

# NEW LOOK

11 February 2020

**NEW LOOK RETAIL HOLDINGS LIMITED ("New Look") Q3 (YTD) Results  
for the 39 weeks to 28 December 2019**

## **Q3 YTD FY20 Results**

### **YTD Financial headlines**

- Statutory loss before tax improved to £1.2m (Q3 YTD FY19: £63.2m loss)
- Total revenue of £830.1m (Q3 YTD FY19<sup>1</sup>: £930.4m) reflecting reduced store base and reduced markdown activity
- UK and ROI like-for-like (LFL) sales<sup>2</sup> declined by 7.1% reflecting ongoing consumer uncertainty and seasonal volatility
- Outperformed our target market in stores:
  - Gained 0.3 percentage points market share in key 18-44 years category (by value and in store<sup>3</sup>), maintaining number 2 position
  - Q3 LFL sales outperformed market by 2.1 percentage points according to BRC<sup>4</sup>
- Adjusted EBITDA of £78.6m; Q3 performance level year-on-year at £36.0m reflecting improvement in run-rate

### **Operational highlights<sup>5</sup>**

- Good stock control with 24% reduction in units and improved product gross profit
- Improved speed to market with total lead times reduced by 9 days versus FY19
- Successfully rebalanced the mix of Core Colours and Broad Appeal Fashion; 'Core' and 'broad appeal' clothing categories represent 98% of product mix vs 75% 'trend' and 'fashion' last year
- Nigel Oddy promoted from Chief Operating Officer to Chief Executive Officer, effective 1 January 2020
- Alistair McGeorge became Non-Executive Chairman (from Executive Chairman) effective 1 January 2020
- Leadership team further strengthened with four new appointments:
  - Helen Connolly as Chief Commercial Officer effective January 2020
  - Clare Dobbie as Chief Customer Officer effective January 2020
  - Emma Hayward as Transformation Director effective November 2019
  - David Wertheim as Central Merchandising and Supply Chain Director effective October 2019
- 915 girls' clothing range and 42 concessions rolled out across former Menswear store space
- 'Revive' investment programme in smaller stores (49 to date) delivering strong return on investment

### **Nigel Oddy, Chief Executive Officer, said:**

"We have delivered a robust third quarter performance given the tough market conditions, as we maintained good control over our stock and costs, reduced markdown activity, and our stores outperformed our target market. Since moving from COO to CEO in January, my focus has been to accelerate our transformation plans and ensure we recover the broad appeal and good value cherished by our customers.

"This time last year the company lacked the financial stability needed to operate effectively and invest in the business. Now, with our strengthened liquidity position, we are able to make significant

appointments to our leadership team and investments in our stores and omnichannel capabilities, which I am confident will increasingly bear fruit as we look ahead.

“As we have said before, investing in our leadership and people will be the single biggest enabler to transforming our business and I am delighted that Helen Connolly, Clare Dobbie, Emma Hayward and David Wertheim have all joined us in recent months. Coupled with our customer strategy review, these senior management appointments form the foundations on which to grow the business once again.

“Q4 will be characterised by early Spring trading in late February and March. We have confidence in our offering but remain cautious of the challenging market environment and consumer sentiment. Looking further ahead, our improved product range, enhanced lead times and omnichannel offer means we are well positioned as we focus on driving profitable sales.”

#### Notes

<sup>1</sup> Q3 YTD FY19 has been restated to reflect the Core ongoing business which comprises UK and ROI retail, e-commerce, third party e-commerce and franchise.

<sup>2</sup> LFL sales reflects UK and ROI retail and E-commerce as owned New Look operations

<sup>3</sup> Kantar Worldpanel data for 24 weeks to 15 December 2019

<sup>4</sup> Measured by British Retail Consortium published YTD data for 13 weeks ended 28 December 2019

<sup>5</sup> Includes post-period end highlights

#### **Media Enquiries**

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#### **About New Look**

New Look is a leading multichannel retailer operating in the value segment of the clothing and footwear market in the United Kingdom (“UK”) and Republic of Ireland (“ROI”). We focus on delivering value for money and ‘newness’, wherever, whenever and however customers choose to engage with us. The New Look brand has high levels of awareness and recognition in the affordable womenswear market, catering to a broad customer audience with our bullseye customers aged 25 to 45 years. We also have a range for teen girls and an online menswear offer. We are the number 2 UK Womenswear retailer for women aged 18 to 44 by value<sup>6</sup>.

<sup>6</sup> Based on Kantar Worldpanel published data 24 weeks to 15 December 2019