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Good morning everyone and welcome to the Hill & Smith 2024 H1 results presentation. Also, welcome to everyone who is joining on line.

I will start by giving a summary of the key highlights, before passing over to Hannah to talk through the Group's financial performance. I will then focus in on some of our key US end markets, as well as give an update on our most recent acquisitions.

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This is a strong set of H1 numbers, against very strong comparators from last year. The key driver of performance has been our US businesses, which represented 77% of group profits, and where we are continuing to benefit from both the upswing in infrastructure spend, as well as our strong market positions. In contrast, in the UK we saw lower revenue as a result of both volume and price. As a Group, we delivered a 130bp margin expansion in the period from 14.9% to 16.2%

We have seen good progress in delivering on our M&A strategy, completing three acquisitions since the start of the year. We continue to be able to identify and secure strategically aligned, financially accretive businesses, at sensible prices. We are also able to do this outside of auction processes.

Cash conversion has been strong at 83%. We have also seen a good uplift in our return on invested capital from 21.3% to 22.5%, as we focus our investment on our higher growth businesses.

We expect operating profit for the full year to be in line with recently upgraded market expectations, before including the impact from the recently completed acquisition of Trident Industries.

I will now pass over to Hannah to review the Group's detailed financial performance.

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Good morning everyone.

The Group delivered another strong set of results in the first half.

Revenue was £422.7m, up 2% at constant currency and 3% lower on an organic constant currency basis against a strong prior period comparator. The organic revenue decline was attributable to expected lower demand in our US solar lighting business and a challenging UK market backdrop, where we have also seen lower prices for certain products given input cost reductions. We expect to see improved organic revenue growth in the second half.

At £68.4m, underlying operating profit was up by 12% on a constant currency basis and up 4% on an OCC basis. We are also pleased to report that operating margin increased by 130 basis points to 16.2%, the expansion reflecting the benefits of an improved portfolio mix and good volume growth in our higher margin US businesses in Engineered Solutions and Galvanizing Services.

Alongside this, our recent acquisitions are performing well and contributed £22m of revenue and £5m of operating profit in the first half.

Underlying profit before tax was 10% higher at £63.2m. And, with an effective tax rate of 25.8%, Earnings per share increased by 9% to 58.3 pence.

Given the strong H1 performance and our confidence in the Group's growth prospects, we have declared an interim dividend 16.5p per share, an increase of 10%.

Turning to the Group overview.

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As the charts at the top illustrate, the Group is continuing to expand towards faster, structurally growing US infrastructure markets, with our higher margin US portfolio generating 59% of revenue and 77% of operating profit in the half.

In terms of the weighting between divisions, Engineered Solutions delivered another strong performance, generating 55% of Group profit with buoyant demand across our US solutions offering.

Galvanizing Services generated 36% of Group profit with good margin expansion, reflecting strong volume growth in our higher margin US business.

In contrast, the Roads & Security division saw revenue and profit decline in the first half, attributable to expected lower demand in our US solar lighting business and the more challenging UK market backdrop. The division now represents a relatively small part of the Group at 28% of revenue and 9% of operating profit in the first half.

If we now turn to our divisional performance, starting with Engineered Solutions

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The division delivered an excellent performance, with 15% revenue and 25% profit growth on a constant currency basis, reflecting good volume growth across our higher margin US portfolio and the positive contribution from recent acquisitions. As a result, operating margins increased by 130 bps to 18.3% .

As highlighted on the top right chart, the US represented 75% of divisional revenue and delivered 5% OCC revenue growth and record operating margin against strong prior period comparators.

Composites continued to see high demand across a range of infrastructure end markets and its results were ahead of H1 2023.

Our business supplying structural steel products for electrical grid infrastructure delivered an excellent performance and enters the second half with a record order book. In January, we were delighted to welcome Capital Steel to the Group and trading since acquisition has been ahead of expectations. We have also completed the expansion of our existing facility at Burton, Ohio at a cost of £1m which provides additional capacity to serve the buoyant market demand.

US engineered supports also delivered a record performance driven by robust demand from industrial infrastructure projects. The integration of FM Stainless, acquired in March, is progressing well with trading benefiting from strong demand for water treatment and other projects.

The US outlook remains positive with market demand underpinned by investment to modernise the ageing grid and multi-year government funding to upgrade infrastructure alongside private investment to onshore the manufacturing of critical components.

The UK represented 19% of divisional revenue. Revenue declined by 13%, partly due to pricing reflecting lower steel input costs. As a result, profit was lower than 2023. Industrial flooring continued to see good levels of activity from data centre projects, however demand from smaller order customers has been more subdued. The building products business continued to experience lower demand levels, however it expects to see a return to growth in 2025 in line with an expected recovery in UK residential construction.

Our engineered supports business in India saw good growth, underpinned by international LNG project activity. The business enters the second half with a robust order book and good medium term growth prospects.

Turning to the Galvanizing services division.

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The division delivered a strong performance in the first half. While revenue was broadly flat, operating profit was up 11% on a constant currency basis, reflecting strong volume growth in the US, partly offset by an expected volume decline in the more challenging UK market. Operating margin increased by 220 bps to 24.9% due to favourable geographical mix given the superior margins generated by our US business.

The US delivered an excellent first half performance, with 5% OCC revenue growth and record operating profit. The strong growth is attributable to an 8% increase in volumes, partly offset by pricing reflecting lower input costs. As a result, the business saw margins expand in the period and continued to deliver high operating margins, with customers valuing the excellent quality of service provided by our local teams.

The outlook for US galvanizing remains positive. We expect it will continue to benefit from multiyear, bipartisan government and private investment to support industrial expansion and technology change, as well as onshoring of certain activities.

In the UK, revenue was down 7%, impacted by a weaker market for certain infrastructure related customers. Volumes were in line with H2 2023 run rates and were 3% lower than the first half of last year. While end markets remain price sensitive, the outlook for the second half and into 2025 is more positive as we see the benefits of the management changes made at the start of the year, with a focus on customer service and cost control.

Turning to Roads & Security

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Revenue was 14% lower and profit was 32% lower on a constant currency basis. The decline was mainly due to an expected softness in trading in our US solar lighting business coupled with a challenging UK market backdrop. As a result, the operating margin was below 2023, however we are forecasting some improvement in the second half.

As expected, revenue in UK roads was 8% lower than the same period last year. While the performance of our rental barrier business was robust, trading in the wider UK portfolio was impacted by reduced demand in the public sector.

We expect the outlook for the second half to remain challenging given budgetary pressure and limited visibility of new major road schemes, however we are cautiously optimistic for some level of recovery over the medium term.

In the US, revenue and profit in our solar lighting business was significantly below H1 2023, a strong comparator. This was expected given the anticipated softening in demand from our largest customer as they realigned inventory levels. The medium term outlook for the business remains positive, underpinned by a drive toward sustainable solutions. The business successfully moved to a larger facility in June which positions it well for future growth and we expect to see an improved performance in H2.

Performance in our US road safety business was better than H1 2023, with focused cost transformation and pricing actions taken in line with our business improvement plan. While improvement actions continue into the second half, the outlook for the business is moderately positive with demand underpinned by investment to upgrade road infrastructure.

While revenue in our small security subdivision declined by 5%, profit was ahead which reflected a good performance in our Hostile Vehicle Mitigation business. The outlook for the security portfolio remains mixed with a current focus on higher quality growth opportunities such as security barrier operations and data centre perimeter security.

Moving onto cash generation and financing.
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The Group continues to be highly cash generative and delivered 83% cash conversion in the first half. We expect the Group to continue to deliver strong cash conversion in the full year, in line with our financial framework of 80%+ and consistent with historic levels.

The working capital outflow in the period was £13.1m, consistent with usual seasonality, with a continued focus on working capital efficiency. Working capital as a % of the last three months annualised sales was 16.4%, an improvement compared to the same period last year.

Capital expenditure in the first half was £9.8m, representing a multiple of depreciation and amortisation of 0.9 times, and we have reduced our full year capex guidance to £30m having reprioritised certain projects.

Interest paid during the period was £4.6m and Cash tax paid was £10.6m. As a result, the Group generated £38.7m of free cash flow providing funds to support our acquisition strategy and dividend policy.

In the first half we invested £11.7m on two highly complementary acquisitions, Capital Steel and FM Stainless, and we have deployed a further £10.6m in the second half on the initial consideration for Trident. Our target is to spend between £50 to £70m per year on value enhancing acquisitions.

We continue to maintain significant liquidity headroom and leverage capacity to support future growth opportunities. Net debt at the end of the period was £101.6m, with the ratio of covenant net debt to EBITDA maintained at 0.4 times.

Return on invested capital for the period was 22.5%, a 120 basis point improvement from H1 2023, reflecting the faster growth in our larger US businesses which are typically lower in capital intensity.

Moving onto our Financial Framework

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On this slide you can see our through the cycle target financial performance metrics which we set out in March 2023.

Organic revenue growth in the first half was below our target, due to the strong prior period comparator, the anticipated softness in our US solar lighting business and the challenging UK market backdrop where we have also seen lower prices for certain products given input cost reductions. We expect to see a return to positive organic revenue growth for the full year, with good organic growth in the second half.

The Group delivered further operating margin expansion to 16.2%, return on invested capital increased by 120 basis points to 22.5%, and cash conversion was strong at 83%. Leverage was also below our target range at 0.4 times which provides significant capacity to support future growth opportunities.

Given the Group's strong performance since the introduction of the framework and the quality of the portfolio we have today, we will be reviewing and potentially upgrading certain target metrics at the end of this year.

I will now hand back to Alan

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Thanks Hannah

Im now going to look at some of our key US end markets. Over the last two years we have seen significant growth and margin expansion in our US businesses, which in H1 had revenues of circa £249m. We believe that our US businesses in aggregate are able to deliver organic revenue growth ahead of the group target of 5-7%, which given their increasing weighting provides us with confidence in delivering on our Group ambition. We also see the US as offering significant M&A potential.

The pie chart on the right hand side of this slide shows a breakdown of revenue by end market, and I will look at three of our largest and fastest growing end markets, which together represent two thirds of our US revenue, being investment in the electrical grid, roads and bridges and industrial infrastructure.

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First, Investment in the grid. This is driven both by a need to upgrade an ageing infrastructure, much of which was built in the 1960s and 1970s, but also the need to address the increasing demand coming from technology, where electricity consumption is growing exponentially.

In terms of funding this investment, this is coming both from central government through the IIJA and IRA, but also from the large publicly listed utility companies.

In terms of where we see the impact on Hill & Smith, this is particularly strong in our V&S utilities business, where we are seeing extremely high demand for sub stations, where we have a record order backlog, up 30% on last year, and where we are investing to build out new capacity. We are also seeing the benefits of increased demand in our composites business, CCG, and in our V&S galvanising business.

We see the upgrading of the grid as a 10 to 20 year investment cycle.

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Secondly, the roads and bridge market. This was one of the first areas of infrastructure investment to materially benefit from the IIJA, with 54% of the IIJA funding allocated to surface transportation. To put this in context the US has over 600,000 transport bridges and 3.9m miles of roads, more than 10x the number of bridges in the UK and 15x the roads network. To date we estimate that about half of the IIJA money allocated to roads and bridges has been committed.

In financial terms we have seen the greatest benefit coming through in our high margin galvanising and composites businesses, while strong road investment is also an important underpin for the turnaround in our US roads business, H&S Inc.

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Finally, industrial infrastructure, which includes the physical investment in data centres, semiconductor and EV plants, as well as more general industrial plant linked to onshoring. The scale of some of these projects is enormous and multi-year, and in many instances funded jointly by the public and private sector.

Almost any new industrial plant construction plays well to Hill & Smith. We are able to galvanise the steel, we can provide the cooling towers and the composite products, such as cable tray, and finally we are able to supply, through The Paterson Group, a wide range of engineered supports.

So, another excellent market for us able to deliver strong growth over the medium to longer term.

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Turning to M&A

Year to date we have completed three acquisitions, for initial consideration of £22.3m.

Capital Steel was acquired in January through V&S Utilities, giving us a bridge head into the New Jersey market. Since acquisition we have been able to significantly reduce delivery times through better scheduling using V&S's manufacturing capacity. We are also starting to see the benefits of cross selling V&S's taper tubular products into the Capital Steel customer base. YTD the business is trading ahead of expectations.

FM Stainless was acquired in March through The Paterson Group, giving us greater access into the water and waste water market. This end market looks very strong, with significant IIJA monies continuing to go into water projects. FM has a record order book and is trading well ahead of our expectations.

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We also announced today the acquisition of Trident Industries.

Trident Industries, based in Greater St Louis, Illinois is a business we have known for some time through Enduro, where the later already had a manufacturing outsource relationship. Indeed, we were not the first owners to see the obvious logic of bringing both businesses together. Fortunately, we have been the first who was able execute the transaction, finding a deal structure which could work for both Hill & Smith and Trident's two financial investors.

Trident plays in a specific niche part of the composite pole market, supplying highly resilient single and multi-layer composite poles into the US and Caribbean markets. Its product offering is highly complementary and we see material upside in using our existing sales teams to sell Trident's products into a much broader customer base, together with additional insourcing of Tridents' current manufacturing.

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Turning then to a reminder of the investment case which underpins everything we do at Hill & Smith.

First, it is about exposure to infrastructure spend in both the UK and US, as Governments seek to upgrade the quality of their national infrastructure to support economic growth. Specifically in the US our businesses are benefiting from the IIJA, onshoring of manufacturing and investment in technology.

It is then about market leadership in the niches in which we operate, allowing us to enjoy high barriers to entry and therefore strong operating margins. We do not want to be competing against commoditised players.

Sustainability is core to our business model in terms of both how we operate and the products we manufacture.

Critically it is then about an autonomous business model which encourages and supports an entrepreneurial culture at the operating company level. Our head office team is there to ensure we have the right KPIs and controls, but is also there to support setting the ambition for each operating company, and as a result help ensure each of our businesses deliver on their full potential.

And finally, it is about ensuring we maintain a strong balance sheet capable of supporting organic growth while also allowing us to deliver on our M&A strategy. We see significant opportunities to use M&A to help us expand into new customers and end markets, and into new technologies. Effective delivery on this M&A strategy is about ensuring that our Group M&A team works hand in glove with our MDs to source opportunities and build relationship with owners, supported by best-in-class execution and post-acquisition integration.

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Finally, to outlook

We continue to feel very positive about the outlook for our larger US businesses. We are also expecting a more robust performance from our US off grid solar business in H2. In the UK, we have good market share positions across many of our businesses, nevertheless the market remains challenging. As a result, in the UK we are focused on both tight cost control, as well as looking at ways to expand our customer base into more international markets. In India we continue to see attractive opportunities, particularly in the international LNG space As we have demonstrated with the Trident acquisition, our M&A pipeline remains strong going into the second half of the year.

Longer term, I remain convinced that the combination of our autonomous operating model and our end market exposures has the potential to allow the Group to enjoy a period of sustained growth and outperformance.

Questions

Start with two questions. The first one is on the Trident acquisition. It's quite a chunky earn out over a kind of extended period of time, can you just talk us through the rationale for that and give us, kind of the growth hurdle rates, try and predict what the profitability could be? Eight times is a very good multiple, on the headline numbers, but could be substantially better than that. And then the second one was just on V&S Utilities, obviously, record order book. And I think if Burton investment there is linked to that, is there a pipeline of further capex needs to kind of deliver that order book, or do you think you can satisfy that from kind of your existing, if not slightly expanded capacity at the moment?

Alan Giddins: So the Trident acquisition and the earn out. So, I mean, I sort of talked about the history of this. These are two businesses that almost joined at the hip and they both had financial investors who should have put this together three to four years ago and sold it as a single business. So putting them together is not a sort of innovative thought. But once we had bought Enduro, we started to talk to Trident about trying to do a deal here, and probably the sort of obvious deal would have been we pay them sort of six times earnings, single cash out. But I think for the Trident guys, and these are two individuals who own this business, they had a much higher expectation of price that we could never have got to. And to put this in context, when I went on holiday in February, I thought were about to sign the deal. So this has had so many iterations on the way through. So what we ended up with is they have got quite a sizable earnout. If they hit the earn out, this will have been an amazing deal for us. It will also be a very good deal for them. But they were willing to trade that for a much lower upfront consideration. And I guess if I look through our eyes, if we end up in a less good scenario for them on the earnout, it's still a pretty good deal for us because we paid very little for four plus million of earnings. So it's probably not a deal structure you would have done with another trade buyer, or actually probably even a private equity owner. But these, Paul and John who owned it, they were financially invested. They are even more bullish on Shane and our composite ability, probably, than even we are. And so they are basically backing our ability to sell their product through our sales team into a broader market. And in essence, you could say they've sort of almost taken a partial stake in that theory. So it's a slightly unusual structure. I think it's a pretty good structure for us. It may turn out to be a very good structure for them, in which case, you know, very good structure for us. So it's slightly unusual, but that is how we ended up with it. But it's such a logical thing because we already do quite a lot of manufacturing through Enduro, we also didn't want anyone else to buy the business. So that is Trident.

In terms of utilities and capacity. So, utilities has got a very good order book indeed. I think it was at this presentation a year ago, we said it was 35% up on the year before, so it's 30% up on 35%. So it's a very robust order book. So they are covered right through the second half of the year. So the Burton site, which Hannah and I were at about a month ago, we have added quite a lot of capacity. It's very well done, very well laid out. The key sort of Capex decision here is the Muskogee site, which is a very big site. It's quite an old site. We don't need to upgrade it to deliver our current forecast, but we do need to upgrade it if we really believe this is a growth market, which we do. So what we are looking at is both with the local authority, there's a new business park there, so will they give us the land? So we're trying to work out, do we go new build? Do we go an existing facility in the area? But that is a big site that over the next two to three years, we need to, you know, move into a new, more modern location. Beyond that, you know, that would give us quite a lot of capacity.

Hannah Nichols: The acquisition of capital steel has sort of given us extra capacity as well.

Can I ask a question about organic revenue growth. You didn't say what it was at the AGM trading statement, but I think it was about zero. To then be minus three at the half year implies May and June were down double digits potentially. Can you just explain what's going on there? Is this just really tough comps for National Signal in the US?

Alan Giddins: I think that two things that are different from where we are in May, the majority is completely the same. I say two things are different. So National Signal, so back end of last year, we could see that their key customer was going to significantly pull back on capex, that was after having had an amazing level of performance in 2023. So that's why we flagged that. We then took I think genuinely the right decision. The old lease National Signal had, when we bought it was quite an old site, like very little storage capacity and pretty packed in, was ending in May this year. We're in a position where, look, the demand is down, the lease is ending in May. It's almost the perfect moment to move to a new site. We had a number of days of no production in National Signal in May and June, so that slightly accentuated the National Signal comparator growth rate. We now need to see that move has completely happened. We had a decent July level of shipping. We need to see a good performance in the second half. It won't be as good as it was in the second half last year, but we clearly now need to see that ramp up. I think, in the UK in March. Well, I would say end of Q1, the UK felt like it has sort of like, was starting to plateau. Not in all our businesses. But some of our businesses, people literally didn’t spend any money in that two months up to the election and I can give you one or two examples of local authority who’ve now spent money. I can't give you many. So the UK public sector squeeze probably was slightly more severe. It honestly felt in March, and April like we sort of plateaued. It got tougher up to the election and I don't know, is that because genuinely there was less money in the centre? Is that because local authorities just wanted to see how it played out? But it definitely got tighter.

You mentioned that kind of capex have been scaled back this year to 30 million. I don't know what it was. I think maybe it was 35 previously. What's been shelved?

Hannah Nichols: So probably two key pieces to call out. One is in our US roads business and It's more of a sort of change in approach with regards to our temporary barrier business. We're moving more towards a sales model rather than a rental model and therefore we have sort of just moved some of the forecasts away from building the fleet further. So that's a couple of million. And the other area, actually Alan's referenced it, is around the Muskogee facility upgrade. We're still absolutely looking to do that. But just in terms of the timing of that, it's looking more likely that we'll come into next year rather than this.

Sorry, just to pick up on that US barrier. I thought that kind of switched about two years ago to be more rental rather than sales?

Hannah Nichols: But there was still a very modest amount in the forecast that we're now moving away from that entirely in terms of just looking at.

Alan Giddins Barrier is not an amazing return on capital. I mean, it's not a bad margin, but if you truly measure of a business return on capital, that is not a great return on capital activity. Actually, sales is not that great a margin, but really it's very good return on capital activity. So we're not going to pour lots of barrier into the US market. It's just not worth doing.

Hi, thanks for the presentation. Three questions, I suppose. Firstly, just on Engineered Solutions, could you give a bit more detail on the UK end market split versus the group traditional split, and then how you see the volume delivery versus market? So, I think you're 13% OCC below, what's price, what's volume? How is that versus market? Secondly, again, Engineered Solutions in the UK, can you talk about what the volumes you expect in 24 are versus the last normalized period? So pre the downturn, whether that's 22 or 2019, and then what the delta EBIT is, if you assume it gets back there, IE what's EBIT versus what it could go to? And then thirdly, just in terms of industry structure on Engineered Solutions in the US, I know you had your capital markets day last year basically running through the kind of market sizing, what it looks like, etc. And obviously you're kind of hoovering up these small 10, 15, 20, 30 million EV businesses. Is there anyone else doing that? What do you think the end market structure of this looks like in ten years time? Is it still a very long tail of fragmented businesses do you reckon you have three or four players that have 20% each? Do they become more consolidated? How do you see industry structure multi year for you, then?

Alan Giddins: All right, so why don't I deal with the US and then Hannah, talk about that UK. So when we talk about engineered solutions in the US, and you referenced the capital markets day, that was clearly about the composites business. So there are three key businesses in Engineered Solutions. So there's composites, there's the V & S Utilities, there's the substation business, and there's The Paterson Group, that's the engineered supports. They're all pretty fragmented markets. I mean, if you start with composites, Shane showed, I think, one of the questions, what's his market share? I mean, it's like single digit and it's right across so many applications. So, I mean, for the capital markets day, we had also done a piece of independent research just to sort of validate our own thesis that we are a market leader. We're 200 plus turnover business in composites in a huge market. So over a ten year period, I suspect it will remain incredibly fragmented. Hopefully we will be significantly bigger, but I doubt we will even be a double digit market share. So it's very fragmented. There are just so many applications here because this is not just about sort of getting someone else's technology, it's also about the whole substitution of what that technology does. So, yeah, I mean, next ten years, I doubt that will change dramatically. I hope we will be significantly bigger but this is just so fragmented. I think the V & S Utilities business, clearly our core substation market, that's quite a sort of defined end market. We have a pretty good market share. There are a number of other sort of similar or smaller players in that market. The way we will grow is geographically. So I don't know if people remember the slide we had. It was either, I think it was the half year or the full year where we showed where we are in that geographic map, the way we will grow, that is buying other people and then cross selling our products, which was what we've done in Capital Steel. So we will become a bigger player but there’s a decent handful of similar sized businesses there. I don’t think there’s going to be some amazing consolidation, but we can definitely pick up smaller players who’ve got those relationships with the utility companies in their region. Paterson Group, that’s amazingly fragmented end market. We have grown that business from 4 million to 10 million of profit in pretty short order but it’s a big range of products. Very fragmented marketplace and FM Stainless is just a good example, pretty similar products. We had almost nothing in water. So you get into another end market. I don't see any of them ever really consolidating actually, is the truth, but they'll still stay pretty fragmented. The M&A opportunities inevitably slightly reflect a very fragmented market. It's very hard to find a 30, 40 million dollar deal. There are just a lot of these guys who focused on a particular niche.

Hannah Nichols: Talking about the UK. We have two businesses within our UK Engineered Solutions portfolio and in aggregate you can see 13% revenue down. When you look at what that comprises of, it's actually broadly pricing driven. There's a little bit of a volume down but it's around pricing, and that's because they are both very, they are essentially steel based businesses. And steel costs, if you compare to last year, have fallen certainly double digit. And that's reflected in the price in terms of the volume element, actually our industrial flooring business saw a little bit of volume growth in the period. The volume down, which was a couple of percent of that 13 was really around our residential house building business, which I think nobody was expecting that to be anything other than it was. I think the other point to note about those two businesses, they're good businesses, but they are structurally lower margin businesses compared to our Engineered Solutions businesses in the US. So they're both sort of under 10% margin businesses. In terms of are we expecting a recovery and where could they get to? Certainly the residential house building business, Birtley, I think we are expecting some level of recovery next year and that could certainly from a profit perspective, sort of benefit a couple of million in total. And our industrial flooring business has some, in the context of the UK, some decent end markets with regards to sort of Data Centre, Oil and Gas maintenance. So, I think we'd expect that to continue to grow gradually next year but certainly, we'd expect to see some benefit in the upside of some recovery in the residential.

Following on from that, just the pricing dynamics with the overall group. I think if you could clarify that'd be useful please and what we expect into the year ahead? And then, secondly, just looking at the US market more generally, what's happening there on the ground at the moment and what do you foresee given obviously election year and what we're hearing about PMI rollover and so forth, please?

Alan Giddins: Okay, all right, well shall I do the US and then, Hannah, pass over to you on pricing? So clearly we listen to what everyone else is saying because we want to challenge ourselves as to whether we're seeing anything differently. So, if I pick the sort of probably two or three key themes. So, the election, we genuinely don't feel we have seen any particular impact of that and really when we ask that question of our guys at the start of their view was we will see it in May and June, we'll start see it then if we're going to see it and they haven't seen anything. So their instinct would be it probably isn't going to make much difference and maybe you people have done better analysis than we have done, but those election years where there has been a bit of a downside the whole year overall hasn't tended to be any different in demand than anything else. So we haven't seen anything that we would sort of attribute to a conscious pullback on spend. Second thing people have sort of referenced is a slowdown in commercial construction, we definitely saw that at the start of the year and we are continuing to see that and we expect to see that in the second half. That is not a key driver in our business.

So, to sort of try and give an example of that, our July galvanizing volumes, which we got the end of last week in our Columbus plant, we had one order from a data centre in Wisconsin, 1.5 thousand tonnes of steel we galvanized in that Columbus plot. That is an unbelievable amount of steel from one customer. Whether the Columbus commercial construction market is up or down 5%, it doesn't compare to one data centre order in a month. So, our volumes up 8%. I think it probably was our record ever volume month in July. But our guys in galvanizing will still say, but commercial construction is down. But yeah, the amount of steel in these big structures more than compensates for that. And then the third thing people reference is the rental companies are holding back on their capex. That is true, and National Signal is a living example of that. There was a lot of capex in the market last year, their key customer, which is Sunbelt, they were communicating at the start of this year a real pullback on that capex. So, we can evidence in our own business we're not immune to any of those pieces but if you take out National Signal, our order book businesses in the US, they are double digit up on last year and so second half of this year we would feel pretty positive. We don't have 18 months, 24 months order book, so I can't say that nothing will change in 2025 but the momentum piece here honestly has not changed in the last two years.

Hannah Nichols: Yeah, so certainly on pricing. So when you look at that sort of 3% revenue decline, sort of around 2% of it we estimate is pricing and it's particularly focused on our steel-based businesses. I think one point to note around it is that whilst you know, we've seen a pricing down, actually we've been able to hold prices versus the cost reduction. So the margin hasn't suffered. As we look forward into the second half, we're expecting that sort of impact to lessen. Just really as a function of where steel prices were in H1 2023 versus H2 2023. I wouldn't want to sort of overplay it as a dynamic. It's certainly not impacting our margins but it has been a factor in the organic revenue growth in the first half.

In terms of the 5 to 7% is it all volume or is there an element of price in that framework?

Alan Giddins: The framework is based on volume, which is why it's a sort of through the cycle.

Hannah Nichols: And we're expecting to sort of be within the framework for the second half in terms of that organic revenue growth.

Alan Giddins: Thank you very much, everyone.

Hannah Nichols: Thank you.