

## Halfords Group plc Trading Update

Halfords Group plc (“the Group”), the UK’s leading retailer of motoring, cycling and leisure products and services and a leading independent operator in garage servicing and auto repair, today updates the market on its trading performance for the 20-week period to 19 August 2016:

	<b>Year-to-date (20 weeks) % change</b>
<b>TOTAL REVENUE</b>	
<b>Halfords Group</b>	<b>+4.8</b>
Retail	+4.8
Autocentres	+4.6
<b>LIKE-for-LIKE (LFL) REVENUE</b>	
<b>Halfords Group</b>	<b>+1.2</b>
Retail	+1.1
<i>    Motoring</i>	+0.6
<i>    Car Maintenance</i>	+1.7
<i>    Car Enhancement</i>	-3.8
<i>    Travel Solutions</i>	+4.9
<i>    Cycling</i>	+1.9
Autocentres	+1.8

### Key points

- Group revenue +4.8%, with Retail +4.8% and Autocentres +4.6%
- Strong service-related sales growth of 13.9%
- Robust Motoring sales against strong comparatives
- Car Maintenance growth driven by bulbs, blades and batteries and new motorcycle ranges
- In Car Enhancement, dash cam sales growth remains strong, but was offset by the continuing decline in sat nav sales
- Travel Solutions delivered good growth across the category, particularly child safety seats and roof boxes
- Strong Cycling sales during late July and August, helped by new ranges and a deeper promotion, which more than offset the slower sales earlier in the year. Premium bikes in strong growth throughout the year to date
- Total cycling sales across the Group grew by 11%, reflecting Cycle Republic store openings and the addition of Tredz, which continued to perform well since acquisition. Improved parts, accessories and clothing (‘PACs’) performance with Group sales up 6%
- Continued progress in Autocentres led by growth in servicing and tyres

### Financial outlook

All guidance for the full year remains unchanged.

### Jill McDonald, Chief Executive, commented:

“I am pleased to report a solid year-to-date trading performance, with Group sales up 4.8% and service-related sales in double-digit growth as we continue to strengthen Halfords’ position as the first choice for customers’ journeys. Motoring sales were robust, driven by car and motorcycle parts, roof boxes and child seats. Good growth in Cycling sales during the peak summer period was supported by new ranges, strong promotional activity, good weather and the success of Halfords’ Olympic cycling heroes. We continue to make good progress on our strategic initiatives; we can now match 25% of our Retail sales to specific customers compared to only 3% last year and in recent weeks we have successfully piloted contactless payments and also launched the new Cycle Republic website.”

### Enquiries

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### **Trading performance for the 7 weeks to 19 August**

The table below details the trading performance for the seven weeks to 19 August 2016, representing the period since the end of Q1. The Q1 trading performance was reported in the trading update released on 14 July 2016. In future years Halfords will report on an initial trading period of 20 weeks, rather than a first quarter of 13 weeks, in order to include the summer cycling sales and to spread market updates more evenly through the year.

	<b>13 weeks to 1 July (as reported on 14 July) % change</b>	<b>7 weeks to 19 August % change</b>
<b>TOTAL REVENUE</b>		
<b>Halfords Group</b>	<b>+2.1</b>	<b>+9.3</b>
Retail	+1.5	+10.3
Autocentres	+5.9	+2.3
<b>LIKE-for-LIKE (LFL) REVENUE</b>		
<b>Halfords Group</b>	<b>-0.6</b>	<b>+4.3</b>
Retail	-1.2	+5.0
<i>    Motoring</i>	+0.6	+0.6
<i>        Car Maintenance</i>	+2.3	+0.6
<i>        Car Enhancement</i>	-4.2	-3.3
<i>        Travel Solutions</i>	+4.4	+5.5
<i>    Cycling</i>	-4.0	+12.5
Autocentres	+3.1	0.0

### **Notes**

1. Like-for-like sales represent revenues, including those attributable to Click & Collect, from UK and Irish stores and UK autocentres trading for greater than 365 days, plus online revenues from direct deliveries. Where appropriate, revenues denominated in foreign currencies have been translated at constant rates of exchange
2. The Motoring category of sales comprises the aggregate of Car Maintenance, Car Enhancement and Travel Solutions

### **Reporting Calendar and Conference Call**

On 10 November 2016 we will report on the interim results for the 26 weeks ending 30 September 2016. On 19 January 2017 we will report on the 15 weeks to 13 January 2017, which includes the peak Christmas trading period. There will be no conference call today.

### **Notes to Editors**

Halfords is the UK's leading retailer of motoring, cycling and leisure products and, through Halfords Autocentres, is also one of the UK's leading independent operators in garage servicing and auto repair. Customers shop at 461 Halfords stores and 12 Cycle Republic shops in the UK and Republic of Ireland and at halfords.com for pick-up at their local store or direct home delivery. Halfords Autocentres operates from 313 sites nationally and offers motorists high-quality MOTs, repairs and car servicing at affordable prices. Customers can also shop at three Tredz stores and a Giant store in South Wales as well as online at tredz.co.uk and wheelies.co.uk for cycling products and direct home delivery.

Halfords employs approximately 11,000 colleagues and sells around 9,000 product lines in store, increasing to around 165,000 Retail products online. The Retail offering encompasses significant ranges in car parts, cycling products, in-car technology, child seats, roof boxes and camping equipment. Halfords' own cycling brands include *Apollo*, *Carrera*, *Boardman* and *13* cycles, augmented by a range of other brands of cycles and accessories, including *Kona*, *Mongoose*, *Raleigh* and *Pinarello*. In Motoring, the *Halfords Essentials* and *Halfords Enhanced* ranges are sold alongside brands such as *General Electric*, *Bosch*, *Garmin* and *TomTom*. In Travel Solutions, Halfords sells a premium range of equipment including camping brands such as *CampinGaz* and *Outwell*. Halfords offers customers expert advice and a fitting service called '*wefit*' for car parts, child seats, satellite navigation and in-car entertainment systems, and a '*werepair*' service for cycles.

www.halfords.com  
www.halfordsautocentres.com  
www.halfordscompany.com

www.cyclerepublic.com  
www.boardmanbikes.com

www.tredz.co.uk  
www.wheelies.co.uk

### **Cautionary Statement**

This report is based on information from unaudited management accounts and contains certain forward-looking statements with respect to the financial condition, results of operations, and businesses of Halfords Group plc. These statements and forecasts involve risk, uncertainty and assumptions because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, Halfords Group plc has no obligation to update the forward-looking statements or to correct any inaccuracies therein.