

Wickes sees profits tumble 25% in difficult DIY market



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[DIY](#) chain [Wickes](#) has seen half-year profits dive by a quarter amid a tough home improvement market.

The retailer saw underlying pre-tax profits slump 24.8% to £23.4 million in the six months to June 29 as like-for-like sales of larger design and installation ranges tumbled 18.3%.

This dragged overall comparable store sales down by 3.9%, offsetting a 0.6% increase across retail sales to DIY customers and local trade professionals.

But Wickes said trading had improved so far in the third quarter, with design and installation sales “stabilising”, helping shares lift 3% in Tuesday morning trading.

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David Wood, Wickes

It said the group remains on track for full-year pre-tax profit expectations of £40.4 million.

“Whilst the market outlook remains uncertain, current trading along with the planned action taken to mitigate the impact of inflation underpins management’s outlook for adjusted pre-tax profit for full-year 2023-24,” Wickes said.

The group said it was seeing “significant cost headwinds” over the year as its wage bill has been sent soaring by increases in the [National Minimum Wage](#), as well as wider cost pressures.

It has looked to tackle the rising costs by making savings across the business, including its distribution operations.

Wickes said it had continued to see demand for its lower-priced Lifestyle Kitchens, with sales of the range jumping by 19%.

[David Wood](#), chief executive of Wickes, said: “The market for design and installation remained tough during the half and Wickes was not immune; nonetheless, we have seen a positive response to our value-led Wickes Lifestyle Kitchen range, which is growing strongly.

“We are on track for the remainder of the year and have been encouraged by trading at the start of the second half.”