

28 November 2019

John Menzies plc

Trading Update

John Menzies plc, the global aviation services business, today announces a trading update for the period 1 July 2019 to 31 October 2019.

The Board is pleased to report that the Group continues to make good progress. 2019 has been a year of transition with a difficult trading environment continuing throughout the year. In response to this a number of decisive actions have been implemented.

- Commercially, we have put the business back on the front foot with excellent customer engagement and this is now being evidenced with the majority of the substantial contracts due during the year renewed, significant new contract wins and a full pipeline of opportunities.
- Under-performing operations are being addressed and progress is being made through increased productivity and a focus on sustainable margins.
- A cost reduction programme that delivers at least £10m of savings has been implemented with benefits delivered during the current year and into 2020.
- The executive team has been strengthened and new structures put in place. As a result, we are now confident that we have a strong team, with significant industry experience, focussed on driving the business forward.

Net debt continues to track as planned. We are also pleased to have concluded a legacy legal case that has resulted in an inflow of c£10m which will have a positive impact on our net debt position.

As we exit the year, after allowing for foreign exchange movements, the Group remains broadly in line with the Board's full year expectations and we look forward to 2020 with renewed confidence and optimism.

Giles Wilson, Chief Executive, said:

"I am very pleased to see the tough management actions taken during the year are delivering benefits."

"This year has been about building for the future and I am confident that we have the team in place to drive the business forward. The improvements in our operational delivery, commercial activities and customer engagement have been key and I look forward to seeing the benefits of this come through as we progress."

Philipp Joeinig, Executive Chairman, said:

"I am excited to move into 2020 when we believe the Company will be well placed to substantially increase profits over 2019 with the business right sized and fit for the future. We are now a leaner organisation with a new targeted commercial and business development approach that will deliver expansion with new and existing customers and entry into additional markets that will commence in 2020."

“Our mission is to be the service provider of choice for our customers and we drive to outperform our competitors and our market.”

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