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RESULTS FOR THE EIGHT MONTHS ENDED 31 MARCH 2015

Metro Performance Glass meets earnings forecasts

New Zealand's largest value-added glass processor Metro Performance Glass Limited (NZX.MPG; ASX.MPP) reports earnings for the eight months ended 31 March 2015 in line with the forecasts made at the time of its July 2014 initial public offering (IPO).

Net profit after tax (NPAT) was $9.6 million for the eight months to 31 March 2015, slightly ahead of the company's prospective financial information (PFI) forecast of $9.4 million. Sales were $115.0 million, slightly lower than the PFI forecast of $117.8 million as capacity constraints within the construction industry led to delays in the conversion of consents to revenue.

Comparative figures cannot be provided for the previous financial year as Metro Performance Glass only began trading at the time it acquired Metroglass Holdings Limited via its IPO on 29 July 2014.

"Metro Performance Glass has had a solid start as a publicly listed company, achieving the first period earnings objectives set out in its 2014 prospectus" Metro Performance Glass Chairman Sir John Goulter said.

"The company has captured the growth in the residential housing and commercial property markets, achieved its core financial objectives and completed the opening of its new flagship plant in Auckland. It has been a busy and challenging period and the company is well positioned for the future."

Dividend

Consistent with the PFI, Directors have approved the payment of a maiden dividend of 3.6 cents per share (fully imputed for New Zealand shareholders) payable on 4 August 2015 to shareholders registered as at 5 pm on 20 July 2015.

Operational performance

Metro Performance Glass Chief Executive Nigel Rigby said: "We are very pleased with the way the company has performed during the period. The combination of the IPO, the plant upgrade in Christchurch, the new plant and the consolidation of our five Auckland sites into our new purpose-built facility has been very challenging."

"Sales have been slightly weaker than expected at the time of the IPO as we believe residential housing consents are now taking longer to convert into sales, reflecting industry capacity constraints. However we believe we have continued to retain our market share."

"Commercial markets are active and anecdotal evidence suggests commercial sector work is increasing. Nevertheless, the conversion of acceptances of forward orders into revenue is difficult to predict, with many jobs experiencing delays."

“Despite the challenges, we have managed to achieve our operating objectives and to meet our core financial targets” Mr Rigby said.

Auckland Site Consolidation

During the year the company completed the consolidation of its five separate Auckland sites into one purpose-built site at Highbrook in South Auckland.

“The Auckland plant and site consolidation has been a large and demanding task. After some initial start-up difficulties, the plant has settled down and is now operating well and is performing to expectations,” Mr Rigby said. “Additionally, we have managed to exit our previous sites at a cost that was within our initial estimates.”

“We appreciate the support of our customers during this difficult start-up phase. We are confident the site is now meeting our service leadership proposition to customers.”

Outlook

“Reflecting the industry constraints on capacity, we believe the current building cycle will last longer but have a lower peak. The frequent delays to projects in both the residential and commercial markets could make achievement of the PFI revenue target for the six months to 30 September 2015 more challenging.” Sir John Goulter said.

“Offsetting this uncertainty, we are further ahead than planned in respect to cost-out initiatives arising from the Auckland site consolidation and automation. Given all these factors, we will be better placed to update the market at, or prior to, our Annual Shareholders Meeting to be held on 26 August.

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About Metro Performance Glass

Metro Performance Glass (NZX.MPG; ASX.MPP) is the largest value added glass processor in New Zealand. It produces a range of customised glass products that are predominantly used in residential and non-residential construction applications such as windows, doors, internal partitions, balustrades, facades, showers, mirrors, furniture and splash backs. Metro Performance Glass has national coverage through 17 decentralised sites, including five major processing sites, a fleet of over 260 service vehicles and more than 700 employees across New Zealand. Learn more: www.metroglass.co.nz

Appendix

Financial summary for the eight month trading period 1 August 2014 to 31 March 2015 (note 1)

$000's	Actual	PFI	Variance %
Sales revenue	**114,998**	117,792	-2.4%
Operating profit	**17,076**	16,520	3.4%
Profit for the period	**14,986**	14,572	2.8%
Net profit after tax	**9,559**	9,410	1.6%
EBIT excluding abnormal expenses (note 2)	**23,529**	23,324	0.9%
EBITDA excluding abnormal expenses (note 3)	**27,273**	27,421	-0.5%

Notes

1. The group's trading results cover the period 1 August 2014 to 31 March 2015. Metro Performance Glass Limited was incorporated on 30 May 2014 and acquired Metroglass Holdings on 29 July 2014. The company was dormant from 30 May 2014 to 28 July 2014.
2. EBIT is earnings before interest and tax
3. EBITDA is earnings before interest, tax, depreciation and amortisation
4. PFI is the prospective financial information included in the Prospectus dated 7 July 2014 (as amended on 15 July 2014)

Reconciliation between earnings before and after significant items

$000's	Actual	PFI	Variance %
Reported operating profit	**17,076**	16,520	3.4%
IPO expenses	**4,030**	3,864	4.3%
Auckland consolidation expenses	**2,423**	2,940	-17.6%
EBIT excluding abnormal expenses	**23,529**	23,324	0.9%
Depreciation	**2,776**	3,129	-11.3%
Amortisation	**968**	968	0.0%
EBITDA excluding abnormal expenses	**27,273**	27,421	-0.5%