

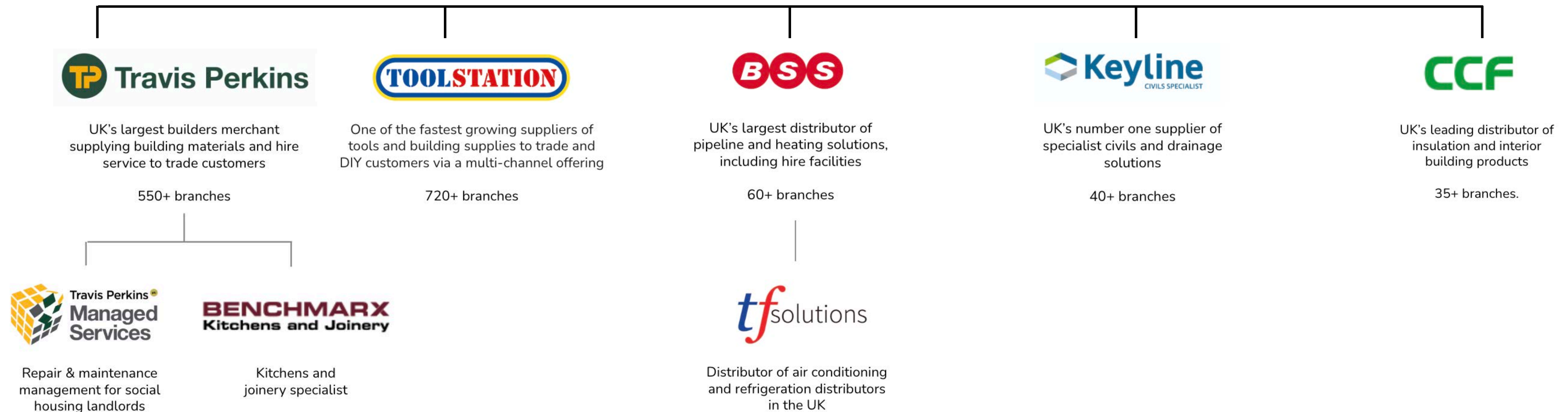
Travis Perkins ^{plc}

Investment case

Travis Perkins plc - a leading partner to the construction industry

Proud to have helped to build Britain for over 200 years, Travis Perkins plc is the largest distributor of building materials in the UK. The Group employs over 17,000 colleagues across a portfolio of market leading businesses, which are all #1 or #2 in their markets.

Travis Perkins ^{plc}



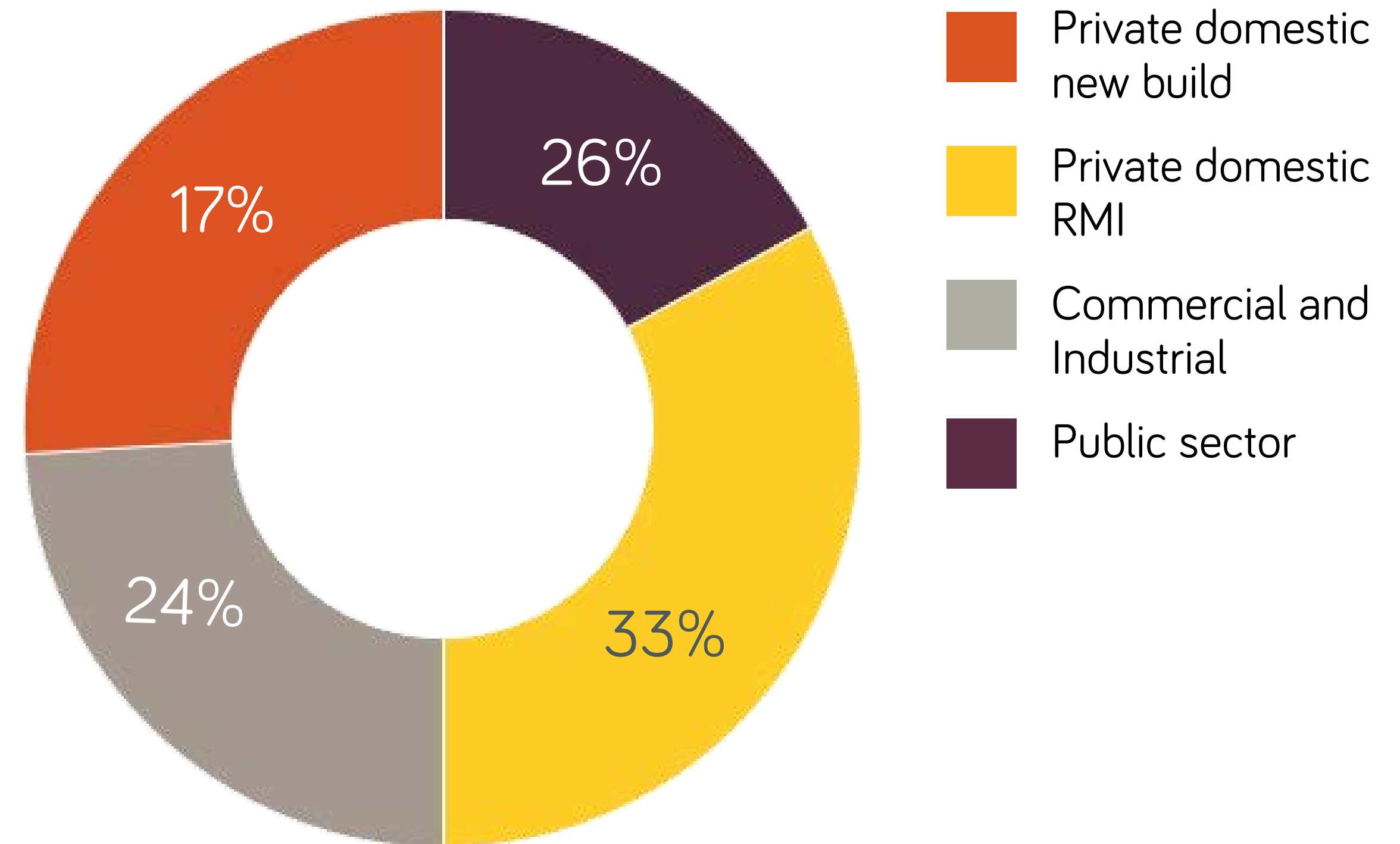
Travis Perkins plc - a leading partner to the construction industry with a clear strategy for growth



Operating and leading in attractive markets

The market for
UK construction is
around £78bn annually
of which £60bn is
serviced by distribution

The Group benefits from diverse end market exposure across the construction sector



Long term structural growth drivers

Changing patterns of behaviour

Growing need for warehousing and logistics space

Housing remodelled for home working

Offices updated for hybrid working

Need to decarbonise towards Net Zero

Poor state of repair of UK housing stock

Need for more sustainable new-build homes

Pressing need to improve energy efficiency

Shortage of accommodation

Lack of rental properties

Growing population and number of households

Need for more / better quality student accommodation

Underinvestment in infrastructure

Major infrastructure projects

Retrofit of social housing to meet new standards

Schools and hospitals rebuilding plan



Private domestic new build



Private domestic RMI



Commercial and Industrial



Public sector

Merchanting market share gains driven by network expansion and value-added services

Actions taken to refocus and modernise the business

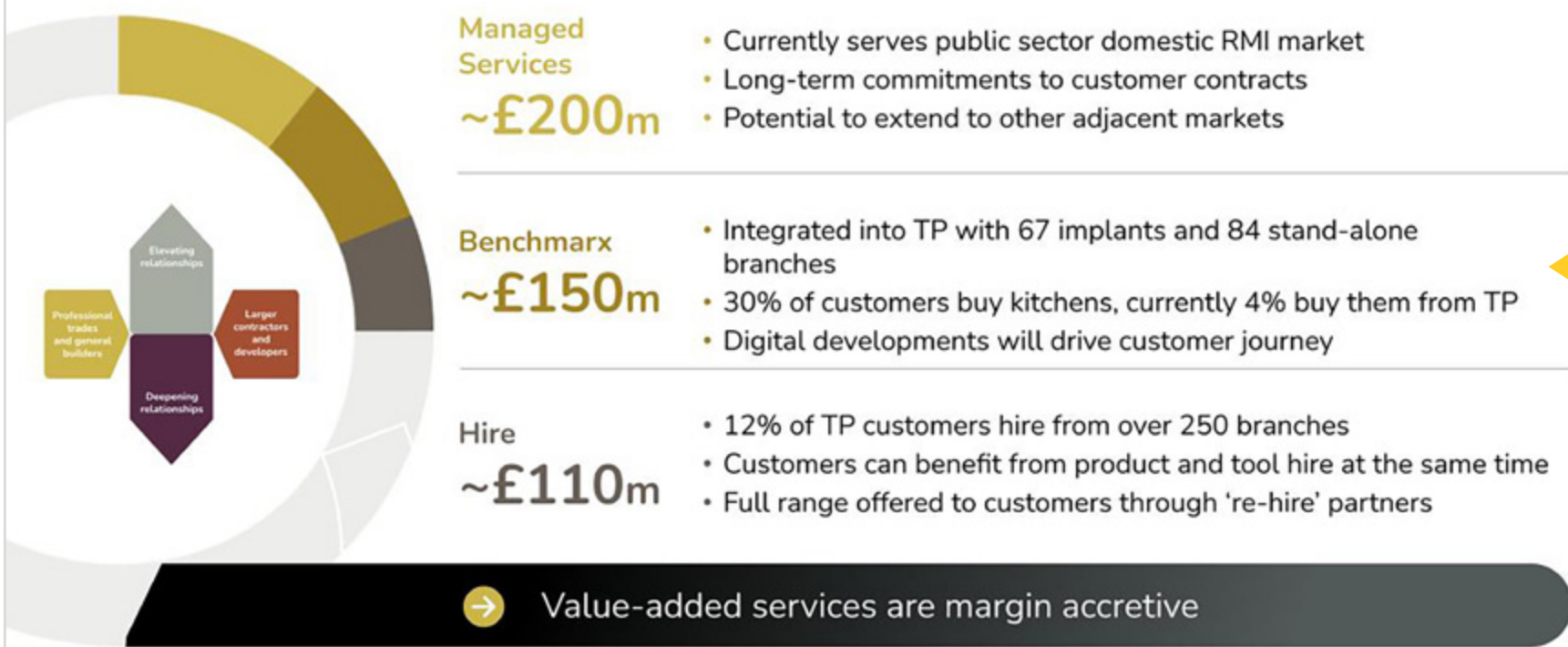
Recycling capital into larger destination branches with focus on major conurbations

Deepening relationships through digital leadership and enhanced specialist proposition

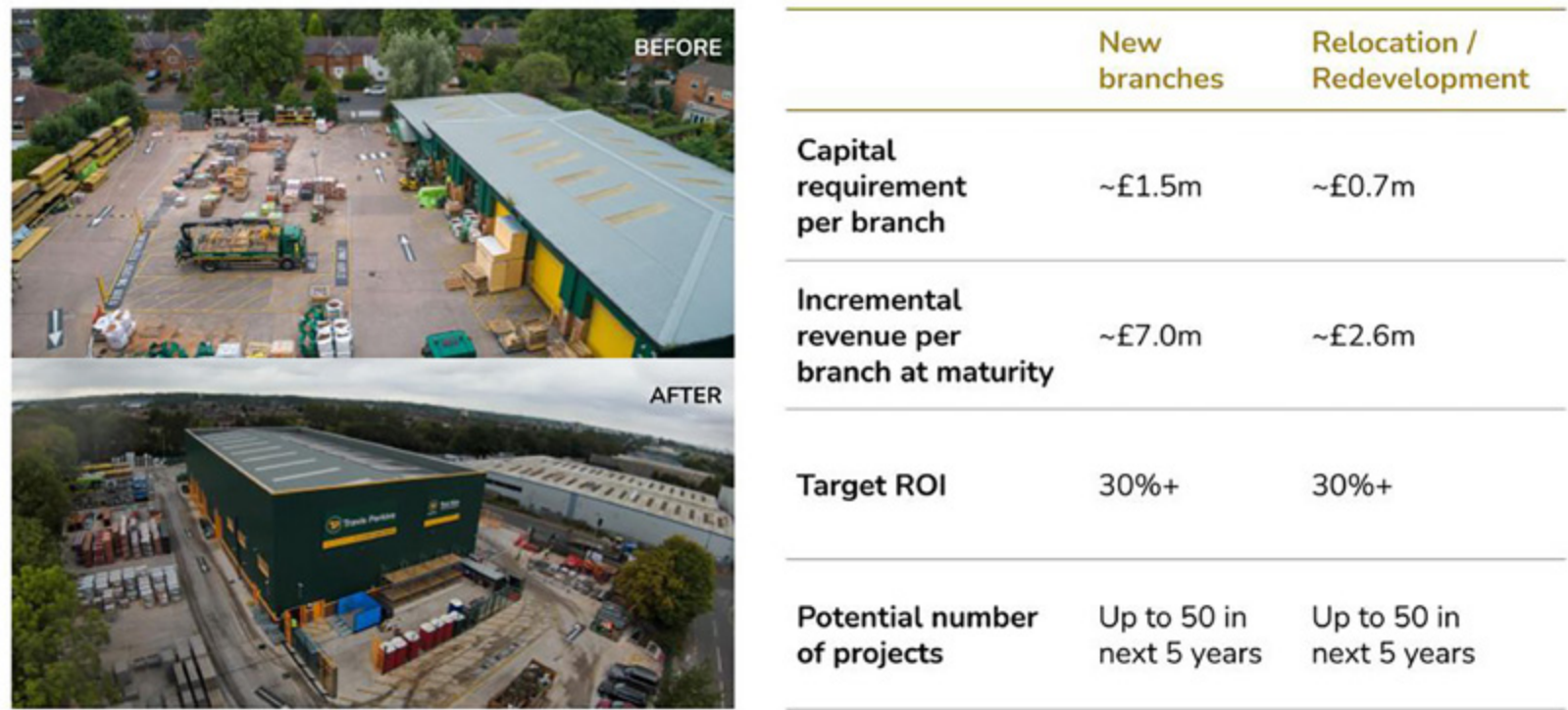
Ongoing evolution of services to elevate relationships and increase penetration

Selective bolt on M&A to address new markets and add capability

Ambition to grow value-added services



Enabling attractive returns on investment



Travis Perkins

* Excluding £15m restructuring charge in 2022

Substantial Toolstation growth potential in both UK and European markets

Digitally-led lightside format with leading value and service proposition

UK revenue CAGR of ~17% 2012-22 but still substantial scope for market share gains

Significant UK maturity benefits remain with around 50% of branches yet to reach maturity. Target £1bn+ of revenue from 650 branches

Strategy focused on deepening relationships with trade customers

Untapped Toolstation Europe potential with first mover advantage in Benelux



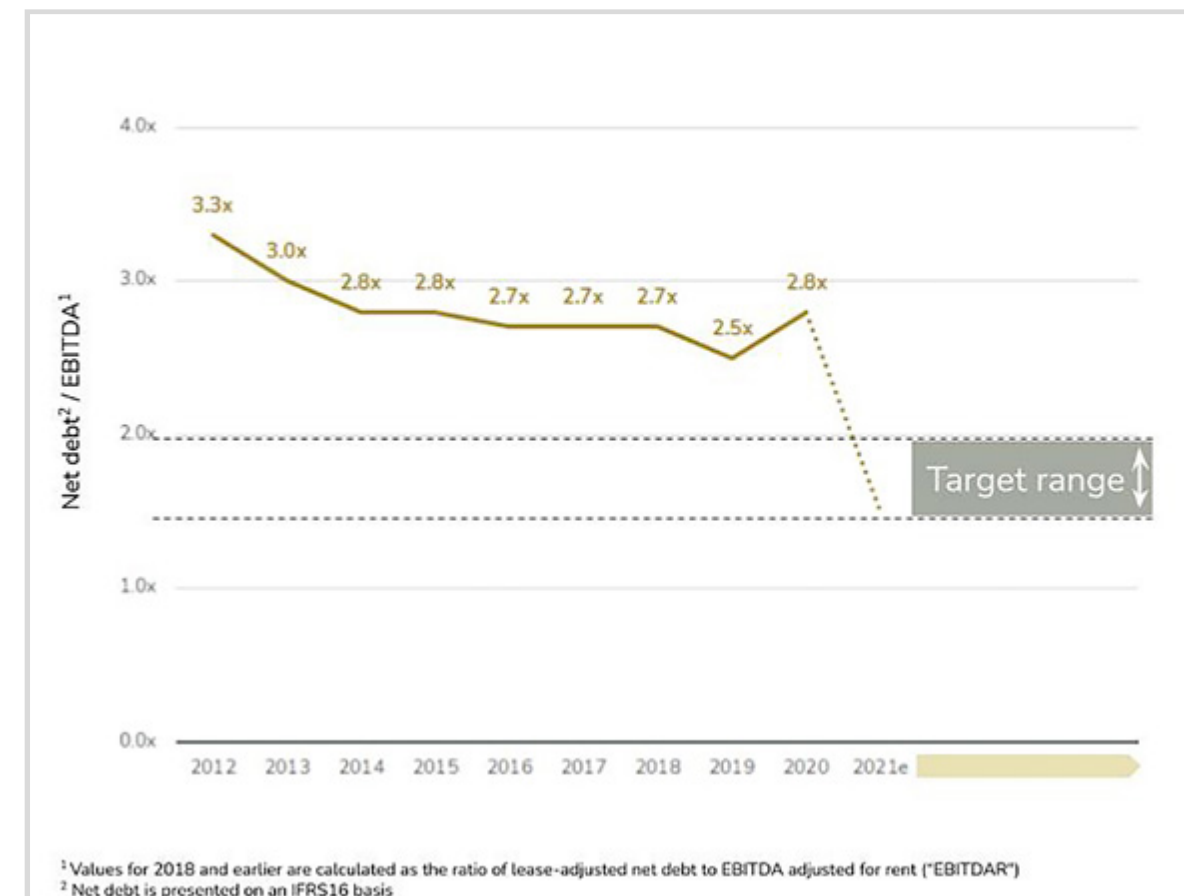
Maintaining operational agility and discipline in capital allocation

Robust balance sheet with strong cash generation

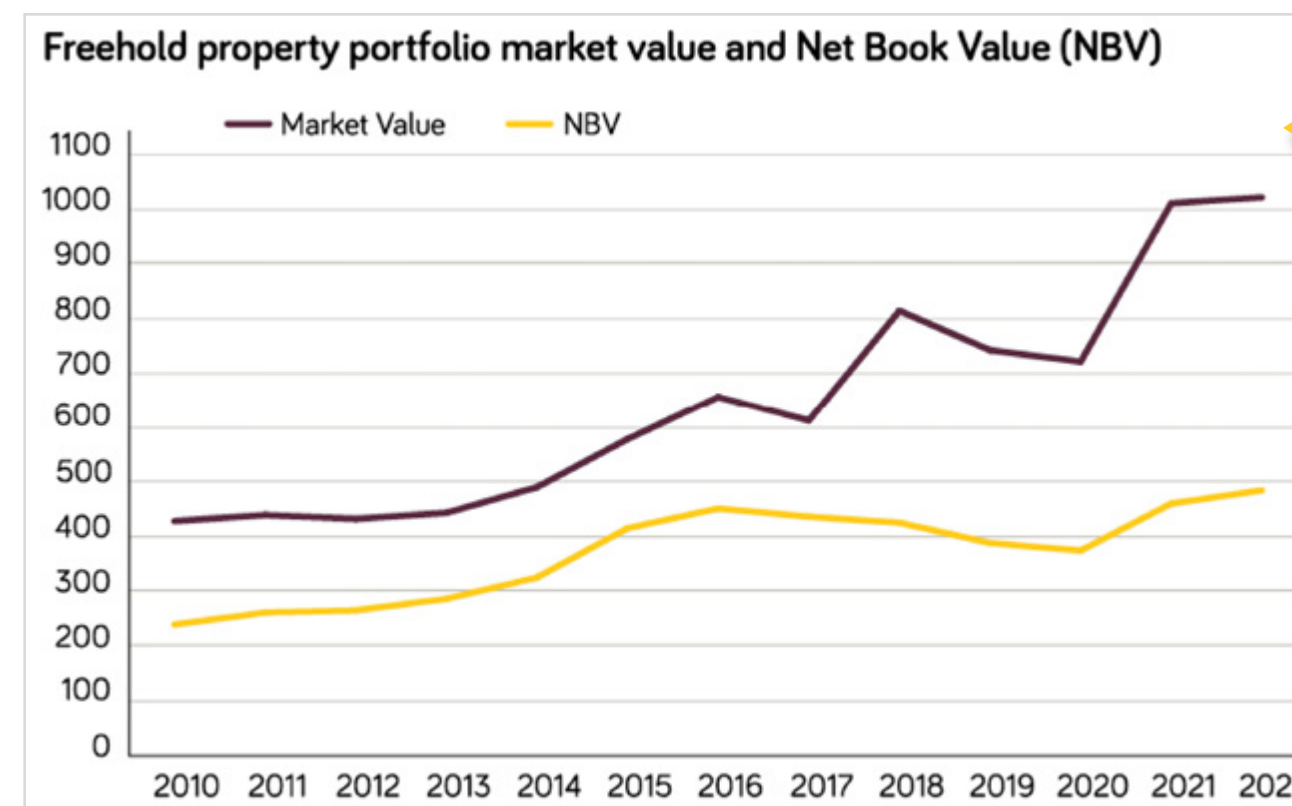
Disciplined capital allocation funded from free cashflow

Freehold property backing protects key assets, generates earnings and recycles cash

Focus on operational efficiency with cost base flexed to reflect market conditions

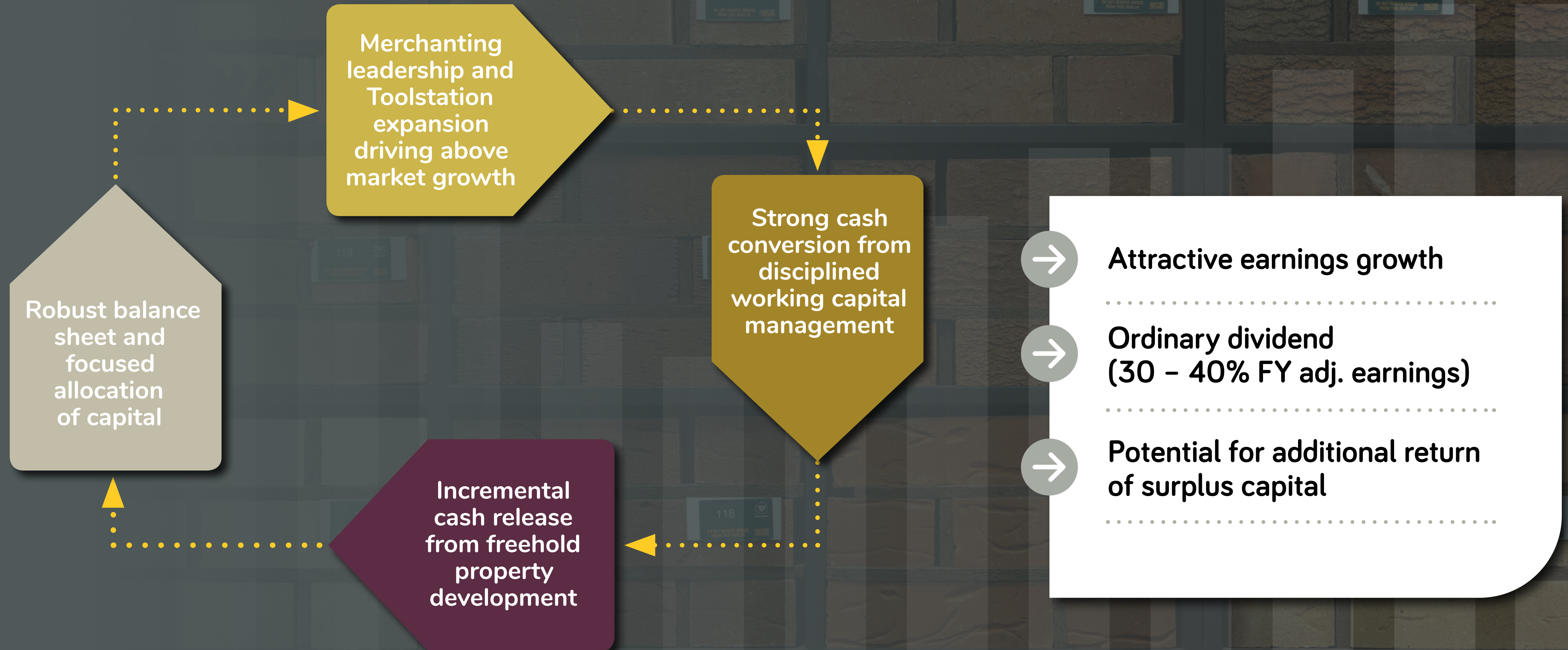


- Significant reduction in Group leverage since 2012 with material reduction driven by 2021 portfolio actions
- Target leverage of 1.5 - 2.0x Net debt / EBITDA
- Expect to operate in the medium term towards the lower end of the target range



Since 2010 the market value of the Group's freehold estate has grown by almost £600m and the book value has grown by c.£240m. During this period the portfolio has also generated net proceeds after reinvestment of £100m and profits of £300m. This property portfolio management strategy enables the Group to access the best operational sites, generate cash and release profits.

Attractive returns for shareholders



Investment case

Matt Worster
+44 (0) 7990 088 548
matt.worster@travisperkins.co.uk

Travis Perkins Plc.
Ryehill House, Ryehill Close,
Lodge Farm Industrial Estate Northampton
Northamptonshire NN5 7UA.