# TRADING UPDATE

## 2 June 2014

RCG Corporation Limited (ASX: RCG) today announced that it expects FY2014 full year EBITDA growth to be in the range of 10% to 12%. This is lower than the 15% earnings growth previously forecast by the Company.

The revision to the full-year outlook is largely due to the worse than expected performance of the Company's RCG Brands division during the months of April and May. This has been driven by the widely reported decline in consumer confidence which has adversely impacted retail across all categories in the weeks leading up to, and since, the Federal Budget announcement. This has been further exacerbated by unseasonably warm autumn weather nation-wide, which in turn has had a negative impact on sales of winter product.

Notwithstanding these issues, RCG's other major business division, The Athlete's Foot (TAF), continues to trade largely in line with expectations. TAF's like-for-like sales growth for the 11 months to the end of May is 2.75%. Like-for-like sales for the four months February to May have been flat, a satisfying result in the face of the worst retail environment in recent years. TAF's performance is a result of its continued focus on fit and its "all for customer" approach.

RCG's Board remains confident in the strength of the Company's businesses and continues to be focussed on executing its plans to deliver long-term sustainable growth for all stakeholders. The Company will continue to pay out dividends in line with its current dividend policy.

***For further information contact:***
Hilton Brett
CEO, RCG Corporation Limited
(02) 8310-0008
0411-682-912
hbrett@rcgcorp.com.au