



FINANCIAL RESULTS FOR THE 52 WEEKS ENDED 29 AUGUST 2009

Financial highlights for the existing brands

- Pre tax profit of £213.6m, up 13.0% from £188.9m.
- Operating profit of £266.2m, up 2.1% from £260.7m.
- Total sales up 2.7% at £1,897.7m. UK like for like sales were level on last year.
- Cash generated from operating activities of £332.5m, £5m more than last year.
- Continued capital investment in the business with expenditure of £81.2m.
- Closing Bank debt of £535.8m, a reduction of £159.3m from £695.1m last year.
- The integration of BHS into the Arcadia Group was completed on 18 July.
- Ian Grabiner is to become the CEO of the enlarged Group.

Commenting on the announcement Sir Philip Green said:

"I am pleased to report pre tax profits of £214m, up 13%, together with cash generation of over £330m, despite one of the most challenging retail landscapes that I have seen.

The Arcadia Group and all the people working in it can be proud of these results. An excellent understanding of the market place and of our different brands has combined to provide our customers with great product and an exciting store and online shopping environment. I believe the focus on operational efficiency, managing our costs and cash, together with the ability of our global supply chain, will enable the business to continue to grow.

Once again, our leading fashion brands Topshop, Topman and Miss Selfridge have had an excellent year, producing record turnover and profit. The Topshop and Topman teams also successfully delivered our first American store in Soho, New York in April of this year.

Having completed the integration of Bhs, the enlarged Group now operates from 3,115 owned and franchised outlets and trades in 34 countries.

UK like for like sales in the first seven weeks of the new financial year were up 2.3%.

In respect of the year ahead, I remain optimistic but cautious as I believe the market will remain challenging and price sensitive. The VAT increase, unemployment and a general election will all impact upon the market.

Finally, I would like to thank all the people at the Arcadia Group for their hard work and commitment and all of our customers for their continued loyalty."