

# Introduction to Mitie

May 2025



# Introducing the team

Mitie's executive leadership team and investor relations contact



**Phil Bentley,  
CEO**

**Joined Mitie December 2016**

**Previously:**  
**CEO, Cable & Wireless (2013-2016)**  
**CEO, British Gas (2007-2013)**  
**Early career: BP, Diageo**



**Simon Kirkpatrick,  
CFO**

**Joined Mitie July 2019**

**Previously:**  
**Finance Director, Major Projects,  
Balfour Beatty (2012-2019)**  
**Early career: Ernst & Young**



**Kate Heseltine,  
Group IR & Corporate  
Finance Director**

**Joined Mitie Jan 2023**

**Previously:**  
**Segro IRO, sell-side research**  
**IR Contact:**  
**[kate.heseltine@mitie.com](mailto:kate.heseltine@mitie.com)**



# *Business and market overview*



# Group overview

We are the leading Facilities Transformation company in the UK

## FY25e Key Financials

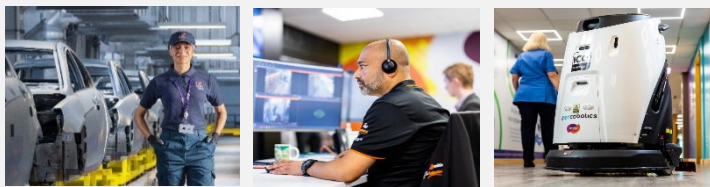
**c.£5.1bn**  
Revenue (FY24: £4.5bn)

**c.£230m**  
Op. profit (FY24: £210m)

**c.£135m**  
FCF (FY24: £158m)

**>20%**  
ROIC (FY24: 26.4%)

## About Mitie



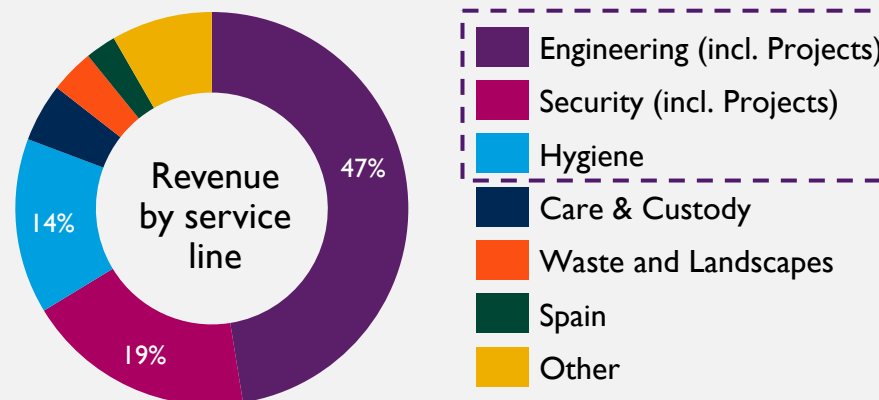
### Mitie is the UK's leading technology-focused Facilities Transformation company

A trusted partner to >3,000 blue-chip customers, working with them to transform their built estates and the lived experiences for their people, and providing data-driven insights to inform decision making.

In each of our core service lines of **Engineering** **Maintenance**, **Security** and **Hygiene** we hold market leadership positions.

We upsell **Projects** in higher growth categories including Buildings Infrastructure, Decarbonisation, Fire & Security and Power & Grid Connections.

## Our core services represent 80% of revenue



## Customer stats

3,000+ customer

53% government / 47% non-government revenue

4 years average contract length

Majority of contracts with inflation clauses



# Our customers

We have a diverse, blue chip customer base

## Retail, logistics and shopping centres



## Corporate and iconic buildings



## Public sector and critical environments



## Transport and aviation



## Manufacturing



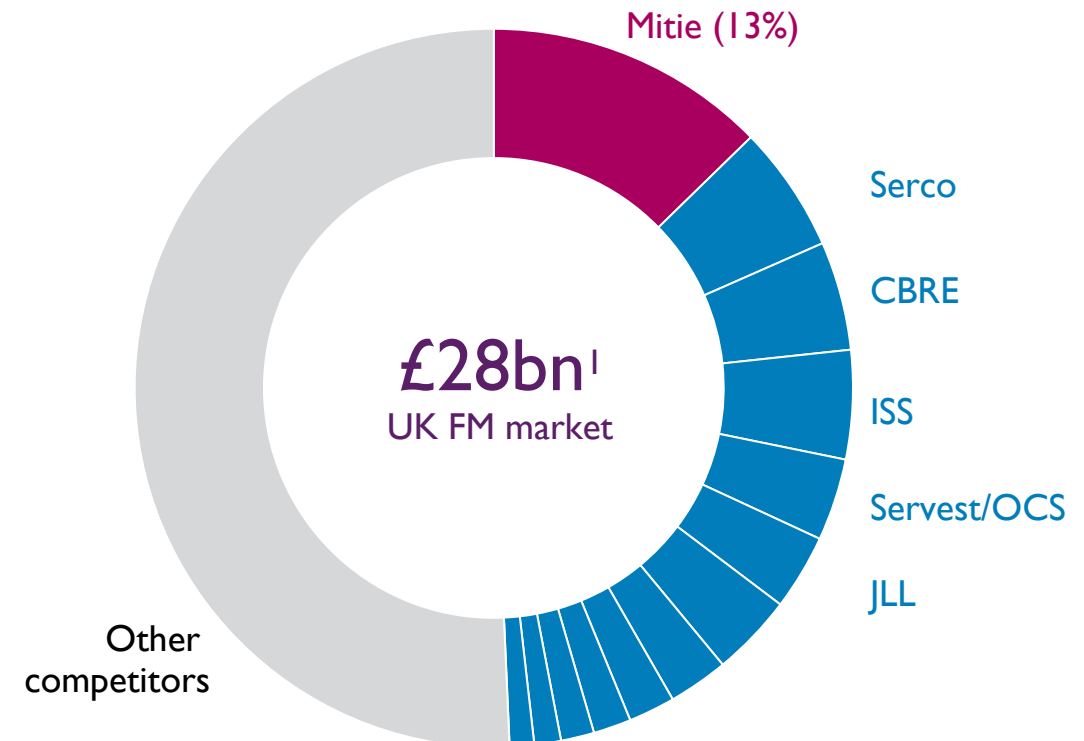
# Leading market position

The UK FM market is the largest and most dynamic in Europe and Mitie is the clear market leader with 13% share

The UK is Europe's largest and most dynamic FM market...

Market	Outsourced FM (£bn)	Outsourcing rate (%)	Bundled & Integrated (%)	Top 5 market share (%)
UK	28	48	57	31
Germany	25	36	42	20
France	20	34	39	32
Italy	17	31	33	15
Spain	12	35	27	32
Nordics	9	44	49	45
Benelux	10	42	41	29
CEE <sup>2</sup>	39	31	18	11

...where Mitie is the clear market leader



# Comprehensive IFM offering

We are also the market leader in each of our core service lines...

## Engineering Maintenance

**#1** Largest UK provider of technology-enabled engineering services



£9.4bn

2023 market

19%

Mitie share

1,000+ locally based mobile engineers

2.5m assets maintained for customers

6.3m sq ft of critical space maintained

1.75m planned maintenance visits p.a.

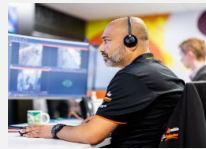
15% energy/maintenance savings achieved

95% remote fix for connected asset

Top 3 competitors: CBRE, OCS, JLL/Integral

## Security

**#1** Largest UK provider of converged security services



£7.8bn

2023 market

12%

Mitie share

21,000 security professionals

250 intelligence analysts and assurance reps

8 customer Security Operations Centres

73,000 Fire & Security systems maintained

17,000 CCTV and alarm systems monitored

120,000 lone workers protected

Top 3 competitors: G4S, OCS, Bidvest Noonan

## Hygiene

**#1** Largest UK provider of sustainable Hygiene services



£8.3bn

2023 market

9%

Mitie share

15,000 highly trained colleagues

Cleaning & Hygiene Centre of Excellence

40 NHS Trusts supported

20m sq ft of retail space cleaned daily

1,000+ fleet of cleaning robots

UK's largest robotic fleet at Heathrow airport

Top 3 competitors: ISS, OCS, Sodexo

# Transformational projects capability

...and we deliver a broad range of transformational projects across higher growth categories

## Projects upsell

One of the largest UK Projects businesses with broad capabilities, enhanced by infill M&A



**80%**  
of revenue from our  
core FM customers

2,200 highly skilled self-delivery experts

300 consulting professionals

Projects Centre of Excellence

7,000+ projects delivered annually

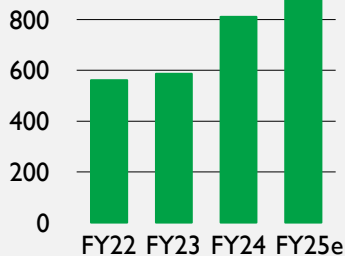
£150k typical project value

1-3 months typical length of project

## Building infrastructure

£12bn market

Mitie revenue (£m)  
17% CAGR

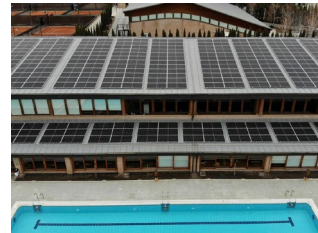
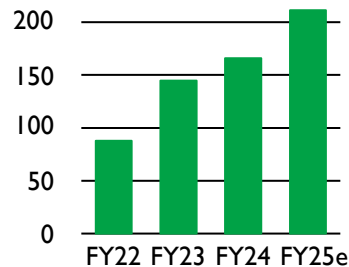


Data centre fitout

## Decarbonisation technologies

£3bn market

Mitie revenue (£m)  
34% CAGR

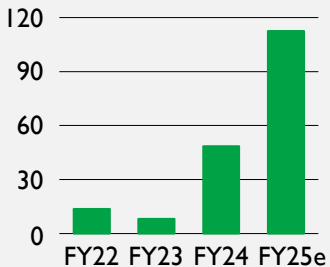


Large PV installation

## Fire & Security

£3bn market

Mitie revenue (£m)  
102% CAGR

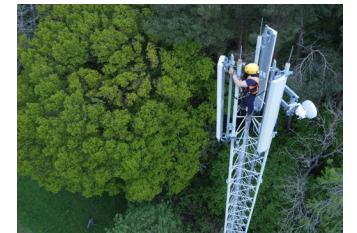
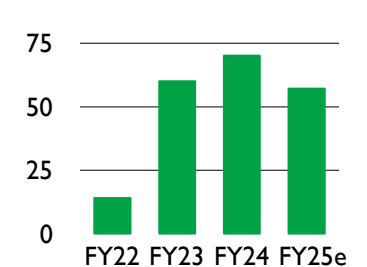


Hostile Vehicle Mitigation

## Telecoms infrastructure

£1bn market

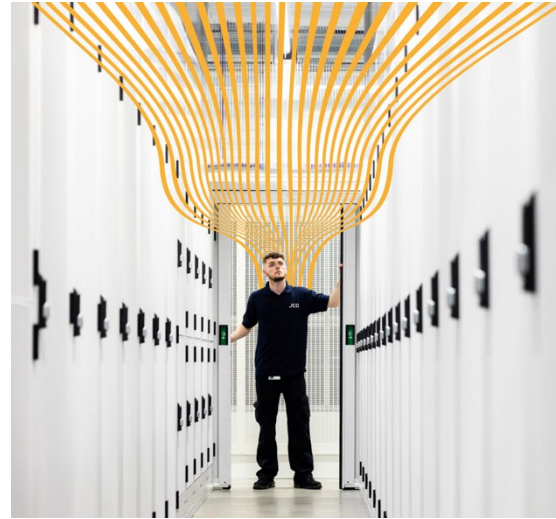
Mitie revenue (£m)  
60% CAGR



5G Tower Installation



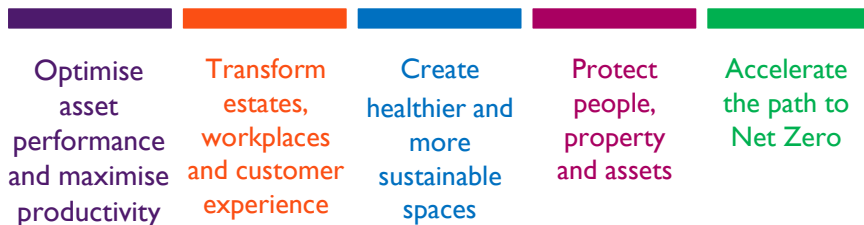
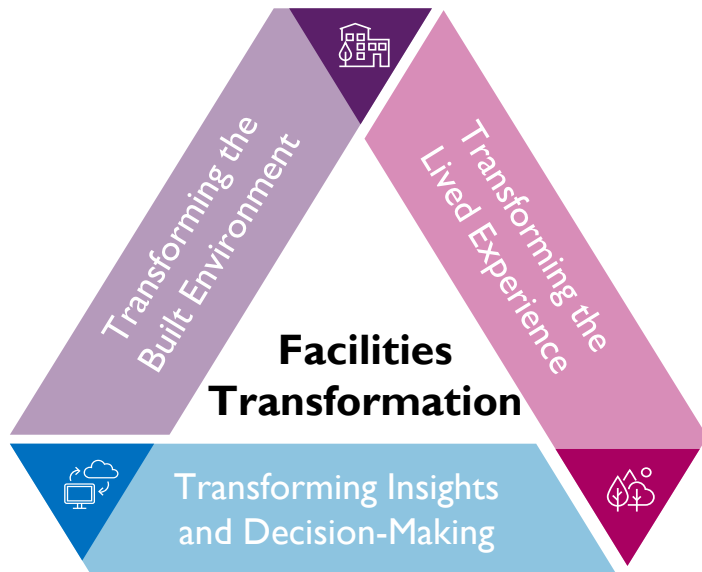
# Three-Year Plan (FY25 – FY27): Facilities Transformation



# Facilities Transformation: FY25 – FY27

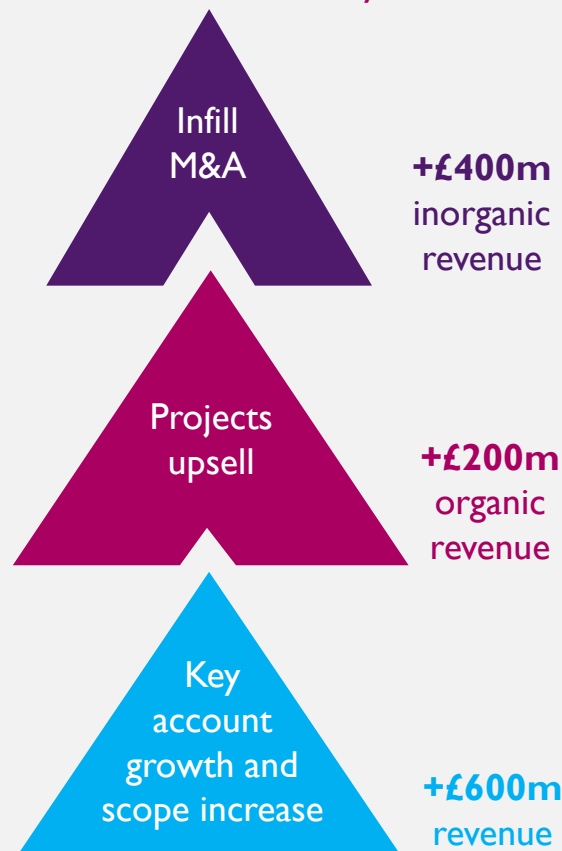
Our Three-Year Plan is based on satisfying our customers' evolving needs; delivering our pillars of growth; and meeting our ambitious financial targets

## EVOLVING CUSTOMER NEEDS



## KEY Pillars OF GROWTH

+£1.2bn revenue by FY27



## FY27 FINANCIAL TARGETS

SUPERIOR FINANCIAL RETURNS  
PROACTIVE CAPITAL DEPLOYMENT

- High single digit revenue growth
- Operating profit margin >5%
- EPS growth > revenue growth
- FCF generation of c.£150m p.a.
- ROIC >20%
- Progressive dividend policy
- Proactive capital allocation
- Average leverage 0.75x - 1.5x

# FY25 is the foundation year of our new Plan

We investing in resources, capabilities and technology to drive future growth and margin expansion



## SALES TEAM

Appointment of CSO

Added subject matter experts

Creation of the 'Mitie Way'

AutoGen AI for bid & marketing

## MARKETING

Investment in thought leadership – Security Radar, Carbon Compass

Increase in 'Voice of the customer' research – IFM, Emissions Intelligence

Expanding advertising and brand-building – Merlin Connect, ESG, Security Radar, Carbon Reporting

## PROJECT CAPABILITIES

Decarbonisation

Power & grid connections

Fire & Security

Buildings infrastructure

## TECHNOLOGY

Core systems upgrades

AI in Coupa and Maximo

AI-led 'Intelligent' solutions

ML via Fabric on data lake

<sup>1</sup> includes capex spend on technology



# We have a £24bn pipeline of opportunities (+27% yoy)

We are targeting sectors with significant growth opportunities, where we can leverage our market leading expertise

## IMMIGRATION & JUSTICE £6bn

*Improving social outcomes*



Eight prisons, MoJ Property Transformation Programme, Immigration Removal Centres

## DEFENCE £1bn

*Keeping the nation safe*



RAF hard services bid, DIO bids, commercial defence renewal

## CNI & DATA CENTRES £1bn

*Upgrading power connections*



Grid connections and data centre projects work

## RETAIL £3bn

*Tackling theft and violence*



Multiple large national grocery and high street retailers

## CENTRAL GOVERNMENT £2bn

*Underpinning the economy*



DWP, TfL, FCDO and other government departments

## HEALTHCARE £1bn

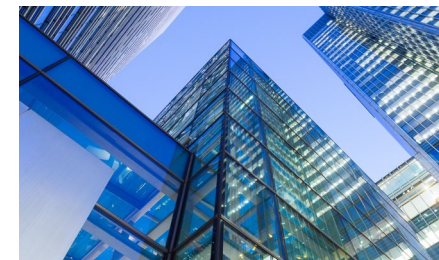
*Improved outcomes for patients*



40 Hospital bids (mainly soft services)

## FINANCIAL SERVICES / OFFICES £2bn

*Delivering Net Zero*



London FS market; office upgrade projects work

## TRANSPORT & AVIATION £1bn

*A safer, more secure transport system*



Three airport re-bids, two airline bids, several railway operators

# Margin Enhancement Initiatives (MEIs)

Guidance for £25m of cost savings in FY25; extensive programme of additional AI-led initiatives in pipeline for FY26; >5% operating margin by FY27

## FY25 MEIs

Target Operating Model

Contract Optimisation

Digital Supplier Platform

Divisional Efficiencies

**£25m**  
cost savings

## Margin headwinds

- Employers' NICs
- Cost inflation
- Competitive pricing pressure

## MEIs over Three-Year Plan

- AI-led process mining & automation
- AI in core systems
- Client 360 platform & GenAI reporting
- Optimise account structures
- Procurement and supply chain benefits
- Offshore certain operational functions
- Increase self-delivery
- Reduce colleague absenteeism

## AI use cases



## IBM PROCESS MINING



**'Best of the Best' – our AI partnership strategy**



# Proactive and growing capital deployments

Prioritising the return of capital to shareholders and targeted infill M&A

## SOURCES

Free cash flow  
c.£135m in FY25

Rising to  
c.£150m by FY27

## USES

Progressive dividends

No shareholder dilution

Infill M&A

Share buybacks

## FY25–FY27

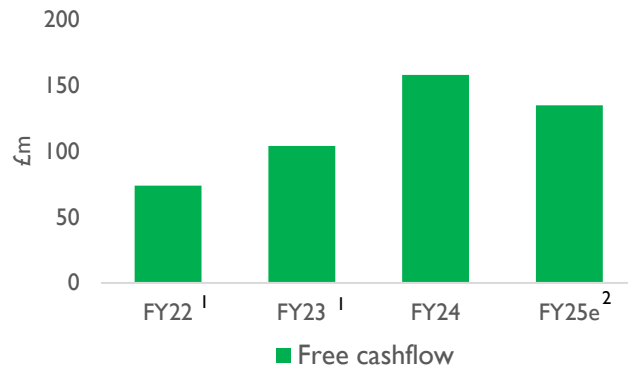
Payout ratio: 30 – 40%

Purchase of shares for incentive schemes

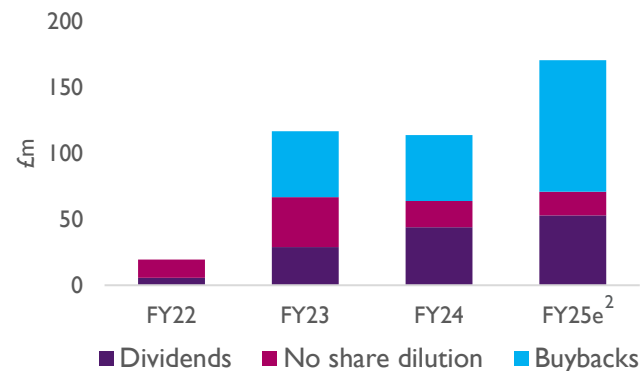
c.£75m p.a. spend

Return of surplus funds

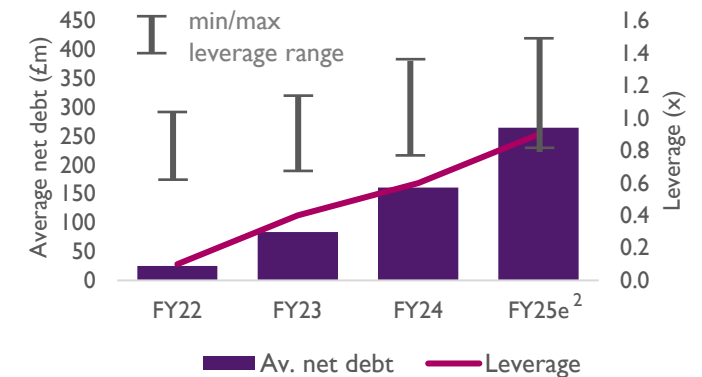
### Sustainable free cashflow generation



### Shareholder returns +50% yoy in FY25e



### Moving into 0.75 – 1.5x leverage range



<sup>1</sup> Free cashflow normalised for reduction in CID facility and Covid profits

<sup>2</sup> FY25e based on company guidance in FY25 Trading Update



# Appendix I: FY25 Trading Update



# FY25 Trading Update: Continued good momentum in Q4; Full year operating profit guidance upgraded to c.£230m; launched £125m share buyback programme

## Full Year Summary

	FY25 Expected	FY24 Actual
Revenue (including share of JVs & associates)	c.£5,100m	£4,511m
Operating profit before other items	c.£230m	£210m
Average daily net debt	c.£265m	£161m
Closing net debt	c.£205m	£81m



## FY25 Highlights

- Record revenue up c.13% to c.£5.1bn (including organic growth of c.9%)
- Largest ever contract award (£1.3bn TCV<sup>1</sup>) from DWP in Q4
- Full year operating profit guidance upgraded to c.£230m<sup>2</sup>
- Free cash flow generation of c.£135m, well ahead of guidance for >£100m
- FY26 £125m share buyback programme launched
- FY26 National Insurance gross impact lower than expected; higher recovery being achieved; balance to be mitigated via margin enhancement initiatives





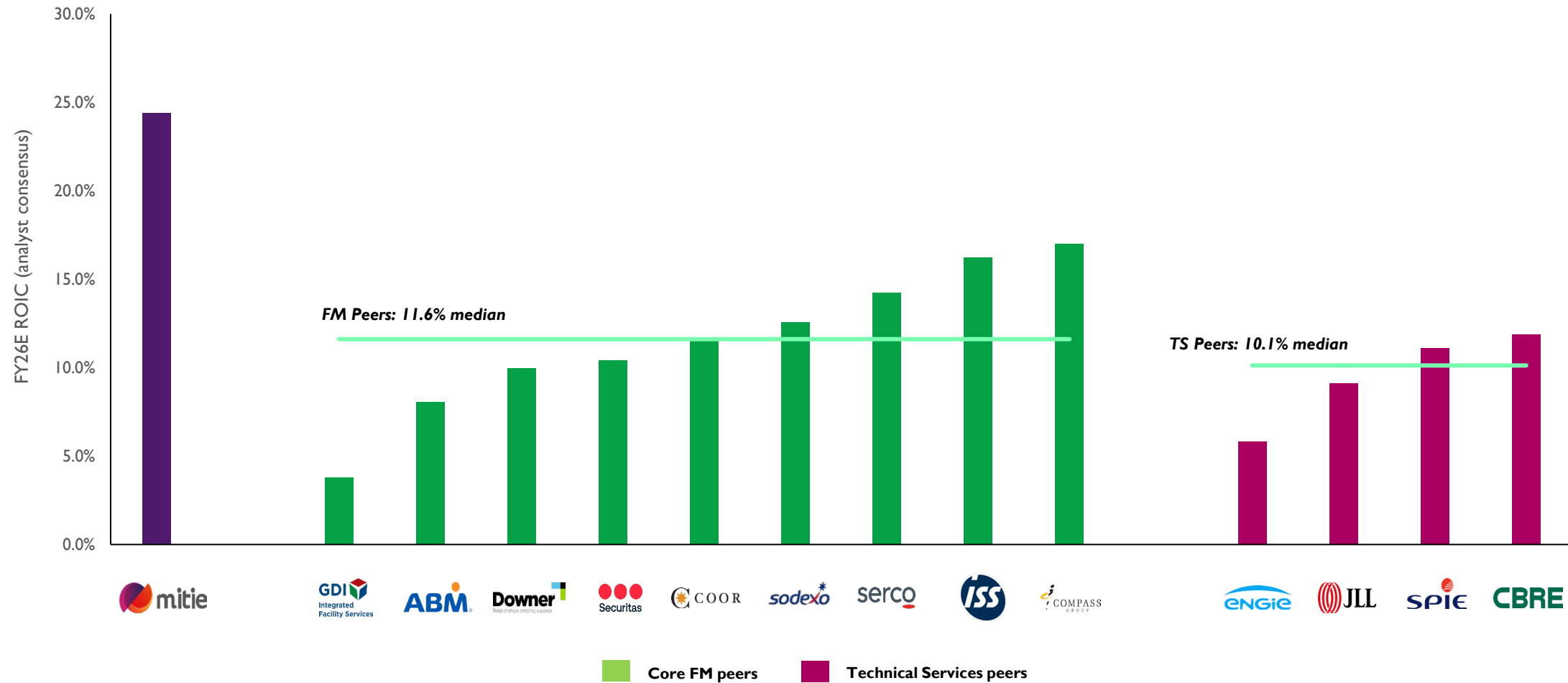
# Appendix 2: Peer analysis





# Mitie achieves a higher ROIC than global peers

Mitie's ROIC is supported by a capital light model



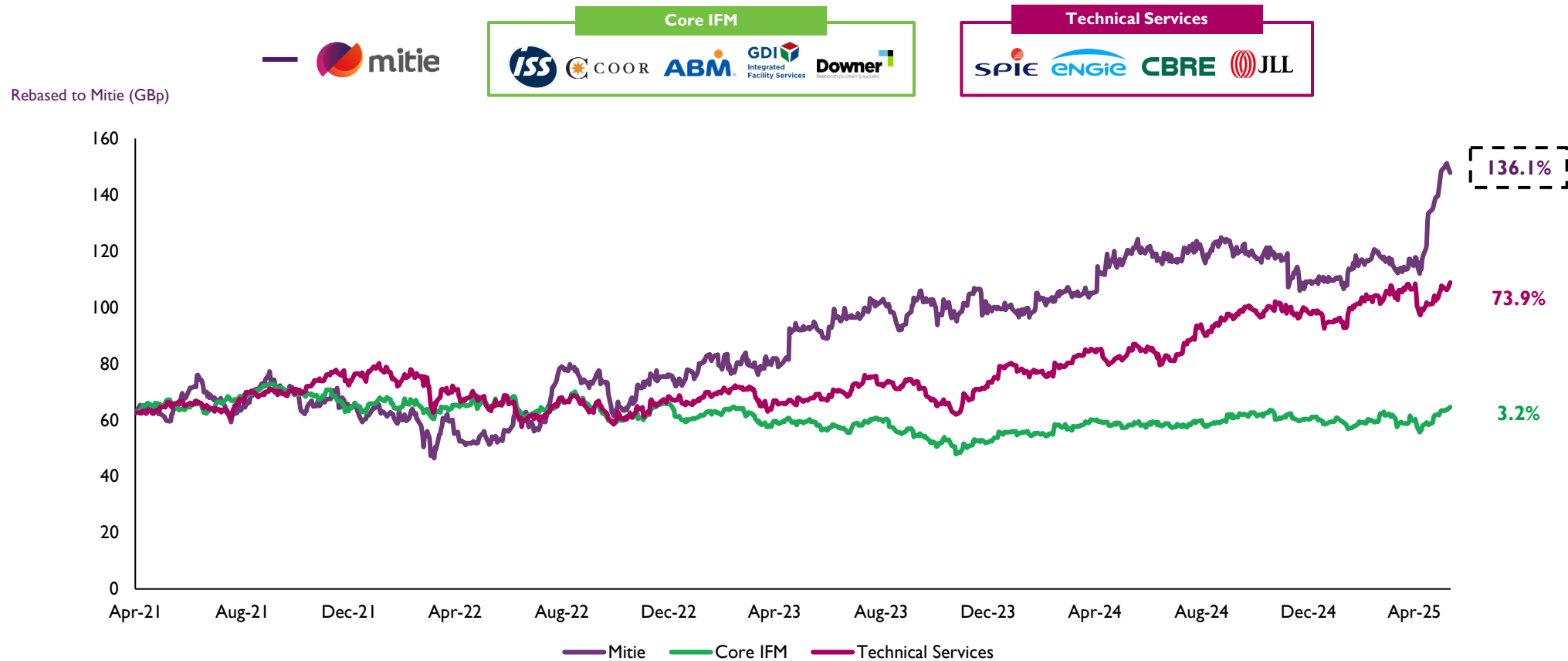
Source: FactSet as at 12-May-2025. Estimates calendarised to 31 March Year End

(1) Calculated as analyst consensus NOPAT / Invested Capital (calculated as Total Assets - Current Liabilities - Cash & Cash Equivalents)

Excludes current provisions and non-current deferred tax assets due to peer reporting inconsistency and lack of available forecasts

# Mitie's shares have outperformed global peers...

Share price development vs global peers (Since Apr-21)



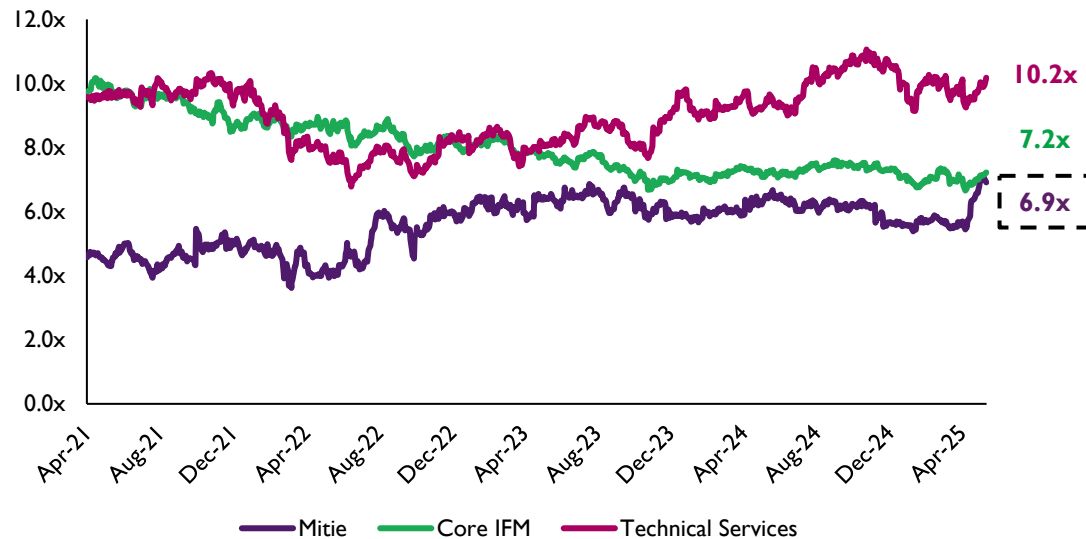
Source: FactSet as at 12-May-2025

# ...but continue to trade on lower multiples

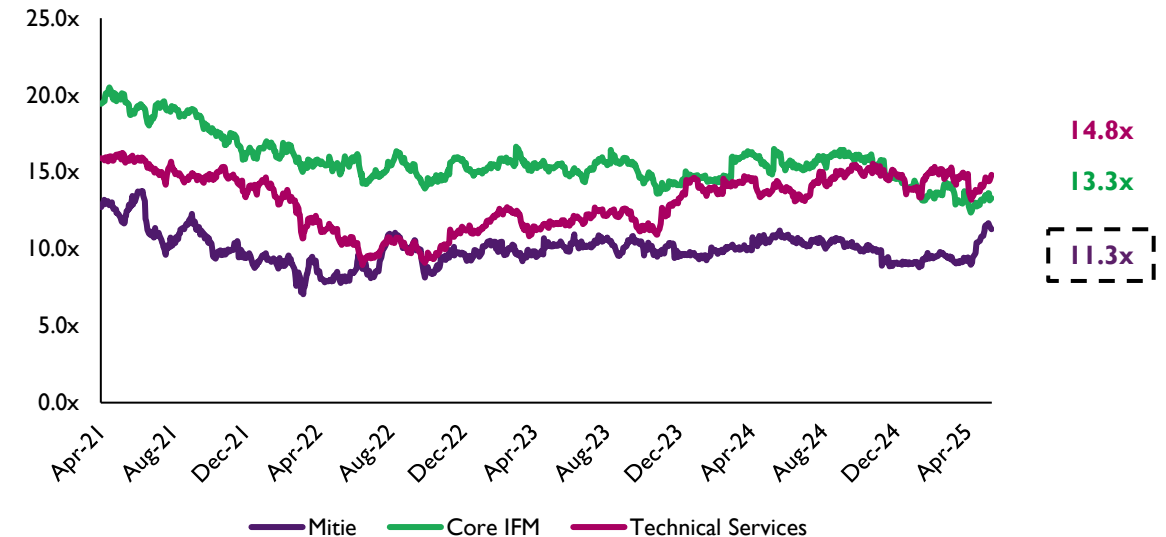
Relative valuation over time (Since Apr-21)



NTM EV / EBITDA



NTM P / E



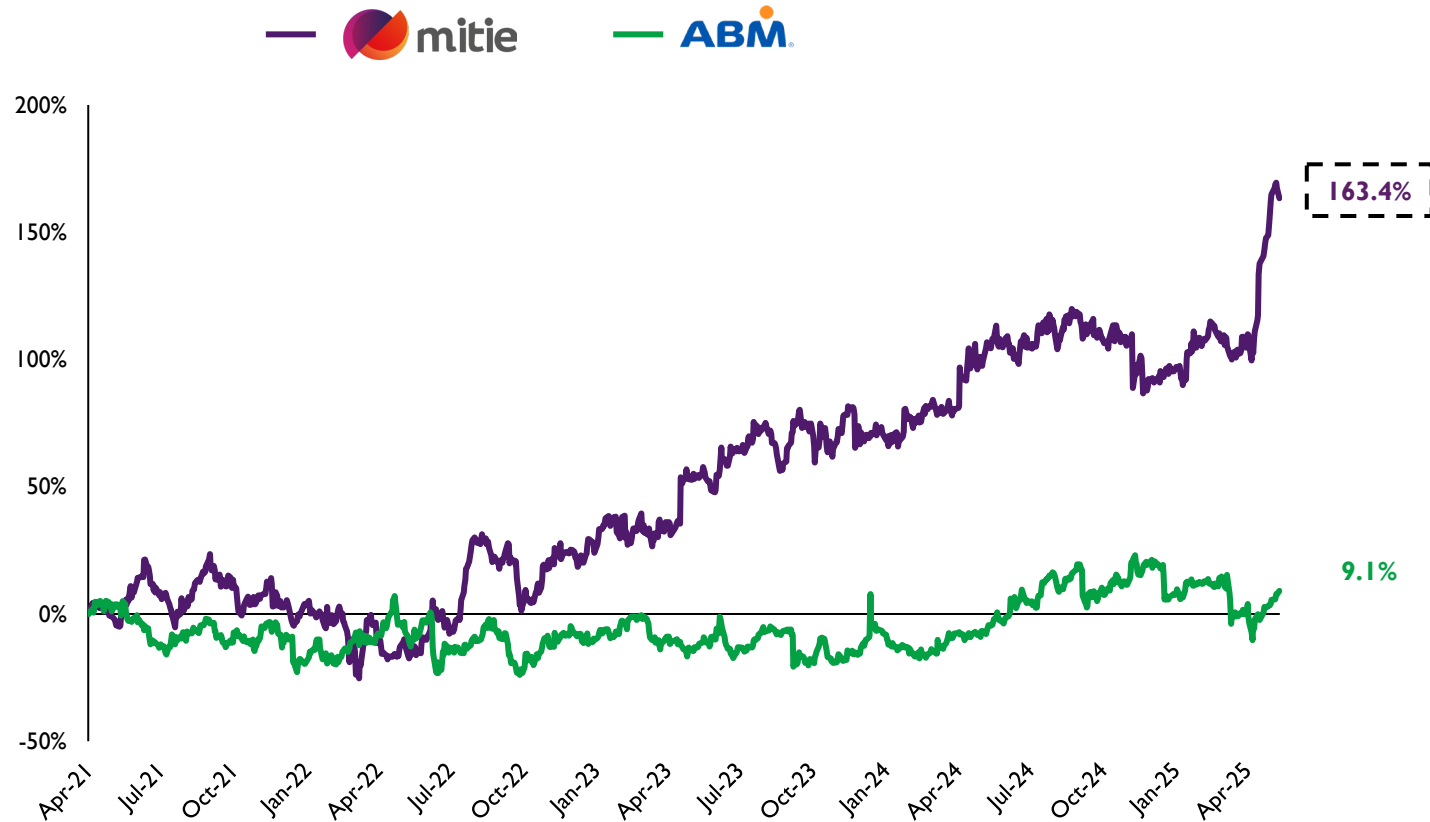
Source: FactSet as at 12-May-2025

(1) Multiples calendarised to 31 March Year End.

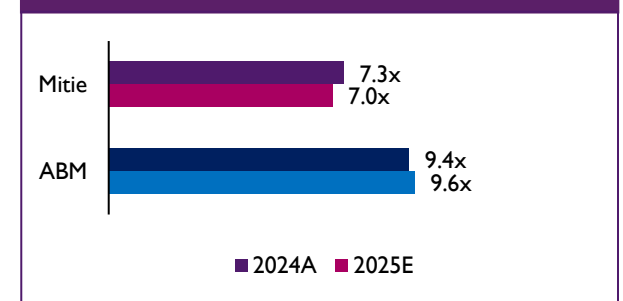


# Mitie has also outperformed ABM Industries

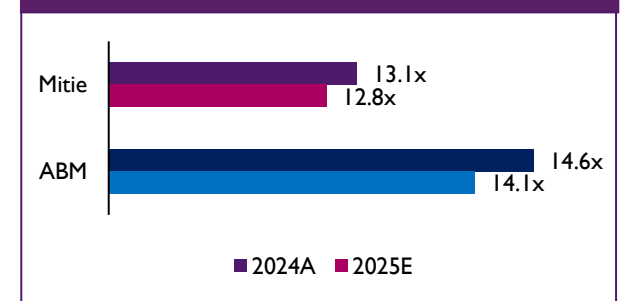
Total Shareholder Return and valuation vs ABM Industries (Since Apr-21)



2024A & 2025E EV / EBITDA<sup>(1)</sup>



2024A & 2025E P / E<sup>(1)</sup>



Source: FactSet as at 12-May-2025

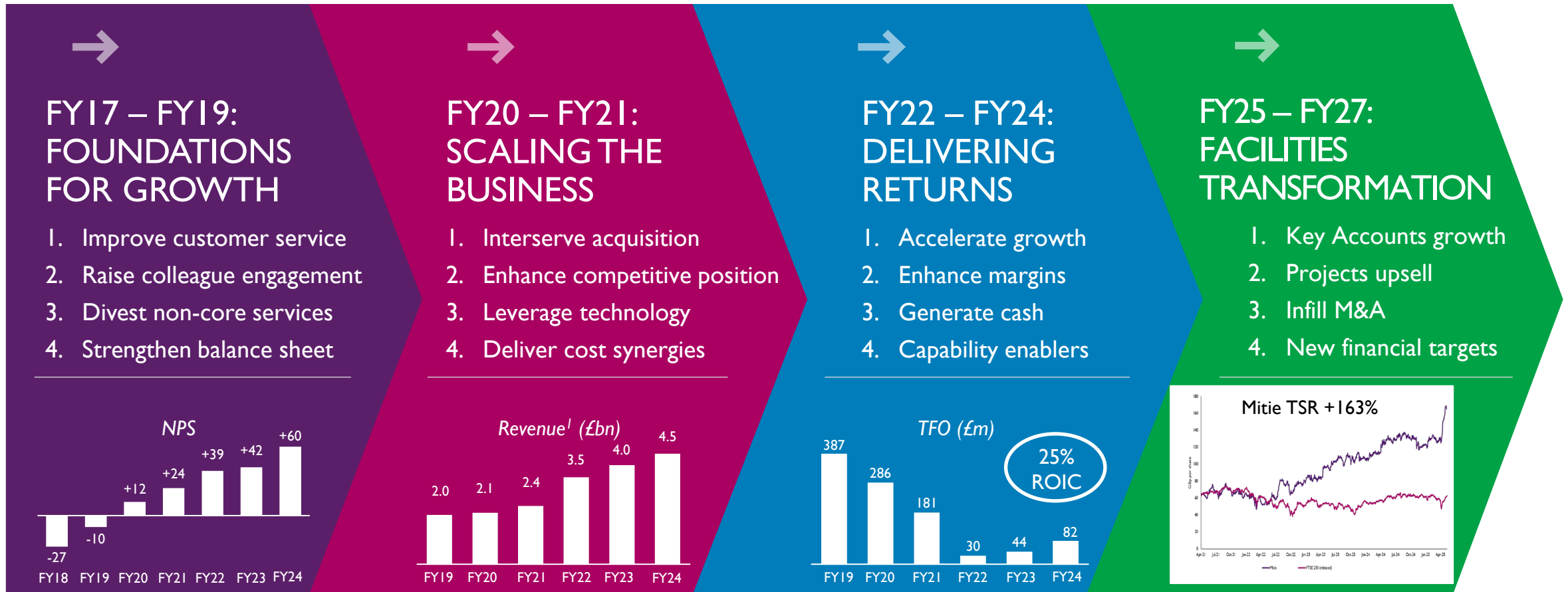
(1) Multiples calendarised to 31 March Year End.

# Appendix 3: Our journey



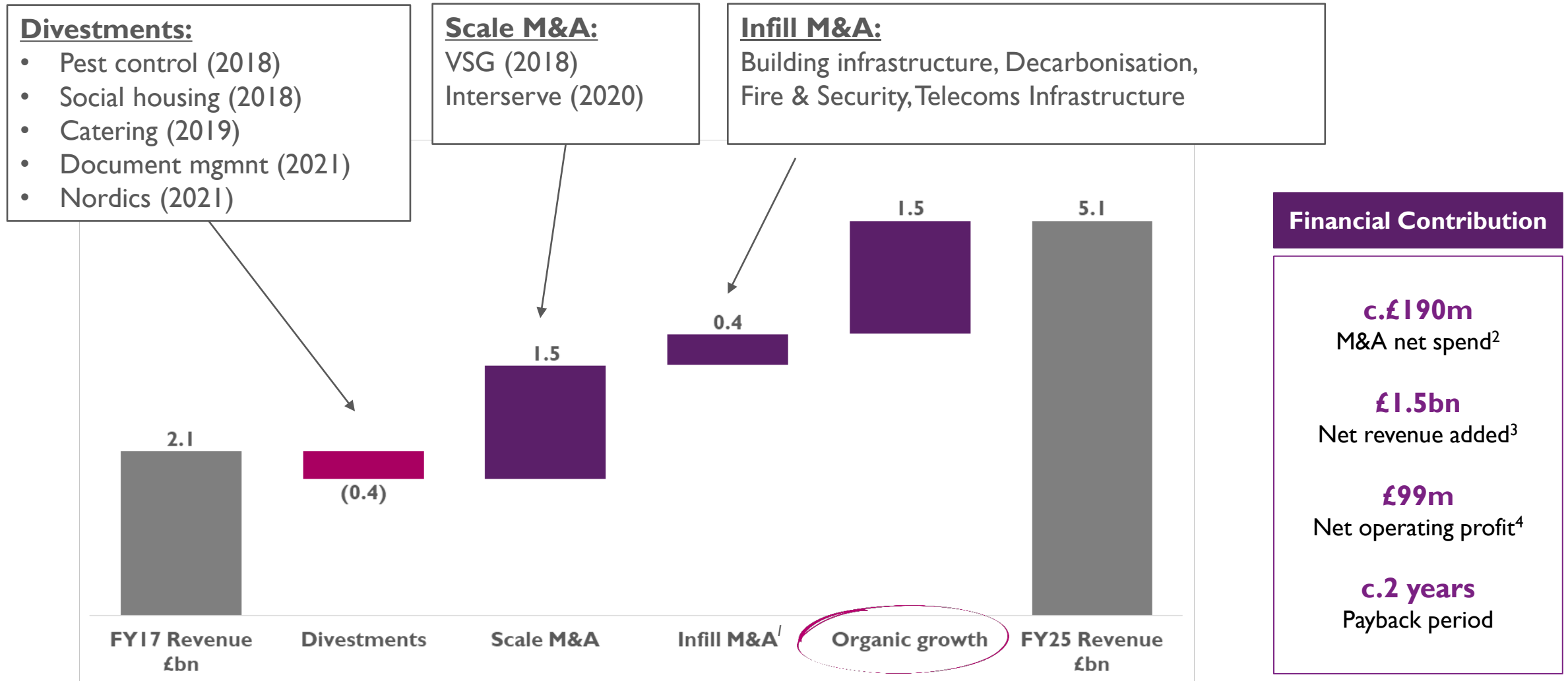
# Our journey

From turnaround story to investment proposition centred on accelerating growth and enhancing shareholder returns



# Reshaping the portfolio

We have divested non-core businesses whilst re-investing to achieve scale and add capabilities



Notes: 1) Includes Landmarc consolidation revenue of £53m; 2) Comprises acquisition spend of £362m (excluding deferred consideration) less proceeds from disposals of £172m;

3) Comprises revenue from acquisitions of £1.9bn less revenue related to disposals of £0.4bn. 4) Includes £55m of Interserve synergies