

4th January 2007

Alexon Group plc

Trading update – 22 weeks ended 30th December 2006

Alexon Group plc announces that, following the disposal of Dolcis, like-for-like sales for the remainder of the Group for the 22 weeks ended 30th December 2006 were 4% down on the previous year. Margins were 1% lower, reflecting the need for greater markdown activity than in the prior year. As a consequence overall stock levels are in line with plan.

There was a mixed performance across the Group's divisions. Sales for Alexon Brands were 5% down like-for-like, on margins 2% lower. Whilst Eastex and Dash have performed well, poor range acceptability on Alex & Co and Minuet has resulted in aggressive markdowns in order to clear stock. Bay Trading sales were 2% down like-for-like, although the margins were stronger. Menswear like-for-like sales were 1% down, reflecting stronger trading in December, on margins level with the prior year.

We anticipate that operating profit before interest for the 52 weeks ending 27th January 2007 will be in line with market forecasts. The Preliminary Results are expected to be announced on 2nd April 2007.

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