23 October 2013

ASOS plc
Global Online Fashion Destination
Final Results for the year ended 31 August 2013

Summary results table

£'000s	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**	**Change**
Group revenues[1]	**769,396**	552,854	*39%*
Retail sales	**753,807**	537,887	*40%*
UK retail sales	***276,027***	*205,258*	*34%*
International retail sales	***477,780***	*332,629*	*44%*
Gross profit	**398,580**	282,857	*41%*
Retail gross margin	***50.8%***	*49.8%*	*100bps*
Gross margin	***51.8%***	*51.2%*	*60bps*
Profit before tax and exceptional items	**54,670**	44,473	*23%*
Profit before tax	**54,670**	40,010	*37%*
Diluted underlying earnings per share[2]	**49.2p**	39.6p	*24%*
Diluted earnings per share[3]	**49.2p**	35.6p	*38%*
Net funds[4]	**71,139**	27,884	*155%*

[1]*Includes retail sales, delivery receipts and third party revenues*
[2]*Underlying earnings per share has been calculated using profit after tax but before exceptional items*
[3]*Earnings per share has been calculated using profit after tax and exceptional items of £nil (2012: £4.5m)*
[4]*Cash and cash equivalents less bank borrowings*

Highlights:

- Retail sales up 40% (UK retail sales up 34%, International retail sales up 44%)
- Retail gross margin up by 100bps and gross margin up by 60bps
- International retail sales accounted for 63% of total retail sales (2012: 62%)
- Profit before tax and exceptional items up 23% to £54.7m
- Net funds of £71.1m (2012: £27.9m)
- 7.1 million active customers[5] at 31 August 2013 (2012: 5.0 million)
- Step-change in capex investment to c.£55m in each of the next two years

Nick Robertson, CEO, commented:

"I am pleased to report another strong performance for ASOS for the year ended 31 August 2013, with retail sales up 40% to £754m and profit before tax and exceptional items up 23% to £54.7m.

During the year we continued to make progress towards our goal of being the world's number one fashion destination for 20-somethings. We reached the milestone of 7 million active customers worldwide, following significant investment in our product offer, delivery options, customer experience and marketing. We also successfully launched our dedicated website in Russia during May 2013 and will soon launch our China operation.

We have started the new financial year positively. Our £1 billion sales target is now firmly in our sights and we have stepped up our investment in people, technology, logistics and marketing to support the significant global potential of the ASOS business."

[5]*Defined as having shopped in the last 12 months*

Investor and Analyst Meeting

There will be a meeting for analysts that will take place at 9.30am today, 23 October 2013, at Greater London House, Hampstead Road, London, NW1 7FB. A webcast of the meeting will be available both live and following the meeting at www.asosplc.com. Please register your attendance in advance with College Hill using the details below.

For further information:

ASOS plc
Nick Robertson, Chief Executive Officer — Tel: 020 7756 1000
Nick Beighton, Chief Financial Officer
Greg Feehely, Head of Investor Relations
Website: www.asosplc.com/investors

College Hill
Matthew Smallwood / Justine Warren / Jamie Ramsay — Tel: 020 7457 2020

JPMorgan Cazenove
Luke Bordewich / Gina Gibson — Tel: 020 7742 4000

Numis Securities
Alex Ham — Tel: 020 7260 1000

Background note

ASOS is a global fashion destination for 20-somethings. We sell cutting-edge 'fast fashion' and offer a wide variety of fashion-related content, making ASOS.com the hub of a thriving fashion community. We sell over 65,000 branded and own-brand products through localised mobile and web experiences, delivering from our UK hub to almost every country in the world.

We tailor the mix of own-label, global and local brands sold through each of our eight local language websites: UK, US, France, Germany, Spain, Italy, Australia, Russia and, soon to launch, China.

ASOS's websites attract 21.3 million unique visitors a month (31 August 2012: 18.8 million) and as at 31 August 2013 had 13.2 million registered users (31 August 2012: 9.2 million) and 7.1 million active customers* (31 August 2012: 5.0 million).

**Defined as having shopped in the last 12 months*

www.asos.com

www.us.asos.com

www.asos.de

www.asos.fr

www.asos.com/au

www.asos.it

www.asos.es

www.asos.com/ru

www.asos.com/cn

m.asos.com

marketplace.asos.com

fashionfinder.asos.com

ASOS plc ("the Company")
Global Online Fashion Destination

Final Results for the year ended 31 August 2013

Business Review

The Group has performed strongly in the year, with revenues up 39% to £769.4m (2012: £552.9m) and profit before tax and exceptional items up 23% to £54.7m (2012: £44.5m) as we invested in future growth, particularly in our people, technology, logistics and marketing.

Our fashion

Our product offer remains focused on our global, fashion-conscious 20-something customers and we constantly review both our own-label and branded ranges to ensure we lead fashion trends, are globally relevant, and offer appropriate price points. The global relevance of our product range is increasingly important and we have introduced specific 'counter seasonal' ranges as well as adding more locally relevant brands.

Our ongoing investment in even better value for our customers has been well received and resulted in a higher mix of full-price sales and a lower level of discounting, particularly during our Spring/Summer 2013 campaign. We were joined by our new Sourcing Director in August 2013 and during the new financial year will focus on rationalisation of our supplier base to drive further retail gross margin efficiency and reduce lead times, whilst enhancing fashionability and quality.

Womenswear and Menswear have both performed strongly during the period. We continued to diversify our Womenswear offer through enhancements to our casual and separates ranges and an increased breadth of product in our specialist Petite, Maternity and Curve ranges in response to consumer demand. We also extended our size range across all product categories to increase relevance in our international markets, particularly in the US and Asia.

We strengthened our own-brand range in both Womenswear and Menswear and this accounted for 52.3% of sales over the year (2012: 51.5%). We added new product categories including men's underwear and women's 'Reclaimed Vintage' and also launched several exclusive designer collaborations including Markus Lupfer for ASOS Black, Marios Schwab Lingerie, Antipodium Shoes, Elliot Atkinson Nightwear, Sophia Kokosolaki and Puma for ASOS Black Menswear.

Third-party brands remain a key part of our business; our portfolio includes c.800 brands and we continually review the relevance of our branded offer. During the year we added new brands including New Look, Monki, Only, Boy London, Stussy and The Kooples and, following the year end, Jack Wills and Pull & Bear.

Operations

Technology

We constantly enhance our websites to ensure we offer the most engaging customer experience, with particular focus on developing and improving our mobile sites and apps as these represent an ever-increasing proportion of our traffic and sales. Our goal is to offer our international customers the same mobile and tablet access we offer our UK customers and we launched dedicated mobile sites in all markets where we already have local language websites during July 2013. In the UK we upgraded our mobile site in April 2013 and released our upgraded iOS apps and a new android app during October 2013. We will be launching US versions of our android and iOS apps during the first half of the new financial year, and our next focus will be on developing mobile apps to serve our other strategic markets.

Customer Experience

We added new functionality including 'Buy-the-Look', 'Recently Viewed' and larger product image sizes. We also launched our new women's and men's homepages featuring engaging live dynamic content including our daily feature, 'This Just Happened', which gives our customers a continuous stream of the latest fashion news.

We continued to make structural changes to our checkout process to support our global expansion, and as part of this process introduced additional payment methods to serve our customers in Germany and the Netherlands, which are already driving increased sales in these territories.

We have also seen a significant uplift in subscribers to our annual Premier membership scheme, supported by a price reduction in the UK and launch in the US, Australia and Germany. This entitles members to unlimited free express delivery, special offers, a monthly magazine, previews and priority access during sale periods.

Delivery and returns

We improved our delivery and returns experience through enhancements to our carrier network. In the UK we extended our next day delivery cut-off to 9pm and introduced a 15-minute delivery slot on these orders. Internationally we introduced a new express service for our Russian customers and reduced our express delivery lead-time by one day in 17 countries and our standard delivery lead-time by one day in the US, France and Germany. This was achieved alongside improved order tracking in the US and France, where 100% of our standard-delivery parcels are now tracked. Finally, we reduced our returns processing lead-time by four days for our customers in France and Germany and have seen a reduction in customer contact regarding returns in these territories as a result. We introduced a next day delivery option for our French customers early in the new financial year.

Warehousing

Our Barnsley fulfilment centre has shown further improvement in the year with labour cost per unit (LCPU) down 11% to 63p per unit (2012: 71p). Although subject to change as we build out our warehousing capability, our medium-term goal is to deliver an LCPU of 50p, and we progressed towards that target with the transition to a new service provider in August 2013 and the launch of our mechanised despatch sorter in October 2013. We also gained bonded warehouse status in January 2013 and commenced building work on extending the 530,000 sq. ft. site by 140,000 sq. ft., which will provide the storage capacity for the required unit volumes to exceed our £1bn sales target.

We expect to launch our mechanised picking solution during the financial year ended 2015 and continue to review our medium-term warehousing requirements to ensure we have the capacity to meet our growth ambitions, including planned capital investment of £25m-£30m on our Barnsley hub during the year to 31 August 2014.

Our international logistics strategy has continued to evolve. We relocated our Australian returns centre in March 2013, to reduce costs and provide capacity for future volume growth. During May 2013 we completed the transition from our existing US returns processing centre in Atlanta to a new and more advanced operation in Ohio. We are now fulfilling from returns in the US, and the new facility is the foundation for a full US logistics operation in the future. Finally, we established a logistics partnership in China and will shortly commence domestic distribution to our Chinese customers.

Global expansion

We deliver to 237 countries and territories and continue to improve our international proposition, particularly in our strategic country markets where we have dedicated websites and in-country teams, and offer locally-relevant products, payment methods, currencies and delivery options.

In May 2013, we launched our dedicated Russian website, and have seen subsequent strong growth in this territory. We now have a team of Russian nationals based in our London headquarters to support this market and offer a proposition which is tailored to our Russian customers including local language customer care, dedicated marketing and social media activities and a dedicated express delivery solution.

Our operation in the People's Republic of China is now in final testing phase and will be launched imminently. We have a dedicated Chinese-language desktop and mobile site initially offering around 2,000 locally-relevant own-brand styles, an in-country multi-disciplinary team, dedicated delivery solutions and payment methods, local language customer care and a domestic distribution partner. Initial testing shows that these elements are all functioning effectively and will provide the foundations to maximise the long-term potential of the Chinese market.

Our international focus during the next six months will be in further establishing and growing our Chinese operation and continuing to grow our proposition and market share in our key strategic country targets of the UK, US, France, Germany, Australia and Russia.

People

We have further enhanced the strength and depth of our management team with the arrivals of our new Supply Chain Director, Chief Information Officer, Director of Finance, Performance Marketing Director, Sourcing Director and our in-country management teams. These appointments ensure our senior team has the diversity of skills, experience, and capabilities to deliver our future growth ambitions.

The Group's total headcount increased by 318 employees during the year to 1,352, principally in our Womenswear, Merchandising, Marketing, Technology and Customer Care departments as well in our in-country teams, including 17 employees who form our multi-disciplinary ASOS China team.

During August 2013, ASOS appointed Ian Dyson as Senior Independent Non-Executive Director, replacing Peter Williams. Peter will step down from the Board with effect from the Company's Annual General Meeting on 4 December 2013 and we are very grateful for his contribution to ASOS over the last nine years. Ian previously held both executive and non-executive directorships at FTSE100 and FTSE250 consumer businesses including, most recently, Marks & Spencer and Punch Taverns, and brings a wealth of experience and knowledge of both the retail industry and of technology. Ian's appointment took effect on 1 October 2013.

On 16 July, Kate Bostock, Executive Director Product and Trading, resigned from the company and stepped down from the Board with immediate effect. Maria Hollins has since been promoted to the role of Retail Director and we have further strengthened her retail management team.

As previously announced, Jon Kamaluddin stepped down from the Board in October 2013. Shaun McCabe joined the Executive Board of ASOS in September 2013 in the role of International Director, following six years in the role of Vice President: Finance at Amazon Sarl EU.

Trading operations

The Group has achieved another strong performance during the year ended 31 August 2013, with growth in sales and profits across all territories.

Revenue

Year to 31 August 2013 (Unaudited) £'000s	**UK**	**International US**	**EU**	**RoW**	**Total**	**Group total**
Retail sales	276,027	77,678	177,708	222,394	477,780	**753,807**
Growth	*34%*	*57%*	*51%*	*35%*	*44%*	***40%***
Delivery receipts	5,314	1,456	2,212	3,028	6,696	**12,010**
Growth	*(25%)*	*39%*	*37%*	*65%*	*49%*	***3%***
Third party revenues	3,579	-	-	-	-	**3,579**
Growth	*7%*	-	-	-	-	***7%***
Group revenues	**284,920**	**79,134**	**179,920**	**225,422**	**484,476**	**769,396**
Growth	***32%***	***56%***	***51%***	***35%***	***44%***	***39%***

Total Group revenue increased 39%, with total retail sales up 40% on the prior year, driven by strong growth in both the UK (34%) and in our international territories (44%). International retail sales now account for 63% of total retail sales compared to 62% last year.

The UK's performance was ahead of expectations, driven by a particularly positive response to our Spring/Summer 2013 proposition, following a strong peak Christmas trading period. We retained our first place position in the UK for unique visitors to apparel retailers in the 15-34 age range (Comscore, August 2013).

Our strongest growth was in our strategically important international markets. The US was the fastest growing segment with retail sales growth of 57%, following the establishment of our US in-country team early in the financial year and subsequent targeted investment in digital marketing and social media and improvements to our service proposition.

Our EU retail sales growth of 51% was driven by strong performances in the countries where we have dedicated websites (France, Germany, Italy and Spain), and was further enhanced by the establishment of our in-country teams in France and Germany at the start of the year as well as the introduction of new payment methods tailored to our customers in Germany and the Netherlands.

Retail sales in our Rest of World segment grew by 35%. This segment continues to be dominated by Australia, where growth slowed due to macro-economic factors and our improved stock management, as Australia has historically consumed a high proportion of markdown product. Despite this, we have comfortably maintained our first place Comscore ranking in this territory. Russia is a growing portion of this segment, with strong performance following the launch of our dedicated Russian website in May 2013.

Despite retail sales growth of 40%, delivery receipts increased by only 3% since last year as an increasing percentage of our customers enjoy the benefits of our improved free shipping offers, particularly in the UK where we improved our free standard delivery offer from six days to four days and reduced the annual subscription charge for our ASOS Premier service.

Third party revenues, which mainly comprise advertising revenues from the website and the ASOS magazine, increased by 7% as we continued to grow revenues from our existing platforms.

Trading key performance indicators

ASOS's journey to becoming the world's no. 1 fashion destination continued as we surpassed 7m active customers[1] for the first time, with 7.1m customers across the globe having shopped with us during the financial year. This represents a significant increase of 42% over last year. We also surpassed 4m international active customers for the first time, another key milestone in our international expansion.

The 1% decline in average basket value was driven by a 6% reduction in average selling price following the restructuring and investment in our pricing architecture during the first half of the year, which was largely offset by a 5% increase in average units per basket. This reflects our quality, price and range improvements, new functionality such as our 'buy-the-look' feature, and well-received free international express delivery offers above a minimum spend threshold.

Year to 31 August 2013 (Unaudited)		**International**				
KPIs	**UK**	**US**	**EU**	**RoW**	**Total**	**Group total**
Average basket value[2]	£63.69	£59.13	£59.88	£57.80	£58.93	**£61.03**
Growth	*(1%)*	*3%*	*(2%)*	*(2%)*	*(1%)*	***(1%)***
Average units per basket	2.41	2.47	2.52	2.55	2.52	**2.47**
Growth	*5%*	*9%*	*5%*	*3%*	*5%*	***5%***
Average selling price per unit[2]	£26.46	£23.95	£23.74	£22.69	£23.36	**£24.69**
Growth	*(6%)*	*(5%)*	*(7%)*	*(5%)*	*(6%)*	***(6%)***
Number of orders ('000)	8,536	1,917	4,652	4,267	10,836	**19,372**
Growth	*36%*	*58%*	*56%*	*39%*	*49%*	***43%***
Total visits ('000)[3,4]	20,745	9,015	18,849	19,263	47,127	**67,872**
Growth	*47%*	*53%*	*52%*	*35%*	*45%*	***46%***
Active customers ('000)[1]	2,814	897	1,960	1,407	4,264	**7,078**
Growth	*25%*	*57%*	*61%*	*48%*	*56%*	***42%***

[1]As at 31 August, defined as having shopped with ASOS during the last 12 months
[2]Including VAT [3]During August
[4]Total visits previously included only website visits; now includes website and mobile site visits. Prior year comparatives have been restated.

Gross profit

The Group generated gross profit of £398.6m during the year (2012: £282.9m), up 41% on last year.

Year to 31 August 2013 (Unaudited)		**International**				
£'000s	**UK**	**US**	**EU**	**RoW**	**Total**	**Group total**
Gross profit	136,235	46,447	91,055	124,843	262,345	**398,580**
Growth	*33%*	*51%*	*53%*	*39%*	*46%*	***41%***
Retail gross margin	46.1%	57.9%	50.0%	54.8%	53.5%	**50.8%**
Change	*120bps*	*(180bps)*	*90bps*	*140bps*	*70bps*	***100bps***
Gross margin	47.8%	58.7%	50.6%	55.4%	54.2%	**51.8%**
Change	*20bps*	*(190bps)*	*80bps*	*150bps*	*70bps*	***60bps***

During the year, retail gross margin increased by 100bps to 50.8% (2012: 49.8%), largely as a result of improved stock management which delivered substantial markdown improvements particularly during our Spring/Summer 2013 campaign. These impacts were partially offset during the first half of the year by significant investments in our own-brand product price points, which was most marked in the US as this segment traditionally consumes the highest proportion of own-brand products. Gross margin (including delivery revenues) increased by 60bps to 51.8% (2012: 51.2%).

Investment in our operating resources

The Group increased its investment in its operating resources and capability ahead of future sales growth, particularly in the areas of marketing, people and distribution costs. Overall, operating expenses increased by 45% to £344.1m, excluding exceptional items (2012: £237.3m) and the total operating costs to sales ratio increased by 180 bps.

£'000s	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**	***Change***
Distribution costs	**(115,172)**	(79,076)	*46%*
Payroll and staff costs	**(75,587)**	(50,070)	*51%*
Warehousing	**(44,302)**	(32,702)	*35%*
Marketing	**(40,934)**	(21,233)	*93%*
Production	**(4,360)**	(3,780)	*15%*
Technology costs	**(10,225)**	(8,023)	*27%*
Other operating costs	**(40,061)**	(32,167)	*25%*
Depreciation and amortisation	**(13,484)**	(10,224)	*32%*
Operating costs excluding exceptional items	**(344,125)**	(237,275)	*45%*
Operating cost ratio (% of sales)	***44.7%***	*42.9%*	*(180bps)*

We invested in increased marketing activities during the year, particularly in digital marketing, including pay per click and affiliate marketing, and in country-specific campaigns. Our digital marketing expenditure was targeted on the UK, US, Australia, France and Germany, and our marketing campaigns included our peak 'Best Night Ever' campaign in the UK, US and Australia, and local magazine partnerships in France and Germany. The results of these activities are already visible in the strong worldwide growth in sales and active customers during the year, and we expect continued returns on this investment in each of our strategic markets during the new financial year.

Our total headcount has increased by 318 employees during the year to support our future growth plans. We also implemented a new ASOS Long-Term Incentive Plan for senior management and recognised an associated non-cash charge of £2.8m during the year. As a result of these investments in our people, our payroll cost ratio increased by 70bps to 9.8% of revenue (2012: 9.1%).

We continued to invest in our customer delivery proposition, making improvements to our next day, express and standard options, with both reduced lead-times and improvements to our service levels including shorter delivery windows and an increased proportion of tracked parcels. We also offered free international express delivery above a minimum spend threshold. As a result, our distribution cost ratio has increased by 70bps to 15.0% (2012: 14.3%).

We maintained tight cost control and delivered operating leverage in our warehouse, production and technology activities. The Barnsley fulfilment centre continued to perform strongly, with a decline in average labour cost per unit for the year of 11% compared with last year, resulting in an increase of only 35% in total warehouse costs compared to a 43% increase in the number of orders.

Depreciation and amortisation costs increased by 32%, largely as a result of investment in our IT infrastructure.

Group profit

The Group generated profit before tax and exceptional items of £54.7m, up 23% on last year (2012: £44.5m).

£'000s	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**	***Change***
Revenue	**769,396**	552,854	*39%*
Cost of sales	**(370,816)**	(269,997)	
Gross profit	**398,580**	282,857	*41%*
Distribution costs excluding exceptional items	**(115,172)**	(79,076)	
Administrative expenses excluding exceptional items	**(228,953)**	(158,199)	
Operating profit before exceptional items	**54,455**	45,582	*19%*
Finance income	**283**	-	
Finance expense	**(68)**	(1,109)	
Profit before tax and exceptional items	**54,670**	44,473	*23%*
Exceptional items	**-**	(4,463)	
Profit before tax	**54,670**	40,010	*37%*
Income tax expense	**(13,744)**	(10,473)	
Profit after tax	**40,926**	29,537	*39%*

Exceptional items

The transition to our new warehousing facilities was completed by 31 March 2012 and all related property provisions were utilised by 31 August 2012. There is therefore no exceptional cost or cash outflow during the year ended 31 August 2013.

The main components of the exceptional charge to the profit and loss account were as follows:

£'000s	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**
Dual site decollation costs	**-**	(228)
Vacant property costs	**-**	(1,435)
Impairment of assets	**-**	(2,800)
Total	**-**	(4,463)

Taxation

The effective tax rate before exceptional items for the Group was 25.1%, 90bps lower than the prior year (2012: 26.0%), as a result of a reduction in the prevailing UK corporation tax rate. Going forward, we would expect the effective rate of tax pre-exceptional items to be around 150 bps higher than the prevailing UK corporation tax rate due to permanent disallowable items, including the charge in respect of the ASOS Long-Term Incentive Plan.

Earnings per share

Basic underlying earnings per share[1] increased by 18% to 50.1p per share (2012: 42.5p), and diluted underlying earnings per share[1] increased by 24% to 49.2p per share (2012: 39.6p).

Basic earnings per share[2] increased by 31% to 50.1p per share (2012: 38.1p), and diluted earnings per share[2] increased by 38% to 49.2p per share (2012: 35.6p).

Dividend

The Board is of the opinion that shareholder's interests are best served by continuing to reinvest the cash generated by the business to exploit the substantial global growth opportunities both in the UK and internationally. Accordingly, it has decided not to pay a dividend for the year ended 31 August 2013. This policy remains under regular review.

[1] *Underlying earnings per share has been calculated using profit after tax but before exceptional items.*

[2] *Earnings per share has been calculated using profit after tax and exceptional items of £nil (2012: £4.5m).*

Statement of financial position

The Group enjoys a robust financial position including a strong cash balance and a clean stock position as we begin the new Autumn/Winter season. During the year, net assets increased by £53.8m to £159.8m (31 August 2012: £106.0m), driven by profit after tax for the year. The summary statement of financial position is shown below.

£'000s	**As at 31 August 2013 (Audited)**	**As at 31 August 2012 (Unaudited)**
Goodwill and other intangible assets	**39,686**	23,236
Property, plant and equipment	**30,031**	27,293
Deferred tax asset	**8,902**	8,111
Non-current assets	**78,619**	58,640
Working capital	**12,257**	19,038
Net funds*	**71,139**	27,884
Derivative financial assets	**225**	-
Current tax (liability)/asset	**(2,441)**	425
Net assets	**159,799**	105,987

** Cash and cash equivalents less bank borrowings*

Statement of cash flows

The Group generated cash of £43.3m during the year (2012: £13.7m) and the closing cash balance was £71.1m at 31 August 2013, up from £27.9m at 31 August 2012. Net funds were £71.1m (31 August 2012: £27.9m). The summary statement of cash flows is shown below.

£'000s	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**
Operating profit	**54,455**	41,119
Exceptional items	-	4,463
Operating profit before exceptional items	**54,455**	45,582
Depreciation and amortisation	**13,484**	10,224
Losses on disposal of assets	**298**	-
Working capital	**5,391**	(9,876)
Share-based payments charges	**4,005**	953
Tax (paid)/received	**(3,353)**	1,883
Other non-cash items	**(104)**	-
Cash inflow from operating profit before exceptional items	**74,176**	48,766
Operating cash outflow relating to exceptional items	**-**	(1,695)
Cash inflow from operating profit	**74,176**	47,071
Capital expenditure	**(31,328)**	(21,654)
Proceeds from issue of ordinary shares	**299**	463
Net cash inflow/(outflow) relating to Employee Benefit Trust	**160**	(1,337)
Acquisition of subsidiary	**36**	-
Repayment of revolving credit facility	**-**	(10,000)
Net finance expense paid	**(88)**	(842)
Total cash inflow	**43,255**	13,701

Cash generated from operating profit before exceptional items increased by £25.4m, due to EBITDA improvements of £12.1m and a favourable working capital movement of £15.3m. This is the result of a one-off VAT and duty benefit of £6.7m as we gained approval to operate a bonded warehouse at Barnsley from January 2013, as well as timing of supplier payments. Capital expenditure increased by £9.7m on the prior year as we invested in our IT infrastructure to drive future growth.

Our investments are funded by operating cash flows, with additional short-term and medium-term facilities to support working capital movements and planned capital expenditure. At 31 August 2013, the Group had in place an undrawn £20.0m revolving loan credit facility which includes an ancillary £10.0m guaranteed overdraft facility and which is available until July 2015.

Fixed asset additions

£'000	**Year to 31 August 2013 (Audited)**	**Year to 31 August 2012 (Unaudited)**
IT	**21,337**	14,832
Office fixtures and fit-out	**3,842**	2,437
Warehouse	**7,791**	3,786
Total	**32,970**	21,055

The majority of fixed asset additions were to enhance our websites and underlying IT infrastructure to support future growth and create a truly global platform, including the development of our ASOS China operation and Russian website. We also developed our new mechanised despatch sorting process and commenced the extension to our Barnsley fulfilment centre.

During the next two years, we will significantly increase our investment in our IT and logistics infrastructure to c.£55m per year to support our future growth plans, including expenditure of £25m-£30m on our Barnsley logistics hub during the year to 31 August 2014.

Outlook

We have started the new financial year positively. Our £1 billion sales target is now firmly in our sights and we have stepped up our investment in people, technology, logistics and marketing to support the significant global potential of the ASOS business.

Nick Robertson
Chief Executive Officer

Nick Beighton
Chief Financial Officer

Audited Consolidated Statement of Comprehensive Income
For the year ended 31 August 2013

	Year to 31 August 2013 £'000	5 months to 31 August 2012 £'000
Revenue	**769,396**	238,023
Cost of sales	**(370,816)**	(117,892)
Gross profit	**398,580**	120,131
Distribution expenses	**(115,172)**	(35,906)
Administrative expenses	**(228,953)**	(70,883)
Operating profit	**54,455**	13,342
Finance income	**283**	-
Finance expense	**(68)**	(97)
Profit before tax	**54,670**	13,245
Income tax expense	**(13,744)**	(3,341)
Profit for the period	**40,926**	9,904
Net exchange adjustments offset in reserves	**(45)**	-
Fair value gain on derivative financial assets	**225**	-
Other comprehensive income for the period	**180**	-
Total comprehensive income	**41,106**	9,904
Profit attributable to:		
Owners of the parent	**40,928**	9,904
Non-controlling interest	**(2)**	-
	40,926	9,904
Total comprehensive income attributable to:		
Owners of the parent	**41,108**	9,904
Non-controlling interest	**(2)**	-
	41,106	9,904
Earnings per share		
Basic	**50.1p**	12.5p
Diluted	**49.2p**	11.9p

Audited Consolidated Statement of Changes in Equity
For the year ended 31 August 2013

	Called up share capital £'000	Share premium £'000	Retained earnings[1] £'000	Employee Benefit Trust reserve £'000	Hedging reserve £'000	Translation reserve £'000	Equity attributable to owners of the parent £'000	Non-controlling interest £'000	Total equity £'000
Balance as at 1 April 2012	2,699	5,749	89,719	(2,932)	-	-	95,235	-	95,235
Shares allotted in the period	155	356	-	-	-	-	511	-	511
Cash received on exercise of shares from Employee Benefit Trust	-	-	-	9	-	-	9	-	9
Transfer of shares from Employee Benefit Trust on exercise	-	-	(459)	459	-	-	-	-	-
Share based payments charge	-	-	344	-	-	-	344	-	344
Profit for the period and total comprehensive income	-	-	9,904	-	-	-	9,904	-	9,904
Deferred tax on share options	-	-	(1,949)	-	-	-	(1,949)	-	(1,949)
Current tax on items taken directly to equity	-	-	1,933	-	-	-	1,933	-	1,933
Balance as at 31 August 2012	**2,854**	**6,105**	**99,492**	**(2,464)**	**-**	**-**	**105,987**	**-**	**105,987**
Shares allotted in the year	**36**	**263**	**-**	**-**	**-**	**-**	**299**	**-**	**299**
Net cash received on exercise of shares from Employee Benefit Trust	**-**	**-**	**-**	**160**	**-**	**-**	**160**	**-**	**160**
Transfer of shares from Employee Benefit Trust on exercise	**-**	**-**	**(534)**	**534**	**-**	**-**	**-**	**-**	**-**
Share based payments charge	**-**	**-**	**4,005**	**-**	**-**	**-**	**4,005**	**-**	**4,005**
Profit/(loss) for the period	**-**	**-**	**40,928**	**-**	**-**	**-**	**40,928**	**(2)**	**40,926**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**225**	**(45)**	**180**	**-**	**180**
Deferred tax on share options	**-**	**-**	**991**	**-**	**-**	**-**	**991**	**-**	**991**
Current tax on items taken directly to equity	**-**	**-**	**7,251**	**-**	**-**	**-**	**7,251**	**-**	**7,251**
Balance as at 31 August 2013	**2,890**	**6,368**	**152,133**	**(1,770)**	**225**	**(45)**	**159,801**	**(2)**	**159,799**

[1] *Retained earnings includes the share-based payments reserve*

Audited Consolidated Statement of Financial Position
As at 31 August 2013

	As at 31 August 2013 £'000	As at 31 August 2012 £'000
Non-current assets		
Goodwill	**1,060**	1,060
Other intangible assets	**38,626**	22,176
Property, plant and equipment	**30,031**	27,293
Deferred tax asset	**8,902**	8,111
	78,619	58,640
Current assets		
Inventories	**143,348**	100,263
Trade and other receivables	**18,420**	19,066
Derivative financial asset	**225**	-
Current tax asset	**-**	425
Cash and cash equivalents	**71,139**	27,884
	233,132	147,638
Current liabilities		
Trade and other payables	**(149,511)**	(100,291)
Current tax liability	**(2,441)**	-
	(151,952)	(100,291)
Net current assets	**81,180**	47,347
Net assets	**159,799**	105,987
Equity attributable to owners of the parent		
Called up share capital	**2,890**	2,854
Share premium	**6,368**	6,105
Employee Benefit Trust reserve	**(1,770)**	(2,464)
Hedging reserve	**225**	-
Translation reserve	**(45)**	-
Retained earnings	**152,133**	99,492
	159,801	105,987
Non-controlling interests	**(2)**	-
Total equity	**159,799**	105,987

Audited Consolidated Statement of Cash Flows
For the year ended 31 August 2013

	Year to 31 August 2013 £'000	5 months to 31 August 2012 £'000
Operating profit	**54,455**	13,342
Adjusted for:		
Depreciation of property, plant and equipment	**7,005**	2,542
Amortisation of other intangible assets	**6,479**	2,511
Loss on disposal of non-current assets	**298**	-
Increase in inventories	**(42,882)**	(19,689)
Decrease in trade and other receivables	**787**	437
Increase in trade and other payables	**47,486**	18,068
Share-based payments charges	**4,005**	344
Other non-cash items	**(104)**	-
Income tax paid	**(3,353)**	-
Net cash generated from operating activities before exceptional items	**74,176**	17,555
Cash outflow relating to exceptional operating items	**-**	(935)
Net cash generated from operating activities	**74,176**	16,620
Investing activities		
Payments to acquire other intangible assets	**(21,770)**	(5,672)
Payments to acquire property, plant and equipment	**(9,558)**	(2,345)
Finance income	**240**	-
Acquisition of subsidiary	**36**	-
Net cash used in investing activities	**(31,052)**	(8,017)
Financing activities		
Proceeds from issue of ordinary shares	**299**	321
Net cash inflow relating to Employee Benefit Trust	**160**	9
Repayment of revolving credit facility	**-**	(5,000)
Finance expense	**(328)**	(364)
Net cash generated from/(used in) financing activities	**131**	(5,034)
Net increase in cash and cash equivalents	**43,255**	3,569
Opening cash and cash equivalents	**27,884**	24,315
Closing cash and cash equivalents	**71,139**	27,884

Reconciliation of net cash flow to movement in net funds

	Year to 31 August 2013 £'000	5 months to 31 August 2012 £'000
Net funds at beginning of the period	**27,884**	19,315
Increase in cash and cash equivalents	**43,255**	3,569
Decrease in revolving credit facility liability	**-**	5,000
Net funds at end of the period	**71,139**	27,884

1. Preparation of the audited condensed consolidated financial information

a) Basis of preparation

Whilst the information included in this audited condensed consolidated financial information ("preliminary announcement") has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ("IFRSs") as adopted for use in the European Union and as issued by the International Accounting Standards Board, this preliminary announcement does not itself contain sufficient information to comply with IFRSs.

The financial information contained within this preliminary announcement for the year to 31 August 2013 and five months to 31 August 2012 do not comprise statutory financial statements within the meaning of section 434 of the Companies Act 2006. The Report and Accounts for the five months to 31 August 2012 have been filed with the Registrar of Companies and those for the year to 31 August 2013 will be filed following the Company's annual general meeting. The preliminary announcement for the year to 31 August 2013 has been prepared on a consistent basis with the financial accounting policies set out in the Accounting Policies section of the ASOS Plc Report and Accounts for the five months to 31 August 2012.

The condensed consolidated financial information should be read in conjunction with the Group's Annual Report and Accounts for the year ended 31 August 2013, which have been prepared in accordance with IFRSs as adopted by the European Union. The auditors' report on those accounts was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under s498(2) or s498(3) of the Companies Act 2006.

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 Review. The Business Review describes the Group's financial position, cash flows and borrowing facilities and also highlights the principal risks and uncertainties facing the Group. The Annual Report and Accounts for the year ended 31 August 2013 includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Directors have reviewed current performance and forecasts, combined with expenditure commitments, including capital expenditure. After making enquiries, the Directors have a reasonable expectation that the Group has adequate financial resources to continue its current operations, including contractual and commercial commitments for the foreseeable future despite the current uncertain economic outlook. 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.

b) Accounting policies

The financial statements have been prepared in accordance with the accounting policies set out in the Group's Annual Report and Accounts for the year to 31 August 2013.

2. Segmental analysis

IFRS 8 'Operating Segments' requires operating segments to be determined based on the Group's internal reporting to the Chief Operating Decision Maker. The Chief Operating Decision Maker has been determined to be the Executive Board. The Executive Board has determined that the primary segmental reporting format is geographical by customer location, based on the Group's management and internal reporting structure. The Executive Board assesses the performance of each segment based on revenue and gross profit after distribution expenses, which excludes administrative expenses and exceptional items.

	Year to 31 August 2013				
	UK	**US**	**EU**	**RoW**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Retail sales	**276,027**	**77,678**	**177,708**	**222,394**	**753,807**
Delivery receipts	**5,314**	**1,456**	**2,212**	**3,028**	**12,010**
Third party revenues	**3,579**	**-**	**-**	**-**	**3,579**
Total revenue	**284,920**	**79,134**	**179,920**	**225,422**	**769,396**
Cost of sales	**(148,685)**	**(32,687)**	**(88,865)**	**(100,579)**	**(370,816)**
Gross profit	**136,235**	**46,447**	**91,055**	**124,843**	**398,580**
Distribution costs	**(26,140)**	**(27,804)**	**(27,046)**	**(34,182)**	**(115,172)**
Segment result	**110,095**	**18,643**	**64,009**	**90,661**	**283,408**
Administrative expenses					**(228,953)**
Operating profit					**54,455**
Finance income					**283**
Finance expense					**(68)**
Profit before tax					**54,670**

	5 months to 31 August 2012				
	UK	US	EU	RoW	Total
	£'000	£'000	£'000	£'000	£'000
Retail sales	81,658	22,036	50,855	76,685	231,234
Delivery receipts	3,035	512	719	904	5,170
Third party revenues	1,617	-	1	1	1,619
Total revenue	86,310	22,548	51,575	77,590	238,023
Cost of sales	(45,775)	(9,579)	(26,707)	(35,831)	(117,892)
Gross profit	40,535	12,969	24,868	41,759	120,131
Distribution costs	(8,413)	(7,102)	(7,436)	(12,955)	(35,906)
Segment result	32,122	5,867	17,432	28,804	84,225
Administrative expenses					(70,883)
Operating profit					13,342
Finance expense					(97)
Profit before tax					13,245

Due to the nature of its activities, the Group is not reliant on any individual major customers.

No analysis of the assets and liabilities of each operating segment is provided to the Chief Operating Decision Maker in the monthly management accounts therefore no measure of segments assets or liabilities is disclosed in this note.

There are no material non-current assets located outside the UK.

3. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Parent Company by the weighted average number of ordinary shares in issue during the year. Own shares held by the ASOS.com Limited Employee Benefit Trust are eliminated from the weighted average number of ordinary shares.

Diluted earnings per share amounts are calculated by dividing the profit attributable to the owners of the Parent Company by the weighted average number of ordinary shares in issue during the year, adjusted for the effects of potentially dilutive share options.

	Year to 31 August 2013 No. of shares	5 months to 31 August 2012 No. of shares
Weighted average share capital		
Weighted average shares in issue for basic earnings per share	**81,751,253**	79,078,431
Effect of dilutive options	**1,374,566**	3,951,661
Weighted average shares in issue for diluted earnings per share	**83,125,819**	83,030,092

	Year to 31 August 2013 £'000	5 months to 31 August 2012 £'000
Earnings		
Underlying earnings attributable to owners of the Parent	**40,928**	9,904

	Year to 31 August 2013 Pence	5 months to 31 August 2012 Pence
Earnings per share		
Basic earnings per share	**50.1**	12.5
Diluted earnings per share	**49.2**	11.9

4,000,822 shares issued on 31 May 2012 under the Management Incentive Plan are included within weighted average shares in issue for basic earnings per share. At 31 August 2012, 2,405,723 of these shares were included in weighted average shares in issue for basic earnings per share and the remainder were included in weighted average shares in issue for diluted earnings per share.

4. Reconciliation of net funds

	Year to 31 August 2013 £'000	Year to 31 August 2012 £'000
Net movement in cash and cash equivalents	**43,255**	3,569
Repayment of revolving credit facility	**-**	5,000
Net movement in net funds	**43,255**	8,569
Opening net funds	**27,884**	19,315
Closing net funds	**71,139**	27,884
Closing net funds comprises:		
Cash and cash equivalents	**71,139**	27,884
Net funds	**71,139**	27,884

The Group has a £20.0m revolving loan credit facility which includes an ancillary £10.0m guaranteed overdraft facility and which is available until July 2015.