



The Watches of Switzerland Group PLC
Q3 FY20 Trading Update
for the 13 and 39 weeks to 26 January 2020

**Continued strong luxury watch sales growth, Increased momentum in US market,
Full-year performance on track**

Revenue Performance by Geography

	Q3					YTD				
	13 weeks to 26 January 2020 £ million	13 weeks to 27 January 2019 £ million	Total change YoY	Constant currency change YoY	Like-for-like* change YoY	39 weeks to 26 January 2020 £ million	39 weeks to 27 January 2019 £ million	Total change YoY	Constant currency change YoY	Like-for-like* change YoY
UK Sales	183.3	171.3	+7.0%	+7.0%	+6.1%	500.9	458.5	+9.2%	+9.2%	+9.2%
US Sales	74.6	57.4	+30.0%	+32.3%	+9.0%	185.7	135.6	+37.0%	+34.1%	+8.1%
Group Revenue	257.9	228.7	+12.8%	+13.4%	+6.8%	686.6	594.1	+15.6%	+14.9%	+8.9%

Q3 Highlights

- Group revenue up 12.8% to £257.9 million (Q319: £228.7 million)
- Like-for-like (LfL) sales up 6.8%, driven by continued strong luxury watch sales across UK and US with Online (UK) up 20.8%
- Demand for key luxury watch brands continued to exceed supply, particularly over festive trading period
- Continued progress with showroom portfolio elevation strategy:
 - Refurbished three UK showrooms, including expansion of the Rolex boutique on Regent Street and relocation of Omega boutique in Glasgow, opened a new Goldsmiths showroom in Edinburgh and opened a new jewellery Fope boutique on Old Bond Street

Brian Duffy, Chief Executive Officer, said:

“We are delighted to report another robust quarter, which was in line with our expectations, as we continue to capitalise on our market leading position and strong brand partnerships.

The sales performance during the third quarter was broad-based with several brands delivering double-digit growth. Our Christmas trading in the UK was strong despite the competitive and promotional wider market backdrop. Holiday sales were also strong in the US in what were overall positive trading conditions. Our jewellery business performed well relative to the market with positive customer reaction to the new ranges.

Our US business continues to gain momentum, where the Mayors investment programme is successfully underway and generating a promising customer response. We continue to see significant growth potential for the Group in the highly fragmented US luxury watch market.

Looking ahead to the final quarter of the current financial year, improved visibility of luxury watch supply leaves us confident that we are on track to meet guidance for the full year. Whilst there has been a delay in the final completion of the Fraser Hart transaction, we expect it to close imminently.

We continue to monitor the effects of the ongoing coronavirus outbreak on the wider market and global trade. However, as demand for luxury watch brands in the UK and US continues to exceed supply, the strong fundamentals of our supply-driven business leave us well positioned to continue to deliver on our plans to leverage our leading position in the UK and to become a leader in the US in luxury watch retail.”

Revenue Performance by Category

	Q3			YTD		
	13 weeks to 26 January 2020 £ million	13 weeks to 27 January 2019 £ million	Total change YoY	39 weeks to 26 January 2020 £ million	39 weeks to 27 January 2019 £ million	Total change YoY
Luxury Watch Sales	209.8	180.6	+16.2%	575.3	481.3	+19.5%
Luxury Jewellery Sales	27.8	28.0	-1.0%	59.3	60.3	-1.6%
Fashion & Classic Sales	11.4	12.7	-9.7%	26.0	28.2	-7.6%
Services & Other	8.9	7.4	+20.9%	26.0	24.3	+6.7%
Group Revenue	257.9	228.7	+12.8%	686.6	594.1	+15.6%

*Like-for-like (Lfl) sales growth is the percentage increase in local currency sales from showrooms that have been trading continuously from the same selling space for at least one year. Lfl excludes showrooms which have been closed during the period for refurbishment.

Conference call

A conference call for analysts and investors will be held at 9.00am today. To join the call, please use the following details:

Dial-in (UK): 020 3936 2999

Dial-in (all other locations): +44 20 3936 2999

Conference access code: 840663

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Notes

Financial data is unaudited.

About the Watches of Switzerland Group

The Watches of Switzerland Group is the UK's largest luxury watch retailer, operating in both the UK and US, comprising four prestigious brands; Goldsmiths (UK), Mappin & Webb (UK), Watches of Switzerland (UK and US) and Mayors (US), with complementary jewellery offering.

The Watches of Switzerland Group has 127 core showrooms across the UK and US (which includes 22 dedicated mono-brand stores in these two markets in partnership with Rolex, TAG Heuer, Omega and Breitling) and has a leading presence in Heathrow Airport with representation in Terminals 2, 3, 4 and 5 as well as five transactional websites.

The Watches of Switzerland Group is proud to be the UK's largest retailer for Rolex, Cartier, Omega, TAG Heuer and Breitling watches.

Mappin & Webb holds Royal warrants as goldsmiths, silversmiths and jeweller to Her Majesty The Queen and silversmiths to His Royal Highness The Prince of Wales. The Mappin & Webb master jeweller has been Crown Jeweller, custodian of the Crown Jewels of Her Majesty The Queen since 2012.

<https://www.thewosgroupplc.com>

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