



Pumpkin Patch
Half Year Result
January 2011

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1H11 – Key Highlights

- Launch of new Charlie & Me brand – 7 stores now open
- 17 new stores opened across 4 retail markets
- Tough trading conditions continued
- Improved earnings results from the United Kingdom and United States
- Net profit after tax down 44% to \$8.1m
- Interim dividend 3.00cps
- Company remains well positioned to take advantage of new growth opportunities and benefit when market conditions improve

Financial Highlights

Statement of Financial Performance

	Jan 2011 (6 months)	Jan 2010 (6 months)	%
Operating Revenue	173,867	193,988	(10.4%)
EBITDA	19,232 11.1%	27,694 14.3%	(31.3%)
EBIT	13,584 7.8%	22,208 11.4%	(38.8%)
Net Interest	1,821 1.0%	1,254 0.6%	45.4%
Net Profit After Tax	8,058 4.6%	14,256 7.3%	(43.5%)



Financial Highlights

Statement of Financial Position

	Jan 2011	Jul 2010	Change
Inventory	92,266	71,355	20,911
Other current assets	17,619	27,038	(9,419)
Non-current assets	86,166	73,251	12,915
Total assets	196,051	171,644	24,407
Net bank debt (1)	66,090	26,055	40,035
Other current liabilities	48,651	49,407	(756)
Non-current liabilities	21,081	15,315	5,766
Total liabilities	135,822	90,777	45,045
Net assets	60,229	80,867	(20,638)

(1) Represents set off of cash balances on hand with current and term bank borrowings



Financial Highlights

Statement of Cashflows

	Jan 2011 (6 months)	Jan 2010 (6 months)	Change
Net cash flow from operating activities	(19,582)	20,125	(39,707)
Net cash flow from investing activities	(12,080)	(3,874)	(8,206)
Net cash flow from financing activities	(8,373)	(7,403)	(970)
Net cash flow for period	(40,035)	(8,848)	(48,883)
Net bank debt at end of period (1)	(66,090)	(9,588)	

(1) Represents set off of cash balances on hand with current and term bank borrowings. Classifications vary from those used in Statement of Cashflows in NZX Appendix 1



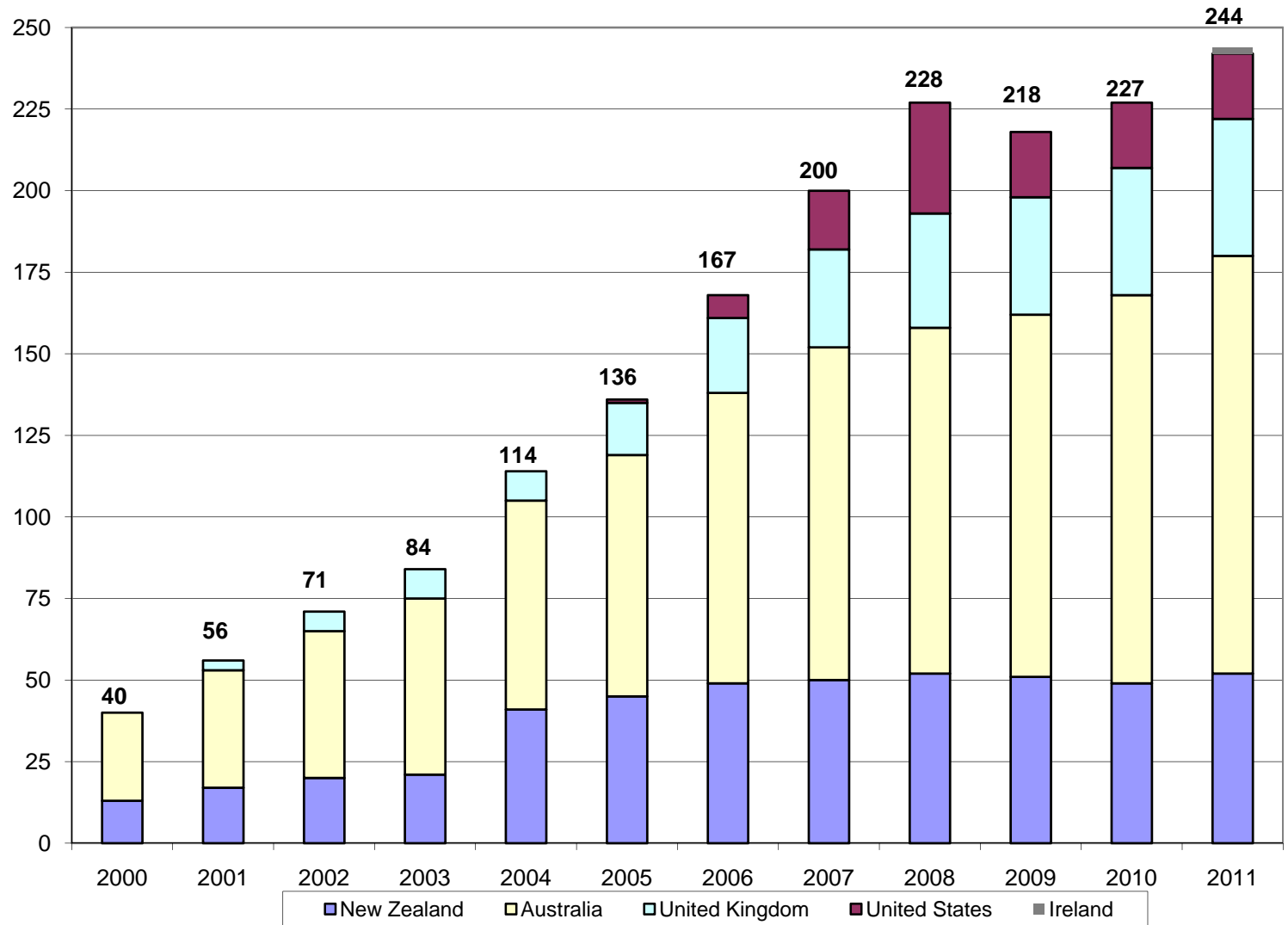


Store Openings – HY11

	January 11 Total Stores Open	1H11 Store Openings	1H10 Store Openings	FY10 Total Store Openings
Australia				
Pumpkin Patch	106	3	0	4
Outlets	16	0	3	4
Charlie & Me	6	6	0	0
	128	9	3	8
New Zealand				
Pumpkin Patch	35	1	0	1
Outlets	13	1	0	0
Charlie & Me	1	1	0	0
Urban Angel	3	0	-1	-3
	52	3	-1	-2
United Kingdom				
Pumpkin Patch	37	2	2	2
Outlets	5	1	1	1
	42	3	3	3
Ireland				
Pumpkin Patch	2	2	0	0
United States				
Pumpkin Patch	20	0	0	0
	244	17	5	9
Add back Urban Angel store mergers in period		0	1	3
Stores opened in period		17	6	12



Store Numbers – January 2011



Divisional Results



Australia Retail

	Jan 2011 (6 months)	Jan 2010 (6 months)	
Turnover AUD	69,065	80,616	(14.3%)
Turnover NZD	86,372	100,188	(13.8%)
EBIT NZD	14,871	19,873	(25.2%)
	17.2%	19.8%	
Stores:			
Pumpkin Patch	106	99	
Outlet	16	15	
Charlie & Me	<u>6</u>	<u>-</u>	
	128	114	





New Zealand Retail

	Jan 2011 (6 months)	Jan 2010 (6 months)	
Turnover	27,031	30,849	(12.4%)
EBIT	4,696	6,166	(23.8%)
	17.4%	20.0%	
Stores:			
Pumpkin Patch	35	33	
Outlet	13	12	
Charlie & Me	1	-	
Urban Angel	<u>3</u>	<u>5</u>	
	52	50	



Wholesale and Direct

	Jan 2011 (6 months)	Jan 2010 (6 months)	
Turnover NZD	22,456	23,993	(6.4%)
EBIT NZD	5,306 23.6%	6,794 28.3%	(21.9%)



United Kingdom and Ireland Retail

	Jan 2011 (6 months)	Jan 2010 (6 months)	
Turnover GBP	13,104	12,456	5.2%
Turnover NZD	27,188	28,404	(4.3%)
EBIT NZD	53 0.2%	(215) (0.8%)	124.6%
Stores:			
Pumpkin Patch:			
United Kingdom	37	35	
Ireland	2	-	
Outlet	<u>5</u>	<u>4</u>	
	44	39	



United States Retail

	Jan 2011 (6 months)	Jan 2010 (6 months)	
Turnover USD	8,139	7,531	8.1%
Turnover NZD	10,820	10,554	2.5%
EBIT NZD	(505) (4.7%)	(755) (7.1%)	33.1%
Stores:	20	20	

Outlook 2H11

- General

- Trading conditions to remain challenging in the short term
- Store roll out program and other longer term growth strategies will continue to be implemented
- The Company remains the leading specialty childrenswear offer in Australasia and is well positioned to take advantage of improved trading when it comes

- Australia

- Trading conditions to remain subdued
- Impact on consumers from recent weather events as yet unknown
- Continue to develop and assess the initial tranche of Charlie & Me stores
- Open 5 new stores (Pumpkin Patch 2, Charlie & Me 3)



Outlook 2H11 - cont

- New Zealand
 - Trading conditions to remain subdued
 - Financial impact of Christchurch earthquake likely to be immaterial
 - Open 2 new stores (Pumpkin Patch 1; Charlie & Me 1)
- Wholesale and Direct
 - Wholesale partners will continue to face soft retail conditions in their home markets
 - Expect to see improved orders for 2012
 - High exchange rates will continue to impact earnings
 - Finalise negotiations on a number of new markets but impact will not be seen until 2012/ 2013
 - Development of internet channel will continue



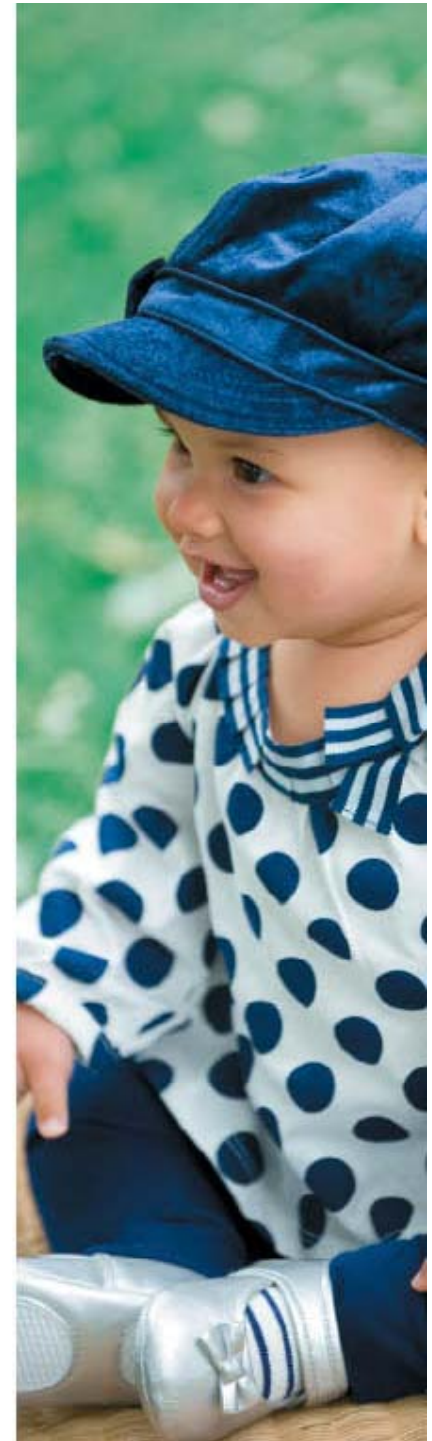


Outlook 2H11 – cont

- United Kingdom and Ireland
 - Trading conditions to remain soft while government austerity measures influence both economies
 - Focus on strategies for poorer performing stores
 - Open new stores only if strict leasing criteria are met
- United States
 - Conditions to remain soft until the economy as a whole shows significant improvement

Outlook 2H11 – cont

- Bank debt
 - Expected to be between \$50m and \$60m at July 2011
 - Based on current trading and expected working capital and capital expenditure requirements
 - Debt facilities in place till December 2013
- Inventory
 - Focus on strategies to reduce inventory holdings on an average store basis





Dividend

Interim dividend of 3.00 cps (Interim FY10 4.50cps)

- Fully imputed for New Zealand residents
- Partially franked for Australian residents
- Supplementary dividend to be paid to non-residents
- Payment date 21st April/ record date 7th April



Foreign Currency

Current hedging position

		FY11 (remainder)	FY12	FY13
Exports				
NZD/ AUD	% covered	87%	72%	69%
	Effective cover rate	\$0.7833	\$0.7940	\$0.7960
NZD/ USD	% covered	51%	0%	0%
	Effective cover rate	\$0.6035	-	-
NZD/ GBP	% covered	34%	0%	0%
	Effective cover rate	\$0.4419	-	-
Imports				
USD/ AUD	% covered	84%	69%	57%
	Effective cover rate	\$0.7968	\$0.7980	\$0.8291
USD/ NZD	% covered	79%	73%	55%
	Effective cover rate	\$0.6327	\$0.6382	\$0.6751
USD/ GBP	% covered	72%	25%	0%
	Effective cover rate	\$1.6031	\$1.6010	-



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