

Company Land of Leather Holdings plc
TIDM LAN
Headline Trading Statement
Released 07:00 02-Nov-06

02 November 2006

Land of Leather Holdings plc

Trading Update

Land of Leather, the UK's only national solely leather specialist upholstery retailer, announces its trading update for the first quarter of the financial year ending 29 July 2007 which includes the 13 weeks ended Sunday 29th October 2006.

First quarter - 13 weeks to 29th October 2006

- Total sales order intake up 35%
- Like for like sales orders up 5.1%

Total sales orders were very strong in the first quarter following the significant number of new store openings in the last six months. The like for like sales order growth of 5.1% was encouraging in the current retail climate albeit against weaker comparatives in the same period last year. However the second quarter of last year, which is the busiest period of the year, was particularly strong and we would not expect to continue the recent like for like sales order growth for the remainder of the first half of the year.

We opened six new stores in the first quarter of the financial year which included three stores operating as concessions within other retailers stores; Swansea, Aylesbury*, Telford*, Bromley*, Stevenage and Harlow. This brings the total store number to 87 stores as at 29th October 2006.

We expect to open a further six new stores on Boxing Day 2006 and anticipate total new stores in the financial year ending 29th July 2007 to be in the region of fifteen. This acceleration of the store opening programme is due to the recent availability of suitable units on targeted business parks.

Commenting on the trading update Paul Briant, Chief Executive, said: "The successful trading in the first quarter of the year and the continued acceleration of our new store opening programme leave us well positioned as we approach the important January sale period. Our position as a leather only specialist offering exceptional value continues to prove a successful formula and is enabling us to compete effectively in a tough trading environment."

* - denotes concession stores

Enquiries:

Hudson Sandler
James White
Tel: 020 7796 4133

Land of Leather Holdings plc
Clive Hatchard
Tel: 01474 543 291