12 April 2016

ASOS plc
Global Online Fashion Destination

Interim Results for the six months ended 29 February 2016

Summary results

£m[1]	Six months to 29 February 2016	Six months to 28 February 2015	Change	CCY[2] Change
Group revenues[3]	**667.3**	550.5	*21%*	*25%*
Retail sales	**648.6**	536.4	*21%*	*24%*
UK retail sales	***289.5***	*231.4*	*25%*	*25%*
International retail sales	***359.1***	*305.0*	*18%*	*24%*
Gross profit	**324.8**	265.2	*22%*	
Retail gross margin	***47.2%***	*46.8%*	*40bps*	
Gross margin	***48.7%***	*48.2%*	*50bps*	
Profit before tax[4]	**21.2**	18.0	*18%*	
Diluted earnings per share	**18.3p**	17.6p	*4%*	
Adjusted diluted earnings per share[5]	**20.3p**	17.6p	*15%*	
Cash and cash equivalents	**135.9**	64.9	*109%*	

[1] *All numbers subject to rounding*
[2] *On a constant currency basis*
[3] *Includes retail sales, delivery receipts and third party revenues*
[4] *For the six months to 28 February 2015, profit before tax includes business interruption reimbursements of £6.3m in respect of a warehouse fire in the prior financial year which were reinvested in our international pricing proposition*
[5] *Adjusted diluted earnings per share removes the one-off increase in the Group's effective tax rate due to the release of our deferred tax asset in relation to China as this entity's losses will no longer be offset against future profits*

Highlights

- Strong performance in strategic markets: UK +25%, EU +31%, US +34% (in constant currency)
- 10.9 million active customers[6], up 17% on prior year
- Retail gross margin up 40bps; gross margin up 50bps
- Profit before tax of £21.2m (H1 2015: £18.0m)
- Robust cash position of £135.9m (31 August 2015: £119.2m)
- Technology and logistics plans on track and pace of change stepping up

Nick Beighton, CEO, commented:

"We've had a good start to the year and I'm pleased with progress on a number of fronts. These results demonstrate improving momentum in the business with group sales up 21% (25% in constant currency). Our UK sales remain strong, up 25%, and our international customers have responded well to our continuing price investments with sales up 18% (24% in constant currency).

Particularly encouraging is the 17% growth in our active customers to 10.9m, with benefits from our investment in our technology and logistics delivering 21% growth in visits to our sites and growth in average order frequency, basket value and conversion.

We delivered profit before tax of £21.2m, growth of 18%, in line with our expectations. I'm pleased to confirm that we are on track to achieve our previously stated sales and margin guidance for the full year."

[6] *Defined as having shopped in the last twelve months as at 29 February 2016*

Investor and Analyst Meeting
There will be a meeting for analysts that will take place at 9.30am today, 12 April 2016, at Numis Securities, 10 Paternoster Row, London EC4M 7LT. Photo ID and security checks will be required so please ensure prompt arrival. 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 Instinctif Partners using the details below.

For further information:

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Background note
ASOS is a global fashion destination for 20-somethings. We sell cutting-edge fashion and offer a wide variety of fashion-related content, making ASOS.com the hub of a thriving fashion community. We sell over 80,000 branded and own-brand products through localised mobile and web experiences, delivering from our fulfilment centres in the UK, US, Europe and China to almost every country in the world.

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

ASOS's websites attracted 106 million visits during February 2016 (February 2015: 88 million) and as at 29 February 2016 had 10.9 million active customers[1] (28 February 2015: 9.3 million), of which 4.3 million were located in the UK and 6.6 million were located in our international territories (28 February 2015: 3.7 million in the UK and 5.6 million internationally).

[1] *Defined as having shopped in the last twelve months*

www.asos.com

www.us.asos.com

www.asos.fr

www.asos.de

www.asos.es

www.asos.it

www.asos.com/au

www.asos.com/ru

www.asos.com/cn

m.asos.com

marketplace.asos.com

www.likes.asos.com

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

Interim Results for the six months ended 29 February 2016

Business Review

The Group has delivered retail sales growth of 21% to £648.6m (H1 2015: £536.4m) during the six months ended 29 February 2016, with a continued strong performance in the UK accompanied by encouraging growth in our other strategic markets. The margin impact of investing in our prices has been more than offset by a strong full price sales mix with retail gross margin up 40bps against the comparative period. Similarly, increased investment in our delivery proposition and marketing spend has been funded through continued leverage in our warehousing costs. As a result, profit before tax increased by 18% to £21.2m (H1 2015: £18.0m, inclusive of final business interruption insurance reimbursements of £6.3m).

We continue to invest in our UK customer, offering new, relevant product with convenient delivery and return options. Overseas, our two-year price investment journey continued with further investments in the EU and the US during the period. These investments, along with targeted zonal pricing reductions in our strategic markets, helped improve the competitiveness of our offer.

As previously communicated, we have decided to discontinue our China in-country operation over the coming months. We will continue to support our Chinese customers through our ASOS.com operations. We incurred a loss of £2.7m (H1 2015: £3.1m) in our China operation during the first six months of the financial year and anticipate further losses of c.£1m before trading ceases.

Outlook

We remain confident of delivering in line with market expectations for the financial year. We expect to deliver sales growth of c.20%, an investment of up to 50bps in retail gross margin and a Group EBIT margin of c.4.0% for the full year. Our continuing operations will reflect a higher underlying EBIT margin of c.4.5%, before inclusion of operating losses in relation to discontinuing operations in China. We will also incur one-off closure costs of c.£10m in respect of China, of which the majority will be non-cash.

An expected benefit of c.£6-8m in the second half of the financial year from the change in import duty thresholds in the US during March 2016 will be fully reinvested back into our US customer through price and proposition improvements. The remaining investments previously planned for China of c.£2m will be redeployed into other strategic markets to support future growth.

Our mission remains unchanged: to be the world's no. 1 fashion destination for 20-somethings. We focus on four strategic pillars: Great fashion, great price - Awesome on mobile - Engaging content and experience - Best-in-class service.

Great fashion, great price

Offering our 20-something customer an amazing, edited choice of great fashion at great prices continues to be our primary retail focus. We carry an extensive edit of over 80,000 lines and launch around 3,500 new styles each week, with a key strategy of 'first price, right price'. This, combined with continued tight inventory control, has led to increased conversion and improving full price sales, with a reduced reliance on promotional activity.

We continue to concentrate on giving our customer the best edit of fashion and trends, combining our growing ASOS brand alongside more than 850 brands. We have added 200 new exciting on-trend brands, including niche and upcoming brands such as Lost Ink, Maya, Stitches & Pieces and A Star is Born, as well as re-emerging trend icons such as Fila, Champion and Replay. At the same time, we exited 150 brands to ensure our overall offer remains fresh and relevant. We also collaborate with many of our brands on lines that are exclusive to our websites; we believe this approach offers our customers true choice, helping inform their fashion decisions and differentiating us from our competitors.

Our ASOS brand performed strongly in Footwear, Outerwear and Denim & Jersey during the season, supplemented by growth in Lingerie, Underwear, Swimwear and Gifting. There has been increased focus on developing product for every customer - with product extensions and width across Petite, Tall, Plus and Maternity on Womenswear and new trend fits such as longline and muscle-fit on Menswear. Our collection of sub-brands has also grown with ASOS White now firmly established as a year round offer, and our dress collections delivering an unrivalled breadth of offer from ASOS Red Carpet and ASOS Salon, to ASOS Bridesmaids and the new ASOS Bridal collection.

We continue to apply our zonal pricing capability allowing us to price brands in line with local markets. This tool has now been applied to our largest brands, resulting in our branded sales mix increasing to 55.6% (H1 2015: 51.8%) during the period.

Awesome on mobile

Mobile continues to dominate our customers' shopping behaviour, with 3.2m app downloads in the first six months of the year (H1 2015: 2.5m), 1.4bn product views on our mobile apps and over 60% of our traffic coming from mobile devices during this period. In addition, nearly 50% of orders were placed on our mobile platforms in February 2016.

We are constantly enhancing our mobile offering and launched an updated iOS shopping app in October, offering new features such as spotlight search and 3D Touch for iPhone 6S users, as well as routing customers from email links and Facebook content straight into the app. In March, we issued a further upgrade to this app with refreshed underlying technology allowing easier and faster navigation, a new homepage and product imagery to accompany our most popular search categories. Over the next six months we will be upgrading our Android app to reflect these same new features.

We have also made a number of user journey improvements to our mobile web in collaboration with Google and our mobile checkout programme continues on track with expected launch to both Android and iOS customers later this financial year.

Engaging content and experience

We continue to put great emphasis on customer engagement where we are achieving positive results, including growth of 21% in visits, 3% in average order frequency, 2% in average basket value and 10bps in conversion. We now have 10.9m active customers, representing a 17% increase since last year.

Improvements in customer engagement are the result of many continual initiatives across the business. We have redesigned our website product pages, upgrading our personalised product recommendations function and brought enhanced functionality to our apps. There has been 50% growth in the uptake of our Premier Delivery membership in the UK, US, France, Germany and Australia, driven in part by unlimited next-day delivery options in France, Germany and Northern Ireland. In February we launched 'ASOS A-List', recognising our loyal customers in the UK by giving them points on purchases building into ASOS vouchers as well as access to other rewards such as birthday discounts, free next day deliveries and access to exclusive competitions.

Students are core customers at ASOS. We rolled out our new student initiative across the UK, France, Germany, Spain, Italy, the US and Australia giving students discounts every time they shop as well as access to exclusive offers and events. At the same time, we launched 'As Seen On Campus' in all our markets, bringing great content to university students from our On-Campus ASOS Insiders.

We are driving encouraging performance across our social platforms with over 17m followers across our channels. ASOS Insiders (formerly called stylists) continue to build direct relationships with customers, now with over 1m followers between them. In the UK, we relaunched our 'AccessAllASOS' advocates programme and ran our first ever #UniversityofASOS campaign offering tips on search engine optimisation. Building on last year's launch of YouTube and Instagram accounts in France and Germany, we introduced local language Snapchat channels in these markets. We also delivered a localised version of the ASOS magazine to our most loyal customers in France with a German version following soon.

We constantly roll out relevant, engaging content for our audience on the channels we know they love, including Facebook, Twitter, YouTube, Snapchat, Instagram and Tumblr, amongst others. Snapchat is an increasingly important channel for our customers: during London Fashion Week, ASOS content featured in their 'Fashion Week Stories' series which was viewed more than 20m times in the UK, France, Germany and Australia. Our Instagram content is 'shoppable' through 'As Seen On Instagram' links to our website. We rolled out 'As Seen On Me' in Germany, France, Australia and the US enabling more of our customers to share images of themselves wearing ASOS product on social media and on our websites.

Our emphasis on customer engagement through a constant stream of fresh, stimulating content is an ASOS differentiator that we are putting increasing resource behind.

Best-in-class service

Delivery and returns

Over the last six months we have continued to expand the delivery solutions available to our customers as we strive to offer a best-in-class customer proposition.

In the UK, we extended our Click & Collect service with Boots and now deliver to 61 stores across several major cities nationwide. We have also introduced Doddle Click & Collect into 24 London stores and in January launched a returns solution with "ToYou" with ASDA. More recently we have introduced a 4-hour estimated delivery window with Hermes for standard delivery and returns collections as well as a mobile label-less returns solution with Pass My Parcel in 3,000 locations.

Over the next six months we plan to expand our next-day delivery coverage, increase our Boots and Doddle locations, extend Click & Collect cut-offs to 7pm and launch a faster tracked Royal Mail returns option.

Internationally, we introduced unlimited free next-day deliver-to-store for our French Premier customers and next-day delivery for our German and Northern Irish Premier customers. We launched next-day delivery in Austria, Luxembourg, Poland and Portugal, and next-day deliver-to-store in Italy and the Netherlands. We improved our standard delivery service in Austria and Poland by launching a tracked delivery service with a five day lead time. Further afield, our mid-tier delivery service was launched in Hong Kong, and in Singapore and South Korea our proposition was improved to seven days.

We have just launched free returns in Belgium, Ireland, Denmark, Sweden and Spain and plan to further invest in extending this proposition across all remaining EU countries by the end of April.

Customer Care

Supporting our customers through every stage of their journey with ASOS is essential for delivering a best-in-class service. We have maintained our service levels during the first half of the year, responding to all emails within one hour, all social media communications made by our customers within 15 minutes, and all live chat or telephony within 30 seconds.

We have continued to develop and improve the self-serve experience for customers with the launch of our updated help section, making more help and information available on both our desktop and mobile sites. We have also made it easier to contact our customer advisors with the continued development of our live chat offering, coupled with investment in our social capabilities to better serve customers. We have also recently deployed new technology that, based on the nature of the request, automatically sends customers to the best available advisor; this is a step change forward in improving the quality of service we deliver.

Logistics

Investment in our supply chain capability continues to be one of our strategic priorities.

Productivity targets continue to be met in Barnsley resulting in associated costs falling during the first six months of the financial year. This enabled us to despatch record levels over the Black Friday weekend, with nearly 3m units despatched over the busiest seven days of the peak Christmas trading period. Our returns processing facility at Selby also hit new productivity levels during the period and we plan to further increase capacity before our next peak period.

Stockholding has continued to grow at our existing Eurohub facility and we ended the period holding 3m units as part of our plan to increase fulfilment to the EU from Berlin. We now regularly despatch around 45% of EU orders from our Eurohub and in February added Belgium, the Netherlands, Spain and Denmark to the local despatch list. Our returns facility in Swiebodzin continues to receive increased numbers of EU returns.

Our Eurohub 2 build continues on track with full ground works now underway. The site will be handed over in September 2016 in advance of operations commencing during early 2017.

Our US warehouse continues to consistently fulfil around 25% of US orders. We are currently investigating options to accelerate our future US logistics plans.

Technology

Our technology platform continues to evolve at pace and as a result we handled record volumes during Black Friday and Cyber Monday, up to nine orders per second at its peak.

Several key programmes will be completed this financial year delivering many of the core services such as payment, order and fraud processing which will power our new checkout on mobile, desktop and tablet sites. Our new architecture is more flexible and scalable than our legacy systems which will support our future growth ambitions.

We have also now mobilised our global fulfilment programme which will optimise our global stock management capabilities and warehouse expansion plans. The programme will deliver the fulfilment logic between our country websites and our fulfilment centres coupled with a new end-to-end retail, merchandising and planning system.

People

The ASOS team grew by 19% to 2,416 employees at 29 February 2016 (31 August 2015: 2,038). The additions to our team were principally within Technology and Customer Care.

Karen Jones, Non-Executive Director and Remuneration Committee Chair for over 6 years, stepped down from the Board in December. Karen provided wise counsel and challenge, playing a considerable part in making ASOS what it is today and we are grateful for her contribution. Hilary Riva now chairs the Remuneration Committee.

Nick Beighton
Chief Executive Officer

Helen Ashton
Chief Financial Officer

Financial review

Revenue

Six months to 29 February 2016 £m[1]	**Group total**	**UK**	**US**	**EU**	**RoW**	**International total**
Retail sales	**648.6**	**289.5**	**76.8**	**167.9**	**114.4**	**359.1**
Growth	***21%***	***25%***	***41%***	***23%***	**-**	***18%***
Growth at constant exchange rate	***24%***	***25%***	***34%***	***31%***	***10%***	***24%***
Delivery receipts	**16.1**	**7.2**	**2.7**	**3.2**	**3.0**	**8.9**
Growth	***37%***	***33%***	***72%***	***42%***	***19%***	***40%***
Third party revenues	**2.6**	**2.4**	**0.1**	**-**	**0.1**	**0.2**
Growth	***13%***	***4%***	***100%***	**-**	***100%***	***100%***
Total revenues	**667.3**	**299.1**	**79.6**	**171.1**	**117.5**	**368.2**
Growth	***21%***	***25%***	***42%***	***24%***	***1%***	***18%***
Growth at constant exchange rate	***25%***	***25%***	***35%***	***31%***	***11%***	***24%***

[1]*All numbers subject to rounding*

The Group generated retail sales growth of 21% during the period, with growth of 25% in the UK and 18% in our international markets (24% in constant currency), where we continue to see the benefits of our price investment journey. International retail sales accounted for 55% (H1 2015: 57%) of total retail sales.

Retail sales in the UK increased by 25%, following our biggest ever Christmas trading period and continual improvement to our market-leading proposition in this territory. We retained our first place position for unique visitors to apparel retailers in the 15-34 age range (Comscore, February 2016).

US retail sales grew by 41% (34% in constant currency) following further expansion of our range of locally relevant brands, price investments and uptake of our premier membership scheme. The previously anticipated recent change in US import duty thresholds from $200 to $800 following the approval of the 'Trade Facilitation and Trade Enforcement Act' in March 2016 could provide c.£6-8m of benefit in the second half of the financial year which we will fully reinvest back into the US customer through price and proposition improvements.

The EU has benefited from our continued price investments and proposition expansions with sales growth of 23% (31% in constant currency).

Our Rest of World segment continues to be affected by adverse currency movements with reported sales in line with the comparative period (10% in constant currency).

Delivery receipts increased by 37% as we expand our range of paid delivery options and uptake in our premier delivery scheme continues to grow. Third party revenues, which mainly comprise advertising revenues from the website and the ASOS magazine, increased by 13% as we undertook campaigns with Google Play, G-Star, Calvin Klein and many more.

Customer engagement

We have continued to attract new customers and had 10.9m active customers[2] at 29 February 2016, an increase of 17% since the comparative period. Average basket value increased by 2%, driven by our strong full price sales mix increasing average selling prices. Conversion[3] increased by 10bps and average order frequency increased by 3%, both reflecting the compelling nature of our proposition.

	Six months to 29 February 2016	Six months to 28 February 2015	Change
Active customers[2] (m[4])	**10.9**	9.3	*17%*
Average basket value (including VAT)	**£68.86**	£67.12	*2%*
Average units per basket	**2.70**	2.72	*(1%)*
Average selling price per unit (including VAT)	**£25.51**	£24.70	*3%*
Total orders (m[4])	**17.5**	14.1	*24%*
Total visits (m[4])	**634.0**	523.7	*21%*

[2]*Defined as having shopped during the last twelve months*
[3]*Calculated as total orders divided by total visits*
[4]*All numbers subject to rounding*

Gross profitability

Six months to 29 February 2016 £m[1]	**Group total**	**UK**	**US**	**EU**	**RoW**	**International Total**
Gross profit (£m)	**324.8**	**138.7**	**47.7**	**79.2**	**59.2**	**186.1**
Growth	***22%***	***30%***	***46%***	***18%***	***2%***	***18%***
Retail gross margin	**47.2%**	**44.6%**	**58.6%**	**45.3%**	**49.0%**	**49.3%**
Growth	***40bps***	***170bps***	***140bps***	***(250bps)***	***40bps***	***(50bps)***
Gross margin	**48.7%**	**46.4%**	**60.0%**	**46.3%**	**50.4%**	**50.5%**
Growth	***50bps***	***160bps***	***160bps***	***(230bps)***	***60bps***	***(30bps)***

[1]*All numbers subject to rounding*

Group retail gross margin increased by 40bps to 47.2% compared with last half year (H1 2015: 46.8%) as our price investments were more than offset by a strong full price sales mix everywhere apart from the EU, where our price investments have been deepest and annualise in the second half of the financial year. Gross margin (including third-party revenues and delivery receipts) increased by 50bps to 48.7% (H1 2015: 48.2%).

Operating expenses

The Group increased its investment in operating resources by 20% to £303.8m, while our total operating costs to sales ratio improved by 50bps over the same period.

£m[1]	**Six months to 29 February 2016**	Six months to 28 February 2015	***Change***
Distribution costs	**(97.5)**	(78.8)	*(24%)*
Payroll and staff costs	**(62.1)**	(50.3)	*(23%)*
Warehousing	**(53.4)**	(50.1)	*(7%)*
Marketing	**(34.8)**	(26.4)	*(32%)*
Production	**(2.9)**	(2.4)	*(21%)*
Technology costs	**(12.1)**	(9.6)	*(26%)*
Other operating costs	**(26.1)**	(25.5)	*(2%)*
Depreciation and amortisation	**(14.9)**	(10.4)	*(43%)*
Total operating costs	**(303.8)**	(253.5)	*(20%)*
Operating cost ratio (% of sales)	***45.5%***	*46.0%*	*50bps*

[1]*All numbers subject to rounding*

Distribution costs increased by 30bps to 14.6% of sales, driven by the expansion of our delivery proposition in the UK as well as our other strategic markets.

Staff costs increased by 20bps to 9.3% of sales due to headcount increases, particularly within our Technology and Customer Care teams.

Warehousing costs decreased by 110bps to 8.0% of sales due to increased efficiency at Barnsley compared to the same period last year when we incurred some one-off additional costs following the launch of our automation technology.

Marketing costs increased by 40bps to 5.2% of sales as we continue to expand our digital marketing activities, particularly on mobile, in order to drive awareness and grow our market share.

Other operating costs decreased by 70bps to 3.9% of sales due to a continued focus on cost control and retranslation gains on our foreign currency cash and intercompany balances.

Depreciation increased by 30bps to 2.2% of sales following recent acceleration of investments in our warehouse and IT infrastructure.

Costs incurred by our China operation, relating largely to warehousing, marketing and staff costs, are included in the above.

Other income

In the comparative period to 28 February 2015 we received final business interruption insurance reimbursements of £6.3m as a result of a fire in our Barnsley warehouse in June 2014. This amount is included within a separate line item titled 'Other income' in the Income Statement.

Income statement

The Group generated profit before tax of £21.2m, up 18% compared to last year (H1 2015: £18.0m), due to improvement in our gross margin as well as operating expense leverage.

£m[1]	**Six months to 29 February 2016**	Six months to 28 February 2015	***Change***
Revenue	**667.3**	550.5	21%
Cost of sales	**(342.5)**	(285.3)	
Gross profit	**324.8**	265.2	22%
Distribution expenses	**(97.5)**	(78.8)	(24%)
Administrative expenses	**(206.3)**	(174.7)	(18%)
Other income	**-**	6.3	
Operating profit	**21.0**	18.0	17%
Net finance income	**0.2**	-	
Profit before tax	**21.2**	18.0	18%
Income tax expense	**(6.0)**	(3.7)	
Profit after tax	**15.2**	14.3	6%

[1]*All numbers subject to rounding*

Taxation

The effective tax rate increased by 760bps to 28.3% (H1 2015: 20.7%) due to the release of our deferred tax asset in relation to China as this entity's losses will no longer be offset against future profits. Excluding the impact of China, the effective tax rate for the rest of the Group would have been 20.7%. Going forward, we expect the effective tax rate to be approximately 100bps higher than the prevailing rate of UK corporation tax due to permanently disallowable items.

Earnings per share

Basic and diluted earnings per share increased by 4% to 18.3p (H1 2015: 17.6p), both driven by the increase in profit before tax during the period offset by an increased effective tax rate due to the release of our deferred tax asset in relation to China. Excluding this one-off impact of China, basic and diluted earnings per share would have increased by 15% to 20.3p (H1 2015: 17.6p).

Statement of financial position

The Group continues to enjoy a robust financial position including a strong cash balance.

Net assets decreased by £18.1m to £219.2m during the period (31 August 2015: £237.3m) as the Group's profit after tax of £15.2m was more than offset by a fair value decline of £43.2m in our outstanding forward contracts as at 29 February 2016 following adverse exchange rate movements. The summary statement of financial position is shown below.

£m[1]	**At 29 February 2016**	At 31 August 2015
Goodwill and other intangible assets	**92.9**	76.2
Property, plant and equipment	**66.9**	64.4
Derivative financial assets	**-**	0.2
Deferred tax asset	**2.3**	-
Non-current assets	**162.1**	140.8
Inventories	**198.0**	193.8
Net current payables	**(235.6)**	(214.5)
Cash and cash equivalents	**135.9**	119.2
Derivative financial (liabilities)/assets	**(36.9)**	6.1
Current tax liability	**(5.2)**	(3.6)
Deferred tax asset/(liability)	**0.9**	(4.5)
Net assets	**219.2**	237.3

[1]*All numbers subject to rounding*

Statement of cash flows

The Group's cash balance increased by £16.7m to £135.9m during the period (31 August 2015: £119.2m) as capital expenditure of £31.9m was offset by a cash inflow from operating activities of £47.8m. This inflow was driven by EBITDA improvements of £7.5m and significant working capital inflows following amendment of our supplier payment terms last financial year. The summary statement of cash flows is shown below.

£m[1]	**Six months to 29 February 2016**	Six months to 28 February 2015
Operating profit	**21.0**	18.0
Depreciation and amortisation	**14.9**	10.4
Working capital	**14.1**	(12.2)
Share-based payments charge	**1.6**	1.1
Other non-cash items	**(0.3)**	0.4
Tax paid	**(3.5)**	(0.2)
Cash inflow from operating activities	**47.8**	17.5
Capital expenditure	**(31.9)**	(26.9)
Net finance income received	**0.3**	-
Total cash inflow/(outflow)	**16.2**	(9.4)
Opening cash and cash equivalents	**119.2**	74.3
Effect of exchange rates on cash and cash equivalents	**0.5**	-
Closing cash and cash equivalents	**135.9**	64.9

[1]*All numbers subject to rounding*

Fixed asset additions

£m[1]	**Six months to 29 February 2016**	Six months to 28 February 2015
IT	**27.0**	14.4
Office fixtures and fit-out	**1.5**	0.7
Warehouse	**5.7**	8.5
Total	**34.2**	23.6

[1]*All numbers subject to rounding*

We continue to invest in our warehousing and IT infrastructure to support our future growth ambitions. The majority of our IT spend related to our replatforming programme and the new global fulfilment programme including an end-to-end retail merchandising system with supporting finance system, whilst our warehousing spend related to improvements to our Barnsley automation technology.

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
For the six months ended 29 February 2016

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Revenue	**667.3**	550.5	1,150.8
Cost of sales	**(342.5)**	(285.3)	(576.0)
Gross profit	**324.8**	265.2	574.8
Distribution expenses	**(97.5)**	(78.8)	(168.7)
Administrative expenses	**(206.3)**	(174.7)	(365.1)
Warehouse fire: insurance reimbursements	***-***	*6.3*	*6.3*
Other income (Note 4)	**-**	6.3	6.3
Operating profit	**21.0**	18.0	47.3
Finance income	**0.2**	0.1	0.3
Finance expense	**-**	(0.1)	(0.1)
Profit before tax	**21.2**	18.0	47.5
Income tax expense	**(6.0)**	(3.7)	(10.6)
Profit for the period	**15.2**	14.3	36.9
Net translation movements offset in reserves	**(0.6)**	(0.1)	(0.1)
Fair value (loss)/gain on derivative financial (liabilities)/assets	**(43.2)**	10.1	4.1
Income tax relating to these items	**8.4**	-	-
Other comprehensive (loss)/income for the period[2]	**(35.4)**	10.0	4.0
Total comprehensive (loss)/income	**(20.2)**	24.3	40.9
Profit/(loss) attributable to:			
Owners of the parent company	**15.2**	14.6	36.9
Non-controlling interest	**-**	(0.3)	-
	15.2	14.3	36.9
Total comprehensive (loss)/income attributable to:			
Owners of the parent	**(20.2)**	24.6	40.9
Non-controlling interest	**-**	(0.3)	-
	(20.2)	24.3	40.9
Earnings per share (Note 5)			
Basic	**18.3p**	17.6p	44.4p
Diluted	**18.3p**	17.6p	44.4p

[1] All numbers subject to rounding
[2] All items of other comprehensive income may be reclassified to profit or loss

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 29 February 2016

	Called up share capital £m[1] (unaudited)	Share premium £m[1] (unaudited)	Retained earnings[2] £m[1] (unaudited)	Employee Benefit Trust reserve £m[1] (unaudited)	Hedging reserve £m[1] (unaudited)	Translation reserve £m[1] (unaudited)	Equity attributable to owners of the parent £m[1] (unaudited)	Non-controlling interest £m[1] (unaudited)	Total equity £m[1] (unaudited)
At 1 September 2015	**2.9**	**6.9**	**225.1**	**(3.6)**	**6.3**	**(0.3)**	**237.3**	**-**	**237.3**
Profit for the period	**-**	**-**	**15.2**	**-**	**-**	**-**	**15.2**	**-**	**15.2**
Other comprehensive income/(loss) for the period	**-**	**-**	**8.4**	**-**	**(43.2)**	**(0.6)**	**(35.4)**	**-**	**(35.4)**
Total comprehensive income/(loss) for the period	**-**	**-**	**23.6**	**-**	**(43.2)**	**(0.6)**	**(20.2)**	**-**	**(20.2)**
Transfer of shares from EBT[3] on exercise	**-**	**-**	**(0.2)**	**0.2**	**-**	**-**	**-**	**-**	**-**
Share-based payments charge	**-**	**-**	**2.1**	**-**	**-**	**-**	**2.1**	**-**	**2.1**
At 29 February 2016	**2.9**	**6.9**	**250.6**	**(3.4)**	**(36.9)**	**(0.9)**	**219.2**	**-**	**219.2**

	Called up share capital (unaudited) £m[1]	Share premium (unaudited) £m[1]	Retained earnings[2] (unaudited) £m[1]	Employee Benefit Trust reserve (unaudited) £m[1]	Hedging reserve (unaudited) £m[1]	Translation reserve (unaudited) £m[1]	Equity attributable to owners of the parent (unaudited) £m[1]	Non-controlling interest (unaudited) £m[1]	Total equity (unaudited) £m[1]
At 1 September 2014	2.9	6.9	186.9	(5.3)	2.2	(0.2)	193.4	(0.4)	193.0
Profit/(loss) for the period	-	-	14.6	-	-	-	14.6	(0.3)	14.3
Other comprehensive income/(loss) for the period	-	-	-	-	10.1	(0.1)	10.0	-	10.0
Total comprehensive income/(loss) for the period			14.6		10.1	(0.1)	24.6	(0.3)	24.3
Transfer of shares from EBT[3] on exercise	-	-	(0.1)	0.1	-	-	-	-	-
Share-based payments charge	-	-	1.1	-	-	-	1.1	-	1.1
Deferred tax on items taken directly to equity	-	-	0.1	-	-	-	0.1	-	0.1
Current tax on items taken directly to equity	-	-	0.2	-	-	-	0.2	-	0.2
At 28 February 2015	2.9	6.9	202.8	(5.2)	12.3	(0.3)	219.4	(0.7)	218.7

	Called up share capital £m[1]	Share premium £m[1]	Retained earnings[2] £m[1]	Employee Benefit Trust reserve £m[1]	Hedging reserve £m[1]	Translation reserve £m[1]	Equity attributable to owners of the parent £m[1]	Non-controlling interest £m[1]	Total equity £m[1]
At 1 September 2014	2.9	6.9	186.9	(5.3)	2.2	(0.2)	193.4	(0.4)	193.0
Profit for the period	-	-	36.9	-	-	-	36.9	-	36.9
Other comprehensive income/(loss) for the period	-	-	-	-	4.1	(0.1)	4.0	-	4.0
Total comprehensive income/(loss) for the period	-	-	36.9	-	4.1	(0.1)	40.9	-	40.9
Net cash received on exercise of shares from EBT[3]	-	-	-	0.9	-	-	0.9	-	0.9
Transfer of shares from EBT[3] on exercise	-	-	(0.8)	0.8	-	-	-	-	-
Share-based payments charge	-	-	3.5	-	-	-	3.5	-	3.5
Acquisition of non-controlling interest in Covetique Ltd	-	-	(0.4)	-	-	-	(0.4)	0.4	-
Deferred tax on items taken directly to equity	-	-	(1.3)	-	-	-	(1.3)	-	(1.3)
Current tax on items taken directly to equity	-	-	0.3	-	-	-	0.3	-	0.3
At 31 August 2015	2.9	6.9	225.1	(3.6)	6.3	(0.3)	237.3	-	237.3

[1] *All numbers subject to rounding*

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

[3] *Employee Benefit Trust and Capita Trust*

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 29 February 2016

	At 29 February 2016 (unaudited) £m[1]	At 28 February 2015 (unaudited) £m[1]	At 31 August 2015 (audited) £m[1]
Non-current assets			
Goodwill	**1.1**	1.1	1.1
Other intangible assets	**91.8**	69.4	75.1
Property, plant and equipment	**66.9**	61.1	64.4
Derivative financial assets (Note 8)	**-**	-	0.2
Deferred tax asset	**2.3**	-	-
	162.1	131.6	140.8
Current assets			
Inventories	**198.0**	161.6	193.8
Trade and other receivables	**23.2**	18.6	18.0
Derivative financial assets (Note 8)	**-**	12.3	6.1
Deferred tax asset	**0.9**	-	-
Cash and cash equivalents (Note 6)	**135.9**	64.9	119.2
	358.0	257.4	337.1
Current liabilities			
Trade and other payables	**(258.8)**	(167.8)	(232.5)
Derivative financial liabilities (Note 8)	**(25.3)**	-	-
Current tax liability	**(5.2)**	(1.4)	(3.6)
Deferred tax liability	**-**	-	(1.2)
	(289.3)	(169.2)	(237.3)
Net current assets	**68.7**	88.2	99.8
Non-current liabilities			
Derivative financial liabilities (Note 8)	**(11.6)**	-	-
Deferred tax liability	**-**	(1.1)	(3.3)
	(11.6)	(1.1)	(3.3)
Net assets	**219.2**	218.7	237.3
Equity attributable to owners of the parent			
Called up share capital	**2.9**	2.9	2.9
Share premium	**6.9**	6.9	6.9
Employee Benefit Trust reserve	**(3.4)**	(5.2)	(3.6)
Hedging reserve	**(36.9)**	12.3	6.3
Translation reserve	**(0.9)**	(0.3)	(0.3)
Retained earnings	**250.6**	202.8	225.1
	219.2	219.4	237.3
Non-controlling interests	**-**	(0.7)	-
Total equity	**219.2**	218.7	237.3

[1] *All numbers subject to rounding*

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 29 February 2016

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Operating profit	**21.0**	18.0	47.3
Adjusted for:			
Depreciation of property, plant and equipment	**5.1**	3.7	8.3
Amortisation of other intangible assets	**9.8**	6.7	14.8
Loss on disposal of non-current assets	**-**	0.1	4.9
(Increase)/decrease in inventories	**(4.2)**	0.1	(32.1)
(Increase)/decrease in trade and other receivables	**(5.1)**	1.8	2.3
Increase/(decrease) in trade and other payables	**23.4**	(14.1)	47.6
Share-based payments charge	**1.6**	1.1	2.2
Other non-cash items	**(0.3)**	0.3	0.7
Income tax paid	**(3.5)**	(0.2)	(2.8)
Net cash generated from operating activities	**47.8**	17.5	93.2
Investing activities			
Payments to acquire other intangible assets	**(23.3)**	(15.2)	(32.5)
Payments to acquire property, plant and equipment	**(8.6)**	(11.7)	(17.9)
Finance income	**0.4**	0.1	0.3
Net cash used in investing activities	**(31.5)**	(26.8)	(50.1)
Financing activities			
Net cash inflow relating to Employee Benefit Trust	**-**	-	0.9
Finance expense	**(0.1)**	(0.1)	(0.1)
Net cash (used)/generated in financing activities	**(0.1)**	(0.1)	0.8
Net increase/(decrease) in cash and cash equivalents	**16.2**	(9.4)	43.9
Opening cash and cash equivalents	**119.2**	74.3	74.3
Effect of exchange rates on cash and cash equivalents	**0.5**	-	1.0
Closing cash and cash equivalents	**135.9**	64.9	119.2

[1] *All numbers subject to rounding*

1. Preparation of the condensed unaudited consolidated financial information ("interim financial statements")

a) General information

ASOS Plc ('the Company') and its subsidiaries (together, 'the Group') is a global fashion retailer. The Group sells products across the world and has websites targeting the UK, US, Australia, France, Germany, Spain, Italy, Russia and China. The Company is a public limited company which is listed on the Alternative Investment Market (AIM) and is incorporated and domiciled in the UK. The address of its registered office is Greater London House, Hampstead Road, London NW1 7FB.

The interim financial statements have been reviewed, not audited and were approved by the Board of Directors on 11 April 2016.

b) Basis of preparation

The interim financial statements for the six months ended 29 February 2016 have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. The interim financial statements should be read in conjunction with the Group's Annual Report and Accounts for the year ended 31 August 2015, which has been prepared in accordance with IFRSs as adopted by the European Union.

The interim financial statements have been reviewed, not audited, and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The Annual Report and Accounts for the year ended 31 August 2015 has been filed with the Registrar of Companies. 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 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.

Going concern

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. For this reason, they have continued to adopt the going concern basis in preparing the interim financial statements.

Statement of Directors' responsibilities

The Directors confirm that, to the best of their knowledge, the interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union, and that the interim management report includes a fair review of the information required.

Accounting policies

The interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report and Accounts for the year ended 31 August 2015. Various new accounting standards and amendments were issued during the period, none of which have had or are expected to have any significant impact on the Group, and none of which have been adopted early.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected total annual earnings.

2. Principal risks and uncertainties

The Board considers the principal risks and uncertainties which could impact the Group over the remaining six months of the financial year to 31 August 2016 to be unchanged from those set out in the Annual Report and Accounts for the year ended 31 August 2015, summarised as follows:

- Technological risk, including robustness and sufficiency of IT systems and infrastructure, and IT capacity and capability keeping pace with business growth and complexity
- Financial risks, including ensuring our UK business model is profitable on a scalable basis in key territories and managing exposure to changes in foreign exchange rates
- Market risks, including failure to meet customer demand and changing tastes, maintaining our market position and fashionability, or an inadequate digital experience
- Supply chain risks, including interruption to supply of core category products and disruption to delivery services or warehousing activities and capacity
- Reputational risks around (a) our brand name, including trade mark oppositions, legal claims and formal litigation as a result of failure or inability to support and protect our brand, trademarks and domain names, and (b) the security of our customer and business data, including unauthorised access to or breach of our systems and records
- Reliance on key personnel

These are set out in detail on pages 20 to 23 of the Group's Annual Report and Accounts for the year ended 31 August 2015, a copy of which is available on the Group's website, www.asosplc.com. Information on financial risk management is also detailed on pages 78 to 79 of the Annual Report.

3. 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 and has determined that the primary segmental reporting format of the Group 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.

	Six months to 29 February 2016 (unaudited)				
	UK	**US**	**EU**	**RoW**	**Total**
	£m[1]	**£m[1]**	**£m[1]**	**£m[1]**	**£m[1]**
Retail sales	**289.5**	**76.8**	**167.9**	**114.4**	**648.6**
Delivery receipts	**7.2**	**2.7**	**3.2**	**3.0**	**16.1**
Third party revenues	**2.4**	**0.1**	**-**	**0.1**	**2.6**
Internal revenues	**-**	**-**	**-**	**2.4**	**2.4**
Total segment revenue	**299.1**	**79.6**	**171.1**	**119.9**	**669.7**
Eliminations	**-**	**-**	**-**	**(2.4)**	**(2.4)**
Total revenue	**299.1**	**79.6**	**171.1**	**117.5**	**667.3**
Cost of sales	**(160.4)**	**(31.9)**	**(91.9)**	**(58.3)**	**(342.5)**
Gross profit	**138.7**	**47.7**	**79.2**	**59.2**	**324.8**
Distribution expenses	**(33.2)**	**(22.7)**	**(23.3)**	**(18.3)**	**(97.5)**
Segment result	**105.5**	**25.0**	**55.9**	**40.9**	**227.3**
Administrative expenses					**(206.3)**
Operating profit					**21.0**
Finance income					**0.2**
Profit before tax					**21.2**

Internal revenues relate to sale of stock by ASOS.com to ASOS (Shanghai) Commerce Co. Limited.

[1] *All numbers subject to rounding*

3. Segmental analysis (continued)

	Six months to 28 February 2015 (unaudited)				
	UK	US	EU	RoW	Total
	£m[1]	£m[1]	£m[1]	£m[1]	£m[1]
Retail sales	231.4	54.5	136.2	114.3	536.4
Delivery receipts	5.4	1.6	2.2	2.6	11.8
Third party revenues	2.3	-	-	-	2.3
Internal revenues	0.4	-	-	1.3	1.7
Total segment revenue	239.5	56.1	138.4	118.2	552.2
Eliminations	(0.4)	-	-	(1.3)	(1.7)
Total revenue	239.1	56.1	138.4	116.9	550.5
Cost of sales	(132.1)	(23.3)	(71.2)	(58.7)	(285.3)
Gross profit	107.0	32.8	67.2	58.2	265.2
Distribution expenses	(25.1)	(17.2)	(18.1)	(18.4)	(78.8)
Segment result	81.9	15.6	49.1	39.8	186.4
Administrative expenses					(174.7)
Net other income					6.3
Operating profit					18.0
Finance income					0.1
Finance expense					(0.1)
Profit before tax					18.0

	Year to 31 August 2015 (audited)				
	UK	US	EU	RoW	Total
	£m[1]	£m[1]	£m[1]	£m[1]	£m[1]
Retail sales	473.9	119.5	294.0	232.5	1,119.9
Delivery receipts	11.5	3.7	5.1	5.4	25.7
Third party revenues	4.4	0.8	-	-	5.2
Internal revenues	-	-	0.3	3.1	3.4
Total segment revenue	489.8	124.0	299.4	241.0	1,154.2
Eliminations	-	-	(0.3)	(3.1)	(3.4)
Total revenue	489.8	124.0	299.1	237.9	1,150.8
Cost of sales	(260.7)	(49.3)	(151.8)	(114.2)	(576.0)
Gross profit	229.1	74.7	147.3	123.7	574.8
Distribution expenses	(52.8)	(38.4)	(40.8)	(36.7)	(168.7)
Segment result	176.3	36.3	106.5	87.0	406.1
Administrative expenses					(365.1)
Net other income					6.3
Operating profit					47.3
Finance income					0.3
Finance expense					(0.1)
Profit before tax					47.5

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.

[1] *All numbers subject to rounding*

4. Other income

Other income recognised during the six months ended 28 February 2015 and the year to 31 August 2015 related to final business interruption reimbursements as a result of the fire in our main distribution hub in June 2014.

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Other income	**-**	6.3	6.3

5. 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 Employee Benefit Trust and Capita Trust are eliminated from the weighted average number of ordinary shares.

Diluted 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 period, adjusted for the effects of potentially dilutive share options.

Adjusted basic and diluted earnings per share removes the one-off increase in the Group's effective tax rate due to the release of our deferred tax asset in relation to China as this entity's losses will no longer be offset against future profits. Excluding this impact of China, the effective tax rate for the rest of the Group would have been 20.7%.

	Six months to 29 February 2016 (unaudited) No. of shares	Six months to 28 February 2015 (unaudited) No. of shares	Year to 31 August 2015 (audited) No. of shares
Weighted average share capital			
Weighted average shares in issue for basic earnings per share	**82,967,753**	82,921,082	82,963,517
Weighted average effect of dilutive options	**15,015**	64,978	70,742
Weighted average shares in issue for diluted earnings per share	**82,982,768**	82,986,060	83,034,259

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Earnings			
Earnings attributable to owners of the parent	**15.2**	14.6	36.9
Adjusted earnings attributable to owners of the parent	**16.8**	-	-

	Six months to 29 February 2016 (unaudited) Pence[1]	Six months to 28 February 2015 (unaudited) Pence[1]	Year to 31 August 2015 (audited) Pence[1]
Earnings per share			
Basic earnings per share	**18.3**	17.6	44.4
Diluted earnings per share	**18.3**	17.6	44.4
Adjusted earnings per share			
Basic adjusted earnings per share	**20.3**	17.6	44.4
Diluted adjusted earnings per share	**20.3**	17.6	44.4

[1] *All numbers subject to rounding*

6. Reconciliation of cash and cash equivalents

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Net movement in cash and cash equivalents	**16.2**	(9.4)	43.9
Opening cash and cash equivalents	**119.2**	74.3	74.3
Effect of exchange rates on cash and cash equivalents	**0.5**	-	1.0
Closing cash and cash equivalents	**135.9**	64.9	119.2

The Group has a £20m revolving loan credit facility which includes an ancillary £10m guaranteed overdraft facility and which is available until October 2018.

7. Capital expenditure and commitments

During the period, the Group acquired property, plant and equipment of £7.7m and intangible assets of £26.5m. Disposals were immaterial. At the period end capital commitments contracted, but not provided for by the Group, amounted to £8.1m.

8. Financial instruments

There are no changes to the categories of financial instruments held by the Group.

	Six months to 29 February 2016 (unaudited) £m[1]	Six months to 28 February 2015 (unaudited) £m[1]	Year to 31 August 2015 (audited) £m[1]
Financial assets			
Loans and receivables[1]	**149.0**	75.6	129.2
Financial assets at fair value through profit and loss	**-**	12.3	6.3
Financial liabilities			
Financial liabilities at fair value through profit and loss	**(36.9)**	-	-
Amortised cost[2]	**(248.5)**	(165.2)	(228.5)

[1] *Loans and receivables include trade and other receivables and cash and cash equivalents, and excludes prepayments.*
[2] *Included in financial liabilities at amortised cost are trade payables, accruals and other payables.*

The Group operates internationally and is therefore exposed to foreign currency transaction risk, primarily on sales denominated in US dollars, Euros and Australian dollars. The Group's policy is to mitigate foreign currency transaction exposures where possible and the Group uses financial instruments in the form of forward foreign exchange contracts to hedge future highly probable foreign currency cash flows.

These forward foreign exchange contracts are classified above as derivative financial assets and are classified as Level 2 financial instruments under IFRS 13, "Fair Value Measurement." They have been fair valued at 29 February 2016 with reference to forward exchange rates that are quoted in an active market, with the resulting value discounted back to present value. All forward foreign exchange contracts were assessed to be highly effective during the period to 29 February 2016 and a net unrealised loss of £43.2m (H1 2015: gain of £10.1m) was recognised in equity. All derivative financial assets at 29 February 2016 mature within two years based on the related contractual arrangements.

[1] *All numbers subject to rounding*

9. Related Parties

The Group's related parties are the Employee Benefit Trust, Capita Trust and key management personnel. There have been no material changes to the Group's related party transactions during the six months to 29 February 2016.

10. Contingent Liabilities

From time to time, the Group is subject to various legal proceedings and claims that arise in the ordinary course of business which, due to the fast growing nature of the Group and its e-commerce base, may concern the Group's brand and trading name or its product designs. As at 29 February 2016, these include long-running proceedings with Assos of Switzerland SA, a Swiss manufacturer of high performance, technical cycling apparel and accessories. All such cases brought against the Group are robustly defended and a liability is recorded only when it is probable that the case will result in a future economic outflow which can be reliably measured. At 29 February 2016, there were no pending claims or proceedings against the Group which were expected to have a material adverse effect on its liquidity or operations.

At 29 February 2016, the Group had contingent liabilities of £3.8m (H1 2015: £4.7m) in relation to supplier standby letters of credit, rent deposit deeds and other bank guarantees. The likelihood of cash outflow in relation to these contingent liabilities is considered to be low.

11. Subsequent Events

Following a strategic review, we have decided to discontinue our China in-country operation over the coming months. It is estimated that the financial impacts of this decision are one-off closure costs of up to £10m, of which the majority will be non-cash, and operating losses for the current financial year of c.£4m. Both of these amounts are pre-tax and will be presented as discontinued operations at the year end.

INDEPENDENT REVIEW REPORT TO ASOS PLC

REPORT ON THE CONDENSED UNAUDITED FINANCIAL INFORMATION

Our conclusion

We have reviewed ASOS plc's condensed unaudited financial information (the "interim financial statements") in the half-yearly report of ASOS plc for the 6 month period ended 29 February 2016. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

What we have reviewed

The interim financial statements comprise:

- the condensed unaudited consolidated statement of financial position as at 29 February 2016;
- the condensed unaudited consolidated statement of total comprehensive income for the period then ended;
- the condensed unaudited consolidated statement of cash flows for the period then ended;
- the condensed unaudited consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half-yearly report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the AIM Rules for Companies.

As disclosed in Note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS AND THE REVIEW

Our responsibilities and those of the directors

The half-yearly report, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

Our responsibility is to express a conclusion on the interim financial statements in the half-yearly report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the AIM Rules for Companies and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
St Albans
11 April 2016