

Ibstock plc

AGM Trading Update

Ibstock plc ('Ibstock' or the 'Group'), a leading manufacturer of clay bricks and concrete products with operations in the United Kingdom and the United States today provides a Trading Update for the four months ended 30 April 2016 ahead of its Annual General Meeting, which is to be held at 2.00 pm today at: Mercure Leicester, the Grand Hotel, Granby Street, Leicester LE1 6ES.

Trading Summary

After a very strong trading performance in 2015 the Group has shown good trading momentum in the first four months of 2016.

Our UK brick sales into the key new residential sector have grown, however as noted in the Group's results announcement on 10 March 2016, the UK clay business overall made a slower start to the year than expected due to destocking in the builders merchant supply chain, which primarily services the RMI market. Monthly trading comparatives have steadily improved and have now moved positive; whilst anticipated mid-single digit headline price increases have been achieved by sales channel, the change in channel mix during the first four months of the year has impacted overall average pricing. We anticipate that the channel mix will see further improvement as the year progresses.

The US clay business and the UK concrete businesses have maintained the good start to the year reported in March driven by favourable weather and a recovering housing market in the US and by strong demand for our concrete products in the UK.

We are also progressing well with our organic growth investment projects in UK clay brick and concrete roof tile manufacturing capacity. These projects remain on time and on budget.

Outlook

Market fundamentals remain positive in both the UK and US, with demand for new housing remaining robust. The Board expects another year of progress for the Group and its expectation for the full year is broadly unchanged.

The Group's results for the six months to 30 June 2016 will be announced on 5 August 2016.

Enquiries

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Note to the Editor:

Ibstock plc is a leading manufacturer of clay bricks with a diversified range of clay and concrete products, and operations in the United Kingdom and the United States. Its principal products are clay bricks, brick components, concrete roof tiles, concrete substitutes for stone masonry, concrete fencing and concrete rail products.

The Group's four primary businesses are:

- **UK business:**
 - **Ibstock Brick:** The leading manufacturer by volume of clay bricks sold in the United Kingdom¹. With 19 manufacturing plants Ibstock Brick has the largest brick production capacity in the United Kingdom. It operates a network of 23 active quarries which are generally located close to its manufacturing plants. Ibstock Brick has commenced construction of a new soft mud manufacturing plant in Leicestershire that is expected to add approximately 100 million bricks (c13%) to its brick production capacity per annum. The new plant is expected to be commissioned in the second half of 2017.
 - **Supreme:** A leading manufacturer of concrete fencing products and concrete lintels and general concrete building products, with seven manufacturing plants in the United Kingdom.
 - **Forticrete:** A leading manufacturer of concrete substitutes for natural stone walling and dressings and niche concrete roof tiles, with seven manufacturing plants in the United Kingdom. Forticrete has a new concrete roof tile manufacturing line under development at its Leighton Buzzard facility, which is currently expected to be operational in the second half of 2016.
- **US business:**
 - **Glen-Gery:** A leading manufacturer of bricks by volume of despatches in the Northeast and Midwest regions of the United States, with a network of ten manufacturing plants and 29 active quarries, covered by 20 active quarry permits.

¹ 2015, Excluding imports