

7 February 2020

## **Burberry Group plc**

### **Update on the impact of coronavirus**

*“The outbreak of the coronavirus in Mainland China is having a material negative effect on luxury demand. While we cannot currently predict how long this situation will last, we remain confident in our strategy. In the meantime, we are taking mitigating actions and every precaution to help ensure the safety and wellbeing of our employees. We are extremely grateful for the incredible effort of our teams and our immediate thoughts are with the people directly impacted by this global health emergency.”*

Marco Gobbetti, Chief Executive Officer

Our most recent guidance for the year ended March 2020 predates the impact of the coronavirus outbreak and we wanted to update the market.

Currently 24 of our 64 stores in Mainland China are closed with remaining stores operating with reduced hours and seeing significant footfall declines. This is impacting retail sales in both Mainland China and Hong Kong S.A.R. The spending patterns of Chinese customers in Europe and other tourist destinations have been less impacted to date but given widening travel restrictions, we anticipate these to worsen over the coming weeks.

We are taking mitigating actions but the benefit in the current year will be limited given the proximity to our March year end. We also intend to continue our key growth initiatives in preparation for a recovery in luxury demand. We will provide a retail trading update following our financial year end.

We remain confident in our strategy and are very pleased with the positive response to our brand repositioning and new product. We will continue to focus on newness and fashion, and on inspiring and engaging our customers globally.

We fully support the efforts the Chinese government is taking to contain the virus and we are working in close conjunction with local authorities and partners.

## Enquiries

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### Notes to editors

- Burberry is a global luxury brand with a distinctly British attitude.
- Burberry is listed on the London Stock Exchange (BRBY.L) and is a constituent of the FTSE 100 index. Its ADR symbol is OTC:BURBY.
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