

SIG plc
(“SIG” or “the Group”)

Trading Update

SIG plc, 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 products, today issues a Trading Update for the twelve months ended 31 December 2015.

2015 Group sales from continuing operations were c.£2,565m, an increase of 3.6% in constant currency and down 1.4% in Sterling having been adversely affected by foreign exchange movements. With acquisitions contributing 3.4% to sales growth, the Group's like-for-like¹ (“LFL”) revenues in 2015 increased marginally, by 0.2%.

In line with previous guidance the Group continues to expect that gross margin will be flat year-on-year. It also anticipates that underlying profit before tax for 2015 will be within its previously stated £85m to £90m range.

Change in sales	UK & Ireland	Mainland Europe	Group
<i>Q4 (Oct – Dec)</i>			
LFL ¹	(1.0)%	1.8%	0.4%
Continuing operations ²	5.6%	(3.4)%	1.2%
<i>2015</i>			
LFL	1.2%	(0.9)%	0.2%
Continuing operations	5.6%	(8.9)%	(1.4)%

¹ sales per day in constant currency excluding acquisitions and disposals.

² reported sales excluding disposals.

In the UK & Ireland LFL sales decreased 1.0% in Q4 2015 compared to the same period last year, with trading conditions in the UK Repairs, Maintenance and Improvement market remaining challenging, particularly impacting the Group's Exteriors business, which recorded a LFL sales decline of 5.9% in the quarter.

In Mainland Europe, LFL sales increased 1.8% in Q4 2015 mainly due to a significantly improved performance in France, where LFL sales were ahead 2.5% compared to a decline of 6.6% in Q3 2015. Germany however remains challenging, with LFLs down 3.1% in Q4 2015.

The Group's year-end leverage is expected to be c.1.8x following net acquisition cash expenditure of c.£75m. Going forward SIG is aiming to return leverage to c.1.5x by slowing the pace of acquisitions and moderating capital expenditure.

Conference call

There will be a conference call at 8.00am this morning to discuss today's statement with the SIG management team. The dial in number is 0808 237 0030, PIN 17243697#. A replay of the call will be available on 0808 237 0026, PIN 665640#.

Full year results

SIG will announce its Full Year results for the year ended 31 December 2015 on 9 March 2016.

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 2014. 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.