# Mothercare plc
# Preliminary Results

## Major UK property restructure; rapid International growth

Mothercare plc announces preliminary results for the 52 weeks ended 26 March 2011.

### Financial Results

- Group sales £793.6m, up 3.6% (2010: £766.4m)
- Group network sales[(1)] £1,158m, up 7.1% (2010: £1,081m)
- Net cash at year end £15.3m (2010: £38.5m)
- Increased committed bank facilities from £40m to £80m on improved terms
- Total dividend 18.3p, up 8.9% (2010: 16.8p)
- Group underlying profit before tax[(1)] £28.5m, down 23.4% (2010: £37.2m)

| | 2011 £m | 2010 £m |
|---|---|---|
| **Underlying profit from operations before share based payments** | **31.1** | **52.0** |
| - Financing | (0.4) | (0.4) |
| - Share based payments | (2.2) | (14.4) |
| **Underlying profit before tax** | **28.5** | **37.2** |
| - Non-underlying items | (19.7) | (4.7) |
| **Profit before tax** | **8.8** | **32.5** |
| Basic underlying EPS | 24.7p | 31.5p |

### Reshaping the UK

- *Rightsizing the store portfolio* - announcing plans to transform the in-town estate within two years:
  - Circa 110 in-town store closures plus 40 rent reductions by March 2013, benefiting from 120 in-town lease expiries (90 in 2011/12; 30 in 2012/13);
  - Reducing occupancy costs by circa £18m and benefiting UK profit by at least £4m-£5m per annum from March 2013.
- *Driving multi-channel* - new ELC website launched. New Mothercare website planned for 2012. Mobile sites launched for both brands
- *Developing Wholesale* – launched clothing partnership with Boots; Wholesale sales up 350.0% to £21.6m
- *Reducing costs* - programme underway to save a further £5m per annum

### Growing International

- Another strong year with Total International sales[(1)] up 16.3% to £570.9m
- 166 new International stores taking the total overseas to 894 in 54 countries
- Asia-Pacific sales up 47.0% with rapid growth in our three JVs – Australia, China and India
- Announcing today plans to enter Latin America in 2011 with franchise stores in Colombia and Panama
- Rollout of overseas e-commerce websites commenced

**Ben Gordon, Chief Executive, said:**

"Over the last three years we have been reshaping the UK business for a changing retail landscape by downsizing the in-town property portfolio and growing Direct and Wholesale. Today we are announcing plans to accelerate our UK property strategy and transform the store portfolio over the next two years, benefiting from the unique position of having over 40% of our high street leases expiring by March 2013. This will substantially reduce our exposure to the UK high street, further reduce operational leverage and allow us to focus on out-of-town Parenting Centres, Direct and our new Wholesale business.

"International has had another record year with total International sales up 16.3% and the business continues to go from strength to strength. We are on track to meet the International growth targets set out in December and we are announcing today plans to enter Latin America for the first time later this year.

"In the new financial year, we expect International to continue to grow retail sales at 15-20% with 150 new store openings. We expect the environment to remain challenging in the UK, although we will benefit from continued growth in Wholesale and Direct together with the acceleration of our property strategy. Given the group's strong underlying operating cashflow, particularly from International, we are proposing a full year dividend of 18.3p, an increase of 8.9%."

**Enquiries to:**

Mothercare plc

| | |
|---|---|
| Ben Gordon, Chief Executive | 01923 206001 |
| Neil Harrington, Finance Director | 01923 206187 |
| Joanne Russell, Head of Investor Relations | 01923 694900 |

Brunswick Group Limited

| | |
|---|---|
| Catherine Hicks/Catriona McDermott | 020 7404 5959 |


**Notes**

(1) For definitions of 'group network sales', 'Total International sales' and 'underlying profit' see Financial Review on pages 7 to 11.

## CHIEF EXECUTIVE'S REVIEW

### RESULTS

The Mothercare group has had a challenging year, with International continuing to deliver strong sales and profit growth and the UK seeing flat sales in a difficult trading environment together with a decline in profitability.

Group sales in the year rose by 3.6% to £793.6 million (2010: £766.4 million) and group profit before tax reduced from £32.5 million to £8.8 million. This is after charging £19.7 million of non-underlying items (2010: £4.7 million) again mostly relating to the volatile non-cash foreign exchange adjustments where we are required to revalue stock and commercial currency hedges to spot rate. Underlying profit before tax decreased from £37.2 million to £28.5 million after a £2.2 million share based payments charge (2010: £14.4 million).

The group remains cash generative at the operating level and was debt free at year end with net cash of £15.3 million. In May 2011, the group refinanced, increasing committed bank facilities from £40 million to £80 million extended to May 2014 on improved terms, which includes a reduction in interest rate from 1.7% to 1.4% above LIBOR. The increased facility, which is in addition to an uncommitted £10 million overdraft, gives the group additional opportunities to fund the next phase of our growth strategy.

With regard to the overall performance of the group and the strong underlying operating cashflows generated from International in particular, we are proposing a final dividend of 11.9 pence, an increase of 5.3%, resulting in a full year dividend of 18.3p, an increase of 8.9%.

### International results

International reported sales in the year increased by 17.2% to £206.4 million (2010: £176.1m). Total International sales increased by 16.3% to £570.9 million (2010: £490.9 million). This was mostly driven by a 15.6% increase in International retail sales to £561.5m (2010: £485.9m). International underlying profit from operations was 18.5% higher than last year at £27.5 million (2010: £23.2 million).

### UK results

Total UK sales in the year were down 0.5% at £587.2 million (2010: £590.3 million). UK like-for-like retail sales were down 4.0% (down 2.7% including VAT), Direct in Home sales were up 10.5% (up 12.1% including VAT) to £82.9 million and sales from our new rapidly growing Wholesale channel increased by 350.0% to £21.6 million.

UK trading in the second half of the year was affected by adverse weather conditions in the key trading weeks before Christmas together with a general weakening in the consumer environment and increased competition, particularly in Toys and Home & Travel. This led to an increase in clearance activity of Autumn/Winter stocks in the fourth quarter resulting in gross margin for the year being 2.5 percentage points lower than in 2010. As a result, UK underlying profit from operations was significantly lower than last year at £11.1 million (2010: £36.1 million).

### WORLD CLASS BRANDS

Specialism and innovation are central to the development of our two world class global brands, Mothercare and the Early Learning Centre as we continue to build the Mothercare group as the leading global parenting business. The Early Learning Centre brand has also been a success internationally and we have more Early Learning Centre outlets overseas than in the UK with 309 stores in 37 countries.

We have been working hard on our clothing ranges, particularly the baby category where we have continued to grow market share in the newborn baby range despite increased competition. In Home & Travel our premium ranges are performing well as customers are choosing to spend more money on considered purchases when buying quality and style. In Toys, our wooden kitchens continue to be a popular choice with sales up 48% in the year. Our Diner kitchen won the Junior magazine best design award for children's toys aged 3-5 years.

## MOTHERCARE GROUP STRATEGY

Over the last six years, the Mothercare group has been transformed from a predominantly UK retailer with £520 million of network sales into a multi-channel global business with £1,158 million of network sales in 55 countries worldwide. This transformation has been achieved through the strength of our two brands Mothercare and Early Learning Centre, excellent product design and innovation together with our focus on parenting and specialism. Over this period we have also financially re-engineered the group, improving operating leverage and flexibility.

Whilst this has been a tough year for retailing in the UK, our strategy to grow International, Direct and Wholesale whilst rightsizing the UK portfolio has partly mitigated the impact on the group. As a result of the downturn in trading, we have reviewed our UK strategy and resolved to accelerate it.

We are announcing today plans to transform our UK business through a radical restructure of our UK property portfolio. We have a unique opportunity with one third of our leases expiring in the next two years. This will allow us to rightsize our UK high street portfolio whilst we continue to drive multi-channel consumer options, develop our new and rapidly growing Wholesale business and focus on reducing costs.

At the same time we will continue to rapidly grow the International business. In December, we set out plans to grow rapidly our International sales by 15-20% per annum, opening at least 150 new stores each year. These plans are on track and we expect our International retail sales to almost double again to approximately £1 billion in 2013/14.

## RESHAPING THE UK

### i) Rightsizing the store portfolio

Over the last three years our UK property strategy has been a key element in our overall strategy. We have reduced the cost base and operational gearing in the store portfolio whilst focusing on the growth of Direct and the new Wholesale channel. During this time we have reduced the in-town estate by a quarter, benefiting from a high level of lease expiries to close high street stores.

At the same time we have taken advantage of the weak property market to open 21 larger and more profitable out-of-town Parenting Centres on favourable terms. We have also transformed the Early Learning Centre estate, reducing the in-town store numbers by 50 whilst creating 109 new concessions within existing Mothercare Parenting Centres and opening 309 stores overseas.

Our property strategy has to date created a much more flexible estate with a significantly shorter average lease length, lower costs and improved operational gearing. However this has only partially mitigated the effects of the recent downturn in UK trading which has highlighted that operational gearing and high rents in town remain an issue. We are therefore announcing today a significant acceleration of the UK property strategy over the next two years.

In total, 150 stores will be affected with approximately 110 stores closed and rents renegotiated to a substantially lower level on a further 40 stores. We are in the fortunate position of having 120 lease expiries in the next two years, which is one third of the entire estate, 90 in 2011/12 and 30 in 2012/13. The vast majority of these lease expiries fall within the lower profit in-town store estate. There are also 30 more stores which do not have a lease expiry and which we plan to exit with a cash cost. Total cash costs are expected to be less than £5 million, although this will depend on negotiations. The results of this activity will be to transform the UK estate by March 2013 reducing total store numbers from 373 to an estimated 266, 102 of which will be out-of-town Parenting Centres and 164 in-town.

By March 2013 we expect total rental costs to be reduced by approximately £12 million and total store occupancy costs, which comprise rent, rates and service charges, to be reduced by

£18 million, both on an annualised basis. Average lease length in the estate will also be improved and operational gearing will be enhanced. In total we expect net annualised benefits of at least £4 million to £5 million per annum from March 2013. The reduction of the UK in-town property estate goes hand in hand with our plans to grow Wholesale and Direct in the UK, thereby retaining a significant portion of sales but without the associated rent and rates costs.

As we reduce our exposure to the high street, we will also be investing in the remaining core estate and we have developed new store formats, one for Mothercare and one for the Early Learning Centre which we are trialing over the next few months. The formats provide an improved shopping environment, enhanced displays, signage and store layouts and better Early Learning Centre positioning in Mothercare stores. We have already started the trial and we will be expanding this over the next few months.

### ii) Driving multi-channel

Direct continues to be an important and fast growing channel. In 2010/11 Direct in Home sales increased by 10.5% in the year to £82.9 million and Web in Store increased by 9.0% to £46.1 million. Total Direct sales were up 9.9% to £129.0 million, representing 22.0% of our UK business. We remain the largest online specialist retailer in our space and continue to enhance our e-commerce offering through improved services and better website functionality. Last July we re-launched the Early Learning Centre online platform which has been a great success, and we plan to launch a new, world class Mothercare online platform in 2012.

As the strength of online continues to grow, mobile is becoming an increasingly important access tool, with traffic from mobile devices increasing four-fold over the past 12 months. In response to this trend we have launched new transactional mobile sites for both Mothercare and the Early Learning Centre.

### iii) Developing Wholesale

Wholesale is a relatively new but exciting channel for the Mothercare group. Sales increased by 350.0% to £21.6 million in the year. This channel provides us with the opportunity to maximise the revenue and profit of our two brands while broadening the reach of our consumer offering. It also enables us to retain sales in towns where we are closing our own stores.

In conjunction with our strategic partner Boots, we successfully launched the mini club brand in September. The mini club range, which is now in its second season, is available in around 380 Boots stores. It is performing exceptionally well and we are pleased with the positive response we have received for the new Spring/Summer range.

### iv) Reducing costs

We continue to focus on reducing the UK cost base and have initiated a cost reduction programme which will save £5 million per annum in addition to the property savings outlined above. These savings will be realised in the current financial year and within the UK operating segment.

## GROWING INTERNATIONAL

International is going from strength to strength with Total International sales up 16.3%, and profits up 18.5%. We opened 166 new stores in the year, increasing overseas retail space by 20%. The International business now represents approximately 50% of Group Network sales, and is our largest profit generator. The total number of overseas stores is now 894 in 54 countries.

The Asia-Pacific region had a particularly strong year with retail sales up 47.0%. This region is currently our smallest region but one with the biggest growth potential as it includes our joint ventures in Australia, China and India. The region is benefiting from buoyant economic growth in China and India.

Our newest joint venture, Mothercare Australia, continues to make rapid progress in integrating and converting its recent acquisitions and opening new Mothercare stores. Mothercare Australia currently operates 47 stores, 13 Mothercare and 34 Early Learning Centre. We have accelerated the store conversion programme and this has resulted in an increase in our share of start-up costs this year. Within the next 12 months Mothercare Australia plans to create a chain of at least 60 Mothercare and Early Learning Centre stores establishing the only mother and baby chain with a national footprint across Australia.

China remains a key growth market for Mothercare and our stores continue to trade well. We opened a further 3 Mothercare stores this year, 2 in Beijing and 1 in Shanghai bringing total store numbers in China to 11. We plan to increase the number of stores in China over the next year opening more stores in Shanghai and Beijing as well as trialing second tier cities.

It has also been a very strong year for our India business with 30 new stores opened during the year taking our total number of stores to 62. We now have 35 franchise stores and 27 with our joint venture. The potential for growth in India is tremendous with high brand awareness across the middle classes and we remain on track to have 200 stores by 2015.

We have also commenced the roll-out of our overseas e-commerce platform with our franchise partners. Earlier this year we launched transactional websites for Mothercare in both Australia and Ireland which are performing well. Following this, we recently launched our first, non-English site, for the Early Learning Centre in Russia. E-commerce is an area of tremendous growth internationally and we have plans to introduce e-commerce platforms across much of the International estate over time.

Finally, we are also announcing today our plans to open franchise stores in Latin America for the first time. We expect to open trial stores during 2011 in Colombia and Panama.

## OUTLOOK

In the new financial year, we expect International to continue to grow retail sales at 15-20% per annum with 150 new store openings. We expect the environment to remain challenging in the UK, although we will benefit from continued growth in Wholesale and Direct together with the acceleration of our property strategy.

## FINANCIAL REVIEW

### RESULTS SUMMARY

Group underlying profit before tax reduced by £8.7 million to £28.5 million (2009/10: £37.2 million). Underlying profit excludes exceptional items and other non-underlying items which are analysed below. After these non-underlying items, the group recorded a pre-tax profit of £8.8 million (2009/10: £32.5 million).

### Income Statement

| £ million | 2010/11 | 2009/10 |
|---|---|---|
| Revenue | 793.6 | 766.4 |
| **Underlying profit from operations before share based payments** | **31.1** | **52.0** |
| Share based payments | (2.2) | (14.4) |
| Financing | (0.4) | (0.4) |
| **Underlying profit before tax** | **28.5** | **37.2** |
| Exceptional items and unwind of discount on exceptional provisions | (3.6) | (1.3) |
| Non-cash foreign currency adjustments | (13.8) | (1.3) |
| Amortisation of intangible assets | (2.3) | (2.1) |
| **Profit before tax** | **8.8** | **32.5** |
| Underlying EPS – basic | 24.7p | 31.5p |
| EPS – basic | 7.6p | 28.0p |

Underlying profit from operations before share based payments includes all of the group's trading activities, but excludes the volatile share based payment costs charged to the income statement in accordance with IFRS 2 (see below).

### Non-underlying Items

Underlying profit before tax excludes the following non-underlying items:

- Non-cash adjustments principally relating to marking to market of commercial foreign currency hedges at the period end. As hedges are taken out to match future stock purchase commitments, these are theoretical adjustments which we are required to make under IAS 39 and IAS 21. These standards require us to revalue stock and our commercial foreign currency hedges to spot rate. This volatile adjustment does not affect the cash flows or ongoing profitability of the group and is likely to reverse at the start of the next accounting period.
- Amortisation of intangible assets (excluding software)
- Exceptional restructuring costs of the UK business of £3.6 million (see note 3)
- Net profits on disposal or termination of property interests of £0.2 million (see note 3)
- Unwind of discount on exceptional property provisions £0.2 million (see note 3)

Exceptional items in 2009/10 included £2.0 million of integration costs of the Early Learning Centre, £1.0 million net profits on disposal or termination of property interests and £0.3 million unwind of discount on exceptional property provisions

### Results by Segment

The primary segments of Mothercare plc, are the UK business and the International business.

| £ million - Revenue | 2010/11 | 2009/10 |
|---|---|---|
| UK | 587.2 | 590.3 |
| International | 206.4 | 176.1 |
| **Total** | **793.6** | **766.4** |

| £ million – Underlying Profit | 2010/11 | 2009/10 |
|---|---|---|
| UK | 11.1 | 36.1 |
| International | 27.5 | 23.2 |
| Corporate | (7.5) | (7.3) |
| **Underlying profit from operations before share based payments** | **31.1** | **52.0** |
| Share based payments | (2.2) | (14.4) |
| Financing | (0.4) | (0.4) |
| **Underlying profit before tax** | **28.5** | **37.2** |

UK sales were 0.5% lower than last year with growth in Direct and Wholesale offsetting lower store sales. However, we have benefited from the property strategy, with lower occupancy costs and tight cost control.

International has benefited from the 16.3% growth in Total International sales driving growth in royalty income and costs growing at a slower rate.

Corporate expenses represent board and company secretarial costs and other head office costs including audit, professional fees, insurance and head office property.

Share based payments

Underlying profit before tax also includes a share based payments charge of £2.2 million (2009/10: £14.4 million) in relation to the Company's long-term incentive schemes. There are four main types of long-term share based incentive scheme being the Executive Incentive Plan, the Performance Share Plan, the Deferred Shares Plan and the Save As You Earn schemes. Full details can be found in the Annual Report.

The charges as calculated under IFRS 2 are based on a number of market based factors and estimates about the future including estimates of Mothercare's future profits, share price and Total Shareholder Return in relation to the General Retailers' Index. As a result it is difficult to estimate or predict reliably future charges. However, we estimate with the information currently available, the share based payments charge in 2011/12 will increase to approximately £5 million.

## Like-for-like sales, International retail sales, Total International sales and Group network sales

'Like-for-like sales' are defined as sales for stores that have been trading continuously from the same selling space for at least a year and include Direct in Home and Direct in Store.

'International retail sales' are the estimated retail sales of overseas franchisees and joint ventures and associates to their customers (rather than Mothercare sales to franchisees as included in the statutory or reported sales numbers). 'Total International sales' are International retail sales plus International Wholesale sales. 'Group Network sales' are Total International sales plus total UK sales. Group Network sales and Reported sales are analysed as follows:

| £ million | Reported sales | | Network sales* | |
|---|---|---|---|---|
| | 2010/11 | 2009/10 | 2010/11 | 2009/10 |
| UK retail sales | 565.6 | 585.5 | 565.6 | 585.5 |
| UK Wholesale sales | 21.6 | 4.8 | 21.6 | 4.8 |
| Total UK sales | 587.2 | 590.3 | 587.2 | 590.3 |
| International retail sales | 197.0 | 171.1 | 561.5 | 485.9 |
| International Wholesale sales | 9.4 | 5.0 | 9.4 | 5.0 |
| Total International sales | 206.4 | 176.1 | 570.9 | 490.9 |
| **Group sales/Group network sales** | **793.6** | **766.4** | **1,158.1** | **1,081.2** |

* Estimated

Previously we have included in group network sales the retail sales from our partnership with Boots. We now include the Wholesale sales to Boots only, consistent with other UK Wholesale arrangements. This has reduced year-on-year group network sales growth for the full year from 8.6% to 7.1%.

## Financing and Taxation

Financing represents interest receivable on bank deposits and costs relating to bank facility fees and the unwinding of discounts on provisions.

The underlying tax charge is comprised of current and deferred tax and the effective tax rate is 2.9% lower than 2009/10 at 25.6 per cent (2009/10: 28.5 per cent). An underlying tax charge of £7.3 million (2009/10: £10.6 million) has been included for the period; the total tax charge was £2.3 million (2009/10: £8.9 million). In 2011/12 the effective tax rate is expected to reduce further to approximately 23%.

## Pensions

We continue to operate defined benefit pension schemes for our staff, although the schemes are now closed to new members. Details of the income statement net charge, total cash funding and net assets and liabilities are as follows:

| £ million | 2011/12 * | 2010/11 | 2009/10 |
|---|---|---|---|
| **Income statement** | | | |
| Service cost | (2.5) | (2.9) | (2.1) |
| Return on assets/interest on liabilities | 0.2 | (0.6) | (1.2) |
| Net charge | (2.3) | (3.5) | (3.3) |
| **Cash funding** | | | |
| Regular contributions | (2.1) | (2.2) | (2.7) |
| Deficit contributions** | (2.2) | (2.8) | (2.3) |
| Total cash funding | (4.3) | (5.0) | (5.0) |
| **Balance sheet** | | | |
| Fair value of schemes' assets | | 208.4 | 197.0 |
| Present value of defined benefit obligations | | (246.0) | (252.1) |
| Net liability | N/A | (37.6) | (55.1) |

* Estimate
** Deficit contributions are paid at the beginning of the following financial year

In consultation with the independent actuaries to the schemes, the key market rate assumptions used in the valuation are as follows:

| | 2010/11 | 2009/10 | 2010/11 Sensitivity | 2010/11 Sensitivity £ million |
|---|---|---|---|---|
| Discount rate | 5.5% | 5.6% | +/- 0.1% | -/+ 5.6 |
| | | | +/- 0.5% | -/+ 28.0 |
| Inflation – RPI | 3.5% | 3.7% | +/- 0.1% | +/- 5.0 |
| Inflation - CPI | 2.8% | n/a | +/- 0.1% | +/- 5.0 |

The pension valuation reflects the government's announcement that future statutory minimum pension indexation would be measured by reference to the Consumer Prices index rather than the Retail Prices Index. This has contributed to an overall reduction in the pension deficit in 2010/11 of £17.5 million.

The sensitivity of the IAS 19 valuation to a 0.1% and 0.5% movement in the discount rate is set out in the table above.

## Balance Sheet and Cash Flow

The balance sheet includes identifiable intangible assets arising on the acquisition of The Early Learning Centre of £20.3 million and goodwill of £68.6 million.

The group continues to generate operating cash, with cash generated from operations of £27.1 million. Continued rapid growth in the International and Wholesale business and increased stock purchases through our Sourcing division has resulted in an outflow of working capital in the year of £15.0 million.

We have made investments during the year in the Australia, India and China joint ventures and the purchase of the Blooming Marvellous trade mark totaling £13.6 million.

After investing £21.8 million of capital expenditure (£12.2 million net of lease incentives received) and paying £15.5 million of dividends and £6.0 million of tax, the net cash position at the year end is positive, at £15.3 million (2009/10: £38.5 million).

## Going Concern

The group's objective with respect to managing capital is to maintain a balance sheet structure that is both efficient in terms of providing long-term returns to shareholders and safeguards the group's ability to continue as a going concern. As appropriate, the group can choose to adjust its capital structure by varying the amount of dividends paid to shareholders, returns of capital to shareholders, issuing new shares or the level of capital expenditure.

At the year end, the group had facilities of £50 million, being £40 million committed secured bank facilities and a £10 million uncommitted unsecured bank overdraft at an interest rate of 1.7% above LIBOR, which expire on 31 October 2013. After the year end the group refinanced on improved terms, increasing committed secured facilities to £80 million expiring in May 2014 at an interest rate of 1.4% above LIBOR, in addition to the uncommitted overdraft of £10 million.

The group's previous and current committed borrowing facilities contain certain financial covenants which have been met throughout the period. The covenants are tested half-yearly and are based around gearing, fixed charge cover and guarantor cover.

The committed bank facility was drawn down by a maximum of £30 million during the period to fund seasonal working capital and at the year end the group had a cash balance of £15.3 million in addition to the £50 million of available facilities.

The current economic conditions create uncertainty around the level of demand for the group's products. However, the group has significant opportunities to optimise the UK property portfolio, long-term contracts with its franchisees around the world and long standing relationships with many of its suppliers. As a consequence, the directors believe that the group is well placed to manage its business risks successfully despite the uncertain economic outlook.

The group's latest forecasts and projections have been sensitivity-tested for reasonable possible adverse variations in trading performance and show that the group will operate within the terms of its borrowing facilities and covenants for the foreseeable future.

After making appropriate enquiries, the directors have a reasonable expectation that the Company and the group have adequate resources to continue in operational existence for the foreseeable future. The financial statements are therefore prepared on the going concern basis.

**Capital Expenditure**

Total capital expenditure in the year was £21.8 million (2009/10: £24.2 million), of which £5.2 million was for software intangibles and £16.6 million was invested in UK stores. Landlord contributions of £9.6 million (2009/10: £10.2 million) were received, partially offsetting the outflow. Net capital expenditure after landlord contributions was £12.2 million (2009/10: £14.0 million). Net capital expenditure for 2011/12, before landlord contributions, is expected to be approximately £20 million.

**Earnings per Share and Dividend**

Basic underlying earnings per share were 24.7 pence compared to 31.5 pence last year. The directors recommend a 5.3% increase in the final dividend to 11.9 pence (2009/10: 11.3 pence) giving a total dividend for the year of 18.3 pence (2009/10: 16.8 pence), an increase of 8.9%.

The final dividend will be payable on 5 August 2011 to shareholders registered on 3 June 2011. The latest date for election to join the dividend reinvestment plan is 15 July 2011.

**Treasury policy and financial risk management**

The board approves treasury policies and senior management directly controls day-to-day operations within these policies. The major financial risk to which the group is exposed relates to movements in foreign exchange rates and interest rates. Where appropriate, cost effective and practicable, the group uses financial instruments and derivatives to manage the risks.

No speculative use of derivatives, currency or other instruments is permitted.

### Foreign currency risk

All international sales to franchisees are invoiced in pounds sterling or US dollars.

International reported sales represent 26.0% of group sales. Total International Sales represent approximately 49.3% of Group Network Sales. The group therefore has some currency exposure on these sales, but it is used to offset or hedge in part the group's US dollar and Euro denominated product purchases. The group policy is that all material net exposures are hedged by using forward currency contracts.

### Interest rate risk

At 26 March 2011, the group has positive cash balances. Given the cash generative nature of the group, interest rate hedging was not considered necessary. The board will keep this under review as the group develops.

### Shareholders' funds

Shareholders' funds amount to £192.8 million, an increase of £4.4 million in the year driven largely by the reduction in the retirement benefits liability. This represents £2.18 per share at year end (2010: £2.14 per share).

### Accounting Policies and Standards

There are no new standards affecting the reported results and financial position.

# Consolidated income statement

For the 52 weeks ended 26 March 2011

| | Note | **52 weeks ended 26 March 2011** | | | 52 weeks ended 27 March 2010 | | |
|---|---|---|---|---|---|---|---|
| | | **Underlying[1] £ million** | **Non-underlying [2] £ million** | **Total £ million** | Underlying[1] £ million | Non-underlying [2] £ million | Total £ million |
| Revenue | 2 | **793.6** | **-** | **793.6** | 766.4 | - | 766.4 |
| Cost of sales | 3 | **(721.6)** | **(16.1)** | **(737.7)** | (676.0) | (3.4) | (679.4) |
| Gross profit | | **72.0** | **(16.1)** | **55.9** | 90.4 | (3.4) | 87.0 |
| *Administrative expenses before share-based payments* | | ***(39.1)*** | ***(3.6)*** | ***(42.7)*** | *(37.9)* | *(0.8)* | *(38.7)* |
| *Share-based payments* | | ***(2.2)*** | **-** | ***(2.2)*** | *(14.4)* | *(1.2)* | *(15.6)* |
| Administrative expenses | | **(41.3)** | **(3.6)** | **(44.9)** | (52.3) | (2.0) | (54.3) |
| ***Profit from retail operations before share-based payments*** | | ***32.9*** | ***(19.7)*** | ***13.2*** | *52.5* | *(4.2)* | *48.3* |
| **Profit from retail operations** | | **30.7** | **(19.7)** | **11.0** | 38.1 | (5.4) | 32.7 |
| Profit on disposal/termination of property interests | 3 | **-** | **0.2** | **0.2** | - | 1.0 | 1.0 |
| Share of results of joint ventures and associates | | **(1.8)** | **-** | **(1.8)** | (0.5) | - | (0.5) |
| ***Profit from operations before share-based payments*** | 2 | ***31.1*** | ***(19.5)*** | ***11.6*** | *52.0* | *(3.2)* | *48.8* |
| **Profit from operations** | | **28.9** | **(19.5)** | **9.4** | 37.6 | (4.4) | 33.2 |
| Net finance costs | 3, 4 | **(0.4)** | **(0.2)** | **(0.6)** | (0.4) | (0.3) | (0.7) |
| Profit before taxation | | **28.5** | **(19.7)** | **8.8** | 37.2 | (4.7) | 32.5 |
| Taxation | 5 | **(7.3)** | **5.0** | **(2.3)** | (10.6) | 1.7 | (8.9) |
| **Profit for the period attributable to equity holders of the parent** | | **21.2** | **(14.7)** | **6.5** | 26.6 | (3.0) | 23.6 |
| **Earnings per share** | | | | | | | |
| Basic | 7 | **24.7p** | | **7.6p** | 31.5p | | 28.0p |
| Diluted | 7 | **24.2p** | | **7.4p** | 30.7p | | 27.3p |

[1] Before items described in note 2 below.
[2] Includes exceptional items (profit/loss on disposal/termination of property interests, restructuring and integration costs), amortisation of intangible assets (excluding software) and the impact of non-cash foreign currency adjustments under IAS 39 and IAS 21 as set out in note 3 to the financial statements.

All results relate to continuing operations.

# Consolidated statement of comprehensive income

For the 52 weeks ended 26 March 2011

| | Note | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|---|
| Other comprehensive income – actuarial gain/(loss) on defined benefit pension schemes | | **16.5** | (32.1) |
| Exchange differences on translation of foreign operations | | **(1.2)** | 0.1 |
| Tax relating to components of other comprehensive income | 5 | **(4.3)** | 9.0 |
| Net gain/(loss) recognised in other comprehensive income | | **11.0** | (23.0) |
| Profit for the period | | **6.5** | 23.6 |
| **Total comprehensive income for the period attributable to equity holders of the parent** | | **17.5** | 0.6 |

# Consolidated balance sheet

As at 26 March 2011

| | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| **Non-current assets** | | |
| Goodwill | **68.6** | 68.6 |
| Intangible assets | **38.5** | 36.3 |
| Property, plant and equipment | **91.1** | 93.9 |
| Investments in joint ventures and associates | **10.4** | 1.7 |
| Deferred tax asset | **6.9** | 7.9 |
| | **215.5** | 208.4 |
| **Current assets** | | |
| Inventories | **116.0** | 91.3 |
| Trade and other receivables | **62.5** | 57.7 |
| Cash and cash equivalents | **15.3** | 38.5 |
| Currency derivative assets | **-** | 14.1 |
| | **193.8** | 201.6 |
| **Total assets** | **409.3** | 410.0 |
| **Current liabilities** | | |
| Trade and other payables | **(130.1)** | (120.6) |
| Current tax liabilities | **(1.0)** | (1.4) |
| Currency derivative liabilities | **(2.7)** | - |
| Short term provisions | **(5.6)** | (9.0) |
| | **(139.4)** | (131.0) |
| **Non-current liabilities** | | |
| Trade and other payables | **(32.3)** | (26.2) |
| Retirement benefit obligations | **(37.6)** | (55.1) |
| Long term provisions | **(7.2)** | (9.3) |
| | **(77.1)** | (90.6) |
| **Total liabilities** | **(216.5)** | (221.6) |
| **Net assets** | **192.8** | 188.4 |
| **Equity attributable to equity holders of the parent** | | |
| Called up share capital | **44.3** | 44.1 |
| Share premium account | **5.9** | 4.9 |
| Other reserve | **50.8** | 50.8 |
| Own shares | **(9.0)** | (8.9) |
| Translation reserves | **0.1** | 1.3 |
| Retained earnings | **100.7** | 96.2 |
| **Total equity** | **192.8** | 188.4 |

# Consolidated statement of changes in equity

For the 52 weeks ended 26 March 2011

| | Equity attributable to equity holders of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Share premium account | Other reserve[1] | Own shares | Translation reserve | Retained earnings | **Total equity** |
| | £ million | £ million | £ million | £ million | £ million | £ million | **£ million** |
| **Balance at 28 March 2010** | **44.1** | **4.9** | **50.8** | **(8.9)** | **1.3** | **96.2** | **188.4** |
| Total comprehensive income for the period | - | - | - | - | (1.2) | 18.7 | 17.5 |
| Issue of equity shares | 0.2 | 1.0 | - | - | - | - | 1.2 |
| Credit to equity for equity-settled share-based payments | - | - | - | - | - | 2.6 | 2.6 |
| Purchase of own shares | - | - | - | (1.4) | - | - | (1.4) |
| Shares transferred to employees on vesting | - | - | - | 1.3 | - | (1.3) | - |
| Dividends paid | - | - | - | - | - | (15.5) | (15.5) |
| **Balance at 26 March 2011** | **44.3** | **5.9** | **50.8** | **(9.0)** | **0.1** | **100.7** | **192.8** |

For the 52 weeks ended 27 March 2010

| | Equity attributable to equity holders of the parent | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share capital | Share premium account | Other reserve[1] | Own shares | Translation reserve | Retained earnings | **Total equity** |
| | £ million | £ million | £ million | £ million | £ million | £ million | **£ million** |
| **Balance at 29 March 2009** | **43.8** | **4.3** | **50.8** | **(10.6)** | **1.2** | **108.0** | **197.5** |
| Total comprehensive income for the period | - | - | - | - | 0.1 | 0.5 | 0.6 |
| Issue of equity shares | 0.3 | 0.6 | - | - | - | - | 0.9 |
| Credit to equity for equity-settled share based payments | - | - | - | - | - | 2.6 | 2.6 |
| Shares transferred to employees on vesting | - | - | - | 1.7 | - | (1.7) | - |
| Dividends paid | - | - | - | - | - | (13.2) | (13.2) |
| **Balance at 27 March 2010** | **44.1** | **4.9** | **50.8** | **(8.9)** | **1.3** | **96.2** | **188.4** |

[1] The other reserve relates to shares issued as consideration for the acquisition of the Early Learning Centre on 19 June 2007.

# Consolidated cash flow statement

For the 52 weeks ended 26 March 2011

| | Note | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|---|
| **Net cash flow from operating activities** | 8 | **27.1** | 50.1 |
| | | | |
| **Cash flows from investing activities** | | | |
| Interest received | | **0.1** | - |
| Purchase of property, plant and equipment | | **(16.6)** | (18.7) |
| Purchase of intangibles - software | | **(5.2)** | (5.5) |
| Purchase of intangibles - other | | **(3.1)** | - |
| Proceeds from sale of property, plant and equipment | | **3.3** | 2.4 |
| Investments in joint ventures and associates and acquisition of subsidiary | | **(10.5)** | (1.9) |
| **Net cash used in investing activities** | | **(32.0)** | (23.7) |
| | | | |
| **Cash flows from financing activities** | | | |
| Interest paid | | **(0.6)** | (0.5) |
| Repayment of obligations under finance leases | | **-** | (0.1) |
| Equity dividends paid | | **(15.5)** | (13.2) |
| Issue of ordinary share capital | | **1.2** | 0.9 |
| Purchase of own shares | | **(1.4)** | - |
| **Net cash used in financing activities** | | **(16.3)** | (12.9) |
| | | | |
| **Net (decrease) / increase in cash and cash equivalents** | | **(21.2)** | 13.5 |
| Cash and cash equivalents at beginning of period | | **38.5** | 24.8 |
| Effect of foreign exchange rate changes | | **(2.0)** | 0.2 |
| **Cash and cash equivalents at end of period** | | **15.3** | 38.5 |

**Notes**

## 1. General information

a) The accounting policies followed are the same as those published by the group within the 2010 annual report which is available on the group's website (www.mothercareplc.com).

b) Whilst the financial information included in this preliminary announcement has been prepared in accordance with IFRS as endorsed by the European Union, this announcement does not itself contain sufficient information to comply with all the disclosure requirements of IFRS.

c) The Company believes that underlying profit before tax and underlying earnings provides additional useful information for shareholders. The term underlying earnings is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for IFRS measures of profit. As the Company has chosen to present an alternative earnings per share measure, a reconciliation of this alternative measure to the statutory measure required by IFRS is given in note 7.

d) The financial information set out in this announcement does not constitute the Company's statutory accounts for the 52 week period ended 26 March 2011 or the 52 week period ended 27 March 2010, but it is derived from those accounts. Statutory accounts for 2010 have been delivered to the Registrar of Companies and those for 2011 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498 (2) or (3) Companies Act 2006 or equivalent preceding legislation.

## 2. Segmental information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the group that are regularly reported to the group's board in order to allocate resources to the segments and assess their performance. The group's reporting segments under IFRS 8 are UK and International.

UK comprises the group's UK store and wholesale operations, catalogue and web sales. The International business comprises the group's franchise and wholesale revenues outside the UK. The unallocated corporate expenses represent board and company secretarial costs and other head office costs including audit, professional fees, insurance and head office property.

| | 52 weeks ended 26 March 2011 | | | |
|---|---|---|---|---|
| | UK £ million | International £ million | Unallocated Corporate Expenses £ million | Consolidated £ million |
| **Revenue** | | | | |
| External sales | 587.2 | 206.4 | - | 793.6 |
| **Result** | | | | |
| Segment result (underlying) | 11.1 | 27.5 | (7.5) | 31.1 |
| Share based payments | | | | (2.2) |
| Non-cash foreign currency adjustments | | | | (13.8) |
| Amortisation of intangible assets | | | | (2.3) |
| Exceptional items | | | | (3.4) |
| **Profit from operations** | | | | 9.4 |
| Investment income | | | | 0.1 |
| Finance costs | | | | (0.7) |
| Profit before taxation | | | | 8.8 |
| Taxation | | | | (2.3) |
| **Profit for the period** | | | | 6.5 |

**Notes continued**

| | 52 weeks ended 27 March 2010<br>UK<br>£ million | <br>International<br>£ million | Unallocated<br>Corporate Expenses<br>£ million | <br>Consolidated<br>£ million |
|---|---|---|---|---|
| **Revenue** | | | | |
| External sales | 590.3 | 176.1 | - | 766.4 |
| **Result** | | | | |
| Segment result (underlying) | 36.1 | 23.2 | (7.3) | 52.0 |
| Share based payments | | | | (14.4) |
| Non-cash foreign currency adjustments | | | | (1.3) |
| Amortisation of intangible assets | | | | (2.1) |
| Exceptional items | | | | (1.0) |
| **Profit from operations** | | | | 33.2 |
| Finance costs | | | | (0.7) |
| Profit before taxation | | | | 32.5 |
| Taxation | | | | (8.9) |
| **Profit for the period** | | | | 23.6 |

### 3. Exceptional and other non-underlying items

Due to their significance or one-off nature, certain items have been classified as exceptional or non-underlying as follows:

| | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| **Exceptional items:** | | |
| Profit on disposal/termination of property interests | **0.2** | 1.0 |
| Restructuring costs included in administrative expenses | **(3.6)** | - |
| Integration of ELC included in administrative expenses | **-** | (0.8) |
| Share based payments charge included in administrative expenses | **-** | (1.2) |
| **Other non-underlying items:** | | |
| Non-cash foreign currency adjustments under IAS 39 and IAS 21[1] | **(13.8)** | (1.3) |
| Amortisation of intangibles[1] | **(2.3)** | (2.1) |
| Unwinding of discount on exceptional property provisions included in finance costs | **(0.2)** | (0.3) |
| **Exceptional and other non-underlying items** | **(19.7)** | (4.7) |

[1] Included in non-underlying cost of sales is a charge of £16.1 million (2010: charge of £3.4 million).

**Profit on disposal / termination of property interests**

During the 52 weeks ended 26 March 2011 ('current year') a net credit of £0.2 million has been recognised in profit from operations (2010: net credit of £1.0 million) relating to profit on disposal/termination of property interests, from property restructures and provisions against subleases and vacant property.

**Restructuring costs included in admin expenses**

During the current year a net charge of £3.6 million (2010: £nil million) has been recognised in administration expenses arising from a substantial restructure of the group's UK Head Office operations which will improve efficiency and effectiveness and result in a reduction in the ongoing cost base.

**Integration of the Early Learning Centre**

In the prior year, costs of £0.8 million have been charged to administrative expenses relating to restructuring costs.

**Share based payments charge included in admin expenses**

During the 52 weeks ended 27 March 2010 a one-off share based payments charge of £1.2 million relating to the 2007 Executive Incentive Plan was recognised in administrative expenses relating to synergies achieved from the integration of the Early Learning Centre.

### 4. Net Finance costs

| | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| Other interest receivable | **(0.1)** | - |
| Interest and bank fees on bank loans and overdrafts | **0.5** | 0.4 |
| Unwinding of discounts on provisions | **0.2** | 0.3 |
| **Finance costs** | **0.6** | 0.7 |

**Notes continued**

### 5. Taxation

The charge for taxation on profit for the period comprises:

| | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| Current tax: | | |
| Current year | **8.1** | 8.5 |
| Adjustment in respect of prior periods | **(0.8)** | (1.5) |
| | **7.3** | 7.0 |
| Deferred tax: | | |
| Current year | **(5.0)** | 0.4 |
| Change in tax rate (in relation to prior period) | **0.6** | - |
| Adjustment in respect of prior periods | **(0.6)** | 1.5 |
| | **(5.0)** | 1.9 |
| **Charge for taxation on profit for the period** | **2.3** | 8.9 |

UK corporation tax is calculated at 28 per cent (2010: 28 per cent) of the estimated assessable profit for the period.

The charge for the period can be reconciled to the profit for the period before taxation per the consolidated income statement as follows:

| | **52 weeks ended 26 March 2011 £ million** | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| Profit for the period before taxation | **8.8** | 32.5 |
| Profit for the period before taxation multiplied by the standard rate of corporation tax in the UK of 28% (2010: 28%) | **2.5** | 9.1 |
| Effects of: | | |
| Expenses not deductible for tax purposes | **1.0** | 0.7 |
| Change in tax rates | **1.0** | - |
| Impact of overseas tax rates | **(0.7)** | (0.4) |
| Utilisation of tax losses not previously recognised against capital gains | **(0.1)** | (0.5) |
| Adjustment in respect of prior periods | **(1.4)** | - |
| **Charge for taxation on profit for the period** | **2.3** | 8.9 |

In addition to the amount charged to the income statement, deferred tax relating to retirement benefit obligations amounting to £4.3 million (2010: £9.0 million) has been credited directly to equity.

### 6. Dividends

| | **52 weeks ended 26 March 2011** | | 52 weeks ended 27 March 2010 | |
|---|---|---|---|---|
| | **pence per share** | **£ million** | pence per share | £ million |
| **Amounts recognised as distributions to equity holders in the period** | | | | |
| Final dividend for the prior year | **11.3p** | **9.9** | 9.9p | 8.5 |
| Interim dividend for the current year | **6.4p** | **5.6** | 5.5p | 4.7 |
| | | **15.5** | | 13.2 |

The proposed final dividend of 11.9 pence per share for the 52 weeks ended 26 March 2011 was approved by the Board after 26 March 2011, on 17 May 2011, and so, in line with the requirements of IAS 10 ‘Events After the Balance Sheet Date’, the related cost of £10.5 million has not been included as a liability as at 26 March 2011. This dividend will be paid on 5 August 2011 to shareholders on the register on 3 June 2011.

**Notes continued**

## 7. Earnings per share

| | 52 weeks ended 26 March 2011 million | 52 weeks ended 27 March 2010 million |
|---|---|---|
| **Weighted average number of shares in issue** | **85.8** | 84.4 |
| Dilution – option schemes | **1.8** | 2.1 |
| **Diluted weighted average number of shares in issue** | **87.6** | 86.5 |

| | £ million | £ million |
|---|---|---|
| **Earnings for basic and diluted earnings per share** | **6.5** | 23.6 |
| Non-cash foreign currency adjustments | **13.8** | 1.3 |
| Amortisation of intangibles (excluding software) | **2.3** | 2.1 |
| Unwinding of discount on exceptional property provisions | **0.2** | 0.3 |
| Exceptional items (note 3) | **3.4** | 1.0 |
| Tax effect of above items | **(5.0)** | (1.7) |
| **Underlying earnings** | **21.2** | 26.6 |

| | pence | pence |
|---|---|---|
| **Basic earnings per share** | **7.6** | 28.0 |
| **Basic underlying earnings per share** | **24.7** | 31.5 |
| **Diluted earnings per share** | **7.4** | 27.3 |
| **Diluted underlying earnings per share** | **24.2** | 30.7 |

## 8. Reconciliation of cash flow from operating activities

| | 52 weeks ended 26 March 2011 £ million | 52 weeks ended 27 March 2010 £ million |
|---|---|---|
| **Profit from retail operations** | **11.0** | 32.7 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | **16.6** | 15.1 |
| Amortisation of intangible assets – software | **4.1** | 3.3 |
| Amortisation of intangible assets – other | **2.3** | 2.1 |
| Non-underlying losses on disposal of property, plant and equipment | **0.9** | 1.0 |
| Losses on disposal of intangible assets – software | **-** | 0.1 |
| Loss on non-underlying non-cash foreign currency adjustments | **13.8** | 1.3 |
| Equity-settled share-based payments | **2.6** | 2.6 |
| Movement in property provisions | **(5.7)** | (5.0) |
| Movement in integration provisions | **-** | (3.3) |
| Movement in other provisions | **(0.1)** | 0.1 |
| Amortisation of lease incentives | **(5.9)** | (3.4) |
| Lease incentives received | **9.6** | 10.2 |
| Payments to retirement benefit schemes | **(5.2)** | (6.1) |
| Charge to profit from operations in respect of service costs of retirement benefit schemes | **4.1** | 3.7 |
| **Operating cash flow before movement in working capital** | **48.1** | 54.4 |
| Increase in inventories | **(23.9)** | (7.2) |
| Increase in receivables | **(4.8)** | (2.9) |
| Increase in payables | **13.7** | 13.5 |
| **Cash generated from operations** | **33.1** | 57.8 |
| **Income taxes paid** | **(6.0)** | (7.7) |
| **Net cash flow from operating activities** | **27.1** | 50.1 |

## Risks and uncertainties

The principal risks and uncertainties which could impact the Company's long-term performance remain those detailed on pages 31 and 32 of the Company's 2010 Annual Report and Accounts and which are summarised below:

- Continuity of supply
- Market conditions
- Foreign exchange rates risk
- Credit risk on international franchise operations
- Defined benefit pension scheme
- Logistics, distribution or IT systems failure
- Loss of key personnel
- Changes in consumer demand
- Financing risk
- Risk of loss of reputation

In addition, the Company's investment in joint ventures and overseas companies exposes it to greater risk to certain overseas markets and to the operating performance of those businesses. This risk will be identified in the Company's 2011 Annual Report and Accounts.

A copy of the Company's 2010 Annual Report and Accounts is available on the Company's website www.mothercareplc.com.

There are no additional primary uncertainties affecting the Company for the remainder of the financial year.

Certain statements in this report are forward looking. Although the group believes that the expectations reflected in these forward looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements contain risks and uncertainties, actual results may differ materially from those expressed or implied by forward looking statements. We undertake no obligation to update any forward looking statements whether as a result of new information, future events or otherwise.

## Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the directors' report, includes a fair view of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By order of the board on 17 May 2011 and signed on its behalf by:

| | |
|---|---|
| Ben Gordon | Neil Harrington |
| Chief Executive | Finance Director |