



23 October 2025
Dunelm Group plc

First quarter trading update

Strong performance; continued delivery of sustainable, profitable growth

Dunelm Group plc ("Dunelm" or "the Group"), the UK's leading homewares retailer, updates on trading for the 13-week period ended 27 September 2025.

	Q1 FY26	YoY
Total sales	£428m	+6.2%
Digital % total sales¹	40%	+3ppts

¹ Digital includes home delivery, Click & Collect orders, and tablet-based sales in store

Highlights

- Strong sales growth, up 6.2% year-on-year to £428m; digital participation up 3ppts to 40%
- Gross margin up 80bps year-on-year, driven by FX tailwinds and continued operational grip
- Good strategic progress, with the Dunelm app successfully launched and our 'Home of Colour' brand campaign now live
- Full year outlook remains in line with the Board's expectations

Strong performance driven by broad and relevant offer

We are pleased to report a strong trading performance for the first quarter, with total sales up 6.2%. Our growth was driven by both higher volumes and increased average item values from product and category mix, as customers continued to respond well to our value proposition at all price points.

We delivered broad-based growth across our categories, reflecting the continued relevance of our wide-ranging offer. As customers prepared their homes for the colder, darker months, we saw strong demand for warming textiles, with rugs and throws trading particularly well. As the Home of Homes, our extensive product range allows us to meet changing customer needs across the seasons.

Our relevance is amplified through curated campaigns, and this quarter we successfully delivered our biggest ever student offer. Providing everyday essentials across our ranges at compelling prices helped drive c.40% year-on-year growth in the campaign overall, broadening Dunelm's appeal to new and younger audiences.

We delivered another strong gross margin, up 80bps year-on-year, primarily driven by the FX tailwind that we began to see at the end of the last financial year, whilst also benefitting from our usual operational grip.

Strategic and operational update

We have started the new financial year with good progress against our strategic priorities, as we continue to invest in the business.

We reached an important milestone in the development of our digital proposition, with the Dunelm app now available to customers via the Apple App Store, marking the beginning of a new phase of digital development. Over the course of the next financial year and beyond, we will further develop the app's functionality to drive more inspirational and cross-channel shopping experiences for our customers.

We also launched our new 'Home of Colour' brand campaign in the period, showcasing the depth of our specialist offer, and giving customers the confidence to embrace cross-category coordination across their home, whatever their style preference.

Summary and outlook

We are pleased with our performance in the first quarter, in an ongoing uncertain consumer environment. We delivered broad-based sales growth across our categories and channels, and a strong gross margin.

We continue to make good progress against our strategic priorities and invest for future growth. The timing of investments, alongside the inflationary impacts we currently face, is such that we currently expect profits to be more heavily weighted towards the second half than last year; FY26 PBT remains in line with the Board's expectations.

We remain confident in our ability to deliver further sustainable, profitable growth as we move towards our next milestone of 10% market share in the medium term.

Clo Moriarty, Chief Executive Officer, commented:

"After a few weeks immersing myself in the business, I'm delighted to see up close the qualities that attracted me to Dunelm: an inclusive culture, committed colleagues, and a genuine passion for the role we play in our customers' lives.

"It's a great time to be joining Dunelm. The business has delivered another strong performance in the first quarter, which reflects both the appeal of our customer offer and the strength of our business model. Building on this, I see real energy across the business – from the launch of our new app, to a vibrant brand campaign celebrating colour choices across our ranges – driving improvements to our proposition.

"These initiatives, and many more, show the potential we have to build even deeper connections with a broad and diverse customer base. With the reach of our national store footprint, a growing digital presence, and a growth mindset that brings together people and technology, I'm genuinely excited about what's ahead."

For further information please contact:

Dunelm Group plc

Clo Moriarty, Chief Executive Officer
Karen Witts, Chief Financial Officer

investorrelations@dunelm.com

Media enquiries: MHP

Oliver Hughes / Rachel Farrington / Charles Hirst

07770 753 544

dunelm@mhpgroup.com

Next scheduled event:

Dunelm will release its second quarter trading update on 15 January 2026.

Quarterly analysis:

	52 weeks to 27 June 2026						
	Q1	Q2	H1	Q3	Q4	H2	FY
Total sales	£428.1m						
Total sales growth	+6.2%						
Digital % total sales	40%						

	52 weeks to 28 June 2025						
	Q1	Q2	H1	Q3	Q4	H2	FY
Total sales	£403.2m	£490.5m	£893.7m	£461.9m	£415.4m	£877.3m	£1,771.0m
Total sales growth	+3.5%	+1.6%	+2.4%	+6.3%	+4.0%	+5.2%	+3.8%
Digital % total sales	37%	40%	39%	41%	42%	42%	40%

Notes to Editors:

Dunelm is the UK's market leader in homewares with a purpose 'to help create the joy of truly feeling at home, now and for generations to come'. Its specialist customer proposition offers value, quality, choice and style across an extensive range of more than 100,000 SKUs, spanning multiple homewares and furniture categories and including services such as Made-to-Measure window treatments.

The business was founded in 1979 by the Adderley family, beginning as a curtains stall on Leicester market before expanding its store footprint. The business has grown to 202 stores across the UK and Ireland and has developed a successful online offer through dunelm.com which includes home delivery and Click & Collect options. 159 UK stores now include *Pausa* coffee shops, where customers can enjoy a range of hot and cold food and drinks.

From its textiles heritage in areas such as bedding, curtains, cushions, quilts and pillows, Dunelm has built a comprehensive offer as The Home of Homes including furniture, kitchenware, dining, lighting, outdoor, decoration and DIY. The business predominantly sells specialist own-brand products sourced from long-term, committed suppliers.

Dunelm is headquartered in Leicester and employs c.12,000 colleagues. It has been listed on the London Stock Exchange since October 2006 (DNLM.L) and the business has returned more than £1.5bn in distributions to shareholders since IPO².

² Ordinary dividends plus special distributions