



News Release

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BUNZL Q3 TRADING STATEMENT

Bunzl plc, the specialist international distribution and services Group, today announces its trading statement for the period since 30 June 2022.

Bunzl's diversified and resilient business model has delivered strong growth, with Group revenue in the third quarter up 18.8% at actual exchange rates and 8.7% at constant exchange rates. At constant exchange rates, underlying revenue growth, which is organic growth adjusted for trading days, was 6.1%, with one fewer trading day than the comparable period negatively impacting revenue by 1.3%¹. Acquisitions contributed further growth of 3.9% at constant exchange rates. Negotiations with our largest customer by revenue are ongoing.

Underlying revenue growth of 6.1% was driven by the base business, which contributed 10.4% growth, benefitting from inflation as expected. This was partially offset by the expected decline in sales of the top Covid-19 related products, which impacted underlying revenue by 4.3%.

Despite a slowing macroeconomic environment, the Group's guidance remains unchanged at constant exchange rates, with the Group expecting very good revenue growth in 2022, driven by good organic revenue growth and the positive contribution of acquisitions announced in the last 12 months. We continue to expect Group operating margin in 2022 to be higher than historical levels and only slightly lower than that achieved in 2021.

Additionally, in October the Group acquired Enviropack, an online distributor of reusable, recyclable and compostable packaging products to foodservice customers in the UK with revenue of c.£7 million generated in the 12 months to August 2022. The acquisition is aligned to Bunzl's focus on supporting customers transition to packaging that is better suited to a circular economy.

Commenting on today's announcement, Frank van Zanten, Chief Executive Officer of Bunzl, said:

"Our strong performance over the quarter continues to demonstrate the strength and resilience of the Bunzl business model, underpinned by our value-added offering for customers. Our commitment to reliably provide essential products and innovative solutions to our customers, our diversified portfolio, and our compounding growth strategy are all factors which contribute to our expectation of continued resilience. I am also pleased to welcome Enviropack to the Bunzl family and our acquisition pipeline remains active."

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1. Net of the benefit of growth in excess of 26% per annum in hyperinflationary economies, largely in Turkey, which contributed a small increase of 0.3% over the period.