

MOSS BROS GROUP PLC
Pre-close statement

Moss Bros Group Plc, the UK men's fashion retailer, today reports on trading ahead of entering a close period for the half year ending 29 July 2006.

In line with general trends experienced in the menswear retail sector, the first six months of the year were challenging; and were particularly affected by unusual weather conditions and the Football World Cup.

Sales for the 26 weeks increased by 1.6% on last year but like for like sales were down -0.75%. The fall in like for like sales followed seven consecutive half year periods of like for like sales growth. Retail gross profit margin for the half was up +0.3% to 53.4%

Due to significant increases in property and utility costs, fixed costs were up 6.6% lfl. Controllable costs were down 0.1% lfl. The increase in fixed costs has a disproportionately larger effect on the profits for the first half of the year which has significantly lower sales than the second half.

The average cash balance increased by £1.6 million from £6.8 million to £8.4 million. The closing cash balance was £10.5million. After adjusting for new stores the stock was level on last year and the stock age profile has not deteriorated.

Philip Mountford, Chief Executive, commented:

'The Company has reacted well to the challenging retail environment, but the effect of the World Cup and the unusual weather has impacted on trading throughout June and July. Prior to the World Cup, the business achieved positive comparable sales of +1.6%. The World Cup cost the business £1.1million in lost sales.

The management expects that the Company will have a stronger second half and remains focused on continuing to expand the core Moss fascia. Nine new stores were opened during the first half and initial performance is encouraging.'

The announcement of the Company's half-year results will be made on 12th October 2006.

For further information:

Philip Mountford
Chief Executive

Andrew Barclay
Head of Marketing

020 7447 7394