

**Michelmersh Brick Holdings Plc**  
**("MBH" or the "Company")**

**Trading Update and Notice of Half Year Results**

Michelmersh Brick Holdings Plc (AIM: MBH), the specialist brick manufacturer and landfill company, is pleased to report increased activity in the six months ended 30 June 2013 despite some adverse weather conditions that affected the construction industry in the early part of the year.

The Company's brick despatches were up 10 per cent. over the same period in 2012, which represented a like for like increase of 13 per cent. if activity from Dunton, the Company's brickworks which was closed in May 2013, is stripped out. This pleasing increase compares to the brick industry as a whole where despatches were flat against the equivalent period in 2012.

UK brick prices were largely unchanged in the first half while production costs continue to suffer inflationary pressure through increased energy costs.

MBH's order intake in the second quarter of 2013 was very encouraging and the Company is pleased to announce that the seasonally strong third quarter has started well. Some prestigious orders won include Lend Lease's new Elephant and Castle regeneration scheme, Liverpool University student accommodation, Ercall Wood Technology College in Telford and the Seaburn and Roker re-development.

**Outlook**

There are now clear signs that the significant industry de-stocking which started in 2009 has come to an end. Whilst this has still not translated into price recovery, there are early signs that these stock levels are now under some pressure across the industry.

Translation of these dynamics and increased housing activity into price recovery will be the determinant whether sales price growth exceeds cost inflation. The Company's full year results are expected to be in line with expectations provided the recovery in prices over cost increases is achieved.

**Notice of Results**

The half year results which are expected to be released on 2 September 2013 will include exceptional costs relating to the closure of the Dunton brickworks, referred to above, and a profit on the disposal of the Company's 15 acre former brick factory site at Telford, for which contracts were exchanged in late May 2013.

**For further information:**

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**Notes to Editors:**

Michelmersh Brick Holdings PLC is the holding company for Michelmersh Brick UK Ltd, a business with leading market brands: Blockleys, Charnwood, Freshfield Lane, Hathern Terra Cotta and Michelmersh. These divisions operate within a fully integrated business combining the manufacture of clay bricks, tiles and pavers. The Group also includes a landfill operator, New Acres Limited, and seeks to develop future landfill and development opportunities on ancillary land assets.

Established in 1997 by Martin Warner, Chief Executive, and Eric Gadsden, Chairman, the Company has grown through acquisition and organic growth into a profitable, cash generative and asset rich business, producing approximately 70 million clay bricks, tiles and pavers per annum. MBH currently owns most of the UK's premium manufacturing brands and is a leading specification brick and clay paving manufacturer.

Recently MBH's products have won praise and been successfully used in projects such as the RIBA award winning new theatre, 400 Hall Repton School, the London Evening Standard New Home Award winning Lime Grove Mews London, Cambridge University Cranmer Road site and the contemporary Drapers Academy, Romford.

MBH are also suppliers to high value housing developers such as Berkeley and St. James, delivering to key city regeneration projects such as Royal Arsenal, Woolwich.

Further information on the Company can be found at [www.mbhplc.co.uk](http://www.mbhplc.co.uk)