Hill & Smith Holdings PLC

2016

Half year results
Six months ended 30 June 2016



> “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: Asset Weholite’s 3.5m diameter, 3 legged manifold storm attenuation tank for a housing development, Cornwall.

Middle: Energy absorbing permanent and temporary steel barrier, Zoneguard, installed on the A14, Kettering.

Bottom: Galvanizing and painting by France Galva on the 180m lightweight Schuman bridge, the 17th bridge spanning Lyon’s river Saône.

This page:

Left: Welding taking place at our Hill & Smith Ltd site in Bilston.

Centre: Asset Zoneguard and Quadguard on the M5 Exeter.

Right: Galvanizing by Joseph Ash. The ‘Rise’ sculpture at the Glasgow Harbour development next to the river Clyde.

Opposite page:

Double sided Flexbeam SPR4 median barrier installed in Rimforsa, Sweden.

See further information at hsholdings.com

Hill & Smith Holdings PLC

Contents

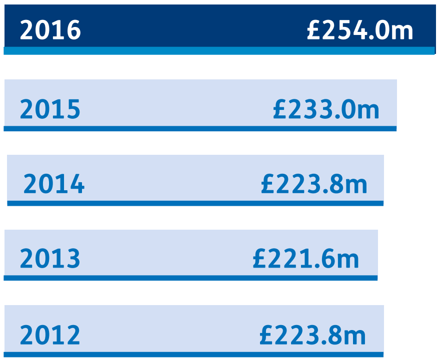
Group Highlights

- Continued strong trading.
- Infrastructure investment outlook remains favourable throughout the UK and US operations.
- Underlying operating profit up 25%.
- Five infrastructure acquisitions completed, in line with strategy of active portfolio management.
- Strong cash generation supported continued investment in acquisitions and organic growth.
- Interim dividend increased by 20% to 8.5p.

			Change	
	30 June 2016	30 June 2015	Reported %	Constant Currency %
Underlying revenue*	**£254.0m**	**£233.0m**	+9	+6
Underlying operating profit*	**£33.0m**	**£26.3m**	+25	+20
Underlying profit before tax*	**£31.7m**	**£24.8m**	+28	+22
Underlying earnings per share*	**30.7p**	**24.2p**	+27	+22
Profit before tax	**£19.4m**	**£7.1m**	+173	
Basic earnings per share	**16.8p**	**5.6p**	+200	
Dividend per share	**8.5p**	**7.1p**	+20	

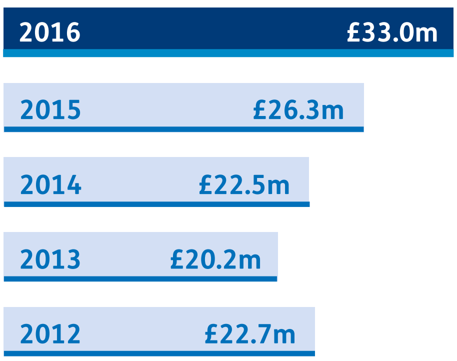
Underlying revenue

£254.0m
up 9%



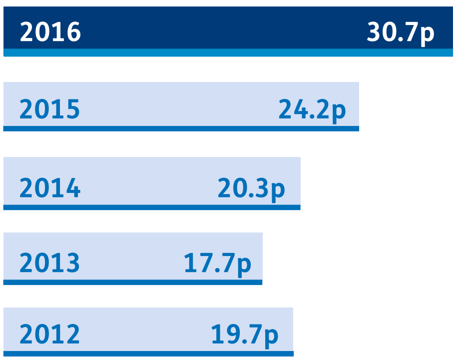
Underlying operating profit

£33.0m
up 25%



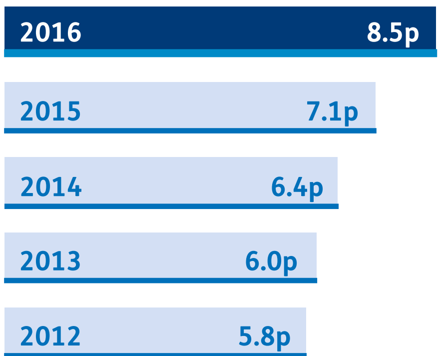
Underlying earnings per share

30.7p
up 27%



Dividend per share

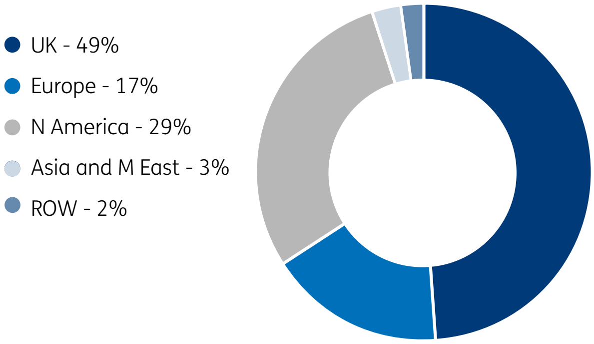
8.5p
up 20%



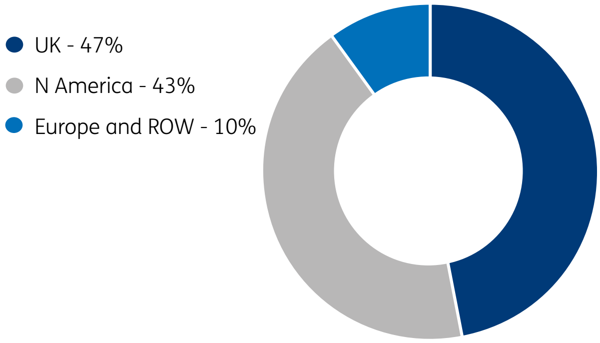
* All underlying measures exclude certain non-operational items, which are defined in note 6 on page 22. References to an underlying measure throughout this report are made on this basis.

Group at a Glance

Percentage of £254.0m underlying revenue shown by end market geography



Percentage of £33.0m underlying operating profit shown by location of the operating site



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, the road safety barrier and signage business.

India – manufacturing facilities for pipe supports and the Hill & Smith infrastructure products business.

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, traffic data collection systems, 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.

Underlying revenue
£172.6m up 6%

2016	£172.6m
2015	£163.4m

Underlying operating profit
£14.7m up 18%

2016	£14.7m
2015	£12.5m

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.

Underlying revenue
£81.4m up 17%

2016	£81.4m
2015	£69.6m

Underlying operating profit
£18.3m up 33%

2016	£18.3m
2015	£13.8m

Case Study

E.T. Techtonics, Inc.
Since 1987, E.T. Techtonics, Inc. ('ETT') has been at the forefront in the design and construction of Fiber-Reinforced Polymer ('FRP') composite bridges and building systems. Acquired by Creative Pultrusions Inc. in January 2016, and now located in Alum Bank, Pennsylvania, the company is recognised as an international leader in the design and sales of FRP bridges. To date, over 500 pedestrian bridges and walkway systems throughout the world have been engineered and installed using the ETT fibreglass bridge system.

" Strong and lightweight prefabricated bridges. Maintenance free and install anywhere. "

During the past 20 years, ETT has developed, in conjunction with its research and development programme, reliable design procedures and specifications for FRP pedestrian, equestrian, bicycle and light vehicle bridge structures as well as utility catwalks and platforms. The company has also acquired invaluable construction expertise as it has erected and/or provided on-site supervision for many of its bridge and building structures. This has led to the development of reliable field procedures for the assembly and installation of FRP structures.

During 2016 ETT provided new bridges to cross the Northwest Branch of Montgomery County Park, Maryland, near Washington DC. Montgomery County Park has over 160 miles of beautiful natural surface trails open to hikers, equestrians and mountain bikers that have a large number of bridges, of which c. 40 have been designed by ETT and manufactured out of FRP materials by Creative Pultrusions Inc..

The design of these bridges and the material they are manufactured from means that not only are the bridges extremely environmentally friendly, but they are also a perfect fit for remote locations. Each piece can be hand carried into the site and assembled by volunteers following simple instructions as well as professional installation contractors.

Find out more about the company at www.ettechtonics.com.

Top image: ETT's bridge over Bailey's Bay in Hamilton, Bermuda.

Bottom Image: Montgomery County Park in Maryland, USA.

Business Review

Bill Whiteley
Chairman

Derek Muir
Group Chief Executive

Introduction

Hill & Smith has delivered a very strong trading performance in the six months to 30 June 2016.

Infrastructure investment in our key UK and US markets remained robust which, along with our focused active portfolio management strategy, resulted in record revenue and profitability. Underlying operating margins again improved across all three divisions.

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 increasing infrastructure investment in our chosen end markets. Together the UK and US operations represented 90% of operating profit in the first half. Organic profit growth has been supplemented by targeted bolt-on acquisitions and decisive action to restructure underperforming assets to drive overall returns and shareholder value.

Results

Underlying revenue increased by 9% to £254.0m (2015: £233.0m), with translational currency benefits contributing £6.4m or 3%. After adjusting for additional revenue of £6.4m from acquisitions and reduced revenue from restructuring actions of £5.0m, organic underlying revenue growth was £13.2m or 6%. Underlying operating profit improved by 25% to £33.0m (2015: £26.3m), including a positive currency translation of £1.1m. Acquisitions contributed £1.7m and the benefit of restructuring actions a further £0.9m. Underlying operating margin improved by 170bps to 13.0% (2015: 11.3%).

Underlying profit before taxation at £31.7m was 28% higher than the previous year (2015: £24.8m). Statutory profit before taxation was £19.4m (2015: £7.1m).

Underlying earnings per share at 30.7p was up 27% compared with the previous year (2015: 24.2p). Basic earnings per share was 16.8p (2015: 5.6p).

Net debt increased to £99.5m (31 December 2015: £91.5m; 30 June 2015: £89.2m) including a negative currency translation impact of £3.3m.

Dividend

The Board has declared an interim dividend of 8.5p per share (2015: 7.1p), representing a 20% increase on the corresponding period last year. The interim dividend will be paid on 5 January 2017 to shareholders on the register on 25 November 2016.

Governance and the Board

As reported in the 2015 Annual Report, Clive Snowdon, Senior Independent Director and Chairman of the Remuneration Committee, retired at the conclusion of the Annual General Meeting in May 2016. Consequently Jock Lennox, currently Chairman of the Audit Committee, also assumed the role of Senior Independent Director. Annette Kelleher was appointed Chairman of the Remuneration Committee.

Also in May 2016, Mark Reckitt joined the Board as a Non-executive Director. With extensive strategic and financial experience, he will be an invaluable addition to the Board.

Effective 1 July 2016, Mark Pegler was asked by the Board to assume full operational and management responsibility for the businesses within our UK Utilities division. The new role will be in addition to his current role of Group Finance Director.

Brexit

It is too early to assess with any certainty the impact of the decision by the United Kingdom to leave the European Union. In the short time since the referendum result 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.

> “Hill & Smith has delivered a very strong trading performance in the six months to 30 June 2016.”

Opposite page:

Technocover’s Ultrasecure single leaf solid top hinged access cover with fall protection on the Westminster Bridge, London.

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 underlying revenue and 90% of underlying operating profit from its UK and US operations, the Group principally operates in niche infrastructure markets where the overall outlook remains positive.

Our US and UK galvanizing plants have performed well and, notwithstanding strong comparatives in the second half, we anticipate another good year. The US and UK operations will more than offset any weakness from our French business.

In Utilities, notwithstanding a slower start to the year, our UK and US activities are well placed to continue to benefit from the significant investment in the ageing infrastructure of those countries. With strong order books we expect an improved second half performance versus the first. The proposed restructuring of our loss-making non-US Pipe Supports operations will also improve Utilities' profitability.

In the UK, the implementation of the Government's Road Investment Strategy ('RIS') is progressing well and is in the second year of an 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. Improving trends in the outlook for our international roads businesses are also encouraging.

Overall, although risks remain, 2016 is expected to be a year of good progress.

Business Review continued

Operational Review

Infrastructure Products

	£m		+/- %	Constant Currency %
	2016	2015		
Revenue	**172.6**	163.4	+6	+4
Underlying operating profit	**14.7**	12.5	+18	+15
Underlying operating margin %	**8.5**	7.6		

The division is focused on supplying engineered products to the roads and utilities markets in geographies where there is sustained long term investment in infrastructure. Underlying revenues increased 6% to £172.6m (2015: £163.4m) including a £3.2m positive impact from exchange rate movements. Acquisitions contributed £1.9m and there was £5.0m of lower revenue from restructured operations. Organic revenue growth was £9.1m, or 5% at constant currency. Underlying operating profit was £14.7m (2015: £12.5m), an increase of £2.2m, with a positive currency translation impact of £0.3m. Acquisitions contributed £0.4m and restructured operations an additional £0.9m. Underlying operating margin improved to 8.5% (2015: 7.6%).

Roads

	£m		+/- %	Constant Currency %
	2016	2015		
Revenue	**77.5**	64.6	+20	+18
Underlying operating profit	**9.0**	7.3	+23	+22
Underlying operating margin %	**11.6**	11.3		

Our Roads division designs, manufactures and installs temporary and permanent safety products for the roads market together with intelligent transport systems ('ITS') which collect data and provide information to road users. We principally serve the UK market, with an international presence in selected geographies with a growing demand for tested safety products. Underlying revenues increased by 20% to £77.5m (2015: £64.6m), an organic increase of 17% after a currency benefit of £1.0m and contribution from acquisitions of £0.5m. Underlying operating profit of £9.0m was £1.7m higher than the prior year (2015: £7.3m) including £0.1m from acquisitions.

UK

In the UK, the implementation of the Government's RIS continues to develop in line with our expectations. Three Smart Motorway programmes are progressing well, supported by early stage engineering for the next phase of investment. As expected, demand for our temporary safety barrier has been strong and utilisation for this rental product has been high. To expand our product and market offering, on 13 May we completed the acquisition of Safety and Security Barrier Holdings Limited ('Hardstaff Barriers') for a cash consideration of £10.6m. Hardstaff Barriers is a privately owned business specialising in the sale and rental of fully tested temporary and permanent pre-cast concrete barriers for site and vehicle protection, and complements our existing range of vehicle restraint systems. It has also developed a quick-deploy, high security perimeter system for the protection of critical infrastructure in vulnerable locations with products supplied across the UK and Europe. The business will complement and further enhance our existing range of hostile vehicle mitigation products.

Demand for our permanent safety barrier application has been lower than the same period last year. This is unsurprising, as it is naturally required towards the end of projects, so demand is expected to increase as the current Smart Motorway and other programmes approach finalisation later this year and into next. Lower demand in the UK has been more than offset by significant exports of both Brifen, our wire rope safety barrier system, and Bristorm, our high containment anti-terrorist perimeter barrier. Our bridge parapet safety barrier also experienced higher volumes compared to the prior period.

Our Variable Message Sign business enjoyed a first half similar to prior year, a commendable performance given the current investment cycle in the RIS. Robust order intake over the last nine months bodes well for a strong second half of the year.

We have experienced considerable success with the continued diversification of our lighting column business away from the curtailing PFI market and into the local authority and contractor market. Higher volumes and margins contributed to an excellent first half.

We have today separately announced the acquisition of Signature Limited ('Signature') for a cash consideration of £12.5m. Signature is a UK based business which specialises in the development, manufacture, installation and maintenance of street lighting columns, road sign and traffic management systems. The business will complement and expand our product offering into the UK roads market.

Non-UK

Outside the UK, our Scandinavian business continues to perform well with revenue and profitability marginally ahead of the prior year. The recent weakening of Sterling will assist the export of Group product into this market. On 1 April we acquired FMK Trafikprodukter AB ('FMK') for a cash consideration of £2.7m, with additional payments of £1.1m due on achievement of certain targets. FMK designs and manufactures safety barriers, noise reduction screens and bridge parapets for the Scandinavian market and is based in Sweden. The acquisition of FMK and its suite of products will accelerate the growth plans of our existing Scandinavian roads business.

In France, our lighting column business operates in a difficult market but increased volumes and profitability. Recent investment in automation continues to reduce costs and enhance service capability.

In India, we continue to invest time and effort into developing our wire rope product for the vast Indian roads market. Results were similar to prior year and the second half will be key for the business with many available opportunities.

After a period of investment and incubation, exciting progress is now being made in both the USA and Australia. In the USA, the growing acceptance of Zoneguard, our steel temporary safety barrier, as an alternative to concrete has provided tangible results and revenue and profitability are ahead year on year. In Australia, we have continued to develop our presence in the direct sale and rental market. In the first half, we invested £1.1m in 5.5km of Zoneguard rental pool which will be utilised fully until 2017. We also secured a supply contract for 19.8km of Zoneguard for the New South Wales government for an upgrade to the M1 motorway in the Hunter Valley region. For the first time, our Australian business returned a positive result in the first half and we remain cautiously optimistic regarding its future development.

Utilities

	£m		+/- %	Constant Currency %
	2016	2015		
Revenue	**95.1**	98.8	-4	-6
Underlying operating profit	**5.7**	5.2	+10	+6
Underlying operating margin %	**6.0**	5.3		

Our Utilities division provides industrial flooring, plastic drainage pipes, security fencing and steel products for energy creation markets across the globe. 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. Underlying revenues were marginally below the prior year at £95.1m (2015: £98.8m) principally as a result of the restructuring and closure programme of our non-US Pipe Supports business (£5.0m lower revenue year on year). Currency translation benefits were £2.2m with a further £1.4m contribution from recent acquisitions. Organically, underlying revenue fell by £2.3m. Underlying operating profit was £5.7m (2015: £5.2m) including a positive currency impact of £0.2m, first time contribution from acquisitions of £0.3m and a £0.9m benefit from ongoing restructuring.

In the US, our power transmission substation operation performed well, with revenue and operating profit ahead of prior year. The strategy of supplying complete packaging work, structural steel and electrical components, under framework agreements with key US utilities continues to bear fruit. Although underlying volumes remain reasonable, our composite material business experienced a disappointing first half with the absence of key one-off contracts impacting performance. However, quoting opportunities have been significant and we remain hopeful of securing a project in the second half to recover the first half shortfall. In January 2016 we completed the acquisition of the trade and assets of E.T. Techtonics, Inc. ('ETT'), a leading designer of composite bridges for pedestrian, equestrian and light vehicle applications. Cash consideration of $1.8m was paid at acquisition with a further $0.2m due later in 2016. ETT has been integrated into our existing composites business and furthers our strategy of enhancing our product offering to end users within infrastructure markets.

Our Pipe Supports business in the USA experienced improving conditions throughout the first half and delivered revenue and profitability marginally ahead of prior year. To provide additional focus and impetus, a new leadership team was installed in June. Market conditions in both the industrial and engineered hanger markets remain competitive.

In March, we announced the restructuring of our non-US Pipe Supports businesses. Plans to close manufacturing operations in the UK and Thailand along with a sales office in China are well advanced with all manufacturing ceasing by the end of September 2016. We have invested further in the capability of our Indian facility which has become the centre of excellence for the manufacture of pipe support products outside of the USA. The transfer of product and customers to India has progressed well.

As expected, results from our UK utilities businesses were lower than the exceptional performance in the first half of 2015. The timing of project completions in industrial flooring along with the investment cycle of AMP6 in the plastic pipe business were key drivers. The order book in industrial flooring is particularly strong with multi product projects for rail maintenance depots, and supports a much stronger second half outlook.

On 14 July we completed the acquisition of Technocover Limited ('Technocover') for a cash consideration of £10.0m. Technocover specialises in the development, manufacture, installation and maintenance of high security access products for the utilities markets. Technocover's suite of products is complementary to our existing market offering and will benefit from being part of the UK Utilities division.

Our security fencing operation performed well and, with further investment planned in the UK rail network along with key infrastructure sites, the outlook remains positive. Despite the removal of tax subsidies in 2015, we were able to extend our supply of solar frames and expect to continue to do so until the end of the year.

The housing market, principally new build, for Birtley and Expamet continues to perform strongly with the supply of lintels and doors ahead of the prior year.

Galvanizing Services

	£m		+/- %	Constant Currency %
	2016	2015		
Revenue	**81.4**	69.6	+17	+12
Underlying operating profit	**18.3**	13.8	+33	+25
Underlying operating margin %	**22.5**	19.8		

The Galvanizing Services division offers corrosion protection services to the steel fabrication industry with multi-plant facilities in the UK, France and the USA. Underlying revenue increased by 17% to £81.4m (2015: £69.6m) including positive currency translation of £3.2m and £4.5m from acquisitions. Organic underlying revenue growth was 6%. Underlying operating profit of £18.3m (2015: £13.8m) included £0.8m currency benefit and £1.3m contribution from acquisitions. Organic improvement in profitability was £2.4m. Underlying operating margin was a record 22.5% (2015: 19.8%).

USA

Volumes were 15% ahead of the same period in 2015. Unusually, weather conditions in the first quarter were favourable with only minimal disruption to production. Strong volumes were experienced from the alternative energy market, particularly solar where recent medium term legislation to extend tax credits has supported demand. A large LNG plant project, due for completion in the third quarter, has also supported two of our plants. Following approval of a new $305bn five-year highway bill, bridge and highway work has been lower than expected as various states await their allocation of funds before committing to local investment initiatives.

France

In a difficult economic climate the business performed well with volumes increasing year on year by 7%. Despite strong price competition that remains evident in certain sectors and regions, the business delivered profitability only marginally below the prior year with a lower cost base assisting. The resizing of one of our structural steel plants to a jobbing plant with a smaller bath will be completed in July and will aid efficiencies and the cost base further.

UK

Overall volumes were 12% higher year on year. Excluding Premier Galvanizing, acquired in November 2015, underlying volumes were 3% lower principally due to the slower start in our UK utilities businesses and permanent road safety barrier. Premier Galvanizing has been integrated into our UK galvanizing business and performed in line with the acquisition rationale. Investment in our Medway and Walsall plants together with our drive for improved efficiencies resulted in higher margins year on year.

Business Review continued

Mark Pegler
Group Finance Director

Financial Review

Cash generated from operations during the period was £34.0m (2015: £26.9m), the improvement on last year reflecting record underlying first half profits.

The working capital outflow in the period, which arises from normal seasonal trading patterns, was £4.8m (2015: £5.6m) and overall working capital as a percentage of annualised sales improved to 13.3% at 30 June 2016 (2015: 14.4%) with a reduction in debtor days to 58 days (31 December 2015: 62 days). There were no material net impacts on the period end balance from movements in zinc and commodity prices.

Capital expenditure of £9.9m (2015: £8.4m) represents a multiple of depreciation and amortisation of 1.1 times (2015: 1.0 times), in line with the Group's normal level of spend. Significant purchases during the period included £1.1m of Zoneguard temporary road safety barrier in Australia to service rental contracts secured for the second half of the year, and £0.7m on development of new products for the UK roads market.

Group net debt at 30 June 2016 was £99.5m, an increase of £8.0m since 31 December 2015 (£91.5m) principally driven by spend of £14.2m on three acquisitions completed during the period, and an adverse exchange impact of £3.3m resulting from the sharp depreciation in Sterling against the Euro and US Dollar towards the end of June.

Change in net debt

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Change in net debt			
Operating profit	**21.2**	9.1	37.3
Non-cash items	**10.4**	25.7	34.6
Operating cash flow before movement in working capital	**31.6**	34.8	71.9
Net movement in working capital	**(4.8)**	(5.6)	(2.5)
Change in provisions and employee benefits	**7.2**	(2.3)	(3.3)
Operating cash flow	**34.0**	26.9	66.1
Tax paid	**(6.9)**	(5.9)	(12.6)
Net financing costs paid	**(1.4)**	(1.5)	(3.0)
Capital expenditure	**(9.9)**	(8.4)	(16.0)
Proceeds on disposal of non-current assets	**0.1**	0.9	1.2
Free cash flow	**15.9**	12.0	35.7
Dividends paid	**(5.5)**	(5.0)	(14.1)
Acquisitions	**(14.2)**	(1.5)	(16.6)
Disposals	**-**	-	-
Issue of new shares	**0.7**	1.1	1.2
Amortisation of costs associated with revolving credit facilities	**(0.2)**	(0.2)	(0.4)
Satisfaction of long term incentive payments	**(1.4)**	(1.0)	(0.9)
Net debt decrease/(increase)	**(4.7)**	5.4	4.9
Effect of exchange rate fluctuations	**(3.3)**	1.4	(0.4)
Net debt at the beginning of the period	**(91.5)**	(96.0)	(96.0)
Net debt at the end of the period	**(99.5)**	(89.2)	(91.5)

The net debt to EBITDA ratio under the Group's principal banking facility was 1.2 times at 30 June 2016 (31 December 2015: 1.2 times), with the acquisition spend during the period being offset by improved operating cashflow. Interest cover was 28.4 times (31 December 2015: 25.0 times).

In May 2016 the Group extended the term of its £210m principal revolving credit facility from April 2019 to April 2021, providing the Group with significant headroom against its expected funding requirements for an additional two years, whilst also taking advantage of favourable market conditions to reduce overall costs and amend key terms. Costs incurred of £1.0m have been deducted from the carrying value of the loans, as required by accounting standards.

Tax

The underlying effective tax rate for the period was 24.0% (year ended 31 December 2014: 23.8%) and is the estimated effective rate for the full year. The tax charge for the period was £6.2m (2015: £2.7m), including a £1.4m credit in respect of non-underlying charges, principally relating to business reorganisation costs. Cash tax paid in the period was £6.9m (2015: £5.9m), slightly lower than the underlying income statement tax charge of £7.6m (2015: £5.9m).

Finance costs

Net financing costs for the period were £1.9m (2015: £2.0m) with an underlying element of £1.3m (2015: £1.5m). Underlying operating profit covered net underlying finance costs 25.0 times (2015: 17.5 times). The non-underlying element of finance costs of £0.5m (2015: £0.5m) represents the net cost of pension fund financing of £0.3m and £0.2m amortisation of refinancing fees capitalised in the current and prior year.

Non-underlying items

The total non-underlying items charged to operating profit in the Consolidated Income Statement amounted to £11.8m (2015: £17.2m) and comprise the following:

	Income Statement Charge £m	Cash in the year £m	Future cash £m	Non-cash £m
Business reorganisation costs	10.2	1.4	4.4	4.4
Acquisition costs	0.7	0.7	-	-
Amortisation of acquisition intangibles	0.9	-	-	0.9
	11.8	2.1	4.4	5.3

- Business reorganisation costs of £10.2m relate to the closure of the Group's non-US Pipe Supports operations announced in March 2016, comprising closure provisions of £9.2m and post-announcement operating losses of £1.0m. The cash costs of the closure process are expected to be £4.8m, of which £0.4m has been spent to date. Manufacturing at facilities in the UK and Thailand is expected to cease by the end of September 2016. Completion of the restructuring plan remains on track for the first half of 2017.
- Acquisition costs of £0.7m relate to three acquisitions completed during the period, further details of which are set out below.
- Amortisation of acquisition intangibles was £0.9m.

Further details are set out in note 6 on page 22.

Acquisitions

The Group completed three acquisitions during the first six months:

- In January 2016 we acquired ET Techtonics, Inc., a US-based designer of composite bridge products that complements our existing US composites business, Creative Pultrusions. Consideration for the acquisition was £1.2m.
- In April 2016 we acquired FMK Trafikprodukter AB, a Swedish producer of equipment for the Scandinavian roads markets. FMK has been integrated with our existing ATA business, providing an expanded suite of traffic management products. Consideration for the acquisition was £3.8m, of which £1.1m is deferred and contingent on future performance and product development targets.
- In May 2016 we acquired Safety and Security Barrier Holdings Limited, the parent company of Hardstaff Barriers Limited, for a consideration of £10.6m. Hardstaff Barriers, based in Nottingham, UK, specialises in temporary and permanent concrete safety barriers for site and vehicle protection.

Intangible assets arising on the acquisitions amounted to £14.8m, comprising customer relationships of £3.0m, contractual arrangements of £1.4m and residual goodwill of £10.4m.

Pensions

The Group operates defined benefit pension plans in the UK, France and the USA. The IAS19 deficit of these plans at 30 June 2016 was £19.7m, an increase of £5.1m from 31 December 2015 (£14.6m). The increase was driven by a lower discount rate resulting from a substantial reduction in bond yields at 30 June 2016 following the UK referendum on EU membership, which was only partly offset by reductions in future inflation assumptions and a positive asset performance.

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 cash contributions amounting to £2.3m for the five years to April 2020. During the period the Group completed the merger of its two UK schemes and 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. The result of the UK referendum on future membership of the EU is not expected to have a material impact on the Group as our customers are predominantly served locally and cross border trading does not form a significant proportion of the Group's transactions. The risk of a wider macro-economic effect is addressed by the Group's existing Economic risks. Accordingly it is the Directors' opinion that the principal risks set out on pages 32 to 37 of the Group's Annual Report and Accounts for the year ended 31 December 2015 remain applicable to the current financial year.

Business Review continued

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 following the extension made during the period.

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.

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.

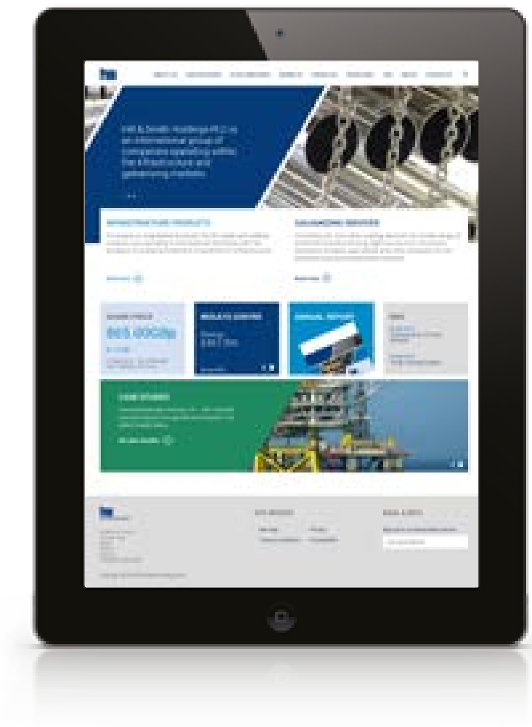
This report was approved by the Board of Directors on 4 August 2016 and is available on the Company's website (www.hsholdings.com) under the 'Latest News' or 'Press Release' sections.

W H Whiteley	**D W Muir**	**M Pegler**
Chairman	Group Chief Executive	Group Finance Director

4 August 2016

Financial Statements

Financial Statements and Notes



Images

Above: Hardstaff Barrier outside the Palace of Westminster, London.

Left: Technocover's Ultrasecure multiple leaf access cover system installed at a pumping station.

See further information at hsholdings.com

Condensed Consolidated Income Statement

Six months ended 30 June 2016

		6 months ended 30 June 2016			6 months ended 30 June 2015			Year ended 31 December 2015		
	Notes	Underlying £m	Non-underlying* £m	Total £m	Underlying £m	Non-underlying* £m	Total £m	Underlying £m	Non-underlying* £m	Total £m
Revenue	4, 6	**254.0**	**5.3**	**259.3**	233.0	-	233.0	467.5	-	467.5
Trading profit	4, 6	**33.0**	**(1.0)**	**32.0**	26.3	-	26.3	56.0	-	56.0
Amortisation of acquisition intangibles	6	**-**	**(0.9)**	**(0.9)**	-	(1.1)	(1.1)	-	(1.6)	(1.6)
Business reorganisation costs	6	**-**	**(9.2)**	**(9.2)**	-	0.2	0.2	-	(0.3)	(0.3)
Acquisition costs	6	**-**	**(0.7)**	**(0.7)**	-	(0.4)	(0.4)	-	(1.0)	(1.0)
Loss on sale of properties	6	**-**	**-**	**-**	-	(0.1)	(0.1)	-	(0.1)	(0.1)
Impairment of intangible assets	6	**-**	**-**	**-**	-	(15.8)	(15.8)	-	(15.7)	(15.7)
Operating profit	4, 6	**33.0**	**(11.8)**	**21.2**	26.3	(17.2)	9.1	56.0	(18.7)	37.3
Financial income	7	**0.1**	**-**	**0.1**	0.2	-	0.2	0.5	-	0.5
Financial expense	7	**(1.4)**	**(0.5)**	**(1.9)**	(1.7)	(0.5)	(2.2)	(3.5)	(1.1)	(4.6)
Profit before taxation		**31.7**	**(12.3)**	**19.4**	24.8	(17.7)	7.1	53.0	(19.8)	33.2
Taxation		**(7.6)**	**1.4**	**(6.2)**	(5.9)	3.2	(2.7)	(12.6)	3.5	(9.1)
Profit for the period attributable to owners of the parent		**24.1**	**(10.9)**	**13.2**	18.9	(14.5)	4.4	40.4	(16.3)	24.1
Basic earnings per share	9	**30.7p**		**16.8p**	24.2p		5.6p	51.7p		30.9p
Diluted earnings per share	9	**30.4p**		**16.6p**	24.0p		5.6p	51.3p		30.6p
Dividend per share – Interim	10			**8.5p**			7.1p			7.1p

*The Group's definition of non-underlying items is included in note 6 on page 22.

Condensed Consolidated Statement of Comprehensive Income

Six months ended 30 June 2016

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Profit for the period	**13.2**	4.4	24.1
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of overseas operations	**21.7**	(7.4)	1.8
Exchange differences on foreign currency borrowings denominated as net investment hedges	**(4.4)**	1.5	(0.4)
Effective portion of changes in fair value of cash flow hedges	**-**	(0.1)	(0.1)
Transfers to the Income Statement on cash flow hedges	**0.2**	0.2	0.4
Taxation on items that may be reclassified to profit or loss	**-**	-	(0.1)
Items that will not be reclassified subsequently to profit or loss			
Actuarial (loss)/gain on defined benefit pension schemes	**(5.6)**	-	5.0
Taxation on items that will not be reclassified to profit or loss	**1.0**	-	(1.2)
Other comprehensive income for the period	**12.9**	(5.8)	5.4
Total comprehensive income for the period attributable to owners of the parent	**26.1**	(1.4)	29.5

Condensed Consolidated Statement of Financial Position

As at 30 June 2016

	Notes	30 June 2016 £m	30 June 2015 £m	31 December 2015 £m
Non-current assets				
Intangible assets		**148.6**	108.1	126.4
Property, plant and equipment		**139.4**	123.6	129.2
		288.0	231.7	255.6
Current assets				
Assets held for sale		**-**	1.0	-
Inventories		**66.9**	59.4	57.7
Trade and other receivables		**119.4**	100.9	98.8
Cash and cash equivalents	11	**28.9**	3.9	12.9
		215.2	165.2	169.4
Total assets		**503.2**	396.9	425.0
Current liabilities				
Trade and other liabilities		**(105.9)**	(91.8)	(87.8)
Current tax liabilities		**(9.9)**	(9.1)	(8.7)
Provisions for liabilities and charges		**(8.9)**	(1.0)	(0.2)
Interest bearing borrowings	11	**(0.3)**	(0.4)	(0.3)
		(125.0)	(102.3)	(97.0)
Net current assets		**90.2**	62.9	72.4
Non-current liabilities				
Other liabilities		**(0.2)**	(0.2)	(0.2)
Provisions for liabilities and charges		**(3.0)**	(2.0)	(2.7)
Deferred tax liability		**(8.1)**	(4.2)	(7.9)
Retirement benefit obligation		**(19.7)**	(19.9)	(14.6)
Interest bearing borrowings	11	**(128.1)**	(92.7)	(104.1)
		(159.1)	(119.0)	(129.5)
Total liabilities		**(284.1)**	(221.3)	(226.5)
Net assets		**219.1**	175.6	198.5
Equity				
Share capital		**19.6**	19.6	19.6
Share premium		**33.5**	32.7	32.8
Other reserves		**4.6**	4.5	4.6
Translation reserve		**19.6**	(5.0)	2.3
Hedge reserve		**-**	(0.3)	(0.2)
Retained earnings		**141.8**	124.1	139.4
Total equity		**219.1**	175.6	198.5

Condensed Consolidated Statement of Changes in Equity

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**

Six months ended 30 June 2015

	Share capital £m	Share premium £m	Other reserves† £m	Translation reserves £m	Hedge reserves £m	Retained earnings £m	Total equity £m
Opening balance	19.5	31.7	4.5	0.9	(0.4)	125.3	181.5
Comprehensive income							
Profit for the period	-	-	-	-	-	4.4	4.4
Other comprehensive income for the period	-	-	-	(5.9)	0.1	-	(5.8)
Transactions with owners recognised directly in equity							
Dividends	-	-	-	-	-	(5.0)	(5.0)
Credit to equity of share-based payments	-	-	-	-	-	0.4	0.4
Satisfaction of long term incentive payments	-	-	-	-	-	(1.9)	(1.9)
Own shares held by employee benefit trust	-	-	-	-	-	0.9	0.9
Shares issued	0.1	1.0	-	-	-	-	1.1
Closing balance	19.6	32.7	4.5	(5.0)	(0.3)	124.1	175.6

† 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 2015

	Share capital £m	Share premium £m	Other reserves† £m	Translation reserves £m	Hedge reserves £m	Retained earnings £m	Total equity £m
Opening balance	19.5	31.7	4.5	0.9	(0.4)	125.3	181.5
Comprehensive income							
Profit for the year	-	-	-	-	-	24.1	24.1
Other comprehensive income for the period	-	-	-	1.4	0.2	3.8	5.4
Transactions with owners recognised directly in equity							
Dividends	-	-	-	-	-	(14.1)	(14.1)
Credit to equity of share-based payments	-	-	-	-	-	0.9	0.9
Satisfaction of long term incentive payments	-	-	-	-	-	(1.8)	(1.8)
Own shares held by employee benefit trust	-	-	-	-	-	0.9	0.9
Transfers between reserves	-	-	0.1	-	-	(0.1)	-
Tax taken directly to the Consolidated Statement of Changes in Equity	-	-	-	-	-	0.4	0.4
Shares issued	0.1	1.1	-	-	-	-	1.2
Closing balance	19.6	32.8	4.6	2.3	(0.2)	139.4	198.5

† 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 2016

	Notes	**6 months ended 30 June 2016 £m**	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Profit before tax		**19.4**	7.1	33.2
Add back net financing costs		**1.8**	2.0	4.1
Operating profit		**21.2**	9.1	37.3
Adjusted for non-cash items:				
Share-based payments		**0.7**	0.4	0.9
Loss on disposal of non-current assets		**0.1**	0.1	-
Depreciation		**8.2**	7.9	15.5
Amortisation of intangible assets		**1.4**	1.5	2.5
Impairment of non-current assets		**-**	15.8	15.7
		10.4	25.7	34.6
Operating cash flow before movement in working capital		**31.6**	34.8	71.9
(Increase)/decrease in inventories		**(4.0)**	(3.0)	1.1
Increase in receivables		**(14.3)**	(9.4)	(3.0)
Increase/(decrease) in payables		**13.5**	6.8	(0.6)
Increase/(decrease) in provisions and employee benefits		**7.2**	(2.3)	(3.3)
Net movement in working capital and provisions		**2.4**	(7.9)	(5.8)
Cash generated by operations		**34.0**	26.9	66.1
Income taxes paid		**(6.9)**	(5.9)	(12.6)
Interest paid		**(1.5)**	(1.7)	(3.5)
Net cash from operating activities		**25.6**	19.3	50.0
Interest received		**0.1**	0.2	0.5
Proceeds on disposal of non-current assets		**0.1**	0.9	1.2
Purchase of property, plant and equipment		**(9.2)**	(8.0)	(14.8)
Purchase of intangible assets		**(0.7)**	(0.4)	(1.2)
Acquisitions of subsidiaries		**(14.2)**	(1.5)	(16.6)
Net cash used in investing activities		**(23.9)**	(8.8)	(30.9)
Issue of new shares		**0.7**	1.1	1.2
Purchase of shares for employee benefit trust		**(1.4)**	(1.0)	(0.9)
Dividends paid	10	**(5.5)**	(5.0)	(14.1)
Costs associated with refinancing		**(1.0)**	-	-
New loans and borrowings		**31.3**	15.0	46.0
Repayment of loans and borrowings		**(11.6)**	(23.1)	(45.0)
Repayment of obligations under finance leases		**-**	-	(0.1)
Net cash raised from/(used in) financing activities		**12.5**	(13.0)	(12.9)
Net increase/(decrease) in cash		**14.2**	(2.5)	6.2
Cash at the beginning of the period		**12.9**	6.7	6.7
Effect of exchange rate fluctuations		**1.8**	(0.3)	-
Cash at the end of the period	11	**28.9**	3.9	12.9

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 4 August 2016 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 2015 (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 2015). In 2016 the following amendments had been endorsed by the EU, became effective and therefore were adopted by the Group:

- Amendments to IFRS 11 - Accounting for Acquisitions of Interests in Joint Operations.
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendments to IAS 27 – Equity Method in Separate Financial Statements.
- Annual improvements to IFRSs 2012 – 2014.
- Disclosure Initiative – Amendments to IAS 1.

The following standards and interpretations, which were not effective as at 30 June 2016 and have not been early adopted by the Group, will be adopted in future accounting periods:

- Disclosure Initiative – Amendments to IAS 7 (effective 1 January 2017).
- Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses (effective 1 January 2017).
- 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 2015 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.

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 2015.

3. Exchange rates
The principal exchange rates used were as follows:

	6 months ended 30 June 2016		6 months ended 30 June 2015		Year ended 31 December 2015	
	Average	**Closing**	Average	Closing	Average	Closing
Sterling to Euro (£1 = EUR)	**1.28**	**1.21**	1.37	1.41	1.38	1.36
Sterling to US Dollar (£1 = USD)	**1.43**	**1.34**	1.52	1.57	1.53	1.48
Sterling to Thai Bhat (£1 = THB)	**50.79**	**47.15**	50.23	53.16	52.49	53.50
Sterling to Swedish Krona (£1 = SEK)	**11.94**	**11.38**	12.76	13.05	12.90	12.50

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 2016			6 months ended 30 June 2015		
	Underlying revenue* £m	Result £m	Underlying result* £m	Underlying revenue* £m	Result £m	Underlying result* £m
Infrastructure Products - Utilities	95.1	(4.6)	5.7	98.8	(11.9)	5.2
Infrastructure Products - Roads	77.5	8.1	9.0	64.6	7.1	7.3
Infrastructure Products - Total	172.6	3.5	14.7	163.4	(4.8)	12.5
Galvanizing Services	81.4	17.7	18.3	69.6	13.9	13.8
Total Group	254.0	21.2	33.0	233.0	9.1	26.3
Net financing costs		(1.8)	(1.3)		(2.0)	(1.5)
Profit before taxation		19.4	31.7		7.1	24.8
Taxation		(6.2)	(7.6)		(2.7)	(5.9)
Profit after taxation		13.2	24.1		4.4	18.9

	Year ended 31 December 2015		
	Underlying revenue* £m	Result £m	Underlying result* £m
Infrastructure Products - Utilities	193.9	(7.1)	10.5
Infrastructure Products - Roads	131.6	15.6	16.0
Infrastructure Products - Total	325.5	8.5	26.5
Galvanizing Services	142.0	28.8	29.5
Total Group	467.5	37.3	56.0
Net financing costs		(4.1)	(3.0)
Profit before taxation		33.2	53.0
Taxation		(9.1)	(12.6)
Profit after taxation		24.1	40.4

* Underlying revenue and underlying result are stated before Non-underlying items as defined in note 6 on page 22, and are the measures of segment revenue and profit used by the Chief Operating Decision Maker, who is the Chief Executive. The Result columns are included as additional information.

Galvanizing Services provided £2.4m revenues to Infrastructure Products – Roads (six months ended 30 June 2015: £2.7m, the year ended 31 December 2015: £5.2m) and £0.6m revenues to Infrastructure Products – Utilities (six months ended 30 June 2015: £0.9m, the year ended 31 December 2015: £1.6m). Infrastructure Products – Utilities provided £2.0m revenues to Infrastructure Products – Roads (six months ended 30 June 2015: £1.9m, the year ended 31 December 2015: £3.0m). 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 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
UK	123.7	121.3	235.8
Rest of Europe	44.3	38.0	73.4
North America	74.5	65.6	135.0
Asia and the Middle East	12.4	7.6	20.5
Rest of World	4.4	0.5	2.8
Total reported revenue	259.3	233.0	467.5
Non-underlying revenue	(5.3)	-	-
Underlying revenue	254.0	233.0	467.5

Notes to the Condensed Consolidated Interim Financial Statements continued

5. Operating profit

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Revenue	**259.3**	233.0	467.5
Cost of sales	**(161.3)**	(148.6)	(300.6)
Gross profit	**98.0**	84.4	166.9
Distribution costs	**(12.3)**	(10.8)	(23.2)
Administrative expenses	**(65.0)**	(65.0)	(107.6)
Loss on disposal of non-current assets	**(0.1)**	(0.1)	-
Other operating income	**0.6**	0.6	1.2
Operating profit	**21.2**	9.1	37.3

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 and post-announcement trading 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 2016

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

- Business reorganisation costs of £9.2m. 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 for which the Group intends to seek a buyer when the transfer is complete. A provision of £9.2m was made in respect of the estimated costs of closure.

  Prior to the announcement of the closure, the trading results of the non-US Pipe Supports operations, including those of the Indian business, have been reported as underlying items and include revenue of £3.0m and an operating loss of £0.5m. Following the announcement, the non-US Pipe Supports results have been reported as non-underlying items so as not to distort the Group's underlying trading performance. The post-announcement results of the non-US Pipe Supports businesses are set out below:

	Total £m
Revenue	**5.3**
Cost of sales	**(4.0)**
Gross profit	**1.3**
Distribution costs	**(0.1)**
Administrative expenses	**(2.2)**
Operating loss	**(1.0)**

  In the six months ended 30 June 2015 the results of the non-US Pipe Supports operations included revenue of £7.1m and an operating loss of £1.7m. For the year ended 31 December 2015 those businesses reported revenue of £16.1m and an operating loss of £3.0m.

- Amortisation of acquired intangible fixed assets of £0.9m.
- Acquisition expenses of £0.7m principally relating to acquisitions made by the Group during the period.

6. Non-underlying items continued

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 2015

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

- Amortisation of acquired intangible fixed assets of £1.6m.
- Acquisition expenses of £1.0m principally relating to acquisitions made by the Group during the prior year.
- Losses on disposal of properties of £0.1m.
- Net costs in respect of business reorganisations of £0.3m, reflecting costs associated with restructuring of certain of the Group's subsidiaries together with the net release of provisions made in previous years in respect of site closures following a favourable settlement during the year of the exposures identified.
- An impairment charge of £15.7m in respect of goodwill and acquired intangible assets relating to The Paterson Group (part of the Infrastructure Products – Utilities segment).

Non-underlying items included in financial expense represent the net financing cost on pension obligations of £0.7m and a £0.4m charge in respect of amortisation of costs associated with refinancing.

7. Net financing costs

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Interest on bank deposits	**0.1**	0.2	0.5
Financial income	**0.1**	0.2	0.5
Interest on bank loans and overdrafts	**1.4**	1.7	3.5
Interest on finance leases and hire purchase contracts	**-**	-	-
Total interest expense	**1.4**	1.7	3.5
Financial expenses related to refinancing	**0.2**	0.2	0.4
Interest cost on net pension scheme deficit	**0.3**	0.3	0.7
Financial expense	**1.9**	2.2	4.6
Net financing costs	**1.8**	2.0	4.1

8. Taxation

Tax has been provided on the underlying profit at the estimated effective rate of 24.0% (2015: 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 78.5m, diluted for the effect of outstanding share options 79.2m (six months ended 30 June 2015: 78.0m and 78.8m diluted, the year ended 31 December 2015: 78.1m and 78.8m 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 2016		6 months ended 30 June 2015		Year ended 31 December 2015	
	Pence per share	**£m**	Pence per share	£m	Pence per share	£m
Basic earnings	**16.8**	**13.2**	5.6	4.4	30.9	24.1
Non-underlying items*	**13.9**	**10.9**	18.6	14.5	20.8	16.3
Underlying earnings	**30.7**	**24.1**	24.2	18.9	51.7	40.4
Diluted earnings	**16.6**	**13.2**	5.6	4.4	30.6	24.1
Non-underlying items*	**13.8**	**10.9**	18.4	14.5	20.7	16.3
Underlying diluted earnings	**30.4**	**24.1**	24.0	18.9	51.3	40.4

* Non-underlying items as detailed in note 6.

10. Dividends

Dividends paid in the period were the prior year's interim dividend of £5.5m (2014: £5.0m). The final dividend for 2015 of £10.7m (2015: £9.1m) was paid on 1 July 2016. 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 £6.7m, 8.5p per share (2015: £5.5m, 7.1p per share), which will be paid on 5 January 2017 to shareholders on the register on 25 November 2016.

Notes to the Condensed Consolidated Interim Financial Statements continued

11. Analysis of net debt

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Cash and cash equivalents	**28.9**	3.9	12.9
Interest bearing loans and borrowings due within one year	**(0.3)**	(0.4)	(0.3)
Interest bearing loans and borrowings due after more than one year	**(128.1)**	(92.7)	(104.1)
Net debt	**(99.5)**	(89.2)	(91.5)

	6 months ended 30 June 2016 £m	6 months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Change in net debt			
Operating profit	**21.2**	9.1	37.3
Non-cash items	**10.4**	25.7	34.6
Operating cash flow before movement in working capital	**31.6**	34.8	71.9
Net movement in working capital	**(4.8)**	(5.6)	(2.5)
Change in provisions and employee benefits	**7.2**	(2.3)	(3.3)
Operating cash flow	**34.0**	26.9	66.1
Tax paid	**(6.9)**	(5.9)	(12.6)
Net financing costs paid	**(1.4)**	(1.5)	(3.0)
Capital expenditure	**(9.9)**	(8.4)	(16.0)
Proceeds on disposal of non-current assets	**0.1**	0.9	1.2
Free cash flow	**15.9**	12.0	35.7
Dividends paid (note 10)	**(5.5)**	(5.0)	(14.1)
Acquisitions	**(14.2)**	(1.5)	(16.6)
Amortisation of costs associated with refinancing revolving credit facilities	**(0.2)**	(0.2)	(0.4)
Issue of new shares	**0.7**	1.1	1.2
Purchase of shares for employee benefit trust	**(1.4)**	(1.0)	(0.9)
Net debt (increase)/decrease	**(4.7)**	5.4	4.9
Effect of exchange rate fluctuations	**(3.3)**	1.4	(0.4)
Net debt at the beginning of the period	**(91.5)**	(96.0)	(96.0)
Net debt at the end of the period	**(99.5)**	(89.2)	(91.5)

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	-	**28.9**	**28.9**	**28.9**
Interest bearing loans due within one year	-	**(0.3)**	**(0.3)**	**(0.3)**
Interest bearing loans due after more than one year	-	**(128.1)**	**(128.1)**	**(128.1)**
Derivative assets	-	-	-	-
Derivative liabilities	**(0.3)**	-	**(0.3)**	**(0.3)**
Other assets	-	**112.3**	**112.3**	**112.3**
Other liabilities	-	**(90.7)**	**(90.7)**	**(90.7)**
Total at 30 June 2016	**(0.3)**	**(77.9)**	**(78.2)**	**(78.2)**

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	-	**(0.3)**	-	**(0.3)**
At 30 June 2016	-	**(0.3)**	-	**(0.3)**

At 30 June 2016 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.

Notes to the Condensed Consolidated Interim Financial Statements continued

13. Acquisitions

On 13 May 2016 the Group acquired the share capital of Safety and Security Barrier Holdings Limited, the parent company of Hardstaff Barriers Limited. Details of this acquisition are as follows:

Safety and Security Barrier Holdings Limited	Pre acquisition carrying amount £m	Policy alignment and fair value adjustments £m	Total £m
Intangible assets	-	4.4	4.4
Property, plant and equipment	1.9	(0.7)	1.2
Inventories	0.2	-	0.2
Current assets	0.7	-	0.7
Cash and cash equivalents	0.3	-	0.3
Total assets	**3.1**	**3.7**	**6.8**
Current liabilities	(0.8)	(0.1)	(0.9)
Corporation tax	(0.2)	(0.7)	(0.9)
Deferred tax	(0.3)	(0.7)	(1.0)
Total liabilities	**(1.3)**	**(1.5)**	**(2.8)**
Net assets	**1.8**	**2.2**	**4.0**
Consideration			
Consideration in the year			**10.6**
Goodwill			**6.6**
Cash flow effect			
Consideration			**10.6**
Deferred consideration			**(0.1)**
Cash and cash equivalents received in the business			**(0.3)**
Net cash consideration shown in the Consolidated Statement of Cash Flows			**10.2**

Contractual 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. Policy alignment and fair value adjustments principally relate to harmonisation with Group IFRS accounting policies, including the provisional application of fair values on acquisition.

Post acquisition the acquired business has contributed £0.5m 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 2016, the Group's results for the period would have shown underlying revenue of £255.1m and underlying operating profit of £33.2m.

13. Acquisitions continued

The Group also made two smaller acquisitions during the period:

- The share capital of ET Techtonics, Inc. ('ETT'), acquired in January 2016; and
- The share capital of FMK Trafikprodukter AB ('FMK'), acquired in April 2016.

Details of these acquisitions are set out below:

	ETT Pre acquisition carrying amount £m	FMK Pre acquisition carrying amount £m	Policy alignment and fair value adjustments £m	Total £m
Intangible assets	-	-	-	-
Property, plant and equipment	-	-	-	-
Inventories	-	1.3	(0.1)	1.2
Current assets	0.1	0.2	-	0.3
Cash and cash equivalents	-	-	-	-
Total assets	**0.1**	**1.5**	**(0.1)**	**1.5**
Current liabilities	-	(0.2)	-	(0.2)
Deferred tax	-	-	-	-
Total liabilities	**-**	**(0.2)**	**-**	**(0.2)**
Net assets	**0.1**	**1.3**	**(0.1)**	**1.3**
Consideration				
Consideration in the year				**5.1**
Goodwill				**3.8**
Cash flow effect				
Consideration				**5.1**
Deferred consideration				**(0.3)**
Contingent consideration				**(0.8)**
Cash and cash equivalents received in the businesses				**-**
Net cash consideration shown in the Consolidated Statement of Cash Flows				**4.0**

The goodwill arising primarily represents the market share and know-how afforded to the Group. Policy alignment and fair value adjustments principally relate to harmonisation with Group IFRS accounting policies, including the provisional application of fair values on acquisition. Contingent consideration relates to the acquisition of FMK and is payable dependent on the achievement of performance and product development targets.

14. Subsequent events

On 13 July 2016 the Group acquired the share capital of Technocover Limited ('Technocover') for a consideration of £10.0m. Based in the UK, Technocover specialises in the development, manufacture, installation and maintenance of high security access products for the utilities market.

On 3 August 2016 the Group acquired the share capital of Signature Limited ('Signature') for a consideration of £12.5m. Based in the UK, Signature specialises in the development and manufacture of street lighting columns and traffic management systems for the UK roads market.

Full details of these acquisitions will be included in the Group's 2016 Annual Report & Accounts.

Financial Calendar

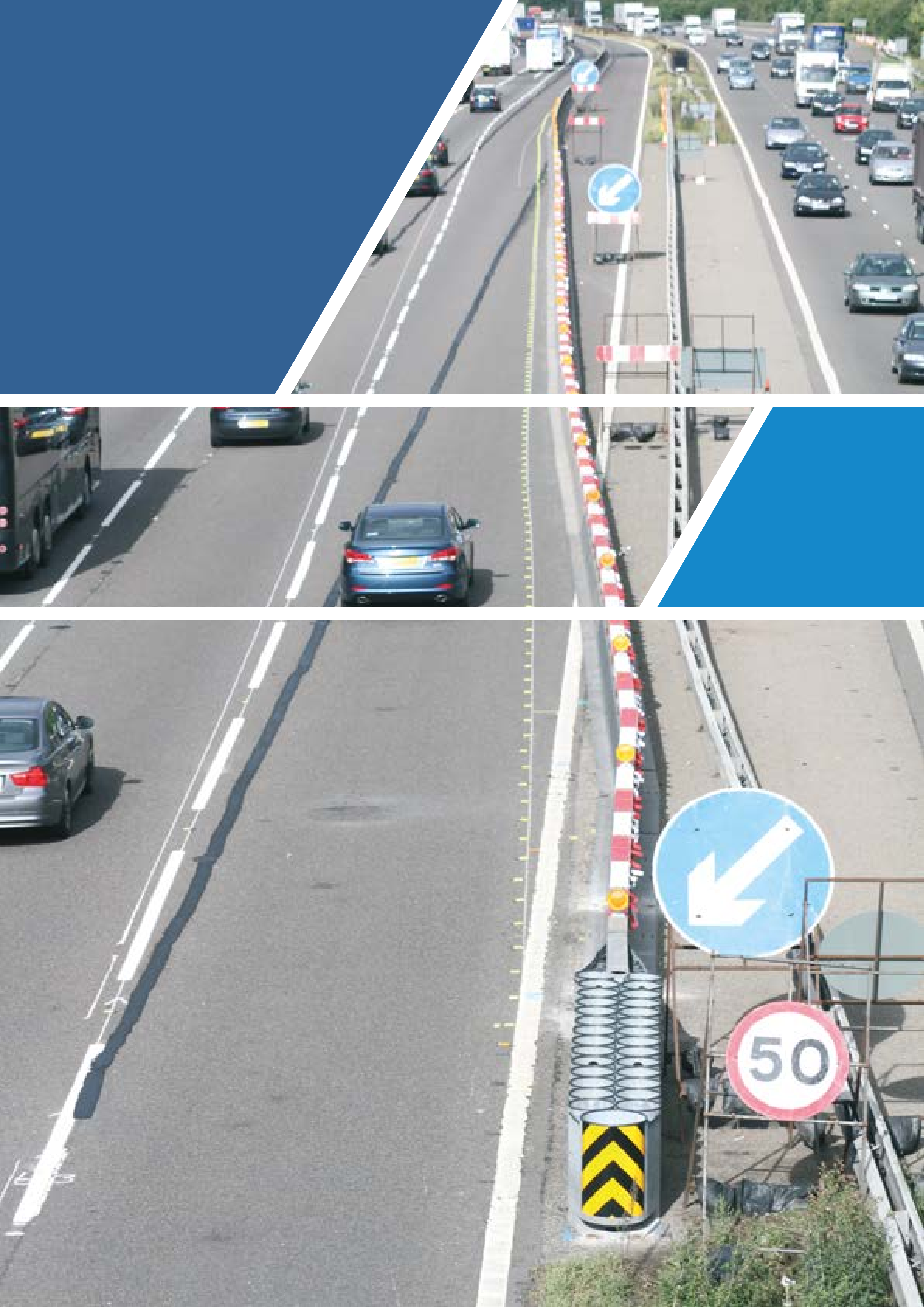
Ex-dividend date	24 November 2016
Record date	25 November 2016
Payment of interim dividend for 2016	5 January 2017
Preliminary results announcement for 2016	8 March 2017
Annual General Meeting 2017	11 May 2017

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 5 January 2017, need to elect to do so by 9 December 2016. 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.

Opposite page:

The Asset Safe Taper by Asset International VRS, situated between junctions 39 to 42 on the M1.


50

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

Hardstaff Barriers (D)
Temporary vertical concrete barriers
www.hardstaffbarriers.com

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

CA Traffic Ltd
Traffic monitoring, vehicle activated signs and automatic number plate recognition equipment

Griffin Lane, Aylesbury,
Buckinghamshire, HP19 8BP
Tel: +44 (0) 1296 333499
Fax: +44 (0) 1296 333498
enquiries@c-a.co.uk
www.ca-traffic.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
ata@ata.se
www.ata.se

*ATA Hill & Smith AS**
Incorporated in Norway
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 Infrastructure Products India Pvt Ltd*
Wire rope safety barrier systems
Incorporated in India

Plot 478, Sector 8, IMT Manesar,
Gurgaon, Haryana, 122050, India
Tel: +91 124 425 9996
Fax: +91 124 425 9996
enquiries@hsipi.in
www.hsipi.in

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*
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, SY21 7BE
Tel: +44 (0) 1938 555511
Fax: +44 (0) 1938 555527
techwebs@technocover.com
www.technocover.co.uk

United States of America

Creative Pultrusions, Inc.*
Manufacture of fibre reinforced 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, Inc. (D)
Design and construction of composite bridges
www.ettechtonics.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
bpwoburn@bergenpower.com
www.bergenps.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.carpenterandpaterson.com

Novia Associates, Inc. (D)
Vibration and seismic control manufacturer
www.noviaassociates.com

Pipe Supports

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

Unit 22, West Stone, Berry Hill Industrial
Estate, Droitwich, Worcestershire, WR9 9AS
Tel: +44 (0) 1905 795500
Fax: +44 (0) 1905 794126
psl@pipesupports.com
www.pipesupports.com

Bergen Pipe Supports Asia Ltd*
Incorporated in Thailand

26/5 Moo 9, Soi Rattanaraj,
Bangna-Trad Road. Km 18.2,
Bangchalong, Bangplee, Samut Prakarn,
10540, Thailand
Tel: +66 (2) 312 7685
Fax: +66 (2) 312 7710
psa@pipesupports.com
www.pipesupports.com

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, V&S Schuler Tubular Products and V&S Clark Substations, all indirectly held and all wholly owned and incorporated in the USA.
(D) Operating division only, not a limited company.

Principal Group Businesses continued

Galvanizing Services

United Kingdom

Joseph Ash Ltd*
Galvanizing and powder coating 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 and powder coating services
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: 01482 587587
Fax: 01482 588599

Darwin Road, Willowbrook Industrial Estate,
Corby, Northants, NN7 5XZ
Tel: 01536 409818
Fax: 01536 409722
www.premiergalvanizing.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 Sauniere 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.
(D) Operating division only, not a limited company.

Directors, Contacts & Advisors

Directors

W H Whiteley BSc, FCMA
(Chairman and Non-executive)

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

M Pegler BCom, FCA
(Group Finance Director)

J F Lennox LLB, CA
(Non-executive)

C J Snowdon BA, FCA
(Non-executive - resigned 17 May 2016)

A M Kelleher MSc, BA
(Non-executive)

M J Reckitt BCom, CA
(Non-executive - appointed 1 June 2016)

Contacts

Hill & Smith Holdings PLC
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Westhaven House
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Shirley, Solihull
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B90 4LH

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Registration Details
Registered in England and Wales
Company Number: 671474

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www.hsholdings.com

Company Secretary
Alex Henderson FCIS

Professional Advisors

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1 Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Brokers and Financial Advisers
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2 Gresham Street
London
EC2V 7QP

Principal Bankers
Barclays Bank Plc
Midlands Corporate Banking Centre
PO Box 3333
1 Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

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Gowling WLG
Two Snowhill
Birmingham
B4 6WR

Silks Solicitors
Barclays Bank Chambers
Birmingham Street
Oldbury
B69 4EZ

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London
WC2N 4HN

Hill & Smith Holdings PLC
Westhaven House, Arleston Way, Shirley,
Solihull, B90 4LH, United Kingdom

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