

# Trading Statement

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RNS Number : 3298Z  
Ocado Group PLC  
14 March 2017

## OCADO GROUP PLC

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### Trading Statement

Ocado Group plc ("Ocado") today announces its trading statement for the 13 weeks to 26 February 2017.

#### Highlights

- Gross sales (Retail) increased by 13.1%, the same rate of growth as the previous quarter
- Average orders per week grew 16.7% to 252,000 in Q1 (Q1 2016: 216,000) driven by both new and existing Ocado customers
- Average order size fell by 1.6% to £110.84, a slower rate of decline than in previous quarters. In this quarter the fall was driven primarily by a reduction in multi-buy promotions and further take up of the Ocado "Smart Pass", which drives customers to shop more frequently and increases customer retention

#### Key financials

	13 weeks to 26 February 2017	13 weeks to 28 February 2016 <sup>6</sup>	Variance
Gross sales (Group) <sup>1, 2</sup>	£384.7m	£339.5m	13.3%
Gross sales (Retail) <sup>1, 2</sup>	£352.4m	£311.6m	13.1%
Average orders per week <sup>2</sup>	252,000	216,000	16.7%
Average order size <sup>2, 3</sup>	£110.84	£112.63	(1.6)%

As at 26 February 2017 the Group had cash and cash equivalents of £41.2 million and external borrowings<sup>4</sup> of £130.2 million.

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

"We are pleased with the steady progress and growth achieved in the period, as shoppers continue to embrace our proposition for online shopping. We believe our commitment to further improving the customer experience and service through constant innovation, supported by

proprietary technology developments, will enable us to continue to grow ahead of the online grocery market, and substantially ahead of the market overall.

"The number of orders being picked at Andover, our newest CFC, continues to increase as expected.

"While the market remains very competitive, there are the first signs of a change in market pricing dynamics coming through. However, it remains too early to predict how this will unfold throughout the year, and in particular is dependent on any future currency movements."

#### **Contacts**

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#### **Notes**

1. *Gross sales (Retail) refers only to the results of Ocado.com, Fetch, Sizzle and Fabled. Gross sales (Group) includes the benefits from the Morrison agreement and Retail business. Gross sales include revenue plus VAT and marketing vouchers.*
2. *Growth percentage calculated on a rounded basis.*
3. *Customers' total average basket including standalone Fetch, Sizzle and Fabled orders declined by 2.8% to £107.61*
4. *Gross debt excluding the finance lease payable to MHE JV Co.*
5. *The figures used in this announcement are unaudited.*
6. *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.*
7. *A copy of this trading update is available on [www.ocadogroup.com](http://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.*

#### **Note to Editors**

1. *Fetch is the specialist online pet store from Ocado supported by a veterinary team, offering customers a wide variety of brands across key categories such as pet food, animal health care and accessories*
2. *Sizzle is the dedicated kitchen and dining store from Ocado, sourcing quality, well designed and well priced products to complement customers' regular grocery shops*
3. *Fabled is the dedicated premium beauty store by Marie Claire in partnership with Ocado, operating online and from a flagship London store, focusing on the core beauty categories of make-up, skincare, fragrance and hair care, supported by a wellbeing offer to provide a holistic beauty proposition.*

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The company news service from the London Stock Exchange

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