

**John Lewis plc makes the following announcement for John Lewis Partnership plc,
the ultimate holding company of John Lewis plc**

News release

21 March 2020

JOHN LEWIS SHOPS TO CLOSE TEMPORARILY

The John Lewis Partnership has taken the difficult decision to temporarily close all of its 50 John Lewis shops at close of business on Monday 23 March as a result of the impact of Coronavirus. Johnlewis.com will continue to operate as normal, alongside Waitrose shops and waitrose.com. This will be the first time in the 155-year history¹ of the business that it will not open its shop doors for customers.

As a consequence, Waitrose food offers within department stores at Watford, Southampton and Bluewater will also close but johnlewis.com - which generates half the brand's business - will continue to operate as normal, alongside waitrose.com. Customers can choose to have orders delivered to their home, or to Click & Collect from their local Waitrose. The food halls within John Lewis Oxford Street and Waitrose shops which share premises with John Lewis space at Kingston, Ipswich, Stratford, Horsham, Basingstoke and Canary Wharf will remain open, along with all other Waitrose branches and Waitrose.com grocery deliveries.

Chairman Sharon White, said: "The welfare of our customers, communities and Partners is always our absolute priority. While it is with a heavy heart that we temporarily close our John Lewis shops, our Partners will, where possible, be taking on important roles in supporting their fellow Partners, providing critical services in Waitrose shops and ensuring our customers can get what they need through johnlewis.com, which is seeing extremely strong demand.

"The Partnership has traded for over 155 years, during which time we have faced many difficult periods, including two world wars and the 2008 financial crisis. On every occasion, thanks to our customers and Partners, and the long standing relationships with our suppliers and stakeholders, we have emerged stronger. We all need to continue to support each other and our strength and resilience will be tested. But they will not be broken.

"I also want to give my personal thanks to every single Partner for their extraordinary efforts, I am truly grateful. And to the wider community for pulling together with us during such unprecedented times."

All 338 Waitrose shops in England, Scotland, Wales and the Channel Islands will remain open as will waitrose.com. Over 2,000 John Lewis Partners are already working in Waitrose shops to assist with

¹ Excluding public holidays, localised closures and a direct bombing of John Lewis Oxford Street, in 1940 and on Knight and Lee and Tyrell and Green, Southampton in 1940 and, Weston-Super-Mare's Lance and Lance in 1942 which temporarily closed these shops. However, Partners retained trade by setting up a desk outside the shop and took orders to other shops

the unprecedented demand for grocery and other essential goods and wherever possible, John Lewis Partners will be redeployed to provide additional support to Waitrose and johnlewis.com for our non-food online business.

We are seeing a surging demand in Waitrose and online but like other businesses our shop footfall in John Lewis has fallen and this extraordinary volatility makes predicting full year cash flow and profits difficult. Although there has been a rising demand in food so far, it may peak further, as people are asked to stay at home. We expect Fashion sales to decline but Electricals & Home Technology and some Home product lines to increase as people continue to work from home and need to stay connected.

We are a diversified, resilient and strong business. Our financial strategy is focused on improving our financial strength and flexibility and managing cash and liquidity tightly. The Government's decision to introduce a business rates holiday will save the Partnership around £160m over the next 12 months, and in addition, VAT and wages support is welcomed.

We have reduced our total net debts by more than £1bn over the past five years and doubled our level of liquidity over the same period. We currently have approximately £1.5bn of liquidity, consisting of over £950m cash and £500m of undrawn committed credit facilities. Our current scenario, which takes into account the temporary closure of our John Lewis department stores, and models a significant net cash outflow in the year, shows that we have sufficient liquidity. However, we are not complacent; the scale of the societal and business impact of Coronavirus is like nothing we have seen in recent times.

We will continue to take further steps to protect our liquidity as far as possible by reducing expenditure such as:

- Reducing our capital and investment expenditure through postponing or pausing projects and change activity. We had originally anticipated spending more than £500m this year which will be scaled back significantly.
- Deferring or cancelling discretionary spend. We currently have more than £500m of annual discretionary revenue spend. We are reducing non-essential spend at all levels, freezing non-essential recruitment and reducing marketing spend.
- Reducing the supply pipeline in general merchandise to reflect the impact of our temporary shop closures.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

-ENDS-

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Notes to editors:

John Lewis shop locations:

Aberdeen, Ashford, Basingstoke, Birmingham, Bluewater, Brent Cross, Cambridge, Cardiff, Cheadle, Chelmsford, Cheltenham, Chester, Chichester, Cribbs Causeway, Croydon, Edinburgh, Exeter, Glasgow, Heathrow (Terminal 2), High Wycombe, Horsham, Ipswich, Kingston, Leeds, Leicester, London (Oxford Street), London (Peter Jones, Sloane Square), London St Pancras station, London (Stratford City), London (White City), Liverpool, Milton Keynes, Newbury, Newcastle, Norwich, Nottingham, Oxford, Peterborough, Poole, Reading, Sheffield, Solihull, Southampton, Swindon, Tamworth, Trafford, Tunbridge Wells, Watford, Welwyn, York.

Home fittings and installations

Home fittings and installations such as curtains, blinds, carpets, kitchen, bathroom and electrical, are also temporarily suspended until government guidelines recommend it is safe to reinstate.

Customer care

John Lewis customers can find further information at www.johnlewis.com/customer-services/faq/coronavirus-covid-19

Waitrose customers can find further information at www.waitrose.com/ecom/help-information/customer-service/coronavirus

About the John Lewis Partnership

The [John Lewis Partnership](#) owns and operates two of Britain's best-loved retail brands - John Lewis & Partners and Waitrose & Partners. Started as a radical idea nearly a century ago, the Partnership is the largest employee-owned business in the UK and amongst the largest in the world, with over 80,000 employees who are all Partners in the business. For all intents and purposes, the Partnership is a social enterprise; the profits made are reinvested into the business - for customers and Partners. John Lewis & Partners operates 50 shops across the UK (37 department stores, 12 John Lewis at home and shops at St Pancras International and Heathrow Terminal 2) as well as johnlewis.com. Waitrose & Partners has 338 shops in England, Scotland, Wales and the Channel Islands, including 61 convenience branches, and another 27 shops at Welcome Break locations. Waitrose & Partners exports products to more than 50 countries worldwide and has nine shops which operate under licence in the Middle East. The retailer's omnichannel business includes the online grocery service, Waitrose.com, as well as specialist online shops including waitrosecellar.com for wine and waitroseflorist.com for plants and flowers. Our food business is bigger than our non-food business and our John Lewis shop sales represent less than a quarter of the Partnership's total revenue.