

SSP Group reports strong Q1 trading momentum

SSP Group, which operates food and beverage outlets across 37 countries, has reported strong performance for the first quarter of FY2025 (October 1 to December 31, 2024), with total sales up 14% on a constant currency basis, including 6% like-for-like growth, 5% from net contract gains and 5% from acquisitions.

The travel food specialist saw robust performance across all regions. North American sales grew 17% year-on-year, with the Midfield Concessions business in Denver and ECG in Canada moving into like-for-like comparisons from November and December respectively, having reached their first anniversary.

The Asia Pacific and EEME region posted 41% growth, driven by increasing passenger numbers and the contribution from ARE in Australia, which was acquired in May 2024. This growth more than offset a 10% sales impact from the deconsolidation of the AAHL joint venture in India, which is now accounted for as an associate.

Region	vs Last Year (constant FX rates)					vs Last Year (actual FX rates)
	LFL	Net Gains	Acquisitions	Other*	Total	Total
N.America	3%	8%	6%	-	17%	14%
C.Europe	3%	3%	-	(1)%	5%	1%
UK & I	9%	0%	-	-	9%	9%
APAC & EEME	14%	13%	24%	(10)%	41%	33%
Group	6%	5%	5%	(2)%	14%	11%

"We have made a good start to the new financial year. Our tightened agenda with a focus on driving returns from recent investments and enhancing efficiency to drive profitability is progressing well. Performance in the structurally growing and higher returning regions of North America and APAC & EEME, where we continue to invest, was particularly pleasing in the quarter. We are confident in our prospects for the balance of FY25 and beyond," says Patrick Coveney, CEO of SSP Group.

The UK delivered 9% sales growth, benefiting from strong air passenger numbers and reduced rail sector disruption compared to last year. Continental Europe saw more modest growth of 5%, impacted by the previously announced exit of 13 unprofitable MSA sites in Germany, with further exits expected through the year as part of the regional recovery plan.

The company maintains its full-year guidance, projecting revenue between £3.7-3.8 billion (US\$4.6-4.7 billion) and underlying operating profit of £230-260 million (US\$286.5-323.7 million) on a constant currency basis. Current exchange rates would impact these projections by -0.2% for revenue and -0.7% for operating profit.

SSP also confirmed that the planned IPO of its Indian joint venture, Travel Food Services, is proceeding as scheduled with completion targeted for spring 2025, subject to market conditions.