

NEXT

Third Quarter Trading Statement – 1 November 2023

HEADLINES

- Full price sales¹ in the third quarter (August - October) were up **+4.0%** on last year, £23m ahead of our guidance which was to be up +2.0%.
- We are increasing our full year guidance for profit before tax by +£10m to **£885m**.

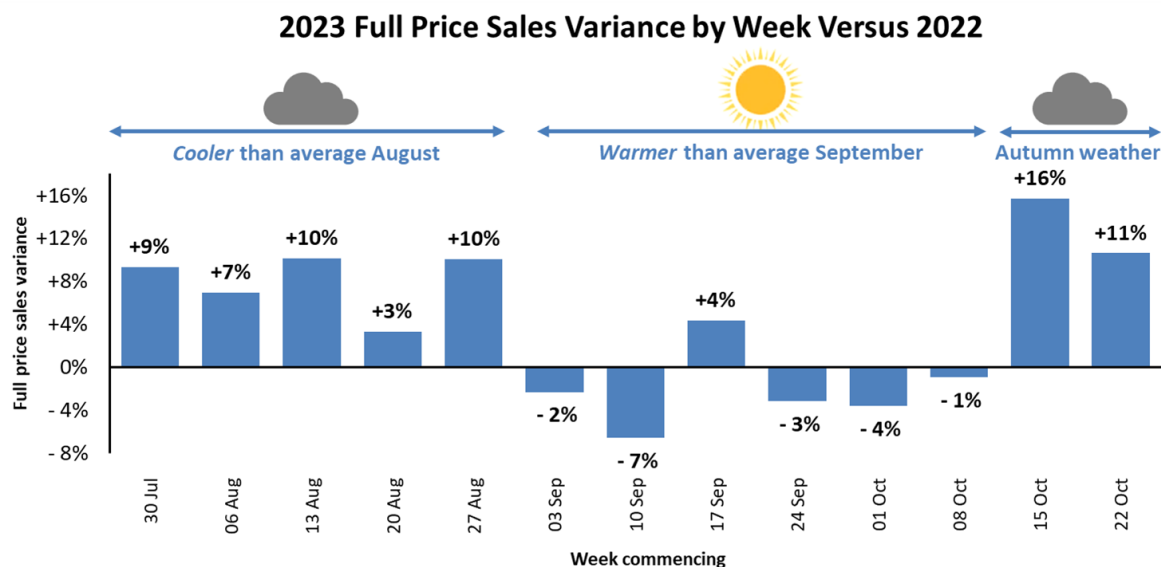
FULL PRICE SALES PERFORMANCE BY BUSINESS DIVISION

Full price sales performance versus last year, by business division, is set out below for the third quarter and the year to date.

Full price sales by division versus last year	Q3 to 28 October	Year to 28 October
Online	+6.5%	+4.9%
Retail	-0.6%	+0.4%
Total Product full price sales	+3.8%	+3.2%
Finance interest income	+7.2%	+7.1%
Total full price sales inc. interest income	+4.0%	+3.5%

FULL PRICE SALES GROWTH BY WEEK

The chart below shows the performance by week during the third quarter. As can be seen, sales growth has been variable. We believe the volatility in sales performance is a result of changing weather conditions rather than any underlying changes in the consumer economy. In an Autumn season cooler weather is good for sales, warmer than average weather depresses sales. Over time the average performance is a better indicator of underlying consumer demand than any one week.



¹ Full price sales are VAT exclusive sales of items sold at *full price* in Retail and Online plus NEXT Finance interest income. They exclude items sold in Sale events, Clearance operations and through Total Platform. Full price sales are not statutory sales.

GUIDANCE FOR FULL PRICE SALES, PROFIT AND EARNINGS PER SHARE

Our revised guidance for full year full price sales growth is now +3.1%; this assumes that full price sales for the rest of the year are up +2.0%. Profit generated from the additional sales achieved in the third quarter has added £10m to our full year forecast for profit before tax.

Our revised full year guidance is set out below. For completeness, our previous guidance is shown in grey.

Full year guidance	New guidance	Versus last year	Previous guidance	Versus last year
Full price sales	£4.74bn	+3.1%	£4.72bn	+2.6%
Group ² profit before tax (before exceptionals)	£885m	+1.7%	£875m	+0.5%
Pre-tax EPS (before exceptionals)	730.2p	+4.1%	723.9p	+3.2%
Post-tax EPS (before exceptionals)	557.7p	- 2.7%	552.9p	- 3.6%

An exceptional gain of £110m

As set out in our Half Year Results in September, the acquisition of an additional equity stake in Reiss this year will result in an exceptional accounting gain (non-cash) of around £110m. This gain will be treated as exceptional and is *excluded* from the headline profit and EPS numbers given above. Full details of the transaction and the accounting gain were given on page 59 of our Half Year Results.

CHRISTMAS TRADING STATEMENT

We are scheduled to give an update on sales to Saturday 30 December on Thursday 4 January 2024.

Forward Looking Statements

Certain statements in this Trading Update are forward looking statements. These statements may contain the words “anticipate”, “believe”, “intend”, “aim”, “expects”, “will”, or words of similar meaning. By their nature, forward looking statements involve risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. As such, undue reliance should not be placed on forward looking statements. Except as required by applicable law or regulation, NEXT plc disclaims any obligation or undertaking to update these statements to reflect events occurring after the date these statements were published.

Date:	Embargoed until 07:00 hrs, Wednesday 1 November 2023		
Contacts:	Amanda James, Group Finance Director (analyst calls)		
	NEXT PLC		Tel: 0333 777 8888
	Alistair Mackinnon-Musson		Email: next@rowbellpr.com
	Rowbell PR		Tel: 020 7717 5239
Photographs:	https://www.nextplc.co.uk/media/image-gallery/campaign-images		

² Group profit before tax excludes the minority interests in Joules, Reiss and FatFace. This is therefore the profit attributable to shareholders of NEXT plc.