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ASX/Media Release

Super Retail Group Limited
Trading Update at 2016 Annual General Meeting

Super Retail Group (SUL) will provide an update on trading performance so far this financial year at today's Annual General Meeting.

In the 16 weeks to 22 October 2016, sales growth across the Group's three divisions has been as follows:

	Total	Like for Like
Auto Retailing	3.5%	2.5%
Leisure Retailing	1.5%	6.0%
Sports Retailing	7.0%	4.5%

Mr Peter Birtles, Group Managing Director and Chief Executive Officer, Super Retail Group said, "We have made a solid start to the year generating profit in line with budget. Group sales performance has been behind expectations, however, this has been offset by the benefits being generated from our supply chain development program and cost control across the Group."

"Sales performance has been pleasing in both the Rebel and Amart Sports businesses with momentum building through the half to date. Gross margin is also tracking ahead of the prior comparative period. The restructuring of the Infinite Retail business is tracking in line with plan."

"Sales performance in the automotive categories within the Supercheap Auto business has been solid, however, competitor clearance activity in the Hardware retail sector has had a negative impact on sales in the business' Tools categories. This negative impact is expected to continue until the end of the first half but the changing competitive environment will present the opportunity for market share growth in the second half of the year."

"The closure of 36 Ray's Outdoors stores was completed in line with plan at the end of the first quarter. Eleven of these stores have been converted to BCF stores and a further six stores will be converted to other Group businesses in the next six months. Ten of the remaining 17 stores have now been converted into the new Rays format with a further four to be converted over the balance of the financial year."

"The clearance of inventory in the closed stores boosted like for like sales performance in those stores, however, has dampened like for like sales growth across the BCF network and continuing Rays stores. The new format Rays stores are showing promising signs with strong improvement in average transaction value, gross margin and customer endorsement."

“We continue to grow our network of stores across the Group. We expect to open up to 15 new stores in the Auto Division and refurbish up to 45 stores during the financial year. In the Leisure Division, we expect to open 14 new BCF stores, including the 11 converted from Ray’s Outdoors and convert nine Rays Outdoors stores to new format Rays. In the Sports Division, we expect to open 14 new stores, including five converted from Ray’s Outdoors.”

“Our store development and refurbishment program will be the major component of our capital expenditure plans for the year which are expected to be around \$110 million,” he said

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