



# **SUPPLEMENTAL MATERIALS**

Q1 2018

# SALES REPORTING TIMING CONSIDERATIONS

The 53<sup>rd</sup> week in 2017 will create the following year-over-year reporting considerations in 2018 (see slide 3 for reporting calendar):

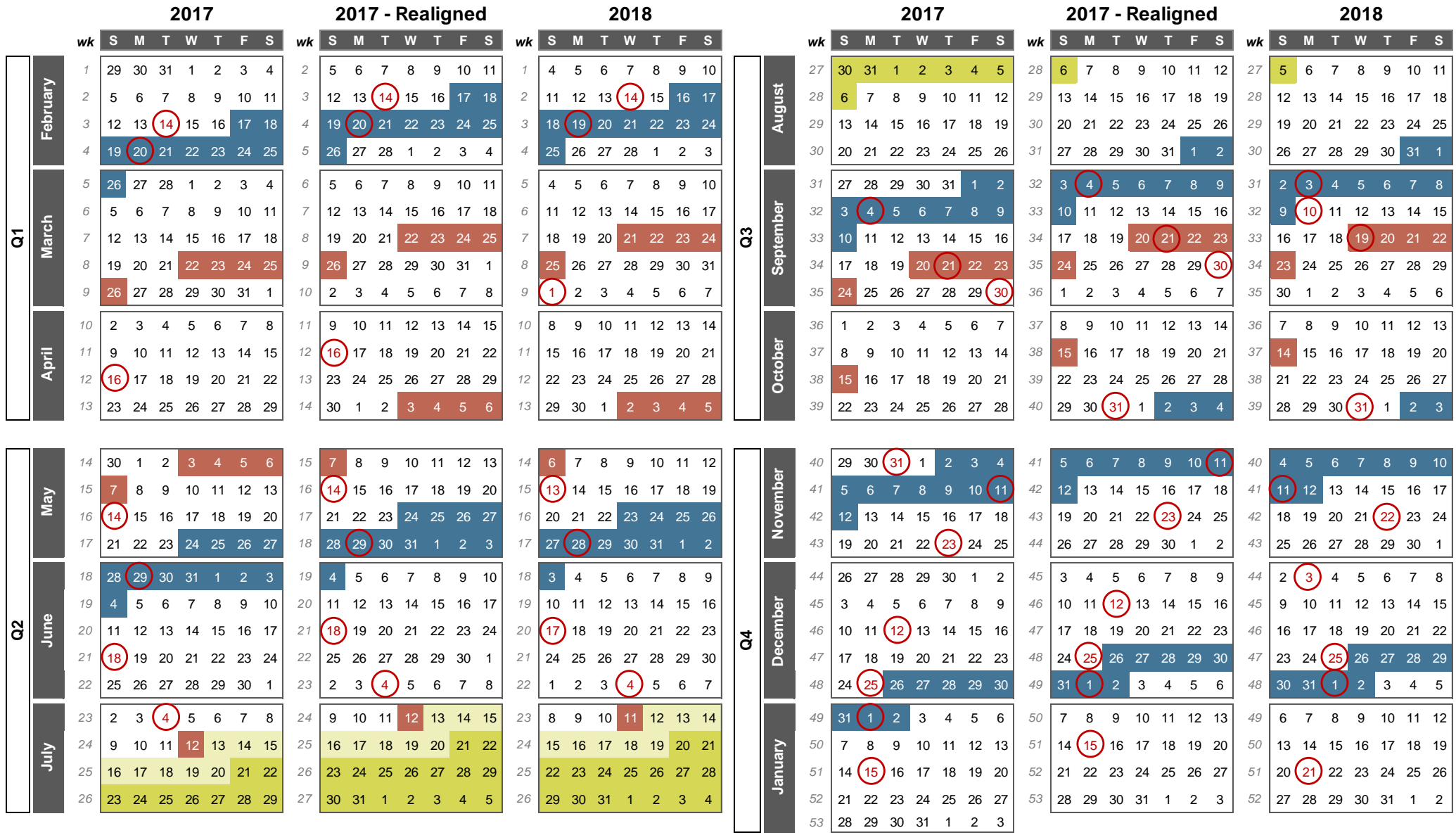
- Comp sales are reported on a like-for-like basis (vs. 2017 realigned)
  - **There are no event shifts for Anniversary, Half Yearly or Triple Point loyalty events on a comp basis**
- Total sales will be reported with the following impacts (vs. 2017 reported):
  - Events shifts, including Triple Points loyalty, Anniversary and Half Yearly
  - Newly adopted revenue recognition guidance
  - 53<sup>rd</sup> week in Q4 2017

| Incr (+) / Decr (-)<br>vs. LY                 | Q1                | Q2  | Q3  | Q4   | FY 18                     |
|---|-------------------|---|---|--|---------------------------|
| Considerations                                | (+) Triple Points | (-) Triple Points<br>(+) Anniversary<br>(+) Rev Recognition | (+) Half Yearly<br>(-) Anniversary<br>(-) Rev Recognition | (-) Half Yearly<br>(-) 53 <sup>rd</sup> week | (-) 53 <sup>rd</sup> week |
| Estimated net impact<br>to total sales growth | ~250 bps          | ~150 bps  | (~150 bps)  | (~600 bps)                                   | (~100 bps)                |

In Q1, we reported total sales growth of 5.8%, which reflected an increase of approximately 250 basis points primarily due to a shift in the Triple Points loyalty event.

Comp sales increase of 0.6% (reported on a like-for-like basis) did **not** include the impact of the loyalty event shift.

# 2018 CALENDAR



Full Price Clearance (e.g. Half Yearly)
  Triple Points / L4 Day  
 Holiday
  Anniversary & Early Access