P R E S S   R E L E A S E

13 March 2008

PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2007

SIG plc is the leading specialist supplier of insulation, roofing, commercial interiors and specialist construction products in Europe.

- SIG reports record results for 2007, with strong like for like sales and operating profit growth in the UK and Ireland and Mainland Europe
- Record sales growth of 32.0%, taking total sales to £2,455.2m (2006: £1,859.8m). Strong like for like† sales growth of 10.9% in sterling
    - UK and Ireland sales increased 21.5% to £1,523.8m (2006: £1,254.3m), driven by buoyant non residential construction activity and continued expansion by SIG – 39 new trading sites added, product range extended
    - Mainland Europe sales increased 53.8% to £931.4m (2006: £605.5m), driven by significant expansion in France, Germany, Poland, Benelux and entry into two new countries - Czech Republic and Slovakia, with 122 trading sites added in the year
    - Sales and profits ahead in all four key business streams - of Insulation, Roofing, Commercial Interiors and Specialist Construction and Safety Products
- Total underlying* operating profit increased 31.3% to £159.4m (2006: £121.4m)
    - UK and Ireland underlying operating profit increased 21.4% to £121.3m (2006: £99.9m), with underlying operating profit margin held at 8.0%
    - Mainland Europe underlying operating profit increased 66.3% to £45.9m (2006: £27.6m), with underlying operating profit margin increased to 4.9% (2006: 4.6%)
- Underlying profit before tax increased 29.5% to £140.1m (2006: £108.2m). Profit before tax increased 21.0% to £124.3m (2006: £102.7m)
- Underlying basic earnings per share increased 22.0% to 74.8p (2006: 61.3p). Basic earnings per share increased 14.1% to 66.3p (2006: 58.1p)
- Dividend per share for the year increased 30.2% to 26.7p (2006: 20.5p), reflecting the Board's confidence in the prospects of the business
- SIG also continues to achieve a record value and volume of acquisitions as it seeks to supplement its strong organic expansion
    - SIG acquired 27 companies for a consideration of £323m, including assumed debt, which together contributed £217m of sales in 2007
    - To date in 2008, SIG has completed 8 acquisitions for a consideration of £32m, net of cash acquired, with combined annualised sales of c.£50m

Chairman's comments and prospects:

"The Group's sales are more heavily weighted towards non-residential construction, both in the UK and Ireland and in Mainland Europe, and it is believed that the substantial pipeline of work in progress of both public and privately funded construction programmes will continue to provide the Group with attractive opportunities in its four main product sectors.

In 2007, the Group expanded its operations and trading activities significantly and these dynamics provide a strong platform coming into 2008. Trading in 2008 has begun well and the Board believes that the Group will continue its track record of outperforming across its markets. The Board is confident of further progress in 2008 and beyond."

Full results information is available on www.sigplc.co.uk. An interview with David Williams, Chief Executive, is now available on SIG's website and www.cantos.com

Enquiries:

David Williams, Chief Executive	SIG plc	today	020 7251 3801
Gareth Davies, Finance Director		thereafter	0114 285 6300
Faeth Birch/Gordon Simpson	Finsbury		020 7251 3801

† Like for like sales excludes the impact of acquisitions completed after 1 January 2006

* Underlying is before the amortisation of acquired intangibles and hedge ineffectiveness

All numbers stated above are on a continuing basis, i.e. excluding the USA business sold in November 2006

CHAIRMAN'S STATEMENT

2007 was an excellent year for the Company, marked by strong organic growth and an unprecedented level of acquisition activity. The Company increased the breadth of its trading activities both geographically and by extending the range of products and services to customers throughout the UK and Ireland and in Mainland Europe.

Highlights of the year are

- **record sales growth**
- **record profits and earnings per share**
- **strong like for like growth in both operating regions**
- **record increase in the number of trading sites**
- **record value and volume of acquisitions**
- **significant broadening of products and services sold to customers**

Results

For the year ended 31 December 2007, compared with the corresponding period in 2006, excluding the figures for the USA business, which was sold in November 2006;

Sales

Total sales increased by £595.4m (32.0%) to £2,455.2m (2006: £1,859.8m).

Like for like* sales growth was 10.9% in Sterling.

Foreign exchange rate movements on a year-on-year basis had minimal impact, together adding £11.4m to sales (and £0.5m to operating profits).

Profits

Total underlying** operating profit increased by £38.0m (31.3%) to £159.4m (2006: £121.4m).

Underlying net finance costs increased by £6.1m to £19.3m (2006:£13.2m).

Underlying profit before tax increased by £31.9m (29.5%) to £140.1m (2006: £108.2m).

Amortisation of acquired intangibles increased by £10.3m to £17.2m (2006: £6.9m). A credit of £1.4m has arisen in relation to hedge ineffectiveness (2006: £1.4m).

Profit before tax increased by £21.6m (21.0%) to £124.3m (2006: £102.7m).

Margins

The underlying operating profit margin was held at 8.0% in the UK and Ireland and increased to 4.9% from 4.6% in 2006 in Mainland Europe. After increased costs associated with acquisitions and business development, the Group underlying operating profit margin was maintained at 6.5% (2006: 6.5%).

Earnings and Dividends

The underlying basic earnings per share increased by 13.5p (22.0%) to 74.8p (2006: 61.3p).

Basic earnings per share increased by 8.2p (14.1%) to 66.3p (2006: 58.1p).

A final dividend of 18.7p is proposed, subject to shareholder approval which would make a total dividend for the year of 26.7p, an increase of 30.2%, demonstrating the Board's confidence in the prospects of the business.

Finances

Cash flow from trading strengthened further in 2007. Continued investment in customer service through investment in stock, trading sites and delivery capability, together with record acquisition spend, resulted in increased borrowings at the year end, with gearing at 75% (2006: 65%).

During the year the Company placed 11.4m new ordinary shares at 1,320p each, raising £147m after commissions and expenses. In addition, a further £100m of committed facilities were obtained during the year with committed facilities totalling £600m at the end of the year.

The Group has a sound financial position with prudent interest cover of 8.2x (2006: 9.2x).

Acquisitions

The strategy of targeting acquisitions as a means of supplementing the ongoing organic expansion of the Group continued to be successfully executed during 2007. A total of 27 companies were acquired, for a total consideration of £323m, including assumed debt. The combined sales of those acquisitions on an annualised basis is £440m, split £300m in Mainland Europe and £140m in the UK and Ireland. During the calendar year 2007, £217m of sales from these 27 acquisitions impacted on the Group results.

So far in 2008 (to 13th March), 8 acquisitions have been completed, for a total consideration net of cash acquired of £32m. Combined annualised sales is c.£50m, split as follows:

- UK and Ireland - 7 deals, £46m annualised sales, 21 trading sites added in Insulation, Commercial Interiors, Roofing and Specialist Construction and Safety Products;
- Mainland Europe,- 1 deal, 1 trading site added, £4m annualised sales in Commercial Interiors

Work is ongoing on the healthy pipeline of further opportunities.

Board

It was announced on 10 January 2008 that David Williams intends to retire as Chief Executive on 30 June 2008, and will leave the Company on that date.

Following a comprehensive search conducted by external consultants for a replacement, Chris Davies, who has been Managing Director of SIG Mainland Europe since 2001, was appointed Deputy Chief Executive with effect from 10 January 2008 and will take over as Chief Executive on 1 July 2008.

During the hand-over period in the first six months of 2008, David is working closely with Chris to ensure continuity and a smooth transition.

The search for a replacement for Chris as Managing Director of SIG Mainland Europe is well underway.

I would like to take this opportunity to thank David for the valuable contribution he has made to the Group over the past twenty four years, particularly during his time as Chief Executive from January 2002. The excellent position and strength of the Group today owes much to his leadership.

Employees

On behalf of the Board I wish to thank all our employees throughout the Group for their efforts in enabling the Company to outperform market conditions and in driving the continued successful expansion of the business.

Prospects

The Group's sales are more heavily weighted towards non-residential construction, both in the UK and Ireland and in Mainland Europe, and it is believed that the substantial pipeline of work in progress of both public and privately funded construction programmes will continue to provide the Group with attractive opportunities in its four main product sectors.

Insulation and related products is the Group's largest product sector and demand is expected to continue to increase at a faster rate than overall construction activity in the UK and Ireland and Mainland Europe, both across the new construction and refurbishment markets. This will continue to be driven by a range of factors including concern for the environment, rising energy costs, new legislation seeking to limit energy consumption, new building regulations, and grant schemes to improve energy efficiency in existing residential properties. The Group is continuing to invest to ensure that it benefits from this expected growth in demand going forward, and capitalises on its market leading position.

On a broader basis across the Group, a significant range of expansion opportunities, both organic and acquisition, are being actively pursued. The number of individual trading sites has increased substantially over recent years throughout the operating regions, and this programme of expanding market coverage is planned to continue.

In 2007, the Group expanded its operations and trading activities significantly and these dynamics provide a strong platform coming into 2008. Trading in 2008 has begun well and the Board believes that the Group will continue its track record of outperforming across its markets. The Board is confident of further progress in 2008 and beyond.

Definitions

[*] - 'Like for like' is defined as the business excluding the impact of acquisitions made since 1 January 2006.

[**] - 'Underlying' is before the amortisation of acquired intangibles and hedge ineffectiveness.

Chief Executive's Review of Trading Performance

The Group had a very successful year in 2007, both in respect of the growth in sales and profits from its core operations in its geographic regions, and in terms of the expansion activities and new operations which were added during the year.

The clear strategy of seeking expansion opportunities within the UK and Ireland and Mainland Europe, in specialist products and markets related to the building, construction and key industrial sectors, was aggressively pursued and continues to fuel both geographic and product group development of the Group's activities.

Examples of this continued strategic expansion **during 2007** are as follows:

- Acquired a total of 27 businesses, together adding annualised sales of £440m, representing additional sales of over 20% on a full-year basis over the 2006 sales revenue
- Increased the total number of trading sites within the Group by 161 during the year, to 779 at 31 December 2007 (618 at 31 December 2006)
- Acquired a trading site in Dubai and one in Spain, both as part of a UK insulation acquisition
- Began trading in two additional countries – Czech Republic and Slovakia (insulation and commercial interiors)
- Expanded the specialist door-set product range into all-metal performance doors
- Acquired the leading specialist supplier of roofing materials in France
- Launched a successful range of innovative wall systems for the healthcare market

Trading Highlights

All figures are excluding the USA business, which was sold in November 2006. The term "underlying" in relation to the operating profit and operating profit margin is defined as being before the amortisation of acquired intangibles.

UK and Ireland (62% of total sales)

- Sales increased by £269.5m (21.5%) to £1,523.8m (2006: £1,254.3m)
- Like for like sales increased by £120.0m (9.8%)
- Underlying operating profit increased by £21.4m (21.4%) to £121.3m (2006: £99.9m)
- The underlying operating profit margin was maintained at 8.0% (2006: 8.0%)
- 39 trading sites were added in the year, taking the total at 31 December 2007 to 461 (31 December 2006: 422)

Overall construction and building activity grew in 2007 over 2006 in the UK, but declined in Ireland, especially in new residential building. Whilst residential new construction and RM&I weakened in the UK in the latter part of the year, work on non-residential building projects was strong throughout the year.

Sales of **insulation** and related products in the UK and Ireland increased by 12.9% in total, 8.3% like for like, as overall demand increased, partly driven by the new higher thermal performance standards required for new buildings in the UK. In Ireland, reduced construction activity caused a reduction in demand for all products, including insulation. Increased manufacturing capacity and output of certain products created some oversupply, which reduced market prices of a number of insulation products.

In the specific market for insulation upgrading of residential properties, where the Group is both an insulation supplier and in some situations an installer of insulation into the roof and walls of existing properties, which have little or no insulation from when they were originally built, there was a reduction in demand compared with previous years. As previously reported, this was due to a timing gap in the flow of grant funds under the Government Energy Efficiency Commitment. A new scheme, now called CERT (Carbon Emissions Reduction Target) begins in April 2008 and is expected to generate higher levels of insulation upgrading work over the next three years.

Demand for specialist high temperature insulation materials, which are used in a wide range of industrial applications outside the building and construction industry, including power plant, petrochemical and gas installations, metal processing and other industries, increased during the year and the Company performed strongly in this sector, where it is the clear market leader.

The number of trading sites increased by 4 to 75 at the end of December 2007.

The **Commercial Interiors** division had an excellent year, benefiting from strong market demand, increases to the product range and several acquisitions. Sales grew by 21.4% in total, 12.3% like for like including some modest price inflation. Products were supplied to a wide range of new and refurbishment projects in both the public and private non-residential building sectors. These included hospitals, health centres, schools, universities, airports and other transport related facilities, offices, retail developments, cinemas, hotels and prisons.

In addition to marketing a wider selection of ceiling and washroom products, all-metal high performance doorsets and floorcoverings were added to the range to complement our offering to the non-residential sector. This ensures that SIG maintains its position as a leading supplier by offering the most comprehensive range available.

The number of trading sites increased by 10 to 55 at the end of December 2007.

Against the background of improved market demand and sales price inflation of c.4% overall in the sector, the **Roofing** division traded strongly, with sales up over 18.1% in total, 8.2% like for like, compared with 2006.

The Decent Homes programme, which had been quite slow in 2006, did pick up and generated increased demand for product for the on-going work of re-roofing older residential properties. Storm damage in various parts of the UK mid year also increased the volume of repair and renovation work in the second half of 2007.

Significant sales growth was achieved in new products, particularly in relation to the growing trend towards low maintenance roofline, rainwater and other external building products, which are increasingly used in new construction as well as in repair and maintenance.

The number of trading sites increased by 15 to 278 at the end of December 2007.

The Specialist Construction and Safety Products division had an excellent year with total sales up by 66.1% in total, 14.8% like for like on 2006, driven by strong underlying performance, continued expansion of the product range and the impact of acquisitions. Continued robust market conditions in major construction and infrastructure projects created good levels of demand. There was some volatility in some product pricing, for example steel and chemicals, but pricing overall increased year on year by c.3.5%.

The number of trading sites increased by 10 to 53 at the end of December 2007.

Mainland Europe (38% of total sales)

- Sales increased by £325.9m (53.8%) to £931.4m (2006: £605.5m)
- Like for like sales on a constant currency basis increased by 12.3%
- Underlying operating profit increased by £18.3m (66.3%) to £45.9m (2006: £27.6m)
- Underlying operating profit margin increased to 4.9% (2006: 4.6%)
- Sales and operating profits increased on an underlying like for like basis in each country, as well as on a total basis
- Significant expansion of geographic coverage, with a total of 122 trading sites added during the year, including 21 in two new countries for SIG, Czech Republic and Slovakia, taking the total to 318 at 31 December 2007 (31 December 2006: 196).

In **Germany and Austria** (50% of sales in Mainland Europe) sales were increased substantially, up 21.2% in local currency and 8.0% like for like in local currency. Overall construction activity grew on a year on year basis. The rate of growth compared with 2006 was skewed towards the first half year, due to the exceptionally weak market activity in H1 2006 as a result of extreme adverse weather conditions.

The core insulation and commercial interiors business made good progress, and the roofing operations in Germany, which commenced with the acquisition of a regional business with 12 trading sites in July 2006, was expanded during the year to a total of 18 trading sites as at 31 December 2007.

The growth in demand for specialist high temperature insulation materials increased, partly as a result of investment in Germany in power generation facilities, and this part of our operations traded strongly. Price inflation overall in Germany and Austria is estimated to have been c.3% in the year.

The number of trading sites increased by 6 to 82 at the end of December 2007 (31 December 2006: 76).

In **France** (29% of sales in Mainland Europe) the core insulation and commercial interiors operations traded very strongly, contributing to total sales growth in 2007 of 104.4% in local currency, including the contribution from the large specialist roofing supplies business (called Lariviere) which was acquired on 29 June 2007. This is the largest acquisition made by SIG and the retention of customers and staff has been extremely high. The business has performed well since joining the SIG Group, and is continuing the strategy of geographic expansion throughout France. Since the date of acquisition, 6 trading sites have been added, taking the total to 89 as at 13 March 2008.

Overall market demand was reasonably good in France and price inflation averaged 3% across the product range. Like for like sales were increased by 15.4% in local currency.

The number of trading sites increased by 91 to 142 at the end of December 2007 (31 December 2006: 51).

In **Poland and Central Europe** (15% of sales in Mainland Europe), total sales increased by 163%, including the substantial business acquired in Poland in October 2006, and subsequent acquisitions in Poland, Slovakia and Czech Republic during 2007.

Market demand for building products grew during the year, as reconstruction and economic resurgence continues.

The core business in Poland, which chiefly sells insulation and commercial interiors products, traded very strongly with sales up 35.6% like for like over 2006 in local currency. Prices were volatile throughout the year in some products, with sales price inflation averaging c.5% overall.

The number of trading sites increased by 24 to 83 at the end of December 2007 (31 December 2006: 59).

Sales in **Benelux** (6% of total sales in Mainland Europe) grew strongly, up 38.3% in total, 15.8% like for like, both in local currency. Consistent with SIG's other Mainland European businesses, the core insulation and commercial interiors operations performed strongly against the background of good market conditions. Demand from both building and industry (insulation) increased and price inflation is estimated to have been c.3.5% averaged across the product range overall.

The number of trading sites increased by 1 to 11 at the end of December 2007 (31 December 2006: 10).

Acquisitions

A record 27 companies were acquired during 2007, for a total consideration including assumed debt of £323m. Combined annualised sales of these acquired businesses is £440m, of which £217m impacted on 2007.

The geographic split of the £440m annualised sales is £300m Mainland Europe, £140m UK and Ireland. By market sector, the spread of businesses acquired was very wide and added weight to each of our existing business streams, as shown by the table below.

Looking at the acquisitions from a different perspective, they can be categorised as either 'bolt-on', ie adding to an existing position in a product range in any one country, or 'platform', where we are creating a new position in a product group in a country for the first time, from which we would then plan to expand our position and grow sales and profits going forward.

The 'platform' acquisitions in 2007 are as follows:

- Number one specialist distributor in France of roofing materials
- Leading UK supplier of non-residential flooring materials
- Insulation and commercial interiors supplier in Slovakia
- Insulation and commercial interiors supplier in Czech Republic

Our strategy is to add to each of these initial acquired positions both by organic expansion of their product range and geographic coverage, and by making further 'bolt-on' acquisitions to accelerate the rate and pace of expansion.

During the year we expanded the team of in-house professionals who work on the acquisition search, selection and execution programme. At the end of December 2007 we have dedicated specialists located throughout Mainland Europe and in the UK and Ireland.

The post-acquisition action plans are tailor-made for each acquisition and involve Finance, HR, IT and Commercial Management. The integration process with each of the 2007 acquisitions is progressing well.

2007 Acquisitions – Product Impact

	UK and Ireland	Mainland Europe
Insulation	✓	✓
Commercial Interiors	✓	✓
Roofing and External Elements	✓	✓
Specialist Construction and Safety Products	✓	

Summary of Trading Performance

In 2007 the Group has expanded significantly; geographic coverage has increased in both existing and new countries. The specialist product range has continued to widen, and we have invested in inventories and customer service facilities to maintain and develop our reputation for high quality products and a high quality service.

The continued pursuit and application of the Group's clear Growth Strategy has once again driven excellent increases in sales, profits and earnings per share. We believe that 2007 marks another year of solid growth in shareholder value.

Consolidated Income Statement
for the year ended 31 December 2007

	Note	**Before other items* 2007 £m's**	**Other items* 2007 £m's**	**Total 2007 £m's**	Before other items* 2006 £m's	Other items* 2006 £m's	Total 2006 £m's
Revenue							
Existing operations		**2,238.6**	**-**	**2,238.6**	1,766.7	-	1,766.7
Acquisitions		**216.6**	**-**	**216.6**	93.1	-	93.1
Continuing operations	2	**2,455.2**	**-**	**2,455.2**	1,859.8	-	1,859.8
Cost of sales		**(1,796.6)**	**-**	**(1,796.6)**	(1,352.5)	-	(1,352.5)
Gross profit		**658.6**	**-**	**658.6**	507.3	-	507.3
Other operating expenses		**(499.2)**	**(17.2)**	**(516.4)**	(385.9)	(6.9)	(392.8)
Operating profit							
Existing operations		**147.5**	**(17.2)**	**130.3**	116.7	(6.9)	109.8
Acquisitions		**11.9**	**-**	**11.9**	4.7	-	4.7
Continuing operations	2	**159.4**	**(17.2)**	**142.2**	121.4	(6.9)	114.5
Finance income		**9.2**	**1.4**	**10.6**	6.0	1.4	7.4
Finance costs		**(28.5)**	**-**	**(28.5)**	(19.2)	-	(19.2)
Profit before tax		**140.1**	**(15.8)**	**124.3**	108.2	(5.5)	102.7
Income tax expense		**(41.9)**	**4.7**	**(37.2)**	(32.5)	1.6	(30.9)
Profit after tax from continuing operations		**98.2**	**(11.1)**	**87.1**	75.7	(3.9)	71.8
Discontinued operation:							
Profit on disposal of discontinued operation		**-**	**-**	**-**	-	1.9	1.9
Profit before tax from discontinued operation		**-**	**-**	**-**	3.8	-	3.8
Income tax expense on discontinued operation		**-**	**-**	**-**	(1.1)	0.1	(1.0)
		-	**-**	**-**	2.7	2.0	4.7
Profit after tax		**98.2**	**(11.1)**	**87.1**	78.4	(1.9)	76.5
Attributable to:							
Equity holders of the Company		**97.3**	**(11.1)**	**86.2**	77.7	(1.9)	75.8
Minority interests		**0.9**	**-**	**0.9**	0.7	-	0.7
Earnings per share							
From continuing operations:							
Basic earnings per share	3	**74.8p**	**(8.5p)**	**66.3p**	61.3p	(3.2p)	58.1p
Diluted earnings per share	3	**74.2p**	**(8.4p)**	**65.8p**	60.6p	(3.1p)	57.5p
From continuing and discontinued operations:							
Basic earnings per share	3	**74.8p**	**(8.5p)**	**66.3p**	63.4p	(1.5p)	61.9p
Diluted earnings per share	3	**74.2p**	**(8.4p)**	**65.8p**	62.8p	(1.6p)	61.2p

* Other items relate to the amortisation of acquired intangibles, hedge ineffectiveness and the profit on disposal of discontinued operation. Other items have been disclosed separately in order to give an indication of the underlying earnings of the Group.

Consolidated Statement of Recognised Income and Expense
for the year ended 31 December 2007

	2007	2006
	£m's	£m's
Profit after tax	**87.1**	76.5
Exchange difference on retranslation of foreign currency goodwill and intangibles	**24.7**	(0.9)
Exchange difference on retranslation of foreign currency net investments (excluding goodwill and intangibles)	**18.8**	(4.0)
Exchange and fair value movements associated with borrowings and derivative financial instruments	**(41.2)**	3.7
Tax credit/(charge) on exchange difference arising on borrowings and derivative financial instruments	**12.0**	(1.1)
Gains and losses on cash flow hedges	**(5.2)**	1.8
Transfer to profit and loss on cash flow hedges	**2.1**	1.2
Current and deferred tax on share options	**(0.8)**	2.2
Actuarial gain on defined benefit pension schemes	**6.2**	3.3
Deferred tax movement associated with actuarial gain	**(2.0)**	(1.0)
Total recognised income and expense for the year	**101.7**	81.7
Attributable to:		
Equity holders of the Company	**100.8**	81.0
Minority interests	**0.9**	0.7
	101.7	81.7

Consolidated Balance Sheet
as at 31 December 2007

	Note	**2007 £m's**	2006 £m's
Non-current assets			
Property, plant and equipment		**209.0**	135.0
Goodwill		**434.9**	216.3
Intangible assets		**152.8**	81.9
Deferred tax assets		**17.4**	16.4
		814.1	449.6
Current assets			
Inventories		**224.6**	151.9
Trade receivables		**414.4**	310.4
Other receivables		**25.4**	20.5
Derivative financial instruments		**0.5**	1.7
Cash and cash equivalents		**89.2**	62.4
		754.1	546.9
Total assets		**1,568.2**	996.5
Current liabilities			
Trade and other payables		**366.1**	260.6
Obligations under finance lease contracts		**2.6**	1.4
Bank overdrafts		**1.9**	3.3
Bank loans		**150.8**	50.8
Private placement notes		**22.1**	-
Loan notes		**2.8**	0.5
Derivative financial instruments		**36.7**	0.1
Current tax liabilities		**17.4**	21.4
Provisions		**9.5**	12.0
		609.9	350.1
Non-current liabilities			
Obligations under finance lease contracts		**7.1**	1.4
Bank loans		**5.9**	4.7
Private placement notes		**251.8**	193.0
Loan notes		**1.4**	-
Derivative financial instruments		**35.5**	37.7
Deferred tax liabilities		**44.3**	17.8
Other payables		**2.8**	1.3
Retirement benefit obligations		**15.7**	23.6
Provisions		**18.9**	14.2
		383.4	293.7
Total liabilities		**993.3**	643.8
Net assets		**574.9**	352.7
Capital and reserves			
Called up share capital	4	**13.5**	12.3
Share premium account	4	**166.5**	19.6
Capital redemption reserve	4	**0.3**	0.3
Special reserve	4	**22.1**	22.1
Share option reserve	4	**2.7**	1.8
Hedging and translation reserve	4	**9.7**	(4.6)
Retained profits	4	**358.8**	300.0
Attributable to equity holders of the Company		**573.6**	351.5
Minority interests	4	**1.3**	1.2
Total equity	4	**574.9**	352.7

Consolidated Cash Flow Statement
for the year ended 31 December 2007

	Note	**2007 £m's**	2006 £m's
Net cash flow from operating activities			
Cash inflow from operating activities	5	**160.3**	132.4
Borrowing costs paid		**(19.3)**	(14.2)
Interest received		**5.0**	2.4
Income tax paid		**(39.8)**	(36.6)
Net cash inflow from operating activities		**106.2**	84.0
Cash flows from investing activities			
Purchase of property, plant and equipment		**(60.5)**	(44.7)
Proceeds from sale of property, plant and equipment		**4.1**	2.0
Purchase of businesses		**(226.8)**	(90.1)
Net proceeds from sale of discontinued operation		**-**	25.3
Net cash used in investing activities		**(283.2)**	(107.5)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		**148.1**	1.9
Capital element of finance lease rental payments		**(2.5)**	(1.8)
Repayment of loans		**(12.6)**	(135.1)
New loans		**98.6**	211.6
Dividends paid to equity holders of the Company		**(28.4)**	(21.7)
Payments to minority shareholder		**(0.8)**	(0.7)
Net cash generated in financing activities		**202.4**	54.2
Increase in cash and cash equivalents in the year	6	**25.4**	30.7
Cash and cash equivalents at beginning of year		**59.1**	28.9
Effect of foreign exchange rate changes		**2.8**	(0.5)
Cash and cash equivalents at end of year		**87.3**	59.1

1. Basis of preparation

The Group's financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued for use in the European Union and on a basis consistent with that adopted in the previous year.

The financial information has been prepared under the historical cost convention except for derivative financial instruments that are stated at their fair value.

While the financial information included in this preliminary announcement has been computed in accordance with the recognition and measurement criteria of IFRS, this announcement does not itself contain sufficient information to comply with IFRS. The Company will publish full IFRS compliant accounts in April 2008.

The preliminary announcement does not constitute the Company's statutory accounts for the years ended 31 December 2007 or 31 December 2006 within the meaning of Section 240 of the Companies Act 1985 but is derived from those statutory accounts.

The Group's statutory accounts for the year ended 31 December 2006 have been filed with the Registrar of Companies, and those for 2007 will be delivered following the Company's Annual General Meeting. The auditors have reported on the statutory accounts for 2007 and 2006, and their reports were unqualified and did not contain statements under section 237 (2) or 237 (3) of the Companies Act 1985.

2. Revenue and segmental information

Revenue

An analysis of the Group's revenue is as follows:

	2007 £m's	2006 £m's
Continuing operations - sale of goods	**2,455.2**	1,859.8
Discontinued operation - sale of goods	**-**	65.2
Total revenue	**2,455.2**	1,925.0
Finance Income	**10.6**	7.4
Total Income	**2,465.8**	1,932.4

Geographical Segments

As at 31 December 2007, the Group is managed and organised in two geographies: UK and Ireland and Mainland Europe. On 20 November 2006, the Group disposed of its operations in the USA. These geographies are the basis on which the Group reports its primary segment information.

Segment information about these geographies is presented below:

	2007 UK and Ireland £m's	**2007 Mainland Europe £m's**	**2007 Eliminations £m's**	**2007 Total £m's**	2006 UK and Ireland £m's	2006 Mainland Europe £m's	2006 Discontinued operation (USA) £m's	2006 Eliminations £m's	2006 Total £m's
Revenue									
External sales	**1,523.8**	**931.4**	**-**	**2,455.2**	1,254.3	605.5	65.2	-	1,925.0
Inter-segment sales*	**0.3**	**-**	**(0.3)**	**-**	0.1	-	-	(0.1)	-
Total revenue	**1,524.1**	**931.4**	**(0.3)**	**2,455.2**	1,254.4	605.5	65.2	(0.1)	1,925.0
Result									
Segment result before amortisation of acquired intangibles	**121.3**	**45.9**	**-**	**167.2**	99.9	27.6	3.8	-	131.3
Amortisation of acquired intangibles	(12.0)	(5.2)	-	(17.2)	(6.5)	(0.4)	-	-	(6.9)
Segment result	**109.3**	**40.7**	**-**	**150.0**	93.4	27.2	3.8	-	124.4
Parent Company costs				**(7.8)**					(6.1)
Operating profit				**142.2**					118.3
Net finance costs - continuing operations				**(17.9)**					(11.8)
Profit before tax				**124.3**					106.5
Profit on disposal of discontinued operation				**-**					1.9
Income tax credit - on profit on disposal of discontinued operation				**-**					0.1
Income tax expense - continuing operations				**(37.2)**					(30.9)
Income tax expense - discontinued operation				**-**					(1.1)
Minority interests				**(0.9)**					(0.7)
Retained profit				**86.2**					75.8
Attributable to:									
Continuing operations				**86.2**					71.1
Discontinued operation				**-**					4.7
				86.2					75.8

* Inter-segment sales are charged at the prevailing market rates.

2. Revenue and segmental information (continued)

	2007 UK and Ireland	**2007 Mainland Europe**	**2007 Eliminations**	**2007 Total**	2006 UK and Ireland	2006 Mainland Europe	2006 Discontinued operation (USA)	2006 Eliminations	2006 Total
	£m's	**£m's**	**£m's**	**£m's**	£m's	£m's	£m's	£m's	£m's
Balance sheet									
Assets									
Segment assets	**902.7**	**662.3**	**-**	**1,565.0**	718.4	266.5	-	-	984.9
Unallocated assets				**3.2**					11.6
Consolidated total assets				**1,568.2**					996.5
Liabilities									
Segment liabilities	**319.6**	**169.0**	**-**	**488.6**	264.4	91.9	-	-	356.3
Unallocated liabilities				**504.7**					287.5
Consolidated total liabilities				**993.3**					643.8
Other segment information									
Capital expenditure on:									
Property, plant and equipment	**44.9**	**19.8**		**64.7**	37.3	8.2	0.4		45.9
Intangible assets	**22.7**	**59.3**		**82.0**	28.9	10.8	-		39.7
Goodwill	**44.3**	**155.8**		**200.1**	36.5	18.9	-		55.4
Non-cash expenditure:									
Depreciation	**21.4**	**8.9**		**30.3**	18.3	5.5	0.3		24.1
Amortisation of acquired intangibles	**12.0**	**5.2**		**17.2**	6.5	0.4	-		6.9

3. Earnings per share

The calculations of earnings per share are based on the following profits and numbers of shares:

	Basic and diluted			
	2007	2006	2006	2006
	Continuing operations and total	Continuing operations	Discontinued operation (USA)	Total
	£m's	£m's	£m's	£m's
Profit after tax	**87.1**	71.8	4.7	76.5
Minority interests	**(0.9)**	(0.7)	-	(0.7)
	86.2	71.1	4.7	75.8

	Basic and diluted before amortisation of acquired intangibles, hedge ineffectiveness and profit on disposal of discontinued operation			
	2007	2006	2006	2006
	Continuing operations and total	Continuing operations	Discontinued operation (USA)	Total
	£m's	£m's	£m's	£m's
Profit after tax	**87.1**	71.8	4.7	76.5
Minority interests	**(0.9)**	(0.7)	-	(0.7)
Amortisation of acquired intangibles	**17.2**	6.9	-	6.9
Hedge ineffectiveness	**(1.4)**	(1.4)	-	(1.4)
Tax relating to the amortisation of acquired intangibles and hedge ineffectiveness	**(4.7)**	(1.6)	-	(1.6)
Profit after tax on disposal of discontinued operation	**-**	-	(2.0)	(2.0)
	97.3	75.0	2.7	77.7

Weighted average number of shares:

	2007 Number	2006 Number
For basic earnings per share	**130,090,267**	122,560,171
Exercise of share options	**982,011**	1,287,923
For diluted earnings per share	**131,072,278**	123,848,094

	2007	2006
Earnings per share		
Basic earnings per share - continuing operations	**66.3p**	58.1p
Basic earnings per share - discontinued operation	**0.0p**	3.8p
Total basic earnings per share	**66.3p**	61.9p
Diluted earnings per share - continuing operations	**65.8p**	57.5p
Diluted earnings per share - discontinued operation	**0.0p**	3.8p
Total diluted earnings per share	**65.8p**	61.2p
Earnings per share before amortisation of acquired intangibles, hedge ineffectiveness and profit on disposal of discontinued operation		
Basic earnings per share - continuing operations	**74.8p**	61.3p
Basic earnings per share - discontinued operation	**0.0p**	2.2p
Total basic earnings per share	**74.8p**	63.4p
Diluted earnings per share - continuing operations	**74.2p**	60.6p
Diluted earnings per share - discontinued operation	**0.0p**	2.1p
Total diluted earnings per share	**74.2p**	62.8p

Earnings per share before amortisation of acquired intangibles, hedge ineffectiveness and profit on disposal of discontinued operation is disclosed in order to present the underlying performance of the Group.

4. Consolidated statement of changes in equity

	Called up share capital £m's	Share premium account £m's	Capital redemption reserve £m's	Special reserve £m's	Share option reserve £m's	Hedging and translation reserve £m's	Retained profits £m's	Total £m's	Minority interests £m's	Total equity £m's
At 31 December 2005	12.2	17.8	0.3	22.1	1.4	(2.3)	237.7	289.2	1.2	290.4
Profit after tax	-	-	-	-	-	-	75.8	75.8	0.7	76.5
Dividends	-	-	-	-	-	-	(21.7)	(21.7)	-	(21.7)
New share capital issued	0.1	1.8	-	-	-	-	-	1.9	-	1.9
Exchange difference on retranslation of foreign currency goodwill and intangibles	-	-	-	-	-	(0.9)	-	(0.9)	-	(0.9)
Exchange difference on retranslation of foreign currency net investments (excluding goodwill and intangibles)	-	-	-	-	-	(4.0)	-	(4.0)	-	(4.0)
Exchange and fair value movements associated with borrowings and derivative financial instruments	-	-	-	-	-	3.7	-	3.7	-	3.7
Tax charge on exchange difference arising on borrowings and derivative financial instruments	-	-	-	-	-	(1.1)	-	(1.1)	-	(1.1)
Gains and losses on cashflow hedges	-	-	-	-	-	-	1.8	1.8	-	1.8
Transfer to profit and loss on cash flow hedges	-	-	-	-	-	-	1.2	1.2	-	1.2
Current and deferred tax on share options	-	-	-	-	-	-	2.2	2.2	-	2.2
Actuarial gain on defined benefit pension schemes	-	-	-	-	-	-	3.3	3.3	-	3.3
Deferred tax movement associated with actuarial gain	-	-	-	-	-	-	(1.0)	(1.0)	-	(1.0)
Credit to share option reserve	-	-	-	-	1.1	-	-	1.1	-	1.1
Exercise of share options	-	-	-	-	(0.7)	-	0.7	-	-	-
Payment to minority interest shareholder	-	-	-	-	-	-	-	-	(0.7)	(0.7)
At 31 December 2006	12.3	19.6	0.3	22.1	1.8	(4.6)	300.0	351.5	1.2	352.7
Profit after tax	-	-	-	-	-	-	86.2	86.2	0.9	87.1
Dividends	-	-	-	-	-	-	(28.4)	(28.4)	-	(28.4)
New share capital issued	1.2	146.9	-	-	-	-	-	148.1	-	148.1
Exchange difference on retranslation of foreign currency goodwill and intangibles	-	-	-	-	-	24.7	-	24.7	-	24.7
Exchange difference on retranslation of foreign currency net investments (excluding goodwill and intangibles)	-	-	-	-	-	18.8	-	18.8	-	18.8
Exchange and fair value movements associated with borrowings and derivative financial instruments	-	-	-	-	-	(41.2)	-	(41.2)	-	(41.2)
Tax credit on exchange difference arising on borrowings and derivative financial instruments	-	-	-	-	-	12.0	-	12.0	-	12.0
Gains and losses on cash flow hedges	-	-	-	-	-	-	(5.2)	(5.2)	-	(5.2)
Transfer to profit and loss on cash flow hedges	-	-	-	-	-	-	2.1	2.1	-	2.1
Current and deferred tax on share options	-	-	-	-	-	-	(0.8)	(0.8)	-	(0.8)
Actuarial gain on defined benefit pension schemes	-	-	-	-	-	-	6.2	6.2	-	6.2
Deferred tax movement associated with actuarial gain	-	-	-	-	-	-	(2.0)	(2.0)	-	(2.0)
Credit to share option reserve	-	-	-	-	1.6	-	-	1.6	-	1.6
Exercise of share options	-	-	-	-	(0.7)	-	0.7	-	-	-
Payment to minority interest shareholder	-	-	-	-	-	-	-	-	(0.8)	(0.8)
At 31 December 2007	**13.5**	**166.5**	**0.3**	**22.1**	**2.7**	**9.7**	**358.8**	**573.6**	**1.3**	**574.9**

5. Reconciliation of operating profit to cash inflow from operating activities

	2007 £m's	2006 £m's
Operating profit from continuing operations	**142.2**	114.5
Operating profit from discontinued operation	**-**	3.8
Operating profit	**142.2**	118.3
Depreciation charge	**30.3**	24.1
Amortisation of acquired intangibles	**17.2**	6.9
Profit on sale of property, plant and equipment	**(2.0)**	(0.6)
Share-based payments	**1.6**	1.1
Increase in inventories	**(8.2)**	(14.9)
Decrease / (increase) in receivables	**0.1**	(4.4)
(Decrease) / increase in payables	**(20.9)**	1.9
Cash inflow from operating activities	**160.3**	132.4

6. Reconciliation of net cash flow to movements in net debt

	2007 £m's	2006 £m's
Increase in cash and cash equivalents in the year	**25.4**	30.7
Cash flow from increase in debt	**(87.7)**	(75.8)
Increase in net debt resulting from cash flows	**(62.3)**	(45.1)
Debt acquired with acquisitions*	**(94.0)**	(15.9)
Non-cash items+	**(21.7)**	5.9
Exchange differences	**(22.1)**	1.0
Increase in net debt in the year	**(200.1)**	(54.1)
Net debt at beginning of year	**(228.8)**	(174.7)
Net debt at end of year	**(428.9)**	(228.8)

* including loan notes issued.

+ Non-cash items relate to the fair value movement of debt recognised in the year which does not give rise to a cash inflow or outflow.

7. Final dividend

A final dividend of 18.7p per share (2006: 14.3p) has been proposed, taking the full year dividend to 26.7p (2006: 20.5p).

In accordance with IAS 10 “Events after the balance sheet date”, dividends declared after the balance sheet date are not recognised as a liability in the Accounts.

8. Forward looking statements

This Preliminary Announcement of Results for the year ended 31 December 2007 contains certain forward looking statements with respect to the Group’s financial condition, its results, strategy, plans and objectives. The forward looking statements contained in this document are not forecasts or guarantees of future performance and are subject to risks, uncertainties and other factors. Some of these factors are beyond the Group’s control, are difficult to predict and could cause actual results to differ materially from those expressed, implied or forecast in the forward looking statements.

These factors include, but are not limited to, general economic conditions and business conditions in the Group’s markets, product availability and prices, credit risk, the actions of competitors, interest and exchange rates and legislative fiscal and regulatory developments.

All forward looking statements in this document are based on information known to the Group as at 12 March 2008. The Group has no obligation publicly to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.