Preliminary Results

FOR THE YEAR ENDED 31 MARCH 2016
Agenda

1. FINANCIAL REVIEW

2. STRATEGY

3. CURRENT TRADING AND OUTLOOK

4. DIGITAL

5. CONTACTS

6. APPENDIX
PRELIMINARY RESULTS — YEAR ENDED MARCH 2016

Highlights for the year

TOTAL REVENUE UP 5% TO £155.9 MILLION (2015: £148.7 MILLION)
- Total Retail sales up 8% to £118.7 million
  • UK Retail (including digital) up 9% to £97.4 million
  • International Retail (including digital) up 3% to £21.3 million
  • Digital up 19% to £21.4 million
- Wholesale down 4% to £37.2 million

FINANCIAL HIGHLIGHTS
- PBT of £6.2 million (2015: £1.9 million)
- Gross margin up 150 basis points to 62% (2015: 60.5%)
- Earnings per share of 4.5p (2015: loss per share of 2.3p)
- Proposed dividend of 5.0p per share (2015: 5.0p per share)

OPERATING HIGHLIGHTS
- Digital remains strong with mulberry.com sales +19%, now 14% of group sales (2015: 12%)
- First Mulberry collection from Johnny Coca, Creative Director, presented at LFW (Feb 2016)
- Production efficiencies generated from UK factories which produce c. 50% of handbags
- License agreement signed for ready-to-wear and shoes
- Significant investment in product design, new creative talent, omni-channel
1. Financial Review
TOTAL REVENUE

£148.7m  
£109.9m (74%) 
£38.8m (26%) 

2014/15

£155.9m (up 5%) 
£118.7m (76%) 
£37.2m (24%) 

2015/16

TOTAL REVENUE UP 5% TO £155.9 MILLION

RETAIL UP 8% TO £118.7 MILLION:

- Like-for-like up 8%
- UK Retail (including Digital) up 9% to £97.4 million
- International Retail (including Digital) up 3% to £21.3 million
- Digital up 19% to £21.4 million, 14% of group sales

WHOLESALE DOWN 4% TO £37.2 MILLION

Note: Digital included in Retail sales
## Income statement — For year ended 31 March 2016

<table>
<thead>
<tr>
<th>£ MILLION</th>
<th>31 MARCH 2015</th>
<th>31 MARCH 2016</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>148.7</td>
<td>155.9</td>
<td>+5%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>89.9</td>
<td>96.6</td>
<td>+7%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>60.5%</td>
<td>62.0%</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(85.9)</td>
<td>(90.3)</td>
<td>+5%</td>
</tr>
<tr>
<td>Exceptional expenses*</td>
<td>(2.7)</td>
<td>(1.6)</td>
<td>-39%</td>
</tr>
<tr>
<td>Exceptional income**</td>
<td>-</td>
<td>1.0</td>
<td>n/a</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1.9</td>
<td>6.2</td>
<td>+226%</td>
</tr>
<tr>
<td>Adjusted*** profit before tax</td>
<td>4.5</td>
<td>6.8</td>
<td>+51%</td>
</tr>
<tr>
<td>Basic earnings/(loss) per share (pence)</td>
<td>(2.3)</td>
<td>4.5</td>
<td>n/a</td>
</tr>
</tbody>
</table>

* Retail asset impairment costs
** 2016: Profit on disposal of two US stores
***Adjusted to add back exceptional items
Other operating expenses — For year ended 31 March 2016

- £88.6m
- £1.8m
- £1.0m
- £0.9m
- £0.8m
- £1.1m
- £92.0m

2014/15: £88.6m
New store operating costs
Product development costs
Senior management costs
Other operating costs
Net impairments (YoY)
2015/16: £92.0m

## Balance Sheet — As at 31 March 2016

<table>
<thead>
<tr>
<th>BALANCE SHEET (£ MILLION)</th>
<th>31 MARCH 2015</th>
<th>31 MARCH 2016</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets and investments</td>
<td>47.4</td>
<td>40.9</td>
<td>-14%</td>
</tr>
<tr>
<td>Inventories</td>
<td>39.4</td>
<td>44.4</td>
<td>+13%</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>13.3</td>
<td>10.8</td>
<td>-19%</td>
</tr>
<tr>
<td>Cash</td>
<td>9.9</td>
<td>14.0</td>
<td>+41%</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(31.2)</td>
<td>(30.4)</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>78.7</strong></td>
<td><strong>79.7</strong></td>
<td><strong>+1%</strong></td>
</tr>
</tbody>
</table>
2. Strategy
LEATHER GOODS TO REMAIN THE CORE COMMERCIAL FOCUS

REINFORCE MULBERRY AS A LIFESTYLE BRAND
— Introduce more seasonal product to drive sales in the UK and International markets
— Style and price point of shoes and ready-to-wear collections aligned with bags
— License agreement signed for manufacture and co-distribution of shoes and ready-to-wear

MAINTAIN COMMITMENT TO CORE PRICE BRACKET FOR BAGS
— Strategy to shorten lead time between showing new collections and delivery to sales channels
— Product designs under creative direction of Johnny Coca will continue to follow core brand values whilst introducing greater level of novelty in the range of bags in coming seasons
Product
INVEST IN BUILDING THE BRAND GLOBALLY WITH DYNAMIC MARKETING AND COMMUNICATION STRATEGY

ENGAGE WITH NEW AND LOYAL CUSTOMERS
- Introduce more seasonal product to drive sales in the UK and International markets
- Increased use of digital and social media (digital media expected to represent majority of total spend going forward)
- Tailored regional marketing activities

EMPHASISE BRITISH DNA AS POINT OF DISTINCTION
Omni-channel

STRENGTHEN POSITION IN THE UK AND EXPAND INTERNATIONALLY

OMNI-CHANNEL STRATEGY: WELL-SITUATED STORES COMPLEMENTED BY STRONG DIGITAL PRESENCE

- Significant investment in store network over recent years; c. 30% of stores less than four years old
- In the short to medium term, plan to open fewer stores and strategically refine store network while focusing upon improving the range of omni-channel services
- Maintain selective wholesale digital relationships

ENHANCE OMNI-CHANNEL CAPABILITIES:

- Customer experience to be further enhanced through local fulfilment and omni-channel services
- International rollout to Europe (April 2016), US (Summer 2016, with local fulfilment)
- Approximately 50% of Group’s Digital sales now executed on mobile phones and tablet whilst two-thirds of site traffic comes over these devices

122 STORES (INCLUDING PARTNER) AS AT 31 MARCH 2016
PRELIMINARY RESULTS — YEAR ENDED MARCH 2016

Retail footprint

WORLDWIDE RETAIL FOOTPRINT: MARCH 2016

<table>
<thead>
<tr>
<th></th>
<th>Department Store Shop-in-Shops</th>
<th>Free Standing Stores</th>
<th>Total March 2016</th>
<th>Changes from 31 March 2015</th>
<th>Total March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directly Operated Stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>24</td>
<td>21</td>
<td>45</td>
<td>1</td>
<td>44</td>
</tr>
<tr>
<td>Europe</td>
<td>3</td>
<td>10</td>
<td>13</td>
<td>-1</td>
<td>14</td>
</tr>
<tr>
<td>North America</td>
<td>–</td>
<td>9</td>
<td>9</td>
<td>-3</td>
<td>12</td>
</tr>
<tr>
<td>Total Own Stores</td>
<td>27</td>
<td>40</td>
<td>67</td>
<td>-3</td>
<td>70</td>
</tr>
<tr>
<td>Partner Stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scandinavia</td>
<td>3</td>
<td>7</td>
<td>10</td>
<td>–</td>
<td>10</td>
</tr>
<tr>
<td>Other European</td>
<td>–</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>South Korea</td>
<td>16</td>
<td>3</td>
<td>19</td>
<td>-1</td>
<td>20</td>
</tr>
<tr>
<td>Other Asia Pacific</td>
<td>3</td>
<td>17</td>
<td>20</td>
<td>1</td>
<td>19</td>
</tr>
<tr>
<td>Middle East</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>–</td>
<td>4</td>
</tr>
<tr>
<td>Total Partner Stores</td>
<td>23</td>
<td>32</td>
<td>55</td>
<td>1</td>
<td>54</td>
</tr>
<tr>
<td>Total Retail Footprint</td>
<td>50</td>
<td>72</td>
<td>122</td>
<td>-2</td>
<td>124</td>
</tr>
</tbody>
</table>
PRELIMINARY RESULTS — YEAR ENDED MARCH 2016

Operations

BUILD SCALABLE PLATFORM

COMMITTED TO “MADE IN ENGLAND”

- Maintain c. 50% of handbags manufactured in the UK going forward
- Reinforces authenticity of Mulberry brand, contributes to attainment of high product quality standards
- Since UK factories already approaching full capacity, this is likely to require opening new factories in the UK as the Group’s revenues increase

DIGITAL PLATFORM

- Omni-channel phase 1 completed; phase 2 has commenced
- Further enhance customer experience through local fulfilment and omni-channel services in priority international markets

SUSTAINED STRATEGY OF INVESTING IN IT

- CRM enabling better understanding of main customer segments
- Create improved customer experience across all touch points
- IT will continue to play a key role in omni-channel evolution
3. Current Trading and Outlook
## Current trading

<table>
<thead>
<tr>
<th>This year vs. last year (%)</th>
<th>Retail total sales</th>
<th>Retail like-for-like* sales</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26 weeks to 30-Sep-15#</td>
<td>52 weeks to 31-Mar-16</td>
</tr>
<tr>
<td></td>
<td>26 weeks to 30-Sep-15#</td>
<td>52 weeks to 31-Mar-16</td>
</tr>
<tr>
<td>UK Retail**</td>
<td>+12%</td>
<td>+9%</td>
</tr>
<tr>
<td></td>
<td>+14%</td>
<td>+9%</td>
</tr>
<tr>
<td>International Retail**</td>
<td>+12%</td>
<td>+3%</td>
</tr>
<tr>
<td></td>
<td>-3%</td>
<td>+2%</td>
</tr>
<tr>
<td>Total Retail</td>
<td>+12%</td>
<td>+8%</td>
</tr>
<tr>
<td></td>
<td>+10%</td>
<td>+8%</td>
</tr>
</tbody>
</table>

* Like-for-like defined as the year-on-year change in sales from stores which have been trading both during the current and previous periods.

** Regional splits include digital sales; Digital sales rose 20% in the 26 weeks to 30 Sep 2015, +19% in the 52 weeks to 31 Mar 2016 and +26% in the 11 weeks to 11 June 2016.

# Retail sales for the 26 weeks to 30 Sep 15 have been previously reported.
Outlook

PRODUCT

– Investment in product remains key strategic priority
– Board believes these initiatives will enhance opportunities for growth in the medium term
– Continued focus on these areas will contribute to an increase in overheads for the year
– Elevated number of new product introductions during the year is likely to affect factory efficiency

OMNI-CHANNEL

– Focus on improving productivity in existing stores with limited new store openings
– Enhance systems which underpin omni-channel offering in the UK
– France, Germany, Netherlands (April 2016); US (Summer 2016, with local fulfilment)

AUSTRALIA

– Acquisition of Mulberry store in Sydney, Australia (April 2016) from partner, Club 21
– Mulberry now directly manages sales and distribution operations
– Brand is well-positioned in small but promising market

WHOLESALE

– Expected to remain steady during the current financial year
4. Digital
Digital

Mulberry digital sales evolution

Financial year ending 31 March

- Digital sales
- Digital % Group sales
- Luxury avg Digital % sales

Digital traffic by device

Desktop, 33%
Mobile, 47%
Tablet, 20%

Digital sales by device

Desktop, 51%
Mobile, 24%
Tablet, 25%
Omni-channel developments

**Phase 1**
Complete

- Omni-channel trial in domestic market
- Launched services in Sept 2014 in UK standalone stores including:
  - Click & Collect
  - In store online ordering
  - Universal returns

**Phase 2**
In Progress

- Refine, further automate and localise offer
  - In store back of house processes automated
  - Omni services rolled out to European standalone stores during April 2016
  - Omni services launching in US during Summer 2016

**Phase 3**
Commencing Autumn 16

- Connect Retail and Digital stock and make universally available
  - Project commencing August 2016
  - Trial in UK standalone stores during Spring 2017
Customer Centric Marketing

STRATEGIC INVESTMENT IN DIGITAL AND OMNI-CHANNEL FUTURE MARKETING MODELS

– Strong shift into digital and social media investment with a mobile focus, now the majority of total media mix

– Digital media activity enables greater reach, richer brand storytelling formats and stronger customer engagement opportunities

– Significant targeting opportunities due to historical e-commerce investment, in-house digital capabilities and owned “big data”

– Future focus on omni-channel marketing opportunities and cross channel attribution
PRELIMINARY RESULTS — YEAR ENDED MARCH 2016

Contacts

BELL POTTINGER
Daniel de Belder — 07977 927142

MULBERRY INVESTOR RELATIONS
Allegra Perry — 020 7605 6795

ALTIIUM
Sam Fuller — 020 7484 4037
Tim Richardson — 020 7484 4102

BARCLAYS
Nicola Tennent — 020 3134 9801
Thomas Dugarin — 020 3134 5419

DIGITAL PLATFORMS
mulberry.com
blog.mulberry.com
Twitter@mulberry_editor
facebook.com/mulberry
Appendix 1 – Revenue by region

2014/15

- UK: £102.2m
- Europe: £22.8m
- North America: £11.4m
- Asia Pacific: £9.8m
- Rest of the World: £11.4m
- Total: £148.7m

2015/16

- UK: £112.6m
- Europe: £23.1m
- North America: £9.5m
- Asia Pacific: £9.8m
- Rest of the World: £0.9m
- Total: £155.9m
## Appendix 2 – Revenue by region/channel

<table>
<thead>
<tr>
<th>Region</th>
<th>2014/15 £m</th>
<th>2015/16 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail</td>
<td>Wholesale</td>
</tr>
<tr>
<td>UK</td>
<td>89.2</td>
<td>13.6</td>
</tr>
<tr>
<td>Europe</td>
<td>9.5</td>
<td>13.1</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>0.4</td>
<td>10.8</td>
</tr>
<tr>
<td>North America</td>
<td>10.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Other</td>
<td>0.1</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>109.9</strong></td>
<td><strong>38.8</strong></td>
</tr>
</tbody>
</table>
Appendix 3 – Revenue by product

- Bags £114.3m (74%) (2014/15: 75%)
- Small leather goods and gifts £30.0m (19%) (2014/15: 17%)
- Luggage £3.3m (2%) (2014/15: 2%)
- Apparel £5.2m (3%) (2014/15: 4%)
- Footwear £1.6m (1%) (2014/15: 1%)
- Other £1.5m (1%) (2014/15: 1%)