



AGM and Interim Management Statement

Released : 21/07/2016 07:00

RNS Number : 7985E
AO World plc
21 July 2016

21 July 2016

AO World plc

AGM and Interim Management Statement

AO World plc (the "Company"), a leading European online electrical retailer, is holding its Annual General Meeting at 11am today, at which the following Trading Statement, for the period 1 April 2016 to 30 June 2016, will be made by the Chairman, Richard Rose:

"The business remains on track with its long-term strategic plan. Customer satisfaction continues to be exceptional in all of our territories, and development of the UK computing and German audio-visual categories progresses as we look forward to launching them for our customers later this year. Our brand awareness continues to grow, underpinned by our unique culture, values and proposition.

Our UK business has performed well over the first quarter of the new financial year, with year-on-year growth in AO branded UK sales of 29% and total UK revenue growth of 25%, driven predominantly by improving brand recognition. We are encouraged to report that momentum in the UK has continued, particularly with regards to gross margin and marketing costs. We are mindful of recent economic uncertainty following Brexit and its potential effect on consumer confidence and foreign exchange exposure of our suppliers but, despite this, our expectations for the UK business, over the whole financial year, remain unchanged.

In Europe, progress is pleasing. Revenue in Euros has increased year on year by 101% and we have made further advances in gross margin with expected efficiencies coming through in the cost base. The Netherlands roll-out continues and we have commenced deliveries from our Regional Distribution Centre in Bergheim. We expect our operations to be fully up and running from there by the end of our second quarter and we look forward to accelerating growth over the second half of the year as a result. Our expectations for the European business, over the whole financial year, remain in line with our previous guidance."

The Company's half year results for the six months ending 30 September 2016 will be announced on 22 November 2016.

As announced on 8 June 2016, Richard Rose is stepping down as Chairman following conclusion of the AGM and Geoff Cooper will step up to lead the Board going forward (subject to re-election).

AO will be holding a conference call for analysts and investors today, 21 July 2016 at 8:00am (UK time). Dial-in details for this call are available on request from Tulchan. Please contact ao@tulchangroup.com for more information.

AO World plc

Mark Higgins ir@ao.com

Tulchan Communications

Susanne Voyle +44 (0)2073 534200
Michelle Clarke

This information is provided by RNS
The company news service from the London Stock Exchange

END

NOAPGUMGMUPQGMU