

14 November 2025

MELROSE INDUSTRIES PLC

Trading update - full year guidance confirmed

Melrose Industries PLC ("Melrose" or "the Group") announces the following trading update for the four months from 1 July 2025 to 31 October 2025 ("the Period"). Growth rates are calculated at constant currency and exclude the impact of exited businesses^[1].

Peter Dilnot, Chief Executive Officer of Melrose said:

"We have delivered another strong performance during this transformational year with continued positive momentum in both our civil and defence businesses. Our focus for the rest of the year remains on ramping up production and delivering for our customers. With strong demand, differentiated technologies and established positions on all the world's leading aircraft, we are well placed to deliver growth and increasing free cash flow this year and into the future."

Group performance

Group revenue grew by 14%, with Engines up 28%, driven by a strong performance in both OE and the aftermarket, and Structures up 5%. Adjusted operating profit was significantly higher than the comparative period and in line with our expectations.

End markets

In civil aerospace, record backlogs are underpinning the OE production ramp. Air traffic growth and low retirement rates continue to support the aftermarket. Geopolitical uncertainty is driving a step change in defence spending, which is providing a number of new growth opportunities for the Group. The UK/US and EU/US tariff agreements have been welcomed by market participants, providing greater certainty for the civil aerospace industry.

Engines

In Engines, OE growth was particularly strong, up 35%, driven by our RRSP portfolio across both narrowbody and widebody platforms. Aftermarket grew by 22% and included a return to robust growth for our parts repair business. Engines' performance includes continued momentum from the increase in OE production rates and the recovery from tariff-related uncertainty and backlogs in the first half.

Looking ahead, the division is well placed to meet the ongoing industry ramp-up from its established positions and to support our customers on new technologies and the next generation of engines.

Structures

Structures revenue was up 5%, ahead of the growth rate at the half year. We saw encouraging growth in Defence, reflecting strong demand coupled with our business improvement actions and the work we have done on sustainable pricing across the business. The performance in Civil continued to be constrained by well-publicised customer supply chain issues.

We are well positioned to support our OEM customers as build rates continue to grow over the next few years to meet record backlogs in both civil and defence.

Outlook and full year guidance

During the remainder of the financial year, we will continue to focus on delivering for our customers in what is the industry's most significant trading period. Our guidance for the full year remains unchanged:

- Revenue range of £3.425 billion to £3.575 billion
- Adjusted operating profit range (post PLC costs of £30 million) of £620 million to £650 million
- Free cash flow generation of £100+ million (after interest and tax)
- Guidance based on US = 1.335 average exchange rate^[2]; guidance continues to exclude the direct and indirect impact of any new or changed tariffs

Melrose will publish full year results for 2025 on Friday 27 February 2026.

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[1] Exited businesses contributed £4 million of sales in the period 1 July 2024 to 31 October 2024

[2] A 1% change in the USD or Euro in isolation would result in adjusted operating profit moving by £6 million and £0.5 million respectively; and gross debt by £11 million and £3 million respectively.

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