

OROTONGROUP

OrotonGroup agrees to sell its interest in Brooks Brothers Australia to Brooks Brothers Group

24 July 2015

OrotonGroup has been working with Brooks Brothers Group on the future management of the Brooks Brothers brand in Australia.

The parties have executed a binding contract for the sale of OrotonGroup's entire shareholding in Brooks Brothers Australia Pty Limited (Brooks Brothers Australia), the joint venture company, to Brooks Brothers International, LLC, finalising OrotonGroup's financial commitments to Brooks Brothers Australia. The sale is intended to be finalised by 25 July 2015.

The parties have also agreed OrotonGroup will provide management and administration services to Brooks Brothers Australia for up to two years following this change of control.

The transaction is not anticipated to have any further negative impact on OrotonGroup earnings for FY15 beyond that already reported to date and forecast for the remainder of FY15 as included in the guidance issued on 22 May 2015.

Mark Newman, CEO and Managing Director of OrotonGroup, said "Over the past 2 years, we have worked very well in partnership with Brooks Brothers Group to launch the brand here in Australia, with 13 stores and a local online store opened to date. However, we have agreed that it is now appropriate for Brooks Brothers Group to manage the Brooks Brothers business in Australia and for us to further focus our resources on our core Oroton brand, which has significant potential as we gain traction through the repositioning strategy. We look forward to continuing to work closely with Brooks Brothers by providing some support services in the future."

Claudio Del Vecchio, Chairman and CEO of Brooks Brothers Group, said, "OrotonGroup has been an outstanding partner and we thank them for introducing us to the Australian market. We look forward to further expanding Brooks Brothers in Australia as we take 100% ownership of our business there."

For further information contact:

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