

ANNUAL GENERAL MEETING

Chief Executive Update
Phil Bentley

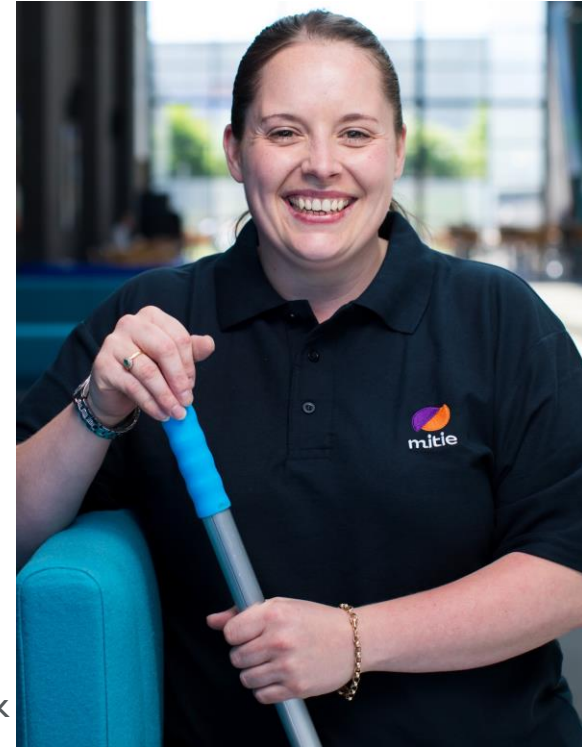
30 July 2019



Our financial position is improving



- **FY 18/19 results¹ show continued growth momentum**
 - Organic revenue growth (inc. VSG) of 9.4% to £2.2bn
 - Operating profit² growth of 6.0% to £88.2m
 - Order book stable and pipeline is growing
- **Balance sheet strengthened as at 31/03/19**
 - Net debt reduced to £141m (FY 17/18: £194m)
 - Leverage reduced to 1.3x EBITDA
 - Continued balance sheet normalisation as we pay our suppliers faster
 - Successful disposal of two businesses
- **Full year dividend of 4.0p (FY 17/18: 4.0p) recommended**
- **Q1 19/20 trading in line with expectations**
 - Revenue grew by c.14% including VSG (c.5% organic)
 - Steady contract wins and inclusion on the Prison Operator Services Framework
 - Average daily net debt in Q1 was c.£55m lower than Q1 last year



After 2 years, Phase I of our strategy has delivered



CUSTOMER

- 2 years of revenue growth
- Top 50 strategic accounts growing well
- NPS +12 (up 39 points in 2 years)



PEOPLE

- Employee engagement up 12 ppts to 45%
- 2 top employer awards



FINANCIAL STABILITY

- Project Helix – £45m savings
- Leverage down to 1.3x Net debt/EBITDA



TECHNOLOGY

- Created Connected Workspace category
- Increased share of technology-related revenue





In Phase II, we are focusing on our larger businesses and our strategic accounts, underpinned by further cost savings



Trusted partner for strategic accounts

- Embedding Connected Workspace technology
- Enhanced strategic account management leadership
- £4.1bn of public sector opportunities in Defence & Security

Sales

- Improved win rates / Sales Academy
- Bid library enhanced
- Targeted Marketing

Cost Savings: Project Forte

- Digital transformation of Engineering Services
- Simplified operating model
- £30m gross savings

M&A

- Continue to simplify Mitie portfolio
- Reduce debt further
- In-fill to strengthen core

