

For Immediate Release, 1st March 2011

**Aurora Fashions
(Coast, Karen Millen, Oasis & Warehouse)
Changes to Organisational Structure
“....Independence for Karen Millen....”**

Aurora, the Group behind some of the UK's most respected women's fashion brands - Coast, Karen Millen, Oasis and Warehouse - announces that it proposes to establish Karen Millen as an independent company.

Under the plans announced today Karen Millen will be established as a separate company with Coast, Oasis and Warehouse continuing as part of the Aurora Fashions Group.

Karen Millen operates in 40 countries around the world with global retail sales¹ of circa £250 million and employs over 1,800 people. The company's international presence comprises both owned businesses and franchise partnerships.

Derek Lovelock, chairman of Aurora Fashions, will become Executive Chairman of Karen Millen, working with Joint Managing Directors Gemma Metheringham and Steve Price to continue the phenomenal growth story of this 30 year-old design-led business.

Commenting on the new structure, Derek Lovelock said: “Karen Millen is one of the great success stories of British fashion retailing. Our track record is testament to the brand's tremendous strengths, not least our signature international style and the passion for design and attention to detail that our customers love. Independence will give us the platform to accelerate our international expansion and to focus on the next stage of the Karen Millen journey. Our success, scale and ambitious growth plans mean that this is the next logical step.”

Gemma Metheringham and Steve Price, Joint Managing Directors of Karen Millen, added: “We have benefitted enormously from our position within the Aurora group, during which time Karen Millen has trebled in size and has been transformed from a small UK retailer to a truly global brand with circa 60 per cent of our sales from overseas. We have bold plans for our newly independent business, including opening flagship stores in Paris, Sydney, St Petersburg and Berlin this spring.”

The news follows last month's announcement by Aurora that it had restructured its support functions, including outsourcing IT and distribution to Retail Assist and WT respectively, to continue to provide all its brands with best-in-class support services.

Mike Shearwood, Chief Executive of Aurora Fashions, commented: “This is the continuation of Aurora's strategy to drive shareholder value by ensuring our brands are positioned for further growth. Karen Millen's global expansion means that its funding requirements are different to the rest of the group and this new structure is appropriate to meet the demands of both groups going forward. Coast, Oasis and Warehouse will focus on driving market share through meeting our customers' demands across all channels both in the UK and internationally.”

- ENDS -

¹ Global retail sales are the combined VAT-inclusive sales of owned, joint venture, franchise and wholesale stores, concessions and websites.

ENQUIRIES:

Company

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Notes to Editors

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

Aurora Fashions' brands are among the most recognised in the UK and internationally with 1,278 stores in 33 countries.

Aurora's store portfolio breaks down as follows:

UK / International

Coast 207 / 120

Oasis 253 / 242

Warehouse 306 / 150

Karen Millen – Karen Millen is an iconic fashion brand offering distinctive, affordable luxury to confident women, currently operating in 311 locations and 40 countries around the globe.

Karen Millen's store portfolio breaks down as follows:

UK / International

91 / 220

Flagships:

London, New York, Moscow, Dubai, Barcelona, L.A., Dusseldorf, St Petersburg

Coming soon: Paris, Sydney, Berlin

Website: <http://corporate.karenmillen.com>