

BURBERRY

LONDON ENGLAND

Q1 2021 TRADING UPDATE

Q1 2021 | TRADING UPDATE

1 RETAIL & BRAND PERFORMANCE

2 ORGANISATIONAL CHANGES

3 OUTLOOK

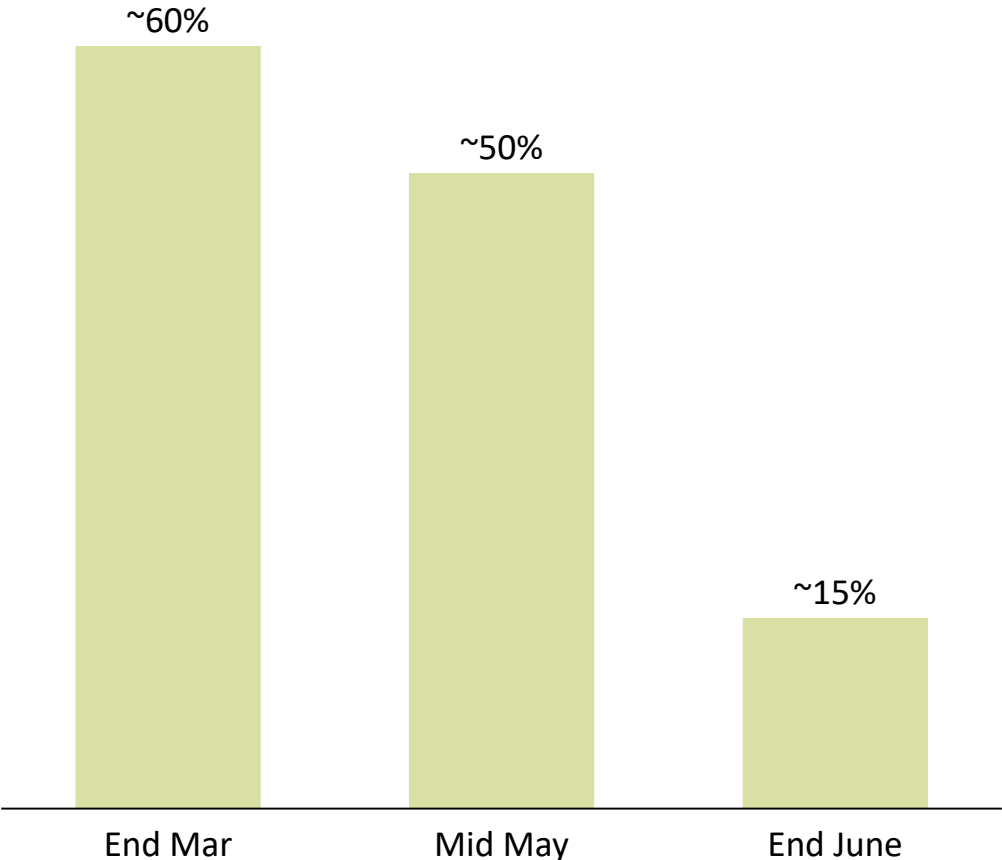


SUMMARY OF PROGRESS

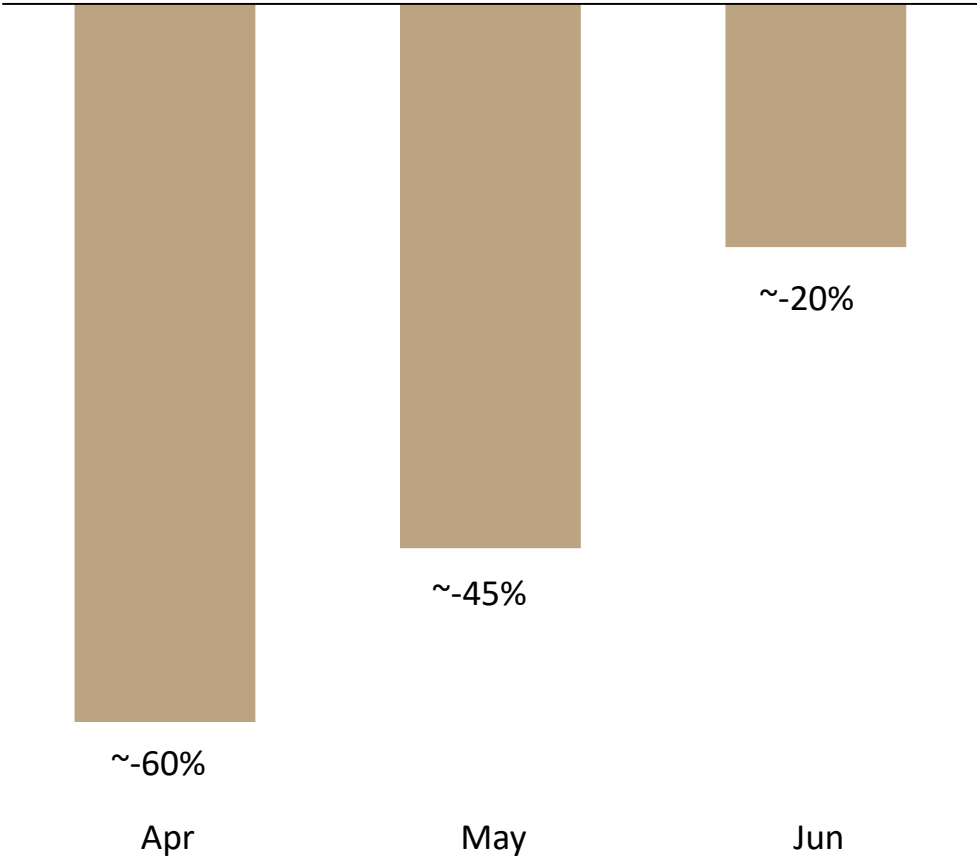
- Excellent consumer response to new product launches in recovering economies and online
- Focused on rebounding economies, with initiatives tailored to each market
- Innovated in digital to inspire customers and drive sales both online and offline
- Organisational changes to increase product focus and agility and deliver savings

Q1 IMPACTED BY STORE CLOSURES

Q1 PERCENTAGE OF STORES CLOSED

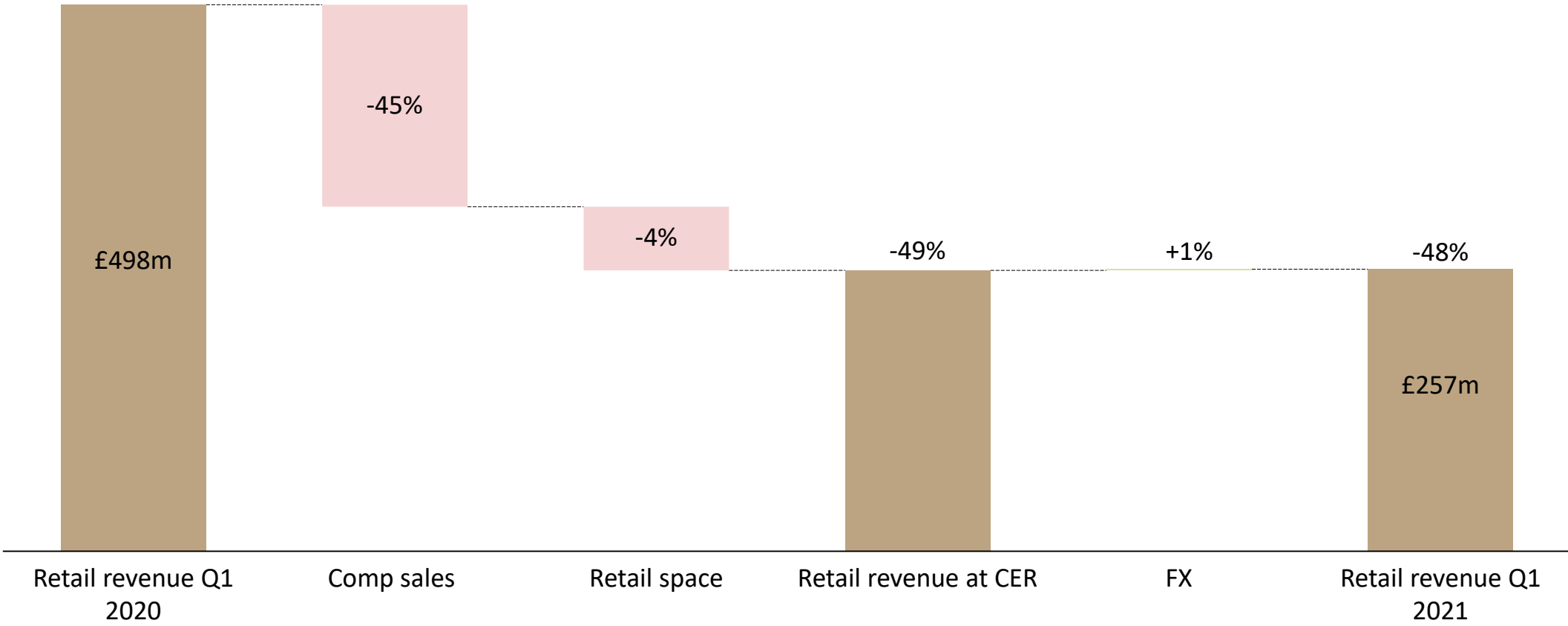


Q1 -45% AND MONTHLY COMPARABLE SALES GROWTH



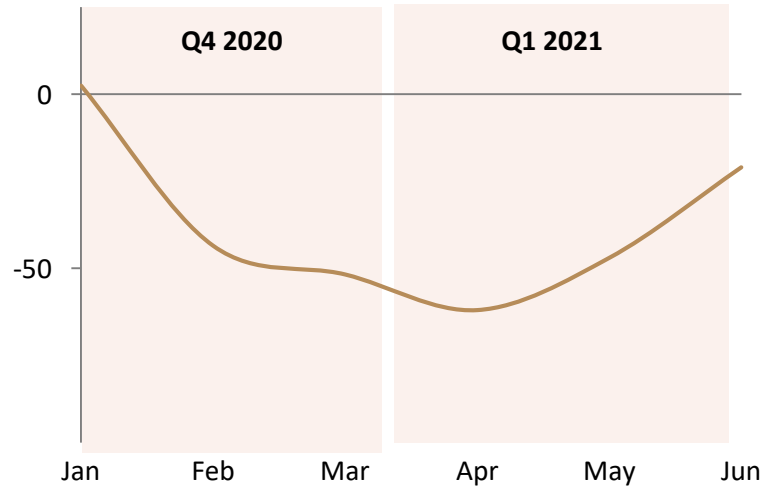
GROUP RETAIL SALES IMPACTED BY COVID-19 WITH RETAIL REVENUE -49% AT CER

Q1 RETAIL SALES BRIDGE

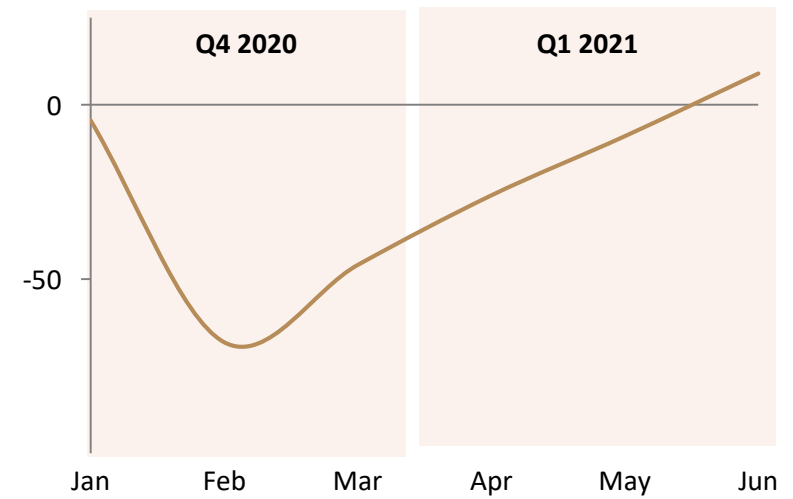


ALL REGIONS SHOWING AN IMPROVING PERFORMANCE

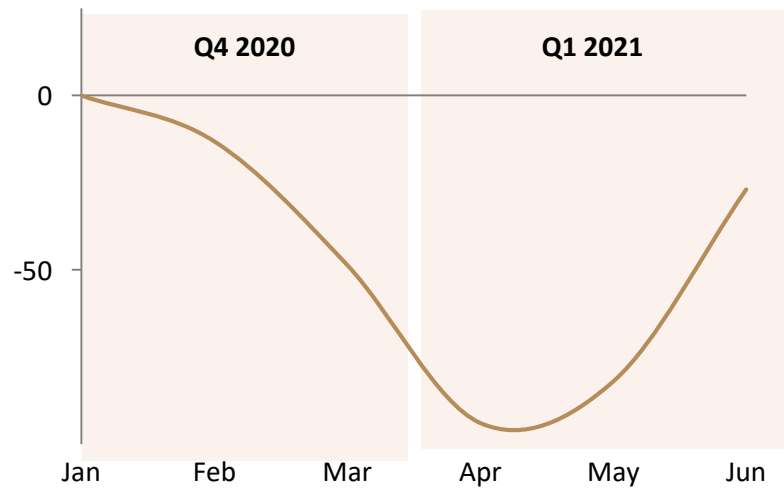
GLOBAL: Q1 COMP SALES -45% YOY



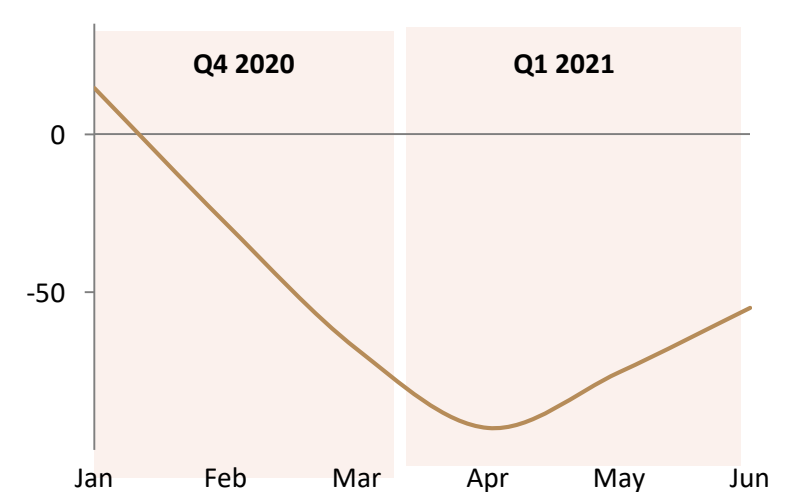
ASIA PACIFIC: Q1 COMP SALES -10% YOY



AMERICAS: Q1 COMP SALES -70% YOY

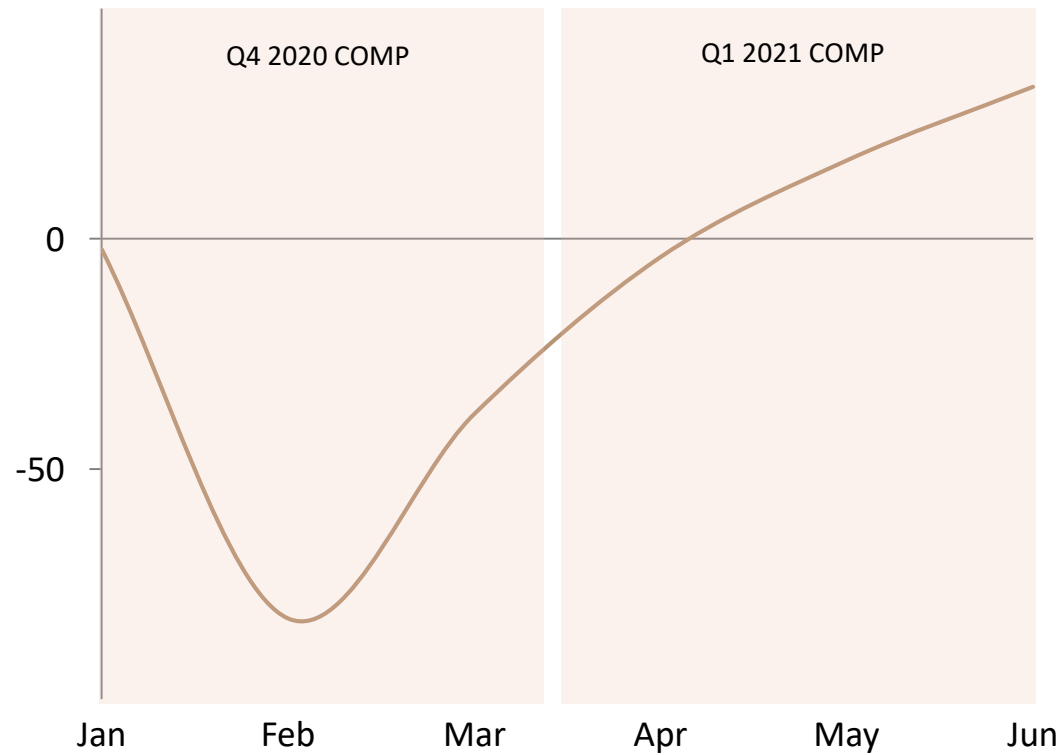


EMEIA: Q1 COMP SALES -74% YOY



CHINA DELIVERING STRONG MOMENTUM WITH JUNE EXCEEDING PRE-COVID SALES TREND

MAINLAND CHINA: Q1 COMP SALES



- Exceptional growth in digital sales
- Localised bespoke approach
- Dedicated leather goods campaign and pop up store programme
- Strong full price performance of bags and small leather goods
- Evidence of some repatriation



BRAND AND PRODUCT MOMENTUM

EXCITED THE CONSUMER WITH NEW PRODUCT LAUNCHES OVER
THE QUARTER

EXCELLENT CONSUMER RESPONSE TO PRODUCT AND CAMPAIGNS
IN RECOVERING ECONOMIES, RECRUITING NEW, YOUNGER
CUSTOMERS TO THE BRAND

INNOVATIVE CAMPAIGN TO SUPPORT AUTUMN/WINTER 2020 PRE
COLLECTION

PROMISING REACTION TO OUR SUMMER MONOGRAM CAPSULE

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ORGANISATIONAL CHANGES TO SUPPORT SECOND PHASE OF STRATEGY

EVOLVING OUR APPROACH TO PRODUCT

- Embedding product specialism
- Creating three new business units: RTW, Accessories and Shoes
- Pooling of expertise allows enhanced product focus, increased agility and elevated quality

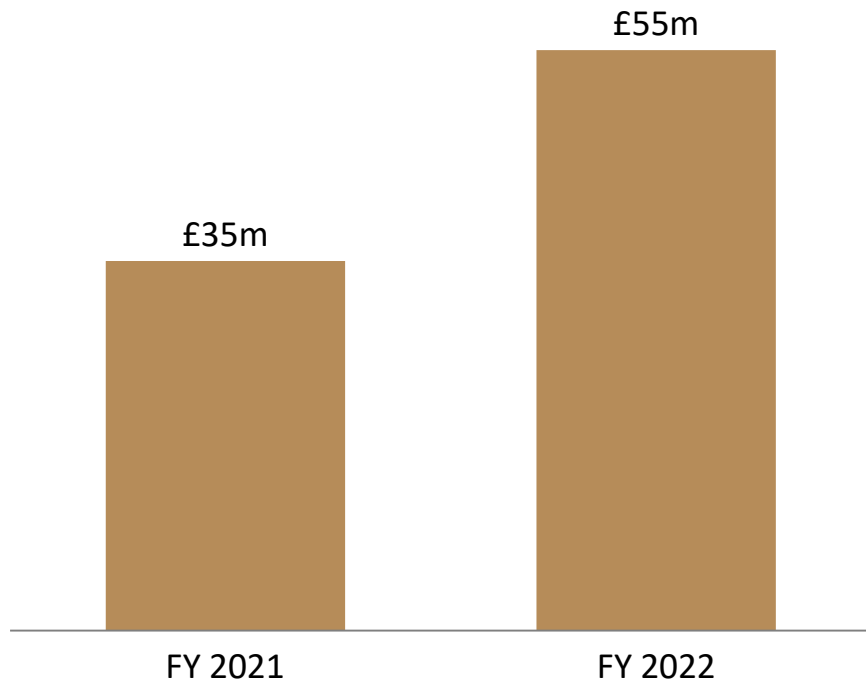
OTHER ORGANISATIONAL CHANGES

- Further streamlining enabling functions and improving retail efficiency
- Office space rationalisation

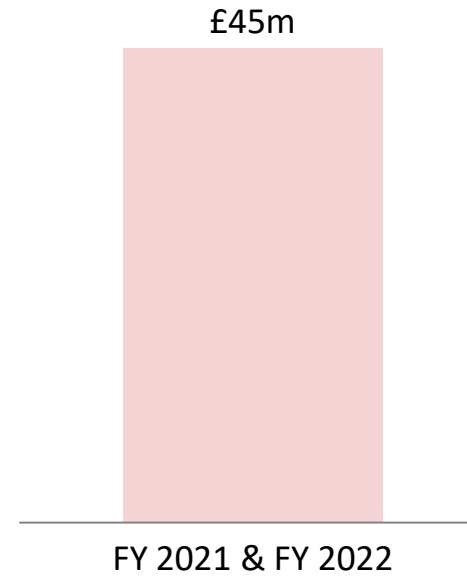


FINANCIAL IMPLICATIONS OF ORGANISATIONAL CHANGES

CUMULATIVE COST SAVINGS



CUMULATIVE ONE OFF RESTRUCTURING CHARGE (ADJUSTING ITEM)



SAVINGS ALLOW US TO RE-INVEST INTO CONSUMER FACING ACTIVITIES INCLUDING POP UP STORES, VISUAL MERCHANDISING, DIGITAL ACTIVATIONS, EVENTS AND MARKETING

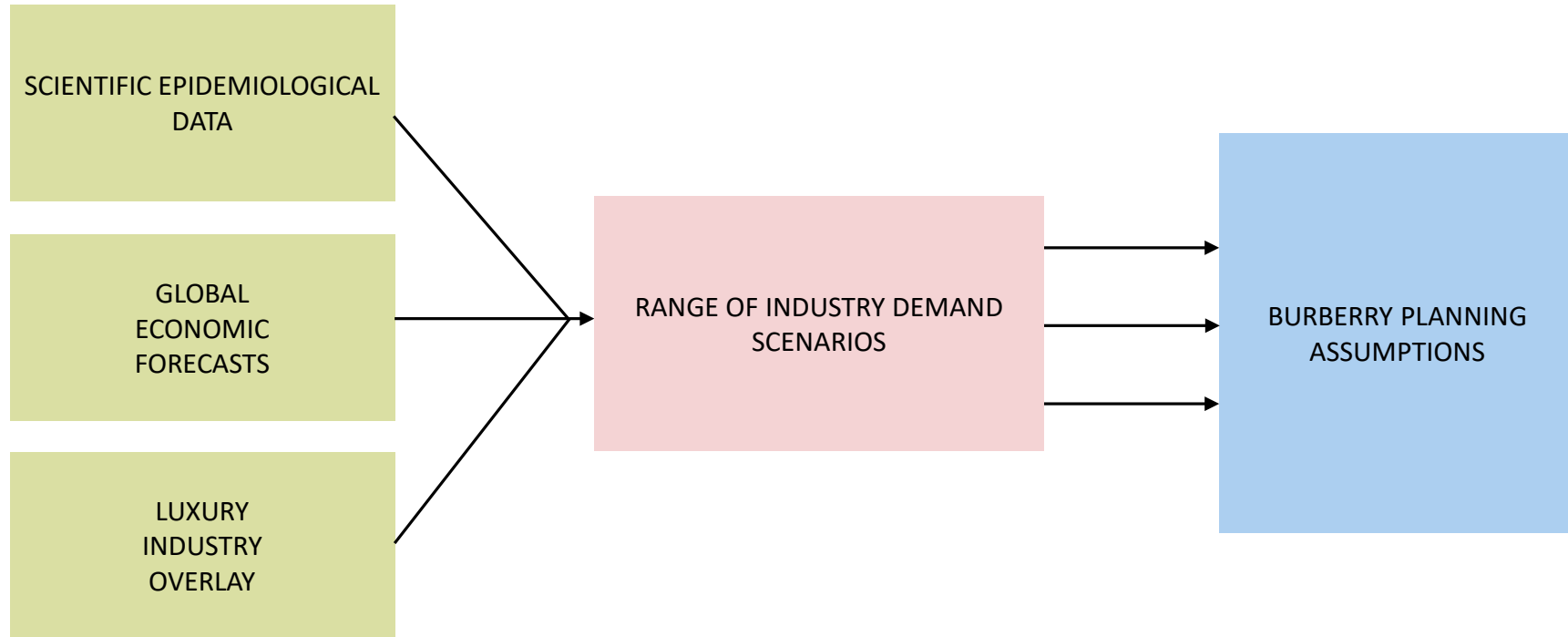
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RECAP | PLANNING FOR THE FUTURE



SECURE THE LONG TERM VALUE OF OUR BRAND
ENSURE WE HAVE FINANCIAL HEADROOM TO FUEL GROWTH



NEAR TERM GUIDANCE

Q2 sales to continue to be materially impacted by COVID-19
Uncertainty due to virus progression, the risk of second waves
and reduced tourist flows

Q2 retail comp sales -15% to -20%

H1 Wholesale expected to decline 40% to 50%

On this trading assumption:

H1 Gross margin to decline 200bps to 300bps

H1 Opex to decline by a mid-teen percentage



SUMMARY

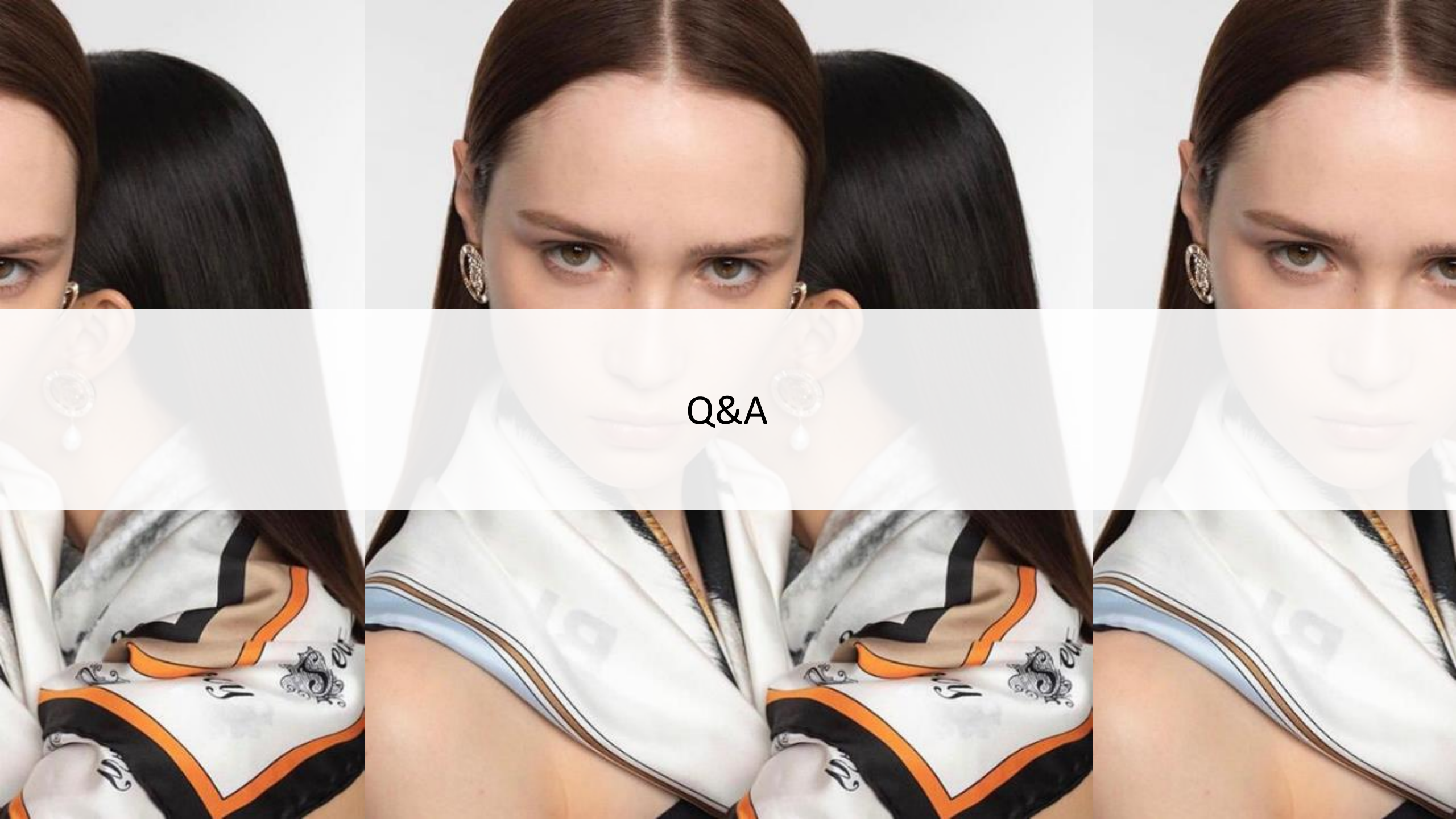
H1 trading impacted by COVID-19 pandemic

Continuing to strengthen the brand

Continuing to excite the consumer with new product and innovative campaigns

Organisational changes to increase product focus and operational efficiency

Investing in consumer facing activities in recovering markets



Q&A