

7 October 2019

**SIG plc**

**Trading update**

SIG plc (“SIG”, the “Group” or the “Company”), a leading supplier of specialist building materials to trade customers across Europe, today issues a trading update covering the period since the announcement of the 2019 half year results on 6 September 2019, together with an outlook for the full year 2019.

The Group has been reporting during the year a deterioration in the level of construction activity in key markets and highlighting a number of key indicators pointing to further weakening of the macro-economic backdrop, notably in the UK and in Germany. This deterioration in trading conditions has accelerated over recent weeks, and political and macro-economic uncertainty has continued to increase.

Management is taking ongoing actions to address the continuing market weakness. Further benefits from transformational initiatives and the Group’s normal seasonality are still expected to deliver a stronger second half. However, the recent further weakening of the trading backdrop as the Group has entered its traditionally strongest trading months of the year means that the Board is now anticipating, in both the specialist distribution and roofing merchandising businesses, significantly lower underlying profitability for the full year than its previous expectations.

The Group is today separately announcing that it has entered into agreements following competitive processes to sell its Air Handling Division and also its Building Solutions business, which when completed will significantly strengthen the Group’s balance sheet.

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The person responsible for arranging release of this announcement on behalf of SIG is Nick Maddock, Chief Financial Officer.

## **IMPORTANT NOTICES**

### **Information regarding forward-looking statements**

This document includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms anticipates, believes, could, estimates, expects, intends, may, plans, projects, should or will, or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding SIG Plc and its intentions, beliefs or current expectations concerning, among other things, the business, results of operations, prospects, growth and strategies of the Group

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of operations of the Group and the developments in the industries in which they operate, may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the results of operations of the Group, and the developments in the industries in which they operate are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in law and regulation, currency fluctuations, changes in business strategy and political and economic uncertainty.

Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document reflect SIG Plc's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group and its operations, results of operations and growth strategy.

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules), SIG Plc is not under any obligation and SIG Plc expressly disclaims any intention or obligation (to the maximum extent permitted by law) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **No profit forecast or estimates**

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Group for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Group.

### **Cautionary statement**

This announcement is not intended to, and does not constitute, or form part of, any offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction.