

# News Release



## Update on Trading Performance

Q1 2003/04

Q1 sales growth:

	Actual %	
Boots Group PLC	4.8*	Like for Like %
Boots The Chemists	4.7	4.6
- Health	6.3	6.5
- Beauty & Toiletries	5.3	5.2
- Other	-1.2	-2.0
		Local currency %
Boots Healthcare International	10.0	7.6

\* Continuing operations

John McGrath, Chief Executive of Boots Group PLC, commented:

'Boots The Chemists is trading well and fully meeting our expectations. We continue to see the positive effects of the improvements and investment we are making in the business. Boots Healthcare International is showing consistent good performance'

The main features of the quarter were:

### **Boots The Chemists**

Sales growth in Boots The Chemists in the quarter was 4.7%. Dispensing sales, up 8%, and strong cosmetics and fragrance growth, up 6%, were key contributors.

Toiletries sales continued to show good progress and the 'Lower Prices You'll Love' campaign performed in line with expectations. The expanded 'Sunshop' showed excellent sales growth helped by the hot weather in June, which also benefited sales of Food. This growth in Food, and in Baby merchandise, was offset by continued decline in Photo.

The later Easter increased the quarter's sales growth by approximately 0.4%.

Gross margin was ahead of both the same period last year and the final quarter of 2002/03 and is in line with our expectations for this stage of the year.

Progress in both investment and 'Getting in Shape' cost saving programmes is on track.

### **Boots Healthcare International**

Boots Healthcare International sales were up 7.6% in local currency (+10% in Sterling) with increases across all major brands.

ENDS

Howard Dodd, Chief Financial 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 55 00 00  
US dial in number: 1866 276 1167  
Access number: 314227#

For further information, please contact:

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Tel: 020 7495 2709	Between 07.00 am and 09.00 am
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