



NEWS RELEASE

Ferguson Reports Second Quarter Results

3/5/2024

Continued Execution with Full Year Guidance Unchanged

Second quarter highlights

- Sales decline of 2.2%, largely driven by deflation of approximately 2%.
- Operating margin of 7.1% (7.8% on an adjusted basis) in our seasonally lightest quarter with fiscal year to date operating margin of 8.5% (9.0% on an adjusted basis).
- Diluted earnings per share of \$1.58 (\$1.74 on an adjusted basis).
- Operating cash flow of \$863 million on a fiscal year to date basis.
- Declared quarterly dividend of \$0.79, reflecting a 5% increase over the prior year.
- Completed two acquisitions during the quarter and one subsequent to the quarter with aggregate annualized revenues of approximately \$220 million.
- Share repurchases of \$142 million during the quarter.
- Balance sheet remains strong with net debt to adjusted EBITDA of 1.1x.

WOKINGHAM, England--(BUSINESS WIRE)-- Ferguson plc (NYSE:FERG) (LSE:FERG):

FY2024 Guidance (unchanged)

Total Company	2024 Guidance
Net sales*	Broadly flat
Adjusted operating margin**	9.2% - 9.8%
Interest expense	\$190 - \$210 million
Adjusted effective tax rate**	Approximately 25%
Capital expenditures	\$400 - \$450 million

* Net sales guidance assumes mid-single digit market decline with continued Company market outperformance, contribution from completed acquisitions and one additional sales day. Overall impact of price inflation estimated to be broadly neutral for the year.

** The Company does not reconcile forward-looking non-GAAP measures. See "Non-GAAP Reconciliations and Supplementary information."

Kevin Murphy, Ferguson CEO, commented, "Our associates continued to execute well during our seasonally lightest quarter. While sales were slightly lower than the prior year, organic performance improved from the first quarter. Current open orders and sales per day trends support our expectation of improvement through the balance of the fiscal year against easing comparables. We are appropriately managing costs as we prepare for our seasonally stronger second half. We delivered strong operating cash flow during the first half of our fiscal year and our strong balance sheet positions us for continued investment in organic growth, sustainable dividend growth, consolidation of our fragmented markets through acquisitions and the continued return of capital to shareholders.

"Our FY2024 financial guidance is unchanged. We are well positioned to leverage emerging multi-year structural tailwinds in non-residential construction and opportunities to further support the residential trade professional."

US\$ (In millions, except per share amounts)	Three months ended January 31, 2024		2023		Change	
	Reported	Adjusted(1)	Reported	Adjusted(1)	Reported	Adjusted
Net sales	6,673	6,673	6,825	6,825	(2.2)%	(2.2)%
Gross margin	30.4%	30.4%	30.2%	30.2%	+20 bps	+20 bps
Operating profit	477	520	549	582	(13.1)%	(10.7)%
Operating margin	7.1%	7.8%	8.0%	8.5%	(90) bps	(70) bps
Earnings per share - diluted	1.58	1.74	1.80	1.91	(12.2)%	(8.9)%
Adjusted EBITDA		568		630		(9.8)%
Net debt(1) : Adjusted EBITDA		1.1x		1.1x		

US\$ (In millions, except per share amounts)	Six months ended January 31,				Change		
	2024		2023				
	Reported	Adjusted(1)	Reported	Adjusted(1)	Reported	Adjusted	
Net sales	14,381	14,381	14,756	14,756	(2.5)%	(2.5)%	
Gross margin	30.3%	30.3%	30.4%	30.4%	(10) bps	(10) bps	
Operating profit	1,216	1,293	1,380	1,446	(11.9)%	(10.6)%	
Operating margin	8.5%	9.0%	9.4%	9.8%	(90) bps	(80) bps	
Earnings per share - diluted	4.12	4.40	4.64	4.87	(11.2)%	(9.7)%	
Adjusted EBITDA		1,387		1,542		(10.1)%	
Net debt(1) : Adjusted EBITDA		1.1x		1.1x			

(1) The Company uses certain non-GAAP measures, which are not defined or specified under U.S. GAAP. See the section titled "Non-GAAP Reconciliations and Supplementary Information."

Summary of financial results

Second quarter

Net sales of \$6.7 billion were 2.2% below last year against a strong prior year comparable. Organic revenue declined 3.7% driven by a decline in residential sales with a smaller decline in non-residential sales. These declines were partially offset by acquisition contributions of 1.5%. As expected, weakness in certain commodity related categories drove modest overall price deflation of approximately 2% as we continued to lap strong inflation comparables.

Gross margin of 30.4% was 20 basis points higher than last year driven by strong pricing execution from our associates. Operating expenses were appropriately managed with targeted cost control actions and productivity initiatives balanced with investing in core capabilities for future growth.

Reported operating profit was \$477 million (7.1% operating margin), 13.1% lower than last year. Adjusted operating profit of \$520 million (7.8% adjusted operating margin) was 10.7% lower than last year.

Reported diluted earnings per share was \$1.58 (Q2 2023: \$1.80), a decrease of 12.2%, and adjusted diluted earnings per share of \$1.74 decreased 8.9% due to lower adjusted operating profit, partially offset by the impact of share repurchases.

USA - second quarter

Net sales in the US business declined 2.2%, with an organic revenue decline of 3.7% partially offset by a 1.5% contribution from acquisitions.

Residential end markets, which comprise just over half of US revenue, remained subdued. New residential housing start and permit activity improved slightly in the quarter, while repair, maintenance and improvement ("RMI") work remained soft. Overall, residential revenue declined by approximately 4% in the second quarter.

Non-residential end markets, representing just under half of US revenue, showed comparative resilience with non-residential revenues declining by approximately 1% in the second quarter. Commercial and civil/infrastructure activity held flat in the quarter with industrial more pressured against a strong prior year comparable. We continued to see good levels of megaproject related bid activity.

Adjusted operating profit of \$525 million was 9.3% or \$54 million behind last year.

We completed two acquisitions during the quarter, Grove Supply, Inc., a 17 location plumbing and HVAC distributor

serving customers in Pennsylvania and New Jersey, and Harway Appliances, a premier distributor of high-end kitchen appliances in Texas.

Canada - second quarter

Net sales compressed by 3.7%, with an organic revenue decline of 3.3% and a 0.4% adverse impact from foreign exchange rates. Markets have remained challenging and saw similar trends to that of the United States. Adjusted operating profit of \$9 million declined by \$5 million compared to last year.

Subsequent to the quarter we acquired Yorkwest Plumbing Supply Inc., a leading distributor of plumbing, municipal, hydronics, institutional, HVAC and industrial products in the greater Toronto area.

Segment overview

US\$ (In millions)	Three months ended January 31,			Six months ended January 31,		
	2024	2023	Change	2024	2023	Change
Net sales:						
USA	6,364	6,504	(2.2)%	13,693	14,036	(2.4)%
Canada	309	321	(3.7)%	688	720	(4.4)%
Total net sales	6,673	6,825	(2.2)%	14,381	14,756	(2.5)%
Adjusted operating profit:						
USA	525	579	(9.3)%	1,291	1,424	(9.3)%
Canada	9	14	(35.7)%	32	47	(31.9)%
Central and other costs	(14)	(11)		(30)	(25)	
Total adjusted operating profit	520	582	(10.7)%	1,293	1,446	(10.6)%

Financial position

Net debt to adjusted EBITDA at January 31, 2024 was 1.1x and during the quarter we completed share repurchases of \$142 million.

We declared a quarterly dividend of \$0.79, reflecting a 5% increase over the prior year. The dividend will be paid on May 7, 2024 to shareholders on the register as of March 15, 2024.

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

Domiciling our ultimate parent company in the United States

On January 18, 2024, the Company's Board of Directors (the "Board") announced that it would be in the best

interests of the Company and its shareholders as a whole to proceed with establishing a new corporate structure to domicile our ultimate parent company in the United States. This step better aligns the Company's headquarters and governance with its operations and leadership.

The Company expects the change to be effective on or about August 1, 2024, subject to the satisfaction of the conditions to the completion of the transaction, including shareholder approval.

No action is needed by shareholders at this time.

Investor conference call and webcast

A call with Kevin Murphy, CEO and Bill Brundage, CFO will commence at 8:30 a.m. ET (1:30 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:
UK:

+1 646 787 9445
+44 (0) 20 3936 2999

Ask for the Ferguson call quoting 422862. 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 "Listen by Phone" button on the webcast player and dial the number provided.

About us

Ferguson plc (NYSE: FERG; LSE: FERG) is a leading value-added distributor in North America providing expertise, solutions and products from infrastructure, plumbing and appliances to HVAC, fire, fabrication and more. We exist to make our customers' complex projects simple, successful and sustainable. Ferguson is headquartered in the U.K., with its operations and associates solely focused on North America and managed from Newport News, Virginia. For more information, please visit **corporate.ferguson.com** or follow us on LinkedIn linkedin.com/company/ferguson-enterprises.

Analyst resources

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

Provisional financial calendar

Timetable for the quarterly dividend

The timetable for payment of the quarterly dividend of \$0.79 per share is as follows:

Ex-dividend date:	March 14, 2024
Record date:	March 15, 2024
Payment date:	May 7, 2024

The quarterly dividend is declared in U.S. dollars and since March 2021, the default currency for dividends is also U.S. dollars. Those shareholders who have not elected to receive the dividend in pounds sterling and who would like to make such an election may do so online by going to Computershare's Investor Center and returning the completed form to the address located in the upper-right corner of the form. The deadline to elect to receive the quarterly dividend in pounds sterling, or to amend an existing election, is 5:00 p.m. ET on April 8, 2024 and any requests should be made in good time ahead of that date.

The form is available at www-us.computershare.com/Investor/#Home and navigating to Company Info > FERG > GBP Dividend Election and Mandate Form.

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 15, 2024 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 14, 2024 through March 18, 2024 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, projected interest in and ownership of our ordinary shares by investors including as a result of inclusion in North American market indices,

plans and objectives for the future including our capabilities and priorities, domiciling our ultimate parent company in the United States, 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 “believes,” “estimates,” “anticipates,” “expects,” “forecasts,” “guidance,” “intends,” “continues,” “plans,” “projects,” “goal,” “target,” “aim,” “may,” “will,” “would,” “could” or “should” 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 in such forward-looking statements, including but not limited to: the transaction relating to domiciling our ultimate parent company in the United States may be delayed, cancelled, suspended or terminated; unexpected costs for us and any unanticipated or other adverse consequences to us or our shareholders relating to domiciling our ultimate parent company in the United States; 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 customers’ 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, as well as the RMI and new construction markets; changes in competition, including as a result of market consolidation or competitors responding more quickly to emerging technologies (such as generative artificial intelligence (“AI”)); 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; inherent 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; 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 in the United States, the United Kingdom, Switzerland or Canada; 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 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; our failure to comply with the obligations associated with being a U.S. domestic issuer and the costs associated therewith; the costs and risk exposure relating to environmental, social and governance (“ESG”) 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 “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended July 31, 2023 as filed with the SEC on September 26, 2023, 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 plc

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 Company’s financial information with additional meaningful information to assist in understanding financial results and assessing the Company’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 Company'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 Company'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 year's revenue at the current year's exchange rates.

A summary of the Company's historical revenue and organic revenue growth is below:

	Q2 2024		Q1 2024		Q4 2023		Q3 2023		Q2 2023	
	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue	Revenue	Organic Revenue
USA	(2.2)%	(3.7)%	(2.7)%	(5.0)%	(1.5)%	(5.5)%	(1.6)%	(2.5)%	5.4%	2.6%
Canada	(3.7)%	(3.3)%	(5.0)%	(3.3)%	(5.1)%	(2.7)%	(9.5)%	(1.5)%	(4.5)%	3.0%
Continuing operations	(2.2)%	(3.7)%	(2.8)%	(4.9)%	(1.7)%	(5.3)%	(2.0)%	(2.5)%	4.9%	2.7%

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

Reconciliation of Net Income to Adjusted Operating Profit and Adjusted EBITDA

(In millions)	Three months ended January 31,		Six months ended January 31,	
	2024	2023	2024	2023
Net income	\$322	\$374	\$841	\$969
Provision for income taxes	111	121	283	318
Interest expense, net	44	47	89	88
Other expense (income), net	—	7	3	5
Operating profit	477	549	1,216	1,380
Corporate restructurings(1)	8	—	8	—
Amortization of acquired intangibles	35	33	69	66
Adjusted Operating Profit	520	582	1,293	1,446
Depreciation & impairment of PP&E	41	36	80	73
Amortization of non-acquired intangibles	7	12	14	23
Adjusted EBITDA	\$568	\$630	\$1,387	\$1,542

(1) 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 Company'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.

(In millions)	As of January 31,	
	2024	2023
Long-term debt	\$3,595	\$3,936
Short-term debt	150	55
Bank overdrafts(1)	23	36
Derivative liabilities	11	17
Cash and cash equivalents	(639)	(597)
Net debt	\$3,140	\$3,447

(1) Bank overdrafts are included in other current liabilities in the Company's Consolidated Balance Sheet.

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 Company's financial leverage.

(In millions, except ratios)

	Twelve months ended January 31,	
	2024	2023
Net income	\$1,761	\$2,095
Loss from discontinued operations (net of tax)	—	2
Provision for income taxes	540	655
Interest expense, net	185	150
Other expense (income), net	9	4
Corporate restructurings(1)	8	10
Impairments and other charges(2)	125	—
Depreciation and amortization	322	317
Adjusted EBITDA	\$2,950	\$3,233
Net Debt: Adjusted EBITDA	1.1x	1.1x

(1) For the rolling twelve 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. For the rolling twelve months ended January 31, 2023, corporate restructuring costs primarily related to incremental costs in connection with the Company's listing in the United States.

(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

(In millions, except per share amounts)

	Three months ended January 31,			
	2024		2023	
	per share(1)		per share(1)	
Net income	\$322	\$1.58	\$374	\$1.80
Corporate restructurings(2)	8	0.04	—	—
Amortization of acquired intangibles	35	0.17	33	0.16
Discrete tax adjustments(3)	(2)	(0.01)	(3)	(0.01)
Tax impact-non-GAAP adjustments(4)	(8)	(0.04)	(8)	(0.04)
Adjusted net income	\$355	\$1.74	\$396	\$1.91
Diluted weighted-average shares outstanding	203.9		207.8	

(In millions, except per share amounts)

	Six months ended January 31,			
	2024		2023	
	per share(1)		per share(1)	
Net income	\$841	\$4.12	\$969	\$4.64
Corporate restructurings(2)	8	0.04	—	—
Amortization of acquired intangibles	69	0.34	66	0.32
Discrete tax adjustments(3)	(2)	(0.01)	(3)	(0.01)
Tax impact-non-GAAP adjustments(4)	(18)	(0.09)	(16)	(0.08)
Adjusted net income	\$898	\$4.40	\$1,016	\$4.87
Diluted weighted-average shares	204.2		208.8	

(1) Per share on a dilutive basis.

(2) 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, 2024, discrete tax adjustments mainly related to the tax treatment of certain compensation items that were not individually significant. For the three and six months ended January 31, 2023, discrete tax items primarily related to adjustments in connection with amended returns.

(4) For the three and six months ended January 31, 2024 and 2023, the tax impact on non-GAAP adjustments primarily related to the amortization of acquired intangibles.

Ferguson plc
Condensed Consolidated Statements of Earnings
(unaudited)

(In millions, except per share amounts)	Three months ended January 31,		Six months ended January 31,	
	2024	2023	2024	2023
Net sales	\$6,673	\$6,825	\$14,381	\$14,756
Cost of sales	(4,644)	(4,763)	(10,021)	(10,273)
Gross profit	2,029	2,062	4,360	4,483
Selling, general and administrative expenses	(1,469)	(1,432)	(2,981)	(2,941)
Depreciation and amortization	(83)	(81)	(163)	(162)
Operating profit	477	549	1,216	1,380
Interest expense, net	(44)	(47)	(89)	(88)
Other expense, net	—	(7)	(3)	(5)
Income before income taxes	433	495	1,124	1,287
Provision for income taxes	(111)	(121)	(283)	(318)
Net income	\$322	\$374	\$841	\$969
Earnings per share - Basic	\$1.58	\$1.81	\$4.13	\$4.66
Earnings per share - Diluted	\$1.58	\$1.80	\$4.12	\$4.64
Weighted average number of shares outstanding:				
Basic	203.4	207.1	203.6	207.9
Diluted	203.9	207.8	204.2	208.8

Ferguson plc
Condensed Consolidated Balance Sheets
(unaudited)

(In millions)	As of	
	January 31, 2024	July 31, 2023
Assets		
Cash and cash equivalents	\$639	\$601
Accounts receivable, net	3,092	3,597
Inventories	3,968	3,898
Prepaid and other current assets	891	953
Assets held for sale	26	28
Total current assets	8,616	9,077
Property, plant and equipment, net	1,675	1,595
Operating lease right-of-use assets	1,523	1,474
Deferred income taxes, net	300	300
Goodwill	2,264	2,241
Other non-current assets	1,309	1,307
Total assets	\$15,687	\$15,994
Liabilities and shareholders' equity		

Accounts payable	\$2,985	\$3,408
Other current liabilities	1,803	2,021
Total current liabilities	4,788	5,429
Long-term debt	3,595	3,711
Long-term portion of operating lease liabilities	1,165	1,126
Other long-term liabilities	721	691
Total liabilities	10,269	10,957
Total shareholders' equity	5,418	5,037
Total liabilities and shareholders' equity	\$15,687	\$15,994

Ferguson plc
Condensed Consolidated Statements of Cash Flows
(unaudited)

(In millions)	Six months ended January 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$841	\$969
Depreciation and amortization	163	162
Share-based compensation	24	27
(Increase) decrease in inventories	(52)	237
Decrease in receivables and other assets	565	512
Decrease in accounts payable and other liabilities	(626)	(634)
Other operating activities	(52)	(98)
Net cash provided by operating activities of continuing operations	863	1,175
Net cash used in operating activities of discontinued operations	—	(4)
Net cash provided by operating activities	863	1,171
Cash flows from investing activities:		
Purchase of businesses acquired, net of cash acquired	(67)	(179)
Capital expenditures	(192)	(242)
Other investing activities	28	(4)
Net cash used in investing activities	(231)	(425)
Cash flows from financing activities:		
Purchase of treasury shares	(250)	(564)
Net change in debt and bank overdrafts	(24)	74
Cash dividends	(305)	(403)
Other financing activities	(18)	(13)
Net cash used in financing activities	(597)	(906)
Change in cash, cash equivalents and restricted cash	35	(160)
Effects of exchange rate changes	—	19
Cash, cash equivalents and restricted cash, beginning of period	669	785
Cash, cash equivalents and restricted cash, end of period	\$704	\$644

For further information, please contact:

Investor relations

Brian Lantz, Vice President IR and Communications

Mobile: +1 224 285 2410

Pete Kennedy, Director of Investor Relations

Mobile: +1 757 603 0111

Media inquiries

Christine Dwyer, Senior Director of Communications and PR

Mobile: +1 757 469 5813

Source: Ferguson plc