

# Interim Management Statement

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Ocado Group PLC  
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**Ocado Group plc**  
**Interim Management Statement (unaudited)**  
**'Growth continues in 2011'**

Ocado Group plc ("Ocado") today presents its interim management statement for the 12 weeks to 20 February 2011 (unaudited).

#### **Financial Highlights**

- Gross sales increased 24.7% to £146.2m for the 12 weeks to 20 February 2011 (2010: £117.2m).
- Average orders per week for the 12 weeks to 20 February 2011 increased by 26.1% to 103,207 from 81,823 in equivalent period in 2010.
- Average order size for the 12 weeks to 20 February 2011 was £118.06 (£119.38 in equivalent period in 2010).

#### **Operational Update**

- Strong demand for the Ocado offer continues, despite the economic background in the UK.
- Customer numbers and shopping frequency have increased, demonstrating the strength of the Ocado offer. The increase in shopping frequency led to a slight decline in basket size (down 1.1% versus comparable period).
- The Ocado website has been upgraded and rolled out to all customers; this provides substantial customer benefits, including making it easier to shop from the Ocado product range.
- The Ocado spoke network has been increased with the addition of spokes in Bristol and Wimbledon. The new Bristol spoke opened on 2 March; this increases Ocado's coverage by 1 million households to over 70% of UK households and enables the Ocado service to be available in South Wales for the first time. The new spoke in Wimbledon is expected to be operational in May; it will increase the capacity of the delivery network by over 14,000 orders per week.
- As previously stated the business is at present, capacity constrained in the Hatfield Customer Fulfilment Centre ("CFC") and customer demand exceeds this capacity. We continue to invest in increased capacity at the Hatfield CFC with maximum orders delivered in a week exceeding 124,000 in Q1 (FY10 Q1: 96,000). Increasing the capacity of the Hatfield CFC towards its target peak capacity of 180,000 orders per week will enable continued sales growth in 2011 and 2012.
- The CFC2 project continues to be on time and budget. It is expected to increase Ocado's growth potential from 2013.

**Tim Steiner, Chief Executive Officer of Ocado, said:**

"Customer take up of the Ocado service continues apace with a 24.7% increase in gross sales. Despite the economic headwinds in the UK, more and more consumers are seeing the benefits of online grocery shopping and we are increasing capacity to meet this demand."

**Andrew Bracey, Chief Financial Officer of Ocado, said:**

"The business has continued to be profitable in Q1. With very strong momentum both in sales and orders in Q1 we continue to see the operational leverage of the business come through. As expected, the EBITDA conversion in the first quarter was ahead of the second half of 2010."

A copy of this interim management statement for the 12 weeks to 20 February 2011 is available on [www.ocadogroup.com](http://www.ocadogroup.com).

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