Albion Business Plan

Given to PA by Paul Bridge.

To Service 20/3/14
Size of the market in which Albion operate

Table 1 illustrates the size of the UK retail market for the segments in which Albion operates excluding gifts for which market data was not readily available. Gifts represent about 9% of Albion sales.

Table 2 shows the relative sizes of the selected retail market segments as a proportion of the total of those segments and compares these to the relative amounts of Albion sales in those segments as a proportion of their total.

Compared to the market, Albion’s sales proportions reflect its heritage (homewares \ children\'s wear) and its current association with the A Group as a significant seller of womenswear. As will be seen it is the heritage segments of its business that present two of the challenges in the returning the group to profit. Furthermore, it appears that Albion’s menswear offer is underweight compared to the market.
2. Market Overview

The state of the UK retail sector

The days which saw seemingly unending increases in the growth of consumer spending are now a distant memory, particularly in the non-food sector as shown in the table below.

Table 3

Growth in UK retail spending

- Total retail: 26.0
- Food/Grocery sales: 15.4, 15.9
- Non-food: 10.6, 0.7

2004-08 vs 2009-13
The almost absent growth in the non-food sector between 2009 and 2013 is further borne out by reference to the movement in consumer confidence shown below.

Table 4

UK consumer confidence index

However, this data masks a number of movements within the UK retail sector in the markets in which Albion operates.
The main market segments in which Albion operates

Clothing

The UK clothing market has seen a generally flat performance in volume terms between 2007 and 2013 while in value terms there has been a consistent upturn each year since 2009. Given the well-publicised difficulties of a number of the UK’s clothing retailers, most notably M&S, it is clear that consumers spending is highly selective and if the merchandise is wrong, the price matters less.

Tables 5 and 6

Table 6 above indicates there has been some recovery in clothing sales by value over the last four years. The increasing success of retailers such as Primark, Next and the Inditex Group (Zara et al) lend credence to these statistics. Taken in conjunction with the relatively flat volumes shown in Table 5, the implication is that retailers have been moderately successful in increasing prices per unit for their goods. This does not speak to the prevalence of discounting which many clothing retailers have felt the need to do in recent years to maintain volumes.

Given the breadth of the product offer contained in these statistics, some caution is required in drawing specific conclusions. What is clear though is that in a market of winners and losers, Albion has been in the latter part having seen sales decline by approximately 29% over the last decade.
Footwear and Leather goods

Although footwear and leather goods represent a relatively small proportion of Albion's sales at approximately 8%, it is still worth a brief visual review of the market in these goods.

Tables 7 and 8

As may be clearly seen, a gradual increase in both volume and sales value lends support to the commercial case that Albion should continue to include footwear and leather goods in their offer to consumers.
Homewares – furniture and lighting

Following the banking/credit crisis in 2008, one of the more dramatic falls in consumer spending arose in the larger ticket item segments of which furniture and other homewares was a part. As consumers deferred discretionary spending in a number of areas, the reduction in available credit (which also saw far fewer people moving house and buying new furniture) contributed to a steep decline in the purchase of homewares relative to other areas in which Albion operates.

Tables 9 and 10

There appears to be little discernible trend since 2009 other than a modest recovery close to pre-2009 levels of spending which has plateaued.
Expectations for UK retail in 2013

The Deloitte Consumer Tracker, a periodical publication notes the following key findings for Q1 2013:

- Sentiment on disposable income is stronger than at any time since Q3 2011
- UK household conditions remain stable in the first quarter 2013
- The consensus is for the recovery to gain traction as 2013 progresses
- Despite a slight improvement compared to Q1 2012, spending remains subdued
- Looking ahead, consumer concern centres around continued greater than inflationary rises in utility prices

While these generalisations are helpful up to a point, breaking down the spending by category and focusing on Q1 provides additional insight.
While relative to most other market segments, Albion’s main areas of operation are still showing deterioration, there are clear signs of improvement year on year. This trend underlies the improved expectations for spending in 2013. Table 9 is replicated exactly when the original question remained the same except that the period referred to was spending in the **next three months** to end June.

Looking beyond the first quarter, Verdict Research has indicated a number of key points with regard to the UK retail market in 2013.

- UK retail is set to grow by 1.8% in 2013 (to £300.7bn) – the highest rate of growth since the recession began
- Non-food spending is expected to show a return to growth but at levels still well behind the peak in 2007
- DIY/gardening is set to show the greatest growth (3.3%) due mostly to low comparators while the home entertainment segment is expected to decline most (6.3%) due to music and video sales continuing to slide
- Several large retailers with a significant UK presence will seek to expand overseas most notably into China and India
- The strongest performing channels will be grocers, online and shopping centres due to convenience and competitive pricing
- Older shoppers will increasingly become an important demographic to retailers, particularly online
- Verdict forecast that shoppers aged 55+ will be the fastest growing demographic online rising by 31.9% between 2011 and 2016
- The tablet boom and m-commerce will continue strongly in 2013, so website optimisation is critical
Taking Albion's main areas of operation in turn the outlook for 2013 may be summarised as follows:

**Clothing and footwear**

Recovery will continue but on a very gradual basis as discretionary spending by consumers remains weak. However, the trend is upward as noted above and retailers are expected to respond by seeking to break the vicious cycle of discounting that has been in evidence over the last four years by encouraging full price purchases. Consumers have become accustomed to discounting and will initially be reluctant to pay full price for brands that were more accessible at lower price points. The key to breaking the discounting cycle is value for money through improved range and product quality to justify the full price.

Space expansion is expected to remain slow with several mature store groups with large portfolios seeking to rationalise their store presence to maintain outlet profitability.

**Furniture**

As housing transactions are expected to increase in 2013 and into 2014, this is seen as a positive impetus towards greater furniture sales but likely to be held back by adverse sentiment towards spending on bigger ticket items due to more general economic concerns.

**Homewares**

For the first time since 2008, volume growth will be positive for homewares in 2013 in tandem with the expected rise in house sales in 2013 and 2014.

Deflation pressure will come from price competition particularly at the lower end of the market but continued impetus from TV cooking programmes and home baking will counter this, particularly when combined with high innovation products able to command higher, fuller prices. A key battleground is expected to be online as established players like Lakeland are challenged by increasing numbers of new entrants offering design led products.
Online – fastest growing retail channel

It is worth bringing to the fore two of Verdict's key points for 2013 referred to above that are firstly linked in practice and secondly of particular relevance to Albion as will be developed further below.

The importance of online sales for the success of all retailers is hard to over emphasise. The following table amply demonstrates the point.

Table 11

UK online retail expenditure 1998 - 2013e and share of total

<table>
<thead>
<tr>
<th>Year</th>
<th>£0.4</th>
<th>£1.0</th>
<th>£1.3</th>
<th>£3.2</th>
<th>£3.8</th>
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Share of 0.2% 0.5% 0.8% 1.4% 1.6% 1.9% 2.3% 3.0% 5.8% 4.9% 6.0% 7.0% 8.1% 9.3% 10.5% 11.7%
Channels that offer shoppers convenience and flexibility are expected to be the strongest performers in 2013 and beyond.

The “all in one place” element of online, shopping malls and large supermarkets has proved highly attractive to consumers particularly where unique product ranges specific to a location are added to the offer.

“Click and collect” is increasingly offered by larger retailers (including Albion).

Verdict expect online sales to achieve a 15% share of all retail by 2017.

The growth of internet sales has grown fastest in recent years among the 50+ year old element of the population. Shoppers over 50 will represent more than one third of the UK population by 2016.

Verdict believe the combination of an ageing population which prefers comfort and convenience and who are increasingly at ease with technology means that this segment of consumers should be a clear target for retailers. This age group also have a higher proportion of disposable income after their families have grown up and moved out.
The retail industry under transformation

The retail industry experiences a fundamental transformation every 50 years

- The emergence of cities and the establishment of railway networks led to the creation of modern department stores

- Increased mobility thanks to the availability of automobiles changed consumer purchasing behaviour. The first shopping centres emerged

- Discounters began to spread. They threatened the existing shopping facility structures and changed the traditions

- A rapid digitalisation of retail is taking place. A successful multi-channel strategy will not only secure the retail sector, it may also revolutionise customers' expectations and experiences in a way that only occurs every 50 years

In order to survive, retailers must adapt to new market conditions and the needs of the consumers. New retailers capture market share, while existing retailers experience revenue and profit decline
Turnaround strategy

- Broaden the number and nature of Albion's concessions
- All employees understand strategic goals and market positioning of Albion
- Motivate every employee to buy into the strategic direction of Albion
- Clearly define strategic focus on the Family in the FM market segment
- Broaden and enhance Albion's international multichannel distribution
- Expand the international franchise network
- Reduce Albion's cost base in all sectors
- Review and enhance Albion's food offer
- Enhance margins by improving sourcing strategies
- Broaden, clarify and improve Albion's product offer

The proposed management team has the experience and skills set to lead Albion back on a successful path – low cost retailers.
Turnaround strategy

- Ensure the Albion workforce identify with and understand the strategy. Clear communication with staff will ensure that the operational implementation of the strategic objectives are effected quickly and efficiently. A well-motivated workforce is essential. Performance management.

- Focus on Albion's core customer base. In seeking to turn around the business, it would be a mistake to spend time, effort and money trying to attract new groups of customers into the stores without first identifying and ensuring the needs and desires of the existing customer base are met.

- Re-source Albion's purchases at lower prices without compromising quality. Through review of current product sourcing procedures and suppliers with a view to improving margins by re-sourcing all merchandise direct from the suppliers across all divisions, as necessary. Review supplier conditions in order to reach zero-working.

- Better products and more services leading to increased sales. Through review of all product ranges and services starting with S$2016 ranges in order to reinvigorate the product portfolio adjust in favour of market-winners with particular regard to own brand women's wear, men's wear and children's wear.

- Review and enhance the food division. Bring a new approach to the provision of food and restaurant services to Albion.

- Reduce Albion's cost base - property, shared services, staff. Identify the worst performing stores by reference, inter alia, to quantum of cash burn with a view to entering into renegotiation of the terms of the leases. Review of staffing levels and the cost of shared services with a view to making savings where identifiable.

- Broaden and enhance Albion's multichannel distribution. Improve the look and feel in store by targeted refurbishment with improved layout backed up by better visual merchandising and in-store store front advertising. Assess the current ecommerce options to determine the optimum strategy to grow this significantly underdeveloped part of Albion's business. This may be by way of further investment or in association with existing third party players in this channel. Elevate the public awareness and attractiveness of the Albion brand by the targeted use of social media channels for marketing and sales.

- Franchising. Expansion of the international franchise arm of Albion's business - Europe, Far East, India, South America.

- Commissions. Further development and expansion of Albion's portfolio of concession partners to broaden and complement Albion's current own product offer.

- Financial Review of Albion's cash management regime to assess the feasibility and timing of imposing longer terms to Albion's supply base.

- Multi-channel strategy. Online shopping is no competition to the stores but leads to more sales in all channels. Stores are not mere only distribution locations but the interface between the world of humans and business.
3. Turnaround strategy of the new management team

Corporate strategy – focus on family VFM

**Better products**
- Unique
- Up-to-date
- Quality
- Adjust the range to the market winners
- Clear focus on Albion’s customers
- Different own brands to address individual customer needs

**Better purchasing**
- Cost-efficient, fully integrated vertical procurement organisation
- Direct purchasing from the manufacturers
- Develop successful planning methods to shorten supply lead times
- Align the sale of goods more closely with the season for which they are designed

**Better ratios**
- From “push” to “pull”
- Use modern technology to speed up re-ordering
- Take account of customer needs in individual markets (prevailing colours, forms and size can vary)

**Better communication**
- USP-driven communication with a clear focus on Albion’s customers in all sales channels
- Bestseller marketing
- Reinforcement of online presence (e.g. through search engines marketing)
- Redesigning all stores

**Better product availability**
- Develop quick response strategies
- Automatic replenishment
- Greater flexibility to procure the right goods during the season

**Benefits**
- Higher revenue, higher margins, lower inventory, lower costs, improved cash flow
- Greater profitability and efficiency
The following table reflects the market positioning of Albion compared to most of the major high street retailers.
Multi-channel distribution

- The transition of Albion to multi-channel distribution is a must
- With e-commerce, franchising, and licensing concepts, Albion has an excellent chance to expand its sales both in existing and new markets
- To this end, modern tools need to be implemented and technology & services need to be improved
- A double-digit growth in the number of “digital immigrants” (born before 1980) is expected in the following decade

E-commerce
- Online marketing (newsletter, customer loyalty, special interest)
- Search engine marketing / search engine optimization
- Affiliate marketing
- Social networks
- Mobile commerce
- Customer reviews
- Reduction of average customer age
- Cooperation with existing retail stores

Retail
- From “Push” to “Pull”
- Predictive forecasts
- Modular and cluster concept
- Automatic replenishment
- Seasonal floor space must be able to breathe
- More emphasis on own brands
- Strict monitoring (every store must be profitable)
- Adjust the ranges in favour of market-winners
- The selling environment must be improved
- The stores are the core business

Albion will become the leading fashion distributor in the Family VFN

More customers, higher sales
3. Turnaround strategy of the new management team

**E-commerce**

- E-commerce is an excellent platform for the sale of related products.
- E-commerce offers additional sales opportunities and services.
- Store-business boosts online business.
- Online- and offline-experiences complement each other.
- All sales channels are intertwined.
- New technologies are faster, cheaper and more versatile.
- Customers should be linked with Albion both online and offline and should have access to all channels.
- High tech, lifestyle and service merge into one location independent offering.

*The strengthening of e-commerce, together with digitalisation, brings fundamental changes in the retail sector.*
3. Turnaround strategy of the new management team

Expand the International Franchises

Albion has several overseas franchise partners which operate over 80 stores mostly in the Middle East but also in Russia, Gibraltar and Malta. The expected full year results for the network are shown below:

**ALBION'S Locations:**
- Armenia – 1 store
- Bahrain – 2 stores
- Gibraltar – 1 store
- Greece – 2 stores
- Jordan – 1 store
- Kazakhstan – 1 store
- Kuwait – 10 stores
- Libya – 1 store
- Malta – 3 stores
- Oman – 1 store
- Russia – 3 stores
- Saudi Arabia – 18 stores
- UAE – 8 stores
- United Kingdom – 183 stores
- Qatar – 2 stores

It is the intention of the prospective new management to continue the expansion policy internationally as this area is seen as a relatively risk-free growth channel. It is expected that there are significant opportunities worldwide.
3. Turnaround strategy of the new management team

Broaden the number and nature of Albion's concessions

Concessions represent 14% of Albion sales in 2012/13.

Table 12

<table>
<thead>
<tr>
<th>Concession</th>
<th>Product</th>
<th>Headline Margin %</th>
<th>Albion Income £m</th>
<th>Albion Margin £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Group</td>
<td>Clothing</td>
<td>28.0%</td>
<td>73.0</td>
<td>20.8</td>
</tr>
<tr>
<td>DCK</td>
<td>Jewellery</td>
<td>52.0%</td>
<td>6.4</td>
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<tr>
<td>Lotus Footwear</td>
<td>Shoes</td>
<td>42.0%</td>
<td>3.4</td>
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<td>Lloyds Footwear</td>
<td>Shoes</td>
<td>39.0%</td>
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<td>Universal</td>
<td>Music\DVD</td>
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<td>Sony\EMI\other</td>
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<td>30.0%</td>
<td>98.8</td>
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This also include looking at service led rather than product driven offers to customers – therefore, nail bars, beauty bars, fitness, sport and wellness events, foodshops, coffee shops, telecommunication shops, may also be considered.
3. Turnaround strategy of the new management team

Success factors for Albion

<table>
<thead>
<tr>
<th>Customers</th>
<th>Employees</th>
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<tbody>
<tr>
<td>Focus</td>
<td>Every employee must understand the company’s strategic objectives and distinctive features and be able to demonstrate and implement them in his or her activities</td>
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<tr>
<td>Collections</td>
<td>A clear differentiation from competitors reduces the comparability and brings higher margins</td>
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<tr>
<td>Logistics</td>
<td>The establishment of own brands provides employees with better orientation and enables Albion to better meet individual customer needs</td>
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<tr>
<td>Advertising</td>
<td>Customers should be linked with Albion both offline and online and should have access to all channels</td>
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<tr>
<td>Motivation</td>
<td>Boost the communication among management, employees and customers</td>
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<tr>
<td>Management team</td>
<td>Everyone needs to understand the business model</td>
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<tr>
<td>Costs</td>
<td>Avoid complexity</td>
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<td>Strive for continuous improvement in all areas</td>
</tr>
<tr>
<td></td>
<td>Direct sourcing</td>
</tr>
<tr>
<td></td>
<td>Better conditions</td>
</tr>
<tr>
<td></td>
<td>Unique design / product</td>
</tr>
</tbody>
</table>

- Everything is aligned with the target customers
- Customers must be able to recognize the differentiation from other providers
- Clear focus on the family the “value for money” segment
- Unique and distinctive – these are the sources for competitive advantages
- Adjustments in the various markets
- The right products at the right time and at the right place
- Quick, efficient and automatic replenishment
- Clear communication focus on Albion’s customers across all channels
- All employees have to know exactly what differentiates Albion’s from its competitors – only in this way, they can do the right thing
- Extensive experience in the retail sector
- Very successful in Albion’s market segment
- Longstanding experience with multi-channel distribution
- Characteristics: goal orientation, focus, self-discipline, assertiveness, determination, willingness to act, professional competence and sense of responsibility
- Low cost retailer
- Reducing cost in all departments
Management team
The operational board structure will be as follows:

- **Peter Graf**
  - Chief Executive Officer

- **TBA**
  - Chief Retail Officer

- **Joachim Stenger**
  - Chief Buying Officer

- **TBA**
  - Chief Financial Officer

In addition to the above it is the intention to appoint at least two suitable non-executive directors to the Board to ensure the best corporate governance standards are maintained.
Group Structure

The following shows the prospective group structure post acquisition.
Key Person: Peter Graf

- **Chief Executive Officer**
- General operational and profit & loss responsibility
- Strategic planning and group development
- Human Resources
- Marketing
- E-commerce

**2009 – present**
- Consultant to various European fashion companies

**2002-2008**
- Consultant in various projects at Voegele

**1997-2002**
- Chief Executive Officer of Voegele
  - Implementation of the expansion to Austria, Belgium and the Netherlands.
  - Development of the largest and most successful fashion retailer in Switzerland
  - Successful IPO

**1991-1997**
- Chief Operating Officer of Voegele: responsible for sales, purchasing and marketing

**1988-1991**
- Owner of Robex Fashion (a producer of ladies’ and men’s garment, once the largest fashion producer in Switzerland)

**1972-1988**
- Responsible for mail-order and retail at Spengler, Switzerland
  - Chief Operating Officer at Spengler Fashion from 1983-1988
  - During Peter Graf’s tenure, Spengler Fashion was the largest and most successful fashion retailer in Switzerland

- Architect of the transformation of Voegele from a family business into a successful pan-European fashion group
- Familiarity with Swiss Rock’s business and markets
- High level of professional expertise in the textile and clothing industries
- Outstanding knowledge of all procurement markets
4. Management team

Key person: Joachim Stenger

- Chief Buying Officer
- Planning
- Merchandising
- Product development
- Collections
- Sourcing
- Supply chain management

- **2011-present**: Senior Consultant
- **2007-2011**: Member of the executive board of the Klingel Group: responsible for the brand “WENZ” and for the repositioning in the Best Ager segment; successful launch and implementation of an international multi-channel distribution strategy with shipping, retail, e-commerce and vertical supply chain organisation; successful turnaround
- **2004-2007**: Manager a shareholder of F. Hämmerle (producer of women’s outwear), a supplier of branded goods for major retailers in Europe
- **2002-2004**: Independent consultant, various projects in apparel trade and in the clothing industry
- **2001-2002**: Member of the executive board (Chief Operating Officer) of Voegele, responsible for purchasing and advertising; reorganisation of the purchasing organisation; record profit in Switzerland in 2002
- **1989-2001**: Manager Karstadt/Quelle, responsible for the reorganisation and repositioning of the brand “ELEGANCE” within the Best Ager market; launch of the first multi-channel distribution strategy with retail, wholesale, shipping and e-commerce in Europe and Asia; build-up of a vertical supply chain organisation, international establishment of licensing and collaborations
- **1982-1989**: Purchasing manager of the special catalogue “APART” and for the Best Ager main catalogue at Otto Versand
- **1970-1982**: Employee in sales at the leading retail companies C&A Brenninkmeyer, Leffers, Pek & Cloppenburg, Hettlage; sales manager and management assistant during the last six years

- Familiarity with value for money business
- Extensive experience in the continental European clothing markets, particularly in the area of the target positioning of Albion (i.e. Best Ager)
- Longstanding experience in the establishment and management of successful multi-channel companies
- Experience in turnaround and change management
<table>
<thead>
<tr>
<th>Albion Financial Forecasts</th>
<th>LY 2018</th>
<th>Fcast 2019</th>
<th>Budget 2020</th>
<th>Budget 2021</th>
<th>Budget 2022</th>
<th>Budget 2023</th>
<th>Budget 2024</th>
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<tbody>
<tr>
<td>Retail Own Buy Sales (Excl. VAT)</td>
<td>570,633</td>
<td>569,139</td>
<td>591,867</td>
<td>586,308</td>
<td>591,169</td>
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<td>Retail Concession Sales (Excl. VAT)</td>
<td>97,569</td>
<td>97,167</td>
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<td>100,058</td>
<td>103,057</td>
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<td>Total Retail Sales (Excl. VAT)</td>
<td>668,202</td>
<td>666,306</td>
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<td>686,366</td>
<td>694,227</td>
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<td>Internet Own Buy Sales (Excl. VAT)</td>
<td>32,801</td>
<td>45,515</td>
<td>47,399</td>
<td>52,824</td>
<td>60,724</td>
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<td>Total Internet Sales (Excl. VAT)</td>
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<td>Franchise Sales (Excl. VAT)</td>
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<td>62,476</td>
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<td>Retail OAS Margin Post Markdown</td>
<td>308,231</td>
<td>304,029</td>
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<td>331,683</td>
<td>342,185</td>
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<td>Margin Adj (incl. Stockloss) - Retail</td>
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<td>8,070</td>
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<td>Sub-Total Retail Margin</td>
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<td>Internet OAS Margin Post Markdown</td>
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<td>Sub-Total Internet Margin</td>
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<td>Franchise Income</td>
<td>5,785</td>
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<td>Discount Achieved on Franchise Product</td>
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<tr>
<td>Sub-Total Margin on Franchise</td>
<td>13,753</td>
<td>14,062</td>
<td>16,392</td>
<td>17,683</td>
<td>21,937</td>
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<td>Divisional Margin (Gross Profit)</td>
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<td>813,454</td>
<td>887,757</td>
<td>901,117</td>
<td>956,457</td>
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<td>Rent</td>
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<td>93,577</td>
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<td>Other Occupancy</td>
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<td>78,204</td>
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<td>Depreciation</td>
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<td>Store Controllable</td>
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<td>Total Store Costs</td>
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<td>335,880</td>
<td>340,027</td>
<td>339,525</td>
<td>342,577</td>
<td>347,681</td>
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<td>Central Store Support Costs</td>
<td>12,289</td>
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<td>Shared Service Direct Retail Cost</td>
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<td>Store Contribution</td>
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<td>Internet Recharge (Ex. P+P)</td>
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<td>Internet P+P Income</td>
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<td>Internet Carriage Costs</td>
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<tr>
<td>Internet Costs</td>
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<td>Central Costs Non Channel Spec (Brand)</td>
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<td>Shared R. Non Channel Spec (Incl. Financial Services)</td>
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<tr>
<td>Brand Operating Profit (Underlying)</td>
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<td>73,873</td>
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<tr>
<td>Net Profit After Interest &amp; Taxes</td>
<td>77,038</td>
<td>73,013</td>
<td>75,560</td>
<td>75,246</td>
<td>75,416</td>
<td>75,978</td>
<td>80,054</td>
</tr>
</tbody>
</table>
Improvement of economic efficiency – marketing & sales and advertising

- "Value for money" segment is the fastest growing segment in Europe
  - The significant majority of fashion retailers focus on the younger customer groups
  - Albion's market segment is growing, but under-served
- Albion has a unique, distinctive market presence
  - Better collections, better qualities, better fit and greater value-for-money
  - Each product has to be profitable
  - Same price structures in all departments
  - Improve the availability of goods (right time, right place)
  - Quick and easy replenishment
  - The weightings of the collections can be determined by the sales markets – lower costs
  - Reinstate the automatic stock replenishment – greater availability leads to higher revenues
  - Optimize the existing stores
  - Improve or close unprofitable stores

- Appropriate advertising for the target group, product- and price-oriented
- Increased advertising directly generates higher sales
- Increase the customer base

Appendix

Improvement of economic efficiency – procurement, financial management and organisation

- Quick response
- From “push” to “pull”
- Centralised purchasing enhances purchasing power
- Direct purchasing from manufacturers (commodities, yarn, materials, ingredients)
- Product standardisation results in higher order quantities and better prices
- This purchasing strategy generates a significant saving potential
- Intensive production monitoring results in better quality standards

- Reorganisation of the purchasing offices
- Disposal of non-operating real estate
- Reduction of personnel at the headquarter
- Reduction of personnel costs in all departments
- Tight cost management
- Reduction of working capital
- Increase of cash flow
- Optimisation of capital costs
- Focus on debt reduction

- Efficient structuring of information in order to avoid or reduce risk potential
- Provide coherent information and create transparency
- Everyone has to grasp the strategy and positioning of Albion
- Simplification and stabilisation of all processes