

NEW LOOK

07 February 2017

NEW LOOK RETAIL GROUP LIMITED ("New Look") Results
for the 39 weeks and 13 weeks ended 24 December 2016

CONTINUED EXECUTION OF DIVERSIFICATION STRATEGY ***CHALLENGING MARKET CONDITIONS TO CONTINUE INTO FY18***

Financial headlines

	Q3 (YTD) FY17 39 wks (£m)	Q3 (YTD) FY16 39 wks (£m)	Change	Q3 FY17 13 wks (£m)	Q3 FY16 13 wks (£m)	Change
Revenue	1,140.7	1,175.3	(2.9%)	422.6	419.3	+0.8%
Adjusted EBITDA	153.8	205.0	(25.0%)	66.9	83.3	(19.7%)
Underlying Operating Profit	111.5	165.4	(32.6%)	52.2	70.6	(26.1%)
Profit Before Tax	29.2	(5.5)*	-	30.1	48.2	(37.6%)

- Group LFL sales: YTD -7.0%; Q3 -4.6%
- UK LFL sales: YTD -7.3%; Q3 - 4.7%
- Own website sales: YTD +12.9%; Q3 +18.2%
- 3rd Party E-commerce (3PE) sales +36.8%; Q3 +73.0%

Operational headlines

We continue to make progress across all of our strategic initiatives: Brand, International, Multichannel, Product development and Menswear.

- Continued delivery of positive LFL sales in China despite challenging market conditions. Opened 100th store in line with targeted expansion plan.
- Encouraging performance in Menswear, a further four standalone stores opened taking total to 19.
- Good multichannel performance with record Black Friday online sales. Strong 3PE growth benefitting from diversification into growing international markets.

- Positive customer response to our enhanced Beauty offer launched in November.

Current Trading and Outlook

We expect UK trading conditions to remain challenging through Q4 FY17 and into FY18. We are well hedged for FY18, remain highly cash generative and will continue to focus on improving our business performance and delivering our diversification strategy. We are well positioned and will continue to invest in our key strategic initiatives.

Anders Kristiansen, Chief Executive Officer, said:

“The UK market has continued to be extremely challenging, with reduced footfall and a highly promotional environment on the high street, resulting in a disappointing like-for-like sales performance. Despite this, total sales for the quarter were level as a result of good performances outside the UK, online and in Menswear, proving that our strategy of diversification is the right one for our business. It remains key to our growth to continue to diversify our offer and to invest in our priority international markets. We are therefore particularly delighted to announce that we have surpassed the milestone of 100 stores in China.

“Globally, fast fashion is getting faster. The consumer mindset is shifting, driven by social media, to a ‘buy now, wear now’ mentality. We have responded accordingly by improving our buying processes, working to achieve a faster supply chain, tightening our stock control and strengthening our Buying and Design teams to deliver a stronger product proposition.

“We are clear on the actions needed to capture customer spend, but these will take time to implement. While we expect 2017 to be tough and are setting our plans accordingly, we strongly believe in our ability to continue to execute our strategy.”

** including non-recurring exceptional transaction costs of £93.4m relating to the Brait acquisition and bond refinancing*

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About New Look

New Look is an international multichannel retail brand, offering exciting, on-trend, value-fashion for women, men and teenage girls, and is the UK's No. 1 retailer for women under 35*.

Our long term business strategy comprises of initiatives spanning *Brand, Multichannel, International Expansion, Product Development* and *Menswear*.

We have 867 stores, comprising 591 in the UK and a further 276 globally. We also have a fast-growing e-commerce offering, serving over 120 countries worldwide, supported by convenient delivery options.

Our flexible fast-fashion business is built on an agile global supply chain with the ability to respond quickly to trends. We focus on delivering value for money and 'newness', with hundreds of new lines landing every week. Our ranges of apparel, footwear and accessories are designed with broad age appeal and global relevance. They are delivered by our great people in stores and support centres, who ensure we deliver great service - wherever, whenever and however customers choose to engage with us.

* Based on Kantar Worldpanel data Women U35 published data 24 weeks to 18 December 2016 (by value)