

23 January 2007

**WH SMITH PLC
CHRISTMAS TRADING STATEMENT**

Continued improvement in profitability, in line with expectations

WH Smith PLC is today providing an update on its trading performance for the 7 weeks and the 20 weeks to 20 January 2007.

Total like for like (LFL) sales were down 6% for the 20 weeks. As anticipated, we saw competitive trading in our markets, but we continued to deliver good profit performance in line with our expectations.

In our High Street division, LFL sales for the 7 and 20 weeks were down 8% and 9% respectively, reflecting our strategy to rebalance the mix of our business. Gross margin improved by around 300 basis points as a consequence of this strategy, as well as through better buying, low cost sourcing and improved markdown management. We continue to focus successfully on cost control.

The Travel division continued its strong performance with good sales and margin growth. LFL sales for the 20 weeks were up 4%, accompanied by a further improvement in gross margin, driven by mix changes, improved ranges and successful promotions.

Commenting on the Group's performance, Kate Swann, Group Chief Executive said:

"In a competitive period on the High Street, we continued to deliver our strategy to improve profitability. We increased the pace at which we are rebalancing the mix of our business towards our core categories. In our Travel business, both sales and gross margins were up, with continued progress in developing new growth opportunities.

"Looking ahead, we remain cautious about consumer spending in our markets and our plans reflect this."

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Advance Notice of Results

WH Smith PLC will announce its Interim Results 2007 on Thursday 19 April 2007.