

20 June 2019



Q1 TRADING STATEMENT FOR THE 13 WEEKS TO 1 JUNE 2019

Solid trading performance, continued growth in digital revenue, full year expectations unchanged

N Brown Group Plc today announces the following trading update covering the 13 week period to 1 June 2019.

Q1 highlights:

- Digital revenue +3.0%
- Product revenue -5.4%¹
- Financial services revenue +8.0%
- Total revenue -3.8%
- 83% of total revenue now digital, an increase of 9ppts²
- 84% of digital traffic now from mobile devices, an increase of 6ppts²
- No change to full year guidance

Steve Johnson, CEO, commented:

"We're pleased to report a solid trading performance in the first quarter. In line with our strategy, we delivered digital revenue growth across JD Williams, Simply Be, Ambrose Wilson and Jacamo as we continue to improve our customer offer whilst managing the decline of our legacy offline business.

The retail market remains challenging, but we have a clear strategy to deliver profitable digital growth and our full year expectations are unchanged."

Q1 revenue performance

	Digital revenue % change yoy	Revenue % change yoy
JD Williams	+5.9%	-2.8%
Simply Be ³	+4.6%	+2.2%
Ambrose Wilson	+10.1%	-16.2%
Womenswear	+5.7%	-3.3%
Menswear⁴	+8.8%	+7.7%
Product brands	-3.7%	-12.7%
Total Product revenue¹	+3.0%	-5.4%
Financial Services revenue	-	+8.0%
Total revenue excluding stores and US	-	-1.3%
Total revenue	-	-3.8%

¹Total Product revenue defined as continuing operations excluding stores and US

²Compared with 13 weeks to 2 June 2018

³Simply Be excludes US revenue this year and the prior year

⁴Menswear is the Jacamo brand

Within **Womenswear**, JD Williams delivered 5.9% digital growth and 78% of revenue is now digital. Simply Be increased digital revenue by 4.6% in the quarter. As previously highlighted, Simply Be's growth rate is expected to be lower in the first half of this financial year as we increasingly move to customer lifetime value modelling. Ambrose Wilson delivered strong digital revenue growth of 10.1% in the quarter and 56% of its revenue is now digital, an increase of 13ppts year-on-year. **Menswear** digital revenue increased 8.8% in the quarter driven by a good performance from Jacamo.

Product brands revenue declined 12.7% in the quarter in line with our strategy of scaling back unprofitable offline marketing and recruitment. A strong digital performance from Oxendales and Figleaves was more than offset by the continued managed decline in House of Bath, High & Mighty and Premier Man.

Revenue from **Financial Services** increased 8.0% year on year, driven by the continued growth in the loan book.

FY20 Guidance is unchanged

- Product gross margin flat to -100bps
- Financial Services gross margin flat to -100bps
- Group operating costs -2.5% to -4.5%
- Depreciation & Amortisation £31m to £33m
- Net interest £17m to £18m
- Tax rate c.20-21%
- Capex c.£35-40m
- Net debt £440m to £460m, although half year net debt will be in the range £475m to £500m given continued customer redress and tax settlement payments.

Reporting calendar

We will be announcing our first half results on 10th October 2019.

For further information:

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