

WH Smith PLC to open Post Offices in 70 High Street stores

WH Smith PLC announces an agreement with Post Office Limited to open Post Offices within 70 WHSmith High Street stores.

This follows the successful trial of Post Office franchises in six WHSmith stores. Since these trial stores opened, there has been positive customer feedback, with customers welcoming the pleasant new Post Office environment, good levels of customer service, convenient locations and additional services, such as extended opening hours.

The agreement secures the future of main Post Office services in 70 towns and ensures that local communities will continue to have access to the full range of over 170 Post Office services from a convenient and easily accessible location in the heart of their town.

There is a natural fit between these two well-known and valued high street brands and the complementary products and services provide an exciting opportunity to enhance the customer offer further for both WHSmith and Post Office customers.

We anticipate that the majority of the 70 Post Office branches will have relocated to the local WHSmith store by autumn 2008, on average less than 250 metres from the site of the original Post Office.

Commenting on the announcement, Kate Swann, WHSmith Group Chief Executive, said:

“We are delighted to be working with the Post Office to ensure that main Post Office services continue to be available in the centre of 70 UK towns. Following the positive response to our Post Office trial, we are pleased to be able to bring the full range of Post Office services and an enhanced customer offer to more communities.”

Alan Cook, Post Office Limited Managing Director, said:

“We are tremendously pleased to have secured WHSmith as a major partner, committed to operating a further 70 Post Office branches in its stores. The combination of a WHSmith store and a Post Office branch makes perfect sense for customers and we both believe that it will strengthen our respective businesses. Crucially for Post Office Limited, the partnership will help us to put the Crown office network on a sound financial footing, after many years of heavy losses.”

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NOTE TO EDITORS

WH Smith PLC operates from around 540 high street stores and around 260 retail units in airports, stations and motorway service areas. The High Street business sells a wide range of newspapers, magazines, stationery, books and entertainment products, while WHSmith Travel sells a tailored range of newspapers, magazines, books and confectionery products for people on the move. In addition, WHSmith Direct – www.whsmith.co.uk - serves customers on the internet 24 hours a day.

Post Office Limited - With around 14,300 branches across the country, the Post Office® is the UK's largest retail and financial services chain. Its network is larger than all of the UK's banks and building societies put together. Around 94 per cent of the UK population lives within a mile of a Post Office® branch and 24 million customers visit every week.