

# Westcon-Comstor boosts profitability as shift to recurring revenues accelerates

*First-half results show strong performance in cybersecurity and software sales as EBITDA rises 16.5% to US \$69.5 million*

LONDON, UNITED KINGDOM, October 24, 2024 /EINPresswire.com/ -- [Westcon-Comstor](#), a global technology provider and specialist distributor, today announced an increase in profitability, alongside strong growth in cybersecurity and an acceleration in its shift to a software, services and subscription-based recurring revenue model.



CEO David Grant highlighted Westcon-Comstor's "data-driven approach, expertise in high-growth technology domains and track record for innovation"

Posting its first-half results for the six months to 31 August 2024 (H1 FY25), the company reported a 16.5% year-on-year increase in EBITDA (earnings before interest, taxes, depreciation, and amortisation) to US \$69.5 million, with a 0.6pp rise in adjusted EBITDA margin to 4.0%.

Gross profit climbed 6.1% to \$216.1 million on revenue of \$1.80 billion, with gross margins reaching 12.0% (H1 FY24: 11.0%).

The distributor, which connects the world's leading IT vendors with a channel of technology resellers, systems integrators and service providers, saw revenue from its cybersecurity portfolio surge 22.2% to \$860.0 million, as it capitalised on growing demand from channel partners and their customers for multi-vendor solutions amid an increasingly complex threat landscape.

Cybersecurity accounted for 48% of Westcon-Comstor's revenue during the half-year period (H1 FY24: 38%), with a strong sales pipeline for the second half of the year.

Revenue from software sales saw similar growth, rising 17.9% to represent 49% of total revenue (H1 FY24: 40%) as the company transitions away from traditional hardware towards recurring

revenues based on annual subscriptions and Software as a Service (SaaS) models.

“Against a challenging backdrop of uncertain macroeconomic and market conditions, we are pleased to maintain our profit growth trajectory as we report a strong financial performance for H1 FY25,” said David Grant, CEO at Westcon-Comstor. “Through our data-driven approach, expertise in high-growth technology domains and track record for innovation – as evidenced by our 3D Lab, AWS Marketplace and Intelligent Demand programmes – we are uniquely placed to add strategic value to channel partners and vendors. We can therefore look to the future with confidence as we focus on unlocking new growth opportunities for partners and vendors across EMEA (Europe, Middle East and Africa) and APAC (Asia-Pacific).”

ENDS

#### About Westcon-Comstor

Westcon-Comstor is a global technology provider and specialist distributor, operating in more than 50 countries. It delivers business value and opportunity by connecting the world’s leading IT vendors with a channel of technology resellers, systems integrators and service providers. It combines industry insight, technical know-how and more than 30 years of distribution experience to deliver value and accelerate vendor and partner business success. It goes to market through two lines of business: Westcon and Comstor.

Michael Youds

Westcon-Comstor

[email us here](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/754148320>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.