NEWS RELEASE

Confirmation of Reduction of Capital

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Wolseley PLC
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WOLSELEY PLC

CONFIRMATION OF REDUCTION OF CAPITAL

Wolseley plc (the "Company" or "New Wolseley") announces that the Royal Court of Jersey has confirmed the New Wolseley Reduction of Capital and that the order of the Royal Court of Jersey has been registered with the Jersey

Registrar of Companies today.

The New Wolseley Reduction of Capital is therefore effective today, as a result of which the Company's share premium account has been reduced to zero, with the whole of such reduced account (being the amount of £4,960,538,917.90) having been transferred to the Company's profit and loss account as a reserve of profit.

Defined terms in this announcement have the same meaning as in the Scheme Circular and the Prospectus.

- Ends -

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Notes to Editors:

1. About Wolseley

Wolseley plc is the world's largest specialist trade distributor of plumbing and heating products to professional contractors and a leading supplier of building materials. Group revenue for the year ended 31 July 2010 was approximately £13.2 billion and operating profit, before exceptional items and the amortisation and impairment of acquired intangibles, was £450 million. At 31 July 2010, Wolseley had approximately 47,000 employees operating in 25 countries. Old Wolseley is listed on the London Stock Exchange (LSE: WOS) and is in the FTSE 100 index of listed companies.

2. About the Scheme of Arrangement

On 27 September 2010, Wolseley plc ("Old Wolseley") announced proposals to change the corporate structure of the Wolseley Group (the "Group"). The restructuring proposals (the "Proposals") create a new Group holding company which will be UK listed, incorporated in Jersey and will have tax residence in Switzerland ("New Wolseley").

The Board has concluded that the interests of its business and its shareholders are best served by establishing an international holding company corporate structure that will help provide more certainty in its taxation position. The Proposals are expected to enable the Group to achieve a competitive effective corporate tax rate. The Proposals will not change the tax position of the UK business.

The Proposals are being implemented by means of a scheme of arrangement of Old Wolseley under Part 26 of the Companies Act 2006 (the "Scheme") and were approved by shareholders at a court meeting and a general meeting held on 2 November 2010. A circular setting out full details of the Proposals was sent to Old Wolseley shareholders on 1 October 2010 and a prospectus in relation to New Wolseley was published by New Wolseley on 22 October 2010.

New Wolseley will have the same Board and management team (save for Alain Le Goff who has stepped down for personal reasons), business and operations as Old Wolseley. The Proposals will not result in any changes in the day-to-day operations of the business of the Group or its strategy. It is expected that New Wolseley will continue to report the Group financial results in pounds sterling. The Proposals are not expected to have any adverse implications for Wolseley shareholders as a whole.

This information is provided by RNS
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