NEWS RELEASE

# Impact of US Tax Reform Legislation

1/15/2018

Ferguson plc notes the enactment of the Tax Cuts and Jobs Act in the US. This gives rise to a beneficial impact on the Group's after tax earnings, principally due to the reduction of the US federal corporate income tax rate, effective 1 January 2018.

We estimate a Group effective tax rate of approximately 25% for the current financial year ending 31 July 2018, a reduction from previous guidance of 28%.

On an ongoing basis we expect the Group's effective tax rate to be in the range 21% to 22%.

Cash tax payable in each year is expected to reduce broadly in line with the income statement reductions. There will be no material one-off charges or credits as a result of the change in tax rate.

For further information please contact

Ferguson plc

Mike Powell, Group Chief Financial Officer

+41 (0) 41 723 2230

Nick Hopkins, Investor Relations Manager

+44 (0) 7775 612159

Media Enquiries

Mike Ward, Head of Corporate Communications Mobile

+44 (0) 7894 417060

Nina Coad (Brunswick)

+44 (0) 20 7404 5959