

15 November 2022



## MELROSE INDUSTRIES PLC

### Trading Update

Melrose Industries PLC (“Melrose” or the “Group”) publishes the following trading update for the period 1 July 2022 to 31 October 2022 (the “Period”). All numbers are calculated at constant currency.

#### Trading update

Melrose is trading in line with expectations for the full year. Group revenue in the Period is 14% up on the same period last year and operating profit is substantially higher. As previously communicated, inflation in the Melrose businesses is being successfully recovered, using all necessary external and internal measures.

#### Aerospace

Aerospace enjoyed improving momentum in the first half of the year, with sales up 11%, and encouragingly trading has been stronger again since, with the average revenue per month in the Period being 6% higher than that seen in the first half. In addition, operating margins are notably better than achieved in the first half. Aerospace is positioned well to benefit from the strong momentum being seen into next year.

#### Automotive and Powder Metallurgy (DemergerCo)

Revenue in these two businesses combined is up 19% in the Period versus the same period last year, with margins significantly stronger. In addition, and giving confidence for the longer term future and the success of the electrification positioning, lifetime business bookings year to date are trending approximately 30% higher than revenue and just under 40% of these wins are for pure electric vehicles (BEV).

Good progress is being made in preparation for the proposed demerger of Automotive and Powder Metallurgy. The demerger timetable remains on track to complete in the first half of 2023.

#### Cash generation

Cash generation is performing in line with expectations and is on track, in the second half, to achieve materially higher operating cash generation than in the first half.

#### Simon Peckham, Chief Executive of Melrose Industries PLC, said:

“Trading is going to plan and the demerger timetable for Automotive and Powder Metallurgy is on schedule. Our businesses are performing well, achieving a materially stronger performance in the second half of this year for profit and cash generation, and coping well with the current inflationary environment.”

-ends-

**Enquiries:**

Montfort Communications: +44 (0) 20 3514 0897

Nick Miles +44 (0) 7739 701634 / Charlotte McMullen +44 (0) 7921 881800

[miles@montfort.london](mailto:miles@montfort.london) / [mcmullen@montfort.london](mailto:mcmullen@montfort.london)

Investor Relations: Chris Dyett +44 (0) 7974 974690

[ir@melroseplc.net](mailto:ir@melroseplc.net)