

**Watches of Switzerland Group plc trading statement for Q1 FY20
(three months to 28 July 2019)**

Continued Strong Momentum with standout luxury watch sales growth

We are pleased to report a strong sales performance for the Watches of Switzerland Group in our first quarter as a listed company.

Highlights

- Total revenue of £209.4m, +17.8% on prior year, driven by robust UK and US performance
- Strong Lfl growth of 10.8%; with the UK (excluding Online) +11.5% , the US +8.7% and Online (UK) +14.5%
- We commenced the Mayors investment programme implementing new showroom formats including a complete refurbishment of our Miami International mall showroom, with relocations of two other Mayors showrooms, Merrick Park Miami and Lenox Atlanta. The new Mayors design has been very positively received by the brand partners, our teams and most importantly our clients
- The new Lenox Mayors showroom includes our first ever Audemars Piguet boutique and a Rolex boutique together with a new Mayors showroom
- We opened a showroom in the new Wynn Boston resort and in the UK we relocated and refurbished our Brighton showroom

£m	Three months to 28 July 2019	Three months to 29 July 2018	Growth
Group Revenue	£209.4m	£177.7m	17.8% (16.5% <i>Constant currency</i>)
UK Revenue	£155.0m	£138.6m	11.8%
US Revenue	£54.4m	£39.1m	39.0% (32.4% <i>Constant currency</i>)
Group LfL	10.8%	7.3%	
UK LfL (<i>exc Online</i>)	11.5%	6.0%	
US LfL	8.7%	11.9%	

Consistent with recent trends, Luxury Watches has become a larger part of our overall business, with Luxury Jewellery, and particularly Fashion & Classic, reducing relatively.

The decline in Luxury Jewellery sales vs the same quarter last year was largely driven by the closure/disposal of 12 non-core stores.

£m	Three months to 28 July 2019	Three months to 29 July 2018	Growth
Luxury Watches	£177.4m	£144.4m	22.8%
Luxury Jewellery	£16.2m	£17.0m	(4.6)%
Fashion & Classic	£7.4m	£8.3m	(11.3)%
Services & Other	£8.4m	£8.0m	5.2%

Outlook

While there are some moving parts, overall our capital project programme is broadly in line with previous guidance. The luxury watch markets in the UK and US remain strong. We do however note the ongoing wider macro-economic uncertainty in the UK and US.

Nevertheless, we are confident that the Group remains well-positioned to deliver on its strategic aims and meet the Board's expectations for FY20, as stated in our FY19 results.

Brian Duffy, Chief Executive Officer, said:

"Our first quarter as a listed business saw continued strong underlying growth in both the UK and US supported by the expansion of our showroom portfolio.

Our focus on store upgrades and store customer service, supported by increasing digital and social marketing and closer collaboration with brand partners, is working.

We have made good progress with our recently commenced Mayors investment programme, implementing new showroom formats and are very pleased to open the first ever Audemars Piguet mono-brand boutique in our new Lenox store in Atlanta."

Conference Call

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

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Quoting Password: Watches of Switzerland

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Notes

1. Financial data is unaudited
2. Like-for-Like (Lfl) sales growth is the percentage increase in sales from showrooms that have been trading continuously from the same selling space for at least one year and are measured in local currency. Lfl excludes showrooms which have undergone refurbishment work during the period they closed for refurbishment.
3. Lfl for Q1 2018 for US business is pro-forma as part of the period was pre-acquisition for the Mayors and Wynn showrooms.

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 129 core showrooms across the UK and US (which includes 20 dedicated mono-brand stores 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 online 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.

Visit <https://www.thewosgroupplc.com>

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