



Press Release

5 March 2009

Mosaic Fashions hf. – Petition for bankruptcy proceedings

The Board of Directors of Mosaic Fashions hf. decided on 4th of March 2009, to file for bankruptcy proceedings in accordance with Article 64 of Act no. 21/1991 on Bankruptcy etc. 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. A petition for bankruptcy proceedings will be sent the District Court of Reykjavík in the next few days.

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 and Shoe Studio has been sold to Dune.

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Information on Mosaic 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