



**2 November 2020**

**Howden Joinery Group Plc**  
(‘Howdens’ or the ‘Company’)

**TRADING UPDATE**

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Howdens today announces its trading update for the period 14 June 2020 to 31 October 2020 (Period 7 to Period 11).

Howdens’ priority continues to be the health and wellbeing of our employees and customers, while acting fairly and responsibly in all our stakeholder relationships.

**Trading**

As previously announced, Howdens results for the first half were impacted significantly by the disruption caused by lockdown in the second quarter. However, by Period 6 all sites were open and operating safely and in Period 7 Howden UK sales were 2.2% ahead of Period 7 sales in 2019.

Since then, trading has improved significantly. Howdens UK depots’ total revenue for Periods 7 to 11 increased by 12.3% and by 10.1% on a same depot basis, on Periods 7 to 11 in 2019, with gross margin ahead of the first half of 2020 but lower than the same period in 2019. With signs of pent up demand since lockdown and a high level of stock availability, we extended our “P11” sale period across Periods 10 and 11 this year. This helped our supply chain management and the ability of depots to service demand.

For the year to date (Periods 1 to 11), total UK revenue was 6.8% below that for 2019.

On a local currency basis, Howdens French and Belgian depots’ total revenue for Periods 7 to 11 increased by 33.3% and by 25.4% on a same depot basis, on the comparable Periods in 2019. Total revenue for the year to date was 7.9% up on the comparator period.

**Capital allocation & Government Support**

Taking into account Howdens cash position and recent trading performance, the Company intends to repay the £22m it received in the first half under the UK Government’s Job Retention Scheme before the end of the year. No claims have been made under this Scheme in the second half and no further claims are expected to be made. The Company also intends to repay around £8m of business rates that were waived by certain local councils. Other deferred payments, such as taxes and pension deficit contributions, will also be made before the end of the year.

Subject to the Company’s trading performance and financial position continuing to meet the Board’s expectations and there being no further significant disruption due to COVID-19 or otherwise, the Board will consider recommencing payments of dividends with the announcement of Howdens 2020 full year results in February 2021.



## **Business developments**

As previously announced, Howdens expects to open a total of around 15 depots in the UK in 2020, taking the total number of depots in the UK to around 747, and to refurbish around 30 older depots to the updated format. Four new depots are expected to be opened in France.

### **Chief Executive Officer, Andrew Livingston, said:**

"I am very pleased with Howdens trading performance in the second half to date with sales in Periods 7 to 11 being particularly strong.

"COVID-19 has had a significant impact on all of our lives and Howdens' priority remains ensuring that our employees and customers are safe and supported. We have also found new ways of working so that we can manufacture safely in a socially distanced environment and, together with our suppliers, ensure stock availability to support customer needs.

"With our Autumn peak trading period concluded, we are progressing our business initiatives, including depot opening and reformatting programmes, new product introductions and digital developments. We remain confident in our business model, which is founded on strong customer relationships and having product in-stock locally. However, we remain cautious about the immediate outlook in these very uncertain times."

## **Next scheduled announcement**

The Group expects to release its 2020 Preliminary Results on 25 February 2021.

### **Enquiries**

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### **Note to editors:**

Howden Joinery Group Plc is the parent company of Howden Joinery (Howdens). In the UK, Howdens is engaged in the sale of kitchens and joinery products to trade customers, primarily small local builders, through more than 730 depots. Around one-third of the products it sells are manufactured in the company's own factories in

Runcorn, Cheshire, and Howden, East Yorkshire. The business also operates a total of around 30 depots in France and Belgium.

For more information: [www.howdenjoinerygroupplc.com](http://www.howdenjoinerygroupplc.com)