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## **Aurora Fashions in Mosaic Brands Deal**

### **Karen Millen, Coast, Warehouse and Oasis Saved**

Aurora Fashions is the new name behind the famous international fashion brands Karen Millen, Coast, Warehouse and Oasis. Aurora is majority owned by Kaupthing Bank (the ongoing lenders) with the former management of Mosaic – who will lead the new group.

Management and Kaupthing Bank have agreed terms that secure the future of these four well-known fashion brands, restoring the group's balance sheet to a healthy position and providing additional working capital. The new funding package will also enable the brands to develop and realise their potential.

The four brands, Karen Millen, Coast, Warehouse and Oasis, will continue to share a common infrastructure and other essential functions that bring cost and operational synergies to the group as a whole.

Regarding the future of the other Mosaic businesses, there has been a sale process for Shoe Studio in place since January and negotiations are well advanced with several interested parties. Similarly for Principles, several bidders have emerged and it is hoped that Deloitte, who are running the process for both brands, will be able to update each business on a successful outcome within the next few days.

The management of Aurora look forward to an ongoing supportive relationship with its suppliers and other key partners who have been very loyal to all the Mosaic brands over the challenging past few months. Their continuing trust and confidence in the business creates a positive platform from which to build even stronger future relationships.

Aurora's four fashions brands are among the most respected and diversified in the sector, with 1,377 stores in 45 countries. The group employs 8,700 people worldwide, with 7,861 in the UK.

**Commenting, Derek Lovelock, Chief Executive of Aurora Fashions, said:**

“We are delighted that the future of some of the UK’s best loved fashion businesses has been safeguarded and that we can now build upon the excellent reputation our brands already have with our customers”.

“We look forward to our continuing relationship with Kaupthing and also to the end of what has been a difficult chapter in our history. Most of all I would like to thank all our employees and our many suppliers and partners for their understanding and unwavering support, especially over recent months whilst the situation was being resolved. I am acutely aware this was only made possible because of the long-term nature of the relationships we have with them. They have been incredibly supportive, for which we are immensely grateful and we look forward to continuing our relationship with them”.

“Our recent past has been difficult and is now behind us. From today we look forward to a new and exciting future as Aurora Fashions”.

**- Ends -**

**Notes to Editors**

Aurora Fashions owns, develops and manages the performance of some of the UK’s most respected women’s fashion brands – Karen Millen, Coast, Warehouse and Oasis, which are all aimed at the higher end of the market.

The group is focused on providing an environment that enables each individual brand to flourish independently, while optimising economies of scale by sharing a common infrastructure for operations, finance and senior management resource.

The store portfolio breaks down as follows:

	<b>UK</b>	<b>International</b>
<b>Karen Millen</b>	93	135
<b>Coast</b>	222	50
<b>Oasis</b>	272	172
<b>Warehouse</b>	320	113