

SuperGroup Plc

Year-end Trading Update

Robust trading in final quarter completes year of strong progress

12 May 2016

SuperGroup Plc ('SuperGroup' or 'Group'), owner of the Superdry brand, today provides a trading update covering the 15 week period from 10 January to 23 April 2016 (the 'period') and for the 26 week ('Half 2') and 52 week ('Full Year') periods ended 23 April 2016¹.

Revenue

£M	15 week period ended 23 April			Half 2			Full Year		
	Q4 2016	Q4 2015	Growth	H2 2016	H2 2015	Growth	FY 2016	FY 2015	Growth
Total Group revenues				334.8	278.4	20.2%	589.5	486.6	21.1%
Total Retail	98.7	76.0	29.9%	244.0	202.5	20.5%	416.1	334.1	24.5%
Like-for-like ("LFL") (%) ²	15.4%	11.6%		8.0%	11.3%		11.3%	4.8%	
Ave. Space (sq.ft '000s) ³	889	728	22.1%	886	715	23.9%	837	683	22.5%
Wholesale				90.8	75.9	19.6%	173.4	152.5	13.7%

Retail like-for-like performance in the period was strong against a challenging comparative last year, although it should be noted that this is the Group's lowest volume trading period. This performance reflects continued traction in e-commerce and initial benefits from our new sportswear and premium product ranges.

Group revenues⁴ for the full year increased by 21.1% to £589.5m. The Retail division increased revenues by 24.5%, with broadly equal contributions from new space and like-for-like sales.

Wholesale revenue growth of 13.7% for the full year has benefitted from a good second half performance which has seen sales increase by 19.6%. Full year growth reflects strong in-season sales through the existing Wholesale customer base plus the opening of 48 net franchised stores.

Gross margin

We anticipate delivering margin accretion towards the top end of the full year guidance of 40 – 60 bps.

Net Cash

The Group's net cash position at 30 April 2016 was £102m (25 April 2015: £78m).

Underlying profit before taxation

Profit for the 52 week period is expected to be in the range £72.5m and £74.0m. Progress in North America and China continues in line with our plans and initial losses in these markets will be in line with market guidance, leading to a small year-on-year dilution of operating margin.

Strategic progress

The Group has continued to diversify and expand the reach of the Superdry brand through category led product innovation, together with geographic and channel expansion. The new store expansion programme added 136,000 sq. ft. in the year representing year-on-year space growth of 17.8%.

The Group plans to open two distribution centres during 2016, to serve its retail customers in Europe and North America better and to ensure that we have a scaleable platform to support our growth ambitions.

Euan Sutherland, Chief Executive Officer, said:

"The Group has traded robustly throughout the final quarter as we continue to deliver our strategy to create a global lifestyle brand. We have opened 24 net new stores across our targeted European markets and have a strong pipeline of new stores for the new financial year.

"During the quarter the Group paid its first dividend in line with our progressive dividend policy whilst retaining sufficient capital to support our investment programme. Our focus remains on the extension of the Superdry brand and execution of clear growth opportunities, under-pinned by continued investment in infrastructure to strengthen our business."

For further information:

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Conference call

SuperGroup will be hosting a conference call for analysts and institutional investors at 08:00 hours BST today.

United Kingdom (Local) 020 3139 4830 Participant pin: 26726830#
All other locations 0808 237 0030

Announcement of Preliminary Results

SuperGroup will announce its preliminary results on Thursday 14 July 2016 at the London Stock Exchange.

Notes

1. The financial year ended 30 April 2016, covers the period 26 April 2015 to 30 April 2016 and represents 53 weeks. All references to financial year and the commentary in this announcement are for the 52 weeks to 23 April 2016 results to aid comparison with the prior year.

The Group's underlying profit before taxation for the 53 weeks financial year is anticipated to be broadly in line with the 52 week period.

2. 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.
3. The Group opened 26 stores during the year, closed 2 stores and there were 5 relocations.
Retail Space Analysis (headline figures quoted represent weighted average):

	FY15		FY16 Q1		FY16 Q2		FY16 Q3		FY16 Q4	
	Sq Ft	Stores	Sq Ft	Stores	Sq Ft	Stores	Sq Ft	Stores	Sq Ft	Stores
UK/Eire	553,000	97	557,000	98	563,000	100	581,000	102	570,000	100
EU	162,000	66	176,000	70	215,000	77	261,000	84	281,000	87
USA	49,000	15	49,000	15	49,000	15	49,000	15	49,000	15
Group	764,000	178	782,000	183	827,000	192	891,000	201	900,000	202

4. Group revenues FY16:

FY16	Q1 ^a	YOY	Q2 ^b	YOY	H1	YOY	Q3 ^c	YOY	Q4 ^d	YOY	H2	YOY	FY16	YOY
	£m	%	£m	%	£m	%	£m	%	£m	%	£m	%	£m	%
Retail	80.6	33.4	91.5	28.5	172.1	30.8	143.5	14.6	98.7	29.9	244.0	20.5	416.1	24.5
LFL	19.3%		15.5%		17.2%		1.2%		15.4%		8.0%		11.3%	
Wholesale					82.6	7.8					90.8	20.5	173.4	13.7
Group					254.7	22.3					334.8	20.2	589.5	21.1

- a. FY16 13 weeks from 26 April 2015 to 26 July 2015
Note: 10 weeks to 5 July 2015 included as current trading update in full year announcement on 9 July 2015
- b. FY16 13 weeks from 27 July 2015 to 24 October 2015
- c. FY16 11 weeks from 25 October 2015 to 9 January 2016
- d. FY16 15 weeks from 10 January 2016 to 23 April 2016

Notes to Editors

SuperGroup is the owner of British global 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 with a clear strategy for growing our e-commerce business as well as our operations in key markets within Europe, North America and China.

Over the past 12 years, we have expanded rapidly, with a physical presence in 51 countries and 662 stores and concessions globally. We also have a successful e-commerce business with 26 international websites across 18 countries covering 12 different languages and delivering to 169 countries.

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.