

# Burberry sees return to sales growth in China

LONDON - Luxury fashion group Burberry on Thursday announced a return to retail sales growth in China despite an economic slowdown, boosting overall results in its third quarter.



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The British handbag and clothing company reported overall retail sales of £603 million (\$866 million, 794 million euros) in the October through December period, "as (sales in) mainland China returned to growth", Burberry said in an earnings statement.

China is in sharp focus for markets amid an overall slowdown for the world's second largest economy.

In the three months to the end of 2015, Burberry saw total underlying retail sales growth of 1.0 percent, an improvement on the 4.0-percent decline in its second quarter.

Burberry's financial year runs from April to the end of March. On the downside, sales in Hong Kong fell by more than 20 percent owing to long-standing protests against China.

All of Burberry's Hong Kong stores remain profitable however thanks to cost controls, the company said.

"The outlook for our sector remains uncertain," said chief executive Christopher Bailey.

"However, we are anticipating and responding to these changes through an intense focus on new growth opportunities."

Chief financial officer Carol Fairweather told a conference call with reporters that Burberry's performance in France had been impacted by fewer tourists visiting from China and the Middle East following the Paris terrorist attacks in November.

She added that unseasonably warm weather in Britain and the United States had hit sales of its famous camel, black and red check patterned raincoats.

**Source:** AFP

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