NEWS RELEASE

# Publication of Circular and Notice of Meetings

4/4/2019

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Ferguson PLC
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4 April 2019

Ferguson plc

New Corporate Structure, Posting of Shareholder Circular and Notice of Meetings

On 26 March 2019, Ferguson plc ("Old Ferguson") announced the proposal to put in place a new corporate structure for the Ferguson Group (the "Group") by introducing a new, Jersey incorporated and UK tax-resident company ("New Ferguson") as the new parent company of the Group. The proposed new corporate structure will be implemented by means of a Jersey court-sanctioned scheme of arrangement under Article 125 of the Companies

(Jersey) Law 1991, as amended (the "Scheme") and is subject to shareholder approval at a court meeting and a general meeting.

A circular setting out full details of the Scheme (the "Circular"), which includes notices of the court meeting and the general meeting, which are to be held at 11.00 a.m. (Swiss time) and 11.15 a.m. (Swiss time) respectively on 29 April 2019, has been despatched to the Old Ferguson shareholders today. A prospectus in relation to New Ferguson will be published by New Ferguson on or around 26 April 2019 (the "Prospectus"). Both documents will be available on the Group's website (**www.fergusonplc.com**) from their respective publication dates and will also be submitted to the National Storage Mechanism and available for inspection at www.morningstar.co.uk/uk/nsm.

Applications will be made to the Financial Conduct Authority (the "FCA") for New Ferguson to be admitted to the premium segment of the Official List and to the London Stock Exchange plc (the "LSE") for the entire issued share capital of New Ferguson to be admitted to trading on the LSE's main market for listed securities ("Admission"). It is anticipated that New Ferguson will establish an American depositary receipt facility that will be substantially the same as the existing American depositary receipt facility operated by Old Ferguson.

The proposals are not expected to have any adverse impact on Old Ferguson shareholders as a whole. Immediately following the implementation of the Scheme, a New Ferguson shareholder will have the same proportionate interest in the profits, net assets and dividends of the Group as he or she had as an Old Ferguson shareholder immediately prior to implementation of the Scheme. On the Scheme effective date, New Ferguson will have the same Board and management as Old Ferguson has prior to the Scheme becoming effective and there will be no changes in the day-to-day operations of the business of the Group or its strategy as a result of the Scheme.

Key features of the Scheme

Under the terms of the Scheme, all shares in Old Ferguson will be transferred to New Ferguson in consideration for which Old Ferguson shareholders at the record time of the Scheme (expected to be 6.00 p.m. (UK time) on 9 May 2019) will receive one share in New Ferguson ("New Ferguson Share") for each share in Old Ferguson ("Old Ferguson Share") transferred under the Scheme.

The effect of the Scheme will be that:

· instead of having its share capital owned by current Old Ferguson shareholders, Old Ferguson will become a wholly-owned subsidiary of New Ferguson;

· instead of owning Old Ferguson Shares, each current Old Ferguson shareholder will own the same number of New Ferguson Shares; and

· New Ferguson will become the new holding company of the Group.

The Scheme will require the approval of Old Ferguson shareholders at the court meeting and at the general meeting. If the Scheme is approved by the requisite majority at the court meeting and the resolutions are passed at the general meeting, an application will be made to the Royal Court of Jersey (the "Royal Court") to sanction the Scheme.

If the Scheme is sanctioned by the Royal Court, and the other conditions to the Scheme are satisfied or waived, the Scheme is expected to become effective, and dealings in the New Ferguson Shares to be issued pursuant to the Scheme are expected to commence, at 8.00 a.m. (UK time) on 10 May 2019, the anticipated Scheme effective date.

If the Scheme has not become effective by 31 May 2019 (or such later date as Old Ferguson and New Ferguson may agree and the Royal Court may allow), it will lapse, in which event there will not be a new holding company of the Group, Old Ferguson shareholders will remain shareholders of Old Ferguson and the existing Old Ferguson Shares will continue to be listed on the Official List and trade on the LSE's main market for listed securities.

Upon the Scheme becoming effective, certificates for Old Ferguson Shares held in certificated form will cease to be valid. Upon receipt of share certificates for New Ferguson Shares, shareholders should destroy all existing certificates for their Old Ferguson Shares.

Other actions

In connection with the Scheme, the following actions are also proposed to be taken by New Ferguson:

· a reduction of capital to cancel the entire amount standing to the credit of New Ferguson's share premium account after the Scheme has become effective. This cancellation will create a reserve of profit that will be available to New Ferguson to be distributed as dividends or applied towards any other lawful purpose; and

· the adoption of certain share option plans for the purpose of granting options and awards over New Ferguson Shares to employees of the Group.

Capitalised terms defined in the Circular shall, unless the context provides otherwise, have the same meanings in this announcement.

Expected timetable of principal events

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| Thursday 25 April at 11.00 a.m. Swiss time | **Latest time for receipt by Old Ferguson's Registrars of blue Form of Proxy from Old Ferguson Shareholders for the Court Meeting** (1) |
| Thursday 25 April at 11.15 a.m. Swiss time | **Latest time for receipt by Old Ferguson's Registrars of white Form of Proxy from Old Ferguson Shareholders for the Scheme General Meeting**(2) |
| Thursday 25 April at 7.30 p.m. Swiss time | Voting record time for the Court Meeting and the Scheme General Meeting(3) |
| Monday 29 April at 11.00 a.m. Swiss time | Court Meeting |
| Monday 29 April at 11.15 a.m. Swiss time | **Scheme General Meeting**(4) |
| Wednesday 8 May at 2.30 p.m. | Court Hearing to sanction the Scheme(5) |
| Thursday 9 May | Last day of dealings in, and for registration of transfers of, Old Ferguson Shares(5) |
| Thursday 9 May at 6.00 p.m. | **Scheme Record Time**(5) |
| Friday 10 May | **Scheme Effective Date**(5) |
| Friday 10 May at 8.00 a.m. | Delisting of Old Ferguson Shares, Admission and listing of New Ferguson Shares and commencement of dealings in New Ferguson Shares on the London Stock Exchange(5) |
| Friday 10 May | Credit of New Ferguson Shares in Uncertificated form to CREST accounts(5) |
| Friday 10 May | Reduction of Capital becomes effective(5) |
| By Friday 24 May | Despatch of share certificates in respect of New Ferguson Shares in Certificated form(5) |

Unless otherwise stated, all references to times in this document are to UK time. The times and dates given are based on the Directors' expectations and may be subject to change. These times and dates are indicative only and will depend, amongst other things, on the date on which the Royal Court sanctions the Scheme. In particular, certain court dates are subject to confirmation by the Royal Court. If the scheduled date of the Court Hearing is changed, Old Ferguson will give adequate notice of the change by issuing an announcement through an RIS. Any changes to other times or dates indicated above may, in Old Ferguson's discretion, be notified in the same manner. **All Old Ferguson Shareholders have the right to attend the Court Hearing in person or through an Advocate to support or oppose the sanctioning of the Scheme. The Court Hearing will be held at 2.30 p.m. on Wednesday 8 May 2019 at the Royal Court of Jersey, Royal Court House, Royal Square, St. Helier, Jersey JE1 1JG**. Holders of Old Ferguson ADRs will be contacted by Deutsche Bank Trust Company Americas as depositary for the Old Ferguson ADRs (the "Depositary") with guidelines on how to provide voting instructions to the Depositary with respect to the Old Ferguson ADRs. In order to vote, holders of Old Ferguson ADRs are required to follow the voting instructions

and to meet the deadlines provided by the Depositary.

Notes:

(1) Blue Forms of Proxy for the Court Meeting not returned by this time may be handed to the Chairman of the Court Meeting or to Old Ferguson's Registrars at the Court Meeting prior to the start of the Court Meeting.

(2) To be valid, white Forms of Proxy for the Scheme General Meeting must be lodged by 11.15 a.m. Swiss time on 25 April 2019 and may not be handed to the Chairman or Old Ferguson's Registrars at the Scheme General Meeting.

(3) If either the Court Meeting or the Scheme General Meeting is adjourned, the voting record time for the relevant adjourned meeting will be the time that is 48 hours (excluding non-working days) before the time and date set for the adjourned meeting. If both the Court Meeting and the Scheme General Meeting are adjourned to the same date, the voting record time for both meetings will be the time that is 48 hours (excluding non-working days) before the time and date set for the later to occur of the adjourned Court Meeting and the adjourned Scheme General Meeting.

(4) To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned, whichever is the later.

(5) These times and dates are indicative only and will depend on, amongst other things, whether the Court Meeting and the Scheme General Meeting are adjourned for any reason, the date on which the Royal Court sanctions the Scheme, the date on which the Court Order issued by the Royal Court is delivered to the Jersey Registrar of Companies for registration and/or the date on which the solvency statement made in connection with the Reduction of Capital and the minute showing the information required by Jersey Companies Law are registered by the Jersey Registrar of Companies.

- Ends -

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Ferguson plc

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About Ferguson plc:

Ferguson plc is the world's largest specialist trade distributor of plumbing and heating products to professional contractors principally operating in North America and the UK. Revenue for the year ended 31 July 2018 was $20.8 billion and ongoing trading profit was $1.5 billion. Ferguson plc is listed on the London Stock Exchange (LSE: FERG) and is in the FTSE 100 index of listed companies. For more information, please visit www.fergusonplc.com or follow us on Twitter **https://twitter.com/Ferguson_plc**.

This announcement has been issued by and is the sole responsibility of Old Ferguson.

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT SHALL BE SOLD, ISSUED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

The distribution of this announcement into jurisdictions other than the United Kingdom and Jersey may be restricted by law, and, therefore, persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction.

Barclays Bank PLC, which is authorised by the Prudential Regulatory Authority (the "PRA") and regulated in the

United Kingdom by the PRA and the FCA, is acting exclusively for Old Ferguson and New Ferguson and for no one else in connection with Admission and the arrangements referred to in this announcement and will not regard any other person as a client in relation to Admission or the arrangements described in this announcement and will not be responsible to anyone other than Old Ferguson and New Ferguson for providing the protections afforded to its clients or for providing advice in relation to Admission or the arrangements referred to in this announcement.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and the Circular and the Prospectus (when published), and, if given or made, such information or representations must not be relied on as having been authorised by Old Ferguson, New Ferguson or Barclays Bank PLC.

Notice to investors in the United states of America

This announcement is not an offer of securities for sale in the United States. The New Ferguson Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. New Ferguson Shares may not therefore be offered to certain US shareholders of Old Ferguson unless New Ferguson believes that there is an exemption from, or that the transaction is not subject to, the registration requirements of the US Securities Act. The New Ferguson Shares issued pursuant to the Scheme are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof based on the Royal Court's sanctioning of the Scheme. Old Ferguson Shareholders who will be affiliates of New Ferguson after the effective date of the Scheme will be subject to certain US transfer restrictions relating to the New Ferguson Shares received pursuant to the Scheme.

The New Ferguson Shares have not been and will not be registered on a United States securities exchange or quoted on any inter-dealer quotation system in the United States. The Scheme has not been and will not be approved or disapproved by the US Securities and Exchange Commission (the "SEC"), nor has the SEC or any US state securities commission passed upon the merits or fairness of the Scheme nor upon the adequacy or accuracy of the information contained in the Circular or the Prospectus.

Forward-looking statements

Certain information included in this announcement is forward-looking and involves known and unknown risks, assumptions and uncertainties that could cause actual results or outcomes to differ from those expressed or

implied in any forward-looking statement. These forward-looking statements are based on Old Ferguson's current belief and expectations about future events and cover all matters which are not historical facts and include, without limitation, projections relating to results of operations and financial conditions and Old Ferguson's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, prospects, growth, strategies, expected expenditures and divestments, risks associated with changes in economic conditions, the strength of the plumbing and heating and building materials market in North America and Europe, fluctuations in product prices and changes in exchange and interest rates. Forward-looking statements are sometimes identified by the use of forward-looking terminology, including terms such as "believes", "estimates", "continues", "anticipates", "expects", "forecasts", "intends", "plans", "projects", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations thereon or comparable terminology. Forward-looking statements are not guarantees of future performance and actual events or results may differ materially from any estimates or forecasts indicated, expressed or implied in such forward looking statements. All forward-looking statements in this announcement are based upon information known to Old Ferguson on the date of this announcement. Accordingly, no assurance can be given that any particular expectation will be met and readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this announcement. 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 applicable law, (including under the UK Listing Rules, the Prospectus Rules, the Disclosure Guidance and the Transparency Rules of the FCA), Old Ferguson undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, change in events or otherwise. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

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