GUS

The retail and business services group

Interim Report 2001

Six months ended 30 September 2001

Highlights

- Profit before amortisation of goodwill, exceptional items and taxation up 11% to £206m (2000: £187m)
- Earnings per share before amortisation of goodwill and exceptional items up 10% to 15.5p (2000: 14.1p)
- Dividend up 5% to 6.5p (2000: 6.2p)
- Experian: sales and profits grew in first half, with North America profits unchanged overall despite disruption in September
- Argos Retail Group: sales up 9%; profits up 13%; excellent performance from Argos with 13% like-for-like sales growth
- Reality: further efficiency and service level improvements; continues to win third party contracts
- Burberry: sales up by more than 30%; profits up by more than 50%; more new stores and wholesale accounts; strong growth in Japan

Chairman's statement

The Group has continued to make good progress during these first six months, despite economic uncertainty and the tragic events of 11 September. We were very fortunate that no one from GUS was hurt in the terrorist attacks, but our US colleagues have been working in difficult circumstances and I would like to pay particular tribute to their courage and determination.

Sir Victor Blank, Chairman

Our financial performance showed sales growth of 8% and an increase in underlying profits of 11% to £206m. All our major businesses contributed to this growth.

The Board has declared an interim dividend of 6.5p (2000: 6.2p).

The Group's strong operational performance has been supported by significant investment in our main businesses, both in their infrastructure and in the development of new ventures. Our aim as a Group remains clear: to focus on growth markets, to attract and retain high quality management and to build businesses that are well positioned for the long term.

In the light of the recent terrorist attacks in the United States, we have taken the unusual step of providing an update on trading since 30 September at Experian North America and Burberry. These businesses have shown a degree of resilience that is encouraging.

No one can predict with certainty the longer-term impact of events such as these, but we will continue to be open and forthright in reporting the views and progress of our management teams.

Sir Victor Blank
Chairman

Chief executive's review

The first six months of the current financial year have seen further good progress at GUS. Sales rose by 8%, with profit before amortisation of goodwill, exceptional items and taxation up 11%. All our major businesses increased their operating profit. We continue to reposition our businesses for growth by investment and corporate developments.

John Peace, Group Chief Executive

Group results

In the six months to 30 September 2001, sales grew by 8% to £2,857m. Group profit before amortisation of goodwill, exceptional items and taxation was £206.2m, compared to a restated £186.5m in the same period last year. This year's result was before an exceptional charge of £26.0m (2000: £26.1m). This charge covered restructuring costs in Argos Retail Group and Reality (£16.3m), in line with expectations, and a loss on sale of businesses and investments (£9.7m).

The Group's effective tax rate (based on profit before amortisation of goodwill and loss on sale of businesses) was 24.2%. Earnings per share before amortisation of goodwill and exceptional items were 15.5p (2000: 14.1p).

Investment

Our 11% growth in profit before tax was after significant revenue investment in our existing businesses, as well as new initiatives such as the Argos store card, Argos Additions and e-commerce related ventures in gusco.com.

As previously announced, capital expenditure in the current financial year will be up to £100m higher than in 2001 (£268m). Major projects include the supply chain programme at Argos, a new UK data centre and buildings for Experian and new stores for Burberry. Cash will also be invested in the build up of the debtor book for the Argos store card, with the loan book estimated to be approximately £100m at March 2002.

Management teams at all levels have been further strengthened across the Group, especially at Experian North America and Burberry. Tom O'Neill, previously at LVMH, joined Burberry as President on 1 November 2001. Reporting to Rose Marie Bravo, he will initially have management responsibility for its Asian operations.

For the six months ended 30 September 2001	Sales 2001 £m	Sales 2000 £m	Profit before taxation 2001 £m	Profit before taxation 2000 £m
Experian	**534**	487	**110.3**	105.7
Argos Retail Group	**1,965**	1,796	**64.5**	57.1
Reality	**226**	219	**2.2**	1.6
Burberry	**236**	185	**42.1**	26.6
Other*	**84**	148	**26.0**	30.1
Inter-divisional turnover	**(188)**	(184)	**-**	-
Total	**2,857**	2,651	**245.1**	221.1
Net interest			**(38.9)**	(34.6)
Profit before amortisation of goodwill, exceptional items and taxation			**206.2**	186.5
Amortisation of goodwill			**(48.6)**	(42.4)
Exceptional items			**(26.0)**	(26.1)
Profit before taxation*			**131.6**	118.0

* As previously disclosed, South African Retailing profits have been re-phased between the first and second halves, benefiting first-half profits in 2000 by £5.8m, with a corresponding reduction in the second half.

Corporate developments

As part of its drive to take a greater share of the value chain, Burberry has secured an agreement to bring much of its Asian licence and distribution arrangements outside Japan fully in-house with effect from 1 January 2002.

It remains the Group's intention to arrange a partial Initial Public Offering (IPO) for Burberry by June 2002, subject to market conditions.

We have continued to dispose of non-core businesses, such as our Swiss home shopping activities and our small UK stationery and printing interests. We have also made further small in-fill acquisitions at Experian to strengthen its product offering. These include companies in e-mail distribution, German account processing and French cheque processing.

Sales performance since 30 September

Given the uncertainty about the impact of the terrorist activity and anthrax problems on the performance of Experian North America and Burberry in particular, we are providing an update on trading since 30 September in these two businesses in these unusual circumstances.

For the month of October, the sales of Experian North America in dollar terms were 5% above those of last year (4% excluding acquisitions). We anticipate a further month of progress in November.

For Burberry, Wholesale deliveries for Autumn/Winter 2001 were virtually unaffected. With the Spring/Summer 2002 order book now well advanced, orders to date indicate that single digit sales growth overall should be achievable, on top of the strong growth in recent seasons. Although Burberry's retail sales since 30 September are below last year's levels, the trend has shown an improvement since the period from 11 to 30 September.

For Experian as a whole, sales and operating profit increased by 10% and 4% respectively. At constant exchange rates and excluding acquisitions and disposals, sales grew by 4% and operating profit by 1%.

Six months to 30 September	2001	2000	Underlying change*
Sales £m	**534**	487	4%
Operating profit £m	**110.3**	105.7	1%
Operating margin	**20.7%**	21.7%	

* At constant exchange rates excluding acquisitions and disposals.

Exchange rate movements benefited sales by £19m and profit by £4m.

Experian North America

Six months to 30 September	2001	2000	Underlying change*
Sales £m	**342**	317	1%
Operating profit £m	**76.9**	75.2	(1%)
Of which:			
– Direct business £m	**62.7**	72.2	(16%)
– Associates (mainly FARES) £m	**14.2**	3.0	n/a
Operating margin			
– including associates	**22.5%**	23.7%	
– excluding associates	**18.3%**	22.8%	

* At constant exchange rates, excluding acquisitions and disposals.

In the first six months of the year, Experian North America grew sales by 2% in dollars (1% excluding acquisitions), while profits at £76.9m were broadly unchanged. As discussed more fully below, operating profit from the direct businesses was adversely affected by the events of 11 September, by redundancy costs and by increasing investment in new growth initiatives.

For the five months to the end of August, sales at Experian North America were up 4% on an underlying basis. This was in line with the trends of the second half of last year, helping to demonstrate the resilience of the business in a slowing US economy. Sales in Information Solutions (roughly 60% of sales) increased by 4%, as market share was regained in consumer credit reporting and pre-screen and lower interest rates contributed to a stronger mortgage refinancing market. Growth in Marketing Solutions in the first five months of the year was also 4% on an underlying basis. Some corporate clients reduced expenditure on direct marketing campaigns in the light of the weakness of the US economy, but this was offset by revenues from the new automotive database and e-commerce products.

In the month of September, sales in dollars and excluding acquisitions were 15% lower than the previous year, suffering from short-term disruption following the tragic events of 11 September. The sales shortfall in September adversely affected profit from Experian North America's direct businesses, which was down $11m compared to the same month last year.

During the first half, as previously announced, 340 redundancies were made at a cost of £3.3m (2000: nil). This represented over 5% of the workforce and will generate annualised savings of about £13m. FARES, the real estate information joint venture, had an excellent first half, as a significant reduction in US interest rates stimulated the mortgage refinancing market in particular.

During the first half, Experian North America made further progress in its business objectives:

- the cost base was reduced across the business;
- the management team was further strengthened;
- contracts were won in both core and new products;

- new products contributed to sales growth. Sales of Vehicle History reports from the automotive database were three times what they were in the first six months last year. Credit reports sold direct to consumers increased significantly, with consumers now able to obtain online access to their credit reports and scores for one annual fee;
- investment in new products continued despite the economic slowdown. For example, four major American-based financial services companies joined Toyota in subscribing to the National Fraud Database. This unique database cuts across industry boundaries, creating a single, accurate database for information about consumer and commercial fraud; and
- progress was made in strategic growth markets. For example, Truvue, Experian's customer data integration solution, won a number of multi-million dollar contracts, against strong competition in various industries including telecoms, financial services, automotive and retail. Truvue is based on Experian's personal linking technology (PINing) which has been used internally for a number of years. It has proved itself in a number of client tests to be the most accurate way of allowing them to link disparate customer records. Customer data integration is essential to successful Customer Relationship Management initiatives.

Sales performance since 30 September

For the month of October, Experian North America's sales recovered to 5% above those of last year in dollars (4% excluding acquisitions). Information Solutions had a very good month (up 11%), with particular strength in the consumer credit bureau and in pre-screening. Marketing Solutions sales were down 6% on an underlying basis compared to last year as US businesses reduced direct marketing activity following the events of 11 September and the anthrax scares. We anticipate a further month of progress in November for Experian North America as a whole, once the month-end invoicing of sales to its customers is complete.

Experian International

Six months to 30 September	2001	2000	Underlying change*
Sales £m			
UK	114	100	11%
Rest of World	78	70	11%
Total	192	170	11%
Operating profit £m	33.4	30.5	8%
Operating margin	17.4%	17.9%	

* At constant exchange rates, excluding acquisitions and disposals. As previously announced, it is no longer appropriate to report UK and Rest of World profits separately, given the extent of shared costs.

Experian International continued to trade strongly. Underlying sales growth in both the UK and Rest of World was 11% in the first half.

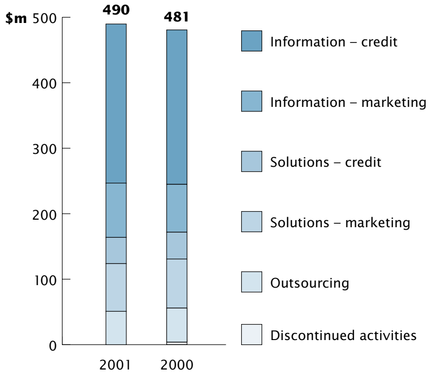
In the UK, particularly strong sales growth was achieved in credit scoring and modelling, risk management software, fraud and automotive services. Solid growth has continued in consumer information and business information sales. In the Rest of World, sales were driven by a strong performance in outsourcing, with particularly high growth in cheque and payment processing volumes.

At constant exchange rates and excluding acquisitions and disposals, operating profit increased by 8%. However, the first half last year benefited from a significant short-term Italian call centre contract and a one-off gain of £0.8m following the sale of the French facilities management business in July 2000. If the latter was excluded, operating profit growth would have been 11% and the operating margin would have been unchanged.

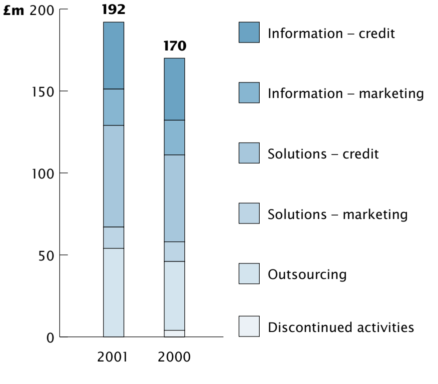
Experian International has continued to win further contracts in the first half, including:

- La Poste (French call centres);
- Banque de France (cheque processing);
- ABTA (using e-series to confirm the identity of individuals who purchase tickets or holidays remotely by credit card, either by phone or on the Internet);

Sales for Experian North America
Six months to 30 September



Sales for Experian International
Six months to 30 September



- Compania Financiera Argentina (AIG Group) (risk management); and
- Bank of Scotland (e-identity money laundering product).

Together, the annual sales associated with these contracts are some £4m.

Experian International also continues to launch new products and make small acquisitions to complement and expand its integrated product offering. New projects include the Motor Insurance Database (used by the police to check immediately whether drivers are insured) and the continued expansion of the e-series range including e-identitycheck (used by retailers to combat 'card not present' credit card fraud) and e-series business (company credit status and risk reports).

Acquisitions, which contributed sales of £6m in the first half, comprised Cards Direkt (German loyalty card processing), CNTP (French cheque processing), Intact (UK web-based list enhancement) and, after the period end, Interface (Irish business information). The total cost of these acquisitions was £9.5m.

Explaining Experian

New information has been prepared on Experian to improve understanding of its businesses. For the financial year to March 2002 and thereafter, sales will be split five ways:

- Information – credit: providing data for credit purposes
- Information – marketing: providing data for marketing purposes
- Solutions – credit: helping clients with decision making for credit purposes
- Solutions – marketing: helping clients with decision making for marketing purposes
- Outsourcing: supporting clients in process tasks

The new segmental information for the first half of this year and comparatives for last year are given opposite. Additional information on Experian's business and the markets it serves is available on the GUS web site, www.gusplc.com.

Argos Retail Group (ARG) increased sales by 9% in the first half and operating profit by 13%. This was led by a very strong performance from Argos, with UK Home Shopping stabilising profits in a declining agency market. Substantial investment in the Argos store card and Argos Additions was made during the first half.

Six months to 30 September	Sales 2001 £m	Sales 2000 £m	Operating profit 2001 £m	Operating profit 2000 £m
Argos	1,165	944	44.2	35.7
Home Shopping – UK & Ireland	683	702	10.8	8.3
Financial Services	3	-	(0.9)	2.7
Home Shopping – Continental Europe	114	150	10.4	10.4
Total	1,965	1,796	64.5	57.1
Operating margin			3.3%	3.2%

Argos

Six months to 30 September	2001	2000	Change
Sales £m*	1,165	944	23%
Operating profit £m*	44.2	35.7	24%
Operating margin	3.8%	3.8%	

* Includes Argos Additions and jungle.com.

In the first half of the year, Argos benefited from strong consumer demand in its major markets. Including Argos Additions and jungle.com, which was acquired in September 2000, sales and profits both increased by over 20%.

Excluding Additions and jungle, sales at Argos grew by 17% in total, of which new space contributed 4% and 13% was like-for-like growth. This was achieved by the continued focus on the key elements of the Argos strategy.

More choice

- increased range, with over 8,650 products in the Spring/Summer 2001 catalogue, up by over 1,000 compared to last year; and
- expansion in new ranges such as white goods, furniture and office equipment.

More choice has resulted in strong growth in markets where Argos has a lower than average share, such as furniture and consumer electronics. It has also resulted in increased spend per customer as, firstly, category mix moved to these higher priced products and, secondly, more higher specification goods were introduced within ranges.

Low prices

- over 1,000 lines re-included in the Autumn/Winter 2001 catalogue were at lower prices than in the Autumn/Winter 2000 catalogue;
- since the launch of the Autumn/Winter 2001 catalogue in July, a further 800 prices have been lowered to maintain Argos' price competitiveness.

Independent consumer surveys show that Argos' reputation for value has strengthened.

Increased convenience

- 26 stores were refurbished during the first half, bringing the total to 150 out of 477 stores at 30 September 2001. These refurbishments have been designed to improve the overall customer in-store experience;
- seven new stores were opened in the first half, improving accessibility to a wider number of customers. A further ten new stores are planned for the second half; and
- Argos continued to grow e-commerce and Argos Direct, the delivery to home operation. The latter accounted for 16% of sales in the first half, up from 14% a year ago.

Gross margins in the first half remained firm, with the gains from better buying and more direct importing being largely re-invested in lower prices. Increased investment has been made in new systems, the supply chain and additional warehouses for Argos Direct.

Argos' growth plans include:

- increasing the planned rate of new store openings to about 35 per annum;
- refurbishing all remaining small stores by March 2004;
- increasing the range in all stores by 1,600 lines in Autumn 2002;
- investing £120m over four years in its supply chain, yielding benefits of about £50m per annum to invest in improving its value proposition and to support margins; and
- growing the capacity and improving the customer service in Argos Direct.

Argos Additions

Following full national launch in January this year, sales at Argos Additions were £63m in the first half, in line with expectations. Start-up losses for the half year were greater than last year (2000: loss of £2.6m), reflecting the planned costs of national rollout. For example, 6.5m catalogues were published for Spring/Summer 2001 compared to only 675,000 a year ago.

Looking forward, sales growth will be achieved by raising customer awareness, increasing the number of pages (with an additional 130 pages in the Spring/Summer 2002 catalogue), adding more brands such as Adams and Tammy and expanding the range of home products.

jungle.com

In the half year, jungle.com, which was acquired in September 2000, generated sales of £27m and a small operating loss. Against the background of a difficult market for computer products, it reduced costs in personnel, information technology and overheads. A new web site and enterprise-wide system will be completed during the second half of the year to reduce costs further and improve customer service.

Home Shopping UK and Ireland

Six months to 30 September	2001	2000	Change
Sales £m	683	702	(3%)
Operating profit £m*	10.8	8.3	30%
Operating margin	1.6%	1.2%	

* Excludes exceptional costs.

UK Home Shopping continues to reduce its agency sales, while improving profitability by reducing costs.

Sales in the first six months of the year were down by 3%. The active agency customer base fell, as planned, by 12% to 3m, as the business reduced the number of non-profitable customers. However, average spend per customer was 9% higher. Fashion sales were down 7% in the first half, with hard goods largely unchanged.

Gross margins were broadly maintained, but profits increased in the first half by £2.5m as further cost savings of £13m were achieved in the areas of marketing and logistics and customer service, via Reality. This is in line with our previously announced plans to reduce annual fixed costs by a further £25m in the current year and £80m in total over three years.

The customer proposition in agency home shopping is being improved and low risk opportunities in the growing direct home shopping market are being explored. A new catalogue, Abound, was launched in late August 2001. This offers contemporary, often branded, fashion at high street prices, with flexible credit options. Learning from the lessons of earlier direct trials, Abound has started as expected and is on target to deliver sales in its first year of £15m to £20m.

The business' two non-core printing operations have been sold. Annual sales were £7m in 2001.

Financial Services

Six months to 30 September	2001	2000	Change
Sales £m*	**3**	-	n/a
Operating profit £m	**(0.9)**	2.7	n/a

* Sales represent interest income, fees and commissions relating to the Argos store card.

Financial Services comprises the insurance, personal loan and banking businesses of the Group, as well as the recent credit card initiatives. Profits were reduced by start-up costs of £9.4m (2000: £3.5m), relating primarily to the Argos store card. About £5m of this spend is with Experian and Reality, which support the store card operations.

The Argos store card was launched nationally in January 2001. During the first half of the year, 235,000 accounts were added, making a total of 350,000 at the end of September. As well as generating incremental merchandise sales for Argos and starting to populate a customer database, the store card is expected to generate a profit stream in its own right over time. Customer acquisition costs are relatively low.

Revenue investment spend on the Argos store card and personal loans is likely to peak this year at about £20m, lower than the £25m previously indicated.

Home Shopping Continental Europe

Six months to 30 September	2001	2000	Underlying change*
Sales £m	**114**	150	4%
Operating profit £m	**10.4**	10.4	(3%)
Operating margin	**9.1%**	6.9%	

* At constant exchange rates, excluding disposals.

Universal Versand, the Austrian business, was sold to Otto Versand on 31 March 2001. Vedia, the Swiss operation, was sold to its management team with effect from 1 April 2001. Combined, these businesses had sales in the last financial year of £94m.

At constant exchange rates, sales from the two remaining businesses (Wehkamp in Holland and Halens in Sweden) increased by 4%, with profits slightly down in difficult markets.

Both Wehkamp and Halens are now working more closely with ARG for some of their sourcing and stockholding needs. 13% of Wehkamp's sales in the first half were ordered via the Internet.

e-commerce

In ARG, e-commerce sales (defined as via the Internet or digital TV) were £65m, compared to £20m in the previous year. Excluding jungle.com's e-commerce sales, this is more than three times the level of a year ago.

Reality continues to make good progress in developing sales from external clients and improving cost efficiencies for both its internal and external customers.

Six months to 30 September	**2001 £m**	2000 £m	Change
Sales to external customers	**43**	40	8%
Sales to ARG	**183**	179	2%
Total sales	**226**	219	3%
Operating profit*	**2.2**	1.6	38%

* Excludes exceptional costs.

Sales to ARG

Sales to the Argos Retail Group in the first half increased by 2%, aided by strong growth in Argos Additions and Argos Direct. Continued cost savings largely offset cost inflation. Service levels in both logistics and call centres have improved further during the first half.

There has been considerable focus in the period on the achievement of future cost savings and plans for enhancing the service offer in the logistics business.

Sales to external customers

Sales to external customers grew by 8% in the first half. Reality has withdrawn from some peripheral areas such as vehicle servicing and has seen lower volumes from two large logistics customers. In addition, there was a marked slowdown in market demand for web design services, where Reality has reduced costs significantly. Growth in both the core logistics and call centre activities was over 10% in the first half.

Capacity constraints are now being approached in call centres, given the growth of both internal and external sales in this area. Reality's call centre in Worcester is being relocated early in 2002 to modern, new facilities, giving additional capacity.

Reality continues to win new contracts, including one with Marks & Spencer, for whom it is offering next-day delivery for flowers and gifts and a two-day service for homewares and clothing. The total value of new contracts in the first half, including the extension of existing contracts, was £38m.

Burberry continued to deliver a strong performance in the first half of the year, with underlying growth in sales of 31% and a substantial advance in profits to £42m.

Six months to 30 September	2001	2000	Underlying change*
Sales £m	**236**	185	31%
Operating profit £m	**42.1**	26.6	n/a
Operating margin	**17.8%**	14.4%	

* Excluding the acquisition of Burberry Spain, discontinued Wholesale activities and at constant exchange rates.

Operating profit for the first half of £42.1m showed an increase of £15.5m over last year. This was driven by increased volumes, together with improved gross margins and higher Japanese royalty income. Burberry continues to invest in marketing, facilities, new stores and systems. Operating margin increased by over three percentage points to 17.8%.

Wholesale

Sales to external Wholesale customers were strong, rising 46% on an underlying basis. This performance reflected further development of, and demand for, the more contemporary, repositioned product range. Encouraging progress is being made in the United States with large key accounts.

Burberry Spain's sales for the Autumn/Winter 2001 season were ahead by 3% overall. Actions have now been initiated to co-ordinate more fully product development at Burberry Spain with the rest of Burberry and to take advantage of its sourcing skills.

Retail

Sales in Burberry's directly-operated Retail stores were up 10% at constant exchange rates in the first half. Growth was led by accessories, up by 41% at constant exchange rates and now representing 28% of reported Retail sales. New store developments included a relocated store in Düsseldorf and a new store in Westchester, New York. With the opening of a store in Beverly Hills in October, the total number of directly-operated stores is now 60.

In addition, sites were secured for the first flagship Spanish store, in Barcelona, and for a store in SoHo, New York. Burberry's presence in London will be strengthened next year by the conversion of the Knightsbridge Scotch House store into a Burberry flagship store.

Japan

Significant growth in royalty income was achieved, as a result of a higher royalty rate and double digit volume gains in Japan.

Licensing

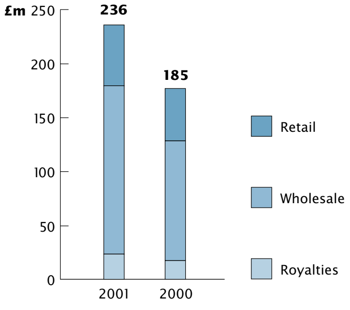
Recently, a new global product licence for timepieces has been concluded and becomes effective during 2002.

Recent developments

Burberry has recently secured an agreement to bring much of its Asian licence and distribution arrangements (outside Japan) fully in-house with effect from 1 January 2002. Under the terms of this agreement, the relevant business and certain trading assets will be acquired by Burberry at that date. This gives Burberry greater control of its brand in this important region, as well as securing a higher share of the value chain.

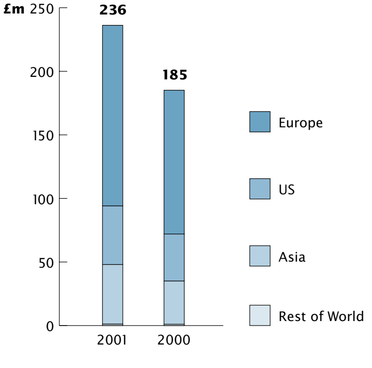
The management team has been further strengthened by the appointment of Tom O'Neill to the newly created post of President of Burberry. He will initially take responsibility for operations in Asia Pacific. Tom O'Neill joins from LVMH, where he was President and Chief Executive Officer for the Jewellery Division, having held senior positions in LVMH Fashion and Tiffany.

Reported sales by distribution channel
Six months to 30 September



Retail sales by product category
Six months to 30 September

Reported sales by market (by destination)
Six months to 30 September



Sales performance since 30 September

The strength of domestic demand for Burberry products in Japan and Spain, which together account for about two-thirds of Burberry's worldwide sales of the brand at retail sales value, is protecting Burberry from the decline in travel and tourism that is currently impacting the luxury sector as a whole.

Wholesale operations account for over half of Burberry's reported sales. Wholesale deliveries for Autumn/Winter 2001 were virtually unaffected by the events of 11 September. With the Spring/Summer 2002 order book now well advanced, orders to date indicate that single digit sales growth overall should be achievable on top of the strong growth in recent seasons.

Sales in Burberry's directly-operated retail stores account for about a third of reported annual sales. Although Burberry's retail sales since 30 September are below last year's levels, the trend has shown an improvement since the period from 11 to 30 September.

Burberry believes it has widespread growth opportunities and is maintaining its planned investment in all aspects of its business, despite recent events.

South African Retailing continues to operate in a very difficult trading environment, with increasing levels of unemployment and aggressive competition from other retailers on price and credit offers.

Six months to 30 September	2001	2000	Underlying change*
Sales £m	**65**	63	3%
Operating profit £m	**15.8**	15.8	14%
Underlying operating margin	**24.3%**	22.3%	

* At constant exchange rates.
As previously disclosed, South African Retailing profits have been re-phased between the first and second halves, benefiting first-half profits in 2000 by £5.8m, with a corresponding reduction in the second half. Sales have not been re-phased as immaterial to the Group.

Sales in the first half were up by 3% in rand, against weak comparatives last year. Lower bad debts as a result of more stringent credit policies helped underlying operating profit to grow by 14%. Further weakening of the rand against sterling reduced sales by £8m and operating profit by £1.9m in the first half and this trend has continued into the second half.

The business continues to promote aggressively using an Experian developed scoring system to give pre-approved credit offers to top credit-rated customers. Best Electric, the small store electrical business, is improving sales through a recently launched in-store furniture catalogue.

Finance

Six months to 30 September	2001	2000	Change
Operating profit £m*	**9.4**	9.3	1%

* Before exceptional costs of £13.1m in 2000, and net of funding costs.

General Guarantee Finance continued satisfactorily to wind down its loan book during the period, showing a reduction of £237m from the balance of £681m at 31 March 2001.

At 30 September 2001, GGF's outstanding advances, net of provisions, were £444m, of which £358m were funded by securitised debt. It is anticipated that the great majority of GGF's outstanding advances will be collected by March 2003.

Property

Six months to 30 September	2001	2000	Change
Operating profit £m	**12.8**	14.6	(12%)

During the first half, the joint venture with British Land disposed of 78 of its 253 properties for £96m. During October, a further three properties have been sold for £49m. The disposal proceeds have been used to repay borrowings, thus reducing the interest charge.

The joint venture's portfolio of 175 properties was valued at £893m at 30 September 2001.

gusco.com

Six months to 30 September	2001	2000	Change
Operating loss £m	**(5.3)**	(5.5)	n/a

gusco.com funds the Group's e-commerce ventures, mainly MyPoints Europe, breathe.com (now sold) and a US consumer credit management business. The investment spend in the first half was £5.3m.

Exceptional items

During the first half, the Group incurred restructuring costs, predominantly in cash, of £16.3m in Argos Retail Group and Reality. As previously announced, we expect the full year charge to be approximately £35m.

The disposal of businesses and e-commerce investments generated a loss of £9.7m, of which £4.0m related to the goodwill write-back on these businesses.

Six months to 30 September	**2001 £m**	2000 £m
Restructuring costs in Argos Retail Group/Reality	**(16.3)**	(8.9)
(Loss)/profit on sale of e-commerce investments	**(2.1)**	4.6
Loss on disposal of businesses	**(7.6)**	(13.3)
Closure costs in GGF	**-**	(13.1)
VAT refunds in UK Home Shopping	**-**	4.6
Total charge	**(26.0)**	(26.1)

Cash flow and interest costs

The Group's free cashflow in the first half was £284m compared to £121m in the same period last year. After the payment of dividends, the repayment of securitised loans and acquisitions and disposals, there was a net cash outflow of £97m in the first half, compared to an outflow of £123m in the same period last year. Net debt was £1,227m at 30 September 2001.

Interest costs were £4.3m higher in the first half as a result of the impact of the dollar's strength on the Group's dollar borrowing costs and because Group borrowings were largely at fixed interest rates. The repayment in mid November of the $800m bank loan, which was at a fixed rate of 6.4%, will reduce interest costs in the second half.

Accounting policies

This year the new accounting standards on accounting policies (FRS 18) and deferred tax (FRS 19) have been adopted. While the adoption of FRS 18 has had no material impact on reported profits, the adoption of FRS 19 has given rise to a positive prior year adjustment to the balance sheet of £16m, relating to the recognition of certain deferred tax assets. The 2002 Annual Report will contain additional disclosure on accounting for pensions as required by the new accounting standard FRS 17.

Summary

The Group has continued to make good progress during the first half, with an 8% increase in sales and an 11% increase in underlying profit. All our major businesses have contributed to this progress.

We are investing significantly in these businesses, both in their infrastructure and in the development of new ventures. At the same time, we are continuing to bring greater strategic focus to the Group and to dispose of non-core businesses.

In North America, Experian and Burberry are demonstrating encouraging progress in trading since the 11 September terrorist attacks. Looking ahead, I believe that GUS is well positioned to deliver sustained growth.

We will be providing an update on our trading performance on 14 January 2002.

John Peace
Group Chief Executive

Group profit and loss account

for the six months ended 30 September 2001

	Six months to 30.9.01 Before Exceptional Items £m	**Six months to 30.9.01 Exceptional Items (Note 3) £m**	**Six months to 30.9.01 Total £m**	Six months to 30.9.00 (Restated) (Note 1) £m	Year to 31.3.01 (Restated) (Note 1) £m
Turnover – continuing operations	**2,856.9**	-	**2,856.9**	2,650.7	6,040.6
Cost of sales	**(1,691.3)**	-	**(1,691.3)**	(1,567.6)	(3,638.0)
Gross profit	**1,165.6**	-	**1,165.6**	1,083.1	2,402.6
Net operating expenses (including amortisation of goodwill £48.6m (2001: half year £42.4m; full year £92.3m))	**(998.6)**	**(16.3)**	**(1,014.9)**	(943.6)	(2,017.3)
Operating profit – continuing operations	**167.0**	**(16.3)**	**150.7**	139.5	385.3
Share of operating profit of BL Universal PLC (joint venture)	**12.8**	-	**12.8**	14.6	29.6
Share of operating profit of associated undertakings	**16.7**	-	**16.7**	3.9	11.6
(Loss)/profit on sale of fixed asset investments	-	**(2.1)**	**(2.1)**	4.6	4.6
Trading profit	**196.5**	**(18.4)**	**178.1**	162.6	431.1
Loss on sale of businesses	-	**(7.6)**	**(7.6)**	(13.3)	(50.3)
Profit on ordinary activities before interest	**196.5**	**(26.0)**	**170.5**	149.3	380.8
Net interest	**(38.9)**	-	**(38.9)**	(31.3)	(71.0)
Profit on ordinary activities before taxation	**157.6**	**(26.0)**	**131.6**	118.0	309.8
Tax on profit on ordinary activities					
– UK			**(27.8)**	(23.6)	(60.6)
– Overseas			**(17.7)**	(18.1)	(45.5)
			(45.5)	(41.7)	(106.1)
Profit on ordinary activities after taxation			**86.1**	76.3	203.7
Dividends			**(64.5)**	(62.1)	(209.9)
Profit/(loss) for the period			**21.6**	14.2	(6.2)
Profit before amortisation of goodwill, exceptional items and taxation – £m			**206.2**	186.5	486.8
Earnings per share					
– Basic			**8.6p**	7.6p	20.3p
– Diluted			**8.5p**	7.6p	20.3p
Earnings per share before amortisation of goodwill and exceptional items					
– Basic			**15.5p**	14.1p	37.2p
– Diluted			**15.4p**	14.1p	37.2p
Dividend per share			**6.5p**	6.2p	21.0p

Statement of total recognised gains and losses

for the six months ended 30 September 2001

	Six months to 30.9.01 £m	Six months to 30.9.00 (Restated) (Note 1) £m	Year to 31.3.01 (Restated) (Note 1) £m
Profit on ordinary activities after taxation	**86.1**	76.3	203.7
Revaluation of properties	**(9.5)**	(6.7)	(17.1)
Currency translation differences	**(13.3)**	(22.5)	(60.8)
Total recognised gains and losses for the period	**63.3**	47.1	125.8
Prior year adjustment (Note 1)	**16.0**	-	-
Total recognised gains and losses since last annual report	**79.3**	47.1	125.8

Reconciliation of movement in shareholders' funds

for the six months ended 30 September 2001

	Six months to 30.9.01 £m	Six months to 30.9.00 (Restated) (Note 1) £m	Year to 31.3.01 (Restated) (Note 1) £m
Profit on ordinary activities after taxation	**86.1**	76.3	203.7
Dividends – Interim	**(64.5)**	(62.1)	(62.1)
– Final	-	-	(147.8)
	21.6	14.2	(6.2)
Goodwill on disposals	**4.0**	34.7	40.4
Goodwill charged to reserves*	-	-	(1.2)
Shares issued under option schemes	**0.6**	0.2	1.5
Revaluation of properties	**(9.5)**	(6.7)	(17.1)
Currency translation differences	**(13.3)**	(22.5)	(60.8)
	3.4	19.9	(43.4)
Opening shareholders' funds	**2,438.9**	2,466.3	2,466.3
	2,442.3	2,486.2	2,422.9
Prior year adjustment (Note 1)	-	16.0	16.0
Closing shareholders' funds	**2,442.3**	2,502.2	2,438.9

* Deferred consideration in respect of acquisitions by Experian prior to the adoption of FRS 10.

Analysis of net borrowings

at 30 September 2001

	30.9.01 £m	30.9.00 £m	31.3.01 £m
Cash and other liquid resources	**179.2**	223.1	243.3
Debt due within one year	**(732.5)**	(191.1)	(696.3)
Finance leases	**(10.7)**	(17.8)	(14.9)
Debt due after more than one year	**(663.5)**	(1,190.9)	(662.5)
Net debt at end of period	**(1,227.5)**	(1,176.7)	(1,130.4)
Non-recourse borrowings	**(357.9)**	(857.2)	(581.5)
Net borrowings at end of period	**(1,585.4)**	(2,033.9)	(1,711.9)

Group balance sheet

at 30 September 2001

	30.9.01 £m	30.9.00 (Restated) (Note 1) £m	31.3.01 (Restated) (Note 1) £m
Fixed assets			
Goodwill	**1,482.7**	1,569.2	1,516.2
Other intangible assets	**175.4**	161.9	178.9
Tangible assets	**777.0**	719.5	737.4
Investment in joint venture	**200.1**	216.0	209.0
Other investments	**120.3**	80.2	87.9
	2,755.5	2,746.8	2,729.4
Current assets			
Stocks	**666.3**	600.6	570.8
Debtors – due within one year	**1,584.9**	1,520.1	1,561.3
– due after more than one year	**205.2**	309.2	221.9
Securitised receivables	**422.0**	896.4	646.7
Less: non-recourse borrowings	**(357.9)**	(857.2)	(581.5)
	64.1	39.2	65.2
Investments	**52.7**	48.0	53.3
Bank balances and cash	**273.5**	344.0	304.7
	2,846.7	2,861.1	2,777.2
Creditors			
Amounts due within one year	**(2,334.2)**	(1,711.3)	(2,236.2)
Net current assets	**512.5**	1,149.8	541.0
Total assets less current liabilities	**3,268.0**	3,896.6	3,270.4
Creditors – amounts due after more than one year	**(716.1)**	(1,247.8)	(713.5)
Provisions for liabilities and charges	**(107.0)**	(121.3)	(118.0)
Net assets	**2,444.9**	2,527.5	2,438.9
Capital and reserves			
Called up share capital	**251.6**	251.5	251.6
Share premium account	**2.4**	0.6	1.8
Revaluation reserve	**127.8**	151.6	136.6
Profit and loss account	**2,060.5**	2,098.5	2,048.9
Shareholders' funds	**2,442.3**	2,502.2	2,438.9
Minority interest	**2.6**	25.3	-
Capital employed	**2,444.9**	2,527.5	2,438.9

Group cash flow statement

for the six months ended 30 September 2001

	Six months to 30.9.01 £m	Six months to 30.9.00 (Restated) (Note 1) £m	Year to 31.3.01 (Restated) (Note 1) £m
Cash flow from operating activities			
Operating profit	**150.7**	139.5	385.3
Depreciation and amortisation charges	**149.6**	148.5	308.3
Change in working capital	**(49.2)**	6.3	(47.9)
	251.1	294.3	645.7
Dividends received from associated undertakings	**13.2**	5.6	6.9
Returns on investments and servicing of finance	**(28.9)**	(19.5)	(54.6)
Taxation	**(21.7)**	(41.5)	(94.7)
Capital expenditure	**(144.3)**	(129.0)	(267.6)
Financial investment	**(33.0)**	(32.5)	(38.5)
Acquisition of subsidiaries	**(15.6)**	(172.3)	(172.7)
Disposal of subsidiaries	-	171.5	228.9
Dividends paid	**(147.9)**	(144.2)	(206.4)
Cash (outflow)/inflow before management of liquid resources and financing	**(127.1)**	(67.6)	47.0
Management of liquid resources	**(7.5)**	47.0	118.9
Financing – issue of shares	**0.6**	0.2	1.5
– change in debt and lease financing	**65.8**	(101.3)	(195.5)
Decrease in cash	**(68.2)**	(121.7)	(28.1)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash	**(68.2)**	(121.7)	(28.1)
Cash (inflow)/outflow from movement in debt and lease financing	**(65.8)**	101.3	195.5
Cash outflow/(inflow) from movement in liquid resources	**7.5**	(47.0)	(118.9)
Movement in net debt resulting from cash flows	**(126.5)**	(67.4)	48.5
Loans and finance leases acquired with subsidiary	-	-	(3.1)
New finance leases	**(0.2)**	(2.0)	(3.4)
Exchange movements	**29.6**	(53.6)	(118.7)
Movement in net debt	**(97.1)**	(123.0)	(76.7)
Net debt at beginning of period	**(1,130.4)**	(1,053.7)	(1,053.7)
Net debt at end of period	**(1,227.5)**	(1,176.7)	(1,130.4)

Divisional analysis

for the six months ended 30 September 2001

	Turnover			Profit before taxation		
	Six months to		Year to	Six months to		Year to
	30.9.01	30.9.00	31.3.01	**30.9.01**	30.9.00 (Restated) (Note 1)	31.3.01 (Restated) (Note 1)
	£m	£m	£m	**£m**	£m	£m
Experian	**534.2**	486.8	1,018.4	**110.3**	105.7	216.6
Argos Retail Group						
Argos	**1,165.5**	944.0	2,387.0	**44.2**	35.7	160.8
Home Shopping – UK & Ireland	**682.9**	701.9	1,540.4	**10.8**	8.3	25.1
Financial Services	**2.5**	-	-	**(0.9)**	2.7	4.5
Home Shopping – Continental Europe	**113.5**	150.3	322.2	**10.4**	10.4	21.7
	1,964.4	1,796.2	4,249.6	**64.5**	57.1	212.1
Reality	**226.2**	219.3	476.0	**2.2**	1.6	5.1
Burberry	**236.1**	185.4	424.7	**42.1**	26.6	69.5
South African Retailing	**65.1**	62.8	150.2	**15.8**	15.8	30.7
Finance Division	**18.6**	84.3	113.8	**9.4**	9.3	20.2
Property	-	-	-	**12.8**	14.6	29.6
gusco.com	**0.6**	-	1.0	**(5.3)**	(5.5)	(12.6)
	3,045.2	2,834.8	6,433.7	**251.8**	225.2	571.2
Inter-divisional turnover (mainly Reality)	**(188.3)**	(184.1)	(393.1)			
	2,856.9	2,650.7	6,040.6			
Central costs				**(6.7)**	(4.1)	(10.1)
				245.1	221.1	561.1
Net interest				**(38.9)**	(34.6)	(74.3)
Profit before amortisation of goodwill, exceptional items and taxation				**206.2**	186.5	486.8
Amortisation of goodwill (principally Argos)				**(48.6)**	(42.4)	(92.3)
Exceptional items (Note 3)				**(26.0)**	(26.1)	(84.7)
Profit before taxation				**131.6**	118.0	309.8

Geographical analysis

for the six months ended 30 September 2001

	Turnover			Divisional profit		
	Six months to		Year to	Six months to		Year to
	30.9.01	30.9.00	31.3.01	**30.9.01**	30.9.00 (Restated) (Note 1)	31.3.01 (Restated) (Note 1)
	£m	£m	£m	**£m**	£m	£m
United Kingdom & Ireland	**2,146.5**	1,959.7	4,550.9	**125.2**	102.7	318.4
Continental Europe	**255.2**	271.7	582.4	**23.9**	25.3	50.2
North America	**384.2**	351.1	745.7	**76.6**	73.6	154.3
Rest of World	**71.0**	68.2	161.6	**19.4**	19.5	38.2
	2,856.9	2,650.7	6,040.6	**245.1**	221.1	561.1

Notes to the interim financial statements

for the six months ended 30 September 2001

1. Basis of preparation

The interim report comprises the unaudited results for the six months ended 30 September 2001 and 30 September 2000 and the audited results for the twelve months ended 31 March 2001. The financial information for the twelve months ended 31 March 2001, as adjusted for the changes in accounting policy set out below, has been extracted from the Group's statutory financial statements for that year. The interim financial statements are not audited and do not constitute statutory accounts. These financial statements have been formally reviewed by the Group's auditors, PricewaterhouseCoopers, and the full text of their report is set out on page 23.

The implementation by the Group of Financial Reporting Standard ('FRS') 18 'Accounting Policies' has had no material effect on reported profits. The basis on which interest is reported has been changed in relation to the Financial Services and Finance Divisions to provide a more appropriate presentation of their profitability. Financial Services operating profit is stated after charging £1.0m of funding costs for the Argos store card. The Finance Division is stated after charging a further £3.0m of funding costs over and above the interest charge associated with its non-recourse borrowing. Comparative figures have been restated and the effect is to reduce both operating profit and net interest by £8.8m for the six months ended 30 September 2000 with a reduction of £13.9m in the year ended 31 March 2001. There is no effect on profit before taxation.

The implementation by the Group of FRS 19 'Deferred Tax' has had no material effect on reported profits for the period or the previous year. However, the recognition of deferred tax assets in accordance with the requirements of the Standard has given rise to a prior year adjustment with provisions for liabilities and charges reduced by £16.0m and revenue reserves increased by £16.0m.

The basis on which income is recognised in the Group's South African Retailing division has been amended to provide a more accurate phasing of profitability between the two half years, with no impact on the results for the full year. The effect of this change on the results for the six months ended 30 September 2001 is to increase the reported profit before taxation by £5.1m. Comparative figures have been restated and the effect is to increase the reported profit before taxation for the six months ended 30 September 2000 by £5.8m.

2. Foreign currency

	Average			Closing		
	Six months to		Year to			
	30.9.01	30.9.00	31.3.01	**30.9.01**	30.9.00	31.3.01
The principal exchange rates used were as follows:						
US dollar	**1.43**	1.52	1.48	**1.47**	1.47	1.43
South African rand	**11.80**	10.47	10.84	**13.26**	10.68	11.46
Euro	**1.62**	1.64	1.64	**1.61**	1.67	1.62

Assets and liabilities of overseas undertakings are translated into sterling at the rates of exchange ruling at the balance sheet date and the profit and loss account is translated into sterling at average rates of exchange.

3. Exceptional items

	Six months to 30.9.01 £m	30.9.00 £m	Year to 31.3.01 £m
Exceptional items comprise:			
Restructuring costs:			
Redundancy and other costs incurred in connection with the combination of Argos and Home Shopping operations and the formation of Reality	**(16.3)**	(8.9)	(30.5)
Redundancy and associated costs incurred in connection with the closure of General Guarantee Finance to new business	**-**	(13.1)	(13.1)
	(16.3)	(22.0)	(43.6)
VAT refunds in UK Home Shopping (including interest of £3.3m)	**-**	4.6	4.6
(Loss)/profit on sale of fixed asset investments	**(2.1)**	4.6	4.6
	(18.4)	(12.8)	(34.4)
Loss on sale of businesses	**(7.6)**	(13.3)	(50.3)
Exceptional charge	**(26.0)**	(26.1)	(84.7)

The (loss)/profit on the sale of fixed asset investments relates to the disposal by Experian of Internet related investments in the US.

The loss on sale of businesses, after charging goodwill previously written off to reserves, comprises:

	Six months to 30.9.01 £m	30.9.00 £m	Year to 31.3.01 £m
Universal Versand	**-**	-	23.0
Highway Vehicle Management	**-**	13.3	13.0
Other disposals	**7.6**	-	14.3
	7.6	13.3	50.3
Goodwill previously written off to reserves	**0.3**	34.7	40.4

It is not anticipated that there will be any further costs of closure during the wind down of General Guarantee Finance.

4. Taxation

The effective rate of tax, before amortisation of goodwill and loss on sale of businesses, is based on the estimated tax charge for the full year at a rate of 24.2% (2001: 24.0%).

Notes to the interim financial statements

for the six months ended 30 September 2001

5. Basic and diluted earnings per share

	Six months to 30.9.01 pence	Six months to 30.9.00 (Restated) (Note 1) pence	Year to 31.3.01 pence
Basic earnings per share before amortisation of goodwill and exceptional items	**15.5**	14.1	37.2
Effect of amortisation of goodwill	**(4.8)**	(4.2)	(9.2)
Effect of exceptional items	**(2.1)**	(2.3)	(7.7)
Basic earnings per share	**8.6**	7.6	20.3

The calculation of basic earnings per share is based on profit after taxation divided by the weighted average number of Ordinary shares in issue during the period. Basic earnings per share before amortisation of goodwill and exceptional items is disclosed to indicate the underlying profitability of the Group.

	Six months to 30.9.01 £m	Six months to 30.9.00 (Restated) (Note 1) £m	Year to 31.3.01 £m
Earnings before amortisation of goodwill and exceptional items	**155.8**	141.2	373.4
Effect of amortisation of goodwill	**(48.6)**	(42.4)	(92.3)
Effect of exceptional items	**(21.1)**	(22.5)	(77.4)
Profit after taxation	**86.1**	76.3	203.7

	Six months to 30.9.01 m	Six months to 30.9.00 m	Year to 31.3.01 m
Weighted average number of Ordinary shares in issue during the period*	**1,002.3**	1,002.4	1,002.5
Dilutive effect of options outstanding	**7.5**	-	-
Diluted weighted average number of Ordinary shares in issue during the period	**1,009.8**	1,002.4	1,002.5

* Excluding those held by The GUS ESOP Trust and The GUS ESOP Trust No. 2 upon which dividends have been waived.

The calculation of diluted earnings per share reflects the potential dilutive effect of the exercise of employee share options.

6. Dividend

The interim dividend will be paid on 1 February 2002 to shareholders on the Register at the close of business on 4 January 2002.

7. Directors' responsibilities

The maintenance and integrity of the GUS plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibilities for any changes that may have occurred to the interim report since it was initially presented on the web site. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Independent review report to GUS plc

Introduction

We have been instructed by the Company to review the financial information which comprises the Group profit and loss account, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds, the analysis of net borrowings, the Group balance sheet, the Group cash flow statement, the divisional analysis, the geographical analysis and the notes to the interim financial statements. 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.

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 should be 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 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 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 United Kingdom Auditing Standards 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 30 September 2001.

PricewaterhouseCoopers
Chartered Accountants
Manchester
29 November 2001

Shareholder information

Registrar
Enquiries concerning holdings of the Company's shares and notification of the holder's change of address should be referred to Lloyds TSB Registrars, The Causeway, Worthing, West Sussex, BN99 6DA, telephone: 0870 600 3987. In addition, Lloyds TSB Registrars offer a range of shareholder information online at www.shareview.co.uk. A text phone facility for those with hearing difficulties is available by contacting telephone: 0870 600 3950.

Share price information
The latest GUS share price is available on Ceefax and also on the Financial Times Cityline Service, telephone: 0906 843 2740 (calls charged at 60p per minute).

Internet
A full range of investor relations information on GUS, including latest share price and dividend history, is available at www.gusplc.com

Dividend Reinvestment Plan
GUS is introducing a Dividend Reinvestment Plan with effect from the payment of the interim dividend. Shareholders who received the 2001 final dividend have already received an invitation to participate. Enquiries concerning the Plan should be made to the Registrar contacting telephone: 0870 241 3018.

Share dealing facility
Existing or potential investors can buy or sell GUS Ordinary shares using a postal dealing service provided by Cazenove & Co., whose contact details are: Cazenove & Co., 12 Tokenhouse Yard, London, EC2R 7AN, telephone: 020 7606 1768.

Financial calendar

Interim dividend record date	4 January 2002
Third quarter trading update	14 January 2002
Interim dividend to be paid	1 February 2002
Second half trading update	April 2002
Preliminary announcement of results for the year to 31 March 2002	29 May 2002
Annual General Meeting	24 July 2002

Change of name
At the Annual General Meeting held on 25 July 2001, shareholders approved the resolution to change the name of the Company from The Great Universal Stores P.L.C. to GUS plc.

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