

Issued: 11 January 2018

Press Release

MARKS AND SPENCER GROUP PLC
QUARTER 3 2017/18 TRADING STATEMENT
13 WEEKS TO 30 DECEMBER 2017

Third quarter revenue	£m	Total change	Like-for-like change
Group	3,167	-0.1%	
Total UK	2,858	1.1%	-1.4%
Food	1,666	3.6%	-0.4%
Clothing & Home	1,192	-2.3%	-2.8%
International	309	-9.8%	
<i>M&S.com (memo only)</i>	309	3.0%	

Steve Rowe, Chief Executive said: "M&S had a mixed quarter with better Christmas trading in both businesses going some way to offset a weak clothing market in October and ongoing underperformance in our Food like-for-like sales. As a result, full year guidance remains unchanged."

In our Food business, ongoing trading pressures continued in the lead up to Christmas as consumer spending and choices reflected tighter budgets. Price investment before Christmas and a strong performance from seasonal lines helped late trading. As outlined at our Interim results, we are making further changes to get the business back on track in the year ahead.

In Clothing & Home, we continued with our strategy of restoring price integrity and improving everyday value. Our revenue grew both in-store and online over the weeks leading up to Christmas, and we held our full price stance in a very promotional market and did not participate in Black Friday. However, the impact of an unseasonal October resulted in an overall revenue decline. As a result, we carried more stock into the December sale.

International revenue was down, reflecting the completion of the planned closure of owned stores in loss-making markets. In retained owned and franchise markets, constant currency revenue increased by 6.5%.

Steve Rowe added: "We continue with the accelerated transformation programme we outlined in November and have recently taken several important steps to reshape the business for the future. These include a new technology partnership and organisation, and the sale of our Hong Kong based business in line with the streamlined franchise-led model we are adopting for International." We will report our Full Year results on 23 May 2018.

- 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.

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Investors & Analysts Conference Call:

The call will be hosted by Steve Rowe at 8.30am on Thursday 11 January 2018:

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

Confirmation Code: 5628533

A recording of this call will be available until Thursday 18 January 2018:

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