

16 October 2012

N Brown Group plc

**HALF YEAR RESULTS ANNOUNCEMENT
26 WEEKS ENDED 1 SEPTEMBER 2012**

YOUNGER BRANDS AND INTERNET CHANNEL DRIVE SALES GROWTH

N Brown Group plc (LSE:BWNG), the multichannel retailer, today announces its Half Year results for the 26 weeks ended 1 September 2012.

Highlights:

▪ Total revenue	£379.3m	+4.3%
▪ Operating Profit	£45.7m	-2.8%
▪ Profit before tax and fair value adjustments	£42.0m	-4.5%
▪ E-commerce sales	£196m	+12%
▪ Adjusted earnings per share	12.48p	+3.1%
▪ Interim dividend	5.45p	+3.0%
▪ Sales from newly recruited customers	+20%	
▪ Sales for the six weeks ended 13 October	+10.1%	

Andrew Higginson, Chairman, said:

“In my first report since taking over as Chairman I am pleased to be reporting like for like sales growth of 3.7% and an improving sales trend within the business. The strategy to focus on the development of our core brands and our online trading capability is delivering positive results, as evidenced by our strong start to the second half.”

Alan White, Chief Executive, added:

“I am delighted that the revenue and gross margin trends have been on an upward trajectory throughout 2012. We have seen double digit growth in the revenue from our younger brands, such as Jacamo and Simply Be, and in our menswear and home and leisure product ranges. The 10.1% increase in sales at the start of the second half is also very encouraging and all our major brands and product areas have contributed to this growth. This gives us some optimism in the outlook for our second half performance.”

-Ends-

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INTERIM STATEMENT

The business has been gathering momentum during the first half and this upward trend has continued into the first six weeks of the second half. The results for the 26 weeks to 1st September 2012 show good revenue growth, especially online, a lower rate of gross margin due to the sales mix and progress being made with our key initiatives. The business is well-positioned to deliver an improvement in performance for the six months to February 2013.

Financial Results

Total group revenue has increased by 4.3% to £379.3m. Excluding stores opened in the last year like-for-like sales growth is up by 3.7%. The rate of gross margin has fallen by 1.6% to 53.3% due to the product, customer and channel mix. Operating profit is £45.7m, down 2.8%, after absorbing the anticipated £1.1m of losses from the Simply Be concept stores and a £1.3m increase in the depreciation charge. Profit before taxation and fair value adjustments on foreign exchange contracts is £42.0m (2011, £44.0m) but, with the benefit of a lower tax charge, adjusted earnings per share have increased by 3.1% to 12.48p (2011, 12.10p).

There was a net cash inflow of £4.4m compared with an outflow of £15.8m in the first half of last year, principally due to favourable movements in working capital. Net finance costs were £3.7m (2011, £3.0m) reflecting the higher margin payable on the five year £370m banking facilities put in place last year. Net assets grew by 12.2% to £416.4m and gearing fell from 53% to 45% on borrowings of £188.1m (2011, £196.7m). Based on the earnings growth and reduced gearing the interim dividend will be increased by 3.0% to 5.45p, covered 2.3 times.

Trading Highlights

Total revenue growth has largely been driven by a combination of those brands targeted at the under 50 customers, strong online trading, and a higher level of financial income.

Online trading has been the main driver of our revenue growth, with internet sales increasing by 12% to £196m, accounting for 53% of home shopping revenue (2011, 48%). We have invested heavily in our online systems in recent years and we are now able to exploit that advanced functionality to drive incremental sales from both new and existing customers. For example, revenue from products sold only on the internet, the vast majority of which are despatched directly to customers from our suppliers, rose by 57%. We continue to see significantly higher average order values and lower transactional costs from customers ordering through our online channel. Access to our websites from mobile devices, whether smartphones or tablets, has seen explosive growth and 18% of our online sessions now originate from a mobile device. The key parts of our web platform either have been, or are in the process of being, adapted to give customers a great experience whichever mobile device they use to access our internet sites.

Sales from our younger brands, targeted at customers under 50 years of age, continued their strong momentum from last year, posting a 12% increase overall to £143m. Jacamo continued to be our fastest growing brand with sales up by 40% for its offer of fashionable menswear available in larger sizes, including the Freddie Flintoff range which has been extremely popular. There were also strong performances from Figleaves, which enjoyed the full benefit of last year's cost reduction programme, and Simply Be, which is leading our international and multi-channel developments.

Sales from our brands targeted at the over 50's were level with the first half last year at £236m, and accounted for 62% of total sales. Many of these customers have found it more difficult to maintain spending levels during the recession but their overall sales performance improved in the second quarter. Within this category we had excellent performances from Marisota, Premier Man, High & Mighty and Julipa, all of which posted double-digit increases, offset by a fall in sales from some of the long-established midlife brands.

One of our key objectives this year was to boost the size of the active customer database, which had fallen by 5% in the same period last year. We have had great success so far with sales from new customers up by 20%, due to increased recruitment activity, and also a 1% rise in the number of established customers who have ordered, attracted by improvements in our product ranges, lower prices for our "Amazing Value" lines, better catalogue presentation and website enhancements.

The wet summer inevitably depressed the sales of ladies clothing which were down by 2%. Within this category, which accounted for 49% of all sales, there were some encouraging results from the most fashionable areas, but sales of basic summer clothing were disappointing. However all other product categories delivered good increases. Menswear sales continued their strong run, posting a 12% increase on the back of the success of Jacamo, Premier Man and High & Mighty. Footwear sales rose by 4%. Furthermore, as part of our initiative to sharpen our opening price points we were more aggressive with the pricing of key value indicator lines in the home and leisure ranges. This has resulted in a 13% increase in revenue with particular successes from the homewares, electrical, gifts and leisure ranges.

Gross Margin and Overheads

The 1.6% decrease in the rate of gross margin is a function of the planned investment in lower opening price points coupled with a mix of customers, channels and products which is adverse in the short term but should deliver benefits in the future. Our online promotional activity and customer recruitment campaigns were more successful than planned, although they have a lower rate of gross margin, and the fall in ladieswear sales, our highest margin product category, also contributed to the adverse mix. Financial income was strong, up by 6.3%, broadly in line with the growth in debtor balances. The rate of arrears on established customers' debts was unchanged from last year, although the increased level of new customer recruitment, which has a higher rate of default, contributed to a rise of 0.6% to 8.0% in the bad debt to sales ratio.

Selling and administration costs rose by only 3.1%, even though we had additional overheads in the Simply Be stores and higher levels of customer recruitment in the UK and USA. The planned reduction in catalogue costs has been delivered through our contact optimisation programme, demonstrating our ability to reduce mailings through statistical targeting. Distribution costs rose by only 0.3% due to improved collation of customer orders and efficiency improvements in our distribution centres.

Stores and International

Expanding the geographic markets we serve and the channels to customers are two of the ways we can improve our market share.

We now operate from six Simply Be stores with another one due to open in Manchester Arndale this month. Sales and losses from the stores in the first half were £1.7m and £1.1m respectively. We will evaluate the results of the stores in early 2013 once we have traded through the Christmas period. However we can already see an uplift in online sales in postcodes near a store and the joint Simply Be / Jacamo store format looks promising.

Sales in the USA increased by 53% to £3.4m. The US customer is in general more casual and conservative than their UK counterpart and we have tested Marisota as an alternative brand for direct mail campaigns with some success, leaving Simply Be to be promoted primarily in the online channel. We anticipate further progress in the second half and a reduced level of losses.

The returns rate in Germany has continued to be unacceptable and we plan to make system changes in early 2013 to amend the business model. This should result in a smaller but profitable business. Consequently we have limited our recruitment activity this year to online pay per click, resulting in a 20% reduction in sales in the first half and a much smaller loss.

Current trading and outlook

Customer ordering rates improved across all brands in the latter weeks of the first half and we are pleased to report that this trend has continued into the second half to date. Sales for the six weeks ending 13 October 2012 are up by 10.1% in total, or 9.4% on a like-for-like basis.

The second half of the 2011/12 financial year was a difficult period with significant price increases, economic and political uncertainty, and high inflation compounded by mild autumn weather and excessive discounting in the retail sector. Whilst we cannot easily forecast the weather or macroeconomic indicators we are mildly optimistic that they will be a little more favourable this year.

There are also a number of other actions we have taken in our business which should continue to drive growth in the second half of the year. Our stock levels at the end of the first half are 3% down on last year, and with strong demand in the second half to date, we expect to do significantly less discounting to clear stocks than last year. In addition input prices on clothing have fallen by about 3% in autumn/winter and we will pass this benefit onto our customers to help drive sales volumes. The high levels of customer recruitment in the first half should feed through into increased sales in the second half. Furthermore we have revamped the JD Williams catalogue and website to give a more contemporary feel, with encouraging results so far. In addition to these factors we continue to test and develop techniques to improve the yield from our online activities.

The board continues to believe that the group is well-positioned to exploit its strong selling propositions in the plus size and mature markets and expects the second half performance to meet our expectations.

Everyone in the business has worked very hard once again to manage our core home shopping business during the prolonged recession whilst at the same time investing time and energy to work on projects to deliver growth in the future. We would like to thank them all for their contribution.

Alan White, Chief Executive
16 October 2012

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		26 weeks to 01-Sep-12	26 weeks to 27-Aug-11	53 weeks to 03-Mar-12
	Note	£m	£m	£m
Revenue	4	<u>379.3</u>	<u>363.7</u>	<u>753.2</u>
Operating profit	4	45.7	47.0	102.0
Investment income		1.9	2.1	4.3
Finance costs		(5.6)	(5.1)	(10.7)
		<hr/>	<hr/>	<hr/>
Profit before taxation and fair value adjustments to financial instruments		42.0	44.0	95.6
Fair value adjustments to financial instruments	5	<u>(0.2)</u>	<u>0.8</u>	<u>1.3</u>
		<hr/>	<hr/>	<hr/>
Profit before taxation		41.8	44.8	96.9
Taxation	6	(7.2)	(10.8)	(15.9)
		<hr/>	<hr/>	<hr/>
Profit attributable to equity holders of the parent		<u>34.6</u>	<u>34.0</u>	<u>81.0</u>
		<hr/>	<hr/>	<hr/>
Adjusted earnings per share	7			
Basic		12.48 p	12.10 p	28.91 p
Diluted		12.46 p	12.08 p	28.88 p
		<hr/>	<hr/>	<hr/>
Earnings per share	7			
Basic		12.44 p	12.32 p	29.28 p
Diluted		12.42 p	12.30 p	29.24 p

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		26 weeks to 01-Sep-12	26 weeks to 27-Aug-11	53 weeks to 03-Mar-12
		£m	£m	£m
Profit for the period		34.6	34.0	81.0
Other items of comprehensive income				
Exchange differences on translation of foreign operations		(0.7)	0.3	(0.2)
Actuarial gains/(losses) on defined benefit pension schemes		0.4	(5.4)	(6.2)
Tax relating to components of other comprehensive income		(0.1)	1.4	1.6
		<u>(0.4)</u>	<u>(3.7)</u>	<u>(4.8)</u>
		<hr/>	<hr/>	<hr/>
Total comprehensive income for the period attributable to equity holders of the parent		<u>34.2</u>	<u>30.3</u>	<u>76.2</u>

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	01-Sep-12 £m	27-Aug-11 £m	03-Mar-12 £m
Non-current assets			
Intangible assets	65.0	58.4	62.8
Property, plant & equipment	67.8	67.7	67.2
Retirement benefit surplus	1.6	-	-
Deferred tax assets	1.6	3.5	1.9
	<u>136.0</u>	<u>129.6</u>	<u>131.9</u>
Current assets			
Inventories	81.5	84.1	82.6
Trade and other receivables	535.6	508.1	522.0
Cash and cash equivalents	61.9	33.3	57.5
	<u>679.0</u>	<u>625.5</u>	<u>662.1</u>
Total assets	<u>815.0</u>	<u>755.1</u>	<u>794.0</u>
Current liabilities			
Bank loans and overdrafts	-	(40.0)	-
Trade and other payables	(119.7)	(111.7)	(106.6)
Derivative financial instruments	(0.3)	(0.6)	(0.1)
Current tax liability	(18.0)	(32.1)	(22.9)
	<u>(138.0)</u>	<u>(184.4)</u>	<u>(129.6)</u>
Net current assets	<u>541.0</u>	<u>441.1</u>	<u>532.5</u>
Non-current liabilities			
Bank loans	(250.0)	(190.0)	(250.0)
Retirement benefit obligation	-	(0.2)	(1.0)
Deferred tax liabilities	(10.6)	(9.4)	(11.1)
	<u>(260.6)</u>	<u>(199.6)</u>	<u>(262.1)</u>
Total liabilities	<u>(398.6)</u>	<u>(384.0)</u>	<u>(391.7)</u>
Net assets	<u>416.4</u>	<u>371.1</u>	<u>402.3</u>
Equity			
Share capital	31.3	31.3	31.3
Share premium account	11.0	11.0	11.0
Own shares	(1.0)	(1.4)	(1.5)
Foreign currency translation reserve	1.2	2.4	1.9
Retained earnings	373.9	327.8	359.6
Total equity	<u>416.4</u>	<u>371.1</u>	<u>402.3</u>

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	26 weeks to 01-Sep-12 £m	26 weeks to 27-Aug-11 £m	53 weeks to 03-Mar-12 £m
Net cash from operating activities	41.2	20.5	56.5
Investing activities			
Purchases of property, plant and equipment	(4.5)	(2.6)	(5.7)
Purchases of intangible assets	(7.5)	(10.1)	(19.2)
Interest received	0.1	0.1	0.1
Net cash used in investing activities	(11.9)	(12.6)	(24.8)
Financing activities			
Interest paid	(3.7)	(2.9)	(7.9)
Dividends paid	(21.5)	(20.3)	(35.0)
Increase in bank loans	-	-	20.0
Purchase of shares by ESOT	-	(0.9)	(1.0)
Proceeds on issue of shares held by ESOT	0.3	0.4	0.6
Net cash used in financing activities	(24.9)	(23.7)	(23.3)
Net increase/(decrease) in cash and cash equivalents	4.4	(15.8)	8.4
Opening cash and cash equivalents	57.5	49.1	49.1
Closing cash and cash equivalents	61.9	33.3	57.5

RECONCILIATION OF OPERATING PROFIT TO NET CASH FROM OPERATING ACTIVITIES

	26 weeks to 01-Sep-12 £m	26 weeks to 27-Aug-11 £m	52 weeks to 03-Mar-12 £m
Operating profit	45.7	47.0	102.0
Adjustments for:			
Depreciation of property, plant and equipment	3.9	4.0	7.6
Amortisation of intangible assets	5.3	3.9	8.6
Share option charge	1.1	1.2	2.2
Operating cash flows before movements in working capital	56.0	56.1	120.4
Decrease/(increase) in inventories	1.1	(6.0)	(4.5)
Increase in trade and other receivables	(14.3)	(17.0)	(30.7)
Increase/(decrease) in trade and other payables	13.1	(3.1)	(7.5)
Pension obligation adjustment	(2.3)	(1.8)	(1.6)
Cash generated by operations	53.6	28.2	76.1
Taxation paid	(12.4)	(7.7)	(19.6)
Net cash from operating activities	41.2	20.5	56.5

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £m	Share premium £m	Own shares £m	Foreign currency translation reserve £m	Retained earnings £m	Total £m
Changes in equity for the 26 weeks to 1 September 2012						
Balance at 3 March 2012	31.3	11.0	(1.5)	1.9	359.6	402.3
Profit for the period	-	-	-	-	34.6	34.6
Other items of comprehensive income for the period	-	-	-	(0.7)	0.3	(0.4)
Total comprehensive income for the period	-	-	-	(0.7)	34.9	34.2
Equity dividends	-	-	-	-	(21.5)	(21.5)
Issue of own shares by ESOT	-	-	0.5	-	-	0.5
Adjustment to equity for share payments	-	-	-	-	(0.2)	(0.2)
Share option charge	-	-	-	-	1.1	1.1
Balance at 1 September 2012	31.3	11.0	(1.0)	1.2	373.9	416.4
Changes in equity for the 26 weeks to 27 August 2011						
Balance at 26 February 2011	31.0	11.0	(1.2)	2.1	317.5	360.4
Profit for the period	-	-	-	-	34.0	34.0
Other items of comprehensive income for the period	-	-	-	0.3	(4.0)	(3.7)
Total comprehensive income for the period	-	-	-	0.3	30.0	30.3
Equity dividends	-	-	-	-	(20.3)	(20.3)
Issue of ordinary share capital	0.3	-	-	-	-	0.3
Purchase of own shares by ESOT	-	-	(1.2)	-	-	(1.2)
Issue of own shares by ESOT	-	-	1.0	-	-	1.0
Adjustment to equity for share payments	-	-	-	-	(0.6)	(0.6)
Share option charge	-	-	-	-	1.2	1.2
Balance at 27 August 2011	31.3	11.0	(1.4)	2.4	327.8	371.1

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Share capital £m	Share premium £m	Own shares £m	Foreign currency translation reserve £m	Retained earnings £m	Total £m
Changes in equity for the 53 weeks to 3 March 2012						
Balance at 26 February 2011	31.0	11.0	(1.2)	2.1	317.5	360.4
Profit for the period	-	-	-	-	81.0	81.0
Other items of comprehensive income for the period	-	-	-	(0.2)	(4.6)	(4.8)
Total comprehensive income for the period	-	-	-	(0.2)	76.4	76.2
Equity dividends	-	-	-	-	(35.0)	(35.0)
Issue of ordinary share capital	0.3	-	-	-	-	0.3
Purchase of own shares by ESOT	-	-	(1.3)	-	-	(1.3)
Issue of own shares by ESOT	-	-	1.0	-	-	1.0
Adjustment to equity for share payments	-	-	-	-	(0.4)	(0.4)
Share option charge	-	-	-	-	2.2	2.2
Tax on items recognised directly in equity	-	-	-	-	(1.1)	(1.1)
Balance at 3 March 2012	31.3	11.0	(1.5)	1.9	359.6	402.3

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The group's interim results for the 26 weeks ended 1 September 2012 were approved by the board of directors on 16 October 2012, and have been prepared in accordance with IAS 34 'Interim Financial Reporting'.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those disclosed in the annual report & accounts for the 53 weeks ended 3 March 2012.

The condensed consolidated financial statements have not been audited or reviewed by the auditors pursuant to the International Standard on Review Engagements (UK & Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the UK Auditing Practices Board.

The financial information for the 53 weeks ended 3 March 2012 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of those accounts have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain any statement under Section 498 (2) or (3) of the Companies Act 2006.

2. Risks and uncertainties

There are a number of risks and uncertainties which could have an impact on the group's long-term performance. These include consideration of the general economic climate, the impact it has on the provision of credit to our customers and their ability to maintain payment terms; the potential threat from our competitors; our relationship with key suppliers; the loss of key personnel; potential disruption to our key information systems, warehousing or call centre facilities arising from events beyond our control such as fire or other issues which could have a detrimental impact on sales and profit; and changes to the regulatory environment in which the business operates, primarily regulated by the Financial Services Authority and the Office of Fair Trading. These risks are consistent with those disclosed in the 2012 annual report & accounts and remain relevant for the rest of the financial year.

The directors routinely monitor all these risks and uncertainties taking appropriate actions to mitigate where necessary. Business continuity procedures are in place, together with a dedicated team assessing regulatory developments, ensuring we treat our customers fairly and hosting regular reviews with all of our strategic partners. The board are also committed to the investment in systems and infrastructure to keep pace with new technology.

3. Going concern

In determining whether the group's accounts can be prepared on a going concern basis, the directors considered the group's business activities together with factors likely to affect its future development, performance and financial position including cash flows, liquidity position, borrowing facilities and the principal risks and uncertainties relating to its business activities.

The group has considered carefully its cash flows and banking covenants for the next twelve months from the date of approval of the group's interim results. These have been appraised in light of the uncertainty in the current economic climate. Conservative assumptions for working capital performance have been used to determine the level of financial resources available to the company and to assess liquidity risk. The key trading risk identified by the directors for these assumptions is the impact that a further deterioration in the economic climate might have on the performance of the group's sales and debtor book.

The group's forecasts and projections, after sensitivity to take account of all reasonably foreseeable changes in trading performance, show that the group will have sufficient headroom within its current loan facilities of £370m which are committed until March 2016.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**

After making appropriate 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. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

4. Business segments

	26 weeks to 01-Sep-12 £m	26 weeks to 27-Aug-11 £m	53 weeks to 03-Mar-12 £m
Analysis of revenue - Home shopping			
Sale of goods	267.8	258.8	534.8
Rendering of services	111.5	104.9	218.4
	<u>379.3</u>	<u>363.7</u>	<u>753.2</u>
Analysis of result			
Segment result & operating profit - Home shopping	45.7	47.0	102.0
Investment income	1.9	2.1	4.3
Finance costs	(5.6)	(5.1)	(10.7)
Fair value adjustments to financial instruments	(0.2)	0.8	1.3
	<u>41.8</u>	<u>44.8</u>	<u>96.9</u>

The group has one business segment and one significant geographic segment that operates in and derives revenue from the UK and Ireland.

5. Derivative financial instruments

At the balance sheet date, details of outstanding foreign exchange contracts that the group has committed to are as follows:

	26 weeks to 01-Sep-12 £m	26 weeks to 27-Aug-11 £m	53 weeks to 03-Mar-12 £m
Notional Amount - Sterling contract value	30.6	35.6	43.6
Fair value of liability recognised	(0.3)	(0.6)	(0.1)

Changes in the fair value of assets/liabilities recognised, being non-hedging currency derivatives, amounted to a charge of £0.2m (2011, credit of £0.8m) to income in the period.

The fair value of foreign currency derivatives contracts is their quoted market value at the balance sheet date. Market values are based on the duration of the derivative instrument together with the quoted market data including interest rates, foreign exchange rates and market volatility at the balance sheet date.

6. Taxation

The taxation charge for the 26 weeks ended 1 September 2012 is based on the estimated effective tax rate for the full year of 17.3%. This is significantly lower than the statutory rate and is due to the resolution of a prior year initiative.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**

7. Earnings per share

Earnings	26 weeks to 01-Sep-12 £m	26 weeks to 27-Aug-11 £m	53 weeks to 03-Mar-12 £m
Net profit attributable to equity holders of the parent for the purpose of basic and diluted earnings per share	34.6	34.0	81.0
Fair value adjustment to financial instruments (net of tax)	0.1	(0.6)	(1.0)
Net profit attributable to equity holders of the parent for the purpose of basic and diluted adjusted earnings per share	34.7	33.4	80.0
Number of shares	26 weeks to 01-Sep-12 No. ('000s)	26 weeks to 27-Aug-11 No. ('000s)	53 weeks to 03-Mar-12 No. ('000s)
Weighted average number of shares in issue for the purpose of basic earnings per share	278,032	275,964	276,681
Effect of dilutive potential ordinary shares:			
Share options	519	562	367
Weighted average number of shares in issue for the purpose of diluted earnings per share	278,551	276,526	277,048

8. Dividends

The directors have declared and approved an interim dividend of 5.45p per share (2011, 5.29p). This will be paid on 4 January 2013 to shareholders on the register at the close of business on 7 December 2012.

Responsibility statement

We confirm that to the best of our knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34;
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first 26 weeks and description of principal risks and uncertainties for the remaining 26 weeks of the year); and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board

Alan White
Chief Executive

Dean Moore
Finance Director

16 October 2012