

19<sup>th</sup> November 2015

**Billington Holdings Plc**

**(“The Company” or “Billington”  
and with its subsidiaries the “Group”)**

**Conditional Acquisition**

Billington Holdings Plc, one of the UK’s leading structural steel and construction safety solution specialists, today announces it has conditionally agreed to acquire property located at Shafton, from Sabler Enterprises Limited for £2.5m and equipment and other assets, also located at Shafton from Sherling Steel (UK) Ltd for £2.38m (together the “Acquisition”).

In the short term, the planned acquisition would give Billington access to new machinery and increased capacity. After completion, the facilities will be adapted for optimum production and, within three years, the directors believe that the new facilities will significantly increase the output of Billington’s structural steelwork divisions.

At 30 June 2015 Billington had a cash position of £6.36m. The Acquisition will be partially funded through the Company’s own cash resources and partially from a commercial mortgage from the Company’s bankers, HSBC. The directors believe the commercial mortgage, currently agreed in principal, along with current agreed facilities, provides the Group with adequate facilities to service its growth strategy and additional working capital requirements as volumes increase.

**Sabler Enterprises Limited (“Sabler”)**

Billington has entered into a conditional agreement to acquire a 25 acre site from Sabler. The site contains two industrial buildings with a combined useable area of 181,000 sq ft. The site is partially occupied by several long term tenants. The Acquisition agreement is contingent upon a number of conditions being satisfied including completion of satisfactory environmental due diligence and the transfer of the existing leases along with the grant of certain new leases on common market terms.

**Sherling Steel (UK) Ltd (“Sherling”)**

Billington Structures Limited, the wholly owned subsidiary of Billington, has entered into a conditional agreement to acquire equipment and other related assets. The acquisition is conditional on the completion of the acquisition agreement with Sabler set out above. The key assets are steel processing machinery and associated lifting equipment that the Directors believe will further enhance the Group’s capabilities and ability to offer additional products that complement the current portfolio.

The directors believe the consideration reflects the current value of the property and the operating assets.

**Commercial Proposition**

It is proposed that Billington will utilise the site and equipment at Shafton to complement its structural steel divisions located at Barnsley and Bristol. The directors believe the acquisition of the property, equipment and other assets represents an excellent opportunity for the Company to

further service its client portfolio and presents opportunities for diversification of its current activities.

Assuming the Acquisition completes, there would be a period of transition to enable a suitable workforce to be recruited that possesses the required skillset for the anticipated form of fabrication that we intend to offer from this facility. The Acquisition will also present opportunity to employees across the Group to progress and further enhance their abilities.

Chief Executive Officer, Mark Smith, commented "It is an exciting period of change for Billington and one that the Directors believe will further strengthen the Company's market position through increased capabilities, capacity and product offerings".

A further announcement will be made when the Acquisition completes.

For further information please contact:

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