Trading Statement

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OCADO GROUP PLC

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Trading Statement

Ocado Group plc ("Ocado") today announces its trading statement for the 13 weeks to 27 August 2017.

Highlights

- Continued strong growth in Revenue (Retail) of 13.1%
- Stronger growth in average orders per week in Q3 as we continue to acquire and retain customers

Key financials

	13 weeks to 27 August 2017	13 weeks to 28 August 2016	Growth ⁴
Revenue (Group) ¹ Revenue (Retail) ²	£344.5m £312.7m	£301.4m £276.5m	14.3% 13.1%
Average orders per week ³	254,000	219,000	16.0%
Average order size ³	£106.25	£107.56	(1.2)%

As at 27 August 2017 the Group had cash and cash equivalents of £148.9 million and external borrowings 5 of £284.1 million.

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

"We are pleased to report another strong quarter of growth. Our industry-leading technology has continued to set the bar for customer service and satisfaction and we continue to grow sales at a rate significantly in excess of the average for our industry. Recent innovations include Ocado becoming the first UK grocer to offer its customers Amazon's Alexa voice-activated tool, meaning they can verbally modify their online grocery orders.

As channel shift gathers pace we need to take advantage of our industry leadership and so we are scaling up our capacity in our revolutionary new Customer Fulfilment Centre ("CFC") in Andover with the performance of the facility improving week by week. At the same time, we are preparing our fourth, and biggest, CFC to date in Erith, set to open in 2018. These investments, while increasing some costs in the short term, will allow us to meet the rapidly growing demand for our services from UK consumers while allowing us to offer the very latest technology to current and future customers of our Ocado Smart Platform."

Ocado will be hosting an analyst conference call at 7.15am. Please dial +44 (0)20 3139 4830, Participant pin code: 59938063#. A replay facility can be accessed on: +44 (0)20 3426 2807 with the following conference pin required: 691295# for seven 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

- Revenue (Group) comprises revenues from Ocado.com, Fetch, Sizzle, Fabled, our wholesale partnerships and the benefits from the Morrison agreement.

 Revenue (Retail) comprises revenues from Ocado.com, Fetch, Sizzle, Fabled and our wholesale partnerships.
- Average order size and average orders per week refer to results of Ocado.com.

- Growth percentage calculated on a rounded basis.

 Gross debt excluding the finance lease payable to MHE JV Co.

 Customers' total average basket, including standalone Fetch, Sizzle and Fabled orders and our wholesale partnership orders, declined by (2.0)% to £103.04
- The figures used in this announcement are unaudited.
- Ocado now has a 5-4-4 week reporting model, with each quarter representing a 13 week reporting period. Comparative information for 2016 has been restated accordingly.

 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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