RNS Number : 7767H
Grafton Group PLC
08 May 2025

Grafton Group plc
Trading Update
Trading in line with expectations

Grafton Group plc ("Grafton" or "the Group"), the international building materials distributor and DIY retailer, issues this Trading Update for the period from 1 January 2025 to 27 April 2025 ("the period") ahead of the Annual General Meeting ("AGM") of the Company that will be held today at 10.30 am in the Irish Management Institute (IMI) Conference Centre, Sandyford Road, Dublin 16, D16 X8C3, Ireland.

Trading and Performance

Group revenue in the period was £773.1 million (2024: £717.3 million), up 7.8 per cent from the prior year and up 9.0 per cent in constant currency. Group revenue benefited from the acquisition of Salvador Escoda, a leading distributor of heating, ventilation, air conditioning, water and renewable products in Spain, which completed on 30 October 2024. All our businesses had two fewer trading days compared to the same period in the prior year, except for Spain and Finland, which had three fewer trading days.

Group average daily like-for-like revenue for the period was 2.7 per cent higher than in the same period last year. Total Group revenue in constant currency rose by 9.0 per cent, reflecting 8.5 per cent contribution from Salvador Escoda, 0.2 per cent from growth through new branches and a combined -2.4 per cent impact from working days and foreign exchange.

Trading over the last two months has been supported by improving trading conditions in certain parts of the Group and favourable weather conditions, which have more than offset the weather impacted trading conditions experienced in January and February (Group like-for-like revenue February YTD: -0.1 per cent).

The following table shows the change in average daily like-for-like revenue compared to the same period in the prior year.

Segment	**Average Daily Like-for-Like Revenue Change in Constant Currency**
	1 January to 27 April 2025 v 2024
Distribution	
- Ireland	**3.5%**
- UK	**(0.3%)**
- Netherlands	**2.9%**
- Finland	**(0.8%)**
Retailing	**10.0%**
Manufacturing	**6.5%**
Group	**2.7%**

Distribution

In Ireland, Chadwicks delivered like-for-like revenue growth of 3.5 per cent in the period as trading activity recovered strongly from the impact of Storm Éowyn. The outlook for growth in construction remains positive with strong support and policy continuity from the new Government to increase housing completions and infrastructure investment. Ireland's construction PMI rose to 53.9 in March 2025 representing its highest level for three years. We remain cognisant of the potential risks arising from the imposition of US tariffs on the broader Irish economy and future investment decisions.

Average daily like-for-like revenue in the UK declined by 0.3 per cent in the period as business improved, with modest product price inflation of 1-2 per cent, following a slow start to the year. RMI demand continues to remain subdued, especially in the Greater London area, however the medium term fundamentals remain positive supported by the UK Government's plans to significantly increase new housing activity.

In the Netherlands, average daily like-for-like revenue grew by 2.9 per cent in the period due to strong demand from key accounts and growth in access control related projects. Growth in activity has moderated more recently as a result of delays in the commencement of some larger construction projects.

In Finland, IKH's average daily like-for-like revenue declined by 0.8 per cent in the period as mild weather conditions reduced sales of seasonal products which was partially offset by strong growth in export sales to Estonia.

In Spain, the integration of Salvador Escoda continues to progress well. On a pro-forma basis, average daily like-for-like revenue in the period was up 6.8 per cent, supported by the timing of strong project related sales and favourable market conditions.

Retailing

Woodie's DIY, Home and Garden business in Ireland had a very strong start to the year with average daily like-for-like revenue up 10.0 per cent in the period helped by growth in both the number of transactions and average transaction values.

Well set-up and merchandised stores and favourable weather conditions, combined with strong consumer spending in Ireland, resulted in excellent growth across the business with a particularly strong performance in plants and garden related products.

Manufacturing

In Manufacturing, average daily like-for-like revenue was 6.5 per cent higher compared with the same period last year.

CPI EuroMix reported strong sales growth in the period supported by increased volumes from its housebuilding customers on existing sites. We are encouraged by the UK Government's commitment to increase housing supply as the broader recovery in this sector will be dependent upon a higher number of active housing developments.

StairBox had good sales growth in the period although demand in the RMI market in the UK remains subdued.

Outlook

Performance in the period has been in line with our expectations and, whilst the more material trading period lies ahead, we remain on track to meet full year expectations.
Notwithstanding the potential impact of US tariffs and any associated economic uncertainty, the medium term fundamentals remain positive for Grafton, with housing shortages across all our geographies and an expected recovery in RMI demand after several consecutive years of low levels of investment by households. The Group's balance sheet remains strong with Grafton well positioned to support future development activities as opportunities arise.

Eric Born, Chief Executive Officer of Grafton Group plc commented:

"After a relatively subdued start to the year, and with the more material trading period lying ahead, we

were pleased that our performance in the period was in line with our expectations, and we remain on track for the full year. We are focused on what we can influence within our businesses rather than being unduly distracted by the uncertainties around us. We continue to prioritise meeting our customers' needs and expectations and strive to operate as efficiently as possible.

"Our platform acquisition of Salvador Escoda in Spain towards the end of last year is an exciting foothold into a fragmented and growing market. We continue to actively evaluate opportunities in all our markets to strengthen our position both organically and, where appropriate, by acquisition using the strength of our free cash flow conversion and balance sheet."

Note for analysts

Grafton compiled consensus Analysts' forecasts for 2025 show adjusted operating profit[1] of circa £185.9 million.

[1] Adjusted operating profit is defined as profit before amortisation of intangible assets arising on acquisitions, acquisition related items, exceptional items, net finance expense and income tax expense.

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For further information please contact:

Investors		**Media**	
Grafton Group plc	**+353 1 216 0600**	**Murray**	pwalsh@murraygroup.ie
Eric Born	Chief Executive Officer	Pat Walsh	**+353 1 498 0300/+353 87 226 9345**
David Arnold	Chief Financial Officer		
		Burson Buchanan	**GraftonGroup@buchanancomms.co.uk**
		Helen Tarbet	**+44 (0) 7872 604 453**
		Simon Compton	**+44 (0) 7979 497 324**
		Toto Berger	**+44 (0) 7880 680 403**

About Grafton

Grafton Group plc is an international distributor of building materials to trade customers and has leading regional or national positions in the distribution markets in the UK, Ireland, the Netherlands, Finland and Spain. Grafton is also the market leader in the DIY, Home and Garden retailing market in Ireland and is the largest manufacturer of dry mortar and bespoke timber staircases in the UK.

Grafton trades from c. 470 branches and has c. 10,000 colleagues. The Group's portfolio of brands includes Selco Builders Warehouse, Leyland SDM, MacBlair, TG Lynes, CPI EuroMix and StairBox in the UK; Chadwicks and Woodie's in Ireland; Isero and Polvo in the Netherlands; Salvador Escoda in Spain and IKH in Finland.

For further information visit www.graftonplc.com

Forward-looking statements

This press release may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "outlook," "believe(s),"expect(s)," "potential," "continue(s)," "may," "will," "should," "could," "would," "seek(s)," "predict(s)," "intend(s)," "trends," "plan(s)," "estimate(s)," "anticipates," "projection," "goal," "target," "aspire," "will likely result" and other words and terms of similar meaning or the negative versions of such words or other comparable words of a future or forward-looking nature. These forward-looking statements include all matters that are not historical facts and include statements regarding Grafton's or its affiliates' intentions, beliefs or *current expectations concerning, among other things, Grafton's or its affiliates' results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Grafton's or its affiliates' actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if Grafton's or its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods. The directors do not undertake any obligation to update or revise any forward-looking statements, whether because of new information, future developments or otherwise.*

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