

NEW LOOK

11th November 2014

New Look Retail Group Ltd (“New Look”) Half Year results for the 26 weeks to 27 September 2014

Good performance across the Group for the First Half: strong First Quarter, resilient Second Quarter

Financial Highlights

	New Look Group (including Mim)			New Look Brand (excluding Mim)		
	HY 2015	HY 2014	% Change	HY 2015	HY 2014	% Change
Revenue	£788.6m	£753.2m	+4.7%	£713.6m	£675.5m	+5.6%
Adjusted EBITDA*	£113.2m	£103.7m	+9.2%	£115.8m	£107.3m	+7.9%
Underlying operating profit	£84.0m	£70.9m	+18.5%	£86.5m	£78.2m	+10.6%
PBT	£26.1m	£13.8m	+89.1%	£28.1m	£21.5m	+30.7%

- New Look Brand like-for-like sales +6.9%
- New Look UK (including E-commerce) sales +8.3% to £627.4m (H1 FY14: £579.4m)
- New Look UK (including E-commerce) like-for-like sales +8.0%
- New Look E-commerce sales +36.4% (own website +30.3%)

Operational Highlights

- Revenue growth and profit improvement for the half, despite adverse Q2 weather impact.
- Gross margin maintained in spite of constrained full price sales of Autumn / Winter range in September.
- Store refurbishment progressing well, with 305 stores across the Group in Concept format; winner of World Retail Awards’ Store Design of the Year for White City store.
- Further multichannel progress following launch of enhanced mobile platform. Now trading successfully through ten 3rd party E-commerce partners.
- International expansion programme progressing according to plan. 14 stores trading in China and on track to have 20 stores in the country by year end. Online presence in China

established through Alibaba owned “T-mall” site. Exited Russia and Ukraine given political uncertainty. Roll-out in Poland and Germany on schedule.

- Management team strengthened with appointment of Paul Mason as Non-Executive Chairman and Mike Iddon as Chief Financial Officer.
- Mim turnaround progressing well; sale expected to complete by year end.

Current Trading and Outlook

Despite some improvement in consumer confidence, market conditions remain uncertain and the unseasonably warm weather in September continued through October. As a result, we remain cautious about the outlook for the remainder of the year. However, we are confident in the quality and design of our product and stores and that we are well set up for the key Christmas trading period.

Anders Kristiansen, Chief Executive Officer, said:

“We are very pleased with these results which show progress across all parts of the business.

“There has been a great deal of commentary about the warm weather affecting UK high street sales and we are no different, but it is testament to the agility and responsiveness of our business, and appeal of our product that we maintained our strong gross margin in the period. Our continued focus on international expansion will help us to reduce our exposure to the UK weather in the longer term.

“We have made good progress both internationally and in terms of developing our E-commerce proposition. We have increased our presence in China, both in store and online, expanded our Polish business, launched French and German versions of our website and continued to make improvements to our online user experience.

“We are continuing to deliver on our strategic goals we outlined nearly two years ago, and we are well prepared for the Christmas trading period.”

Enquiries

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Notes to editors

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

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 September 2014). The New Look Group has over 1,100 stores across the globe in 24 countries, and our estate of 571 UK stores places New Look in immediate reach of the majority of the British population.