

# Herald Sun

SNAPSHOT	
<b>RCG CORPORATION</b> Full-year results	
NET PROFIT	
\$29.16m	↓ 2.6%
REVENUE	
\$636.2m	↑ 43.7%
EARNINGS PER SHARE	
5.54c	↓ 14.1%
DIVIDEND (final)	
3c	↑ 0.5c
SHARE PRICE (yesterday)	
84c	↑ 6.3%



Swans star Josh Kennedy models for Timberland.

## Shoe biz shines for expanding RCG

Herald Sun

August 29, 2017 12:00am

THE shoe retailer behind brands such as Vans, Timberland and Skechers has posted a 21 per cent jump in earnings after expanding its footprint through 50 new stores.

Shares in RCG Corporation yesterday jumped almost 7 per cent after it unveiled an underlying profit — a measurement that strips out one-off items — of \$39.9 million for the year to July 2.

However, the group's net profit was down 2.6 per cent to \$29.2 million after accounting for acquisition-related costs. RCG said it had fully integrated sneaker business Hype DC into its Accent business after completing the \$99 million buyout in August last year.

Accent — which includes Platypus, Skechers, Vans and Timberland — delivered underlying earnings of \$67.1 million, up 57 per cent the previous year. This was largely due to the addition of 65 Hype DC stores, the distribution rights to six international brands and the rollout of 50 new stores, including 19 Skechers and 17 Platypus shops.

The group also launched new Platypus, Skechers and Vans websites and said digital sales were up 99 per cent.

Accent's total sales for the year rose 59 per cent to \$512.5 million, with like-for-like sales — which strip out the impact of shops that have opened or closed — up 2.6 per cent.

RCG's shoe chain, The Athlete's Foot, had an 8 per cent fall in earnings before interest, tax, depreciation and amortisation to \$12.6 million as sales growth slowed to 0.8 per cent. Its other division, RCG Brands suffered a 62 per cent fall in EBITDA to \$3 million. RCG Corporation shares closed up 6.3 per cent at 84c.