

MOSS BROS GROUP PLC

AGM Trading Update

22 May 2015

Moss Bros Group PLC (“the Group”) the No.1 men’s suit specialist, today issues the following trading update for the 15 week period from 1 February 2015 to 16 May 2015 ahead of its Annual General Meeting to be held at 12.00 noon today.

The Group’s overall trading performance continues to improve on the prior year, in line with market expectations. Strong retail sales (which account for the majority of total sales) have underpinned this continued good performance and Hire continues to show positive growth on the prior year. The Group is on course to deliver anticipated levels of growth.

Highlights:

- Total sales for the continuing business for the first 15 weeks increased by 6.4% on last year. Like-for-like sales were up 7.4% for the same period.
- Like-for-like retail sales, including e-commerce, were up 7.6% with the new season’s ranges performing well.
- Like-for-like hire sales were up 6.4%, continuing the encouraging trend for 2015 wedding bookings.
- Retail gross margins are ahead of the previous year, a consequence of the earlier clearance of residual stocks.
- E-commerce sales continue to grow, up 64.9% on last year, supported by the ongoing development of the Retail and Hire websites. Total e-commerce sales now comprise 10% of total sales for the 15 weeks to date, compared with 6.5% for the same period last year. Traffic flow, conversion and customer retention rates continue to improve. Our mobile site comprises 17% of retail e-commerce sales, up from 9% in the prior year.
- As previously reported the store refit programme has been accelerated in 2015 and a further 11 stores have been refitted so far this year, bringing the total number of stores trading in the new format to 69 out of a total portfolio of 128 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 remains confident 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 continued to improve, boosted by the increasing contribution from refitted stores and the lower levels of residual stock. Hire sales continue to show the improvement seen earlier in the season and are showing good growth on the prior year. E-commerce sales in the first 15 weeks of the year continue to grow, reflecting our continuing investment in systems and infrastructure. This is another good period of progress for Moss Bros and we continue to remain confident about our medium term growth prospects.”

The Group will announce its Interim Results on 29 September 2015.

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.

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