Continued Volume Growth in Challenging Markets

Second quarter highlights

- Sales of 6.9 billion, an increase of 3.0%, driven by market outperformance.
- Sales volume grew 5%, partially offset by continued deflation of approximately 2%.
- Gross margin of 29.7%, down 70 bps from prior year.
- Operating margin of 6.0% (6.5% on an adjusted basis).
- Diluted earnings per share of 1.38 (1.52 on an adjusted basis).
- Declared quarterly dividend of 0.83, reflecting a 5% increase over the prior year.
- Completed one acquisition during the quarter. Subsequent to the quarter end, signed a definitive purchase agreement to acquire a leading commercial/mechanical distributor in the Northeast.
- Share repurchases of 252 million during the quarter.
- Share repurchase program increased by an additional 1.0 billion.
- Balance sheet remains strong with net debt to adjusted EBITDA of 1.2x.

NEWPORT NEWS, Va.--(BUSINESS WIRE)-- Â

Ferguson Enterprises Inc. (NYSE: FERG; LSE: FERG). Kevin Murphy, Ferguson CEO, commented, â€œOur associates continued to execute well for our customers in the second quarter, generating continued market outperformance with a sequential step up in volume growth rates. We are navigating a unique time with continued subdued markets and persistent commodity price deflation that drove lower than expected adjusted operating margin in our seasonally lightest quarter.

â€œGiven this backdrop, we are reaffirming our full year revenue guidance of low single digit growth, but updating the expected full year adjusted operating margin range to 8.3% to 8.8%. While we have been disciplined in managing costs in relation to volume growth, we are taking additional steps to streamline the business to increase speed and efficiency to better serve our customers, positioning the organization for future profitable growth.

â€œWe remain confident in our markets over the medium-term and continue to balance investment in key strategic opportunities, leveraging multiyear tailwinds in both residential and non-residential markets as we support the complex project requirements of our specialist professional customers.â€

FY2025 Guidance

Â	Prior 2025 Guidance	Updated 2025 Guidance
Net sales*	Low single digit growth	Low single digit growth
Adjusted operating margin**	9.0% - 9.5%	8.3% - 8.8%
Interest expense	180 - 200 million	180 - 200 million
Adjusted effective tax rate**	~26%	~26%
Capital expenditures	400 - 450 million	325 - 375 million

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* Net sales guidance assumes our markets are down low single digits, inclusive of pricing slightly down for the year. We assume continued Company market outperformance and contribution from already completed acquisitions, offset in part by one fewer sales day in the third quarter.
** The Company does not reconcile forward-looking non-GAAP measures. See â€œNon-GAAP Reconciliations and Supplementary informationâ€.

Â	Three months ended January 31,				Â	Â
US (In millions, except per share amounts)	**2025**		**2024**		**Change**	
Â	Reported	Adjusted[1]	Reported	Adjusted[1]	Reported	Adjusted
Net sales	6,872	6,872	6,673	6,673	3.0 %	3.0 %
Gross margin	29.7 %	29.7 %	30.4 %	30.4 %	(70) bps	(70) bps
Operating profit	410	449	477	520	(14.0) %	(13.7) %
Operating margin	6.0 %	6.5 %	7.1 %	7.8 %	(110) bps	(130) bps
Earnings per share - diluted	1.38	1.52	1.58	1.74	(12.7) %	(12.6) %
Adjusted EBITDA	Â	502Â		568Â		(11.6) %
Net debt[1] : Adjusted EBITDA	Â	1.2xÂ		1.1xÂ	Â	

Â	Six months ended January 31,				Â	Â
US (In millions, except per share amounts)	**2025**		**2024**		**Change**	
Â	Reported	Adjusted[1]	Reported	Adjusted[1]	Reported	Adjusted
Net sales	14,644	14,644	14,381	14,381	1.8 %	1.8 %
Gross margin	29.9 %	29.9 %	30.3 %	30.3 %	(40) bps	(40) bps
Operating profit	1,075	1,155	1,216	1,293	(11.6) %	(10.7) %
Operating margin	7.3 %	7.9 %	8.5 %	9.0 %	(120) bps	(110) bps

Earnings per share - diluted		3.72	3.98	4.12	4.40	(9.7) %	(9.5) %
Adjusted EBITDA	Â		1,260Â		1,387Â		(9.2) %
Net debt[1] : Adjusted EBITDA	Â		1.2xÂ		1.1xÂ	Â	

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[1] The Company uses certain non-GAAP measures, which are not defined or specified under U.S. GAAP. See the section titled â€œNon-GAAP Reconciliations and Supplementary Information.â€

Summary of financial results

Second quarter

Net sales of 6.9 billion were 3.0% ahead of last year driven by organic revenue growth of 2.1% and acquisition growth of 1.2%, offset by 0.3% from the adverse impact of foreign exchange rates. On a volumetric basis, total volume increased by approximately 5% with organic volume up approximately 4%. Continued weakness in certain commodity related categories drove modest overall price deflation of around 2%.

Gross margin of 29.7% was 70 basis points lower than last year due to subdued end market demand, persistent deflation and sales mix. While we continued to tightly manage headcount, the increase in operating expenses was driven by volumetric growth, cost inflation and continued selective investment in core capabilities for future growth.

Reported operating profit was 410 million (6.0% operating margin), 14.0% lower than last year. Adjusted operating profit of 449 million (6.5% adjusted operating margin) was 13.7% below last year in our seasonally lightest quarter.

Reported diluted earnings per share was 1.38 (Q2 2024: 1.58), a decrease of 12.7% compared to last year, and adjusted diluted earnings per share of 1.52 decreased 12.6% due to the lower adjusted operating profit, partially offset by the impact of share repurchases.

US - second quarter

Net sales in the US business increased by 3.0%, with organic revenue growth of 2.0% and a further 1.0% contribution from acquisitions.

Residential end markets, which comprise just over half of US revenue, remained similar to the first quarter across both new construction and repair, maintenance and improvement. Overall, our residential revenue grew approximately 2% in the second quarter.

Non-residential end markets, representing just under half of US revenue, remained slightly more resilient than residential end markets with continued activity on large capital projects. We continued to take share with non-residential revenue growth of approximately 4% in the second quarter. Our sales grew modestly in both commercial and industrial end markets with particular strength in civil/infrastructure end markets.

Adjusted operating profit of 455 million was 13.3% or 70 million below last year.

We completed one acquisition during the quarter, Templeton and its affiliate, TEMSCO, which serve the water and wastewater industries in the southeast. Additionally, subsequent to the quarter end we signed a definitive purchase agreement to acquire Independent Pipe & Supply Corporation, a leading commercial/mechanical distributor in the Northeast.

Canada - second quarter

Net sales grew by 3.2%, with organic revenue growth of 3.1% and a 5.4% contribution from acquisitions, partially offset by a 5.3% adverse impact from foreign exchange rates. Markets have been broadly similar to that of the United States with non-residential activity remaining more resilient than residential. Adjusted operating profit of 11 million was 2 million above last year.

Segment overview

Â		**Three months ended January 31,**		Â	Â	**Six months ended January 31,**		Â
US (In millions)		**2025**	**2024**	**Change**	Â	**2025**	**2024**	**Change**
Net sales:	Â	Â	Â		Â Â	Â	Â	
US		6,553	6,364	3.0 %	Â	13,922	13,693	1.7 %
Canada		319	309	3.2 %	Â	722	688	4.9 %
Total net sales		6,872	6,673	3.0 %	Â	14,644	14,381	1.8 %
Â	Â	Â	Â		Â Â	Â	Â	
Adjusted operating profit:	Â	Â	Â		Â Â	Â	Â	
US		455	525	(13.3) %	Â	1,152	1,291	(10.8) %
Canada		11	9	22.2 %	Â	34	32	6.3 %
Central and other costs		(17)	(14)Â		Â	(31)	(30)Â	
Total adjusted operating profit		449	520	(13.7) %	Â	1,155	1,293	(10.7) %

Financial position

Net debt to adjusted EBITDA at January 31, 2025 was 1.2x and during the quarter we completed share repurchases of 252 million. Taking into account the Companyâ€™s strong financial position, we have extended the share repurchase program by an additional 1.0 billion, resulting in a remaining outstanding balance of approximately 1.4 billion.

We declared a quarterly dividend of 0.83 representing a 5% growth over prior year. The dividend will be paid on May 6, 2025 to stockholders of record as of March 21, 2025.

There have been no other significant changes to the financial position of the Company.

Investor conference call and webcast

A call with Kevin Murphy, CEO and Bill Brundage, CFO will commence at 8:30 a.m. ET (12:30 p.m. GMT) today. The call will be recorded and available on our website after the event at corporate.ferguson.com.

Dial in number	US: +1 646 233 4753
Â	UK: +44 (0) 20 3936 2999

Ask for the Ferguson call quoting 996251. To access the call via your laptop, tablet or mobile device please go to corporate.ferguson.com. If you have technical difficulties, please click the â€œListen by Phoneâ€ button on the webcast player and dial the number provided.

About Ferguson

Ferguson (NYSE: FERG; LSE: FERG) is the largest value-added distributor serving the specialized professional in our 340B residential and non-residential North American construction market. We help make our customersâ€™ complex projects simple, successful and sustainable by providing expertise and a wide range of products and services from plumbing, HVAC, appliances, and lighting to PVF, water and wastewater solutions, and more. Headquartered in Newport News, Va., Ferguson has sales of 29.6 billion (FYâ€™24) and approximately 35,000 associates in nearly 1,800 locations. For more information, please visit corporate.ferguson.com.

Analyst resources

For further information on quarterly financial breakdowns, visit corporate.ferguson.com on the Investors menu under Analysts and Resources.

Provisional financial calendar

Q3 Results for period ending April 30, 2025	June 3, 2025 with call from 8:30 a.m. ET

Timetable for the quarterly dividend

The timetable for payment of the quarterly dividend of 0.83 per share is as follows:

Ex-dividend date:	March 21, 2025
Record date:	March 21, 2025
Payment date:	May 6, 2025

Further details can be found on our website corporate.ferguson.com, navigating to Investors, Shareholder Center, Dividends / Dividend History.

The completion of cross-border movements of shares between the U.K. and the U.S. is contingent upon the receiving broker identifying and acknowledging any such movements. Where a cross-border movement of shares has been initiated but not completed by the relevant dividend record date (being March 21, 2025 for this quarterly dividend), there is a risk that the dividend in respect of such shares will not be received on the dividend payment date. Accordingly, shareholders are advised not to initiate any cross-border movements of shares during the period from March 19, 2025 through March 24, 2025 inclusive.

Cautionary note on forward-looking statements

Certain information included in this announcement is forward-looking, including within the meaning of the Private Securities Litigation Reform Act of 1995, and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, statements or guidance regarding or relating to our future financial position, results of operations and growth, plans and objectives for the future including our capabilities and priorities, risks associated with changes in global and regional economic, market and political conditions, ability to manage supply chain challenges, ability to manage the impact of product price fluctuations, our financial condition and liquidity, legal or regulatory changes and other statements concerning the success of our business and strategies. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as â€œbelieves,â€ â€œestimates,â€ â€œanticipates,â€ â€œexpects,â€ â€œforecasts,â€ â€œguidance,â€ â€œintends,â€ â€œcontinues,â€ â€œplans,â€ â€œprojects,â€ â€œgoal,â€ â€œtarget,â€ â€œaim,â€ â€œmay,â€ â€œwill,â€ â€œwould,â€ â€œcouldâ€ or â€œshouldâ€ or, in each case, their negative or other variations or comparable terminology and other similar references to future periods. Forward-looking statements speak only as of the date on which they are made. They are not assurances of future performance and are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Therefore, you should not place undue reliance on any of these forward-looking statements. Although we believe that the forward-looking statements contained in this announcement are based on reasonable assumptions, you should be aware that many factors could cause actual results to differ materially from those contained in such forward-looking statements, including but not limited to: weakness in the economy, market trends, uncertainty and other conditions in the markets in which we operate, and other factors beyond our control, including disruption in the financial markets and any macroeconomic or other consequences of political unrest, disputes or war; failure to rapidly identify or effectively respond to direct and/or end customersâ€™ wants, expectations or trends, including costs and potential problems associated with new or upgraded information technology systems or our ability to timely deploy new omni-channel capabilities; decreased demand for our products as a result of operating in highly competitive industries and the impact of declines in the residential and non-residential markets; changes in competition, including as a result of market consolidation or competitors responding more quickly to emerging technologies (such as generative artificial intelligence); failure of a key information technology system or process as well as exposure to fraud or theft resulting from payment-related risks; privacy and protection of sensitive data failures, including failures due to data corruption, cybersecurity incidents or network security breaches; ineffectiveness of or disruption in our domestic or international supply chain or our fulfillment network, including delays in inventory availability at our distribution facilities and branches, increased delivery costs or lack of availability; failure to effectively manage and protect our facilities and inventory or to prevent personal injury to customers, suppliers or associates, including as a result of workplace violence; unsuccessful execution of our operational strategies; failure to attract, retain and motivate key associates; exposure of associates, contractors, customers, suppliers and other individuals to health and safety risks; risks associated with acquisitions, partnerships, joint ventures and other business combinations, dispositions or strategic transactions; regulatory, product liability and reputational risks and the failure to achieve and maintain a high level of product and service quality or comply with responsible sourcing standards; inability to renew leases on favorable terms or at all, as well as any remaining obligations under a lease when we close a facility; changes in, interpretations of, or compliance with tax laws; our indebtedness and changes in our credit ratings and outlook; fluctuations in product prices (e.g., commodity-priced materials, inflation/deflation) and foreign currency; funding risks related to our defined benefit pension plans; legal proceedings in the course of our business as well as failure to comply with domestic and foreign laws, regulations and standards, as those laws, regulations and standards or interpretations and enforcement thereof may change, or the occurrence of unforeseen developments such as litigation, investigations, governmental proceedings or enforcement actions; our failure to comply with the obligations associated with being a public company listed on the New York Stock Exchange and London Stock Exchange and the costs associated therewith; the costs and risk exposure relating to environmental, social and governance matters, including sustainability issues, regulatory or legal requirements, and disparate stakeholder expectations; adverse impacts caused by a public health crisis; and other risks and uncertainties set forth under the heading â€œRisk Factorsâ€ in our Annual Report on Form 10-K for the fiscal year ended July 31, 2024 filed with the Securities and Exchange Commission (â€œSECâ€) on September 25, 2024 and in other filings we make with the SEC in the future.

Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with our legal or regulatory obligations, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Ferguson Enterprises Inc.

Non-GAAP Reconciliations and Supplementary Information

(unaudited)

Non-GAAP items

This announcement contains certain financial information that is not presented in conformity with U.S. GAAP. These non-GAAP financial measures include adjusted operating profit, adjusted operating margin, adjusted net income, adjusted earnings per share - diluted, adjusted EBITDA, adjusted effective tax rate, net debt and net debt to adjusted EBITDA ratio. The Company believes that these non-GAAP financial measures provide users of the Companyâ€™s financial information with additional meaningful information to assist in understanding financial results and assessing the Companyâ€™s performance from period to period. Management believes these measures are important indicators of operations because they exclude items that may not be indicative of our core operating results and provide a better baseline for analyzing trends in our underlying businesses, and they are consistent with how business performance is planned, reported and assessed internally by management and the Board. Such non-GAAP adjustments include amortization of acquired intangible assets, discrete tax items, and any other items that are non-recurring. Non-recurring items may include various restructuring charges, gains or losses on the disposals of businesses which by their nature do not reflect primary operations, as well as certain other items deemed non-recurring in nature and/or that are not a result of the Companyâ€™s primary operations. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These non-GAAP financial measures should not be considered in isolation or as a substitute for results reported under U.S. GAAP. These non-GAAP financial measures reflect an additional way of viewing aspects of operations that, when viewed with U.S. GAAP results, provide a more complete understanding of the business. The Company strongly encourages investors and shareholders to review the Companyâ€™s financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures on a forward-looking basis because it is unable to predict with reasonable certainty or without unreasonable effort non-recurring items, such as those described above, that may arise in the future. The variability of these items is unpredictable and may have a significant impact.

Summary of Organic Revenue

Management evaluates organic revenue as it provides a consistent measure of the change in revenue year-on-year. Organic revenue growth (or decline) is determined as the growth (or decline) in total reported revenue excluding the growth (or decline) attributable to currency exchange rate fluctuations, sales days, acquisitions and disposals, divided by the preceding financial yearâ€™s revenue at the current yearâ€™s exchange rates.

A summary of the Companyâ€™s historical revenue and organic revenue growth is below:

Â	Q2 2025		Q1 2025		Q4 2024		Q3 2024		Q2 2024	
Â	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue
US	3.0%	2.0%	0.5%	(0.4)%	1.3%	(0.2)%	2.2%	(0.9)%	(2.2)%	(3.7)%
Canada	3.2%	3.1%	6.3%	1.3%	2.0%	(1.2)%	6.7%	(0.6)%	(3.7)%	(3.3)%
Total Company	3.0%	2.1%	0.8%	(0.3)%	1.4%	(0.2)%	2.4%	(0.9)%	(2.2)%	(3.7)%

For further details regarding organic revenue growth, visit corporate.ferguson.com on the Investors menu under Analysts and Resources.

Reconciliation of Net Income to Adjusted Operating Profit and Adjusted EBITDA

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Â	Three months ended January 31,		Â	Six months ended January 31,	
(In millions)	**2025** Â	**2024**	Â	**2025** Â	**2024**
Net income	276Â	322Â		746Â	841
Provision for income taxes	94Â	111Â		248Â	283
Interest expense, net	48Â	44Â		94Â	89
Other (income) expense, net	(8)Â	â€”Â		(13)Â	3
Operating profit	410Â	477Â		1,075Â	1,216
Corporate restructurings(1)	â€”Â	8Â		3Â	8
Amortization of acquired intangibles	39Â	35Â		77Â	69
Adjusted Operating Profit	449Â	520Â		1,155Â	1,293
Depreciation & impairment of PP&E	46Â	41Â		90Â	80
Amortization of non-acquired intangibles	7Â	7Â		15Â	14
Adjusted EBITDA	502Â	568Â		1,260Â	1,387

(1) For the six months ended January 31, 2025, corporate restructurings primarily related to incremental costs in connection with transition activities following the establishment of our parent companyâ€™s domicile in the United States. For the three and six months ended January 31, 2024, corporate restructuring costs related to incremental costs in connection with establishing a new corporate structure to domicile our ultimate parent company in the United States.

Net Debt : Adjusted EBITDA Reconciliation

To assess the appropriateness of its capital structure, the Companyâ€™s principal measure of financial leverage is net debt to adjusted EBITDA. The Company aims to operate with investment grade credit metrics and keep this ratio within one to two times.

Net debt

Net debt comprises bank overdrafts, bank and other loans and derivative financial instruments, excluding lease liabilities, less cash and cash equivalents. Long-term debt is presented net of debt issuance costs.

Â	As of January 31,	
(In millions)	**2025** Â	**2024**
Long-term debt	3,949Â	3,595
Short-term debt	400Â	150
Bank overdrafts(1)	â€”Â	23
Derivative liabilities	5Â	11
Cash and cash equivalents	(764)Â	(639)
Net debt	3,590Â	3,140

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(1) Bank overdrafts are included in other current liabilities in the Companyâ€™s Consolidated Balance Sheets.

Adjusted EBITDA (Rolling 12-month)

Adjusted EBITDA is net income before charges/credits relating to depreciation, amortization, impairment and certain non-GAAP adjustments. A rolling 12-month adjusted EBITDA is used in the net debt to adjusted EBITDA ratio to assess the appropriateness of the Companyâ€™s financial leverage.

Â **Twelve months ended**

(In millions, except ratios)	January 31,	
Â	**2025** Â	**2024**
Net income	1,640Â	1,761
Provision for income taxes	694Â	540
Interest expense, net	184Â	185
Other (income) expense, net	(7)Â	9
Corporate restructurings[1]	23Â	8
Impairments and other charges[2]	â€”Â	125
Depreciation and amortization	354Â	322
Adjusted EBITDA	2,888Â	2,950
Net Debt: Adjusted EBITDA	1.2xÂ	1.1x

(1) For the rolling twelve months ended January 31, 2025 and 2024, corporate restructurings primarily related to incremental costs in connection with establishing a new corporate structure to domicile our ultimate parent company in the United States, including transition activities following the domicile.

(2) For the rolling twelve months ended January 31, 2024, impairments and other charges related to 107 million in software impairment charges in the United States, as well as 18 million in charges associated with the closure of certain smaller, underperforming branches in the United States. Such amounts were mainly recorded in the third quarter of fiscal year 2023.

Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS - Diluted

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(In millions, except per share amounts)	Three months ended January 31,			
	2025		**2024**	
Â	Â	*per share*[1] Â	Â	*per share*[1]
Net income	276Â	1.38Â	322Â	1.58
Corporate restructurings[2]	â€”Â	â€”Â	8Â	0.04
Amortization of acquired intangibles	39Â	0.20Â	35Â	0.17
Discrete tax adjustments[3]	(1)Â	(0.01)Â	(2)Â	(0.01)
Tax impact-non-GAAP adjustments[4]	(10)Â	(0.05)Â	(8)Â	(0.04)
Adjusted net income	304Â	1.52Â	355Â	1.74
Diluted weighted-average shares outstanding		199.8Â		203.9

(In millions, except per share amounts)	Six months ended January 31,			
	2025		**2024**	
Â	Â	*per share*[1] Â	Â	*per share*[1]
Net income	746Â	3.72Â	841Â	4.12
Corporate restructurings[2]	3Â	0.02Â	8Â	0.04
Amortization of acquired intangibles	77Â	0.38Â	69Â	0.34
Discrete tax adjustments[3]	(8)Â	(0.04)Â	(2)Â	(0.01)
Tax impact-non-GAAP adjustments[4]	(20)Â	(0.10)Â	(18)Â	(0.09)
Adjusted net income	798Â	3.98Â	898Â	4.40
Diluted weighted-average shares outstanding		200.5Â		204.2

(1) Per share on a dilutive basis.

(2) For the six months ended January 31, 2025, corporate restructurings primarily related to incremental costs in connection with transition activities following the establishment of our parent companyâ€™s domicile in the United States. For the three and six months ended January 31, 2024, corporate restructuring costs related to incremental costs in connection with establishing a new corporate structure to domicile our ultimate parent company in the United States.

(3) For the three and six months ended January 31, 2025 and 2024, discrete tax adjustments mainly related to the tax treatment of certain compensation items that are not material.

(4) For the three and six months ended January 31, 2025 and 2024, the tax impact on non-GAAP adjustments primarily related to the amortization of acquired intangibles.

Ferguson Enterprises Inc.

Condensed Consolidated Statements of Earnings
(unaudited)

	Three months ended January 31,		Six months ended January 31,	
(In millions, except per share amounts)	**2025**	**2024**	**2025**	**2024**
Net sales	6,872	6,673	14,644	14,381
Cost of sales	(4,830)	(4,644)	(10,262)	(10,021)
Gross profit	2,042	2,029	4,382	4,360
Selling, general and administrative expenses	(1,540)	(1,469)	(3,125)	(2,981)
Depreciation and amortization	(92)	(83)	(182)	(163)
Operating profit	410	477	1,075	1,216
Interest expense, net	(48)	(44)	(94)	(89)
Other income (expense), net	8	â€”	13	(3)
Income before income taxes	370	433	994	1,124
Provision for income taxes	(94)	(111)	(248)	(283)
Net income	276	322	746	841
Earnings per share - Basic	1.38	1.58	3.73	4.13
Earnings per share - Diluted	1.38	1.58	3.72	4.12
Weighted average number of shares outstanding:				
Basic	199.6	203.4	200.2	203.6
Diluted	199.8	203.9	200.5	204.2

Ferguson Enterprises Inc.
Condensed Consolidated Balance Sheets
(unaudited)

	As of	
(In millions)	**January 31, 2025**	**July 31, 2024**
Assets		
Cash and cash equivalents	764	571
Accounts receivable, net	3,200	3,602
Inventories	4,273	4,188
Prepaid and other current assets	962	1,020
Assets held for sale	26	29
Total current assets	9,225	9,410
Property, plant and equipment, net	1,808	1,752
Operating lease right-of-use assets	1,637	1,565
Deferred income taxes, net	188	181
Goodwill	2,361	2,357
Other non-current assets	1,311	1,307
Total assets	16,530	16,572
Liabilities and stockholdersâ€™ equity		
Accounts payable	3,027	3,410
Other current liabilities	2,030	1,806
Total current liabilities	5,057	5,216
Long-term debt	3,949	3,774
Long-term portion of operating lease liabilities	1,256	1,198
Other long-term liabilities	779	768
Total liabilities	11,041	10,956
Total stockholders' equity	5,489	5,616
Total liabilities and stockholders' equity	16,530	16,572

Ferguson Enterprises Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)

	Â Six months ended January 31,	
(In millions)	**2025** Â	**2024**
Cash flows from operating activities:	Â Â	Â
Net income	746Â	841
Depreciation and amortization	182Â	163
Share-based compensation	13Â	24
Changes in inventories	(94)Â	(52)
Changes in receivables and other assets	494Â	565
Changes in accounts payable and other liabilities	(600)Â	(626)
Other operating activities	(56)Â	(52)
Net cash provided by operating activities	685Â	863
Cash flows from investing activities:	Â Â	Â
Purchase of businesses acquired, net of cash acquired	(46)Â	(67)
Capital expenditures	(158)Â	(192)
Other investing activities	12Â	28
Net cash used in investing activities	(192)Â	(231)
Cash flows from financing activities:	Â Â	Â
Purchase of treasury shares	(508)Â	(250)
Net change in debt and bank overdrafts	420Â	(24)
Cash dividends	(158)Â	(305)
Other financing activities	(43)Â	(18)
Net cash used in financing activities	(289)Â	(597)
Change in cash, cash equivalents and restricted cash	204Â	35
Effects of exchange rate changes	(14)Â	â€”
Cash, cash equivalents and restricted cash, beginning of period	625Â	669
Cash, cash equivalents and restricted cash, end of period	815Â	704

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