Preliminary Results

FOR THE YEAR ENDED 31 MARCH 2018
PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

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2. STRATEGY

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PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

Highlights

1. INTERNATIONAL PACE INCREASED
   — Completion of set up phase in Asia with significant investment during the year
   — New majority owned business agreed post year end to develop South Korea
   — Business development underway on store network, digital, omni-channel and marketing

2. RATE OF PRODUCT INNOVATION CONTINUES
   — Continued high pace of new products to market
   — New silhouettes launched including Amberley, Bayswater Tote and Seaton
   — Establishment of Artisan Studio in Somerset to produce limited edition products

3. GROWTH AND OPTIMISATION IN EXISTING BUSINESS*
   — Growth in profit from existing business* before significant investment in new Asia entities
   — Cash generation and strong balance sheet

* Existing business = UK, Europe, North America, Wholesale and excludes new entities in Asia
1. Financial Review
PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

Revenue by channel

TOTAL REVENUE

<table>
<thead>
<tr>
<th>Channel</th>
<th>2017/18</th>
<th>2016/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>£132.0m (78%)</td>
<td>£128.3m (76%)</td>
</tr>
<tr>
<td>Wholesale</td>
<td>£37.7m (22%)</td>
<td>£39.8m (24%)</td>
</tr>
</tbody>
</table>

| Total Revenue | £169.7m (up 1%) | £168.1m |

RETAIL UP 3%, LIKE-FOR-LIKE FLAT:

- UK Retail (including Digital) broadly flat (like-for-like down 1%)
- International Retail (including Digital) up 20% (like-for-like up 5%)
- Global Digital up 14%; now represents 17% of revenue (2017: 15%)

WHOLESALE DOWN 5%:

- Positive reaction to new collections
- Transfer of stores previously operated by partners in North Asia to owned retail subsidiaries

Note: Digital included in Retail sales
### Income Statement

<table>
<thead>
<tr>
<th></th>
<th>£ MILLION</th>
<th>31 MARCH 2018</th>
<th>31 MARCH 2017</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>169.7</td>
<td>168.1</td>
<td></td>
<td>+1%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>107.7</td>
<td>103.6</td>
<td></td>
<td>+4%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>63.5%</td>
<td>61.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses (net)</td>
<td>(101.0)</td>
<td>(96.5)</td>
<td></td>
<td>+5%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>6.7</td>
<td>7.1</td>
<td></td>
<td>-5%</td>
</tr>
<tr>
<td>Other operating income</td>
<td>0.2</td>
<td>0.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>6.9</td>
<td>7.5</td>
<td></td>
<td>-8%</td>
</tr>
<tr>
<td>Profit Before Tax (existing business)*</td>
<td>11.3</td>
<td>8.3</td>
<td></td>
<td>+36%</td>
</tr>
<tr>
<td>Basic earnings per share (pence)</td>
<td>8.3</td>
<td>8.4</td>
<td></td>
<td>-1%</td>
</tr>
</tbody>
</table>

*Existing business includes the UK, Europe, North America, Wholesale*
PRELIMINARY RESULTS — YEAR ENDED MARCH 2018

Profit bridge

£ million

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17 PBT</td>
<td>£7.5m</td>
</tr>
<tr>
<td>Existing business profit growth*</td>
<td>+£3.8m</td>
</tr>
<tr>
<td>Asia start up costs</td>
<td>-£2.0m</td>
</tr>
<tr>
<td>Asia operating expenses</td>
<td>-£2.4m</td>
</tr>
<tr>
<td>2017/18 PBT</td>
<td>£6.9m</td>
</tr>
</tbody>
</table>

* Existing Business includes the UK, Europe, North America, Wholesale and excludes new entities in Asia
PRELIMINARY RESULTS — YEAR ENDED MARCH 2018

Operating expenses (net)

<table>
<thead>
<tr>
<th>Year</th>
<th>Property, new store costs</th>
<th>Marketing, A&amp;P costs</th>
<th>Net other costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016/17</td>
<td>£96.5m</td>
<td>£1.8m</td>
<td>£1.9m</td>
<td>£101.0m</td>
</tr>
</tbody>
</table>

**Notes:**
- Operating expenses (net) include property, new store costs, marketing, A&P costs, and net other costs.
- The total operating expenses for the year 2017/18 are £101.0m.
<table>
<thead>
<tr>
<th>BALANCE SHEET (£ MILLION)</th>
<th>31 MARCH 2018</th>
<th>31 MARCH 2017</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets and investments</td>
<td>34.4</td>
<td>36.6</td>
<td>-6%</td>
</tr>
<tr>
<td>Inventories</td>
<td>44.6</td>
<td>42.8</td>
<td>+4%</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>15.2</td>
<td>14.7</td>
<td>+4%</td>
</tr>
<tr>
<td>Cash</td>
<td>25.1</td>
<td>21.1</td>
<td>+19%</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(31.1)</td>
<td>(29.6)</td>
<td>+5%</td>
</tr>
<tr>
<td>Net assets</td>
<td>88.2</td>
<td>85.6</td>
<td>+3%</td>
</tr>
</tbody>
</table>
Capital Expenditure Analysis

PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

£ million

2016/17
- Stores + Digital: £3.2m
- Systems development: £0.9m
- Factories: £0.6m

2017/18
- Stores + Digital: £3.0m
- Systems development: £0.7m
- Factories: £0.6m

Projected 2018/19
- Stores + Digital: £1.0m
- Systems development: £0.7m
- Factories: £0.6m
- Other: £0.6m
- Total: £12.0m
2. Strategy
NEW PRODUCTS GAINED FURTHER MOMENTUM

— New silhouettes established (e.g. Bayswater Tote, Seaton) and animations of recently established lines (Bayswater with Strap, Zipped Bayswater, Amberley)

— The Amberley range, featuring the distinctive “Rider’s Lock”, is proving to be an immediate bestseller

— Reinforce Mulberry’s lifestyle brand positioning, developing complementary categories: men’s leather goods, footwear, ready-to-wear, soft accessories, jewellery

— New Heritage bag family introduced as part of men’s range
CUSTOMER DRIVEN, INTERNATIONAL FOCUS

— First customer event held in London during February 2018 with Spring Summer 2018 collection instantly shoppable across Retail and Digital platforms

— Increased focus on international with customer events in Japan, China and New York

— Continued 360 approach with extensive use of digital, mobile, social influencer and out of home
PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

Retail, Digital and Omni-channel

FOCUS ON ENHANCING AND EXPANDING STORE NETWORK IN ASIA

— North Asia:
  • Hong Kong: Harbour City store relocated, became part of Group Retail Sales during April 2017
  • China: New store opened in Shanghai Plaza 66, Beijing China World store relocated; outlet in Tianjin was acquired by Mulberry Asia and these stores became part of Group’s Retail sales during March 2018
  • Taiwan: Store in Breeze acquired during October 2017

— Omni-channel service remains a key area of focus and investment with enhancements launched:
  • Functionality to purchase store stock online, same day delivery (including on click and collect)
  • Local language sites in China and Korea and local currency sites in Sweden and Denmark
  • Partnership with Toplife, JD‘com’s luxury digital platform in China, to sell Mulberry products

— 114 global stores (including partner) as at 31 March 2018 (2017: 117)
**Preliminary Results — Year Ended 31 March 2018**

**Retail, Digital and Omni-channel**

**Worldwide Retail Footprint: 31 March 2018**

<table>
<thead>
<tr>
<th></th>
<th>Free Standing Stores</th>
<th>Department Store Shop-in-Shop</th>
<th>Total March 2018</th>
<th>Changes from 31 March 2017</th>
<th>Total March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Own Stores</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>21</td>
<td>25</td>
<td>46</td>
<td>–</td>
<td>46</td>
</tr>
<tr>
<td>Europe</td>
<td>7</td>
<td>2</td>
<td>9</td>
<td>-4</td>
<td>13</td>
</tr>
<tr>
<td>North America</td>
<td>8</td>
<td>–</td>
<td>8</td>
<td>+1</td>
<td>7</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>6</td>
<td>–</td>
<td>6</td>
<td>+5</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Own Stores</strong></td>
<td>42</td>
<td>27</td>
<td>69</td>
<td>+2</td>
<td>67</td>
</tr>
<tr>
<td><strong>Partner Stores</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>8</td>
<td>3</td>
<td>11</td>
<td>–</td>
<td>11</td>
</tr>
<tr>
<td>South Korea</td>
<td>5</td>
<td>13</td>
<td>18</td>
<td>-1</td>
<td>19</td>
</tr>
<tr>
<td>Other Asia Pacific</td>
<td>8</td>
<td>4</td>
<td>12</td>
<td>-4</td>
<td>16</td>
</tr>
<tr>
<td>Middle East</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>–</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total Partner Stores</strong></td>
<td>24</td>
<td>21</td>
<td>45</td>
<td>-5</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total Retail Footprint</strong></td>
<td>66</td>
<td>48</td>
<td>114</td>
<td>-3</td>
<td>117</td>
</tr>
</tbody>
</table>
3. Current Trading & Outlook
International development

NORTH ASIA

- Set up process completed with new entities operating in China, Hong Kong and Taiwan
- Portfolio consists of six stores and Chinese language mulberry.com site (Xian store opened in April 2018)
- Launch of partnership with Toplife, JD.com’s luxury digital platform in China, to sell Mulberry products

JAPAN

- Store network developed in collaboration with OGF alongside business set up process
- Acquisition completed in May 2018 with transfer of five stores to Mulberry Japan
- Japanese mulberry.com site offering localised customer services to be launched in coming months

KOREA

- Agreement reached to form new entity, Mulberry Korea, with SHK to operate business in South Korea
- Transfer of the business to Mulberry Korea expected to be complete by Autumn 2018
- Current network consists of eighteen points of sale including concessions, outlets and duty free
- Korean mulberry.com site and omni-channel platform will form part of the new business
## Current Trading

<table>
<thead>
<tr>
<th></th>
<th>Retail like-for-like sales*</th>
<th>Retail total sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>This year vs. last year (%)</td>
<td>52 weeks to 31-Mar-18</td>
<td>52 weeks to 31-Mar-18</td>
</tr>
<tr>
<td></td>
<td>10 weeks to 2-Jun-18</td>
<td>10 weeks to 2-Jun-18</td>
</tr>
<tr>
<td>UK Retail**</td>
<td>-1%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>-9%</td>
<td>-10%</td>
</tr>
<tr>
<td>International Retail**</td>
<td>+5%</td>
<td>+20%</td>
</tr>
<tr>
<td></td>
<td>+1%</td>
<td>+13%</td>
</tr>
<tr>
<td><strong>Total Retail</strong></td>
<td>0%</td>
<td>+3%</td>
</tr>
<tr>
<td></td>
<td>-7%</td>
<td>-5%</td>
</tr>
</tbody>
</table>

* LFL is defined as the year-on-year change in sales from stores which have been trading for 12 months after the store opening

** Regional splits include Digital sales; Digital sales increased by 14% in the year to 31 March 2018 and by 5% in the 10 weeks to 2 June 2018

### UK

- Although the first ten weeks represents a low proportion of annual trade, the UK has been trading down on last year due to lower footfall and a significant reduction in the number of tourists to the UK.
- It is noted that House of Fraser has announced its intention to enter a Company Voluntary Arrangement (“CVA”) during June 2018. The Group operates 21 concessions and has amounts due in relation to current trade. Under the CVA proposal, five existing Mulberry concessions would be closed.
PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

Outlook

RETAIL
— UK outlook is uncertain
— International expected to grow: new businesses in Asia, growth in Europe and North America

INTERNATIONAL
— The Group anticipates that International will increase as a proportion of sales
— Customer event planned for Seoul during September 2018

OMNI-CHANNEL
— Further enhancements being introduced to the Digital and omni-channel offering
— Additional omni-channel functionality will be added to key markets including the UK, China, Japan with a new site due to launch in Australia
— Further potential Digital partnerships with a number of partners
— Omni-channel to remain a key area of investment for the Group

WHOLESALE
— Japan, Korea and North Asia will fully transition to Retail
— New franchise agreement signed with Luxury Retail Group to develop the brand in Australia
CAPEX

— A new design concept for the Group’s stores will be revealed with the new Regent Street store planned for Summer 2018.

— A roll out of the new concept across the global store network is expected to commence during 2019, leading to increased capital expenditure during the current financial year and in coming years.

— Capital expenditure for the full year ending 31 March 2019 is expected to be in the region of £12.0 million (2018: £5.5 million), of which the majority will be on stores.
PRELIMINARY RESULTS — YEAR ENDED 31 MARCH 2018

Contacts

HEADLAND
Lucy Legh / Emma Ruttle — 020 3805 4822

MULBERRY INVESTOR RELATIONS
Allegra Perry — 020 7605 6795

GCA ALTIUM
Sam Fuller — 020 7484 4037
Tim Richardson — 020 7484 4040

BARCLAYS
Nicola Tennent / Stuart Muress — 020 3134 9801

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

2017/18

- £121.6m
- £25.2m
- £11.5m
- £10.8m
- £0.6m

2016/17

- £121.9m
- £24.2m
- £11.7m
- £9.5m
- £0.8m

- UK
- Europe
- Asia Pacific
- North America
- Middle East/Other
Appendix – Revenue by region/channel

<table>
<thead>
<tr>
<th></th>
<th>2017/18 £m</th>
<th></th>
<th>2016/17 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail</td>
<td>Wholesale</td>
<td>Total</td>
</tr>
<tr>
<td>UK</td>
<td>106.3</td>
<td>15.3</td>
<td>121.6</td>
</tr>
<tr>
<td>Europe</td>
<td>11.5</td>
<td>13.7</td>
<td>25.2</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>3.8</td>
<td>7.7</td>
<td>11.5</td>
</tr>
<tr>
<td>North America</td>
<td>10.3</td>
<td>0.5</td>
<td>10.8</td>
</tr>
<tr>
<td>Middle East/Other</td>
<td>0.1</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>132.0</td>
<td>37.7</td>
<td>169.7</td>
</tr>
</tbody>
</table>
Appendix – Revenue by product

- Bags 70%
- Accessories, Small leather goods and gifts 20%
- Lifestyle categories* 10%

* Lifestyle categories includes Luggage, Footwear, Ready-to-wear