NEWS RELEASE

Trading update

7/24/2020

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Ferguson PLC
24 July 2020

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FERGUSON PLC

TRADING UPDATE

Ferguson is announcing today a pre-close period update on the trading for the period from 1 May 2020 to 21 July 2020 which includes a further update on the impact of the COVID-19 outbreak.

Protecting our associates

Our immediate priority remains to safeguard the health and wellbeing of our associates and customers. Since May, we have reopened all of our customer facing locations where it is safe to do so and in adherence with guidance given by state and local government authorities. This has included:

§ Allowing customers to transact inside at our trade counters in specified locations with additional protective measures in place.

§ Reopening our showroom network with enhanced social distancing requirements.

§ New signage, reconfigured workspaces and altered schedules to encourage social distancing.

§ Health assessments and temperature checks in hot spot locations, in particular across our supply chain network.

§ Maintaining hygiene and implementing sanitization protocols at all sites recommended by the CDC including disinfecting customer high-touch surface areas regularly.

Current trading

Group trading in the period from 1 May 2020 to 21 July 2020 has improved steadily since April with revenue trends through May, June and July sequentially improving. Further details of the financial performance and market conditions in the Group's businesses are set out below:

Revenue growth %	% revenue contribution1	April 20202	**1 May 2020 to 21 July 20202**
USA	88%	(9.3%)	(0.6%)
Canada	5%	(33.6%)	(8.0%)
Ongoing Group	93%	(10.5%)	(1.1%)
UK (non-ongoing)	7%	(60.2%)	(29.1%)
Continuing operations	100%	(15.3%)	(3.6%)

1 During period from 1 May 2020 to 21 July 2020.

2 Number of trading days was the same in the current and prior year period.

In the US, our counter locations were open by mid-June. We continue to encourage customers to use our e-commerce tools where possible and customer adoption rates have been very strong during the pandemic with increased user activity of our mobile experience for trade customers. While showrooms continue to operate virtual appointments, all of our bricks and mortar sites are now open for pre-booked appointments only. We are rapidly putting in place measures to support walk-in customers and to date about 50 per cent of the network has been converted.

Blended Branches revenue declined 4.6 per cent in the period from 1 May 2020 to 21 July whilst Waterworks and HVAC grew by 1.8 per cent and 12.7 per cent respectively. Our standalone eBusiness continued to grow well with revenues 30.4 per cent ahead of last year.

Revenue trends have improved in both Canada and the UK as widespread lockdown restrictions have started to be eased. In the UK recent revenue trends have been more encouraging as lockdown measures have been eased.

We also continue to implement cost reduction measures across the businesses to ensure we are well positioned for the medium-term operating environment.

Robust financial position

Ferguson remains in a strong financial position with long-term committed debt facilities. We expect the ratio of net debt to the last 12 months adjusted EBITDA to be below 1.0 times as at 31 July 2020.

Kevin Murphy, Group Chief Executive, commented

"Despite the challenges of COVID-19, our trading improved in the fourth quarter driven by the commitment of our associates to serve our customers and as we re-opened our counter and showroom locations. Safeguarding the health and wellbeing of our associates and customers remains critical and we continue to follow appropriate CDC guidelines.

"Our actions to reduce the cost base will ensure that the business is better positioned for the medium-term economic environment. Ferguson has a strong balance sheet with good liquidity and the Group remains well positioned to deliver consistent outperformance."

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Notes to editors:

1. Ferguson plc is a value-added distributor of plumbing and heating products to professional contractors principally operating in North America and the UK. Revenue for the year ended 31 July 2019 was $21.8 billion and ongoing trading profit was $1.6 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**.

2. Legal disclaimer

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. There forward-looking statements are based on the Company'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 the Company'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 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 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 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 Financial Conduct Authority), the Company 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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