



ANNUAL GENERAL MEETING STATEMENT

Macfarlane Group PLC (“Macfarlane”) today publishes its Annual General Meeting (“AGM”) Statement covering 2016 to date. At the AGM in Glasgow, Graeme Bissett, Chairman of Macfarlane, said: -

“Our Group sales in the year to date have grown by 3%, reflecting subdued market conditions more than offset by the benefit of acquired business. From this base and recognising the influence of the ecommerce sector in the second half of the year, the Board is confident that Macfarlane Group will perform in line with its expectations for 2016.

Our larger business, Packaging Distribution, has achieved sales growth of 4% compared to 2015 reflecting the benefit of prior year acquisition activity and we are delighted with the recently announced acquisitions of Colton Packaging Teesside and Edward McNeil in Glasgow. The investment in the new Macfarlane Innovation Lab has been very well received by our customers, which should help accelerate a strong new business pipeline in the remainder of 2016.

Sales in our Manufacturing Operations are running 3% below the equivalent period in 2015. This is due to our ongoing focus on value added products and services, combined with softer demand in certain of the market sectors served by our Packaging Design and Manufacture business.

Net debt has risen from the 31 December 2015 level, reflecting the normal seasonal uplift in working capital and recent acquisitions. The Group continues to operate well within its existing bank facilities.

We are confident that we will make further good progress in the remainder of the year.”

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Notes to Editors:

- Macfarlane is listed on the London Stock Exchange (LSE: MACF) in the Industrials Sector.
- The company has more than 60 years’ experience in the UK packaging industry.
- Macfarlane has three businesses:
 - **Macfarlane Packaging** is the leading UK distributor of a comprehensive range of protective packaging products.
 - **Labels** designs and prints high quality self-adhesive and resealable labels, principally for FMCG companies.
 - **Packaging Design and Manufacture** specialises in designing and producing protective packaging for high value, fragile products.
- Macfarlane is headquartered in Glasgow, Scotland, and employs over 780 people at 29 sites, principally in the UK and Ireland.
- The company has 20,000+ customers in the UK, Europe and the USA providing 600,000+ lines to a wide range of industry sectors including: consumer goods; food manufacturing; logistics; internet retail; mail order; electronics; defence and aerospace.