

12 January 2011

N Brown Group plc

Interim Management Statement and Trading Update

N Brown Group plc, the internet and catalogue home shopping retailer, today announces a trading update for the 19 weeks ended 8th January 2011.

Total group revenue has increased by 4.6%. Like-for-like revenue, excluding sales from Figleaves was up by 1.2%. Trading was encouraging from late October to mid-December but the extreme weather conditions eventually affected customers who were concerned whether their Christmas orders would be delivered on time. Furthermore, with the subsequent backlog of mail to clear as a result of those weather conditions, the despatch of our catalogues and statements has been delayed in the last four weeks. We expect part of these sales to be recovered once these marketing materials arrive with the customers.

Within our business, the key trends outlined in our interim results have continued. Menswear and footwear have continued to see strong growth, as have the Marisota and Jacamo brands. Online sales have continued to flourish, increasing by 26% to account for 47% of group sales.

The rate of gross margin has continued to improve, increasing by 1.2% in the period compared with last year. This improvement has been driven by higher product margins, due to less discounting, and further reductions in the charge for bad debts.

The financial position of the group remains strong and has not materially changed since the interim results.

The board is confident we can deliver performance in line with our expectations for the year to February 2011. Looking further ahead the combination of pressure on customers' disposable income and significant cost inflation makes consumer expenditure more difficult to judge. However we believe our brand portfolio, which targets niche customers and products, together with the growth opportunities from online trading and the expansion into international markets, will combine to continue to give us a competitive edge.

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