



FLASH REPORT

## boohoo.com (LSE: B00) 1H18 Results: Top-Line Beat and Guidance Raise

Figure 1. Boohoo.com 1H18 Key Metrics

	1H18	1H17	YoY Change
Revenues (GBP Mil.)	£262.9	£127.3	106.5%
Gross Margin	53.3%	55.3%	(200) bps
SG&A/Sales	45.8%	45.4%	30 bps
Operating Margin	7.6%	11.0%	(342) bps
Basic EPS (Pence)	1.22p	1.00p	22.0%

Source: Company reports/FGRT

- Boohoo.com grew 1H18 group revenues by 106.5%, ahead of the analyst consensus of a 99% increase.
- The gross margin contracted by 200 basis points, due to planned investments in the customer proposition.
- The company raised its full-year revenue guidance to around 80% from previous guidance of 60%.

### 1H18 Results

Boohoo.com once again knocked it out of the park in terms of revenue growth. The company grew 1H18 group revenues by 106.5%, ahead of the analyst consensus of a 99% increase.

Profits, on the hand, came in below expectations: EBIT was £20 million versus consensus of £24 million; PBT was £20.3 million versus expectations of £22.6 million; and diluted EPS was 1.22 pence compared to the consensus of 1.43 pence.

By brand:

- Boohoo brand sales were up 43% to £182 million (up 40% at constant exchange rates).
- PrettyLittleThing revenues were up 289% on the prior-year comparative, to £73 million.
- Nasty Gal generated revenues of £8 million, “increasing month-on-month” since its acquisition in March 2017.

By region, at constant currency:

- UK revenues were up 100%
- Rest of Europe revenues were up 77%.
- US revenues were up 145%.
- Rest of World revenues were up 89%.



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## Outlook

The company raised its guidance for FY18 group revenue growth to 80%, from prior guidance of a 60% increase. Boohoo expects to report an adjusted EBITDA margin of between 9% and 10% this year. Over the medium term, the company expects to report 25% annual revenue growth and an adjusted EBITDA margin of around 10%.



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**Deborah Weinswig, CPA**

Managing Director  
FGRT  
New York: 917.655.6790  
Hong Kong: 852.6119.1779  
China: 86.186.1420.3016  
deborahweinswig@fung1937.com

**John Mercer**  
Senior Analyst

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**Hong Kong:**

2nd Floor, Hong Kong Spinners Industrial Building Phase 1&2  
800 Cheung Sha Wan Road, Kowloon  
Hong Kong  
Tel: 852 2300 4406

**London:**

242–246 Marylebone Road  
London, NW1 6JQ  
United Kingdom  
Tel: 44 (0)20 7616 8988

**New York:**

1359 Broadway, 18th Floor  
New York, NY 10018  
Tel: 646 839 7017

**[FungGlobalRetailTech.com](http://FungGlobalRetailTech.com)**