For Immediate Release **21 September 2018**

MOSS BROS.

GROUP PLC

Half Year Results for the 26 weeks ended 28 July 2018

Moss Bros Group PLC ("the Group"), the 'first choice for men's tailoring', today announces its half yearly results, covering the period from 28 January 2018 to 28 July 2018.

Financial Headlines

- Total Group revenue, excluding VAT, of £64.5m, -3.3% lower than the previous year.
- Like-for-like* retail sales, including e-commerce were -6.9% lower. E-commerce like-for-like* sales for the first half grew +9.5% on the prior year and now represent 12.7% of total sales (HY1 2017 11.2%).
- Like for like* hire sales, which represents 12.3% of total sales in the half (HY1 2017 12.8%) on a cash taken basis were -7.8% down.
- Retail gross margin at 56.5% was -2.8% lower for the half, of which, the impact of weaker sterling accounted for a -1.8% reduction.
- EBITDA*** for the first half was £3.7m (HY1 2017 £7.0m restated**).
- Adjusted profit before tax[1] of £0.2m, was down -£3.7m versus the same period in the prior year (HY1 2017 £3.9m restated**).
- Loss before tax of £1.7m after adjusting items of just under £2.0m (HY1 2017 Profit £3.9m restated**). Adjusting items consist of store impairments (£1.2m) where we have taken a prudent view in respect of a small number of underperforming stores and reorganisation and employee-related costs (£0.8m). The Group considers that these should be treated as adjusting items given their costs are significant in size and nature to the results of the Group in the current period.
- Careful cash management delivered a positive cash balance of £15.2m at the end of the half (HY1 2017 £21.5m), reflecting the strong cash flow generation of the business.
- Given the full resolution of the stock issues encountered earlier in the year, a more positive trading position post the disruption of the hot summer and the strong cash flow generation of the business, the Board is recommending an interim dividend of 1.50 pence per share (29 July 2017: 2.03 pence per share), in line with the Dividend Policy.

Operational Commentary

- During Q1 the Group faced a shortage of stock which resulted from the previously announced temporary supply chain issues. As noted in May, the stock position had materially been corrected and we began to see significantly improved trading.
- However, as the extended period of hot weather arrived, coupled with the distraction of England's success at the World Cup, customer footfall reduced in Q2 on average by -7% year on year and in the worst affected stores by up to -14%. Having assessed the quarter on quarter decline in footfall, we estimate that we were negatively impacted by around £2.7m of retail store sales, which would have delivered c. £1.4m of gross profit.
- E-Commerce performance and growing distribution via third party marketplaces were less affected by these reductions in footfall and continued to achieve positive momentum.
- 2 new stores were opened during the half and 3 refits were completed. 130 stores were trading at 28 July 2018 (29 July 2017: 129 stores)
- The 'Tailor Me' custom tailoring service continued to grow, offering enhanced fabric choices and is now an established part of the in-store offer in almost every store.

Current trading

- Retail like-for-like* sales, including VAT, in the first seven weeks to 15 September 2018 are down -3.7%, showing an improved trend from the extreme reduction in footfall of the high summer months.
- E-Commerce sales, including VAT, in the first seven weeks of the half are up +23.2%, again showing an improving trend compared with the first half of the year.
- Hire like for like*, reported on a 'cash taken' basis, is -13.3% down in the first 7 weeks of the second half, reflecting the anticipated switch to less formal wedding attire. The Group has achieved offsetting growth in Tailor Me.
- Early responses to the Autumn/Winter 2018 range across Retail are positive and product availability is good.
- Good progress was made with a soft launch into new marketplaces and the Group is well positioned for the peak trading period leading up to Christmas.

Full Year Expectations

- Although current trading is showing a steady and improving trend and the Board recognises it is possible to mitigate the footfall related gross profit shortfall of the summer via short-term cost cutting, we feel it would be detrimental to the long-term health of the business. This decision to continue to invest means that the Group is still on track to deliver an operating profit before adjusting items, but materially lower than current market expectation of £2.3m.
- Investment is focused on the innovation of our product and proposition, as well as the development of our e-commerce offer and the expansion of new marketplaces. The early response to the 2018 Autumn/Winter ranges and launch of these new markets has landed well and gives us confidence to continue and step up the momentum of that investment.
- Reflecting its confidence in the plans, the cash generative nature of our business and the fact we remain EBITDA*** positive and debt–free, the Board is recommending an interim dividend of 1.50 pence per share (29 July 2017: 2.03 pence per share), in line with the current Dividend Policy.

Commenting on the results and outlook, Brian Brick, Chief Executive Officer, said:

"The first half trading performance was one of the most volatile for many years. We initially saw sales performance recover well following our previously highlighted early season stock shortages, and sales were generally ahead of expectation. This came to an abrupt end when high street footfall dropped dramatically, impacted by the protracted and unplanned period of extremely hot weather and the widespread distraction of England's success in the World Cup. Although all retailers were impacted in some way, Menswear was specifically impacted negatively by the combination and longevity of these two external factors. The position was exacerbated by the distressed discounting of some competitors, although we have taken the decision to stand firm on pricing where we feel Moss Bros' product has a strong USP.

Where a small number of our stores have underperformed against our expectations, we have decided to impair the carrying value of the related fixed asset. We believe it is right to be prudent in our assumptions, given the current trading environment, although we do have detailed action plans in place to improve performance in these stores.

More positively, the early response to the 2018 Autumn/Winter ranges has been strong and we are well stocked as we enter the new trading season. We remain agile in our trading approach and we will maximise our share of the men's formalwear market by continuing to invest in the strength of our brand, our expertise and the breadth of our product offer, both in-store and online. In addition, we will be increasing the presence of a selected number of our sub-brands on major third-party retail marketplaces.

We remain acutely aware that the highly competitive retail landscape is set to continue, alongside an unpredictable economic back-drop and increasing cost headwinds. We have reviewed our expectations for the second half of the year despite having a number of key trading weeks still ahead of us and whilst short-term cost cutting would make us more certain of mitigating the footfall related gross profit shortfall and therefore hitting the market's expectations, we feel it would be detrimental to the long-term health of the business. As such, we have taken the decision to continue to invest and to deliver profit lower than expectations.

We remain EBITDA*** positive and debt free. The board's decision to recommend payment of an interim dividend in line with our current Dividend Policy underlines our confidence in the execution of our plans and the long-term strength of the business."

*Like-for-like sales (including VAT) represents financial information for e-commerce and stores open during both the current and prior financial periods and compares 26 weeks against 26 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 and Tailor Me sales are calculated on cash receipts in the period, before adjustment for the movement in the level of deposits held. See note 3 for a reconciliation of like-for-like sales (including VAT) to revenue as stated in the financial statements

**HY1 2017 has been restated to reflect the adjustment resulting from the implementation of IFRS15 - Revenue from Contracts with Customers as detailed in note 12

***EBITDA is earnings before interest, tax, depreciation, amortisation and adjusting items. See note 8 for a reconciliation of profit on ordinary activities before tax to EBITDA

[1] Adjusted profit before tax is stated as EBITDA after interest, depreciation and amortisation

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

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INTERIM MANAGEMENT REPORT
FOR THE 26 WEEKS TO 28 JULY 2018

OVERVIEW

Moss Bros Group PLC (the "Group") retails and hires formalwear and fashion products for men, predominantly in the UK, with retail sales comprising 88%, and Hire 12%, of total sales during the period. The Group retails own brand and third party brand menswear through the Moss Bros fascia, and hires formalwear under the Moss Bros Hire brand through its mainstream stores. The Group also trades through the premium Savoy Taylors Guild fascia in a small number of stores.

Sub brands of Moss London, Moss 1851 and Moss Esquire are now fully established. These sub brands, combining with Savoy Taylors Guild, have created an authoritative and complementary customer offer across a range of fits and prices, underpinning our expertise in formalwear, under the Moss Bros master brand.

The 'Tailor Me' personalisation service launched during 2016 is now available nationwide. It is a simplified set of bespoke options offering a custom made suit, ready for collection within 30 days of placing an order across an increasingly broad fabric set.

REVIEW OF THE FIRST HALF

Adjusted profit before tax from continuing operations for the six months to 28 July 2018 was £0.2m, a -94% reduction on last year (HY1 2017: £3.9m restated**) driven by the previously announced combination of poor stock availability early in the season and extreme weather conditions, which when combined with the success of the England team at the World Cup, severely reduced footfall in both high streets and major shopping centres during some of our peak summer trading weeks.

Our store teams remain focused on offering solutions to customers for whatever their occasion or need, whether they choose to buy, hire or 'Tailor Me'. We have invested in footfall counting technology and have rolled this out across the store estate alongside a training programme to ensure that our stores most effectively serve our customers, despite the reduced footfall which we have seen.

Our e-commerce channel performed better than our stores, underpinned by targeted promotional activity providing increasingly personalised offers for our customer base. We have seen increased new customer recruitment numbers and an increase in the number of customers actively ordering across the first half as we have extended our new customer and reactivation programmes.

Trading performance

Total revenue fell by -3.3% in the six months to 28 July 2018 to £64.5m (HY1 2017: £66.6m). Like for like* retail sales fell by -6.9%. Moss Bros Hire recorded a like for like* sales decrease of -7.8%. Across the Group, total like for like* sales fell -7.0% in the first half.

Retail gross margin rate was down -2.8% for the half, resulting from a combination of increases in the mix of lower margin e-commerce and third-party platform sales versus own stores and the impact of fx rates for Spring 2018 as a result of sterling weakness. Hire margin rates were 1.2% higher as a result of the re-statement of the prior year numbers following adoption of IFRS15. Overall gross margin rate was -2.3% lower at 58.5% (HY1 2017: 60.8% restated**).

We opened 2 new stores during the half; at Westfield London in White City and in the Westgate Centre in Oxford. Moss Bros currently trades from 130 stores. We will continue to improve the store portfolio where locations are found that meet our investment criteria. We refitted a further 3 stores in the 26 weeks to 28 July 2018 (HY1 2017: 4). 111 new and refitted stores now trade in the new format.

Like for like* hire sales were -7.8% below 2017 levels, with Lounge Suiting having again proved very popular with customers but not in sufficient volumes to offset the decline which we have seen in morningwear.

Our online capability continues to grow with improved relevance in the communication with our customers. E-commerce retail sales are up 9.5% on the previous year despite the various challenges faced by the business during the half. Site visitor numbers continue to improve, especially mobile device traffic which now contributes 42%, of online sales. Overall online sales now comprise 12.7% of total Group revenue (HY1 2017: 11.2%).

We have taken a very prudent view on expenditure during the first half as a result of both the ongoing cost headwinds which we face and the impact of the challenging retail environment. As a result, costs remain tightly controlled with expenditure remaining focused on areas which support our longer-term goals.

Our product supply relationships, prices and supply routes are continually reviewed and we have learned from the challenges which we faced during the early months of this half. A modest increase in diversification of the supply base has ensured that the Autumn/Winter 2018 product ranges have arrived on-time and in sufficient quantity to leave us well prepared for the second half.

The development of our people remains key to delivering our ambition of becoming the first choice for men's tailoring. Continued investment in our people through recruitment, induction, training and development, performance appraisal and performance management is vital to delivering our strategic goals. Investment in this area will increase in the second half.

*Like-for-like (including VAT) represents financial information for e-commerce and stores open during both the current and prior financial periods and compares 26 weeks against 26 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 and Tailor Me sales are calculated on cash receipts in the period, before adjustment for the movement in the level of deposits held. See note 3 for a reconciliation of like-for-like sales (including VAT) to revenue as stated in the financial statements.

**HY1 2017 has been restated to reflect the adjustment resulting from the implementation of IFRS15 - Revenue from Contracts with Customers as detailed in note 12

FINANCIAL SUMMARY

A summary of the key financial results is set out in the table below.

Key financials

CONTINUING OPERATIONS	**26 weeks to 28 July 2018** **£'000**	26 weeks to 29 July 2017 Re-stated** £'000	52 weeks to 27 January 2018 Re-stated** £'000
Revenue			
Retail	**56,514**	58,110	115,733
Hire	**7,936**	8,508	16,091
Total revenue	**64,450**	66,618	131,824
Gross profit			
Retail	**31,936**	34,436	66,710
Hire	**5,764**	6,075	12,082
Total gross profit	**37,700**	40,511	78,792
Gross margin %			
Retail	***56.5%***	*59.3%*	*57.6%*
Hire	***72.6%***	*71.4%*	*75.1%*
Total	***58.5%***	*60.8%*	*59.7%*
Administrative expenses (****)	**(3,233)**	(2,876)	(5,937)
Shops' selling and marketing costs (****)	**-**	-	-
Shops' selling and marketing costs classified as exceptional	**-**	-	-
Shops' selling and marketing costs total	**(34,330)**	(33,787)	(66,290)
Operating profit	**137**	3,848	6,565
Other gains and losses	**61**	-	21
Investment revenues	**37**	12	37
Financial costs	**-**	-	-
Adjusted profit before tax	**235**	3,860	6,623
Adjusting items	**(1,978)**	-	-
(Loss)/Profit before taxation and after adjusting items	**(1,743)**	3,860	6,623
EBITDA (***)	**3,664**	6,998	13,168

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12.

*** EBITDA is earnings before interest, tax, depreciation, amortisation and adjusting items. See note 8 for a reconciliation of profit on ordinary activities before tax to EBITDA.

**** Administrative expenses and shops' selling and marketing costs are not analysed between Retail and Hire.

DIVIDEND AND DIVIDEND POLICY

The Board has decided to declare an interim dividend of 1.50 pence per share (HY1 2017: 2.03 pence per share) to be paid on 23 November 2018, to shareholders on the register on 19 October 2018 (ex-dividend date 18 October 2018).

FINANCIAL POSITION

Net assets reduced to £32.8m (29 July 2017: £35.2m).

The close management of cash remains a focus. The cash position at 28 July 2018 was £15.2m (29 July 2017: £21.5m). Net cash outflow for the six months ended 28 July 2018 was £2.3m. Dividends of £2.0m were paid in the period. The Group continues to meet its day-to-day working capital requirements through surplus cash balances.

Total net inventory as at 28 July 2018 was £16.5m (29 July 2017: £15.2m).

RELATED PARTY TRANSACTIONS

The Group had no material related party transactions other than on an arm's length basis, which might reasonably be expected to influence decisions made by other users of the condensed set of financial statements. Details of all related party transactions are disclosed in the notes to this Interim Management Report.

RISKS AND UNCERTAINTIES

Details of all potential risks and uncertainties are disclosed in the note 2 of this Interim Management Report.

CAUTIONARY STATEMENT

This Interim Management Report ("IMR") has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. This IMR should not be relied on by any other party or for any other purpose.

This IMR contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this IMR but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

This IMR has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Moss Bros Group PLC and its subsidiary undertakings when viewed as a whole.

DIRECTORS' RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge:

a: the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';

b: the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

c: the interim management report includes a fair review of the information required by the DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

The directors are responsible for maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Moss Bros Group PLC
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London
SW11 1SA

By Order of the Board,

Brian Brick
Chief Executive Officer

Tony Bennett
Finance Director and Company Secretary

MOSS BROS GROUP PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 26 WEEKS TO 28 JULY 2018

	26 weeks to 28 July 2018			26 weeks to 29 July 2017	52 weeks to 27 January 2018
	Adjusted[2]	**Adjusting items[3]**	**Total**	Total Re-stated**	Total Re-stated**
	£'000 (Unaudited)	**£'000 (Unaudited)**	**£'000 (Unaudited)**	£'000 (Unaudited)	£'000 (Audited)
CONTINUING OPERATIONS					
Revenue	**64,450**	**-**	**64,450**	66,618	131,824
Cost of sales	**(26,750)**	**-**	**(26,750)**	(26,107)	(53,032)
Gross profit	**37,700**	**-**	**37,700**	40,511	78,792
Administrative expenses	**(3,233)**	**(118)**	**(3,351)**	(2,876)	(5,937)
Shops' selling and marketing costs	**(34,330)**	**(1,860)**	**(36,190)**	(33,787)	(66,290)
Operating (loss)/profit	**137**	**(1,978)**	**(1,841)**	3,848	6,565
Other gains and losses	**61**	**-**	**61**	-	21
Investment revenues	**37**	**-**	**37**	12	37
Financial costs				-	-
(Loss)/profit on ordinary activities before taxation	**235**	**(1,978)**	**(1,743)**	3,860	6,623
Taxation credit/(charge)	**67**	**(421)**	**(354)**	(961)	(1,362)
(Loss)/profit from continuing operations after taxation	**302**	**(2,399)**	**(2,097)**	2,899	5,261
(Loss)/profit after taxation attributable to equity holders of the parent	**302**	**(2,399)**	**(2,097)**	2,899	5,261
Other comprehensive income					
Gain/(Loss) on derivative designated in cash flow hedge relationships	**3,028**	**-**	**3,028**	(1,232)	(1,787)
Amounts transferred to inventory as basis adjustment	**(521)**	**-**	**(521)**	385	(66)
Total other comprehensive income	**2,507**	**-**	**2,507**	(847)	(1,853)
Total comprehensive income	**2,809**	**(2,399)**	**410**	2,052	3,408
Earnings per share					
Basic	**-**	**-**	**(2.09p)**	2.89p	5.24p
Diluted	**-**	**-**	**(2.07p)**	2.88p	5.22p
Adjusted earnings per share[2]					
Basic	**0.30p**	**-**	**-**	2.89p	5.24p
Diluted	**0.30p**	**-**	**-**	2.88p	5.22p

**Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

[2]Adjusted represents results before adjusting items as defined in note 2 of the Financial Statements

[3]Refer to note 5

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 26 WEEKS TO 28 JULY 2018

26 Weeks ended 28 July 2018 (Unaudited)	**Share capital**	**Share premium account**	**Share based payments**	**Employee benefit trust**	**Hedging reserve**	**Retained earnings**	**Total equity**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 28 January 2018	5,040	8,673	177	(318)	(1,435)	22,194	34,331
Loss for the period	-	-	-	-	-	(2,097)	(2,097)
Other comprehensive income:							
Cash flow hedging movement	-	-	-	-	2,507	-	2,507
Total comprehensive income	-	-	-	-	2,507	(2,097)	410
Dividends paid	-	-	-	-	-	(1,980)	(1,980)
Issue of share capital	-	-	-	-	-	-	-
Credit to equity for equity settled share-based payments	-	-	47	-	-	-	47
Exercise of shares held under option	-	-	-	-	-	-	-
Movement on deferred tax on share-based payments	-	-	41	-	-	-	41
Movement on current tax on exercise of equity settled share-based payments	-	-	-	-	-	-	-
Sale of shares by employee benefit trust	-	-	-	-	-	-	-
Purchase of shares by employee benefit trust	-	-	-	-	-	-	-
SAYE exercise – employee contributors	-	-	-	-	-	-	-
Balance at 28 July 2018	**5,040**	**8,673**	**265**	**(318)**	**1,072**	**18,117**	**32,849**

26 Weeks ended 29 July 2017 (Unaudited) Re-stated **	**Share capital**	**Share premium account**	**Share based payments**	**Employee benefit trust**	**Hedging reserve**	**Retained earnings**	**Total equity**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 29 January 2017	5,040	8,673	637	(138)	418	22,869	37,499
Profit for the period						2,899	2,899
Other comprehensive income:							
Cash flow hedging movement	-	-	-	-	(847)	-	(847)
Total comprehensive income					(847)	2,899	2,052
Dividends paid	-	-	-	-	-	(4,000)	(4,000)
Issue of share capital	-	-	-	-	-	-	-
Credit to equity for equity settled share-based payments	-	-	65	-	-	-	65
Exercise of shares held under option	-	-	(382)	-	-	382	-
Movement on deferred tax on share-based payments	-	-	57	-	-	-	57
Movement on current tax on exercise of equity settled share-based payments	-	-	-	-	-	8	8
Sale of shares by employee benefit trust	-	-	-	286	-	(286)	-
Purchase of shares by employee benefit trust	-	-	-	(467)	-	-	(467)
SAYE exercise – employee contributors	-	-	-	-	-	-	-
Balance at 29 July 2017	**5,040**	**8,673**	**377**	**(319)**	**(429)**	**21,872**	**35,214**

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

52 Weeks ended 27 January 2018 (Audited) Re-stated**	Share capital	Share premium account	Share based payments	Employee benefit trust	Hedging reserve	Retained earnings	Total equity
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 29 January 2017	5,040	8,673	637	(138)	418	22,869	37,499
Profit for the period	-	-	-	-	-	5,261	5,261
Other comprehensive income:							
Cash flow hedging movement	-	-	-	-	(1,853)	-	(1,853)
Total comprehensive income	-	-	-	-	(1,853)	5,261	3,408
Dividends paid	-	-	-	-	-	(6,040)	(6,040)
Debit to equity for equity settled share-based payments	-	-	(72)	-	-	-	(72)
Exercise of shares held under option	-	-	(382)	-	-	382	-
Movement on deferred tax on equity settled share-based payments	-	-	(6)	-	-	-	(6)
Movement on current tax on exercise of equity settled share-based payments	-	-	-	-	-	8	8
Sales of shares by employee benefit trust	-	-	-	286	-	(286)	-
Subscription to employee benefit trust	-	-	-	(466)	-	-	(466)
SAYE exercise – employee contributors	-	-	-	-	-	-	-
Balance at 27 January 2018	**5,040**	**8,673**	**177**	**(318)**	**(1,435)**	**22,194**	**34,331**

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 28 JULY 2018

	28 July 2018 £'000 (Unaudited)	29 July 2017 Re-stated** £'000 (Unaudited)	27 January 2018 Re-stated** £'000 (Audited)
Assets			
Intangible assets	**2,355**	1,834	2,177
Property, plant and equipment	**18,837**	19,464	19,354
Leasehold improvements	**1,349**	1,267	1,336
Deferred tax assets	**1,547**	1,266	1,277
Total non-current assets	**24,088**	23,831	24,144
Inventories	**16,461**	15,241	15,590
Trade and other receivables	**4,878**	4,405	4,594
Cash and cash equivalents	**15,167**	21,472	17,477
Derivative financial instruments	**1,089**	-	-
Total current assets	**37,595**	41,118	37,661
Total assets	**61,683**	64,949	61,805
Liabilities			
Trade and other payables	**21,474**	20,922	18,670
Provisions	**1,140**	1,001	1,205
Current tax liability	**570**	1,252	767
Derivative financial instruments	**-**	443	1,421
Total current liabilities	**23,184**	23,618	22,063
Other payables	**3,871**	3,588	3,481
Provisions	**757**	1,334	908
Deferred tax liabilities	**1,022**	1,195	1,022
Total non-current liabilities	**5,650**	6,117	5,411
Total liabilities	**28,834**	29,735	27,474
Net assets	**32,849**	35,214	34,331
Equity			
Issued capital	**5,040**	5,040	5,040
Share premium account	**8,673**	8,673	8,673
Share-based payments	**265**	377	177
Employee benefit trust	**(318)**	(319)	(318)
Hedging reserve	**1,072**	(429)	(1,435)
Retained earnings	**18,117**	21,872	22,194
Equity attributable to equity holders of parent	**32,849**	35,214	34,331

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 26 WEEKS TO 28 JULY 2018

	26 weeks to 28 July 2018 £'000 (Unaudited)	26 weeks to 29 July 2017 Re-stated** £'000 (Unaudited)	52 weeks to 27 January 2018 Re-stated** £'000 (Audited)
Operating activities			
(Loss)/profit after taxation	**(2,097)**	2,899	5,261
Adjustments for:			
Taxation charge	**354**	961	1,362
Other gains and losses	**(3)**	8	(21)
Investment revenues	**(37)**	(12)	(37)
Net finance costs	**-**	-	-
Amortisation of intangible assets	**482**	403	862
Impairment of tangible fixed assets	**1,227**	-	148
Depreciation of property, plant and equipment	**2,984**	2,849	5,720
Amortisation of compulsory purchase compensation	**-**	(102)	-
Loss on disposal of property, plant and equipment	**28**	176	348
(Increase)/decrease in inventories	**(871)**	1,468	1,119
Increase in receivables	**(284)**	(717)	(906)
Increase in payables	**3,188**	4,233	1,899
Decrease in provisions	**(216)**	(238)	(461)
Share-based payments expense	**53**	74	(91)
Exercise of share options	**-**	(382)	(382)
Exceptional income – lease compensation cash receipt	**-**	-	-
Taxation paid	**(780)**	(1,089)	(2,222)
Net cash from operating activities	**4,028**	10,531	12,599
Investing activities			
Interest received	**37**	12	37
Interest paid	**-**	-	-
Purchase of intangible assets	**(660)**	(794)	(1,652)
Purchase of property, plant and equipment	**(3,737)**	(3,614)	(6,826)
Proceeds from the disposal of property, plant and equipment	**2**	-	21
Net cash used in investing activities	**(4,358)**	(4,396)	(8,420)
Financing activities			
Dividends paid	**(1,980)**	(4,000)	(6,040)
Proceeds from the issue of shares	**-**	-	286
Sale of shares by employee benefit trust	**-**	286	-
Purchase of shares by employee benefit trust	**-**	(467)	(466)
Net cash used in financing activities	**(1,980)**	(4,181)	(6,220)
Net (decrease)/increase in cash and cash equivalents	**(2,310)**	1,954	(2,041)
Cash and cash equivalents at beginning of period	**17,477**	19,518	19,518
Cash and cash equivalents at end of period	**15,167**	21,472	17,477

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

NOTES TO THE CONDENSED SET OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS TO 28 JULY 2018

1. GENERAL INFORMATION

The results for the 26 weeks ended 28 July 2018 and 29 July 2017 are neither audited nor reviewed by the Group's auditor. The information for the 52 weeks ended 27 January 2018 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

The annual financial statements of Moss Bros Group PLC are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The condensed set of consolidated financial statements included in this half-yearly report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

GOING CONCERN

The Directors are satisfied that the Group and Company have sufficient resources to continue in operation for the foreseeable future, being a period of at least 12 months from the date of approval of this half-yearly report. Accordingly, they continue to adopt the going concern basis in preparing the half-yearly report and financial statements.

The Directors believe the Group is well placed to manage its business risks successfully. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current and anticipated cash resources.

CHANGES IN ACCOUNTING POLICY

The same accounting policies, presentation and methods of computation are followed in this half-yearly report as applied in the Group's latest annual audited financial statements for the 52 weeks ended 27 January 2018, with the exception of IFRS 9 and IFRS 15 which has been effective since 28 January 2018.

IFRS 9 has been applied fully prospectively. The Group has conducted an assessment of the impact of this standard which does not have material impact in relation to the classification and measurement of financial assets and liabilities. The standard's requirements regarding impairment of financial assets does not have a material effect on the Group due to the short-term nature of the Group's financial assets and the immaterial impact of prior credit losses. Moss Bros Group Plc has elected to continue to apply the hedge accounting requirements of IAS 39 for the period beginning 28 January 2018.

IFRS 15 has been applied fully retrospectively resulting in a restatement of prior year figures. These have been detailed in note 12. The core principle of the standard is to recognise revenue on a principles based approach on the basis that revenue should only be recognised once the performance obligations have been satisfied. The standard applies to all contracts with customers, except for those which are in the scope of other standards.

The implementation of IFRS 15 has impacted the Group in three areas. The returns provision will be classified as a "right of return" asset and a refund liability, which will be held gross on the balance sheet. As the Group has identified one performance obligation in relation to hire revenue, certain costs associated with the hire of goods will no longer be deferred. Finally, regarding license agreement revenue, where the agreement relates to the right to use the intellectual property, all income received should be recognised at the time when the licence is provided.

IFRS 16 -

IFRS 16 'Leases' was issued on 13 January 2016 and is effective for periods beginning on or after 1 January 2019. For Moss Bros Group Plc, the effective date is the financial year commencing 27 January 2019. The standard represents a significant change in the accounting and reporting of leases for lessees providing a single lessee accounting model. This requires lessees to recognise assets and liabilities for all leases unless the underlying asset is of immaterial value or the lease term is 12 months or less. The standard has the potential to require the capitalisation of the lease elements of contracts held by the Group which under the existing accounting standards would not be considered a lease. Accounting requirements for lessors are not significantly changed from IAS 17.

The assessment process to quantify the full impact of IFRS 16 is ongoing and it is not yet practicable to provide a reliable estimate of the financial impact on the Group's results. The Group is in the process of assessing the impact of the new standard and will provide a high level assessment of the quantitative impact in the Annual Report and Accounts for the period ended 26 January 2019.

Upon adoption, lease agreements will give rise to both a right of use asset and a lease liability for future lease payables. Depreciation of the right of use asset will be recognised in the income statement on a straight-line basis, with interest recognised on the lease liability. This will result in a change to the net charge taken to the income statement over the life of the lease. These charges will replace the lease costs currently charged to the income statement. It is expected that the implementation of IFRS 16 will have a significant impact on Moss Bros Group Plc.

ADJUSTING ITEMS

Adjusting items are those significant credits or charges which, in the opinion of the Directors, should be separately disclosed by virtue of their size and nature, to enable a full understanding of the Group's financial performance. Therefore, such items are disclosed as adjusting on the face of the statement of comprehensive income. Please see note 5 for details of adjusting items recognised in the 26 weeks to 28 July 2018.

RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The Directors have revisited and updated the principal risks and uncertainties as published in the annual report for the 52 weeks ended 27 January 2018, which are summarised below:

BUSINESS AREA	RISK TO COMPANY	MITIGATION OF RISK	ASSESSMENT OF CHANGE IN RISK YEAR ON YEAR
Retail and Tailor Me	**Factors outside our control, such as an economic downturn affecting the UK or any wider economic downturn as a result of the vote to leave the EU, may have a material adverse effect on results.** As a retail business based and operating predominantly in the UK, we are particularly exposed to any economic downturn in the UK which could affect consumer confidence and therefore spending.	We continually focus on maintaining our product quality, customer service and supplier relationships, whilst retaining our competitive position, including value and pricing. Foreign currency exposure, principally the US Dollar, is hedged for 6 to 9 months in advance.	+ This risk has increased as the economic outlook has toughened since the Brexit vote in the UK manifesting itself in weaker consumer demand and therefore reducing footfall within stores.
Hire	The Hire business demands the highest level of customer service. This is delivered through a highly developed and efficient infrastructure which enables consistent 'delivery to promise'. **Any disruption to this infrastructure would affect our ability to maintain customer service levels.**	We have a dedicated operational team which actively seek to resolve any potential fulfilment issues ahead of delivery date. We are continually refreshing and replenishing our stock of hire garments to ensure that we are able to fulfil all orders as they become due. We continue to strengthen our back-end technology, systems and processes to ensure a robust platform for our operations. We completed a full Hire related training programme for in-store teams before the 2018 peak to ensure the best in-store experience.	= The risk is ongoing; we have successfully made additional improvements to our Hire operations during 2018 and will refine these further ahead of the 2019 Hire season to ensure that we continue to deliver on customer promise.
E-Commerce	Customer satisfaction is as important online as offline. **Difficulty navigating/transacting quickly on our website or failure to ensure a secure online market place presents a risk to our online sales generation and growth.** Maintaining a competitive edge through customers being able to interact with the product online, offering product choice and availability, and allowing multiple payment and delivery options are important in growing our online presence.	We are continually developing our website offering in order to become fully multi-channel. We have developed our understanding of our customer base during the year and will seek to provide better personalisation of site visit and relevant communication, all within privacy regulations. We have security policies, rules and technical measures in place to protect customer data.	= We continue to invest in ensuring that the customer experience which we offer is in line with the specific demands of online shoppers.

BUSINESS AREA	RISK TO COMPANY	MITIGATION OF RISK	ASSESSMENT OF CHANGE IN RISK YEAR ON YEAR
Supply chain	**A disruption to supplier continuity may adversely affect our operation.** Suppliers going out of business or unable to supply goods could have a significant impact on our ability to meet demand in store and online. As we increase the volume of garments sourced directly from supplier factories we must ensure that the supply chain critical path is closely monitored and proactively managed. Additional uncertainty regarding the eventual form that 'Brexit' will take means that there may be delays to or additional costs suffered as a result of the import of our products.	We are continually reviewing and refreshing our supplier list. The diversification of product buying across a range of suppliers limits the Group's over-reliance upon any individual supplier. We have implemented controls which enable us to identify early any potential deviations from product and supply chain critical paths. Allowing additional time within the critical path offers some mitigation against potential delays.	**+** The risk is increasing as we source more product directly from factories. We have introduced additional controls and enhanced reporting effective 2018. Supply chain risks are closely monitored and addressed although uncertainty regarding the eventual form of 'Brexit' adds additional uncertainty as we approach the Brexit deadline
Costs	**Supply chain cost price increases and currency fluctuation could have a materially adverse effect on results** A fluctuation in currency rates could materially affect the Group's cost base and margins. **A re-emergence of general price inflation could affect profitability** We continue to face significant cost headwinds including; the impact of the 2017 business rates revaluation and the second stage increase following the introduction of the National Living Wage, Apprenticeship Levy and Pension auto-enrolment costs as well increasing government fossil fuel levies	Management has in part mitigated the cost price risk as a significant proportion of inventory is direct sourced and prices have been agreed as a result of competitive tendering. In addition, the Group operates a treasury policy which hedges a significant proportion of the foreign exchange risk from such direct sourcing arrangements. Management closely monitor the effectiveness of these arrangements. If general price inflation returns this may allow an increase in retail selling prices albeit subject to market conditions. Ongoing review of store profitability, combined with shorter lease durations ensures that we proactively manage the fixed overhead of our store estate. Remuneration policies are under review to ensure we remain competitive in the marketplace.	**+** The risk has increased during the year as the cost headwinds which we face continue un-abated. Additionally, uncertainty around the Brexit process means that we have a lack of clarity on import duties and VAT. We continually monitor the potential impacts and address these via the actions noted here.
Brand image	**Maintaining our store presentation is important for attracting customers and growing our brand** The historical underinvestment in the store estate in previous years has meant that some of our stores lack the level of presentation that we require to grow the business and the brand.	We continue with our store redevelopment programme to both modernise the look and feel of the stores and to meet more routine maintenance that has been deferred for many years. The development and launch of a new sub brand line up, under the master brand 'Moss Bros', in Autumn 2014 has strengthened the brand identity.	**-** The risk remains the same year on year as the store redevelopment programme nears completion.
Distribution centre (DC)	**Operating our distribution centre from one location leaves the Group exposed to business catastrophes occurring at that location** Any business catastrophe affecting our distribution centre could severely affect the Group's ability to supply to stores and customers.	We continually review and monitor our disaster recovery plan to ensure that all business risks are adequately covered. Our financial risk of operating from one location is mitigated through our comprehensive insurance cover.	**+** With new and increased operating pressures on the DC through our multi-channel approach, the reliance and consequent exposure to risk of the DC failing has again increased during the year.

BUSINESS AREA	RISK TO COMPANY	MITIGATION OF RISK	ASSESSMENT OF CHANGE IN RISK YEAR ON YEAR
Cyber crime	**A cyber crime attack could disable the Group's key IT systems and compromise data security**	Customer bank or payment card details are not processed or stored in the Group's IT systems. Comprehensive security measures are in place with regular tests carried out. We have deployed additional security products to further strengthen our protection and invested during 2017 in technology infrastructure to afford us better protection. Development in cybercrime and preventative strategies are constantly reviewed.	**+** Whilst we invested in increased levels of protection during 2017, the frequency and severity of cybercrime attacks against companies continue to increase.
People	**The Group's reliance on key management and other personnel could put pressure on the business if they were to leave** Attracting and retaining high calibre people is a key priority and a central focus in striving for excellent customer service across the Group's business channels.	Effective recruitment policies and people development means the Group can take full advantage of the recovery in its performance. Long term incentive share awards were granted to senior employees during the year to more closely align their interests to those of the Group and a SAYE scheme is in operation.	**+** Whilst we continue to invest in our people we are mindful of an increased risk within the senior leadership team as a result of no incentives being paid in the year. We continue to manage Board succession closely, and have commenced a search for a new Chairman, given the similar tenure of the Chairman and CEO. The risk is monitored and addressed through a Management Talent Review and Board evaluation.
GDPR	**The General Data Protection Regulations come into force in May 2018** This legislation significantly extends requirements of companies to ensure that all personal data is handled in accordance with the new regulations. The penalties for non-compliance are potentially severe.	The company has a good understanding of GDPR and has a detailed plan in place to address the resulting requirements. We already have a good understanding of where personal data is held within our business. We have engaged a third party consultancy to assist us on our path to compliance.	**=** The risk remains level on last year. We have invested significantly in our GDPR readiness during 2018 and are currently gaining a better understanding of the potential risks associated with the new legislation. We will continue to develop our capability and responses to GDPR related issues as real life scenarios arise.

Key to change in Risk:

+ Risk has increased

- Risk has decreased

= No change

N New Risk

3. ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information, the Group presents alternative performance measures "APMs" which are not defined or specified under the requirements of IFRS.

The Group believes that these APMs, which are not considered a substitute for or superior to IFRS measures, provide stakeholders with additional or helpful information on the performance of the business. The APMs are consistent with how the business performance is planned and reported within the internal management reporting to the board.

The key APMs that the group uses are 'like-for-like-sales (including VAT)' and 'EBITDA'. 'Like-for-like-sales (including VAT)' is defined as 'financial information for e-commerce and stores open during both the current and prior financial periods and compares 26 weeks against 26 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 and Tailor Me sales are calculated on cash receipts in the period, before adjustment for the movement in the level of deposits held.'

A reconciliation of 'like for like sales' to revenue as stated in the financial statements is presented below.

EBITDA is defined as 'Earnings before interest, tax, depreciation, amortisation and adjusting items. A reconciliation to profit on ordinary activities before taxation as stated in the consolidated statement of comprehensive income is shown in note 8.

	26 weeks to 28 July 2018 £m	26 weeks to 29 July 2017 £m
Total like-for-like sales (including VAT)	**71.0**	76.4
VAT	**(11.8)**	(12.7)
Total like-for-like sales (net of VAT)	**59.2**	63.7
Non like-for-like store sales (net of VAT)	**4.2**	2.3
Other revenue	**1.1**	0.6
Total revenue	**64.5**	66.6

4. BUSINESS SEGMENTS

The majority of the Group's turnover arose in the United Kingdom, with the exception of three stores in Ireland.

IFRS 8 'Operating Segments' requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Executive Officer to allocate resources to the segments and to assess their performance. The Chief Executive Officer is the chief operating decision-maker.

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance is focused on the split between Mainstream Retail and Hire. This is consistent with the prior year.

Information regarding the Group's continuing operating segments is reported below. E-commerce is not identified separately as an operating segment due to increasing levels of cross-over between physical store sales and customers and e-commerce sales and customers as we pursue our strategic goal of achieving full omni-channel capability.

Only revenue and gross profit have been reported for the Group's business segments, Retail and Hire, as the main operating costs, being property, related overheads and staff, cannot be separately identified as they both use the same stores and hence operating profit is not reported to the Chief Executive Officer split by Retail and Hire. Revenue and gross profit are the measures reported to the Chief Executive Officer.

On the same basis, assets cannot be allocated between Retail and Hire, and are not reported to the Chief Executive Officer separately.

Revenues outside of the United Kingdom represent less than 4% of Group revenues.

5. ADJUSTING ITEMS

	26 weeks to 28 July 2018 £'000	26 weeks to 29 July 2017 £'000	52 weeks to 27 January 2018 £'000
Store impairments	1,227	-	-
Reorganisation and employee-related costs	751	-	-
Adjustments to profit before tax	1,978	-	-

Store impairments (£1,227,000)
The Group has recognised a charge of £1,227,000 in relation to the impairment of store fixed assets where the current and anticipated future performance resulting from the current challenging trading conditions does not support the carrying value of the store assets. The Group considers that it should be treated as an adjusting item given the costs are significant in size and nature to the results of the Group in the current period.

Reorganisation and employee-related costs (£751,000)
The charge in the period represents reorganisation costs associated with changes to the Group's employee structure. These costs are considered to be an adjusting item as the total programme cost is significant in value and relates to a significant strategic reorganisation of the Group.

6. TAX

The effective current tax rate on the reported profit before tax for the 26 week period to 28 July 2018 is -33.5% (29 July 2017: 22.6%; 27 January 2018: 20.6%), representing the expected average annual effective current tax rate for the full year, applied to the pre-tax income of the 26 week period.

7. EARNINGS PER SHARE

Basic earnings per ordinary share is based on the weighted average of 100,499,839 (29 July 2017: 100,417,250; 27 January 2018: 100,458,586) ordinary shares in issue during the period after deducting for shares held by the Employee Benefit Trust and are calculated by reference to the loss attributable to shareholders of £2,097,000 (29 July 2017: profit of £2,899,000**; 27 January 2018: profit of £5,261,000**).

Diluted earnings per ordinary share is based upon the weighted average of 101,089,380 (29 July 2017: 100,812,389; 27 January 2018: 100,798,679) ordinary shares, after deducting shares held by the employee Benefit Trust, that were non-dilutive for the period presented and could dilute earnings per share in the future and are calculated by reference to the profit attributable to shareholders as stated above.

Basic earnings per share	**26 weeks to 28 July 2018 Pence**	26 weeks to 29 July 2017 Pence **Restated	52 weeks to 27 January 2018 Pence **Restated
Adjusted[2] basic earnings per share	**0.30**	2.89	5.24
Impact of adjusting items[3]	**(2.39)**	-	-
Basic earnings per share	**(2.09)**	2.89	5.24

Diluted earnings per share	**26 weeks to 28 July 2018 Pence**	26 weeks to 29 July 2017 Pence **Restated	52 weeks to 27 January 2018 Pence **Restated
Adjusted[2] diluted earnings per share	**0.30**	2.88	5.22
Impact of adjusting items[3]	**(2.37)**	-	-
Diluted earnings per share	**(2.07)**	2.88	5.22

**Amounts have been restated due to the effect of IFRS 15 as detailed in note 12
[2]Adjusted represents results before adjusting items as defined in note 2 of the Financial Statements
[3]Refer to note 5

8. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ("EBITDA")

EBITDA as reported in the Financial Summary on page 4 is calculated as follows:

	26 weeks to 28 July 2018	26 weeks to 29 July 2017 **Restated	52 weeks to 27 January 2018 **Restated
Profit on ordinary activities before tax and adjusting items	**235**	3,860	6,623
Deduct:			
Investment revenues	**(37)**	(12)	(37)
Financial costs	**-**	-	-
Add:			
Depreciation of property, plant and equipment	**2,984**	2,849	5,720
Amortisation of intangible assets	**482**	403	862
Amortisation of compulsory purchase compensation	**-**	(102)	-
EBITDA	**3,664**	6,998	13,168

** Amounts have been restated due to the effect of IFRS 15 as detailed in note 12

9. DIVIDENDS

The directors have declared an interim dividend of 1.50 pence per share (HY1 2017: 2.03 pence per share) payable on 23 November 2018 to shareholders on the register on 19 October 2018 with an ex-dividend date of 18 October 2018.

10. RELATED PARTY TRANSACTIONS

The Group had no material related party transactions other than on an arm's length basis, which might reasonably be expected to influence decisions made by other users of the condensed set of financial statements.

TRADING TRANSACTIONS

Moss Bros agreed a sublet of a store lease to White Stuff Ltd ("White Stuff"). Debbie Hewitt, Chairman of Moss Bros Group plc, is also Chairman and Director of White Stuff. The transaction was on arm's length commercial terms and Debbie Hewitt took no part in determining the commercial terms offered by Moss Bros or in the decision to accept them taken by White Stuff. The sublet is from June 2014 until December 2021 at a rent of £50,000 per year. A capital contribution of £50,000 was paid to White Stuff on completion of the agreement.

At 28 July 2018, the balance due from White Stuff was £nil (27 January 2018: £nil) in respect of service charges payable in arrears.

NCC Group Limited is considered a related party of the Group because Debbie Hewitt, Chairman of Moss Bros Group plc was a Non-Executive Director until March 2018. All transactions with NCC Group Limited have been on an arm's length basis. At 28 July 2018, total purchase from NCC Group Limited was £33,000, including VAT, (27 January 2018: £5,000, including VAT), of which £nil was outstanding at the half year (27 January 2018: £nil).

Berkeley Burke Trustee Company Limited is considered a related party of the Group because Brian Brick, Chief Executive Officer of Moss Bros Group plc is a beneficiary of the pension fund. On 8 December 2011, Moss Bros Group plc agreed a long-term lease with Berkeley Burke Trustee Company Limited, a pension fund and the superior landlord, for a store in Hounslow, on an arm's length basis.

AAK Limited is considered a related party of the Group because Maurice Helfgott, Senior Independent Non- Executive Director of Moss Bros Group plc, has a close relative holding a key management position with significant influence and who is a significant shareholder at AAK Limited. All transactions with AAK Limited have been on an arm's length basis. At 28 July 2018, total purchase from AAK Limited was £200,000, including VAT, (27 January 2018: £2,500,000, including VAT), of which £nil was outstanding at the half year end.

11. SHARE-BASED PAYMENTS

In 2009/10 a new equity-settled Long Term Incentive Plan (LTIP) was approved by shareholders. During the period to 28 July 2018, under the same 2009/10 LTIP scheme, 1,504,280 shares were awarded to senior employees on 30 April 2018. In accordance with this plan, the shares are exercisable at nil cost, subject to the satisfaction of performance conditions and the requirement for the continued employment during the vesting period. The 2018 grant has performance conditions which are split between market-based and non-market based conditions. The Monte Carlo valuation model is used for the non-market based proportion of the grant. These grants are accounted for in accordance with IFRS 2 'Share-based Payments'.

A Save As You Earn (SAYE) scheme was approved and adopted in 2012/13 and is open to all employees to benefit from the continued growth of the business. During the period to 28 July 2018, a further grant was made.

The amount recorded in the income statement for share-based payments under IFRS2 in the period to 28 July 2018 was £21,000 (29 July 2017: £33,000; 27 January 2018: £167,000).

A deferred tax adjustment was recorded in the share-based payment reserve of £41,000 credit in the period to 28 July 2018 (29 July 2017: credit of £57,000, 27 January 2018: debit of £6,000).

12. RESTATEMENT OF PRIOR YEAR FIGURES

IFRS 15 which has been effective since 28 January 2018. This has been applied retrospectively to the prior year resulting in a restatement of prior year figures. This has had the effect of reducing profit before tax by £366,000 for the 26 weeks to 29 July 2017 and by £90,000 in the 52 weeks to 27 January 2018. A full reconciliation of the restatements can be found below:

	26 Weeks to 29 July 2017			**52 Weeks to 27 January 2018**		
	As reported £'000	**IFRS 15 impact £'000**	**As restated £'000**	**As reported £'000**	**IFRS 15 impact £'000**	**As restated £'000**
Consolidated statement of comprehensive income						
Revenue	66,618	0	**66,618**	131,774	50	**131,824**
Cost of sales	(25,847)	(260)	**(26,107)**	(52,948)	(84)	**(53,032)**
Gross profit	40,771	(260)	**40,511**	78,826	(34)	**78,792**
Shops' selling and marketing costs	(33,681)	(106)	**(33,787)**	(66,234)	(56)	**(66,290)**
Operating profit	4,214	(366)	**3,848**	6,655	(90)	**6,565**
Profit on ordinary activities before taxation	4,226	(366)	**3,860**	6,713	(90)	**6,623**
Profit on continuing operations after taxation	3,265	(366)	**2,899**	5,351	(90)	**5,261**
Profit after taxation attributable to equity holders of the parent	3,265	(366)	**2,899**	5,351	(90)	**5,261**
Total comprehensive income	2,418	(366)	**2,052**	3,498	(90)	**3,408**
Basic earnings per share	3.25p	(0.36p)	**2.89p**	5.33p	(0.09p)	**5.24p**
Diluted earnings per share	3.24p	(0.36p)	**2.88p**	5.31p	(0.09p)	**5.22p**
Consolidated statement of Changes in equity						
Profit for the Period	3,265	(366)	**2,899**	5,351	(90)	**5,261**
Total comprehensive income	2,418	(366)	**2,052**	3,498	(90)	**3,408**
Total equity	35,580	(366)	**35,214**	34,421	(90)	**34,331**
Consolidated balance sheet						
Inventories	15,241	0	**15,241**	15,393	197	**15,590**
Total current assets	41,118	0	**41,118**	37,464	197	**37,661**
Total assets	64,949	0	**64,949**	61,608	197	**61,805**
Trade and other payables	20,556	366	**20,922**	18,383	287	**18,670**
Total current liabilities	23,252	366	**23,618**	21,776	287	**22,063**
Total liabilities	29,369	366	**29,735**	27,187	287	**27,474**
Net assets	35,580	(366)	**35,214**	34,421	(90)	**34,331**
Retained earnings	22,238	(366)	**21,872**	22,284	(90)	**22,194**
Equity attributable to equity holders of parent	35,580	(366)	**35,214**	34,421	(90)	**34,331**
Consolidated cash flow statement						
Profit after taxation	3,265	(366)	**2,899**	5,351	(90)	**5,261**
Increase in inventories	1,468	0	**1,468**	1,316	(197)	**1,119**
Increase in payables	3,867	366	**4,233**	1,612	287	**1,899**

13. HALF-YEARLY REPORT

This half-yearly report is available on application from the Company Secretary, Moss Bros Group PLC, 8 St. John's Hill, London SW11 1SA (and on the Company's website www.mossbros.co.uk).