



Halfords Group plc
First-Quarter FY15 Interim Management Statement

Halfords Group plc (“the Group”), the UK’s leading retailer of automotive and leisure products and services and leading independent operator in garage servicing and auto repair, today updates the market on its trading performance for the 13-week period to 27 June 2014:

	% change
TOTAL REVENUE	
Halfords Group	+7.9
Retail	+7.7
Autocentres	+9.4
LIKE-for-LIKE (LfL) REVENUE	
Retail	+7.9
<i>Cycling</i>	+21.3
<i>Car Maintenance</i>	+0.5
<i>Car Enhancement</i>	+0.1
<i>Travel Solutions</i>	+4.2
Autocentres	+4.3

Key Points For The Quarter

- Cycling: strong growth in all areas with Premium Bike sales increasing by 35.1%
- Car Maintenance: a good Workshop performance offset by a tough comparative in parts sales
- Car Enhancement: Car Cleaning sales up 16.2% mitigating declines in both Sat Nav and Audio
- Travel Solutions: compelling offers in roof boxes and roof bars resonated well with customers
- Online Retail: sales up 13.1% driven by a strong performance in Cycling
- Autocentres: positive momentum continued with new management focusing on the customer experience

Financial Position and Outlook

The Group’s financial position remains sound. All guidance for the full year remains unchanged.

Matt Davies, Chief Executive, commented:

“Halfords continued to drive top-line growth in the quarter, with the Cycling category delivering another exceptional performance. Our actions resulted in growth across all elements of Cycling reflecting our continued focus in the category, enhanced by favourable weather and increased interest in the Tour de France. Against a challenging comparative, Car Maintenance sales were satisfactory whilst significant levels of clearance in Car Enhancement in the prior year comparative were negated by our continued success in Car Cleaning. Our customer-centric approach delivered further growth in Travel Solutions.

The acquisition of *Boardman Bikes* and the launch of *Car Parts Direct* had a negligible effect on the sales performance but are illustrations of our intent to grow our authority in Cycling and Auto. *Getting Into Gear* continues to progress within Retail, whilst Autocentres will deliver an improved experience for motorists.”

Enquiries

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Notes

1. Like-for-like sales represent revenues from UK and Irish stores and UK centres trading for greater than 365 days
2. Where appropriate, revenues denominated in foreign currencies have been translated at constant rates of exchange

Conference Call

There will be a conference call for investors and sell-side analysts at 8am today. The participant dial-in is 0203 139 4830 or 0808 237 0030 (toll free). The PIN is 83644814#.

To access a recording of the call, the participant dial-in is 0203 426 2807 or 0808 237 0026 (toll free). The PIN is 649168#. A transcript of the call will appear online in due course.

Reporting Calendar

The Halfords Group interim results will be published on 6 November 2014.

Notes to Editors

www.halfords.com

www.halfordscompany.com

www.halfordsautocentres.com

Halfords is the UK's leading retailer of automotive, cycling and leisure products and, through Halfords Autocentres, also one of the UK's leading independent car servicing and repair operators. Halfords customers shop at 465 stores in the UK and ROI and at halfords.com for pick-up at their local store or direct home delivery. Halfords Autocentres operates from over 300 sites nationally and offers motorists dealership-quality MOTs, repairs and car servicing at affordable prices.

The Halfords group strategy is based on three pillars:

- *Supporting Drivers Of Every Car*
- *Inspiring Cyclists Of Every Age*
- *Equipping Families For Their Leisure Time*

The *Getting Into Gear* strategy for the Retail business is based on executing in five key areas in order to deliver a significantly-enhanced customer experience:

- *Service Revolution*
- *The H Factor*
- *Stores Fit to Shop*
- *21st Century Infrastructure*
- *Click with the Digital Future*

Halfords employs approximately 12,000 colleagues and sells around 9,000 product lines in store, increasing to around 30,000 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* and *Boardman* 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 *Generic Electric*, *Bosch*, *Garmin* and *TomTom*. In Travel Solutions, Halfords sells a premium range of camping equipment including brands such as *Vango* 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.