

6 May 2020

**Halfords Group plc**  
("Halfords" or "The Group")

**Notice of Results and Update on trading and liquidity**

Halfords, the UK's leading provider of motoring and cycling products and services, today confirms the revised date for publication of its preliminary results for the year to 3 April 2020 ("results") and provides an update on recent trading and liquidity.

**Notice of Results**

Following guidance from the Financial Conduct Authority (FCA) and the Financial Reporting Council (FRC) relating to the unprecedented challenges faced by companies and their auditors in preparing financial information and accounts during the COVID-19 pandemic, the Group now expects to report its results on 7 July 2020, instead of the previously announced date of 2 June 2020. The Group's Annual General Meeting will now be held on 15 September 2020.

**Update on trading and liquidity**

As a provider of essential products and services to the UK public, we have remained open during the lockdown period. We currently have 325 retail stores open on a dark-store basis, where serving customers from the front of the store ensures our colleagues can operate in safe working conditions. We also have 346 garages open and 77 mobile vans operating. We have implemented additional safety measures across all sites to protect both our colleagues and our customers.

Our results for FY20 were boosted by better than expected sales in the final weeks of the financial year during the lockdown period. Subject to audit adjustments, we now expect that Adjusted Profit Before Tax, on a pre-IFRS16 and 52-week basis, will be at the upper end of our previously guided range of £50-55m.

Group sales for the four weeks to 1 May 2020 were 23% below last year on a like-for-like basis, which was better than we initially anticipated. This was fairly consistent across the period and reflected a strong performance in Cycling, as the public explored alternatives to public transport and looked for ways to stay healthy. In Motoring, essential categories such as batteries and battery care performed well, but overall weakness reflected a significant reduction in car journeys during the lockdown period.

Better than expected trading and the proactive measures we have taken to preserve cash have resulted in an improvement in our liquidity position. On 1 May 2020, we had approximately £159m of total liquidity available, including overdraft facilities. Despite this improvement, the severity and duration of the pandemic remain very uncertain and as such the Board will continue to take the actions necessary to preserve cash in the coming months and seek to position the Group for an easing of lockdown. We also remain in active dialogue with our existing lending syndicate to provide additional flexibility should we require it.

**Update on proposed closure of Cycle Republic**

On 16 March 2020 we announced a proposal to close the operations of Cycle Republic and the Boardman Performance Centre ("Cycle Republic"), following a strategic review of the Group's cycling businesses. We have since completed a transaction with Pure Scooters Limited to transfer 11 stores and 85 colleagues. The exceptional cost of £25-35m that we previously announced is not materially impacted by this transaction. Performance Cycling remains an important category for Halfords and we will continue to serve the mainstream and enthusiast cycling market through our specialist online business, Tredz and the core Halfords Retail cycling business.

**Graham Stapleton, CEO said:**

*"The health and safety of our colleagues and our customers remains our top priority. I am immensely proud of all our colleagues for their continued hard work and dedication to help keep the country moving.*

*There may be less journeys now but those that are undertaken are even more important. As the UK's largest provider of motoring and cycling products and services, we take our responsibility to keep the country moving seriously. We remain focused on providing essential services during lockdown, supporting key workers, including serving over 21,000 NHS front line workers so far, as well as the wider population who need to travel. Cycling has provided commuters with an important alternative to public transport and consequently we have seen significant growth within our Cycle2Work programme, cementing our position as the market-leading business in this segment.*

*Whilst trading since our last update at the end of March has been better than anticipated, driven by a strong performance in cycling, considerable uncertainty remains and as such we continue to take all necessary measures to preserve cash and protect our financial position. I am confident the actions we are taking now will put the business in a strong position when we emerge from the crisis and enable us to continue to deliver on our strategic transformation in the medium term".*

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**Notes to Editors**

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[www.tredz.co.uk](http://www.tredz.co.uk)

[www.halfordscompany.com](http://www.halfordscompany.com)

[www.cyclerepublic.com](http://www.cyclerepublic.com)

[www.boardmanbikes.com](http://www.boardmanbikes.com)

Halfords is the UK's leading provider of motoring and cycling services and products. Customers shop at 446 Halfords stores, 4 Performance Cycling stores (trading as Tredz and Giant), 371 garages (trading as Halfords Autocentres and McConechy's) and have access to 77 mobile service vans (trading as Halfords Mobile Expert). Customers can also shop at halfords.com, cyclerepublic.com and tredz.co.uk for pick up at their local store or direct home delivery, as well as booking garage services online at halfords.com.

**Cautionary Statement**

This report 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.