

# News Release



## Update on Trading Performance

### Q1 2004/5

Q1 sales growth:

	Actual %	Like for Like %
Boots Group PLC	3.9%	
Boots The Chemists	5.4%	4.4%
- Health	6.7%	6.3%
- Beauty & Toiletries	4.6%	3.0%
- Lifestyle	4.0%	2.5%
		Local currency %
Boots Healthcare International	0.1%	3.5%

Richard Baker, Chief Executive of Boots Group PLC, commented:

“Continued growth in Boots The Chemists shows the positive response of customers to improving value and convenience on top of our existing strengths of great products and great people.

“We are also focused on improving our supply chain and store systems to continue delivering better store operations.”

### **Boots The Chemists**

Sales growth in Boots The Chemists in the quarter was 5.4%, 4.4% like for like.

Gross margin in the quarter was in line with guidance given for the full year.

## **Healthcare**

Dispensing sales were up 7.3% in the quarter. Growth in Boots Prescription Collection Service was the major contributor to growth. Over the counter medicines, up 6.2%, saw continuing strong performance in vitamins and supplements and footcare offsetting a mild hayfever season.

## **Beauty and Toiletries**

Toiletries sales grew 3.5% reflecting the impact of Lower Prices You'll Love and a more focused promotional programme. Skincare and Haircare performed well. Cosmetics and Fragrance sales, up 6.2%, benefited from the roll out of new self-selection cosmetics units and a strong promotion in N°7.

## **Lifestyle**

Improving sales trends in Baby following the introduction of wider ranges and the continuing success of the Shapers range in food were slightly offset by the ongoing impact of changes in the photo developing market.

## **Boots Healthcare International**

Boots Healthcare International sales growth in the quarter was 0.1% in Sterling, up 3.5% in local currency. Changes in the German market and phasing of supplies reduced sales in the quarter. Expectations for the full year are unchanged.

**- ENDS -**

Howard Dodd, Chief Finance Officer and Peter Baguley, Director of Investor Relations, will host a conference call for analysts at 08.30 BST.

UK dial in number 0845 245 3471  
International dial in number +44 (0) 1452 542 300

A replay facility will be available for seven days:

UK dial in number 0845 245 5205  
International dial in number +44 (0) 1452 550 000  
US dial in number 1866 247 4222  
Access number 1660108#

For further information, please contact:

<b>Investor Relations - Peter Baguley and Chris Laud</b>	
Tel: 020 7495 2709	Between 07.00 am and 09.00 am
Mobile: Peter 07770 440690	After 09.00 am
Mobile: Chris 07811 460611	After 09.00 am
<b>Media - Donal McCabe and Matthew Dransfield</b>	
Tel: 020 7495 2709	Between 07.00 am and 09.00 am
Mobile: Donal 07769 690618	After 09.00 am
Mobile: Matthew 07973 844612	After 09.00 am

22<sup>th</sup> July 2004