Sprue Aegis plc Business Summary for the year ended 31 December 2011

SPRUE AEGIS

Sprue Aegis plc, one of Europe's leading home safety products suppliers, which designs and sells innovative smoke and carbon monoxide alarms and other safety related products under the brands of FireAngel, First Alert, BRK and Dicon, is pleased to announce its audited results for the financial year ended 31 December 2011.

FINANCIAL HIGHLIGHTS

Turnover	Increased 11% to £33.3m	(2010: £29.9m)
Operating profit	Increased 13% to £3.5m	(2010: £3.1m)
Gross margin (before BRK distribution fee)	Improved to 44.6%	(2010: 42.1%)
Operating profit margin	Increased to 10.4%	(2010: 10.3%)
Profit before tax	Increased 14% to £3.4m	(2010: £3.0m)
Basic EPS	Increased 23% to 7.66p	(2010: 6.25p)
Recommended final dividend	Doubled to 2.0p per share	(2010: 1.0p)
Net cash	Increased to £5.9m	(2010: £4.5m)
Net cash inflow from operating activities	100% of operating profit	(2010: 129%)

OPERATIONAL HIGHLIGHTS

- Maintained high level of product investment to prepare new products and technology which are due to be launched throughout 2012
- Ground-breaking ST-620 Thermoptek™ smoke alarm was the highest selling domestic smoke alarm in the UK in 2011
- Creation of five separate business units to focus on each major sector and co-ordinate Group resources
- Completed the miniaturisation of its well proven carbon monoxide sensor which started production in April 2012
- Product certification issues in France and legacy product warranty issues in Germany held back sales in the second half; product certification issues in France now resolved and new FireAngel products will be introduced into Germany in 2012
- French carbon monoxide and smoke market sales growth was slower than anticipated but continues to represent an excellent growth opportunity for the Group
- Increased brand awareness and brand differentiation: FireAngel, First Alert, BRK and Dicon
- Inclusion in "The Sunday Times Virgin Fast Track 100" for the fourth successive year and in "The Sunday Times PwC Profit Track 100" league table for the first time in April 2012. Awarded PLUS SX "Company of the Year" for second time in three years

Graham Whitworth, Chairman & Group CEO of Sprue Aegis plc, commented:

"Despite the challenges we faced in Continental Europe, the Group delivered a strong financial performance, with record revenue, operating profit and EPS. Net cash at year end was also pleasing, up £1.4m to £5.9m.

During 2011, the Group remained fully committed to its investment programme and has a number of significant new products due to launch throughout 2012 which are expected to drive sales in UK Retail, UK Trade and Continental Europe and help defend our leading share of the UK Fire & Rescue Services market. We have also miniaturised our existing carbon monoxide sensor at Pace Sensors and production of this performance enhancing sensor started in April 2012.

Despite lower than anticipated sales in France and Germany last year, we are confident that overall, Continental Europe will return to growth later this year. Lastly, we expect to see only a limited impact on sales to the UK Fire & Rescue Services as a result of the UK Government budget cuts.

With four established home safety product brands to sell into each of our major markets and a pipeline of innovative new products to come through in 2012 and beyond, we remain very well placed to continue our path of profitable growth."

NOTES TO EDITORS

About Sprue Aegis plc

Group overview

With its head office in Coventry, UK, Sprue is Europe's leading home safety products supplier and manufactures one of the world's smallest carbon monoxide sensors for use in carbon monoxide alarms. Sprue designs and sells smoke and carbon monoxide alarms and other safety related products throughout Europe under the FireAngel, First Alert, BRK and Dicon brands. Sprue enjoys a strong European market presence, a leading UK retail footprint, is the supplier of choice to the UK's Fire and Rescue Services and continues to develop its market share in the UK's trade sector. Sprue has an established network of independent distributors within Continental Europe providing access into these key growth markets through local partners.

For further information, please contact:

Sprue Aegis plc
02476 323 232
Graham Whitworth, Chairman & Group CEO
John Gahan, Group Finance Director

Westhouse Securities Limited
0207 601 6100
Tom Griffiths or Paul Gillam

PATENTED TECHNOLOGY

Sprue has patented technology in Europe, the US and other selected territories and its range of smoke and carbon monoxide alarms is independently certified to the latest European standards. For further product information, please visit: **www.fireangel.co.uk** or **www.firstalert.eu** or **www.brkdicon.eu/en** or **www.sprue.com**

WST-630 - Wireless interlink smoke alarm

CO-9D - Digital LCD carbon monoxide alarm

ST-620 - 10 year life smoke alarm

COMPANY ETHOS

We make products that save lives. It is a simple philosophy. Everything we do is focussed on providing market leading smoke and carbon monoxide alarms that achieve this objective.

We are serious about carbon monoxide and smoke detection and believe everyone should be properly protected with affordable and reliable home safety products from a company with brands you can trust.

We work with passion and seek to inspire those that work for us in the same way. We encourage our staff to "make a difference" to our business every day.

OUR BRANDS

sprue safety products

The Authority brand
A house of four powerful brands: FireAngel, First Alert, BRK and Dicon. We design, manufacture and supply safety products that save lives. We strive to inform and educate. We are committed to improving safety standards, through constant investment in technology and ever-increasing levels of service and quality.

FireAngel®

The Innovation brand
Market leading products targeted at discerning retail and trade customers with high expectations. FireAngel is committed to innovation. We combine state of the art technology and design flair to deliver the most reliable, efficient and desirable home safety product solutions. FireAngel will extend its strong retail presence and continue to be the brand of choice for the UK's Fire Brigades.

First Alert®

The Heritage brand
First Alert is our heritage brand in the retail sector. As inventors of the first domestic smoke alarm, First Alert has over 40 years' experience in manufacturing safety products. It is the trusted global brand in home safety, selling circa 14 million smoke alarms annually. First Alert is targeted at customers who put their trust in wisdom and experience, with products that stand the test of time. A brand with real impact. A brand that demands to be seen and heard.

BRK

The Trade brand
Targeted at skilled professionals who want to get the job done efficiently and cost effectively. BRK offers a comprehensive range of 230V mains powered smoke, heat and carbon monoxide alarms to the contractor, specifier and distributor. BRK is the benchmark for professional safety products. Our products are targeted at skilled workers and should be fitted by qualified electricians.

DICON™

The Tactical brand
Our products are targeted at customers focused on value and choice. Dicon will leverage its heritage to evolve into a volume brand of choice.

MANAGEMENT COMMENTARY

Chairman's statement

We are delighted to report another record set of results for the Group. Our inclusion in "The Sunday Times Virgin Fast Track 100" – the 100 fastest growing companies in the UK – for the fourth year running, and inclusion for the first time in "The Sunday Times PwC Profit Track 100" league table earlier this month are continued endorsement of our strategy to build a pan-European business using strong brands and innovative products to generate attractive operating margins.

> "Sprue is the only Midlands' based company ever to be included in Fast Track 100 for four consecutive years"

In addition, to win "PLUS SX Company of the year" twice in three years is another commendable achievement for the Group.

The Group made significant investment during the year in the development of new products to improve and expand its product offering and allow us to further develop our presence in each of our major markets. New products, developed in 2011, will become available for sale throughout 2012 and beyond helping to drive revenue and operating profit and further cement our position as the leading supplier to Europe's domestic safety products market.

Reflecting a high degree of confidence in the Group's ability to continue to generate free cash flow and grow its earnings, the Board is pleased to recommend that the final dividend is doubled to 2.0 pence per share compared to last year, amounting to a cost of £0.72m. If approved by shareholders at the forthcoming Annual General Meeting on 22 May 2012, the dividend will be paid on 6 July 2012 to those shareholders on the register as at close of business on 1 June 2012.

Financial overview

Turnover increased by 11% to £33.3m with BRK Brands Europe Limited ("BRK") products available to Sprue for the full twelve months compared to nine months in 2010. In the second half of the year, the Group suffered from the withdrawal of NF certification (a French product approval standard) on key products in France and had to resolve a number of legacy product warranty issues in Germany. The combined effect of these two issues reduced revenue and profit growth in the second half which has traditionally enjoyed higher sales than the first half.

Despite lower than expected turnover, careful fixed cost management allowed the Group to deliver double digit operating profit margin of 10.4% (2010: 10.3%) and a 23% increase in basic EPS to 7.66p per share (2010: 6.25p). The basic EPS also benefited from tax credits on development costs which helped reduce the Group's net effective tax rate to 20.0% (2010: 27.0%).

MANAGEMENT COMMENTARY CONTINUED

Underlying gross margin before inclusion of the BRK distribution fee showed solid progress, increasing to 44.6% (2010: 42.1%). Gross margin improvements have been achieved through continuous improvement in our manufacturing processes to remove cost, introduction of new products which generally enjoy a relatively higher gross margin than current products, the benefit from forward US dollar denominated contracts compared to spot rates and the translation impact of Euro income into Sterling at favourable exchange rates.

With the European debt crisis and other major political changes affecting world debt markets, the Group has maintained its policy to hedge a prudent proportion of its future US Dollar requirements. The level of forward cover depends on forecast demand, forecast foreign currency flows and future expectations of the Sterling / US$ and Euro / US$ exchange rates.

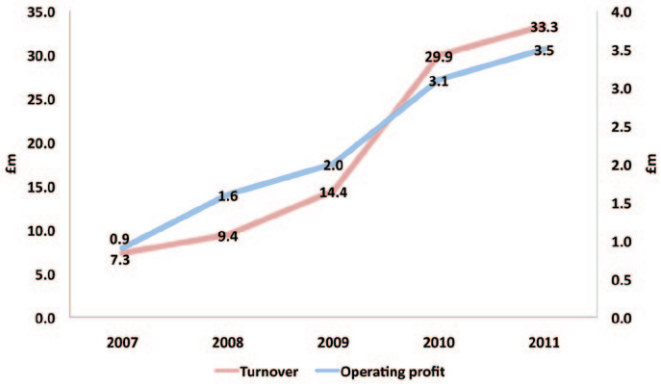
Following a review of the useful economic life of development costs and the pattern of product sales (many products are still being sold today whilst the related development costs have since been fully written off), the Group extended the amortisation period of certain of its capitalised product development costs from five to seven years, which improved operating profit by circa £0.1m in the year.

Operating profit is stated after the inclusion of a net £0.1m bad debt charge taken in the first half in relation to Focus DIY which went into administration in April 2011.

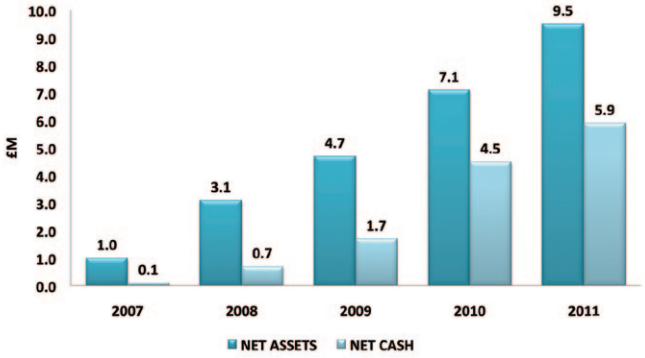
Net capitalised product development costs increased by £0.7m, largely due to work undertaken to miniaturise the Group's carbon monoxide sensor and other major UK product development projects. However, despite this increased investment, working capital management led net cash to increase at the year end to £5.9m (2010: £4.5m). Net cash inflow from operating activities of £3.5m was 100% of operating profit for the year (2010: £3.9m, 129%).

In the last two financial years, the Group's net cash inflow before financing and dividends amounted to £4.3m. In the same period.

Sprue Aegis plc five year growth in Turnover and Operating profit



Sprue Aegis plc five year growth in Net assets and Net cash



"Revenue has more than doubled, from £14.4m in 2009 to £33.3m in 2011 and operating profit has increased by 73% from £2.0m to £3.5m"

OPERATING OVERVIEW

Product Development

Following in the footsteps of our ground-breaking ST-620 Thermoptek™ smoke alarm which became the highest selling domestic smoke alarm in the UK last year – and is one of the best performing domestic smoke alarms on the market – we have a further new range of innovative and ground-breaking products which we plan to launch in 2012. New products are targeted at specific customer needs in each of the markets we serve. We aim to be the market leader in each of the major markets we serve.

Product innovation is based around designing products which perform more efficiently (to use less power), provide more features or which reduce total manufactured cost of the product. We have been successful on all three fronts in recent years and we continue to work hard to mitigate the continuous product cost headwinds we see coming out of China. Today, we have a well-stocked pipeline of new products which will come through in 2012 and beyond.

We continue to work in partnership with our key suppliers (of which Jarden is the Group's largest supplier by value of purchases), to ensure they maintain sufficient capacity to support our growth and improve their manufacturing facilities year on year. Last year, our own in-house UK and Canada based engineers spent around six months in China supporting our suppliers to continuously improve their product manufacturing processes.

UK Retail

UK retail sales increased by 6% on a like-for-like basis, despite the loss of Focus DIY which went into administration in the first half of 2011 with a net bad debt impact of £0.1m. We have sought to leverage our brand equity by offering a range of differentiated products under different brands from one supplier. This multi-brand concept is appreciated by retailers which seek to offer choice to their customers at different price points from a single supply source, helping to keep their supply chain management costs down.

We are delighted to report that B&Q and Tesco continue to be major retail customers of the Group. In addition, we have benefited from B&Q, Tesco and Screwfix expanding their existing stores and opening new stores. Our smoke and carbon monoxide products are often considered "non-discretionary spend", and with a maximum product life of ten years, the replacement cycle continuously drives repeat revenue for our business with all products needing to be replaced at least once every ten years.

UK Fire & Rescue Services ("UK F&RS")

Despite budget cuts introduced by the UK Government, UK F&RS sales performed well and met our budget expectations. However we expect 2012 sales to decline slightly as sales come under continued budgetary pressures. The tacit endorsement and strong advocacy that is derived from our 90% plus market share of the UK F&RS is a powerful endorsement of our products.

UK F&RS purchase Wi-Safe, our wireless based products specifically developed by the Group to support people who have visual or hearing difficulties. Later this year, the Group will launch Wi-Safe II, which has an improved range of wireless communication. Wi-Safe and Wi-Safe II are specifically marketed as speciality products for the more vulnerable members of society.

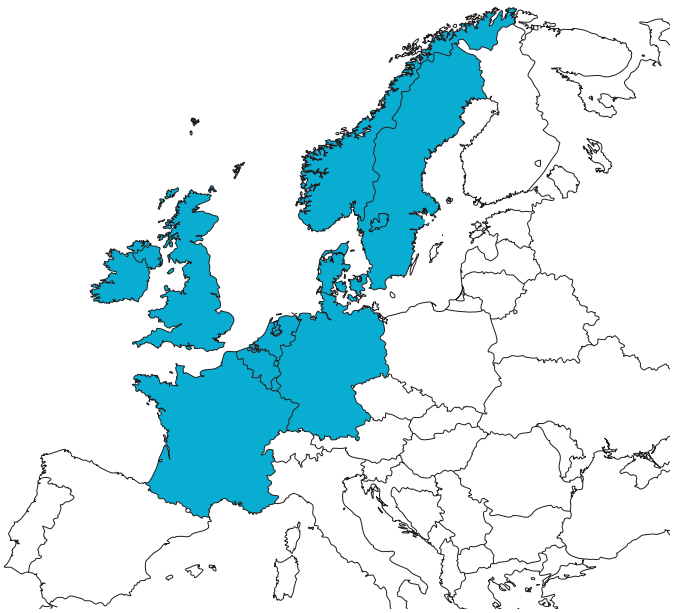
In 2011, The Consortium for Purchasing and Distribution Limited took over the management of the Firebuy framework agreement. We are working closely with this body and the UK F&RS to ensure Sprue continues to retain its leading market share of this important market.

UK Trade

UK Trade sales were behind budget expectations but still represent a major potential area for growth for the Group in 2012 and beyond. The Group has continued to hire new sales people into this sector, including a Director of Trade Sales, to drive growth and implement the Group's strategy for this important sector. With an increased range of AC powered products becoming available in 2012 and the recent launch of our push-fit RF radio base, the Group's competitive product offering in this sector is expected to significantly improve through 2012.

Continental Europe

Brand leadership in Benelux and solid progress in other parts of Continental Europe helped partially offset the lower than expected sales in Sprue's two largest Continental European markets: France and Germany. With new middle management hires based in Continental Europe and with refocused efforts in France and Germany, the Group expects this sector to return to significant growth in 2012 onwards.



France

Withdrawal of NF product certification significantly impeded sales into France in the second half of 2011. In March 2012, the Group resolved the product certification issues and recommenced sales of its full range of NF certified products (NF is the French home safety products standard set by AFNOR, the French approval body).

It has become evident that the level of customer awareness of the legal requirements for smoke alarms to be fitted in domestic properties in France is still extremely low. Consequently, sales into France have not increased to the extent that the Board had predicted, and with some supply channels now full, some retailers have discounted the products to reduce stock, resulting in price erosion.

Given the lower than expected sales growth last year, forecasting how quickly smoke alarm sales will accelerate is difficult to assess. Notwithstanding this, Sprue management still estimate that the smoke alarm market in France equates to a market of approximately 50 million smoke alarms that will be required over the next three years and we remain well placed to obtain a reasonable share of this market.

Germany

The timing of implementation of new legislation in a number of German states lagged behind expectations which slightly held back sales last year. In addition, the Group has had to contend with a number of "legacy" product warranty issues in Germany, which are now largely resolved. We are working hard to rebuild customer confidence and recover lost ground in this important market, introducing the FireAngel brand with a new range of products in the final stages of obtaining "Q label" certification for Germany.

Specifically, FireAngel's "function rich" products and diagnostics capability appear particularly attractive to customers in the German market and attract a premium over comparable products sold in the UK. In addition, the level of carbon monoxide awareness is increasing which will also help drive carbon monoxide alarm revenue in this market.

Pace Sensors

Pace Sensors in Canada completed the extensive development work to miniaturise its existing carbon monoxide sensor included within FireAngel carbon monoxide alarms in March 2012. The new sensor, the "Nano-905", enjoys improved performance and requires less production staff on the assembly line. Our carbon monoxide sensor and carbon monoxide product development efforts have maintained Sprue's position in an elite group of the world's leading carbon monoxide sensing specialists.

Production of the new carbon monoxide sensor commenced in April 2012 and the Group continues to explore other potential OEM opportunities to sell the miniaturised carbon monoxide sensor.

Board changes

As part of the Distribution Agreement dated 7 April 2010, Sprue appointed Ashley Silverton to the Board as a non-executive director in March 2011. In September 2011, Tom Russo, President of Jarden Safety and Security, also joined the Sprue Board as a non-executive director, having been nominated by Jarden as its Board representative. Both Mr Silverton and Mr Russo bring extensive experience to the Board, in investment management and the safety products industry respectively.

Proposed final dividend

We are delighted to announce that the Board has recommended to double the final dividend to 2.0 pence per share. The proposed cost to the Group amounts to £0.72 million and it is covered 3.8x by post tax profit. If approved by shareholders, the record date will be 1 June 2012 and the dividend will be paid to shareholders on 6 July 2012.

OUTLOOK

Continental Europe, UK Trade and increased sales of carbon monoxide detectors offer significant growth opportunities for the Group in terms of winning new customers and expanding our product range to drive revenue and operating profit and increase our market share.

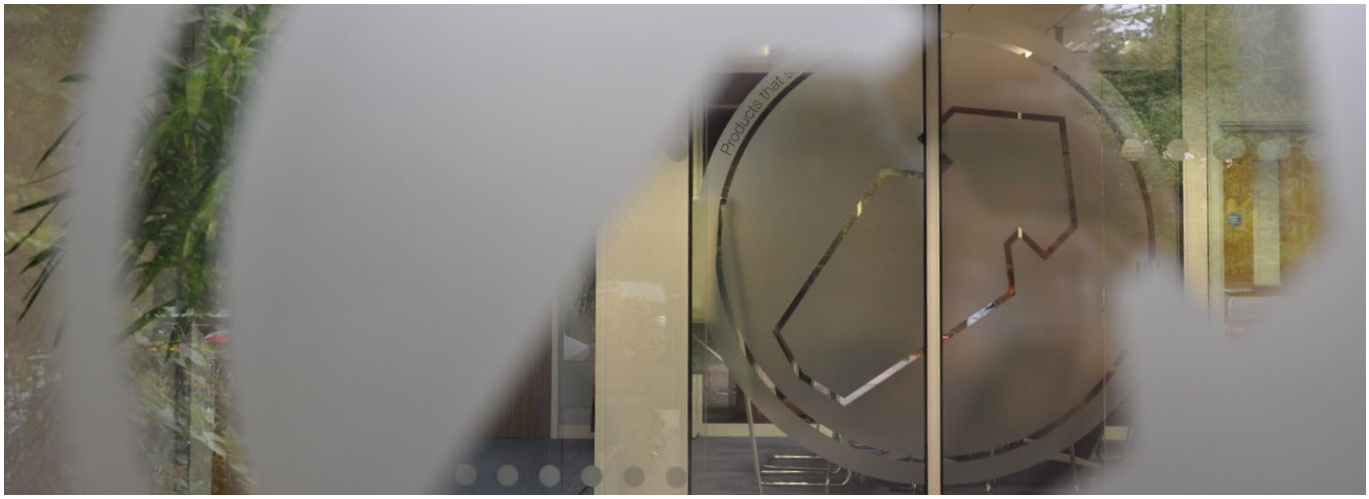
We continue to work very closely with all our UK retail customers to provide market leading competitively priced innovative products to keep Sprue at the forefront of the UK retail market.

In 2012, Sprue will retender the UK F&RS business and with over 90% market share already, we are well placed to continue to supply this business. The pending introduction of our Wi-Safe II range further enhances our 2012 product offering to the UK F&RS.

Despite continuing product cost inflation headwinds out of China, we have demonstrated that our business model is highly scaleable, profitable and cash generative. Entering 2012, we remain focused on introducing new products, proactive gross margin management and tight working capital management with the objective to continue to maximise the Group's free cash flow.

We are well placed to seize upon the market opportunities and can see that our addressable smoke and carbon monoxide markets are increasing with ever greater awareness of the dangers of smoke and carbon monoxide. In addition, further legislation will also drive revenue growth.

As ever, our thanks go out to our customers, our shareholders and the talented group of people who work in our business every day and who help us drive our business forward to achieve the demanding objectives which we set.



Graham Whitworth
Chairman and Group CEO

Nick Rutter
Managing Director

John Gahan
Group Finance Director

24 April 2012

- ENDS -

The Directors of the issuer accept responsibility for this statement

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year Ended 31 December 2011

	Note	**2011** £000	2010 £000
Turnover	2	**33,275**	29,873
Cost of sales		**(22,605)**	(20,099)
Gross profit		**10,670**	9,774
Distribution costs		**(623)**	(669)
Research and development		**(508)**	(721)
Administrative expenses		**(6,078)**	(5,321)
Operating profit		**3,461**	3,063
Interest receivable and similar income		**11**	6
Interest payable and similar charges	3	**(50)**	(80)
Profit on ordinary activities before taxation		**3,422**	2,989
Tax on profit on ordinary activities	4	**(683)**	(808)
Profit for the year		**2,739**	2,181
Earnings per share (pence)	5		
Basic		**7.66**	6.25
Fully diluted		**6.94**	5.82

Continuing operations

None of the Group's activities are treated as acquired or discontinued during the above two financial years.

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES
For The Year Ended 31 December 2011

	2011 £000	2010 £000
Profit for the year	**2,739**	2,181
Currency translation differences on foreign currency net investments	**16**	(8)
Adjustment in respect of share-based payments	**39**	60
Total recognised gains for the year	**2,794**	2,233

CONSOLIDATED BALANCE SHEET
As At 31 December 2011

	2011	2010
	£000	£000
Fixed assets		
Intangible fixed assets	**1,541**	833
Tangible fixed assets	**282**	217
	1,823	1,050
Current assets		
Stocks	**4,923**	5,074
Debtors	**7,027**	7,725
Cash at bank and in hand	**6,359**	4,974
	18,309	17,773
Creditors: amounts falling due within one year	**(9,763)**	(11,092)
Net current assets	**8,546**	6,681
Total assets less current liabilities	**10,369**	7,731
Creditors: amounts falling due after more than one year	**(494)**	(492)
Provisions for liabilities – deferred tax	**(362)**	(179)
Net assets	**9,513**	7,060
Capital and reserves		
Called up share capital	**716**	714
Share premium account	**3,449**	3,434
Profit and loss account	**5,348**	2,912
Shareholders' funds	**9,513**	7,060

CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31 December 2011

	Note	**2011** **£000**	2010 £000
Net cash inflow from operating activities	6	**3,456**	3,944
Return on investment and servicing of finance		**(39)**	(74)
Taxation		**(663)**	(664)
Capital expenditure and financial investment		**(1,031)**	(584)
Equity dividend paid		**(358)**	(178)
Cash inflow before use of liquid resources and financing		**1,365**	2,444
Financing		**17**	(176)
Increase in cash during the year		**1,382**	2,268
Reconciliation of net cash flow to movement in net funds			
Increase in cash during the year		**1,382**	2,268
Cash outflow from decrease in debt		**-**	475
Non-cash movement in loan and unamortised issue costs		**(2)**	(4)
Change in net funds resulting from cash flows		**1,380**	2,739
Translation difference		**3**	1
Movement in net funds in the year		**1,383**	2,740
Net funds at beginning of year		**4,482**	1,742
Net funds at end of year	7	**5,865**	4,482

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2011

1. Basis of preparation

The preliminary financial information has been prepared on the basis of the same accounting policies as detailed in the statutory financial statements for the year ended 31 December 2010.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards and on a going concern basis.

Basis of consolidation

The Group financial statements consolidate the financial statements of Sprue Aegis plc and its subsidiary undertakings drawn up to 31 December 2011. The results of subsidiaries acquired are consolidated for the period from the date on which control passed. All intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation.

2. Turnover

The turnover, operating profit result and net assets are wholly derived from the Group's principal activity. An analysis of turnover by geographical market for the two years ended 31 December 2011 is given below:

	2011	2010
	£000	£000
United Kingdom and Eire	**21,117**	21,197
Continental Europe and other	**12,158**	8,676
	33,275	29,873

3. Interest payable and similar charges

	2011	2010
	£000	£000
Interest on loan notes	**(50)**	(80)

4. Taxation

	2011	2010
	£000	£000
Current tax		
UK Corporation tax	**(509)**	(535)
Adjustments in respect of prior years	**9**	(94)
Total current tax charge and tax on profit on ordinary activities	**(500)**	(629)
Deferred tax		
Origination and reversal of timing differences	**(183)**	(179)
Total deferred tax	**(183)**	(179)
Total tax on profit on ordinary activities	**(683)**	(808)

5. Earnings per share

	2011	2010
	£000	£000
Profit attributable to shareholders being profit after taxation	**2,739**	2,181
	No.	No.
Weighted average number of shares in issue for basic calculation ('000)	**35,779**	34,889
Deemed issue of potentially dilutive shares ('000)	**3,681**	2,613
Weighted average number of shares in issue for diluted calculation ('000)	**39,460**	37,502
Earnings per share (pence)		
- Basic	**7.66**	6.25
- Fully diluted	**6.94**	5.82

6. Reconciliation of operating profit to operating cash flow

	2011	2010
	£000	£000
Operating profit	**3,461**	3,063
Amortisation of capitalised development costs and goodwill	**156**	323
Depreciation charge	**100**	32
Profit on disposal of fixed assets	**(2)**	-
Exchange differences	**17**	29
Share-based payment expense	**39**	60
Movement in debtors	**618**	(3,933)
Movement in stock	**151**	(3,683)
Movement in creditors	**(1,084)**	8,053
Net cash inflow from operating activities	**3,456**	3,944

7. Analysis of net cash

	At beginning of year £'000	**Cash flows £'000**	**Non-cash movements £'000**	**Exchange difference £'000**	**At end of year £'000**
Cash at bank and in hand	4,974	1,382	-	3	**6,359**
	4,974	1,382	-	3	**6,359**
Debt due after one year	(492)	-	(2)	-	**(494)**
	4,482	1,382	(2)	3	**5,865**

8. Related party: Jarden Corporation

Jarden Corporation and its subsidiaries and associates (collectively referred to as "Jarden") are related parties to the group following Jarden's purchase of 29.9% interest in the ordinary share capital of Sprue Aegis plc in 2010 and the appointment of a Jarden nominated non-executive director, Tom Russo to the Sprue Aegis plc board in September 2011. Jarden, which includes BRK Brands Europe Limited, is the largest supplier by value to the Group. 2011 net purchases from Jarden amounted to £16.6m (including a distribution fee of £4.16m). 2010 net purchases were £15.6m which included a distribution fee of £2.82m. At the year end, net Jarden creditors amounted to £4.5m (2010: £7.7m).

9. Financial information

The preliminary financial information does not constitute full accounts within the meaning of section 434 of the Companies Act 2006 but is derived from the statutory financial statements for the years ended 31 December 2011 and 31 December 2010.

The preliminary financial information is prepared on the same basis as will be set out in the statutory financial statements for the year ended 31 December 2011.

The preliminary financial information was approved for issue by the Board of Directors on 23 April 2012.

The statutory financial statements for the year ended 31 December 2011 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. Statutory financial statements for the year ended 31 December 2010 for Sprue Aegis plc, have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006.

Copies of the statutory financial statements are also available from Sprue Aegis plc's head office: Vanguard Centre, Sir William Lyons Road, Coventry, CV4 7EZ, or via the websites **www.sprue.com** or **www.sprueaegis.com**.

Sprue Aegis plc Business Summary for the Year Ended 31 December 2011