

Trading Statement

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Ocado Group PLC
14 December 2017

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Continued progress at CFC3; Ocado Solutions deal signed with Groupe Casino

Ocado Group plc ("Ocado") today announces its trading statement for the 14 weeks to 3rd December 2017.

Highlights

- Growth in Revenue (Retail) of 11.6%
- Good progress made in improving resiliency at our state of the art facility at Andover (CFC3). Average orders per week at CFC3 up 50% since beginning of quarter
- Overall, average order size stable as inflation picks up, offsetting slight increase of order frequency as more customers take up Ocado Smart Pass
- Announcement of international partnership between Ocado Solutions and Groupe Casino

Key financials

	14 weeks to 3 December 2017	14 weeks to 4 December 2016	Growth ⁴
Revenue (Retail) ¹	£373.8m	£334.8m	11.6%
Average orders per week ²	280,000	252,000	11.1%
Average order size ³	£106.11	£105.83	0.3%

As at 3 December 2017 the Group had cash and cash equivalents of £150.0 million and external borrowings⁵ of £285.2 million.

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

"We are pleased to report another quarter of progress in both our retail and Ocado Solutions businesses.

"We are delighted that Groupe Casino chose to partner with Ocado Solutions to develop its online food business and we remain confident in our ability to sign more deals such as this in the medium term. We are also encouraged by the progress we have made ramping up capacity at our revolutionary Customer Fulfilment Centre in Andover which has supported further growth in our retail business in the UK. Over the last few weeks, we have processed over 50% more orders per week through the Andover facility compared to the beginning of the period. We are making good progress with the resiliency issues we highlighted with the third quarter results and although there is still work to do we are on track with our plans.

"While we continue to report sector leading double digit sales growth in our retail business, a shortage of capacity, with the lack of drivers in certain locations being the largest factor, restricted our sales growth. While this driver shortage has now been largely resolved, there was some short term impact on average orders per week over the period.

"We continue to work towards the opening of our fourth CFC, in Erith, South East London, in 2018. At scale, Erith will be able to process an additional 200,000 orders per week. Building scale and capacity in the UK will support the sustainable growth of our retail business, enabling us to take further market share in online grocery, and we look forward to the coming year with confidence."

Adoption of segmental reporting

In order to provide greater clarity on the split between Ocado Retail and Ocado Solutions, Ocado Group will, from the publication of FY17 results, be introducing segmental reporting of sales and EBITDA. The Group will be hosting a call on the 18th of January 2018 when it will publish historic numbers for each segment to enable analysts and investors to prepare their numbers accordingly.

Ocado will be hosting an analyst conference call at 7.30am today. Please dial +44 3333 000 804, Participant pin code: 51284112#. A replay facility can be accessed on: +44 3333 000 819 with the following conference pin required: 301214671# for 90 days following the announcement.

Contacts

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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 £103.56.
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. As 2017 has 53 weeks, this release includes 14 weeks performance with the comparative information for 2016 restated accordingly.
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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