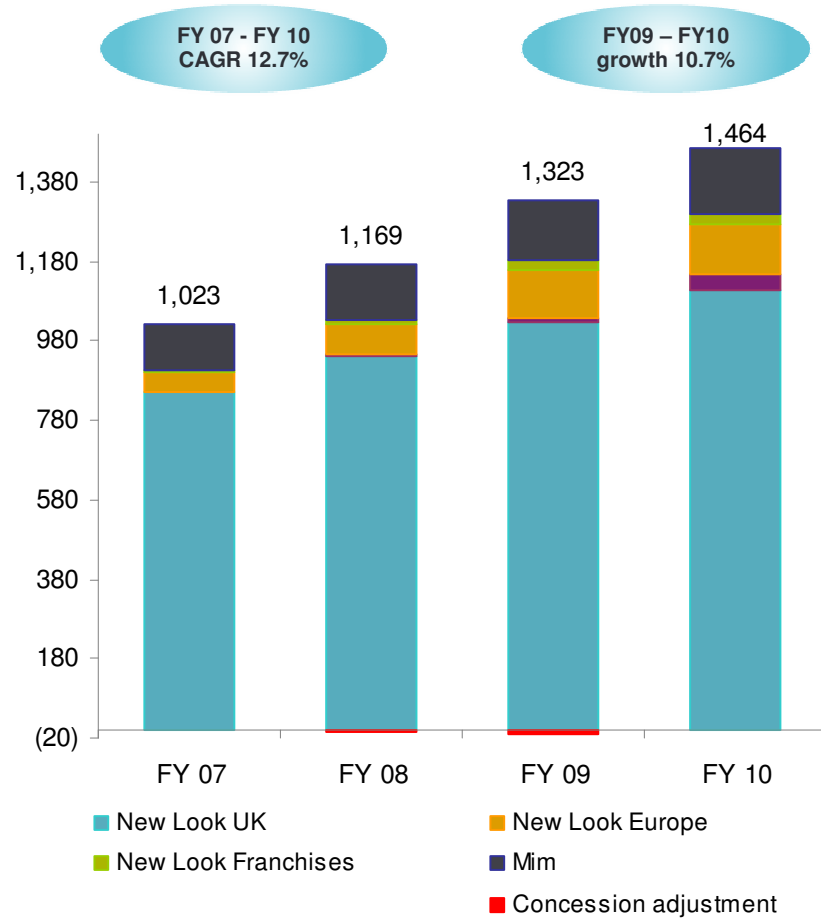


# Financials



# Strong sales growth

## Group sales (£m)

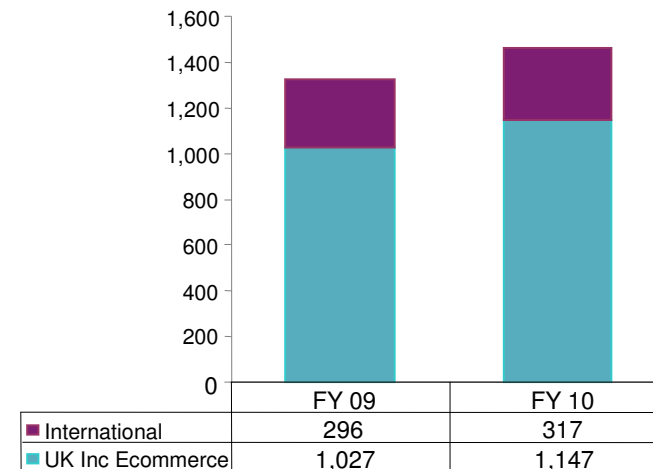


Note: IFRS accounting; Financial year end is March; Sales shown excluding VAT; Sales per trading square foot calculated based on average trading space over the period

## Sales growth

	FY 07	FY 08	FY 09	FY 10
Total group (%)	18.1%	14.3%	13.1%	10.7%
Total UK* (%)	13.9%	10.6%	9.0%	11.6%
LFL UK (%)	(1.0)%	(3.8)%	1.9%	5.0%
Space (%)	14.9%	14.4%	7.1%	6.6%

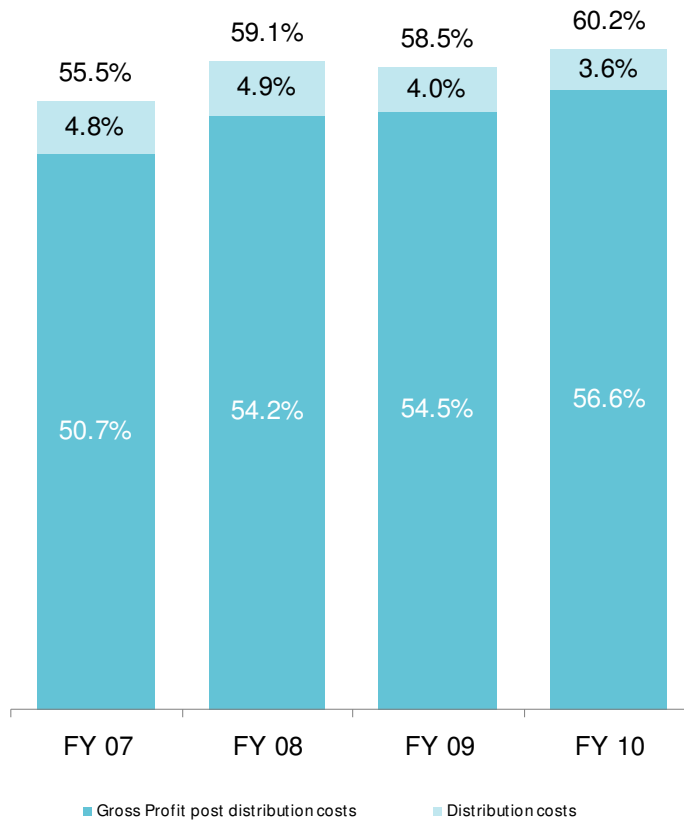
## UK & International sales mix



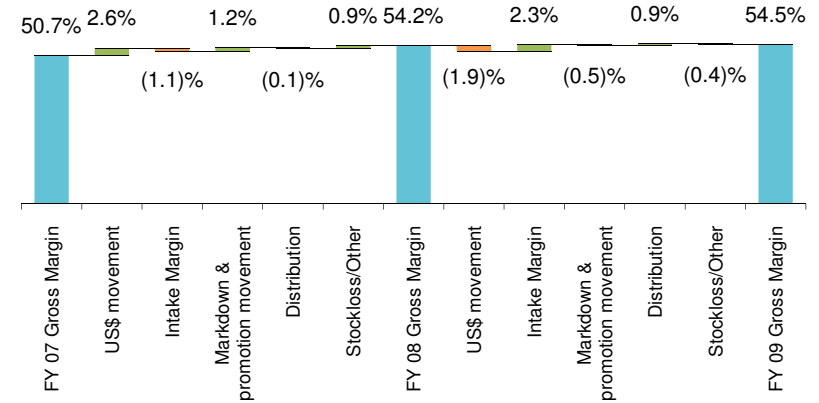
Note: \*Includes E-Commerce

# Robust group gross margin

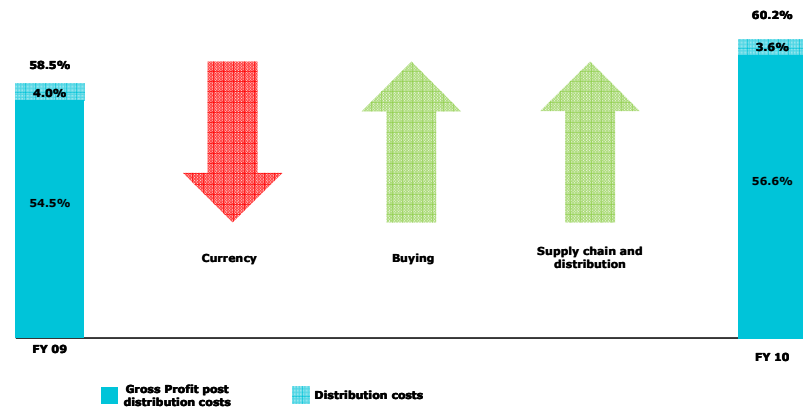
## Gross Margin



## FY 07 – FY 09 Gross Margin bridge



## FY 09 – FY 10 Gross Margin bridge

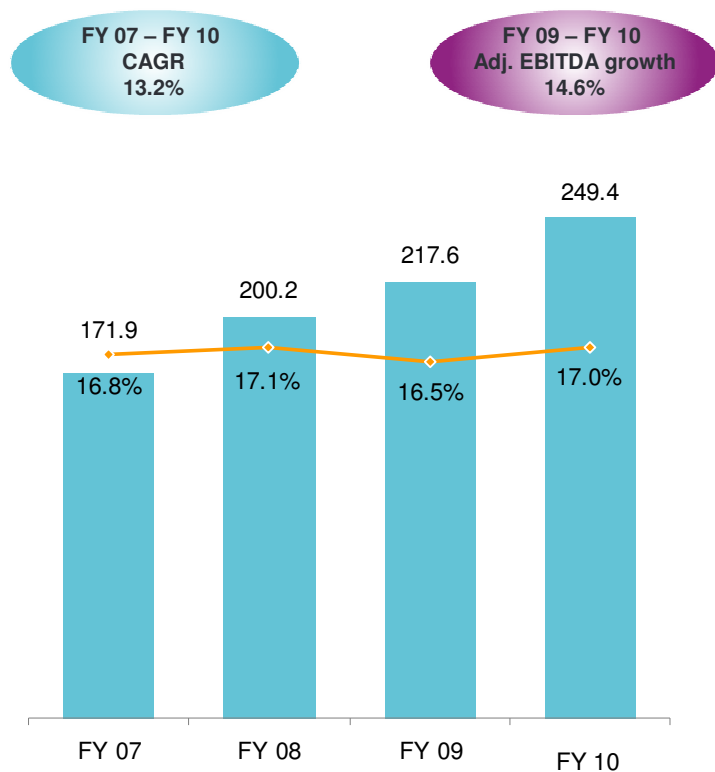


Note: IFRS accounting; Financial year end is March

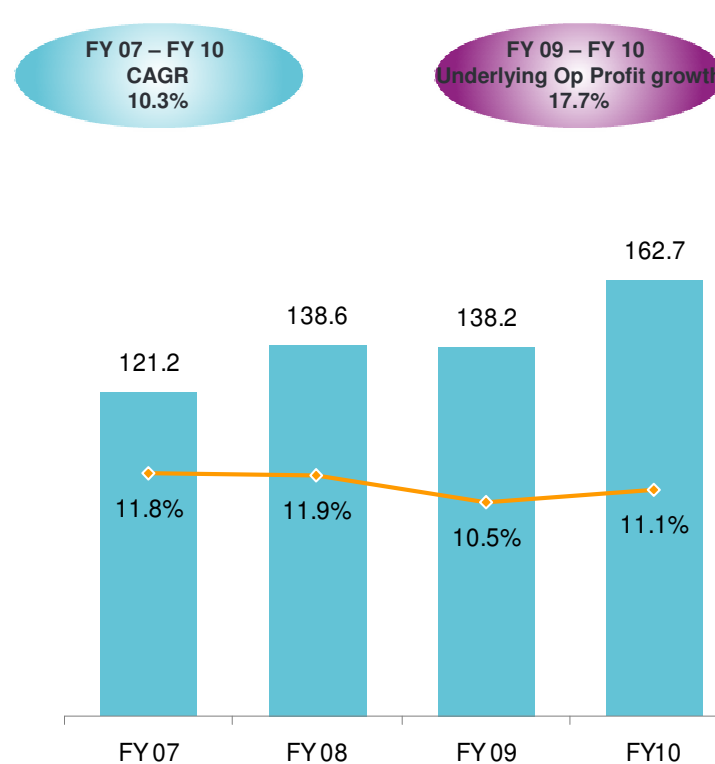


# Record growth in profits

## Adjusted EBITDA (£m)



## Underlying Operating Profit (£m)



Adjusted EBITDA    Margin

Underlying Operating Profit    Margin

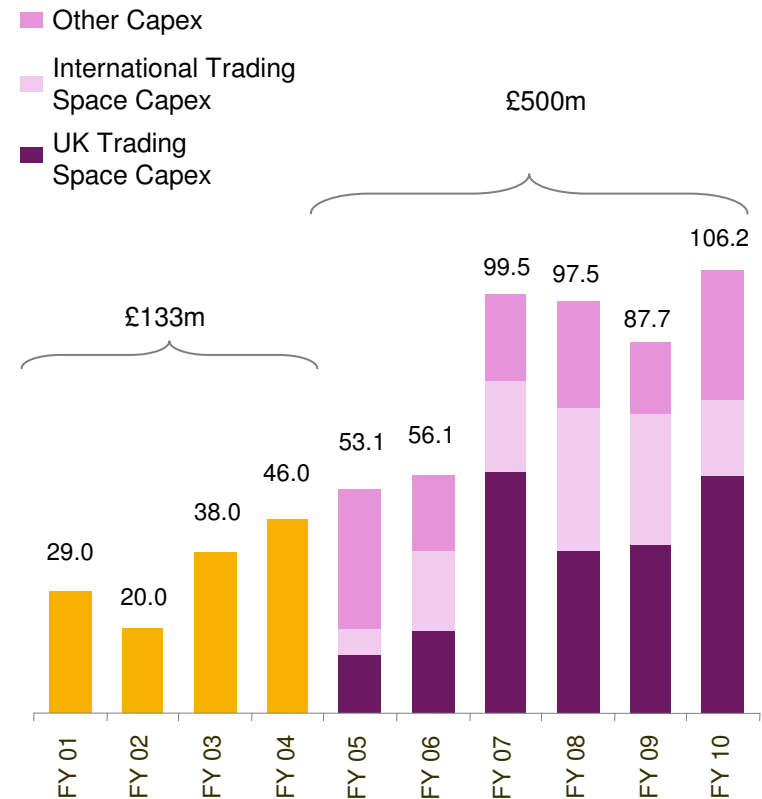
Note: Financial year end is March. Adjusted EBITDA is EBITDA excluding the impact of exceptional items, onerous leases, share-based payments and fair value movement of financial instruments. Management bridge methodology: Management has calculated the components of the sales and EBITDA bridges using actual sales for each new/relocated/closed/LFL store. Costs have been estimated at a consistent % of sales as the prior period, except for LFL stores, where management has assumed only variable costs (and no fixed costs) are attributed to the incremental sales movements. Movement's in margin and other cost components of the bridges are based on the remaining actual movements (i.e. 'base' store movements) between periods

# Sustained cash generation and significant investment

**Cash generation<sup>(a)</sup> (£m)**



**Capital expenditure<sup>(b)</sup> (£m)**

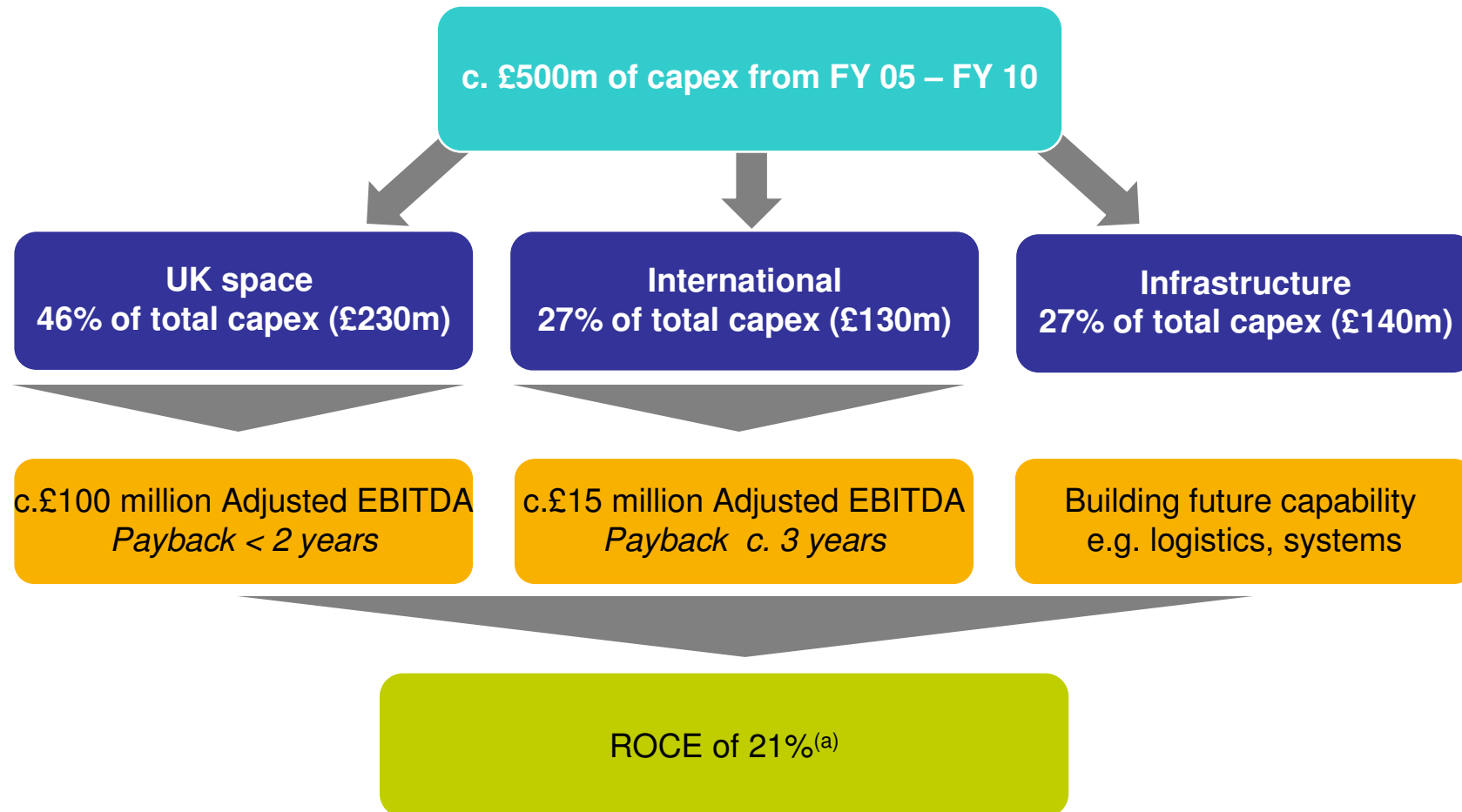


(a) Cash from operating activities pre-exceptionals. Excludes the £45.5m exceptional payment on group reorganisation in FY 07

(b) Capital expenditure on tangible and intangible assets. FY 01 excludes reverse premium receipts of £1.1m, FY 02 excludes reverse premium receipts of £0.5m, FY 03 excludes reverse premium receipts of £0.7m, FY 04 excludes payments to acquire subsidiary undertaking of £31.4m and disposal of investment in own shares, disposal of tangible fixed assets and revenue premium receipts of £1.1m



# Solid return on investment



(a) Calculated as Underlying Op Profit in FY10 / Av Capital Employed (Net assets/liabilities, add back financing, less cash)

# Capital structure

	(£m)	Terms
Senior term debt - Tranche A1	59	LIBOR + 150-225 bps (depending on financial performance)
Senior term debt - Tranche A2	19	
Senior term debt - Tranche B1	164	LIBOR (or EURIBOR for B2 and C2) + 275-325 bps
Senior term debt - Tranche B2 (EUR)	34	
Senior term debt - Tranche B3	23	
Senior term debt - Tranche C1	164	
Senior term debt - Tranche C2 (EUR)	34	
<b>Gross bank debt</b>	<b>497</b>	
Senior term debt - Tranche D (second lien)	80	LIBOR + 500 bps
<b>Gross senior debt</b>	<b>577</b>	
Mezzanine debt	71	LIBOR + 1,000 bps total, of which 550 bps PIK
<b>Gross cash-pay debt</b>	<b>648</b>	
PIK debt	591	900 bps PIK
<b>Total gross debt</b>	<b>1,239</b>	
Cash and cash equivalents	(206)	
<b>Net debt</b>	<b>1,033</b>	
Undrawn RCF and other	55	



# Debt maturity adequately funded through cash flow

## Current net debt structure

Per Notes to the Draft Statutory accounts	As at 27 March 2010 £m
<b>Bank Debt:</b>	
Senior A, B & C	496.8
Second Lien D	80.0
Mezzanine	71.4
PIK debt	591.4
<b>Total Debt</b>	<b>1,239.6</b>
<b>Cash at bank</b>	<b>- 206.3</b>
<b>Net Debt</b>	<b>1,033.3</b>

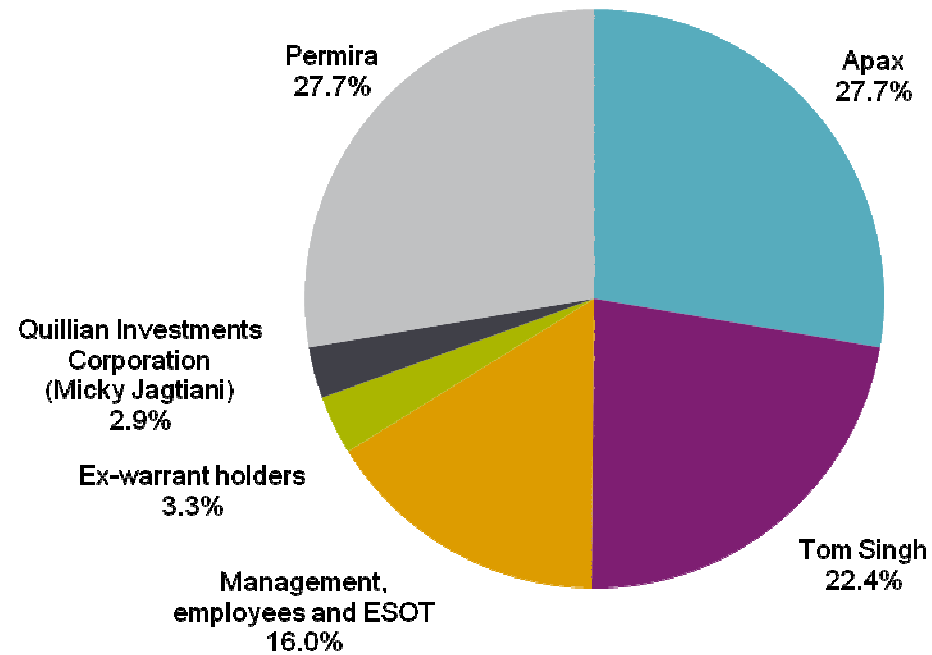
## Key messages

- No immediate refinancing risk or covenant pressure
- Current debt amortisation funded from cash generation until FY 2015/16 (when mezzanine and PIK debt mature)
- Continue to evaluate capital structure and best use of surplus cash

## Senior debt maturity profile

Year ending March (£m)	FY11	FY12	FY13	FY14	FY15
TLA	40	25	13		
TLB			111	111	
TLC				100	100

# Ownership structure



Note: Post vesting of ESOT options; as at 27 March 2010

