

Interim Management Statement

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Ocado Group PLC
20 September 2012

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Ocado Group plc Interim Management Statement

Ocado Group plc ("Ocado") today announces its interim management statement for the 12 weeks to 5 August 2012.

Financial Highlights

- Gross sales increased 9.9% to £162.6m for the 12 weeks to 5 August 2012 (2011: £147.9m).
- Year to date gross sales growth to the end of the third quarter was 11.3%.
- Average orders per week for the 12 weeks to 5 August 2012 increased by 8.6% to 120,494 from 110,945 in equivalent period in 2011.
- Average order size for the 12 weeks to 5 August 2012 was £112.44 (£111.08 in equivalent period in 2011).
- As at 5 August 2012 the Group had cash and cash equivalents of £67.1m and net debt of £83.1m.

Operational update

- We have been able to preserve our margins during the quarter as we have placed less emphasis on short term vouchering activity which is currently prevalent in the market.
- As expected the one-off Jubilee and Olympic events influenced ordering patterns during the period. However the forward planning and IT solutions we undertook to prepare for these events enabled us to maintain excellent customer service.
- The Hatfield Customer Fulfilment Centre ("CFC") continues to operate with improved efficiency. The ramp up of the new large storage and picking machine during the period has enabled us to remove all remaining ambient and chilled trolley picking from our fulfilment system.
- Testing and commissioning at CFC2 started during the period and, as previously stated, operations remain scheduled to commence in Q1 2013.
- We have continued to increase our range, now over 26,500 SKUs and growing, which is over 30% higher than the start of the year, and is a key element of our continuous improvement of the offer to our customers. This included the expansion of our "Free From" range to become the largest of any UK supermarket group.
- As part of our continued focus on customers, after the period end we launched in a trial area the "Low Price Promise" which significantly enhances the original Tesco Price Match

initiative we started over four years ago. So far the results have been promising and we will be expanding this in the coming months.

Outlook

Whilst we do not expect consumer pressure and volatility to ease in the immediate future, we anticipate an increase in the rate of sales growth in Q4.

Tim Steiner, Chief Executive Officer of Ocado, said:

"We remain committed to improving the offer for our customers with better prices, range and service. We are pleased our customers' ordering patterns have returned to normal after the one-off Jubilee and Olympic events, and are excited by the prospects of the changes we are making to our proposition to shoppers. In particular, the Low Price Promise should give more confidence to consumers that they can buy the products they want at competitive prices at Ocado.

"The grocery market and the general economic picture remain challenging, with consumer confidence subdued and significant competitive couponing activity. Notwithstanding this environment, we have continued to build on the foundations we have put in place to deliver growth and operational improvement through the rest of this year and for the future, and we are targeting an increase in sales growth through the remainder of the period."

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Notes

1. *The figures used in this announcement are as yet unaudited*
2. *A copy of this interim management statement is available on www.ocadogroup.com*

Cautionary statement

Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, Ocado does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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