



FOR IMMEDIATE RELEASE, 8 AUGUST 2017

Pets at Home Group Plc: Q1 FY18 Trading Statement

Pets at Home Group Plc, the UK's leading pet business, today announces a scheduled trading update for the 16 week period from 31st March to 20th July 2017, compared with the 16 week period from 1st April to 21st July 2016.

Financial summary

- Group revenue growth of 5.0% to £256.5m
 - Merchandise revenue growth of 2.8% to £216.4m
 - Services revenue up 18.8% to £40.1m, including Joint Venture vet practice income up 19.7% to £16.2m
- Group like-for-like revenue growth of 2.7% reflecting strong growth in first opinion and specialist referral vet services, and a continuation of positive momentum in Merchandise trading
 - Merchandise like-for-like revenue growth 1.5%
 - Services like-for-like revenue growth 10.5%
- Merchandise price investment and operational cost savings tracking in line with plan. Profit outlook for FY18 in line with our expectations

Operational summary

- Good progress with Merchandise initiatives
 - Everyday lower price repositioning continues with the addition of another major Advanced Nutrition dog food brand, James Wellbeloved. This follows the positive customer response to price changes earlier in the year across veterinary diets, private label dog Advanced Nutrition, pet essentials and Hills Science Plan
 - Strong omnichannel revenue growth of 80%. Around 60% of omnichannel revenues now involve colleague assistance or the use of a Pets at Home store, through our Click & Collect, Order-In-Store and subscription services
 - Launched a second product on our licensed medicine 'Subscribe and Save' service with Frontline Plus
- Vet Group continues to demonstrate good momentum across the business
 - Growth supported by excellent performance from specialist referral centres
 - Successful TV campaigns and promotion of our 'Best Start in Life' care plan driving high new client registrations for first opinion practices
- Opened 5 Pets at Home superstores, 2 Vets4Pets practices and 6 Groom Room salons. On track to deliver full year opening targets of around 10 superstores, 40-50 vet practices and 40-50 grooming salons

Ian Kellett, Group Chief Executive Officer, commented:

"We are pleased with our positive start to the year, delivered through another period of strong growth in our Vet Group and further momentum in Merchandise trading.

We have continued our everyday lower price repositioning and reduced the reliance on short term promotional discounts. We remain encouraged by the overall response to our pricing changes and by the number of both new customers and those we have welcomed back.

We have also strengthened our omnichannel capabilities substantially, with subscription services, Order-In-Store and Click & Collect performing particularly well. This underlines the importance of our store environment where customers benefit from products, services and colleague advice.

Whilst it is still early in the year, the financial outlook is in line with our expectations. We are confident the investments we are making to grow our veterinary business and to reposition our pricing and deliver everyday value for our customers are creating a strong platform for sustainable future growth.”

Conference call

A conference call for analysts and investors will be held at 8.30am today. To join the call, please dial +44 20 3059 8125 and quote ‘Pets at Home’. A recording will be available for seven days on + 44 121 260 4861 (passcode: 6791350#) and at <http://investors.petsathome>

Financial calendar

Pets at Home will host an investor and analyst day on 21st September 2017.
FY18 Interims will be announced on 28th November 2017.

Key Performance Indicators

ROLLOUT		Q1 FY18	Q1 FY17	FY17
Stores	Number of stores ¹	447	431	442
	New stores ¹	5	4	15
Vets	Number of vet practices (total)	440	391	438
	Of which in-store vet practices	291	253	289
	Of which standalone vet practices	149	138	149
	New vet practices (total)	2	3	50
Groomers	Number of groomers ¹	296	246	290
	New groomers	6	6	50
	% of stores with a vet practice & grooming salon	54%	46%	54%
VIP CLUB		Q1 FY18	Q1 FY17	FY17
	VIP club active members (m) ²	3.7	3.5	3.7
	VIP swipe as % revenue ³	69%	65%	68%
FINANCIALS		Q1 FY18	Q1 FY17	Change
	<u>Revenue Split (£m)</u>			
	Merchandise ⁴	216.4	210.5	2.8%
	Services & other ⁵	40.1	33.7	18.8%
	Total Group	256.5	244.2	5.0%
Revenue	Like-for-like growth ⁶	2.7%	2.7%	
	Merchandise like-for-like growth	1.5%	2.2%	
	Services like-for-like growth	10.5%	7.5%	
	<u>Revenue Mix (% of total revenues)</u>			
	Merchandise	84.4%	86.2%	(181) bps
	Services & other	15.6%	13.8%	181 bps

¹ Includes Barkers and Whiskers 'n Paws by Pets at Home

² Active defined as customers who have purchased during the past twelve months

³ Average swipe rate of the card at store tills over latest quarterly period

⁴ Includes Food and Accessories revenue from store and online operations

⁵ Includes veterinary Joint Venture fees & other veterinary income, specialist referrals revenue, grooming salon revenue, revenue from live pet sales & insurance

⁶ 'Like-for-Like' sales growth comprises total revenue in a financial period compared to revenue achieved in a prior period, for stores, online operations, grooming salons, vet practices & referral centres that have been trading for 52 weeks or more

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About Pets at Home

Pets at Home Group Plc is the UK's leading specialist pet omnichannel retailer and services provider. Pets at Home operates from 439 superstores located across the UK. The Group operates the UK's largest small animal veterinary business with 440 practices, run principally under a Joint Venture model using the Vets4Pets and Companion Care brand names, and four veterinary specialist referral centres. Pets at Home is the UK's leading operator of pet grooming services offered through its 296 grooming salons. The Group also operates seven specialist High Street based dog stores, called Barkers. For more information visit: <http://investors.petsathome.com/>