

15 May 2019

## AGM Trading Update

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

### SUMMARY AND OUTLOOK

The trend in overall market conditions remains unchanged since we announced our 2018 Full Year Results at the end of February, with the slowdown in growth since the fourth quarter of 2018 continuing throughout Q1 2019. Q1 2019 sales were in-line with Q1 2018 despite the subdued market backdrop and increasing regulatory restrictions.

We continue to make good progress with our self-help and restructuring programmes and as a result, we anticipate Trading Profit (EBITA) for the full year to be in-line with expectations.

### MARKETS

In Q1 2019, steel production decreased by 0.8% year-on-year in the world excluding China and grew 4.5% including China. There was continued strength in the US, where steel production grew 6.8% but some weakness in the EU28 where there was a decline of 2.0%. All figures are as reported by the World Steel Association.

In Foundry, the market environment was mixed, with weakness evident in light vehicles in key markets including Europe, China and India and heavy vehicles in China and India.

### CCPI ACQUISITION UPDATE

The integration of CCPI is progressing according to plan and synergy expectations have increased.

### FOREIGN EXCHANGE

The net impact of average Q1 2019 exchange rates compared to 2018 averages has been a Q1 2019 headwind of approximately £0.2m. All things being equal, if month end March 2019 rates were to persist for the remainder of the year, we expect that this would negatively impact our 2019 Trading Profit by approximately 2.1%.

### FINANCIAL POSITION

Cash generation in the period remains strong. Net debt has increased slightly since December largely due to CCPI acquisition costs of £33.1m and the impact of IFRS 16, which has resulted in £25.6m of lease obligations being included in net debt for the first time.

### 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 (15 May).

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

Conference call:

+44 (0)20 7192 8000 all participants

Confirmation code: 4656138

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 7192 8011 non-US participants

+1 646 774 0219 US participants

Confirmation code: 4656138

## **FUTURE EVENTS**

The Vesuvius final 2018 dividend of 13.80 pence per share will be paid, subject to approval at the Annual General Meeting, on 24 May 2019 to shareholders on the register as at 23 April 2019.

Vesuvius' half year results for the six months ending 30 June 2019 are expected to be announced on Thursday, 25 July 2019.

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

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

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### **About Vesuvius plc**

Vesuvius is a global leader in molten metal flow engineering and technology, serving process industries operating in challenging high-temperature conditions.

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.

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