

18 January 2018

Eddie Stobart Logistics plc (“Eddie Stobart” or the “Group”)

Year End Trading Update

Eddie Stobart provides the following Trading Update for the financial year ended 30 November 2017.

Group revenues for the financial year were £618m representing year on year growth of 12%¹, and underlying EBIT in line with expectations reflecting strong organic growth and new contract wins. Our customer sectors of E-Commerce, Manufacturing, Industrial and Bulk (MIB) and Retail delivered double digit growth in the period and the recent acquisitions of iForce, Speedy Freight and The Logistics People continue to perform strongly for the Group.

- E-Commerce sales grew strongly to £103m (2016 £49m) with 8 new contracts won since the acquisition of iForce, including Made.com and Wolseley, and the segment remains on track to achieve the Group’s target of 25% of Group revenues in FY19.
- MIB sales grew more than 37%¹ to £182m in the period.
- Retail sales grew by 11%¹ to £168m in the period benefiting from growth with many of the UK supermarket groups as well as supporting new customers during their peak trading periods.
- Consumer sector sales of £144.3m reflected our continued focus on strong margin discipline and profitability.
- Transport and Warehouse operations continued to perform strongly in terms of productivity performance and overall utilisation.

We have delivered strong and improved operating margins across all sectors and cash conversion for the financial year was ahead of FY16. Net Debt was £109m, in line with our targeted gearing levels, reflecting continued investment in our growing MIB sector. The Group intends to recommend a final dividend for the period in line with expectations of 4.4p pence per share.

Alex Laffey, Chief Executive Officer, commented:

“We are pleased with our performance during the year and to have delivered strong profit growth in line with expectations. The last quarter of the financial year saw a marked increase in contract wins some of which have now commenced and provide good visibility for the current financial year.

Christmas trading across the Group was in line with our expectations. The new financial year has commenced well with growth ahead of prior year across all sectors and further new customer contracts agreed with Homebase, Cemex and Knauf.

We look forward to the current year with confidence.”

The Group’s audited results for the 12 months to 30 November 2017 will be released on 29 March 2018. Numbers in this statement are subject to audit.

¹ 2016 Excluding discontinued Ireland operations

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