

Pest control firm Rentokil reports lower profit after 'challenging year'

Rentokil Initial, the pest control company, has announced a decrease in profits following a "challenging year" that saw its North American operations under pressure.

The firm's revenue saw a slight increase to £5.43 billion, up 1.1 per cent from 2023, as reported by [City AM](#).

However, operating profit fell by 7 per cent to £834 million in 2024, while adjusted earnings before interest, taxes and amortisation (EBITA) rose by 4.2 per cent to £1.2 billion in 2024. Despite these challenges, Rentokil increased its dividend per share by 4.7 per cent to 9.09p.

Rentokil's CEO, Andy Ransom, commented: "2024 was a challenging year for the group, with lower profits and margins, delivered in line with our trading update in September.

"Good growth in the International business (Organic Revenue growth 4.7 per cent) was held back by the performance in North America (Organic Revenue growth 1.5 per cent)."

After a dip in its share price due to instability in its North American business, which led to a profit warning, Rentokil returned to growth in October. The company had expanded its US workforce in anticipation of seasonal demand, but actual demand fell short of expectations.

The acquisition of major US pest control company Terminix in October 2022 positioned the Crawley-based firm as a global player, but Rentokil has faced operational challenges in integrating the new business.

“The Terminix integration is making good progress, with multiple important milestones achieved, but executing it has clearly impacted our North American business performance,” Ransom commented.

He expressed optimism for the future, stating: “We expect to achieve 2025 financial performance in line with market expectations.”

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