

Registered number 04090218

BMB Group Limited
Annual report and consolidated financial statements
for the year ended 30 January 2010

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BMB Group Limited

Annual report and consolidated financial statements for the year ended 30 January 2010

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Directors' report for the year ended 30 January 2010

The directors present their report and the audited consolidated financial statements of the company and the group for the year ended 30 January 2010

Principal activities

The group's principal activities are concession retailing and wholesaling of men's formalwear and casual wear operating from locations within the UK, USA, Eire, Germany, Italy, Channel Islands, Isle of Man, Belgium and Bermuda. The results of all of these operations are incorporated within these financial statements.

Business review

The group's loss for the year was £437,000 (10 months ended 31 January 2009: a loss of £408,000) with turnover of £78,790,000 (10 months ended 31 January 2009: £71,344,000).

BMB Clothing Limited's loss for the year before dividends was £501,000 (10 months ended 31 January 2009: a loss of £357,000) with sales of £76,320,000 (10 months ended 31 January 2009: £69,044,000). The directors do not recommend the payment of a dividend (10 months ended 31 January 2009: £nil).

The UK retail market remained difficult during the year as the general economy was in recession. High levels of discounting activity continued throughout the year in order to support sales levels. Despite discounting, gross margin for the year increased to 33.8% (10 months ended 31 January 2009: 32.0%). The group's UK retail sales declined by 9.0% compared to the previous year on a like for like basis.

During the year the group increased the number of own stores by eight and the number concessions within House of Fraser by twenty one. During the year the company obtained exclusive rights to utilise the Ben Sherman brand for sales of formalwear in the UK, with selling channels through both wholesale and retail.

Key performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. The key financial performance indicators are turnover, gross profit and margin.

In common with most major retailers, the KPIs of turnover, gross profit and margin are monitored regularly, by individual store and by product type. The importance of the company's electronic point of sale (EPOS) systems is paramount in the capture and analysis of this data. This enables the retail offer to be aligned to the local market in order to maximise gross profit. The same KPIs are used to monitor the wholesale division.

The key performance indicators for the company for the year ended 30 January 2010, with comparatives for the preceding period are set out below:

	Year ended 30 January 2010	10 months ended 31 January 2009
Turnover (excluding vat) (£m)	78.8	71.3
Gross profit (£m)	26.7	22.8
Gross margin (%)	33.8%	32.0%
Average stock turn (weeks)	17	16

BMB Group Limited

Directors' report for the year ended 30 January 2010 (continued)

Future developments

The group continues to grow organically by increasing the number of own stores within designer outlet centres trading under the Jeff Banks Fascia. The company continues to develop its concession business. New concessions were opened in line with Debenhams' store opening programme and new concessions have been opened in House of Fraser on both formalwear and casual wear.

In addition, the group continues to seek new business opportunities that are compatible with its key competences as a menswear wholesaler and retailer.

The group will continue to invest in the development of its internet business. A dedicated internet business division has been established to develop the company's current web offer for brands that include Racing Green, Baracuta and Suits You.

The group's wholesale business continues to grow. During the year a licence agreement was signed for formalwear with Ben Sherman.

Post balance sheet events

Subsequent to the year end date, the group agreed a new three year asset based debt facility with GE Capital Finance replacing similar facilities previously provided by GMAC Commercial Finance. Further details are provided in the notes to the financial statements (note 28).

On 31 July 2010 the company acquired Worth Valley Menswear Limited from Melka Trading Limited, a fellow group company, for £1. The trade and assets of Worth Valley Menswear Limited were acquired by the company on this date. Net liabilities on acquisition of Worth Valley Menswear Limited were £298k.

Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to the general economy in which it trades, the success of the host stores within which it trades, continuity of supply of product at required margins, retention of trained employees and continual increases in employment and host store costs. The group works closely with its suppliers and customers to minimise these risks and has a policy of minimising the reliance on any one customer. The group also has a policy of maintaining a wide variety of brands, all positioned differently in the market, to suit a wide variety of customers' requirements, allowing a diversity of customers without conflicts and aimed at reducing risk.

The group has implemented Human Resource strategies to support the development of people including team briefings and the performance review process across all locations. This has led to tangible benefits both in terms of reduced employee turnover, improved employee retention, increased positive feedback from employees, via an Employee Audit, and the achievement of the Investors in People award across the retail division and the Goole and Hartlepool sites.

Our people management strategies are designed to ensure that everyone has appropriate and fair access to the support they need and there is equality of opportunity for people to learn and develop in order to improve their performance.

BMB Group Limited

Directors' report for the year ended 30 January 2010 (continued)

Principal risks and uncertainties (Continued)

BMB Clothing Limited in its retail division has implemented an internal training scheme, called Passport to Success, which has been recognised by the National Training Awards. This training has led to a significant decrease in labour turnover in the Retail division since its inception in 1999 by over 25%. Passport to Success has also been rolled out to the warehouse operations in Hartlepool and Goole warehouse sites.

Financial risk management and policies

The group's operations expose it to a variety of financial risks that include the effects of changes in exchange rates, credit risk and liquidity risk. The group manages these risks and seeks to limit the adverse effects on the financial performance of the company. Exchange risks are controlled by monitoring levels of currency requirements and, where risks are considered material, rates are protected using foreign exchange forward contracts. Credit risks are controlled through a credit assessment procedure on all new customers and the close monitoring of payments by existing customers. Liquidity risks are controlled by a policy of balancing payment terms with stock holding and debtor terms where applicable and regular forecasting is undertaken to establish the future adequacy of its finance facilities. In addition the group is exposed to interest rate risks. The group continues to monitor the future effects of rate changes and to date these risks have not been considered material and no specific actions have been taken.

The group has a risk management assessment program which seeks to identify and address major commercial and financial risks.

Charitable donations

During the period the group made charitable donations to various local and national charities amounting to £1,250 (10 months ended 31 January 2009 £2,075).

Results and dividends

The group's loss for the period before dividends is £437,000 (10 months ended 31 January 2009 a loss of £408,000). The directors do not recommend payment of a final dividend.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements are given below.

Peter Lucas

Mark MS Cotter

Dr Alaa Arafa (resigned 11 June 2009)

Aristide Guzzetti (resigned 11 June 2009)

Catherine S Thompson (resigned 11 June 2009)

Saher El Far (resigned 11 June 2009)

Hala Hashem (resigned 11 June 2009)

Richard N Paul (appointed 16 April 2009)

Baird Group Limited (appointed 11 June 2009)

BMB Group Limited

Directors' report for the year ended 30 January 2010 (continued)

Disabled employees

The group is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the group continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Employees involvement

The group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the group plays a major role in maintaining its future performance. The group encourages the involvement of employees by means of an employee audit, regular update meetings and communication to the retail teams through 'team talk'.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whenever applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Directors' report for the year ended 30 January 2010 (continued)

Disclosure of information to auditors

The directors are also required to provide the company's auditors with all relevant audit information to enable them to complete their audit. So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

On behalf of the Board



R N Paul

Director

21 October 2010

BMB Group Limited

Independent auditors' report to the members of BMB Group Limited

We have audited the group and parent company financial statements of BMB Group Limited for the year ended 30 January 2010 which comprise the consolidated profit and loss account, the statement of group total recognised gains and losses, the group and company balance sheets, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group and company's affairs as at 30 January 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BMB Group Limited

Independent auditors' report to the members of BMB Group Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Ian Morrison

Ian Morrison (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
21 October 2010

BMB Group Limited

Consolidated profit and loss account for the year ended 30 January 2010

		Year ended 30 January 2010			10 month period ended 31 January 2009		
		Before exceptional items £'000	Exceptional items (note 7) £'000	Total £'000	Before exceptional items £'000	Exceptional items (note 7) £'000	Total £'000
	Note						
Turnover							
Continuing operations	1	78,790	-	78,790	71,344	-	71,344
Cost of sales		(52,138)	-	(52,138)	(48,531)	-	(48,531)
Gross profit		26,652	-	26,652	22,813	-	22 813
Distribution costs		(20,673)	(101)	(20,774)	(17,225)	(142)	(17,367)
Administrative expenses		(8,581)	(103)	(8,684)	(7,478)	(351)	(7,829)
Other operating income		2,435	-	2,435	2,764	-	2 764
Operating (loss)/profit	2	(167)	(204)	(371)	874	(493)	381
Interest receivable and similar income		2	-	2	36	-	36
Interest payable and similar charges	6	(533)	-	(533)	(884)	-	(884)
Other finance (expense)/income	20	(201)	-	(201)	24	-	24
Loss on ordinary activities before taxation		(899)	(204)	(1,103)	50	(493)	(443)
Tax on loss on ordinary activities	8			666			35
Sustained loss for the financial period	22			(437)			(408)

All items dealt with in arriving at operating profit above relate to continuing operations

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents

BMB Group Limited

Statement of group total recognised gains and losses for the year ended 30 January 2010

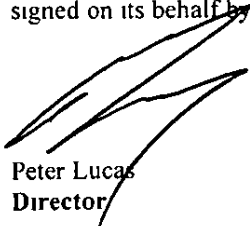
	Note	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Loss for the financial year/period		(437)	(408)
Exchange adjustments offset in reserves	22	(7)	(36)
Actuarial loss recognised in the pension scheme	20	(2,606)	(3,680)
Movement on deferred tax relating to pension liability	19	730	1,030
Total recognised losses for the year/period		(2,320)	(3,094)

BMB Group Limited

Balance sheets as at 30 January 2010

	Note	Group 2010 £'000	Company 2010 £'000	Group 2009 £'000	Company 2009 £'000
Fixed assets					
Intangible assets	11	2,104	-	2,248	-
Tangible assets	12	3,342	-	3,302	-
Investments	13	-	44	-	44
		5,446	44	5,550	44
Current assets					
Stocks	14	16,659	-	17,667	-
Debtors - amounts falling due within one year	15	25,612	1,078	10,137	793
Cash at bank and in hand		103	-	273	-
		42,374	1,078	28,077	793
Creditors - amounts falling due within one year	16	(46,003)	(679)	(21,638)	(252)
Net current (liabilities)/assets		(3,629)	399	6,439	541
Total assets less current liabilities		1,817	443	11,989	585
Creditors - amounts falling due after more than one year	17	(22)	-	(9,207)	-
Provision for liabilities	19	-	-	(326)	-
Net assets excluding pension deficit		1,795	443	2,456	585
Pension deficit	20	(4,615)	-	(2,956)	-
Net (liabilities)/assets including pension deficit		(2,820)	443	(500)	585
Capital and reserves					
Called up share capital	21	1	1	1	1
Profit and loss reserve	22	(2,821)	442	(501)	584
Total shareholders' (deficit)/funds	23	(2,820)	443	(500)	585

The financial statements on pages 8 to 40 were approved by the board of directors on 21 October 2010 and were signed on its behalf by


Peter Lucas
Director

Registered number: 04090218

BMB Group Limited

Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which the directors have adopted within that convention, are set out below.

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Al Arafa for Investments and Consultancies SAE ('Arafa').

The directors have received confirmation that Arafa intend to support the company for at least one year after these financial statements are signed.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and all its subsidiary undertakings made up to 30 January 2010. The results of subsidiaries sold or acquired are included in the consolidated profit and loss account up to, or from, the date control passes. Intra-group sales and profits are eliminated fully on consolidation. All acquisitions are accounted for using acquisition accounting. Uniform accounting policies have been applied across the group.

Cash flow statement

The company is a wholly owned subsidiary of Baird Group Limited and is included in the consolidated financial statements of Baird Group Limited, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996).

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost, together with any incidental expenses of acquisition, less accumulated depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual value, on a straight line basis over their estimated economic lives. The estimated economic lives used for this purpose are:

Short leasehold properties	10 years or over the lease term
Plant and machinery	4 to 10 years
Fixtures and fittings	3 to 10 years

The carrying values of fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Any impairment in the value of fixed assets is dealt with in the profit and loss account in the period in which it arises.

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Accounting policies (continued)

Goodwill

Goodwill arising on acquisition of subsidiary undertakings and businesses represents the difference between the fair value of the assets acquired and the fair value of the consideration given plus associated acquisition costs. Goodwill is capitalised and amortised through the profit and loss account over its useful economic life which is normally up to 20 years.

Goodwill is reviewed for impairment at the end of the first full year after acquisition and in other years if events or changes in circumstances indicate the carrying value may not be recoverable. Any impairment assessed is charged to the profit and loss account.

Provisions

Provisions are recognised when the company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying current economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted where necessary to represent the best current estimate.

Intangible assets

Purchased intangible assets are capitalised at original purchase cost, together with any incidental expenses of acquisition. These assets are amortised through the profit and loss account over the shorter of 10 years and the useful economic life.

Investments in subsidiary undertakings

The cost of investments in subsidiary undertakings is recorded as cash paid and any further costs connected with the acquisition. Provision is made where necessary to reduce the carrying value of an investment to its estimated recoverable amount where in the opinion of the directors there has been impairment.

Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currency are translated at the agreed contractual rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

For consolidation purposes the assets and liabilities of overseas subsidiaries are translated at the rates ruling at the balance sheet date. Profit and loss accounts of such undertakings are consolidated at the average rates of exchange during the year. Exchange differences arising on these translations are taken to reserves.

Leases

Leasing agreements and hire purchase contracts which transfer to the company substantially all the benefits and risks of ownership of an asset ("finance leases") are treated as if the asset had been purchased outright. Assets held under such agreements are included in fixed assets and the capital element of commitments is shown as obligations under finance leases. Payments under such agreements are treated as consisting of capital and interest elements. The interest element is charged to the profit and loss account over the primary lease period in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

All other leases are treated as operating leases, the costs of which are charged on a straight line basis over the lease term.

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Accounting policies (continued)

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on an average cost basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and an appropriate proportion of production overheads based on the normal level of activity. Net realisable value is based on estimated selling price less further costs to be incurred to completion and disposal. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

Pensions

The group and the company operate a defined benefit pension scheme for the benefit of certain of its employees, the assets of which are held separately from those of the company in independently administered funds. The fund is valued every three years by a professionally qualified actuary, the rates of contribution being determined by the actuary. Following the full adoption of FRS 17, the regular service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service are charged to operating profit in the year.

A credit representing the expected return on the assets of the scheme during the year is included within other finance costs. This is based on the market value of the assets of the scheme at the start of the financial year. A charge within other finance charges represents the expected increase in liabilities of the scheme during the year. This arises from the liabilities of the scheme being one year closer to payment.

The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet net of deferred tax. Differences between actual and expected returns on assets are recognised in the statement of total recognised gains and losses in the year, together with differences arising from changes in assumptions and experience gains and losses.

The group also operates a defined contribution pension scheme which employees are eligible to join after completing three months service. The costs relating to this scheme are charged to the profit and loss account as they fall due.

Contributions are also made to the personal pension plans of certain employees. The expenditure is charged to the profit and loss account as incurred.

Post-retirement benefits

The company provides no other post-retirement benefits to its employees.

Turnover

Turnover comprises the invoiced value of goods and services supplied to third parties, before concession fees and excluding value added tax and trade discounts and commissions and other amounts receivable in return for performance under contractual arrangements. Turnover is recognised once the title of the relevant goods has passed or services have been performed. Certain wholesale sales are made under retention of title until payment is received.

BMB Group Limited

Accounting policies (continued)

Taxation

The charge for taxation is based on the results for the period. In accordance with FRS 19, deferred taxation has been recognised as a liability or asset if transactions have occurred by the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Receivables financing

The gross amount of trade debtors is shown in the balance sheet within assets with a corresponding liability in respect of proceeds received from the financing company shown within liabilities. Interest and charges have been accrued and included within the profit and loss account.

Borrowings

All borrowings are initially stated at the fair value of the consideration received after deduction of issue costs. Issue costs together with finance costs are charged to the profit and loss account on a straight line basis over the term of the borrowings.

Deferred consideration

Deferred consideration is discounted to present value and the unwinding of the discount is charged to interest through the profit and loss account.

Other operating income

Other operating income comprises recharge income receivable for management services from fellow group undertakings.

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Notes to the financial statements for the year ended 30 January 2010

1 Segmental reporting

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Geographical analysis of turnover by destination*		
United Kingdom	72,473	65,731
Rest of Europe	3,305	2,876
Far East	120	385
North America	2,278	2,129
Rest of the World	614	223
	78,790	71,344
	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Business activity analysis:		
Wholesale	8,885	8,691
Retail	69,905	62,653
	78,790	71,344

Analyses by business are based on the group's management structure. Turnover between segments is immaterial. Geographical analysis is based on the country in which the customer is located.

Net assets and net profit per segment have not been disclosed in the financial statements as the group utilises the same assets and cost base for all business and geographic segments of the group.

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Notes to the financial statements for the year ended 30 January 2010 (continued)

2 Operating (loss)/profit

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Operating (loss)/profit is stated after charging:		
Depreciation of tangible fixed assets		
- owned assets	990	834
- leased assets	137	161
Amortisation of goodwill	139	106
Amortisation of other intangible assets	5	8
Operating lease charges		
- plant and machinery	368	322
- other	1,687	1,280
Loss on disposal of fixed assets	48	25
Foreign exchange loss	177	113
Services provided by the company's auditor		
- fees payable for the audit	5	5
- fees payable for other services auditing of accounts of subsidiaries	55	65
- fees payable for other services taxation	43	20

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Notes to the financial statements for the year ended 30 January 2010 (continued)

3 Directors' emoluments

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Aggregate emoluments	1,132	861
Company contributions to money purchase pension schemes	20	17
Compensation for loss of office	98	-
Sums paid to third parties for directors' services	75	75
	1,325	953

Retirement benefits are accruing to one (10 months ended 31 January 2009 one) director under a defined benefit pension scheme Two directors (10 months ended 31 January 2009 two) have retirement benefits accruing under a money purchase pension scheme

Highest paid director	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Aggregate emoluments	575	472

4 Employee costs

	Year ended 30 January 2010		10 month period ended 31 January 2009	
	Group £'000	Company £'000	Group £'000	Company £'000
Wages and salaries	18,130	1,333	15,568	972
Social security costs	1,598	179	1,343	120
Other pensions costs (note 20)	967	98	816	72
Staff costs	20,695	1,610	17,727	1,164

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Notes to the financial statements for the year ended 30 January 2010 (continued)

5 Employee information

The average monthly number of persons employed by the group and company during the year was

By activity	Year ended 30 January 2010		10 month period ended 31 January 2009	
	Group Number	Company Number	Group Number	Company Number
Production	21	-	34	-
Distribution	911	-	914	-
Administration	154	6	165	5
	1,086	6	1,113	5

6 Interest payable and similar charges

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Interest payable on bank loans, overdrafts and amounts owed in respect of receivables financing	387	737
Other interest payable	-	41
Interest payable on finance leases	23	25
Debt administration costs	123	81
	533	884

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Notes to the financial statements for the year ended 30 January 2010 (continued)

7. Exceptional items

2010	Distribution costs £'000	Administrative expenses £'000	Total £'000
Redundancy and other costs in respect of a reorganisation of the business	(101)	(103)	(204)

2009	Distribution costs £'000	Administrative expenses £'000	Total £'000
Write down of current asset investment	-	(100)	(100)
Redundancy and other costs in respect of a reorganisation of the business	(142)	(251)	(393)
	(142)	(351)	(493)

During the year the business incurred redundancy costs associated with reorganisation and relocation costs of the wholesale sales teams from Borehamwood to Leeds

During the previous year the business was reorganised into two reporting divisions covering the wholesale and retail operations of the company. As a result, a number of positions were made redundant within the central business support functions

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Notes to the financial statements for the year ended 30 January 2010 (continued)

8 Tax on loss on ordinary activities

The taxation charge based on the loss before tax comprises

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Current tax:		
Adjustment in respect of previous periods	(4)	65
Total current tax charge	(4)	65
Deferred tax:		
Accelerated capital allowances and other timing differences	(746)	(235)
Pension cost relief in excess of pension charge	84	135
Total deferred tax (note 19)	(662)	(100)
Tax on loss on ordinary activities	(666)	(35)

The tax assessed for the year is higher (10 months period ended 31 January 2009 higher) than the standard rate of corporation tax in the UK (28%) (2009 28%) The differences are explained below

	Year ended 30 January 2010 £'000	10 month period ended 31 January 2009 £'000
Loss on ordinary activities before taxation	(1,103)	(443)
Loss on ordinary activities multiplied by the standard rate in the UK of 28% (31 January 2009 28%)	(309)	(124)
Effects of		
Expenses not deductible for tax purposes	80	(65)
Pension cost relief in excess of pension charge (note 19)	(84)	(135)
Overseas losses utilised	(39)	-
Capital allowances in excess of depreciation	717	388
Utilisation of losses brought forward	(365)	(64)
Adjustment to tax charge in respect of previous period	(4)	65
Current tax charge for the year/period	(4)	65

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

8 Tax on loss on ordinary activities (continued)

Deferred taxation liabilities and assets have not been discounted

A number of changes to the UK Corporation tax system were announced in the June 2010 budget statement. The Finance Act (No 2) 2010 is expected to include legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by April 2014.

The changes had not been substantially enacted at the balance sheet date and, therefore, are not included in these financial statements.

9 Result for the financial year

As permitted by section 408 of the Companies Act 2006, the parent company's profit and loss account has not been disclosed in these financial statements. The parent company's loss for the year was £142,000 (10 month period ended 31 January 2009: loss of £136,000).

10 Dividends

No dividends were paid in the year ending 31 January 2010 (10 month period ended 31 January 2009: £nil).

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

11 Intangible assets

The company has no intangible fixed assets. Details relating to the group are

	Brand trade marks	Goodwill	Total
	£'000	£'000	£'000
Cost			
At 1 February 2009 and 30 January 2010	112	2,628	2,740
Accumulated amortisation			
At 1 February 2009	42	450	492
Charge for the year	5	139	144
At 30 January 2010	47	589	636
Net book amount			
At 30 January 2010	65	2,039	2,104
At 31 January 2009	70	2,178	2,248

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

12 Tangible assets

The company has no tangible fixed assets. Details of those relating to the group are as follows:

	Short leasehold properties £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost				
At 1 February 2009	909	4,299	8,135	13,343
Exchange adjustments	-	-	(51)	(51)
Additions	-	129	1,097	1,226
Disposals	-	-	(189)	(189)
At 30 January 2010	909	4,428	8,992	14,329
Accumulated depreciation				
At 1 February 2009	320	3,755	5,966	10,041
Exchange adjustments	-	-	(40)	(40)
Charge for the year	61	219	847	1,127
Disposals	-	-	(141)	(141)
At 30 January 2010	381	3,974	6,632	10,987
Net book amount				
At 30 January 2010	528	454	2,360	3,342
At 31 January 2009	589	544	2,169	3,302

The net book value of tangible fixed assets includes an amount of £463,000 (31 January 2009: £385,000) in respect of assets held under finance leases.

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

13 Investments

Company

Investments represent the cost of investments in subsidiary companies as follows

Cost and net book value	Shares in group undertakings £
At 1 February 2009	43,654
At 30 January 2010	43,654

Name of undertaking	Country of incorporation and operation	Principal activity	Proportion of ordinary issued shares held	
			Group %	Company %
Shares in group undertakings:				
BMB Clothing Limited	England and Wales	Concession retailer and wholesaler	100%	100%
BMB Retail Limited	England and Wales	Dormant	100%	100%
Melka Trading Limited	England and Wales	Wholesaler	10%	10%
Alexandre of England 1988 Limited	England and Wales	Dormant	100%	-
Alexandre London Inc	USA	Concession retailer	100%	-
Addison & Steele Tailoring Limited (formerly	England and Wales	Visiting tailor	100%	100%

The directors believe that the carrying value of the investments is supported by their underlying net assets

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

14 Stocks

	30 January 2010 £'000	31 January 2009 £'000
Raw materials and consumables	40	320
Finished goods and goods for resale	16,619	17,347
	16,659	17,667

In the opinion of the directors the replacement value of stock does not differ materially from the book value
The company has no stocks

15 Debtors

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Amounts falling due within one year:				
Trade debtors	4,671	-	8,368	-
Amounts owed by group undertakings	16,422	705	-	675
Other debtors	2,423	25	784	118
Prepayments and accrued income	1,026	-	661	-
Deferred tax asset (note 19)	1,070	348	324	-
	25,612	1,078	10,137	793

The trade debtors are assigned to a financing company (note 18)

The amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

16 Creditors - amounts falling due within one year

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Bank overdrafts and amounts owed in respect of receivables financing (note 18)	16,017	522	3,972	140
Trade creditors	4,517	-	14,343	-
Amounts owed to group undertakings	20,330	20	-	-
Finance leases (note 18)	122	-	163	-
Taxation and social security	2,043	48	1,304	68
Other creditors	70	-	96	10
Shareholder loans (note 18)	300	-	500	-
Accruals and deferred income	2,592	89	1,248	34
Corporation tax	12	-	12	-
	46,003	679	21,638	252

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

17 Creditors - amounts falling due after more than one year

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Bank loans (note 18)	-	-	9,066	-
Finance leases (note 18)	22	-	141	-
	22	-	9,207	-

18 Loans and other borrowings

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Bank overdrafts and amounts owed in respect of receivables financing	16,017	522	3,972	140
Bank loans	-	-	9,066	-
Shareholder loan	300	-	500	-
Finance leases	144	-	304	-
	16,461	522	13,842	140
Maturity of debt				
Less than one year	16,439	522	4,635	140
In more than one year, but not more than two years	22	-	127	-
In more than two years, but not more than five years	-	-	9,080	-
In more than five years	-	-	-	-
	16,461	522	13,842	140

Bank overdrafts are repayable on demand and amounts owed in respect of receivable financing are repayable within 90 days of the invoice

Bank loans, overdrafts and amounts owed in respect of receivables financing are secured by a cross guarantee arrangement which created a first priority fixed and floating charge over the undertakings and assets of the company and all its subsidiaries. Interest is charged at rates from 1% over LIBOR for currency overdrafts and from 1% over Barclays Bank plc base rate for sterling overdrafts. Interest on bank loans was charged at 2.5% over base rate. Overdraft facilities are secured by a second priority fixed and floating charge over the undertakings and assets of the company and all its subsidiaries.

Post the year end date, the company agreed a new three year asset based debt facility with GE Capital Finance replacing the above facility with GMAC Commercial Finance. Further details are provided in note 28.

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

18 Loans and other borrowings (continued)

On 31 July 2008, Peter Lucas, a director and shareholder of BMB Group Limited, made a loan to the company of £1,000,000. The loan attracted interest at LIBOR plus 2%, payable on a monthly basis. As at 30 January 2010, the remaining loan balance was £300,000 (30 January 2009: £500,000).

Finance leases

Future minimum payments under finance leases are as follows:

	30 January 2010 £'000	31 January 2009 £'000
Less than one year	127	197
Later than one year, but not more than five years	23	132
	150	329
Future finance charges on finance leases	(6)	(25)
Present value of finance lease liabilities	144	304

The company has no liabilities under finance leases.

The group makes certain purchases from suppliers in US dollars. The associated transaction risk is managed by entering into forward currency contracts and options for the purchase of currency. As at 30 January 2010, the group had outstanding currency exchange forward contracts to purchase a total of US \$9.8m (31 January 2009: US \$11.5m) and to sell a total of Euro €nil (2009: €0.2m). At 30 January 2010 the group had open forward currency contracts used to hedge future exposures to foreign currency risk. At 30 January 2010, the value of these contracts amounted to a liability of £121,000 (31 January 2009: liability of £1,066,000).

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

19 Provisions for liabilities

a) Provisions for liabilities

Group	Restructuring provision £'000
At 1 February 2009	326
Utilised during the year	(326)
At 30 January 2010	-

b) Deferred tax asset

	Group £'000	Company £'000
At 1 February 2009	324	-
Charged to the profit and loss account	746	348
At 30 January 2010	1,070	348

The deferred tax asset is disclosed within debtors (note 15)

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

19 Provisions for liabilities (continued)

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Provision for deferred tax comprises:				
Accelerated capital allowances	(575)	-	(308)	-
Trading losses	(479)	(348)	-	-
Other short term timing differences	(16)	-	(16)	-
	(1,070)	(348)	(324)	-

Deferred tax movements in respect of the pension scheme are as follows

	Group 30 January 2010 £'000	Group 31 January 2009 £'000
Deferred tax asset relating to pension deficit		
Opening deferred tax asset	1,149	254
Charged to profit and loss account (note 8)	(84)	(135)
Credited to statement of total recognised gains and losses	730	1,030
Closing deferred tax asset (note 20)	1,795	1,149

The deferred tax asset of £1,795,000 (31 January 2009 £1,149,000) has been deducted in arriving at the net pension deficit on the balance sheet

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

20 Pension liability

The group operates a defined benefit scheme with assets held in a separately administered fund. In addition, some employees are members of a defined contribution scheme.

Defined benefit scheme

The defined benefit scheme is called the BMB Group Pension Scheme. The pension cost in relation to the BMB Group Pension Scheme is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. The latest actuarial valuation of the scheme was performed as at 31 March 2007. The main actuarial assumptions used were that the rate of return on investments would be 6% per annum, the rate of salary increase would be 4.0% per annum and the assumed rate of price inflation was 3.25% per annum.

At the date of the valuation, the market value of the assets of the scheme was £16.28million and was sufficient to cover 85% of the benefits that had accrued to members, after allowing for future increases in earnings. The group has made additional contributions of £403,200 in the year to 30 January 2010 and has agreed to continue to make additional contributions of £403,200 per annum to fund the deficit by 31 March 2017.

The results of the valuation were updated to 30 January 2010 in accordance with FRS 17 by a qualified actuary. The major assumptions used by the actuary were:

	30 January 2010	31 January 2009	31 March 2008
Rate of increase in pensionable salaries	4.0%	4.0%	4.85%
Pension increases	3.5%	3.5%	3.6%
Discount rate	5.6%	6.7%	6.9%
Inflation assumption	3.5%	3.5%	3.6%

The mortality assumptions used were as follows:

	30 January 2010	31 January 2009	31 March 2008
	Years	Years	Years
Longevity at age 65 for current pensioners			
- Men	22.1	22.0	22.0
- Women	25.0	24.9	24.8
Longevity at age 65 for future pensioners			
- Men	23.2	23.1	23.1
- Women	26.0	25.9	25.9

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

20 Pension liability (continued)

The assets in the scheme and the expected rates of return were

	Long term rate of return expected at 30 January 2010 %	Value at 30 January 2010 £'000	Long term rate of return expected at 31 January 2009 %	Value at 31 January 2009 £'000	Long term rate of return expected at 31 March 2008 %	Value at 31 March 2008 £'000
Equities	8.0%	13,584	7.5%	11,183	7.5%	13,208
Other assets	4.9%	3,723	5.5%	2,817	6.9%	2,852
Total market value of assets		17,307		14,000		16,060
Present value of scheme liabilities		(23,717)		(18,105)		(16,965)
Deficit in scheme		(6,410)		(4,105)		(905)
Related deferred tax asset		1,795		1,149		254
Net pension deficit		(4,615)		(2,956)		(651)

Reconciliation of the present value of the scheme liabilities

	30 January 2010 £'000	31 January 2009 £'000
At the start of the year/period	18,105	16,965
Current service cost	366	262
Contributions by plan participants	93	89
Interest cost	1,208	977
Benefits paid	(621)	(660)
Actuarial loss	4,566	472
At the end of the year/period	23,717	18,105

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

20 Pension liability (continued)

Sensitivity analysis of scheme liabilities:

	Change in assumptions	Impact on scheme liabilities
Discount rate	- 0.1%	+ 2.0%
Rate of inflation	+ 0.1%	+ 1.8%
Rate of increase in salaries	+ 1.0%	+ 1.2%
Rate of increase in pensions in payment	+ 0.1%	+ 1.4%
Mortality	+ 1 year	+ 2.7%

Reconciliation of the fair value of scheme assets

	30 January 2010 £'000	31 January 2009 £'000
At the start of the year/period	14,000	16,060
Expected return on scheme assets	1,007	1,001
Contributions by plan participants	93	89
Contributions paid by the employer	868	717
Benefits paid	(621)	(660)
Actuarial gain/(loss)	1,960	(3,207)
At the end of the year/period	17,307	14,000

Scheme assets do not include any of BMB Clothing Limited's own financial instruments, or any property occupied by BMB Clothing Limited

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

The actual return on scheme assets in the year was £2.9million (2009: a loss of £2.2million).

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

20 Pension liability (continued)

Analysis of amount charged to administrative expenses in respect of the defined benefit scheme:

	30 January 2010 £'000	31 January 2009 £'000
Operating (loss)/profit		
Current service cost	366	262
	366	262

Analysis of amount credited/(charged) to other finance income:

	30 January 2010 £'000	31 January 2009 £'000
Other finance income		
Expected return on pension scheme assets	1,007	1,001
Interest on pension scheme liabilities	(1,208)	(977)
	(201)	24

Analysis of amount recognised in statement of total recognised gains and losses

	30 January 2010 £'000	31 January 2009 £'000
Statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	1,960	(3,207)
Experience gains/(losses) arising on scheme liabilities	141	(200)
Changes in assumptions underlying the present value of the scheme liabilities	(4,707)	(273)
Actuarial loss recognised in the statement of total recognised gains and losses	(2,606)	(3,680)

The cumulative amount of actuarial losses recognised in the statement of recognised gains and losses is
£2,940,000

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

20 Pension liability (continued)

Amounts for current and previous four years

	2010	2009	2008	2007	2006
Defined benefit obligation					
Amount (£'000)	(23,717)	(18,105)	(16,965)	(18,498)	(18,731)
Plan assets					
Amount (£'000)	17,307	14,000	16,060	16,200	15,259
Deficit					
Amount (£'000)	1,960	(3,207)	(1,699)	(390)	2,589
Experience adjustments on plan assets					
Amount (£'000)	1,960	(3,207)	(1,699)	(390)	2,589
Experience adjustments on plan liabilities					
Amount (£'000)	141	(200)	(434)	(8)	(459)
Total amount recognised in the statement of total recognised gains and losses					
Amount (£'000)	(2,606)	(3,680)	882	569	583

Defined contribution scheme

A stakeholder pension scheme exists for all employees who are not covered by the defined benefit scheme above. Prior to the establishment of this scheme, employees were covered for pension benefits by the Group's continued participation in the money purchase section of the BMB Group Pension Scheme. The total contributions paid to the BMB Stakeholder scheme in the year ended 30 January 2010 were £78,000 (31 January 2009 £81,000).

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

21 Called up share capital

Group and company	30 January 2010 Number	31 January 2009 Number	30 January 2010 £	31 January 2009 £
Authorised				
A ordinary shares of 1p each	45,120	45,120	451	451
B ordinary shares of 1p each	54,880	54,880	549	549
Unclassified shares of 1p each	12,000	12,000	120	120
	112,000	112,000	1,120	1,120
Allotted and fully paid				
A ordinary shares of 1p each	33,187	33,187	332	332
B ordinary shares of 1p each	49,743	49,743	497	497
	82,930	82,930	829	829

Both classes of shares rank pari passu in all respects except that the holders of A shares have the pre-emption right to purchase any other shares in the company that the holder thereof may wish to dispose of. Shares disposed of by a holder of A shares are subsequently converted to B shares.

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

22 Reserves

Group	Profit and loss reserve £'000
At 1 February 2009	(501)
Actuarial loss on pension scheme (note 20)	(2,606)
Movement on deferred tax relating to pension liability (note 19)	730
Exchange adjustments	(7)
Loss for the financial year	(437)
At 30 January 2010	(2,821)

Company	Profit and loss reserve £'000
At 1 February 2009	584
Loss for the financial year	(142)
At 30 January 2010	442

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

23 Reconciliation of movements in shareholders' (deficit)/funds

	Group 30 January 2010 £'000	Company 30 January 2010 £'000	Group 31 January 2009 £'000	Company 31 January 2009 £'000
Loss for the financial year/period	(437)	(142)	(408)	(136)
Actuarial loss on pension scheme	(2,606)	-	(3,680)	-
Deferred tax on FRS 17 adjustments (note 19)	730	-	1,030	-
Exchange differences	(7)	-	(36)	-
Net movement in shareholders' deficit	(2,320)	(142)	(3,094)	(136)
Opening shareholders' (deficit)/funds	(500)	585	2,594	721
Closing shareholders' (deficit)/funds	(2,820)	443	(500)	585

24 Related party transactions

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Baird Group Limited, an intermediate parent company, whose accounts are publicly available

During the period non executive director's fees of £75,000 (year to 31 January 2009 £62,500) were payable to Al Arafa for Investments and Consultancies SAE for the services of Alaa Arafa and Ari Guzzetti. At 30 January 2010, £62,500 (31 January 2009 £25,000) was outstanding

On 31 July 2008, Peter Lucas, a director and shareholder of Baird Group Ltd, made a loan to the company of £1,000,000. The loan attracted interest at LIBOR plus 2%, payable on a monthly basis. As at 30 January 2010 the remaining loan balance was £300,000 (31 January 2009 £500,000). During the period, interest of £10,000 was charged (31 January 2009 £31,000) and a closing accrual was £1,000 (31 January 2009 £nil).

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

25 Contingent liabilities

The company is a participant in a group banking arrangement and has given cross-guarantees which created fixed and floating charges over all the assets of the company. As at 30 January 2010 the maximum liability under this arrangement was £13,956,000 (31 January 2009 £13,028,000)

At 30 January 2010 the group had no other contingent liabilities

26 Capital commitments

There were no capital commitments at 30 January 2010 (31 January 2009 £nil)

27 Financial commitments

At 30 January 2010, the group had annual commitments under non-cancellable operating leases expiring as follows

	30 January 2010		31 January 2009	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Within one year	45	73	36	70
Within two to five years	723	265	371	316
After five years	1,215	-	1,097	-
	1,983	338	1,504	386

28 Post balance sheet events

On 17 June 2010 BMB Clothing Limited, a subsidiary of BMB Group Limited, entered into a three year facility agreement provided by GE Capital Finance Limited with a total facility limit of £17m. This facility replaces a similar facility that was previously provided by GMAC Commercial Finance. The facility is secured on company's inventory and trade receivables and the applicable interest cost is 2.7% above LIBOR.

On 31 July 2010, the group acquired Worth Valley Menswear Limited from Melka Trading Limited, a fellow group company, at a value of £1. On this date the trade and assets of Worth Valley Menswear Limited were acquired by the Company. Net liabilities on acquisition were £298k.

BMB Group Limited

Notes to the financial statements for the year ended 30 January 2010 (continued)

29 Controlling party

On 30 January 2009, BMB Group Limited was acquired fully by Baird Group Limited, a company incorporated in England and Wales, as part of a re-organisation of the ultimate parent company, Al Arafa for Investment and Consultancies SAE. Copies of the financial statements are available from the company secretary at Granary Building, 1 Canal Wharf, Leeds, LS11 5BB.

At 30 January 2010, the ultimate parent company, which is also the parent for the largest group of undertakings for which the group accounts are drawn up for and of which the company is a member, was Al Arafa for Investments and Consultancies SAE, a company incorporated in Egypt.

Copies of the group financial statements may be obtained from Al Arafa for Investments and Consultancies SAE, c/o Swiss Garment Company, 10th of Ramadan City, 3rd Industrial Zone A1, Egypt.