

Q3 2020 Update

Moneysupermarket.com Group PLC reports trading results for the quarter ended 30 September 2020

	3 months to 30 September 2020		9 months to 30 September 2020	
	£m	Growth %	£m	Growth %
Insurance	45.7	(8)	135.1	(7)
Money	12.5	(40)	48.9	(27)
Home Services	15.5	(13)	53.4	3
Other revenue	11.5	(9)	30.9	(12)
Total	85.1	(16)	268.4	(11)

Continued market disruption impacts performance

Group revenue declined 16% in Q3, with ongoing COVID-19 disruption affecting several channels:

- Insurance performance overall was consistent through the quarter and slightly ahead of June. Motor continued its strong performance, although home and life declined year on year and travel insurance revenue remained negligible.
- Trading dynamics in Money were similar to Q2, with tightened lending criteria and low product availability in banking leading to weak performance. We continued to see good levels of search demand for lending products.
- Home Services grew in July driven, in particular, by strong energy performance on MSE. However, as the quarter progressed, revenue growth began to slow. The energy price cap fell as expected, while wholesale prices rose. As a result, the level of savings available to customers fell sharply, and energy market switching reduced substantially.
- Within Other, Decision Tech continued to grow strongly, with B2B broadband performing particularly well. This was offset by trading in TravelSupermarket remaining heavily subdued because of ongoing travel restrictions.
- We continue to benefit from a strong balance sheet and robust operating cash flows. After payment of our interim dividend, we hold a net cash position of £5m (as at 30 September 2020).

Outlook

In Insurance, motor has benefitted from strong but slowing market growth. We are not seeing similar growth in other core insurance channels. We have seen little improvement in lending criteria or banking product availability, and the travel market remains severely disrupted. The current low level of savings available in energy is likely to limit growth in Home Services during Q4.

Peter Duffy, CEO of Moneysupermarket Group, said:

“I’m delighted to have joined Moneysupermarket Group, a business that is helping households save money in such challenging times. Our markets continue to be impacted by COVID-19, which is affecting our current performance. However, the Group benefits from strong brands and high levels of cash conversion, so we are well positioned to weather this period of economic uncertainty and deliver future growth.”

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