

WILLIAM SINCLAIR HOLDINGS PLC

("Sinclair" or "the Company")

Trading Up-date

William Sinclair Holdings Plc is one of the UK's leading producers of commercial horticulture and branded garden products. The Company provides peat based and non peat growing media and fertiliser products to the retail and commercial sectors.

The Company announced on 24 June 2008 in its 9 month statement to 31 March 2008 that the business was facing a challenging market despite the satisfactory performance of the recently acquired Joseph Metcalf and Freeland businesses. Demand for the 2008 growing season was lower than expected as the impact of the earliest Easter since 1913, combined with unusually wet and cold weather in March, suppressed consumer activity.

Since that announcement two principal factors have affected the Company's performance:

1. The Company has continued to see significantly escalating costs from a number of its suppliers, particularly in the areas of packaging and products such as fertilizers and oil. Furthermore, certain suppliers have increased prices beyond those provided for in established price agreements.
2. The peat harvest in late June and the first half of July was very poor due to the adverse weather conditions at that time.

As a result of these factors, the Company now expects profits in the 15 month period to 30 September 2008 to be significantly lower than market expectations.

Notwithstanding these factors management is taking action to strengthen its position, including putting in place a significant price increase to restore margins for next financial year. With its production all located in mainland UK and the additional peat volumes from the recently acquired Joseph Metcalf business, the Company has a strong competitive advantage. In addition, Freeland continues to perform well and since it quotes primarily on a project basis it is consequently able to pass on supplier price increases more easily.

The Board continues to have confidence in the strength of the Company's balance sheet and the underlying net asset base of the business. Accordingly, in the absence of unforeseen circumstances, it anticipates paying a final dividend in line with market expectations.

Bernard Burns, Chief Executive, said:

"Undoubtedly these are challenging economic times. However the poor performance is not a result of sales slow down; sales are in fact much stronger than at the equivalent period last year. Historically the market has a substantial resilience to recession.

"Our low cost of production and increasing non-peat products ensure William Sinclair is in the most robust position within the industry to withstand the current prevailing conditions and potentially gain market share."

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About William Sinclair

William Sinclair's well established brands include J Arthur Bower's, Silvaperl and New Horizon - the leading brand in the fast growing peat free garden compost and organic plant foods sector.

William Sinclair's customers include national accounts such as Wyevale, Wilkinson, Tesco, Homebase and B&Q as well as an extensive range of independent garden centres.

The Company has strong asset backing, is profitable and is quoted on the Alternative Investment Market