

This announcement contains inside information

boohoo.com plc – interim results for the six months ended 31 August 2017

“Leading the fashion eCommerce market”

£ million	6 months ended 31 August 2017	6 months ended 31 August 2016	Change
Revenue	262.9	127.3	+106%
Gross profit	140.2	70.5	+99%
<i>Gross margin</i>	53.3%	55.3%	-200bps
Operating profit	20.0	14.1	+42%
Adjusted EBITDA ⁽¹⁾	27.8	16.5	+68%
<i>Adjusted EBITDA margin</i>	10.6%	13.0%	-240bps
Profit before tax	20.3	14.4	+41%
Net cash ⁽²⁾ at period end	119.2	67.1	+£52m
Basic earnings per share	1.25p	1.01p	+24%

(1) Adjusted EBITDA is calculated as profit before tax, interest, depreciation, amortisation and share-based payment charges.

(2) Net cash is cash less borrowings. (3): CER designates Constant Exchange Rate translation of foreign currency revenue.

Highlights for the six months to 31 August 2017

Group

- Revenue growth 106% (101% CER⁽³⁾)
- Gross margin 53.3% (2017: 55.3%), down 200bps in line with planned investments in the customer proposition
- Adjusted EBITDA up 68% at £27.8 million, 10.6% of revenue (2017: £16.5 million, 13.0%)
- Strong balance sheet with net cash of £119.2 million (2017: £67.1 million) following £50 million share placing
- Significant investment in IT and warehousing
- Guidance raised for the full year

boohoo

- Revenue £181.8 million, up 43% (40% CER)
- Gross margin 52.3%, down 300bps, driven by planned investments in the customer proposition
- Retail gross margin 54.4% (2017: 57.0%)

PrettyLittleThing

- Revenue £72.7 million, up 289% on prior year comparative
- Gross margin 54.8%

Nasty Gal

- Revenue £8.4 million, increasing month-on-month from start-up in March 2017

Guidance

The group's revenue growth is now expected to be around 80%, up from our previous guidance of around 60%. Revenue growth from the boohoo brand is expected to be at the upper end of previous guidance at around 30%. Revenue growth from the PrettyLittleThing brand is now expected to be approximately 150% above the 12 month revenue to 28 February 2017 of £55 million (double the previous guidance of 75%). The balance of the group's growth will come from the Nasty Gal brand. As a result of significantly better-than-expected revenue growth from PrettyLittleThing and our investment in price, promotion and marketing, we now expect group adjusted EBITDA margins to be between 9% and 10%.

Mahmud Kamani and Carol Kane, joint CEOs, commented:

“We are pleased to report excellent progress for the group in the first half of the year across all our brands. boohoo’s revenue has continued to grow across all geographies, with international growth being strongest as we continue to increase our market share overseas, and the newly acquired PrettyLittleThing brand has exceeded our growth expectations. PrettyLittleThing is fast gaining recognition amongst our target consumers as a highly desirable fashion brand in the UK, and its international growth is very encouraging, confirming its considerable potential. boohooMan has also performed very well, with high growth rates in the UK and overseas. Nasty Gal was rebuilt by us from virtually a zero base after acquisition in March this year and it is growing well month-on-month.

The integration of the two new brands has been successful, adding diversity to our business whilst enabling us to draw upon our strengths in marketing, sourcing, operations and customer service to deliver profitable results and greatly increasing the group’s potential.

We have continued to make significant investment in IT infrastructure and warehouse capacity to ensure stable and sustained execution of the group’s growth strategy and plans are progressing well for the next phase of longer term requirements for warehouse capacity.

We will continue to invest in the customer proposition, further develop our brands and maximise the considerable opportunities that a global marketplace affords us. The strong performance in the first half-year and our expectations for the second half have given us confidence to raise guidance for the full year.”

Investor and Analyst Meeting

A meeting for analysts will be held on 27 September 2017 at the office of Buchanan, 107 Cheapside, London, EC2V 6DN commencing at 9.30am. boohoo.com plc's interim results 2018 are available at www.boohooplc.com.

A live audio webcast will be available at 9.30am via the following link:
<http://vm.buchanan.uk.com/2017/boohoo270917/registration.htm>

A replay will subsequently be available from 12 noon via the same link.

Enquiries

boohoo.com plc

Neil Catto, Chief Financial Officer

Tel: +44 (0)161 233 2050

Clara Melia, Investor Relations

Tel: +44 (0)7748 171236

Zeus Capital - Nominated adviser and joint broker

Nick Cowles/Andrew Jones (Corporate Finance)

Tel: +44 (0)161 831 1512

John Goold/Benjamin Robertson (Corporate Broking)

Tel: +44 (0)20 3829 5000

Jefferies Hoare Govett - Joint broker

Nick Adams/Max Jones

Tel: +44 (0)20 7029 8000

Buchanan - Financial PR adviser

Richard Oldworth/Madeleine Seacombe/

Tel: +44 (0)20 7466 5000

Gemma Mostyn-Owen

boohoo@buchanan.uk.com

About boohoo.com plc

“Leading the fashion eCommerce market”

Founded in Manchester in 2006, the group started life as boohoo.com, an inclusive and innovative brand targeting young, value-orientated customers. For over 10 years, boohoo has been pushing boundaries to bring its customers up-to-date and inspirational fashion, 24/7. boohoo has grown rapidly in the UK and internationally, expanding its offering with range extensions into menswear and children’s wear, through boohooMAN and boohooKIDS.

In early 2017 the group extended its customer offering through the acquisitions of the vibrant fashion brand PrettyLittleThing, and free-thinking brand Nasty Gal. United by a shared customer value proposition, our brands design, source, market and sell great quality clothes, shoes and accessories at unbeatable prices. This investment proposition has helped us grow from a single brand, into a major multi-brand online retailer, leading the fashion eCommerce market for 16 to 30-year-olds around the world. Today the boohoo group sells to over 8 million customers in almost every country in the world.

Cautionary Statement

Certain statements included or incorporated by reference within this announcement may constitute “forward-looking statements” in respect of the group’s operations, performance, prospects and/or financial condition. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words and words of similar meaning as “anticipates”, “aims”, “due”, “could”, “may”, “will”, “should”, “expects”, “believes”, “intends”, “plans”, “potential”, “targets”, “goal” or “estimates”. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast. This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares or other securities in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares or other securities of the Company. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser. Statements in this announcement reflect the knowledge and information available at the time of its preparation. Liability arising from anything in this announcement shall be governed by English law. Nothing in this announcement shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

Review of the business

Group overview

Group revenue for the half year increased by 106% (101% CER) on the previous year to £262.9 million (2017: £127.3 million). Revenue growth across all territories and brands was strong.

Adjusted EBITDA was £27.8 million (2017: £16.5 million), an increase of 68% on the prior half year, with planned investments in the customer proposition and marketing in rapidly growing sectors of the group leading to an adjusted EBITDA margin of 10.6% (2017: 13.0%). Profit before tax was £20.3 million (2017: £14.4 million), an increase of 41%.

Earnings per share rose to 1.25p, an increase of 24% (2017: 1.01p).

Cash less borrowings closed at £119.2 million, after the £50 million share placing in June and after capital expenditure of £20.2 million.

Warehouse

Construction of the new warehouse adjacent to the existing extended warehouse is well under way, with completion expected in January 2018. The extension adds a footprint of 166,000 square feet, nearly doubling existing storage capacity. The plans incorporate a significant amount of automation, which will improve efficiency as the business grows and have a short payback period on the capital invested.

We have completed the refurbishment of an adjacent warehouse site for in-bound processing and also invested in improved employee facilities at the main warehouse, which will be brought into use in early 2018.

Project planning for future storage requirements in three years' time and beyond are also well under way with a project team working on planning of the next phase of warehouse development.

boohoo and boohooMAN

Performance

Revenue for the half year increased to £181.8 million, up 43% (40% CER) on the previous half year.

Additional breadth in the product range has contributed to revenue growth, with several new product categories introduced in the year. boohooMAN is showing very strong growth across all geographies.

Product

The increased product range is continuing to drive revenue growth and new introductions have performed well. Plus size, curve, petite and menswear have been the categories with the highest sales and strongest growth, whilst the more recently-introduced boohooKids, maternity, lingerie and tall ranges are also showing high rates of growth.

Our offering of over 36,000 styles and great prices is appealing to our young customer base and we are passionate about giving our customers the greatest choice and best value for their entire fashion wardrobe. Our latest introduction in July was boohoo Premium, which is a fabulous range of ultra-stylish womens' clothing for special occasions. The range consists of great fitting embellished clothing in limited editions and higher price points compared to our mainstream ranges.

We are also pleased with the growth of menswear sales as the range becomes ever stronger, appealing to an increasingly large audience.

Marketing

Our marketing activity has continued to build on our successful formula of a mix of media, including social media influencers, bloggers, TV, outdoor, email, student campus tours and events. Love Island celebrities have been working with us on several shoots and Jess Woodley from Made in Chelsea is now one of our UK brand ambassadors. Our latest campaign #allgirls is all about boohoo reflecting our long-standing ethos of inclusiveness and individuality when it comes to affordable fashion for every girl's style and taste.

boohooMAN increased its TV advertising now that the brand is reaching a significant audience and promoting brand awareness becomes more effective using this medium. boohooMAN released a design collaboration with Tyga and a collection featuring Love Island winner, Kem Cetinay.

Customer interaction

Active customer numbers over the last 12 months increased by 29% to 5.8 million and the number of website sessions in the first half year grew by 20% to 158 million. Order frequency remained unchanged with customers placing an order with us, on average, 2.11 times in 12 months, whilst the number of items per basket rose 11% to 3.17. Conversion rate to sale improved from 3.9% to 4.1% of sessions. On social media we have 4.4 million followers on Instagram, 3.1 million Facebook likes, 0.5 million followers on Twitter and 3.7 million views recorded on YouTube.

We have continued to refine the customer experience with improvements in the timeliness of refunds for international customers. US customers now receive refunds once the return has been handed to the delivery service by the customer. This process will also be extended to other territories in the second half of the year. In key international markets, we are rolling out free returns in more markets and reducing delivery times. In the UK, customers can now use a portal to log their returns and print their return label, which also speeds up returns processing.

Web-chat services have been extended from 5pm to 9pm in response to customer demand and the success of this service.

Technology

We have continued the phased migration of websites to the new platform which has performed very well in terms of stability and flexibility as well as reducing operating costs. Further migration of the remaining European language websites is taking place over the next few months until all sites are on the new platform by the year end.

We have a continual programme of app improvement and development including roll-out of the app to more international markets. Mobile device use has risen to 70% of sessions.

PrettyLittleThing

Performance

Revenue growth has continued very strongly throughout the first half year with growth over the previous year's equivalent of 289% and revenue reaching £72.7 million. Gross margin has remained strong at 54.8%, despite increasing wholesale revenue (at lower margin than retail), and with increasing leverage on overhead efficiency, profitability has greatly improved.

Sales across all geographic regions have increased dramatically. The international business is gaining considerable momentum, with international sales being nearly seven times higher than in the first half of the previous year.

Product

PrettyLittleThing makes the hottest fashions and celebrity looks attainable for our young consumers, with a choice of over 9,000 styles with new items arriving daily. We have widened the product range with higher price point premium categories, more beauty products and, from September 2017, a curve range.

Marketing

Marketing activity continues to be concentrated around social media, which is proving to be highly successful in driving new customer growth. In the USA we have worked with a number of high profile influencers. Above the line advertising continues to support brand awareness amongst the younger generation, with the result that the brand is one of the hottest in the UK on-line market at present.

Customer interaction

A French language website was added this year, taking the number of country-specific websites to eight. We have also improved the delivery times to the USA and Australia, as well as reducing the costs on a number of international routes. Significant enhancements planned for the second half of the year include returns portals for international customers, a new customer relationship management system and click and collect delivery services.

We have 1.0 million followers on Facebook (an increase of 51% in 6 months), 0.3 million followers on Twitter, 2.1 million Instagram followers (an increase of 35% in 6 months), 2.0 million YouTube views as well as a presence on several other social media channels.

Technology

We have android and iOS apps for the UK and, newly in the first half year, for the US market. IT investments planned in the second half include new software to personalise website presentation to customers, which should lead to higher conversion rates, and an improved app.

Nasty Gal

Performance

Revenue has increased rapidly month-on-month from the new start-up post acquisition on 1 March 2017 and we are very pleased with progress, which has exceeded our planned expectations. Revenue in the first half year reached £8.4 million. We are very pleased with the growth in sales outside of the USA, where Nasty Gal predominated under its previous ownership, and this is supporting our view of the international appeal of the brand. We have invested heavily in marketing to increase brand awareness and re-energise the brand, concentrating on the key markets of USA and UK initially.

Product

Nasty Gal's distinctive product offering covers higher price points than those of boohoo and targets the confident girl who is not afraid to be herself. From a new start-up in March of this year, the range has increased to a comprehensive offering of clothing, shoes and accessories. We expect continued momentum in revenue growth as the range widens and the brand is reactivated through targeted marketing.

Marketing

The marketing strategy has focussed on building and extending the number of bloggers and influencers and staging key media events to re-engage customer interest and promote brand loyalty.

Customer interaction

The number of country-specific websites has been increased to six, with Canada and Ireland being added in the first half year. On social media we have 2.3 million followers on Instagram, 1.3 million Facebook likes and 0.2 million followers on Twitter.

Financial review

The group has achieved a strong performance with revenues and profits increasing in all territories.

Group revenue by brand

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Change	Change CER
boohoo	181,824	127,316	+43%	+40%
PrettyLittleThing	72,675	-	-	-
Nasty Gal	8,376	-	-	-
	262,875	127,316	+106%	+101%

For comparative purposes, PrettyLittleThing's revenue for the six months to 31 August 2016 was £18.7 million.

Group revenue by geographical market

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Change	Change CER
UK	163,381	81,696	+100%	+100%
Rest of Europe	27,791	14,713	+89%	+77%
USA	39,596	15,226	+160%	+145%
Rest of world	32,107	15,681	+105%	+89%
	262,875	127,316	+106%	+101%

KPIs

boohoo

	6 months to 31 August 2017	6 months to 31 August 2016	Change
Active customers ⁽¹⁾	5.8 million	4.5 million	+29%
Number of orders	6.4 million	5.1 million	+26%
Order frequency ⁽²⁾	2.11	2.11	-
Conversion rate to sale ⁽³⁾	4.1%	3.9%	+20bps
Average order value ⁽⁴⁾	£39.92	£37.16	+7%
Number of items per basket	3.17	2.86	+11%

1. Defined as having shopped in the last 12 months

2. Defined as number of orders in last 12 months divided by number of active customers

3. Defined as the percentage of orders taken to internet sessions

4. Calculated as gross sales including sales tax divided by the number of orders

PrettyLittleThing

	6 months to 31 August 2017	6 months to 31 August 2016	Change
Active customers ⁽¹⁾	2.0 million	0.8 million	+150%
Number of orders	2.9 million	0.9 million	+222%
Order frequency ⁽²⁾	2.22	1.86	+19%
Conversion rate to sale ⁽³⁾	4.3%	3.4%	+90bps
Average order value ⁽⁴⁾	£37.95	£30.43	+25%
Number of items per basket	2.10	2.10	-

1. Defined as having shopped in the last 12 months
2. Defined as number of orders in last 12 months divided by number of active customers
3. Defined as the percentage of orders taken to internet sessions
4. Calculated as gross sales including sales tax divided by the number of orders

Consolidated income statement

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Change
Revenue	262,875	127,316	+106%
Cost of sales	(122,643)	(56,850)	+116%
Gross profit	140,232	70,466	+99%
<i>Gross margin</i>	<i>53.3%</i>	<i>55.3%</i>	<i>-200bps</i>
Distribution costs	(56,002)	(29,476)	
Administrative expenses - operational	(62,046)	(28,389)	
Administrative expenses - amortisation of acquired intangible assets and customer lists	(2,224)	-	
Other income	53	1,452	
Operating profit	20,013	14,053	+42%
Finance income	347	311	
Finance expense	(78)	-	
Profit before tax	20,282	14,364	+41%
Adjusted EBITDA	27,751	16,510	+68%
<i>Adjusted EBITDA margin %</i>	<i>10.6%</i>	<i>13.0%</i>	<i>-240bps</i>
Calculation of adjusted EBITDA			
Operating profit	20,013	14,053	
Depreciation and amortisation	5,181	2,004	
Equity-settled share-based payment charge for shares in boohoo.com plc	1,139	453	
Equity-settled share-based payment charge for existing shares in PrettyLittleThing.com Limited (see note 5)	1,418	-	
Adjusted EBITDA	27,751	16,510	

Gross margin reduced from 55.3% to 53.3%, primarily due to an increase in promotional activity, which has in turn increased sales growth.

Distribution costs have increased with revenue growth and reduced by 90bps like-for-like as a percentage of revenue. Administrative expenses, which include marketing expenses, have risen due to the combination of revenue growth, the investment in developing the newly acquired and rapidly growing brands and amortisation charges from the acquisitions of PrettyLittleThing and Nasty Gal.

Adjusted EBITDA increased by 68% from £16.5 million to £27.8 million and, as a percentage of revenue, decreased from 13.0% to 10.6%, due to the lower gross margin driving sales growth and investment in brand and infrastructure in growing our brands.

Taxation

The effective rate of tax for the half-year was 23.2% (2017: 20.6%), which is more than the blended UK statutory rate of tax for the year of 19.1% due to disallowable items, principally share-based payment charges in PrettyLittleThing.com Limited (2017: 20.1%).

Earnings per share

Basic earnings per share increased by 24% from 1.01p to 1.25p.

Consolidated statement of financial position

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000
Intangible assets	33,385	4,403
Property, plant and equipment	49,116	26,188
Financial assets	175	339
Deferred tax asset	6,861	810
Non-current assets	89,537	31,740
Working capital	(17,068)	(4,789)
Financial liabilities	(11,513)	(11,349)
Cash and cash equivalents	129,910	67,056
Interest bearing loans and borrowings	(10,719)	-
Deferred tax liability	(2,348)	-
Current tax liability	(5,738)	(3,062)
Net assets	172,061	79,596

Intangible assets have increased by £29.0 million due to the acquisition of PrettyLittleThing.com Limited (£14.9 million) and the intellectual property of Nasty Gal (£16.1 million). Property, plant and equipment has risen by £22.9 million due to warehouse, IT and office investment.

Working capital has reduced primarily due to an increase in payables and accruals relating to our increased trading activity. Cash has increased from profits and the £50 million share placing in June 2017. The deferred tax asset has risen due to share based payment charges and the deferred tax liability increase relates to the acquisition of PrettyLittleThing.com Limited. Net assets have increased by £92.5 million (+116%).

Liquidity and financial resources

Free cash flow was £12.8 million compared to £10.6 million in the previous financial half-year. Capital expenditure was £20.2 million, which includes £1.6 million of IT investment, £9.2 million investment in offices and a £9.4 million warehouse investment. The closing cash balance for the group was £129.9 million, after a £50 million share placing.

Consolidated cash flow statement

	6 months to 31 August 2017	6 months to 31 August 2016
	£000	£000
Profit for the period	15,584	11,339
Depreciation charges and amortisation	5,181	2,004
Share-based payments charge	2,557	453
Tax expense	4,698	3,025
Finance income	(347)	(311)
Finance expense	78	-
Increase in inventories	(19,295)	(6,356)
Increase in trade and other receivables	(5,218)	(4,451)
Increase in trade and other payables	29,738	11,493
Capital expenditure and intangible asset purchases	(20,217)	(6,627)
Free cash flow	12,759	10,569
Proceeds from the issue of ordinary shares	50,944	-
Finance income received	253	171
Finance expense paid	(78)	-
Tax paid	(3,098)	(1,965)
Unrealised currency translation movements	(9)	-
Repayment of borrowings	(1,191)	-
Net cash flow	59,580	8,775
Cash and cash equivalents at beginning of period	70,330	58,281
Cash and cash equivalents at end of period	129,910	67,056

Outlook

We continue to maintain a highly positive outlook for on-line fashion. The group has evolved into a multi-brand business with brands appealing to a wide consumer audience. The demand for affordable fashion continues unabated and affords us the opportunity for continued growth globally. Growth in the UK, our largest market, remains strong, whilst international growth continues at a higher rate as we gain market share. Our focus is concentrated on keeping the customer proposition outstanding, with the best fashion at great prices, supported by excellent customer service and driven from the most appealing websites and supported by engaging social media.

We have made significant investments in an improved website platform, added new apps, upgraded IT systems, expanded our warehouse and added new office space. Planning is underway for warehouse automation and for the construction of additional new warehouse facilities for medium to long term growth.

Mahmud Kamani

Joint Chief Executive

Carol Kane

Joint Chief Executive

Neil Catto

Chief Financial Officer

26 September 2017

Unaudited consolidated statement of comprehensive income

for the period ended 31 August 2017

	Note	6 months to 31 August 2017	6 months to 31 August 2016	12 months to 28 February 2017
		£000	£000	£000
Revenue	3	262,875	127,316	294,635
Cost of sales		(122,643)	(56,850)	(133,806)
Gross profit		140,232	70,466	160,829
Distribution costs		(56,002)	(29,476)	(66,849)
Administrative expenses		(64,270)	(28,389)	(68,534)
Other income	4	53	1,452	4,862
Operating profit		20,013	14,053	30,308
Finance income		347	311	637
Finance expense		(78)	-	-
Profit before tax	5	20,282	14,364	30,945
Taxation		(4,698)	(3,025)	(6,284)
Profit for the period		15,584	11,339	24,661
Profit for the period attributable to:				
Shareholders of the holding company		14,146	11,339	24,458
Non-controlling interest		1,438	-	203
		15,584	11,339	24,661
Net fair value gain/(loss) on cash flow hedges ¹		249	(6,170)	(6,747)
Total comprehensive income for the period		15,833	5,169	17,914
Total comprehensive income attributable to:				
Shareholders of the holding company		14,395	5,169	17,711
Non-controlling interest		1,438	-	203
		15,833	5,169	17,914
Earnings per share				
Basic		1.25p	1.01p	2.19p
Diluted		1.22p	1.00p	2.16p

1. Net fair value gains/losses on cash flow hedges will be reclassified to profit or loss during the two years to 31 August 2019.

Unaudited consolidated statement of financial position

at 31 August 2017

	Note	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	12 months to 28 February 2017 £000
Assets				
Non-current assets				
Intangible assets		33,385	4,403	35,446
Property, plant and equipment		49,116	26,188	32,019
Financial assets		175	339	231
Deferred tax	7	6,861	810	4,494
		89,537	31,740	72,190
Current assets				
Inventories		53,465	25,025	34,170
Trade and other receivables	8	17,258	11,692	11,944
Financial assets		1,123	92	489
Cash and cash equivalents		129,910	67,056	70,330
Total current assets		201,756	103,865	116,933
Total assets		291,293	135,605	189,123
Liabilities				
Current liabilities				
Trade and other payables	9	(87,791)	(41,506)	(58,053)
Interest bearing loans and borrowings		(2,382)	-	(2,382)
Financial liabilities		(8,576)	(8,564)	(10,229)
Current tax liability		(5,738)	(3,062)	(3,761)
Total current liabilities		(104,487)	(53,132)	(74,425)
Non-current liabilities				
Interest bearing loans and borrowings		(8,337)	-	(9,528)
Financial liabilities		(4,060)	(2,877)	(2,077)
Deferred tax	7	(2,348)	-	(2,597)
Total liabilities		(119,232)	(56,009)	(88,627)
Net assets		172,061	79,596	100,496
Equity				
Share capital	10	11,494	11,233	11,233
Share premium		601,994	551,720	551,720
Capital redemption reserve		100	100	100
Hedging reserve		(11,337)	(11,009)	(11,586)
EBT reserve		(352)	(761)	(761)
Translation reserve		(4)	3	5
Reconstruction reserve		(515,282)	(515,282)	(515,282)
Non-controlling interest		5,416	-	3,978
Retained earnings		80,032	43,592	61,089
Total equity		172,061	79,596	100,496

Unaudited consolidated statement of changes in equity

	Share capital	Share premium	Capital redemption reserve	Hedging reserve	EBT reserve	Translation reserve	Reconstruction reserve	Non-controlling interest	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 March 2017	11,233	551,720	100	(11,586)	(761)	5	(515,282)	3,978	61,089	100,496
Issue of shares	261	50,683	-	-	-	-	-	-	-	50,944
Issue of shares by EBT	-	(409)	-	-	409	-	-	-	-	-
Share-based payments credit	-	-	-	-	-	-	-	-	2,557	2,557
Excess deferred tax on share-based payment charge	-	-	-	-	-	-	-	-	2,240	2,240
Profit for the period	-	-	-	-	-	-	-	1,438	14,146	15,584
Translation of foreign operations	-	-	-	-	-	(9)	-	-	-	(9)
Other comprehensive income	-	-	-	249	-	-	-	-	-	249
Balance at 31 August 2017	11,494	601,994	100	(11,337)	(352)	(4)	(515,282)	5,416	80,032	172,061

Balance as at 1 March 2016	11,233	551,666	100	(4,839)	(761)	1	(515,282)	-	31,309	73,427
Issue of shares	-	54	-	-	-	-	-	-	-	54
Share-based payment charge	-	-	-	-	-	-	-	-	399	399
Excess deferred tax on share-based payment charge	-	-	-	-	-	-	-	-	545	545
Profit for the period	-	-	-	-	-	-	-	203	11,339	11,339
Translation of foreign operations	-	-	-	-	-	2	-	-	-	2
Other comprehensive expense	-	-	-	(6,170)	-	-	-	-	-	(6,170)
Balance at 31 August 2016	11,233	551,720	100	(11,009)	(761)	3	(515,282)	3,978	43,592	79,596

Balance at 1 March 2016	11,233	551,666	100	(4,839)	(761)	1	(515,282)	-	31,309	73,427
Acquisition of 66% interest in PrettyLittleThing.com Limited	-	-	-	-	-	-	-	3,775	-	3,775
Issue of shares	-	54	-	-	-	-	-	-	-	54
Share-based payments credit	-	-	-	-	-	-	-	-	1,895	1,895
Excess deferred tax on share-based payments	-	-	-	-	-	-	-	-	3,427	3,427
Profit for the year	-	-	-	-	-	-	-	203	24,458	24,661
Translation of foreign operations	-	-	-	-	-	4	-	-	-	4
Other comprehensive expense	-	-	-	(6,747)	-	-	-	-	-	(6,747)
Balance at 28 February 2017	11,233	551,720	100	(11,586)	(761)	5	(515,282)	3,978	61,089	100,496

Unaudited consolidated cash flow statement
for the period ended 31 August 2017

	Note	6 months to 31 August 2017	6 months to 31 August 2016	12 months to 28 February 2017
		£000	£000	£000
Cash flows from operating activities				
Profit for the period		15,584	11,339	24,661
<i>Adjustments for:</i>				
Share-based payments charge		2,557	399	1,895
Depreciation charges and amortisation		5,181	2,004	4,765
Unrealised currency translation movements		(9)	-	-
Gain on option to acquire PrettyLittleThing.com Limited		-	-	(1,405)
Finance income		(347)	(311)	(637)
Finance expense		78	-	-
Tax expense		4,698	3,025	6,284
		27,742	16,456	35,563
Increase in inventories		(19,295)	(6,356)	(11,925)
Increase in trade and other receivables	8	(5,218)	(4,451)	(4,107)
Increase in trade and other payables	9	29,738	11,493	15,166
Cash generated from operations		32,967	17,142	34,697
Tax paid		(3,098)	(1,965)	(5,206)
Net cash generated from operating activities		29,869	15,177	29,491
Cash flows from investing activities				
Acquisition of intangible assets		(1,405)	(736)	(18,311)
Acquisition of tangible property, plant and equipment		(18,812)	(5,891)	(12,364)
Acquisition of 66% interest in PrettyLittleThing.com Limited		-	-	655
Finance income		253	171	614
Finance expense		(78)	-	-
Net cash used in investing activities		(20,042)	(6,456)	(29,406)
Cash flows from financing activities				
Proceeds from the issue of ordinary shares		51,694	54	54
Share issue costs written off to share premium		(750)	-	-
Repayment of loan		(1,191)	-	-
Proceeds from new loan		-	-	11,910
Net cash generated from financing activities		49,753	54	11,964
Increase in cash and cash equivalents		59,580	8,775	12,049
Cash and cash equivalents at beginning of period		70,330	58,281	58,281
Cash and cash equivalents at end of period		129,910	67,056	70,330

Notes

(forming part of the interim report and accounts)

1 Accounting policies

General information

boohoo.com plc is a public limited company incorporated and domiciled in Jersey and listed on the Alternative Investment Market (AIM) of the London Stock Exchange. Its registered office address is: 12 Castle Street, St Helier, Jersey, JE2 3RT. The company was incorporated on 19 November 2013.

Basis of preparation

The interim condensed financial statements for the six months ended 31 August 2017 have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. The interim financial statements should be read in conjunction with the group's Annual Report and Accounts for the year ended 28 February 2017, prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), IFRIC Interpretations and the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The interim condensed financial statements contained in this report are not audited and do not constitute statutory accounts within the meaning of Companies (Jersey) Law 1991. The Annual Report and Accounts for the year ended 28 February 2017 has been filed with the Jersey Companies Registry. The auditors' reports on those accounts was unqualified and did not include reference to any matters on which the auditors were required to report by exception under Companies (Jersey) Law 1991.

The group's business activities together with the factors that are likely to affect its future developments, performance and position are set out in the Business and Financial Reviews. The Financial Review describes the group's financial position, cash flows and bank facilities.

The interim financial statements are unaudited and were approved by the board of directors on 26 September 2017.

Going concern

The directors have reviewed the group's forecast and projections, including assumptions concerning capital expenditure and expenditure commitments and their impact on cash flows, and have a reasonable expectation that the group has adequate financial resources to continue its operations for the foreseeable future. For this reason they have continued to adopt the going concern basis in preparing the financial statements.

In preparing the preliminary announcement, the directors have also made reasonable and prudent judgements and estimates and prepared the preliminary announcement on the going concern basis. The preliminary announcement and management report contained herein give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.

Accounting policies

The interim financial statements have been prepared in accordance with the accounting policies set out in the group's Annual Report and Accounts for the year ended 28 February 2017.

2 Principal risks and uncertainties

The board considers the principal risks and uncertainties which could impact the group over the remaining six months of the financial year to 28 February 2018 to be unchanged from those set out in the group's Annual Report and Accounts for the year ended 28 February 2017, which in summary are: competition risk; fashion and consumer demands risk; systems and technical risk; supply chain risk; loss of key facilities; people risk; customer dissatisfaction; and financial risk. These are set out in detail on pages 22 to 24 of the group's Annual Report and Accounts for the year ended 28 February 2017, a copy of which is available on the group's website, www.boohooplc.com.

3 Segmental analysis

	6 months ended 31 August 2017			Total £000
	boohoo £000	PrettyLittleThing £000	Nasty Gal £000	
Revenue	181,824	72,675	8,376	262,875
Cost of sales	(86,751)	(32,859)	(3,033)	(122,643)
Gross profit	95,073	39,816	5,343	140,232
Distribution costs	(38,514)	(15,636)	(1,852)	(56,002)
Segment result	56,559	24,180	3,491	84,230
Administrative expenses	-	-	-	(64,270)
Other income	-	-	-	53
Operating profit	-	-	-	20,013
Finance income	-	-	-	269
Profit before tax	-	-	-	20,282

	6 months ended 31 August 2016	
	boohoo £000	
Revenue	127,316	
Cost of sales	(56,850)	
Gross profit	70,466	
Distribution costs	(29,476)	
Segment result	40,990	
Administrative expenses	(28,389)	
Other income	1,452	
Operating profit	14,053	
Finance income	311	
Profit before tax	14,364	

	Year ended 28 February 2017		Total £000
	boohoo £000	PrettyLittleThing £000	
Revenue	283,378	11,257	294,635
Cost of sales	(129,026)	(4,780)	(133,806)
Gross profit	154,352	6,477	160,829
Distribution costs	(64,375)	(2,474)	(66,849)
Segment result	89,977	4,003	93,980
Administrative expenses	-	-	(68,534)
Other income	-	-	4,862
Operating profit	-	-	30,308
Finance income	-	-	637
Profit before tax	-	-	30,945

Revenue by geographic region

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
UK	163,381	81,696	181,981
Rest of Europe	27,791	14,713	34,735
USA	39,596	15,226	40,435
Rest of world	32,107	15,681	37,484
	262,875	127,316	294,635

4 Other income

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
Rent	53	-	-
Income from warehouse management services	-	1,452	3,457
Gain on option to acquire PrettyLittleThing.com Limited	-	-	1,405
	53	1,452	4,862

5 Profit before tax

Profit before tax is stated after charging:	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
Operating lease rentals for buildings	523	383	1,060
Depreciation of property, plant and equipment	1,715	1,129	2,488
Amortisation of intangible assets	1,242	875	2,277
Amortisation of acquired intangible assets and customer lists	2,224	-	-
Equity-settled share-based payment charges – boohoo.com plc shares	1,139	453	1,895
National insurance on share-based payment charges – boohoo.com plc shares	1,388	-	1,654
Equity-settled share-based payment charges – directors' existing shareholdings in PrettyLittleThing.com Limited	1,418	-	-

The equity-settled share-based payment charges in boohoo.com plc represent the cost of ESOP, LTIP, SIP and SAYE schemes settled with shares in boohoo.com plc. The equity-settled share-based payment charges in PrettyLittleThing.com Limited ["PLT"] represents the share-based payment charges relating to the shares directors in PLT are already holding (34% of PLT) and for which boohoo.com plc has an option to purchase at market value or less, depending on PLT's performance, in 2022.

6 Earnings per share

Basic earnings per share is calculated by dividing profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year. Own shares held by the Employee Benefit Trust are eliminated from the weighted average number of shares. Diluted earnings per share is calculated by dividing the profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year, adjusted for potentially dilutive share options.

	6 months to 31 August 2017	6 months to 31 August 2016	Year to 28 February 2017
Weighted average shares in issue for basic earnings per share	1,132,106,923	1,119,210,360	1,118,177,098
Dilutive share options	26,154,173	17,655,714	16,269,059
Weighted average shares in issue for diluted earnings per share	1,158,261,095	1,136,866,074	1,134,446,158
Earnings (£000)	14,146	11,339	24,458
Basic earnings per share	1.25p	1.01p	2.19p
Diluted earnings per share	1.22p	1.00p	2.16p

7 Deferred tax

Assets

	Depreciation in excess of capital allowances £000	Share-based payments £000	Total £000
At 1 March 2016	62	169	231
At 1 September 2016	32	778	810
At 1 March 2017	232	4,262	4,494
Recognised in statement of comprehensive income	(44)	171	127
Credit in equity	-	2,240	2,240
At 31 August 2017	188	6,673	6,861

Liabilities

	Business combinations £000	Total £000
At 1 March 2017	(2,597)	(2,597)
Recognised in statement of comprehensive income	249	249
At 31 August 2017	(2,348)	(2,348)

Recognition of the deferred tax assets is based upon the expected generation of future taxable profits. The deferred tax asset is expected to be recovered in more than one year's time and the deferred tax liability will reverse in more than one year's time as the intangible assets are amortised.

8 Trade and other receivables

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
Amounts due from related party undertakings	-	685	-
Trade and other receivables	14,761	6,923	9,446
Prepayments and accrued income	2,497	4,084	2,498
	17,258	11,692	11,944

9 Trade and other payables

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
Trade payables	29,545	11,586	23,124
Amounts owed to related party undertakings	1	-	2
Other payables	2,585	1,925	3,090
Accruals and deferred income	51,732	24,921	27,465
Taxes and social security payable	3,928	3,074	4,372
	87,791	41,506	58,053

10 Share capital

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
At start of period	11,233	11,233	11,233
Share issues	261	-	-
At end of period	11,494	11,233	11,233

Share capital at period end: 1,149,419,722 authorised and fully paid ordinary shares of 1p each (2017: 1,123,267,330). No dividends have been paid or are payable for the period ended 31 August 2017 (2017: £nil).

20 Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	6 months to 31 August 2017 £000	6 months to 31 August 2016 £000	Year to 28 February 2017 £000
Property, plant and equipment	17,449	-	2,100

22 Contingent liabilities

From time to time, the group can be subject to various legal proceedings and claims that arise in the ordinary course of business which may include cases relating to the group's brands and trading names. All such cases brought against the group are robustly defended and a liability is recorded only when it is probable that the case will result in a future economic outflow and that the outflow can be reliably measured.

As at 31 August 2017, there are no pending claims or proceedings against the group which are expected to have material adverse effect on its liquidity or operations.

Appendix – prior period revenues by region

Revenue by period for the six months to 31 August 2017

£'000	3m to 31 May				3m to 31 August				6m to 31 August			
	FY18	FY17	yoy %	yoy % CER	FY18	FY17	yoy %	yoy % CER	FY18	FY17	yoy %	yoy % CER
Total	120,077	58,222	106%	98%	142,798	69,094	107%	104%	262,875	127,316	106%	101%
Sales by region												
UK	74,532	37,396	99%	99%	88,849	44,300	101%	101%	163,381	81,696	100%	100%
ROE	12,220	6,938	76%	61%	15,571	7,775	100%	92%	27,791	14,713	89%	77%
USA	17,906	6,385	180%	155%	21,690	8,841	145%	136%	39,596	15,226	160%	145%
ROW	15,419	7,503	105%	80%	16,688	8,178	104%	98%	32,107	15,681	105%	89%

Revenue by period for the year to 28 February 2017

£'000	3m to 31 May				3m to 31 August				6m to 31 August			
	FY17	FY16	yoy %	yoy % CER	FY17	FY16	yoy %	yoy % CER	FY17	FY16	yoy %	yoy % CER
Total	58,222	41,322	41%	42%	69,094	49,462	40%	40%	127,316	90,784	40%	41%
Sales by region												
UK	37,396	26,273	42%	42%	44,300	32,855	35%	35%	81,696	59,128	38%	38%
ROE	6,938	4,943	40%	43%	7,775	5,460	42%	40%	14,713	10,403	41%	41%
USA	6,385	3,815	67%	60%	8,841	4,086	116%	100%	15,226	7,901	93%	81%
ROW	7,503	6,291	19%	27%	8,178	7,061	16%	27%	15,681	13,352	17%	27%

£'000	4m to 31 December				2m to 28 February				12m to 28 February			
	FY17	FY16	yoy %	yoy % CER	FY17	FY16	yoy %	yoy % CER	FY17	FY16	yoy %	yoy % CER
Total	114,294	73,692	55%	52%	53,025	30,918	72%	67%	294,635	195,394	51%	49%
Sales by region												
UK	65,465	49,701	32%	32%	34,820	21,267	64%	64%	181,981	130,096	40%	40%
ROE	13,963	8,588	63%	54%	6,059	3,639	67%	47%	34,735	22,630	53%	47%
USA	19,299	5,962	224%	183%	5,910	2,660	122%	105%	40,435	16,523	145%	124%
ROW	15,567	9,441	65%	56%	6,236	3,352	86%	74%	37,484	26,145	43%	45%

CER in this appendix for the year ended 28 February 2017 is calculated using exchange rates prevailing during the year ending 28 February 2017.

Nomenclature: ROE – rest of Europe; ROW – rest of world; yoy – year-on-year; CER – constant exchange rate