

Tyman plc**US\$71.0 million acquisition of Bilco****Strong platform for commercial sector growth in North America**

Tyman plc ("Tyman" or the "Company" or the "Group"), a leading international supplier of engineered components to the door and window industry, announces that it has entered into an agreement to acquire Bilco, a North American manufacturer of engineered access and egress products for the commercial and residential markets.

Bilco will form the core of AmesburyTruth's new commercial division which will be responsible for AmesburyTruth's commercial sector activities in North America.

The Acquisition is in line with the Group's strategy to develop and extend AmesburyTruth's product portfolio into the commercial sector through a combination of new product development and targeted acquisitions.

Highlights of the Acquisition

- Enterprise Valuation of US\$71.0 million (approximately £50.3 million) on a cash / debt free basis, representing an acquisition multiple of c. 8.8x Bilco's Adjusted EBITDA for the trailing twelve months ended 31 March 2016.
- The Board believes the Acquisition will provide a number of operational and financial benefits which are expected to create value for Shareholders. In particular:
 - The Acquisition brings to the Group a range of high quality engineered access and egress products for the North American commercial and residential markets including roof access hatches, automatic smoke vents, subterranean access hatches, basement doors and window well products
 - Bilco brings a market leading, highly respected access and egress brand that is regularly specified by architects, designers and contractors in commercial construction, together with established national coverage of the commercial sector focused around the major metropolitan areas of the US
 - Bilco's differentiated product portfolio and capabilities are principally targeted at the commercial sector of the market and are therefore complementary to those of AmesburyTruth, which today is mainly focused on the residential sector
 - The commercial sector is later cycle than the residential sector of the construction market (which has seen significant growth in recent years). The commercial sector also provides access to larger multi-family projects such as urban high rise apartment blocks where AmesburyTruth's OEM customers tend to have smaller shares
 - All commercial buildings require engineered solutions for window, door, roof, and subterranean apertures and the enlarged AmesburyTruth business will have differentiated offerings for each of these product categories as well as established routes to market. Bilco's products are typically specified early in a project as part of the building envelope which in turn gives opportunities to participate across the project as a whole

- Tyman’s international scale means there will be opportunities to take Bilco products into new markets and to develop Bilco’s existing international markets in a more structured manner
- Bilco has well invested lean facilities with significant capacity through which the Group will be able to drive increased production without the need for major investment
- The Board believes that the acquisition of Bilco will significantly strengthen the Group’s existing business model and help deliver its growth objectives in the commercial sector of the construction market

Financing of the Acquisition

- The Acquisition and associated expenses will be funded from the Group’s cash reserves and a draw down on the Group’s existing committed banking facilities.
- Separately, the Group has today announced a placing of up to 5 per cent. of its issued share capital with institutional shareholders to reduce balance sheet gearing and provide structural headroom on the Group’s banking facilities.

Financial Effects of the Acquisition*

- For the year ended 31 December 2015, Bilco recorded revenue of approximately US\$54.3 million (2014: US\$52.2 million) and Adjusted EBITDA of US\$7.0 million (2014: US\$7.4 million).
- Bilco has had a promising start to 2016 and is trading ahead of 2015 in terms of revenue, order book and profitability. The Board believes that the strong start to 2016 is due in part to 2015 projects deferred into Q1 2016. As at 31 March 2016 Bilco’s unaudited TTM revenue was US\$56.9 million and unaudited TTM Adjusted EBITDA was US\$8.1 million.
- The Acquisition is expected to be accretive to the Group’s underlying earnings per share in 2017, the first full year following Completion. Assuming delivery of the synergy plan and no material deterioration in Bilco’s end markets, the Board expects that the ROAI of the Acquisition will meet or exceed the Group’s target run rate of 15 per cent. by 2019.
- Estimated annual pre-tax cost and revenue synergies of at least US\$2.5 million are expected to be delivered from 2019. The one-off cash costs to implement the integration and deliver synergies are estimated at approximately US\$2.0 million.
- In addition, over time, the Group would expect to derive further revenue benefits from increased sales of the Group’s existing commercial product range through Bilco’s routes to market.
- Assuming successful completion of the placing of shares in Tyman, the Board expects the Group’s pro forma Leverage at Completion will be approximately 2.40x (HY 2015: 1.81x). Leverage is projected to reduce over the second half of the year towards the Group’s year end target range of 1.5x to 2.0x.

** This financial effects statement should not be construed as a profit forecast or interpreted to mean that the future earnings per share, profits, margins, returns on capital or cashflows of the Group will necessarily be greater than the historic published figures or that Leverage will necessarily be lower than the historic published figures.*

Current Trading

Trading in each of the Group's Divisions has continued in line with the performance indicated in Tyman's trading statement of 13 May 2016.

Half Year Results Announcement

Tyman will issue its half year results for the six months ending 30 June 2016 on Tuesday 26 July 2016.

Louis Eperjesi, Chief Executive of Tyman, commented:

"The acquisition of Bilco represents a strategic opportunity to add a manufacturer of high quality engineered access and egress products to AmesburyTruth, as we seek to develop our offering into the commercial sector in North America.

"Together with AmesburyTruth's existing product offering and our recent acquisition of Giesse we now have an extended portfolio of products and access to well established routes to the commercial sector of the market.

"The Acquisition positions AmesburyTruth to benefit from future commercial sector growth. We expect the Acquisition will be accretive to the Group's underlying earnings per share from 2017, will significantly strengthen the Group's existing business model and help deliver our growth objectives.*

"On behalf of the Board I am pleased to welcome Bilco's management and employees to the Group."

15 June 2016

Analyst presentation

Tyman will host an analyst and investor presentation at 10.30 a.m. today, Wednesday 15 June 2016, at the offices of MHP, 6 Agar Street, London WC2N 4HN.

Conference Call Dial In Details

Toll number 0203 139 4830

Participant PIN 76659279#

Copies of this announcement and the management presentation concerning the Acquisition will be made available at Tyman's website (www.tymanplc.com).

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This summary should be read in conjunction with the full text of this announcement.

Notes to editors

Tyman plc is a leading international supplier of engineered components to the door and window industry. The Group's three Divisions – AmesburyTruth, ERA (incorporating Response Electronics) and Schlegel International (incorporating Giesse) – are market leaders in their respective geographies.

Following the acquisitions of Giesse and Response Electronics and the completion of the acquisition of Bilco, the Group will employ over 3,500 people and operate facilities in 19 countries worldwide. Tyman is listed on the London Stock Exchange under the ticker TYMN.

Further information on the Group and the Group's products are available at the Group's website - www.tymanplc.com. A list of definitions and a glossary of terms is contained in the Group's Report and Accounts at the Group website.

Disclaimer

This announcement may include "forward-looking statements" with respect to certain of the Group's plans in relation to Bilco and the Group's current goals and expectations relating to its future financial condition, performance and results.

These forward-looking statements sometimes contain words such as 'anticipate', 'target', 'expect', 'intend', 'plan', 'goal', 'believe', 'may', 'might', 'will', 'could' or other words of similar meaning. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to future events and circumstances which may be beyond the Group's control. As a result, the Group's actual future financial condition, performance and results may differ materially from those expressed or implied by the plans, goals and expectations set forth in any forward-looking statements, and persons receiving this announcement should not place reliance on forward-looking statements.

Tyman expressly disclaims any obligation or undertaking (except as required by applicable law) to update the forward-looking statements made in this announcement or any other forward-looking statements it may make

or to reflect any change in the Group's expectation with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Forward-looking statements made in this announcement are current only as of the date on which such statements are made.

None of the statements in this announcement are, nor are any intended to be, a profit forecast or should be interpreted to mean that the future earnings per share, profits, margins, returns on capital or cashflows of the Group will necessarily be greater than the historic published figures or that Leverage will necessarily be lower than the historic published figures.

Further information in relation to the Acquisition

1. Introduction

The Board announces that the Group has agreed to acquire Bilco for an Enterprise Value of US\$71.0 million (approximately £50.3 million).

The Acquisition is in line with the Group's strategy to develop and extend AmesburyTruth's product portfolio into the commercial sector through a combination of new product development and targeted acquisitions. In addition, the Board believes that the Acquisition will strengthen the Group's existing business model and help deliver Tyman's growth objectives.

The Acquisition and associated expenses will be funded from the Group's cash reserves and a draw down on the Group's existing committed banking facilities.

Separately, the Group has today announced a placing of up to 5 per cent. of its issued share capital with institutional shareholders to reduce balance sheet gearing and provide structural headroom on the Group's banking facilities.

2. Background to, reasons for and expected benefits of the Acquisition

The Group's strategy for its North American Division is to develop AmesburyTruth's portfolio offering and routes to market such that AmesburyTruth can offer a full range of engineered components to both the residential and commercial sectors of the market.

The Acquisition accelerates this strategy and brings to AmesburyTruth a strong commercial product offering and brand which other hardware providers do not have in their product portfolio. In addition, Bilco has established architect, engineer, designer and contractor relationships which would take the Group many years to develop organically.

The Board believes the Acquisition will provide a number of operational and financial benefits which are expected to create value for Shareholders. In particular:

- The Acquisition brings to the Group a range of high quality engineered access and egress products for the North American commercial and residential sectors including roof access hatches, automatic smoke vents, subterranean access hatches, basement doors and window well products
- Bilco brings a market leading, highly respected access and egress brand that is regularly specified by architects, designers and contractors in commercial construction, together with established national coverage of the commercial sector focused around the major metropolitan areas
- Bilco's differentiated product portfolio and capabilities are principally targeted at the commercial sector and are therefore complementary to those of AmesburyTruth, which today is mainly focused on the residential sector
- The commercial sector is later cycle than the residential sector of the construction market (which has seen significant growth in recent years). The commercial sector also provides access to larger multi-family projects such as urban high rise apartment blocks where AmesburyTruth's OEM customers tend to have smaller shares

- All commercial buildings require engineered solutions for window, door, roof, and subterranean apertures and the enlarged AmesburyTruth business will have differentiated offerings for each of these product categories as well as established routes to market. Bilco's products are typically specified early in a project as part of the building envelope which in turn gives opportunities to participate across the project as a whole
- Tyman's international scale means there will be opportunities to take Bilco products into new markets and to develop Bilco's existing international markets in a more structured manner
- Bilco has well invested, lean facilities with significant capacity through which the Group will be able to drive increased production without the need for major investment
- The Board believes that the acquisition of Bilco will significantly strengthen the Group's existing business model and help deliver its growth objectives in the commercial sector of the construction market

3. Summary information on Bilco

Bilco was founded in 1926 in Connecticut, USA and is a manufacturer of engineered access and egress products for both the commercial and residential construction sectors. Bilco estimates that approximately 80 per cent. of its product sales are into the commercial sector of the market with some 20 per cent. into the residential sector.

Bilco manufactures roof access hatches, floor access products, automatic smoke vents and access safety products for commercial construction markets. Additionally, Bilco manufactures basement doors and window well products for residential construction markets.

Bilco's recent high profile projects include providing floor doors for the New York City 911 memorial, roof hatches for the London Olympic Stadium, and floor doors for Shanghai Disneyland.

Commercial Products

Bilco's principal commercial product offering is its range of roof access hatches and smoke vents which are either standard or bespoke depending on the nature of the building. Bilco standard-sized roof access hatches are stocked by leading U.S. and Canadian roofing products distributors and sold to leading buying groups of independent roofing distributors.

Specialised Bilco roof access hatches include skylight roof hatches, acoustical products for use in theatres and performance halls, heavy-duty roof hatches for use in prisons and other high-security environments and thermally-broken products that provide improved insulation for 'green' building environments.

Bilco manufactures automatic smoke vents that are used to aid fire fighters by venting heat and smoke from a burning building. Bilco automatic smoke vents feature powerful lift mechanisms to open covers in wind and snow conditions, heavy duty shock absorbers that prevent roof or structural damage on opening and construction that ensures weather-tightness and corrosion resistance.

Bilco also provides a range of floor access products for the commercial sector including pavement access doors, subterranean access hatches, transit access hatches and emergency egress hatches. Bilco's products feature lift assistance for easy one-hand door operation, automatic hold open devices, corrosion resistant materials and positive latching mechanisms to prevent unauthorised access. Bilco's products are available in a wide range of sizes, can be configured for interior or exterior applications, made floodtight and are capable of heavy load bearing (trucks or aircraft) as required.

Bilco attracts leading distributors and contractors through its established network of architects, designers and engineers that specify Bilco products for their construction projects. Both designers and builders have come to rely on Bilco for on-time delivery, ease of installation and long-term product performance. The Board believes that these established routes to market are one of the key attributes of Bilco.

Bilco also distributes ventilation and fire curtain products for the North American commercial sector and manufactures the innovative Barracuda™ intruder defence system designed to secure non-locking interior doors of schools, colleges, offices or hospitals in the event of a lockdown emergency.

Residential Products

Bilco's residential products include metal and polyethylene basement access doors and polyethylene window well products. The Bilco brand is synonymous with residential basement access products in the United States.

Bilco's residential products are sold through two-step building products distributors and direct to big-box retailers and precast concrete providers. Bilco has long-standing customer relationships and has been selling to many of its largest distributor customers since their first branch openings.

Facilities

Bilco operates from seven locations including its corporate offices located in New Haven, Connecticut; sales offices in Ontario, Canada; and Suffolk, United Kingdom, a warehouse in Santa Teresa, New Mexico, and manufacturing facilities in Juarez, Mexico; Trumann, Arkansas; and Zanesville, Ohio. Bilco currently employs approximately 250 individuals across its various locations.

Bilco Financials

The Bilco financials in this announcement are extracted from Bilco's management and statutory accounts. These accounts are prepared under US GAAP and so are not directly comparable to Tyman accounts which are prepared under IFRS.

Bilco Revenue by geography	2015 US\$'m	2014 US\$'m
USA	44.8	42.0
Americas (principally Canada and Mexico)	4.6	5.1
United Kingdom	4.9	5.1
Revenue	54.3	52.2

Profit and Loss Account highlights	2015 US\$'m	2014 US\$'m
Revenue	54.3	52.2
Adjusted EBITDA	7.0	7.4
Adjusted Operating Profit	5.7	6.1
<i>Adjusted Operating Margin</i>	10.5%	11.6%

Revenue is stated net of pass through freight

The decline in US\$ profitability in 2015 reflects shifts in product mix and the strengthening of the US dollar in 2015 against international currencies along with deferral of some projects.

Bilco has had a promising start to 2016 and is trading ahead of 2015 in terms of revenue, order book and profitability. The Board believes that the strong start to 2016 is due in part to 2015 projects deferred into Q1 2016. As at 31 March 2016 Bilco's unaudited TTM revenue was US\$56.9 million and TTM Adjusted EBITDA was US\$8.1 million.

Balance Sheet highlights

As at 31 December 2015 Bilco's gross assets were approximately US\$27.9 million and its net assets were approximately US\$10.4 million.

4. Commercial sector of the construction market in the United States

The commercial sector of the US construction market comprises all commercial, institutional and manufacturing construction in the United States. The commercial sector tends to be more project focussed than the Residential Sector and this in turn can lead to market variability if significant projects do not repeat in subsequent years.

Elements of commercial construction include office buildings, hotels and motels, stores and shopping centres. Elements of institutional construction include educational establishments, healthcare facilities and prisons. The commercial sector of the construction market typically lags the residential new build sector by between 12 to 24 months.

Commercial construction starts reached 1.05 billion square feet at the peak in 2007 and fell to 279 million square feet in 2010. In 2016 commercial construction starts are expected to increase 9 per cent. to 640 million square feet and the dollar value of those starts by 11 per cent. to US\$93.7 billion.

In 2016, Institutional construction starts are expected to increase 8 per cent. to 337 million square feet and the dollar value of those starts by 9 per cent. to US\$120.4 billion. Manufacturing construction starts are expected to increase by 5 per cent. to 63 million square feet with the dollar value of those starts declining fractionally to US\$25.0 billion.

Source: Dodge Analytics

5. Integration of Bilco into Tyman and synergies

Integration

As with all Tyman acquisitions, the Group intends that Bilco will be fully integrated into the Tyman Group. Bilco will form the core of AmesburyTruth's new commercial division which will be responsible for all of AmesburyTruth's commercial sector activities in North America.

A detailed integration plan, led by senior executives of Tyman, AmesburyTruth and Bilco, has been established to deliver benefits from the combination of Bilco and the Group.

*Synergies**

The Board believes there are several potential areas where the Enlarged Group may be able to derive cost synergy benefits following the Integration including:

- Alignment of sales and marketing resources
- Co-ordination of third party sourcing, freight and logistics
- Sharing of best practice between AmesburyTruth and Bilco
- Optimisation of North American offices and facilities
- Effective utilisation of administrative overheads
- Review of pricing matrices

The Board expects the combination of Bilco and AmesburyTruth will deliver annual pre-tax cost savings and revenue benefits of at least US\$2.5 million from 2019. The expected one-off cash costs to implement the integration are estimated at approximately US\$2.0 million.

In addition, over time, the Group would expect to derive further revenue benefits from increased sales of the Group's existing commercial product range through Bilco's routes to market

Tyman will report on the status of the Integration and progress towards delivery of the synergies at each half and full year results announcement.

** This statement of estimated synergy benefits relates to future actions and circumstances which by their nature involve risks, uncertainties, contingencies and other factors. As a result, the synergies referred to may not be achieved, or those achieved and the investment required to secure the synergy benefits may be materially different from the estimates. The synergy benefits and costs set out in this announcement are unaudited numbers based on Tyman estimates.*

6. Principal terms and conditions and financing of the Acquisition

The Group has agreed to purchase Bilco from the Vendors by way of a merger between the Group's wholly owned subsidiary, Gold Merger Subsidiary Inc., (a company formed by AmesburyTruth for the purposes of the Acquisition) and Bilco. The Acquisition is expected to complete on or shortly after 1 July 2016.

The Enterprise Value has been agreed on a cash and debt free basis, subject to customary adjustments to cash consideration payable, including working capital. At Completion Bilco is expected to hold net cash balances of approximately US\$1.0 million.

Fees and expenses incurred by the Group in connection with the Acquisition and the proposed share placing are estimated at approximately US\$2.2 million.

The Acquisition and associated expenses will be funded from the Group's cash reserves and a draw down on the Group's existing committed banking facilities.

Separately, the Group has today announced a placing of up to 5 per cent. of its issued share capital with institutional shareholders to reduce balance sheet gearing and provide structural headroom on the Group's banking facilities.

The Acquisition is classified as a Class 2 transaction under the Listing Rules.

7. Financial effects of the Acquisition*

The Board expects that the Acquisition will be accretive to the Group's underlying earnings per share in 2017, the first full year following Completion. Assuming delivery of the synergy plan and no material deterioration in Bilco's end markets, the Board expects that the ROAI of the Acquisition will meet or exceed the Group's target run rate of 15 per cent. by 2019.

Assuming successful completion of the proposed placing, the Board expects pro forma Leverage at Completion will be approximately 2.40x (HY 2015: 1.81x). Leverage is projected to reduce over the second half of the year towards the Group's year end target range of 1.5x to 2.0x.

On the 2015 Pro Forma Basis, the Enlarged Group's 2015 Revenue would have been approximately £438.6 million and Underlying Operating Profit would have been approximately £60.2 million.

15 June 2016

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Definitions

The following definitions apply throughout this announcement, unless the context otherwise requires

2015 Pro Forma Basis	the aggregation of Tyman’s reported Revenue or Underlying Operating Profit (as applicable) for the year ended 31 December 2015 with those of Bilco, Giesse and Response Electronics assuming that each of Bilco, Giesse and Response had been owned for the entire 2015 year. Aggregation does not include any amendments or adjustments for acquisition costs, integration costs, synergies, differences in basis of preparation, or other impacts of combination. All figures translated at 2015 average exchange rates
Acquisition	the acquisition of Bilco by Tyman on the terms and conditions set out in the Acquisition Agreement
Acquisition Agreement	the agreement dated 14 June 2016 between Tyman plc and the Vendors concerning the acquisition of Bilco
Adjusted EBITDA or Operating Profit	Bilco’s unaudited EBITDA or Operating Profit as applicable extracted from management accounts and adjusted for income and expense items that will not recur under Tyman ownership
AmesburyTruth	the Group’s North American Division
Bilco	the Bilco Company, a Connecticut Corporation
Board or Directors	the Executive and Non-executive Directors of Tyman
Tyman or the Group	Tyman plc with registered Company number 02806007
Completion	the completion of the Acquisition of Bilco
Enlarged Group	the Group as enlarged by Bilco following Completion
Sterling or £	the lawful currency of the United Kingdom
Group	Tyman and its subsidiaries as at 15 June 2016
Integration	the integration of Bilco into the Group
Leverage	the Group’s covenant measurement of Leverage as defined in the Tyman Report and Accounts for the year ended 31 December 2015
Listing Rules	the listing rules of the Financial Conduct Authority
ROAI	annualised Underlying Operating Profit attributable to the acquired business divided by the Acquisition Enterprise Value less the fair value of controllable capital employed as at the

date of acquisition plus the value of controllable capital employed at the date of measurement. The denominator is also adjusted for seasonality where appropriate

Shareholders	holders of ordinary shares in Tyman
United Kingdom	the United Kingdom of Great Britain and Northern Ireland
US or United States	the United States of America
US\$	the lawful currency of the United States of America
Vendors	the third generation shareholders of Bilco

Glossary of Terms

EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation
IFRS	International Financial Reporting Standards
ROAI	Return on Acquisition Investment
TTM	trailing twelve months

Exchange Rates

A Dollar Exchange Rate of US\$1.4116, being the prevailing rate on Tuesday 14 June 2016, has been used in the translation of the Enterprise Value.

Roundings

Percentage numbers have been calculated using figures rounded to the nearest thousand, which may lead to small differences in some figures and percentages quoted.