

# NEW LOOK

2 June 2015

## **New Look Full Year results for the 52 weeks ended 28 March 2015\***

*Continued delivery against strategic initiatives*

### **Financial Highlights\***

- Revenue +3.4% at £1,414.5m (2014: £1,368.0m)
  - o New Look Brand like-for-like sales +4.0%
  - o UK like-for-like sales +5.0%
  - o E-commerce sales +34.0% (2014: +63.9%); own website sales +30.4% (2014: +42.3%)
- Group Adjusted EBITDA\*\* +4.0% to £212.4m (2014: £204.2m)
- Underlying operating profit +8.7% to £153.2m (2014: £141.0m)
- Profit before tax of £50.6m (2014: £20.7m)
- Free cash flow +1.1% to £147.0m (2014: £145.4m)
- Gross margin broadly flat at 52.7% (2014: 52.8%)

*\*from continuing operations, excluding Mim*

*\*\*Earnings before interest, taxation, depreciation and amortisation*

### **Continued delivery against strategic initiatives of Brand, Multichannel, International Expansion, Product Development and Menswear**

- Strong progress made in brand with 328 stores now in new Concept format
  - o 291 stores refurbished with 37 new stores opened
  - o Average improvement in gross profit of 5.3% in Concept stores compared to unconverted stores
- Multichannel strength through website and store synergies
  - o 28% of online orders picked up in store via click-and-collect; 19% of these customers make a further purchase in store
  - o Mobile orders up 115% with mobile accounting for 45% of all online visits
  - o Now trading successfully through eleven key 3<sup>rd</sup> party partners including ASOS and Zalando
- Ongoing rollout of New Look brand internationally
  - o Strong performance in first year of trading in China. We had 19 stores trading at year end, and since opening a further 11 in April and May we now have 30 stores operating across the country with 70 in total planned by March 2016
  - o European expansion in France, Poland and Germany supported by new store openings
- Product Development
  - o Cosmetics & Fragrance launched during FY15 and Activewear trialled and expanded to further stores
- Menswear expansion
  - o Strengthened team, including Christopher Englinde who will join as Global Director of Menswear from H&M
  - o Successfully launched new Menswear Concept at Oxford Circus store

## **Current Trading and Outlook**

Whilst the high street remains as competitive as ever, we have been pleased with early summer trading, seeing positive reactions to new trends. We will continue to invest in our strategic initiatives, and we are confident that the increasing strength of the New Look brand leaves us well placed for the year ahead.

On 15 May 2015 it was announced that an agreement had been reached whereby Brait S.E. will acquire a c.90% interest in New Look. Whilst both New Look and Brait are comfortable with the company's current leverage ratio, we are actively evaluating ways to optimise capital structure to reduce costs and extend maturities.

### **Anders Kristiansen, CEO, said:**

"These strong results demonstrate a year of delivery against our strategy. With the support of our new owners Brait, this is a hugely exciting time for New Look, as we continue to focus on our strategic initiatives of Brand, Multichannel, International Expansion, Product Development and Menswear.

"In the UK, a LFL sales increase of 5.0% is testament to our improved brand signature and multichannel strength. In particular, our considerable high street presence has left us well-placed to capitalise on the growing demand for click-and-collect, with over a quarter of online purchases now collected in-store.

"Internationally, we are making great strides both in Europe and in China. In China, customers have responded positively to our ranges and we see the opportunity for significant growth in the country, with up to a further 50 stores due to open in the coming year.

"Our Spring/Summer collections are being well received and I would like to thank everybody at New Look for their hard work over the last twelve months as we enter the new financial year with continued momentum."

## **Enquiries**

**Tulchan Communications LLP 020 7353 4200**

Tom Buchanan

Will Smith

## **About New Look**

Founded in 1969, New Look has grown from a single store to become a dynamic, international, multichannel retail brand with a unique value-fashion offer in apparel, footwear and accessories for women, men and teenage girls. New Look is the No. 2 value retailer for women's clothing and accessories market in the UK (source: Kantar Worldpanel for year to March 2015). The New Look Group has over 800 stores across the globe in 21 countries, and our estate of 569 UK stores places New Look in immediate reach of the majority of the British population.

## Cautionary Statement

This press release is only addressed and directed at persons in member states of the European Economic Area who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC, as amended) (“Qualified Investors”). Within the United Kingdom, this press release is directed only to persons (i) who are Qualified Investors and (ii) who have professional experience in matters relating to investments and/or to high net worth companies falling within Articles 19(5) or 49(2) respectively of the FSMA (Financial Promotion) Order 2005 (or persons to whom it may otherwise be lawfully communicated) and, if permitted by applicable law, is supplied outside the United Kingdom to professionals or institutions whose ordinary business involves them engaging in investment activities. The information contained in this press release is not intended to be viewed by, or acted upon by any other class of persons.

This press release is not for publication, release or distribution in the United States, Canada, Japan or Australia. Neither the press release nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions, or to US persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”)), or distributed, directly or indirectly, in the United States of America, its territories or possessions or to US persons, except that this press release may be transmitted exclusively to qualified institutional buyers, as defined in Rule 144A (“Rule 144A”) under the Securities Act in reliance on the exemption from registration provided by Rule 144A and in offshore transactions in reliance on Regulation S under the Securities Act. Any failure to comply with this restriction may constitute a violation of United States securities laws. This press release and the information contained herein are not an offer of securities for sale in the United States or to US persons. Any securities referred to herein have not and will not be registered under the Securities Act and may not be offered or sold in the United or to US persons. Any public offering of securities to be made in the United States would have to be made by means of a prospectus that would be obtainable from New Look and would contain detailed information about New Look, of any securities and its management, as well as financial statements. No money, securities or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted.

Statements in this press release which are not historical facts are forward-looking statements. All forward-looking statements involve risks and uncertainties which could affect New Look’s actual results and could cause its actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, New Look.