with the lower level of anticipated sales.

Australia

In Australia, the business saw a continuation of the difficult trading conditions experienced in the previous financial year, with sales revenue down by 6.9% in local currency terms. Near term price competition in the market and under utilisation of its yarn spinning capacity resulted in pressure on gross margins.

It is anticipated that the introduction of new products and the benefits flowing through from the negotiation of better raw material prices will significantly assist in improving margins over the rest of this financial year.

Canada

Colin Campbell, an associate business, has also had to contend with weakening market conditions, with the Western Canadian economy now experiencing the market downturn being seen in other parts of North America. Consequently, sales were down by 27.3% in the first quarter.

Summary

As anticipated, the Group's first-half year's trading period will be extremely challenging and the decline in Q1 revenues has illustrated just how tough the markets remain. However, the results are broadly in-line with management expectations and market forecasts.

There continues to be a real lack of visibility in the markets in which we operate, although the Australian economy appears to be starting to show some signs of stabilising.

The Board remains focused on optimising the full potential of each of its businesses and to winning market share. The Group's Balance Sheet remains strong and borrowings are declining, resulting in relatively low net gearing.

We continue to remain optimistic that we will manage the near term market weakness whilst continuing to explore new routes to market that will complement and enhance our business in the future.

Annual General Meeting

At today's Annual General Meeting on 30 July 2009), all resolutions were duly passed by the shareholders and details of the proxy votes are provided on the Group's website www.victoriapl.com or by request from the Company Secretary.

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