

10 May 2018

**SIG plc: AGM Trading Update**  
**Board expectations for 2018 remain unchanged**

SIG plc (“SIG” or “the Group”), a leading European supplier of specialist building products with strong positions in its core markets of Insulation & Interiors, Roofing & Exteriors, and Air Handling, today issues a trading update for 1 January to 30 April 2018 (the “period”), in advance of its Annual General Meeting which is being held at 12 noon today in Sheffield.

**Trading summary**

Group revenues from continuing operations over the period increased by 2.2%, with currency contributing 2.0% to growth and working days 0.5%.

	January to April 2018	January to April 2017
SIG Distribution	(2.2)%	+0.7%
SIG Exteriors	(10.6)%	+0.8%
Ireland & Other UK	+4.1%	+5.2%
<b>UK &amp; Ireland</b>	<b>(4.4)%</b>	<b>+1.0%</b>
France	+1.4%	+3.1%
Germany	+5.0%	(0.9)%
Poland	+15.6%	+4.8%
Air Handling	(0.5)%	+11.7%
Benelux	+5.4%	(6.7)%
<b>Mainland Europe</b>	<b>+3.8%</b>	<b>+2.0%</b>
<b>Group</b>	<b>(0.3)%</b>	<b>+1.5%</b>

LFL revenues were down by 4.4% in the UK & Ireland, with a significant adverse impact from poor weather conditions in the region during February and March. The Exteriors business further suffered from weak market conditions in UK commercial new build and RMI markets, as previously indicated.

The Group’s businesses across Mainland Europe continued to perform well, with LFL revenues up by 3.8% during the period. Whilst construction activity in France has been affected by the recent increase in industrial action, and LFL sales in the Group’s Air Handling business are dependent on the phasing of project revenues during the year, growth has remained strong across Germany, the Benelux and particularly Poland.

**Leverage**

Leverage reduction remains a key medium term priority and the Group continues to focus on structural reductions in levels of working capital and sustained profit improvement to drive leverage lower. Seasonal fluctuations mean that debt and leverage are likely to remain similar to year end levels in the first half, but the Group remains on course to deliver leverage in a 1.0 – 1.5x range during 2018, with the Group continuing to target leverage below 1.0x over the medium term.

## Outlook

Trading conditions remain mixed across the Group's markets, with continued confidence across Mainland Europe and Ireland but ongoing challenges in parts of the UK construction sector.

We continue to progress our plans to deliver a significant improvement in our operational and underlying financial performance, as well as focusing the portfolio and reducing leverage. We expect a stronger second half to the year, reflecting both normal seasonality and the benefit of ongoing cost and margin actions coming through in H2. Providing there is no further deterioration in UK market conditions, our expectations for underlying profitability for the full year remain unchanged.

- Ends -

<sup>1</sup> Like-for-like is defined as sales per day in constant currency excluding acquisitions and disposals.

## Enquiries

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## Cautionary Statement

This Trading Statement 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 Statement is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

Certain information included in this Trading Statement 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 2017. All statements in this release are based upon information known to the Company at the date of this Trading Statement. 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.