

### 3 Chairman's Statement

The last year has clearly been a difficult one for SuperGroup. We have delivered a strong performance in Group revenues, but profits have fallen considerably short of expectations. Whilst the tough and volatile economic environment has not helped, our problems have been largely self-inflicted. The underlying issue is that our management and operational capability has fallen behind the needs of a rapidly growing business. Since becoming a public company in March 2010 we have invested substantially in the infrastructure of the business. However, revenues have grown by 125% over the last 3 years, the UK Retail store base has grown from 42 to 79 and the number of international franchised and licensed stores increased from 29 to 101. Clearly, keeping pace with this level of growth would always have been a challenge, but we should have done better.

Communications with the City have proved to be challenging and have highlighted the need for a thorough review of the Group's forecasting and review processes. Shaun Wills was appointed as Chief Financial Officer at a time when the Group came under scrutiny following a number of forecasting issues that came to light towards the end of the financial year. Since his appointment he has commenced a thorough review of the finance department looking at skills, competencies and systems. Shaun's experience in leading finance teams in the fashion retail sector is key to developing a professional team that will operate at a level that would be expected.

Importantly though, the fundamentals of our business remain intact. Our products are in demand and all the indications from in-depth research we have carried out on the Superdry brand are that it is well-defined, clearly understood by customers and in good health. Julian Dunkerton and James Holder are focusing their talents on developing our ranges, whilst Theo Karpathios continues to build our international presence.

As a board we are committed to growing SuperGroup in a controlled and measured way. Through the key management appointments made towards the end of the year, particularly Susanne Given as Chief Operating Officer and Shaun Wills as Chief Financial Officer, and a continued programme of investment in systems, we are taking the steps required to build the operational capability that will enable the Group to realise the full potential of our brand.

The changes to the executive team will also ensure that the board can be more effective in underpinning the exceptional entrepreneurial skills and passion in the business with a more structured and disciplined approach. We will continue to review the composition of the board as the Group develops and to ensure diversity and the appropriate mix of skills. The board also has a key role in ensuring that the internal forecasts and external guidance the company gives are more accurate in the future.

I would like to thank everyone who works for SuperGroup for their continued hard work and commitment during this difficult and, at times, stressful year. I am optimistic that the changes we are making will ensure that SuperGroup remains a fulfilling and enjoyable place to work as well as delivering financial performance which is in line with the expectations of our investors.

**Peter Bamford**  
Chairman  
11 July 2012

