BURBERRY

NOVEMBER 2011

BURBERRY

- **AUTHENTIC BRITISH HERITAGE**
  – Rooted in integrity of outerwear
- **BROAD CONSUMER APPEAL**
  – Across genders and generations
- **UNIQUE DEMOGRAPHIC POSITIONING**
- **GLOBAL REACH**
- **DIVERSIFIED BUSINESS MODEL**
  – By channel
  – By region
  – By product
- **STRONG BRAND MOMENTUM DRIVEN BY DIGITAL INITIATIVES**
- **UNDERPINNED BY OPERATIONAL EFFICIENCIES**
- **STRONG FINANCIAL POSITION**

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WELL-POSITIONED FOR LONG-TERM GROWTH

- **BY CHANNEL**
  – Retail expansion: c.15% new space in H2
  – Selective wholesale growth: Americas and Travel Retail
  – Digital commerce
- **BY REGION**
  – Drive growth in core regions, especially flagship markets
  – Emerging Markets growth and evolution
- **BY PRODUCT**
  – Non-apparel
  – Womenswear
  – Menswear
  – Childrenswear
- **EARLY BENEFITS FROM STRATEGIC INVESTMENTS IN**
  – Supply chain
  – Systems, planning and replenishment
  – Digital marketing

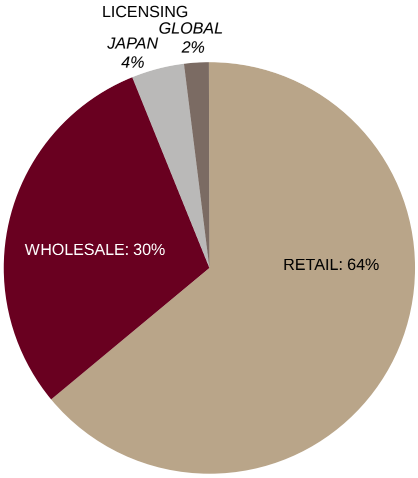
3

FIRST HALF ACHIEVEMENTS

- **RECORD FIRST HALF**
  – Revenue up 30% to £830m
  – Adjusted PBT up 25% to £162m
  – Retail/wholesale operating margin 14.9%
  – £174m cash
  – Dividend up 40% to 7.0p
- **CONSISTENT MOMENTUM BY CHANNEL, REGION AND PRODUCT**
- **INNOVATION SUSTAINING COMPETITIVE ADVANTAGE**
- **SECOND HALF OUTLOOK**
  – Tougher comps in retail and wholesale
  – Challenging macro environment
  – Respond appropriately if slowdown
  – Investing for growth

4

REVENUE GREW DOUBLE-DIGIT IN RETAIL AND WHOLESALE

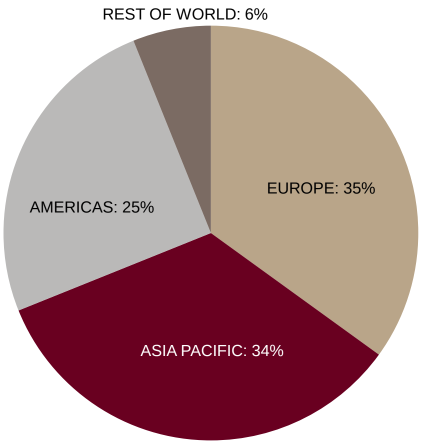


H1 2011 REVENUE

	FY 09/10 %	FY 10/11 %	H1 2011 %
RETAIL	**15**	**32**	**45**
WHOLESALE	**(15)**	**16**	**9**
LICENSING	**(6)**	**(4)**	**4**
	1	**24**	**30**
RETAIL COMPS	**7%**	**11%**	**16%**

UNDERLYING REVENUE GROWTH

REVENUE GREW DOUBLE-DIGIT IN ALL REGIONS

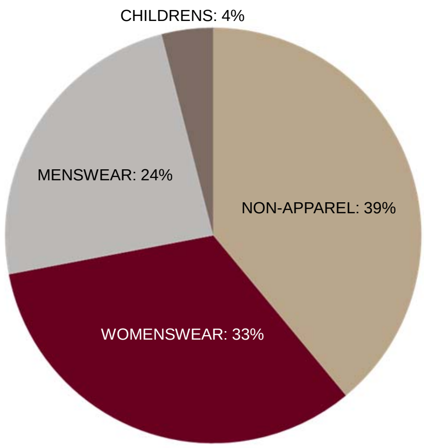


H1 2011 RETAIL/WHOLESALE REVENUE

	FY 09/10 %	FY 10/11 %	H1 2011 %
EUROPE	**3**	**15**	**18**
ASIA PACIFIC	**13**	**53**	**52**
AMERICAS	**2**	**16**	**27**
REST OF WORLD	**27**	**43**	**35**

UNDERLYING REVENUE GROWTH

REVENUE GREW DOUBLE-DIGIT IN ALL PRODUCTS

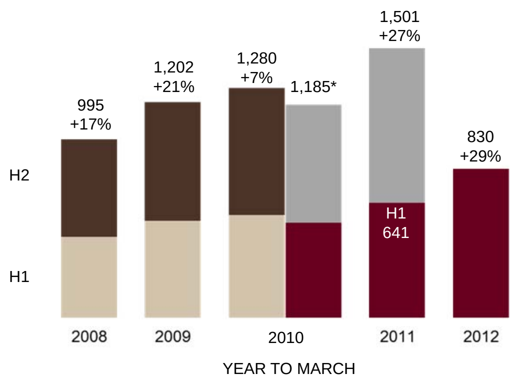


H1 2011 RETAIL/WHOLESALE REVENUE

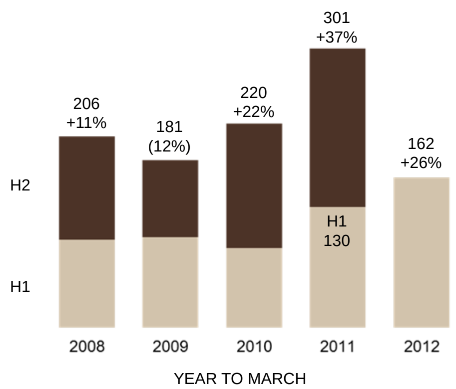
	FY 09/10 %	FY 10/11 %	H1 2011 %
NON-APPAREL	**10**	**32**	**28**
WOMENSWEAR	**(3)**	**21**	**35**
MENSWEAR	**(7)**	**29**	**37**
CHILDRENS	**39**	**23**	**24**

UNDERLYING REVENUE GROWTH

REVENUE AND OPERATING PROFIT



REVENUE £M

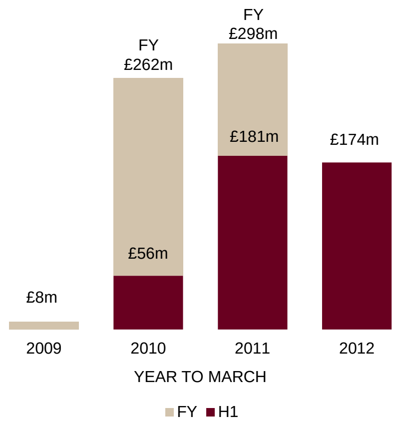


ADJUSTED OPERATING PROFIT £M

* FY 2010 re-presented to exclude the discontinued Spanish operations

STRONG CASH GENERATION

- **NET CASH OF £174M AT SEPTEMBER 2011**
- **INVEST TO GROW BUSINESS**
  - £180-200m of capital expenditure in FY 2012
  - Focus on retail, especially flagship markets
- **40% DIVIDEND PAYOUT POLICY**
  - H1 2011 dividend up 40% to 7p, rebalancing between halves
- **£300M BANKING FACILITIES**
  - Mature June 2016



NET CASH

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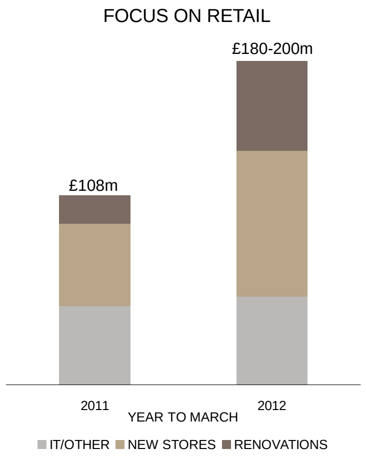
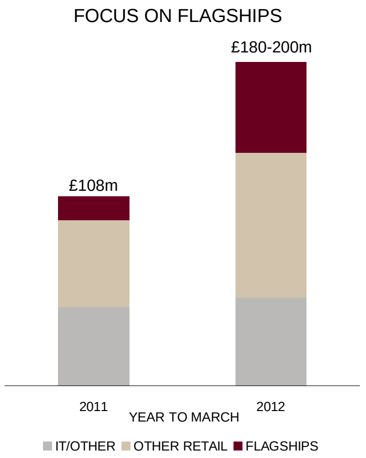
INCREASED CAPITAL EXPENDITURE



CAPITAL EXPENDITURE



CAPITAL EXPENDITURE

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OUTLOOK

RETAIL	15% increase in average selling space in H2
WHOLESALE	Mid single-digit % underlying growth in H2 - Up mid teens % excluding • Saudi Arabia conversion to retail • Spain menswear conversion to concessions • Accelerated rationalisation of distribution in Europe and US
LICENSING	Mid single-digit % underlying growth in FY - Up around 10% at reported FX
UNDERLYING TAX RATE	c.26.5% for FY
DIVIDEND POLICY	40% full year payout based on adjusted diluted EPS
CAPITAL EXPENDITURE	£180-200m in FY

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CONTINUED PROGRESS ON STRATEGIC INITIATIVES

LEVERAGING THE FRANCHISE

INTENSIFYING NON-APPAREL DEVELOPMENT

ACCELERATING RETAIL-LED GROWTH

INVESTING IN UNDER-PENETRATED MARKETS

PURSUING OPERATIONAL EXCELLENCE

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LEVERAGING THE FRANCHISE
ONE COMPANY, ONE BRAND

- **OUTERWEAR**
  – More than half of apparel sales
  – Reinforcing heritage and leadership
  – Accelerating innovation
  – Reduces fashion risk
- **GROW MENSWEAR**
  – SS11 first collection designed in-house
  – Protect and defend outerwear
  – Grow tailoring
  – Reposition lifestyle
- **BURBERRY LONDON/BRIT SEGMENTATION**
  – Real estate gains in department stores
  – Five Burberry Brit trial stores in US and two in Europe
- **EVALUATE INTEGRATION OPPORTUNITIES IN LICENSING**

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LEVERAGING THE FRANCHISE
EMBRACING DIGITAL MEDIA

- **MARKETING SPEND BROADLY FLAT AS % OF REVENUE**
  – Shifting to digital
- **DIGITAL CRITICAL FOR REACH**
  – Especially for younger luxury consumer
- **INNOVATION IN DIGITAL SPACE**
  – Social media: over 9m Facebook fans
  – Livestream runway shows globally, including first ever Tweetwalk
  – Retail theatre in over 100 stores
  – New digital commerce platform
  – Burberry Bespoke offering personalised trench coats
- **INNOVATIVE LAUNCH OF BURBERRY BODY FRAGRANCE**
  – Multi-million pound marketing campaign
  – Synchronisation across all channels
  – Samples offered exclusively via Facebook
  – TV ad campaign premiered on YouTube
  – High profile outdoor advertising

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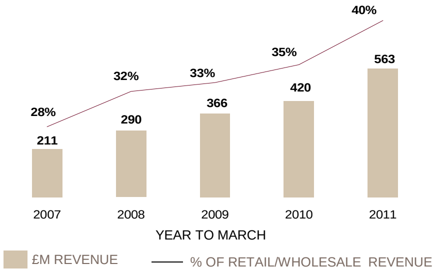
INTENSIFYING NON-APPAREL DEVELOPMENT
BUILDING ON MOMENTUM



AW10/SS11 ORDER BOOKS
Soft includes scarves, mufflers, hats and umbrellas

- **NON-APPAREL 40% OF REVENUE IN FY 2011**
- **HALF FROM LARGE LEATHER GOODS**
  - Second core offering alongside outerwear
- **MEN'S ACCESSORIES**
  - Male-dominated Emerging Markets
- **INNOVATION IN SOFT ACCESSORIES**
- **CONTINUED OPPORTUNITY IN SHOES**
  - Strengthening offer throughout pyramid
  - Brand momentum from runway shoes
- **IMPROVE RATIO OF SLGs TO LLGs**
  - Peers sell 2-3 SLGs per bag
  - Burberry sells less than one
- **APPLYING OPERATIONAL EXCELLENCE**
  - SAP
  - Global buy
  - Replenishment

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ACCELERATING RETAIL-LED GROWTH
FOCUS INVESTMENT ON FLAGSHIP MARKETS

- **RETAIL REVENUE UP 45% UNDERLYING IN H1 2011**
  - Up 31% excluding China
  - Retail 64% of sales
  - Flagship markets outperformed
  - Net eight mainline stores opened
- **FY 2012 CAPITAL EXPENDITURE PLANNED AT £180-200M**
  - Enabled by strong brand momentum and improved store productivity
  - Focused in flagship markets including London and Chicago
  - New stores and refurbishments
    - 15-20 mainline stores
    - 15-20 major refurbishments
- **FOCUS ON RETAIL PRODUCTIVITY**
  - Replenishment
  - High impact monthly presentations
  - Sales and service programmes

CANTON ROAD – HONG KONG

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INVESTING IN UNDER-PENETRATED MARKETS
GAINING SHARE

- **EMERGING MARKETS 19% OF H1 REVENUE (FY 2008: 6%)***
  - Entering new markets with franchisees
  - Taking direct control at appropriate stage
  - Increasing investment in stores, infrastructure, retail disciplines, marketing and social media
- **NORTH AMERICA WHOLESALE UP NEARLY 25% IN H1 2011**
  - Continue to outperform in retail sell-through
  - Pursue initiatives to drive productivity of existing space
  - Label segmentation helps to gain space in selected doors
- **JAPAN NON-APPAREL JV**
  - Two stores and 13 concessions today
  - Terminated domestic premium handbag and other licences

SÃO PAULO

MEN'S LONDON - BLOOMINGDALES

* EMERGING MARKETS INCLUDES CHINA, INDIA, RUSSIA, TURKEY, EASTERN EUROPE, LATIN AMERICA AND THE MIDDLE EAST

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PURSUING OPERATIONAL EXCELLENCE
STARTING TO BENEFIT FROM FIVE YEARS OF STRATEGIC INVESTMENTS

- **ALL MAJOR MARKETS NOW LIVE ON SAP**
  - US and SE Asia went live FY 2010
  - Korea and Brazil went live FY 2011
  - Middle East and China went live FY 2012
  - Benefits of global implementation will be delivered over coming years
- **MONTHLY PRODUCT FLOW**
  - Synchronisation across all channels and functions
- **REPLENISHMENT**
  - Now 50% of sales in mainline stores
- **SUPPLY CHAIN AND LOGISTICS**
  - Progress on refining and optimising operating business model

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BURBERRY

APPENDIX

DISCLAIMER

Certain statements made in this presentation are forward-looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from any expected future results in forward-looking statements. Burberry Group plc undertakes no obligation to update these forward-looking statements and will not publicly release any revisions it may make to these forward-looking statements that may result from events or circumstances arising after the date of this document. All persons, wherever located, should consult any additional disclosures that Burberry Group plc may make in any regulatory announcements or documents which it publishes. All persons, wherever located, should take note of these disclosures. This presentation does not constitute an invitation to underwrite, subscribe for or otherwise acquire or dispose of any Burberry Group plc shares, in the UK, or in the US, or under the US Securities Act 1933 or in any other jurisdiction.

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ADJUSTED MEASURES

H1 2010 has been re-presented to exclude the results of the discontinued business in Spain.
Discontinued operations in H1 2011 include an operating profit of £0.6m (H1 2010: operating loss £2.7m) and nil restructuring costs (H1 2010: £7.6m)

Adjusted measures exclude the put option liability finance charge relating to the third party 15% economic interest in the Chinese business of £2.9m in H1 2011 (H1 2010: £0.5m)

Underlying change is calculated at constant exchange rates

Certain financial data within this presentation have been rounded

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FINANCIAL HIGHLIGHTS

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M	CHANGE
REVENUE	829.6	641.1	29%
ADJUSTED PBT	161.6	128.5	26%
ADJUSTED DILUTED EPS	26.9p	21.1p	27%
DIVIDEND PER SHARE	7.0p	5.0p	40%
NET CASH	174.2	180.9	(4%)

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RETAIL/WHOLESALE PROFIT UP 32%

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M	CHANGE
RETAIL/WHOLESALE REVENUE	775.3	592.3	31%
GROSS MARGIN	517.6	380.8	
AS % OF REVENUE	*66.7%*	*64.3%*	*240bp*
OPERATING EXPENSES	(401.9)	(293.4)	
AS % OF REVENUE	*(51.8%)*	*(49.5%)*	*(230bp)*
OPERATING PROFIT	115.7	87.4	32%
AS % OF REVENUE	*14.9%*	*14.8%*	*10bp*

GOAL REMAINS TO MANAGE GROSS MARGIN AND OPERATING EXPENSES DYNAMICALLY TO DELIVER MODEST OPERATING MARGIN IMPROVEMENT IN FY 2012

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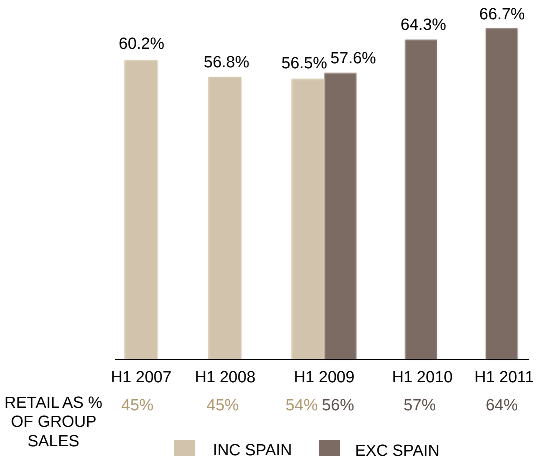
RETAIL/WHOLESALE GROSS MARGIN UP 240BP



GROSS MARGIN

- **GROSS MARGIN AT 66.7%**
  – Up 240 basis points
- **DRIVEN BY**
  – Wholesale to retail shift
  – Mainline outperformance
  – Increased replenishment

  – Burberry Prorsum and London outperformed

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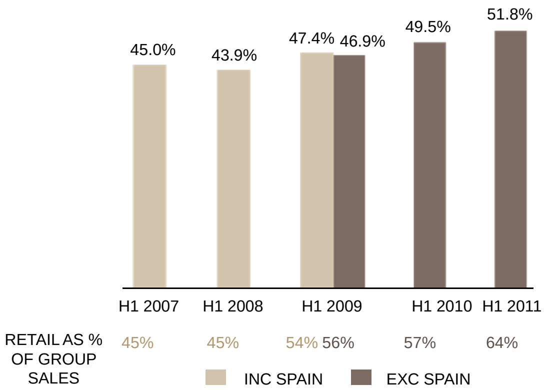
RETAIL/WHOLESALE OPERATING EXPENSES/REVENUE AT 51.8%



OPERATING EXPENSES/REVENUE

- **INCREASE REFLECTS SHIFT TO RETAIL**
  – Retail 64% of revenue in H1 2011 (2010: 57%)
- **ABOUT HALF OF INCREASE FROM**
  – Planned strategic investments
    - Five months of China
    - New markets
    - Flagship transitional costs
    - Expanded corporate functions

  – Increased share scheme costs

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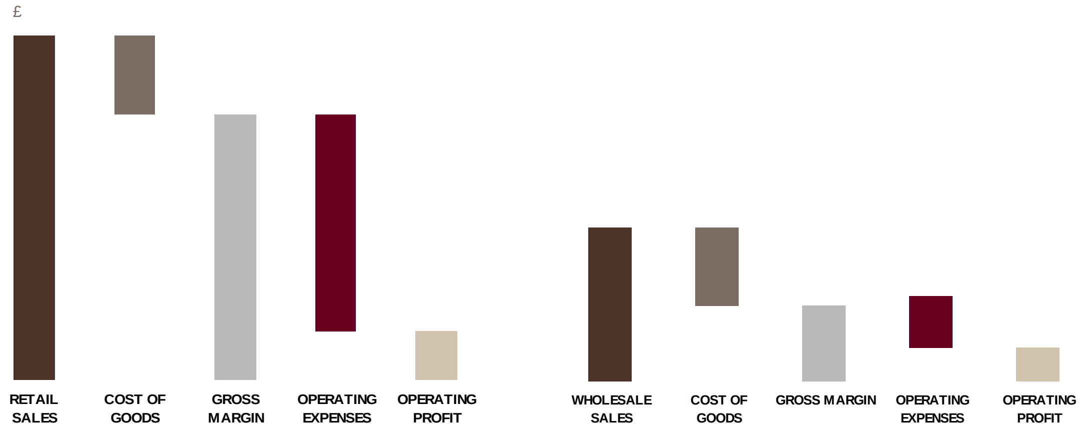
ILLUSTRATIVE IMPACT OF CHANNEL SHIFT
FROM INTERIMS, NOVEMBER 2006

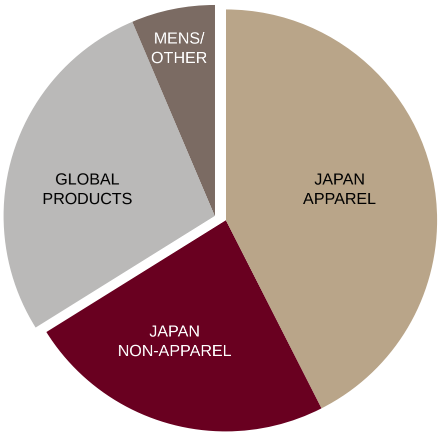


LICENSING PROFIT

SIX MONTHS TO 30 SEPTEMBER	**2011 £M**	**2010 £M**
REVENUE	54.3	48.8
GROSS MARGIN AT 100%	54.3	48.8
OPERATING EXPENSES	(7.9)	(6.5)
OPERATING PROFIT	46.4	42.3
OPERATING MARGIN	*85.5%*	*86.7%*
YEN RATE	135	145

H1 2011 INCLUDES FX BENEFIT OF £3.4M IN REVENUE AND NIL IN OPEX

LICENSING REVENUE



FY 2011 LICENSING REVENUE

- **JAPAN IS C. TWO-THIRDS OF LICENCE REVENUE**
  - Annual brand sales around £1bn
  - Premium positioning
- **APPAREL LICENCE**
  - Held by Sanyo Shokai and Mitsui
  - Licence now ends 2015
  - Roughly half is their "London" range and childrenswear
    - AW12 transition of childrenswear to Burberry's global collection
  - Roughly half is more contemporary Black/Blue labels
    - Two trial stores in Hong Kong
- **NON-APPAREL LICENCES**
  - Different licensees; short contracts
  - Terminated leather goods and other licences
- **NON-APPAREL JV REPORTS IN RETAIL /WHOLESALE**
  - Testing imported global non-apparel collection
  - Two shops in Ginza and Omotesando, Tokyo
  - 13 concessions on luxury floors in department stores
  - Less than 2% of group retail/ wholesale revenue

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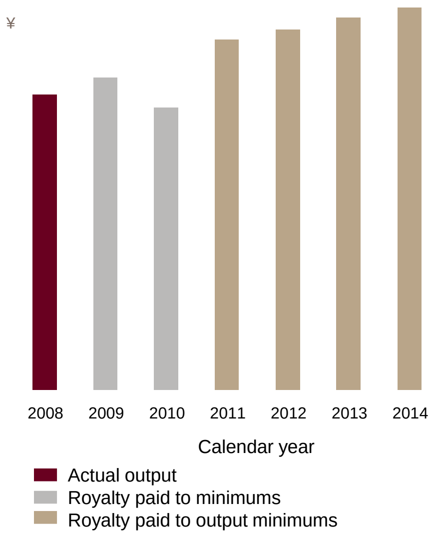
AMENDED JAPANESE APPAREL LICENCE
IMPROVES PROFITS AND STRATEGIC FLEXIBILITY



- **LICENCE NOW ENDS JUNE 2015 (PREVIOUSLY 2020)**
- **ROYALTIES HISTORICALLY PAID ON OUTPUT**
- **WORKED WITH LICENSEES TO CONTROL PRODUCTION, INVENTORY AND DISTRIBUTION**
- **AMENDMENT INCREASES PROFITS FOR BURBERRY**
- **AMENDMENT INCREASES STRATEGIC FLEXIBILITY IN MEDIUM TERM**

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INCOME STATEMENT

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M
OPERATING PROFIT	162.1	129.7
NET FINANCE CHARGE	(0.5)	(1.2)
ADJUSTED PROFIT BEFORE TAX	161.6	128.5
EXCEPTIONAL ITEMS	(2.9)	(0.5)
PROFIT BEFORE TAX	158.7	128.0
TAX	(42.8)	(36.0)
DISCONTINUED OPERATIONS	0.6	(10.3)
NON-CONTROLLING INTEREST	0.7	1.4
ATTRIBUTABLE PROFIT	117.2	83.1

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CASH FLOW FROM OPERATIONS

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M
OPERATING PROFIT	162.1	129.7
SPAIN OPERATING PROFIT/(LOSS)	0.6	(2.7)
RESTRUCTURING SPEND	(6.2)	(9.5)
DEPRECIATION AND AMORTISATION	39.5	28.6
EMPLOYEE SHARE SCHEME COSTS	16.0	10.0
INCREASE IN INVENTORIES	(90.3)	(69.8)
INCREASE IN RECEIVABLES	(43.9)	(39.6)
INCREASE IN PAYABLES	26.0	47.6
CASH INFLOW FROM OPERATIONS	103.8	94.3

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FREE CASH FLOW

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M
CASH INFLOW FROM OPERATIONS	103.8	94.3
CAPITAL EXPENDITURE	(63.0)	(47.3)
ACQUISITIONS	(11.0)	(39.4)
NET INTEREST	(0.5)	(1.3)
TAX PAID	(48.7)	(34.7)
OTHER NON CASH ITEMS	1.5	(3.2)
FREE CASH FLOW	(17.9)	(31.6)

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TOTAL CASH FLOW

SIX MONTHS TO 30 SEPTEMBER	2011 £M	2010 £M
FREE CASH FLOW	(17.9)	(31.6)
DIVIDENDS	(68.4)	(45.7)
ESOP TRUST PURCHASES	(42.2)	(6.4)
CAPITAL CONTRIBUTIONS	4.9	4.2
OTHER CASH ITEMS	0.4	0.1
EXCHANGE DIFFERENCE	(0.5)	(1.7)
TOTAL CASH FLOW	(123.7)	(81.1)
NET CASH AT 31 MARCH	297.9	262.0
NET CASH AT 30 SEPTEMBER	174.2	180.9

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ORGANISATIONAL STRUCTURE

BY REGION	AMERICAS	ASIA	EUROPE	EMERGING MARKETS
BY PRODUCT	WOMENS	CHILDRENS	MENS	NON-APPAREL
BY FUNCTION	DIGITAL	LICENSING	DESIGN	MARKETING
	SUPPLY CHAIN	IT	CORPORATE RESOURCES	FINANCE, LEGAL & STRATEGY

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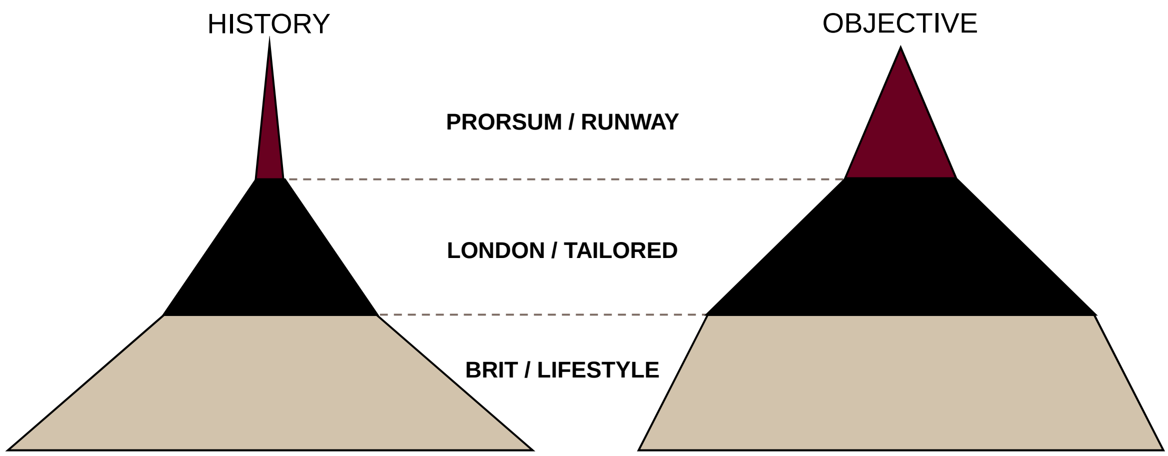
REBALANCE PRODUCT PORTFOLIO



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STORE PORTFOLIO

GLOBAL

	Directly-operated stores				
	Mainline stores	Concessions	Outlets	Total	*Franchise stores*
At 31 March 2011	174	199	44	417	*56*
Additions	12	16	3	31	*1*
Closures	(4)	(5)	(3)	(12)	-
Transfers	5	-	-	5	*(5)*
At 30 September 2011	187	210	44	441	*52*

BY REGION

	Directly-operated stores				
At 30 September 2011	Mainline stores	Concessions	Outlets	Total	*Franchise stores*
Europe	36	60	17	113	*21*
Asia Pacific	54	147	9	210	*15*
Americas	72	1	17	90	*3*
Rest of World	25	2	1	28	*13*
Total	187	210	44	441	*52*

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CHINA ACQUISITION – SEPTEMBER 2010

- **ACQUISITION OF RETAIL OPERATIONS**
  - 50 stores for c.£65m
  - 15% economic interest held by an existing franchisee
  - Comp store sales up around 30%
- **IN LINE WITH STRATEGY**
  - High potential luxury market
  - Male-dominated
  - Outerwear
  - Non-apparel and gifting
  - Childrens
  - Young luxury consumer
- **SMOOTH INTEGRATION**
- **AGGRESSIVELY INVEST IN BRAND**
- **DRIVE RETAIL PRODUCTIVITY**
- **EVOLVE STORE NETWORK**

SPARKLE ROLL - BEIJING

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CHINA
WHAT WE ACQUIRED

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DIGITAL COMMERCE

http://www.burberry.com

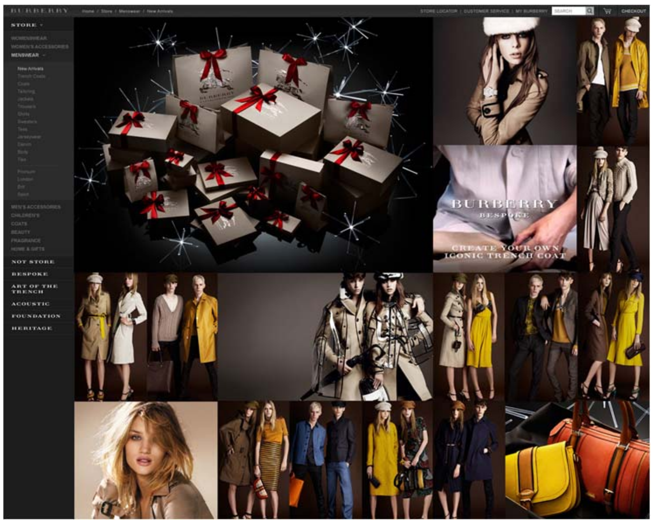
http://www.artofthetrench.com

http://www.facebook.com/burberry

http://twitter.com/burberry

http://www.youtube.com/burberry

https://plus.google.com/burberry



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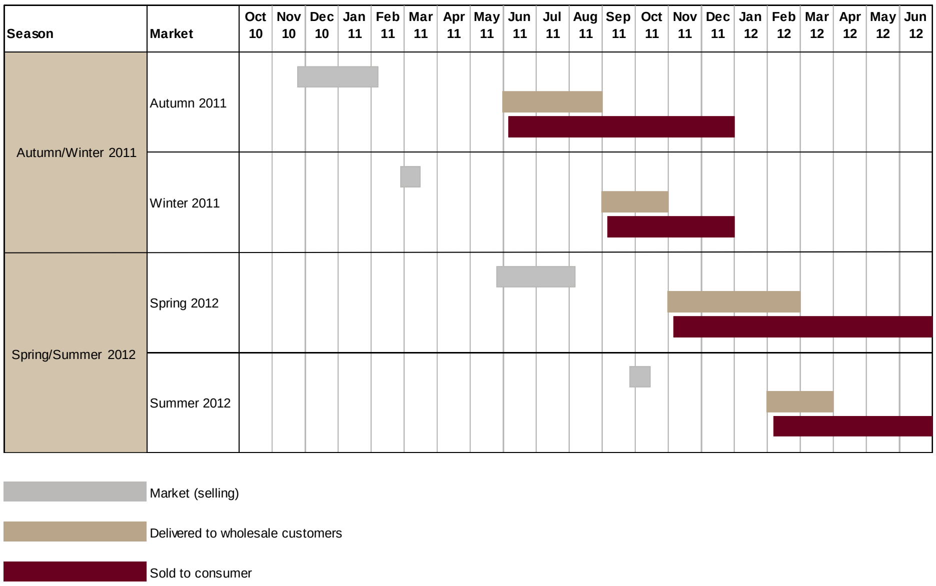
WHOLESALE CYCLE



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AMERICAN DEPOSITARY RECEIPT PROGRAMME

Burberry has an American Depositary Receipt (ADR) programme that trades on the Over-The-Counter ('OTC') market in the US.

An ADR is a receipt that is issued by a depositary bank representing ownership of a company's underlying ordinary shares. ADRs are quoted in US dollars and trade just like any other US security. The company has a sponsored Level 1 ADR programme for which the Deutsche Bank Trust Company Americas acts as Depositary.

Ratio: 1 ADR = 2 ordinary shares

Exchange: OTC

Symbol: BURBY

CUSIP: 12082W204

OTC Markets: **http://www.otcmarkets.com/stock/burby/quote**

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IR CONTACTS

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SW1P 2AW
Tel: +44 (0)20 3367 3524

www.burberryplc.com

DATES

THIRD QUARTER TRADING UPDATE AND IMS	17 January 2012
SECOND HALF TRADING UPDATE	April 2012
PRELIMINARY RESULTS	May 2012
FIRST QUARTER TRADING UPDATE AND IMS	July 2012
ANNUAL GENERAL MEETING	July 2012