

23 October 2006

LOSS OF CONTRACT AND CONTINUATION OF COST REDUCTION PROGRAMME

The Board of William Sinclair Holdings plc (“William Sinclair” or “the Company”) announces that, following its recent change in ownership, Wyevale Garden Centres (“Wyevale”), has decided to terminate its supply contract with the Company two years early. Wyevale has, however, invited the Company to bid to regain the contract next year. Full year sales to Wyevale are in the region of £5 million.

William Sinclair is currently undertaking a turnaround programme which has already created significant margin improvements across the business. As a result of the Wyevale decision the Board will reduce further the Company’s cost base. This will affect sites in Scotland and in England.

In addition the Company is stepping up its pursuit of other opportunities to increase its customer base and product range in order to utilise the capacity now available. The Company remains confident of meeting current market expectations for profitability for the full year ending 30 June 2007.

Bernard Burns, Chief Executive, William Sinclair Holdings plc, said:

“Significant progress has been made over the last year to improve the operational performance and profitability of the Company and we are confident of generating further improvement across the business.

“With the lowest cost of production in the industry we remain confident of winning new contracts and growing our business.”

For further information:

William Sinclair	01522 537561
Bernard Burns, Chief Executive	
Madano Partnership	020 7593 4000
Matthew Moth / Mark Way	