

WH Smith PLC
Financing and Trading Update
9 March 2021

WH Smith PLC (the “Group”) today announces it has successfully extended its bank financing arrangements with its existing banks.

The Group has extended the maturity of its two existing £200m Term Loans to October 2023 and agreed a new minimum liquidity covenant for both the August 2021 and February 2022 covenant tests. The previously agreed covenant waiver for February 2021 remains unchanged. These changes have enabled the Group to cancel its existing £120m liquidity loan which was undrawn and due to expire in November 2021. The Group’s £200m Revolving Credit facility remains unchanged with the current arrangement due for renewal in December 2023.

As at 28 February 2021, the Group had cash on deposit of £52m with £50m of known commitments (rents, restructuring charges and outstanding creditors) and access to £200m of committed facilities.

The Group’s debt position is as follows:

	Quantum Drawn	Maturity
<i>Available facilities</i>		
£200m Revolving Credit facility	£Nil*	December 2023
<i>Existing debt</i>		
£200m Term Loan	£200m	October 2023
£200m MRG Loan	£200m	October 2023

**As at 28 February 2021*

Current Trading

As reported on 20 January 2021, the Group was cash positive in November and December 2020. Despite the lockdown announced by the UK Government on 4 January 2021, the Group has delivered a better than expected performance.

We adapted well to the evolving trading environment on the high street, despite reduced footfall, with revenue in our High Street business in January 2021 at 74% of 2019 levels and 84% of 2019 levels in February 2021, ahead of our expectations. Within our High Street business, we continue to see significant growth from our online businesses. Our online greeting cards business, funkypigeon.com, saw record sales for the Valentine’s day period.

In Travel, we continue to see the same broad trends as we reported in January. Total revenue in January 2021 was 35% of 2019 levels and 33% of 2019 levels in February 2021. North America continues to be our best performing market in Travel.

As a result of our better than anticipated trading performance since the start of January 2021, our cash burn has improved. We now expect the monthly cash burn over the period January to March 2021 to be approximately £12m-£17m versus the previously guided £15m-£20m per month.

Interim Results

The Group will announce its Interim Results on Thursday 29 April 2021.

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