**Tyman PLC**

**("Tyman" or the "Group" or the "Company")**

**INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2013**

Tyman plc, the leading international supplier of building products to the door and window industry, announces unaudited interim results for the six month period ended 30 June 2013.

**HIGHLIGHTS – CONTINUING OPERATIONS**

**Financial Highlights**

| **£ million unless stated** | **2013** | **2012** | **Change** | **CC LFL (1)** |
|---|---|---|---|---|
| Revenue | **£123.7m** | £111.8m | **+ 10.6%** | *+ 1.6%* |
| Underlying Operating Profit (2) | **£10.9m** | £10.9m | **-** | *- 12.5%* |
| Underlying EPS (2) | **4.98p** | 4.64p | **+ 7.3%** | |
| Interim Dividend per share | **1.50p** | 1.00p | **+ 50.0%** | |
| Underlying Net (Cash)/ Debt | **£(25.2)m** | £34.2m | | |
| Voting shares in issue | **169.5m** | 129.8m | | |

*All numbers stated are from continuing operations i.e. excluding Gall Thomson and Composite Doors*

*1. CC LFL = Constant Currency Like for Like (excluding acquisitions and exchange effects)*

*2. 2012 comparatives are stated before the impact of Peterlee property releases*

*"Underlying" is defined as before amortisation of intangible assets, deferred tax on amortisation and accelerated amortisation of intangible assets, impairment of intangible assets and goodwill, exceptional items, unwinding of discount on provisions, amortisation of borrowing costs and the associated tax effect*

**Operating and corporate highlights**

- Name change to Tyman plc
- $200 million acquisition of Truth Hardware completed on 3 July 2013, financed by a well supported equity issue of £73.4 million and a new US$100 million bank facility
- Move from AiM to the Official List of the London Stock Exchange
- On the back of improving markets, satisfactory progress in North America
- Strong performance in the UK with good momentum in the business
- Difficult European markets led to a small loss in Schlegel International
- Higher order books across all businesses at 30 June 2013

Louis Eperjesi, Chief Executive Officer, commented:

"The first half of the financial year has again seen considerable activity and saw the Group deliver an encouraging overall result, with satisfactory growth in North America and a strong performance in the UK offset in part by continued weakness in Europe. Order books at the half year were stronger across all of our businesses and in our key markets of North America and the UK have continued to grow across the summer months. We expect the broad pattern of trading seen in the first half will continue for the balance of the year.

"The acquisition of Truth Hardware, which completed shortly after the half year, gives the Group a significant opportunity to enhance its hardware offering in North America."

**30 August 2013**

**Enquiries:**

| | |
|---|---|
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Tyman will host an analyst presentation at 09.30am on Friday 30th August 2013 at the offices of MHP Communications, 60 Great Portland Street, London, W1W 7RT.

**Conference Call Dial In Details**

| | |
|---|---|
| Dial-in number: | 020 3139 4830 |
| Participant PIN code: | 84967602# |

**OVERVIEW**

The first half of the financial year saw the Group deliver an encouraging overall result with Revenue from continuing operations increasing to £123.7 million and Underlying Operating Profit in line with prior year at £10.9 million. Underlying earnings per share, before 2012 property provision releases, increased by 7.3 per cent. to 4.98 pence.

Order intake across the Group in the period was very promising with order books at the half year in each of the businesses running ahead of the previous year.

The continued recovery in the new build residential market in the United States led to a solid six month revenue performance for Amesbury. The UK market was subdued in the first quarter and Grouphomesafe had a slow start to the year as a consequence; however the second quarter saw an improvement in market conditions and further share gains through our Fab & Fix and ERA hardware offerings. European markets remained very depressed throughout the period and contracted further, impacting Schlegel International, although emerging markets continued to experience some growth.

Across the Group we have seen muted raw material cost inflation in the first half of the year, however currency weakness in the UK, Brazil and Australia has impacted the cost of imported finished goods in those markets.

Working capital across the Group remained tightly controlled and we have continued to invest in our capital expenditure programmes aimed at increasing the quality and performance of our businesses.

Further details on trading and financial performance are contained in the Operating and Financial reviews.

**Acquisition of Truth Hardware and Move to the Main Market**

The acquisition of Truth Hardware ("Truth") was completed on 3 July 2013 for a net cash consideration of approximately US$200 million, financed by a well supported equity issue which raised gross proceeds of £73.4 million and a new US$100 million bank facility raised from our existing banking group.

Under Melrose's ownership, in the six months to 30 June 2013, Truth reported revenue of approximately US$62.6 million (2012: US$61.9 million) and operating profit of approximately US$10.1 million (2012: US$9.6 million) with similar revenue performance seen in US markets to Amesbury, offset in part by some contraction in Canadian revenue.

Integration initiatives are now well underway and proceeding to plan, with synergy targets unchanged, and we will report in greater detail on these initiatives at the time of our year end results. Our initial review of the business following acquisition has confirmed our confidence in the strategic opportunity to enhance the Group's position in the North American door and window market and to accelerate our long term growth.

On 8 July 2013, the Group completed the move from AiM to the Main Market of the London Stock Exchange.

**Dividend**

The Board has declared a significantly increased interim dividend of 1.50 pence per share (2012: 1.00 pence), reflecting a rebasing in line with our broad intent of the interim dividend being approximately one third of the previous year's total dividend of 4.50 pence.

The ex-dividend date will be 11 September 2013 and the interim dividend will be paid on 11 October 2013 to shareholders on the register at close of business on 13 September 2013.

**Outlook**

Amesbury and Truth expect to show further growth in revenue and operating profit across the remainder of 2013, with accelerating new build continuing to drive the residential market in the United States. Repair and remodelling, which constitutes the majority of the US residential market, has historically lagged new build by between 18 months and two years and both Amesbury and Truth are well positioned to benefit from its eventual recovery. The Canadian market, which comprises approximately one third of Truth's revenue, is expected to contract across the year as a whole; although not to the same extent seen in the first half.

In the UK, the Group still expects the overall market to contract modestly in 2013; however Grouphomesafe has continued its good momentum into the second half and should see further growth in revenue and operating profit as a result of new customer wins, new product introductions, and further growth in the Fab & Fix offering.

European markets are expected to remain very subdued for the year as a whole and, accordingly, in 2013 Schlegel International is only expected to make a marginal profit at the operating level (before the allocation of central overheads); a significantly lower result than in 2012.

Overall, we expect the broad pattern of trading seen in the first half will continue for the balance of the year and are encouraged by the strong order intake across the Group. The results for the full year will be impacted by the decline in profitability in Schlegel International but will also include a six month contribution from Truth Hardware, which we continue to expect to be accretive to the Group's earnings per share in its first full financial year of our ownership.

**OPERATING REVIEW**

**Amesbury**

| £'million except where stated | H1 2013 | H1 2012 | Change | Constant Currency Like For Like |
|---|---|---|---|---|
| Revenue | **£63.5m** | £58.5m | **+ 8.5%** | *+ 6.0%* |
| Underlying Operating Profit | **£6.3m** | £6.0m | **+ 5.1%** | *+ 2.4%* |
| *Underlying Operating Margin* | ***9.9%*** | *10.2%* | | |

In North America, the continuing recovery in new build residential construction has assisted market demand; although there is yet to be a significant improvement in repair and remodelling which constitutes around 70 per cent. of the overall residential market.

Amesbury saw revenue increase in the first half by 6.0 per cent. in dollar terms with profitability in the period somewhat impacted by levels of investment in the business ahead of the second half. Amesbury has seen consistent increases in order intake throughout the first half across all its businesses and at 30 June had an order book some 16 per cent. higher than at the equivalent stage last year which gives us encouragement for the second half.

Our hardware businesses generated encouraging growth in the period with the integration of Unique, acquired in April 2012, into our Statesville facility now completed. Our sealing businesses had a strong first half with increased demand for both pile and foam seal products. Recovery in the extrusion market continues to be more patchy than in our other Amesbury businesses, although there have been increased levels of new business wins through our Atlanta facility.

In preparation for the integration of the Truth and Amesbury businesses, in July we announced a structural reorganisation of Amesbury, moving the business from a divisional product led structure to a unified management structure. This reorganisation is the logical extension of the positioning of Amesbury in the market over the past three years as a national provider offering reliable resources and superior solutions to the North American Door and Window market.

The new structure will lead to clearer lines of reporting, improved allocation of resources and will allow us to eliminate some duplicate costs across the divisions. The new organisational structure is also key to the smooth integration of Truth into our North American business which is now some 65 per cent. larger in annual revenue terms than previously reported.

Dollar revenue in the period for Amesbury were $98.1 million (2012: $92.3 million) and Underlying Operating Profit was $9.7 million (2012: $9.4 million).

**Grouphomesafe**

| £'million except where stated | H1 2013 | H1 2012 | Change | Like For Like |
|---|---|---|---|---|
| Revenue | **£41.5m** | £34.1m | **+ 21.8%** | *- 2.5%* |
| Underlying Operating Profit | **£4.8m** | £3.2m | **+ 49.8%** | *+13.1%* |
| *Underlying Operating Margin* | ***11.7%*** | *9.5%* | | |

Grouphomesafe has seen a strong performance in the first half of the financial year against a slightly improved market backdrop and has continued to take market share. After a slow first quarter, activity in the UK residential markets picked up somewhat in the second quarter, with increased demand seen from the larger OEM fabricators who constitute our core customer base. While the order book in Grouphomesafe was only slightly ahead of 2012 at the half year, a function of the sluggish start to the year, order intake in the UK has continued to gain momentum across the summer months.

On a like for like basis, revenue was slightly lower than in 2012, principally due to lower steel input costs affecting pricing at our reinforcer business. Our smaller niche portfolio businesses in the UK continue to gain share and performed well in the period.

Fab & Fix continued its strong performance under Tyman ownership with an all time record sales month during the first half and a number of product account wins from existing Grouphomesafe customers starting to produce revenue. There were a number of new product launches in the first half across the Grouphomesafe business and a more structured approach to UK marketing has started to generate good business leads.

In the second half of 2013 we will complete the integration of the Fab & Fix and Grouphomesafe salesforces and will consolidate some of our niche hardware distribution activities into a single site.

**Schlegel International**

| £'million except where stated | H1 2013 | H1 2012 | Change | Constant Currency Like For Like |
|---|---|---|---|---|
| Revenue | £18.7m | £19.2m | **- 2.9%** | *- 5.0%* |
| Underlying Operating (Loss)/Profit | £(0.2)m | £1.7m | **- 113.8%** | *- 113.7%* |
| *Underlying Operating Margin* | *n/a* | *8.9%* | | |

Schlegel International has seen local currency revenue slightly behind the corresponding period in 2012 and made a marginal profit in the period before the allocation of Central Overheads. At the half year the order book within Schlegel International was higher than at the equivalent stage last year, an element of which is due to blanket orders received for delivery over the next 18 months.

Our largest International business, Germany, had a very difficult six months with revenue and orders from the domestic market and the key export markets of Eastern Europe and Scandinavia significantly lower than in 2012. Southern European markets remain very depressed, although our Italian business is starting to show some signs of a return to growth, as competitors exit the market, albeit from a very low base.

Our Australasian business traded strongly in the first half, against a mixed market backdrop, and will benefit from the addition of Truth products to its portfolio. Brazil saw significant growth in the period and took further market share. Our Singapore business has had a solid first six months to the year following its establishment as a standalone entity at the start of 2013.

Production at our Belgian Building Products business ceased in December 2012 and was transferred to our Spanish and Linear pile manufacturing plants during the first quarter of 2013. Output suffered somewhat in the first half due to start up inefficiencies in the new facilities however the Group now has clearly defined centres of excellence for the manufacture of pile weatherstrip and foam compression seals in Europe.

During the first half we have continued to develop the Schlegel International management team, hiring a new sales director and a director of business development. We have also increased levels of investment in new product development in order to underpin the strength of the Schlegel brand.

While trading conditions in Europe are expected to remain difficult for the remainder of 2013, we remain committed to our investment plans for our International business and are confident that we now have the right operational platform and infrastructure to drive growth in Schlegel International from 2014.

## FINANCIAL REVIEW

### Revenue and operating profit

Revenue from continuing operations increased by 10.6 per cent. to £123.7 million (2012: £111.8 million). On a constant currency, like for like basis, Group revenue was slightly ahead of 2012.

Gross margins from continuing operations improved from 32.8 per cent. in H1 2012 to 33.3 per cent. in 2013 reflecting a six month contribution from Fab & Fix and changes in business mix; offset somewhat by the falls in demand seen in continental Europe.

Underlying Administrative Expenses increased by approximately £4.6 million principally reflecting the administrative overhead acquired with Fab & Fix and the investments made in marketing and commercial support for Schlegel International and Amesbury.

Underlying Operating Profit of £10.9 million (2012: £10.9 million) was broadly in line with 2012, although on a constant currency like for like basis was approximately 12.5 per cent. behind 2012.

### Exceptional items

Exceptional charges of £4.9 million were incurred during the period (2012: £0.4 million) comprising £3.9 million of costs associated with the acquisition of Truth Hardware and approximately £1.0 million of costs associated with the Schlegel International restructuring and the Unique site relocation.

### Finance costs

Net finance charges in the period reduced from £2.8 million to £1.7 million, reflecting a full six months of the Group's improved margin grid together with lower amortisation of historic arrangement fees, and the benefits from the revised hedging arrangements put in place in 2012.

The exceptional foreign exchange gain of £1.3 million in the period relates to the conversion of the £73.4 million gross proceeds of the equity issue into dollars to facilitate the completion of the acquisition of Truth on 3 July.

### Taxation

The Group incurred an Underlying tax charge during the period of £2.7 million (2012: £3.1 million) equating to an Underlying tax rate of 28.4 per cent. (2012: 29.4 per cent.).

Cash taxes paid during the period decreased slightly to £2.2 million (2012: £3.3 million), and reflect an Underlying cash tax rate of 23.0 per cent. (2012: 30.5 per cent.), which is consistent with the Underlying cash tax rate for the full year 2012. This cash tax rate is expected to increase going forward and converge towards the Underlying tax rate in the income statement.

### Earnings per share

Underlying earnings per share, before property provision releases, increased by 7.3 per cent. to 4.98 pence, reflecting the lower net finance charge, offset in part by the increased number of shares in issue in the period following the admission of the new ordinary shares in May 2013.

Basic loss per share from continuing operations was 1.41 pence (2012: earnings per share 44.66 pence).

**Dividends**

The interim dividend has been rebased to 1.50 pence per share (2012: 1.00 pence per share), an increase of 50 per cent.. The ex-dividend date will be 11 September 2013 and the interim dividend will cost the Group approximately £2.6 million and will be paid on 11 October 2013 to shareholders on the register on 13 September 2013.

With effect from the 2013 interim dividend, in the absence of unforeseen circumstances, the Group intends that the interim dividend payment will be one third of the total dividend declared for the previous year.

**Segmental Analysis**

Prior year disclosures have been amended to take account of the disposal of the Composite Doors business and to reflect the revised operating segments announced at the time of the full year results. Linear, which was previously reported as part of the UK geographic disclosure, is now reported as part of the Schlegel International operating segment.

**Cash Position and Covenant Performance**

At 30 June 2013 the Group's Underlying Net Cash balances were £25.2 million (2012: £34.2 million of Underlying Net Debt), reflecting the fact that the proceeds of the equity issue were on the balance sheet at the period end and had yet to be paid over to Melrose.

At 30 June 2013, the Group had headroom on its relevant banking covenants under the revised bank facilities entered into in September 2011 ranging from 58.3 per cent. to 59.6 per cent.. As the Group was in a net cash position at the half year the Net Debt: EBITDA covenant test is effectively disregarded.

**Cash flow**

Operational Cash flow in the period was strong with the seasonal build in working capital to the half year being tightly managed across all divisions. Inventories at 30 June 2013 were higher than in 2012 in absolute terms, principally due to the inclusion of Fab & Fix on the balance sheet which has an extended Far East supply chain. Overall, our working capital metrics remain in line with our expectations.

Net tangible and intangible capital expenditure in the period was £4.1 million (2012: £3.6 million) as we continue to invest in the business and seek to take full advantage of the Group's strong balance sheet.

**Summary 2013 financial guidance**

Underlying tax rates for the Group for 2013 are expected to be c. 30 per cent. with US marginal corporate taxation rates outweighing the benefits of further UK corporation tax reductions. Cash taxation rates are expected to be broadly in line with the Group's Underlying tax rate.

Capital expenditure for the year is now expected to be in the range £6.0 to £8.0 million.

Net interest charge for the year is expected to be c. £3.5 to £4.0 million – dependent on leverage.

Expenses associated with the Truth acquisition and move to the Main Market will total approximately £8.0 million, £2.5 million of which will be written off against the share premium account and £4.0 million of which will be charged as an exceptional item in 2013. The remaining £1.5 million will be capitalised and amortised over the life of the new debt facility to June 2015.

Shares in issue at the half year were 170.1 million, of which 169.5 million had voting rights attached, and the weighted average shares in issue for the purposes of EPS calculation at the year end are expected to be approximately 153.0 million (basic) and 156.1 million (diluted); ignoring the impact of any LTIP purchases that may be made in the second half.

LTIP purchases in the period between now and March 2014 are expected to be £2.0 to £3.0 million.

**Financial reporting**

This financial information has been prepared under IFRS and in accordance with the Group's accounting policies. There have been no changes to the Group's accounting policies since the year ended 31 December 2012.

**Going concern**

The Directors are confident, on the basis of current financial projections and facilities available, and after considering sensitivities, that the Company and the Group has sufficient resources for its operational needs and will enable the Group to remain in compliance with the financial covenants in its bank facilities for at least the next 12 months. Accordingly the Directors continue to adopt the going concern basis.

**30 August 2013**

## DEFINITIONS

Where appropriate "Underlying" is defined as before amortisation and accelerated amortisation of intangible assets, deferred tax on amortisation of intangible assets, impairment of intangible assets and goodwill, exceptional items, unwinding of discount on provisions, amortisation of borrowing costs and the associated tax effect.

"Underlying Administrative Expenses" is defined as Administrative expenses before Property provision release, Exceptional items, Amortisation of intangible assets, and Accelerated amortisation of intangible assets and impairment of intangible assets and goodwill.

"Underlying Net Debt" is defined as interest bearing loans and borrowings, net of cash and cash equivalents, plus unamortised borrowing costs added back.

"Underlying Operating Profit" is defined as Operating profit before Property provision release, Exceptional items, Amortisation of intangible assets, Accelerated amortisation of intangible assets and impairment of intangible assets and goodwill.

"Operational Cash flow" is defined as Net cash inflow from operating activities before Income tax paid and Pension contributions, and after Payments to acquire property, plant and equipment and Payments to acquire intangible assets.

"Operating Cash Conversion" is defined as Operational Cash flow divided by Underlying operating profit.

"Continuing Operations" is defined as the operations of the Tyman Group excluding Gall Thomson Environmental Limited and its subsidiaries, and the Composite Doors business.

## EXCHANGE RATES

The following foreign exchange rates have been used in the financial statements:

| Closing Rates: | H1 2013 | H1 2012 | FY 2012 |
|---|---|---|---|
| US Dollars | 1.5212 | 1.5616 | 1.6161 |
| Euros | 1.1692 | 1.2417 | 1.2227 |

| Average Rates: | H1 2013 | H1 2012 | FY 2012 |
|---|---|---|---|
| US Dollars | 1.5447 | 1.5768 | 1.5848 |
| Euros | 1.1763 | 1.2152 | 1.2329 |

## ROUNDINGS

Percentages have been calculated using figures rounded to the nearest thousand extracted from the financial statements, which may lead to small differences in some figures and percentages quoted.

# Tyman plc
## Condensed consolidated interim income statement
Six months ended 30 June 2013

| | Note | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|---|
| **Continuing operations** | | | | |
| Revenue | 4 | **123,686** | 111,846 | 228,753 |
| Cost of sales | | **(82,463)** | (75,206) | (154,023) |
| **Gross profit** | | **41,223** | 36,640 | 74,730 |
| Administrative expenses | | **(42,070)** | (29,302) | (95,873) |
| **Operating (loss)/profit** | | **(847)** | 7,338 | (21,143) |
| Analysed as: | | | | |
| Underlying[1] operating profit | 4 | **10,898** | 10,934 | 23,030 |
| Property provision release | 4 | **-** | 2,021 | 2,021 |
| Exceptional items | 5 | **(4,897)** | (420) | (2,574) |
| Amortisation of intangible assets | 4 | **(6,848)** | (5,197) | (10,754) |
| Accelerated amortisation of intangible assets and impairment of intangible assets and goodwill | 4 | **-** | - | (32,866) |
| **Operating (loss)/profit** | | **(847)** | 7,338 | (21,143) |
| Finance income | 6 | **80** | 187 | 356 |
| Finance costs | 6 | **(1,746)** | (2,938) | (4,865) |
| Exceptional foreign exchange gain | 6 | **1,271** | - | - |
| Net finance costs | | **(395)** | (2,751) | (4,509) |
| **(Loss)/Profit before taxation** | | **(1,242)** | 4,587 | (25,652) |
| Income tax (expense)/credit | 7 | **(691)** | (833) | 3,700 |
| **(Loss)/Profit for the period from continuing operations** | | **(1,933)** | 3,754 | (21,952) |
| **Discontinued operations** | | | | |
| Profit for the period from discontinued operations | | **-** | 54,160 | 37,374 |
| **(Loss)/Profit for the period** | | **(1,933)** | 57,914 | 15,422 |

[1] Before amortisation of intangible assets, deferred tax on amortisation of intangible assets, impairment of intangible assets and goodwill, exceptional items, unwinding of discount on provisions, amortisation of borrowing costs and the associated tax effect.

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

# Tyman plc
## Condensed consolidated interim income statement
continued

Six months ended 30 June 2013

| | Note | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|---|
| **Basic (loss)/earnings per share** | | | | |
| From continuing operations | 8 | **(1.41p)** | 2.90p | (16.93p) |
| From discontinued operations | 8 | **-** | 41.76p | 28.83p |
| From (loss)/profit for the period | 8 | **(1.41p)** | 44.66p | 11.90p |
| | | | | |
| **Diluted (loss)/earnings per share** | | | | |
| From continuing operations | 8 | **(1.41p)** | 2.88p | (16.93p) |
| From discontinued operations | 8 | **-** | 41.40p | 28.37p |
| From (loss)/profit for the period | 8 | **(1.41p)** | 44.28p | 11.44p |
| | | | | |
| **Non-GAAP measure** | | | | |
| **Basic earnings per share** | | | | |
| Underlying[1] basic EPS from continuing operations | 8 | **4.98p** | 5.82p | 11.63p |
| Underlying[1] basic EPS from discontinued operations | 8 | **-** | 41.76p | 28.95p |
| Total underlying basic EPS | 8 | **4.98p** | 47.58p | 40.58p |
| | | | | |
| Underlying[1] profit before taxation from continuing operations | 8 | **9,554** | 10,689 | 21,494 |
| Underlying[1] profit before taxation from discontinued operations | 8 | **-** | 54,124 | 37,225 |
| Total underlying profit before taxation | | **9,554** | 64,813 | 58,719 |

[1] Before amortisation of intangible assets, deferred tax on amortisation of intangible assets, impairment of intangible assets and goodwill, exceptional items, unwinding of discount on provisions, amortisation of borrowing costs and the associated tax effect.

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

## Tyman plc
## Condensed consolidated interim statement of comprehensive income
Six months ended 30 June 2013

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **(Loss)/Profit for the period** | **(1,933)** | 57,914 | 15,422 |
| | | | |
| **Other comprehensive (loss)/income:** | | | |
| *Items that will not be reclassified to profit or loss* | | | |
| Remeasurements of post employment benefit obligations | **-** | - | (2,403) |
| Tax on items that will not be reclassified to profit or loss | **-** | - | 820 |
| **Total items that will not be reclassified to profit or loss** | - | - | (1,583) |
| | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| Exchange differences on retranslation of foreign operations | **10,519** | (3,103) | (8,763) |
| Effective portion of changes in value of cash flow hedges | **76** | 737 | 92 |
| **Total items that may be reclassified subsequently to profit or loss** | **10,595** | (2,366) | (8,671) |
| **Other comprehensive profit/(loss) for the period, net of tax** | **10,595** | (2,366) | (10,254) |
| **Total comprehensive income for the period attributable to equity shareholders** | **8,662** | 55,548 | 5,168 |

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

## Tyman plc
## Condensed consolidated interim statement of changes in equity
Six months ended 30 June 2013

| | Share capital £'000 | Share premium £'000 | Other reserves[1] £'000 | Treasury reserve £'000 | Hedging reserve £'000 | Translation reserve £'000 | Retained earnings £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| At 1 January 2012 (audited) | 6,864 | 101 | 10,389 | (7,014) | (697) | 33,084 | 206,491 | 249,218 |
| Total comprehensive (loss)/income | - | - | (1,469) | - | 737 | (3,103) | 59,383 | 55,548 |
| Profit for the period | - | - | - | - | - | - | 57,914 | 57,914 |
| Disposal of subsidiary | - | - | (1,469) | - | - | - | 1,469 | - |
| Other comprehensive income/(loss) | - | - | - | - | 737 | (3,103) | - | (2,366) |
| Transactions with owners | - | - | - | - | - | - | (4,424) | (4,424) |
| Share-based payments | - | - | - | - | - | - | 111 | 111 |
| Dividends paid | - | - | - | - | - | - | (4,535) | (4,535) |
| **At 30 June 2012 (unaudited)** | **6,864** | **101** | **8,920** | **(7,014)** | **40** | **29,981** | **261,450** | **300,342** |
| Total comprehensive loss | - | - | - | - | (645) | (5,660) | (44,075) | (50,380) |
| Loss for the period | - | - | - | - | - | - | (42,492) | (42,492) |
| Other comprehensive loss | - | - | - | - | (645) | (5,660) | (1,583) | (7,888) |
| Transactions with owners | - | - | - | (1,147) | - | - | (926) | (2,073) |
| Share-based payments | - | - | - | - | - | - | 371 | 371 |
| Dividends paid | - | - | - | - | - | - | (1,297) | (1,297) |
| Purchase of treasury shares | - | - | - | (1,147) | - | - | - | (1,147) |
| **At 31 December 2012 (audited)** | **6,864** | **101** | **8,920** | **(8,161)** | **(605)** | **24,321** | **216,449** | **247,889** |
| Total comprehensive income/(loss) | - | - | - | - | 76 | 10,519 | (1,933) | 8,662 |
| Loss for the period | - | - | - | - | - | - | (1,933) | (1,933) |
| Other comprehensive income | - | - | - | - | 76 | 10,519 | - | 10,595 |
| Transactions with owners | 1,641 | 63,439 | - | 5,814 | - | - | (4,251) | 66,643 |
| Issue of shares | 1,641 | 69,674 | - | - | - | - | - | 71,315 |
| Share-based payments | - | - | - | - | - | - | 261 | 261 |
| Dividends paid | - | - | - | - | - | - | (4,512) | (4,512) |
| Sale of treasury shares | - | (6,235) | - | 6,235 | - | - | - | - |
| Purchase of treasury shares | - | - | - | (421) | - | - | - | (421) |
| **At 30 June 2013 (unaudited)** | **8,505** | **63,540** | **8,920** | **(2,347)** | **(529)** | **34,840** | **210,265** | **323,194** |

[1] Other reserves are non-distributable capital reserves which arose on previous acquisitions.

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

## Tyman plc
## Condensed consolidated interim balance sheet
As at 30 June 2013

| | Note | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Goodwill | | **193,644** | 212,168 | 184,896 |
| Intangible assets | | **70,716** | 93,794 | 73,834 |
| Property, plant and equipment | 9 | **31,889** | 30,717 | 29,785 |
| Deferred tax assets | | **9,912** | 8,857 | 9,774 |
| | | **306,161** | 345,536 | 298,289 |
| **Current assets** | | | | |
| Inventories | | **31,115** | 28,585 | 27,558 |
| Trade and other receivables | | **37,694** | 33,332 | 27,269 |
| Cash and cash equivalents | | **103,583** | 48,510 | 35,857 |
| | | **172,392** | 110,427 | 90,684 |
| **TOTAL ASSETS** | | **478,553** | 455,963 | 388,973 |
| | | | | |
| **LIABILITIES** | | | | |
| **Current liabilities** | | | | |
| Trade and other payables | | **(42,178)** | (34,706) | (32,375) |
| Current tax payable | | **(1,548)** | (83) | (1,868) |
| Interest-bearing loans and borrowings | 10 | **(10,183)** | (7,434) | (7,521) |
| Derivative financial instruments | | **-** | (14) | - |
| Provisions | | **(1,112)** | (2,491) | (2,456) |
| | | **(55,021)** | (44,728) | (44,220) |
| | | | | |
| **Non-current liabilities** | | | | |
| Interest-bearing loans and borrowings | 10 | **(66,734)** | (73,215) | (63,575) |
| Derivative financial instruments | | **(529)** | - | (605) |
| Deferred tax liabilities | | **(10,709)** | (17,324) | (11,766) |
| Retirement benefit obligations | | **(11,768)** | (9,420) | (11,230) |
| Provisions | | **(7,254)** | (9,550) | (7,513) |
| Other payables | | **(3,344)** | (1,384) | (2,175) |
| | | **(100,338)** | (110,893) | (96,864) |
| **TOTAL LIABILITIES** | | **(155,359)** | (155,621) | (141,084) |
| **NET ASSETS** | | **323,194** | 300,342 | 247,889 |
| | | | | |
| **EQUITY** | | | | |
| **Capital and reserves attributable to equity holders of the Company** | | | | |
| Share capital | 11 | **8,505** | 6,864 | 6,864 |
| Share premium | 11 | **63,540** | 101 | 101 |
| Other reserves | | **8,920** | 8,920 | 8,920 |
| Treasury reserve | | **(2,347)** | (7,014) | (8,161) |
| Hedging reserve | | **(529)** | 40 | (605) |
| Translation reserve | | **34,840** | 29,981 | 24,321 |
| Retained earnings | | **210,265** | 261,450 | 216,449 |
| **TOTAL EQUITY** | | **323,194** | 300,342 | 247,889 |

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

## Tyman plc
## Condensed consolidated interim cash flow statement

Six months ended 30 June 2013

| | Note | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|---|
| (Loss)/Profit before tax - continuing operations | | **(1,242)** | 4,587 | (25,652) |
| Loss before tax - discontinued operations | | **-** | (91) | (379) |
| Adjustments | 12 | **9,837** | 8,077 | 50,335 |
| Movement in inventories | | **(2,650)** | (2,093) | 79 |
| Movement in trade and other receivables | | **(9,700)** | (4,378) | 2,768 |
| Movement in trade and other payables | | **10,130** | (239) | (593) |
| Provisions utilised | | **(1,223)** | (1,402) | (1,911) |
| Pension contributions | | **(423)** | (467) | (1,010) |
| Income tax paid | | **(2,197)** | (3,262) | (4,862) |
| **Net cash inflow from operating activities** | | **2,532** | 732 | 18,775 |
| | | | | |
| **Cash flows from investing activities** | | | | |
| Payments to acquire property, plant and equipment | 9 | **(3,427)** | (2,827) | (5,462) |
| Payments to acquire intangible assets | | **(644)** | (750) | (1,355) |
| Acquisition of subsidiary undertakings, net of cash acquired | | **-** | (1,883) | (16,726) |
| Proceeds on disposal of subsidiary undertakings | | **-** | 67,537 | 67,905 |
| Interest received | | **80** | 194 | 309 |
| **Net cash (outflow)/inflow from investing activities** | | **(3,991)** | 62,271 | 44,671 |
| | | | | |
| **Cash flows from financing activities** | | | | |
| Interest paid | | **(1,276)** | (2,383) | (4,540) |
| Dividends paid | | **(4,512)** | (4,535) | (5,832) |
| Purchase of treasury shares | | **(421)** | - | (1,147) |
| Proceeds from share issue | 11 | **71,315** | - | - |
| Drawdown of working capital facility | 10 | **2,642** | - | - |
| Repayment of borrowings | 10 | **-** | (31,724) | (39,815) |
| **Net cash inflow/(outflow) from financing activities** | | **67,748** | (38,642) | (51,334) |
| | | | | |
| **Increase in cash and cash equivalents** | | **66,289** | 24,361 | 12,112 |
| Effect of exchange rates on cash and cash equivalents | | **1,437** | (237) | (641) |
| Cash and cash equivalents at the beginning of the period | | **35,857** | 24,386 | 24,386 |
| **Cash and cash equivalents at the end of the period** | | **103,583** | 48,510 | 35,857 |

The notes on pages 18 to 25 are an integral part of these condensed consolidated interim financial statements.

# Tyman plc
# Notes to the condensed consolidated interim financial statements
Six months ended 30 June 2013

**1. General information**
The principal activities of Tyman plc ("the Company") and its subsidiaries (together "the Group") are the manufacture, supply and distribution of building products.

The Company is a public limited company, which is listed on the London Stock Exchange. The Company is incorporated and domiciled in England and Wales at 65 Buckingham Gate, London, SW1E 6AS.

These condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2012 were approved by the Board of Directors on 12 March 2013 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These condensed consolidated interim financial statements have been reviewed, not audited.

**2. Basis of preparation**
These condensed consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority (previously the Financial Services Authority) and with IAS34, 'Interim financial reporting', as adopted by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with IFRSs as adopted by the European Union.

**Going concern**
The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements.

**3. Accounting policies**
The accounting policies adopted are consistent with those of the previous financial year except as described below.
- IAS1 'Presentation of financial statements' are applicable for the financial year commencing 1 January 2013. The Group has included the relevant disclosure requirements within the interim condensed consolidated financial statements.
- IAS19 (revised) 'Employee benefits'. IAS19 (revised) amends the accounting for employment benefits. The impact on the Group has been in the following areas:
  - The standard replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year. There is no change to determining the discount rate; this continues to reflect the yield on high quality corporate bonds. The impact on the income statement charge is immaterial and no adjustment has been made. This has no effect on total comprehensive income.
  - There is a new term "remeasurements". This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost.
  - The effect of the change in accounting policy on the statement of cash flows and on earnings per share was immaterial.
- IFRS13 'Fair value measurement'. IFRS13 measurement and disclosure requirements are applicable for the December 2013 year end. The Group has included the disclosures required by IAS34 para16A(j). See note 13.

There are no new standards that have been issued but not yet effective for the financial year commencing 1 January 2013 that are expected to have a material impact on the Group.

**4. Operating segment information**
The following tables present Group revenue and profit information regarding the Group's product segments, which have been generated using the Group accounting policies, with no differences of measurement applied.

The reporting segments reflect the manner in which performance is evaluated and resources allocated. The Group has three reporting segments, namely: Amesbury, Grouphomesafe and Schlegel International. Each segment broadly represents the Group's geographical focus, being the US, UK and International operations respectively, other than the Schlegel International segment which includes Linear, the Group's UK-based manufacturer of pile weatherstrip and extrusions.

## 4. Operating segment information (continued)

| Six months ended 30 June 2013 | Note | Amesbury £'000 | Grouphomesafe £'000 | Schlegel International £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Revenue** | | 63,526 | 41,484 | 18,676 | **123,686** |
| **Result** | | | | | |
| Underlying operating profit/(loss) | | 6,286 | 4,848 | (236) | **10,898** |
| Exceptional items | 5 | | | | **(4,897)** |
| Amortisation of intangible assets | | | | | **(6,848)** |
| Operating loss | | | | | **(847)** |
| Net finance costs | 6 | | | | **(395)** |
| **Loss before tax** | | | | | **(1,242)** |

Included within the Schlegel International segment is revenue attributable to the UK of £3,366,000.

| | | Continuing operations | | | | Discontinued operations | |
|---|---|---|---|---|---|---|---|
| Six months ended 30 June 2012 | Note | Amesbury £'000 | Grouphomesafe £'000 | Schlegel International £'000 | Total £'000 | United Kingdom £'000 | Total £'000 |
| **Revenue** | | 58,536 | 34,074 | 19,236 | **111,846** | 8,634 | **120,480** |
| **Result** | | | | | | | |
| Underlying operating profit/(loss) | | 5,981 | 3,237 | 1,716 | **10,934** | (124) | **10,810** |
| Property provision release | | | | | **2,021** | - | **2,021** |
| Total operating profit/(loss) before exceptional items, amortisation of intangible assets and impairment of intangible assets | | | | | **12,955** | (124) | **12,831** |
| Exceptional items | 5 | | | | **(420)** | - | **(420)** |
| Amortisation of intangible assets | | | | | **(5,197)** | - | **(5,197)** |
| Operating profit/(loss) | | | | | **7,338** | (124) | **7,214** |
| Net finance (costs)/income | 6 | | | | **(2,751)** | 33 | **(2,718)** |
| **Profit/(Loss) before tax** | | | | | **4,587** | **(91)** | **4,496** |

Included within the Schlegel International segment is revenue attributable to the UK of £2,747,000.

Discontinued operations comprise the Group’s Oil Services and Composite Doors businesses, which were disposed of during 2012.

| | | Continuing operations | | | | Discontinued operations | |
|---|---|---|---|---|---|---|---|
| Year ended 31 December 2012 | Note | Amesbury £'000 | Grouphomesafe £'000 | Schlegel International £'000 | Total £'000 | United Kingdom £'000 | Total £'000 |
| **Revenue** | | 118,600 | 73,345 | 36,808 | **228,753** | 11,269 | **240,022** |
| **Result** | | | | | | | |
| Underlying operating profit/(loss) | | 11,578 | 8,972 | 2,480 | **23,030** | (197) | **22,833** |
| Property provision release | | | | | **2,021** | - | **2,021** |
| Total operating profit/(loss) before exceptional items, amortisation of intangible assets and impairment of intangible assets | | | | | **25,051** | (197) | **24,854** |
| Exceptional items | 5 | | | | **(2,574)** | (215) | **(2,789)** |
| Amortisation of intangible assets | | | | | **(10,754)** | - | **(10,754)** |
| Accelerated amortisation of intangible assets and impairment of intangible assets and goodwill | | | | | **(32,866)** | - | **(32,866)** |
| Operating loss | | | | | **(21,143)** | (412) | **(21,555)** |
| Net finance (costs)/income | 6 | | | | **(4,509)** | 33 | **(4,476)** |
| **Loss before tax** | | | | | **(25,652)** | **(379)** | **(26,031)** |

Included within the Schlegel International segment is revenue attributable to the UK of £5,483,000.

Discontinued operations comprise the Group’s Oil Services and Composite Doors businesses, which were disposed of during 2012.

## 5. Exceptional items

Exceptional items from continuing operations:

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| Redundancy and restructuring costs | **(960)** | - | (1,825) |
| Transaction costs associated with M&A activity | **(3,937)** | (420) | (966) |
| Other | **-** | - | 217 |
| | **(4,897)** | (420) | (2,574) |

## 6. Finance income and costs

Finance income and costs from continuing operations:

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Finance income** | | | |
| Bank interest receivable | **80** | 161 | 276 |
| Ineffective portion of changes in value of cash flow hedges | **-** | 26 | 80 |
| | **80** | 187 | 356 |
| **Finance costs** | | | |
| Interest payable on bank loans and overdraft | **(1,276)** | (2,309) | (3,620) |
| Amortisation of borrowing costs | **(307)** | (340) | (681) |
| Unwinding of discount on provisions | **(15)** | (145) | (271) |
| Pension scheme and other finance costs | **(148)** | (144) | (293) |
| | **(1,746)** | (2,938) | (4,865) |
| Exceptional foreign exchange gain | **1,271** | - | - |
| **Net finance costs** | **(395)** | (2,751) | (4,509) |

## 7. Income tax (expense)/credit

Income tax (expense)/credit from continuing operations:

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Current income tax:** | | | |
| Current income tax expense | **(1,810)** | (1,617) | (4,059) |
| Adjustments in respect of prior periods | **(148)** | - | (401) |
| Total current taxation | **(1,958)** | (1,617) | (4,460) |
| **Deferred tax:** | | | |
| Origination and reversal of temporary differences | **842** | (29) | 6,522 |
| Adjustment due to deferred tax rate change | **-** | 813 | 1,200 |
| Exceptional adjustments in respect of prior periods | **425** | - | 438 |
| Total deferred taxation | **1,267** | 784 | 8,160 |
| **Income tax (expense)/credit in the income statement** | **(691)** | (833) | 3,700 |
| Tax credit relating to components of other comprehensive income is as follows: | | | |
| Deferred tax credit on actuarial gains and losses | **-** | - | 820 |
| **Income tax credit in the statement of comprehensive income** | **-** | - | 820 |
| Total current taxation | **(1,958)** | (1,617) | (4,460) |
| Total deferred taxation | **1,267** | 784 | 8,980 |
| **Total taxation** | **(691)** | (833) | 4,520 |

## 8. Earnings per share

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| (Loss)/Profit for the period - continuing operations | **(1,933)** | 3,754 | (21,952) |
| Profit for the period - discontinued operations | **-** | 54,160 | 37,374 |
| | **(1,933)** | 57,914 | 15,422 |
| **Basic (loss)/earnings per share** | | | |
| From continuing operations | **(1.41p)** | 2.90p | (16.93p) |
| From discontinued operations | **-** | 41.76p | 28.83p |
| | **(1.41p)** | 44.66p | 11.90p |
| **Diluted (loss)/earnings per share** | | | |
| From continuing operations | **(1.41p)** | 2.88p | (16.93p) |
| From discontinued operations | **-** | 41.40p | 28.37p |
| | **(1.41p)** | 44.28p | 11.44p |

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There is no difference between the basic and diluted loss per share from continuing operations for the period ended 30 June 2013 and the year ended 31 December 2012 as the effect of all potential dilutive ordinary shares outstanding was anti-dilutive.

The weighted average number of shares was:

| | **Six months ended 30 June 2013 (unaudited) '000** | Six months ended 30 June 2012 (unaudited) '000 | Year ended 31 December 2012 (audited) '000 |
|---|---|---|---|
| Weighted average number of shares (including treasury shares) | **144,359** | 137,287 | 137,287 |
| Treasury and employee benefit trust shares | **(6,917)** | (7,619) | (7,643) |
| **Weighted average number of shares - basic** | **137,442** | 129,668 | 129,644 |
| Effect of dilutive potential ordinary shares - LTIP awards and options | **1,513** | 1,139 | 2,108 |
| **Weighted average number of shares - diluted** | **138,955** | 130,807 | 131,752 |

**Non-GAAP measure**

**Underlying earnings per share from continuing operations before exceptional items**

The Group presents an underlying earnings per share figure which excludes the impact of exceptional items, amortisation and accelerated amortisation of intangible assets, impairment of intangible assets and goodwill, and certain non-cash finance costs. Underlying earnings per share has been based on underlying earnings for each financial period and on the same weighted average number of shares in issue as the earnings per share calculation.

## 8. Earnings per share (continued)

Underlying profit after taxation from continuing operations is derived as follows:

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **(Loss)/Profit before taxation from continuing operations** | **(1,242)** | 4,587 | (25,652) |
| Exceptional items | **4,897** | 420 | 2,574 |
| Amortisation of intangible assets | **6,848** | 5,197 | 10,754 |
| Amortisation of intangible assets - accelerated basis | **-** | - | 12,566 |
| Impairment of intangible assets | **-** | - | 9,570 |
| Impairment of goodwill | **-** | - | 10,730 |
| Exceptional foreign exchange gain | **(1,271)** | - | - |
| Unwinding discount on provisions | **15** | 145 | 271 |
| Amortisation of borrowing costs | **307** | 340 | 681 |
| Underlying profit before taxation from continuing operations | **9,554** | 10,689 | 21,494 |
| Income tax (expense)/credit | **(691)** | (833) | 3,700 |
| Add back: Adjustment due to tax rate change | **-** | (813) | (1,200) |
| Add back: Exceptional prior period tax adjustments | **(425)** | - | (438) |
| Add back: Tax effect on exceptional costs, amortisation of intangible assets, exceptional foreign exchange gain, unwinding of discount on provisions and amortisation of borrowing costs | **(1,595)** | (1,495) | (8,477) |
| **Underlying profit after taxation from continuing operations** | **6,843** | 7,548 | 15,079 |
| Property provision release | **-** | (2,021) | (2,021) |
| Tax effect on property provision release | **-** | 495 | 495 |
| **Underlying profit after taxation from continuing operations before property provision release** | **6,843** | 6,022 | 13,553 |

Underlying profit after taxation from discontinued operations is derived as follows:

| | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Profit before taxation from discontinued operations** | **-** | 54,124 | 37,010 |
| Exceptional items | **-** | - | 215 |
| Underlying profit before taxation from continuing operations | **-** | 54,124 | 37,225 |
| Income tax credit | **-** | 36 | 364 |
| Add back: Adjustment due to tax rate change | **-** | - | (2) |
| Add back: Tax effect of exceptional costs | **-** | - | (53) |
| **Underlying profit after taxation from discontinued operations** | **-** | 54,160 | 37,534 |

Underlying earnings per share is summarised as follows:

| | **Six months ended 30 June 2013 (unaudited)** | Six months ended 30 June 2012 (unaudited) | Year ended 31 December 2012 (audited) |
|---|---|---|---|
| **Basic earnings per share** | | | |
| From continuing operations | **4.98p** | 5.82p | 11.63p |
| From discontinued operations | **-** | 41.76p | 28.95p |
| | **4.98p** | 47.58p | 40.58p |
| **Diluted earnings per share** | | | |
| From continuing operations | **4.92p** | 5.77p | 11.45p |
| From discontinued operations | **-** | 41.41p | 28.49p |
| | **4.92p** | 47.18p | 39.94p |

Underlying earnings per share before property provision release is summarised as follows:

| | **Six months ended 30 June 2013 (unaudited)** | Six months ended 30 June 2012 (unaudited) | Year ended 31 December 2012 (audited) |
|---|---|---|---|
| Basic earnings per share | 4.98p | 4.64p | 10.45p |
| Diluted earnings per share | 4.92p | 4.60p | 10.29p |

## 9. Property, plant and equipment

| | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Net book amount at beginning of period** | **29,785** | 30,461 | 30,461 |
| Additions | **3,427** | 2,827 | 5,462 |
| Disposals | **(32)** | - | (70) |
| Recognised on acquisition of subsidiaries | **-** | 395 | 935 |
| Derecognised on disposal of subsidiaries | **-** | 4 | (948) |
| Charge for the period | **(2,643)** | (2,598) | (5,085) |
| Exchange difference | **1,352** | (372) | (970) |
| **Net book amount at end of period** | **31,889** | 30,717 | 29,785 |

## 10. Interest-bearing loans and borrowings

| | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|
| Non-current | **(66,734)** | (73,215) | (63,575) |
| Current | **(10,183)** | (7,434) | (7,521) |
| | **(76,917)** | (80,649) | (71,096) |

Movements in borrowings are analysed as follows:

| | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Balance at beginning of period** | **(71,096)** | (113,165) | (113,165) |
| Repayment of borrowings | **-** | 31,724 | 39,815 |
| Drawdown of working capital facility | **(2,642)** | - | - |
| Amortisation of borrowing costs | **(307)** | (340) | (681) |
| Exchange difference | **(2,872)** | 1,132 | 2,935 |
| **Balance at end of period** | **(76,917)** | (80,649) | (71,096) |

There were no defaults in interest payments in the period under the terms of the existing loan agreements.

The Group has the following undrawn borrowing facility:

| | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|
| **Floating rate:** | | | |
| Expiring beyond one year | **27,045** | 29,584 | 29,594 |

In addition to the above, at 30 June 2013 the Group had an undrawn multicurrency facility of US$100 million, the drawdown of which was conditional on the completion of the acquisition of Truth Hardware (see note 15).

## 11. Share capital and share premium

| | Number of shares '000 | Ordinary shares of 5p each £'000 | Share premium £'000 |
|---|---|---|---|
| As at 30 June 2012 and 31 December 2012 | 137,287 | 6,864 | 101 |
| Proceeds from shares issued | 32,817 | 1,641 | 69,674 |
| Sale of treasury shares | - | - | (6,235) |
| **As at 30 June 2013** | **170,104** | **8,505** | **63,540** |

On 23 May 2013, the Group completed the fully underwritten firm placing and open offer of ordinary shares as part of the funding for the acquisition of Truth Hardware (note 15). Gross proceeds of £73.4 million were raised through the sale of 6,864,200 treasury shares and the issue of 32,816,904 new ordinary shares at the issue price of 185 pence per share. The sale of treasury shares resulted in a transfer of £6.2 million from the treasury reserve against share premium. Share issue costs of £2.1 million have been incurred to 30 June 2013, netted against share premium.

TYMAN PLC

## 12. Adjustments to cash flows from operating activities

The following non-cash and financing adjustments have been made to profit before tax for the period to arrive at operating cash flow:

| | Note | **Six months ended 30 June 2013 (unaudited) £'000** | Six months ended 30 June 2012 (unaudited) £'000 | Year ended 31 December 2012 (audited) £'000 |
|---|---|---|---|---|
| Net finance costs - continuing operations | 6 | **395** | 2,751 | 4,509 |
| Net finance income - discontinued operations | | **-** | (33) | (33) |
| Depreciation | 9 | **2,643** | 2,598 | 5,085 |
| Amortisation and accelerated amortisation | | **6,848** | 5,197 | 23,320 |
| Impairment of goodwill and intangible assets | | **-** | - | 20,300 |
| Disposal of intangible assets and property, plant and equipment | | **59** | - | 72 |
| Non-cash adjustments | | **(369)** | (2,547) | (3,400) |
| Share based payments | | **261** | 111 | 482 |
| | | **9,837** | 8,077 | 50,335 |

## 13. Financial risk management and financial instruments

### 13.1 Financial risk factors

The Group's operations expose it to a variety of financial risks that include liquidity risk, credit risk, interest rate risk and foreign currency risk. This set of condensed consolidated interim financial statements do not include all financial risk management information and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2012.

There have been no changes in the Group's risk management policy since the year ended 31 December 2012.

### 13.2 Fair value estimation

The Group's derivative financial instrument used for hedging is measured at fair value. The Group uses the following hierarchy for measuring fair value:

- Level 1: Quoted prices (unadjusted) 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 directly or indirectly.
- Level 3: Inputs for the asset or liability that is not based on observable market data.

Derivatives shown at fair value in the balance sheet have been valued by reference to level 2 techniques described above. There were no transfers between levels during the period.

### Valuation techniques used to derive level 2 fair values

Level 2 hedging derivatives comprise interest rate swaps fair valued using forward interest rates extracted from observable yield curves. The effects of discounting are generally insignificant for level 2 derivatives. The fair value of the derivative financial instruments at 30 June 2013 is a liability of £529,000.

There were no changes in valuation techniques during the period.

### Group's valuation process

The Group has a team that performs the valuations of financial assets required for financial reporting purposes. This team reports to the Chief Financial Officer and the Audit Committee.

### Fair value of financial assets and liabilities measured at amortised cost

The fair value of borrowings are as follows:

| | **30 June 2013 (unaudited) £'000** | 30 June 2012 (unaudited) £'000 | 31 December 2012 (audited) £'000 |
|---|---|---|---|
| Non-current | **(67,589)** | (74,653) | (64,703) |
| Current | **(10,666)** | (7,121) | (8,034) |
| | **(78,255)** | (81,774) | (72,737) |

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables.

**14. Related party transactions**
There were no material related party transactions requiring disclosure, other than compensation of key management personnel which will be disclosed in the Group's Annual Report for the year ending 31 December 2013.

**15. Events occurring after the reporting period**
**Acquisition**
On 3 July 2013, the Group completed the acquisition of Truth Hardware for a net cash consideration of approximately US$200 million from Melrose Industries plc.

Truth Hardware is a manufacturer of operating hardware for residential and light commercial windows and doors in North America and comprises the US-based Truth Corporation (located in Owatonna, Minnesota), where the business is headquartered, and the Canadian-based Atlas (located in Brampton, Ontario). For the six months ended 30 June 2013, Truth Hardware generated sales of US$62.6 million (30 June 2012: US$61.9 million).

The acquisition was funded from a combination of the net proceeds of the firm placing and placing and open offer of ordinary shares (see note 11), new borrowings and the Group's existing cash reserves.

**New borrowings**
On 1 July 2013, the Group drew down US$100 million under the new multicurrency loan facility for the purposes of funding the acquisition. The facility extends to and is repayable in full on 30 June 2015 and is unsecured.

**Admission to the Official List**
On 8 July 2013, the Company's shares were admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange. Trading in the Company's ordinary shares on AiM was cancelled simultaneously.

## Statement of Directors' responsibilities

The Directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated set of interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

The Directors of Tyman plc are listed in the Tyman plc Annual Report for 31 December 2012. A list of current Directors is maintained on the Tyman plc website: www.tymanplc.com.

By order of the Board

**Louis Eperjesi**
**Chief Executive Officer**

**James Brotherton**
**Chief Financial Officer**

30 August 2013

# Independent review report to Tyman plc

### Introduction
We have been engaged by the company to review the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2013, which comprises the Condensed consolidated interim income statement, the Condensed consolidated interim statement of comprehensive income, the Condensed consolidated interim statement of changes in equity, the Condensed consolidated interim balance sheet, the Condensed consolidated interim cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

### Directors' responsibilities
The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority. As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

### Our responsibility
Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

**PricewaterhouseCoopers LLP**
Chartered Accountants
London
30 August 2013

Notes:
(a) The maintenance and integrity of the Tyman plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.