

Trading Statement – 2 November 2016

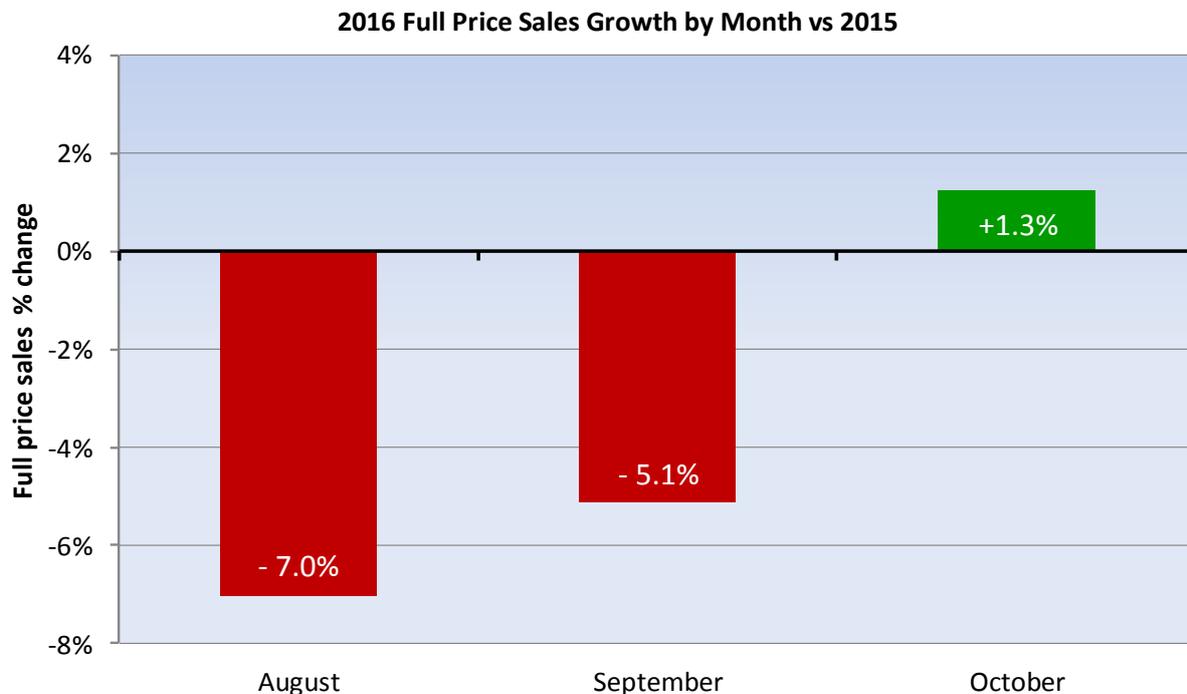
SALES FOR THE YEAR TO 31 OCTOBER 2016

Sales Year to Date

Total sales including markdown sales, for the year to date, are up +0.4% on last year. Markdown sales have grown faster than full price sales due to a much larger end-of-season Sale in July. Full price sales for the year to date are - 1.5% on last year.

Sales for the Third Quarter

In September we gave guidance that trading in the third quarter would be difficult. In August full price sales were subdued following the much larger end-of-season Sale in July, and in September we traded against our best month last year. October sales improved significantly, as comparative weeks last year became less challenging. The bar graph below shows the percentage year on year change in full price sales, by month for the third quarter.



Summary

The table below sets out full price sales for the third quarter and year to date for Retail and Directory.

Full Price Sales (VAT exclusive)	Third Quarter to 31 Oct	Year to Date
NEXT Retail	- 5.9%	- 4.7%
NEXT Directory	0.0%	+3.2%
NEXT Total	- 3.5%	- 1.5%
<i>Of which sales from new space</i>	<i>+1.3%</i>	<i>+1.4%</i>

FULL PRICE SALES AND PROFIT GUIDANCE FOR THE FULL YEAR

We have narrowed our sales guidance to -1.75% to +1.25%, this compares to our previous range of -2.5% to +2.5%. The mid-point of our new sales range is marginally lower than previous guidance. However, cost savings have also been better than expected, so our central profit forecast (as set out in our September report and presentation) remains unchanged at £805m¹.

The table below sets out our revised sales range for the full year. This results in a profit range of £785m to £825m. This corresponds to growth in Earnings Per Share of between -1.3% to +3.7%.

Guidance Estimates	New Guidance		Previous Guidance	
	Lower	Upper	Lower	Upper
Full Year to January 2017 (52 v 52 week basis)				
Total full price NEXT sales v LY	- 1.75%	+1.25%	- 2.5%	+2.5%
Group profit before tax	£785m	£825m	£775m	£845m
Group profit before tax v LY	- 4.4%	+0.5%	- 5.6%	+2.9%
Earnings Per Share v LY²	- 1.3%	+3.7%	- 2.5%	+6.3%

CHRISTMAS TRADING STATEMENT

We intend to issue our usual sales update for the period to 24 December 2016 on Wednesday 4 January 2017.

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.

END

¹ See Analyst slides on our website: Profit Scenario 2016/17 (e), slide number 56 - [Link here](#)

² The EPS calculation assumes total share buybacks this year of £188m, which have already been completed.