

SuperGroup Plc

Full Year Pre-close Trading Statement

A further year of brand and strategy progress; Profit in line with market expectation

11 May 2017

SuperGroup Plc ('SuperGroup' or 'Group'), the owner of the *Superdry* brand, today provides a trading update covering the 16-weeks from 8 January 2017 (the 'quarter'), the 26 week (the 'half year') and 52 week (the 'full year') periods ended 29 April 2017.

Revenue

£m	Q4			H2			Full Year		
	FY17	FY16	Growth	FY17	FY16	Growth	FY17	FY16**	Growth
Group revenues*				416.6	335.4	24.2%	750.6	590.1	27.2%
Retail revenue	124.3	109.4	13.6%	286.4	243.8	17.5%	501.6	415.9	20.6%
Retail LFL ¹ (%)	9.4%	15.4% ^{1c}		12.5%	8.0%		12.7%	11.3%	
Average space ('000's sq ft)	1,035	889	16.4%	1,028	886	16.0%	983	837	17.4%
Wholesale revenue*				130.2	91.6	42.1%	248.9	174.2	42.9%

*Wholesale revenues are reported at the half and full year only.
** 52 weeks

Group revenues for the full year increased by 27.2% to £750.6m. As reported at the half year results the brand's global footprint has led to revenues benefitting from sterling's weakness. The impact of currency changes continued to account for approximately one third of the reported growth in each of the Group's sales channels.

Within Retail, the strong positive sales momentum has been maintained throughout the fourth quarter, delivering LFL sales of 9.4% with positive LFL sales in each of the Group's sales channels. Full year like-for-like growth of 12.7% benefitted from the continuing growth of Group's differentiated e-commerce channel which delivered year-on-year growth of c.35%.

Wholesale revenue maintained the levels of growth delivered in the first half year, growing on a full year basis by 42.9%. This performance reflects the benefit from the Group's renewed focus on this channel with improved service levels driving sales with existing customers and franchise expansion and product innovation introducing new customers to the *Superdry* brand.

Gross margin

In line with guidance, gross margin performance across the Group's sales channels have been broadly flat year on year across the second half. This performance has been offset by the adverse impact of foreign exchange and the strength of Wholesale growth, being faster than Retail, resulting in a dilutive mix impact. Accordingly, Group level gross margins are anticipated to decline on a full year basis in the range of 120 bps to 140 bps.

Strategic progress

The year closed with 555 *Superdry* branded store locations² (FY16: 475) having passed the milestone of operating 1 million sq. ft. of owned trading space during the second half. During the quarter the Group opened 26 new stores of which 6 were owned and 20 franchised. The net addition in the quarter of 27,000 square feet to the owned store portfolio increased the brand's average retail space by 16%, and by 17% on a full year basis.

The on-going programme to develop regional distribution facilities in Europe and the USA to complement the Group's capability in the UK remains on track. The dual running and other mitigation costs in FY17 remain in line with guidance at c. £2m.

The Group's development markets of North America and China, have continued to perform in line with their respective plans. In the USA the benefit of continued strong e-commerce growth, improving store LFL performances and an encouraging new store performance has led to a break-even position being achieved for FY17, in line with guidance.

Underlying³ Profit before Taxation

The Board anticipates that full year profit will be in the range of £86m - £87m in line with market expectation⁴.

Euan Sutherland, Chief Executive Officer, said:

"We remain focused on the consistent execution of the strategy outlined in early 2015. This global multi-channel growth strategy balances opening stores, developing new wholesale partners and driving our strong e-commerce proposition to expand the reach of the brand and further diversify our business model.

"FY17 has seen another good year of sales and profit growth. This has been achieved by improving our product ranges and introducing new categories to excite, inspire and maintain the brand's relevance while, in parallel, investing in our development markets and improving our infrastructure. With a clear strategy and a number of long term opportunities to establish *Superdry* as a global lifestyle brand we remain confident in the continued delivery of sustainable revenue and profit growth."

For further information:

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Conference call

SuperGroup will be hosting a conference call for analysts and institutional investors at 08:30 hours today. A recording of the conference call will be available on www.supergroup.co.uk.

Dial in: UK Toll Number: 0203 139 4830

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Announcement of FY17 Preliminary Results

SuperGroup will announce its Preliminary Results for the 52 weeks ended 29 April 2017 on Thursday 6 July 2017

Notes

- Like-for-like sales ('LFL') growth is defined as the year-on-year sales growth for stores and concessions open for more than one year and include e-commerce revenues. Foreign currency sales are translated at the average rate for the month in which they were made.

Reported	Q1			Q2			Q3		
	FY17	FY16	Growth	FY17	FY16	Growth	FY17 ^a	FY16 ^b	Growth
£m									
Total retail	100.6	80.6	24.8%	114.6	91.5	25.1%	162.1	134.4	20.6%
LFL ¹	11.9%	19.3%		13.7%	15.5%		14.9%	1.2% ^c	
Ave. Space (sq. '000s) ²	920	773	19.0%	957	805	18.9%	1,021	882	15.8%

Notes:

a. 10 weeks to 7 January 2017

b. 10 weeks to 9 January 2016

c. Reported LFL

- Retail Space Analysis:

	Closing FY16		FY17 Q1		FY17 Q2		FY17 Q3		FY17 Q4	
	Sq ft	Stores	Sq ft	Stores	Sq ft	Stores	Sq.ft	Stores	Sq.ft	Stores
Owned stores										
UK & ROI	570	100	570	100	570	100	561	98	573	99
EU	281	87	296	89	332	93	392	98	405	101
North America	49	15	65	17	65	17	74	19	76	20
Group	900	202	931	206	967	210	1,027	215	1,054	220
Franchise stores		260		271		289		299		319
License stores		13		14		15		16		16
Total Stores		475		491		514		530		555

The Group opened 24 stores, relocated 3 stores and 6 stores were closed during the year.

- Underlying is defined as reported results adjusted to reflect the impact of the loss/gain recognised on re-measurements (being the fair valuation of financial derivatives), exceptional items and, when appropriate, the related income tax. The Directors believe that the underlying results provide additional guidance to statutory measures to help understand the performance of the Group.
- The Board considers market expectations for the financial year ended 29 April 2017 are best defined by taking the range of forecasts of PBT published by analysts who consistently follow the Group. The current consensus of PBT forecasts as at 10 May 2017, of which the Board is aware, is £86.2m.

Notes to Editors

SuperGroup is the owner of British lifestyle brand *Superdry*. A brand designed for attitude not age with affordable, premium-quality clothing, accessories, footwear and cosmetics.

As we develop the breadth and nature of our product range, we continue to appeal to a much broader, aspirational age group. Those who want to feel amazing in what they wear and appreciate style, quality and attention to detail.

Already well established in the UK – our home market – we operate a significant and continually expanding international business, selling through our websites, wholesale partners, a network of franchise stores and, increasingly, our independent stores. We are becoming a more efficient business as we improve our process from design to customer and refine our wholesale model.

Simultaneously, we are focused on expanding our business globally, and we have a clear strategy for growing our e-commerce business as well as Europe, North America and China.

The Group has a physical presence in 62 countries through 863 stores and concessions globally. We also have a successful e-commerce business with 27 international websites across 18 countries covering 12 different languages.

Cautionary Statement

This announcement contains certain forward-looking statements with respect to the financial condition and operational results of SuperGroup Plc. These statements and forecasts involve risk, uncertainty and assumptions because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, SuperGroup Plc has no obligation to update the forward-looking statements or to correct any inaccuracies therein.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.