

# BURBERRY

LONDON ENGLAND

Q3 2021 TRADING UPDATE



## SUMMARY OF PROGRESS

Full-price sales growth up high single-digit

Leather goods performing well

Digital remains strong

Good growth in new and younger customers

Gross margin benefits from full-price, regional & channel mix effects and lower stock provisions

Opex and inventory management on track

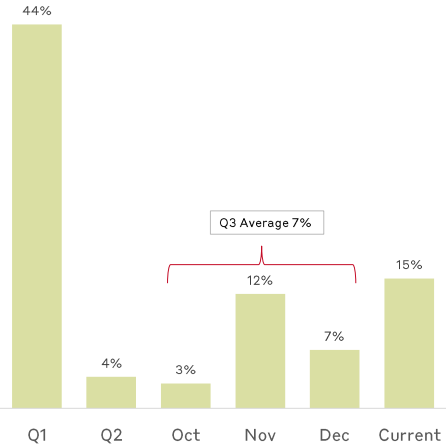
# FACTORS INFLUENCING Q3 REVENUE PERFORMANCE

Comparable sales growth

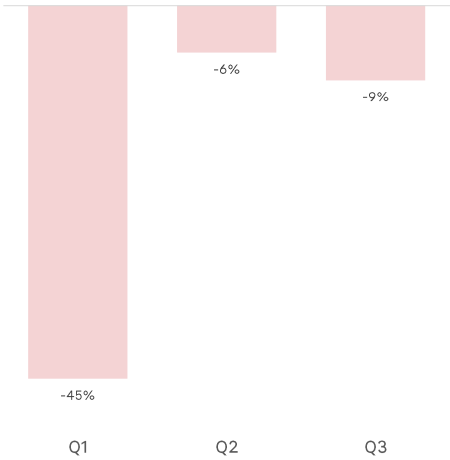
- Full-price performance ↑
- Markdown and outlet reduction ↓
- COVID-19 related store closures ↓
- Tourist-dependent destinations ↓

# Q3 FY2021 IMPACTED BY STORE CLOSURES

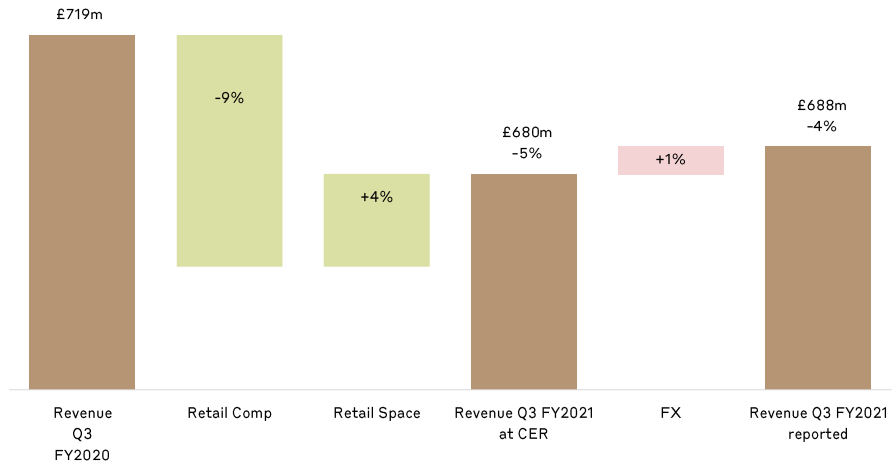
9m FY 2021 PERCENTAGE OF STORES CLOSED



9m FY2021 QUARTERLY COMPARABLE SALES GROWTH

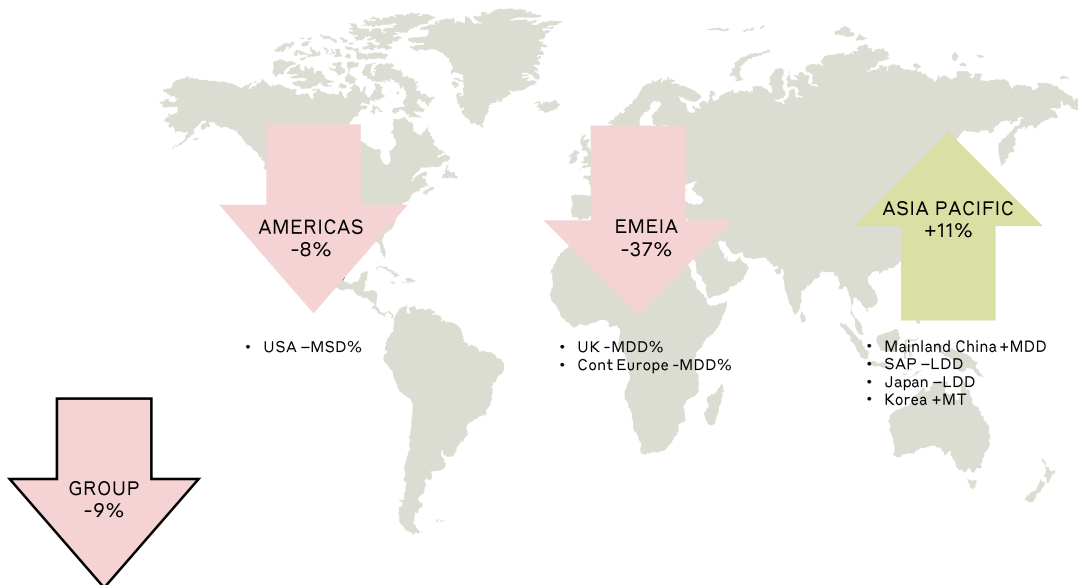


## Q3 GROUP RETAIL SALES -5% AT CER



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## Q3 COMPARABLE RETAIL STORE SALES -9%



LDD- low double digit, MSD- mid single-digit, HSD- high single-digit, MDD- mid double digit, MT- mid teens

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## Q3 FY2021 BUSINESS HIGHLIGHTS

- Full-price product performing well
- Leather goods – low-teens full-price sales growth
- Outerwear – low double digit full-price sales growth
- Digital continues to outperform
- Strong seasonal campaign with Marcus Rashford
- Lunar New Year campaign kicked off in December
- Successful localised campaigns

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## RESPONSIBILITY

Highest score on Dow Jones Sustainability index

CDP – included on the A list of companies

Burberry the first luxury company to partner with the Business Disability Forum

Joined the BBC's Creative Allies initiative

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## OUTLOOK

Encouraged by strong full-price performance in Q3

Markdown reduction to plan

Gross margin tailwind from full-price, regional & channel mix effects and lower stock provisions

Opex management in line with plan

Inventory management remains on track

Well placed to accelerate when the pandemic eases



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宋威龙  
Song Weilong  
品牌大使  
Brand Ambassador

Q&A

BURBERRY  
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## APPENDIX

## DISCLAIMER

The financial information contained in this presentation is unaudited.

Certain statements made in this announcement 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. Nothing in this announcement should be construed as a profit forecast. 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 announcement 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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## ALTERNATIVE PERFORMANCE MEASURES

All metrics and commentary in this presentation are at reported FX and exclude adjusting items unless stated otherwise.

Constant exchange rates (CER) removes the effect of changes in exchange rates compared to the prior period. This takes into account both the impact of the movement in exchange rates on the translation of overseas subsidiaries' results and also on foreign currency procurement and sales through the Group's UK supply chain.

Comparable store sales is the year-on-year change in sales from stores trading over equivalent time periods and measured at constant foreign exchange rates. It also includes online sales. The measurement of comparable sales has not excluded stores temporarily closed as a result of the COVID-19 outbreak.

Full-price sales is sales from items sold at full retail price in our own mainline retail and online network. We have described the change in full-price sales based on the year on year change and measured at constant foreign exchange rates

Markdown sales is from items that are sold at a discount to the full retail price in our own mainline retail and online network.

Store closures are based on the average stores closed due to COVID-19 as percentage of the estate measured daily.

Certain financial data within this announcement have been rounded.

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## FOREIGN EXCHANGE RATES

Exchange rates	Forecast effective rates for FY 2021		Actual average exchange rates FY 2020
	4 January 2021	30 October 2020	
£1=			
Euro	1.11	1.11	1.14
US Dollar	1.29	1.27	1.27
Chinese Yuan Renminbi	8.80	8.76	8.88
Hong Kong Dollar	10.08	9.88	9.89
Korean Won	1,495	1,492	1,504

Currency sensitivity:

Based on our latest forecast, a +/-5% move in sterling would have resulted in a -/+£35m impact on the adjusted operating profit

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### REPORTING CALENDAR

Prelim results 13 May 2021

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