

Interim Management Statement

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Ocado Group PLC
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Ocado Group plc
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'Operational improvement, sales growth continuing'

Ocado Group plc ("Ocado") today announces its interim management statement for the 12 weeks to 19 February 2012.

Financial Highlights

- Gross sales increased 10.9% to £162.1m for the 12 weeks to 19 February 2012 (2011: £146.2m).
- Average orders per week for the 12 weeks to 19 February 2012 increased by 13.4% to 116,987 from 103,207 in equivalent period in 2011.
- Average order size for the 12 weeks to 19 February 2012 was £115.49 (£118.06 in equivalent period in 2011).

Operational Update

- The Hatfield Customer Fulfilment Centre ("CFC") is now operating at record levels of capacity with recent new enhancements enabling improved performance. Highest number of orders delivered in a week exceeded 134,000 in Q1 (FY11 Q1: 124,000). Peak day volumes ran significantly higher than during the constrained period. Further improvements will come on stream over the next quarter which will increase capacity, operational efficiency, and customer service performance.
- Operational performance continues to improve, with 93.2% of orders on time or early (92.3% FY11 Q1) and 98.2% of items delivered as ordered (98.0% FY11 Q1).
- Operational improvements have allowed an expansion of our range towards 21,000 SKUs and growing.
- The Ocado spoke network has been increased with the addition of our Oxford spoke on 31 January, adding to the efficiency of our distribution network.
- The CFC2 project continues to progress according to plan, with testing and commissioning due to start mid-year and, as previously stated, operations scheduled to commence in Q1 2013.

Tim Steiner, Chief Executive Officer of Ocado, said:

"We have continued to work hard on developing the offer for our customers. Specific focus has been placed on price and range initiatives, including growing our own label and non-food offers, as well as the continued roll out of our Saving Pass scheme, supporting our objective of offering our customers the widest range at highly competitive prices. Despite the continuing economic headwinds in the UK, more and more consumers are seeing the benefits of online grocery shopping, and in particular, the service that we offer.

"Evidence suggests we have largely overcome the operational challenges we faced in expanding our Hatfield capacity in the second half of 2011, and are set to meet growing demand through the rest of the year. We expect to see acceleration in sales growth as the year progresses."

Contacts

- David Hardiman-Evans, Head of IR & Corporate Finance, on 01707 228 000 or investor.relations@ocado.com
- Ben Lovett, Senior Communications Manager, on 01707 227 943 or ben.lovett@ocado.com
- Nick Miles/ Ann-marie Wilkinson/ Charlotte Kirkham, M Communications on 020 7920 2330.

Notes

1. *The figures used in this announcement are as yet unaudited*
2. *A copy of this interim management statement 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 express 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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