



PRELIMINARY RESULTS

FOR THE YEAR ENDED 31 MARCH 2014

AGENDA

1. FINANCIAL REVIEW
2. STRATEGY
3. CURRENT TRADING AND OUTLOOK



MULBERRY

HIGHLIGHTS FOR THE YEAR

ENDED 31 MARCH 2014

TOTAL REVENUE DOWN 1% TO £163.5 MILLION (2013: £165.1 MILLION)

- Retail sales up 2%, down 3% like-for-like
- UK Retail unchanged
- International Retail up 11%
- Wholesale down 6%

FINANCIAL HIGHLIGHTS

- Results in line with analysts' expectations
- Profit before tax of £14.0 million (2013: £26.0 million), reflecting increase in costs associated with new stores opened this year and last year (£4.8m) as well as £3.4m million of exceptional, non-recurring costs as previously announced
- Basic earnings per share of 14.5p (2013: 32.2p)
- Proposed dividend of 5.0p per share (2013: 5.0p per share)

OPERATING HIGHLIGHTS

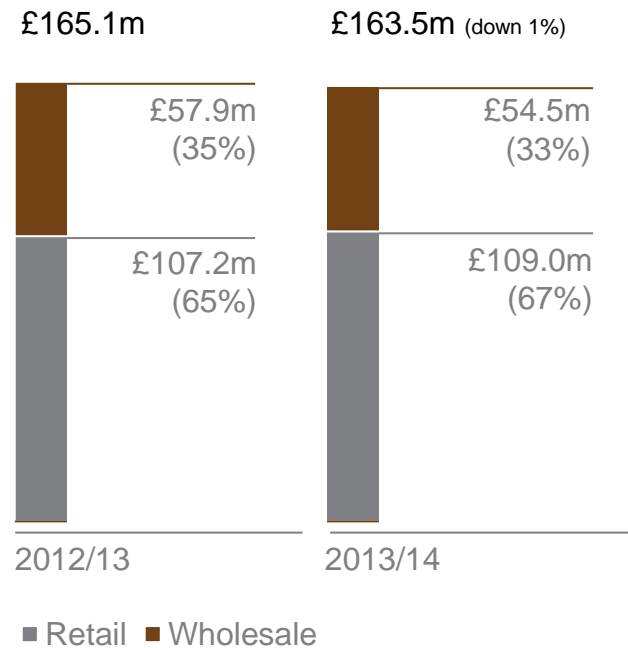
- Construction of second UK factory completed during June 2013
- Nine new international stores opened, two closed
- Implementation of new supply chain management system



1. FINANCIAL REVIEW

REVENUE BY CHANNEL

VALUE OF SALES



Note: Online included in retail sales

**RETAIL UP 2%,
DOWN 3% LIKE-FOR-LIKE:**

- UK Retail unchanged
- International Retail up 11%
- Online down 11% against strong growth last year

WHOLESALE DOWN 6%:

- Slower UK and Asian sales as a result of a lack of new product at the £500-£800 price point

INCOME STATEMENT

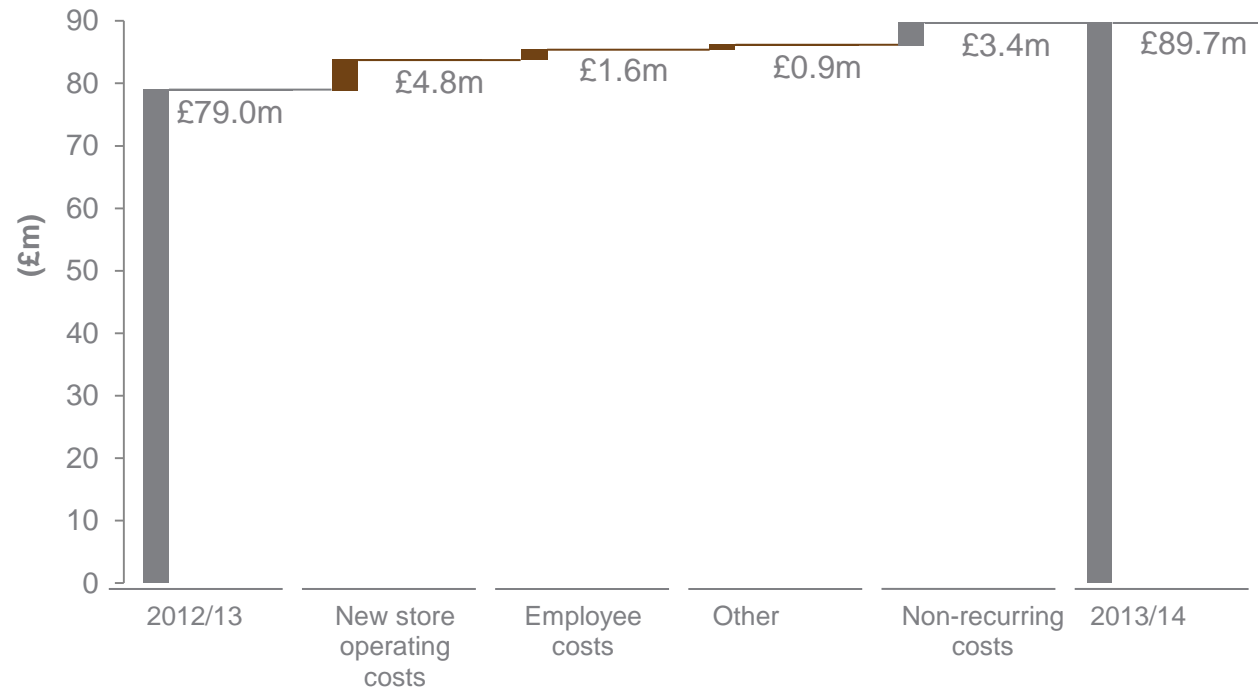
FOR THE YEAR ENDED 31 MARCH 2014

£ MILLION	31 MARCH 2013	31 MARCH 2014	VARIANCE
Revenue	165.1	163.5	-1%
Gross profit	104.5	103.5	-1%
<i>Gross margin</i>	63.3%	63.3%	
Other operating expenses (net)	(79.0)	(86.4)	+9%
Exceptional items*	-	(3.4)	
Operating profit	25.5	13.7	-46%
<i>Operating margin</i>	15.5%	8.4%	
Profit before tax	26.0	14.0	-46%
Basic earnings per share (pence)	32.2	14.5	-55%

*Non-recurring retail asset impairment and director costs

NET OPERATING EXPENSES

FOR THE YEAR ENDED 31 MARCH 2014



Note: New store operating costs include employee costs related to the new stores

BALANCE SHEET

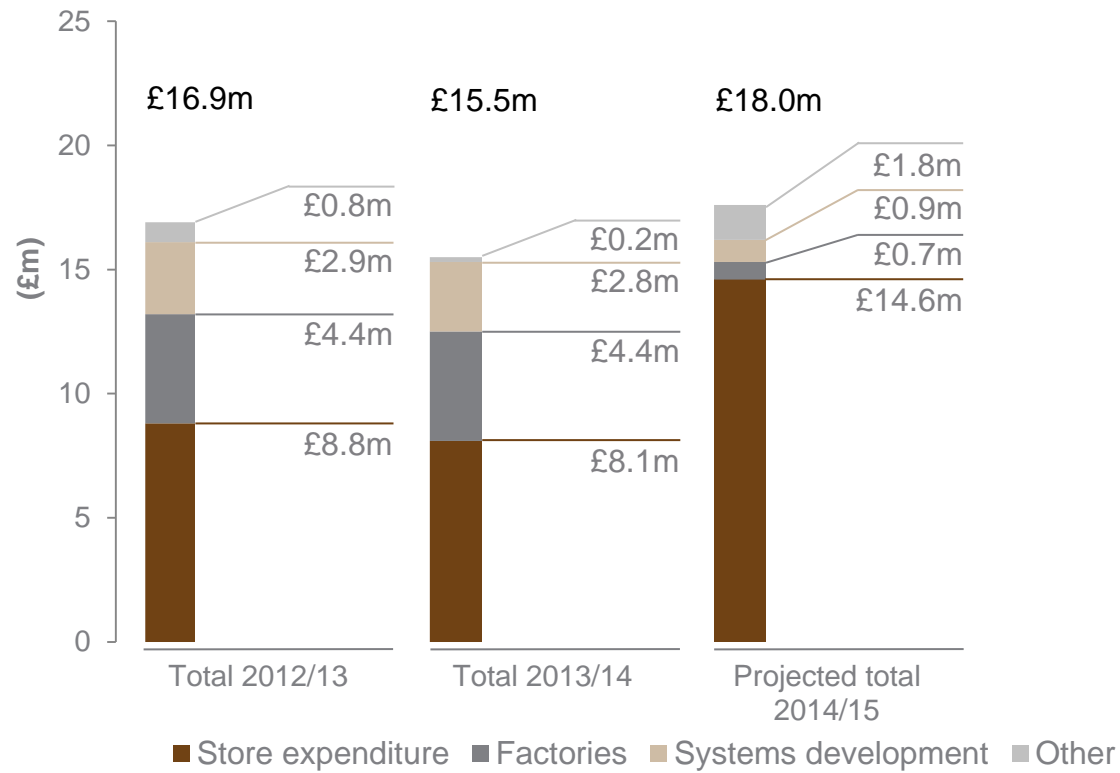
AS AT 31 MARCH 2014

BALANCE SHEET (£ MILLION)	31 MARCH 2013	31 MARCH 2014	VARIANCE
Fixed assets and investments	39.7	43.3	+9%
Inventories	35.7	33.8	-5%
Trade and other receivables	14.2	13.6	-4%
Cash	21.9	23.4	+7%
Current liabilities	(32.8)	(30.1)	-8%
Net assets	78.7	84.0	+7%



CAPITAL EXPENDITURE ANALYSIS

FOR THE YEAR ENDING 31 MARCH 2014





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2. STRATEGY

KEY PRIORITIES

1. RE-FOCUS THE PRODUCT OFFERING
2. STORES
3. OPERATIONS

1. RE-FOCUS THE PRODUCT OFFERING

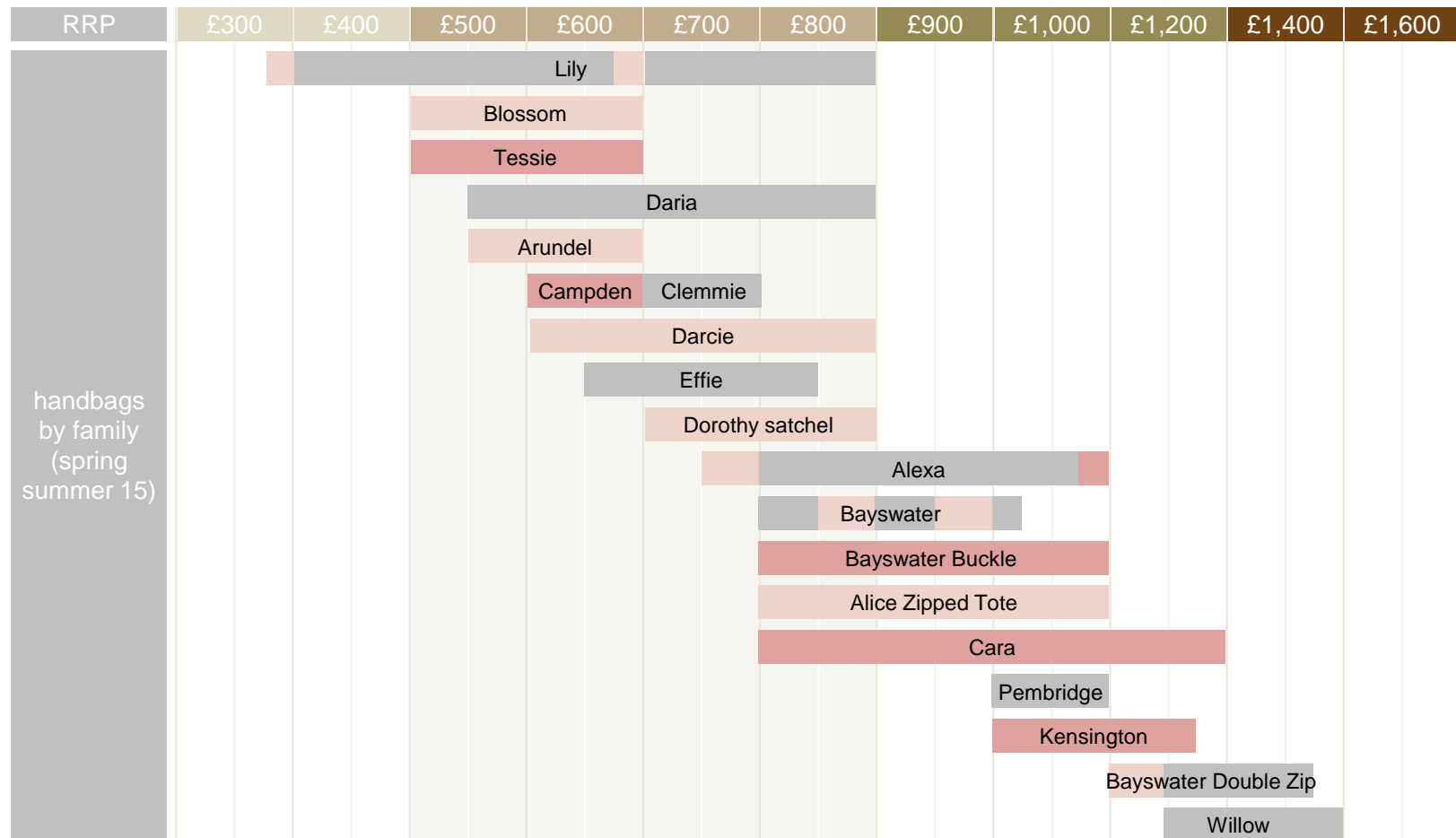
1. NEW AND INTERESTING PRODUCTS TO BE INTRODUCED IN THE £500-£800 PRICE RANGE
2. EXTENSION OF RANGE AT UPPER END HAS BEEN SUCCESSFUL
3. BENEFIT TO BE FELT PROGRESSIVELY



MULBERRY

1. RE-FOCUS THE PRODUCT OFFERING

INTRODUCE NEW PRODUCT IN THE KEY £500-£800 PRICE RANGE



*Excludes exotics

New product for AW 14

New Product for SS 15

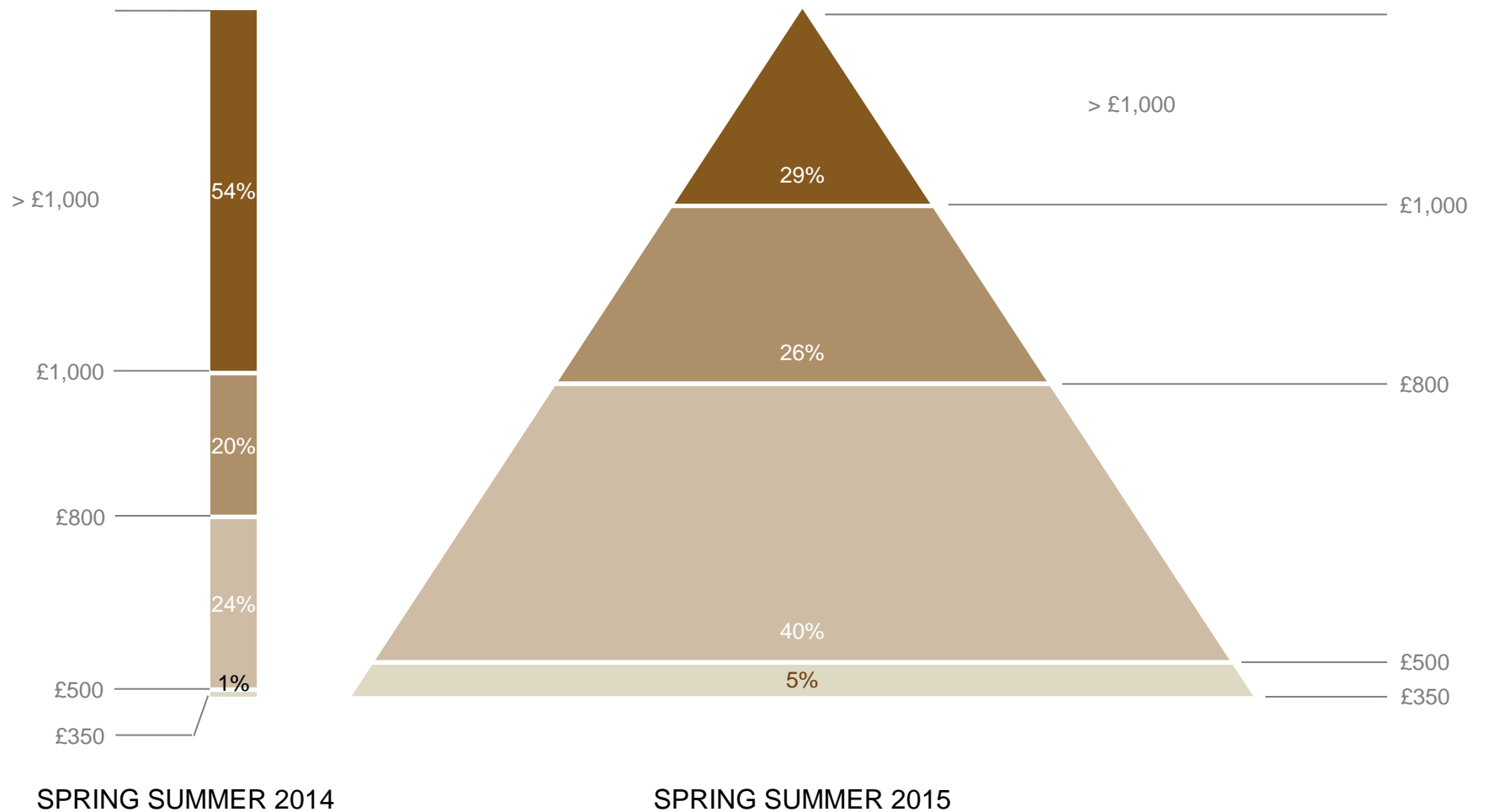


MULBERRY

1. RE-FOCUS THE PRODUCT OFFERING

RE-FOCUS OF SPRING SUMMER 2015 HANDBAG OFFER

PRODUCT MIX BY % OF SKUS





2. STORES

1. WE WILL FOCUS ON IMPROVING THE PRODUCTIVITY OF EXISTING STORES
2. CONTINUED INVESTMENT IN INTERNATIONAL STORE NETWORK
3. PARIS FLAGSHIP STORE TO OPEN AT THE BEGINNING OF 2015/16

2. STORES

WORLDWIDE RETAIL FOOTPRINT: MARCH 2014

	Department store Shop-in-Shop	Free Standing Stores	Total	Changes from 31 March 2013
Directly Operated Stores				
UK	25	20	45	-
Europe	3	8	11	+3
North America	-	10	10	+4
Total Own Stores	28	38	66	+7
Partner Stores				
Scandinavia	2	7	9	-
Other European	-	1	1	+1
South Korea	21	2	23	-1
Other Asia Pacific	5	14	19	+1
Middle East	1	3	4	-1
Total Partner Stores	29	27	56	-
Total Retail Footprint	57	65	122	+7



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3. OPERATIONS

SCALABLE PLATFORM

“WILLOWS” FACTORY IN SOMERSET COMPLETED ON TIME AND TO BUDGET

- Production commenced during June 2013 with creation of 320 new jobs
- Doubled UK production capacity with more than 50% of our handbags now made in the UK using traditional skills and craftsmanship
- Factory will continue to build up to full production efficiency in 2014/15

SUPPLY CHAIN

- On track to complete the implementation of new integrated supply chain management system



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3. CURRENT TRADING AND OUTLOOK



MULBERRY

CURRENT TRADING AND OUTLOOK

CURRENT TRADING

- Retail sales down 9% for the 10 weeks to 7 June 2014, down 15% like-for-like (vs. the prior year period)

CAUTIOUS OUTLOOK

- Outlook for the current financial year remains challenging
- Product range rebalanced following management changes during March 2014, but expect improvement in sales will be progressive
- Launch of the new Tessie collection has been well received
- Following effective stock clearance during 2013/14, outlet sales have settled at more normal levels this year
- Spring Summer 2015 well received by Wholesale customers but this channel will take longer to recover
- Double digit decline in Wholesale sales expected for the 2014/15 financial year as a whole

INTERNATIONAL EXPANSION

- Plan to open five new directly operated stores during 2014/15
- Acquisition of new Paris flagship store; due to open early 2015/16

CONTINUED INVESTMENT

- Capex for 2014/15 expected to be c. £18.0 million, of which £14.6 million will be on stores
- This reflects a significant investment in the important Paris flagship store
- Some effect on gross margin in 2014/15 as second factory is building up to full efficiency

CONTACTS

BELL POTTINGER 020 7861 3232
Daniel de Belder

MULBERRY INVESTOR RELATIONS 020 7605 6795
Allegra Perry

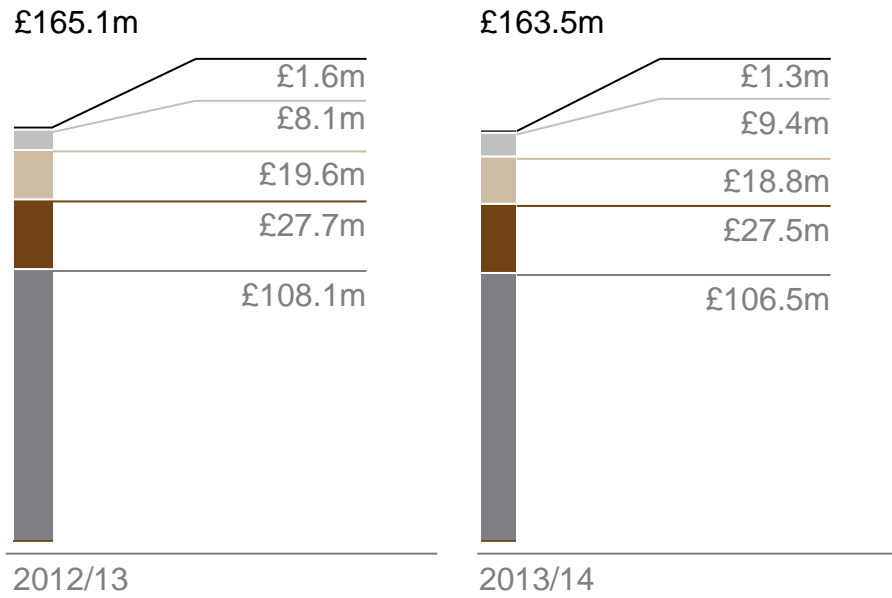
ALTIUM 020 7484 4040
Ben Thorne
Katie Hobbs

BARCLAYS 020 3134 8370
Marcus Jackson
Nicola Tennent

MULBERRY.COM
blog.mulberry.com
[Twitter@mulberry_editor](https://twitter.com/mulberry_editor)
facebook.com/mulberry

APPENDIX

REVENUE BY REGION



■ UK ■ Europe ■ Asia Pacific
 ■ North America ■ Rest of the World

APPENDIX

REVENUE BY REGION / CHANNEL

	2012/13			2013/14		
	£m			£m		
	Retail	Wholesale	Total	Retail	Wholesale	Total
UK	91.8	16.3	108.1	91.9	14.6	106.5
Europe	7.6	20.1	27.7	8.0	19.5	27.5
Asia Pacific	1.0	18.6	19.6	0.2	18.6	18.8
North America	6.7	1.4	8.1	8.7	0.7	9.4
Other	0.1	1.5	1.6	0.2	1.1	1.3
Total Revenue	107.2	57.9	165.1	109.0	54.5	163.5

APPENDIX

REVENUE BY PRODUCT

REVENUE BY PRODUCT (2013/14)

