



Halfords Group plc 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 15 and 41-week periods to 10 January 2014:

	15 weeks % change	41 weeks % change
TOTAL REVENUE		
Halfords Group	+6.6	+7.3
Retail	+6.2	+7.3
Autocentres	+9.2	+7.5
LIKE-for-LIKE (LfL) REVENUE		
Halfords Group	+5.2	+5.9
Retail	+5.9	+7.1
<i>Cycling</i>	+19.5	+16.1
<i>Car Maintenance</i>	+3.4	+6.6
<i>Car Enhancement</i>	-4.0	-0.9
<i>Travel Solutions</i>	+1.7	+2.3
Autocentres	+0.1	-1.4

Key Points for the 15-week Period

- Cycling: significant growth across the board including an excellent performance from Accessories and Children’s bikes
- Car Maintenance: strong sales of Workshop tools partially offset by subdued demand for parts and winter products. Fitting of parts reached record levels despite the mild weather conditions
- Car Enhancement: improved year-on-year Car Cleaning performance outweighed by an increased decline in Sat Nav
- Travel Solutions: seasonal and kids’ offers resonated well, accompanied by growth in Travel Equipment
- Online Retail: sales grew by 13.8%, with online representing a record 11.7% of total Retail sales
- Autocentres: improved LfL performance with a further four centres opened; new MD of Autocentres appointed

Financial Position and Outlook

There has been no material change in the Group’s financial position which remains sound.

Whilst the mix of sales in the period towards Cycling will have adversely influenced the Retail gross-margin performance, our expectations and all guidance for the full year remain unchanged.

Matt Davies, Chief Executive, commented:

“Our Retail top-line performance was robust in a period of comparatively mild weather. Cycling was again the standout performer, with our customers engaged by refreshed ranges, supported by a renewed customer-first promotional stance. Within Car Maintenance, despite a fall in demand for winter products and low growth in auto-parts sales, we undertook record levels of 3Bs fitting activity. *Getting Into Gear* is progressing well and our key indicators are moving in the right direction. During the period we refurbished a further 12 stores and successfully relaunched *Halfords.com*.

We are delighted with the appointment of Andy Randall as Managing Director of Autocentres who will lead the business through the next phase of its journey and will be in place for the start of the new financial year.”

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

Enquiries

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Conference Call

There will be a conference call for investors and sell-side analysts at 9.45am today. The participant dial-in is +44 (0)203 139 4830 or +44 (0)808 237 0030 (toll free). The PIN is 78847655#.

To access a recording of the call, the participant dial-in is +44(0)20 3426 2807 or +44 (0)808 237 0026 (toll free). The PIN is 644741#.

A transcript of the call will appear online in due course.

Reporting Calendar

Halfords will next report its fourth-quarter trading performance and annual results on 22 May 2014.

Notes to Editors

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

Halfords Group plc

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 Republic of Ireland and at halfords.com for pick-up at their local store or direct home delivery. Halfords Autocentres operates from around 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* plan 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 11,000 colleagues and sells around 10,000 product lines in store, increasing to around 30,000 lines online. The product offering encompasses significant ranges in car parts, cycles, in-car technology, child seats, roof boxes, outdoor leisure and camping equipment. Halfords own brands include *Apollo* and *Carrera* cycles, augmented by exclusive UK distribution rights for *Pendleton* cycles and premium-range *Boardman* cycles and accessories. In outdoor leisure, we sell a range of camping equipment including brands such as *Gelert*. 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.