

# MOSS BROS.

GROUP PLC

## **AGM Trading Update 20 May 2016**

Moss Bros Group PLC (“the Group”) the first choice in men’s tailoring, today issues the following trading update for the 15 week period from 31 January 2016 to 14 May 2016, ahead of its Annual General Meeting to be held at 12.00 noon today.

The Group’s overall trading performance has shown further improvement on the prior year, in line with market expectations. Strong retail sales have underpinned this good performance and Hire continues to show positive growth on the prior year.

### Highlights:

- Total sales for the continuing business for the first 15 weeks increased by 3.3% on last year; like-for-like sales were up 5.0% for the same period.
- Like-for-like retail sales, including e-commerce, were up 5.1% with the new season’s ranges performing well. Like-for-like hire sales were up 4.7%, continuing the encouraging trend for 2016 bookings.
- Like-for-like retail gross margins were very strong, up 430 basis points on the previous year, an acceleration of the improvement achieved in 2015/16, and boosted by the decision not to run a mid- season sale during the period. Like for like retail gross profit increased by 13.9% on last year, in cash terms.
- E-commerce sales continued to increase, up 9.7% on last year, driven by the ongoing development of the Retail and Hire websites. Total e-commerce sales now comprise 10.7% of total sales for the 15 weeks to date compared with 10.0% for the same period last year. Conversion rates and average order values achieved further improvement.
- A further 3 stores have been refitted and one new store opened so far this year, bringing the total number of stores trading in the new format to 85 out of a total portfolio of 124 stores. The new format stores continue to trade ahead of non-refitted stores and are on track to achieve their anticipated payback targets.

The business continues to make good progress on its key strategic objectives and the Board is confident that the business will meet market expectations for the year.

### **Commenting on the outlook, Brian Brick, Chief Executive Officer, said:**

“We are pleased with our progress. Retail sales and margins have shown further improvement, boosted by the ongoing improvement in our customer offer and the improvement in our store and online environments. The strength of our core offer meant that we were able to trade through the period without running a mid-season sale, which significantly enhanced gross margins in the period. Hire sales continue to show improvement and e-commerce sales in the first 15 weeks of the year

have also grown, reflecting our investment in systems and infrastructure. This has been another good period of progress for Moss Bros and we remain confident about our growth prospects.”

The Group will announce its Interim Results on 28 September 2016.

*Like-for-like represents financial information for stores open during both the current and prior financial periods and compares 15 weeks against 15 weeks, except for stores refitted in the period, where the period closed for refit is excluded from both the current and prior financial periods. Like-for-like Hire sales are calculated on cash receipts in the period, before adjustment for the movement in the level of hire deposits held.*

For further information please contact:

**Moss Bros Group Plc**

0207 447 7200

Brian Brick, Chief Executive Officer

Robin Piggott, Finance Director and Company Secretary

**Buchanan**

0207 466 5000

Charles Ryland/Victoria Watkins