

Investor presentation

Interim results for the six months
ended 30 September 2010



MULBERRY



HIGHLIGHTS OF THE SIX MONTHS ENDED 30 SEPTEMBER 2010

- Significant sales and profit growth
- Total revenues increased by 38% to £44.7 million
- Retail sales up 30%, like-for-like up 29%
- Autumn/Winter 2010 orders up 100% compared to prior year. Wholesale shipments up 76%
- Gross margin up to 63.9% for the period (2009: 55.0%)
- Operating profit before exceptional costs of £1.0 million increased by 219% to £5.6 million (2009: £1.7 million before exceptional costs of £0.2 million)
- Profit before tax increased by 207% to £4.7 million (2009: £1.5 million)
- Strong balance sheet with cash of £12.3 million and no debt (2009: £4.3 million)
- New store openings in Hong Kong, Korea, Qatar and UAE
- Basic earnings per share up by 217% to 5.7 pence (2009: 1.8 pence)



SUMMARY OF RESULTS FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2010 INCOME STATEMENT

£000's	2010/11	2009/10	Variance
Revenue	44,668	32,316	+38%
Gross profit	28,540	17,788	+60%
Gross margin	63.9%	55.0%	+16%
Exceptional costs	(1,000)	(256)	+290%
Other administrative expenses (net)	(22,984)	(16,047)	+43%
Operating profit pre exceptional costs	5,556	1,741	+219%
Profit before tax	4,708	1,535	+206%



SUMMARY OF RESULTS FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2010 BALANCE SHEET

£000's	30 Sept 2010	30 Sept 2009
Fixed assets and investments	11,609	11,522
Inventories	12,883	12,268
Other working capital	(8,697)	(3,621)
Cash	12,329	4,267
Shareholders' funds	28,124	24,436



CAPITAL EXPENDITURE ANALYSIS

2010/11

£000's	Actual H1	Forecast H2	Total
New store expenditure	510	3,847	4,357
Kensington Church Street (Note 1)	600	7,000	7,600
Factory extension / improvements	420	859	1,279
Systems development	324	174	498
France and USA showrooms	30	230	260
Other	201	37	238
Total	2,085	12,147	14,232

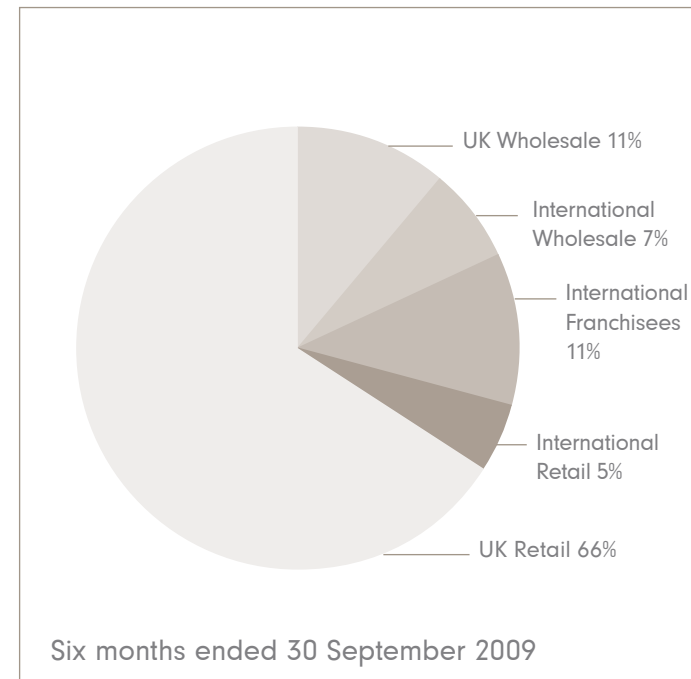
Note 1 – Capital cost of £7.6m forecast, although a £3.8m lease incentive was received from the landlord.



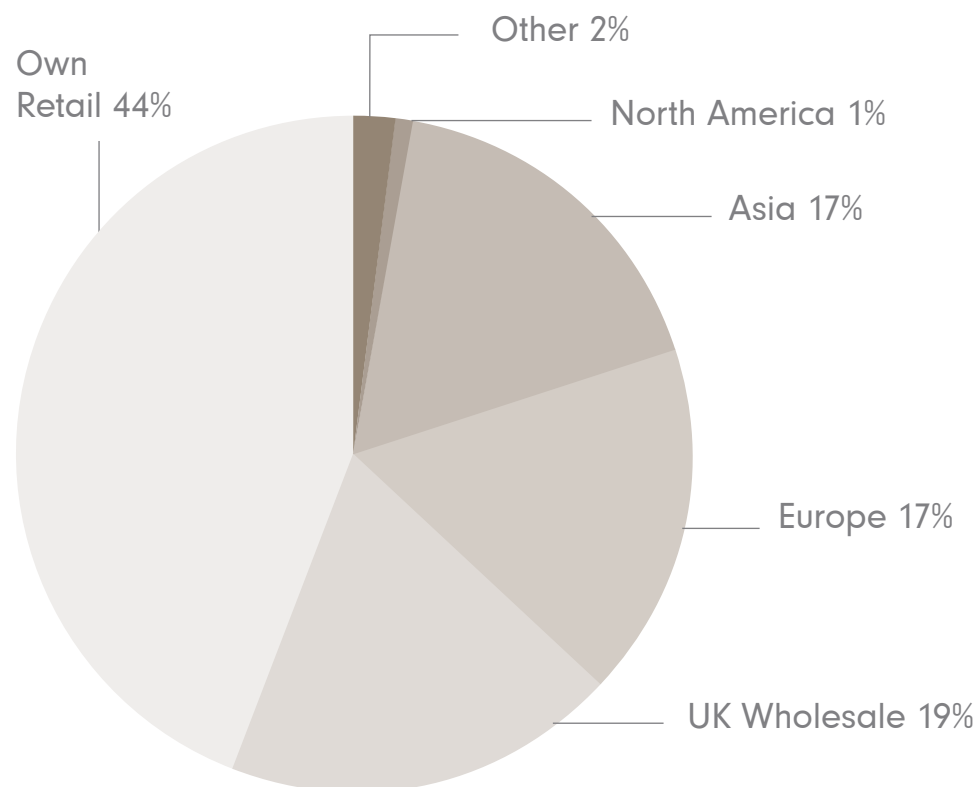
REVENUE ANALYSIS BY CHANNEL (VALUE OF SALES)



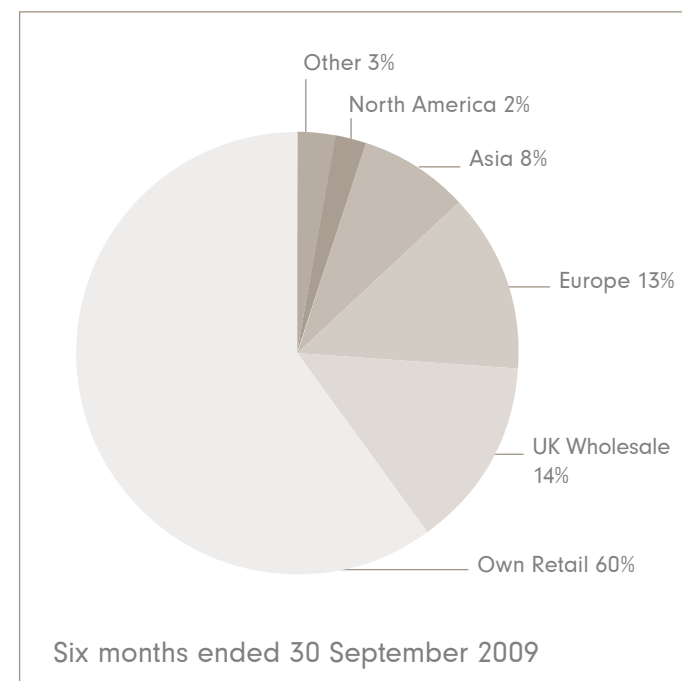
Six months ended 30 September 2010



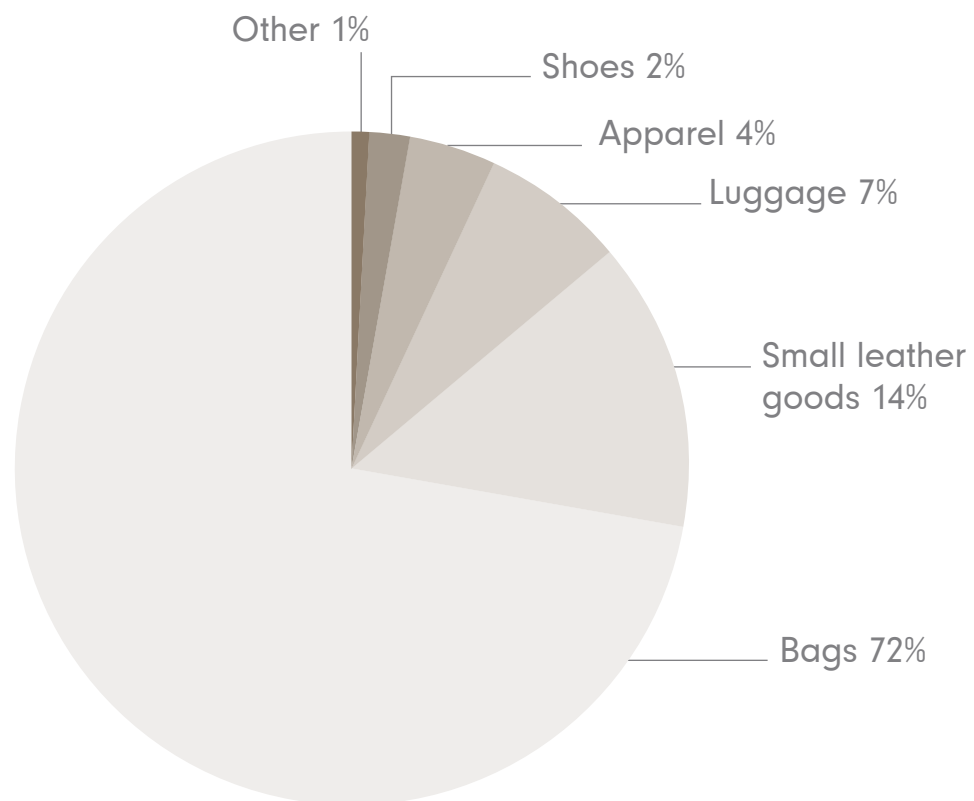
ANALYSIS OF BUSINESS VOLUME BY GEOGRAPHY (WHOLESALE VALUE OF SALES)



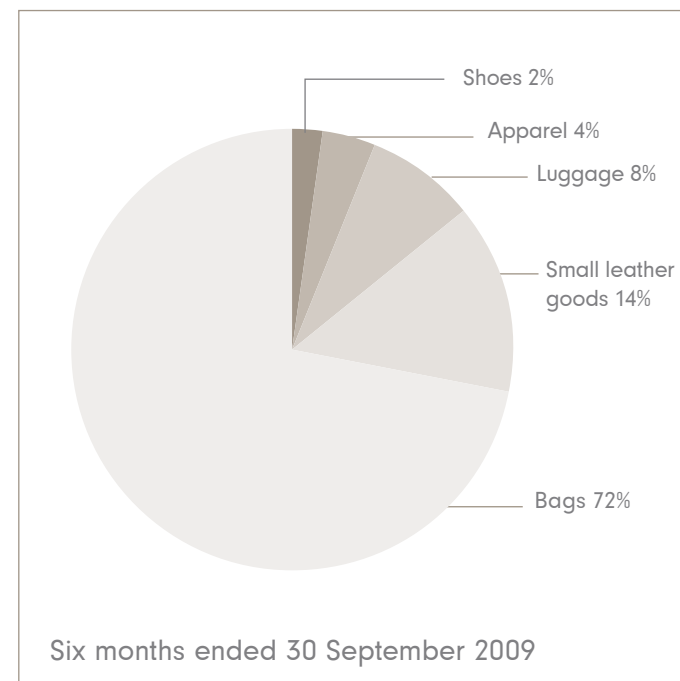
Six months ended 30 September 2010



ANALYSIS OF BUSINESS VOLUME PRODUCT (WHOLESALE VALUE OF ORDERS)



Six months ended 30 September 2010



WHOLESALE SHIPMENTS TO THIRD PARTIES

SIX MONTHS ENDED 30 SEPTEMBER 2010

	Six months to 30 Sept 2010 £'000	Compared to prior year %	Current SS11 Vs. SS10 %
Europe	10,517	+45%	+61%
Asia (Note 1)	4,669	+189%	+181%
North America	375	+149%	+111%
Other (Note 2)	665	+2%	+217%
Total	16,226	+76%	+91%

Note 1 – Asia includes Australia

Note 2 – Other includes the Middle East and South America



WORLDWIDE RETAIL FOOTPRINT

SEPTEMBER 2010

	Department Store Shop-in-Shop	Free Standing Stores	Total
Own Stores			
UK Full Price	-	9	9
UK Airport	-	5	5
UK Off Price	-	4	4
UK Concessions	26	-	26
France	-	1	1
USA	-	2	2
Total Own Stores	26	21	47
Partner			
Scandinavia	-	9	9
Other European	-	3	3
Asia	9	10	19
Middle East	-	4	4
Total Partner Stores	9	26	35
Total Retail Footprint	35	47	82



NEW STORE OPENINGS DURING 2010/11

Own stores

- New concession in De Bejinkorf, Amsterdam opened on 23 November 2010
- Relocated New Bond Street store opened on 1 December 2010
- Relocation of Manchester store to new Spinningfields mall opened on 8 December 2010
- New York flagship store on Spring Street, Manhattan scheduled to open by September 2011

International partner stores

- The Pearl, Qatar opened on 3 May 2010
- Incheon Airport, Korea opened on 8th July 2010
- Mall of the Emirates, Dubai opened on 1 September 2010
- Sydney, Australia opened on 1 September 2010
- Times Square, Hong Kong opened on 1 October 2010
- The Garden Kuala Lumpur, Malaysia opened on 8 November 2010

In addition new showrooms opened in Paris and New York during this period.



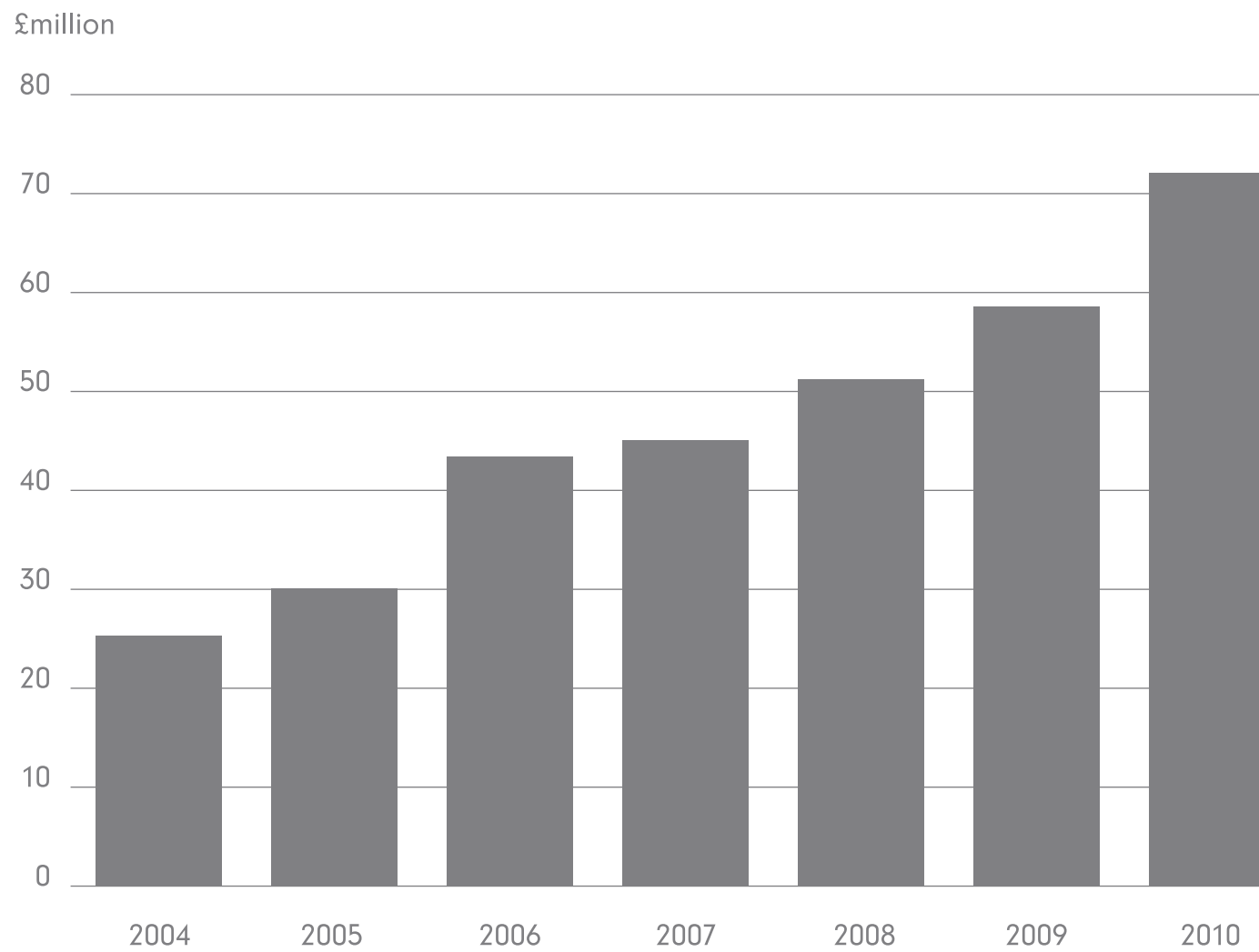
RETAIL SEGMENTS: LIKE-FOR-LIKE PERFORMANCE

	Six months to 30 Sept 2010
UK Full Price stores LFL (Note 1)	+35%
France Full Price store LFL	+189%
USA Full Price stores LFL	+102%
Total Full Price LFL	+40%
Off Price LFL	+1%
Total Retail LFL	+29%

Note 1 – This figure has been reduced by the shortage of inventory during the summer sale.



7 YEAR REVENUE DEVELOPMENT



CURRENT TRADING AND OUTLOOK

- Strong consumer demand continues
- Retail sales up 47% for the 10 weeks to 4 December 2010, like-for-like up 47%
- Like-for-like UK Retail sales in full price stores and departments store concessions up by 66% for the 10 weeks to 4 December 2010
- Spring/Summer 2011 orders up 91% compared to prior year with four months of the selling season to go
- New store openings in Manchester, Sydney, Amsterdam as well as the flagship store on New Bond Street, London
- Expansion of the Somerset factory creating 60 new jobs



RETAIL SEGMENTS:
LIKE-FOR-LIKE PERFORMANCE

	Six months to 30 Sept 2010	Last 10 weeks to 4 Dec 2010
UK Full Price stores LFL	+35%	+66%
France Full Price store LFL	+189%	+377%
USA Full Price stores LFL	+102%	+113%
Total Full Price LFL	+40%	+71
Off Price LFL	+1%	-6%
Total Retail LFL	+29%	+47%



KEY CHALLENGES

- Scalability of back office infrastructure
- Retaining / attracting top talent
- Brand roll out in USA / Asia
- Exploiting new media opportunities, particularly online
- Security of supply chain
- Fluctuations in exchange rates and world economy



STRATEGY

Brand

- Develop outstanding product ranges that lead fashion tastes
- Connect with different groups of consumers
- Focus on quality / craftsmanship
- Invest in brand marketing to facilitate international roll out
- Invest in the best design talent to keep Mulberry fresh
- Emphasise Englishness and domestic roots
- Manufacture of bags in the UK

UK

- Complete / augment UK Retail footprint
- Drive strong LFL sales growth
- Combine existing London office space into one location
- Increase UK manufacturing capacity



STRATEGY [2]

International

- Accelerate international rollout of Mulberry brand
- Penetrate Asian markets
- Develop US operation acquired from partner. Open new flagship store in New York by September 2011
- Exploit new markets with high calibre partners with local expertise
- Expand web penetration to reduce need for capital intensive retail investment



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