

2024 Full Year Results

April 2025



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Introduction

Geoff Drabble, Chair

The Group has strong fundamentals...

- Comprehensive UK network
- Experienced teams
- Long-standing customer and supplier relationships
- Unique portfolio of brands
- Toolstation growth potential

...but there have been tactical missteps

- Too much attrition in key sales and operations roles
- Sound strategic initiatives not well implemented in the field
- Oracle implementation has been a distraction

Focus is now on building an **entrepreneurial, customer-centric** business backed by the **benefits of national scale**

Financial review

Duncan Cooper, CFO

Good progress on balance sheet and portfolio actions but **trading challenges** are clear

- Toolstation UK progressing well
 - Tackled European losses
 - Strong cash generation
 - Refinanced with investment grade debt
- Merchant businesses have underperformed
 - Oracle implementation challenges

Financial overview

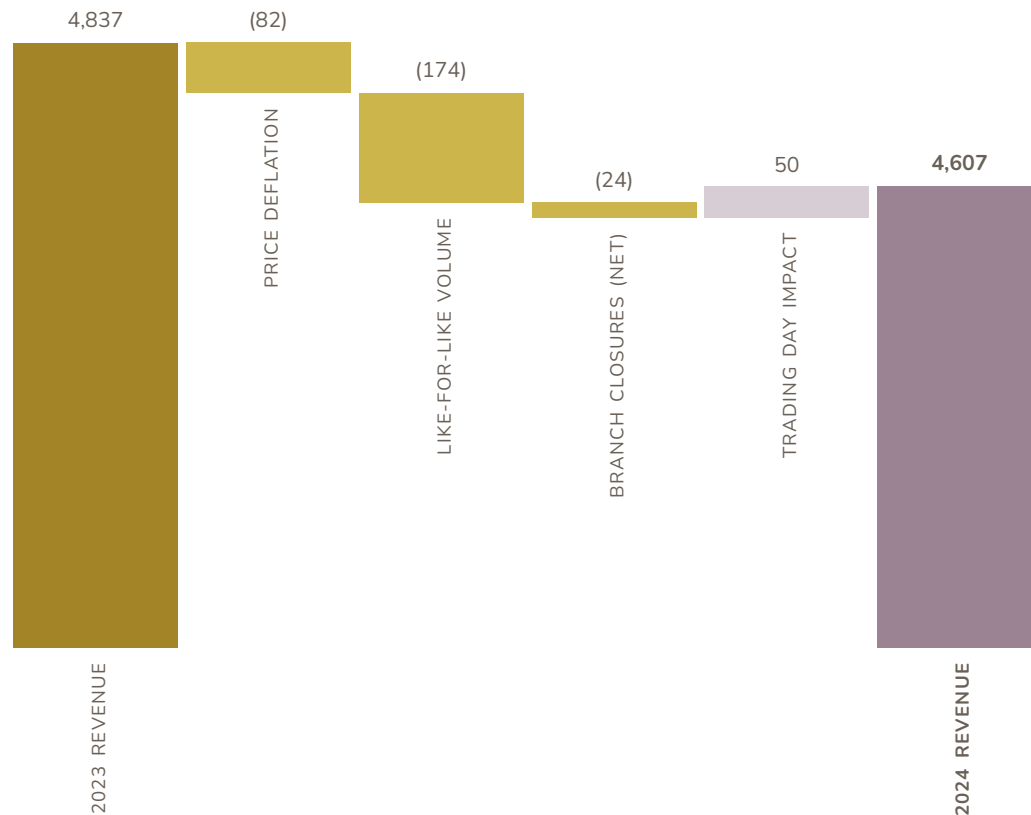
Year ended 31 December 2024
(£m unless otherwise stated)

	2024	2023 (re-presented ¹)	Change
Revenue	4,607	4,837	(4.7)%
Adjusted operating profit excluding property profits	141	183	(23.0)%
Adjusted operating profit	152	198	(23.2)%
Adjusted earnings per share (pence)	36.6p	54.4p	(32.7)%
Net debt before leases	191	314	39.2%
Net debt / adjusted EBITDA	2.5x	2.6x	0.1x
Ordinary dividend per share	14.5p	18.0p	(19.4)%

1. For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

Challenging trading environment becoming increasingly competitive

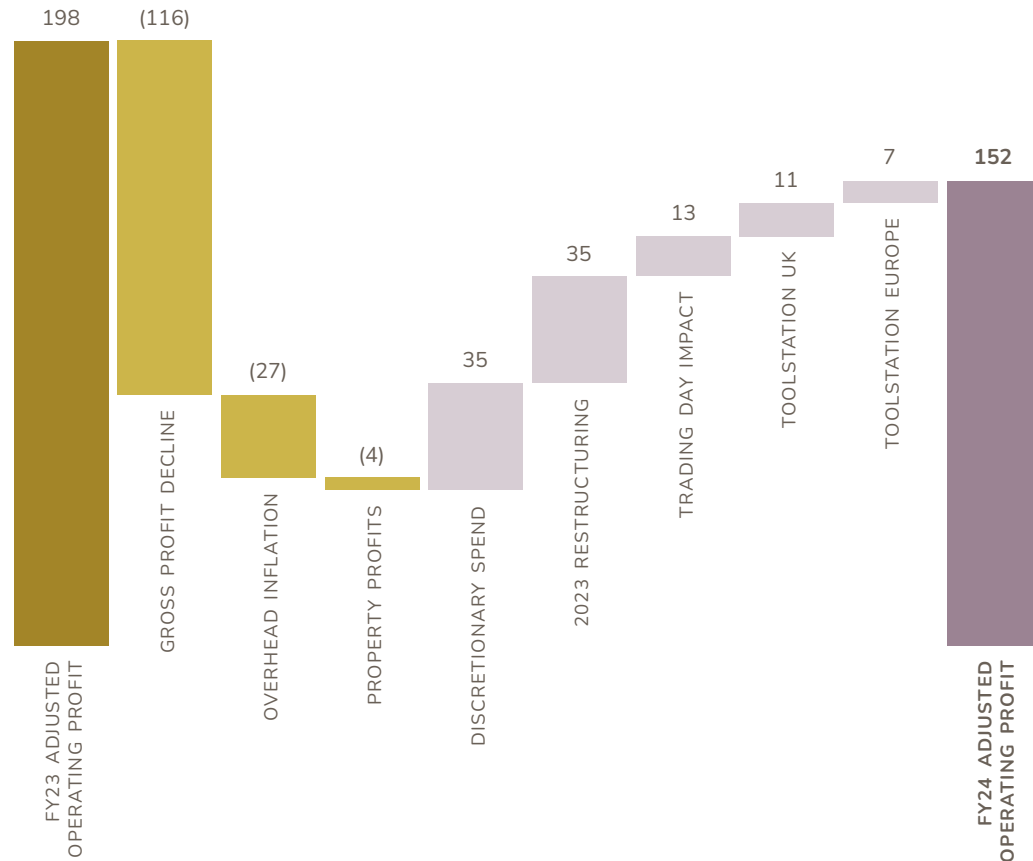
Year ended 31 December 2024
(£m unless otherwise stated)



- Continued weakness in RMI / new housebuilding
- Competitor activity has intensified
- Deflation a challenge but eased throughout the year
- Volumes in public sector impacted by election and late budget

Gross margin decline partially mitigated by cost savings

Year ended 31 December 2024
(£m unless otherwise stated)



- Gross profit decline driven by deflation and decline in volume
- Significantly improved cost discipline
- Ongoing Toolstation UK growth
- Toolstation Benelux strategy shift

Adjusting items

Year ended 31 December 2024 (£m unless otherwise stated)	2024	2023 (re-presented ¹)
Branch impairment	63	–
Staircraft impairment	33	–
Supply chain consolidation	26	6
Group restructuring	11	11
Benchmarx closures	6	10
Total	139	27

- Impairments related to Merchant branches and Staircraft
- Supply chain charge resulting from DC closures and stock rationalisation
- Management restructuring activity
- 39 standalone Benchmarx branches closed as proposition refocused

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Significantly enhanced cash generation

Year ended 31 December 2024 (£m unless otherwise stated)	2024	2023 (re-presented ¹)	YoY
EBITDA	332	369	(37)
Access costs / discontinued operations	(38)	(28)	(10)
Movement in debtors / creditors	(58)	(22)	(36)
Movement in stock	64	0	64
Interest, tax and lease liabilities	(164)	(174)	10
Capex	(64)	(107)	43
Dividends	(23)	(82)	59
Repayment of borrowings	0	(84)	84
Freehold property activity	51	36	15
Net cash inflow / (outflow)	100	(92)	192

1. For continuing businesses only. The Toolstation France business is treated as a discontinued operation.

- Clear focus on cash has protected the balance sheet
- Debtors and creditors impacted by Oracle
- Stock management significantly improved
- Disciplined approach to capital expenditure
- Dividend rebased in line with policy

Good progress on net debt reduction

Year ended 31 December 2024 (£m unless otherwise stated)	31 Dec 2024	31 Dec 2023	Change	Covenant
Net debt	£845m	£922m	£77m	
Net debt / adjusted EBITDA	2.5x	2.6x	0.1x	<4.0x
Net debt before leases	£191m	£314m	£123m	
Net debt before leases / adjusted EBITDA	0.6x	0.9x	0.3x	

- £125m of investment grade US PP debt raised in Q1 25
- Maturities from 2028 to 2035
- Average coupon of 6.4%

- Significant reduction in net debt driven by strong cash inflow
- Unwind of legacy pension SPV reduces debt by £25m
- Increase in lease debt driven by sale-and-leasebacks and leases on new electric forklift fleet

Outlook and guidance

Current trading and outlook

- Pricing stabilised with modest volume decline in Merchanting
 - Solid start in Toolstation UK
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- Uncertainty remains around timing and strength of a UK construction recovery
 - Focus on actions to rebuild the business

Guidance

- Base capital expenditure of around £80m
- Property profits of around £3m
- Expected ETR of 30% on UK profits
- Expect FY25 adjusted operating profit (excluding property profits) to be broadly in line with FY24 (excluding property profits)

Q&A



Appendices



Definitions

Metric	Definition
Operating profit	Profit before tax, financing charges and income
Earnings per share ('EPS')	Ratio of net profit after taxation adjusted for minority interests to weighted number of ordinary shares outstanding
Adjusted operating profit / Adjusted EPS	Operating profit / EPS before adjusting items and amortisation of acquisition-related intangible assets
ROCE	Adjusted operating profit divided by the combined value of balance sheet debt and equity
Covenant net debt	On-balance sheet debt excluding lease liabilities and pension SPV liability
Net debt	On-balance sheet debt including lease liabilities
Net debt / EBITDA	The ratio of net debt to earnings before tax, interest, depreciation, amortisation and adjusting items ('EBITDA')
Free cash flow ('FCF')	Net cash flow before dividends, freehold property purchases and disposal proceeds, pension deficit repair contributions, adjusting cash flows and financing cash flows
Like-for-like sales growth	Revenue growth adjusted for new branches, branch closures, business acquisitions and disposals and trading day differences. Revenue included in like-for-like is for the equivalent periods in both years under comparison. Branches are included once they have traded for more than 12 months

£125m US PP debt mix and maturity profile

Offering summary

Series	Series A	Series B	Series C	Series D	Series E
Tenor	3-year	4-year	5-year	7-year	10-year
Currency	USD	GBP	GBP	GBP	GBP
Amount	\$40,000,000	£10,000,000	£21,000,000	£37,000,000	£25,000,000

Sales drivers by reporting segment

(% unless otherwise stated)

	Merchanting							Toolstation							Total Group							
	Q1	Q2	H1	Q3	Q4	H2	FY	Q1	Q2	H1	Q3	Q4	H2	FY	Q1	Q2	H1	Q3	Q4	H2	FY	
Total revenue																						
2024	(6.0)	(5.7)	(5.8)	(7.1)	(5.8)	(6.5)	(6.2)	0.9	3.6	2.3	3.0	2.2	2.6	2.5	(4.9)	(4.2)	(4.5)	(5.5)	(4.3)	(5.0)	(4.7)	
2023	(3.2)	(5.6)	(4.5)	(3.4)	(5.1)	(4.2)	(4.4)	7.6	9.0	8.3	7.2	0.8	3.8	6.0	(1.7)	(3.5)	(2.6)	(1.9)	(4.1)	(3.0)	(2.8)	
Like-for-like revenue																						
2024	(4.2)	(7.9)	(6.1)	(8.2)	(6.8)	(7.6)	(6.8)	(1.2)	2.4	0.6	2.2	4.3	3.3	1.9	(3.5)	(6.2)	(4.9)	(6.6)	(4.8)	(5.8)	(5.3)	
2023	(4.2)	(5.2)	(4.8)	(2.9)	(5.2)	(4.1)	(4.4)	3.5	6.4	5.0	4.1	(0.3)	1.8	3.4	(3.3)	(3.5)	(3.4)	(2.0)	(4.4)	(3.1)	(3.2)	
Price and mix							(2.3)							1.4							(1.7)	
Like-for-like volume							(4.5)							0.5							(3.6)	
Like-for-like revenue growth							(6.8)							1.9							(5.3)	
Network changes							(0.6)							0.3							(0.5)	
Trading days							1.2							0.3							1.1	
Total revenue growth							(6.2)							2.5							(4.7)	

Note: All information in the table above has been restated to remove the impact of Toolstation France.

Branch numbers

Year ended 31 December 2024	31 Dec 2023	Openings	Closures	31 Dec 2024
Travis Perkins General Merchant	552	5	(8)	549
Benchmarx ¹	70	0	(42)	28
Keyline	42	0	(1)	41
CCF	36	1	0	37
BSS	54	0	0	54
TF Solutions	15	0	0	15
Merchandising	769	6	(51)	724
Toolstation UK	570	22	(5)	587
Toolstation Europe	170	2	(62)	110
Toolstation	740	24	(67)	697
Group	1,509	30	(118)	1,421

1. Standalone Benchmarx branches only. The Group also has 102 Benchmarx showrooms or implants within Travis Perkins General Merchant branches.



Strong customer and supplier relationships



Comprehensive UK network



Toolstation growth potential



Unique portfolio of brands



Experienced people

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