



27 September 2017

Renewi plc
**(“Renewi”, the “Company” or, together with its subsidiaries,
the “Group”)**

Pre-close Trading Update and Capital Markets Event

Renewi plc (LSE:RWI), the international waste-to-product business, today announces its pre-close trading update for the six months ending 30 September 2017, ahead of its interim results which will be released on 9 November 2017.

Commenting on current trading, Peter Dilnot, CEO, said:

“We have continued to trade strongly through the first half of the year, particularly in our Commercial Division. Our integration plans are also progressing well. Accordingly, the Board is confident of delivering its expectations for the current year.

Renewi is well positioned at the heart of a growing sector and is on track to deliver significant value accretion from the merger in the year ending 31 March 2019.”

Trading performance

The Group has continued to perform strongly through the first half of the financial year with trading ahead of our expectations.

The Commercial Division in the Netherlands has performed particularly strongly and we expect this to continue in the second half. We have seen increased waste volumes arising from improving economic growth, a focus on recycling and further recovery in the construction market. Gate fees have remained competitive but stable, and year on year recycle income has been positive. Commercial Waste Belgium has also performed well, with positive volumes offsetting reduced margins in the wood segment on an underlying basis. Looking forward, we anticipate further encouraging trading in the Division.

The Hazardous Waste Division has also continued to perform well. Waterside volumes at ATM have been supported by a major new contract and we have received strong soil intake. The Reym and Van Gansewinkel Industrial Services (VGIS) industrial cleaning businesses are also benefiting from some recovery in the oil and gas market, albeit at challenging margins. IL&T, an environmental agency in the Netherlands, has recently carried out a review of our soil treatment process and output which is expected to negatively affect our off-set of treated soil into a market that is already challenging. Accordingly, we have reduced soil treatment volumes, which will impact our second half performance, while we address the matters raised by IL&T and broaden our range of soil outlets.

The new Monostreams Division has continued trading in line with our expectations with a good performance at the Minerals and Orgaworld businesses offsetting some weakness in Coolrec.



Maltha has continued to improve its profitability, supported by the commissioning of a powder processing line at Dintelmond.

The Municipal Division, which represents around 14% of Group revenues, has continued to make good progress in the UK in line with our expectations. Key recovery actions including new fuel contracts and operational milestones have been completed. As previously reported, ongoing operational issues in London, Canada, have reduced short-term profitability. Commissioning of the new Surrey plant has been delayed to the end of the year due to construction rectifications.

Cash and borrowings

The current and forecast Group net debt position is better than the Board's expectations due to well controlled capital expenditure and integration costs in the first half.

Merger integration progress

Merger integration activities remain on track. The run rate of synergies secured has reached nearly €8m and remains ahead of our plan to deliver the committed €12m of savings in the current year. Over 250 projects have been identified to deliver the total committed €40m of cost synergies, including 165 "quick win" projects which we are implementing in the current year. Further projects are being worked on by divisional teams for execution starting later in the year. Other core workstreams regarding rebranding and the integration of core functions such as IT, Finance and HR have also made good progress over the summer period.

Non-trading and exceptional items

Non-trading and exceptional costs will be lower than expected.

Integration costs remain well controlled and are lower than planned despite on time delivery of cost synergies. Fires at Wandre and Icova are expected to result in non-trading costs at the half year but profits for the full year due to the timing of insurance receipts compared to costs of clean up and the capital costs of reconstruction.

Outlook

We have continued to deliver a strong performance this period: overall trading for the first half is ahead of our expectations and our merger integration plans are on track. Accordingly, noting the reduced soil treatment volumes, the Board is confident of delivering its overall expectations for the current year and significant value accretion from the merger in the year ending 31 March 2019.

Capital Markets Event

Renewi is hosting a two day Capital Markets Event for analysts and investors in the Netherlands on 27 and 28 September 2017. No new material trading information will be provided. The presentation materials from the Event will be made available later today on Renewi's website (www.renewi.com).



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About Renewi plc

Renewi plc (LSE:RWI), created in 2017 by the merger of Shanks Group plc (LSE: SKS) and Van Gansewinkel Groep B.V., is a leading waste-to-product business ideally positioned to be part of the solution to one of the main environmental problems facing society today: reducing waste and avoiding pollution. With over 8,000 employees in Europe and North America, we have deep expertise and an unrivalled breadth of waste management products and services.

For us, waste is a state of mind, an opportunity. When we take away someone's waste we do something great with it. We give it as much new life as we can, by turning it into useful products and raw materials for our customers like recycled paper, metal, plastic and glass, woodchips, compost, energy, fuel and other products.

In the process, we protect the world from contamination, preserve our planet's finite resources, enable our customers to meet their sustainability goals, and provide our global customers with an unrivalled product range, combined with local service and attention.

Above all, our team is committed and passionate about our mission: waste no more. Renewi operates across five divisions:

- **Netherlands Commercial** – Collecting, sorting, treating and recycling commercial and household waste in the Netherlands
- **Belgium Commercial** – Collecting, sorting, treating and recycling commercial and household waste in Belgium
- **Hazardous Waste** – Treating soil, water and packed chemical waste at our flagship ATM facility and conducting specialist industrial cleaning in the Netherlands
- **Monostreams** – Managing a range of waste streams which focus on specific end markets such as glass, electronic goods, organics and minerals in Europe
- **Municipal** – Operating long-term waste management contracts with local authorities in the UK and Canada

For more information please visit www.renewi.com Images are available to download at www.renewi.com/imagelibrary

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