



## **Bapcor Limited**

(ASX: BAP)

### **ASX Release**

25<sup>th</sup> June 2020

#### **Bapcor Trading Update**

On 24<sup>th</sup> March 2020, due to the uncertainties created by Covid19 and the restrictions introduced by various governments, Bapcor withdrew its guidance for the FY20 financial year.

The impact of the restrictions on Bapcor's business has not been as severe as anticipated. Also, with the easing of these restrictions, Bapcor's businesses have experienced stronger than expected demand, particularly in the Retail and Burson Trade segments in Australia. In addition most of the other businesses are recovering more quickly than anticipated in returning to their pre Covid19 demand levels.

Bapcor's Retail segment has experienced strong demand in May and June, with Autobarn same store sales increasing over 45% from the prior year. This followed on from April same store sales falling c.3% below the prior year. Same store sales growth was achieved in both the company owned stores and franchised stores. On a full year basis to end of June 2020, it is estimated Autobarn same store sales increase will be c.8%.

Burson Trade has also experienced strong demand in May and June with same store sales growth expected to be c.10% above the prior year, following April's c.10% fall in same store sales from the prior year. On a full year basis Burson same store sales growth is expected to be c.5%.

Bapcor's segments that were most heavily impacted by Covid19 were New Zealand, Specialist Wholesale and Thailand. These segments are also recovering from the impact of Covid19 restrictions.

The Company believes that the current strong demand in Retail and Burson Trade includes an element of stimulus induced elevated discretionary spending.

Given the strong performance of the business over the last two months, Bapcor now anticipates that Net Profit After Tax (before significant items) for the financial year ending 30 June 2020 will be in the range of \$84 million to \$88 million, subject to normal year-end audit procedures. This is after AASB16<sup>(1)</sup> and before significant items relating to major acquisitions and the transition costs associated with new distribution centre in Melbourne as previously disclosed.

Future demand is anticipated to moderate as we enter the new financial year in an environment of economic uncertainty and as government stimulus reduces.

(1) the impact of AASB16 (Leases) on Bapcor's NPAT is immaterial

**Ends**

#### **Authorisation:**

This announcement was authorised by the Board of Bapcor Limited.

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