

**BURBERRY**

**LONDON ENGLAND**



**1. Executive Summary**

**2. Introduction**

**3. Profitability Ratios**

**4. Liquidity Ratios**

**5.Gearing Ratios**

**6.Efficiency Ratios**

**7.Investment Ratios**

**8. Stock Avice**

**9. Recommendations (Competitor Analysis)**

**10. References**

**11. Appendix**



# EXECUTIVE SUMMARY

The primary goal of the study serves to analyse Burberry Group PLC's finances in order to determine the best time to make a decision to invest. The first section contains a thorough study of business's stock price. It also has changes through the previous year, current year including the variables that affected them. Comprehensive study of Burberry's growth , ups-downs throughout 2021 as well as 2022 was conducted with the use of financial ratio estimations. With the goal to foresee potential dangers, stock recommendations to shareholders, as well as hazards that have been recognised, have been analysed. In conclusion, suggestions have been developed according to the study carried out in order to successfully enhance Burberry's economic condition.

(Burberry,2023)

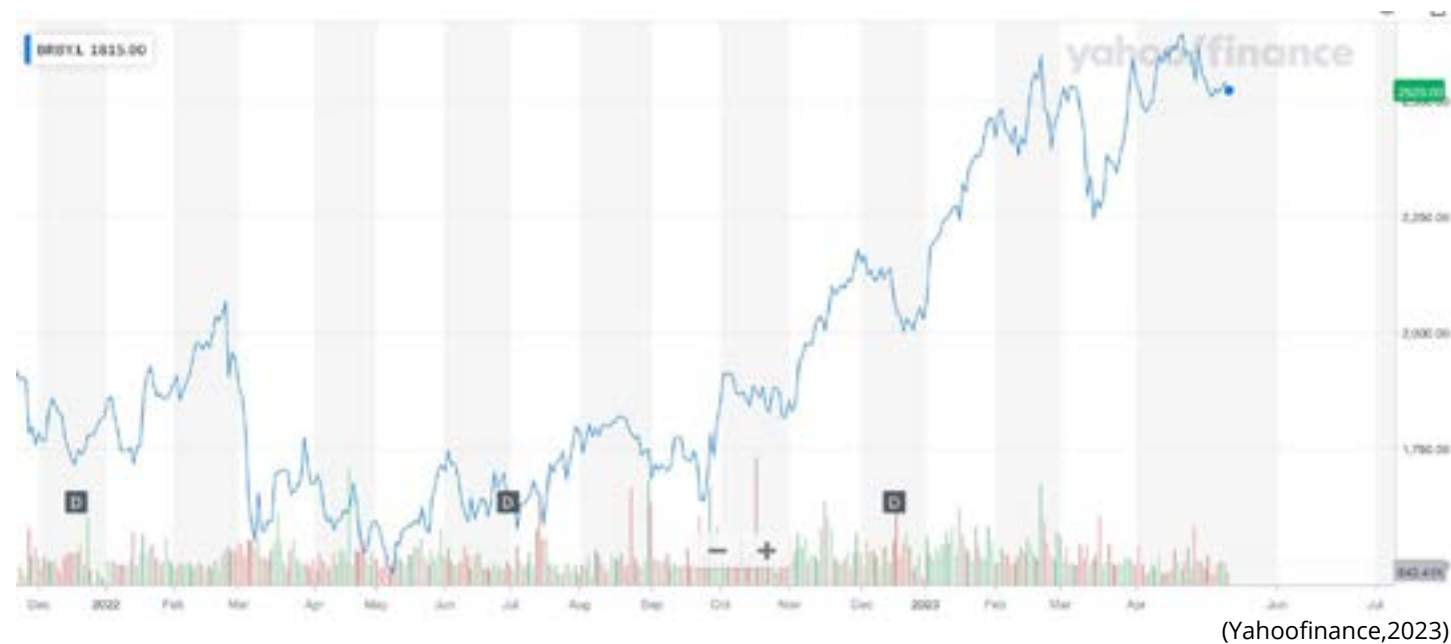




(Burberry,2023)

# INTRODUCTION





The rise and fall of Burberry’s share price during April 1, 2022, to April 30, 2023, is depicted in the chart above. On 1st April 2022 Burberry’s stock market opens at 1666.50. The stock price of Burberry has decreased by around 21 percent in the preceding year. It dropped at new 2021’s low under 1,550p the previous week. (fool,2022) One of the reasons is Marco Gobbetti, the CEO, intended to retire. Despite the fact that the stocks did rise modestly after the press release, the company ultimately suffered as a consequence. (fool,2022) Another reason includes the crisis in Ukraine during the previous month, which was additionally an issue affecting company’s stock prices. It took the decision to momentarily shut its stores across Russia. (fool,2022). On 18 May 2022 following a considerable boost in the overall excellence of Burberry’s sales blend, the fiscal year 22 revenues climbed 10 percent at CER versus LLY (+23% over LY) amidst a persistently difficult outside circumstances. (Burberryplc,2023). Adjusted operating revenue at CER increased 38 percent to £523 million, exceeding expectations. With the help of a solid gross margin, CER’s adjusted operating profit of +210bps shows considerable improvement achieving its medium-tenure goal. (Burberryplc,2023) Despite many highs and lows it performed well towards the end of 2022 and on 4th October 2022 its stock price was open at 1,872.50. On November 21, 2022 Shareholders reacted favourably to Burberry’s most recent 1/2-year earnings. (fool,2022) As a result, the stock price of the company reached an all-time high at £21. (fool,2022). The H1 performance for the company was largely positive. Notwithstanding slowing Chinese profits, the FTSE 100 company outperformed analysts’ expectations as well as saw growth in both its top and bottom areas. The business’s operational profit increased by £31 million as a result of the cheaper pound. Despite that total retail sales just rose by 5 percent (fool,2022). In H1, revenues in Asia as well as America fell by 4 percent as well as 3 percent, accordingly. However, other areas completely made up for it, alongside EMEA experiencing an increase of 34 percent. (fool,2022).

METRICS	H1 2023	H1 2022	CHANGE
Revenue	£1.35bn	£1.21bn	11%
Adjusted operating income	£238m	£196m	21%
Profit before tax (PBT)	£251m	£191m	31%
Adjusted diluted earnings per share (EPS)	44.3p	33.5p	32%
Free cash flow	£88m	£104m	-15%
Dividend per share	16.5p	11.6p	42%

(Yahoofinance,2023)

The company announced a dividend increase of more than 40% on November 17, 2022, shortly after the upscale clothing company survived weak sales in China to deliver profits that above forecasts. (thisismoney,2022). On that day company’s stock price rose to 1707. The FTSE 100 company wants to give shareholders the temporary reward of 16.5p per stock, up from 11.6p per stock the previous year, after revealing profitability rose by one-third to £193million in 6 months following up to the beginning of October. (thisismoney,2022). Burberry Group PLC stock increased on 4th January 2023 as Goldman Sachs researchers indicated the high-end clothing company may soon start a period of solid growth. (uknewsyaho,2023). Company was seen to be “uniquely positioned” by the investment bank’s experts, who increased the projected rise over the company’s fiscal year 2024 from 7.2 percent to 10.5 percent upon a comparable scale. (uknewsyaho,2023). The percentage was estimated by majority to be 6.3 percent (uknewsyaho,2023). As of April 11 2023, shareholders stake their bets on Hong Kong as well as Mainland China’s stores opening in 2023, the stock value of the company continues to perform brilliantly. (investorsobserver,2023). The price of share on that day was 2500p. The stocks soared to their greatest level ever in March when they reached a record-breaking high of 2,603p. It has risen overall by over 21 percent in 2023, outpacing the overall growth of FTSE 100 indicator. (investorsobserver,2023). Burberry surpassed LVMH as well as Kering, which are both major European upscale players. (investorsobserver,2023).



(Yahoofinance,2023)

# PROFITABILITY RATIO

It is a category of economic measurements which are utilised to evaluate a company's capacity for making profits in relation to their income, operating expenses, balance sheet assets, shareholders equity throughout an extended period. (investopedia,2023).

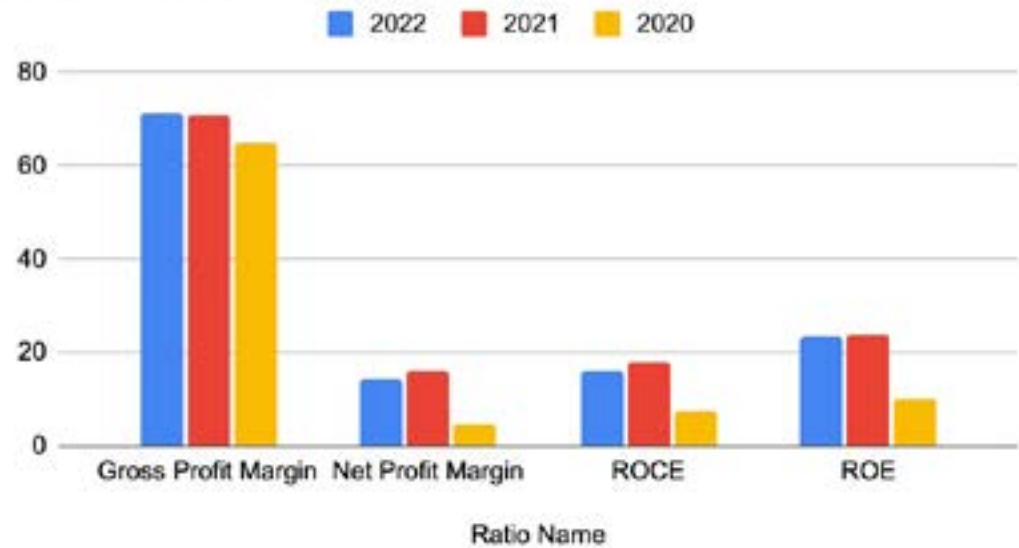
## 4 types of Profitability ratios:

Gross Profit Margin	Through estimating the quantity of funds left following the sale of items upon deducting the cost of goods sold (COGS). researchers may determine the financial stability of a business. (investopedia,2023): With regards to outcomes, a greater gross profit margin is desirable.  Formula : $\text{Gross Profit}/\text{Revenue} \times 100$
Net Profit Margin	The proportion of earnings that remains following every cost has been subtracted from sales.it is known as net profit margin. (accountingtools,2025 serves to be an indicator of a company's general performance. A significant net profit margin demonstrates that a company is successfully valuing its goods as well as practising effective price management. (accountingtools, 2023)  Formula: $\text{Net Profit}/\text{Revenue} \times 100$
Return on Capital Employed	Known by the term primary ratio, this financial ratio serves to assess the viability of a business including the effectiveness of its financing allocation. It assesses the effectively a company uses capital to generate revenues.cocarolless 2020).  Formula: $\text{EBIT}/\text{Capital Employed} \times 100$
Return on Equity	A metric of economic efficiency known as return on equity (ROE). Its obtained by dividing the net profit by shareholders equity (investopedia,2023).  Formula: $\text{Net Profit}/\text{Equity} \times 100$

Ratio	2022	2021	2020	2022/2021	2022/2021
Gross Profit Margin	71.16	70.09	64.77	1.02	1.10
Net Profit Margin	14.05	16.04	4.62	0.88	3.04
Return on capital employed	16	18	7.36	0.89	2.17
Return on equity	23.14	24.01	9.997	0.96	2.31

By examining the outcomes of the aforementioned estimations, it becomes obvious that Burberry has been doing far more well since 2020 following Covid.Since 2020 following Covid, all profitability measures have increased in a favourable way regard of overall profits. Since the COVID regulations turned it unable to organise runway shows, Burberry used its imagination to rethink its approach as well as partnered to create powerful broadcasting live channels for Spring summer 2021 line.It was done to air the fashion show virtually as well as attract a broader consumer base.The Burberry Group's 2021 annual sales were \$3.067 billion. representing 8.4 percent decrease over previous year. (2020).The yearly sales in 2022 amounted \$3.86 billion , a 25.87 percent rise over 2021.The company produced a lower profit per pound in 2022 in contrast to 2021 as a result of the fall in return on capital employed from 2021 to 2022.Even though Return on Capital Equity dropped by less than 1% in 2022 compared to 2020, it did so while demonstrating greater profitability progress as well as somewhat enhancing value of shareholders'.

2022, 2021 and 2020



# LIQUIDITY RATIO

A crucial group of financial indicators utilised to assess a debtor’s capacity to settle its present financial debt commitments refraining from the need for outside funding (investopedia,2023) By doing the estimation of indicators, it assesses a business’s capacity to meet its financial commitments including its degree of stability(investopedia,2023).

### 3 types of Liquidity ratios:

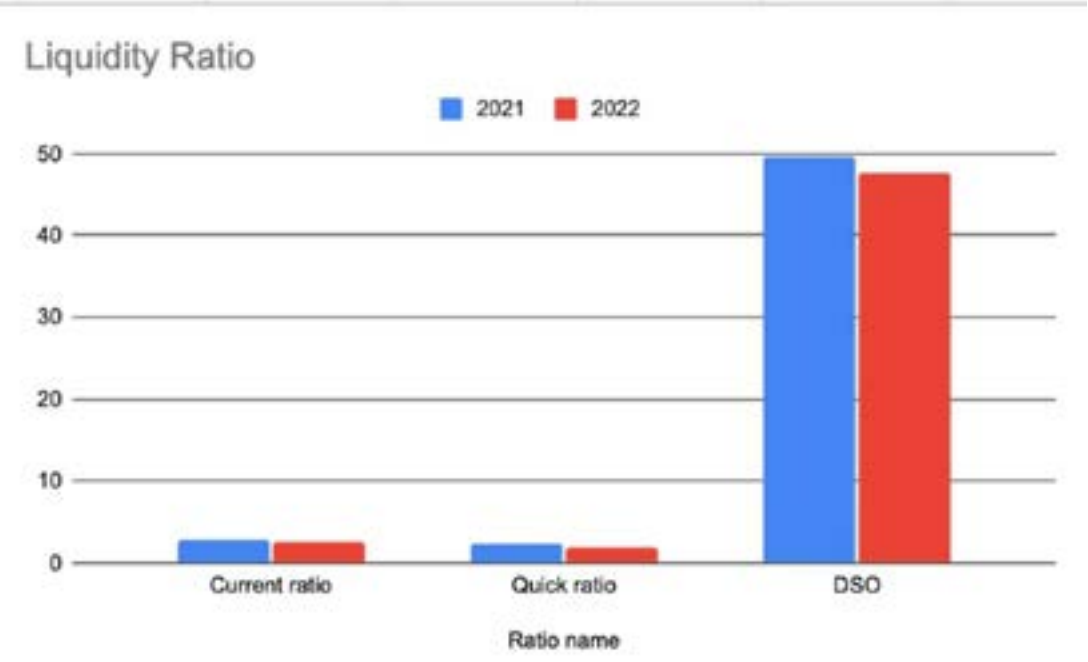
Current/Working Capital Ratio	<p>The current ratio assesses a businesses capacity to settle short-term debts or debts which are payable within a period of 1 year. (investopedia,2023). Current Ratio explains investors as well as bankers ways a business might utilise its present assets to the fullest extent possible in order to settle down its current liabilities as well as additional payables. (investopedia,2023).</p> <p>Formula: <math>\text{Current ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}</math></p>
Quick/Acid Test Ratio	<p>Compares a business’s short-term commitments to its short-term liquidity.(theforage,2023). Through quick ratio, one is able to assess whether a corporation possesses sufficient liquid assets--cash, items which are quickly convertible into cash-to fulfil all its present commitments including upcoming obligations.(theforage,2023).</p> <p>Formula:<math>\frac{\text{Current Assets}-\text{Inventory}}{\text{Current Liabilities}}</math></p>
Day Sales Outstanding (DSO)	<p>An accounting indicator which assesses how long it usually requires a company to get paid for products as well as services bought with debt.Olower Day Sales Outstanding quickers payments.Higher Day Sales outstanding-more time for payments.(Net-suite,2022).</p> <p>Formula: <math>\frac{\text{Accounts recievables}}{\text{Revenue}} \times 365</math></p>

Ratio	2022	2021	2022/2021
Current Ratio	2.53	2.82	0.89
Quick Ratio	2.00	2.25	0.89
DSO	47.66	49.30	0.97

The results of the calculations provided show that Burberry has adequate capital to cover its current liabilities despite the decline in sales on the China market, which is encouraging for shareholders.

Moving to quick ratio results, we can see that Burberry can cover its short term debts without the involvement of additional financial support since the value of the quick ratio is greater than 1.

And last but not the least, is Day sales outstanding ratio. Calculations show that in 2021, the result was 49 days and in 2022 it was 47 days. Results less than 45 days show that the cash is flowing in at a well-efficient rate.





# GERING RATIO

A financial ratio which contrasts some type of shareholder equity (or capital) with money lent by the business.(Investopedia,2023).In recognition of reputable businesses, a gearing ratio ranging from 25 to 50 percent is often regarded as ideal. (Investopedia,2023).

## 4 types of Gering ratios:

Debt to Equity Ratio	<p>It indicates what amount of debt a business holds in relation to its assets.(shopi-fy,2022). A decent debt-to-equity ratio is typically seen as being between 2 and 2.5.(bdc, 2023).</p> <p>Formula: Total Liabilities/Equity.</p>
Interest Coverage	<p>It is utilised to assess a businesses' ability to repay the interest on its existing obligations. (corporatefinanceinstitute, 2023).3 or greater is considered a good interest coverage ratio. (Investipedia,2023).</p> <p>Formula: EBIT/Interest Expense</p>
Equity Ratio	<p>An accounting indicator which assesses how long it usually requires a company to get paid for products as well as services bought with debt.(Net-suite,2022).Lower Day Sales Outstanding - quicker payments.Higher Day Sales outstanding-more time for payments. (Net-suite,2022)</p> <p>Formula: Accounts recievables/ Revenue*365</p>
Debt Ratio	<p>The phrase “debt ratio” relates to a financial ratio which assesses how much leverage a business has.(Investopedia,2023), ratio larger than 1 indicates that a significant portion of a firm’s assets are financed by debt, therefore indicates indicating the corporation has more debts compared to assets.</p> <p>Formula:debts/total assets</p>

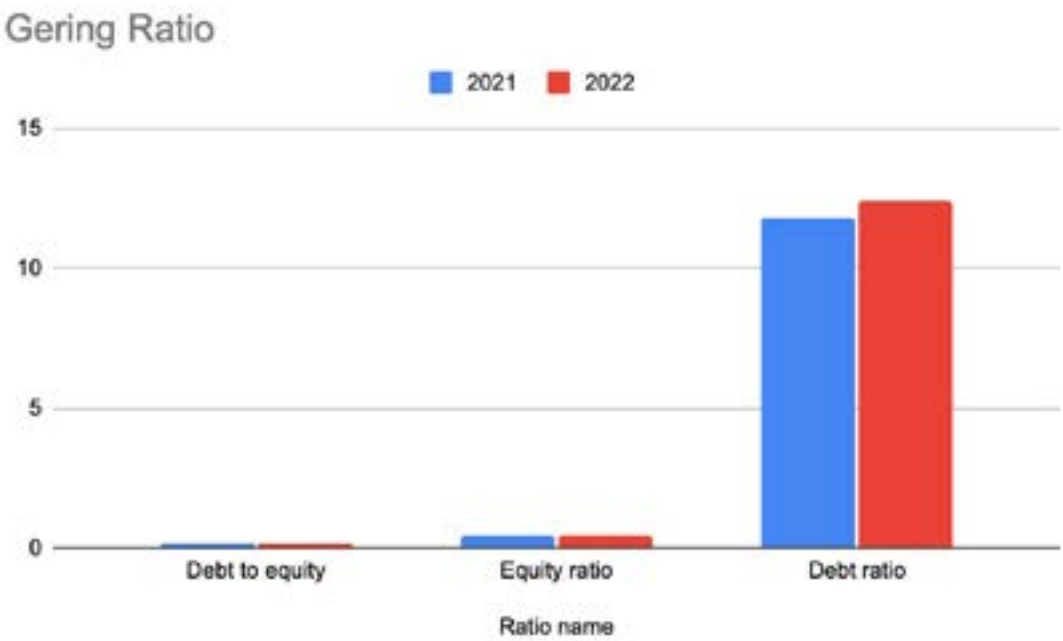
Ratio	2022	2021	2022/2021
Debt to equity	0.18	0.19	0.95
Interest Coverage	0.023	0.023	1
Equity Ratio	0.44	0.45	0.98
Debt Ratio	12.41	11.79	1.05

2021 debt: equity > 1, therefore Burberry utilises more debt than equity for funding.

The equity ratio shows a growth- Since Burberry's average equity ratio is higher than the industry average of 53% (which is 47%), it may use its profits to pay the interest on its debt.

Throughout the financial periods concluding in March 2019 through 2023, Company's interest coverage ratio median is 161.3x.(finbox,2023)

With £1.5 billion of overall shareholder equity as well as £363 million in overall debt.Company boasts a debt-to-equity ratio - 23.6 percent. (Simplywall,2023).





# EFFICIENCY RATIO

It helps company executives to assess the manner in which a firm utilises its resources.It could assist managers identify areas for functional, asset management, as well as other company practise improvement.(netsuite,2022). The ideal efficiency ratio has a value of 50 percent or less..(Investopedia,2023).When an organization’s efficiency ratio rises, either its costs or profits are changing.(investopedia,2023)

**5 types of Efficiency ratios:**

Account Recieveable turnover ratio	It is a tool utilised in company accounting to measure how successfully organisations handling the loans which they give to their clients. (netsuite,2022). Formula: Revenue/Account Recieveable
Fixed Asset Turnover	It is employed to assess the company’s ability to produce revenue from its investment in fixed assets. A high ratio shows that a company is producing revenues effectively while using just a limited amount of fixed assets. (Accountingtools,2022). Formula: Revenue/ Fixed Assets
Inventory turnover	Financial ratio indicating the frequency with which a business switched over its inventory in relation to its cost of goods sold (COGS) during a specific time frame.(Investopedia,2023). Considering the majority of businesses, a reasonable inventory turnover ratio ranges from 5-10, which implies it should sell as well as replenish inventory at intervals of one -two months.(Net-Suite,2022). Formula: Cost of Sales/Average Inventory.
Day of sales Inventory	It demonstrates the median amount of days it requires a business to convert its inventory, which includes finished items, into sales. (in-vestopedia,2023).A decent DSI lasts between 30 - 60 days.(Investopedia,2023). Formula:Average Inventory/Cost of Sales *365.
Work Capital Turnover	Determines the efficiency with which a company generates sales for every pound invested in working capital. A business’s capacity to create more sales is shown by a greater working capital turnover ratio, which is preferable. Formula: Net annual sales/Average working capital

Ratio	2022	2021	2022/2021
Account Recieveable turnover	7.66	7.40	1.035
Fixed Asset Turnover	1.70	1.54	1.10
Inventory turnover	1.91	1.69	1.13
Day of sales Inventory	190.79	215.39	0.89
Work Capital Turnover	3.14	2.40	1.31

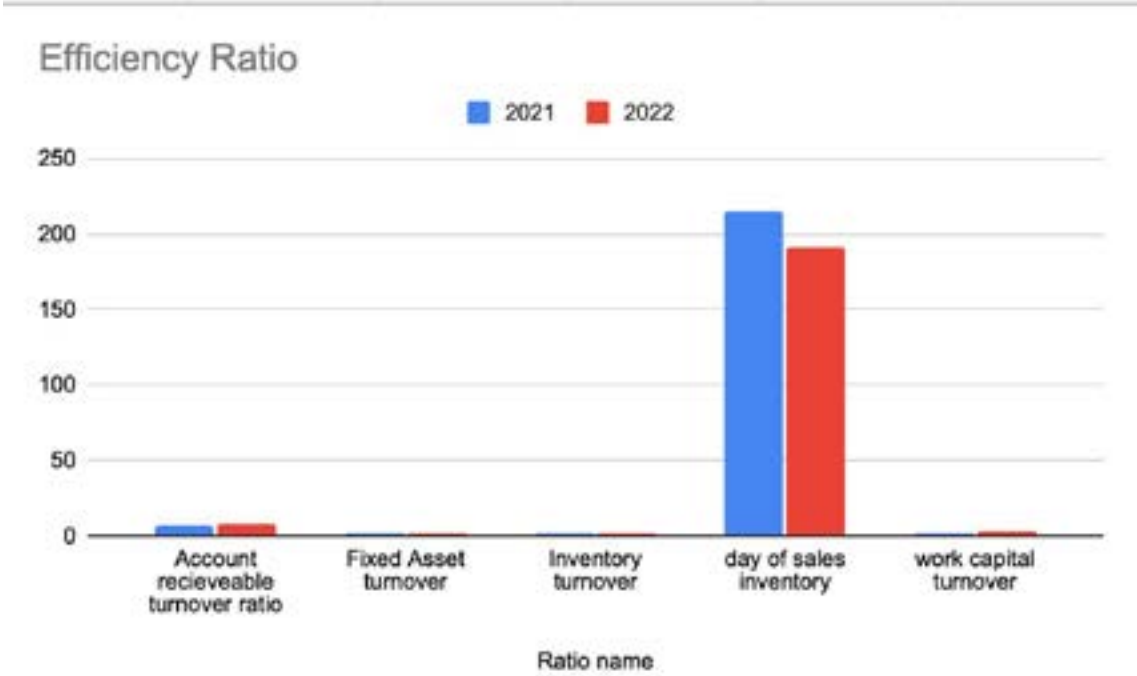
According to calculationspresented above, the accounts receivable turnover in 2022 was marginally greater, indicating that Burberry acquired receivables with greater efficiency in that year.

Fixed asset turnover, on the other hand, was.14 times greater in 2022, demonstrating higher success when it comes to utilising investments in fixed assets for producing revenue.

In 2022, inventory turnover shows better results. In terms of days sales, inventory in 2021 took longer to sell, which might be a result of supply chain disruption brought on by shipping delays as well as the Covid-19 epidemic.

Additionally, working capital turnover is somewhat better in 2022, indicating that Burberry used working capital wisely to increase sales.

Therefore, Burberry utilised its internal assets & liabilities better in 2022, which led to greater performance.



# INVESTMENT RATIO

It measures the amount of money an insurance business makes through investments as opposed to its operational activity. It is employed to assess the investment success of an investment firm(investopedia,2023).

## 6 types of Investment ratios:

Earning per share	Its determined by dividing a businesses's revenue by the number of issued shares of its common stock. The resulting figure functions as an estimation of how profitable a business is.(Investopedia,2023). Formula: Net Profit/Number of shares.
Dividend Cover	It determines the number of instances a firm may use its net income to pay its stated dividend to shareholders.(wallstreetprep,2023). Formula: Net Profit/Dividends paid.
Dividend per share	The total of the business's declared dividends over each outstanding share of its common stock.(investopedia,2923) Formula:Dividends/Number of shares.
Dividend Yield ratio	A ratio which displays the amount of dividend income we receive annually per pound deposited in a company, mutual funds, or exchange-traded fund (ETF).(forbes,2023) Formula: Dividend per share/Current Share price*100.
Dividend payout ratio	The proportion between the business's net income and the overall sum of dividends given to investors. It is the portion of profits that are distributed as dividends to stockholders. Formula: Dividends paid/Net Profit*100
Price to earnings ratio	The ratio used to determine the value of a business which compares its current share price to its earnings per share (EPS).(Investopedia,2023) Formula: Current share price/Earnings per share.

Ratio	2022	2021	2022/2021
Earning per share	0.0014	0.0013	1.077
Dividend Cover	-1.81	Dividend not paid	
Dividend per share	0.0008	Dividend not paid	
Dividend Yield	-0.14	Dividend not paid	
Dividend payout ratio	-55.30	Dividend not paid	
Price to earnings	0.98	0.93	1.054

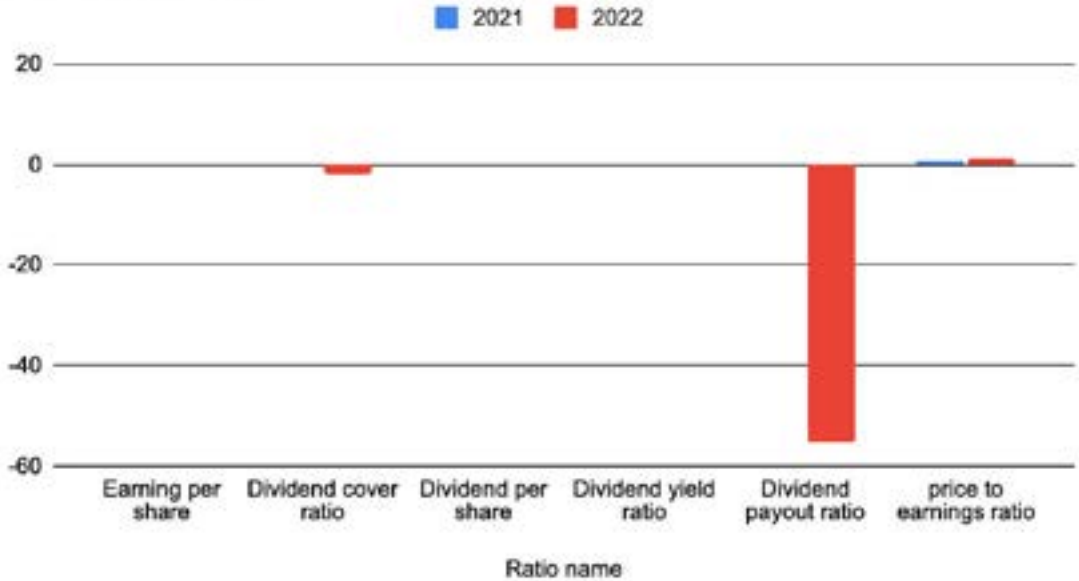
When estimates for investment ratio are taken into account, it is clear that earnings per share are similar across the two years.

Since Burberry has a dividend cover ratio of more than 1, so it would be able to pay dividends in 2022. For investors to determine their profit, the indication is important. According to Burberry's estimate, earnings rose in 2022.

The company announced a dividend increase of more than 40% on November 17, 2022, shortly after the upscale clothing company survived weak sales in China to deliver profits that above forecasts.(thisismoney,2022).On that day company's stock price rose to 1707.

The FTSE 100 company wants to give shareholders the temporary reward of 16.5p per stock, up from 11.6p per stock the previous year, after revealing profitability rose by one-third to £193million in 6 months following up to beginning of October.(thisismoney,2022).

Investment ratio







(Burberry,2023)

STOCK ADVICE



Burberry Group possesses a promising future, scoring 89 out of 100. Given an excellent asset conversion, minimal borrowing, yet weak profit flow, the company's score is decent.(Burberry-PLC,2023). The executive leadership of the company is considered to be powerful, as well as it has become better recently. Excellent cash generating productivity, appealing outcomes, plus a median financial situation being the causes of the company's competent finances.(Burberry-PLC,2023). Because of its strong pricing desirability as well as favourable marketplace multiples, Company has been valued at a highly appealing level.(Alphaspread,2023). The business is considered to be extremely secure altogether. It poses a minor market vulnerability and low data threat, yet a substantial operational threat.(BurberryPLC,2023). The present attitude towards Burberry is neutral characterised by a pessimistic perspective.(BurberryPLC,2023). A decline in its estimations has led to an unfavourable financial prediction for the firm. As a result, Burber-ry's an excellent long-term investment which could generate profits over time. Excellent revenue generating productivity, appealing success, as well as a median economic state are what led to business's excellent financials. Recent developments indicate an increasing development, mostly as a result of a rise in its economic performance ranking.(BurberryPLC,2023).

**An overview of basic as well as practical evaluation:**

- 1. Especially in a situation when things have been unfavourably reviewed, the share price is favoured by the upward trend in profit improvements.(marketscreen-er,2023).
- 2. Company's stock possesses a fair prospect when it comes to value.(marketscreen-er,2023).
- 3. In a favourable context, the technological approach is favourable.(marketscreen-er,2023).
- 4. Throughout past 1 month Individual as well as Family Products have lagged in marketplace when it comes to share price as well as overall atmosphere.(marketscreen-er,2023).

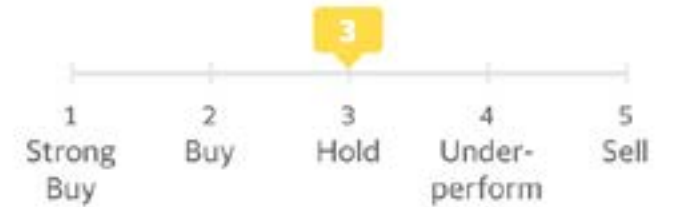
**People also watch**

Symbol	Last price	Change	% change
<b>EXP.N.L</b> Experian plc	2,965.00	+16.00	+0.54%
<b>ABF.L</b> Associated British Foods plc	1,866.00	-9.00	-0.48%
<b>NXT.L</b> NEXT plc	6,492.00	+12.00	+0.19%
<b>BNZL.L</b> Bunzl plc	3,116.64	+22.64	+0.73%
<b>IHG.L</b> InterContinental Hotels Group PLC	5,540.00	+8.00	+0.14%

**Recommendation trends >**

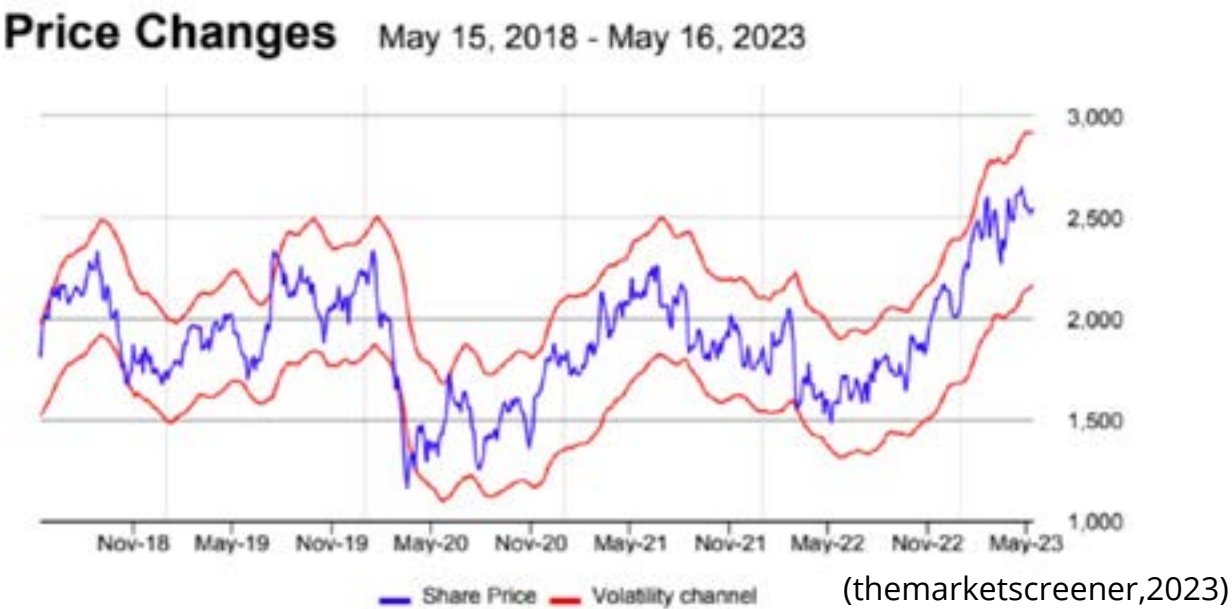


**Recommendation rating >**

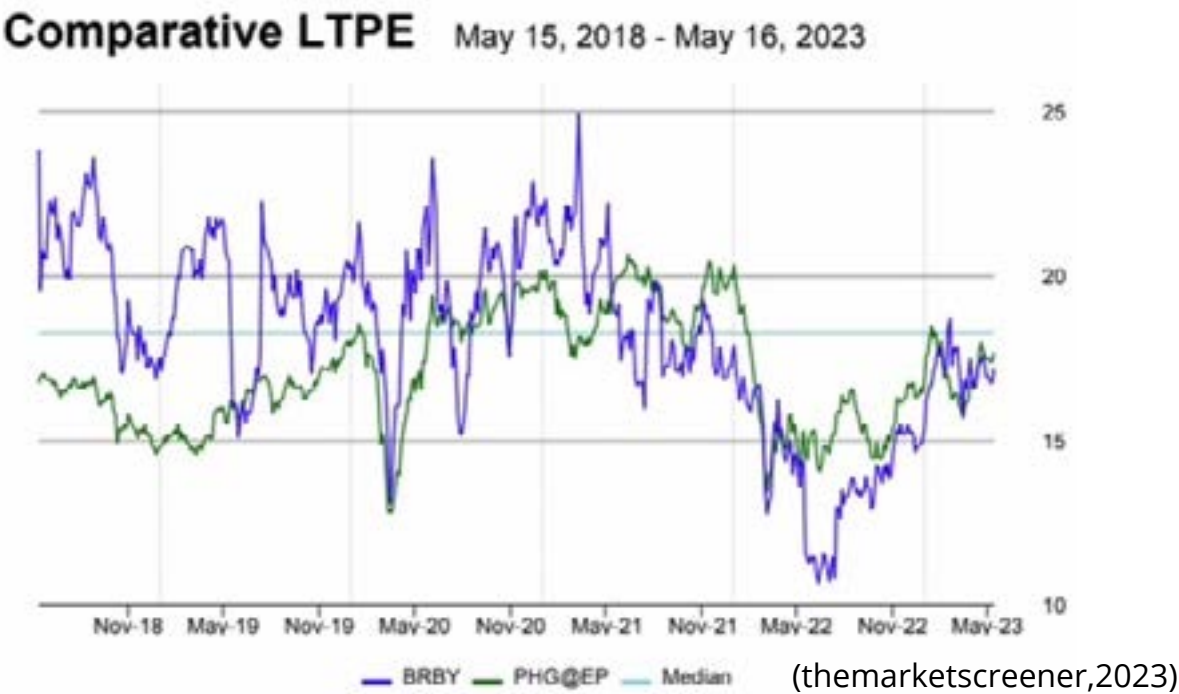


**Analysts' price targets (20) >**

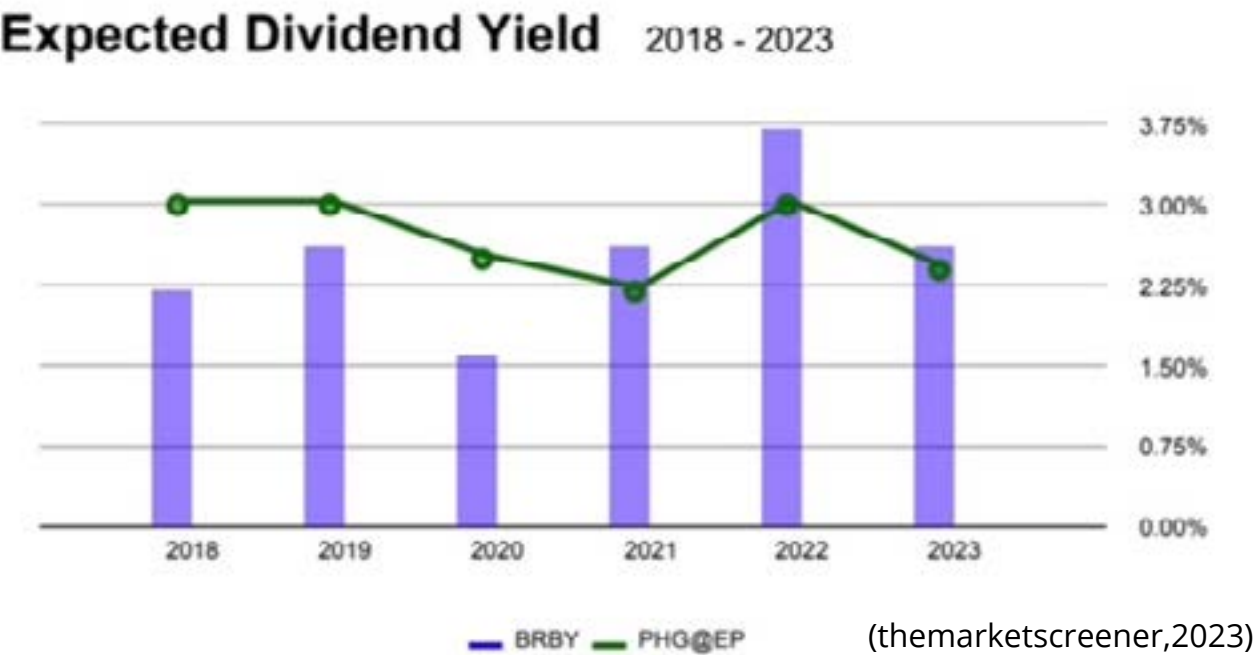




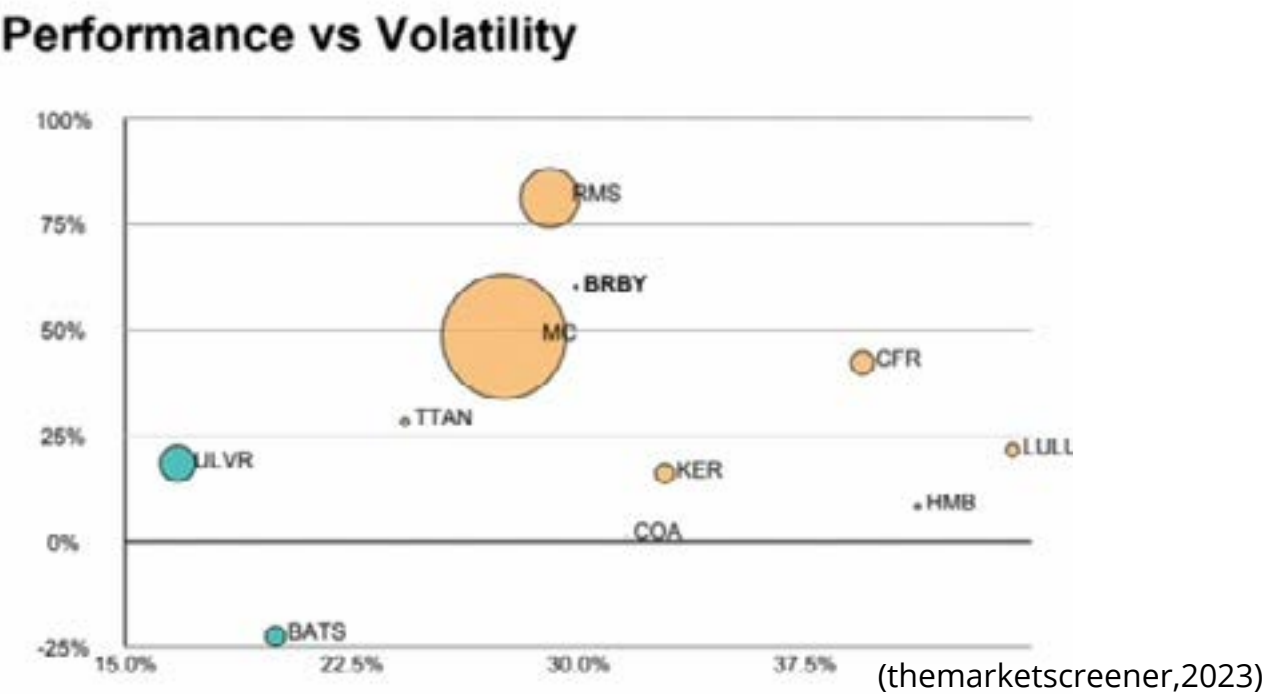
The chart displays median daily changes in a stock throughout the preceding five years. A peak -£ 2,641.00 as well as a decrease - £ 1,159.00 were attained over the aforementioned time frame, respectively. in April 2023 along with March 2020.marketscreener,2023). The fluctuation pathway, where higher along with lower bounds are shown below, is where prices often evolve. Any of those boundaries being crossed is a rare occurrence that is followed by an abrupt rise in transitory in near future.marketscreener,2023).



The projected PE concerning BURBERRY GROUP has risen - 17.16 while the future PE for Individual as well as Household Products - 17.63. two are nearly identical. This shows that market value of the stock isn't comparable to rest of the marketplace or company's subgroup.marketscreener,2023).According to past information, this company is now selling at a reduction since its average price equals 18.25.marketscreener,2023).



The approximate 1 year dividend yield is 2.6 percent. Remember that this expected dividend accounts for 44 percent of Business's projected profits and is greater compared to 24 percent typical for BURBERRY GROUP. Payment appears to be feasible.marketscreener,2023). The most recent forecast for a dividend seems very similar compared to previous median around 2.6 percent.marketscreener,2023).



Horizontal axis represents 1 year annualised fluctuation. The magnitude of spheres is determined by market's value, whereas the colours represent general evaluation.marketscreener,2023).

Comparison May 15, 2018 - May 16, 2023



(themarketscreener,2023)



(Burberry,2023)

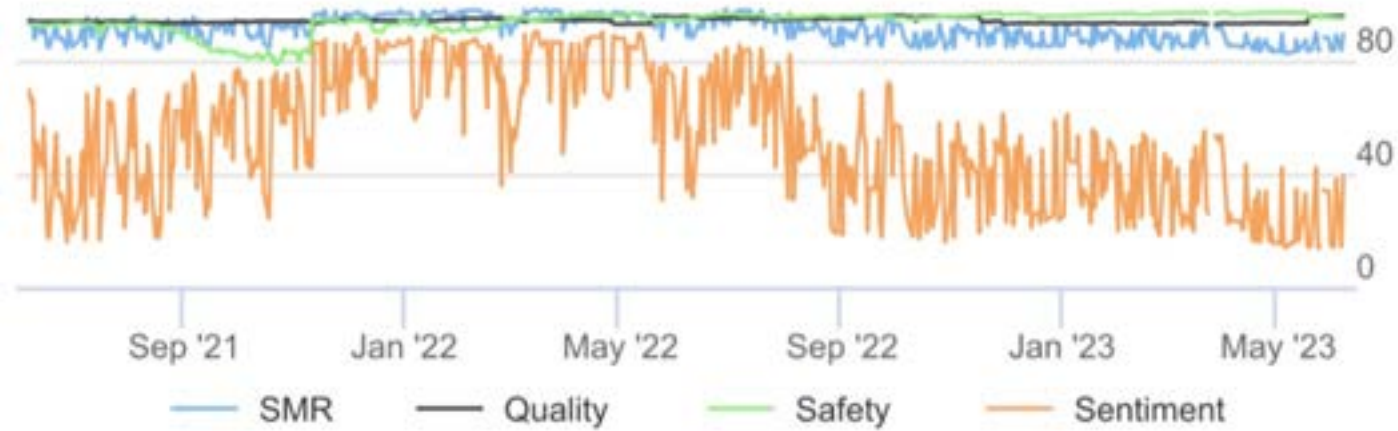
RECOMMENDATIONS



Stock experts recommend Burberry Group PLC. The score is identical when compared to that of its main rival. This ranking primary determinant is how well it is right now. The SMR score as of right now stands 89/100. Chart C22 compares the sell-side suggestion levels based on 6 month time frame prior to SMR movement. (macrotrends,2023). Although the most recent SMR adjustment went lower, the monthly pattern is up. (macrotrends,2023).

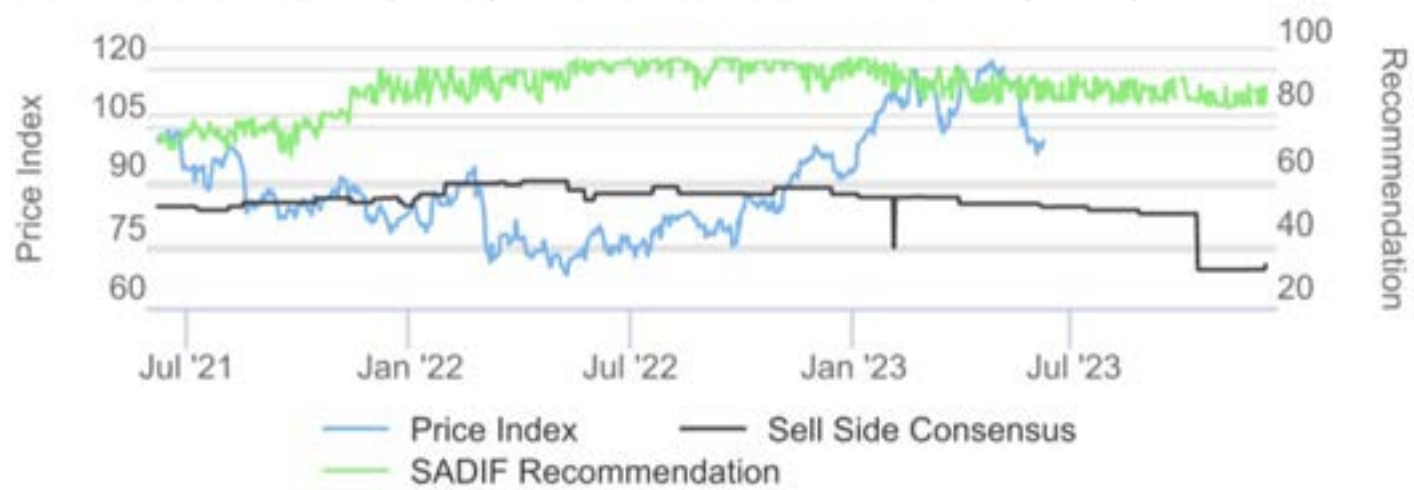
T8. History of up(down)grades *		
Date	Trend	SADIF Rating
10 May 2023	↓	Above Average
02 Jun 2021	↑	Good
01 Dec 2020	↓	Above Average

COMPETITOR ANALYSIS



Burberry Group PLC constitutes a reputable business. It boasts excellent accounting records plus sound governance practisesit possesses an excellent revenue grade. Burberry is quite secure with regard to of danger.It possesses little data hazard as well as minimal market vulnerability despite having significant operational danger.(macrotrends,2023) The firm is now experiencing neutral market sentiment, including unfavourable fundamental indications, dismal projections, as well as a competitive value. (macrotrends,2023) Throughout previous 14 days, the actual conversion difference between Burberry Group PLC and company's immediate rival, Next PLC, was declining. Burberry Group PLC has a comparable depreciation to its nearest rival. (Next PLC). (macrotrends,2023) It is similarly expected to beat the competition.(market). Although Burber-ry's stock value increased across previous 12 months it is thought that the main factor affecting potential future success is basic principles. (macrotrends,2023) The Outperformance StockMark (SMO) gives the possibility of outperforming the overall market.- an 84/100 score, which is much higher than what is usual. StockMarks Market Risk (SMD3) grade - 93/100 indicates a moderate degree of market danger related to retaining stocks. As a whole, its thought that investing in Burberry Group PLC for the long run is an excellent idea. (macrotrends,2023)

C22. Price Index (LHS) vs. Recommendations (RHS)



StockMarks evaluate the success of a business yet did not set out to be market forecasters. Nevertheless, based on immediate suggestions provided beneath, the grade divides lately preferred by the share marketplace,. (macrotrends,2023)



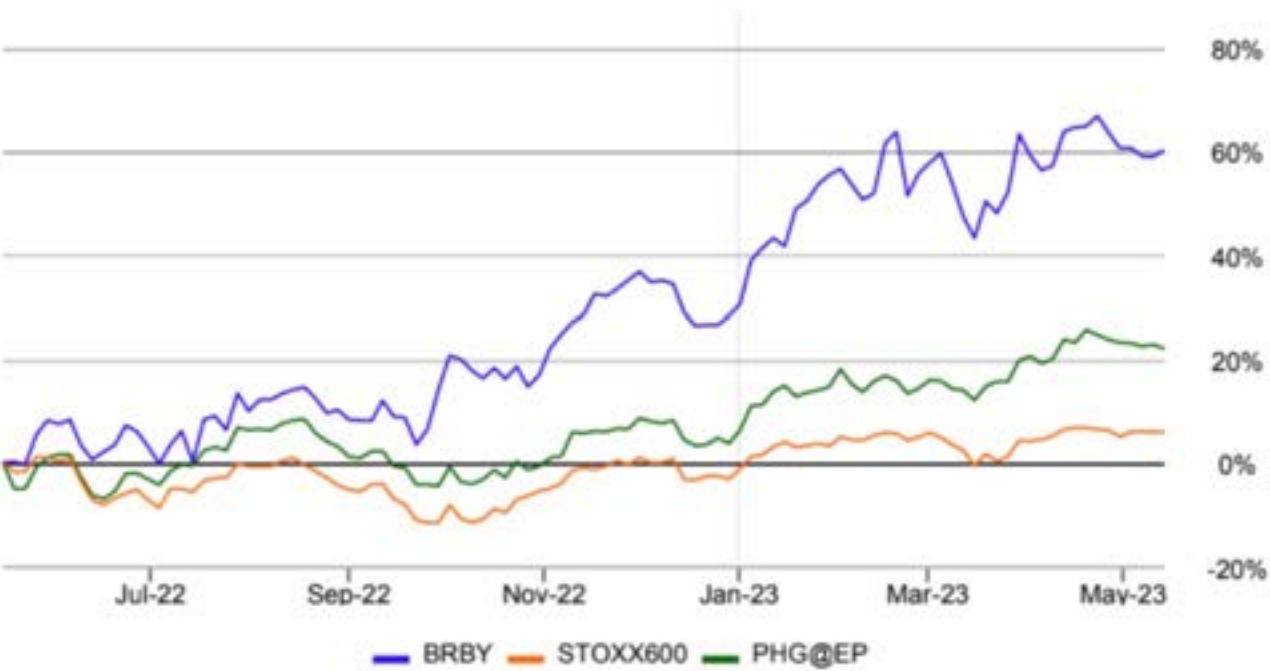
According to subsequent categorization, Burberry Group PLC performance is assessed to be excellent. (SMR = 89/100).



Company Name	Market	Price	Perf YtD	Mkt Cap in \$bn	Stars	Sensitivity	LT P/E	LT Growth	Div	4wk Rel Perf	Global Evaluation
BURBERRY GROUP	GB	2,537.00	25.0%	11.99	★★★★☆		17.2	13.0%	2.6%	-1.7%	
Personal & Household Goods (EP)	EP	323.00	17.7%	1,772.41	★★★★☆		17.6	14.0%	2.4%	-0.1%	
STOXX600	EP	465.00	9.4%	14,566.62	★★★★☆		11.0	9.7%	3.6%	-0.5%	

(themarketscreener,2023)

Comparison May 17, 2022 - May 16, 2023



(themarketscreener,2023)

An overview of basic as well as practical evaluation:

1. Especially in a situation when things have been unfavourably reviewed, the share price is favoured by the upward trend in profit improvements.(marketscreener,2023).
2. Company's stock possesses a fair prospect when it comes to value.(marketscreener,2023).
3. In a favourable context, the technological approach is favourable.(marketscreener,2023)
4. Throughout past 1 month Individual as well as Family Products have lagged in marketplace when it comes to share price as well as overall atmosphere.(marketscreener,2023).

Price Level Evaluation:

In comparison to business’s notional reasonable costs, BURBERRY GROUP looks to be essentially reasonably priced. Company’s estimated value is similar to European Personal as well as Household Products average.(themarketscreener,2023). Company’s intrinsic market prospective is respectable as well as consistent compared to similar equities in identical business category.(marketscreener,2023).

Revenue Improvements:

The placement of BURBERRY Company in comparison with its comparison industry, Personal as well as Household Products, highlights that obviously rising rate of profit upgrades fosters a favourable perspective of shares, despite the fact company’s surroundings are, on the other hand, constantly adversely modified.(marketscreener,2023)

Dividend

The dividend yield over past 1 year - 2.6 percent. 44 percent of projected revenue is represented by this predicted payout. As a result, the payout is reimbursed, if not extensively, therefore has a fair chance of being sustainable.(marketscreener,2023).

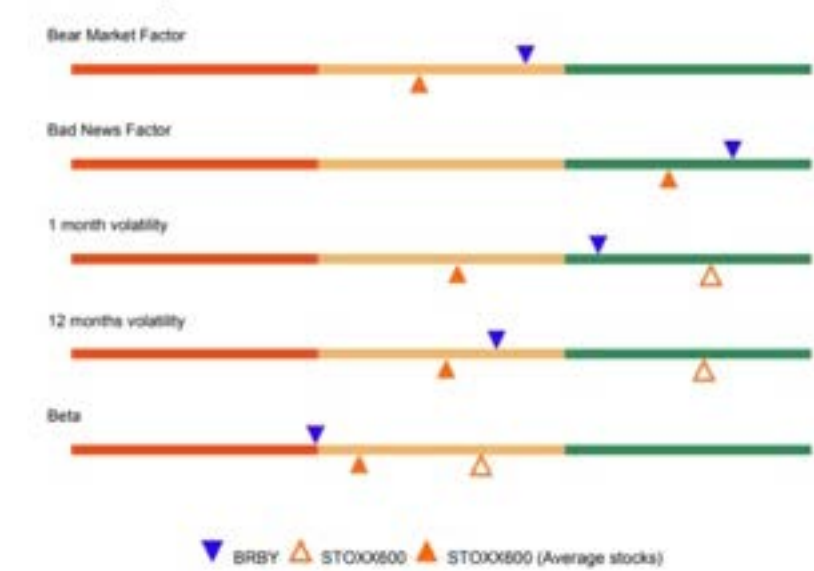


BURBERRY GROUP - Sector and/or Group Comparison

Company Name	Symbol	Market	Price	Perf YtD	Mkt Cap in \$bn	Stars	Sensitivity	LT P/E	LT Growth	Div	Global Evaluation
BURBERRY GROUP	BRBY	GB	2,537.00	25.0%	11.99	★★★★☆		17.2	13.0%	2.6%	
COATS GROUP	COA	GB	73.00	10.3%	1.46	★★★★☆		8.1	9.9%	2.9%	
UNILEVER PLC	ULVR	GB	4,343.00	3.9%	136.93	★★★★☆		17.1	11.1%	3.5%	
BRITISH AMERICAN TOBACCO	BATS	GB	2,720.00	-17.1%	76.01	★★★★☆		6.1	6.6%	9.1%	
LVMH	MC	FR	876.00	28.8%	477.90	★★★★☆		21.3	15.9%	1.7%	
HERMES INTERNATIONAL	RMS	FR	1,976.00	36.8%	226.68	★★★★☆		40.6	27.4%	0.8%	
RICHEMONT N	CFR	CH	154.70	29.0%	90.11	★★★★☆		17.9	13.9%	2.2%	
KERING	KER	FR	546.50	14.9%	73.68	★★★★☆		14.2	11.5%	2.7%	
LULULEMON ATHLETICA	LULU	US	371.52	16.0%	49.20	★★★★☆		23.6	19.8%	0.0%	
TITAN COMPANY	TTAN	IN	2,790.25	7.4%	30.13	★★★★☆		45.1	32.2%	0.5%	
H&M HENNES & MAURITZ AB	HMB	SE	144.00	28.3%	22.91	★★★★☆		15.1	19.8%	5.0%	

(themarketscreener,2023)

Sensitivity Profile



Price & Sensitivity Evolution





(Burberry,2023)



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(Burberry,2023)

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# INCOME STATEMENT

Annual Data   Millions of US \$ except per share data		2022-03-31	2021-03-31
Revenue		\$3,859.751	\$3,066.524
Cost Of Goods Sold		\$1,113.127	\$891.476
Gross Profit		\$2,746.624	\$2,175.049
Research And Development Expenses		-	-
SG&A Expenses		\$2,035.042	-
Other Operating Income Or Expenses		\$30.048	\$-1,493.294
Operating Expenses		\$2,004.994	\$1,493.293
Operating Income		\$741.629	\$681.755
Total Non-Operating Income/Expense		\$-43.706	\$-40.427
Pre-Tax Income		\$697.924	\$641.329
Income Taxes		\$155.701	\$149.539
Income After Taxes		\$542.223	\$491.79
Other Income		-	-
Income From Continuous Operations		\$542.223	\$491.79
Income From Discontinued Operations		-	-
Net Income		\$540.857	\$491.528
EBITDA		\$1,169.125	\$1,043.762
EBIT		\$741.629	\$681.755
Basic Shares Outstanding		403	404
Shares Outstanding		405	405
Basic EPS		\$1.34	\$1.22
EPS - Earnings Per Share		\$1.33	\$1.21



(Burberry,2023)



# BALANCE SHEET

Annual Data   Millions of US \$ except per share data		2022-03-31	2021-03-31
Cash On Hand		\$1,675.837	\$1,653.037
Receivables		\$503.98	\$414.208
Inventory		\$581.831	\$526.067
Pre-Paid Expenses		-	-
Other Current Assets		\$17.755	-
Total Current Assets		\$2,779.403	\$2,593.312
Property, Plant, And Equipment		\$439.788	\$366.847
Long-Term Investments		-	\$3.14
Goodwill And Intangible Assets		\$327.792	\$310.067
Other Long-Term Assets		-	-
Total Long-Term Assets		\$2,269.959	\$1,988.616
Total Assets		\$5,049.363	\$4,581.928
Total Current Liabilities		\$1,098.103	\$919.473
Long Term Debt		\$407.008	\$388.696
Other Non-Current Liabilities		\$173.457	\$171.649
Total Long Term Liabilities		\$1,742.761	\$1,621.899
Total Liabilities		\$2,840.864	\$2,541.373
Common Stock Net		-	\$0.262
Retained Earnings (Accumulated Deficit)		\$1,533.793	\$1,427.617
Comprehensive Income		-	-
Other Share Holders Equity		\$359.205	\$316.87
Share Holder Equity		\$2,208.499	\$2,040.556
Total Liabilities And Share Holders Equity		\$5,049.363	\$4,581.928





(Burberry,2023)

CASH FLOW STATEMENT

Annual Data   Millions of US \$ except per share data		2022-03-31	2021-03-31
Net Income/Loss	<a href="#">[Bar Chart]</a>	\$741.629	\$681.755
Total Depreciation And Amortization - Cash Flow	<a href="#">[Bar Chart]</a>	\$427.495	\$362.007
Other Non-Cash Items	<a href="#">[Bar Chart]</a>	\$-42.34	\$-159.089
Total Non-Cash Items	<a href="#">[Bar Chart]</a>	\$385.156	\$202.917
Change In Accounts Receivable	<a href="#">[Bar Chart]</a>	\$-6.829	\$-51.024
Change In Inventories	<a href="#">[Bar Chart]</a>	\$-30.048	\$27.344
Change In Accounts Payable	<a href="#">[Bar Chart]</a>	\$110.63	\$-9.42
Change In Assets/Liabilities	<a href="#">[Bar Chart]</a>	-	\$-1.963
Total Change In Assets/Liabilities	<a href="#">[Bar Chart]</a>	\$-172.091	\$-110.944
Cash Flow From Operating Activities	<a href="#">[Bar Chart]</a>	\$954.694	\$773.729
Net Change In Property, Plant, And Equipment	<a href="#">[Bar Chart]</a>	\$-158.433	\$-59.789
Net Change In Intangible Assets	<a href="#">[Bar Chart]</a>	\$-50.535	\$-54.818
Net Acquisitions/Divestitures	<a href="#">[Bar Chart]</a>	\$-9.561	-
Net Change In Short-term Investments		-	-
Net Change In Long-Term Investments		-	-
Net Change In Investments - Total		-	-
Investing Activities - Other	<a href="#">[Bar Chart]</a>	\$-5.463	\$-3.794
Cash Flow From Investing Activities	<a href="#">[Bar Chart]</a>	\$-223.991	\$-118.401
Net Long-Term Debt	<a href="#">[Bar Chart]</a>	-	\$-6.149
Net Current Debt	<a href="#">[Bar Chart]</a>	\$-275.892	\$-199.123
Debt Issuance/Retirement Net - Total	<a href="#">[Bar Chart]</a>	\$-275.892	\$-205.272
Net Common Equity Issued/Repurchased	<a href="#">[Bar Chart]</a>	\$-214.431	\$2.747
Net Total Equity Issued/Repurchased	<a href="#">[Bar Chart]</a>	\$-214.431	\$2.747
Total Common And Preferred Stock Dividends Paid	<a href="#">[Bar Chart]</a>	\$-299.11	-
Financial Activities - Other	<a href="#">[Bar Chart]</a>	\$-4.097	\$-5.626
Cash Flow From Financial Activities	<a href="#">[Bar Chart]</a>	\$-793.53	\$-208.151
Net Cash Flow	<a href="#">[Bar Chart]</a>	\$-53.266	\$429.907
Stock-Based Compensation		-	-
Common Stock Dividends Paid	<a href="#">[Bar Chart]</a>	\$-299.11	-



# CALCULATIONS

(Burberry,2023)



PROFITABILITY RATIOS

1) Gross Profit Margin: Gross Profit/Revenue\*100

2021=1662/2344\*100  
=70.90

2022=2011/2826\*100  
=71.16

2) Net Profit Margin: Net Profit/Revenue\*100

2021=376/2344\*100  
=16.04

2022=397/2826\*100  
=14.05

3) Return on Capital Employed: EBIT/Capital Employed

2021=490/2800  
=0.18

2022=511/(3697-511)  
=0.16

4) Return on Equity: Net Profit/Equity\*100

2021=490/2040.56\*100  
=24.01

2022=511/2208.499\*100  
=23.14

LIQUIDITY RATIOS

1) Current Ratio: Current Assets/Current Liabilities

2021=1982/702  
=2.82

2022=2035/804  
=2.53

2) Quick Ratio: Assets-Inventory/Current Liabilities

2021=(1982-402)/702  
=2.25

2022=(2035-426)/804  
=2.00

3) Day Sales Outstanding: Accounts Recieveables/Revenue\*365

2021=414.2/3066.52\*365  
=49.30

2022=503.98/3859.75\*365  
=47.66

GERING RATIOS

1) Debt to Equity Ratio: Total Liabilities/Equity

2021=388.69/2040.55  
=0.19

2022=407/2208.49  
=0.18

2) Interest Coverage: EBIT/Interest Expense

2021=681.755/29800  
=0.023

2022=741.629/32000  
=0.023

3) Equity Ratio: Accounts recievables/Revenue\*100

2021=2040.55/4581.92  
=0.45

2022=2208/5049.36  
=0.44

4) Debt Ratio: Debt/Total Assets

2021=4581.92/388.69  
=11.79

2022=5049.36/407  
=12.41



EFFICIENCY RATIO

1. Account Recievable Turnover Ratio: Revenue/Account Recievable

2021=3066.524/414.208  
=7.40

2022=3859.751/503.98  
=7.66

2. Fixed Asset Turnover Ratio: Revenue/Fixed Assets

2021=3066.524/1988.616  
=1.54

2022=3859.751/2269.959  
=1.70

3. Inventory Turnover Ratio: Cost of Sales/Average Inventory

2021=891.476/526.067  
=1.69

2022=1113.127/581.831  
=1.91

4. Day of Sales Inventory: Inventory/Cost of Sales\*365

2021=(526.067/891.476)\*365  
=215.39

2022=(581.831/1113.127)\*365  
=190.79

5. Working Capital Turnover: Net annual sales/Average working Capital

2021=3066.524/1279.4  
=2.40

2022=3859.751/1231  
=3.14

INVESTMENT RATIOS

1. Earning per Share Ratio:Net Profit/Number of shares

2021=540.857/404865  
=0.0013

2022=540.857/396705  
=0.0014

2) Dividend Cover Ratio: Net Profit/Dividend Paid

2022=540.857/-299.11  
= -1.81

2021= Dividend not paid

3) Dividend Per Share: Dividend/Number of Shares

2022= -299.11/396705  
= 0.0008

2021= Dividend not paid

4) Dividend Yield Ratio: Dividend per share/Current share price\*100

2022= -299.11/2184  
= -0.14

2021= Dividend not paid

5) Dividend Payout Ratio: Dividend Paid/Net Profit\*100

2022= (-299.11/540.857)\*100  
= -55.30

2021= Dividend not paid

6) Price to Earnings Ratio: Current share price/earnings per share

2022=0.98

2021=0.93

