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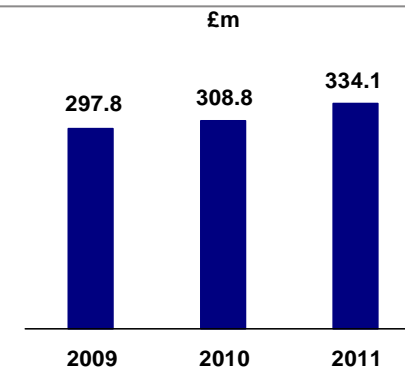


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Highlights

	2011	2010	%
Revenue	£334.1m	£308.8m	+8
EBITDA	£35.0m	£31.9m	+10
Operating profit	£16.7m	£13.0m	+29
Profit before tax	£13.7m	£10.4m	+31
Basic EPS (continuing operations)	6.30p	4.21p	+50
Basic EPS (total operations)	3.78p	3.76p	+1
Dividends declared	5.25p	5.25p	
Final dividend recommended	3.50p	3.50p	
Net debt	£77.1m	£66.8m	

Revenue growth 8.2%



Revenue Movement

	Revenue £m	
2010	308.8	
Working days: 1 fewer in 2011	(1.3)	-0.4%
	<u>307.5</u>	
UK	17.7	+5.7%
International	8.9	+2.9%
2011	<u>334.1</u>	+8.2%



Public Sector and Commercial Revenue

- 64% of Group
- Revenue up 9%
- Price up 4%, volume up 5%

Domestic Revenue

- 36% of Group
- Revenue up 7%
- Price up 4%, volume up 3%



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Profit for the Financial Period

	2011 £m	2010 £m	%
Continuing Operations			
EBITDA	35.0	31.9	+10
Depreciation/Amortisation	(18.3)	(18.9)	
	<u>16.7</u>	<u>13.0</u>	+29
Operating profit			
	<u>(4.9)</u>	<u>(0.9)</u>	
Discontinued Operations			

Margin Reconciliation

	Movement in Revenue	Operating Profit	Impact on Margin
	£m	£m	%
2010*	308.8	13.0	4.2
Price increases to recover costs	12.3	(0.4)	(0.3)
Volume	13.0	3.1	0.8
Property	-	1.0	0.3
2011*	<u>334.1</u>	<u>16.7</u>	<u>5.0</u>
Underlying operating profit	<u>334.1</u>	£m 15.3	% <u>4.6</u>
Property		1.4	
		<u>16.7</u>	

* Continuing operations



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Free Cash Flow

Cash inflow arising from:	2011	2010
	£m	£m
Operating profit	16.7	13.0
Depreciation and amortisation	18.3	18.9
EBITDA (continuing operations)	35.0	31.9
Discontinued operations	(0.5)	(0.8)
EBITDA (total operations)	34.5	31.1
Net financial expenses paid	(3.5)	(2.2)
Taxation received/(paid)	0.2	(0.1)
Pensions paid	(6.6)	(6.6)
Net gain on sale of property, plant and equipment	(1.4)	(0.4)
Working capital*	(4.2)	0.5
Works closure costs	(1.2)	(1.4)
Other items	(1.9)	(0.1)
Free cash flow	15.9	20.8

* Excluding working capital relating to international expansion

	2011	2010
	£m	£m
Free cash flow	15.9	20.8
Investment		
● Capital expenditure*	(13.6)	(11.9)
● Proceeds from sale of surplus assets	5.4	3.9
● Investments / acquisitions**	(8.2)	(0.1)
● Disposal proceeds	0.6	-
Dividends paid	(10.3)	(10.3)
Sub-total	(10.2)	2.4
Finance leases	(0.1)	-
Movement in net debt	(10.3)	2.4
Net debt at 1 January	(66.8)	(69.2)
Net debt at 30 June	(77.1)	(66.8)
Gearing (%)	37.4%	33.7%

* Includes capital expenditure relating to international expansion of £1.0m

** Includes working capital relating to international expansion of £4.1m



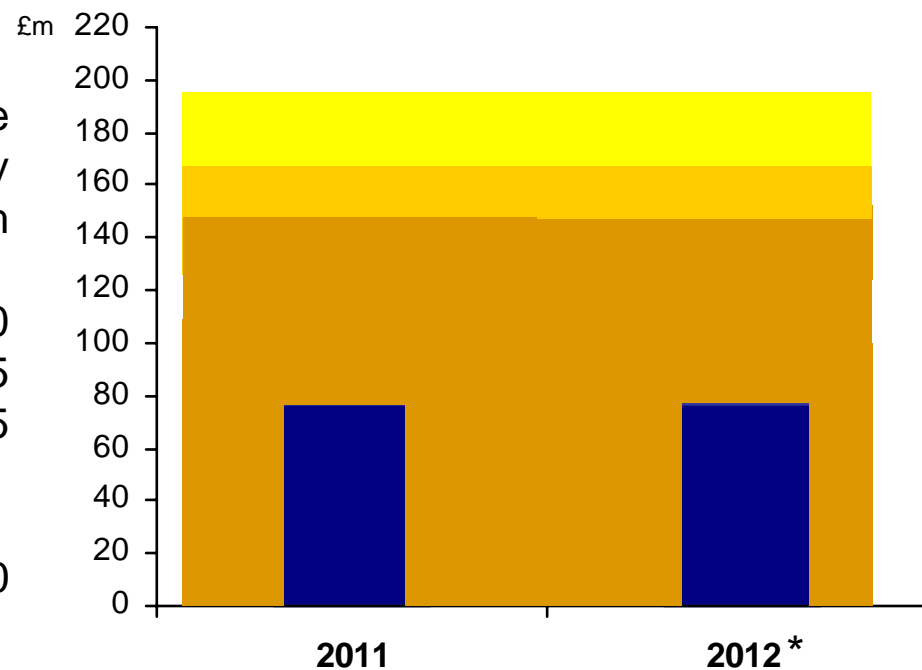
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Additional Information and Ratios

	2011	2010
Interest charge:		
Charge	£3.0m	£2.6m
Cover	5.6 times	5.1 times
Tax rate	11.1%	21.1%
EPS:		
Continuing operations	6.30p	4.21p
Total operations	3.78p	3.76p
Dividend:		
2011 interim and final announced	5.25p	5.25p
Cover (continuing operations)	1.2 times	0.8 times
Weighted average number of shares:	195.4m	195.5m
Net asset value	£206.1m	£198.2m

Significant Borrowing Facilities

Expiry Date	Facility	Cumulative Facility
	£m	£m
Committed facilities:		
Q3 2016	50	50
Q3 2015	75	125
Q3 2014	20	145
On demand facilities:		
Available all year	25	170
Seasonal (February to August inclusive)	20	190



- On demand: Seasonal (Feb to Aug)
- On demand: Overdrafts (all year)
- Committed
- Net debt

* Note: 2012 based on consensus information

Risk Management

- 2000 closed to new members
- 2006 closed to future service accrual
- 2007 investment strategy

Investment Strategy

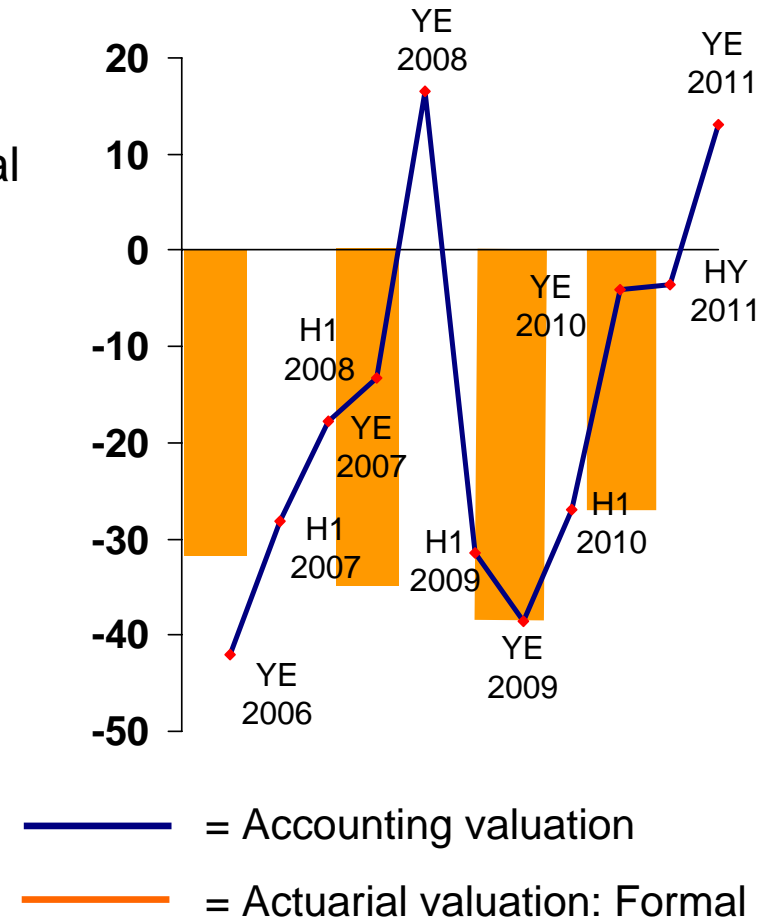
- Moved from equities to LDIs
- Closer matching to liability profile of pension scheme

Balance Sheet Values

- YE 2011 surplus £13.0m
 - Net of deferred tax £9.7m
- YE 2010 deficit £4.1m
 - Net of deferred tax £3.0m

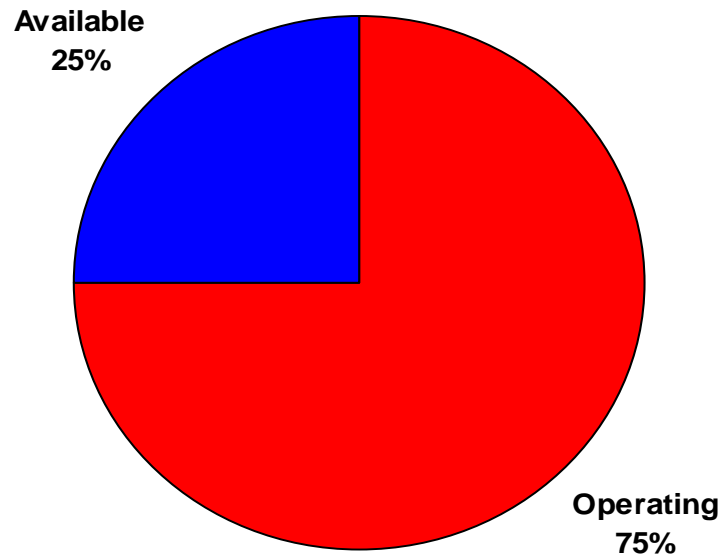
Movements

- AA Corporate Bond Rate
- Inflation expectations
- Asset values

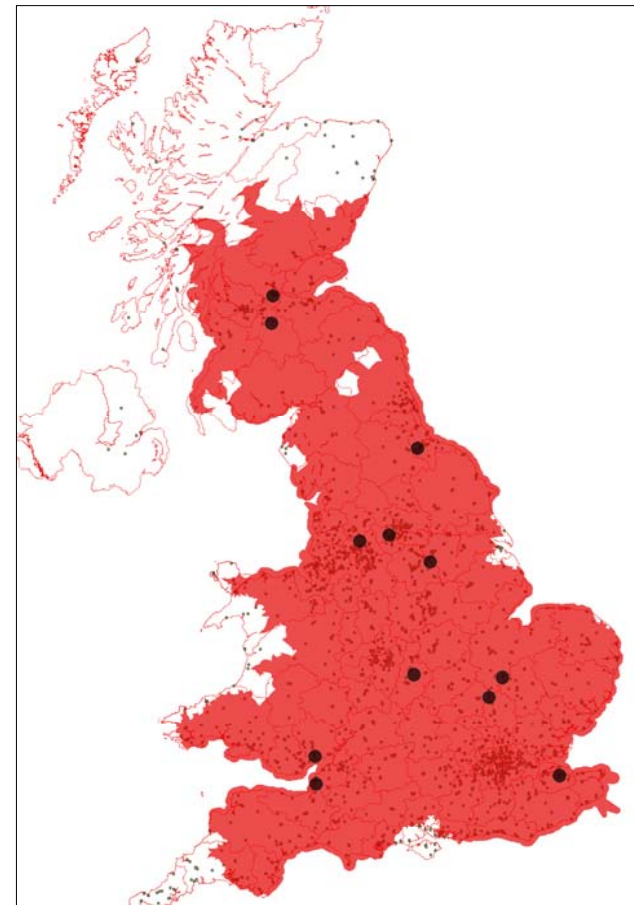


**Delivering Flexibility and
Sustainable Outperformance**

Capacity Available



Geographic Coverage Maintained



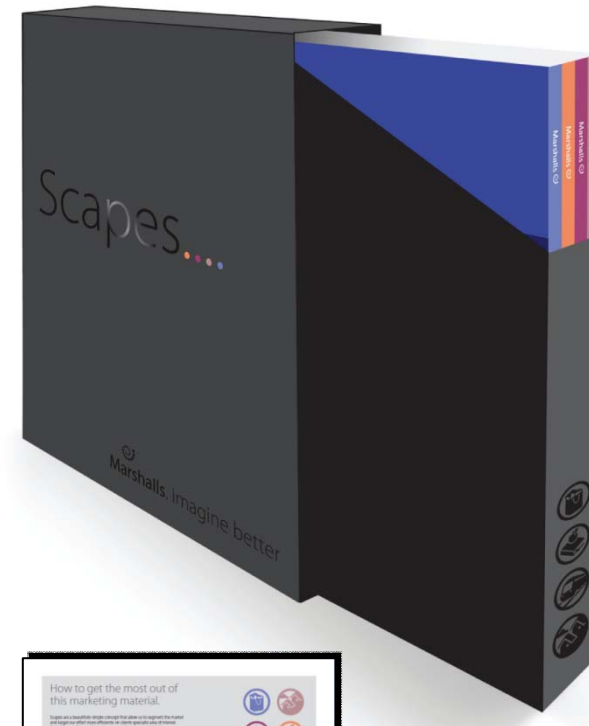
 = 2 hours driving time



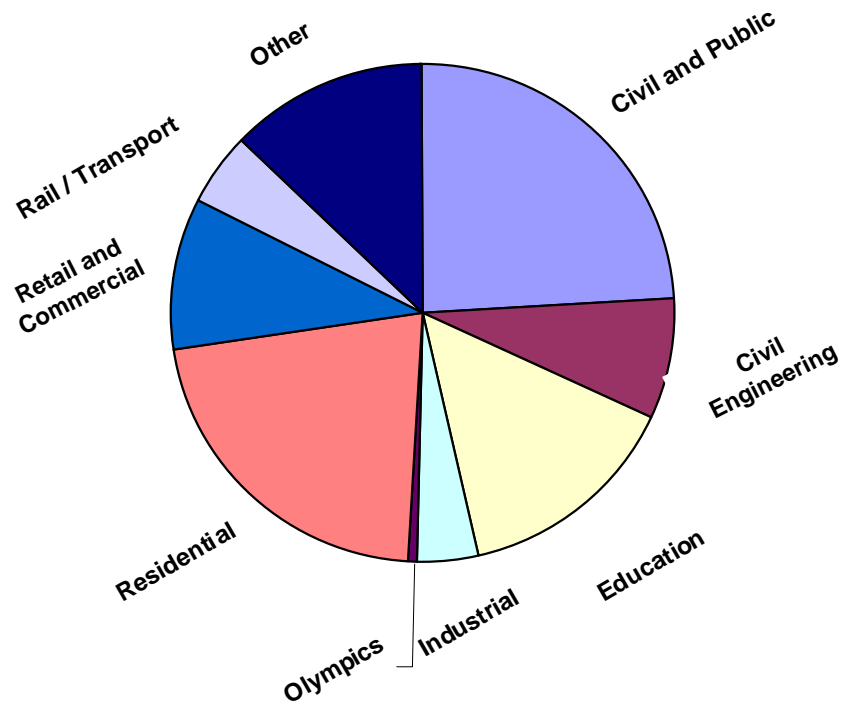
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Sustainable Growth

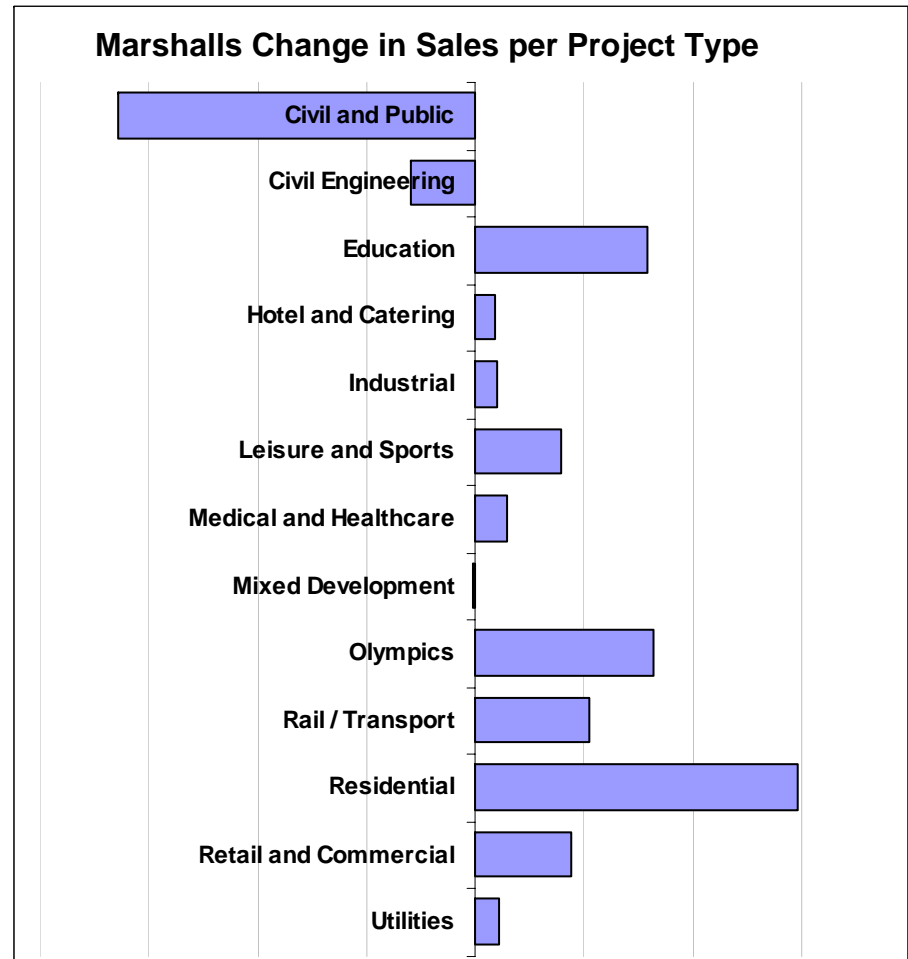
- Public Sector and Commercial - targeted marketing and product innovation
- Domestic - installer initiatives and distributor merchandising
- International - specialist landscape products into selected markets



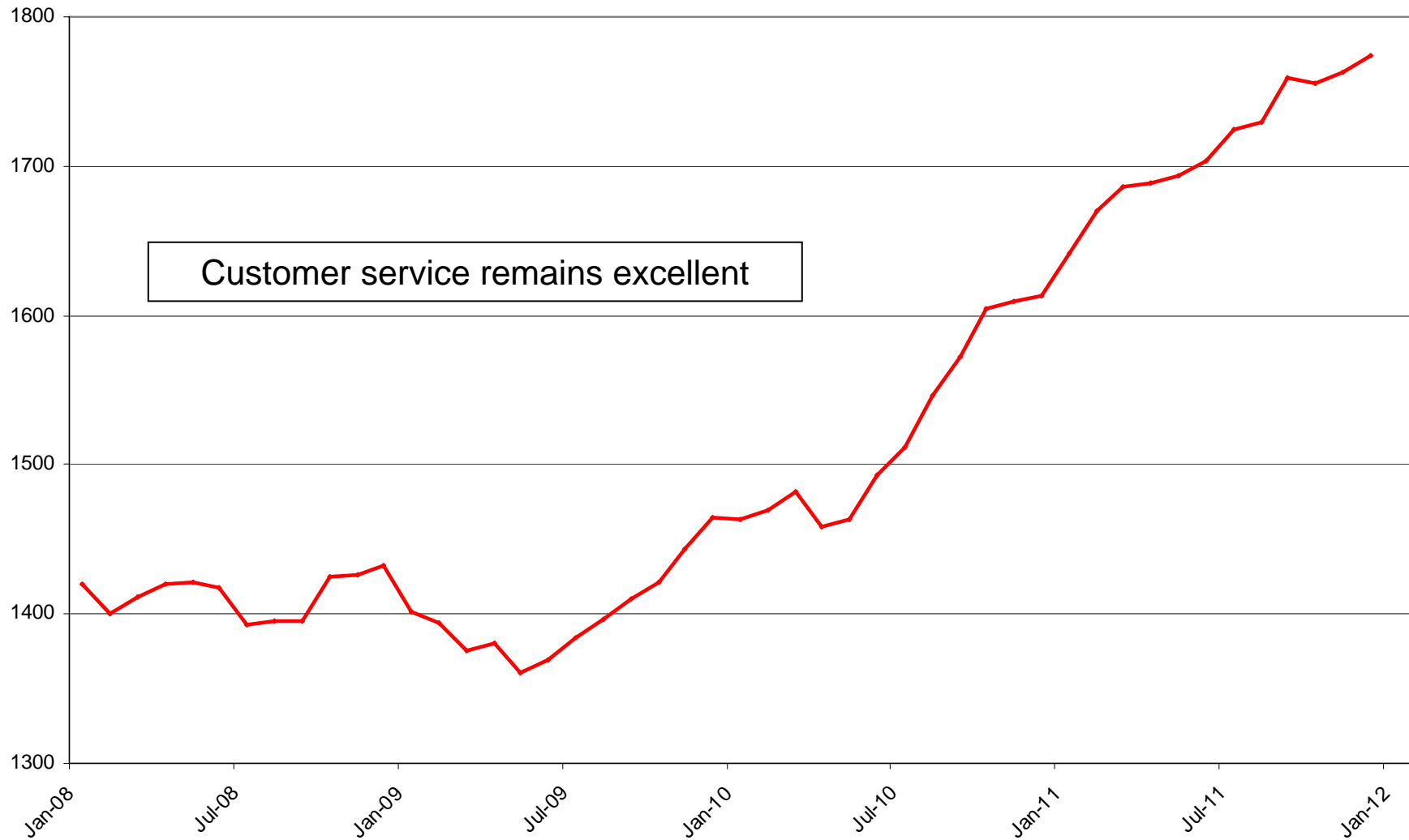
Current Activity by Scape



Growth by Scape



Marshalls Register - Installer Teams



BETTER BUSINESS PROGRAMME

Installer Better Business
Programme

Working to improve and
demonstrate quality



Awards



Customer Service



Design



Specialisms



Qualifications



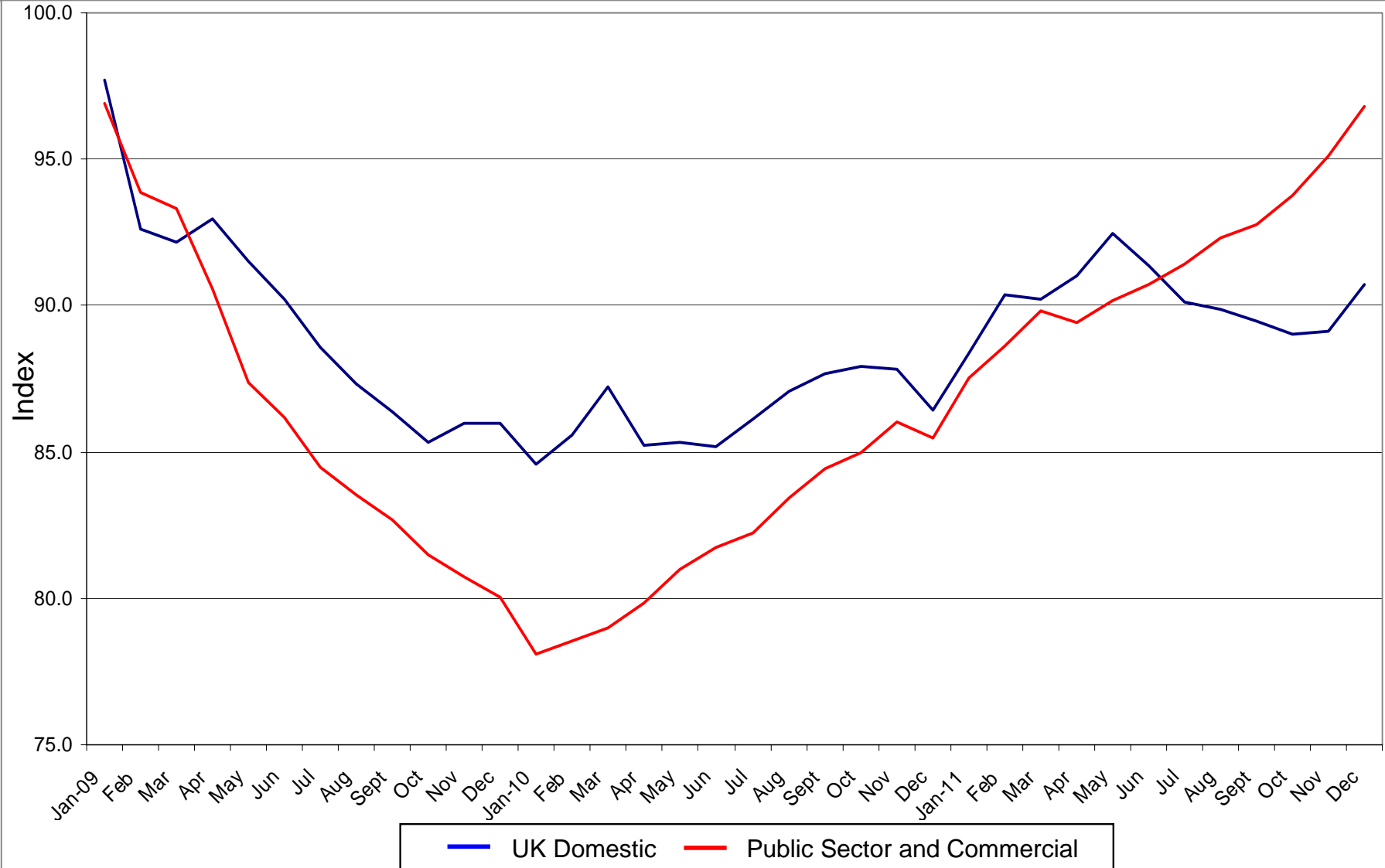
- Two operating sites, 40 million people within a 2 hour drive time
- Natural sandstone, granite and limestone from India and China
- Specialist manufactured products and street furniture from the UK
- Key synergies – marketing and sales collateral, sales processes and systems, broader range of products, manufacturing & technical expertise
- Organic development. Additional sales resource for 2012. Sales 3% of Group in 2011, target 10% by 2015.



Drive Zones

- = 2 hours
- = 3 hours

Revenue Per Day Moving Annual Total



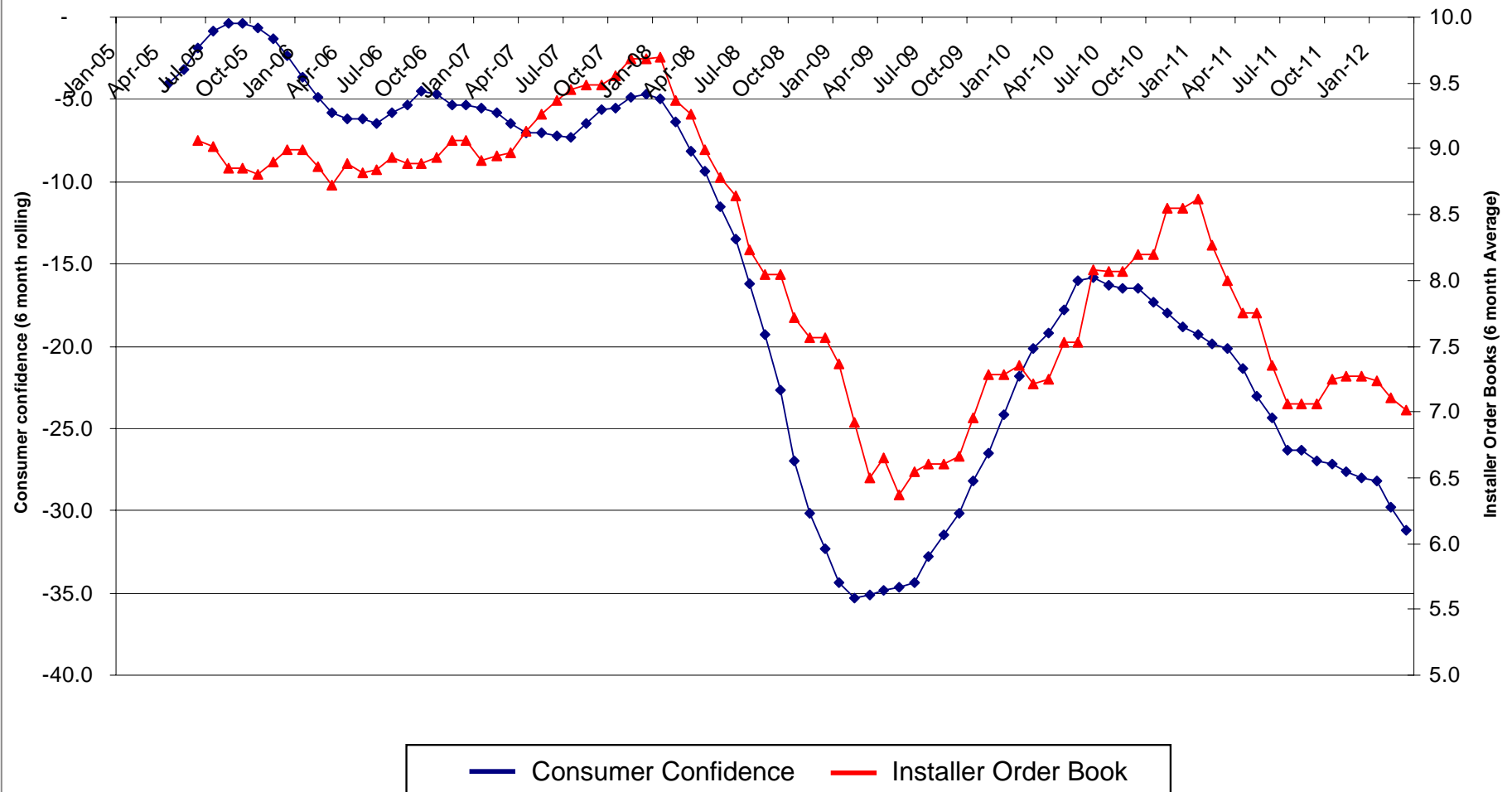
Contract Awarded 12 Month Rolling Average of Hard Landscape Value Adjusted
(ABI with 12 Month Lag)





Domestic Market Consumer Confidence and Installer Order Books

Rolling 6 Months Consumer Confidence v Installer Order Book (3 Month Lag)



	Revenue Proportions	2011	2012
Commercial	35%	↑	↑
Public	23%	↘	↓
Do it for me	28%	→	↘
DIY	5%	↘	→
New build	6%	↑	↑
International	3%	↑	↑
	<hr/> 100% <hr/>	<hr/> ↗ <hr/>	<hr/> → <hr/>



- Financial flexibility – further progress with bank facilities, pension deficit and property sales
- Sales led Company - well known Superbrand: “Creating Better Landscapes”
- Range of marketing and sales initiatives building on unique competitive advantages in UK
- International expansion – niche, premium product supplier
- Sector leading customer service
- Operating flexibility enhanced - significant capacity available, experienced, skilled and committed workforce
- Realistic about outlook, continuous improvement of business and competitive position will continue to deliver market outperformance

Appendices

	2008	2009	2010	2011	2012	2013	2014	2015
£m/% change	Actual	Actual	Actual	Estimate	Forecast	Forecast	Forecast	Forecast
Housing								
	18,614	13,721	17,181	18,037	17,417	18,035	18,996	20,351
	-20.8%	-26.3%	25.2%	5.0%	-3.4%	3.5%	5.3%	7.1%
Other New Work								
	53,118	46,772	52,435	52,869	48,908	48,253	50,067	52,263
	1.3%	-11.9%	12.1%	0.8%	-7.5%	-1.3%	3.8%	4.4%
Repair, Maintenance and Improvement								
Private Housing	11,328	9,916	10,573	10,467	10,467	10,781	11,212	11,773
	1.1%	-12.5%	6.6%	-1.0%	-	3.0%	4.0%	5.0%
Total								
	39,847	36,084	34,847	35,428	34,514	34,975	36,036	37,308
	2.7%	-9.4%	-3.4%	1.7%	-2.6%	1.3%	3.0%	3.5%
Total All Work								
	111,578	96,576	104,462	106,334	100,840	101,262	105,099	109,923
	-2.7%	-13.4%	8.2%	1.8%	-5.2%	0.4%	3.8%	4.6%



	2011 Actual
EBITA: Interest charge	5.4 times
Net Debt: EBITDA	2.2 times

- EBITA to interest charge must be greater than 2.5x
- Net debt to EBITDA must be less than 3.0x
- Net assets must be greater than £100 million



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Net Assets

	£m	£m
2010 Year End Net Assets		198.2
Impact of movements in year:		
Profit for the financial period	7.3	
Ordinary dividends	(10.3)	
Actuarial movement on pensions (after tax)	7.5	
Hedging reserve	(0.1)	
Share based expenses	0.2	
Foreign currency translation differences	(0.1)	
Non-controlling interest	<u>3.4</u>	
		<u>7.9</u>
2011 Year End Net Assets		<u><u>206.1</u></u>



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