NEWS RELEASE

Sale of Build Center and exclusive negotiations for the sale of Brossette

7/25/2011

Wolseley has signed an agreement to sell Build Center, its building materials distribution business in the UK, to Saint Gobain. It has also entered into exclusive negotiations with Saint Gobain to sell Brossette, its plumbing and heating distribution business in France. Total consideration for the two transactions is £310 million.

Build Center

In the year ended 31 July 2010 Build Center generated revenue of £316 million and trading profit of £1 million. In the 11 months ended 30 June 2011, revenue was £294 million and trading profit was £4 million. Net assets at completion are expected to amount to approximately £136 million. The disposal will complete for consideration of £145 million when the transaction has received competition clearance.

Brossette

In the year ended 31 July 2010 Brossette generated revenue of £648 million and a trading loss of £7 million. In the 11 months ended 31 June 2011, revenue was £590 million and trading profit was £5 million. Net assets of the business are approximately £150 million. The transaction, completion of which is subject to employee consultation and competition clearance, is expected to result in the disposal of the business for consideration of £165 million.

In each case completion may take several months. Sale proceeds, receivable at completion in cash, will be used to pay down debt.

Total gross assets that are the subject of these transactions amounted to £409 million at 31 January 2011.

Following completion of the transaction and associated transitional services in the UK, unrecovered overheads are expected to amount to approximately £1 million per month. Wolseley will review the size and scale of the functions required to support the remaining core business going forward and associated restructuring costs are expected to amount to approximately £15 million.

Ian Meakins, Chief Executive of Wolseley plc commented:

“The transactions we have announced today are the last significant disposals planned following last year’s strategic review. We will continue to focus and invest in our strongest businesses in core markets including building materials and wood solutions in France and plumbing, heating, pipe, climate and associated businesses in the UK.

When concluded, these transactions should present good opportunities for staff transferring and ensure that our customers’ ongoing needs are well met. I would like to pay tribute to the considerable commitment and energy of our staff in Brossette and Build Center and thank them for all of their hard work during an uncertain period.”

Notes to editors

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 in North America, the UK and Continental Europe. Group revenue for the year ended 31 July 2010 was £13.2 billion and trading profit was £450 million. At 31 July 2010 Wolseley had approximately 47,000 employees operating in 25 countries. Wolseley is listed on the London Stock Exchange (LSE: WOS) and is in the FTSE 100 index of listed companies. The Group will issue its full year results on Tuesday 4 October 2011.

Brossette includes the Batiment, TC, CDL, Confortique and Ditac businesses. Together these represent about one third of Wolseley Group’s consolidated revenues in France.

Build Center includes Timber, Ironmongery and Glass Centers.

Non-sterling figures throughout this announcement have been translated at €1.13 = £1.00.

-ends-

Certain information included in this announcement is forward-looking 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, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of expected future revenues, financing plans, 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 can be identified by the use of forward-looking terminology, including terms such as "believes", "estimates", "anticipates", "expects", "forecasts", "intends", "plans", "projects", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. All forward-looking statements in this announcement are based upon information known to the Company 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 forward-looking statements, which speak only at their respective dates. 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 its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Services Authority), the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

For further information please contact

Wolseley plc

John Martin, Chief Financial Officer
Tel: +41 (0) 41723 2230

Mark Fearon, Director of
Corporate Communications and IR
Mobile: +44 (0) 7711 875070
mark.fearon@wolseley.com

Brunswick (Media Enquiries)

Mike Harrison, Nina Coad
Tel: +44 (0)20 7404 5959