

11 January 2019

### AO World plc, FY2019 Q3 Trading Update

- **Group revenue up by 8.2%**
- **UK revenue up by 4.4% and Europe increased by 31.3%**
- **Highest sales month ever in November**

AO World plc (“the Company” or “AO”), a leading European online electrical retailer, today gives a trading update for its third quarter, the three months to 31 December 2018.

AO World remains on track to deliver its long-term strategic plan and the Board’s expectations for the full year remain unchanged.

Overall Group Revenue increased by 8.2% compared to the same period last year.

Customers responded positively to AO’s UK seasonal Black Friday offer. This peak trading period continues to be popular with our customers and we are pleased with our performance. Our offering of Black Friday deals over a longer time period in November was well received by customers, sales flow was smoother and our margins improved. This contributed to overall UK revenue growth of 4.4% for the quarter.

Revenue growth in our European business was 31.3% for the quarter on a constant currency basis, (31.2% in GBP). As anticipated, this was stronger than our Q2 growth rates as we returned during the period to underlying growth levels following the impact of changes made to our driver operating model during the first half of FY19.

As previously announced the Company completed the acquisition of Mobile Phones Direct Ltd on 17 December 2018, in line with our strategy broadening the categories offered for sale in our UK business. The revenue figures in this announcement exclude the newly acquired entity.

AO World Chief Executive, Steve Counce, said: “Against a challenging backdrop, Q3 represents a solid performance across the AO Group. We are on track with our plans as we continue to provide a great proposition for our customers. I am particularly proud of the hard work of the teams in the UK and Europe in this critical trading period which saw a record numbers of customers choose AO for their Black Friday and seasonal electricals purchases.”

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## **About AO**

AO World plc, headquartered in Bolton and listed on the London Stock Exchange, is an online electrical retailer, with a simple mission: to be the best electrical retailer in Europe, by making things easy for our customers because we care more. We create value by providing electrical products and related services to our customers, offering a huge range, a price-match promise and market-leading customer service.

We sell major and small domestic appliances and consumer electronics in the UK, Germany and the Netherlands and deliver them via our in-house logistics business and carefully selected third parties. We also provide ancillary services such as the installation of new and collection of old products and offer product protection plans and customer finance.

In the UK, AO operates in four main categories (Major Domestic Appliances "MDA", Small Domestic Appliances "SDA", Audio Visual "AV" and computing) and more recently added Gaming, Mobile, Smart Home and Photographic devices and equipment to its ranges. Following the acquisition of Mobile Phones Direct Limited in December 2018, AO has significantly broadened its mobile phone offering.

AO launched in Germany in October 2014 with MDA and now sells Floorcare, AV and SDA categories. AO's international expansion strategy took a step further in February 2016 with the launch of MDA in the Netherlands, which has also expanded to include SDA and AV.

AO also has a majority equity stake in AO Recycling, a WEEE processing facility, allowing AO to ensure its customers' waste is dealt with responsibly in the UK.

## **Cautionary statement**

This announcement contains certain forward-looking statements (including beliefs or opinions) with respect to the operations, performance and financial condition of the Group. These statements are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events. By their nature, future events and circumstances can cause results and developments to differ materially from those anticipated. Except as is required by the Listing Rules, Disclosure Guidance and Transparency Rules and applicable laws, no undertaking is given to update the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise. Nothing in this document should be construed as a profit forecast or an invitation to deal in the securities of the Company. This announcement has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to AO World plc and its subsidiary undertakings when viewed as a whole.