



News Release

30 June 2022

BUNZL PRE-CLOSE STATEMENT

Bunzl plc, the specialist international distribution and services Group, is updating the market today prior to entering its closed period for the six months ending 30 June 2022.

The Group is expected to deliver very strong growth over the period, reflecting the resilience and strength of the Bunzl business model. Group revenue in the first half is expected to increase year-on-year by approximately 16% at actual exchange rates and by 12-13% at constant exchange rates¹, with inflation continuing to drive underlying revenue growth and the impact of acquisitions further supplementing growth. Group adjusted operating margin for the first half is expected to be slightly higher than historical annual levels.

Across our business areas inflation remains the key driver of performance. Very strong revenue growth has been maintained in North America over the period and negotiations with our largest customer are constructive and ongoing. Continental Europe similarly maintained strong momentum, whilst the UK & Ireland's operating margin continues to see year-on-year improvement alongside very strong base business recovery. Rest of the World's revenue growth has been moderate, with very strong growth in Asia Pacific partially offset by the expected decline in Covid-19 related sales in Latin America.

The Group is upgrading its guidance for the year on the basis of very strong revenue growth to date and announced acquisitions. At constant exchange rates the Group now expects very good revenue growth in 2022, driven by good organic revenue growth and the positive contribution of acquisitions announced in the last 12 months. Growth of the base business is expected to be only partially offset by the further normalisation of sales of Covid-19 related products, albeit these are expected to remain ahead of 2019 levels. We continue to expect Group operating margin in 2022 to be slightly higher than historical levels.

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

"Bunzl has delivered another period of strong growth. We continue to demonstrate the strength of our business model, supported by the depth and resilience of our supply chains and the agility of our people who have responded to the inflationary environment so successfully. Our acquisition momentum remains strong, with our active pipeline supported by a strong balance sheet."

Note:

1. The number of trading days will not have an impact on growth over the period.

Enquiries:

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