TED BAKER
LONDON

REPORT & ACCOUNTS 2009 - 2010

'Ted's Growing About His Business'

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Ted's advisers

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Bankers: Barclays Bank PLC, 1 Churchill Place, London E14 5HP

The Royal Bank of Scotland PLC, 62-63 Threadneedle Street, London EC2R 8LA

Registrars: Capita Registrars, 34 Beckenham Road, Beckenham, Kent BR3 4TU

Ted Baker PLC - Registered in England No: 03393836

CHAIRMAN'S STATEMENT

I am delighted to report that Ted Baker has delivered a strong performance in an uncertain and challenging trading environment. We had anticipated a tough year and took the necessary actions to ensure that we were well placed to deal with the expected challenges. We believe this year's performance is testament to the strength of our brand and collections and our multi-channel distribution strategy.

The retail division delivered a good result with sales up 15.4% on a 13.6% increase in average retail square footage. Trading in the UK exceeded our expectations, but trading overseas remained difficult.

As anticipated, wholesale sales were down 21.2%. We estimate that around a quarter of this decline was due to the transfer of selected wholesale accounts to retail concessions, a third due to the closure of certain accounts that are no longer appropriate for our brand and the balance due to the difficult trading conditions experienced by some of our wholesale customers.

Licence income was in line with last year at £5.5m, although excluding the impact of Hartmarx Corporation, underlying licence income was up 9.5%.

Results

Group revenue increased by 7.2% to £163.6m (2009: £152.7m) for the 52 weeks ended 30 January 2010. Profit before tax and impairment increased by 3.6% to £20.3m (2009: £19.6m) and profit before tax increased by 9.8% to £19.5m (2009: £17.8m).

Basic earnings per share before impairment increased by 1.8% to 34.4p (2009: 33.8p) and basic earnings per share increased by 10.1% to 32.6p (2009: 29.6p).

The Group has a strong balance sheet and continues to maintain its focus on cash management. Net cash generated from operating activities during the period was £21.1m (2009: £11.1m).

Dividends

On the 23 February 2010 the Board announced the payment of a second interim dividend of 11.4p per ordinary share, which will be paid on 26 March 2010 to holders on the register on 5 March 2010. The Board is recommending the payment of a final dividend of 0.5p per share, making a total for the year of 17.15p per share (2009: 16.65p per share), an increase of 3.0% on the previous year. Subject to approval the final dividend will be paid on 18 June 2010 to those shareholders on the register on 14 May 2010.

People

This strong performance would not have been possible without the dedicated, innovative and creative culture of the Ted Baker team. The team's passion and commitment is a key factor of our success and I would like to take this opportunity to thank all my colleagues around the world for their contribution during the year.

It was announced on the 14 July 2009 that David Hewitt, who had been a Non-Executive Director since 1997, would be retiring from the Board. I would like to thank David for his extraordinary contribution to Ted Baker over the last 12 years. His retail and business experience has greatly benefited the Company during its period of growth since the flotation and we all wish him a long and healthy retirement.

Following David's retirement, David Bernstein succeeded him as the Senior Non-Executive Director and Chairman of the Remuneration Committee. Ronald Stewart was appointed Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees and I remain Chairman of the Nomination Committee.

Current Trading and Outlook

Retail

Trading in the UK has started well and we are encouraged by the improvement in recent months of our overseas markets. We continue to take advantage of opportunities in the US market and will be opening further stores in the US, in Chicago, Santa Monica, Phoenix and New York in the second half of the financial year.

Wholesale

We anticipate that 2010 will be a challenging year for our UK wholesale customers, although at this stage trading and forward order commitments are in line with our expectations.

There are no further structural changes envisaged for this division in the current year.

Following the termination of our licence agreement with Hartmarx Corporation last year, we have strengthened our team in the US market and re-launched our US wholesale business. We have been pleased by the reaction from the department stores and independents and will continue to explore opportunities to develop the brand further.

Licence Income

Our product and territorial licenses continue to perform in line with our expectations. Our territorial licensee, RSH Limited, continues to expand the Ted Baker brand across the Middle East and Asia and will be opening a further store in Dubai, in the Dubai Marina Mall, in April. We will also be opening a further store in Sydney, Australia with our joint venture partner in the territory towards the end of the year.

Since the year end, we have taken over the retail operations of our two stores in Hong Kong after our territorial licensing agreement with Li & Fung Group of Companies was cancelled by mutual consent. The licence for the Ted Baker stores in Taiwan, previously operated by Li & Fung Group, has been assumed by Yun San Corporation, a leading distributor of designer fashion, footwear and eyewear in Taiwan. All these stores continue to perform in line with our expectations and the changes in licensing agreements will have no material impact upon our trading and financial performance.

Group

The economic and political climate remains uncertain and we believe that 2010 will be a difficult trading year. Nevertheless, we have been encouraged by trading at the start of the new financial year and the positive reaction from our customers to our Spring/Summer collections.

We continue to take action to ensure our costs and commitments are controlled and in line with the trends anticipated for 2010 and we believe that we are well positioned to deal with the challenges and opportunities ahead.

We intend to make our next interim management statement, covering trading since the start of the financial year, on the 15 June 2010.

Robert Breare
Non-Executive Chairman
25 March 2010

‘A Clean Bill Of Health’

BUSINESS REVIEW

Ted Baker is a leading designer brand that operates through three main distribution channels: retail; wholesale; and licensing. We offer a wide range of collections including: Menswear; Womenswear; Global; Phormal; Endurance; Born; Accessories; Lingerie and Underwear; Childrenswear; Fragrance and Skinwear; Footwear; Eyewear; and Watches.

Our Business

The brand has grown steadily from its origins as a single shirt specialist store in Glasgow to the global business it is today. We distribute through our own and licensed retail outlets, leading department stores and selected independents in Europe, the US, the Middle East and Asia.

Our strategy is to become a leading global designer brand, based on three main elements:

- considered expansion of the Ted Baker collections. We review our collections continually to ensure we react to trends and meet our customers expectations. In addition we look for opportunities to extend the breadth of collections and enhance our offer;

- controlled distribution through three main channels: retail; wholesale; and licensing. We consider each new opportunity to ensure it is right for the brand and will deliver margin led growth; and

- carefully managed development of overseas markets. We continue to manage growth in existing territories while considering new territories for expansion.

Underlying our strategy is an emphasis on design, product quality and attention to detail, which is delivered by the passion, commitment and dedication of our teams, licence partners and wholesale customers ("trustees").

Global Group Performance

Retail

The retail division delivered a strong performance with sales increasing by 15.4% to £136.5m (2009: £118.2m). Average retail square footage rose by 13.6% over the period to 210,238 sq ft (2009: 185,102 sq ft). At 30 January 2010, total retail square footage was 217,733 sq ft (2009: 202,206 sq ft), representing an increase of 7.7% on the prior year. Retail sales per square foot remained broadly level at £649 against £639 in the prior year.

The retail gross margin was 64.9% (2009: 63.2%). In the United Kingdom, the gross margin benefited from less promotional activity in the second half of the financial year. This was partially offset by a lower gross margin in our overseas markets due to continued promotional activity in highly competitive markets.

Retail operating costs were controlled in line with the increase in average selling space. This, combined with the improvement in sales and gross margin, resulted in an improvement in retail operating contribution from 16.0% to 18.3%.

Wholesale

As anticipated, wholesale sales were 21.2% below last year, at £27.1m (2009: £34.4m). We estimate that around a quarter of this decline was due to the transfer of selected wholesale accounts to retail concessions, a third due to the closure of certain accounts that are no longer appropriate for our brand and the balance due to the difficult trading conditions experienced by some of our wholesale customers.

Wholesale gross margins were broadly in line with last year at 41.9% (2009: 42.5%). This slight reduction in the gross margin was due to sales to licence partners, at lower than average margins, accounting for a higher proportion of total wholesale sales.

Licence Income

Ted Baker operates two types of licences: territorial licences covering the Middle East, Asia, Australia and New Zealand; and product licences covering perfume & fragrance, watches, footwear, eyewear, childrenswear and lingerie.

Licence income was in line with last year at £5.5m, although, this year did not include a contribution from our former licence partner Hartmarx Corporation, who filed for protection under Chapter 11 of the US Bankruptcy Code in January 2009. Underlying licence income was up 9.5% due to good performances across all of our territorial and product licences.

As previously mentioned, since the year end we have taken over the retail operations of our two stores in Hong Kong and are now working with Yun San Corporation who have taken over the licence for our stores in Taiwan. These stores performed in line with our expectations during the year and the change in licensing agreements will have no material financial effects.

Collections

Ted Baker Menswear delivered a good performance over the year, particularly in the run up to Christmas with sales up 1.6% to £88.4m (2009: £87.0m).

In August we announced the launch of Born by Ted Baker, our highly designed men's casualwear collection and have been pleased with the response from our customers. Menswear represented 54.0% of total sales for the year (2009: 57.0%).

Ted Baker Womenswear delivered a strong performance with sales up 14.5% to £75.2m (2009: £65.7m) reflecting the growing strength of our Womenswear collections. Womenswear represented 46.0% of total sales (2009: 43.0%). A significant proportion of the increase in turnover was due to the transfer of wholesale accounts to concessions, resulting in an improvement in performance.

'A Powerful Combination'

GEOGRAPHIC PERFORMANCE

United Kingdom and Europe

Sales in our UK and Europe retail division were up 17.3% to £126.4m (2009: £107.8m). Whilst the UK has performed ahead of our expectations, our European stores have faced challenging conditions.

Average square footage rose by 14.7% over the period to 180,606 sq ft (2009: 157,393 sq ft). At 30 January 2010, total retail square footage was 186,024 sq ft (2009: 174,148 sq ft) representing an increase of 6.8%. Retail sales per square foot increased from £671 to £690.

During the period we opened one new store at Heathrow Terminal One. At 30 January 2010 we operated 33 stores (2009: 32), 151 concessions (2009: 124) and 10 outlet stores (2009: 10).

We continue to develop our e-commerce business and during the year completed a series of further enhancements to our transactional website.

US

Trading conditions in the US continued to be very difficult during the year and as a result, sales for the period were down 16.3% to $15.9m (2009: $19.0m). These challenging conditions present us with an opportunity to take advantage of the environment and expand our business in the US market.

In October we opened our first store in Boston and have been pleased with initial trading and customer reactions. We also opened a further outlet store in Orlando, Florida. Average square footage rose by 6.9% over the period to 29,632 sq ft (2009: 27,709 sq ft) and retail sales per square decreased from $686 to $536. As at 30 January 2010 we operated 9 stores (2009: 8) and 2 outlet stores (2009: 1).

Middle East, Asia and Australasia

We continue to develop the Ted Baker brand across the Middle East, Asia and Australasia working closely with our partners in these territories to ensure the visual merchandising of the stores and the training of the teams reflects the Ted Baker culture.

As previously mentioned, we have taken over the retail operations of our two stores in Hong Kong and are delighted to now be working with Yun San Corporation in Taiwan.

Despite the difficult economic environment, trading across our stores was in line with our expectations. During the year we opened a second store in Taipei, in Taipei 101, which is performing very well and the total number of stores and concessions in these territories is now 18.

Our first store in Melbourne Australia, which is operated through a joint venture with our licence partner in the territory, traded well during the period and we opened a second store in Chadstone, Melbourne in October. We have been pleased by the performance to date and will continue to work with our licencee in this market to develop further opportunities for the brand.


'Wherever Ted
lays his hat'

FINANCIAL REVIEW

Revenue and Gross Margin

Group revenue increased by 7.2% to £163.6m (2009: £152.7m) due to a 15.4% increase in retail sales to £136.5m (2009: £118.2m) and a 21.2% decrease in wholesale sales to £27.1m (2009: £34.4m), which was in line with our expectations.

The composite gross margin for the Group increased to 61.1% (2009: 58.5%) as a result of retail representing a greater proportion of our sales mix and retail benefited from less promotional activity in the second half of the year resulting in an increase in the underlying retail gross margin to 64.9% (2009: 63.2%). Wholesale gross margins decreased marginally to 41.9% (2009: 42.5%).

The composite gross margin in the United Kingdom increased to 62.7% (2009: 59.1%) for the reasons above, whereas the composite gross margin in other territories fell to 47.6% (2009: 54.2%), due to continued promotional activity in highly competitive markets.

Operating Expenses

Operating expenses excluding impairment rose by 11.9% to £85.0m (2009: £75.9m). Excluding employee performance related bonus costs of £1.9m (2009: £nil), operating expenses rose by 9.4%. Distribution costs, which include the costs of retail stores, outlets and concessions, increased by 13.8% to £64.6m (2009: £56.7m), which was in line with the increase in average retail selling space. Administration expenses, excluding impairment and the employee performance related bonus, decreased by 3.7% to £18.5m (2009: £19.2m) demonstrating the actions we took in September 2008 to reduce costs.

Licence Income

Licence income was in line with last year at £5.5m, although, excluding Hartmarx Corporation ("Hartmarx"), who filed for protection under Chapter 11 of the US Bankruptcy Code in January 2009, underlying licence income increased by 9.5%. Our licence agreement with Hartmarx was terminated on 1 July 2009 and we have subsequently signed new licence agreements directly with companies who previously held product sub-licences with Hartmarx and with a Canadian distributor previously contracted by Hartmarx.

We have not recognised the unpaid royalty income from Hartmarx for the period October 2008 through to the termination of this agreement.

Profit Before Tax

Profit before tax and impairment grew by 3.6% to £20.3m (2009: £19.6m). This result was after the payment of employee performance related bonuses of £1.9m (2009: £nil), relating to the over achievement of internal targets in the financial year.

Impairment Losses

The Group incurred a £0.8m impairment loss in relation to the carrying value of retail assets in Eire. We have faced very challenging conditions in this market and believe that the recovery period will be longer than our other overseas markets. This accounting charge has no cash flow effect on the Group.

Finance Income and Expenses

Net interest payable during the year of £0.1m was in line with the prior year (2009: £0.2m).

The foreign exchange loss during the year of £0.2m (2009: gain £0.7m) was principally due to the effect of the weakening of both the US Dollar and the Euro on the retranslation of monetary assets and liabilities denominated in foreign currencies.

Taxation

The Group tax charge for the year was £6.0m (2009: £5.2m), an effective tax rate of 30.6% (2009: 29.3%). The underlying tax rate (excluding impairment) was 29.5% and we expect our effective rate to remain at around 29.0%.

Cash Flow

Net cash generated from operating activities was £21.1m (2009: £11.1m). The increase on the prior year is principally due to a decrease in working capital as opposed to an increase in the prior year, but also reflected the increased profit in the period and the benefit of foreign currency purchases hedged at favourable rates.

Total working capital as per the Group balance sheet, which comprises inventories, trade and other receivable and trade and other payables increased by £0.4m to £28.4m (2009: £28.0m). The movement in working capital as per the Group cash flow statement is lower due to translation differences.

Capital expenditure of £4.5m (2009: £11.8m) reflected the opening and refurbishment of stores, concessions and outlets. The reduction in capital expenditure reflected 15,527 sq ft of new retail space opened in the current year against 36,945 sq ft in the prior year.

There were no own shares acquired during the year, whereas 500,000 own shares were acquired during the prior year at a cost of £2.0m.

Shareholder Return

Basic earnings per share before impairment increased by 1.8% to 34.4p (2009: 33.8p) and basic earnings per share increased by 10.1% to 32.6p (2009: 29.6p).

A second interim dividend per share will be paid on 26 March 2010 at 11.4p per share and a proposed final dividend of 0.5p per share will make a total for the year of 17.15p per share (2009: 16.65p per share), an increase of 3.0% on the previous year.

Free cash flow per share, which is calculated using the net cash generated from activities, was 48.8p (2009: 26.0p).

Currency Management

The most significant exposure to foreign exchange fluctuation relates to purchases made in foreign currencies, principally the US Dollar and the Euro.

A proportion of the Group's purchases are hedged in accordance with the Group's risk management policy, typically 12 months in advance. The balance of purchases is naturally hedged as the business operates internationally and income is generated in the local currency.

At the balance sheet date, the Group had hedged its projected commitments in respect of the year ending January 2011.

Borrowing Facilities

The Group has borrowing facilities of £15.0m (2009: £20.0m) available to it. The facilities comprise an unsecured committed facility of £2.25m and a revolving advance facility of £5.25m with the Royal Bank of Scotland PLC and an uncommitted, unsecured multi-option facility of £7.5m with Barclays Bank PLC.

At the balance sheet date, the borrowing facilities were unutilised.

'Ted Baker - A Thoroughbred Business'

Principal Risks and Uncertainties

The current unprecedented trading environment has affected, and will continue to affect, all areas of our business. We also recognise that we will be affected by the impact this will have on our customers, partners and suppliers.

The Board recognises there are a number of risks and uncertainties that face the Group. The Board has established a structured approach to identify, assess and manage these risks and this is regularly monitored and updated by the Risk Committee. Although not exhaustive, the following list highlights some of the main issues:

Strategic risks

Economic environment
Global, economic and financial factors affecting our suppliers, customers and partners are monitored closely, ensuring that we are prepared for and can react to changes in the environment.

Brand
We are a brand and we rely on our teams, trustees and partners to protect the brand and ensure that it is presented in an appropriate way. This risk is minimised by careful consideration of each new opportunity and each partner with whom we do business.

As with all fashion brands there is a risk that our offer will not meet the needs of our customers.

Operational risks

Cost inflation
We may face increases in our operating costs due to growth in payroll, property and other costs, some of which may be outside the scope of our control. Operating costs are monitored regularly to ensure that any cost increases are quickly identified and appropriate action is taken.

Infrastructure
The risk of operational problems including disruption to the infrastructure that supports our business are mitigated against through business continuity planning, which is constantly updated by the Risk Committee, and insurance cover for business disruption.

People
The Board recognises the importance of our teams within the business and has put in place a structure that minimises reliance on key individuals.

IT security
The continuing growth of the business, both in the UK and overseas, and advances in technology have resulted in more data being transmitted, posing an increased security risk. There is also the possibility of unintentional loss of controlled data by authorised users. Commitment of additional specialist resources and the continual upgrading of security equipment and software mitigate these risks.

Financial risks

Currency risk
The Group uses financial instruments in order to manage the majority of its exposures that arise from its business operations as a result of movements in financial markets. An element of this exposure is mitigated through natural hedges as the Group generates revenues in local currency in the United States and Europe. Treasury activities are focused on the management and hedging of risk. It is the Group's policy not to trade financial instruments or to engage in speculative financial transactions. There have been no significant changes in the Group's policies in the period.

The principal economic and market risks continue to be movements in foreign currency exchange rates and interest rates. Exposures to these risks are managed by the Group Treasury function which operates within written policies approved by the Board and within the internal control framework.

Counterparty credit risk
Credit risk arises on credit exposure to wholesale customers

including outstanding receivables and committed transactions. However, this risk is substantially mitigated by insurance being taken out up to the amount of the credit limit.

The Group has an established policy for managing counterparty credit risk. A common framework exists to measure, report and control exposures to counterparties across the Group. The limits applied to each customer are set in conjunction with our credit insurer's advice. Monitoring of credit limits is undertaken on a daily basis.

The Group also faces the risk of counterparties to financial instruments not performing in accordance with the terms of a contract or instrument. This risk is minimised by engaging only reputable banks or financial institutions and by broadening our exposure to a number of different financial institutions.

Cautionary statement regarding forward-looking statements

This document contains certain forward-looking statements. These forward-looking statements include matters that are not historical facts or are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, liquidity, prospects, growth, strategies, and the industries in which the Company operates. Forward-looking statements are based on the information available to the directors at the time of preparation of this document, and will not be updated during the year. The directors can give no assurance that these expectations will prove to be correct. Due to inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements.

'Best On Shoe'

Robert Breare

Non-Executive Chairman (57)

Robert has extensive experience of consumer facing businesses and was formerly a founder and Chief Executive Officer of Arcadian International Plc, which included Malmaison Hotels. Robert is a non-executive chairman of Individual Restaurant Company plc and holds other non-executive positions. He is chairman of the nomination committee and a member of the audit and remuneration committees. Robert is an independent director.

Raymond Stuart Kelvin

Chief Executive (54) ('Closest Man To Ted')

Ray, the founder of Ted Baker, has worked in the fashion industry for over 36 years. In 1973 he founded PC Clothing Limited, a supplier of womenswear to high street retailers. In 1987 Ray developed the Ted Baker brand and has been chief executive of Ted Baker since its launch in 1988.

Lindsay Dennis Page

MA, ACA – Finance Director (51)

Lindsay joined Ted Baker as finance director in February 1997. He joined Binder Hamlyn in 1981, became a founder member of the corporate finance department in 1986 and a partner in 1990. Binder Hamlyn subsequently merged with Arthur Andersen in 1994.

David Alan Bernstein

Non-Executive (66)

David is non-executive chairman of Blacks Leisure plc, Sports and Leisure Group Ltd and Wembley National Stadium Limited and a non-executive director of Carluccios plc. Previously he was joint managing director of Pentland Group Plc and chairman of French Connection plc and Manchester City plc. He is chairman of the remuneration committee and a member of the audit and nomination committees. David is an independent director and the senior non-executive director.

Ronald Stewart

Non-Executive (62)

Ron was appointed as a non-executive director on 25 February 2009. Ron spent all his 39 year banking career at The Royal Bank of Scotland PLC, retiring in 2003 as Deputy Managing Director of its Corporate Banking Department in London. He is a Trustee of several Christian charities and a Governor of Reeds School in Surrey. He is chairman of the audit committee and a member of the nomination and remuneration committees. Ron is an independent director.

The directors present their annual report on the affairs of the Group, together with the accounts and auditors' report, for the 52 weeks ended 30 January 2010. The comparative period is for the 53 weeks ended 31 January 2009.

Principal Activities

Ted Baker is a leading designer brand and the principal activities of the Group comprise the design, wholesale and retail of menswear, womenswear, childrenswear and related accessories. The subsidiary undertakings principally affecting the profits and net assets of the Group in the period are listed in Note 12 to the accounts. The Group also has branches operating in Eire and Hong Kong.

Business Review and Future Prospects

A commentary on the Group's progress during the period, its future prospects and a description of principal risks and uncertainties are set out in the Chairman's Statement and Business Review on pages 2 to 6.

Results and Dividends

The audited accounts for the 52 weeks ended 30 January 2010 are set out on pages 29 to 67. The Group profit for the 52 weeks, after taxation, was £13,527,000 (2009: £12,568,000). The directors recommend a final dividend of 0.5p per ordinary share (2009: 11.4p) payable on 18 June 2010 to ordinary shareholders on the register on 14 May 2010 which, together with the interim dividend of 5.25p per share (2009: 5.25p per share) paid on 27 November 2009 and the second interim dividend of 11.4p per share (2009: nil) to be paid on 26 March 2010, makes a total of 17.15p per share for the period (2009: 16.65p per share).

Directors

The directors during the financial year were those listed on page 12 other than David Hewitt who retired as a director on 14 July 2009. Details of the directors' beneficial interests in the shares of the Company and their options are given in the Directors' Remuneration Report. Brief details of the career of each director are set out on page 12.

Mr. L D Page and Mr. R Breare will retire by rotation at the next annual general meeting and, being eligible, will offer themselves for re-election.

Substantial Shareholdings

On 25 March 2010, the Company had been notified, in accordance with the Disclosure Rules and Transparency Rules (DTR5), of substantial interests in the ordinary share capital of the Company. For details see the table below.

Share Capital and Control

As at 30 January 2010, the Company's authorised share capital was 80,000,000 ordinary shares of 5 pence each (in nominal value). Details of the Company's share capital are shown in Note 19 to the consolidated financial statements on page 53. On 30 January 2010 there were 43,198,033 ordinary shares in issue of which the Company holds 1,579,557 ordinary shares in treasury. The Company may not exercise any rights (such as voting rights) in respect of the treasury shares and the treasury shares carry no right to receive dividends or other distributions of assets.

The rules about the appointment and replacement of directors are contained in the Company's Articles of Association.

Specific rules regarding the re-election of directors are referred to in the Corporate Governance Statements report. Changes to the Articles of Association must be approved by the shareholders in accordance with the legislation in force from time to time. The powers of the directors are determined by legislation and the Articles of Association of the Company in force from time to time. Powers relating to the issuing and buying back of shares are included in the Company's Articles of Association and shareholder approval of such authorities

Name Of Holder	*Number*	*% Held*
R S Kelvin	16,537,276	39.7
Schroder Investment Management	3,449,777	8.3
Fidelity Investments	3,084,891	7.4
Scottish Widows	2,658,002	6.4
Legal & General Group	2,289,008	5.5
PSigma Asset Management	1,340,017	3.2
Threadneedle Investment Service	1,258,476	3.0

During the period between 25 March 2010 and 6 May 2010, being the latest date prior to the posting of the annual report and accounts, the following information has been disclosed to the Company in accordance with DTR5. On 8 April 2010, Fidelity Investments advised the Company that it now holds 2,140,998 shares, which represents 5.1%.

may be sought, if considered appropriate by the directors, at the annual general meeting.

There are a number of agreements that take effect, alter or terminate upon a change of control of the Company following a takeover bid, such as commercial contracts, bank loan agreements and employee share schemes. None of these is deemed to be significant in terms of its potential impact on the business of the Company.

The Company does not have agreements with any director or employee that would provide compensation for loss of office or employment resulting from a takeover, save that the Company's share schemes contain provisions which may cause options and awards granted to employees to vest on a takeover.

Directors' Interests

The directors who held office at 30 January 2010 had interests in the shares of Ted Baker PLC as shown in the table below.

No changes took place in the interests of directors between 30 January 2010 and 25 March 2010.

Going Concern

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Creditor Payment Policy

The Company's policy, in relation to all of its suppliers, is to settle the terms of payment when agreeing the terms of the transaction and to abide by those terms provided that it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions. The Company does not follow any code or statement on payment practice. The number of days' purchases outstanding for payment by the Group at the end of the year was 34 days (2009: 61 days). At the year end the Company had no trade creditors.

Donations

The value of donations made during the period were £2,450 (2009: £Nil).

Disabled Employees

Applications for employment by disabled persons are always fully and fairly considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee Practices

The Group places considerable value on the involvement of its employees and continues to keep them informed on matters affecting them as employees and on the significant factors affecting the performance of the Group. This is achieved through formal and informal meetings and employee representatives are consulted regularly on a wide range of matters affecting employees current and future interests. Employees are encouraged to join the Group's Save as you Earn scheme and are informed of the Group's financial performance regularly during the financial year as well as being given the financial and economic reasons behind the Group performance. The Group operates a bi-annual performance review system with each employee to discuss personal and career development.

The Group believes in respecting individuals and their rights in the workplace. With this in mind, specific policies are in place covering harassment and bullying, whistle blowing, equal opportunities and data protection.

Social Responsibility

The Board has identified and assessed the significant risk to the Group's short term and long term value arising from social, environmental and ethical ('SEE') matters and the

Directors' Interests

	% of share capital	*30 January 2010 Beneficial*	*31 January 2009 Beneficial*
R S Kelvin	39.7	16,537,276	16,537,276
L D Page	0.8	318,851	313,497

During the period between 25 March 2010 and 6 May 2010, being the latest date prior to the posting of the annual report and accounts, there have been no subsequent changes in the interests of directors.