

JOHN LEWIS PARTNERSHIP UNAUDITED FULL YEAR RESULTS FOR THE 53 WEEKS ENDED 31 JANUARY 2026

CUSTOMER INVESTMENT DRIVING PROGRESS

- Partnership sales¹ increased 5% to £13.4bn², marking another year of growth
- Investments delivered record customer satisfaction scores in a challenging market
- Profit before tax, bonus and exceptional items³ increased 6% to £134m
- Operating cash flow⁴ up £63m to £595m, supporting increasing investment in the business and Partners, with £108m growth in pay and a Partnership Bonus of 2%
- Liquidity⁵ strengthened to £1.6bn, enabling another year of self-funded investment in 2026/27

Jason Tarry, Chairman of the John Lewis Partnership, said:

“Our multi-year plan to invest in customers and our brands for the long term is working; we have grown customer numbers and achieved record satisfaction. Despite a subdued market, a challenging lead into the crucial peak period and increased taxes, we took the decision to continue investing in the business, and have delivered cash and profit growth.

“There is much still to do, but our growing cash generation and strong balance sheet enable us to invest more in our brands and our Partners to improve the experience for our customers. I'm really grateful for the commitment and passion our Partners bring and, alongside our continued investment in Partner pay, we're pleased to be in a position to award a 2% Partnership Bonus. We remain on track to make further progress this year.”

Full year performance

The John Lewis Partnership, home to Waitrose and John Lewis, reports an improvement in financial performance for 2025/26.

Partnership sales increased to £13.4bn, up 5% year-on-year. Operating profit margin⁶ improved slightly to 2.1% and cash generated from operations was £595m, up £63m year-on-year.

Profit before tax, bonus and exceptional items increased to £134m, up 6% from £126m in 2024/25, supported by strong customer metrics and a disciplined approach to operating performance. Year-on-year profit growth was held back by headwinds of £53m from non-like-for-like taxation, comprising £13m from the new Extended Producer Responsibility packaging levy and £40m from higher National Insurance Contributions, as well as higher promotional mix as customers spent more cautiously, especially in the run up to the peak period.

¹ All references to Partnership sales or sales are Total trading sales which includes VAT, sale or return, and other non-cash accounting adjustments

² 2025/26 is a 53 week period and is reported on that basis. 2025/26 results include an additional week's trade compared to 2024/25

³ Profit before tax, Partnership Bonus and exceptional items (PBTBE)

⁴ Net cash generated from operating activities before Partnership Bonus, bond finance costs and BonusSave plan

⁵ Including undrawn credit facility of £460m

⁶ Operating profit margin is operating profit before bonus, exceptional items and property profit/(loss) as a percentage of revenue

Loss before tax of £21m (2024/25: profit £97m) includes exceptional charges of £120m (2024/25: £29m). The significant majority of exceptional charges were non-cash. These primarily relate to write downs of legacy systems, as we modernise technology to drive future growth.

Investing in our transformation

During 2025/26, we invested 26% more than the prior year in our stores, technology, supply chain and wider brand initiatives. This drove record customer satisfaction and loyalty, with growth in My Waitrose (+6%) and My John Lewis (+10%) memberships. We will continue to step up investment in our transformation this coming year to further enhance the customer experience and progress our multi-year transformation plan.

Productivity gains remain key to our transformation. In 2025/26, improvements across our operations helped strengthen operating profit margin, and offset the non-like-for-like tax headwinds. We continue to focus on working more efficiently in ways that benefit both customers and our Partners.

We are investing in John Lewis Money as a core enabler of our retail strategy. During the year we secured regulatory authorisation as a credit and insurance broker, enabling greater choice and flexibility in financial services for our customers and positioning the business to accelerate growth.

We decided to exit our Build-to-Rent property business in response to significant changes in the economy since we entered this market.

Our balance sheet remains strong, with total liquidity of £1.6bn, up from £1.5bn last year. This reflects strong cash generation and a renewed £460m undrawn revolving credit facility, allowing us to continue to self-fund long-term investments.

As employee-owners, our Partners are central to our success. Maintaining competitive base pay remains a priority: in 2026, we are investing £108m in base pay, bringing our total investment in Partners' pay to £340m over the past three years.

Our disciplined financial management in recent years, combined with improving cash generation, good liquidity and low levels of external borrowings, has enabled the Board to distribute a Partnership Bonus of 2%, equivalent to an extra week's pay for all Partners.

Waitrose

Our Home of Food Lovers strategy helped drive sales⁷ growth of 7% to £8.5bn. Waitrose achieved a tenth consecutive quarter of customer growth, attracting 5% more shoppers than two years ago and its highest recorded Net Promoter Score⁸. Volumes increased 3%, reflecting another year of outperforming the market. Adjusted operating profit was £256m, up £29m, with operating margin improving 16 bps to 3.2%.

Key initiatives driving growth and customer satisfaction included:

- Modernised the shopping experience for customers, refurbishing 23 stores and opening three new convenience shops as part of our investment across the Waitrose estate.

⁷ 2025/26 is a 53 week period and is reported on that basis. 2025/26 results include an additional week's trade compared to 2024/25

⁸ Net Promoter Score is a metric of customer advocacy and sentiment within our target audiences, representing the net percentage of customers likely to recommend the brand

- Improved our loyalty offer, through the launch of Waitrose Little Treats, which rewards customers with money off or free products.
- Our omnichannel offer continues to resonate with customers, with online order volumes up 11% and sales increasing over 13% year-on-year.
- Made it easier for customers to find what they need, achieving record 97% on-shelf availability having invested in our core merchandising systems.
- Strengthened quality and sustainability for customers, with Waitrose No.1 up nearly 30% and continued leadership on animal welfare through our Better Chicken Commitment and higher-welfare pork.
- We announced a new 360,000 sq ft distribution centre in Bristol, to further improve availability, strengthen our supply chain and support future growth.

John Lewis

John Lewis continued to execute its customer-focused omnichannel strategy, delivering sales⁹ of £4.9bn, up 3% on last year. Customer engagement strengthened through the year, with Net Promoter Score reaching a record level. Adjusted operating profit was £58m, up £13m, with operating margin improving 32 bps to 1.6%.

Key initiatives driving growth and customer satisfaction included:

- Improved the in-store experience for our customers as part of our multi-year investment in our estate, with major refurbishments during the year in Liverpool and Bluewater, and beauty expansions in Solihull, Welwyn Garden City and Cambridge.
- Delivered award-winning service for customers, topping the 2026 UK Customer Satisfaction Index for UK retail and seeing record demand for Personal Styling and Nursery appointments.
- Boosted product availability by extending 'Ship from Store' to 28 locations, leveraging our shop estate as a fulfillment network to ensure in-demand items are always within reach.
- Broadened choice and relevance for customers, launching 200 new and in-demand brands, including an exclusive national partnership with Topshop.
- Giving customers more reasons to spend time in our shops, opening six new hospitality venues to bring the total to 62.

Outlook

We remain cautious in our outlook for trading in 2026/27. Despite this, we are well positioned to navigate the challenging macroeconomic environment, with improved liquidity and low levels of external borrowings. This allows us to continue investing in our retail-first strategy, which will benefit our customers and unlock the headroom we see in all of our brands. We are confident in making further steps forward in the year ahead as we progress our multi-year transformation.

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Media and Analysts

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