

BURBERRY

LONDON ENGLAND

BURBERRY IN A SNAPSHOT

FY 2020 FINANCIAL PERFORMANCE*

Revenue
£2.6bn

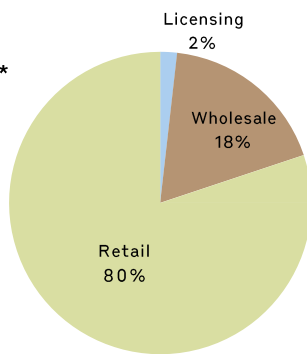
Adjusted operating profit**
£433m

Adjusted operating margin
16.4%

Cash (net of overdrafts)
£887m

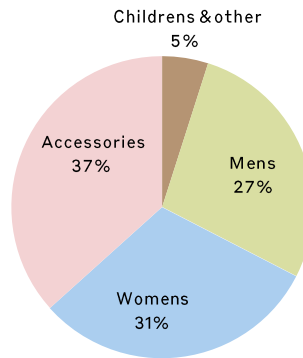
FY 2020 GROUP REVENUE

BY CHANNEL

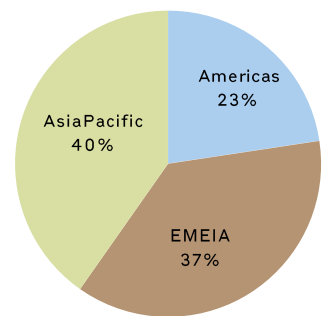


FY 2020 RETAIL/WHOLESALE REVENUE

BY PRODUCT



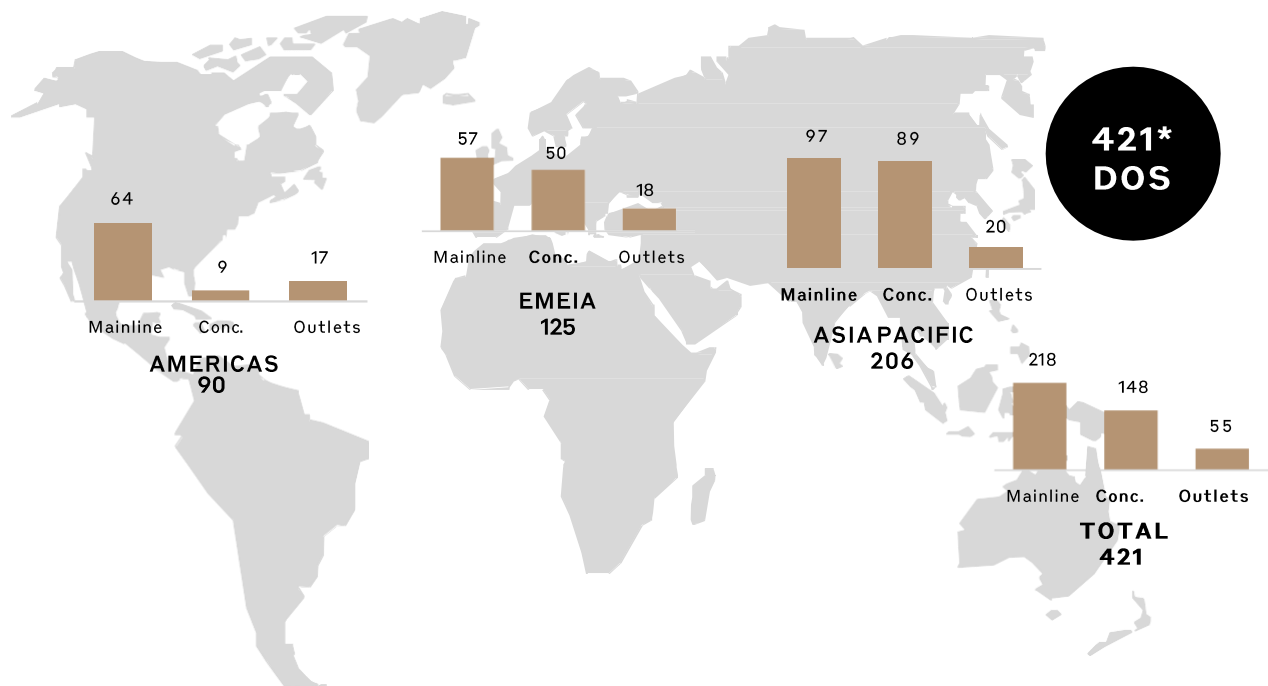
BY REGION



*Financial information is presented at reported exchange rates

**Adjusted Profit is an alternative performance measure. For details of Burberry's reported results and alternative performance measures please see page 13 of our preliminary announcement FY 2020

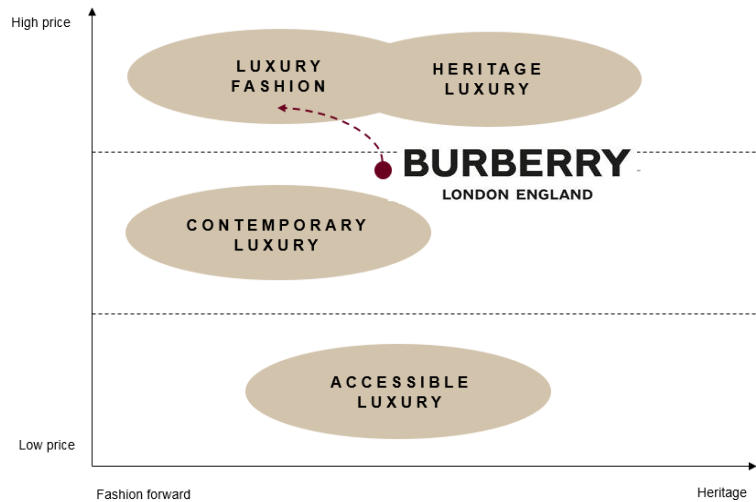
EXTENSIVE LUXURY DISTRIBUTION FOOTPRINT



*Footprint as of September 2020 Burberry also has 44 franchise stores

STRATEGY

Launched in November 2017, our strategy focuses on rooting Burberry firmly in the luxury sector. We believe that by fostering the creativity that has driven our brand since its inception, we will introduce Burberry to new customers while delighting our existing customer base. In doing so, we aim to deliver sustainable long-term value for our shareholders. We have based the strategy on four revenue drivers with two enablers as we show in the diagram below:



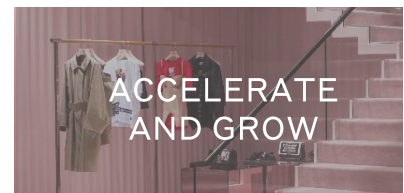
OUR TRANSFORMATION JOURNEY



- Ignite brand heat with influencers and key opinion leaders
- Manage product transition and invest in image-driving channels



- Adapt business to the COVID environment
- Continue to strengthen brand and product



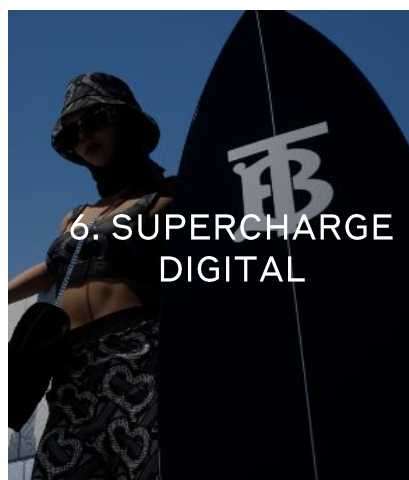
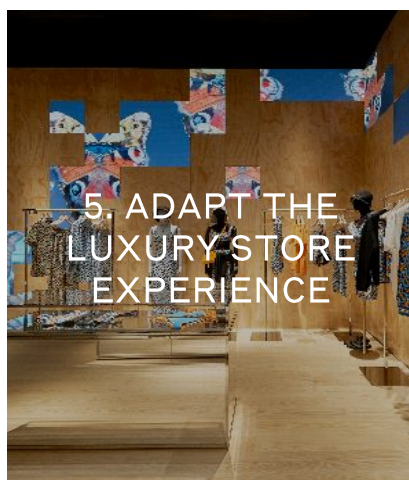
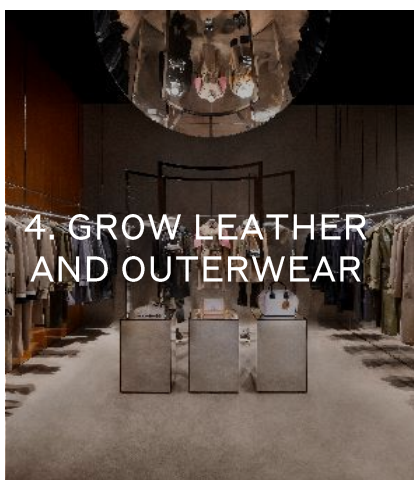
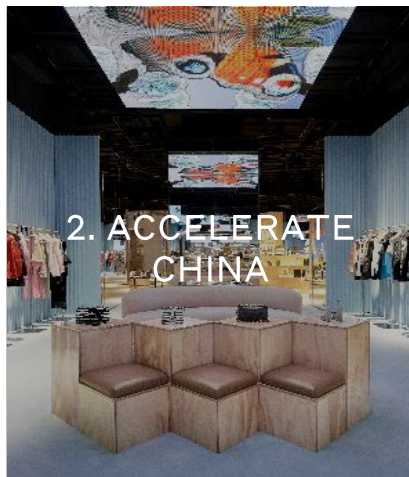
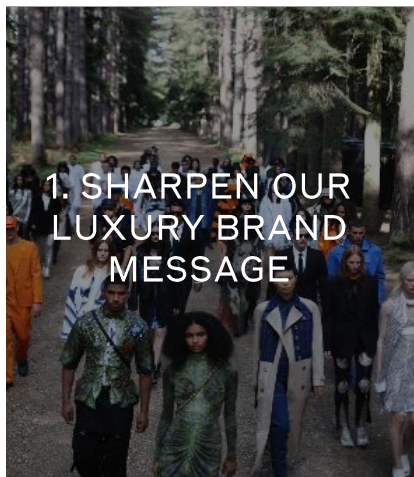
- Accelerate growth

FY18/19

▲ Next 12-18 months
 ┆ TODAY



PLANS IN PLACE TO DRIVE PERFORMANCE



FLEXIBILITY AND AGILITY

SUPPORT OUR PEOPLE AND COMMUNITIES

BALANCE SHEET AND LIQUIDITY

Q2 2021 STRATEGIC HIGHLIGHTS

Recovery underway with sequential improvement in comparable store sales to -6% in Q2 from -45% in Q1 and returning to growth in October

- **Sharpen our luxury brand message:** progress made with innovative show broadcast on Twitch, Tmall Superbrand day and Festive campaign
- **Accelerate in China:** 40% growth in domestic sales driven by localised campaigns with high visibility pop-ups and collaborations
- **Focus on local:** All regions benefiting from localisation with strong domestic growth in Americas, China, Korea and continental Europe
- **Growth in leather and outerwear:** Building on our leather bags architecture where the four main pillars (Pocket, Lola, Two-handle Title and TB) account for more than 60% sales with leather goods seeing low single digit CER sales in Q2 FY2021 compared with the group comparable store sales of -6%
- **Adapt the luxury store experience:** Innovative new store formats including our first social retail site in Shenzhen and virtual store events
- **Supercharge digital:** driving traffic at the inspiration phase of the journey with bespoke and localised content. Increased personalisation.

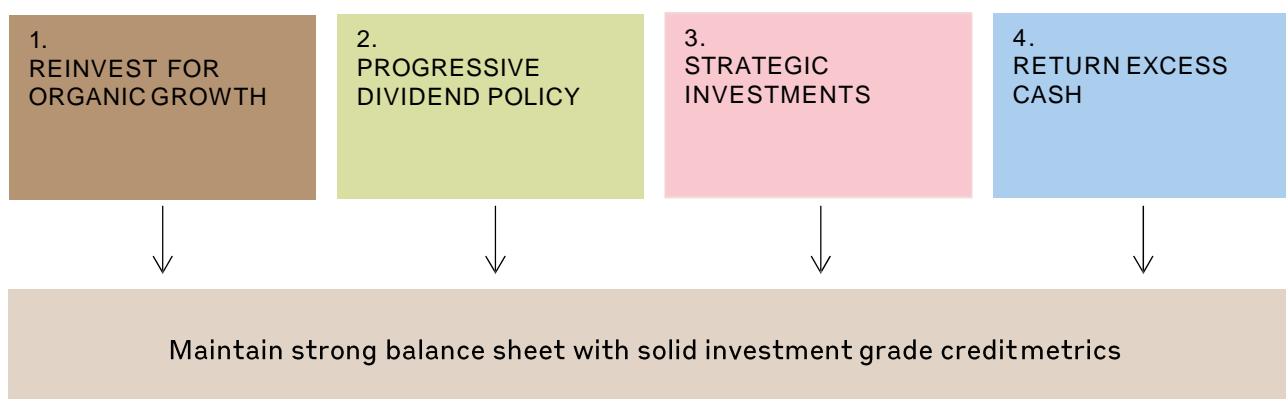
Good Q2 progress, driving outperformance in our full price channels, good traction in leather goods, strong digital performance and a high share of new and younger customers.

OUR CAPITAL ALLOCATION FRAMEWORK

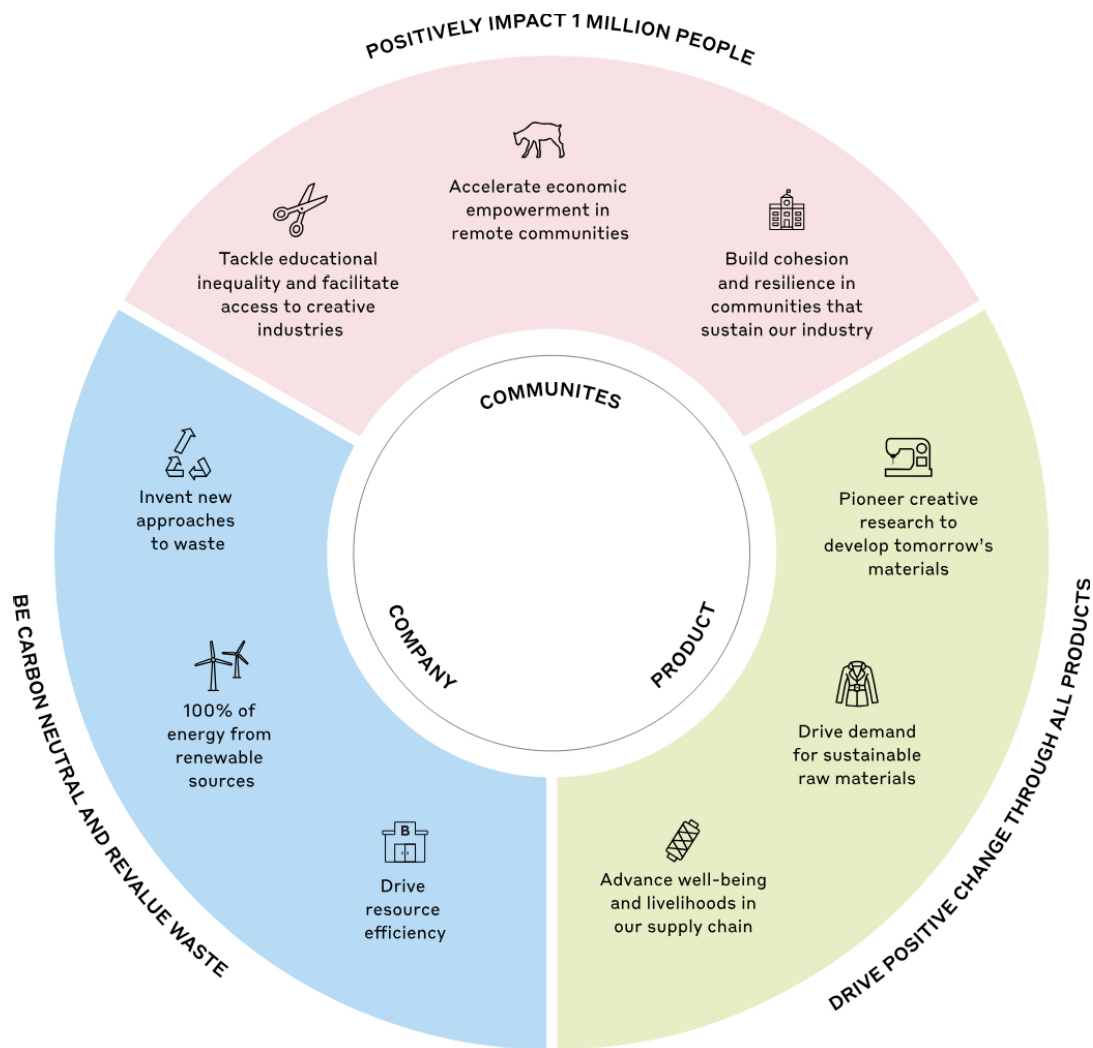
Our capital allocation principles are based on maintaining an investment grade credit rating - Moody's Baa2 (stable). We aim for Net Debt/adjusted EBITDA to be in the range of 0.5x to 1.0x – H1 FY2021 0.9x.

Our first priority for capital is to invest in organic growth

Dividends were suspended at FY2020 due to COVID-19 uncertainty and we will review the dividend position at the FY2021 as guided.



RESPONSIBILITY GOALS FOR FY 2022



DRIVE POSITIVE CHANGE THROUGH ALL PRODUCTS

Ensure 100% of products have >1 positive attribute (social and/or environmental)

FY 2020 progress:

89% of products had at least 1 positive attribute and 67% had more than one

75% of cotton procured more sustainably, including working with partners such as the BCI

64% of leather sourced from tanneries with environmental, traceability and social certifications

BECOME CARBON NEUTRAL AND REVALUE WASTE

Improving energy efficiency and reducing carbon consumption. Target 100% renewable sourced energy

FY 2020 progress:

86% reduction in market-based emissions since base year FY 2016/17[^]

90% of electricity procured from renewable sources

Ended the practice of destroying unsaleable finished products. Zero waste to landfill in key UK and Italy operations

POSITIVELY IMPACT 1 MILLION PEOPLE

Primarily supporting the Burberry Foundation in delivering impactful community projects

FY 2020 progress:

Over 290k people positively impacted in FY2020 and 416k since the start of the programme, including in the UK, US, Italy and Afghanistan.

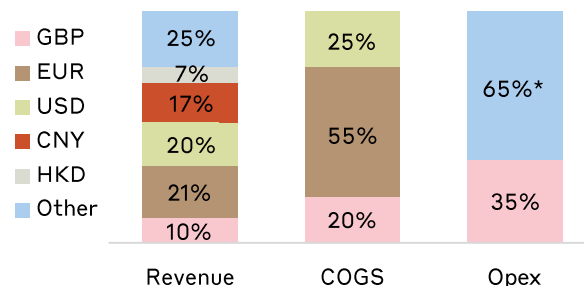
Targets relate to Burberry's 2017-2022 Responsibility strategy.

[^]Carbon neutral across 85% of our operations.

FOREIGN EXCHANGE

Exchange rates £1=	Forecast effective rates for FY 2021		Actual average exchange rates FY 2020
	30 October 2020	27 June 2020	
Euro	1.11	1.11	1.14
US Dollar	1.27	1.24	1.27
Chinese Yuan	8.76	8.79	8.88
Hong Kong Dollar	9.88	9.62	9.89
Korean Won	1,492	1,498	1,504

Simplified view of Burberry's FX exposures in 2020



*Other opex includes HKD, USD, EUR and CNY

EXECUTIVE MANAGEMENT



Marco Gobbetti became Chief Executive Officer on 5 July 2017. Marco joined Burberry from the French luxury leather group Céline, where he was Chairman and CEO from 2008 to 2016. Marco has previously served as Chairman and CEO of Givenchy and was CEO of Moschino from 1993 to 2004. In his early career Marco worked as Marketing and Sales Director at Bottega Veneta, before joining luxury leather specialist Valextra as Managing Director.



Julie joined Burberry from Smith & Nephew where she was the Group CFO from 2013-2017. Prior to this, she was Interim Group CFO of AstraZeneca after serving 25 years with AstraZeneca, working in three continents. In Julie's earlier career with AstraZeneca, she held a number of positions covering Group and Business Finance, together with Strategy and Commercial positions, including time as a Regional and Country head. She gained extensive M&A and transformational experience through the merger between Astra and Zeneca and her role in Smith & Nephew. Julie is also a NED and Audit Chair of Roche Holding Limited and on the Business Advisory Board to the Major of London. She is a Fellow of the Institute of Chartered Accountancy and the Institute of Tax, after qualifying with KPMG.

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- All metrics and commentary in this presentation are at reported FX and exclude adjusting items unless stated otherwise.
- Details of Burberry Alternative Performance Measures are set out on page 13 of the Preliminary Announcement 2020
- Certain financial data within this presentation have been rounded.