

Trading Statement

RNS Number : 2092I
Ocado Group PLC
20 March 2018

OCADO GROUP PLC

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Q1 Trading Statement Good underlying growth

Ocado Group plc ("Ocado") today announces its trading statement for the 13 weeks to 4 March 2018.

Highlights

- Growth in Revenue (Retail) of 11.7% which was impacted by adverse weather conditions in the final week, equivalent to nearly 1% of sales over the quarter
- Announcement of international partnership between Ocado Solutions and Sobeys
- Good progress made in improving volumes through our state of the art facility at Andover (CFC3) and plans remain on track for the opening of Erith (CFC4) by mid-2018
- Overall, average order size declined slightly with inflation offset by reduced items per basket
- Successful placing raising £143m to facilitate the signing of new Ocado Solutions partnerships globally

Key financials

	13 weeks to 4 March 2018	13 weeks to 26 Feb 2017	Growth ⁴
Revenue (Retail) ¹	£363.4m	£325.4m	11.7%
Average orders per week ²	280,000	252,000	11.1%
Average order size ³	£110.45	£110.85	(0.4%)

As at 4 March 2018 the Group had cash and cash equivalents of £259.7 million and external borrowings⁵ of £285.2 million.

Tim Steiner, Ocado's Chief Executive Officer, said:

"We are pleased to report another quarter of strong underlying sales growth in our retail business in line with our guidance for the year.

The reported rate of retail revenue growth over the quarter was broadly the same as in Q4 2017 as we operated at maximum capacity for most of the quarter and were impacted by the winter storms that caused widespread disruption during the final week. I would like to take this opportunity to thank all my colleagues who nonetheless succeeded in delivering nearly 300,000 orders over the last week of the quarter, often in the most trying conditions.

Looking forward, we continue to make good progress ramping up our revolutionary new customer fulfilment centre in Andover (CFC3) and we are on track to open our latest facility (CFC4) in Erith in the middle of this year.

The teams that are delivering the programmes for both Groupe Casino and Sobeys partnerships have been active and making progress. We remain confident that our Ocado Solutions business will be able to do further deals with the momentum of new signings building over time.

Taking advantage of the opportunities ahead of us is both challenging and exhilarating. The business is firmly looking forward."

Ocado will be hosting an analyst conference call at 7.30am today. Please dial 0800 358 9473, Participant pin code: 07211733#. A replay facility can be accessed on: 0800 358 2049 with the following conference pin required: 301224000# for 90 days following the announcement.

Contacts

- Duncan Tatton-Brown, Chief Financial Officer, on 01707 228 000
- David Shriver, Director of Communications, on 01707 228 000
- Michelle Clarke or Susanna Voyle at Tulchan Communications on 020 7353 4200

Notes

1. *Revenue (Retail) comprises revenues from Ocado.com, Fetch, Sizzle, Fabled and our wholesale partnerships.*
2. *Average orders per week refers to results of Ocado.com, Fetch, Sizzle and Fabled.*
3. *Average order size refers to results of Ocado.com.*
4. *Growth percentage calculated on a rounded basis.*
5. *Gross debt excluding the finance lease payable to MHE JV Co.*
6. *Customers' total average basket, including standalone Fetch, Sizzle and Fabled orders and our wholesale partnership sales, increased by 0.3% to £107.94.*
7. *The figures used in this announcement are unaudited.*
8. *Ocado now has a 5-4-4 week reporting model, with each quarter normally representing a 13 week reporting period.*
9. *A copy of this trading update 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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