

# Softcat

08:54 21 Mar 2018

## Softcat slides after strong interims fail to prevent profit-taking

Softcat PLC (LON:SCT), the provider of information technology infrastructure products, failed to land on its feet after issuing its interims.

The FTSE 250 company's shares were down 14% at 586.91p as traders used the occasion of the release of half-year results to bank profits after the stock's recent good run.

### READ: Berenberg gives Softcat shares a boost, upgrading to 'buy' after raising its price target

Revenue in the six months to the end of January rose 24.9% to £472.8m from £378.5m in the corresponding period a year earlier.

The mix of revenue shifted slightly from services to hardware in the period, with the hardware mix rising to 34.8% from 33.3%.

Customer numbers rose to around 10,600 from 10,000 the year before, representing growth of 6.0%, while gross profit per customer increased 15.3% to £7,100 from £6,100.

Profit before tax advanced to £24.15m from £20.98m in the year before.

"We are benefiting from strong market demand for all our offerings and from all our major customer segments and continue to relentlessly pursue our simple strategy of doing more business with our existing customers and winning new customers. These latest results further demonstrate that this strategy is working and I'd like to thank our fantastic people for their great work and dedication to customer service," claimed Martin Hellowell, currently the chief executive officer of Softcat but soon to be the chairman when Graeme Watt joins next month.

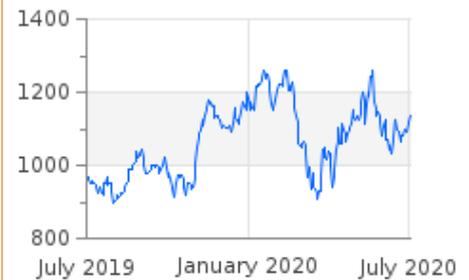
"We added 600 new customers in the period while gross profit per customer grew by more than 15%. Those metrics extended our run of unbroken revenue and profit growth to a 50th quarter," Hellowell observed.

The Softcat boss said the second half of the financial year had started well and the board is confident of meeting expectations for the full year.

**Price:** 1136

**Market Cap:** £2.26 billion

### 1 Year Share Price Graph



### Share Information

**Code:** SCT

**Listing:** LON

**52 week High Low**  
1289 832.17

**Sector:** Hardware & electrical equipment

**Website:** www.softcat.com

### Company Synopsis:

Softcat PLC, located in Marlow, the United Kingdom, is a provider of software licensing, hardware, security and related IT services.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.