



16 April 2026
Mitie Group plc

FY26 Trading Update

Continued good momentum in fourth quarter Double digit revenue and operating profit growth in FY26 On track to deliver ambitious FY25-FY27 Strategic Plan financial targets

Mitie Group plc ("Mitie"/"the Group"), the UK leader in Facilities Management, Transformation and Compliance, today provides a scheduled trading update for the year ended 31 March 2026 ("FY26").

FY26 Highlights

- **Record revenue:** up c.11% to c.£5,650m (FY25: £5,083m), including c.6% organic growth; Q4 revenue growth of c.13%, reflecting continued good momentum
- **Significant contract awards:** including Asda, Aviva, Cooperative Group, Diego Garcia, GSK, Home Office, JLL, Scottish Prison Service and Transport for London
- **Bidding pipeline:** up c.29% to c.£31bn (end FY25: £24bn); c.70% awarded in next 18 months
- **Growing operating profit¹:** up c.12% to at least £260m (FY25: £234m)
- **Resilient operating margin¹:** at c.4.7% (FY25: 4.6%), despite material headwinds including employers' costs, lost contracts and other one-off costs; H2 margin c.5.1% (H2 FY25: 5.0%)
- **Strong free cash flow generation:** of c.£150m, well ahead of guidance of >£120m in FY26
- **Robust financial position:** average daily net debt of c.£445m (FY25: £264m) and leverage of c.1.3x including leases (c.0.8x excluding leases)
- **Marlowe integration progressing well:** initial cost synergies of c.£5m in FY26 and early contract wins/revenue synergies in Environmental Services and Fire & Security
- **Four infill acquisitions completed:** for c.£15m, adding key capabilities in refrigeration Engineering Maintenance in the UK; Security in Spain; and Fire & Security (via two businesses) to support data centre projects in the Nordics for clients including Microsoft and Google
- **Continued share repurchases:** 58m shares bought for £90m, through our current £100m, 12-month share buyback programme and share purchases to fulfil colleague incentive schemes

Commenting on the results and the outlook, Phil Bentley, CEO, said:

"In completing the second year of our ambitious FY25-FY27 Strategic Plan, we have continued to make good progress. We have delivered record revenue; built a strong order book and pipeline; improved our operating margin despite material cost headwinds; and completed the acquisition of Marlowe, extending our leadership into Facilities Compliance.

"Our financial performance demonstrates that we are building a larger, more profitable and more cash generative business with greater capacity to invest for growth and deliver attractive returns to shareholders.

"As we enter the final year of our Strategic Plan, we are increasing our investments in AI Agentic solutions to drive efficiencies and deliver higher value insights to clients, and bringing our industry leading capabilities together in a unified package of Facilities Management, Facilities Transformation and Facilities Compliance solutions. Our strong order book, recent contract wins and bidding pipeline underpin the growing momentum in the business, and we remain confident of delivering our FY27 targets."

¹ Before other items



Momentum sustained in final quarter

Q4 FY26 revenue was up by c.13% yoy to c.£1,525m (Q4 FY25: £1,343m), against a strong prior year comparative for projects work. As a result of this good trading performance, we expect FY26 revenue to grow by c.11% yoy to c.£5,650m (FY25: £5,083m).

This increase reflects organic growth of c.6% from key accounts, scope increases and projects upsell, inclusive of c.3% pricing. Inorganic growth contributed a further c.5%, primarily driven by the acquisition of Marlowe in addition to two infill acquisitions (Forest Group – refrigeration Engineering Maintenance in the UK and SPM – Security business in Spain). Two further infill acquisitions (EI Team Vest and ABC Elektro – Fire & Security businesses in the Nordics) were completed at the year end.

The uplift in Group revenue, combined with our extensive programme of margin enhancement initiatives, has more than offset the material increase in employers' costs in FY26 (National Insurance Contributions and National Living Wage), unsuccessful contract renewals and certain other one-off costs relating to exited contracts and businesses.

We expect FY26 operating profit before other items to be at least £260m (FY25: £234m), with the operating margin resilient at c.4.7% (FY25: 4.6%).

Significant contract awards and substantial growth in bidding pipeline

During Q4 we secured several notable contract awards, resulting in c.£6bn Total Contract Value (TCV) of wins/renewals/extensions in FY26 (FY25: £7.5bn). Notable wins during the year included Security services for Asda and Tfl; bundled & IFM services for Aviva, Imperial College London and Staffordshire Police; Immigration & Justice services for Scottish Prison Services and Home Office; and Landscaping for Landsec. We also extended our relationships with Primark and an international e-commerce business through new wins to provide Hygiene services in Spain.

Notable renewals/extensions included Security services for Associated British Ports, Cooperative Group, Real Estate Management Ltd and one of the UK's largest supermarket chains; IFM for GSK; Landscaping for JLL; and Immigration & Justice services for Home Office.

Additionally, we were awarded a \$656m (c.£485m) eight-year contract in a joint venture between Mitie (30%) and Amentum (70%) to provide FM services at the Diego Garcia military base.

We are entering FY27 with a strong order book and a c.£31bn pipeline of bidding opportunities (+29% yoy), which does not yet include opportunities relating to Facilities Compliance (to be included in FY26 results), where we see significant potential for our expanded offering.

Strong free cash flow generation and financial position

Free cash flow generation of c.£150m (FY25: £143m) is well ahead of guidance of 'at least £120m'. After funding proactive capital deployments of c.£415m (see below), primarily driven by the Marlowe acquisition, alongside a c.£2m increase in lease obligations, closing net debt at 31 March 2026 was c.£465m (FY25: £199m), inclusive of c.£200m of lease obligations.

FY26 average daily net debt was c.£445m (FY25: £264m) and our average daily net debt/EBITDA leverage was c.1.3x (FY25: 0.8x), within our 0.75-1.5x target leverage range. Excluding lease obligations, our leverage was c.0.8x (FY25: 0.3x).



Proactive capital deployments

Our capital deployment policy is focused on the best use of capital to deliver superior returns to shareholders and drive long-term growth in the business, whilst maintaining a strong balance sheet, with leverage of between 0.75-1.5x (average daily net debt/EBITDA).

In FY26, we completed the acquisition of Marlowe for c.£350m, comprising 290p in cash (£228m) and 1.1 Mitie shares (86.6m new Mitie shares issued) per Marlowe share. As part of this acquisition, we incurred transaction costs of £8m. We also spent c.£15m on four infill acquisitions alongside £13m on performance-linked earnouts relating to infill acquisitions in prior periods.

We will continue to pursue strategic infill M&A although these are likely to be modest in scale over the remainder of the Three-Year Plan as we focus on delivering the benefits of the Marlowe acquisition to build our Facilities Compliance platform.

We prioritise a progressive dividend at a payout ratio of between 30-40% and we have committed to purchase all shares required to fulfil colleague incentive schemes to prevent shareholder dilution. During the year, we paid dividends totalling £62m and acquired 21m shares at a cost of £29m to fulfil colleague incentive schemes.

We will continue to return surplus funds to shareholders via share buybacks to maintain leverage within our target range. In October, we launched a new £100m share buyback programme to be completed over 12 months. During FY26, we purchased 37m shares (£61m) at an average price of c.165p. This includes the 2m shares (£3m) purchased under our previous programme, which was paused to accommodate the Marlowe acquisition. We held 5m shares in treasury to fulfil our 2022 Save As You Earn scheme (vested in Feb 2026), and cancelled all shares purchased in excess of this.

Building a leading Facilities Compliance platform

In August, Mitie cemented its leadership in the fast-growing Facilities Compliance market through the acquisition of Marlowe, creating 'Total Fire & Security' and 'Total Managed Water' solutions.

The Marlowe integration programme continues to progress well, and as a result, we expect initial cost synergies of c.£5m in FY26 (and at least £30m by FY28). These synergies have come from the consolidation of Marlowe's Alarm Receiving Centre (ARC) operations into Mitie's ARC in Northern Ireland; the exit from 15 Marlowe properties; and the streamlining of certain back-office operations, including payroll and procurement, as we move them onto Mitie's systems and ways of working.

These initial synergies give us good momentum into FY27, with ongoing workstreams including the optimisation of field force deployments onto a single platform; consolidation of further roles and responsibilities; continued property rationalisations; and the migration of Marlowe onto Mitie's cyber-secure and AI-enabled systems.

We have established specialist sales capabilities and are making good progress cross selling Marlowe's regulatory-driven services to Mitie clients. Q4 awards in Total Managed Water included a £128m, 10-year contract to provide AWE with water network management services and projects work. We see further project opportunities through our heat pump/extraction capabilities (via RMS, acquired from administration in Oct 2025), as demonstrated by the recent award of a combined water and air source heat pump project at University College London Hospital. In Total Fire & Security, Q4 awards included JLL, Rolls Royce and Vodafone. Additionally, Mitie's existing subcontracted compliance works continue to be transitioned to Marlowe.



FY26 results and analyst presentation

Mitie's results for the year ended 31 March 2026 will be released on Thursday, 4 June 2026. A presentation for analysts will be held at 9.30am.

Full Year Summary	FY26 Expected	FY25 Actual
Group revenue	c.£5,650m	£5,083m
Operating profit before other items	At least £260m	£234m
Operating profit margin before other items	c.4.7%	4.6%
Average daily net debt	c.£445m	£264m
Leverage (average daily net debt / EBITDA)	c.1.3x	0.8x

FY26 financials disclosed in the above trading update are unaudited.

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For further information

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About Mitie: *The Future of High Performing Places*

Founded in 1987, Mitie employs 84,000 colleagues and is the leading technology-led Facilities Management, Transformation and Compliance company in the UK. We are a trusted partner to blue-chip customers across the public and private sectors, working with them to transform their built estates, and the lived experience for their colleagues and customers, as well as providing data-driven insights to inform better decision-making.

In each of our core services of engineering (hard services) and security and hygiene (soft services) we hold market leadership positions. We also deliver transformational projects in the areas of power and grid connections, building fit outs & modernisation, decarbonisation, fire safety & security and telecoms infrastructure, alongside compliance capabilities in fire safety & security and environmental services. Our sector expertise includes central government, critical national infrastructure, defence, financial services, healthcare & life sciences, immigration & justice, local government & education, retail & logistics, manufacturing and transport & aviation.

We hold industry-leading ESG credentials, including a place on the CDP Climate change A List, and we have received multiple awards including Best Low Carbon Solution and Net Zero Carbon Strategy of the year. We have validated science-based targets that support our ambitions to reach Net Zero. We have been recognised as a UK Top Employer for the eighth consecutive year. We are also ranked 16th in the Top 100 Apprenticeship Employers and tenth in the Inclusive Top 50 UK Employers list. Find out more at www.mitie.com.