New Look Interim Results 2011

11th November 2010

New Look grows share despite challenging UK market

New Look, the international fashion value retailer has strengthened its position as the UK's second largest Women's Clothing & Accessories retailer in the 26 weeks ended 25 September 2010, reaching 6.0% value share despite tough comparables and a challenging market in the UK . New Look is also pleased to report continued strong progress in its E-commerce and International businesses.

Financial highlights:

- Total revenue +3.2% against a challenging UK market backdrop
- Group adjusted EBITDA £119.5m (last year £117.8m)
- Underlying operating profit £73.5m (last year £77.8m)
- Group like-for-like sales -3.0% (last year +1.8%)
  - UK like-for-like sales[1] -4.5% (last year +7.5%)
  - International like-for-like sales 2.4% (last year -17.4%)
- E-commerce sales +68%

Operational highlights:

- UK market share increased to 6.0% from 5.7 %[2], consolidating position as UK's second largest women's clothing & accessories retailer
- Step change achieved in e-commerce performance following launch of second-generation site:
  - 3rd most visited on-line fashion retailer [3] with c1.7 million visits per week
  - Operating across 122 markets at October 2010 (incl. UK)
- Strong recovery in France and Netherlands, including MIM; Ireland still difficult
- 27 new stores opened across the Group – including 3 new sites and 11 relocations in the UK and 13 international openings - taking total stores to 1,034
  - 223 UK stores refurbished to date (79 in H1)
  - International presence extended to 14 countries, with new franchise opening in Malta

Outlook:

Carl McPhail, New Look Chief Executive, said:

"We are pleased to have grown market share and strengthened our position in the UK, despite strong comparatives and worsening market conditions. We also suffered from some personnel disruption arising from the move of our buying, merchandising and design teams to central London last year, which contributed to the decline in UK LFL sales. This decline was partially offset by continued strong progress in our e-commerce and international businesses.

Looking ahead, the consumer spending environment remains difficult, in addition to which, rising input costs and the impending increase in VAT are likely to result in price rises in the New Year. We expect LFL growth to remain subdued in such an environment. However we are confident that the proven strengths of our brand and business model will allow us to react appropriately to market conditions and to deliver growth in the longer term."

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Notes:

[1] UK LFL sales include online sales and are measured excluding VAT

[2] Source: Kantar Worldpanel - 24 week period ended 5th September 2010

[3] Source: Hitwise Most Popular Websites in Shopping and Classifieds – Apparel and Accessories ranked by Visits Share – 3 month rolling average July – September 2010

The full New Look 2010/11 Interim Management Report and Accounts is available on-line at www.newlookgroup.com

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