



Robust performance with further market share gains

Howden Joinery Group plc, the UK's largest specialist trade kitchen supplier, today announces an update on trading since the half year results (Periods 7 to 11).

Current trading

Revenue growth versus 2023 (%)	UK	International ²	Group
Total			
- Periods 7 to 11	-0.6%	+18.2%	-0.1%
- Year-to-date	+1.7%	+10.9%	+1.9%
- H1 (Periods 1 to 6)	+4.3%	+4.8%	+4.2%
Like-for-like¹			
- Periods 7 to 11	-2.2%	+9.4%	-1.9%
- Year-to-date	+0.1%	+4.3%	+0.2%
- H1 (Periods 1 to 6)	+2.8%	-	+2.6%

¹ same depot basis (LFL) for any year excludes depots opened in that year and the prior year.

² International is shown in local currency.

³ 2024 Full Year Profit Before Tax consensus published on the Company's website is an average of £341m with a range of £328m to £350m.

Howdens gained further market share in the period with our trade customers benefiting from our market-leading product line up, high stock availability and outstanding customer service. This was achieved against a backdrop of challenging macro-economic conditions, with weak consumer spending, further compounded by uncertainty surrounding the Autumn Budget. We continue to focus on productivity and efficiency actions to offset the impact of higher cost inflation, while investing in our strategic initiatives to drive future growth. These actions are helping support near-term performance and will drive higher profitability as markets improve.

Reported Group revenue in the period was -0.1% below the prior year and -1.9% on a like-for-like basis. Revenue in the UK in the period was -0.6% and was -2.2% on a same depot basis. On a year-to-date basis the UK was +1.7% ahead of the prior year. Our international operations grew +18.2% ahead of the prior year or +9.4% on a same depot basis. France is benefiting from a new leadership team, who are focusing on developing our depot teams and strengthening our differentiated business model after a period of significant depot expansion.

Andrew Livingston, Chief Executive said:

"Howdens has delivered another strong period of market outperformance in continued challenging conditions underlining the strength of our trade-only, in-stock business model. Our strategic initiatives are performing well with an emphasis on delivering immediate product availability, market-leading product ranges, and digital tools. These support our trade customers to get their projects done efficiently, affordably and right first time."

Outlook

Given ongoing market conditions, Howdens expects profit before tax in 2024 will be within the range of current analysts' consensus forecasts³, with the most likely outcome at the lower end of this range. Profitability at these levels is supported by the market share gains we have made and our proactive cost management programme.

Looking ahead, we expect the near-term market outlook into 2025 to remain challenging, in the absence of any meaningful change in the underlying consumer sentiment. We are confident that our business model is the right one to address the opportunities in our markets and we are well placed to continue to make excellent progress over the medium-term.



Strategic initiatives

The UK markets for kitchens and joinery are large and attractive at around £12bn and we see excellent long-term opportunities for growth. This year we expect to open around 30 new depots and revamp around 85 of our older UK sites. We also expect to open 5 new international sites this year. New product introductions for 2024 included 11 new kitchen ranges and we continue to invest in industry-leading production capacity to increase the proportion of products we make. Investments have also been made to expand our digital platform including the roll out of 'Live Stock' to record and pick deliveries, check allocations and determine depot stock levels. This has enabled us to offer a new 'Click & Collect' service to our trade customers for everyday items which has been well received.

Technical guidance

Income statement

- The Company is still assessing the overall financial impact of the announcements made in the 2024 Autumn Budget that come into effect from April 2025. The expected annualised cost impact of higher contributions to employers' National Insurance and the increase in the National Minimum Wage is around £18m.

Cashflow

- As previously announced, receivables are expected to increase by around £50m at the end of 2024 due to the later calendar end of our peak trading period, with a higher proportion of customer payments not being due until after the year-end.

For further information please contact

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Note to editors:

1. About Howden Joinery Group Plc

Howdens is the UK's number one specialist kitchen and joinery supplier. In the UK, the company sells kitchens and joinery products to trade customers, primarily local builders, through 850 depots. In 2023, the Group generated revenues of around £2.3 billion and profit before tax of £327.6 million. Around 35% of Howdens' cost of goods sold are products manufactured in-house at its two principal factories in Runcorn, Cheshire, and Howden, East Yorkshire. At the end of 2023, Howdens operated from 65 depots in France and Belgium and 10 depots in the Republic of Ireland.

2. Financial calendar

Reporting period	Scheduled date
End of Financial Year 2024	28 December 2024
Full Year results	27 February 2025



3. Cautionary statement

Certain statements in this announcement are forward-looking. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements contain risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.