

Kier Group PLC

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Kier names Andrew Davies, the man who almost took charge of Carillion before its collapse, as its new CEO

Kier Group PLC (LON:KIE) has named Andrew Davies, the man who almost took charge of Carillion before the contractor's collapse, as its chief executive with effect from 15 April.

The FTSE 250-listed construction firm pointed out that Davies was CEO of Wates Group, a privately-owned construction and property services firm, from 2014 to 2018 and prior to that spent 28 years with defence contractor BAE Systems.

READ: Kier shares tank as it revises debt higher after disappointing rights issue

Back in October 2017, Davies was announced as the new CEO of Carillion, but the construction and outsourcing firm collapsed into insolvency before Davies could take up the role.

Kier's chairman Philip Cox, who will move back to being non-executive chair from executive when Davies take over, commented: "Andrew has a strong track record of business leadership and his operational experience across a number of sectors, combined with his strategic approach, make him an excellent fit for Kier."

Davies said: "I look forward to leading Kier in consolidating those positions and to bringing a renewed focus on simplifying the Group, improving cash flow generation and reducing net debt, whilst maintaining the Group's disciplined approach to risk management."

Kier's previous CEO Haydn Mursell stepped down from the group with immediate effect on 22 January 2019 following a disappointing take-up for a key fund-raising by the group.

In December, the company revealed that just 38% of its rights issue shares were taken up by shareholders, although the underwritten cash call still netted the firm £250m.

Kier was looking to issue 64.5m new shares at 409p each in the 33-for-50 rights issue but just 24.3m of the shares were taken up.

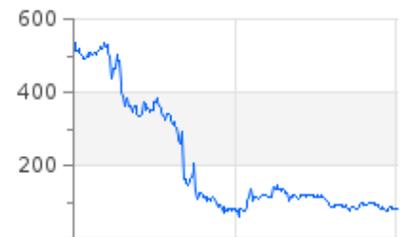
The rights issue was undertaken to cut debt and better position Kier in light of tighter credit markets and more stringent tender pre-qualification requirements.

In early morning trading, Kier shares were 3.1% higher at 499p after news of the CEO appointment.

Price: 83.05

Market Cap: £134.64 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: KIE

Listing: LSE

52 week High Low
547 58.4

Sector: Builders and building materials

Website: www.kier.co.uk

Company Synopsis:

Kier Group is engaged in construction, support services, residential and commercial property development, and infrastructure project investment. The company is organised in five divisions. The construction segment comprises Kier Regional and Kier Construction.

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