

15 April 2010

WILLIAM SINCLAIR HOLDINGS PLC
("William Sinclair", the "Company" or the "Group")

Trading update

William Sinclair is pleased to announce the following trading update ahead of its interim results which are expected to be announced on Wednesday 2 June 2010.

Highlights

- £9 million advance payment received for Bolton Fell from DEFRA
- Positive trading in the period contrary to industry reports of weak consumer sales
- Mass production of peat substitute material commenced at Freeland Horticulture

The Company is pleased to confirm that it has now received £9 million from DEFRA as an advance initial payment for the future cessation of peat harvesting at Bolton Fell Moss in Cumbria. This follows the announcement on 23 March 2010 that the Company had reached an interim agreement with Natural England over the future of its peat bog operations at Bolton Fell.

Trading for the six months to 31 March 2010 has been positive and, in particular, like for like sales of peat free compost sold under the New Horizon brand increased by 44% compared with the same period last year. Like for like sales of peat based composts increased by 1% compared with the same period a year earlier. This contrasts with recent reports from industry analysts suggesting consumer demand in the market was down by as much as 15% on Easter of 2009.

Mass production of a sustainable peat substitute material, developed by Freeland Horticulture, has started and the Company continues to expect this to have a positive impact on business throughout 2010 and beyond. The peat-free sector of the market will become increasingly important following the announcement by the Environment Secretary on 8 March 2010 about the phase-out of peat in compost material.

As a result of these positive developments, the Company is well positioned to accelerate its growth plans and will consider, if appropriate, acquisitions to augment its organic growth.

Bernard Burns, William Sinclair Chief Executive, said: 'William Sinclair is best placed within the industry to prosper in this changing market and consolidate our position as the market leader of peat substitute growing media. We continue to look forward very positively to this financial year.'

For further information:

William Sinclair Holdings plc
Bernard Burns, Chief Executive
Peter Williams, Finance Director

Tel: 01522 537 561

Arbuthnot Securities
Alastair Moreton
Alasdair Younie

Tel: 020 7012 2000

Madano Partnership
Matthew Moth
Charles Reynolds

Tel: 020 7593 4000

About William Sinclair

William Sinclair Holdings PLC is one of the UK's leading producers of commercial horticulture and branded garden products. 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 The Garden Centre Group (formerly Wyevale), Wilkinson, Homebase and B&Q as well as an extensive range of independent garden centres.

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