

Ibstock Plc

AGM Trading Update

Ibstock Plc ('Ibstock' or the 'Group'), a leading UK manufacturer of clay bricks and concrete products and solutions, announces a trading update for the first quarter of 2023, ahead of its Annual General Meeting, which is to be held at 11:00am today.

Trading update

The Group has made a good start to 2023 despite a subdued demand environment in both the residential new build and RMI markets. EBITDA in the first quarter was marginally ahead of our expectations, reflecting disciplined management of capacity and cost, combined with good commercial execution.

While the Group continued to experience cost inflation during the first quarter, the pace of increase was more modest than the levels seen in 2022. We have now hedged around 95% of energy requirements for the first half of 2023, and around 75% for the full year, albeit at prices above prior year levels.

Ibstock's growth initiatives – the Atlas, Aldridge and Nostell capital investment projects – are all progressing well. Ibstock Futures also continues to build its market offering, with growth during the first quarter in line with our expectations.

Having made a good start to the year, and while remaining mindful of broader macroeconomic risks, the Board is confident of delivering a performance in line with market expectations.

Joe Hudson, Chief Executive Officer, commented:

“We've made a good start to 2023, with EBITDA marginally ahead of our expectations, underpinned by strong operational discipline and good commercial execution. Market conditions were subdued through the early months of 2023, although we expect this to improve as the year progresses.

“Our major organic growth investments remain on track, with our pathfinder factory at Atlas expected to deliver the UK's first carbon neutral verified bricks by the end of the year, and Ibstock Futures continuing to build capability and scale.

“We remain confident in our ability to respond effectively to trading conditions, and to deliver a full year performance in line with market expectations.”

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About Ibstock Plc

Ibstock Plc is a leading UK manufacturer of clay bricks and a diversified range of clay and concrete products and solutions. Its principal products are clay bricks, brick components, concrete roof tiles, concrete alternatives for stone masonry, concrete fencing and pre-stressed concrete products.

The Group comprises two core business divisions, Ibstock Clay and Ibstock Concrete, with Ibstock Futures established to accelerate diversified growth opportunities.

Ibstock Clay: The leading manufacturer by volume of clay bricks sold in the United Kingdom. With 16 manufacturing sites, Ibstock Brick has the largest brick production capacity in the United Kingdom. It operates a network of 18 active quarries located close to its manufacturing plants. Ibstock Kevington provides masonry and pre-fabricated component building solutions, operating from 6 sites across the United Kingdom.

Ibstock Futures: Complements our core businesses by accelerating diversified growth opportunities and addressing key construction trends, including sustainability and the shift towards Modern Methods of Construction (MMC).

Ibstock Concrete: A leading manufacturer of concrete roofing, walling, flooring and fencing products, along with lintels and general concrete building products, with 14 manufacturing plants in the United Kingdom.

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.

The person responsible for making this announcement is Becky Parker, Group Company Secretary.