



News Release

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BUNZL Q1 TRADING STATEMENT

Bunzl plc, the specialist international distribution and services Group, today announces its trading statement for the period since 31 December 2020.

Bunzl's diversified and resilient business model has delivered good overall growth against continuing pandemic-related challenges, with Group revenue in the first quarter up 5.4% at actual exchange rates and 10.4% at constant exchange rates. Acquisitions contributed revenue growth of 4.3% at constant exchange rates, while a greater number of trading days than the comparable period in 2020 further benefited revenue growth by 4.7%. Underlying revenue growth at constant exchange rates increased by 1.4%, in line with the Group's expectations. Group adjusted operating margin continued to be supported by demand for certain Covid-19 related products.

Within underlying revenue growth of 1.4%, sales of the top 8 Covid-19 related products, which are primarily own brand, contributed 6.4% of growth. This growth more than offset a 5.0% decline in revenue from other product sales. Good underlying revenue performance in North America and Rest of the World was driven by demand for Covid-19 related products, with certain category-specific pricing remaining elevated, and a continuation of the recovery in sales of other products. Continental Europe and UK & Ireland continued to be impacted by the effect of pandemic-related restrictions, particularly on foodservice and non-food retail segments.

The Group's guidance remains unchanged. At constant exchange rates, the Group continues to expect robust revenue growth in 2021 compared to the prior year, after excluding larger Covid-19 related orders which contributed approximately £550 million of revenue in 2020. A recovery in sales of other products is expected to be largely offset by a decline in smaller Covid-19 related orders, while recent acquisitions will further contribute to the Group's performance in 2021. After excluding larger Covid-19 related orders, the Group continues to expect good organic revenue growth in the first half of 2021 to be followed by a moderate decline in the second half. Group adjusted operating margin for the year is expected to return to a more historical level.

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

"Now over a year on from the start of the pandemic I continue to thank our colleagues for their exceptional hard work supporting front line heroes and essential businesses through these extraordinary times. As activity starts to resume in some of our markets, it is with pride that I now see our teams increasingly supporting customers to reopen their businesses, many of which have been meaningfully impacted over the course of the pandemic. The resilience of the Bunzl model continues to be demonstrated by our ability to respond to changing customer needs and through our financial performance.

Looking ahead we are confident in the strength of our consistent and proven compounding strategy, supported by enhanced hygiene trends, our differentiated offering of sustainable and responsible solutions and acquisition momentum. We have announced three acquisitions in the year to date with the pipeline remaining active and a number of discussions ongoing."

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