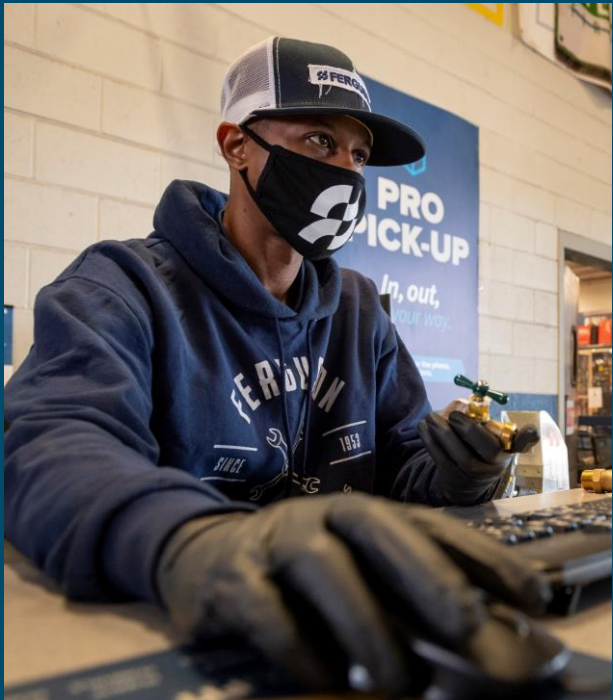


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2020/21 First quarter results update

Three months to October 31, 2020



Introduction

Kevin Murphy, Group Chief Executive



Highlights

- Focused on the safety of our associates and supporting our customers
- Sincere thanks to all of our 33,000 associates for their dedication and commitment
- Strong Q1 demonstrating our resilient business model
 - Grew Group revenue 3.1% and underlying trading profit 12.2%
 - Excellent cash generation
 - Strong balance sheet with leverage at 0.5 times net debt : adjusted EBITDA
 - Continued investment in the business including our technology platform
 - Resumed ordinary dividends – \$467m final dividend will be paid on 11 December
 - Completed two bolt on M&A transactions since the start of the year

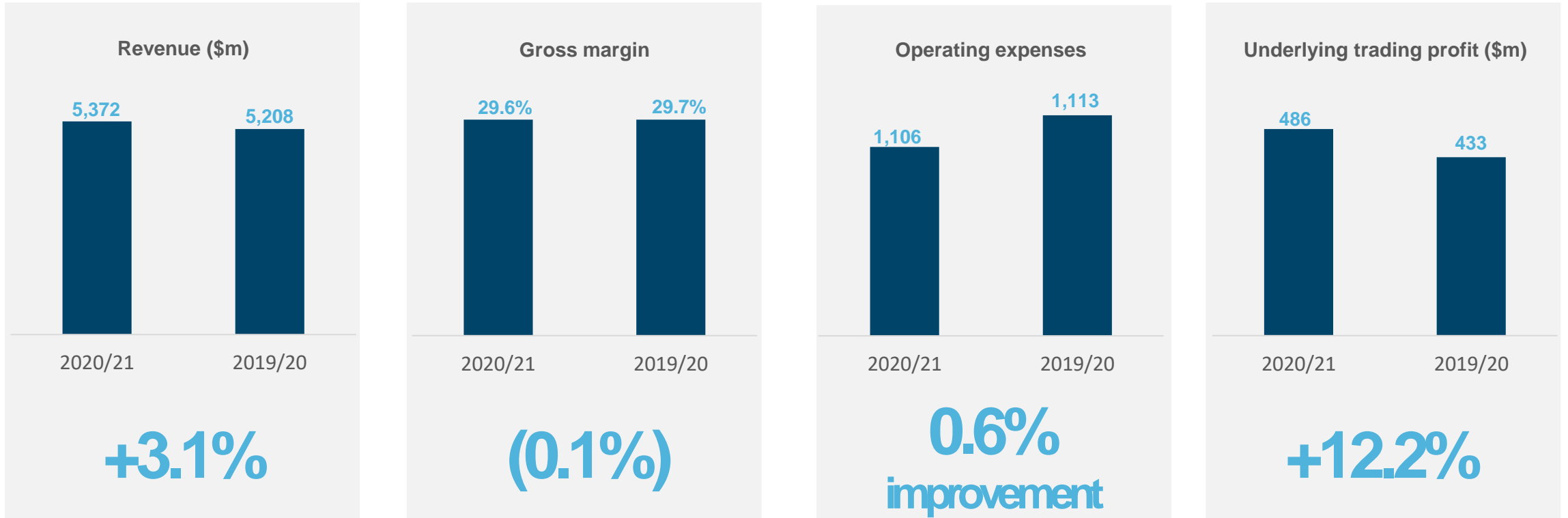
Business is in very good shape and well prepared for any future COVID disruption

Operating and financial review

Bill Brundage, Group CFO



Quarterly ongoing financial results (Q1 2021)



Resilient business model delivered strong trading profit growth

USA

\$m	Q1 2021	Q1 2020	Change
Revenue	5,050	4,893	+3.2%
Organic revenue growth	+3.3%	+3.1%	
Underlying trading profit ¹	473	425	+11.3%
Underlying trading margin % ¹	9.4%	8.7%	+0.7%

- Returned to revenue growth in first quarter
- Gross margins slightly softer due to mix
- Excellent cost control led to strong trading margin progression

Good operating performance showing agile business model

1. Underlying denotes that the metric is stated on a pre-IFRS 16 basis.

Canada

\$m	Q1 2021	Q1 2020	Change
Revenue	322	315	+2.2%
Organic revenue growth	+3.5%	(6.4%)	
Underlying trading profit ¹	23	19	+21.1%
Underlying trading margin % ¹	7.1%	6.0%	+1.1%

- Good revenue growth, markets remain challenging in Western Canada
- Gross margins slightly lower
- Grew trading profit \$4m as a result of benefits of restructuring and tight cost control

Good profit progression despite challenging backdrop

1. Underlying denotes that the metric is stated on a pre-IFRS 16 basis.

UK (non-ongoing)

\$m	Q1 2021	Q1 2020	Change
Revenue	569	541	+5.2%
Organic revenue growth	+1.2%	(4.2%)	
Underlying trading profit ¹	25	15	+66.7%
Underlying trading margin % ¹	4.4%	2.8%	+1.6%

- Material uplift in underlying trading profit from benefits of operational efficiencies and business restructuring

Business now benefiting from a clear strategy and simplified customer proposition

1. Underlying denotes that the metric is stated on a pre-IFRS 16 basis.

Cash flow and balance sheet

- Robust profit growth led to excellent cash generation in period
- Pro forma net debt to adjusted EBITDA 0.7x after \$467m cash outflow from final dividend
- Target range of net debt to adjusted EBITDA of 1-2x
- Capital allocation priorities unchanged:
 1. Organic growth
 - Investment in generating profitable growth
 - Technology to support customers and productivity improvement
 2. Ordinary dividends
 - Reinstated final dividend in September, to be paid in December
 3. Bolt-on acquisitions
 - Two completed
 - Normal forward pipeline
 4. Return of surplus cash
 - Suspended given current economic uncertainty

Strong balance sheet underpins continued execution of our strategy

Operational review

Kevin Murphy, Group Chief Executive



US current trading

- Residential customer groups strong across new and RMI
- Strong HVAC growth supported by pick-up in repair and remodel work in residential
- Non residential customer groups (particularly Commercial and Industrial) remain challenging
- Waterworks continues to hold up well, robust residential sales but more challenging in municipal
- eBusiness continues to generate exceptional growth as a result of demand from project minded consumers and light pro's
- Order books remain healthy consistent with low single digit revenue growth

Strong Q1 demonstrates resilience of our business model

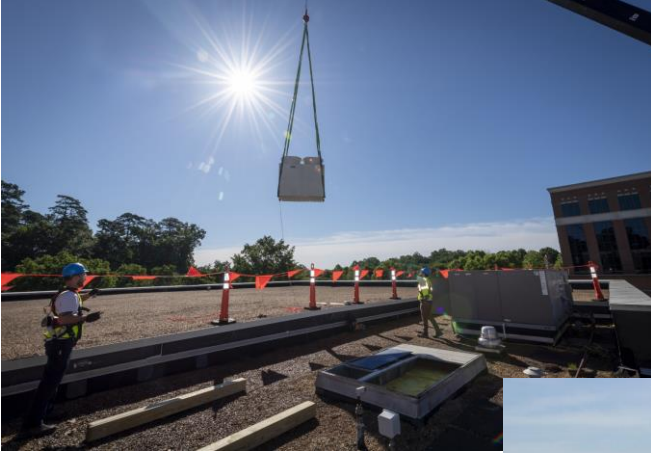
Market update: US end market revenue growth

	% US revenue¹	Q1 end market growth
Residential	54%	'High single digit growth'
Commercial	32%	'Mid single digit decline'
Civil/infrastructure	7%	'Low single digit decline'
Industrial	7%	'High teens decline'

Overall US markets were broadly flat in first quarter

1. Split based on revenue in the year to July 31, 2020.

Bolt on M&A



Old Dominion Supply (HVAC)

- Wholesale distributor of HVAC parts to residential and commercial contractors
- Serving Washington DC, Central Maryland, Northern Virginia
- Revenue of \$55m with two locations and 42 associates
- Brings strong customer relationships in region.
- Complements Ferguson's strength in the metro DC, Baltimore HVAC market which is primarily in the equipment category

Atlantic Construction Fabrics (Waterworks)

- Geotextiles business - erosion control solutions and geosynthetics, HQ in Richmond, VA
- Further diversifies our Waterworks business and complements existing customer offering
- Revenue of \$100m with 20 locations from Florida to Main, extending West into Ohio
- Follows Innovative Soil Solutions deal in 2019
- Large revenue base and geographic footprint from which to expand, strengthens vendor relationships, expands capabilities in more technical engineered products.

Disciplined M&A remains key part of growth strategy, deal pipeline remains healthy

Closing and Outlook

- Since the start of Q2 business has continued to generate low single digit revenue growth in broadly flat markets
- We remain cautious on the outlook, considering current pandemic trends
- Despite potential headwinds the business is in very good shape
- Well prepared should there be any further market related disruption
- Overall management's expectations for FY 2021 are unchanged

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Q&A

