

**TEMPLE & WEBSTER GROUP LTD**  
ABN 69 608 595 660

**ASX Announcement**  
20<sup>th</sup> February 2018



## **Temple & Webster Half Year Results to 31 December 2017**

Temple & Webster (ASX: TPW), Australia's largest e-commerce company in the furniture and homewares market,<sup>1</sup> today released its first half results to 31 December 2017.

### **Key Highlights**

- Net loss after tax and EBITDA improved by 84% year on year
- Significant margin and operating cost improvements
- H1 cash flow positive with ending cash of \$8.8m and no debt
- Revenue of \$34.4m
- YoY Revenue growth 1 Jan to 15 Feb of 21% (first like-for-like comparative period)

Temple & Webster CEO Mark Coulter said, "Phase 1 of our turnaround journey is complete. All acquisitions have been successfully integrated and we have improved the economics of the business across the board while retaining our revenue base and online market leadership. The business now has a great platform to sustainably grow, which can be seen in our current trading, which is up 21% year on year 1 Jan to 15 Feb."

"Our strategy of having the largest range in our category, combined with the most inspirational content and world-class service is working. We were proud to be rated as the retailer with the highest customer satisfaction in our category by Australia's leading independent review platform, ProductReview.com.au, in their 2017 awards."

"This customer focus can be seen in our current active customer and revenue growth, which will allow us to achieve our stated goal of FY19 being our maiden profitable year. Our plan is to accelerate our growth through the relentless execution of our vision and by leveraging the scale of being the market leader. We will also continue to invest in new growth opportunities such as showrooms, click & collect locations, our trade & commercial division and building out adjacent categories, which is setting the business up for healthy growth for years to come," said Coulter.

### **Other Highlights:**

- Customer satisfaction (NPS) up 30%
- Operating costs down 17% year on year
- Delivered margin (gross margin after distribution costs) up 4.6 percentage points to 30.8%
- Contribution margin up to 15.7% (up 5.5 percentage points from FY17)
- Cost per first time customer reduced to \$58

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<sup>1</sup> Source: IBISWorld Industry Report OD4176 Online Household Furniture Sales in Australia

Further information on the group's FY18 half year results can be found in the Company's Results Presentation and FY18 Half Year Report.

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**For further information on this announcement, please contact:**

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**About the Temple & Webster Group**

Temple & Webster is Australia's leading online retailer for the home. We are famous for offering the greatest range, the most inspiring content and world-class service. Our vision is to make the world more beautiful, one room at a time. Our mission is to deliver beautiful solutions for our customers' homes and workspaces.

Temple & Webster has over 130,000 products on sale from hundreds of suppliers. The business runs an innovative drop-shipping model, whereby products are sent directly to customers by suppliers thereby enabling faster delivery times and reducing the need to hold inventory thereby allowing a larger product range.

The business also imports and sells furniture under the Milan Direct brand, which has almost 10 years of experience in sourcing and selling private label furniture in the online Australian market.

The Temple & Webster Group is headquartered in Sydney, Australia and is listed on the Australian Securities Exchange under the code TPW.