

Alexon Group plc

Trading update – January 2005

Alexon Group plc announces that like-for-like sales for the 23 weeks ended 8th January 2005 were 1.7% down on the previous year, on stronger gross margins. We anticipate that operating profit before interest and goodwill amortisation for the year ending 29th January 2005 will be not less than £31.5m compared to a figure of £32.6m in the prior year (which benefited from a 53 week year). This is broadly in line with current consensus forecasts.

Like-for-like sales for the nine weeks ended 8th January 2005 were 2.9% down on the previous year. The pattern of trade was similar to last year with sluggish pre-Christmas sales being followed by a strong start to the Winter sale. There was a mixed performance across the Group's divisions -whereas Alexon Brands and Dolcis performed soundly, Menswear was soft and Bay Trading poor. Stock levels are well under control and in line with plan.

The results for the year ending 29th January 2005 will be announced on 4th April 2005.