

10 May 2018

## AGM Trading Update

Vesuvius plc ("Vesuvius", the "Group"), a global leader in molten metal flow engineering, releases the following Trading Update in conjunction with its Annual General Meeting being held today.

### SUMMARY & OUTLOOK

Current market conditions remain positive and the Group has made good progress in addressing the temporary headwinds we faced in 2017. As a result, trading performance has exceeded expectations in Q1. This performance underpins the Board's confidence in revising its expectations for trading performance for the full year to be marginally above previous guidance, despite a foreign exchange headwind.

### TRADING

In Q1 2018, the Group benefitted from continued growth in steel production, which has increased 2.8% year-on-year in the world excluding China and 4.1% including China, as reported by the World Steel Association. In Foundry, the market environment remains positive across the majority of our end markets.

Vesuvius' sales volume growth has continued to outperform underlying market growth.

For raw materials, our price pass through has been successfully implemented and the headwind addressed. Flow Control's European production has been ramped up and successfully met the increased demand experienced in Q1 2018. Delivery of our previously communicated restructuring programmes has continued as planned during Q1 2018.

### FOREIGN EXCHANGE

The net impact of average Q1 2018 exchange rates compared to 2017 averages has been a Q1 2018 headwind of approximately £1.6m, the main driver being a 7.9% strengthening in Sterling against the US Dollar. All things being equal, if month end March 2018 rates were to persist for the remainder of the year, we expect that this would impact our 2018 Trading Profit by approximately 4.7%.

### FINANCIAL POSITION AND WORKING CAPITAL

Working capital management continues to show incremental improvement and cashflow remains strong, which has further reduced our net debt position at the end of Q1 2018.

### CONFERENCE CALL

Patrick André (Chief Executive) and Guy Young (Chief Financial Officer) will be hosting a conference call for analysts and investors at 08.00 (UK time) today (10 May).

To join the call, please use the dial in number below:

Conference call:

+44 (0)33 0336 9131 all participants

Confirmation code: 9558643

A replay of the call will be available approximately one hour after the event for two weeks on the following number:

Replay:

+44 (0)20 7660 0134 non-US participants

+1 719 457 0820 US participants

Confirmation code: 9558643

## **FUTURE EVENTS**

The Vesuvius final 2017 dividend of 12.50 pence per share will be paid, subject to approval at the Annual General Meeting, on 25 May 2018 to shareholders on the register as at 13 April 2018.

Vesuvius' half year results for the six months ending 30 June 2018 are expected to be announced on Thursday, 26 July 2018.

### **For further information please contact:**

#### **Shareholder/analyst enquiries:**

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#### **Media enquiries:**

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#### **About Vesuvius plc**

Vesuvius is a global leader in molten metal flow engineering principally serving the steel and foundry industries.

We develop innovative and customised solutions, often used in extremely demanding industrial environments, which enable our customers to improve their manufacturing processes, enhance product quality and reduce energy consumption. These include flow control solutions, advanced refractories and other consumable products and – increasingly – related technical services including data capture.

We have a worldwide presence. We serve our customers through a network of low-cost manufacturing plants located close to their own facilities, and embed our industry experts within their operations, who are all supported by our global technology centres.

Our core competitive strengths are our market and technology leadership, strong customer relationships, well established presence in developing markets and our global reach, all of which facilitate the expansion of our addressable markets.

Our ultimate goal is to create value for our customers, and to deliver sustainable, profitable growth for our shareholders giving a superior return on their investment whilst providing each of our employees with a safe workplace where he or she is recognised, developed and properly rewarded.

#### **Forward looking statements**

This announcement contains certain forward looking statements which may include reference to one or more of the following: the Group's financial condition, results of operations, cash flows, dividends, financing plans, business strategies, operating efficiencies or synergies, budgets, capital and other expenditures, competitive positions, growth opportunities for existing products, plans and objectives of management and other matters.

Statements in this announcement that are not historical facts are hereby identified as "forward looking statements". Such forward looking statements, including, without limitation, those relating to the future business prospects, revenue, working capital, liquidity, capital needs, interest costs and income, in each case relating to Vesuvius, wherever they occur in this announcement, are necessarily based on assumptions reflecting the views of Vesuvius and involve a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied by the forward looking statements. Such forward looking statements should, therefore, be considered in light of various important factors that could cause actual results to differ materially from estimates or projections contained in the forward looking statements. These include without limitation: economic and business cycles; the terms and conditions of Vesuvius' financing arrangements; foreign currency rate fluctuations; competition in Vesuvius' principal markets; acquisitions or disposals of businesses or assets; and trends in Vesuvius' principal industries.

The foregoing list of important factors is not exhaustive. When considering forward looking statements, careful consideration should be given to the foregoing factors and other uncertainties and events, as well as factors described in documents the Company files with the UK regulator from time to time including its annual reports and accounts.

You should not place undue reliance on such forward looking statements which speak only as of the date on which they are made. Except as required by the Rules of the UK Listing Authority and the London Stock Exchange and applicable law, Vesuvius undertakes no obligation to update publicly or revise any forward looking statements, whether as a result of new information,

future events or otherwise. In light of these risks, uncertainties and assumptions, the forward looking events discussed in this announcement might not occur.

Vesuvius plc, 165 Fleet Street, London EC4A 2AE

Registered in England and Wales No. 8217766

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