



Release to the Australian Securities Exchange

ADAIRS FIRST HALF FY18 SALES AND TRADING UPDATE

Melbourne, 9 January 2018:

Adairs Limited (ASX: ADH) is pleased to announce that the strong like for like sales growth delivered in Q1 continued through Q2 with like for like sales growth of +14.8% achieved over the first half (vs -4.0% in pcip).

Based on unaudited results:

- Total sales for 1H18 are expected to be \$149.1 million, representing a 19.8% increase on the prior period.
- 1H18 EBIT is expected to be between \$21.0 and \$21.5 million (1H17: \$12.0 million).

Given the first half result Adairs has today updated its full year guidance to:

- Sales of between \$300 and \$310 million
- EBIT of between \$40 and \$44 million

Adairs' CEO, Mark Ronan said: "The responsive changes implemented in FY17, together with execution of our core strategy have helped deliver a stronger product offering that has resonated well with our broad customer base over the first half. This product offering together with our ongoing focus on retail execution both in store and online has delivered a pleasing first half result."

"We continue to achieve strong sales growth from the investments in an improved omni-channel customer experience and our customer loyalty program. Further, our focus on broadening our product offering particularly in our larger format stores has also been effective. We believe we are in a good position to continue to drive sales growth over the second half."

Further details will be provided when Adairs releases its audited half year results on 26 February 2018.

All financial information included in this release is unaudited, and still subject to review by Adairs' auditors.

End.

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