Sunbelt Rentals Increases Fiscal First Half Revenue 19.9 Percent

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Sunbelt U.S. posted $2.5 billion in revenue for the fiscal first half of 2018, compared to $2.084 billion for the same period last year, a 19.9-percent increase. EBITDA increased from $1.077 billion in H117 to $1.278 billion in the first half of 2018, an 18.7-percent jump, while operating profit increased from $702.9 million last year to $847.1 million, a 20.5-percent incline.

Sunbelt Canada totaled CDN $167.4 million (about U.S. $124.9 million) in the fiscal first half, compared to $91.1 million a year ago, an 83.8-percent hike. EBITDA rose from $37.1 million to $66.6 million, a 79.5-percent increase, while operating profit jumped from $20.9 million to $36.3 million, a 73.7-percent hike. Ashtead as a whole, including A-Plant in the United Kingdom, posted underlying rental revenue of £2,074 billion (about U.S. $2.595 billion) in the fiscal first half, compared to £1,774 billion in the fiscal first half of 2017, a 16.9-percent year-over-year increase. In the second quarter, rental revenue increased from £945.2 million in fiscal Q217 to £1.114 billion, a 17.8-percent jump.

"The Group delivered a strong quarter with good performance across the Group," said Ashtead chief executive Geoff Drabble. "As a result, group rental revenue increased 18 percent for the six months and underlying pre-tax profit increased 19 percent to £633million, both at constant exchange rates.

"We have invested £1,063m in capital and a further £362m on bolt-on acquisitions in the period, which has added 80 locations and resulted in a rental fleet growth of 15 percent. This investment reflects the structural growth opportunity that we continue to see in the business as we broaden our product offering and geographic reach and increase market share. Whilst these are significant investments we remain focused on responsible growth so, after spending £425 million to date on our share buyback program, we have maintained net debt to EBITDA leverage at 1.8 times. Therefore, we remain well within our target range of 1.5 to 2.0 times reflecting the strength of our margins and free cash flow.

"Our business is performing well in supportive end markets. Accordingly, we expect full year results to be ahead of our prior expectations and the Board continues to look to the medium term with confidence."

Source: https://rermag.com/headline-news/sunbelt-rentals-increases-fiscal-first-half-revenue-199-percent