

23 April 2013

**Carpetright plc
Pre Close Trading Update**

Carpetright plc, Europe's leading specialist carpet and floor coverings retailer, today announces a trading update for the 12 weeks ended 20 April 2013.

Highlights

- **The Group result for the financial year to date is in line with management's expectations.**

- **UK**
 - **Like-for-like sales** ^(note 2) **in the UK increased by 5.6%. Total sales in the UK increased by 4.4%.**
 - **Store base increased by one during the period to 477, of which 180 have now been modernised.**

- **Rest of Europe**
 - **In local currency terms, like-for-like sales in the Rest of Europe (Netherlands, Belgium and the Republic of Ireland) decreased by 10.2%. Total sales declined by 10.2%.**
 - **Solid performance in Belgium and the Republic of Ireland offset by continued weakness in the Netherlands.**

Darren Shapland, Chief Executive, said:

"We are pleased to report good like-for-like sales growth in the UK of 5.6%. Excluding the expected contraction in sales from the wholesale business, our core UK retail business ^(note 3) would have reported like-for-like sales growth of 6.7% for the period. Whilst the recent cold spring weather has been positive to our sales, we believe this performance reflects the continued success of our programme of self-help initiatives. These include the ongoing programme of store refurbishments, the introduction of our improved laminate range to more stores, the development of our bed business and the increased use of digital media. This has been achieved in a market which remains challenging with consumers very focused on getting a good deal, necessitating a highly visible and compelling promotional programme.

"Gross margin for the period has been in line with previously announced expectations and our view of the full year gross profit percentage improvement is now in the range of 225-250 basis points above the prior year ^(note 4).

"Our business in the Rest of Europe continues to contrast a solid performance in both Belgium and the Republic of Ireland, offset by the continued weak performance of our business in the Netherlands. The actions we took earlier in the year when deteriorating economic conditions in the Netherlands prompted a significant decline in the furnishings and home improvement sector are now helping support our overall profitability in this country.

"The Group result for the year to date is in line with management's expectations and whilst trading conditions remain challenging, we have good momentum with our self-help initiatives which we believe will carry onto the new financial year."

The Group will report its preliminary results for the financial year ending 27 April 2013 on Tuesday, 25 June 2013.

Analyst conference call

Darren Shapland will host a conference call for analysts at 08:30 BST today.

The dial in number is +44 (0) 20 3003 2666 with the passcode 5422460.

Thereafter, for further enquiries please contact:

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A copy of this trading statement will be available on our website www.carpetrigh t.plc.uk today from 7.00am

Notes

1. All sales figures are quoted after deducting VAT.
2. Like-for-like sales calculated as this year's net sales compared to last year's net sales for all stores that are at least 12 months old at the beginning of our financial year. Stores closed during the year are excluded from both years. No account is taken of changes to store size or introduction of third party concessions. Sales from insurance and house building contracts are supplied through the stores and included in their figures.
3. Retail stores like-for-like sales are like-for-like sales excluding sales from insurance and house building contracts. The latter being grouped together and classified as 'wholesale' sales.
4. H1 2011/12 58.0%, 4.3%pts down on H1 2010/11 62.3%; H2 2011/12 60.0%, 2.1%pts down on H2 2010/11 62.1%. FY 2011/12 58.9%, 3.3%pts down on FY 2010/11 62.2%. H1 2012/13 61.7%, 3.7%pts up on H1 2011/12.

Appendix 1: Group Sales

	12 weeks to 20 April 2013	13 weeks to 26 Jan 2013 (previously reported)	25 weeks to 20 April 2013	51 weeks to 20 April 2013
UK				
- Total	4.4%	1.6%	3.0%	0.6%
- Like-for-like	5.6%	3.2%	4.4%	2.5%
- Like-for-like excluding wholesale	6.7%	4.7%	5.7%	4.4%
Rest of Europe				
- Total (in local currency)	(10.2%)	(11.2%)	(10.7%)	(10.1%)
- Like-for-like (in local currency)	(10.2%)	(11.5%)	(10.9%)	(10.5%)
- Total (in GBP)	(7.3%)	(15.9%)	(11.2%)	(14.8%)
Group Sales	2.1%	(1.6%)	0.3%	(2.3%)

Appendix 2: Store portfolio

Store portfolio	20 April 2013		26 January 2013 (previously reported)		Half Year 27 October 2012 (previously reported)		Year end 28 April 2012 (previously reported)	
	Stores	Sq ft	Stores	Sq ft	Stores	Sq ft	Stores	Sq ft
UK								
Standalone	461	4,120	460	4,117	464	4,165	474	4,241
Concessions	16	29	16	29	16	33	16	29
Total	477	4,149	476	4,146	480	4,198	490	4,270
Europe								
Republic of Ireland	21	154	21	154	20	147	20	147
Netherlands	95	1,105	95	1,105	95	1,105	94	1,095
Belgium	26	307	26	307	26	307	28	329
Total	142	1,566	142	1,566	141	1,559	142	1,570
Total Group	619	5,715	618	5,712	621	5,757	632	5,840