



NEWS RELEASE

18 November 2020

Breedon Group plc ("Breedon" or the "Group")

Trading Update

Breedon, a leading construction materials group in Great Britain and Ireland, today issues a scheduled Trading Update.

Trading performance

Breedon has continued to deliver an encouraging performance. The improving trends reported in our most recent trading update in September continued into the fourth quarter, with Group revenues in both September and October ahead of the same period in the prior year, on a like-for-like basis. As a result, the Group delivered revenues for the first 10 months of the year of £750 million (2019: £800 million), including three months contribution from the former CEMEX assets in the UK.

We welcome the various commitments made by UK and Irish governments to maintaining activity in the construction sector. We continue to operate our sites with a focus on the health and safety of all our colleagues, and expect limited impact from recently announced restrictions.

As a result, the Board now expects the Group's Underlying EBIT for the full year to be at least £70 million, which is ahead of current market expectations¹.

Financial position

The combination of continued positive trading and our focus on cost control and prudent cash management, as well as the recently announced agreement to dispose of certain assets to Tillicoultry Quarries Limited (subject to final clearance by the CMA), means that we currently expect net debt to be below £400 million at the year end.

Outlook

Looking ahead, the ongoing COVID-19 pandemic and Brexit negotiations create continued economic uncertainty and result in limited visibility on trading conditions going into next year.

Nevertheless, with forecasters expecting a further recovery in construction activity in GB and Ireland in 2021 and the UK and Irish governments making significant commitments to infrastructure spending, the outlook for our markets remains encouraging. The Group will also benefit from the integration of the former CEMEX UK assets into its existing operations, along with initiatives to improve performance, anticipated to begin by the end of this year.

During 2020 we have proved our ability to deliver a resilient performance against a backdrop of unprecedented disruption, which gives us considerable confidence in the long-term outlook for our business.

We plan to announce our preliminary results for the year ended 31 December 2020 on 10 March 2021.

¹ The Group believes that current market expectations for Underlying EBIT average £67 million for FY20.

– ends –

The information contained within this announcement is deemed by the Group to constitute inside information under the Market Abuse Regulations (EU) No. 596/2014.

Information on Breedon Group

Breedon Group plc is a leading construction materials group in Great Britain and Ireland. It operates two cement plants and an extensive network of quarries, asphalt plants and ready-mixed concrete plants, together with slate production, concrete and clay products manufacturing, contract surfacing and highway maintenance operations. Following the acquisition of CEMEX's UK Assets (and subject to the remedies required by the CMA), the Group employs approximately 3,500 people and has around 1 billion tonnes of mineral reserves and resources. The Group's strategy is to continue growing through organic improvement and the acquisition of businesses in the heavyside construction materials market.

Enquiries:

Breedon Group plc	01332 694010
Pat Ward, Group Chief Executive	
Rob Wood, Group Finance Director	
Stephen Jacobs, Group Head of Communications	07831 764592
Cenkos Securities (NOMAD and Joint Broker to Breedon)	020 7397 8900
Max Hartley	
Harry Hargreaves	
Numis Securities (Joint Broker to Breedon)	020 7260 1000
Ben Stoop	
Heraclis Economides	
Teneo (Public Relations Adviser to Breedon)	020 7420 3180
Matt Denham	
Rachel Miller	