

# Interim Results HY2026.

03.12.2025

# Agenda.

Business Overview

Martin Ward

Financial Review

Rachel Coulson

Conclusion

Martin Ward

Q&A



Martin Ward  
CEO



Rachel Coulson  
CFO

# Business Overview.

Martin Ward



# Overview: **great start** to the year.

Underlying Revenue	Fleet
<b>£809.9m +4.5%</b>	<b>135,000+ +2.0%</b>

- Strong H1 - Spain stand-out performance
- Good momentum across businesses
- Confident with top end of market range for full year
- Further evolution of UK&I operating model
- Steady-state cash: reaching inflexion point





# Overview: significant operational progress in H1.



## Fleet growth

Total fleet over 135,000

Spain Y-o-Y growth 7.6%



## Capacity growth

Spain – 2x Points of Service

FMG RS - Cardiff

Northgate - Hoddesdon



## Rental progress

Infrastructure sector contracts

Larger fleet demand



## Insurance wins

Howden Insurance launch

Contract extensions & renewals



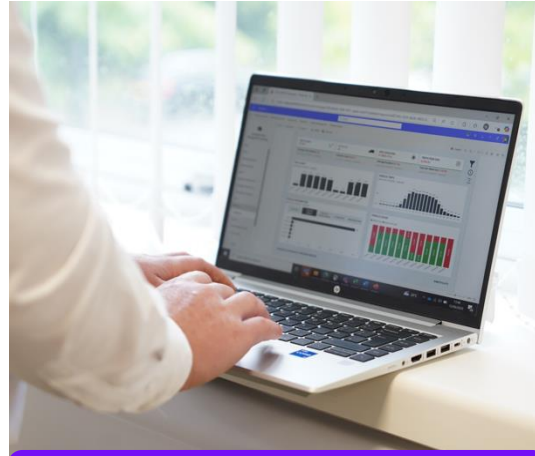
# Strategic progress: Enabling and Delivering Growth.



Branch service

Spanish  
delivery hubs

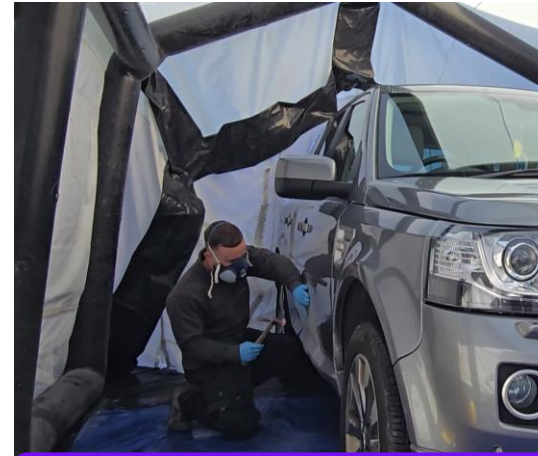
Specialist vehicle  
range & depots



Customer solutions

One Road  
simplification

Fleet  
consultancy



Vehicle technical

Mobile repair  
network

Structural aluminium  
centres



Technology platform

Recovery  
Ops centre

Call-centre  
tech platform

Spanish e-auction

# Strategic ambition: evolving the **operating model** in UK&I.



## Evolution

Building on 2024 actions

Normalised markets

Robust mobility platform

Technology infrastructure



## Rationale

Alignment under core disciplines

Customer benefits

Greater agility in support functions

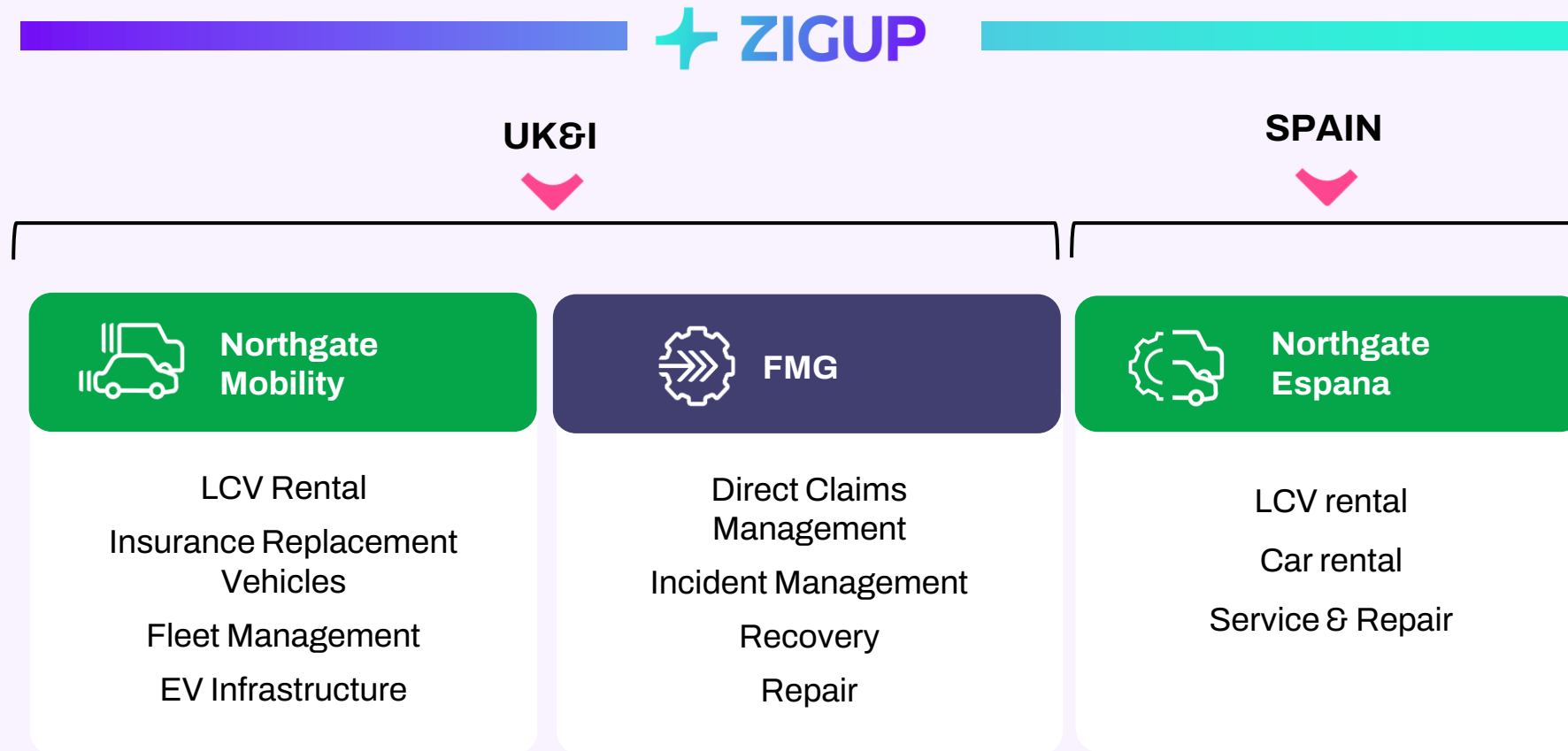


## Outcomes

Accelerate procurement, property & technology plans

Annualised savings  
Circa £20m

# UK&I: realigning under Northgate Mobility & FMG.





# Financial Review.

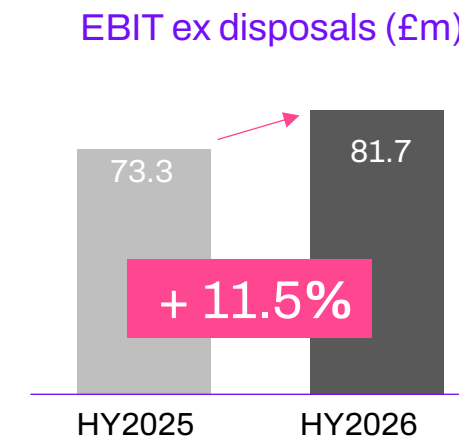
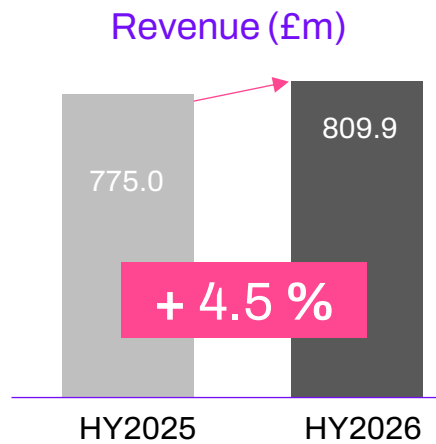
Rachel Coulson



# HY Financial performance.

## Underlying Trading.

Revenues:	+ 4.5% to <b>£809.9m</b>
EBIT:	+1.4% to <b>£100.4m</b>
PBT:	-0.4% to <b>£81.7m</b>
ROCE:	0.9 ppt decrease to <b>11.9%</b>



HY dividend

**8.8p**  
(HY2025: 8.8p)



**£ 246.0m**

EBITDA (+£17.4m)



**£ 1.68bn**

Fleet NBV (+£0.17bn)



**1.9 x**

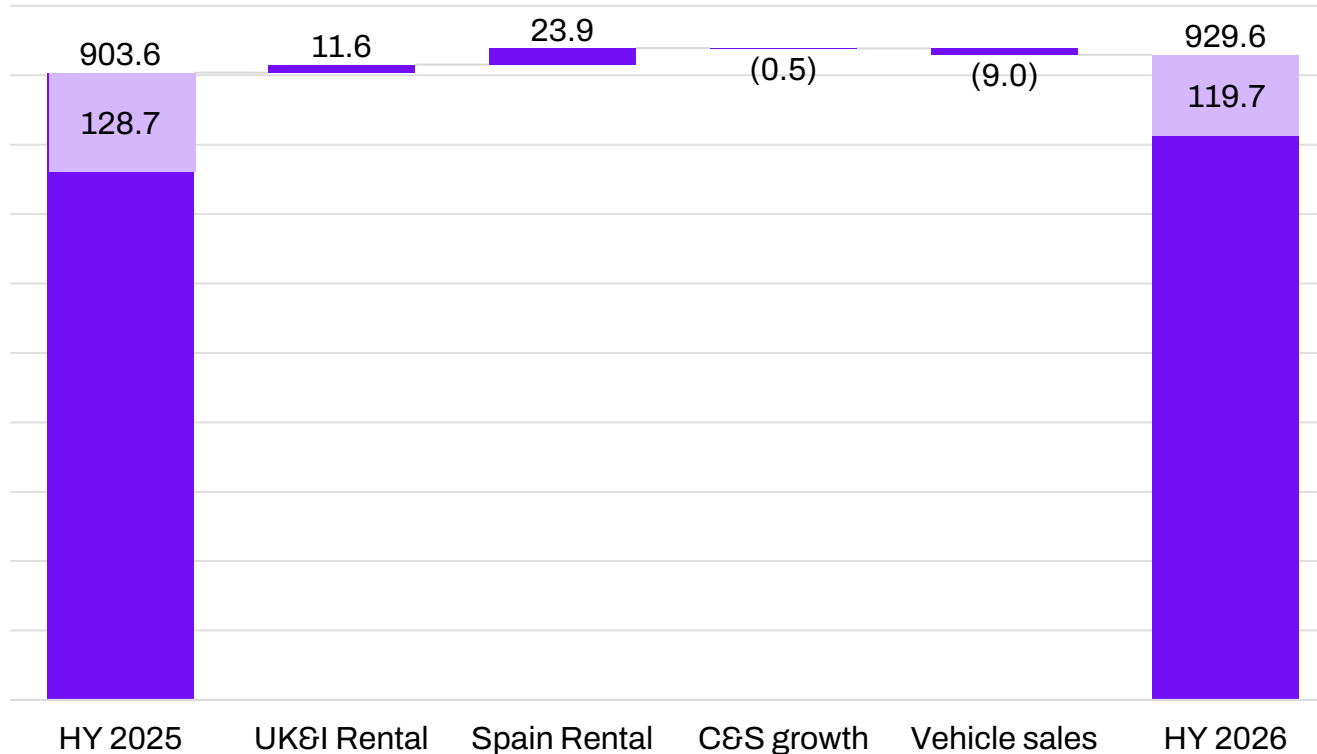
(FY2025: 1.8x)

Leverage

*vs end-April 2025*

# Underlying revenue excl. vehicle sales +4.5%.

Reported revenue bridge £m



## Key points: vs HY2025

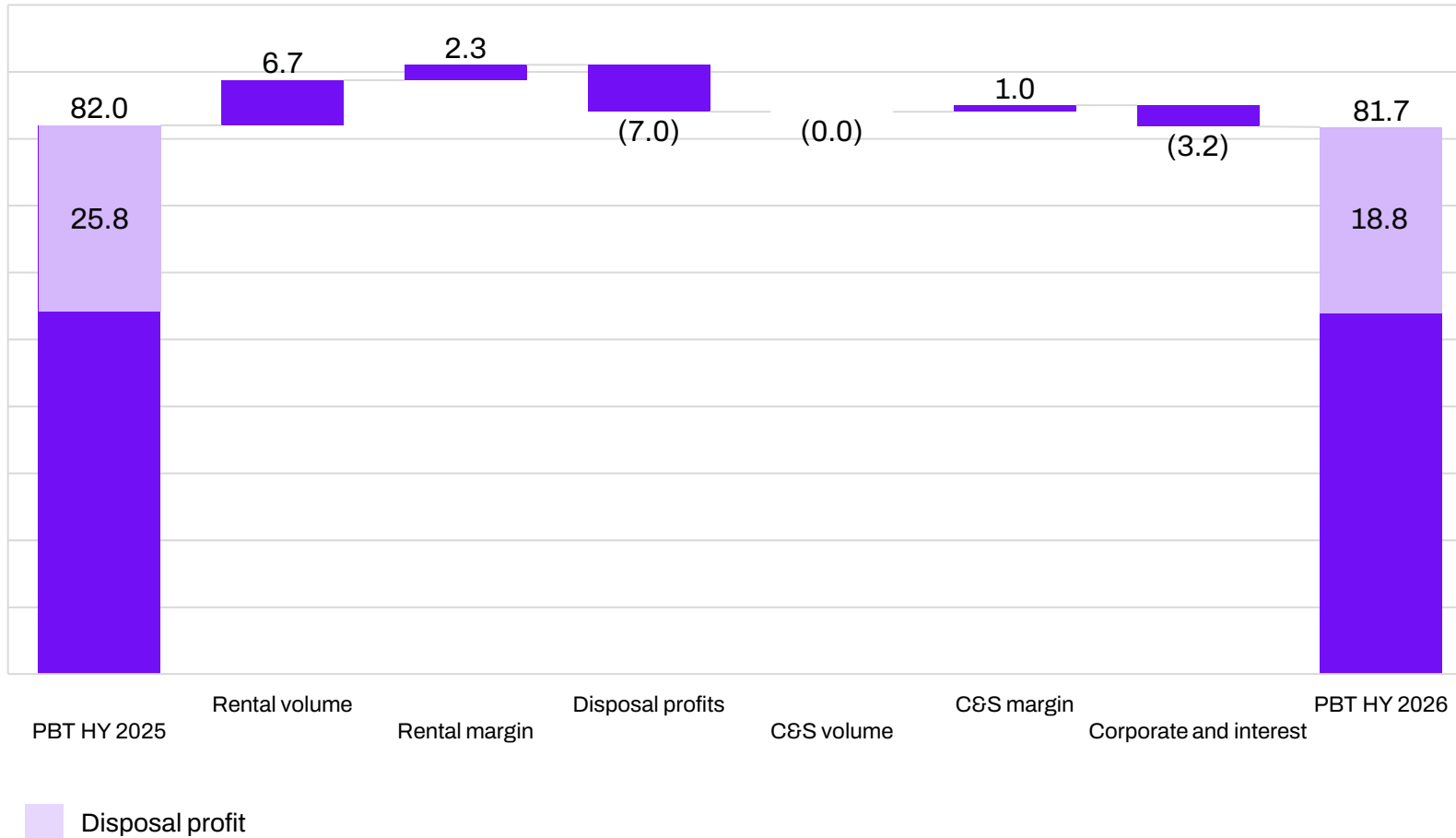
- UK&I rental revenue +6.5%, ave. VoH - 2.6%
- Spain rental revenue +16.3%, ave. VoH +11.0%
- Claims and services (C&S) revenue in line with prior year
- Vehicle sales revenue -7%, decreased volumes & PPUs in UK&I / C&S, partially offset by Spain

Vehicle sales revenue

Excludes inter-segment revenue.

# Group underlying profit waterfall.

Underlying PBT bridge £m



## Key points.

- Rental profits +£9.0m
  - UK&I margin 16.9% (+1.2ppt)
  - Spain margin 19.3% (flat)
- Disposal profits lower in UK&I
- C&S margin 4.2% (+0.2ppt)
- Interest costs reflect higher average net debt

# H1 Cashflow profile: £48.6m steady state cash flow.

	HY2026	HY2025	Change
	£m	£m	£m
<b>EBITDA</b>	<b>246.0</b>	<b>228.6</b>	<b>17.4</b>
Net replacement capex (NRC) <sup>1</sup>	(172.3)	(178.9)	6.6
Lease principal payments	(25.1)	(29.4)	4.3
<b>Steady state cash flow generation</b>	<b>48.6</b>	<b>20.3</b>	<b>28.3</b>
Exceptional items	-	(2.8)	2.8
Working capital and non-cash items	26.0	38.5	(12.5)
Associates	0.6	-	0.6
Taxation	(12.1)	(7.1)	(5.0)
Interest & other financing	(15.6)	(15.9)	0.3
<b>Cash generation (consumption) before dividends</b>	<b>47.5</b>	<b>33.0</b>	<b>14.5</b>
Dividends	(39.6)	(39.3)	(0.3)
<b>Cash consumption before investments</b>	<b>7.9</b>	<b>(6.3)</b>	<b>14.2</b>
Growth capex <sup>1</sup>	(73.6)	(53.5)	(20.1)
Share buyback	-	(5.3)	5.3
<b>Net cash consumed</b> <sup>2</sup> (incl. lease payments)	<b>(65.7)</b>	<b>(65.2)</b>	<b>(0.5)</b>

## Key points.

- EBITDA up 7.6%
- Net replacement capex: broadly as expected
- Fleet age reduced (vs Oct 24):
  - UK&I ave fleet age -5.4 to 26.2 months
  - Spain ave fleet age -2.1 to 26.7 months
- Growth capex up: increased Spanish fleet

<sup>1</sup> Net replacement capex (NRC) is total net capex less growth capex. Growth capex represents the cash consumed in order to grow the owned fleet or the cash generated if the fleet size is reduced in periods of contraction.

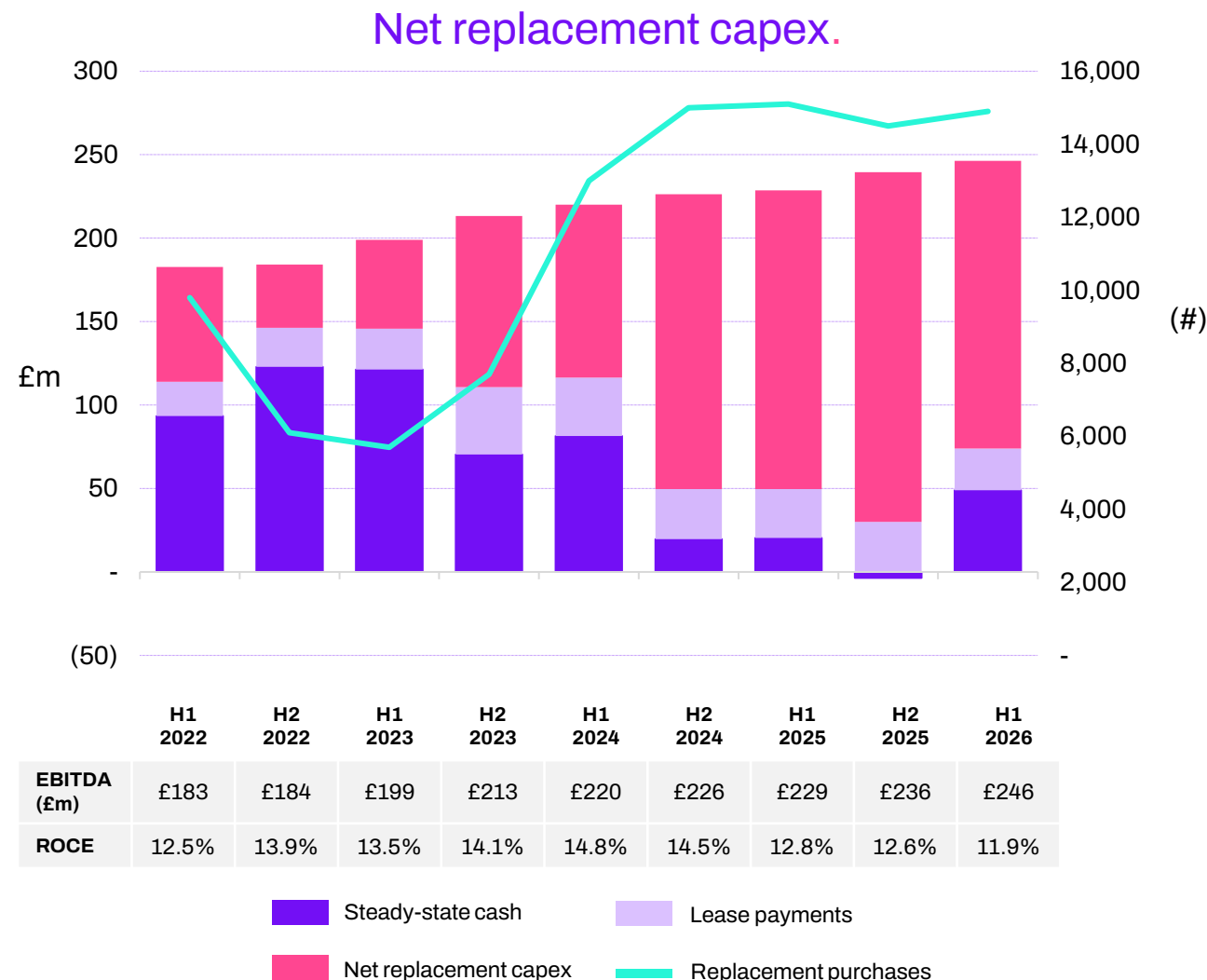
<sup>2</sup> Net cash consumed £65.7m includes £25.1m of lease payments therefore net cash movement for net debt is £40.6m. (HY2025:£65.2m less £29.4m = £35.7m debt movement)



# Strong balance sheet, steady state cash **reaching inflexion point.**

## Robust balance sheet & prudent leverage.

	HY2026	FY2025
Net debt	<b>£939m</b>	£837m
Fleet assets	<b>£1.68bn</b>	£1.51bn
Net debt / EBITDA	<b>1.9x</b>	1.8x
Target leverage range of	<b>1-2x</b>	1-2x
Debt headroom	<b>£341m</b>	£412m
Borrowing cost	<b>3.2%</b>	3.1%
Fixed debt at period end	<b>83%</b>	69%



# Looking forward, building momentum.

## UK&I Simplification.



18-month  
timetable



One-off costs  
to achieve  
£5m



Annualised savings  
of c. £20m  
by FY2028

## FY2026 Full year view.

Expect adjusted PBT to be at least at the top of the £150-155m range of analysts' expectations .

### Spanish rental

FY: 17.5-19.5%  
margin



### UK&I rental

FY: 15-16%  
margin



### Claims & Services

H2 margin closer  
to 5%



# Conclusion.

Martin Ward



# Conclusion: confidence in outlook.

- At least at top end of market expectations
- Reflects great start to FY2026 underpinned by robust market fundamentals
- UK&I operating model changes delivering greater velocity
- Increasing visibility on cash generation





# Q&A.





# Appendices.



# Information available on the Corporate Website.

## Video discussions.

Strategy

Investment case

Our people

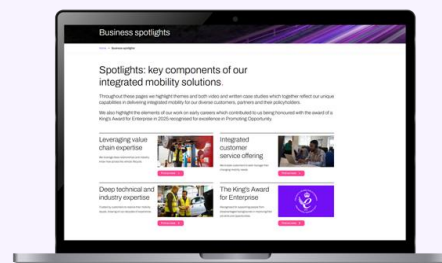
ESG principles

## IR Update.



➤ [Click here](#)

## Business spotlights.



➤ [Click here](#)



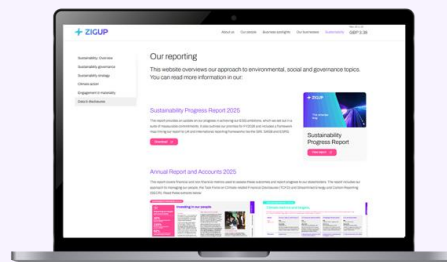
Best UK  
MidCap  
Website  
2023, 2024  
& 2025

Best Innovation, MidCap 2025



Best MidCap Website 2025

## Sustainability library.

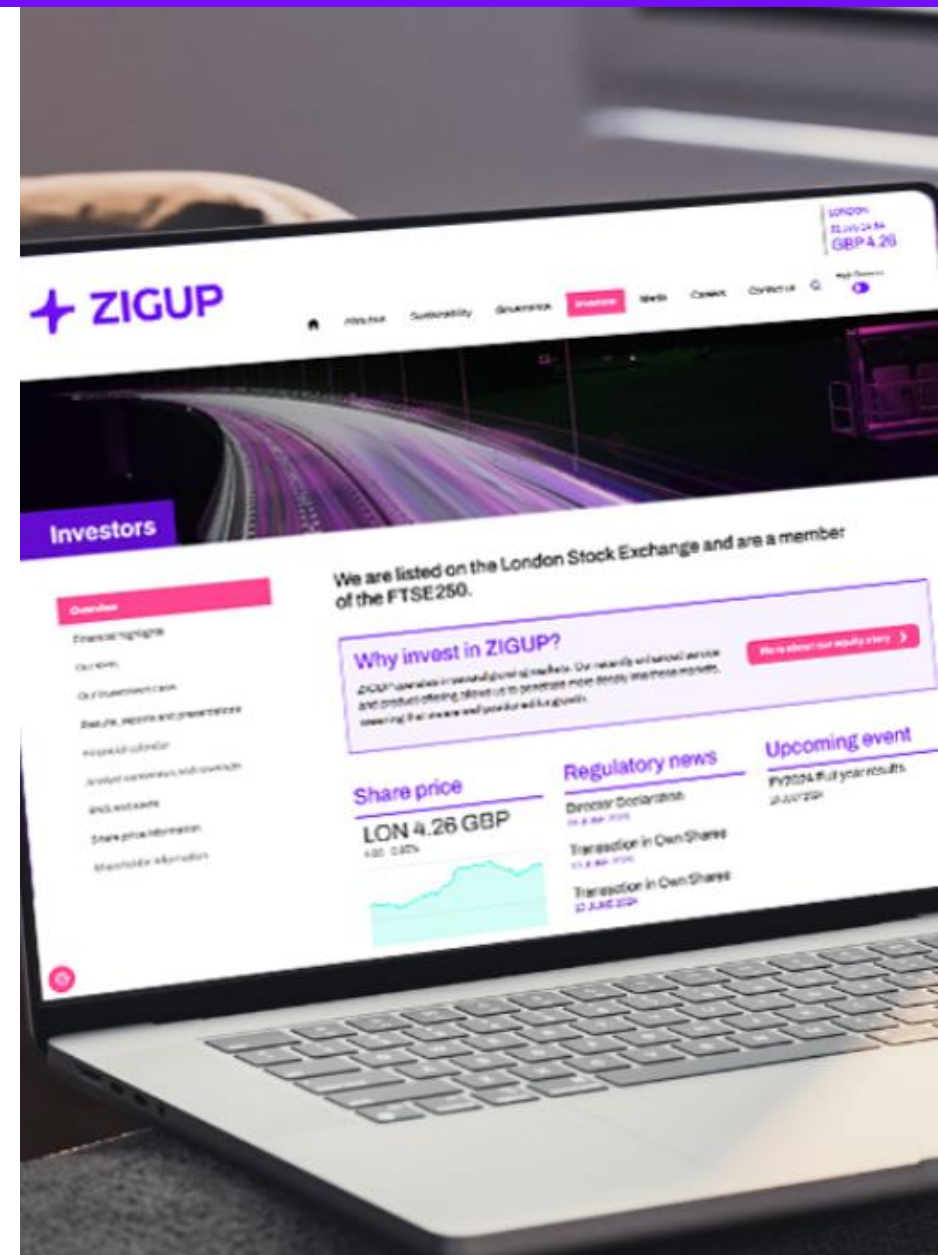


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## AI search tool.



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	HY2026 £m	HY2025 £m	% change
<b>Revenue – Vehicle hire</b>	<b>208.3</b>	195.6	6.5%
<b>Rental profit</b>	<b>35.1</b>	30.8	14.2%
<i>Rental margin</i>	<i>16.9%</i>	<i>15.7%</i>	<i>1.2ppt</i>
<b>Disposal profit</b>	<b>5.9</b>	13.6	(57.1%)
<b>EBIT</b>	<b>41.0</b>	44.4	(7.7%)
<i>EBIT margin</i>	<i>19.7%</i>	<i>22.7%</i>	<i>(3.0ppt)</i>
<i>Average VoH ('000)</i>	<i>42.6</i>	<i>43.8</i>	<i>(2.8%)</i>
Vehicles sold	<b>8,400</b>	10,800	(21.8%)
<i>LCV PPU</i>	<i>£800</i>	<i>£1,600</i>	<i>(46.6%)</i>

## Key points.

- Rental margin of **16.9%**, includes one-offs but FY to be in line with target levels
- VoH decrease **-2.8%** offset by product mix and pricing actions
- Vehicles sold include 1,600 cars / other through Van Monster

# Spain Rental.

	<b>HY2026 £m</b>	<b>HY2025 £m</b>	<b>% change</b>
<b>Revenue – Vehicle hire</b>	<b>170.7</b>	146.8	16.3%
<b>Rental profit</b>	<b>33.0</b>	28.3	16.3%
<i>Rental margin</i>	<i>19.3%</i>	<i>19.3%</i>	<i>-ppt</i>
<b>Disposal profit</b>	<b>12.9</b>	12.2	5.8%
<b>EBIT</b>	<b>45.9</b>	40.5	13.1%
<i>EBIT margin</i>	<i>26.9%</i>	<i>27.6%</i>	<i>(0.7ppt)</i>
<i>Average VoH ('000)</i>	<i>66.1</i>	<i>59.6</i>	<i>11.0%</i>
Vehicles sold	<b>6,900</b>	6,400	7.9%
<i>LCV PPU</i>	<i>£1,900</i>	<i>£1,900</i>	-

## Key points.

- Strong growth in rental revenue **+16.3%**
- Strong demand coupled with Investment in fleet increasing VoH **+11.0%**
- Continued strong rental margin at **19.3%**

# Claims & Services

	<b>HY2026 £m</b>	<b>HY2025 £m</b>	<b>% change</b>
<b>Revenue – Claims and Services</b>	<b>441.8</b>	442.1	(0.1%)
<b>Gross profit</b>	<b>80.5</b>	79.7	0.9%
<i>Gross margin</i>	<i>18.2%</i>	<i>18.0%</i>	<i>0.2ppt</i>
<b>Operating profit</b>	<b>18.1</b>	17.4	3.7%
Income from associates	<b>0.6</b>	0.2	249%
<b>EBIT</b>	<b>18.7</b>	17.6	6.0%
<i>EBIT margin</i>	<i>4.2%</i>	<i>4.0%</i>	<i>0.2ppt</i>

## Key points.

- Revenue in line with prior year
- Operating profit slightly ahead with margins staying broadly consistent with prior period.
- Margins expected to rise closer to 5% due to contract renewals driving a busier H2.



# Cash flow reconciliation.

## FY2026 Cash consumption.

	<b>HY2026</b>	<b>HY2025</b>	<b>Change</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
EBIT	<b>100.4</b>	99.1	1.3
Depreciation and amortisation	<b>145.6</b>	129.5	16.1
<b>Underlying EBITDA</b>	<b>246.0</b>	<b>228.6</b>	<b>17.4</b>
Net replacement capex (NRC) <sup>1</sup>	<b>(172.3)</b>	(178.9)	6.6
Lease principal payments	<b>(25.1)</b>	(29.4)	4.3
<b>Steady state cash flow generation</b>	<b>48.6</b>	<b>20.3</b>	<b>28.3</b>
Working capital and non-cash items	<b>26.0</b>	38.5	(12.5)
Exceptional cash items	-	(2.8)	2.8
Growth capex <sup>1</sup>	<b>(73.6)</b>	(53.5)	(20.1)
Taxation	<b>(12.1)</b>	(7.1)	(5.0)
<b>Net operating Cash</b>	<b>(11.1)</b>	<b>(4.6)</b>	<b>(6.5)</b>
Distributions from associates	<b>0.6</b>	-	0.6
Interest & other financing	<b>(15.6)</b>	(15.9)	0.3
<b>Free cash flow</b>	<b>(26.1)</b>	<b>(20.5)</b>	<b>(5.6)</b>
Dividends	<b>(39.6)</b>	(39.3)	(0.3)
Share buyback	-	(5.3)	5.3
<b>Net cash consumed<sup>2</sup> (incl. lease payments)</b>	<b>(65.7)</b>	<b>(65.2)</b>	<b>(0.5)</b>

## Cash flow reordered to reflect priorities.

	<b>HY2026</b>	<b>HY2025</b>	<b>Change</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>EBITDA</b>	<b>246.0</b>	<b>228.6</b>	17.4
Net replacement capex (NRC) <sup>1</sup>	<b>(172.3)</b>	(178.9)	6.6
Lease principal payments	<b>(25.1)</b>	(29.4)	4.3
<b>Steady state cash flow generation</b>	<b>48.6</b>	<b>20.3</b>	<b>28.3</b>
Exceptional items	-	(2.8)	2.8
Working capital and non-cash items	<b>26.0</b>	38.5	(12.5)
Associates	<b>0.6</b>	-	0.6
Taxation	<b>(12.1)</b>	(7.1)	(5.0)
Interest & other financing	<b>(15.6)</b>	(15.9)	0.3
<b>Cash generation (consumption) before dividends</b>	<b>47.5</b>	<b>33.0</b>	<b>14.5</b>
Dividends	<b>(39.6)</b>	(39.3)	(0.3)
<b>Cash consumption before investments</b>	<b>7.9</b>	<b>(6.3)</b>	<b>14.2</b>
Growth capex <sup>1</sup>	<b>(73.6)</b>	(53.5)	(20.1)
Share buyback	-	(5.3)	5.3
<b>Net cash consumed<sup>2</sup> (incl. lease payments)</b>	<b>(65.7)</b>	<b>(65.2)</b>	<b>(0.5)</b>

<sup>1</sup> Net replacement capex is total net capex less growth capex. Growth capex represents the cash consumed in order to grow the owned fleet or the cash generated if the fleet size is reduced in periods of contraction.

<sup>2</sup> Net cash consumed £65.7m includes £25.1m of lease payments therefore net cash movement for net debt is £40.6m. (HY2025:£65.2m less £29.4m = £35.7m debt movement)

# Fleet reconciliation.

Vehicles #	UK&I	Spain	C&S	Group
Opening owned fleet (Apr-25)*	47,200	73,200	14,300	134,700
Purchases	7,300	10,000	2,000	19,300
Disposals	(6,800)	(6,900)	(1,200)	(14,900)
Transfers	400	-	(400)	-
Movements on direct vehicles	(300)	-	-	(300)
Movement on leased vehicles	-	-	(800)	(800)
<b>Closing fleet (Oct-25)*</b>	<b>47,800</b>	<b>76,300</b>	<b>13,900</b>	<b>138,000</b>
<b>Closing owned fleet</b>	<b>43,100</b>	<b>74,900</b>	<b>5,100</b>	<b>123,100</b>
<b>Closing leased fleet</b>	<b>3,300</b>	<b>-</b>	<b>8,800</b>	<b>12,100</b>
<b>Closing total fleet (ex-sales stock)</b>	<b>46,400</b>	<b>74,900</b>	<b>13,900</b>	<b>135,200</b>
<b>Closing sales stock</b>	<b>1,400</b>	<b>1,400</b>	<b>-</b>	<b>2,800</b>
Purchases for growth	500	3,100	800	4,400
Sales in contraction	-	-	-	-
<b>Growth in owned fleet for growth capex**</b>	<b>500</b>	<b>3,100</b>	<b>800</b>	<b>4,400</b>
Purchases for replacement	6,800	6,900	1,200	14,900
Replacement sales	(6,800)	(6,900)	(1,200)	(14,900)
<b>Net replacements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Disposals	6,800	6,900	1,200	14,900
Exclude: intercompany sales	-	-	(700)	(700)
Sale of ex C&S fleet, ex-leased stock and directly acquired vehicles	1,600	-	-	1,600
<b>Total external vehicle sales</b>	<b>8,400</b>	<b>6,900</b>	<b>500</b>	<b>15,800</b>

\* including sales stock

\*\* growth in owned fleet includes movement on sales stock  
& excludes vehicles held under leasing

# Divisional capex.

Vehicles #	UK&I	Spain	C&S	Group
Opening fleet (Apr-25)*	47,200	73,200	14,300	134,700
Growth in owned fleet	500	3,100	800	4,400
Movement in leased fleet and directs	100	-	(1,200)	(1,100)
<b>Closing fleet (Oct-25)*</b>	<b>47,800</b>	<b>76,300</b>	<b>13,900</b>	<b>138,000</b>
Purchases for growth	500	3,100	800	4,400
Purchases for replacement	6,800	6,900	1,200	14,900
<b>Total purchases</b>	<b>7,300</b>	<b>10,000</b>	<b>2,000</b>	<b>19,300</b>
<b>Volume of replacements</b>	<b>6,800</b>	<b>6,900</b>	<b>1,200</b>	<b>14,900</b>
<b><i>Extracts from cashflow: outflow (inflow) £m</i></b>				
Growth capex £m	10.7	49.7	13.2	73.6
Net replacement capex £m	100.6	71.6	0.1	172.3
<b>Total net capex £m</b>	<b>111.3</b>	<b>121.3</b>	<b>13.3</b>	<b>245.9</b>
Proceeds of disposal of vehicles for hire	(47.6)	(37.9)	(21.0)	(106.5)
Purchases of vehicles for hire	157.6	157.4	32.9	347.9
Other net capex	1.3	1.8	1.4	4.5
<b>Net capex</b>	<b>111.3</b>	<b>121.3</b>	<b>13.3</b>	<b>245.9</b>

# HY2026: Our rental customers.

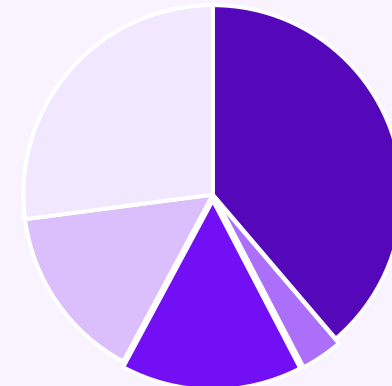
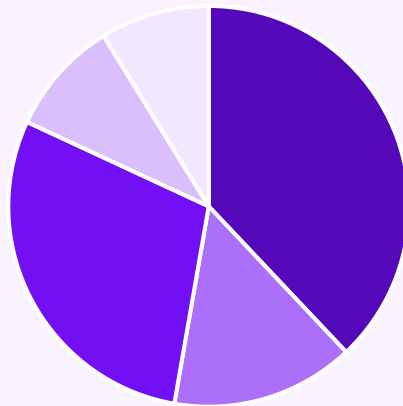
## UK Customer profile.

% Fleet VoH	Sectors
<b>10-15% ea</b>	Facilities Mgmt/Civil Engineering
<b>7-10% ea</b>	<div> <div>Social housing/health Utilities Admin &amp; support services</div> <div>Logistics Specialist construction Vehicle supply</div> </div>
<b>2.5-7% ea</b>	<div> <div>Infrastructure Local Government Retail/Wholesale</div> <div>Manufacturing Utilities support Other</div> </div>

## Spanish Customer profile.

% Fleet VoH	Sectors	Sub-sectors
<b>20-30% ea</b>	Construction Support services	Construction, infrastructure Rental services, safety, maintenance, health
<b>10-15% ea</b>	Retailers B2B Supplies & services	Technical services, engineering, advertising, consulting
<b>2-10%</b>	Various – manufacturing, logistics etc.	

## Business type.



# Impact of depreciation rate.

£m	FY2023	FY2024	FY2025	FY2026	FY2027	Total
Reduced depreciation	55.1	38.3	11.0	5.3	0.2	109.9
Reduced disposal profits	(8.5)	(38.3)	(37.4)	(20.7)	(5.0)	(109.9)
<b>Impact on Statutory EBIT</b>	<b>46.6</b>	<b>-</b>	<b>(26.4)</b>	<b>(15.4)</b>	<b>(4.8)</b>	<b>-</b>
Previously expected impact	46.6	-	(24.8)	(18.2)	(3.6)	-

<b>UK&amp;I:</b>						
Reduced depreciation	45.4	25.7	7.5	3.5	0.2	82.3
Reduced disposal profits	(6.7)	(30.5)	(28.1)	(16.1)	(0.9)	(82.3)
<b>Impact on UK&amp;I EBIT</b>	<b>38.7</b>	<b>(4.8)</b>	<b>(20.6)</b>	<b>(12.6)</b>	<b>(0.7)</b>	<b>-</b>

<b>Spain:</b>						
Reduced depreciation	9.7	12.6	3.5	1.8	-	27.6
Reduced disposal profits	(1.8)	(7.8)	(9.3)	(4.6)	(4.1)	(27.6)
<b>Impact on Spain EBIT</b>	<b>7.9</b>	<b>4.8</b>	<b>(5.8)</b>	<b>(2.8)</b>	<b>(4.1)</b>	<b>-</b>

## Key points.

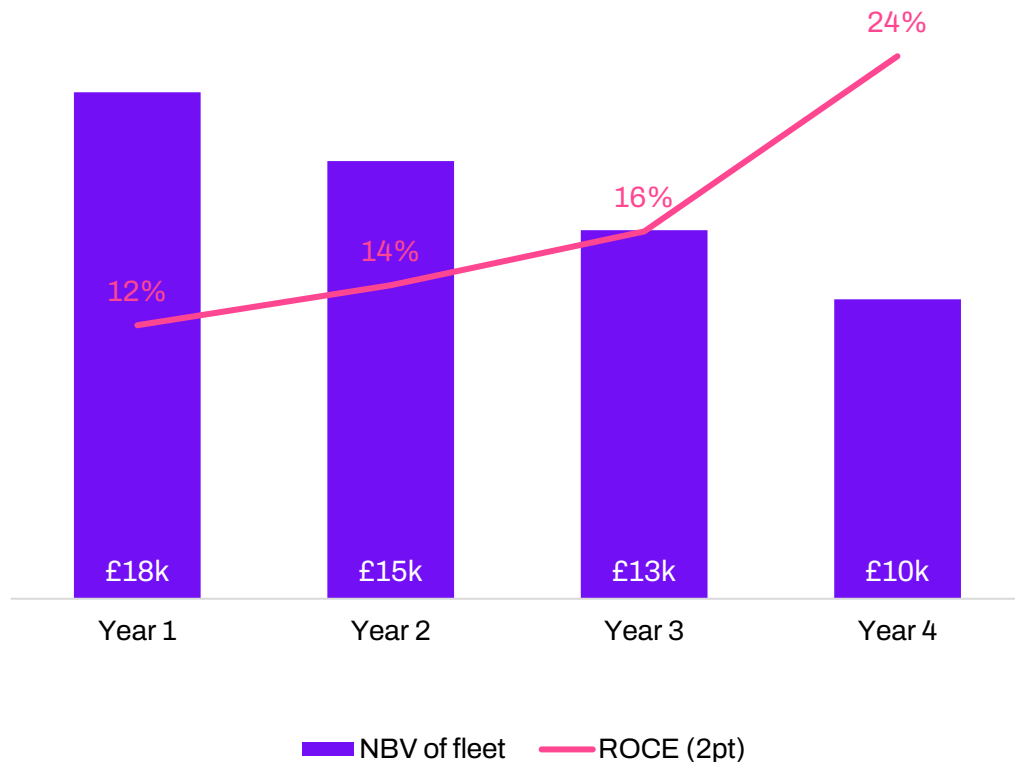
- Statutory adjustment re-phased on same vehicle cohort to reflect further fleet ageing
- Statutory PBT had nil impact from the depreciation rate change in FY2024. Change reflects update from prior year estimate due to larger number of vehicles sold more quickly
- This adjustment will reverse over the remaining holding period of the cohort as vehicles are sold with a higher NBV and therefore a lower PPU
- No impact on cash
- Newer vehicles will not be impacted by the change

This slide is as at 30 April 2025 and was first published in the FY2024 full year results pack appendices.



# ROCE and capital allocation.

Illustrative return over four-year period: example LCV <sup>1</sup>



<sup>1</sup> LCV purchase price assumed at £20k, example depreciation rate set at 12% per annum, pricing offsets inflation

## Capital allocation priorities.



Funding organic growth



Sustainable & growing dividend



Mergers and Acquisitions



Return excess cash to shareholders

## Key points.

- Disciplined approach, always tested against WACC
- Growth reduces ROCE in short term
- Rental business: **double-digit %**
- C&S: varies by business / product, overall **20%+**