

Steinhoff lifts first-half operating profit by 13%

Global retailer Steinhoff reported on Wednesday that interim operating profit to end March rose 13% to 903m. Revenue grew 48% to 10.2bn.



Excluding recent strategic acquisitions, the company's retail business achieved total organic revenue of 7.2bn amid volatile markets and currencies, resulting in organic growth of 9%.

The group focussed on the implementation and bedding down of recent strategic acquisitions in the period, including the repositioning phase of Mattress Firm in the US.

Overall the integrated household goods segment increased revenue by 39% to 6.3bn. In Europe business revenue grew 13% to 1.3bn. The African business increased its total revenue by 25% to 522m, while Pepkor's revenue grew 25% to 1.4bn.

The company's operating margin increased by 40 basis points to 7.5%.

"This solid revenue and margin performance underscored the resilient model of the group," said CEO Markus Jooste.

Steinhoff was 4.08% lower at R66.52 in early trade on the JSE on Wednesday. It is down 6.73% this year.

Source: *BDpro*

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