Speedy Hire plc

Positive start to important H2 trading period

25 November 2024

Market conditions have been challenging but Speedy has delivered resilient metrics in H125 trading and is investing for growth. All eyes now turn to an expected acceleration of revenue and profit growth in H2 with visible drivers for doing so. The recent share price performance suggests some investor scepticism that this will be achieved, but a c.11% NAV discount and 9.2% prospective dividend yield also catch the eye ahead of further newsflow.

Solid H125 results in line with guidance

H125 group revenues were in line with pre-close guidance, down modestly y-o-y (due to a lower Service and, especially, Fuel top line) but an improved Hire gross margin was notable, with Services' gross margin maintained. Staff cost increases raised opex costs in the period but overall EBITDA came in at £44.2m, only 2.6% below the H124 level. With a lower Speedy Zholdas JV contribution, as flagged at the pre-close stage and higher interest costs (from increased capex and the prior year purchase of Green Power Hire), pre-tax profit came in at £0.4m in H125. A £10.5m increase in net debt to £111.8m (pre IFRS16) mirrored higher Hire capex spending which exceeded Hire asset depreciation by a similar margin. Speedy maintained its H1 DPS at 0.80p/share in line with H124.

Powering up for higher activity levels in H2

H2 has started well (+3% y-o-y in October and November) but needs to accelerate further to achieve full year estimates and a strong exit rate to FY25. Seasonal effects and, more so, contracted new business coming on stream provide support for this scenario. We make no underlying changes to our core activity assumptions but our EPS reductions (FY25 -7.9%, FY26 – 8.1% and FY27 -6.6%) reflect a lower expected JV contribution in the current year and some impact from the recent UK Budget on staffing costs in the following two years.

Valuation: Discount to NAV and strong yield attraction

Having reached a high of 41p in July, Speedy's share price has given up all of its YTD gains and is currently down 16% over this period. Investor sentiment towards cyclical stocks has waned with increased uncertainty over the rate of further interest rate decreases in recent months. As we have noted before, UK GDP recovery will certainly benefit Speedy but a successful implementation of Velocity will mean enhanced growth regardless. We have retained our 51.1p/ share fair value estimate and evidence of accelerating H2 growth will justify this position. Ahead of that, we note that **Speedy is now trading on an 11% discount to its H125 NAV and offers an FY25E dividend yield of 9.2%.**

Summary financials

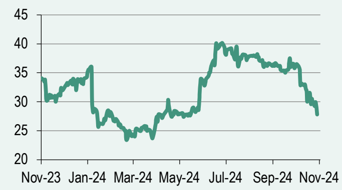
Year to March (£m)	2023	2024	2025E	2026E	2027E
Revenue £m	440.6	421.5	444.5	464.9	486.4
EBITDA £m	103.9	96.8	104.9	109.7	117.9
EBIT £m	32.7	24.5	33.5	37.0	44.0
PTP adjusted £m	**30.7**	**14.7**	**21.9**	**27.3**	**34.4**
EPS adjusted p	**4.92**	**2.24**	**3.62**	**4.57**	**5.72**
DPS p	**2.60**	**2.60**	**2.60**	**2.73**	**2.87**
P/E (x)	*5.7*	*12.6*	*7.8*	*6.2*	*4.9*
EV/EBITDA (x)	*2.1*	*2.4*	*2.2*	*2.1*	*2.0*
Dividend yield (%)	*9.2%*	*9.2%*	*9.2%*	*9.7%*	*10.2%*

Source: Company Annual Reports, Equity Development

Company Data

EPIC	SDY
Price (last close)	28.2p
52 weeks Hi/Lo	41.4p/22.5p
Market cap	£130m
ED Fair Value per share	51.1p
End H125 net debt Pre IFRS16 basis	£(112)m

Share Price, p



Source: ADVFN

Description

Speedy Hire (Speedy) is the UK and Ireland's leading provider of tools, specialist equipment and services operating from a nationwide network of 144 depots. Its activities comprise:

Hire (60% FY24 revenue); generated from a broad range of plant, equipment and tool assets as well as transportation & repair income), **Services (39%)**; includes third party asset re-hire, training, testing and the sale of fuel & other consumables, and **Other (c.1%)**; asset disposals.

During FY24, Speedy transitioned its trade/retail presence with B&Q to a digital fulfilment model (included within Hire revenues). SDY also has two JV operations: Speedy Zholdas (in Kazakhstan, since 2013) and Speedy Hydrogen Services (UK, launched in H224).

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H124 results overview: solid performance

Speedy's dominant Hire sector activity delivered a solid H125 performance, maintaining revenues and improving gross margin. Services activities experienced my variable conditions but still managed to maintain gross margin in line with the prior year. Good opex control contributed to a resilient EBITDA outturn of £44.2m in the period, again with a margin comparable to H124 at 21.7% After the flagged lower JV contribution, H125 adjusted PBT came in just above break-even at £0.4m. Speedy maintained its H1 dividend payout at 0.80p per share in line with the prior year.

We have trimmed our FY25 earnings estimate for the lower JV run rate in the first half and expect the increase in net debt seen in H1 (driven by growth investment in hire assets) to reverse in H2. Beyond the current year, we have only adjusted for higher staff costs in our model resulting from new government Budget measures, with EPS estimates lowered by mid- to high-single digit percentage points accordingly.

Speedy Hire: Interim and divisional splits

Year end: March	**£m**	**H124**	**H224**	**2024**	**H125**	**H125 %ch y-o-y**
UK		205.0	209.2	414.2	203.3	*-0.8%*
Ireland		3.5	3.8	7.3	3.3	*-5.7%*
Group Revenue		**208.5**	**213.0**	**421.5**	**203.6**	***-2.4%***
Hire (ex-disposals)		125.6	128.0	253.6	125.5	*-0.1%*
Services		80.9	81.6	162.5	76.5	*-5.5%*
Other		2.0	3.4	5.4	1.6	*-20.0%*
Group Gross Profit		**112.7**	**117.3**	**230.0**	**113.4**	***0.6%***
Hire (ex-disposals)		96.8	102.2	199.0	98.9	*2.2%*
Services		15.8	15.8	31.6	14.9	*-5.5%*
Other		0.1	-0.7	-0.6	-0.4	*N/m*
Gross Margin %		***54.1%***	***55.1%***	***54.6%***	***55.7%***	
Hire (ex-disposals)		*77.1%*	*79.8%*	*78.5%*	*78.8%*	
Services		*19.5%*	*19.4%*	*19.4%*	*19.5%*	
Other		*5.0%*	*-20.6%*	*-11.1%*	*-25.0%*	
EBIT Margin%		***5.0%***	***8.0%***	***6.5%***	***4.6%***	

Source: Company

Hire: revenues maintained, gross margin improved

As guided at the pre-close stage, **core Hire revenue in H125 was in line with its prior year comparator**. Implicitly, revenue from National and Regional customer segments together was marginally lower y-o-y with lower volumes in each case (unquantified) effectively compensated for by improved average hire rates. Having moved onto a digital fulfilment model with B&Q from the end of FY24[1], the smaller Trade & Retail customer segment saw higher volumes and hire rates which drove a revenue uplift.

Looking at profitability, the **170bp improvement in gross margin to 78.8%**.was an impressive performance in a generally lacklustre market and, clearly, generated by internal actions. Given that Hire asset depreciation (£16.7m) was in line with the prior year, this indicates that other direct costs - including transport and equipment repairs – were c.£2m lower y-o-y (at c.£10m). We are cognisant of seasonal differences between H1 and H2 trading but note that other direct Hire operating costs in H125 were in line with those in H224.

[1] Previously in-store concessions

The change in Trade & Retail delivery model could have contributed to the **y-o-y improvement in other direct costs** with management noting that this segment had moved from loss into profit between the two first half trading periods, though this was not quantified. We believe that other actions would have had a more significant impact on the reduction seen overall – possibly including Velocity benefits – but are unable to quantify this. Itemised asset utilisation of 50.7% compared to 50.5% in H124, so not dramatically different despite higher capex spend in the period (see cash flow section below) but improved asset control and reduced provisions were noted in the results statement.

Reported separately to Hire segment revenue and gross profit, the (planned and unplanned) **disposal of Hire assets resulted in a small net loss** of £0.4m compared to a £0.1m profit in H124. Hence, this c.£0.5m y-o-y difference represented a c.0.4% drag on group gross margin (which actually improved from 54.1% to 55.7%, including Services).

Services: gross margin maintained with revenue mix changes

This segment recorded a **5.5% or £4.4m reduction in Service revenue in H125** versus H124. This movement was split broadly one third due to core Services activities (-2.5% y-o-y) and Fuel provision (-c.15.6% y-o-y).

Within the **core Services segment**, the revitalised Lloyds British business (which undertakes equipment test, inspection and certification or TIC for customers) grew revenues by 10.7% benefitting from actions taken in the prior year. The larger remaining core Services revenue then (predominantly re-Hire of third-party equipment, typically as part of a package with other Speedy owned assets) declined by c.5% y-o-y.

Returning to **fuel provision services**, we believe that the revenue decline was attributable to c.-3% lower pricing and c-13% to lower volumes. We note that this estimated volume decline is larger that for core Hire and Services generally. Although the relationship is not linear and can be affected by Hire/re-Hire mix, it may be the case that the transition to greener power equipment (including hydrogen electric asset and battery storage capacity) is impacting traditional diesel fuel demand at the margin.

Despite lower revenues, the **gross profit margin for Services overall was maintained at 19.5%**, in line with both halves of FY24. Drawing in the components from above, we believe that TIC services' margin is above that generated by Services overall and the fuel margin, while maintained, is dilutive. Consequently, a higher Lloyds British and lower fuel contribution to the revenue mix would have been beneficial for Services' gross margin performance. Implicitly then, this was offset by some margin reduction across the other services provided.

Opex: salary costs increase, other categories flat

Completing the cost analysis picture, **opex (ie distribution and administration costs) increased by 4.4%** to £105.9m. Of this £4.5m increase, we can see that £0.9m was attributable to a net increase in non-hire depreciation and amortisation (totalling £19.9m).

Staff costs are the largest opex line item, accounting for c.60% of the total in FY24. With salary increases of £5.4m annualised plus a higher headcount (up 3.1% to 3,394 over the half year period), **staff costs probably account for the majority of the core opex increase**. This infers then that other categories were flat y-o-y and being tightly controlled.

Velocity: investing and progressing the enabling phase

Management reported **ongoing momentum with its strategic Velocity programme**, now at the mid-point of the initial enabling phase which covers the first three years of a five-year plan (with the growth phase scheduled to kick-in and overlap in year three).

Investment in digital capability and physical hire assets - with a bias towards ECO equipment – continued in the period. In the former area, the following workstreams are currently live:

- **Order Management System** – a central system whereby entered orders are allocated assets and a delivery depot, aiming to optimise order handling and network efficiency. This is currently being implemented and integrated with the Peak AI hire asset base and distribution centre platform.
- **New digital channel** – an upgraded website and customer app has been launched, showcasing the breadth of products and services that Speedy offers and further upgrades are planned.
- **Asset Intelligence & Logistics** – system-led forecasting, replenishment and fulfilment asset planning and delivery in conjunction with the Peak AI platform. A regional trial operation is underway.
- **New CRM** – focus on holistic management of the customer transaction from enquiries through to account settlement. Launch is imminent.

In our view, these developments appear to validate management confidence in the core Peak AI database platform and more value is being extracted from it by migrating into both customer-facing and operational areas. There is clearly implementation risk in both areas and trial periods, defined action areas and staggered launches all suggest that the company is proceeding cautiously. Measured progression rather than a ‘big bang’ step change appears to be the methodology, which of course means that the financial benefits that accrue will be incremental in nature.

Transformation costs of an exceptional nature of £2.3m were identified in H125 results – largely personnel-related we believe – and this is consistent with our full year expectation of £5m as a whole for FY25.

From an external perspective, it is difficult to attribute a value to capex undertaken in the period specifically for Velocity. Non-hire asset capex of £4.8m was in line with H124 and largely applied to property-related items, which may or may not include energy transition measures (such as fitting solar panels and/or EV charging). Hire asset capex spend is more visible; of the £26m spend in H125, we can attribute c.£14m to ECO products including specialist powered access (£7m), battery storage (£5m) and stage V power generation (£2m). These fit the Velocity agenda and also represent increased investment ahead of mobilising new multi-year contracts beginning in the second half. We can’t map all of this ECO spend directly onto new contracts necessarily but, assuming hire asset maintenance capex of c.£17m in H1 (ie in line with depreciation) it is clear that the penetration of ECO products is also increasing across the existing hire fleet. At the end of H125, 56% of the hire fleet is now considered to be energy-efficient ECO products (a 600bp increase from a year earlier.

In due course, Velocity objectives include EBITDA margin growth (to 28%) and revenue growth (stated target of £650m at launch in mid-2023). Progress on these two metrics will be closely watched and although the programme is only in its second execution year, we expect to see positive developments starting in H2.

Cash flow generation expected to reverse H1 cash outflow in H2

As announced in its pre-close statement, **Speedy ended H125 with pre IFRS16 net debt of £112m**, an increase of £10.5m over the half year period. With contracted mobilisation of new Hire business [check] coming on stream in H225, **Speedy has been investing for growth**.

EBITDA was slightly down (-2.6%) y-o-y at £44.2m and after a broadly neutral working capital and provision cash movement, Cash from Operations (before hire fleet changes) was in line with the prior year. The **primary driver behind a c.£11m reduction in Cash from Operations (to £22.4m) then was the step up in net hire fleet investment** at £20.3m (versus £8.9m in H124).

We have covered the main features of hire fleet spend in the earlier Velocity section. For the record, the balance sheet **NBV for hire assets stood at £221.9m at the end of H125**, up almost c.£11m from the start year position. These assets were split between Itemised Assets (£193.2m +£10.7m) and Non-Itemised Assets (£28.7m +£0.6m).

Net other asset investment was marginally higher at £5.4m and lease capital repayments of £13.8m were up just over £1m y-o-y. After Interest and Tax payments (together £7.7m) and Speedy Zholdas JV income (of £2.9m), Speedy saw a **modest Free Cash outflow of £1.6m in H125**. A small investment in the newly created Speedy Hydrogen Services JV plus the FY24 final dividend payment resulted in a **net cash outflow for the half year of £10.4m**.

Cash flow outlook: Our unchanged FY25 estimates indicate that a significant uplift in profitability is anticipated in H2 (ie c.£61m EBITDA versus £44.2m generated in H1). We expect this to substantially drop through to underlying cash from operations and even with a hire asset spending sustained in line with H1 levels, we project c.£15m free cash flow generation in H2. After dividend payments, this translates to our **expected reduction in year end net debt to c.£100m**.

Core assumptions unchanged but JV and NIC adjustments trim expected EPS

As stated above, we have made **no changes to our Speedy Hire operating assumptions for FY25** though have reduced our expected Speedy Zholdas by half (to £1.5m) to reflect the H1 run rate. As commented on earlier, a return to revenue and profit growth from the main group businesses is anticipated in H2 on the back of new contracts getting underway. To quantify this, our existing revenue assumption equates to a c.13% y-o-y uplift in H2. (The increase over H125 is higher still at 18%, though there are also seasonal effects to consider here.)

We note that revenue in the first two months of H2 was c.3% ahead y-o-y and the new Amey contract is to mobilise faster than initially anticipated (and will account for a significant – though less than half – of the y-o-y H2 revenue uplift required to hit our revenue estimate). The inferred H2 EBITDA margin on our estimates is 25.2% compared to 21.7% in H1.

Clearly, successful delivery of this H2 increase would represent a significant exit rate. We will revisit our FY26 and FY27 assumptions against reported progress as H225 progresses. For now, we have elected only to include a c.£2.5m uplift in staff-related costs following the recent UK Budget announcement regarding higher employer NI contributions. This represents around half of the like-for-like figure estimated by management, as we allow for some existing planned increases and potential other mitigating actions to be implemented.

At the EPS level then, factoring the noted discrete changes, **our estimate adjustments are -7.9% for FY25, -8.1% in FY26 and -6.6% in FY27.**

Financial Summary

Speedy Hire: Income Statement										
Year End: March	**£m**	**2019***	**2020****	**2021****	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenue		**394.7**	**371.5**	**332.3**	**386.8**	**440.6**	**421.5**	**444.5**	**464.9**	**486.4**
Gross Profit		214.4	214.3	184.9	221.1	239.4	230.0	247.9	261.1	275.0
EBITDA - SDY norm		103.6	103.4	90.6	100.1	103.9	96.8	104.9	109.7	117.9
EBIT - SDY norm		**36.7**	**33.4**	**21.7**	**32.1**	**32.7**	**24.5**	**33.5**	**37.0**	**44.0**
Net Bank Interest		(2.9)	(3.0)	(2.6)	(2.6)	(4.4)	(7.4)	(7.5)	(7.2)	(7.1)
IFRS16 Interest		(3.5)	(2.8)	(2.4)	(2.5)	(3.5)	(5.0)	(5.0)	(5.0)	(5.0)
Other financial		(0.8)	(0.4)	(0.4)	(0.6)	(0.7)	(0.3)	(0.6)	(0.6)	(0.6)
Associates/JVs		1.9	2.8	1.2	3.2	6.6	2.9	1.5	3.0	3.1
Profit Before Tax (SDY norm)		**31.4**	**30.0**	**17.5**	**29.6**	**30.7**	**14.7**	**21.9**	**27.3**	**34.4**
Intangible Amortisation		(0.7)	(1.3)	(0.8)	(0.5)	(0.4)	(0.6)	(0.6)	(0.6)	(0.6)
Other Non-Underlying Items		(2.0)	(12.6)	(8.4)	0.0	(28.5)	(9.0)	(5.0)	(5.0)	0.0
Profit Before Tax (reported)		**28.7**	**16.1**	**8.3**	**29.1**	**1.8**	**5.1**	**16.3**	**21.7**	**33.8**
Tax		(5.5)	(3.9)	(2.2)	(7.7)	(0.6)	(2.4)	(3.8)	(4.8)	(7.8)
Other		0.0	4.6	3.4	0.2	0.0	0.0	0.0	0.0	0.0
Profit After Tax (reported)		**23.2**	**16.8**	**9.5**	**21.6**	**1.2**	**2.7**	**12.4**	**16.9**	**26.0**
EPS FD - SDY norm (p)		**4.9**	**4.5**	**2.6**	**4.1**	**4.9**	**2.2**	**3.6**	**4.6**	**5.7**
EPS FD - reported (p)		**4.4**	**2.3**	**1.2**	**4.0**	**0.2**	**0.6**	**2.7**	**3.6**	**5.6**
Dividend per share (p)		**2.0**	**0.7**	**1.4**	**2.2**	**2.6**	**2.6**	**2.6**	**2.7**	**2.9**
Shares - Basic Weighted Avge (m)		518.5	520.0	522.4	523.3	488.0	460.4	460.4	460.4	460.4
Shares - Period End (m)		525.3	526.8	528.2	518.2	517.0	517.0	517.0	517.0	517.0
Margins (%)										
Gross Profit		***54.3***	***57.7***	***55.6***	***57.2***	***54.3***	***54.6***	***55.8***	***56.2***	***56.5***
EBITDA - SDY norm		***26.2***	***27.8***	***27.3***	***25.9***	***23.6***	***23.0***	***23.6***	***23.6***	***24.2***
EBIT SDY norm		***9.3***	***9.0***	***6.5***	***8.3***	***7.4***	***5.8***	***7.5***	***8.0***	***9.0***

*Source: Company, Equity Development. *includes International, ** continuing operations only*

Speedy Hire: Cash Flow Statement									
Year End: March £m	**2019***	**2020***	**2021***	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
EBITDA - SDY norm	103.6	103.4	90.6	100.1	103.9	96.8	104.9	109.7	117.9
Change in working capital	(4.6)	9.8	12.3	(13.6)	(6.2)	5.8	(1.7)	(6.2)	(6.5)
Purchase of hire equipment (net)	(36.5)	(41.9)	(24.2)	(57.9)	(36.8)	(25.2)	(35.0)	(40.0)	(45.0)
Other	(1.3)	(6.8)	(5.8)	0.0	(9.0)	(8.4)	(4.4)	(4.3)	0.8
Operating Cash Flow	**61.2**	**64.5**	**72.9**	**28.6**	**51.9**	**69.0**	**63.7**	**59.2**	**67.2**
Interest paid	**(6.7)**	**(6.5)**	**(6.0)**	**(6.0)**	**(8.4)**	**(12.7)**	**(12.5)**	**(12.2)**	**(12.1)**
Tax paid	**(4.7)**	**(9.3)**	**(0.8)**	**(3.0)**	**(3.1)**	**(3.7)**	**(3.8)**	**(4.8)**	**(7.8)**
Investing Activities	**(36.2)**	**(3.5)**	**3.6**	**(14.1)**	**(3.4)**	**(24.2)**	**(8.2)**	**(9.0)**	**(7.5)**
Associates & JV income	0.0	0.0	1.0	1.9	5.6	3.9	2.9	1.5	3.0
Tangible Fixed Assets purchased	(6.5)	(9.0)	(7.7)	(13.8)	(8.7)	(9.0)	(8.5)	(8.5)	(8.5)
Tangible Fixed Assets disposed	0.0	4.2	0.8	0.0	0.6	3.0	0.0	0.0	0.0
Intangibles	0.0	0.0	(3.5)	(2.2)	(0.9)	(1.9)	(2.0)	(2.0)	(2.0)
Acquisition consideration	(30.9)	0.0	0.0	0.0	0.0	(20.2)	0.0	0.0	0.0
Disposal proceeds	0.0	0.0	13.0	0.0	0.0	0.0	0.0	0.0	0.0
Other business investments	1.2	1.3	0.0	0.0	0.0	0.0	(0.6)	0.0	0.0
Financing Activities	**(7.6)**	**(32.8)**	**(81.3)**	**(15.9)**	**(38.0)**	**(25.4)**	**(29.4)**	**(38.1)**	**(38.7)**
Change in loan capital	25.8	2.1	(58.2)	25.4	23.3	12.4	8.5	0.0	0.0
IFRS16 lease payments	(23.7)	(24.5)	(23.6)	(24.6)	(26.5)	(26.0)	(26.0)	(26.0)	(26.0)
Equity	(0.6)	0.5	0.5	(5.4)	(23.9)	0.0	0.0	0.0	0.0
Dividends paid	(9.1)	(10.9)	0.0	(11.3)	(10.9)	(11.8)	(11.9)	(12.1)	(12.7)
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Cash Flow	**6.0**	**12.4**	**(11.6)**	**(10.4)**	**(1.0)**	**3.0**	**9.8**	**(4.9)**	**1.1**
Opening net cash/(debt) - pre IFRS16	**(69.1)**	**(89.1)**	**(79.3)**	**(33.2)**	**(67.5)**	**(92.4)**	**(101.3)**	**(100.1)**	**(105.0)**
Change in net cash	6.0	12.4	(11.6)	(10.4)	(1.0)	3.0	9.8	(4.9)	1.1
Change in loan capital	(25.8)	(2.1)	58.2	(25.4)	(23.3)	(12.4)	(8.5)	0.0	0.0
Other	(0.2)	(0.5)	(0.5)	1.5	(0.6)	0.5	(8.6)	0.0	0.0
Closing net cash/(debt) - pre IFRS16	**(89.1)**	**(79.3)**	**(33.2)**	**(67.5)**	**(92.4)**	**(101.3)**	**(100.1)**	**(105.0)**	**(104.0)**
IFRS16 lease liabilities	**(82.4)**	**(72.9)**	**(63.2)**	**(76.7)**	**(86.1)**	**(97.6)**	**(94.4)**	**(94.4)**	**(94.4)**
Net Cash Flow		**12.4**	**(11.6)**	**(10.4)**	**(1.0)**	**3.0**	**9.8**	**(4.9)**	**1.1**
Dividends paid		10.9	0.0	11.3	10.9	11.8	11.9	12.1	12.7
Equity		(0.5)	(0.5)	5.4	23.9	0.0	0.0	0.0	0.0
Change in loan capital		(2.1)	58.2	(25.4)	(23.3)	(12.4)	(8.5)	0.0	0.0
Acquisition consideration		0.0	0.0	0.0	0.0	20.2	0.0	0.0	0.0
Other		0.5	0.5	0.6	0.1	0.9	0.0	0.0	0.0
Free Cash Flow		**21.2**	**46.6**	**(18.5)**	**10.6**	**23.5**	**13.2**	**7.2**	**13.8**

*Source: Company, Equity Development. *includes International*

Speedy Hire: Balance Sheet										
Year End: March	**£m**	**2019***	**2020***	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Non-Current Assets		**371.2**	**355.5**	**325.2**	**366.4**	**355.1**	**378.9**	**382.5**	**388.7**	**397.2**
Intangible Assets - Goodwill		31.2	17.5	17.5	17.5	17.5	27.4	27.4	27.4	27.4
Intangible Assets - Other		9.9	5.6	7.2	8.4	7.5	12.3	10.5	8.6	6.8
Tangible Assets - Owned		253.3	257.6	233.1	257.7	237.7	233.1	243.5	250.0	260.2
Tangible Assets - RoU		66.4	64.7	59.1	73.3	83.2	97.3	93.8	93.8	93.8
JV/Associate Interests		7.6	7.3	6.2	7.8	9.2	8.8	7.4	8.9	9.0
Other Fixed Assets		2.8	2.8	2.1	1.7	(0.0)	0.0	0.0	(0.0)	(0.0)
Current Assets		**118.8**	**135.3**	**114.3**	**119.3**	**121.3**	**121.3**	**133.6**	**136.6**	**145.9**
Inventory		8.8	8.7	8.2	8.1	12.7	11.8	13.1	14.6	16.1
Trade Receivables		98.1	95.5	88.5	100.1	97.9	93.9	95.5	101.9	108.6
Other Debtors		6.6	8.3	5.9	8.6	9.6	11.6	11.9	11.9	11.9
Cash		5.3	22.8	11.7	2.5	1.1	4.0	13.1	8.2	9.2
Current Liabilities		**(117.2)**	**(117.5)**	**(116.1)**	**(122.7)**	**(121.9)**	**(128.6)**	**(138.0)**	**(142.3)**	**(146.9)**
Trade Payables		(54.2)	(52.3)	(49.8)	(45.3)	(39.1)	(44.9)	(46.1)	(47.8)	(49.6)
Other Creditors		(42.9)	(45.0)	(49.1)	(55.1)	(59.4)	(60.4)	(70.6)	(73.2)	(76.0)
IFRS16 Lease Liabilities		(20.1)	(20.2)	(16.7)	(20.6)	(22.1)	(22.1)	(20.8)	(20.8)	(20.8)
Short-term Borrowings		0.0	0.0	(0.5)	(1.7)	(1.3)	(1.2)	(0.5)	(0.5)	(0.5)
Non-Current Liabilities		**(163.1)**	**(163.4)**	**(102.6)**	**(136.6)**	**(169.9)**	**(195.9)**	**(203.2)**	**(203.2)**	**(203.2)**
Long-term Borrowings		(90.4)	(102.1)	(44.4)	(68.3)	(92.2)	(104.1)	(112.7)	(112.7)	(112.7)
IFRS16 Lease Liabilities		(55.0)	(52.7)	(46.5)	(56.1)	(64.0)	(75.5)	(73.6)	(73.6)	(73.6)
Other Long-term Liabilities		(17.7)	(8.6)	(11.7)	(12.2)	(13.7)	(16.3)	(16.9)	(16.9)	(16.9)
Net Assets		**209.7**	**209.9**	**220.8**	**226.4**	**184.6**	**175.7**	**174.9**	**179.7**	**193.0**

*Source: Company, Equity Development. *includes International*

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