



## Trading Statement

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Biffa plc  
04 March 2020

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#### PRE-CLOSE TRADING UPDATE FULL YEAR IN LINE WITH EXPECTATIONS

4 March 2020

Biffa plc ('Biffa' or 'the Group'), the UK's leading sustainable waste management company, today issues a trading update ahead of its full year results for the 52 weeks ending 27 March 2020, which are scheduled to be announced on 27 May 2020.

Trading has been in line with the Board's expectations, which will result in continued progress in the Group's underlying performance metrics and EPS growth for the year.

The **Collections division** has continued to deliver growth. The Industrial & Commercial (I&C) business has performed well, supported by its ongoing acquisition strategy, and market collection prices have responded to fully mitigate the impact of the recently implemented Dutch tax on Refuse Derived Fuel. Specialist Services will deliver further strong year on year improvement and the Municipal business continues to deliver stable returns, with good operational delivery and new contract tender wins offsetting expected contract expiries.

The **Resources & Energy division** has also seen growth, underpinned by strong performance in the Recycling business, where an increasing demand for recycled plastics has mitigated softness in paper markets. Landfill tonnages and Landfill Gas generation levels are both in line with expectations. In Organics there has been a return to normalised operational performance in the second half.

As announced on 11 February 2020, the Newhurst energy from waste ('EfW') development has reached financial close and will commence operations during 2023. As previously disclosed, Biffa's financial commitment to this development will be c£45m over the next three years.

Whilst the Protos EfW project is well progressed, the development process is taking longer than anticipated and has resulted in a delay to financial completion. A further update will be provided in due course.

The Group opened the first phase of the £27.5m PET plastics recycling site in Seaham on 29 January 2020. The plant, which can recycle the equivalent of 1.3 bn plastic bottles per annum, was built on budget and on schedule and is expected to be fully operational by the end of the current financial year. Biffa is also investing in a new £7m facility in Washington, Tyne & Wear, which will expand its recycling capabilities for plastic pots, tubs and trays. These combined investments will increase Biffa's total recycled plastic processing capability to 140,000 tonnes per annum.

The Group has completed four small acquisitions in the year and continues to have a strong pipeline of opportunities.

Cash generation and net debt are in line with expectations, underpinning Biffa's ability to deliver the Group's established strategy for growth, whilst also returning cash to shareholders through its progressive dividend.

Biffa will launch its sustainability strategy: *Resourceful, Responsible* on Monday 16 March. The strategy will detail the Group's ambitious approach to sustainability, defining its commitment to helping to solve the UK's waste challenge and ensuring its business is fit for purpose over the critical years ahead. The strategy is built around three pillars: Building a Circular Economy, Tackling Climate Change and Caring for our People and Supporting our Communities. Further detail will be shared on 16 March.

## Outlook

Biffa continues to closely monitor the potential impact of COVID-19 on its business and supply chains. There has not been any meaningful impact on the Group to date.

The Board remains confident in the ongoing strategy and trading performance of the Group.

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*This announcement contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with Biffa's business. Whilst Biffa believes the expectations reflected herein to be reasonable in light of the information available to them at this time, the actual outcome may be materially different owing to factors beyond Biffa's control or within Biffa's control where, for example, Biffa decides on a change of plan or strategy. Accordingly, no reliance may be placed on the figures contained in such forward-looking statements.*

## About Biffa

Biffa is the UK's leading sustainable waste management business. We have over 8,000 employees working across more than 200 sites to change the way people think about waste. We operate across the waste management value chain, including the collection, treatment, processing and disposal of waste, as well as the production and sale of recovered commodities such as energy, paper, glass, metals and plastic.

We are first choice for customers, with our national customer base including local authorities, large corporates and SMEs, and purchasers of end-product commodities and energy. We are structured into two divisions: Collections and Resources & Energy. In FY19, the Group's total revenue was £1,091.2m and its Underlying EBITDA was £150.7m. Biffa has been listed on the London Stock Exchange since October 2016 under the ticker "BIFF".

For more information visit [www.biffa.co.uk](http://www.biffa.co.uk)

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