



8 July 2014

SIG plc
("SIG" or "the Group")

Trading Update

SIG plc ("SIG" or "the Group"), a leading distributor of specialist building products in Europe, with strong positions in its core markets of insulation & energy management, interior fit out and roofing, today issues a trading update for the six months ended 30 June 2014, in advance of its Half Year results announcement on 12 August 2014.

Trading

Group sales from continuing operations increased by c.6.5% in the first half to c.£1,285m. As a result underlying profit before tax in H1 is expected to be at least £40m (H1 2013: £33.6m*) despite being adversely affected by the strengthening of Sterling against the Euro.

As anticipated the Group's trading performance moderated during the period as comparatives strengthened, with like-for-like sales increasing by 2.9% in May and June combined. This follows a strong start to the year which also benefited from the mild winter.

Like-for-like sales in the first half increased by 11.5% in the UK & Ireland and 3.2% in Mainland Europe, with France ahead by 2.1% and Germany up by 5.1%.

Strategic initiatives

SIG continues to make good progress on its strategic initiatives to improve business performance and is on track to achieve its £1m - £5m net benefit target this year and remains committed to delivering its target of c.£30m in 2016.

Outlook

While construction markets in Mainland Europe remain variable, with France continuing to decline, the outlook for the UK remains positive.

The Group's first half performance provides a strong platform from which to deliver its full year expectations, which remain unchanged despite adverse movements in foreign exchange rates.

SIG continues to expect to achieve good progress in 2014 based on the trading environment, operational efficiency savings and a modest net benefit from the strategic initiatives.

**adjusted for the disposals of German Roofing and Miller Pattison. The 2013 full year underlying profit before tax comparative is £91.2m.*

Enquiries

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Cautionary Statement

This Trading Update is prepared for and addressed only to the Company's shareholders as a whole and to no other person. The Company, its directors, employees, agents or advisors do not accept or assume responsibility to any other person to whom this Trading Update is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

Certain information included in this trading update is forward looking and involves risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by forward looking statements. It is believed that the expectations set out in these forward looking statements are reasonable but they may be affected by a wide range of variables which could cause future outcomes to differ from those foreseen in forward looking statements, including but not limited to, changes in risks associated with the level of market demand, product availability and pricing, competitor risk, credit risk, credit insurance, restructuring of SIG and exchange rates. More information about the risks and uncertainties that may affect the Group's performance is contained in the Annual Report to Shareholders for the year ended 31 December 2013. All statements in this release are based upon information known to the Company at the date of this Trading Update. The Company undertakes no obligation to publicly update or revise any forward looking statement, whether as a result of new information, future events or otherwise.