Hill & Smith Holdings PLC

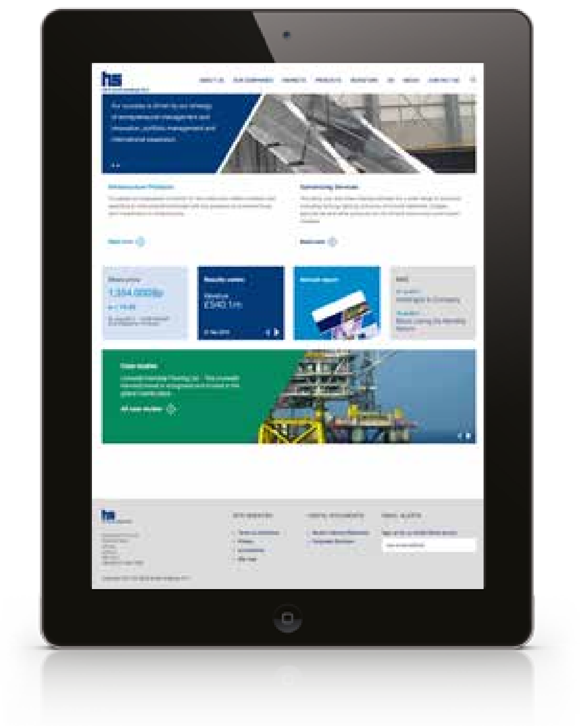
2017

Half year results
Six months ended 30 June 2017

“We are an international group with leading positions in the supply of infrastructure products and galvanizing services to global markets, operating from facilities in Australia, France, India, Norway, Sweden, the UK and the USA.

With strong positions in niche markets we aim to consistently deliver value to our shareholders through:

- Dividends and total shareholder return being central to our strategy
- Strong cash generation
- Organic and acquisitive growth
- Product and international diversification”



Front cover:

Top: Creative Pultrusions SuperLoc Sheet Pile and SuperWale FRP cap utilised at the Laurence Harbour Wastewater Facility retaining wall, Old Bridge Township, New Jersey.

Middle: Galvanized steel at our Joseph Ash site in Walsall.

Bottom: Hill & Smith Inc.'s Zoneguard® Steel Barrier on a bridge deck replacement and overlay project located on US 36 over the Wabash River in Montezuma, Indiana.

This page:

Left: Asset Weholite's packaged pumping station and emergency storage: 1.8m diameter x 15m long for a residential development in Central London.

Centre: Flexbeam N2W1 system, installed in Riga, Latvia.

Right: Joseph Ash galvanizing on the world's first outdoor covered horse training track, an oval circuit located in Hungerford, Berkshire.

Opposite page:

Asset Mass PedGuard at the junction 16 roundabout on the M5.

See further information at hsholdings.com

Hill & Smith Holdings PLC

Contents

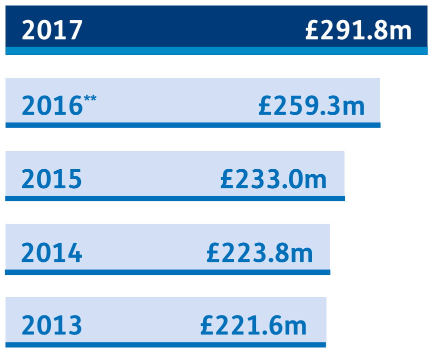
Group Highlights

- Record first half year revenue and underlying earnings performance
- Higher returns driven by positive end markets and active portfolio management
- Underlying profit before taxation up 22% to £37.4m
- Net debt at £109.1m (2016: £112.0m)
- Interim dividend increased by 11% to 9.4p

	30 June 2017	30 June 2016**	Change Reported %	Change Constant Currency %
Underlying revenue*	**£291.8m**	**£259.3m**	+13	+6
Underlying operating profit*	**£38.8m**	**£32.0m**	+21	+13
Underlying profit before tax*	**£37.4m**	**£30.7m**	+22	+13
Underlying earnings per share*	**36.2p**	**29.7p**	+22	+13
Profit before tax	**£33.5m**	**£19.4m**	+73	
Basic earnings per share	**32.3p**	**16.8p**	+92	
Dividend per share	**9.4p**	**8.5p**	+11	

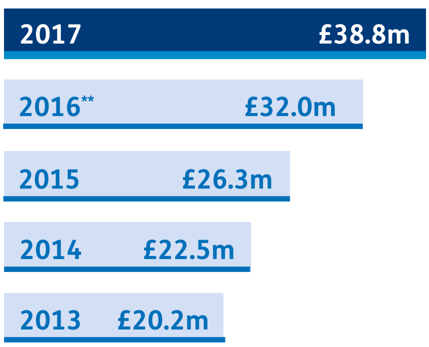
Revenue

£291.8m
up 13%



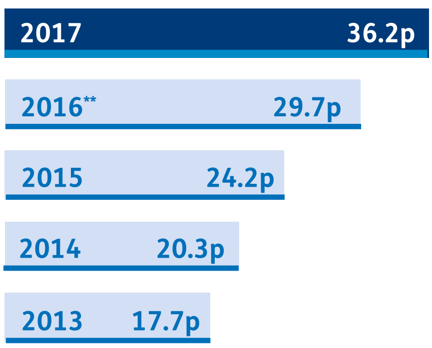
Underlying operating profit

£38.8m
up 21%



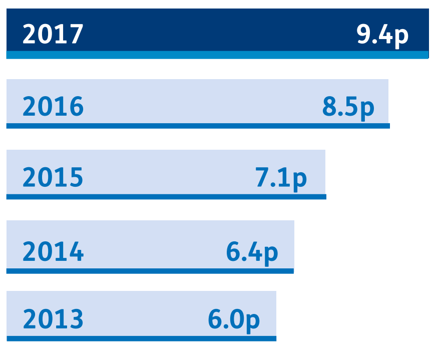
Underlying earnings per share

36.2p
up 22%



Dividend per share

9.4p
up 11%

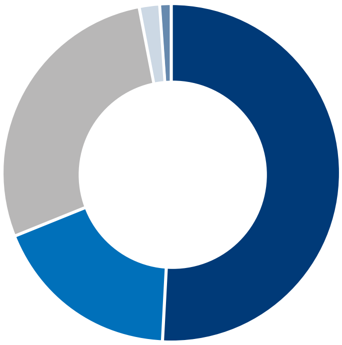


* All underlying measures exclude certain non-operational items, which are defined in note 6 on page 24. References to an underlying measure throughout this report are made on this basis.
** The prior year comparatives have been re-presented as explained in note 1 to the Financial Statements on page 22.

Group at a Glance

Percentage of £291.8m underlying revenue shown by end market geography

- UK - 51%
- Europe - 18%
- N America - 28%
- Asia and M East - 2%
- ROW - 1%



Percentage of £38.8m underlying operating profit shown by location of the operating site

- UK - 46%
- N America - 42%
- Europe and ROW - 12%

USA – our V&S galvanizing and utilities plants are situated on the east coast along with the Bergen and Carpenter & Paterson pipe supports businesses and the glass reinforced composite profiles business, Creative Pultrusions.

UK – head office and various locations covering our main infrastructure products businesses and a network of galvanizing plants.

Sweden – location of ATA and FMK, the road safety barrier and signage businesses.

India – manufacturing facilities for pipe supports.

France – the base of France Galva and Conimast where we have ten galvanizing plants and a lighting column business.

Norway – a division of ATA, the road safety barrier and signage business.

Australia – office in Queensland for the development of our wire rope and safety barrier products.

Divisional Overview

Infrastructure Products

For the core markets of Roads and Utilities – supplying products and services such as permanent and temporary road safety barriers, fencing, industrial platforms and flooring, street lighting columns, bridge parapets, glass reinforced composite railway platforms and flood prevention barriers, variable road messaging solutions, plastic drainage pipes and pipe supports for the power and liquefied natural gas markets, energy grid components and security fencing.

Operating from subsidiaries in Australia, France, India, Norway, Sweden, the UK and the USA.

- Operating in international territories with the prospect of sustained long term investment in infrastructure.
- Focused on engineered products for the roads and utilities markets.

Revenue
£200.9m up 13%

Underlying operating profit
£17.8m up 30%

Galvanizing Services

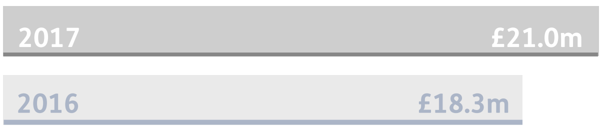
Providing zinc and other coating services for a wide range of products including fencing, lighting columns, structural steelwork, bridges, agricultural and other products for the infrastructure and construction markets.

Services are delivered from a network of galvanizing operations in the UK, France and the USA.

- Geographical diversity - France 10 plants; UK 10 plants; USA 7 plants.
- Strong market positions in the chosen territories and with a reputation for service and quality.

Revenue
£90.9m up 12%

Underlying operating profit
£21.0m up 15%



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Case Study

Asset Varioguard
Laing O'Rourke were engaged by Severn River Crossing to carry out maintenance and inspection of the M48 Severn Bridge Crossing as an ongoing project since 1996, including maintenance of the bridge itself and surrounding concession areas. This challenging work involves working at height, with live traffic, above water and in restricted spaces, all subject to adverse weather conditions.

Scaffold access points to the cables are needed and due to the restricted width of the bridge deck, intermittent motorway lane closures are necessary. These scaffold points are close to the bridge's permanent safety barriers and required a secondary temporary vehicle restrain system.

Severn Bridge M48 Suspension Cable Inspection

ASSET VRS Varioguard steel barrier is utilised to meet the necessary safety requirements for the protection of the travelling public and site operatives involved in the works.

The Asset Vehicle Restraint System (VRS) is tested to BS EN 1317-2:1998 containment level 2. Galvanized steel elements lock together to make a rigid, energy-absorbing barrier where errant vehicles driving onto the foot section stabilises the Varioguard and limits deflection. A narrow 700 mm foot section and lightweight construction, which does not need securing to the decking, enables the barrier to be easily and safely repositioned along the bridge as work progresses.

The Severn Bridge crossing main cable works utilise four lengths of Varioguard, up to 160m long and the barriers are moved quickly and efficiently.

Find out more about the company at www.varioguard.co.uk

Business Review

Jock Lennox
Chairman

Derek Muir
Group Chief Executive

Introduction

Hill & Smith continues to deliver a strong performance. In an uncertain political and macroeconomic environment, our focused strategy of developing businesses with market leading positions in growth infrastructure markets, combined with our active portfolio management strategy, has again delivered good organic revenue and profit growth and improved returns on the capital entrusted to us.

Our strategy of international diversity, together with the leading positions our businesses hold in their respective markets, continues to underpin our performance. Our US and UK operations grew on the back of continuing infrastructure investment in our chosen end markets and together represented 87% of operating profit in the first half. Organic growth has been supplemented by targeted bolt-on acquisitions and decisive action to restructure or dispose of underperforming assets to drive overall returns and shareholder value.

Continuation of our strategy of active portfolio management resulted in us completing one acquisition and one disposal during the first half of 2017.

- In March, we completed the acquisition of the trade and assets of Kenway Corporation (‘Kenway’) for an aggregate cash consideration of £5.7m. Kenway is a specialist in technologically advanced composite design, manufacturing and field service work across a broad range of industries including marine, power, pulp and paper, transportation and renewable energy. Integrated into our existing composite business, Kenway is trading in line with our expectations.
- In April, we completed the disposal of CA Traffic Limited, a non-core traffic data collection business, to TagMaster AB for a net consideration of £2.6m.

In December 2016, following a review of the returns available, we announced a plan to close and exit our roads business in India. The closure process will be completed in the third quarter of 2017.

Results

Revenue increased by 13% to £291.8m (2016*: £259.3m), of which translational currency benefits contributed £15.0m or 6%. After adjusting for net additional revenue of £14.7m from acquisitions/disposals and reduced revenue from the prior year restructuring of the non-US Pipe Supports businesses of £9.5m, organic revenue growth was £12.3m or 5%. Underlying operating profit improved by 21% to £38.8m (2016*: £32.0m), including a positive currency translation of £2.3m. Acquisitions/disposals contributed £1.6m and the benefit of the non-US Pipe Supports restructuring actions a further £1.5m. The organic improvement in underlying operating profit was 4%. Underlying operating margin improved by 100bps to 13.3% (2016*: 12.3%), while underlying profit before taxation was 22% higher at £37.4m (2016*: £30.7m). Reported operating profit was £35.4m (2016: £21.2m), an increase of 67% on the prior year. Reported profit before tax was £33.5m (2016: £19.4m).

Dividend

The Board has declared an interim dividend of 9.4p per share (2016: 8.5p), an 11% increase on the corresponding period last year. The interim dividend will be paid on 4 January 2018 to shareholders on the register on 1 December 2017.

Governance and the Board

As reported in the 2016 Annual Report, Bill Whiteley, Chairman, retired at the conclusion of the Annual General Meeting in May 2017. Consequently, Jock Lennox was appointed Chairman of the Board. A search to appoint an additional Non-executive Director to the Board is ongoing.

Brexit

It remains too early to assess with any certainty the impact of the decision by the United Kingdom to leave the European Union. In the period since the referendum result in June 2016 we have not experienced any material positive or negative impact. We are confident that our strategy of international diversification along with market leading positions in key infrastructure investment markets will help limit any potential negative impact on the Group. However, we remain vigilant and will react with our customary speed as necessary.

* The prior year comparatives throughout this Business Review have been re-presented as explained in note 1 to the Financial Statements on page 22.

Opposite page:

Asset VRS’s Varioguard on Westminster Bridge.

Mark Pegler
Group Finance Director
Managing Director - UK Utilities division

Outlook

The Group benefits from the industrial and geographical spread of its markets and businesses, which not only provide a resilient base, but also opportunities for growth. Generating over 80% of revenue and 87% of underlying operating profit from its UK and US operations, the Group principally operates in niche infrastructure markets where the overall outlook remains positive.

In Utilities, our UK and US activities are well placed to continue to benefit from the significant investment going into the replacement of ageing infrastructure and new infrastructure projects. In Galvanizing, with wider market conditions remaining favourable, overall we expect our businesses to consolidate their strong market positions and to take advantage of opportunities as they present themselves.

In the UK, the implementation of the Department of Transport's Road Investment Strategy ('RIS') is in the third year of the initial five year plan, which provides certainty of funding through to 2020/21. We therefore have confidence that the Group's road product portfolio will continue to benefit from the increased investment in the UK road infrastructure.

Overall, despite increased political and macroeconomic uncertainties, our expectations for the year remain unchanged and 2017 is again expected to be a year of good progress.

Business Review continued

Operational Review

Infrastructure Products

	£m 2017	£m 2016*	+/- %	Constant Currency %
Revenue	**200.9**	177.9	+13	+8
Underlying operating profit	**17.8**	13.7	+30	+25
Underlying operating margin %	**8.9**	7.7		
Reported operating profit	**15.0**	3.5		

The division supplies engineered products to the roads and utilities markets in geographies where there is sustained long term investment in infrastructure. Revenues increased 13% to £200.9m (2016*: £177.9m) including an £8.4m positive impact from exchange rate movements. Acquisitions/disposals contributed a net £14.7m and there was £9.5m of lower revenue from the restructured non-US Pipe Supports operations. Organic revenue growth was £9.4m, or 5%. Underlying operating profit was £17.8m (2016*: £13.7m), an increase of £4.1m, with a positive currency translation benefit of £0.5m. Acquisitions/disposals contributed £1.6m and the non-US Pipe Supports restructuring an additional £1.5m. Underlying operating margin improved to 8.9% (2016*: 7.7%). Reported operating profit was £15.0m (2016: £3.5m) and included charges of £2.0m relating to restructuring actions taken during the year.

Roads

	£m 2017	£m 2016	+/- %	Constant Currency %
Revenue	**93.8**	77.5	+21	+17
Underlying operating profit	**10.2**	9.0	+13	+12
Underlying operating margin %	**10.9**	11.6		
Reported operating profit	**8.5**	8.1		

Our Roads segment designs, manufactures and installs temporary and permanent safety products for the roads market. We principally serve the UK market, with an international presence in selected geographies that have a growing demand for innovative tested safety products. Revenues increased by 21% to £93.8m (2016: £77.5m), an organic increase of 9% after a currency benefit of £2.5m and net contribution from acquisitions/disposals of £6.7m. Underlying operating profit of £10.2m was £1.2m higher than the prior year (2016: £9.0m) including £0.1m from positive currency translations.

	£m 2017	£m 2016
Reported operating profit	**8.5**	8.1
Restructuring actions	**1.6**	-
Profit on disposal of subsidiary	**(0.6)**	-
Acquisition costs and amortisation	**0.9**	0.9
Other items	**(0.2)**	-
Underlying operating profit	**10.2**	9.0

UK

In the UK, the implementation of the Government's RIS continues to develop in line with our expectations and overall demand for our rental temporary safety barrier has been good. Some delays are being experienced in ongoing works on existing Smart Motorway programmes, which will extend the requirement for our temporary safety barrier on these projects beyond that originally envisaged. A consequence of these delays will be the deferral of the commencement of a number of the next tranche of projects from later in 2017 into early 2018, and with a number of projects currently in design phase this suggests that 2018 will see an acceleration in UK road investment.

As expected, as the initial phase of Smart Motorways nears completion, demand for our permanent safety barrier has been stronger than the same period last year. Bridge parapet sales have also been strong as local authorities and Network Rail upgrade ageing bridge infrastructure to protect the rail and road network from potential hostile and accidental vehicle damage. Exports of Brifen, our wire rope safety barrier system, and Bristorm, our high containment anti-terrorist perimeter barrier, were lower than the prior year but recent order intake and enquiry levels indicate a stronger second half of the year.

The increased threat of terrorism in the UK has intensified the demand for deployment of our range of hostile vehicle mitigation products, including temporary and permanent, steel and concrete applications in key locations across the country. With a market leading range of solutions, and the ability to respond swiftly, we have completed projects to protect bridges in London, sports and other high profile events. Discussions are also being held with security agencies outside of the UK and we expect this market to continue to grow.

Our Variable Message Sign ('VMS') business performed well in the first half with strong sales of new Remotely Operable Temporary Traffic Management ('ROTTM') signs which Highways England are deploying to improve road worker safety where no hard shoulder exists on Smart Motorways. The higher sales of ROTTM have more than offset lower revenue from maintenance activities as a historic ten-year 'supply and maintain' contract with Highways England completed. In June we announced a proposal to commence the rationalisation of the VMS business that will result in the closure of two UK sites and consolidation into our existing facility in the north east. The restructuring is expected to be completed in the first half of 2018 at a cost of £1.4m.

On 27 April 2017, we completed the disposal of CA Traffic Limited, a traffic data collection business, to TagMaster AB for a net consideration of £2.6m. Non-core, and unable to deliver the returns that we target from our businesses, in the year to 31 December 2016 CA Traffic Limited reported revenue of £3.9m and an operating loss of £0.2m.

Operating with a lower cost base following the rationalisation completed at the end of 2016, our lighting column business continues to perform well. With its enhanced product offering following the acquisition of Signature last year, the business is capitalising on cross selling opportunities into the local authority and contractor markets and the outlook remains favourable.

Non-UK

Our Scandinavian business increased revenue compared to the same period in the prior year but competition in the barrier market reduced margins and profitability was similar to the prior year. We continue to make steady progress in Norway, while in Sweden we have invested further in our temporary rental safety barrier fleet, where demand is strong around Stockholm as a major upgrade to the road network commences.

In France, our lighting column business operates in a competitive market and, although profitable, endured a first half below our expectations. Order intake improved markedly towards the end of the period suggesting a stronger second half.

Employing both a rental and a direct sale market approach, pleasing progress continues to be made in promoting our temporary safety barrier in both the USA and Australia. In the USA, acceptance of our temporary steel barrier, Zoneguard, as an alternative to concrete is now well established in a number of States and continues to gain recognition elsewhere, including Canada. In Australia, revenue was at similar levels to the prior year despite the exceptional one-off order of 19.8km supplied in the first half last year. Encouragingly, we have supplied an increasing number of smaller projects as acceptance gains traction. In the second quarter, we secured a supply contract for 16km of Zoneguard and 8km of ancillary products which will be delivered early in the second half of the year. Both the USA and Australia improved profitability against the same period prior year, establishing new benchmarks for each business.

In December 2016, following an assessment of the local market and outlook, we announced a plan to close and exit our manufacturing and sales facility in India. The closure process will be completed in the third quarter of 2017.

Utilities

	£m		+/-	Constant Currency
	2017	2016*	%	%
Revenue	**107.1**	100.4	+7	+1
Underlying operating profit	**7.6**	4.7	+62	+49
Underlying operating margin %	**7.1**	4.7		
Reported operating profit	**6.5**	(4.6)		

Our Utilities segment provides industrial flooring, plastic drainage pipes, security fencing, steel and composite products for a wide range of infrastructure markets including energy creation and distribution, rail, water and house building. The requirements for new power generation in emerging economies and replacement of ageing infrastructure in developed countries provide excellent opportunities for the Group's utilities businesses. Revenues increased by 7% to £107.1m (2016*: £100.4m). Benefits from currency translation of £5.9m and an £8.0m contribution from recent acquisitions were partly offset by the prior year restructuring and closure programme of our non-US Pipe Supports business (£9.5m lower revenue year on year). Organically, revenue was similar to the prior year. Underlying operating profit was £7.6m (2016*: £4.7m) including a positive currency impact of £0.4m, first time contribution from acquisitions of £0.6m and a £1.5m benefit from the non-US Pipe Supports restructuring.

	£m	
	2017	2016*
Reported operating profit	**6.5**	(4.6)
Restructuring actions	**0.4**	9.2
Acquisition costs and amortisation	**0.7**	0.1
Underlying operating profit	**7.6**	4.7

In the US, our power transmission substation business performed well but fell short of the prior year's strong comparatives. Day to day packaging and steel work through framework agreements with key US utilities remains strong but an absence of larger contracts reduced revenue and profitability below our expectations. Investment in US electricity distribution looks set to continue so we expect the larger projects to return in due course.

Our composite material business performed at similar levels to the first half last year with a continued absence of large projects a key feature, although a number of larger contracts are nearing order stage and we expect an improved performance in the second half. On 27 March 2017, we completed the acquisition of the trade and assets of Kenway Corporation ('Kenway'), a specialist in technologically advanced composite design, manufacturing and field service work across a broad range of industries including marine, power, pulp and paper, transportation and renewable energy. Cash consideration of £5.7m was paid at acquisition with a further £0.5m due in 2018. Kenway has been integrated into our Creative Pultrusions business and furthers our strategy of enhancing our product offering to end users within infrastructure markets.

In the UK, results from our utilities businesses continue to be mixed. Our plastic pipe, industrial flooring and security access covers businesses all anticipated increased spend from the water industry Asset Management Period 6 ('AMP6'). Now in year three of the five year investment cycle design, delays and therefore project release dates continue to be issues despite numerous customer commitments. Despite the AMP6 delays, the plastic pipe business enjoyed strong demand for storm water attenuation tanks for flood alleviation in the UK housing market. The industrial flooring operation enjoyed a pick up in small day to day business as a result of general UK infrastructure investment. A good first half result was delivered by the security access covers business despite delays to expected AMP6 orders.

Our security fencing business continued to perform well with a wide range of installations protecting the UK rail network, power generation and other critical infrastructure sites.

Demand for solar frames was lower than the same period last year, as developers adapt their return model away from the reliance on the now removed tax credits under the UK Renewable Obligation to one of battery storage and timed release of the stored power into the national grid. Once the technology is proven and sold to investors we expect further orders to recommence.

Our building products business, supplying composite residential doors, steel lintels and builders' metalwork, enjoyed good volumes on the back of a continuing strong UK housing market and results were ahead of the same period in the prior year.

Business Review continued

In our US pipe supports business the requirement for engineered pipe supports in the power sector has continued although activity in the petrochemical sector is lower year on year. Our industrial hangers business has benefitted from the consolidation of branches serving the north east market and the new eastern region service centre, located between New York and Philadelphia, is now fully operational. We are seeing the benefits of a more focussed, efficient operation and expect performance to continue to improve in the second half of 2017.

In India we have successfully completed the expansion of our pipe supports facility. The increased capacity enables us to service our international customers, with global supply agreements for the supply of pipe supports into major power projects in geographies such as Japan, Indonesia and Egypt, as well as our domestic customers in the Indian market. Our strategic partnership with a Saudi Arabian manufacturer enables us to have local manufactured content when supplying pipe supports projects in the Middle East. We are encouraged by the market outlook in India and the Far East, both of which remain strong with a large programme to build both coal and gas fired powerstations together with LNG terminals. The backlog for the second half is healthy and we look forward to a strong performance in the first year of the newly consolidated pipe supports business.

Galvanizing Services

	£m		+/-	Constant Currency
	2017	2016	%	%
Revenue	**90.9**	81.4	+12	+3
Underlying operating profit	**21.0**	18.3	+15	+5
Underlying operating margin %	**23.1**	22.5		
Reported operating profit	**20.4**	17.7		

The Galvanizing Services division offers corrosion protection services to the steel fabrication industry with multi-plant facilities in the UK, France and the USA. Revenue increased by 12% to £90.9m (2016: £81.4m) including positive currency translation of £6.6m. Organic revenue growth was 3%. Underlying operating profit of £21.0m (2016: £18.3m) included a £1.8m currency benefit. The organic improvement in profitability was £0.9m. Underlying operating margin was a record 23.1% (2016: 22.5%).

	£m	
	2017	2016
Reported operating profit	**20.4**	17.7
Acquisition amortisation	**0.6**	0.6
Underlying operating profit	**21.0**	18.3

USA

Located in the north east of the country, Voigt & Schweitzer is the market leader with seven plants offering local services and extensive support to fabricators and product manufacturers involved in highways, construction, utilities and transportation.

As expected, and against strong comparatives, volumes were 16% below the same period in 2016, principally due to a large LNG project which ran through the first half and concluded in the third quarter of 2016. Alternative energy demand was also materially lower year on year, particularly with respect to solar frames as the industry awaits a clear direction with regard to US energy policy. Day to day infrastructure demand remains robust and at similar levels to the prior year. Management focus on maintaining operational efficiency along with the improved mix of products galvanized resulted in strong profitability, albeit marginally lower than the prior year.

France

France Galva has ten strategically located galvanizing plants each serving a local market. We act as a key part of the manufacturing supply chain in those markets and have delivered a high level of service and quality to maintain our position as market leaders.

Volumes were 2% lower than the same period prior year, a credible result in a time of Presidential elections and the inevitable disruption that it brings. Competition remains strong but encouragingly there are signs of improving sentiment emerging in the French and wider European markets, which may alleviate current pricing pressures. Despite the marginally lower volume, the business delivered improved margin and profitability.

UK

Our galvanizing businesses are located on ten sites, four of which are strategically adjacent to our infrastructure products manufacturing facilities.

Volumes in the UK were driven by ongoing infrastructure investment and increased by 6% compared to the same period in the prior year. Investment in our key galvanizing facilities over the past few years has enabled us to broaden our service offering and drive operational efficiency. As a consequence, the business again delivered improved profitability and margin.

Financial Review

Cash generation and financing

Operating cash flow before movement in working capital was £47.5m (2016: £31.6m), the improvement on last year reflecting the record underlying first half profits. The working capital outflow in the period was £16.6m (2016: £4.8m), which arose from a combination of normal seasonal trading patterns, organic growth in revenues and the impact of commodity price increases on raw material inventories, particularly zinc where the impact was approximately £5.0m. As a result, working capital as a percentage of annualised sales increased to 16.1% (31 December 2016: 14.2%), however debtor days fell to 57 days (31 December 2016: 61 days).

Capital expenditure of £9.3m (2016: £9.9m) represents a multiple of depreciation and amortisation of 1.0 times (2016: 1.1 times), in line with the Group's normal level of spend. Significant purchases during the period included £1.9m of Zoneguard temporary road safety barrier to support growth in our US and Swedish markets.

Group net debt at 30 June 2017 was £109.1m, a reduction of £2.9m since 31 December 2016 (£112.0m).

Change in net debt

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Change in net debt			
Operating profit	**35.4**	21.2	51.8
Non-cash items	**12.1**	10.4	26.5
Operating cash flow before movement in working capital	**47.5**	31.6	78.3
Net movement in working capital	**(16.6)**	(4.8)	(0.1)
Change in provisions and employee benefits	**(1.6)**	7.2	-
Operating cash flow	**29.3**	34.0	78.2
Tax paid	**(9.0)**	(6.9)	(15.7)
Net financing costs paid	**(1.3)**	(1.4)	(2.8)
Capital expenditure	**(9.3)**	(9.9)	(21.7)
Proceeds on disposal of non-current assets	**1.9**	0.1	3.6
Free cash flow	**11.6**	15.9	41.6
Dividends paid	**(6.7)**	(5.5)	(16.2)
Acquisitions	**(5.3)**	(14.2)	(37.4)
Disposals	**2.6**	-	-
Issue of new shares	**0.1**	0.7	0.8
Amortisation of costs associated with revolving credit facilities	**(0.2)**	(0.2)	(0.4)
Satisfaction of long term incentive payments	**(1.5)**	(1.4)	(2.0)
Net debt decrease/(increase)	**0.6**	(4.7)	(13.6)
Effect of exchange rate fluctuations	**2.3**	(3.3)	(6.9)
Net debt at the beginning of the period	**(112.0)**	(91.5)	(91.5)
Net debt at the end of the period	**(109.1)**	(99.5)	(112.0)

The net debt to EBITDA ratio under the Group's principal banking facility was 1.1 times at 30 June 2017 (31 December 2016: 1.2 times), with the increase in underlying operating profit compensating for the outflow of working capital. Interest cover was 37.5 times (31 December 2016: 33.2 times).

Tax

The underlying effective tax rate for the period was 24.0% (year ended 31 December 2016: 24.0%) and is the estimated effective rate for the full year. The tax charge for the period was £8.1m (2016: £6.2m), including a £0.9m credit in respect of non-underlying charges, principally relating to business reorganisation costs and amortisation of acquisition intangibles. Cash tax paid in the period was £9.0m (2016: £6.9m), in line with the underlying income statement tax charge of £9.0m (2016*: £7.4m).

Finance costs

Net financing costs for the period were £1.9m (2016: £1.8m) with an underlying element of £1.4m (2016: £1.3m). Underlying operating profit covered net underlying finance costs 27.7 times (2016: 24.6 times). The non-underlying element of finance costs of £0.5m (2016: £0.5m) represents the net cost of pension fund financing of £0.3m and £0.2m amortisation of refinancing fees capitalised in prior years.

Business Review continued

Non-underlying items
The total non-underlying items charged to operating profit in the Consolidated Income Statement amounted to £3.4m (2016*: £10.8m) and comprise the following:

	Income Statement Charge £m	Cash in the period £m	Future cash £m	Non-cash £m
Business reorganisation costs	(2.0)	(0.6)	(1.4)	-
Profit on disposal of subsidiary	0.6	2.6	-	(2.0)
Acquisition costs	(0.2)	(0.2)	-	-
Amortisation of acquisition intangibles	(2.0)	-	-	(2.0)
Pension settlement gains	0.2	-	-	0.2
	(3.4)	1.8	(1.4)	(3.8)

- Business reorganisation costs of £2.0m relate to three restructuring actions taken by the Group.
  - In June 2017 the Group initiated a rationalisation of its Variable Message Signs business that will result in the closure of two of its operating sites and the consolidation of activities into the remaining site in Hebburn, UK. The business has been operating across three sites since the acquisitions of VMS and Tegrel in 2014/15 and expects to take advantage of cost savings and efficiencies as a result. The anticipated cost of the rationalisation is £1.4m.
  - Following a strategic review of the US Pipe Supports business, in March 2017 the Group completed a rationalisation of its branch structure resulting in the closure of three of the seven existing branches and the consolidation of their operations into one strategically located service centre between New York and Philadelphia to serve the eastern region. The cost of this programme was £0.4m.
  - In December 2016, having reassessed the prospects in the market, the Group announced the closure of its roads business in India. The prior year results included a charge of £1.9m in respect of the closure. A further charge of £0.2m has been recognised in 2017.
- In April 2017 the Group sold its traffic data collection business, CA Traffic Limited, to TagMaster AB for a consideration of £2.7m (after costs). Net assets disposed were £2.1m resulting in a profit on disposal of £0.6m.
- Acquisition costs of £0.2m relate to the acquisition completed during the period, further details of which are set out below.
- Amortisation of acquisition intangibles was £2.0m.
- Pension settlement gains of £0.2m arose on the settlement of outstanding defined benefit liabilities with certain pension scheme members who took transfers of their pension entitlement during the period.

Further details are set out in note 6 to the Financial Statements.

Acquisition
In March 2017 we completed the acquisition of the trade and assets of Kenway, a specialist in technologically advanced composite design, manufacturing and field service work across a broad range of industries including marine, power, pulp and paper, transportation and renewable energy. Consideration for the acquisition was £6.2m and intangible assets arising amounted to £5.1m, comprising customer relationships of £0.8m, brand valuation of £0.7m and residual goodwill of £3.6m.

Pensions
The Group operates defined benefit pension plans in the UK, France and the USA. The IAS19 deficit of these plans at 30 June 2017 was £24.6m, a reduction of £2.7m from 31 December 2016 (£27.3m). The reduced deficit relates to the UK scheme and was driven by a reduction in future inflation assumptions and a positive asset performance, partly offset by a 5bps fall in the discount rate during the period. A number of the UK scheme's members took transfer values of their pension entitlement during the period resulting in a net settlement gain of £0.2m, which has been reported as a non-underlying credit to the income statement.

Following the triennial valuation of the Group's UK defined benefit pension arrangements at April 2015, the Group has agreed deficit reduction plans in place that require annual cash contributions amounting to £2.3m for the period to April 2020. Following the prior year merger of the previous two UK schemes, a formal valuation of the new scheme as at April 2016 is in progress and will be reported on in the Group's 2017 Annual Report. The Group continues to be actively engaged in dialogue with the schemes' Trustees with regard to management, funding and investment strategies.

Principal Risks and Uncertainties
The Group has a process for identifying, evaluating and managing the principal risks and uncertainties that it faces, and the Directors have reconsidered these principal risks and uncertainties during the period. It is the Directors' opinion that the principal risks set out on pages 32 to 34 of the Group's Annual Report and Accounts for the year ended 31 December 2016, remain applicable to the current financial year.

Going Concern
The Group continues to meet its day to day working capital and other funding requirements through a combination of long term funding and short term overdraft borrowings. The Group's principal financing facility is a £210m multi-currency revolving credit agreement which expires in April 2021.

The Group actively manages its strategic, commercial and day to day operational risks and through its Treasury function operates Board approved financial policies, including hedging policies that are designed to ensure that the Group maintains an adequate level of funding headroom and effectively mitigates foreign exchange and other financial risks.

After making due enquiry, the Directors have reasonable expectation that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future and therefore adopt the going concern principle.

Opposite page:

Installation of Hardstaff Barriers Multibloc with 358 security mesh fence, supplied by Barkers Engineering, on the Tottenham Hotspur Football Club redevelopment.

Directors' Responsibility Statement

We confirm that to the best of our knowledge:

- The condensed set of Financial Statements has been prepared in accordance with IAS 34: Interim Financial Reporting as adopted by the EU;
- The interim management report includes a fair review of the information required by:
  - a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period including any changes in the related party transactions described in the last Annual Report that could do so.

This report was approved by the Board of Directors on 10 August 2017 and is available on the Company's website (www.hsholdings.com).

J F Lennox
Chairman

D W Muir
Group Chief Executive

M Pegler
Group Finance Director
Managing Director - UK Utilities division

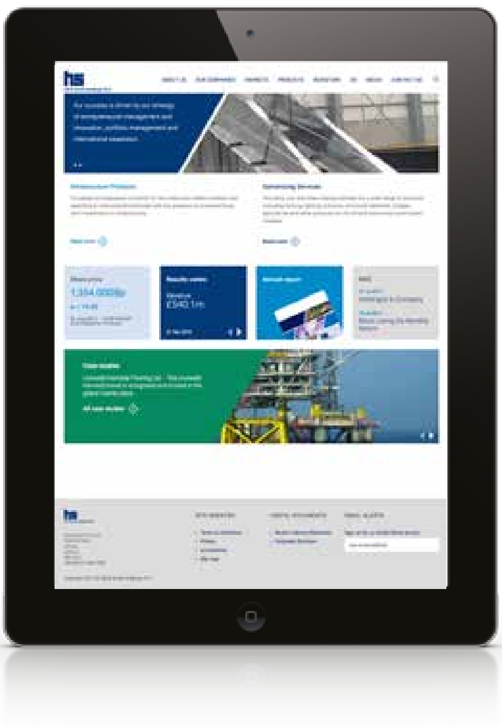
10 August 2017

Kenway's composite submarine camels acting as a fender to protect the US Navy's nuclear submarine from the pier.

Varley & Gulliver's Vehicle Restraint Systems on the A6182 Great Yorkshire Way.

Financial Statements

Financial Statements and Notes



Images

Above: Zoneguard, installed by ATA, on the E4 Stockholm bypass project, Sweden.

See further information at hsholdings.com

Condensed Consolidated Income Statement

Six months ended 30 June 2017

	Notes	6 months ended 30 June 2017 Underlying £m	6 months ended 30 June 2017 Non-underlying* £m	6 months ended 30 June 2017 Total £m	6 months ended 30 June 2016** Underlying £m	6 months ended 30 June 2016** Non-underlying* £m	6 months ended 30 June 2016** Total £m	Year ended 31 December 2016 Underlying £m	Year ended 31 December 2016 Non-underlying* £m	Year ended 31 December 2016 Total £m
Revenue	4	**291.8**	**-**	**291.8**	259.3	-	259.3	540.1	-	540.1
Trading profit	4	**38.8**	**-**	**38.8**	32.0	-	32.0	70.6	-	70.6
Amortisation of acquisition intangibles	6	**-**	**(2.0)**	**(2.0)**	-	(0.9)	(0.9)	-	(2.6)	(2.6)
Business reorganisation costs	6	**-**	**(2.0)**	**(2.0)**	-	(9.2)	(9.2)	-	(10.5)	(10.5)
Pension settlement gains	6	**-**	**0.2**	**0.2**	-	-	-	-	0.2	0.2
Impairment of intangible assets	6	**-**	**-**	**-**	-	-	-	-	(4.1)	(4.1)
Acquisition costs	6	**-**	**(0.2)**	**(0.2)**	-	(0.7)	(0.7)	-	(1.8)	(1.8)
Profit on disposal of subsidiary	6	**-**	**0.6**	**0.6**	-	-	-	-	-	-
Operating profit	4, 6	**38.8**	**(3.4)**	**35.4**	32.0	(10.8)	21.2	70.6	(18.8)	51.8
Financial income	7	**0.3**	**-**	**0.3**	0.1	-	0.1	0.4	-	0.4
Financial expense	7	**(1.7)**	**(0.5)**	**(2.2)**	(1.4)	(0.5)	(1.9)	(3.0)	(0.9)	(3.9)
Profit before taxation		**37.4**	**(3.9)**	**33.5**	30.7	(11.3)	19.4	68.0	(19.7)	48.3
Taxation		**(9.0)**	**0.9**	**(8.1)**	(7.4)	1.2	(6.2)	(16.3)	1.8	(14.5)
Profit for the period attributable to owners of the parent		**28.4**	**(3.0)**	**25.4**	23.3	(10.1)	13.2	51.7	(17.9)	33.8
Basic earnings per share	9	**36.2p**		**32.3p**	29.7p		16.8p	65.9p		43.0p
Diluted earnings per share	9	**35.7p**		**31.9p**	29.4p		16.6p	65.1p		42.5p
Dividend per share – Interim	9			**9.4p**			8.5p			8.5p

* The Group's definition of non-underlying items is included in note 6 on page 24.
** Re-presented as explained in note 1 on page 22.

Condensed Consolidated Statement of Comprehensive Income

Six months ended 30 June 2017

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Profit for the period	**25.4**	13.2	33.8
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of overseas operations	**(5.8)**	21.7	36.5
Exchange differences on foreign currency borrowings denominated as net investment hedges	**2.8**	(4.4)	(9.5)
Transfers to the Income Statement on cash flow hedges	**-**	0.2	0.2
Taxation on items that may be reclassified to profit or loss	**-**	-	-
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) on defined benefit pension schemes	**1.8**	(5.6)	(14.1)
Taxation on items that will not be reclassified to profit or loss	**(0.3)**	1.0	2.1
Other comprehensive (expense)/income for the period	**(1.5)**	12.9	15.2
Total comprehensive income for the period attributable to owners of the parent	**23.9**	26.1	49.0

Condensed Consolidated Statement of Financial Position

As at 30 June 2017

	Notes	30 June 2017 £m	30 June 2016 £m	31 December 2016 £m
Non-current assets				
Intangible assets		**167.1**	148.6	166.5
Property, plant and equipment		**144.6**	139.4	149.7
		311.7	288.0	316.2
Current assets				
Assets held for sale		**1.1**	-	1.1
Inventories		**77.5**	66.9	71.6
Trade and other receivables		**128.1**	119.4	112.9
Cash and cash equivalents	11	**25.7**	28.9	15.6
		232.4	215.2	201.2
Total assets		**544.1**	503.2	517.4
Current liabilities				
Trade and other liabilities		**(111.6)**	(105.9)	(105.1)
Current tax liabilities		**(9.3)**	(9.9)	(11.2)
Provisions for liabilities and charges		**(1.6)**	(8.9)	(2.6)
Interest bearing borrowings	11	**(0.3)**	(0.3)	(0.3)
		(122.8)	(125.0)	(119.2)
Net current assets		**109.6**	90.2	82.0
Non-current liabilities				
Other liabilities		**(0.6)**	(0.2)	(0.4)
Provisions for liabilities and charges		**(3.8)**	(3.0)	(3.2)
Deferred tax liability		**(8.8)**	(8.1)	(7.8)
Retirement benefit obligation		**(24.6)**	(19.7)	(27.3)
Interest bearing borrowings	11	**(134.5)**	(128.1)	(127.3)
		(172.3)	(159.1)	(166.0)
Total liabilities		**(295.1)**	(284.1)	(285.2)
Net assets		**249.0**	219.1	232.2
Equity				
Share capital		**19.7**	19.6	19.7
Share premium		**33.6**	33.5	33.5
Other reserves		**4.8**	4.6	4.8
Translation reserve		**26.3**	19.6	29.3
Hedge reserve		**-**	-	-
Retained earnings		**164.6**	141.8	144.9
Total equity		**249.0**	219.1	232.2

Condensed Consolidated Statement of Changes in Equity

Six months ended 30 June 2017

	Share capital £m	Share premium £m	Other reserves† £m	Translation reserves £m	Hedge reserves £m	Retained earnings £m	Total equity £m
Opening balance	**19.7**	**33.5**	**4.8**	**29.3**	**-**	**144.9**	**232.2**
Comprehensive income							
Profit for the period	**-**	**-**	**-**	**-**	**-**	**25.4**	**25.4**
Other comprehensive income for the period	**-**	**-**	**-**	**(3.0)**	**-**	**1.5**	**(1.5)**
Transactions with owners recognised directly in equity							
Dividends	**-**	**-**	**-**	**-**	**-**	**(6.7)**	**(6.7)**
Credit to equity of share-based payments	**-**	**-**	**-**	**-**	**-**	**1.0**	**1.0**
Satisfaction of long term incentive payments	**-**	**-**	**-**	**-**	**-**	**(2.5)**	**(2.5)**
Own shares held by employee benefit trust	**-**	**-**	**-**	**-**	**-**	**1.0**	**1.0**
Shares issued	**-**	**0.1**	**-**	**-**	**-**	**-**	**0.1**
Closing balance	**19.7**	**33.6**	**4.8**	**26.3**	**-**	**164.6**	**249.0**

Six months ended 30 June 2016

	Share capital £m	Share premium £m	Other reserves† £m	Translation reserves £m	Hedge reserves £m	Retained earnings £m	Total equity £m
Opening balance	19.6	32.8	4.6	2.3	(0.2)	139.4	198.5
Comprehensive income							
Profit for the period	-	-	-	-	-	13.2	13.2
Other comprehensive income for the period	-	-	-	17.3	0.2	(4.6)	12.9
Transactions with owners recognised directly in equity							
Dividends	-	-	-	-	-	(5.5)	(5.5)
Credit to equity of share-based payments	-	-	-	-	-	0.7	0.7
Satisfaction of long term incentive payments	-	-	-	-	-	(1.4)	(1.4)
Own shares held by employee benefit trust	-	-	-	-	-	-	-
Shares issued	-	0.7	-	-	-	-	0.7
Closing balance	19.6	33.5	4.6	19.6	-	141.8	219.1

† Other reserves represents the premium on shares issued in exchange for shares of subsidiaries acquired and £0.2m capital redemption reserve.

Condensed Consolidated Statement of Changes in Equity continued

Year ended 31 December 2016

	Share capital £m	Share premium £m	Other reserves† £m	Translation reserves £m	Hedge reserves £m	Retained earnings £m	Total equity £m
Opening balance	19.6	32.8	4.6	2.3	(0.2)	139.4	198.5
Comprehensive income							
Profit for the year	-	-	-	-	-	33.8	33.8
Other comprehensive income for the period	-	-	-	27.0	0.2	(12.0)	15.2
Transactions with owners recognised directly in equity							
Dividends	-	-	-	-	-	(16.2)	(16.2)
Credit to equity of share-based payments	-	-	-	-	-	1.1	1.1
Satisfaction of long term incentive payments	-	-	-	-	-	(1.4)	(1.4)
Own shares held by employee benefit trust	-	-	-	-	-	(0.6)	(0.6)
Transfers between reserves	-	-	0.2	-	-	(0.2)	-
Tax taken directly to the Consolidated Statement of Changes in Equity	-	-	-	-	-	1.0	1.0
Shares issued	0.1	0.7	-	-	-	-	0.8
Closing balance	19.7	33.5	4.8	29.3	-	144.9	232.2

† Other reserves represents the premium on shares issued in exchange for shares of subsidiaries acquired and £0.2m capital redemption reserve.

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June 2017

	Notes	**6 months ended 30 June 2017 £m**	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Profit before tax		**33.5**	19.4	48.3
Add back net financing costs		**1.9**	1.8	3.5
Operating profit		**35.4**	21.2	51.8
Adjusted for non-cash items:				
Share-based payments		**1.0**	0.7	1.6
Loss/(gain) on disposal of non-current assets		**0.1**	0.1	(0.2)
Profit on disposal of subsidiary		**(0.6)**	-	-
Depreciation		**9.1**	8.2	17.3
Amortisation of intangible assets		**2.5**	1.4	3.7
Impairment of non-current assets		**-**	-	4.1
		12.1	10.4	26.5
Operating cash flow before movement in working capital		**47.5**	31.6	78.3
Increase in inventories		**(7.4)**	(4.0)	(4.3)
Increase in receivables		**(16.7)**	(14.3)	(0.6)
Increase in payables		**7.5**	13.5	4.8
(Decrease)/increase in provisions and employee benefits		**(1.6)**	7.2	-
Net movement in working capital and provisions		**(18.2)**	2.4	(0.1)
Cash generated by operations		**29.3**	34.0	78.2
Income taxes paid		**(9.0)**	(6.9)	(15.7)
Interest paid		**(1.6)**	(1.5)	(3.2)
Net cash from operating activities		**18.7**	25.6	59.3
Interest received		**0.3**	0.1	0.4
Proceeds on disposal of non-current assets		**1.9**	0.1	3.6
Purchase of property, plant and equipment		**(8.6)**	(9.2)	(19.9)
Purchase of intangible assets		**(0.7)**	(0.7)	(1.8)
Acquisitions of subsidiaries		**(5.7)**	(14.2)	(36.9)
Disposal of subsidiary		**2.6**	-	-
Deferred consideration in respect of prior year acquisitions		**0.4**	-	(0.5)
Net cash used in investing activities		**(9.8)**	(23.9)	(55.1)
Issue of new shares		**0.1**	0.7	0.8
Satisfaction of long term incentive payments		**(1.5)**	(1.4)	(2.0)
Dividends paid	10	**(6.7)**	(5.5)	(16.2)
Costs associated with refinancing		**-**	(1.0)	(1.0)
New loans and borrowings		**18.7**	31.3	46.1
Repayment of loans and borrowings		**(9.0)**	(11.6)	(31.7)
Net cash raised from/(used in) financing activities		**1.6**	12.5	(4.0)
Net increase in cash		**10.5**	14.2	0.2
Cash at the beginning of the period		**15.6**	12.9	12.9
Effect of exchange rate fluctuations		**(0.4)**	1.8	2.5
Cash at the end of the period	11	**25.7**	28.9	15.6

Notes to the Condensed Consolidated Interim Financial Statements

1. Basis of preparation

Hill & Smith Holdings PLC is incorporated in the UK. The Condensed Consolidated Interim Financial Statements of the Company have been prepared on the basis of International Financial Reporting Standards, as adopted by the EU ('Adopted IFRSs') that are effective at 10 August 2017 and in accordance with IAS34: Interim Financial Reporting, comprising the Company, its subsidiaries and its interests in jointly controlled entities (together referred to as the 'Group').

As required by the Disclosure and Transparency Rules of the Financial Services Authority, the Condensed Consolidated Interim Financial Statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published Consolidated Financial Statements for the year ended 31 December 2016 (these statements do not include all of the information required for full Annual Financial Statements and should be read in conjunction with the full Annual Report for the year ended 31 December 2016). In 2017 the following amendments had been endorsed by the EU, became effective and therefore were adopted by the Group:

- Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses
- Disclosure Initiative – Amendments to IAS 7

The following standards and interpretations, which were not effective as at 30 June 2017 and have not been early adopted by the Group, will be adopted in future accounting periods:

- IFRS 9 'Financial Instruments' (effective 1 January 2018)
- IFRS 15 'Revenue from Contracts with Customers' (effective 1 January 2018)
- IFRS 16 'Leases' (effective 1 January 2019)

The comparative figures for the financial year ended 31 December 2016 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor (i) was unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

These Condensed Consolidated Interim Financial Statements have not been audited or reviewed by an auditor pursuant to the Auditing Practices Board's Guidance on Financial Information.

The Financial Statements are prepared on the going concern basis. This is considered appropriate given that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future.

Re-presentation of prior period comparatives

In March 2016, the Group announced the proposed restructuring of its non-US Pipe Supports operations. In the Group's half year results to 30 June 2016 the post-announcement trading results of the non-US Pipe Supports operations (revenue of £5.3m and an operating loss of £1.0m) were disclosed separately as non-underlying items given their quantum relative to the overall result for that period. As reported in the financial statements for the period ending 31 December 2016, the post-announcement trading results of the non-US Pipe Supports operations (revenue of £10.6m and an operating loss of £0.6m) were included in the Group's underlying trading results for the year.

Accordingly, to maintain consistent disclosure with the 31 December 2016 financial statements, the trading results of the non-US Pipe Supports operations for the period ending 30 June 2017 have been included in the Group's underlying trading results for the period. In order to ensure comparability of presentation between the period ending 30 June 2017 and 30 June 2016, the income statement for the period ending 30 June 2016 has been re-presented to disclose the post-announcement trading results of the non-US Pipe Supports operations within the Group's underlying trading results for that period.

2. Financial risks, estimates, assumptions and judgements

The preparation of the Condensed Consolidated Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from estimates.

In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated Financial Statements as at and for the year ended 31 December 2016.

3. Exchange rates

The principal exchange rates used were as follows:

	6 months ended 30 June 2017		6 months ended 30 June 2016		Year ended 31 December 2016	
	Average	**Closing**	Average	Closing	Average	Closing
Sterling to Euro (£1 = EUR)	**1.16**	**1.14**	1.28	1.21	1.22	1.17
Sterling to US Dollar (£1 = USD)	**1.27**	**1.30**	1.43	1.34	1.35	1.23
Sterling to Swedish Krona (£1 = SEK)	**11.17**	**10.96**	11.94	11.38	11.57	11.14

4. Segmental information

The Group has three reportable segments which are Infrastructure Products – Roads, Infrastructure Products – Utilities and Galvanizing Services. Several operating segments that have similar economic characteristics have been aggregated into these reporting segments.

Income Statement

	6 months ended 30 June 2017			6 months ended 30 June 2016**		
	Revenue* £m	Result £m	Underlying result* £m	Revenue* £m	Result £m	Underlying result* £m
Infrastructure Products - Utilities	**107.1**	**6.5**	**7.6**	100.4	(4.6)	4.7
Infrastructure Products - Roads	**93.8**	**8.5**	**10.2**	77.5	8.1	9.0
Infrastructure Products - Total	**200.9**	**15.0**	**17.8**	177.9	3.5	13.7
Galvanizing Services	**90.9**	**20.4**	**21.0**	81.4	17.7	18.3
Total Group	**291.8**	**35.4**	**38.8**	259.3	21.2	32.0
Net financing costs		**(1.9)**	**(1.4)**		(1.8)	(1.3)
Profit before taxation		**33.5**	**37.4**		19.4	30.7
Taxation		**(8.1)**	**(9.0)**		(6.2)	(7.4)
Profit after taxation		**25.4**	**28.4**		13.2	23.3

** Re-presented as explained in note 1.

	Year ended 31 December 2016		
	Revenue* £m	Result £m	Underlying result* £m
Infrastructure Products - Utilities	207.6	4.0	13.0
Infrastructure Products - Roads	168.1	10.9	19.6
Infrastructure Products - Total	375.7	14.9	32.6
Galvanizing Services	164.4	36.9	38.0
Total Group	540.1	51.8	70.6
Net financing costs		(3.5)	(2.6)
Profit before taxation		48.3	68.0
Taxation		(14.5)	(16.3)
Profit after taxation		33.8	51.7

* Underlying result is stated before Non-underlying items as defined in note 6 on page 24, and is the measure of segment profit used by the Chief Operating Decision Maker, who is the Chief Executive. The Result columns are included as additional information.

Galvanizing Services provided £3.3m revenues to Infrastructure Products – Roads (six months ended 30 June 2016: £2.4m, the year ended 31 December 2016: £4.7m) and £1.0m revenues to Infrastructure Products – Utilities (six months ended 30 June 2016: £0.6m, the year ended 31 December 2016: £1.4m). Infrastructure Products – Utilities provided £3.4m revenues to Infrastructure Products – Roads (six months ended 30 June 2016: £2.0m, the year ended 31 December 2016: £5.4m). These internal revenues, along within revenues generated within each segment, have been eliminated on consolidation.

The Group presents the analysis of revenue by geographical market, irrespective of origin:

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
UK	**149.5**	123.7	264.5
Rest of Europe	**51.3**	44.3	89.1
North America	**81.1**	74.5	156.9
Asia and the Middle East	**6.1**	12.4	19.6
Rest of World	**3.8**	4.4	10.0
Total reported revenue	**291.8**	259.3	540.1

Notes to the Condensed Consolidated Interim Financial Statements continued

5. Operating profit

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Revenue	**291.8**	259.3	540.1
Cost of sales	**(185.4)**	(161.3)	(340.6)
Gross profit	**106.4**	98.0	199.5
Distribution costs	**(14.9)**	(12.3)	(28.7)
Administrative expenses	**(56.6)**	(65.1)	(120.2)
Other operating income	**0.5**	0.6	1.2
Operating profit	**35.4**	21.2	51.8

6. Non-underlying items

Non-underlying items are disclosed separately in the Consolidated Income Statement where the quantum, nature or volatility of such items would otherwise distort the underlying trading performance of the Group. The following are included by the Group in its assessment of non-underlying items:

- Gains or losses arising on disposal, closure, restructuring or reorganisation of businesses that do not meet the definition of discontinued operations.
- Amortisation of intangible fixed assets arising on acquisitions.
- Expenses associated with acquisitions.
- Impairment charges in respect of tangible or intangible fixed assets.
- Changes in the fair value of derivative financial instruments.
- Significant past service items or curtailments and settlements relating to defined benefit pension obligations resulting from material changes in the terms of the schemes.
- Net financing costs or returns on defined benefit pension obligations.
- Costs incurred as part of significant refinancing activities.

The tax effect of the above is also included.

Details in respect of the non-underlying items recognised in the current period and prior year are set out below.

Six months ended 30 June 2017

Non-underlying items included in operating profit comprise the following:

- Business reorganisation costs of £2.0m relate to three restructuring actions taken by the Group:
  - In June 2017, the Group initiated a rationalisation of its Variable Message Signs business that will result in the closure of two of its operating sites and the consolidation of activities into the remaining site in Hebburn, UK. The business has been operating across three sites since the acquisitions of VMS and Tegrel in 2014/15 and expects to take advantage of cost savings and efficiencies as a result of the rationalisation. The anticipated cost of the exercise is £1.4m.
  - Following a strategic review of the US Pipe Supports business, in March 2017 the Group completed a rationalisation of its branch structure resulting in the closure of three of the seven existing branches and the consolidation of their operations into one strategically located service centre between New York and Philadelphia to serve the eastern region. The cost of this programme was £0.4m.
  - In December 2016 the Group announced the closure of its roads business in India having reassessed the prospects in that market. The prior year results included a charge of £1.9m in respect of the closure. A further charge of £0.2m has been recognised in 2017 representing additional closure costs that have been incurred.
- Acquisition expenses of £0.2m relate to the acquisition completed during the period.
- Amortisation of acquired intangible fixed assets of £2.0m.
- A gain of £0.2m arose on the settlement of outstanding defined benefit liabilities with certain pension scheme members who took transfers of their pension entitlement during the period.

6. Non-underlying items continued

- In April 2017 the Group sold its traffic data collection business, CA Traffic Limited, to TagMaster AB for net consideration of £2.7m. Net assets disposed were £2.1m resulting in a profit on disposal of £0.6m. The detail of the disposal is set out below:

	Total £m
Capitalised development costs	**0.6**
Inventories	**1.4**
Current assets	**0.9**
Cash and cash equivalents	**0.1**
Current liabilities	**(0.8)**
Deferred tax	**(0.1)**
Net assets	**2.1**
Consideration	**2.9**
Less costs of disposal	**(0.2)**
Gain on disposal	**0.6**
Cash flow effect	
Consideration less costs of disposal	**2.7**
Cash and cash equivalents disposed of	**(0.1)**
Net cash consideration shown in the Consolidated Statement of Cash Flows	**2.6**

Non-underlying items included in financial expense represent the net financing cost on pension obligations of £0.3m and a £0.2m charge in respect of amortisation of costs associated with refinancing.

Year ended 31 December 2016
Non-underlying items included in operating profit comprised the following:

- Business reorganisation costs of £10.5m relating to the closure or reorganisation of three of the Group's businesses as set out below.
  - On 9 March 2016 the Group announced its intention to exit its non-US Pipe Supports business, involving cessation of manufacturing in the UK and Thailand, the closure of its sales office in China and the transfer of work to its facility in India. The cost of closure was £7.8m.
  - Following the acquisition of Signature Limited on 3 August 2016, the Group completed a reorganisation of the business as part of its integration with Mallatite Limited, the Group's existing lighting column operation. The cost of the reorganisation and restructuring plan was £0.8m and included a reduction in the number of operating sites of the integrated business from five to three.
  - In December 2016 the Group committed to the closure of Hill & Smith Infrastructure Products India Pvt. Limited, our Roads business in India. The provision made for the cost of closure was £1.9m.
- An impairment charge of £4.1m in respect of the goodwill relating to CA Traffic Limited. The business was subsequently sold in the current period.
- Amortisation of acquired intangible fixed assets of £2.6m (2015: £1.6m).
- Acquisition expenses of £1.8m (2015: £1.0m) principally relating to acquisitions made by the Group during 2016.
- A gain of £0.2m relating to the settlement of certain defined benefit pension obligations during the year.

Non-underlying items included in financial expense represent the net financing cost on pension obligations of £0.5m and a £0.4m charge in respect of amortisation of costs associated with refinancing.

Notes to the Condensed Consolidated Interim Financial Statements continued

7. Net financing costs

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Interest on bank deposits	0.3	0.1	0.4
Financial income	0.3	0.1	0.4
Interest on bank loans and overdrafts	1.7	1.4	3.0
Interest on finance leases and hire purchase contracts	-	-	-
Total interest expense	1.7	1.4	3.0
Financial expenses related to refinancing	0.2	0.2	0.4
Interest cost on net pension scheme deficit	0.3	0.3	0.5
Financial expense	2.2	1.9	3.9
Net financing costs	1.9	1.8	3.5

8. Taxation
Tax has been provided on the underlying profit at the estimated effective rate of 24.0% (2016: 24.0%) for existing operations for the full year.

9. Earnings per share
The weighted average number of ordinary shares in issue during the period was 78.6m, diluted for the effect of outstanding share options 79.5m (six months ended 30 June 2016: 78.5m and 79.2m diluted, the year ended 31 December 2016: 78.5m and 79.3m diluted).

Underlying earnings per share are shown below as the Directors consider that this measurement of earnings gives valuable information on the underlying performance of the Group:

	6 months ended 30 June 2017		6 months ended 30 June 2016**		Year ended 31 December 2016	
	Pence per share	£m	Pence per share	£m	Pence per share	£m
Basic earnings	32.3	25.4	16.8	13.2	43.0	33.8
Non-underlying items*	3.9	3.0	12.9	10.1	22.9	17.9
Underlying earnings	36.2	28.4	29.7	23.3	65.9	51.7
Diluted earnings	31.9	25.4	16.6	13.2	42.5	33.8
Non-underlying items*	3.8	3.0	12.8	10.1	22.6	17.9
Underlying diluted earnings	35.7	28.4	29.4	23.3	65.1	51.7

* Non-underlying items as detailed in note 6.
** Re-presented as explained in note 1.

10. Dividends
Dividends paid in the period were the prior year's interim dividend of £6.7m (2015: £5.5m). The final dividend for 2016 of £14.1m (2016: £10.7m) was paid on 2 July 2017. Dividends declared after the Balance Sheet date are not recognised as a liability, in accordance with IAS10. The Directors have proposed an interim dividend for the current year of £7.4m, 9.4p per share (2016: £6.7m, 8.5p per share), which will be paid on 4 January 2018 to shareholders on the register on 1 December 2017.

11. Analysis of net debt

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Cash and cash equivalents	**25.7**	28.9	15.6
Interest bearing loans and borrowings due within one year	**(0.3)**	(0.3)	(0.3)
Interest bearing loans and borrowings due after more than one year	**(134.5)**	(128.1)	(127.3)
Net debt	**(109.1)**	(99.5)	(112.0)

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £m	Year ended 31 December 2016 £m
Change in net debt			
Operating profit	**35.4**	21.2	51.8
Non-cash items	**12.1**	10.4	26.5
Operating cash flow before movement in working capital	**47.5**	31.6	78.3
Net movement in working capital	**(16.6)**	(4.8)	(0.1)
Change in provisions and employee benefits	**(1.6)**	7.2	-
Operating cash flow	**29.3**	34.0	78.2
Tax paid	**(9.0)**	(6.9)	(15.7)
Net financing costs paid	**(1.3)**	(1.4)	(2.8)
Capital expenditure	**(9.3)**	(9.9)	(21.7)
Proceeds on disposal of non-current assets	**1.9**	0.1	3.6
Free cash flow	**11.6**	15.9	41.6
Dividends paid (note 10)	**(6.7)**	(5.5)	(16.2)
Acquisitions	**(5.3)**	(14.2)	(37.4)
Disposals	**2.6**	-	-
Amortisation of costs associated with refinancing revolving credit facilities	**(0.2)**	(0.2)	(0.4)
Issue of new shares	**0.1**	0.7	0.8
Satisfaction of long term incentive payments	**(1.5)**	(1.4)	(2.0)
Net debt decrease/(increase)	**0.6**	(4.7)	(13.6)
Effect of exchange rate fluctuations	**2.3**	(3.3)	(6.9)
Net debt at the beginning of the period	**(112.0)**	(91.5)	(91.5)
Net debt at the end of the period	**(109.1)**	(99.5)	(112.0)

12. Financial instruments

The table below sets out the Group's accounting classification of its financial assets and liabilities and their fair values as at 30 June. The fair values of all financial assets and liabilities are not materially different to the carrying values.

	Designated at fair value £m	Amortised cost £m	Total carrying value £m	Fair value £m
Cash and cash equivalents	**-**	**25.7**	**25.7**	**25.7**
Interest bearing loans due within one year	**-**	**(0.3)**	**(0.3)**	**(0.3)**
Interest bearing loans due after more than one year	**-**	**(134.5)**	**(134.5)**	**(134.5)**
Derivative assets	**-**	**-**	**-**	**-**
Derivative liabilities	**(0.2)**	**-**	**(0.2)**	**(0.2)**
Other assets	**-**	**117.3**	**117.3**	**117.3**
Other liabilities	**-**	**(98.9)**	**(98.9)**	**(98.9)**
Total at 30 June 2017	**(0.2)**	**(90.7)**	**(90.9)**	**(90.9)**

Notes to the Condensed Consolidated Interim Financial Statements continued

12. Financial instruments continued

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either as a direct price or indirectly derived from prices.
- Level 3 : inputs for the asset or liability that are not based on observable market data.

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Derivative financial assets	-	-	-	-
Derivative financial liabilities	-	(0.2)	-	(0.2)
At 30 June 2017	-	(0.2)	-	(0.2)

At 30 June 2017 the Group did not have any liabilities classified at Level 1 or Level 3 in the fair value hierarchy. There have been no transfers in any direction in the period.

The Group determines Level 2 fair values for its financial instruments based on broker quotes, tested for reasonableness by discounting expected future cash flows using market interest rates for a similar instrument at the measurement date.

13. Acquisitions

On 27 March 2017 the Group acquired the trade and assets of Kenway Corporation ('Kenway') to expand the Group's presence in the US composite market. Kenway is a specialist in technologically advanced composite design, manufacturing and field service work across a broad range of industries including marine, power, pulp and paper, transportation and renewable energy. Details of this acquisition are as follows:

Kenway Corporation	Pre acquisition carrying amount £m	Policy alignment and fair value adjustments £m	Total £m
Intangible assets	-	1.5	1.5
Property, plant and equipment	0.5	-	0.5
Inventories	1.0	(0.6)	0.4
Current assets	0.7	-	0.7
Cash and cash equivalents	-	-	-
Total assets	**2.2**	**0.9**	**3.1**
Current liabilities	(0.2)	-	(0.2)
Deferred tax	-	(0.3)	(0.3)
Total liabilities	**(0.2)**	**(0.3)**	**(0.5)**
Net assets	**2.0**	**0.6**	**2.6**
Consideration			
Consideration in the period			**6.2**
Goodwill			**3.6**
Cash flow effect			
Consideration			**6.2**
Deferred consideration			**(0.5)**
Cash and cash equivalents received in the business			**-**
Net cash consideration shown in the Consolidated Statement of Cash Flows			**5.7**

Brands and customer relationships have been recognised as specific intangible assets as a result of the acquisition. The residual goodwill arising primarily represents the assembled workforce, market share and geographical advantages afforded to the Group. Fair value adjustments have been made to better align the accounting policies of the acquired business with the Group's accounting policies and to reflect the fair value of assets and liabilities acquired. There is no difference between the gross value and fair value of acquired receivables.

Post acquisition the acquired business has contributed £1.3m revenue and £0.1m underlying operating profit, which are included in the Group's Consolidated Income Statement. If the acquisition had been made on 1 January 2017, the Group's results for the period would have shown underlying revenue of £292.6m and underlying operating profit of £38.8m.

Financial Calendar

Ex-dividend date	30 November 2017
Record date	1 December 2017
Payment of interim dividend for 2017	4 January 2018
Preliminary results announcement for 2017	7 March 2018
Annual General Meeting 2018	17 May 2018

Dividend Reinvestment Plan

Hill & Smith offers a Dividend Reinvestment Plan (‘Plan’). The Plan, administered by the Company’s Registrars, Computershare Investor Services, allows shareholders to reinvest their cash dividends in Hill & Smith ordinary shares. Shareholders who have not already joined the Plan, and who wish to participate in the Plan in respect of the interim dividend to be paid on 4 January 2018, need to elect to do so by 1 December 2017. In order to make an election, shareholders should contact Computershare Investor Services either by telephoning 0370 707 1058 or by visiting its website www.computershare.com/investor/UK.

Principal Group Businesses

Infrastructure Products - Roads

United Kingdom

Hill & Smith Ltd
Highway and off-highway safety barriers

Springvale Business and Industrial Park,
Bilston, Wolverhampton, WV14 0QL
Tel: +44 (0) 1902 499400
Fax: +44 (0) 1902 499419
info@hill-smith.co.uk
www.hill-smith.co.uk

Asset International Structures (D)
Manufacturer of structural solutions including corrugated steel Multiplate, Stren-Cor, Precast arches & VSoL retained earth systems for Highway & Rail construction sectors
www.assetint.co.uk

Asset VRS (D)
Permanent and temporary solutions for vehicle restraints
www.asset-vrs.co.uk

Berry Systems (D)
Car park and industrial barriers, spring steel barriers, protection bollards, speed ramps, handrail panels
www.berrysystems.co.uk

Brifen (D)
Wire rope safety fence vehicle restraints
www.hill-smith.co.uk

Tegrel (D)
Design and manufacture of bespoke metal fabrications and enclosures
www.tegrel.co.uk

Variable Message Signs (D)
Design, manufacture and installation of LED based light technology solutions
www.vmstech.co.uk

Hardstaff Barriers Ltd*
Temporary and permanent road safety barriers

Hillside, Gotham Road, Kingston-on-Soar,
Nottingham, NG11 0DF
Tel: +44 (0) 115 983 2304
enquiries@hardstaffbarriers.com
www.hardstaffbarriers.com

Mallatite Ltd
Manufacture of lighting columns, bespoke support structures, traffic sign columns, posts and associated lighting products

Holmewood Industrial Estate, Hardwick
View Road, Holmewood, Chesterfield,
Derbyshire, S42 5SA
Tel: +44 (0) 1246 593280
Fax: +44 (0) 1246 593281
sales@mallatite.co.uk
www.mallatite.co.uk

Varley & Gulliver Ltd
Vehicle and pedestrian parapets, and passive sign supports

57-70 Alfred Street, Sparkbrook,
Birmingham, B12 8JR
Tel: +44 (0) 121 773 2441
Fax: +44 (0) 121 766 6875
sales@v-and-g.co.uk
www.v-and-g.co.uk

Rest of the World

ATA Hill & Smith AB*
Road safety barriers, road signage and traffic safety solutions
Incorporated in Sweden

Staffans väg 7, 192 78,
Sollentuna, Sweden
Tel: +46 (0) 8 98 80 70
Fax: +46 (0) 8 29 25 15
info@ata.se
www.ata.se

ATA Hill & Smith AS*
Road safety barriers, road signage and traffic safety solutions
Incorporated in Norway

Jacob Borchs Gate 6
3012 Drammen
Tel: +47 (0) 32 26 93 00
post@ata.co
www.ata.no

Conimast International SAS*
Specialist steel lighting columns, galvanizing and steel powder coating
Incorporated in France

Z.I. La Sauniere BP70, 89600,
Saint Florentin, France
Tel: +33 (0) 3 86 43 82 00
Fax: +33 (0) 3 86 43 41 08
contact@conimast.fr
www.conimast.fr

Hill & Smith, Inc.*
Temporary road barrier solutions for workzone protection
Incorporated in the USA

987 Buckeye Park Road, Columbus,
Ohio, 43207, USA
Tel: +1 (614) 340 6294
Fax: +1 (614) 340 6296
info@hillandsmith.com
www.hillandsmith.com

Hill & Smith Pty Ltd*
Wire rope and temporary safety barriers
Incorporated in Australia

Unit 1, 242 New Cleveland Road,
Tingalpa, QLD 4173, Australia
Tel: +61 (0) 7 3162 6078
hsroads.com.au

Notes:
The above lists the Company's subsidiary undertakings, except for some intermediate holding companies and certain other undertakings of minor importance. Except where indicated, the undertakings are subsidiaries incorporated in Great Britain and the share capital consists of ordinary shares only.
***** The Company's effective interest is held indirectly for these undertakings.
(D) Operating division only, not a limited company.

Infrastructure Products - Utilities

United Kingdom

Asset International Ltd
Weholite HDPE structured wall, large diameter pipes, for use in the water and construction sectors

Stephenson Street, Newport,
South Wales, NP19 4XH
Tel: +44 (0) 1633 273081
Fax: +44 (0) 1633 290519
sales@weholite.co.uk
www.weholite.co.uk

Barkers Engineering Ltd*
Perimeter security solutions and fasteners

Duke Street, Fenton, Stoke-on-Trent,
Staffordshire, ST4 3NS
Tel: +44 (0) 1782 319264
Fax: +44 (0) 1782 599724
sales@barkersengineering.com
www.barkersengineering.com

Birtley Group Ltd*
Galvanized lintels, construction fittings, composite doors, Expamet builders metalwork & plasterers accessories

Mary Avenue, Birtley, County Durham,
DH3 1JF
Tel: +44 (0) 191 410 6631
Fax: +44 (0) 191 410 0650
info@birtleygroup.co.uk
www.birtleygroup.co.uk

Lionweld Kennedy Flooring Ltd
Open steel flooring, handrailing and ancillary products

Marsh Road, Middlesbrough, TS1 5JS
Tel: +44 (0) 1642 245151
Fax: +44 (0) 1642 224710
sales@lk-uk.com
www.lk-uk.com

Technocover Ltd*
Steel security solutions

Henfaes Lane, Welshpool, Powys, SY21 7BE
Tel: +44 (0) 1938 555511
Fax: +44 (0) 1938 555527
techweb@technocover.co.uk
www.technocover.co.uk

United States of America

Creative Pultrusions, Inc.*
Manufacture of fibre reinforced polymer (FRP) composite profiles

214 Industrial Lane, Alum Bank,
Pennsylvania, 15521, USA
Tel: +1 (814) 839 4186
Toll-free: # 888-CPI-PULL (274-7855)
Fax: +1 (814) 839 4276
crpul@pultrude.com
www.creativepultrusions.com

E.T. Techtonics (D)
Design and construction of fiberglass bridge and boardwalk systems
www.ettechtonics.com

Kenway Composites (D)
Advanced custom composite manufacturing and professional field services for various industries
www.kenway.com

V&S Utilities**
Fabrication of electrical transmission and substation structures and supplier of substation packaging services

987 Buckeye Park Road, Columbus,
Ohio, 43207, USA
Tel: +1 (614) 449 8281
Fax: +1 (614) 449 8851
info@vsschuler.com
www.vsschuler.com

Bergen Pipe Supports, Inc.*
Manufacture and supply of pipe supports solutions, including constant and variable effort supports

484 Galiffa Drive, Donora,
Pennsylvania, 15033, USA
Tel: +1 (724) 379 5212
Fax: +1 (724) 379 9363
www.pipesupports.com

Carpenter & Paterson, Inc.*
Industrial pipe hangers, metal framing channel and fasteners

225 Merrimac Street, Woburn,
Massachusetts, 01801, USA
Tel: +1 (781) 935 2950
Fax: +1 (781) 935 7664
www.pipehangers.com

Novia Associates (D)
Vibration and seismic control manufacturer
www.cp-novia.com

Pipe Supports

Bergen Pipe Supports India Private Ltd*
Incorporated in India

Plot No.12, Ground Floor,
"RADHA", Mangala Nagar Main Road,
Porur, Chennai, 600116
Tel: +91 8576 305 666
bpsi@pipesupports.com
www.pipesupports.com

Notes:
The above lists the Company's subsidiary undertakings, except for some intermediate holding companies and certain other undertakings of minor importance. Except where indicated, the undertakings are subsidiaries incorporated in Great Britain and the share capital consists of ordinary shares only.
* The Company's effective interest is held indirectly for these undertakings.
** Trading name for V&S Schuler Engineering Inc and V&S Schuler Tubular Products LLC, both are indirectly held, wholly owned and incorporated in the USA.

Principal Group Businesses continued

Galvanizing Services

United Kingdom

Joseph Ash Ltd*
Galvanizing services

Alcora Building 2, Mucklow Hill
Halesowen, West Midlands, B62 8DG
Tel: +44 (0) 121 504 2560
Fax: +44 (0) 121 504 2599
sales@josephash.co.uk
www.josephash.co.uk

Medway Galvanising Company Ltd*
Galvanizing, shotblasting and powder coating services together with monohinge gates

Castle Road, Eurolink Industrial Centre,
Sittingbourne, Kent, ME10 3RN
Tel: +44 (0) 1795 479489
Fax: +44 (0) 1795 477598
info@medgalv.co.uk
www.medgalv.co.uk

Premier Galvanizing Ltd*
Galvanizing and powder coating services

Unit 25, Stoneferry Business Park
Foster Street, East Riding of Yorkshire,
HU8 8BT
Tel: +44 (0) 1482 587587
Fax: +44 (0) 1482 588599
info@premiergalv.co.uk
www.premiergalv.co.uk

Barkers Engineering Ltd*
Galvanizing and powder coating services

Duke Street, Fenton, Stoke-on-Trent,
Staffordshire, ST4 3NS
Tel: +44 (0) 1782 343811
Fax: +44 (0) 1782 344974
sales@barkersgalvanizing.com
www.barkersgalvanizing.com

Birtley Group Ltd*
Galvanizing services

Mary Avenue, Birtley, County Durham,
DH3 1JF
Tel: +44 (0) 191 410 4421
Fax: +44 (0) 191 492 1817
info@birtleygalvanizing.co.uk
www.birtleygalvanizing.co.uk

United States of America

Voigt & Schweitzer LLC*
Galvanizing Services

987 Buckeye Park Road, Columbus
Ohio, 43207, USA
Tel: +1 (614) 449 8281
Fax: +1 (614) 449 8851
info@hotdipgalvanizing.com
www.hotdipgalvanizing.com

France

France Galva SA*
Galvanizing and powder coaters of steel

Z.I. La Saunière BP70, 89600
Saint Florentin, France
Tel: +33 (0) 3 86 43 82 30
Fax: +33 (0) 3 86 43 82 29
contact@francegalva.fr
www.francegalva.fr

Notes:
The above lists the Company's subsidiary undertakings, except for some intermediate holding companies and certain other undertakings of minor importance. Except where indicated, the undertakings are subsidiaries incorporated in Great Britain and the share capital consists of ordinary shares only.
* The Company's effective interest is held indirectly for these undertakings.

Directors, Contacts & Advisors

Directors

J F Lennox LLB, CA
(Chairman and Non-executive)

D W Muir BSc, CEng, MICE
(Group Chief Executive)

M Pegler BCom, FCA
(Group Finance Director and
Managing Director - UK Utilities division)

A M Kelleher MSc, BA
(Non-executive)

M J Reckitt BCom, CA
(Non-executive)

Contacts

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1 Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Brokers and Financial Advisors
Investec Investment Banking
2 Gresham Street
London
EC2V 7QP

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Barclays Bank Plc
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PO Box 3333
1 Snowhill
Snow Hill Queensway
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B3 2WN

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