Christmas trading update

Highlights include:

- Total sales at the John Lewis Partnership in the six weeks to Saturday 2 January were up 4.1% from the same period last year to £1,811.1m
- Waitrose gross sales (excluding fuel) were £859.8m, up 1.2% compared with last year and down 1.4% on a like-for-like basis
- John Lewis gross sales were £951.3m, up 6.9% compared with last year and up 5.1% on a like-for-like basis
- Expectations for profit before Partnership Bonus, tax and exceptionals for the year ending 30 January 2016 remains unchanged at between £270m and £320m versus £342.7m last year

Sir Charlie Mayfield, Chairman of the John Lewis Partnership, commented:

“This has been a strong Christmas trading period for the Partnership despite the non-food market seeing significant shifts in trade patterns and the grocery market continuing to be challenging.

John Lewis achieved another very strong sales performance with impressive growth across all three categories of Fashion, Home and Technology. Waitrose had record trading days leading up to Christmas and good growth online, while like-for-like sales declined overall during the six-week period.

Click and Collect continued to show the strength of our two brands working together as a proposition for customers, with 35% of John Lewis online orders collected from Waitrose branches. I was particularly pleased to see overall customer numbers increase 5.8% against the same period last year.

Our performance reflects to a large extent the significant investment we have made in our distribution and IT capability. Despite the fact trade was even more concentrated across a number of very busy shopping days, our operations performed especially well.”

Waitrose

- Sales (excluding fuel) up 1.2% to £859.8m, with like-for-like sales down 1.4%
- Strong online sales growth with grocery sales up 7.9%, with sales over the Christmas and New Year weeks up 9.8%
- Sales through direct services websites - including wines, hampers, flowers and kitchen gadgets - grew by 28.1%

Peak trade came particularly late this year and was more concentrated than usual in the days before Christmas. Waitrose had record trading days on 23 and 24 December, with sales up 6.0% and up 5.5% respectively.
Our dot.com fulfilment centre in Coulsdon, which celebrated its first Christmas, operated effectively with almost all slots filled as early as November.

**John Lewis**

- Sales up 6.9% to £951.3m, with like-for-like sales up 5.1%
- Online sales were up 21.4%, representing 40% of total sales
- Balanced contribution from all three product areas, Home up 5.1%, Fashion up 6.1% and EHT (technology) up 9.6%
- Successful start to Clearance with sales up 23.0% for week ending 2 January¹

Patterns of trade shifted significantly, characterised by three distinct sales peaks – Black Friday, Christmas and Clearance – with higher sales and a different channel mix for each peak.

The combination of our shops, website and fulfilment centres worked together effectively. For example, on the Black Friday weekend our distribution teams processed 18% more parcels than last year, which equated to five units per second during the peak hour. Sales in our shops for the total six week period were down 1.2%, reflecting lower footfall pre-Christmas, but were up 16.2% during the first week of Clearance (week ending 2 January).

Online sales grew by 21.4% compared to last year and mobile continued to be our fastest-growing channel, with sales from smartphones and tablets up 31%. Sales through Click & Collect were up 16% and it was the delivery method of choice for half of all online orders.

**John Lewis Partnership full year profit guidance**

Sir Charlie Mayfield, Chairman of the John Lewis Partnership, commented:

“Our strong Christmas trading performance gives us further confidence in the guidance provided at our interim results in September, where we indicated that we expected the full year Profit before Partnership Bonus, tax and exceptionals to be between £270m and £320m. This guidance reflected both good operational progress but also an increase of approximately £60 million in pension charges as a result of market driven volatility. Our guidance therefore remains unchanged.”

John Lewis Partnership plc will report its full year results ended 30 January 2016 on 10 March 2016.

ENDS

**Enquiries:**

¹ This figure includes an extra day’s trade in shops due to the first day of Clearance in branches falling in a different trading week. Last year the first day of Clearance in shops was Saturday 27 December 2014. This year it was Sunday 27 December 2015.
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