

NEXT

Trading Statement – 30 October 2024

HEADLINES

- Full price¹ sales in the third quarter (August - October) were up **+7.6%** versus last year. This was +2.6% ahead of our guidance for the quarter of +5.0%.
- We believe the strong performance was driven by the early arrival of colder weather this year, versus an unusually warm September and early October last year.
- We are increasing guidance for Q4 full price sales growth by +1.0%, to +3.5% (see analysis below).
- The improved sales in Q3 along with our forecast for Q4 add £43m to full price sales and £10m to profit; accordingly we are upgrading our profit² guidance for the full year from £995m to **£1,005m**.

FULL PRICE SALES PERFORMANCE

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

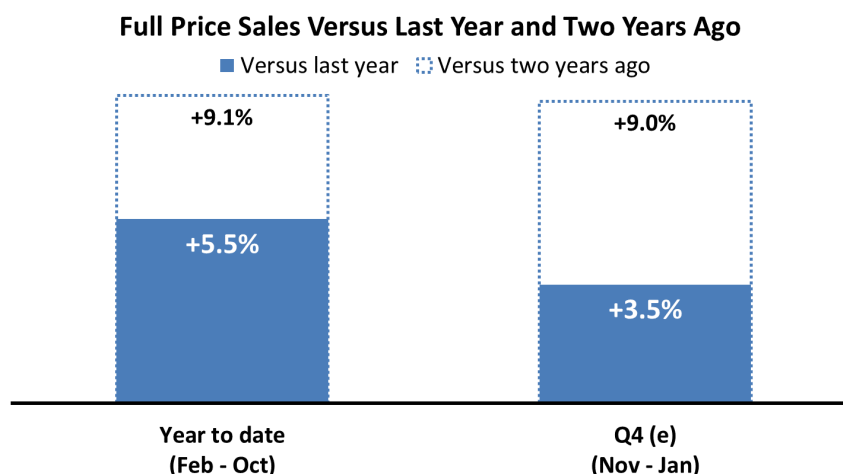
Full price sales by division versus last year	Q3: 13 weeks to 26 October	Year to 26 October
Online NEXT UK	+7.8%	+4.2%
Online LABEL UK	+8.0%	+6.0%
Total Online UK	+7.9%	+4.9%
Retail	+2.9%	- 0.8%
Total UK	+5.8%	+2.4%
Online Overseas	+20.4%	+22.0%
Total Product full price sales	+8.1%	+5.6%
NEXT Finance interest income	+0.0%	+3.2%
Total full price sales	+7.6%	+5.5%

¹ Full price sales include all items sold in NEXT Retail, NEXT Online including third-party brands, and NEXT Finance interest income, but excludes Sale events, Clearance, Total Platform commission and subsidiaries' sales.

² NEXT Group profit before tax excludes: (1) the cost of brand amortisation, (2) the profit attributable to shares that we do not own in subsidiary companies, and (3) an exceptional, non-cash, loss relating to the closure of our defined benefit pension scheme.

Q4 FULL PRICE SALES GUIDANCE

The chart below shows our full price sales performance against last year (blue bar) and against two years ago (dotted line). As shown, our Q4 forecast against last year looks pessimistic, but is much more realistic when compared with two years ago. We are more confident in the two year comparison as we believe the overperformance in Q3 *this year* is likely to have pulled forward sales from Q4.



GUIDANCE FOR FULL YEAR SALES, PROFIT AND EARNINGS PER SHARE

Our revised guidance for sales, profit and Earnings Per Share for the full year is summarised below. For completeness, our previous guidance is shown in grey.

Guidance for the full year 2024/25	New guidance		Previous guidance	
	Full year £ (e)	% Versus 2023/24	Full year £ (e)	% Versus 2023/24
Full price sales	£5.02bn	+4.9%	£4.98bn	+4.0%
Total Group sales ³ (inc. markdown, subsidiaries and investments)	£6.27bn	+7.4%	£6.23bn	+6.6%
NEXT Group profit before tax	£1,005m	+9.5%	£995m	+8.4%
Pre-tax EPS	839.3p	+10.8%	830.4p	+9.7%
Post-tax EPS	632.4p	+9.3%	625.7p	+8.1%

Total Group sales for the full year are expected to be up +7.4% on last year, which is +2.5% higher than our expected growth in full price sales of +4.9%. The difference is the result of acquisitions completed during the last year. We acquired 97% of FatFace in October 2023 and increased our equity share in Reiss in September 2023 and June 2024; we now have a 74% shareholding in Reiss.

CHRISTMAS TRADING STATEMENT

We are scheduled to give an update on sales to Saturday 28 December, on Tuesday 7 January 2025.

³ Total Group sales are the sum of total sales (full price and markdown) from all of the Group's divisions plus revenue from subsidiary companies. Subsidiaries' turnover is calculated using our share of our subsidiaries' turnover. For example, we own 74% of Joules so we include 74% of their sales in our top line.

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 30 October 2024

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