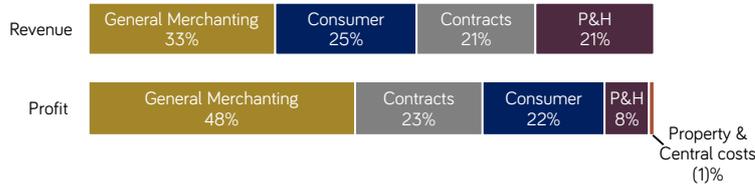


TRAVIS PERKINS

- We are the UK's largest product supplier to the building, construction, and home improvement markets
- The majority of our businesses are #1 or #2 in their respective markets, but with relatively low market shares (most of our end markets are highly fragmented, with few large competitors and a significant proportion of small, independent businesses)
- The Group serves a full range of building material customers in the UK ranging from small trade customers and consumers through to the large trade operators and house builders. Fixed range/fixed price models suit DIY consumers and small trade customers, but large trade operators demand access to a wider product range, with volume related discounting
- The Group has 4 divisions: General Merchandising, Plumbing & Heating, Contracts and Consumer providing focus on specific product categories or customer groups

Proportion of Total Group revenue and profit by division FY 2017

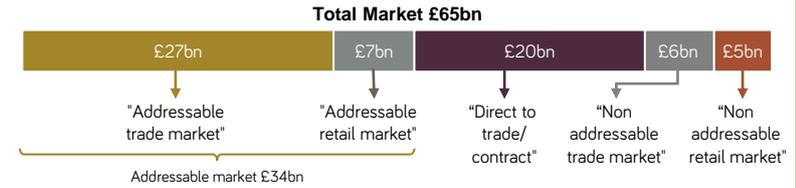


FY 2017 FINANCIAL INFORMATION

Revenue	ΔPY	LFL growth	ΔPY
£6,433m	3.5%	3.3%	0.6ppt
Adjusted EBITA	ΔPY	Adjusted EBITA ex property	ΔPY
£380m	(7.1)%	£351m	(10.5)%
Adjusted EPS	ΔPY	Net debt	ΔPY
110.4p	(8.3)%	£(342)m	£36m
Dividends per share	ΔPY	LAROCCE	ΔPY
46.0p	2.2%	10.1%	(80)bps
Branch network			
c2000			

MARKET

BUILDING MATERIALS MARKET



MARKET INDICATORS & EXPECTATIONS

Key Indicators:



- Anticipate market conditions will remain mixed
- Focus on trading execution, recovery of input cost inflation and actions to drive efficiency and control cost
- Selective capital investment aligned to key priorities including extending the Toolstation network and upgrading Merchant IT systems

TRAVIS PERKINS TIMELINE



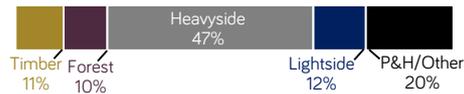
GENERAL MERCHANDISING

- Travis Perkins is the UK's largest network of builders merchants supplying building materials and tool hire to the trades, general builders, contractors and housebuilders
- Benchmark is a specialist supplier of kitchens and joinery products to the trade
- Service-led merchant proposition with delivery flexibility supported by our distribution network, access to technical product knowledge, and a variable pricing model to accommodate the requirements of different customers

Geography



Category



Revenue	ΔPY	LFL growth	ΔPY	Adj EBITA ex property	ΔPY
£2,109m	1.7%	1.2%	(0.5)ppt	£183m	(5.2)%
EBITA margin	ΔPY	LAROCCE	ΔPY	Branch network	
8.7%	(60)bps	14%	(1)ppt	850	

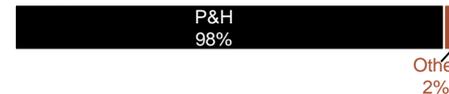
P&H

- Suppliers of plumbing, heating, electrical and bathrooms to the UK's leading national companies and the local trades
- Combined branch network includes local plumbing merchant City Plumbing, and large Contract fulfilment through PTS
- National wholesale distributor called FPC
- Specialist online businesses include the Underfloor Heating Store, Direct Heating Spares and National Shower Spares

Geography



Category



Revenue	ΔPY	LFL growth	ΔPY	Adj EBITA ex property	ΔPY
£1,366m	0.5%	2.1%	3.7ppt	£31m	(13.9)%
EBITA margin	ΔPY	LAROCCE	ΔPY	Branch network	
2.3%	(30)bps	11%	1ppt	391	

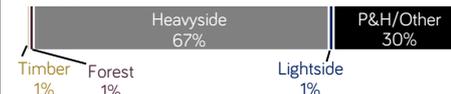
CONTRACTS

- Provide construction materials into the residential, commercial, infrastructure, public buildings and RMI markets. Serve large construction companies, their contractors and sub-contractors
- Focused service model delivers customer support through technical knowledge, product range and on-time delivery capability
- Keyline: #1 supplier of civils, drainage and heavyside products
- BSS: #1 distributor of pipeline, heating and cooling solutions
- CCF: #2 supplier of interior solutions and insulation products

Geography



Category



Revenue	ΔPY	LFL growth	ΔPY	Adj EBITA ex property	ΔPY
£1,369m	8.1%	8.4%	3.4ppt	£86m	13.2%
EBITA margin	ΔPY	LAROCCE	ΔPY	Branch network	
6.3%	30bps	14%	2ppt	169	

CONSUMER

- Wickes is a multi-channel home improvement retailer, offering customers great value on everything they need to build, fit out, transform and maintain their home
- Wickes sales splits almost equally between small trade customers; home improvers for their DIY needs; and home owners having their dream kitchen or bathroom designed and installed
- Toolstation supply tools, accessories and building supplies to the trade, home improvers and self-builders both in store and online, from hundreds of branches in the UK & Europe

Geography



Category



Revenue	ΔPY	LFL growth	ΔPY	Adj EBITA ex property	ΔPY
£1,589m	4.7%	3.0%	(3.4)ppt	£82m	(18.8)%
EBITA margin	ΔPY	LAROCCE	ΔPY	Branch network	
5.2%	(150)bps	7%	(1)ppt	666	

CLEAR STRUCTURALGROWTH OPPORTUNITY

- Strong long term structural demand for building materials
- New household formation remains above 230k p.a
- New house building c.160k p.a
- Chronic UK housing shortage – over 2.5m over last 20 years
- Underinvestment in residential Repairs Maintenance & Improvement (RMI) continues
- Significant opportunity to grow market share; the majority of our markets are highly fragmented with significant numbers of small independent competitors
- Our network scale and the investment in our distribution and digital capabilities differentiates us from our competitors and maintains barriers to entry
- Our superior customer propositions underpin the confidence in our investment-led capital allocation framework and should drive sustainable share gains in the future

INVESTMENT IN PROPOSITIONS

Distribution – offering an unrivalled service

- Delivering the fastest availability on the widest range of products is at the core of TP's customer proposition
- Three heavyside and two lightside distribution centres provide full network coverage to all TP branches in England & Wales
- Over 30k products available by 7am next day (vs c.3k in branch)

Digital – market leadership in multi-channel offering

- World class multi-channel capability in our consumer business
- Seamless interaction with customers both in store, online, delivered via click & collect
- Investment in Merchant IT platforms brings opportunity to develop multichannel proposition for businesses

Price – competitive pricing and availability

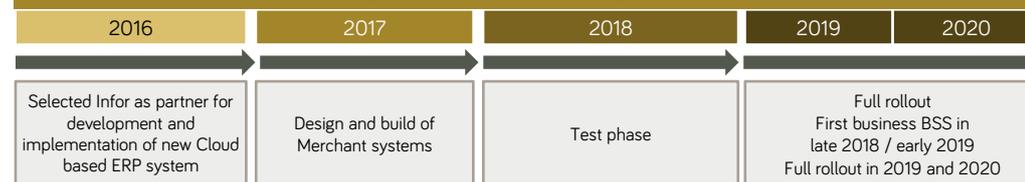
- Benefits from Group scale; sourcing, range, stocking and distribution efficiencies
- Full market coverage with TP in General Merchancing to fixed-price in Wickes
- Price framework allows sophisticated pricing structures in Merchant businesses

INVESTMENT IN MERCHANTING DIGITAL CAPABILITY

Merchant ERP Investment – helping customers buy from us and helping our colleagues sell

- Market leading proposition – ERP development to replace existing 1986 system
- Want it to be right, not fast – great opportunity for business, but IT changes always bring risk
- Colleagues able to spend more quality time with the customer to understand their project and requirements
- Improved stock visibility, better use of working capital leading to better efficiency

MERCHANT ERP IMPLEMENTATION TIMELINE



CAPITAL ALLOCATION & STRATEGIC ACTIONS

GROUP

- Investment-led approach at Group level with CAPEX (ex-freehold) split:
 - c.£50m Maintenance
 - c.£50m IT
 - c.£70m Growth
- Likely to reduce growth element as distribution investment complete and focus predominantly on Toolstation
- Target hurdle rate 25% return

GENERAL MERCHANTING

- Incremental heavyside distribution capability to underpin growth
- Digital – developing multichannel capability in Merchanting
- Purchase of freehold sites where strategically important
- TP relocation strategy to optimise trading locations
- Trialling branch formats to extend customer service propositions

P&H

- Unified branch network - simplified organisational structure, improves customer convenience and optimises branch estate
- Significant proposition improvements:
 - Mandated stock ranges; 1,400 SKU's
 - Better promotional activity
 - Improve digital capability

CONTRACTS

- Focused business models – high proportion of delivered sales to specific customer groups
- Networks of c.40-60 branches per business provides full UK coverage – limited further branch openings required
- Focus on cost efficiency – driving returns by increasing volume through existing network

CONSUMER

- Significant refit programme in Wickes (20-25 p.a.)
- Toolstation network expansion programme (40-50 UK stores p.a.) and a new Distribution Centre
- Toolstation European expansion online and in stores in Netherlands / France (medium term)

PROPERTY

- Freehold property activity in last 4 years:

Gross cash invested	£(268)m	Generated £96m property profits
Gross cash realised	£239m	
Net cash invested	£(30)m	
- Property Strategy:
 - Ensure optimal sites for operating businesses
 - Recycle capital balancing strategic long term ownership and capital re-allocation
 - Purchase of freehold sites where strategically important

BALANCE SHEET & CASH

- Strong cash generation
- Balance sheet strength – reducing net debt Y-o-Y
- Investment programme funded by own cash generation
- Stable credit rating of BB+

GUIDANCE

- Given current market conditions, the Group expects 2018 EBITA performance to be similar to 2017
- Technical guidance:
 - Effective tax rate of 19%
 - Finance charges similar to 2017
 - Capex ex freehold £140m-£160m
 - Property profit of ~£20m
 - Progressive dividend policy underpinned by strong cash flows

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