

WH Smith PLC

Group Income Statement

For the 6 months to 28 February 2007

| | | 6 months to 28 Feb 2007 Unaudited | | | 6 months to 28 Feb 2006 Unaudited | | | 12 months to 31 Aug 2006 Audited |
|--|------|--------------------------------------|----------------------|-----------|--------------------------------------|----------------------|-------|--|
| £m | Note | Before exceptional items | Exceptional items | Total | Before exceptional items | Exceptional items | Total | Total |
| Continuing operations | | | | | | | | |
| Revenue | 2 | 721 | - | 721 | 771 | - | 771 | 1,340 |
| Operating profit | 2,3 | 60 | - | 60 | 60 | 5 | 65 | 53 |
| Investment income | | 3 | - | 3 | 1 | - | 1 | 2 |
| Finance costs | | (4) | - | (4) | (6) | - | (6) | (11) |
| Profit before tax | | 59 | - | 59 | 55 | 5 | 60 | 44 |
| Income tax expense | 5 | (12) | - | (12) | (8) | (2) | (10) | (12) |
| Profit after tax from continuing operations | | 47 | - | 47 | 47 | 3 | 50 | 32 |
| Profit for the period | | 47 | - | 47 | 47 | 3 | 50 | 32 |
| Earnings per share¹ | | | | | | | | |
| Basic | 7 | | | 26.7p | | | 29.1p | 18.6p |
| Diluted | 7 | | | 25.8p | | | 28.6p | 18.2p |
| Non-GAAP measures | | | | | | | | |
| Headline earnings per share² | | | | | | | | |
| Basic | 7 | | | 27.3p | | | 26.7p | 25.0p |
| Diluted | 7 | | | 26.4p | | | 26.3p | 24.4p |
| Equity dividends per share³ | | | | 3.7p | | | | |
| Fixed charges cover | 8 | | | 1.8x | | | 1.7x | 1.3x |

¹ Earnings per share is calculated in accordance with IAS 33 'Earnings per Share'.

² Headline earnings per share excludes exceptional items and IAS 19 pension interest.

³ Dividend per share is the proposed interim dividend.

WH Smith PLC

Group Balance Sheet

As at 28 February 2007

| £m | Note | At 28 Feb 2007 Unaudited | At 28 Feb 2006 Unaudited | At 31 Aug 2006 Audited |
|--------------------------------------|------|--------------------------------|--------------------------------|------------------------------|
| Non-current assets | | | | |
| Goodwill | | 15 | 15 | 15 |
| Other intangible assets | | 14 | 14 | 15 |
| Property, plant and equipment | | 172 | 184 | 184 |
| Available for sale investments | | 3 | - | - |
| Deferred tax assets | | 23 | 20 | 29 |
| Trade and other receivables | | 5 | 5 | 5 |
| | | 232 | 238 | 248 |
| Current assets | | | | |
| Inventories | | 154 | 159 | 143 |
| Trade and other receivables | | 59 | 72 | 69 |
| Derivative financial assets | | - | 1 | - |
| Cash and cash equivalents | 9 | 86 | 63 | 66 |
| | | 299 | 295 | 278 |
| Total assets | | 531 | 533 | 526 |
| Current liabilities | | | | |
| Trade and other payables | | (211) | (217) | (214) |
| Current tax liabilities | | (32) | (21) | (20) |
| Obligations under finance leases | 9 | (3) | (4) | (3) |
| Bank overdrafts and other borrowings | 9 | (12) | (50) | (13) |
| Short-term provisions | | (5) | (7) | (4) |
| Derivative financial liabilities | | (1) | - | (1) |
| | | (264) | (299) | (255) |
| Non-current liabilities | | | | |
| Bank loans and other borrowings | 9 | - | (9) | - |
| Retirement benefit obligation | 4 | (34) | (47) | (66) |
| Deferred tax liabilities | | (12) | (11) | (13) |
| Long-term provisions | | (6) | (7) | (8) |
| Obligations under finance leases | 9 | (6) | (9) | (8) |
| Other non-current liabilities | | (8) | (8) | (8) |
| | | (66) | (91) | (103) |
| Total liabilities | | (330) | (390) | (358) |
| Total net assets | | 201 | 143 | 168 |

WH Smith PLC

Group Balance Sheet (continued)

As at 28 February 2007

| £m | At | Proforma | At |
|-----------------------------|-------------|-------------|-------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| | Unaudited | Unaudited | Audited |
| Shareholders' equity | | | |
| Called up share capital | 37 | 353 | 357 |
| 'B' share reserve | - | 2 | - |
| 'C' share reserve | - | 1 | - |
| ESOP reserve | (28) | (26) | (22) |
| Revaluation reserve | 3 | 3 | 3 |
| Hedging reserve | (1) | - | (2) |
| Translation reserve | (2) | (1) | (2) |
| Other reserve | (164) | (230) | (166) |
| Retained earnings | 356 | 41 | - |
| Total equity | 201 | 143 | 168 |

WH Smith PLC

Group Cash Flow Statement

For the 6 months to 28 February 2007

| £m | Note | 6 months to | | 12 months to |
|--|------|-------------|-------------|--------------|
| | | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| | | Unaudited | Unaudited | Audited |
| Net cash inflows from operating activities | 10 | 52 | 63 | 82 |
| Investing activities | | | | |
| Interest received | | 3 | 1 | 2 |
| Proceeds on disposal of property, plant and equipment | | 2 | 6 | 9 |
| Proceeds on settlement of loan notes | | - | 11 | 11 |
| Non-operating disposal costs | | (2) | (2) | (3) |
| Purchase of property, plant and equipment | | (8) | (9) | (24) |
| Purchase of intangible assets | | (1) | (2) | (5) |
| Net cash (outflows) / inflows from investing activities | | (6) | 5 | (10) |
| Financing activities | | | | |
| Interest paid | | (1) | (4) | (7) |
| Dividend paid | | (11) | (10) | (15) |
| (Purchase) / issue of shares to satisfy employee share schemes | | (11) | - | 4 |
| Repurchase of 'C' shares | | - | - | (3) |
| Repayments of borrowings | | (1) | (30) | (76) |
| Repayments of obligations under finance leases | | (2) | (2) | (4) |
| Derivative cash movements | | - | (1) | (1) |
| Movement in balances with Smiths News PLC business funding | | - | 3 | 57 |
| Net cash used in financing activities | | (26) | (44) | (45) |
| Net increase in cash and cash equivalents – continuing operations | | 20 | 15 | 19 |
| Net increase in cash and cash equivalents – discontinued operations | | - | 9 | 8 |
| Net increase in cash and cash equivalents in period | | 20 | 24 | 27 |
| Opening net cash and cash equivalents | | 66 | 39 | 39 |
| Closing net cash and cash equivalents | | 86 | 63 | 66 |

Reconciliation of net cash flow to movement in net funds / (debt)

| | | | | |
|--|---|-----------|------|------|
| Net funds / (debt) at beginning of the period – as reported | | 42 | (58) | (58) |
| IAS 39 – 'B' and 'C' shares classified as financial liabilities | | - | (7) | (7) |
| Increase in cash and cash equivalents | | 20 | 24 | 27 |
| Decrease in debt | | 1 | 30 | 76 |
| Net movement in finance leases | | 2 | 2 | 4 |
| Net funds / (debt) at end of the period | 9 | 65 | (9) | 42 |

WH Smith PLC

Group Statement of Recognised Income and Expense

For the 6 months to 28 February 2007

| £m | 6 months to | | 12 months to |
|--|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| | Unaudited | Unaudited | Audited |
| Exchange differences arising on translation of foreign operations | - | (1) | (2) |
| Loss on cash flow hedges | - | - | (2) |
| Actuarial gains / (losses) on defined pension schemes | 3 | - | (24) |
| UK deferred tax attributable to pension scheme liabilities | (8) | (2) | 5 |
| UK current tax attributable to the additional pension scheme contributions | 3 | 2 | 3 |
| Net income recognised directly in equity | (2) | (1) | (20) |
| Profit for the period | 47 | 50 | 32 |
| Total recognised income and expense for the period | 45 | 49 | 12 |

Total recognised income and expense for the period is fully attributable to the equity holders of the parent company.

Reconciliation of Movements in Equity

For the 6 months to 28 February 2007

| £m | Hedging and | | | | | | Retained earnings | Total |
|--|---------------|---------------------|---------------------|--------------|---------------|------------|-------------------|-------|
| | Share Capital | Translation reserve | Revaluation reserve | ESOP reserve | Other reserve | | | |
| Balance at 1 September 2006 | 357 | (4) | 3 | (22) | (166) | - | 168 | |
| Total recognised income and expense for the period | - | 1 | - | - | - | 44 | 45 | |
| Recognition of share-based payments | - | - | - | - | - | 3 | 3 | |
| Dividends paid | - | - | - | - | - | (11) | (11) | |
| Court approved capital reduction | (320) | - | - | - | - | 320 | - | |
| Employee share schemes | - | - | - | (8) | 1 | - | (7) | |
| Transfer to available for sale financial investments | - | - | - | 2 | 1 | - | 3 | |
| Balance at 28 February 2007 | 37 | (3) | 3 | (28) | (164) | 356 | 201 | |

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

1 Basis of preparation

The financial information set out in this report does not constitute statutory accounts within the meaning of the Companies Act 1985. The Annual Report and Accounts 2006 have been filed with the Registrar of Companies. The auditors' report on these accounts was unqualified and did not contain a statement under s237(2) or s237(3) of the Companies Act 1985.

In accordance with the Listing Rules of the Financial Services Authority, the interim financial statements have been prepared on the basis of the accounting policies set out in the Group's Annual Report and Accounts 2006. As permitted, the Group has chosen not to adopt IAS 34 'Interim Financial Statements' in preparing the interim financial statements and therefore they are not in full compliance with International Financial Reporting Standards (IFRS). The comparative results for the 6 months ended 28 February 2006 have been extracted from the prospectus of New WH Smith PLC.

In accordance with the principles of reserve acquisition accounting in IFRS 3 'Business Combinations', the accounts of WH Smith PLC have been prepared as if it had been in existence in its current Group form since 1 September 2004. Further information is set out in the accounting policies in the Group's Annual Report and Accounts 2006.

2 Segmental analysis of results

For management purposes, the Group is currently organised into two operating divisions – High Street and Travel. These divisions are the basis on which the Group currently reports its primary business segment information.

a) Group revenue

| £m | 6 months to 28 Feb 2007 | 28 Feb 2006 | 12 months to 31 Aug 2006 |
|------------------------------|----------------------------|-------------|-----------------------------|
| Continuing operations | | | |
| High Street | 565 | 621 | 1,021 |
| Travel | 156 | 150 | 319 |
| Group revenue | 721 | 771 | 1,340 |

b) Group results

| £m | 6 months to 28 Feb 2007 | 28 Feb 2006 | 12 months to 31 Aug 2006 |
|--|----------------------------|-------------|-----------------------------|
| Continuing operations | | | |
| High Street | 51 | 53 | 42 |
| Travel | 15 | 13 | 31 |
| Trading profit | 66 | 66 | 73 |
| Unallocated costs | (6) | (6) | (13) |
| Group operating profit before exceptional items | 60 | 60 | 60 |
| Exceptional items (note 3) | - | 5 | (7) |
| Group operating profit | 60 | 65 | 53 |
| Investment income | 3 | 1 | 2 |
| Finance costs | (4) | (6) | (11) |
| Income tax expense | (12) | (10) | (12) |
| Profit for the period | 47 | 50 | 32 |

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

2 Segmental analysis of results continued

e) Geographical split

The total Group revenue and operating profits for these periods originate from the UK / Europe region. The directors consider this to be one segment.

d) Analysis of retailing stores and selling space

Number of stores

| | 1 Sept 2006 | Opened | Closed | 28 Feb 2007 |
|--------------|-------------|----------|------------|-------------|
| High Street | 543 | 3 | (1) | 545 |
| Travel | 129 | 3 | (1) | 131 |
| Total | 672 | 6 | (2) | 676 |

A Travel store may consist of multiple units within one location. On an individual unit basis, Travel stores and the motorway stores (operated under franchise and not included in the store numbers above) can be analysed as follows:

Number of Travel units

| | 1 Sept 2006 | Opened | Closed | 28 Feb 2007 |
|--------------------------|-------------|-----------|------------|-------------|
| Travel | 205 | 4 | (1) | 208 |
| Motorway franchise units | - | 36 | - | 36 |
| Total | 205 | 40 | (1) | 244 |

Retail selling square feet (000's)

| | 1 Sept 2006 | Opened | Closed | Space changes | 28 Feb 2007 |
|--------------|--------------|-----------|------------|---------------|--------------|
| High Street | 2,999 | 8 | (1) | (2) | 3,004 |
| Travel | 219 | 2 | (1) | 2 | 222 |
| Total | 3,218 | 10 | (2) | - | 3,226 |

3 Exceptional items

There were no exceptional items recorded in the period to 28 February 2007.

In the prior year, the following results were recorded:

a) Settlement of Post Retirement Medical Benefit Scheme

In September 2005, members of the post retirement medical benefits scheme were offered the option to be bought out of the scheme, which was accepted by the majority of members. A gain of £5m (before tax) arose from the settlement of this scheme, which has been recognised in the income statement for the period.

b) Costs of demerger from Smiths News PLC

At 31 August 2006, the Group incurred a £12m exceptional charge in relation to costs associated with the demerger from Smiths News PLC.

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

4 Retirement benefit obligation

WH Smith PLC has operated a number of defined benefit and defined contribution pension plans. The main pension arrangements for employees are operated through a defined benefit scheme, WHSmith Pension Trust, and a defined contribution scheme, WH Smith Retirement Savings Plan. The most significant is the defined benefit WHSmith Pension Trust. The scheme is independent of the Company and is administered by a Trustee. The Trustee of the Pension Trust has extensive powers over the pension plans' arrangements, including the ability to determine the levels of contribution.

On the date of demerger, 31 August 2006, the assets and liabilities of the Pension Trust and the WH Smith Retirement Savings Plan (a defined contribution plan) were split between the Smiths News business and the Retail business by way of a 'sectionalisation'. Each section only contains the accounts of members who are or were employed by the relevant business. There will be no cross-subsidy or cross-guarantees between the sections of the Pension Trust.

The assets and liabilities of the defined benefit scheme were allocated to the Smiths News business section and the WHSmith Retail business section in proportions that reflected the related liabilities of active, deferred, pensioner and orphan members belonging to the respective Smiths News and Retail businesses.

The WHSmith Pension Trust

The valuation of the defined benefit pension scheme used for the IAS 19 disclosures is based upon the most recent valuation. Scheme assets are stated at their market value at the relevant reporting date.

The market value of the assets in the schemes and the present value of the liabilities in the schemes were:

| £m | At 28 Feb 2007 | At 28 Feb 2006 | At 31 Aug 2006 |
|--|---------------------------|---------------------------|---------------------------|
| Continuing operations | | | |
| Present value of the obligations | (699) | (696) | (674) |
| Fair value of plan assets | 665 | 649 | 608 |
| Retirement benefit obligation recognised in the balance sheet | (34) | (47) | (66) |
| Deferred taxation | 10 | 14 | 20 |
| Net retirement obligation | (24) | (33) | (46) |

Movement in retirement benefit obligation during the period:

| £m | 6 months to 28 Feb 2007 | 28 Feb 2006 | 12 months to 31 Aug 2006 |
|----------------------------|------------------------------------|--------------------|-------------------------------------|
| At beginning of period | (66) | (53) | (53) |
| Current service cost | (3) | (3) | (6) |
| Interest cost | (1) | (1) | (3) |
| Contributions | 33 | 10 | 20 |
| Actuarial gains and losses | 3 | - | (24) |
| At end of period | (34) | (47) | (66) |

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

4 Retirement benefit obligation continued

The WHSmith Pension Trust continued

On 10 January 2007, the Company announced proposals to bring the pension arrangements of members of the WHSmith Pension Trust in line with those of the WH Smith Retirement Savings Plan. The consultation period in respect of the proposed changes has ended with the effective date of closure to service accrual being 2 April 2007. The actuarial impact of these changes on the pension liabilities, if any, will be reflected as a curtailment in the year end accounts.

5 Income tax expense

| £m | 6 months to | | 12 months to |
|---|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Current tax - current year | 20 | 8 | 6 |
| - prior year | (8) | (10) | (7) |
| Deferred tax | - | 12 | 13 |
| Income tax expense for the period | 12 | 10 | 12 |
| <i>Effective tax rate – continuing operations</i> | <i>20%</i> | <i>15%</i> | <i>20%</i> |

Income tax for the period, using the domestic corporation tax rate, is charged at 30% (28 February 2006: 30% and 31 August 2006: 30%).

6 Dividends

Amounts recognised as distributions to shareholders in the period are as follows:

| £m | 6 months to | | 12 months to |
|------------------|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Dividends | | | |
| Interim – paid | - | - | 5 |
| Final – paid | 11 | 10 | 10 |
| | 11 | 10 | 15 |

In addition, the directors are recommending an interim dividend in respect of the period ending 28 February 2007 of 3.7p per ordinary share, which will absorb an estimated £7m of shareholders' equity. This will be paid on 14 June 2007 to shareholders registered at the close of business on 25 May 2007.

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

7 Earnings per share

a) Earnings

| £m | 6 months to | | 12 months to |
|---|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Headline earnings attributable to shareholders | 48 | 46 | 43 |
| Pension interest net of related taxation | (1) | (1) | (2) |
| Exceptional items net of related taxation | - | 5 | (9) |
| Profit attributable to shareholders | 47 | 50 | 32 |

b) Basic earnings per share

| Pence | 6 months to | | 12 months to |
|---|--------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Headline earnings per share (note a) | 27.3 | 26.7 | 25.0 |
| Pension interest net of related taxation | (0.6) | (0.5) | (1.2) |
| Exceptional items net of related taxation | - | 2.9 | (5.2) |
| Earnings per share (note b) | 26.7 | 29.1 | 18.6 |

c) Diluted earnings per share

| Pence | 6 months to | | 12 months to |
|---|--------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Headline earnings per share | 26.4 | 26.3 | 24.4 |
| Pension interest net of related taxation | (0.6) | (0.5) | (1.1) |
| Exceptional items net of related taxation | - | 2.8 | (5.1) |
| Earnings per share | 25.8 | 28.6 | 18.2 |

Diluted earnings per share takes into account various share awards and share options including SAYE schemes, which are expected to vest, and for which a sum below fair value will be paid.

d) Weighted average share capital

| Millions | 6 months to | | 12 months to |
|--|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Weighted average shares in issue for earnings per share | 176 | 172 | 172 |
| Add weighted average number of ordinary shares under option | 6 | 3 | 4 |
| Weighted average ordinary shares for diluted earnings per share | 182 | 175 | 176 |

(a) Headline earnings per share has been calculated using profit after tax but before exceptional items and IAS 19 net interest charges on the defined benefit pension scheme.

(b) Basic earnings per share has been calculated using profit after tax and exceptional items.

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

8 Fixed charges cover

| £m | 6 months to 28 Feb 2007 | 28 Feb 2006 | 12 months to 31 Aug 2006 |
|---|----------------------------|-------------|-----------------------------|
| Net finance charges | 1 | 5 | 9 |
| Net operating lease rentals | 73 | 72 | 148 |
| Total fixed charges | 74 | 77 | 157 |
| Profit before tax and exceptional items | 59 | 55 | 51 |
| Profit before tax, exceptional items and fixed charges | 133 | 132 | 208 |
| Fixed charges cover – times | 1.8x | 1.7x | 1.3x |

9 Analysis of net funds / (debt)

| £m | At 28 Feb 2007 | At 28 Feb 2006 | At 31 Aug 2006 |
|--|-------------------|-------------------|-------------------|
| Cash and cash equivalents | 86 | 63 | 66 |
| Debt | | | |
| - Sterling floating rate | (12) | (30) | (13) |
| - Sterling fixed rate | - | (22) | - |
| - 'B' and 'C' shares classified as financial liabilities | - | (7) | - |
| Obligations under finance leases | (9) | (13) | (11) |
| Net funds / (debt) | 65 | (9) | 42 |

Movements in net funds can be further analysed as follows:

| £m | At 28 Feb 2007 | Cash flow | Non-cash | At 31 Aug 2006 |
|----------------------------------|-------------------|-----------|----------|-------------------|
| Cash and cash equivalents | 86 | 20 | - | 66 |
| Debt | | | | |
| - Sterling floating rate | (12) | 1 | - | (13) |
| Obligations under finance leases | (9) | 2 | - | (11) |
| Net funds | 65 | 23 | - | 42 |

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

At 28 February 2007 floating rate debt comprises of £12m of unsecured loan notes (redeemable at par on demand up until expiry on 28 February 2008) bearing interest at a rate of 100 basis points below six month LIBOR.

WH Smith PLC

Notes to the Interim Financial Statements

For the 6 months to 28 February 2007

10 Net cash inflow from operating activities

| £m | 6 months to | | 12 months to |
|---|-------------|-------------|--------------|
| | 28 Feb 2007 | 28 Feb 2006 | 31 Aug 2006 |
| Operating profit from continuing operations | 60 | 65 | 53 |
| Operating exceptional items | - | (5) | 7 |
| Adjustment for pension funding | (30) | (4) | (12) |
| Depreciation of property, plant and equipment | 17 | 16 | 30 |
| Profit on sale of property, plant and equipment | (2) | (2) | (5) |
| Impairment of property, plant and equipment | 2 | 1 | 3 |
| Amortisation of intangible assets | 2 | 2 | 4 |
| Share-based payments | 3 | 3 | 6 |
| (Increase) / decrease in inventories | (11) | (11) | 6 |
| (Increase) / decrease in receivables | (2) | 1 | 7 |
| Increase / (decrease) in payables | 6 | - | (4) |
| Income taxes received / (paid) | 13 | - | (2) |
| Cash spend against provisions | (1) | (1) | (3) |
| Net cash inflow from operating activities before exceptional items | 57 | 65 | 90 |
| Cash outflow relating to exceptional operating item | (5) | (2) | (8) |
| Net cash inflow from operating activities | 52 | 63 | 82 |

11 Approval of Interim Statement

The Interim Statement was approved by the Board of Directors on 19 April 2007.

INDEPENDENT REVIEW REPORT TO WH SMITH PLC

Introduction

We have been instructed by the Company to review the financial information for the six months ended 28 February 2007 which comprises the Group Income Statement, the Group Balance Sheet, the Group Cash Flow Statement, the Group Statement of Recognised Income and Expense, the Reconciliation of Movements In Equity and related notes 1 to 11. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the Company in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures are consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with the guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of Group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 28 February 2007.

Deloitte & Touche LLP

Chartered Accountants

London

19 April 2007

Notes: A review does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial information since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.