Grafton Group plc
Trading Update
Group traded in line with expectations for 2025

Grafton Group plc ("Grafton" or "the Group"), the international building materials distributor and DIY retailer, issues this trading update for the period from 1 November 2025 to 31 December 2025, ahead of reporting full year results for the year ended 31 December 2025, on 5 March 2026.

Highlights

- Full year adjusted operating profit[1] expected to be in line with expectations[2] reflecting the Group's diversified portfolio, which provides resilience amid challenging macroeconomic conditions which are affecting certain markets
- Average daily like-for-like sales growth broadly flat in final two months of the year
- Margin management and cost discipline remains a key operational focus
- Appointment of Mario Ballarín to new role of Iberia CEO in January 2026 to drive the Group's growth ambitions in the region
- Streamlined reporting structure into four geographic operating segments aligned with Group strategy and management

Change to Operating Segments

Grafton has adopted a new reporting structure which better reflects the Group's strategy - the supply and distribution of building materials serving geographic markets with scalable formats that can deliver long term growth for shareholders.

This new reporting structure is comprised of four geographic operating segments, which aligns with how the Board now manages the business and allocates capital and resources for organic and inorganic growth:

- Island of Ireland
  - *Comprising Chadwicks, Woodie's, MacBlair and MFP (divested 31 May 2025)*
- Great Britain
  - *Comprising Selco, Leyland SDM, TG Lynes, CPI Euromix and StairBox*
- Northern Europe
  - *Comprising Isero and Polvo in The Netherlands and IKH in Finland*
- Iberia
  - *Comprising Salvador Escoda in Spain*

Comparative figures for 2024 and 2025 will be restated in the Group's full year 2025 results to reflect the new structure. The realignment has no impact on the Group's consolidated financial results. As an aid to the transition, an appendix to this trading statement includes historical like-for-like revenue analysis under both the old and new operating segments.

Trading and Performance

Group revenue for the year was £2.52 billion (2024: £2.28 billion), up 10.4 per cent from the prior year and up 9.6 per cent in constant currency. This growth included the positive impact of the specialist Spanish HVAC distributor, Salvador Escoda, which was acquired at the end of October 2024, as well as seven months of trading following the acquisition of HSS Hire Ireland.

Group average daily like-for-like revenue for the year was 1.7 per cent higher than prior year but flat year-on-year in the two months to the end of December ("the Period") reflecting continuing easing of activity in the second half of the year. A robust performance in Iberia along with modest growth in the Island of Ireland was fully offset by weaker trading in Northern Europe and Great Britain in the Period.

The following table shows the changes in average daily like-for-like revenue compared to the same periods in the prior year.

Segment	**Average Daily Like-for-Like Revenue Change in Constant Currency**		
	Ten Months to 31 October 2025	**Two Months to 31 December 2025**	**Year to 31 December 2025**
Island of Ireland	+4.1%	+0.6%	+3.5%
Great Britain	+0.5%	(0.2%)	+0.4%
Northern Europe	(0.1%)	(2.9%)	(0.5%)
Iberia	-	+4.4%	+4.4%
Group	**+2.1%**	**+0.1%**	**+1.7%**
Iberia pro forma[3]	+6.4%		+6.1%

Island of Ireland

Our Island of Ireland businesses delivered average daily like-for-like revenue growth of 3.5 per cent for the year, with growth of 0.6 per cent recorded in the Period. Trading in the final two months reflected continued momentum in Woodie's after another strong Christmas campaign. This was partly offset by weaker trading in Chadwicks, largely due to the timing of jobsite shutdowns over the holiday period.

Great Britain

Average daily like-for-like revenue increased in Great Britain by 0.4 per cent for the year but declined by 0.2 per cent in the Period largely due to ongoing weakness in the RMI market which continued to be impacted by negative consumer sentiment around the November budget.

Northern Europe

Average daily like-for-like revenue in Northern Europe declined by 0.5 per cent for the year and was down 2.9 per cent in the Period. Modest growth in the Netherlands, driven by strong project related sales, was more than offset by declines in Finland which reflected unusually mild winter weather and ongoing weakness in the economy.

Iberia

Salvador Escoda's average daily like-for-like revenue was 6.1 per cent higher for the full year[3] while growth of 4.4 per cent was delivered in the Period. The business closed the year strongly, buoyed by robust end of season sales campaigns in what is usually a less significant seasonal period.

Effective the beginning of January 2026, Mario Ballarín assumed the role of CEO for our Iberia business, tasked with advancing the Group's growth ambitions in the region. Mario brings significant expertise in driving business performance, acquisitions and integrations from his tenure at Bunzl plc where he most recently held the position of Managing Director for South and Eastern Europe, the Middle East, and the Nordics.

Outlook

Through a continued operational focus on margin management, robust cost control and ongoing investment in strengthening our market positions, the Group delivered a full year trading performance in line with expectations[2], despite weak market conditions outside of the Island of Ireland and Iberia and the pressure of continued cost headwinds across all markets.

Whilst the Island of Ireland and Iberia segments performed strongly, meaningful recovery in Great Britain and Northern Europe did not materialise in 2025, and the timing of any improvement in these two segments in the year ahead remains uncertain. We will continue to manage our business with a tight focus on efficiency and cost control.

Although momentum continued to moderate across the second half of the year, the outlook for Grafton remains favourable, supported by structural growth drivers, strong market positions across all regions, the recovery potential in Great Britain and Northern Europe, a robust balance sheet, and a healthy acquisitions pipeline.

Eric Born, Chief Executive Officer of Grafton Group plc commented:

"Despite continuing headwinds in some of our markets, the Group delivered a solid performance in Q4 and an outcome in line with expectations for the full year. It reflects the strong market positions, resilience and agility of our operations across our geographies. Continuing strong performances and market opportunities in Ireland and Iberia, together with market recovery opportunities in Great Britain and Northern Europe leaves Grafton well placed to benefit significantly as conditions normalise. Building on our existing market positions, we see exciting opportunities to further strengthen our business and to deliver organic and inorganic growth."

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1 Adjusted operating profit is defined as profit before amortisation of intangible assets arising on acquisitions, acquisition related items, exceptional items, net finance expense and income tax expense.

2 Grafton compiled consensus analysts' forecasts for 2025 show adjusted operating profit of circa £181.9 million.

3 Like-for-like sales are presented on a proforma basis to reflect the performance of Salvador Escoda, which was acquired by the Group on 30 October 2024, as though it had been part of the Group for the entire comparative period.

Ends

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About Grafton

Grafton Group plc is an international building materials distributor and DIY retailer, comprising four geographic segments serving the Island of Ireland, Great Britain, Northern Europe and Iberian markets. The Group's strategic objective is to be a leading European Distributor of building materials and construction related products, with trusted local brands and market-leading positions in each market where we operate.

Trading from c. 470 branches with c. 10,000 colleagues, the Group's portfolio of brands includes:

- Island of Ireland: Chadwicks, Woodie's and MacBlair
- Great Britain: Selco, Leyland SDM, TG Lynes, CPI EuroMix and StairBox
- Northern Europe: Isero / Polvo (Netherlands) and IKH (Finland)
- Iberia: Salvador Escoda (Spain) and the broader Iberian peninsula

For further information visit www.graftonplc.com

Forward-looking statements

This press release may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "outlook," "believe(s),"expect(s)," "potential," "continue(s)," "may," "will," "should," "could," "would," "seek(s)," "predict(s)," "intend(s)," "trends," "plan(s)," "estimate(s)," "anticipates," "projection," "goal," "target," "aspire," "will likely result" and other words and terms of similar meaning or the negative versions of such words or other comparable words of a future or forward-looking nature. These forward-looking statements include all matters that are not historical facts and include statements regarding Grafton's or its affiliates' intentions, beliefs or current expectations concerning, among other things, Grafton's or its affiliates' results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Grafton's or its affiliates' actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if Grafton's or its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods. The directors do not undertake any obligation to update or revise any forward-looking statements, whether because of new information, future developments or otherwise.

Appendix:

New Operating Segments	Average Daily Like-for-Like Revenue Change in Constant Currency							
	Full Year 2024	**Q1 2025**	**Q2 2025**	**H1 2025**	**Q3 2025**	**Q4 2025**	**H2 2025**	**Full Year 2025**
Island of Ireland	+0.8%	+4.2%	+5.1%	+4.7%	+3.9%	+0.9%	+2.4%	+3.5%
Great Britain	(6.8%)	(1.5%)	+2.1%	+0.4%	+0.8%	0.0%	+0.4%	+0.4%
Northern Europe	(3.0%)	+2.1%	(0.2%)	+0.9%	(1.4%)	(2.3%)	(1.9%)	(0.5%)
Iberia	-	-	-	-	-	+4.4%	+4.4%	+4.4%
Group	**(2.7%)**	**+1.8%**	**+3.0%**	**+2.4%**	**+1.7%**	**+0.2%**	**+1.0%**	**+1.7%**

Old Operating Segments	Average Daily Like-for-Like Revenue Change in Constant Currency							
	Full Year 2024	**Q1 2025**	**Q2 2025**	**H1 2025**	**Q3 2025**	**Q4 2025**	**H2 2025**	**Full Year 2025**
Distribution								
- Ireland	+1.6%	+2.9%	+4.3%	+3.7%	+3.9%	0.0%	+2.0%	+2.9%
- UK	(5.9%)	(1.9%)	+2.0%	+0.2%	(0.1%)	(0.5%)	(0.3%)	(0.1%)
- Netherlands	(2.0%)	+3.4%	+2.2%	+2.8%	+1.1%	+1.4%	+1.2%	+2.0%
- Finland	(5.2%)	(1.9%)	(6.1%)	(4.2%)	(7.4%)	(11.3%)	(9.4%)	(6.9%)
- Spain	-	-	-	-	-	+4.4%	+4.4%	+4.4%
Retailing	**+3.6%**	**+9.6%**	**+6.0%**	**+7.6%**	**+5.0%**	**+1.4%**	**+3.1%**	**+5.3%**
Manufacturing	**(15.0%)**	**+4.3%**	**+6.2%**	**+5.2%**	**+9.7%**	**+7.8%**	**+8.9%**	**+6.9%**
Group	**(2.7%)**	**+1.8%**	**+3.0%**	**+2.4%**	**+1.7%**	**+0.2%**	**+1.0%**	**+1.7%**