

SuperdryPlc

("Superdry" or "the Company")

9 May 2019

Pre-Close Trading Statement

Trading performance continues to be weak; initiatives to stabilise and improve performance underway

Superdry announces a trading update for the 13-week period from 27 January 2019 to 27 April 2019 ('Quarter 4').

Performance Highlights

- Global Brand revenue up 3.6% over full year
- Poor Wholesale and Ecommerce performance in Quarter 4, actions to address this underperformance underway
- Improved own store performance in Quarter 4
- Full year underlying profit before tax likely to be below the range of market expectations
- Following management changes on 2 April, initial actions to stabilise performance and improve the long-term prospects of the Company already being implemented

Revenue^{1,2}

£m	Quarter 4			Second half			Full Year		
	FY19	FY18	Growth	FY19	FY18	Growth	FY19	FY18	Growth
Global Brand Revenue	406.3	428.6	(5.2)%	885.9	883.5	0.3%	1,736.1	1,675.2	3.6%
Group Revenue	187.8	196.7	(4.5)%	457.1	470.0	(2.7)%	871.7	872.0	(0.0)%
Channel Revenue									
Wholesale	89.7	98.9	(9.3)%	163.2	164.1	(0.5)%	335.0	323.4	3.6%
Ecommerce	29.3	30.5	(3.9)%	98.3	100.0	(1.7)%	163.7	161.2	1.6%
Store	68.8	67.3	2.2%	195.6	205.9	(5.0)%	373.0	387.4	(3.7)%
Average Retail Space (000's sq. ft.)	1,200	1,175	2.1%	1,200	1,173	2.3%	1,193	1,128	5.8%

- Global Brand revenue¹ of £1,736.1m increased by 3.6% year-on-year.
- Group revenue flat year-on-year (0.0%), but declined 4.5% in Quarter 4. Specifically:
 - Wholesale revenue up 3.6% to £335.0m year-on-year, though declining 9.3% in Quarter 4. The Quarter 4 decline was driven by increased levels of returns, lower than anticipated in-season orders and decisions not to ship to customers that had reached their credit limits.
 - Ecommerce revenue up 1.6% year-on-year to £163.7m but Quarter 4 revenue down 3.9%. Performance was impacted by the reduction of year-on-year discounting, including the removal of planned promotional activity at the end of Quarter 4.
 - Store performance improved in Quarter 4, growing 2.2% but down 3.7% to £373.0m year-on-year.
- Comprehensive programme to deliver £50m+ gross cost savings by FY22 continuing.
- Primarily as a result of the weak Wholesale and Ecommerce performance, along with other measures to deliver the new operational strategy, we now expect FY19 underlying profit before tax to be lower than the current range³ of market expectations. A further detailed update will be provided at the full year results announcement on 4 July 2019.
- As a result of the store portfolio review announced by the Company on 12 December 2018, the Company will make a non-cash onerous lease and store impairment provision. Given the management transition and the consequent need to update the Company's longer term strategic plans, the review has not yet been finalised but will have an impact that benefits both FY19 and subsequent years. Further details will be provided at the full year results announcement on 4 July 2019.
- In the five weeks since the change of management on 2 April, Interim Chief Executive Officer Julian Dunkerton has already identified immediate opportunities to improve the efficiency and performance of the business, and taken action to implement these opportunities. Immediate actions have included:
 - Increasing the number of options sold online with those additional options generating full price sales.
 - Repopulating selected flagship stores with a greater density of stock.
 - Reducing unnecessary promotional activity resulting in enhanced margins and strengthening the brand.
 - 500 new products to be introduced in the first 6 months.

A further update on strategic progress will be provided at the full year results announcement on 4 July 2019.

Julian Dunkerton, Interim Chief Executive Officer, said:

"I am very excited about being back in the business. There's a lot to do, but after five weeks, I am more confident than ever that we can restore *Superdry* to being the design led business with strong brand identity I know it can be. My first priority has been to stabilise the situation, and all of us in the business are putting all our energy into getting the product ranges right and improving the Ecommerce proposition, which are two important steps towards addressing *Superdry's* recent weak performance. The impact of the changes we are making will take time to come through in the numbers but I'm confident we are heading in the right direction."

Peter Williams, Chairman, said:

"I'm delighted to have joined *Superdry*. This is a fantastic British brand, and I firmly believe that with the plans Julian is putting in place it will be a great success story once again. Today's statement shows the scale of the challenge ahead of us. The Company's financial performance won't be turned around overnight, but we know what we need to do, and we are wasting no time in addressing the challenges which the business faces. This includes ensuring the correct corporate governance structure and Board is in place to guide the business going forward. I believe that we are doing the right things to get the business back on top form and delivering long-term sustainable growth for shareholders."

For further information:**Superdry**

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Reporting calendar confirmation

Full year results announcement	4 July 2019
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Conference call

Superdry will be hosting a conference call for analyst and institutional investors at 08:30 hours today. A recording of the conference call will be available on www.corporate.superdry.com shortly afterwards.

Dial in:	0800 376 7922
Pin:	1593729

Supporting notes:

1. Global Brand revenue represents the equivalent value of the Group revenue at the prices paid by customers. It is calculated by uplifting all revenues by applicable sales tax rates and uplifting revenues within our Wholesale channel by a factor representing the applicable mark up from wholesale to consumer prices. Global Brand revenue stated including China and sales from licenced territories and product categories.
2. Foreign currency sales are translated at the average rate for the month in which they were made.

As of H2 19, Ecommerce revenue is reported net of online returns processed in stores whereas previously those online returns had been reported in store revenues. Consequently, prior year Q3 and Q4 comparatives for Ecommerce and stores have been adjusted by £1.5m and £0.4m respectively in FY18 to reflect this alignment of returns to the channel of original purchase.

Quarter 4 18 figures stated for the comparable 13-week period (previously reported for the 16 weeks to 7 January 2018). All FY18 and FY19 figures are presented pre-IFRS15 adjustment.

3. The Board considers market expectations for the financial year ending 27 April 2019 are best defined by taking the range of forecasts published by analysts who consistently follow the Company. The range of underlying profit before tax forecasts as at 7 May 2019, of which the Board is aware, is £54.1m to £59.4m.
4. Retail space analysis:

Closing figures	FY18		FY19 H1		FY19 H2	
	Sq.Ft.	Stores	Sq.Ft.	Stores	Sq.Ft.	Stores

Owned Stores						
UK & ROI	581	102	591	104	595	105
EU	470	114	477	114	476	113
North America	128	30	130	31	126	30
Group	1,179	246	1,198	249	1,197	248
Franchised Stores		394		427		464
License Stores		18		19		22
Branded Stores		658		695		734

Notes to Editors

The *Superdry* brand is obsessed with design, quality and fit and committed to relentless innovation. We design affordable, premium quality clothing, accessories and footwear which are sold around the world. We have a unique purpose to help our consumers feel amazing through wearing our clothes. We have a clear strategy for delivering continued growth via a disruptive multi-channel approach combining Ecommerce, Wholesale and physical stores. We operate in 63 countries, including our development markets of North America and China, and have almost 5,000 colleagues globally.

Cautionary statement

This announcement contains certain forward-looking statements with respect to the financial condition and operational results of Superdry Plc. These statements and forecasts involve risk, uncertainty and assumptions because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by law, Superdry Plc has no obligation to update the forward-looking statements or to correct any inaccuracies therein.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain. The person responsible for this announcement on behalf of Superdry is Simon Callander, Group General Counsel and Company Secretary of Superdry.