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Ibstock Plc

Third Quarter Trading Update

Ibstock Plc ("Ibstock" or the "Group"), a leading UK manufacturer of a diverse range of building products and solutions, today issues a trading update for the third quarter of the financial year ending 31 December 2025 and the year to date.

- A more uncertain near term backdrop in the Group's core construction markets has led to weaker than expected demand, with an associated impact on both Clay and Concrete revenues during the third quarter.
- Market share in the third quarter based on published industry data was ahead of the comparative period, and in line with the first half of the 2025 year. However, in light of softer market demand, sales volumes in the second half are now expected to be in line with the first half of the year, with continuing weighting towards new build residential customers.
- Core manufacturing networks operated at higher levels of productivity and operational efficiency in the third quarter, with performance improving in line with our expectations.
- In light of the lower levels of market activity and anticipated pricing, the Board now expects H2 2025 adjusted EBITDA to be similar to the first half of the year.
- Continued focus on cash management delivered a solid Q3 cash performance, with the Group retaining a robust financial position.

Trading Update and Outlook

A more uncertain near-term economic and political backdrop has led to a weaker than expected demand in both the Clay and Concrete businesses' core markets during the third quarter. Customers were more cautious as the quarter progressed, with these conditions now assumed to continue through the remainder of the year. Market share in the third quarter based on published industry data was ahead of the comparative period, and in line with the first half of the 2025 year. However, in light of softer market demand, sales volumes in the second half are now expected to be in line with the first half of the year. Market dynamics, coupled with the continued shift in sales mix towards new-build residential demand, have also limited the Group's ability to achieve targeted pricing levels.

The Group's core manufacturing networks operated at higher levels of productivity and operational efficiency in the third quarter, in line with our expectations.

A focus on cash management, with tight control of capital expenditure, working capital and discretionary spend enabled the Group to deliver a solid cash flow performance in the third quarter. As a consequence, whilst net debt at the end of the 2025 year is expected to be above previous guidance, the Group retains a strong financial position with covenanted leverage at year-end expected to be around 2 times.

We will continue to act with agility around network utilisation, in light of anticipated demand, ensuring that we balance the need for operational flexibility with a focus on financial efficiency and capital returns.

In light of the lower levels of market activity and pricing anticipated during the second half, the Board now expects adjusted EBITDA in the second half of the 2025 year to be similar to the level achieved in the first half of the year.

Strategic Progress

Our Atlas pathfinder factory continues to make good progress, with reliability and quality advancing and multiple new products progressing well through final commissioning. As we move into 2026, out of commissioning and into production, we expect to see a good uplift in profitability at Atlas.

The commissioning of our pioneering ceramics facades factory in Nostell is also progressing well. This will serve to meet pressing UK building needs. We remain committed to developing innovative and sustainable ways to build the future and believe that modern construction markets represent an important source of diversified growth for the Group over the medium term.

Our calcined clay project is on track and with R&D and testing now complete, we are having discussions with potential partners to explore value creation opportunities. We are now assessing proposals and expect to be able communicate further on the direction of these by the time of our 2025 full year results.

Joe Hudson, CEO of Ibstock PLC, said:

“With clear, long term structural imperatives for residential construction growth, it is disappointing that additional near term headwinds are impacting momentum in our markets in the latter part of the year. In spite of this difficult and uncertain market backdrop, the Group has continued to make good operational progress and maintain share.

“Whilst it remains difficult to predict the pace and timing of market recovery, we will continue to focus on strong execution and progressing our long term strategic growth projects. These initiatives, combined with the increasing contribution from our recent investments, leave us well positioned to benefit as the market returns.”

Investor Event: As indicated at the time of our 2025 Interim Results, the Group will be hosting a site visit for investors at its Atlas factory on December 8th. Details to follow.

- Ends -

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About Ibstock Plc

Ibstock Plc is a leading UK manufacturer of building products and solutions, backed by design and technical services that comprises two core divisions:

Ibstock Clay: The leading manufacturer by volume of clay bricks sold in the UK, with 15 manufacturing sites served by 15 active quarries. Ibstock Kevington provides masonry and prefabricated component building solutions, operating from four sites.

Ibstock Concrete: A leading manufacturer of concrete roofing, walling, flooring and fencing products, along with lintels and rail & infrastructure products. The concrete division operates from 13 manufacturing sites across the UK.

Both divisions are complemented by Ibstock Futures, which was established in 2021 to accelerate growth in new segments of the UK construction market and focuses on even more sustainable solutions and Modern Methods of Construction (MMC) from two main locations.

The Group's ESG 2030 Strategy sets out a clear path to address climate change, improve lives and manufacture materials for life, with an ambitious commitment to reduce carbon emissions by 40% by 2030 and become a net zero operation by 2040.

Further information can be found at www.ibstock.co.uk

Forward-looking statements

This announcement contains "forward-looking statements". These forward-looking statements include all matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of the directors. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are difficult to predict and outside of the Group's ability to control. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Group undertakes no obligation to update or revise publicly any forward-looking statements.

Notes:

The information contained within this announcement is deemed by the Group to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014 which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310) ("UK MAR"). Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.