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Grafton Group PLC
10 July 2013

Grafton Group plc

Trading Update

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Grafton Group plc, the builders merchanting and DIY Group with operations in the UK, Ireland and Belgium, issues this Trading Update for the Half Year Ended 30 June 2013.

Revenue

Revenue for the half year to 30 June 2013 was €1.07 billion which compares to revenue of €1.05 billion for the same period last year. The translation of UK revenue at a less favourable sterling/euro exchange rate relative to the prior year reduced Group turnover by €26 million. Trading in the half year was affected by adverse weather conditions in the first quarter and a recovery in activity levels in the second quarter.

Merchanting Segment

Average daily like for like sterling revenue in the UK Merchanting business, which contributed 74 per cent of Group turnover, was ahead of last year by 1.7 per cent with the benefit of stronger demand during May and June. Selco improved its coverage of the London market with the opening of branches in Wimbledon and Old Kent Road and Buildbase expanded into the North East region with the acquisition of a five branch merchanting business based in Sunderland.

Revenue in the Irish merchanting branches showed signs of stabilising supported by internal initiatives. The business made competitive gains and grew revenues from its plumbing and heating branch implants and RMI products. In what was the first period of growth since the first half of 2007, average daily like for like revenue increased by 1.0 per cent.

Retailing Segment

Like for like revenue in the Irish Retailing business was flat in the half year. The fall in revenue in four months to the end of April, due principally to record low temperatures that delayed the start of the outdoor season, was fully recovered in May and June against the backdrop of a generally weak retail market.

Operating Profit

Half year operating profit will be in line with market expectations with the benefit of restructuring measures implemented last year.

Appointment of Group Chief Financial Officer

Following the announcement on 7 March 2013 relating to the retirement of Colm ó Nualláin, the Group is pleased to announce the appointment of David Arnold as Group Chief Financial Officer. David will be joining the Board and succeeding Colm with effect from 9 September 2013.

David has previously been Group Finance Director of Enterprise plc and Redrow plc. Prior to that, he held senior financial positions in Six Continents plc and Tarmac plc.

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This information is provided by RNS

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