GROUP PROFIT AND LOSS ACCOUNT
for the 52 weeks ended 28 February 2004

	Note	Before goodwill amortisation & operating exceptional items £m	Goodwill amortisation & operating exceptional items (note 4) £m	Unaudited Total 52 weeks to 28-Feb-04 £m	Audited Total 52 weeks to 1-Mar-03 £m
Turnover	1	**470.5**	-	**470.5**	457.3
Operating profit before goodwill amortisation	2	**54.2**	**(7.8)**	**46.4**	60.2
Goodwill amortisation		-	**(10.3)**	**(10.3)**	(0.7)
Operating profit	3	**54.2**	**(18.1)**	**36.1**	59.5
Profit on sale of tangible fixed assets		**1.0**	-	**1.0**	-
Profit on ordinary activities before finance charges		**55.2**	**(18.1)**	**37.1**	59.5
Net interest payable and similar charges		**(6.1)**	-	**(6.1)**	(5.4)
Profit on ordinary activities before taxation		**49.1**	**(18.1)**	**31.0**	54.1
Taxation on profit on ordinary activities		**(13.8)**	**1.2**	**(12.6)**	(15.4)
Profit on ordinary activities after taxation		**35.3**	**(16.9)**	**18.4**	38.7
Equity minority interests		-	**(0.5)**	**(0.5)**	(0.2)
Profit for the financial year		**35.3**	**(17.4)**	**17.9**	38.5
Dividends	6	**(17.1)**	-	**(17.1)**	(17.1)
Retained profit for the year		**18.2**	**(17.4)**	**0.8**	21.4
Underlying earnings per share	7			**12.02p**	13.42p
Goodwill amortisation and exceptional operating items				**(5.91)p**	(0.26)p
Basic earnings per share				**6.11p**	13.16p
Diluted earnings per share	7			**6.08p**	13.10p
Dividends per share	6			**5.84p**	5.84p

GROUP BALANCE SHEET
as at 28 February 2004

	Unaudited	Audited
	2004	2003
	£m	£m
Fixed assets		
Intangible assets	**-**	10.0
Tangible assets	**83.0**	77.6
Investments	**2.3**	3.9
	85.3	91.5
Current assets		
Stocks	**46.4**	41.7
Debtors	**354.1**	326.8
Cash at bank and in hand	**26.8**	24.0
	427.3	392.5
Creditors		
Amounts falling due within one year	**(90.4)**	(96.1)
Net current assets	**336.9**	296.4
Total assets less current liabilities	**422.2**	387.9
Creditors		
Amounts falling due after more than one year	**(170.6)**	(137.1)
Provisions for liabilities and charges	**(5.0)**	(5.4)
Net assets	**246.6**	245.4
Capital and reserves		
Called-up share capital	**29.5**	29.5
Share premium account	**9.1**	8.7
Revaluation reserve	**-**	1.7
Profit and loss account	**208.0**	206.1
Equity shareholders' funds	**246.6**	246.0
Equity minority interests	**-**	(0.6)
Capital employed	**246.6**	245.4
Gearing	**59%**	47%

GROUP CASH FLOW STATEMENT
for the 52 weeks ended 28 February 2004

			Unaudited		Audited
		2004	**2004**	2003	2003
	Note	**£m**	**£m**	£m	£m
Net cash inflow from operating activities	5		**29.4**		30.8
Returns on investments and servicing of finance					
Interest paid		**(6.3)**		(5.4)	
Interest element of finance lease payments		**(0.1)**		(0.1)	
Net cash outflow from returns on investments and servicing of finance			**(6.4)**		(5.5)
Taxation					
Corporation tax paid			**(12.8)**		(16.6)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		**(25.4)**		(15.3)	
Purchase of intangible fixed assets		**-**		(0.1)	
Sale of fixed asset investment		**0.8**		-	
Sale of tangible fixed assets		**0.6**		0.1	
Decrease in own shares held in trust		**0.7**		0.8	
Net cash outflow from capital expenditure and financial investment			**(23.3)**		(14.5)
Acquisitions and disposals					
Purchase of subsidiary undertakings		**(0.3)**		(0.1)	
Net cash outflow from acquisitions and disposals			**(0.3)**		(0.1)
Equity dividends paid			**(17.1)**		(17.1)
Cash outflow before financing			**(30.5)**		(23.0)
Financing					
Issue of ordinary share capital		**0.4**		0.3	
New loans		**34.0**		136.0	
Loan repayments		**(0.5)**		(98.2)	
Capital element of finance leases		**(0.5)**		(0.5)	
Net cash inflow from financing			**33.4**		37.6
Increase in cash in the year			**2.9**		14.6

GROUP CASH FLOW STATEMENT, contd.
for the 52 weeks ended 28 February 2004

		Unaudited 2004 £m		Audited 2003 £m
Reconciliation of net cash flow to movement in net debt				
Increase in cash in the year		**2.9**		14.6
Cash inflow from increase in loans		**(34.0)**		(136.0)
Repayment of loans		**0.5**		98.2
Repayment of capital element of finance leases		**0.5**		0.5
Changes in net debt resulting from cash flows		**(30.1)**		(22.7)
New unsecured loan notes		**-**		(0.2)
Movement in net debt in the year		**(30.1)**		(22.9)
Net debt at 1 March 2003		**(115.5)**		(92.6)
Net debt at 28 February 2004		**(145.6)**		(115.5)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the 52 weeks ended 28 February 2004

	Unaudited	Audited
	2004	2003
	£m	£m
Profit for the financial year	**17.9**	38.5
Unrealised gain on trade investment	**-**	0.1
Exchange adjustments offset in reserves	**(0.1)**	0.2
Total recognised gains relating to the year	**17.8**	38.8

RECONCILIATION OF MOVEMENTS IN GROUP SHAREHOLDERS' FUNDS

	Unaudited	Audited
	2004	2003
	£m	£m
Profit for the financial year	**17.9**	38.5
Dividends	**(17.1)**	(17.1)
	0.8	21.4
Other recognised gains and losses (net) relating to the year	**(0.1)**	0.3
Transfer in respect of employee share ownership trusts	**(0.5)**	0.4
Issue of ordinary share capital	**0.4**	2.4
Net additions to shareholders' funds	**0.6**	24.5
Equity shareholders' funds at 1 March 2003	**246.0**	221.5
Equity shareholders' funds at 28 February 2004	**246.6**	246.0

NOTES TO THE ACCOUNTS
for the 52 weeks ended 28 February 2004

		Unaudited	Audited
		2004	2003
1	**Analysis of turnover**	**£m**	£m
	Home shopping	**452.9**	439.7
	Financial services	**8.7**	8.0
	Fulfilment	**8.9**	9.6
		470.5	457.3

		Unaudited	Audited
2	**Analysis of operating profit before goodwill**	**2004**	2003
	amortisation and operating exceptional items	**£m**	£m
	Home shopping	**51.0**	57.2
	Financial services	**2.4**	2.7
	Fulfilment	**0.8**	0.3
		54.2	60.2

		Unaudited	Audited
		2004	2003
3	**Analysis of operating profit**	**£m**	£m
	Home shopping	**41.8**	56.9
	Financial services	**2.4**	2.7
	Fulfilment	**(8.1)**	(0.1)
		36.1	59.5

		Unaudited	Audited
4	**Analysis of goodwill amortisation and operating**	**2004**	2003
	exceptional items	**£m**	£m
	Amortisation of goodwill	**0.6**	0.7
	Impairment of carrying value of tangible fixed assets	**7.8**	-
	Write-off of carrying value of goodwill	**9.7**	-
		18.1	0.7

An impairment review of the carrying value of the group's tangible fixed assets has resulted in an exceptional charge to reduce the carrying value by £7.8m. The annual impairment review of the carrying value of the group's investment in Teleview Direct Ltd and Eunite Ltd indicated that a write-off of goodwill of £2.1m and £7.6m respectively was required. The impact of these exceptional items has reduced the current year tax charge by £1.2m.

5	**Reconciliation of operating profit to operating**	**Unaudited 2004**	Audited 2003
	cash flows	**£m**	£m
	Operating profit	**36.1**	59.5
	Increase in stocks	**(4.7)**	(2.7)
	Increase in debtors	**(23.2)**	(44.4)
	(Decrease)/increase in creditors	**(9.6)**	4.1
	Depreciation (net of profit (loss) on disposals)	**12.6**	13.6
	Amortisation of goodwill and other intangible fixed assets	**0.7**	0.7
	Impairment of goodwill and tangible fixed assets	**17.5**	-
	Net cash inflow from operating activities	**29.4**	30.8

6. An interim dividend of 1.74p per ordinary share was paid on 6 January 2004 to shareholders on the register at the close of business on 28 November 2003. A final dividend of 4.10p per ordinary share is proposed to be paid on 16 July 2004 to shareholders on the register at the close of business on 18 June 2004.

7. The calculation of earnings per share is based on the profit for the financial year of £17.9m and the weighted average number of shares in issue during the year of 293.0m (2003, 292.5m). To assist comparison, an underlying earnings per share has also been calculated to exclude the impact of goodwill amortisation and operating exceptional items and is based on a profit for the financial year of £35.3m. For diluted earnings per share, the weighted average number of shares of 294.1m (2003, 294.0m) has been calculated after adjusting for the potential dilution of outstanding share options.

8. The financial information set out above does not constitute the group's statutory financial statements for the 52 weeks ended 28 February 2004 or the 52 weeks ended 1 March 2003. The financial information for the 52 weeks ended 1 March 2003 is derived from the statutory financial statements for that year which have been delivered to the Registrar of Companies. The auditors have reported on the financial statements for the 52 weeks ended 1 March 2003; their report was unqualified and did not contain any statement under Section 237(2) or (3) of the Companies Act 1985.

The financial information set out above has been prepared under the same accounting policies as the 2003 financial statements.

The auditors have not reported on financial statements for the 52 weeks ended 28 February 2004, nor have any such financial statements been delivered to the Registrar of Companies.

This report was approved by the Board of Directors on 12 May 2004.

It is expected that the full Annual Report and Accounts for the 52 weeks ended 28 February 2004 will be posted to shareholders on 28 May 2004.