



NEWS RELEASE

22 November 2017

BREEDON GROUP PLC (“Breedon” or “the Group”) Trading Update

Trading performance

Breedon delivered another solid performance in the 10 months to 31 October 2017. Both volumes and revenues were ahead of the prior year, including a full 10-month contribution from the former Hope Construction Materials business, which was part of the Group for only three months in the corresponding period of 2016.

Group sales volumes of aggregates increased by 47 per cent, asphalt by 2 per cent and concrete by 99 per cent. Our cement business is performing in line with our expectations¹. Total Group revenue for the period increased by 56 per cent to approximately £561 million.

Assuming normal weather conditions for the remainder of the financial year, the Group’s underlying EBIT for the full year is expected to be in line with current market expectations².

Outlook

Forecasters expect construction output to grow modestly in 2017 and remain broadly flat next year before returning to growth in 2019. More significantly for us, new infrastructure and housing work – which together account for approximately two-thirds of our end-use markets – are expected to show healthy growth over the next two years.

We continue to invest in our business at record levels, which is yielding appreciable benefits in terms of enhanced performance and improved productivity. This organic improvement gives us confidence that we will make further progress in 2018.

We will announce our preliminary results for the year ending 31 December 2017 on 7 March 2018.

- ends -

¹ In accordance with the Cement Market Data Order 2016, cement volumes are not disclosed.

² The Group believes that current market expectations for underlying EBIT range from £74 million to £83 million.

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Note to editors

Breedon Group plc is the UK's largest independent construction materials group. It operates the country's largest cement plant, two cementitious import terminals, around 60 quarries, 30 asphalt plants, 200 ready-mixed concrete plants and three concrete products plants nationwide. The Group employs around 2,300 people and has more than 750 million tonnes of mineral reserves and resources. Its strategy is to continue growing organically and through acquisition of businesses in the UK heavyside construction materials market.