



EMBARGOED UNTIL 07:00 ON TUESDAY 16 JANUARY 2018

SIXTH CONSECUTIVE RECORD-BREAKING CHRISTMAS FOR SHOP DIRECT

[Shop Direct](#), which operates digital department stores [Very.co.uk](#), [Littlewoods.com](#) and [VeryExclusive.co.uk](#), increased group revenue by 6.3% year-on-year for the seven weeks up to and including 22 December 2017.

The group's performance was driven by 16.8% year-on-year growth at Very, its largest and fastest growing retail brand.

The increase in mobile sales also continued, with 73% of online sales coming from mobile devices, up from 68% during the same period in 2016.

Additionally, Derek Harding has been appointed interim group chief executive alongside his current role of group finance director. He takes over from current group CEO, Alex Baldock, whose departure was announced in October 2017 and will leave the business at the end of January 2018.

Trading highlights

- Revenue at Very up 16.8% year-on-year, compared with 7% growth across the UK non-food online retail market¹
- Revenue at Littlewoods down 12.6% year-on-year, in line with the strategy of profitable, managed decline for the brand
- 102m site visits, up 5% year-on-year
- Total mobile sales up 18% year-on-year
- Another record-breaking Black Friday, with retail sales up 10.9% year-on-year across the promotional period (13 November to 28 November inclusive)

Product highlights

- Electrical was the stand out category, up 16% on the previous year, driven by:
 - 45% growth in gaming
 - 37% growth in smart tech
 - 31% growth in mobile
- Among Shop Direct's top 10 sellers for Christmas were:
 - Call of Duty: WWII games
 - Amazon Fire TV Sticks
 - Calvin Klein Eternity Moment perfume
 - Amazon Echo and Echo Dot devices
 - Converse Chuck Taylor All Star Ox trainers

Operational highlights

- Improvements to the customer experience in time for peak trading included:
 - New product recommendations to make it easier for customers to find and buy what they wanted
 - Wholesale transformation of the product page to make it easier than ever to navigate
 - Investing in a flexible structure to allow more than 350 live changes to be made to the sites across the Black Friday promotional period, ensuring the most compelling offers were highlighted
- Supported by the powerful new AWS infrastructure, the group achieved 100% website availability throughout
- Delivered 7.1m parcels via delivery partners Yodel, Arrow XL and Royal Mail
- 28% of parcels were delivered to CollectPlus hubs – an 8% year-on-year increase in click-and-collect

Alex Baldock, group CEO at Shop Direct, said:

"This was another record-breaking Christmas for Shop Direct, on the heels of 9% growth last year and 6% in 2015. Once again, Very was the star of the show, with sales outpacing the UK online retail market. Our early focus on mobile continues to pay off, as it heads towards three quarters of our sales.



“Our long-term investments in data and technology continued, with an easier and more tailored Christmas shopping experience for our customers, particularly on mobile devices.

“Electrical was the standout category, growing at 16%. The launch of the latest in the Call of Duty series turbocharged gaming sales and the popularity of smart home technology meant voice-enabled devices proved popular across Black Friday.

“As always, our colleagues did a fantastic job in a highly competitive environment. They gave our customers a great Christmas, and hats off to them for their energy and dedication.

“It’s been a privilege to lead this team and I’m immensely proud of what we’ve achieved together; turning a dusty old catalogue retailer into a growing, profitable and innovative retailer. Derek is an outstanding leader, and as I hand him the reins I know that Shop Direct will continue to thrive.”

Derek Harding, incoming interim group CEO and group finance director, commented:

“Shop Direct has achieved one of retail’s most successful transformations over the last five years, thanks to the commitment of our people, the support of our shareholders and Alex’s leadership.

“There’s plenty more to come over the next five years, when we’ll focus on delivering the next phase of our ambitious plan to become a world class digital retailer.

“Looking ahead to 2018, the market remains tough and highly promotional. We’ll keep trading hard and investing in what makes us special to deliver another positive year.”

ENDS

¹ Based on UK non-food online retail market data from the British Retail Consortium

CONTACT INFORMATION

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ABOUT SHOP DIRECT

Shop Direct is the UK’s second largest pureplay digital retailer, with annual sales of £1.93 billion. Our digital department store brands are Very.co.uk, Littlewoods.com, VeryExclusive.co.uk and LittlewoodsIreland.ie. We receive an average of more than 1.3 million website visits every day, with 69% of online sales completed on mobile devices.

We exist to *make good things easily accessible to more people*. With our department store range of famous brands, market-leading technology and data capabilities and unique financial services products offering flexible ways to pay, we’re well placed to deliver on that promise.

We sell more than 1,800 famous brands, including big name labels and our own exclusive brands. We have four million customers and deliver 49 million products every year. Our free click-and-collect service, CollectPlus, delivers to 7,000 stores across the country, increasing ease and convenience for customers.



For more information on Shop Direct, visit www.shopdirect.com or follow us on Twitter at [@ShopDirect](https://twitter.com/ShopDirect).

ABOUT ALEX BALDOCK

Since joining Shop Direct in September 2012, Alex Baldock has pursued a clear strategy, shed the catalogue, driven consistent double digit growth at Very.co.uk, and repositioned the group as a technology leader. These and other initiatives have seen Shop Direct deliver five consecutive years of record financial performance, with an almost tenfold increase in profits, as well as being named Retail Week's Pureplay Etailer of the Year for three years in a row. Shop Direct is now the UK's second largest pureplay online retailer with sales of £1.93 billion in 2016/17.

Before being appointed group CEO of Shop Direct in 2012, Alex was managing director at Lombard, the UK's leading asset finance company and a division of RBS Group. He joined Lombard in 2008 from Barclays, where he held senior roles in both corporate and commercial banking. Prior to that, Alex was a management consultant, advising blue chip corporates from all sectors across Europe, the US and Asia-Pacific.

ABOUT DEREK HARDING

Derek was appointed to Shop Direct's executive board in July 2017 as group finance director. In addition to his finance responsibilities, Derek also oversees external communications, strategy and the commercial teams. Derek joined Shop Direct from Senior PLC, the FTSE250 international engineering group, where he held the role of group finance director. Prior to joining Senior, Derek was at Wolseley plc for 11 years, most recently as finance director of Wolseley UK.