

**Grafton Group plc**  
**Group Condensed Income Statement**  
**For the six months ended 30 June 2013**

	<b>2013</b> <b>(Unaudited)</b> <b>£'000</b>	2012 <b>(Unaudited)</b> <b>£'000</b>
<b>Revenue</b>	<b>912,228</b>	867,345
Operating costs	<b>(881,068)</b>	(847,191)
Operating income	<b>27,051</b>	-
<b>Operating profit</b>	<b>58,211</b>	20,154
Finance expense	<b>(8,142)</b>	(8,658)
Finance income	<b>1,426</b>	1,472
<b>Profit before tax</b>	<b>51,495</b>	12,968
Income tax	<b>(10,933)</b>	(3,740)
<b>Profit after tax for the financial period</b>	<b>40,562</b>	9,228
<b>Profit attributable to:</b>		
Owners of the Company	<b>40,597</b>	9,228
Non-controlling interests	<b>(35)</b>	-
<b>Profit after tax for the financial period</b>	<b>40,562</b>	9,228
<b>Earnings per ordinary share</b>		
Basic	<b>17.50p</b>	3.98p
Diluted	<b>17.45p</b>	3.96p
<b>Adjusted earnings per ordinary share</b>		
Basic	<b>8.02p</b>	6.26p
Diluted	<b>8.01p</b>	6.23p

**Grafton Group plc**  
**Group Condensed Balance Sheet**  
**As at 30 June 2013**

	<b>2013</b>	2012
	<b>(Unaudited)</b>	(Unaudited)
	<b>£'000</b>	£'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	487,500	465,890
Intangible assets	-	787
Property, plant and equipment	457,136	454,926
Deferred tax assets	21,410	29,877
Retirement benefit assets	2,902	-
Derivative financial instruments	1,534	2,894
Other financial assets	146	126
<b>Total non-current assets</b>	<b>970,628</b>	954,500
<b>Current assets</b>		
Inventories	259,350	251,172
Trade and other receivables	321,398	296,137
Derivative financial instruments	1,533	1,448
Cash and cash equivalents	151,595	111,749
Properties held for sale	19,533	15,608
<b>Total current assets</b>	<b>753,409</b>	676,114
<b>Total assets</b>	<b>1,724,037</b>	1,630,614
<b>EQUITY</b>		
<b>Total equity</b>	<b>860,420</b>	799,448
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Interest-bearing loans and borrowings	280,418	257,982
Provisions	27,080	25,100
Retirement benefit obligations	15,885	46,522
Derivative financial instruments	-	220
Deferred tax liabilities	39,763	31,713
<b>Total non-current liabilities</b>	<b>363,146</b>	361,537
<b>Current liabilities</b>		
Interest-bearing loans and borrowings	23,756	19,180
Trade and other payables	456,819	413,087
Current income tax liabilities	10,402	29,090
Derivative financial instruments	267	586
Provisions	9,227	7,686
<b>Total current liabilities</b>	<b>500,471</b>	469,629
<b>Total liabilities</b>	<b>863,617</b>	831,166
<b>Total equity and liabilities</b>	<b>1,724,037</b>	1,630,614

**Grafton Group plc**  
**Group Condensed Cash Flow Statement**  
**For the six months ended 30 June 2013**

	<b>Six months to 30 June 2013 (Unaudited) £'000</b>	Six months to 30 June 2012 (Unaudited) £'000
<b>Profit before taxation</b>	<b>51,495</b>	12,968
Finance income	<b>(1,426)</b>	(1,472)
Finance expense	<b>8,142</b>	8,658
<b>Operating profit</b>	<b>58,211</b>	20,154
Depreciation	<b>16,007</b>	16,289
Intangible amortisation	-	1,041
Share-based payments charge	<b>1,077</b>	255
Non-cash movement in operating provisions	<b>(4)</b>	396
Claims paid on insurance provisions	<b>(2,169)</b>	(1,042)
Non-cash movement on asset impairment	-	430
Profit on sale of property, plant and equipment	<b>(694)</b>	(151)
Non-cash decrease in pension liabilities (net of pension provision)	<b>(27,051)</b>	-
Contributions to pension schemes in excess of IAS 19 charge	<b>(1,892)</b>	(3,436)
Decrease in working capital	<b>13,389</b>	11,105
<b>Cash generated from operations</b>	<b>56,874</b>	45,041
Interest paid	<b>(6,182)</b>	(7,130)
Income taxes paid	<b>(4,867)</b>	(355)
<b>Cash flows from operating activities</b>	<b>45,825</b>	37,556
<b>Investing activities</b>		
<i>Inflows</i>		
Proceeds from sale of property, plant and equipment	<b>1,261</b>	1,519
Interest received	<b>419</b>	902
	<b>1,680</b>	2,421
<i>Outflows</i>		
Acquisition of subsidiary undertakings and businesses	<b>(3,263)</b>	(1,212)
Investment in joint venture	-	(535)
Net cash/(overdraft) assumed with joint venture	-	57
Deferred acquisition consideration paid	<b>(1,503)</b>	(903)
Purchase of property, plant and equipment	<b>(9,101)</b>	(8,684)
	<b>(13,867)</b>	(11,277)
<b>Cash flows from investing activities</b>	<b>(12,187)</b>	(8,856)
<b>Financing activities</b>		
<i>Inflows</i>		
Proceeds from the issue of share capital	<b>3</b>	388
Proceeds from borrowings	<b>9,806</b>	8,790
	<b>9,809</b>	9,178
<i>Outflows</i>		
Dividends paid	<b>(10,857)</b>	(9,060)
Movement on finance lease liabilities	<b>(249)</b>	(133)
Redemption of loan notes payable net of derivatives	<b>(11,375)</b>	(28,686)
	<b>(22,481)</b>	(37,879)
<b>Cash flows from financing activities</b>	<b>(12,672)</b>	(28,701)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>20,966</b>	(1)
Cash and cash equivalents at 1 January	<b>128,027</b>	112,431
Effect of exchange rate fluctuations on cash held	<b>2,602</b>	(681)
<b>Cash and cash equivalents at the end of the period</b>	<b>151,595</b>	111,749

**Exchange Rates Used**

In changing the Group's presentational currency from euro to sterling, the Group's income statements and cashflows have been retranslated into sterling using the average exchange rate for the half year which is deemed to approximate actual exchange rates at date of transactions. The Group's balance sheets have been retranslated from euro into sterling at the closing rate of exchange on the balance sheet date.

The euro sterling exchange rates for the half years 2013 and 2012 are set out below:

	June 2013	June 2012
<b>€/£ exchange rate – average rates</b>	0.85083	0.8225
<b>€/£ exchange rate – closing rates</b>	0.8572	0.8068