



Mothercare Australia Limited

MARKET UPDATE

Trading update for Q2 (October – December) FY2011/12

Mothercare Australia is pleased to announce **like-for-like sales growth of 3.1%** and total sales growth of 7.2% during the second quarter of the 2011/12 financial year.

This quarterly sales performance was driven by:

- an encouraging Christmas trading period for the Toy & Gift stores, which delivered a like-for-like sales **increase of 1.4%**
- continued improvement in the large format Mothercare stores which delivered a like-for-like sales **increase of 11.0%**
- strong growth in the Mothercare and Early Learning Centre online businesses, which delivered a sales **increase of 19.7%**.

Like-for-like sales are sales recorded for those Mothercare, Early Learning Centre and Kids Central stores which have been trading for more than one year.

Mothercare Rollout

The Company successfully completed the rollout of the five stores that were planned for Q2. In addition to the already announced opening of Chermside in Brisbane, the Company opened a further four stores during the quarter. These stores are Belrose and Top Ryde in NSW, Fyshwick in Canberra and Mt. Wellington, Auckland NZ.

This quarter the Company will complete the conversion in Western Australia of its Cannington and Joondalup stores to Mothercare.

Mothercare now operates 49 stores in Australia and New Zealand

Robert Gavshon
Chairman