



FOR IMMEDIATE RELEASE
10th September 2002

108 Princes Street
Edinburgh

John Menzies plc
The international support services Group

INTERIM RESULTS
For 26 weeks to 29th June 2002

Highlights:

- * Strong first half from Distribution
- * Aviation recovery continues; in profit every month since March
- * Well funded for acquisitive and organic growth
- * Dividend level maintained

	Interim H1 2002	Comparison with H2 2001	
Turnover - continuing	£599.0m	up	£15.3m
Headline PBT - continuing	£ 10.6m	up	£ 4.1m
Headline EPS - continuing	11.5 pence	up	5.8 pence
Dividend	5.5 pence		

David Mackay, Chief Executive, said:

“Once again, Distribution has proven its counter cyclical qualities and delivered an excellent result. The rationalisation of its Scottish branch network has been successfully completed and the operational benefits will continue to flow through.

Aviation activity levels continue to improve as we predicted. Every month since March has been profitable. Management are vigorously controlling costs and we have a very strong and experienced team in place poised to take advantage of economic recovery and to participate actively in the further industry consolidation we expect to occur.

The Group’s results are well ahead of the last six months of 2001. I am confident that we remain on track to continue this trend and to deliver a strong set of results for the full year.”

For further enquiries:

David Mackay	Chief Executive	0131 459 8090
Jonathan Rooper	Cardew & Co	0207 930 0777

CHAIRMAN'S STATEMENT

This is my first statement to shareholders since being appointed as Chairman, so it is particularly pleasing to present an encouraging set of results against a market background which has not been easy. It is therefore with confidence that your Board has declared an Interim Dividend of 5.5p, the same as last year.

My appointment as Chairman is the first in a series of changes to your Board. My time as a non-executive Director of the Company and my direct involvement with Menzies Aviation Group enables me to provide useful continuity as these important changes come into effect.

David Mackay, who has been Chief Executive for the past five years, retires in May 2003. Patrick Macdonald, who brings first class international experience and an outstanding track record, most recently at a senior level with GE Capital, will join us in January as Chief Executive Designate. He will therefore be working with David for some four months, which will enable him to develop a good understanding for our operations and opportunities, and ensure a smooth handover of executive duties.

We look forward to Paul Dollman joining us as Group Finance Director during October in succession to Martyn Smith. Paul, who joins us from distillers William Grant, also brings extensive international and City experience. Martyn, who is leaving to take up a senior appointment with a major European company, has played a key role in the transformation of the Group over the past three years. He leaves with our sincere thanks and best wishes.

The Group has two highly focused divisions and a promising future ahead. We have a sound operation on a firm base, and I am confident that we will take advantage of opportunities for expansion and deliver growth in the years ahead.

William Thomson
Chairman

CHIEF EXECUTIVE'S REVIEW

After several years of strategic re-structuring, it is pleasing to present results which are not affected by discontinued businesses.

The Group has performed very well in difficult economic conditions. Once again, Distribution has proven its counter cyclical qualities and delivered an excellent result. Last year's cover price increases, which have been margin protected during the current tabloid price war, the successful integration of Turners News and the equally successful opening of Newbridge and Linwood branches in Scotland have all played their part.

Aviation has performed in line with our expectations returning a small loss in the first half. Volumes at many stations have held up well, and indeed some locations have advanced against the comparative period. Exceptions are those locations most geared to economic recovery such as Heathrow cargo and the Americas, where activity levels are above post September 11th levels but recovery is slower. We have, however, benefited from actions taken last year to reduce our cost base and have also strengthened our management team to accelerate growth.

We remain soundly financed.

INTERIM RESULTS

Summary

Turnover from continuing operations was up on the comparative period by 6.7% to £599.0m (£15.3m up on the last six months of 2001). Distribution turnover was 11.2% higher at £487.6m mainly due to newspaper and magazine cover price increases and the inclusion of Turners News. Aviation turnover fell by 9.4% to £111.4m. The main reductions came from the Americas, Heathrow cargo and exited businesses (GlobeGround UK, Germany, Mecanix and Korea). These were partially offset by increases elsewhere.

Operating profits from continuing operations reduced by 9.2% to £11.9m. Distribution profits were 8.5% higher at £14.1m. Aviation made an operating loss of £0.6m against a profit of £1.3m in the comparative period. This compares to a loss of £3.9m for the six months to 29th December 2001 and demonstrates the steady and ongoing recovery in the business since September 11th.

Interest costs of £1.3m have benefited from lower average interest rates.

Headline profit before tax was £10.6m, £4.1m ahead of continuing activities in the 2nd six months of 2001 and £1.4m less than the comparative period. Headline earnings per share were 11.5p, 5.8p up on continuing activities from the 2nd half (down 2.0p on the comparative period).

The Group's associate in Italy reduced capacity resulting in an operating exceptional charge of £0.7m. The exit from our German, Korean and Mecanix operations resulted in a non-operating exceptional cost of £2.2m.

Group profit before tax and after goodwill amortisation and exceptional items was £5.9m (H1 2001 : £3.6m). Earnings per share, post goodwill amortisation and exceptional items and after tax, were 3.1p versus a loss of 0.5p last time.

The Board is pleased to declare an interim dividend unchanged at 5.5p.

Cash Flow

Operating cash flow (including dividends received from associates) was £8.1m compared to £7.3m from continuing activities in the comparative period. This is after an outflow of £9.4m (£7.9m last time) in respect of working capital and exceptionals.

Net capital expenditure amounted to £5.4m, approximately £9.5m lower than from continuing activities in the comparative period. The decrease reflects reduced expenditure at Distribution on branch rationalisation and tight management of Aviation expenditure during the current economic climate.

Net debt at 29th June 2002 was £57.5m. This compares with net debt at 29th December 2001 of £46.8m.

Menzies Distribution

	H1 2002 £m	H1 2001 £m
Turnover	487.6	438.6
Operating Profit	14.1	13.0

Menzies Distribution has had an excellent six months driven by cover price increases, strong sticker sales and the positive contribution from Turners News.

Newspaper circulation numbers were boosted by sales of additional copy during the 'tabloid' price war and overall newspaper volumes on a like for like basis, excluding Turners News, were therefore only slightly lower. Magazine volumes, on a like for like basis, were marginally higher with most sectors remaining reasonably strong despite there being very few major new launches. Overall, revenues were up by 11.2% with newspapers up 8.3% and magazines up 10.6%. Sticker sales were nearly £2.0m higher, benefiting from strong World Cup sales, whilst low margin phone-card revenues were also up by some £1.7m.

Operating profit was 8.5% higher than last year with the margin contribution from increased sales being only partly reduced by inflationary cost increases. Turners News has performed ahead of our initial expectations.

During the period the Division completed the planned re-structuring of its Central Scotland operation with the opening of new branches at Newbridge and Linwood - like Cambuslang before them, on time and on budget. The last remaining branch (East London) in the programme to consolidate ten branches into four major units will be completed in Spring 2004. Customer service is already being enhanced and operational efficiencies will further benefit the Division in the second half.

The Office of Fair Trading is expected to announce the results of its review of the Industry Code of Practice for the supply of newspapers later this year. We remain confident that this review will re-affirm the value of the present industry structure.

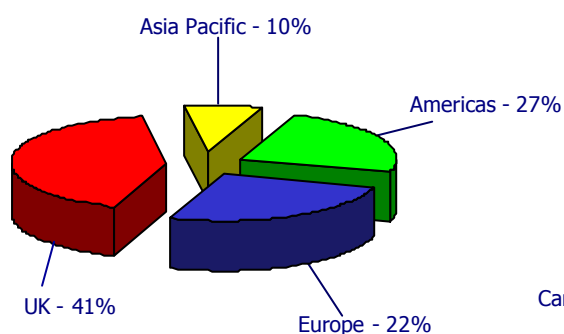
Menzies Aviation Group

	H1 2002 £m	H1 2001 £m	H2 2001 £m
Turnover	111.4	123.0	121.4
Operating (loss) / profit	(0.6)	1.3	(3.9)

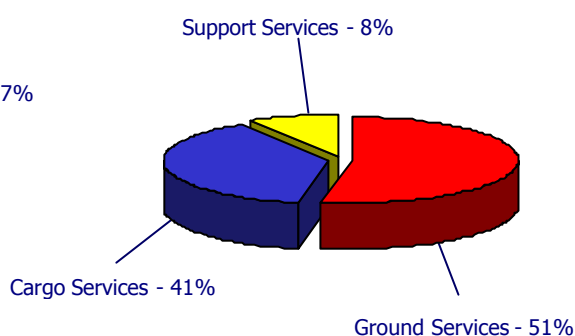
Menzies Aviation Group has coped well with the post September 11th downturn. As expected, the first two months of the current period were difficult – they are traditionally slow months for cargo and this year the position was exacerbated by continued volume weakness in passenger activity. Since March, however, every month has been profitable and we are seeing sustained improvements in trading conditions at many key locations.

The geographic and business spread of Aviation’s continuing businesses are :

Geographical Spread



Sector Spread



Source : MAG 6 months turnover to 29th June 2002 – excluding exited businesses

Cargo activities account for most of our revenues in the UK. Underlying monthly volume trends have been consistent with those reported by BAA, which show reducing year on year shortfalls. In July underlying volumes at Heathrow were for the first time ahead of last year. Some £3.0m of capital expenditure has now been spent in developing a new cargo management system that will strongly differentiate Aviation’s cargo activities from those of its competitors. The roll-out of the system is now underway within the Heathrow cargo terminals. Elsewhere in the UK, Aviation’s regional cargo business continues to develop and its freight wholesaler, AMI, continues to perform well with increased yields offsetting lower volumes.

Cargo volumes outside the UK were mixed. In Europe, Prague volumes continue to grow significantly, whilst in Amsterdam overall tonnages remain relatively low though they will increase significantly during the second half with the integration of Fr8. Asia Pacific has remained resilient. In Australia volumes have grown by over 15% and in Macau, where cargo is less than one fifth of the overall operation, by over 50%. Not unexpectedly, the Americas have seen the largest shortfall with tonnages in Peru down slightly but in the USA by over 25%.

Like cargo, passenger and ramp activities were worst affected in the Americas with the number of turnarounds down by over 15%. Passengers in the USA remain cautious and this inevitably had an adverse affect on the traditionally strong Latin American / Caribbean holiday season. Europe was broadly neutral with increases in Amsterdam, Czech Republic and Romania being offset by the effects of increased competition in Rome. Operations in Spain remain relatively small but we will participate in the forthcoming round of new licenses at regional airports. Asia Pacific saw growth of some 12% driven by our largest operation, Macau.

Support Services (Execair, Connect, and MC Services) continue to perform well. Execair now operates from 13 locations and plans to add significantly to this number over the next few years. In May, a second coaching contract, with projected revenues of £17m over 5 years, was awarded by BAA to transport Heathrow employees to and from staff car parks. MC Services has won new business to replace that lost in the aftermath of September 11th.

During the period Aviation completed its exit from the loss making German, Korean and Mecanix operations. Aviation's operating loss of £0.6m includes £0.5m in respect of these businesses.

People

I would like to take this opportunity to thank all the people involved in our business. They are a key asset and have continued to work extremely hard during a period of considerable uncertainty to achieve the growth and success for which we are all striving.

Outlook

Distribution continues to be both profitable and cash generative. Importantly it remains margin protected during a period of on-going tabloid 'price wars'. The rationalisation of its Scottish branch network has been successfully completed and the operational benefits are now beginning to flow. Efforts continue to expand the contribution from ancillary products and we remain confident of a positive outcome from the current OFT inquiry.

Activity levels and monthly results at Aviation are continuing to improve. Every month since March has been profitable. Management are vigorously controlling costs and we have a very strong and experienced team in place poised to take advantage of economic recovery and to participate actively in the further industry consolidation which we expect to occur.

The Group's results are well ahead of the last six months of 2001. I am confident that we remain on track to continue this trend and to deliver a strong set of results for the full year.

David Mackay
Chief Executive

GROUP PROFIT AND LOSS ACCOUNT

	6 months to 29th June 2002			6 months to 30th June 2001			
	Before excep- tional items £m	Excep- tional items (Note 3) £m	Total £m	Before excep- tional items £m	Excep- tional items (Note 3) £m	Total £m	
Turnover	2						
(including share of joint ventures and associates)							
Continuing operations	599.0	-	599.0	561.6	-	561.6	
Discontinued operations	-	-	-	71.9	-	71.9	
	599.0	-	599.0	633.5	-	633.5	
Less: share of joint ventures and associates	(30.8)	-	(30.8)	(35.3)	-	(35.3)	
Group turnover	568.2	-	568.2	598.2	-	598.2	
Group operating profit / (loss)							
Continuing operations	8.6	-	8.6	8.1	(6.4)	1.7	
Discontinued operations	-	-	-	(0.4)	-	(0.4)	
Share of operating profit / (loss) in							
Joint ventures	(0.1)	-	(0.1)	0.3	-	0.3	
Associates	1.6	(0.7)	0.9	3.1	-	3.1	
Total operating profit / (loss)	2	10.1	(0.7)	9.4	11.1	(6.4)	4.7
Exceptional items							
Loss on disposal of businesses	3	-	(2.2)	(2.2)	-	-	-
Profit / (loss) on ordinary activities before interest		10.1	(2.9)	7.2	11.1	(6.4)	4.7
Net interest payable		(1.3)	-	(1.3)	(1.1)	-	(1.1)
Profit / (loss) on ordinary activities before taxation		8.8	(2.9)	5.9	10.0	(6.4)	3.6
Taxation	4	(3.3)	-	(3.3)	(3.7)	0.5	(3.2)
Profit / (loss) after taxation		5.5	(2.9)	2.6	6.3	(5.9)	0.4
Minority interests		-	-	-	0.2	-	0.2
Profit / (loss) for the financial period		5.5	(2.9)	2.6	6.5	(5.9)	0.6
Dividends (including non-equity)	7	(4.0)	-	(4.0)	(4.0)	-	(4.0)
Retained profit / (loss) for the financial period		1.5	(2.9)	(1.4)	2.5	(5.9)	(3.4)
Earnings per ordinary share	5						
Headline		11.5p			12.9p		
FRS3				3.1p			(0.5)p
Headline / FRS3 diluted		11.5p		3.1p	12.9p		(0.5)p

GROUP PROFIT AND LOSS ACCOUNT

	8 months to 29th December 2001		
	Before excep- tional Items £m	Excep- tional items (Note 3) £m	Total £m
Turnover	2		
(including share of joint ventures and associates)			
Continuing operations	760.0	-	760.0
Discontinued operations	55.9	-	55.9
	815.9	-	815.9
Less: share of joint ventures and associates	(52.4)	-	(52.4)
Group turnover	763.5	-	763.5
Group operating profit / (loss)			
Continuing operations	6.4	(10.4)	(4.0)
Discontinued operations	(5.7)	-	(5.7)
Share of operating profit / (loss) in			
Joint ventures	-	-	-
Associates	2.7	(0.8)	1.9
Total operating profit / (loss)	2	3.4	(11.2)
Exceptional items			
Loss on disposal of businesses	3	-	(11.3)
Profit / (loss) on ordinary activities before interest		3.4	(22.5)
Net interest payable		(2.0)	-
Profit / (loss) on ordinary activities before taxation		1.4	(22.5)
Taxation	4	(2.4)	1.9
Profit / (loss) after taxation		(1.0)	(20.6)
Minority interests		0.2	1.0
Profit / (loss) for the financial period		(0.8)	(19.6)
Dividends (including non-equity)	7	(8.0)	-
Retained profit / (loss) for the financial period		(8.8)	(19.6)
Earnings per ordinary share	5		
Headline		0.4p	
FRS3			(38.7)p
Headline / FRS3 diluted		0.4p	(38.7)p

GROUP BALANCE SHEET

	As at 29th June 2002 £m	As at 30th June 2001 £m	As at 29th Dec 2001 £m
Fixed assets			
Intangible assets	27.1	17.4	26.6
Tangible fixed assets	110.8	126.6	113.8
Investments	50.5	59.0	55.4
	188.4	203.0	195.8
Current assets			
Stocks	9.7	28.3	11.2
Debtors	132.3	138.2	137.6
Cash at bank and in hand	35.0	35.1	38.8
Creditors: amounts falling due within one year	(165.9)	(167.1)	(174.4)
Net current assets	11.1	34.5	13.2
Total assets less current liabilities	199.5	237.5	209.0
Creditors: amounts falling due after more than one year	(65.2)	(74.3)	(71.1)
Provision for liabilities and charges	(20.1)	(20.6)	(21.5)
	114.2	142.6	116.4
Capital and reserves			
Equity share capital	14.1	14.1	14.1
Non-equity share capital	21.4	21.4	21.4
Called up share capital	35.5	35.5	35.5
Reserves	78.7	100.9	80.9
Shareholders' funds	114.2	136.4	116.4
Minority interests	-	6.2	-
	114.2	142.6	116.4
Per ordinary share			
Capital employed	164.0p	214.3p	167.9p

Note

6

GROUP CASHFLOW STATEMENT

	6 months to 29th June 2002	6 months to 30th June 2001	8 months to 29th Dec 2001
<u>Note</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Net cash inflow / (outflow) from operating activities	5.5	(40.0)	(3.0)
Dividends from joint ventures and associates	2.6	2.3	3.3
Net cash outflow from returns on investments and servicing of finance	(2.1)	(2.2)	(4.3)
Taxation paid	(2.8)	(4.0)	(4.3)
Net cash outflow from capital expenditure and financial investment	(5.4)	(15.7)	(20.8)
Free cash flow	(2.2)	(59.6)	(29.1)
Net cash (outflow) / inflow from acquisitions and disposals			
Investments in joint ventures and associates	-	(7.7)	(0.2)
Acquisitions	(8.9)	(1.8)	(7.2)
Disposals	5.4	-	21.0
Equity dividends paid	(6.8)	(3.0)	(7.1)
Management of liquid resources	7.7	47.8	(2.9)
Net cash inflow from financing	7.1	0.8	0.6
Increase / (decrease) in cash in the period	8 2.3	(23.5)	(24.9)
Reconciliation of operating profit to net cash inflow / (outflow) from operating activities			
Operating profit	10.1	11.1	3.4
Depreciation	6.8	9.2	11.0
Goodwill amortisation	0.9	0.7	0.7
Share of operating loss / (profit) in joint ventures	0.1	(0.3)	-
Share of operating profit in associates	(1.6)	(3.1)	(2.7)
Cash spend on exceptionals	(4.0)	(5.1)	(7.8)
Movement on pension prepayment	(1.7)	(2.5)	(3.3)
Other items not involving the movement of cash	0.3	-	0.2
Decrease / (increase) in stocks	1.5	5.2	(6.1)
Decrease in debtors	1.0	33.0	7.4
Decrease in creditors	(7.9)	(88.2)	(5.8)
Net cash inflow / (outflow) from operating activities	5.5	(40.0)	(3.0)

NOTES ON ACCOUNTS

1. Preparation of the interim results

This interim statement in respect of the 6 months to 29th June 2002 has been prepared on the basis of accounting policies consistent with those set out in the Group Accounts for the 8 months ended 29th December 2001.

The pro forma information for the 6 months to 30th June 2001, which has not previously been published, has been derived from the Group Accounts and management accounts.

The interim results were approved by the Board on 9th September 2002 and are unaudited. The results for the 8 months to 29th December 2001 are an abridged version of the Group Accounts, which carried an unqualified Auditors' Report and which have been filed with the Registrar of Companies.

2. Segmental analysis

	Turnover			Pre-exceptional Operating profit/(loss)		
	6 months to 29th Jun 2002 £m	6 months to 30th Jun 2001 £m	8 months to 29th Dec 2001 £m	6 months to 29th Jun 2002 £m	6 months to 30th Jun 2001 £m	8 months to 29th Dec 2001 £m
Distribution Services	487.6	438.6	594.4	14.1	13.0	16.5
Aviation Services	111.4	123.0	165.6	(0.6)	1.3	(3.8)
	599.0	561.6	760.0	13.5	14.3	12.7
Central services	-	-	-	(3.3)	(3.7)	(4.7)
Pension credit	-	-	-	1.7	2.5	3.3
Continuing operations	599.0	561.6	760.0	11.9	13.1	11.3
Goodwill amortisation	-	-	-	(1.8)	(1.6)	(2.2)
Discontinued operations	-	71.9	55.9	-	(0.4)	(5.7)
	599.0	633.5	815.9	10.1	11.1	3.4

Joint Ventures and Associates included above

Distribution Services						
Joint ventures	3.4	3.9	6.0	(0.3)	(0.1)	-
Associates	7.7	6.0	9.6	0.1	(0.3)	-
Aviation Services						
Joint ventures	2.4	2.6	3.5	0.3	0.5	0.4
Associates	17.3	22.8	33.3	2.3	4.2	3.8
	30.8	35.3	52.4	2.4	4.3	4.2
Goodwill amortisation	-	-	-	(0.9)	(0.9)	(1.5)
	30.8	35.3	52.4	1.5	3.4	2.7

Goodwill amortisation is attributable £0.2m to Distribution Services and £1.6m to Aviation Services.

Discontinued operations comprise Early Learning Centre (sold in September 2001) and THE Games (exited in February 2001).

3. Exceptional items

	Notes	6 months to 29th Jun 2002 £m	6 months to 30th Jun 2001 £m	8 months to 29th Dec 2001 * £m
Exceptional operating expenses:				
Aviation Services	a	-	(5.4)	(9.0)
Distribution Services	b	-	(1.0)	(1.4)
		-	(6.4)	(10.4)
Aviation Services - associate	c	(0.7)	-	(0.8)
Total exceptional operating expenses		(0.7)	(6.4)	(11.2)
Non-operating exceptional items:				
Net loss on disposal of businesses	d	(2.2)	-	(11.3)
Total exceptional items		(2.9)	(6.4)	(22.5)

a June 2001: Cost of integrating Ogden Ground Services - £3.6m and costs in respect of an abortive acquisition - £1.8m.

b June 2001: Provision in respect of an investment in an internet magazine subscription service.

c June 2002: The Group's share of the cost of reducing excess capacity in Aeroporti di Roma Handling SpA.

d June 2002: On 28th February 2002 the Group sold Mecanix, a vehicle repair and maintenance facility at Heathrow, at a loss of £0.2m.

On 31st March 2002 the Group closed its Aviation Services operation in South Korea at a cost of £1.0m.

On 1st April 2002 the Group sold its Aviation Services operation in Germany at a loss of £1.0m.

* An analysis of the exceptional items in the 8 month period to December 2001 was included in note 5 of the Group Accounts for that period.

4. Taxation

Taxation has been estimated at a Headline tax rate of 31% (2001: 32%). The pre-exceptional effective rate of 38% (2001: 37%) is impacted by unrelieved overseas losses and goodwill.

5. Earnings per share

	Headline			Post exceptional items		
	6 months to 29th Jun 2002 £m	6 months to 30th Jun 2001 £m	8 months to 29th Dec 2001 £m	6 months to 29th Jun 2002 £m	6 months to 30th Jun 2001 £m	8 months to 29th Dec 2001 £m
Operating profit	10.1	11.1	3.4	10.1	11.1	3.4
add back: goodwill amortisation	1.8	1.6	2.2	-	-	-
Exceptional items	-	-	-	(2.9)	(6.4)	(22.5)
Interest	(1.3)	(1.1)	(2.0)	(1.3)	(1.1)	(2.0)
Profit / (loss) before taxation	10.6	11.6	3.6	5.9	3.6	(21.1)
Taxation	(3.3)	(3.7)	(2.4)	(3.3)	(3.2)	(0.5)
Minority interests	-	0.2	0.2	-	0.2	1.2
Preference dividends	(0.9)	(0.9)	(1.2)	(0.9)	(0.9)	(1.2)
Earnings for the period	6.4	7.2	0.2	1.7	(0.3)	(21.6)

Headline

Earnings per ordinary share (pence)	11.5	12.9	0.4
Diluted earnings per ordinary share (pence)	11.5	12.9	0.4

FRS3

Earnings per ordinary share (pence)	3.1	(0.5)	(38.7)
Diluted earnings per ordinary share (pence)	3.1	(0.5)	(38.7)

Number of ordinary shares in issue (millions)

Weighted average	55.777	55.737	55.761
Diluted weighted average	55.782	55.866	55.780

The weighted average number of fully paid ordinary shares in issue during the period excludes those held by the employee share trusts. The diluted weighted average is calculated by adjusting for those outstanding share options which are potentially dilutive i.e. where the exercise price is less than the average market price of the shares during the period.

6. Reconciliation of movements in shareholders' funds

	As at 29th Jun 2002 £m	As at 30th Jun 2001 £m	As at 29th Dec 2001 £m
Profit / (loss) for the financial period	2.6	0.6	(20.4)
Goodwill previously written off to reserves	-	-	8.5
Dividends : ordinary shares	(3.1)	(3.1)	(6.8)
preference shares	(0.9)	(0.9)	(1.2)
New share capital issued	0.1	0.1	-
Currency translation	(0.9)	0.5	(0.3)
Net decrease in shareholders' funds	(2.2)	(2.8)	(20.2)
Shareholders' funds at beginning of period	116.4	139.2	136.6
Shareholders' funds at end of period	114.2	136.4	116.4

7. Interim dividend

Payment of the interim dividend of 5.5p per Ordinary share (2001: 5.5p) will be made on 29th November 2002 to shareholders on the register at the close of business on 8th November 2002, with an ex-dividend date of 6th November 2002.

8. Analysis of net debt

	As at 29th Dec 2001 £m	Interim cashflows £m	Currency translation £m	As at 29th Jun 2002 £m
Cash at bank and in hand	12.5	3.9	-	16.4
Bank overdrafts	(7.6)	(1.6)	-	(9.2)
	4.9	2.3	-	7.2
Short term deposits	26.3	(7.7)	-	18.6
Bank loans due within one year	(11.0)	(10.2)	0.3	(20.9)
Loan stock due within one year	(0.1)	-	-	(0.1)
Debt due after one year	(66.9)	3.2	1.4	(62.3)
	(46.8)	(12.4)	1.7	(57.5)

9. Contingent liabilities

Nintendo and certain of its present and previous European Distributors are currently under investigation by the European Commission for alleged restriction of cross-border trading in Nintendo products, with a formal Statement of Objections having been issued on 26th April 2000. The Group was the exclusive distributor of such product in the UK and the Republic of Ireland at the relevant time. It remains the opinion of the directors that it is too early at this stage to form a clear view on the extent of any liability which may result from this action.

There are other contingent liabilities, including those in respect of disposed and acquired businesses (including the Ogden Ground Services acquisition from Covanta Energy Corporation), which are not expected to give rise to any significant loss to the Group.

10. Shareholders

These Interim Results will be posted to shareholders on 19th September 2002.