

Issued: 11 July 2017

Press Release

Marks and Spencer Group plc Quarter 1 2017/18 Trading Statement 13 weeks to 1 July 2017

First quarter revenue	£m	Year-on-year	Like-for-like*
Group	2,531.5	2.7%	
Total UK	2,259.2	2.6%	-0.5%
Clothing & Home ¹	852.1	-0.5%	-1.2%
Food ¹	1,407.1	4.5%	-0.1%
International	272.3	3.8%	
<i>M&S.com (memo only)</i>	184.8	5.8%	

¹Timing of Easter is estimated to have increased revenue growth in Food by c.0.7% and in Clothing & Home by c.0.6%.

Steve Rowe, Chief Executive said:

“Trading in the first quarter was in line with our expectations and we are on track with delivery of the plan we announced last year. I am pleased that we continue to grow full price sales in Clothing & Home, with reduced discounting and no clearance sale in the quarter. In our Food business, we delivered strong growth from new Simply Food openings, and are prioritising better ranging and stronger promotions.”

Group revenue increased 2.7% in the 13 weeks to 1 July 2017 (up 1.8% in constant currency).

Clothing & Home revenue was down 0.5%. In line with our strategy, full price sales were up c.7%, as we reduced the number of promotions and there was no clearance sale in the quarter compared with one last year. We start our summer sale today, a week later than last year, with terminal stock for the season significantly down.

Food revenue increased 4.5%. New Simply Food stores continue to perform ahead of our expectations. We are focused on tightening execution through improving ranging in store and on delivering stronger promotions in a competitive market.

International revenue increased 3.8% (down 4.0% in constant currency). Retained owned and franchise revenue was up 9.4% (1.4% in constant currency). Consistent with the plans we set out in November 2016, we have now closed 28 of 53 stores in the owned markets we are exiting.

Full year guidance remains unchanged. We will report our Interim results on 8 November 2017.

** Like-for-like is the movement in revenue from stores which have been trading, or where there has been no significant change in footage, for at least 52 weeks; includes online sales*

- Ends -

Statements made in this announcement that look forward in time or that express management's beliefs, expectations or estimates regarding future occurrences and prospects are "forward-looking statements" within the meaning of the United States federal securities laws. These forward-looking statements reflect Marks & Spencer's current expectations concerning future events and actual results may differ materially from current expectations or historical results. Any such forward-looking statements are subject to various risks and uncertainties, including failure by Marks & Spencer to predict accurately customer preferences; decline in the demand for products offered by Marks & Spencer; competitive influences; changes in levels of store traffic or consumer spending habits; effectiveness of Marks & Spencer's brand awareness and marketing programmes; general economic conditions or a downturn in the retail or financial services industries; acts of war or terrorism worldwide; work stoppages, slowdowns or strikes; and changes in financial and equity markets.

For further information, please contact:

Investor Relations:

Fraser Ramzan +44 (0)20 8718 4625

Helen Cox +44 (0)20 8718 8491

Corporate Press Office: +44 (0)20 8718 1919

Out of hours calls: +44 (0)20 8718 2000

Investors & Analysts Conference Call:

The call will be hosted by Steve Rowe and Helen Weir at 8.00am on Tuesday 11 July 2017:

Dial in number: +44 (0)330 336 9411

Confirmation Code: 8400984

A recording of this call will be available until 21 July 2017:

Dial in number: +44 (0)20 7984 7568