



## PRESS RELEASE

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### **Fashionistas flock to McArthurGlen designer outlets despite credit crunch**

Sales figures released today prove the nation will not compromise on style and designer labels during the credit crunch. McArthurGlen UK, a leader in UK designer outlet retailing, has reaped a 3% sales uplift for the period January to June 2008. Their promise – to offer up to 70% savings off well-loved designer brands such as Armani Collection, Burberry, Calvin Klein, Hugo Boss, Lacoste, Mulberry, Nike and Ted Baker – is clearly resonating with fashionistas who still demand style when times are tight.

Well-known shopping centres and well-trodden high streets across the nation continue to report poor sales and cuts in staff as inflated food and fuel costs significantly impact their sales<sup>1</sup>. McArthurGlen UK, however, is out-performing the market and attributes this success to consistently high-quality product offerings at fantastic prices.

Since McArthurGlen made its debut in the UK in 1995, it has steadily built a reputation among fashionistas for fantastic quality labels at a fantastic saving. During January to June 2008, sales of its designer collections saw an uplift of 19%, with the average spend per customer increasing by over 7%. One of its seven designer outlets in Swindon recorded a 47% sales uplift of its highest designer collection, proving that women in the South of England are least likely to compromise on their labels during the credit crunch.

In the Midlands, the Cheshire Oaks Designer Outlet – the largest designer outlet in the UK boasting over 140 stores – witnessed a sales uplift of 29% on designer collections over the same period last year. Value of an average transaction increased by 12% and footfall grew by 7%. Robust sales growth shows that the opening of nearby retail development, Liverpool ONE, has had no impact on business and is a clear reflection of the strength of the premium brand discount offer at the designer outlet that includes: Polo Ralph Lauren, Mulberry, Calvin Klein, Burberry and Ted Baker.

Over recent years McArthurGlen UK has focused on building partnerships with more premium brands and designer labels as part of its strategy to improve the brand mix of its designer outlets. Consumers are offered savings of up to 70% on designer labels; a factor that maintains the strength of the proposition and offsets inflated fuel prices for those consumers who still need to drive.

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Henrik Madsen, McArthurGlen's UK Regional Director, comments: "Our sales figures are very encouraging, particularly as we enter a period of great uncertainty for retail. The behaviour of our customers reflects an overall shift in consumer shopping habits – people don't want to sacrifice their favourite brands despite the credit crunch so they are looking at ways to make their money go further. Overall, a more savvy consumer is seeking out designer label bargains and has a good understanding of the outlet proposition, where savings of up to 70% allow consumers to buy their favourite and trusted designer labels for less."

McArthurGlen currently houses over 650 individual stores in the UK including leading brands: Armani Collection, Burberry, Calvin Klein, Hugo Boss, Lacoste, Mulberry, Nike and Ted Baker. The seven UK outlets are located at Ashford, Bridgend, Cheshire Oaks, East Midlands, Livingston, Swindon and York.

*<sup>1</sup> Research by Populus shows that high fuel costs are responsible for over two thirds of drivers cutting the number of journeys they make by car including journeys to local shops and out of town retail parks (25 June 2008).*

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