



Mosaic Fashions hf

Press Release

11 March 2009

Mosaic Fashions hf.

Petition for bankruptcy proceedings

On 10th March 2009 Mosaic Fashions hf. was granted authorisation by the District Court of Reykjavík to enter into bankruptcy proceedings in accordance with Article 64 of Act no. 21/1991 on Bankruptcy, as the company is unable to fulfill its obligations towards its creditors in full when they fall due and it is not likely that the company's payment difficulties will be resolved within a short period of time. Mr. Jóhannes Karl Sveinsson, Supreme Court Attorney, was appointed trustee over the bankrupt estate.

Mosaic Fashions hf. had announced on 3 March 2009 that administrators had been appointed to Mosaic Fashions Limited, a subsidiary of Mosaic Fashions hf., together with certain subsidiaries including the UK companies which own the Karen Millen, Warehouse, Oasis, Coast, and Anoushka G, Principles and Shoe Studio brands (the "**UK Subsidiaries**"). The Karen Millen, Warehouse, Oasis, Coast and Anoushka G brands have since been sold to Aurora Fashions, Shoe Studio has been sold to Dune and certain of the Principles assets have been sold to Debenhams.

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Information on M Fashions hf is available on the company website at www.mosaic-fashions.co.uk

High resolution images are available for media to view and download on http://www.mosaic-fashions.co.uk/hi_res_images.php