



Halfords Group plc Q3 Trading Statement

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 15-week period to 15 January 2016:

	Q3 (15 weeks) % change	Year-to-date (41 weeks) % change
TOTAL REVENUE		
Halfords Group	+0.4	+1.3
Retail	-0.3	+0.8
Autocentres	+4.1	+4.4
LIKE-for-LIKE (LFL) REVENUE		
Halfords Group	+0.3	+1.2
Retail	0.0	+0.9
Cycling	+1.1	-1.4
Motoring	-0.6	+2.2
Car Maintenance	-0.1	+3.8
Car Enhancement	0.0	+0.4
Travel Solutions	-3.8	+1.5
Autocentres	+1.9	+2.8

Key points for the 15-week period

- Group LFL +0.3%, Retail LFL flat, Autocentres LFL +1.9%
- In Cycling, growth in sales of bikes and cycle repair more than offset a small decline in parts, accessories and clothing
- In Motoring, Car Maintenance sales were impacted by the warm weather, partially offset by a strong performance in sales of wiper blades and bulbs, and continued growth in fitting services
- Autocentres increased service, maintenance and repair revenue, but was impacted by lower tyre prices
- Strong operational performance across the Group to deliver record peak sales and volumes
- Customer service metrics continued to improve across Retail and Autocentres
- Our profit expectations for the current year are unchanged

Financial outlook

There is no change to our expectations of Group Profit Before Tax for the full year, which we expect to be in the range of £78-82m. We continue to anticipate Retail gross margin for the full year to be a decline of -25 to -75bps, however we now expect full year Retail operating cost growth to be in the range of +1.0 to 2.0% (previous guidance: +2.5 to 3.5%).

Jill McDonald, Chief Executive, commented:

“We are pleased with the Group’s performance, given the unprecedented weather conditions. Particularly pleasing was the strong growth in service-related sales and a return to LFL growth in Cycling. We achieved a record day online over the Black Friday weekend, our highest ever day for total sales on 23rd December and further improvements in customer service metrics. In Autocentres we achieved a 9th consecutive quarter of LFL growth. I would like to thank our colleagues for all their hard work over the busy Christmas period.”

Reporting Calendar

We will report our Q4 trading performance for the 11 weeks ending 1 April 2016 on 13 April 2016 and then our annual results for the 52 weeks ending 1 April 2016 on 1 June 2016. We look forward to providing an update on the *Moving Up A Gear* strategy at that time.

Enquiries

Halfords

Jonny Mason, Chief Financial Officer
Adam Phillips, Head of Investor Relations

+44 (0) 1527 513 113

Maitland (Media)

Neil Bennett
Andy Donald

+44 (0) 207 379 5151

Notes

1. Like-for-like sales represent revenues, including those attributable to Click & Collect, from UK and Irish stores and UK centres trading for greater than 365 days, plus online revenues from direct deliveries
2. Where appropriate, revenues denominated in foreign currencies have been translated at constant rates of exchange
3. The Motoring category of sales comprises the aggregate of Car Maintenance, Car Enhancement and Travel Solutions
4. Any reference to Group Profit Before Tax is before any non-recurring items

Conference Call

There will be a conference call for investors and sell-side analysts at 9.15am today. The participant dial-in is 020 3139 4830 or 0808 237 0030 (toll free). The PIN is 49019590# . To access a recording of the call, the participant dial-in is 020 3426 2807 or 0808 237 0026 (toll free). The PIN is 666226#. A transcript of the call will appear online in due course.

Notes to Editors

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

Halfords Group plc

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 463* Halfords stores and 9* 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 310* sites nationally and offers motorists high-quality MOTs, repairs and car servicing at affordable prices.

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 Auto, 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.

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.

*as at 21 January 2016