Operating review UK Retail



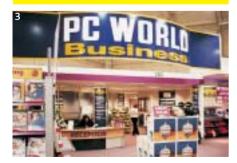
Total sales up

www.pcworld.co.uk www.pcwb.com PC World's total sales (including PC World Business) were £1,278 million (£1,181 million), an increase of 8 per cent in total and 1 per cent like for like. We achieved impressive market share gains in a market that declined by 21 per cent.

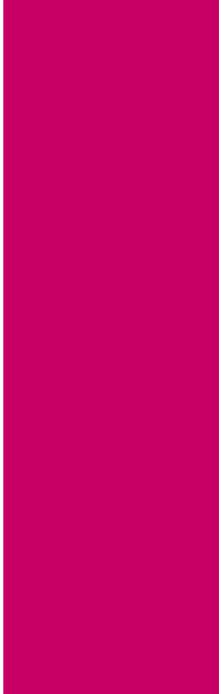
We further enhanced the PC World proposition, introducing component centres in all stores and new sales areas focused on mobile data products such as personal digital assistants and Freeserve broadband connections. These performed strongly, reinforcing PC World's market leading position. We opened 15 new superstores and resited one, bringing the total number of stores to 111. We expect to open a similar number of stores this financial year.







1. Sales of PC related products helped the Group gain market share. 2. The *First Call* support line gives after sales help and advice for complete peace of mind. 3. The PC World business centre, PC World, Northolt.



Home PCs are increasingly central to all our lives. They are relied upon for communication, education, entertainment and business. Functionality, specification, design and ease of use are all improving significantly. We expect to see good long term growth in the market for PCs and related products.

PC World Business achieved sales of ± 172 million (± 156 million), up 10 per cent. It continues to grow its profile with business customers. Its status as an accredited public sector supplier under the GCat contract is delivering promising sales volumes.

The acquisition of Genesis Communications just after the year end gives the Group a platform from which to create a market leading IT and telecoms solutions provider for the small business market. It will strengthen the PC World Business communications offer and the services offered to business customers of The Link. It is an important step in building the Group's position as a leading provider of technology products and services to business.



PC World Business sales up 10%





 Trying out the latest range of handheld and pocket PCs. 5. Nick Sharma, PC Clinic adviser inspects a customer's PC, PC World Northolt.
Viewing PCs for the family, PC World, Northolt.
An eyecatching display of the latest TFT monitors.