

2013 RESULTS.

26 FEBRUARY 2014



BUILDING
BETTER.
TOGETHER



Travis Perkins 



CHAIRMAN'S INTRODUCTION. ROBERT WALKER



Agenda

2013 highlights

John Carter

p4

Financial review

Tony Buffin

p6

Outlook & investment
priorities

John Carter

p20

Appendices

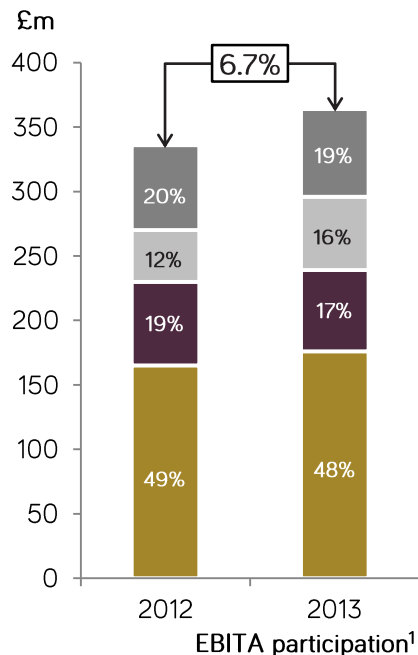
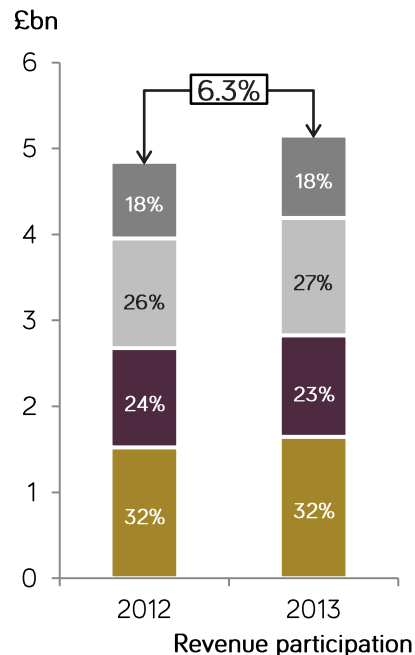
p33

Group performance highlights

- Continued sales growth outperformance — Revenue +6.3% to £5.1 billion
- Strong earnings growth — 14% adj. EPS growth to 103.6p
- Improving return on capital — LAROC +20bps to 10.0%
- Dividend growth underpinning TSR — Dividend growth of 24% to 31p
- Superior TSR outperformance — >700% 5-year TSR

Definitions disclosed in Appendix VII

Strong portfolio of businesses



General Merchancing
Consumer

Plumbing & Heating
Contracts

- Good growth in Travis Perkins GM business
- Wickes' market slower to recover
- Plumbing & Heating benefitted from growing boiler installations
- Contracts - continued momentum

Definitions disclosed in Appendix VII

¹Excluding central overhead costs

FINANCIAL REVIEW. TONY BUFFIN



Group performance summary

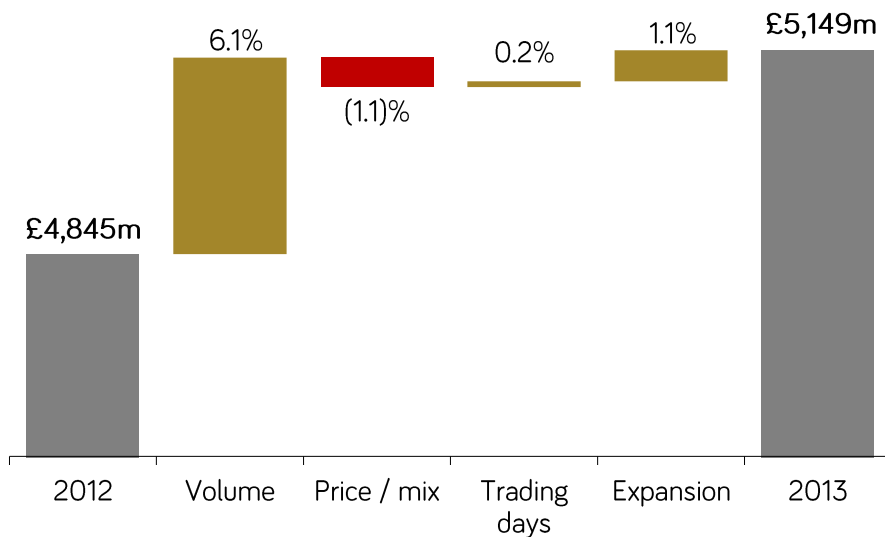
Year ended 31 December	2013	2012	Year-on-year change	
Revenue	£5,149m	£4,845m	6.3%	↑
Like-for-like sales growth ¹	5.0%	(0.8)%	5.8ppt	↑
Adjusted EBITA	£348m	£326m	6.7%	↑
Net profit after tax	£249m	£216m	15.6%	↑
Operating cash flow	£319m	£328m	(2.6)%	↓
Adjusted earnings per share	103.6p	90.6p	14.3%	↑
Dividends per share	31.0p	25.0p	24.0%	↑
Lease adjusted ROCE	10.0%	9.8%	20bps	↑
Net debt	£348m	£452m	£(104)m	↓

Definitions disclosed in Appendix VII

¹2012 includes Toolstation on a pro forma basis

Continued sales growth outperformance

Group revenue growth



- Q2 sales momentum maintained through the second half
- H2 Deflation eased in trade divisions, price investment continued in Consumer business
- Modest inflation outlook for 2014

Definitions disclosed in Appendix VII

Divisions re-aligned to better serve customers

Revenue

<i>Year ended 31 December 2013</i>	General	Consumer	P&H	Contracts
Old structure	£1,579m	£1,180m	£1,731m	£660m
BSS / BSS Ireland	-	-	£(365)m	£365m
Benchmarkx / other	£69m	-	-	£(69)m
New structure	£1,648m	£1,180m	£1,366m	£956m

EBITA

<i>Year ended 31 December 2013</i>	General	Consumer	P&H	Contracts
Old structure	£176m	£63m	£94m	£31m
BSS / BSS Ireland	-	-	£(37)m	£37m
Benchmarkx / other	-	-	-	-
New structure	£176m	£63m	£57m	£68m

- Prior year comparative information shown in Appendix VI.

General Merchancing performance summary

Year ended 31 December	2013	2012	Δ
Revenue	£1,648m	£1,524m	8.1%
Like-for-like growth	6.5%	0.3%	6.2ppt
EBITA	£176m	£165m	6.3%
EBITA margin	10.7%	10.8%	(10)bps
Lease adjusted ROCE	16%	16%	-

- Continued outperformance of the market
- Encouraging network growth
- Sector leading margins sustained
- Renewed focus on branch format and supply chain



BENCHMARKX
Kitchens and Joinery

Travis Perkins

Definitions disclosed in Appendix VII

Consumer performance summary

Year ended 31 December	2013	2012	Δ
Revenue	£1,180m	£1,153m	2.4%
Like-for-like growth	1.0%	(3.1)%	4.1ppt
EBITA	£63m	£65m	(2.6)%
EBITA margin	5.3%	5.6%	(30)bps
Lease adjusted ROCE	6%	6%	-

- DIY market slower to recover through 2013
- Investment in price driving volumes
- Work underway on range, availability, online & formats
- Non-recurring costs of £4m
- New Toolstation stores & implants performing well

Wickes

TILE GIANT
Ceramic Tile Merchants

TOOLSTATION

Definitions disclosed in Appendix VII

Plumbing & Heating performance summary

Year ended 31 December	2013	2012	Δ
Revenue	£1,366m	£1,279m	6.8%
Like-for-like growth	5.4%	(1.7)%	7.1ppt
EBITA	£57m	£40m	42.0%
EBITA margin	4.1%	3.1%	100bps
Lease adjusted ROCE	8%	6%	2%

- Good revenue growth
- CPS bathroom showrooms performing well
- Underlying EBITA margin of 3.4%
- Network reconfiguration to step-up in 2014



Definitions disclosed in Appendix VII

Contracts performance summary

Year ended 31 December	2013	2012	Δ
Revenue	£956m	£890m	7.4%
Like-for-like growth	6.8%	0.5%	7.3ppt
EBITA	£68m	£66m	2.4%
EBITA margin	7.1%	7.4%	(30)bps
Lease adjusted ROCE	12%	12%	-



- BSS & CCF later stage recovery in cycle

BSS

- Encouraging momentum in H2 2013
- Market remains competitive

Keyline

- Strong sales growth throughout year
- Benefit from market capacity reduction

CCF

- Markets remain volatile
- Improving sales momentum

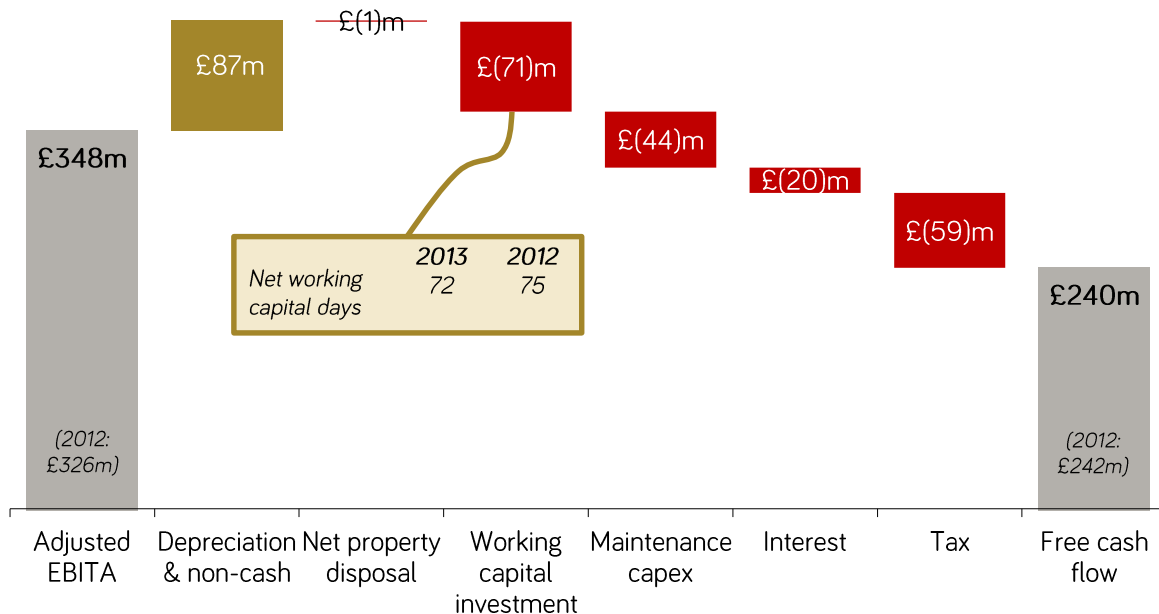
Definitions disclosed in Appendix VII

Strong & sustainable earnings growth

Year ended 31 December	2013	2012	Δ	
Adjusted EBITA	£348m	£326m	6.7%	• Interest benefit from debt reduction & swap close out
Net finance cost	£27m	£40m	(33.6)%	
Adjusted profit before tax	£321m	£286m	12.4%	• Effective tax rate reduction to 22.3% from 24.5%
Adjusted tax	£72m	£70m	2.4%	
Adjusted profit after tax	£249m	£216m	15.6%	
Weighted average shares	241m	238m	1.0%	• £17m property profits – Q4 completions better
Adjusted earnings per share	103.6p	90.6p	14.3%	
Dividends per share	31.0p	25.0p	24.0%	• Confidence to increase dividends to 31p

Definitions disclosed in Appendix VII

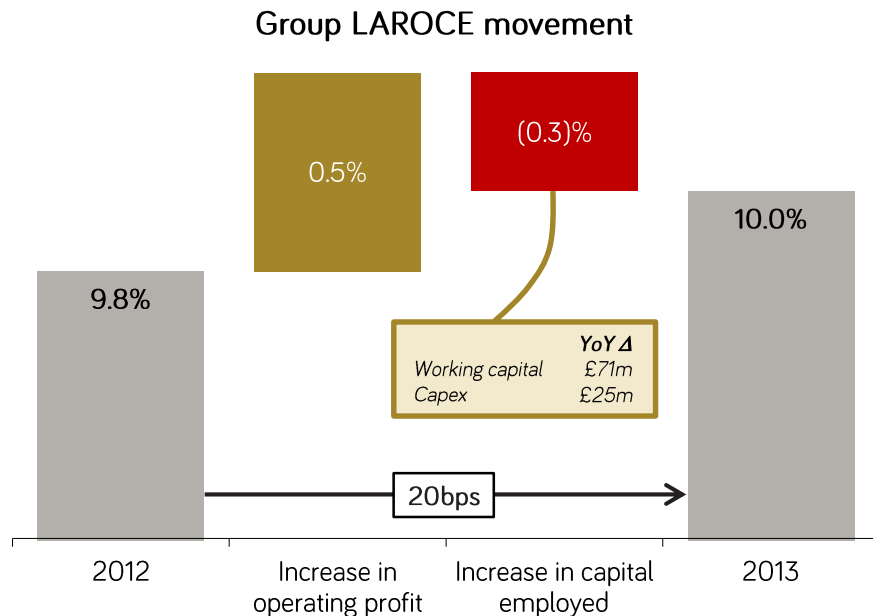
Strong cash flow generation



- Working capital reduced by 3 days despite growing trade volumes
- Other cash flows broadly consistent with 2012
- Net debt reduction of £104m to £348m

Definitions disclosed in Appendix VII

Disciplined capital management



- Disciplined capital deployment
 - investment in working capital
 - increase in capex
- Investments generating good incremental returns
 - new branches & implants
 - targeted supply chain investments enabling faster & easier supply

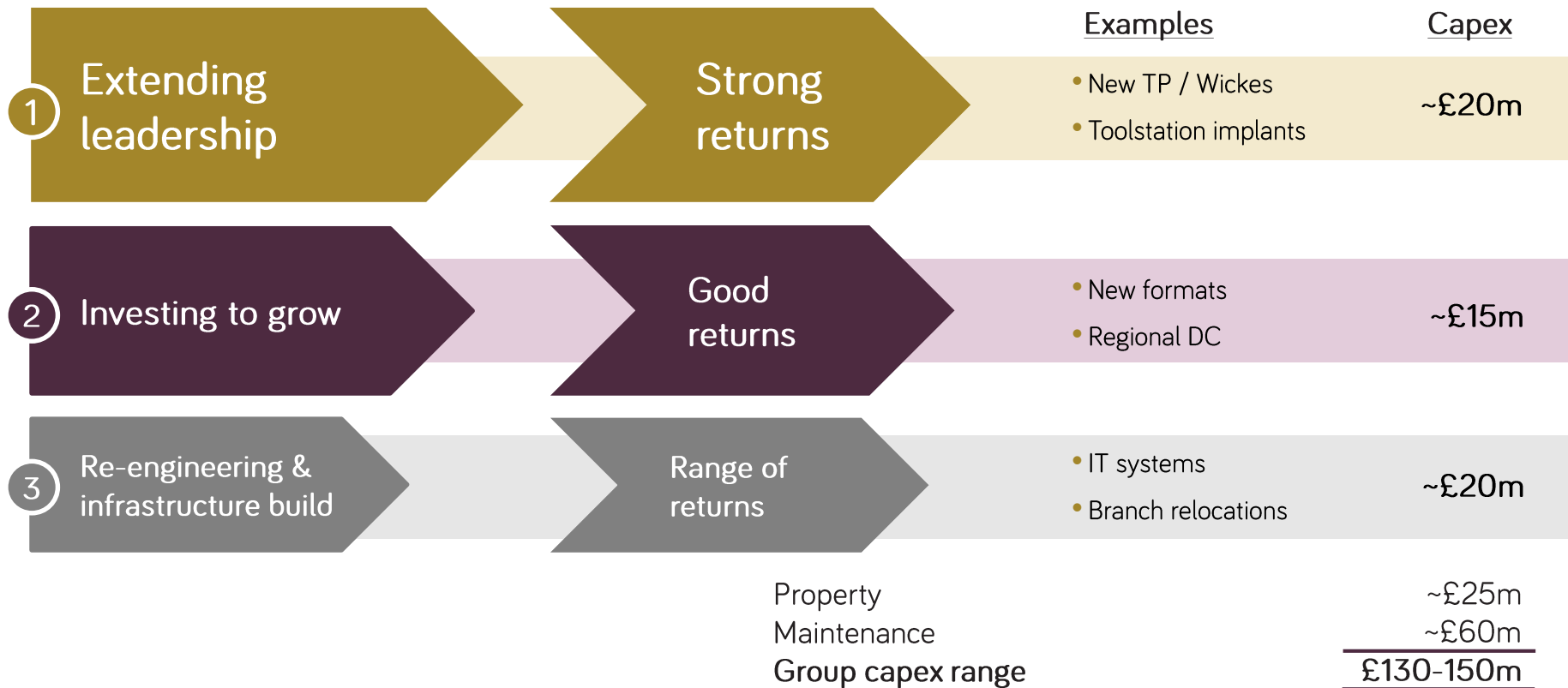
Definitions disclosed in Appendix VII

Improving financial position

Year ended 31 December	Medium term guidance	2013	2012	Δ	
Net debt	-	£348m	£452m	(23)%	↓
Lease adjusted debt	-	£1,822m	£1,857m	(2.6)%	↓
LA Gearing	-	45.7%	50.7%	(5.0)ppt	↓
Fixed charge cover	3.5x	2.9x	2.8x	0.1x	↑
LA Debt : EBITDAR	2.5x	3.0x	3.2x	0.2x	↓
Dividend cover	2.50-3.25x	3.3x	3.6x	0.3x	↓

Definitions disclosed in Appendix VII

2014 capital expenditure focus



2014 guidance

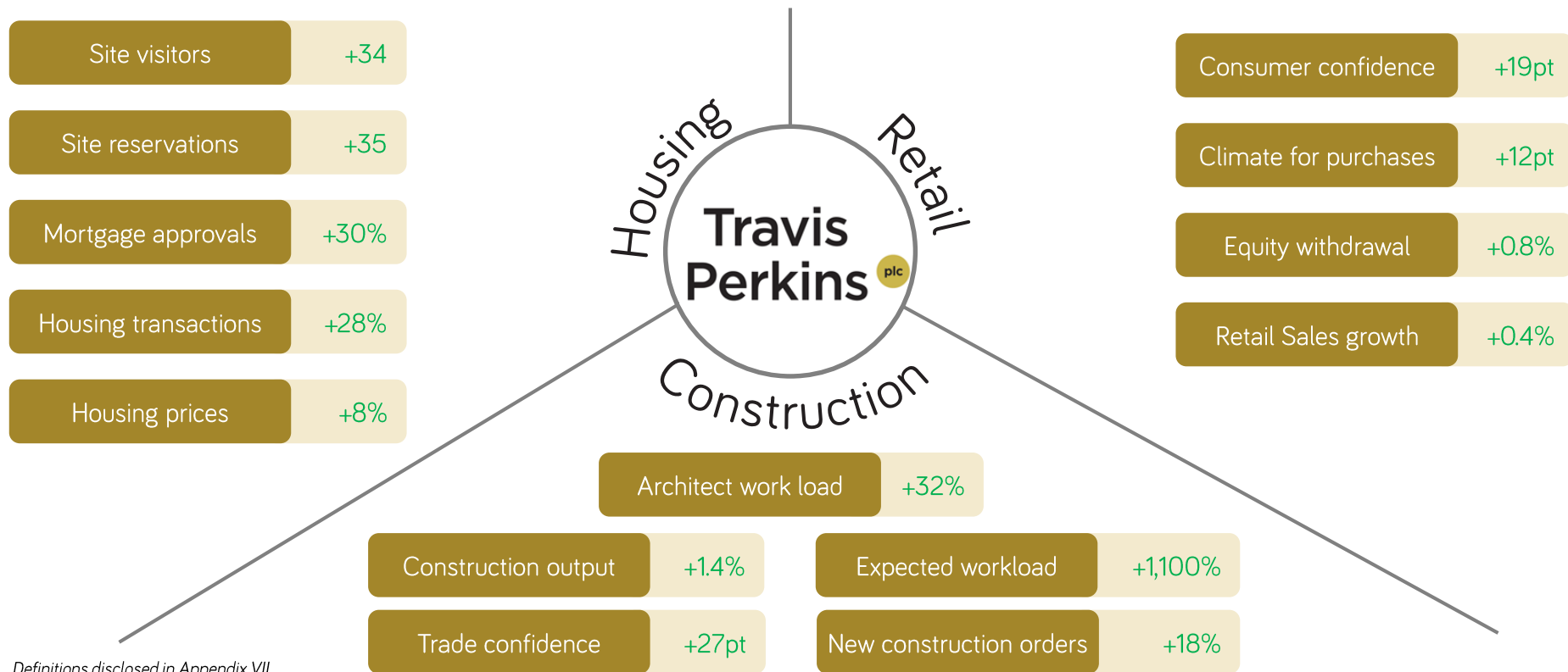
- Modest inflation outlook
- Property profits consistent at £15-20m
- No material finance cost movements expected
- Effective tax rate moving to ~21.5%
- Dividends move to within medium-term range (2.50-3.25x)
- £130-150m capital expenditure
- Additional associated operating cost investment of ~£10-15m

OUTLOOK & INVESTMENT PRIORITIES.

JOHN CARTER

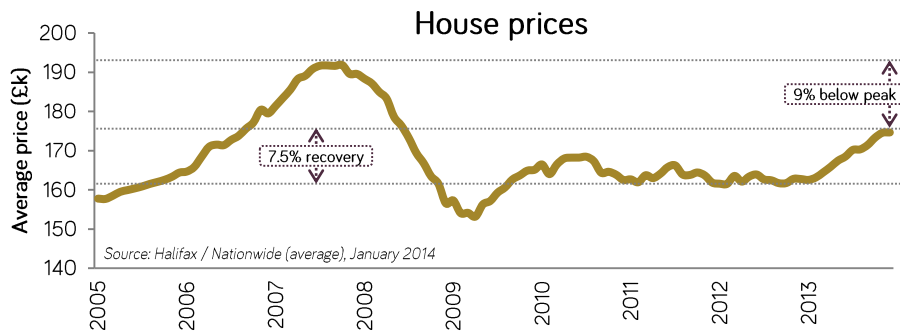
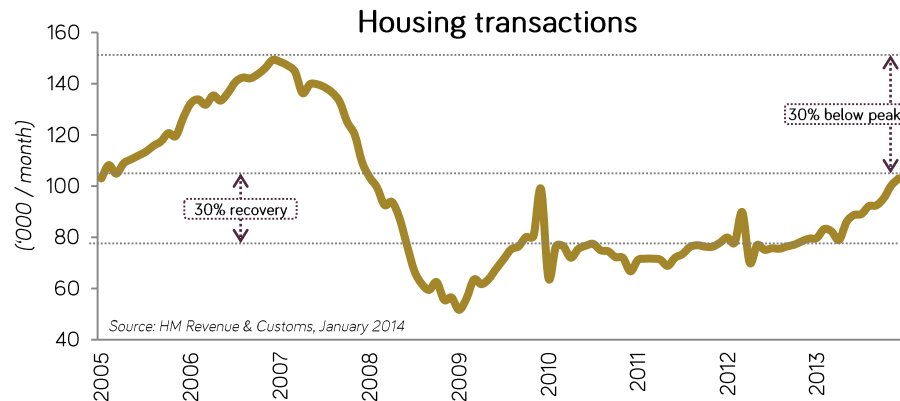


Encouraging market indicators



Definitions disclosed in Appendix VII

Good signs of recovery with further potential



- 30% growth in monthly housing transactions in 2013
- Now recovered to 2005 levels
- House prices recovering, +7.5%
- Encouraging RMI spend

Levers of value creation

Customer innovation

- Improved value
- Extended range
- Product development
- Format renewal
- Technology enabled
- Multi-channel

Optimising network

- TP expansion & modernisation
- Wickes national footprint
- Plumbing & Heating format clarity
- Implants intensify returns
- Trade parks

Scale advantage

- Supply chain investment
- Leverage property capability
- Group sourcing benefits
- Shared technology investment

Portfolio management

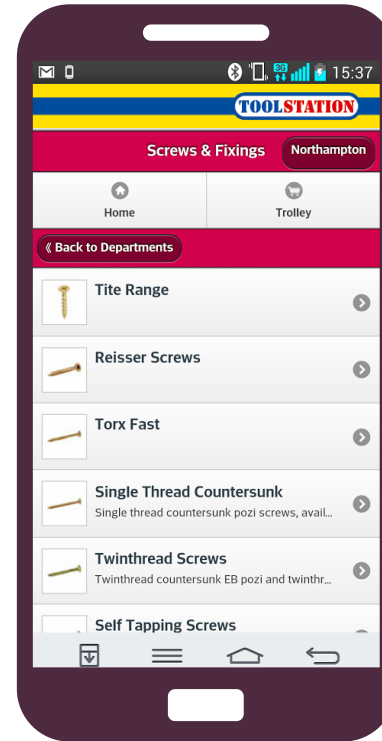
- Streamlined central functions
- Devolved management responsibility
- Disciplined planning & capital allocation
- Regular market updates

Enabled through people & evolution of unique culture

Stepping up our investment in the customer

Customer
innovation

- TP & P&H investing in new channels:
 - Acquisition of online heating products business
 - New multi-channel IT platform
- Investment in value in both TP & Wickes
- Supply chain investment enabling range extension and improved availability



Network optimisation continuing at pace

Optimising
network

- Implants performing well
 - Toolstation roll-out continues
 - CPS bathroom showroom rollout
- Format optimisation
 - TP format trial commenced
 - P&H network reconfiguration
- Trade parks – early signs positive



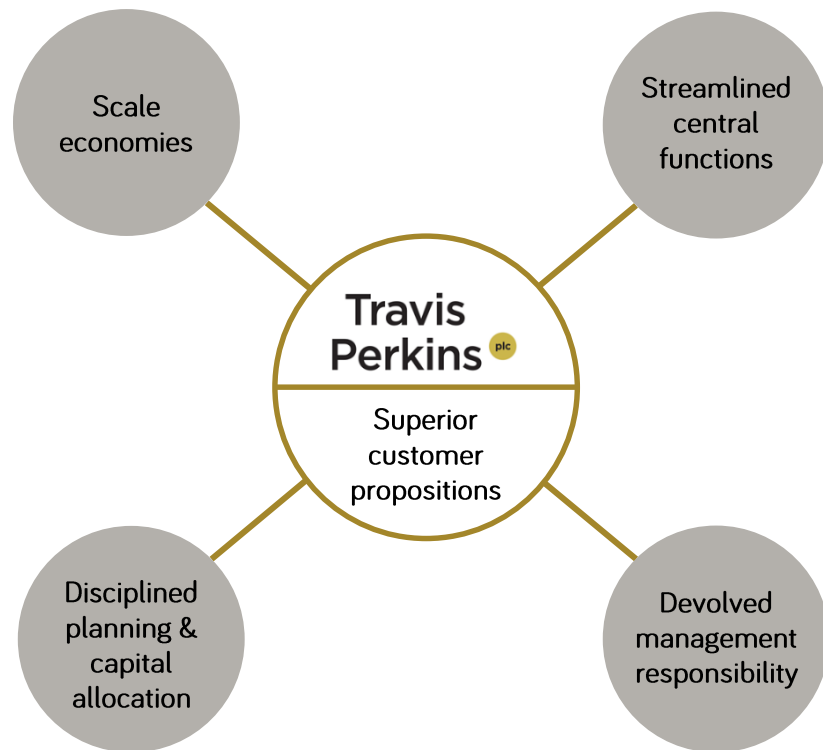
Scale advantage accelerating

Scale
advantage

- New PDC opening in H1 2015
- Expansion of Regional DC network underway
- Competitive advantage through investment in brands
- Great level of direct sourcing
- IT infrastructure



Portfolio model driving change



- Greater transparency & discipline in capital allocation
- Operating structure re-aligned for greater accountability
- Deeper alignment of management incentives to value creation
- Central teams closer to businesses

Better engagement of our people

People &
culture



- Recognised by the Great Place to Work Institute– again!
- Industry leading remuneration structures
 - 1,750 employees shared almost £20m via our sharesave scheme
 - almost 75% team enrolled in pension
- We've been 'Googled'!
 - enhanced remote communication
 - improved collaboration at branches

2014 priorities

General Merchandising

- Further network optimisation (~10 net new branches)
- Investing in format modernisation
- Increased scale of service offerings
- Multi-channel development

Consumer

- ~7 new Wickes
- ~25 new Toolstation (inc. Wickes implants)
- Reinvigorated Wickes proposition: price, range, format
- Cautious market outlook

Plumbing & Heating

- ~10 net new branches
- ~35 'Endeavour' showroom branch conversions
- Network reconfiguration pilot
- Multi-channel investment

Contracts

- Modest growth in network capacity
- Investing in range expansion & product expertise
- Stronger account management tools

Central support functions

- Completion of Warrington Primary Distribution Hub
- Heavyside Regional Distribution Centres
- Modernisation of heritage IT systems & platforms
- Leveraging scale sourcing advantages across the group
- Coordinated property network planning & negotiation

Improving group returns

- Continue to outperform in majority of our markets
- Operating margin prospects:
 - General Merchanting sustain sector leading margins
 - Plumbing & Heating good growth
 - Contracts good growth
 - Consumer good growth
- Targeting medium term double digit EBITA growth p.a.
- Add 200-300bps to lease adjusted ROCE over medium term
- Deliver strong & consistent growth in shareholder returns

2014 outlook & focus

- Lead indicators encouraging
- Markets remain competitive & consumer markets fragile
- Step-up in capital & operating expenditure
- Focus on:
 - Modernising Travis Perkins
 - Wickes transformation
 - Plumbing & Heating network reconfiguration



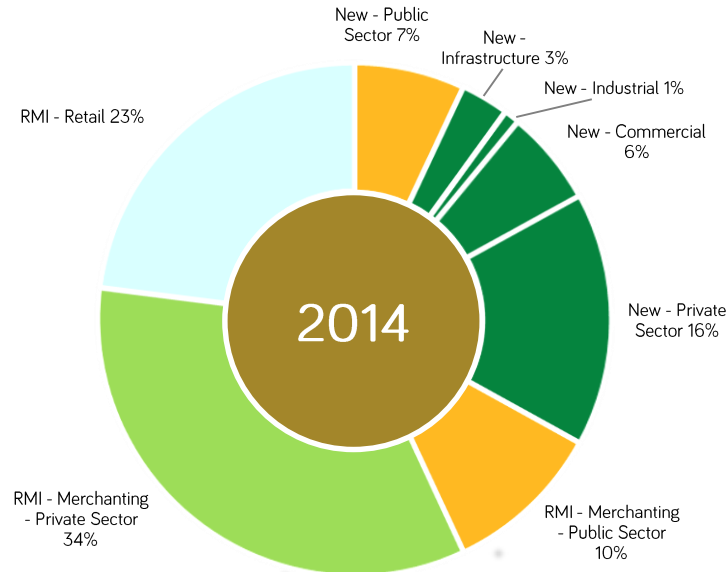
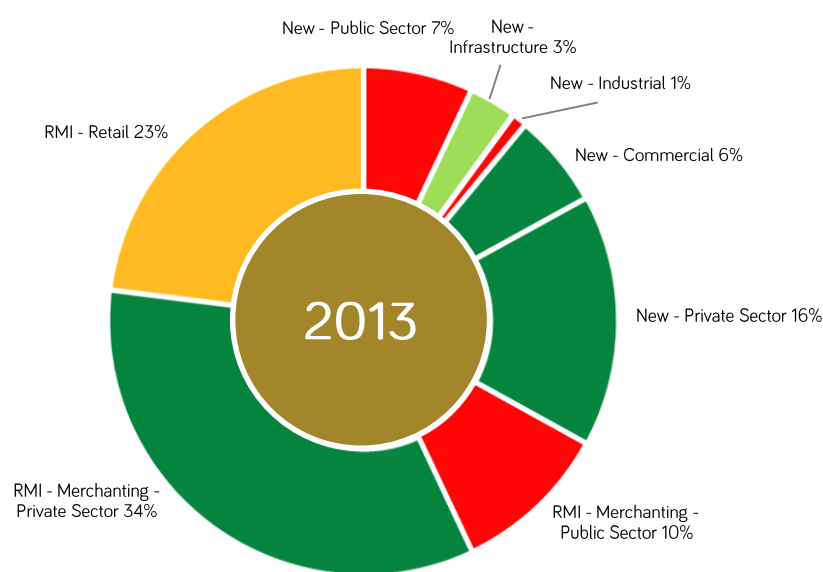
QUESTIONS.



APPENDICES.

- I. Market growth
- II. Revenue analysis
- III. Earnings per share
- IV. Branch numbers
- V. Like-for-like sales growth
- VI. Division structure
re-alignment
- VII. Definitions

I. End-user market growth



Key - growth rate

Greater than 2%

Between 0.1% and 2%

Flat

Between (0.1)% and (2)%

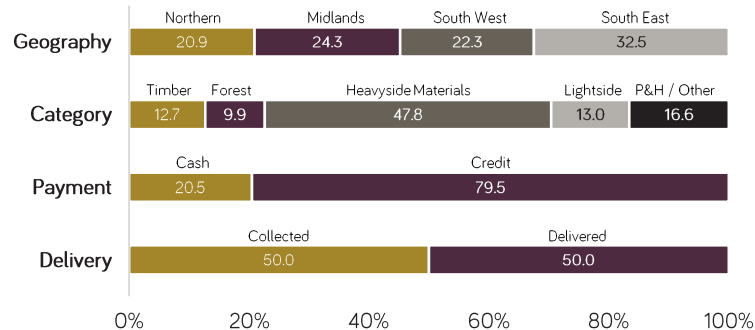
Greater than (2)%



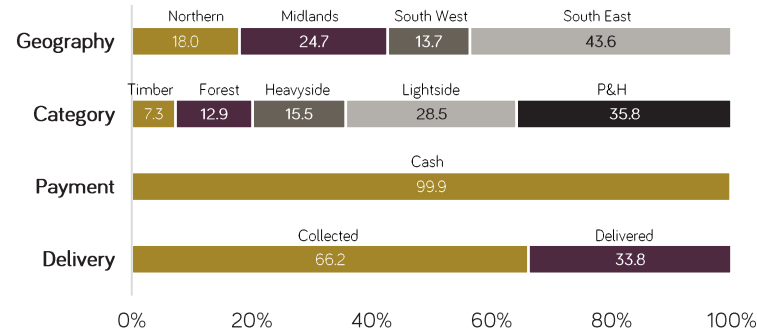
Source: Travis Perkins plc internal analysis

II. Revenue analysis

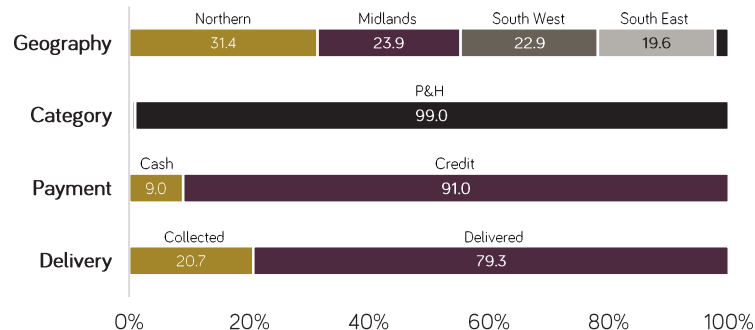
General Merchancing



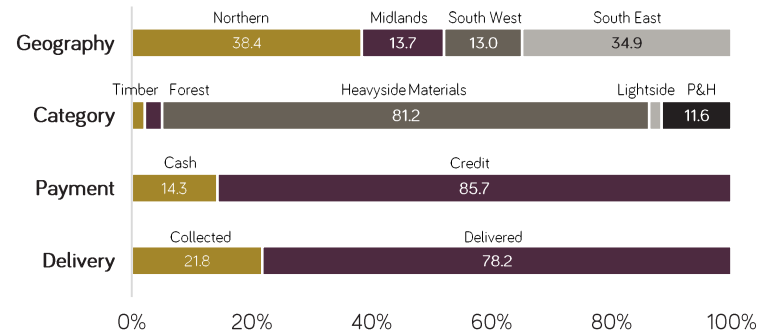
Consumer



Plumbing & Heating



Contracts



III. Earnings per share

Year ended 31 December	2013		2012	
	PAT	EPS	PAT	EPS
Statutory earnings	£265m	109.9p	£260m	108.9p
IAS 19 prior year restatement	-	-	£(11)m	(4.6)p
Restated statutory earnings	£265m	109.9p	£249m	104.3p
Exceptional BSS integration costs	-	-	£15m	6.2p
Exceptional property provision releases	-	-	£(6)m	(2.5)p
Exceptional investment income	£(9)m	(3.9)p	£(40)m	(16.6)p
Amortisation of intangibles	£18m	7.4p	£17m	7.3p
Tax on amortisation	£(4)m	(1.5)p	£(4)m	(1.6)p
Tax on exceptional items	-	-	£(2)m	(0.9)p
Deferred tax rate change	£(20)m	(8.3)p	£(13)m	(5.6)p
Adjusted earnings	£250m	103.6p	£216m	90.6p

IV. Branch numbers

	Dec-12	Acquisition	Brownfield	Consolidation	Dec-13
Travis Perkins	636	-	11	(4)	643
Benchmark	85	-	1	(1)	85
Rinus Roofing Supplies	12	-	2	-	14
General Merchandising	733	-	14	(5)	742
Keyline	88	-	-	(1)	87
CCF	30	-	1	-	31
BSS Industrial	62	-	2	-	64
Contracts	180	-	3	(1)	182
Plumbing Trade Supplies	314	-	3	(6)	311
City Plumbing	189	-	4	-	193
Direct Heating Spares	1	-	-	-	1
F&P Wholesale	10	-	-	(1)	9
Connections	1	-	-	-	1
PTS Ireland	7	-	-	-	7
Birchwood Price Tools	3	-	-	-	3
Solfex	-	1	-	-	1
Plumbing & Heating	525	1	7	(7)	526
Wickes *	224	-	6	(1)	229
Tile Giant	106	-	3	(1)	108
Toolstation **	128	-	24	-	152
Consumer	458	-	33	(2)	489
Group	1,896	1	57	(15)	1,939

* includes 15 stand-alone K&B showrooms

** includes 5 stores in The Netherlands

5-year network growth

	2009	2010	2011	2012	2013
Opening	1,262	1,303	1,813	1,868	1,896
New	46	519	120	48	58
Closures	(5)	(9)	(65)	(20)	(15)
Closing	1,303	1,813	1,868	1,896	1,939

V. Life-for-like sale growth

2013 operating structure

<i>Year ended 31 December 2013</i>	General	Specialist	Consumer	P&H	Total
Volume	6.7%	9.5%	4.7%	5.2%	6.1%
Price / mix	-	(0.8)%	(3.7)%	(0.4)%	(1.1)%
Like-for-like sales	6.7%	8.7%	1.0%	4.8%	5.0%
Trading days	0.4%	0.4%	(0.3)%	0.4%	0.2%
Expansion	1.3%	0.3%	1.7%	0.8%	1.1%
Total sales growth	8.4%	9.4%	2.4%	6.0%	6.3%

2014 operating structure

<i>Year ended 31 December 2013</i>	General	Contracts	Consumer	P&H	Total
Volume	6.6%	7.8%	4.7%	5.4%	6.1%
Price / mix	(0.1)%	(1.0)%	(3.7)%	-	(1.1)%
Like-for-like sales	6.5%	6.8%	1.0%	5.4%	5.0%
Trading days	0.4%	0.4%	(0.3)%	0.4%	0.2%
Expansion	1.2%	0.2%	1.7%	1.0%	1.1%
Total sales growth	8.1%	7.4%	2.4%	6.8%	6.3%

New division structure movements

1. Specialist division renamed Contracts division
2. BSS and BSS Ireland moved from P&H to Contracts
3. Benchmarx moved from Contracts to General

VI. Division structure re-alignment

2013 operating structure

General Merchancing		2013	2012
	Revenue	£1,579m	£1,457m
	EBITA	£176m	£167m
	LAROCE		

Consumer		2013	2012
	Revenue	£1,180m	£1,152m
	EBITA	£63m	£65m
	LAROCE		

Plumbing & Heating		2013	2012
	Revenue	£1,731m	£1,632m
	EBITA	£94m	£73m
	LAROCE		

Specialist		2013	2012
	Revenue	£660m	£604m
	EBITA	£31m	£30m
	LAROCE		



2014 operating structure

General Merchancing		2013	2012
	Revenue	£1,648m	£1,524m
	EBITA	£176m	£165m
	LAROCE	16%	16%

Consumer		2013	2012
	Revenue	£1,180m	£1,152m
	EBITA	£63m	£65m
	LAROCE	6%	6%

Plumbing & Heating		2013	2012
	Revenue	£1,366m	£1,279m
	EBITA	£57m	£40m
	LAROCE	8%	6%

Contracts		2013	2012
	Revenue	£956m	£890m
	EBITA	£68m	£66m
	LAROCE	12%	12%



Travis Perkins

BENCHMARK
Kitchens and Joinery

Wickes

TILE GIANT
KITCHENS AND JOINERY

TOOLSTATION



VII. Definitions

Metric	Definition
EBITA	Earnings before interest, tax and amortisation
Lease adjusted ROCE	Ratio of earnings before interest, tax, amortisation and 50% of annual property rental expense to debt plus equity plus eight times annual property rental expense
Lease adjusted debt	On-balance sheet debt plus eight times annual property rental expense
LA Gearing	Ratio of lease adjusted debt to equity plus lease adjusted debt
Fixed charge cover	Ratio of earnings before interest, tax, depreciation, amortisation and property rentals to interest plus property rentals
LA Debt : EBITDAR	Ratio of lease adjusted debt to earnings before interest, tax, depreciation, amortisation and property rentals
Dividend cover	Ratio of earnings per share to dividends per share
Free cash flow ("FCF")	Net cash flow before dividends, growth capital expenditure, pension contributions & financing cash flows
Total Shareholder Return ("TSR")	Ratio of opening market price per share to closing market price per share less opening market price per share plus dividends per share during the period

VII. Definitions (continued)

Metric	Definition
Site visitors	House Builders Federation Survey / monthly / December 2013 / Balance score compared to a year ago
Site reservations	House Builders Federation Survey / monthly / December 2013 / Balance score compared to a year ago
Mortgage approvals	Bank of England & British Bankers Association / monthly / December 2013 / number of approvals % change year on year
Housing transactions	HM Revenue & Customs / monthly / December 2013 / number of houses sold above £40k % change year on year
Housing prices	Nationwide & Halifax / monthly / January 2014/ house price inflation % change year on year
Consumer confidence	GFK / monthly / January 2014/ index score
Climate for purchases	GFK / monthly / January 2014 / index score
Equity withdrawal	Bank of England / quarterly / Q3 2013 / Change in Equity withdrawal as % of net earnings
Retail sales growth	British Retail Consortium / monthly / January 2014 / LFL % change year on year
Architect work load	Mirza and Nacey Survey / quarterly / Q3 2013 / Index
Construction output	Construction Products Association forecast / quarterly / Winter 2014 / % change year on year
Trade confidence	Travis Perkins survey/ quarterly / Q4 2013 view of Q1 2014 / Balance score
Expected workload	Federation of Master Builders / quarterly / Q4 2013 view of Q1 2014 / Balance score % increase year on year
New construction orders	Office for National Statistics / quarterly / January 2014 / % change year on year

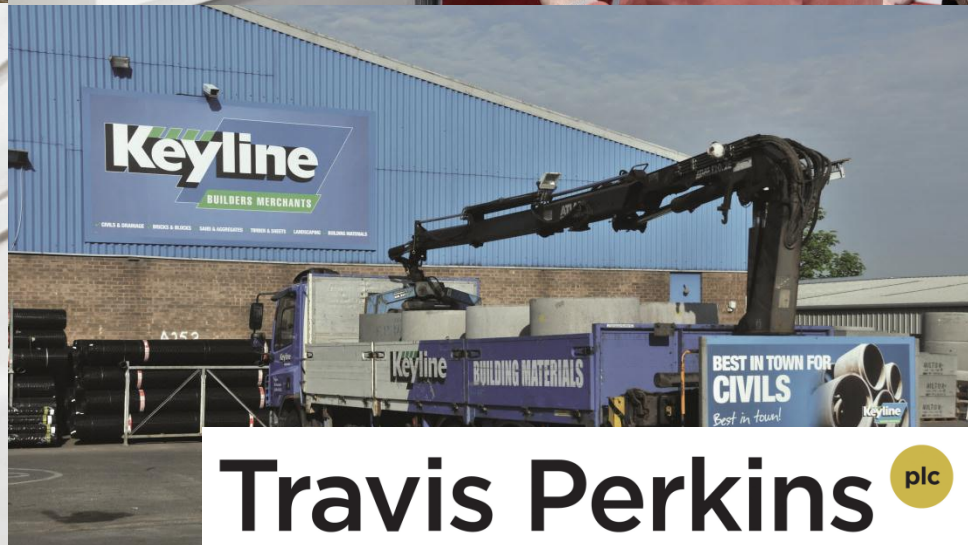


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