FINDEL PLC

Interim Results

For the six months ended 3 October 2009

3 December 2009

Group Results

FINDEL PLC

Introduction

- Restore growth through wider product offering
- Already achieved annualised savings of £14.7m
- Financial headroom removes need for disposals
- Bank debt reducing from £290m (2008) to £125m (2011)

Home Shopping

FINDEL PLC

Divisional Performance

	2009	2008
Sales	£171.8m	£164.4m
Gross Profit	£99.3m	£101.4m
Operating Profit	£1.4m	£9.6m
	0.8%	*5.8%*

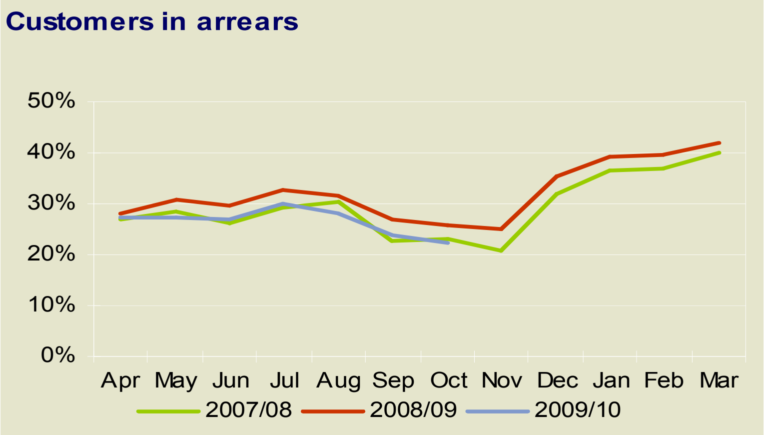
2009 figures include the Webb Group from date of acquisition: Sales £6.7m, Gross Profit £2.5m, Operating loss £0.4m

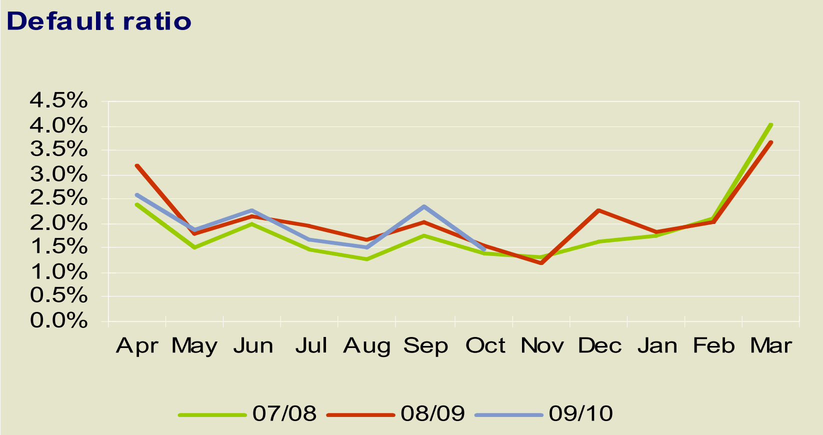
All figures relate to Benchmark results which exclude "Other Items" as defined in Appendix I

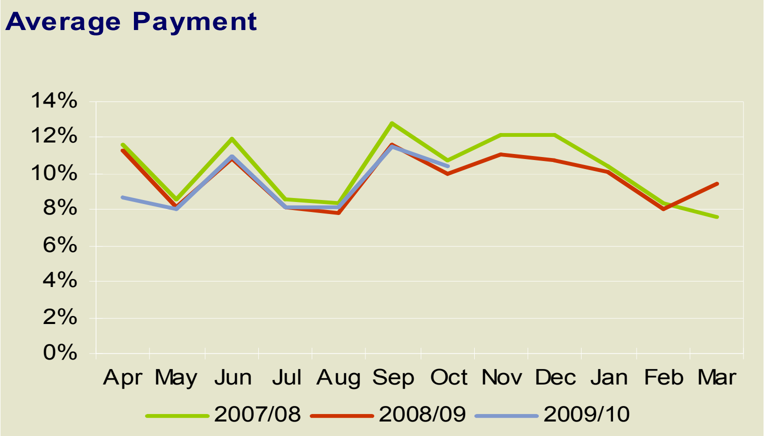
Home Shopping – Credit Business

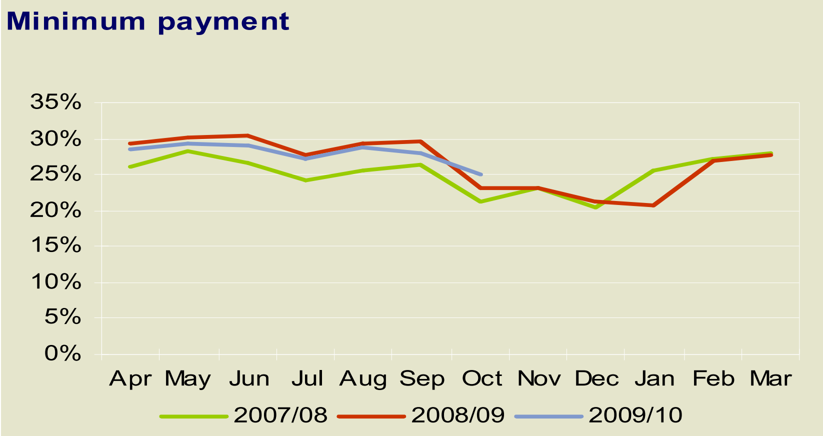
FINDEL PLC

Credit book performance remains good









Education Supplies

Divisional Performance

	2009	2008
Sales	£74.5m	£92.7m
Gross Profit	£25.7m	£33.0m
Operating Profit	£1.3m	£7.7m
	1.8%	*8.3%*

All figures relate to Benchmark results which exclude “Other Items” as defined in Appendix I

Healthcare

Company Performance

	2009	**2008**
Sales	£30.9m	£30.6m
Gross Profit	£6.8m	£7.0m
Operating Profit	£1.0m	£1.4m
	3.2%	*4.6%*

All figures relate to Benchmark results which exclude “Other Items” as defined in Appendix I

Group Results

FINDEL PLC

Trading Summary

	2009	2008
Sales	£277.2m	£287.7m
Operating Profit	£3.3m	£18.2m
Finance Costs (net)	£11.4m	£11.4m
(Loss)/Profit before tax	(£8.1m)	£6.9m
(LPS)/EPS	(2.58p)	4.14p
DPS	-	2.20p

2009 includes the Webb Group from date of acquisition: Sales £6.7m, Operating Loss £0.4m, Finance Costs £0.1m, Loss before tax £0.5m

Operating profit includes share of result of Associate: 2009 loss of £0.4m (2008 loss of £0.4m)

All figures relate to Benchmark results which exclude "Other Items" as defined in Appendix I

Other Items

£m	2009	2008
Debt refinancing costs	11.9	-
Restructuring costs	1.2	-
Discontinued activities	0.4	3.7
Amortisation of intangibles, Share based payment expense, and Movement on financial derivatives	(0.5)	1.3
	13.0	5.0

Group Results

FINDEL PLC

Balance Sheet

£m	3 Oct 2009	30 Sep 2008
Non Current Assets		
Tangible/Intangible	223.3	210.0
Investments, loans & receivables	-	36.0
	223.3	246.0
Current Assets		
Inventories	98.3	117.6
Trade & Other Receivables	269.9	301.8
	368.2	419.4
Bank Debt (including finance leases)	(263.0)	(318.3)
Securitisation programme	(91.5)	(94.7)
Pension Deficit (net of tax)	(5.1)	(7.3)
Other Creditors	(117.2)	(146.4)
	(476.8)	(566.7)
Net Assets	**114.7**	**98.7**

Group Results

FINDEL PLC

Cash Flow

£m	2009	2008
Benchmark operating profit	**3.3**	**18.2**
Net (surplus)/deficit of Capital Expenditure over Depreciation/Amortisation	0.9	(4.5)
Working Capital	(34.2)	(8.4)
Interest Paid	(11.5)	(11.4)
Taxation	8.5	(0.8)
Pension contributions in excess of income statement charge	(1.5)	(1.7)
Share of benchmark result of associate	0.4	0.4
Free cash flow	(34.1)	(8.2)
Cash costs of terminated operations, other items, and acquisitions, disposals and loans to associate	(9.0)	(3.6)
Net cash flow before financing activities	(43.1)	(11.8)
Share Issue Proceeds Gross	80.9	0.1
Net cash from other financing activities	39.2	(0.5)
Refinancing and Share Issue fees and costs	(13.9)	-
Net increase/(decrease) in cash and cash equivalents	**63.1**	**(12.2)**

Group Results

Cash Generation

- Stock reduction initiative to release £40m from working capital
- Warehousing space reduced by 500,000 square feet
- Bank debt reducing from £290m (2008) to £125m (2011)
- Credit insurance to be restored – potential benefit of £25m

Home Shopping

FINDEL PLC

Divisional Strategy

- Focus on efficiency and cash generation
- Reduction in warehousing space
  - Tighter stock control
  - Changing nature of product range
  - Buying just in time
  - Reducing surplus stock generation
- £1.8m annualised savings already achieved, +£1m by year end
- Continue to drive internet sales, currently 64% of total
- Sales in first 34 weeks up £18.9m (8%), Like for Like up £1.1m

Home Shopping

FINDEL PLC

Credit business

- Opening customer base 15% down on prior year
- Economy in recession
- Product sales +5%
- Retention over 70%
- Average Order Value +8%
- Tighter criteria for new customer acceptance
- Customer base maintained at 1.2 million

Home Shopping – Credit Business

FINDEL PLC

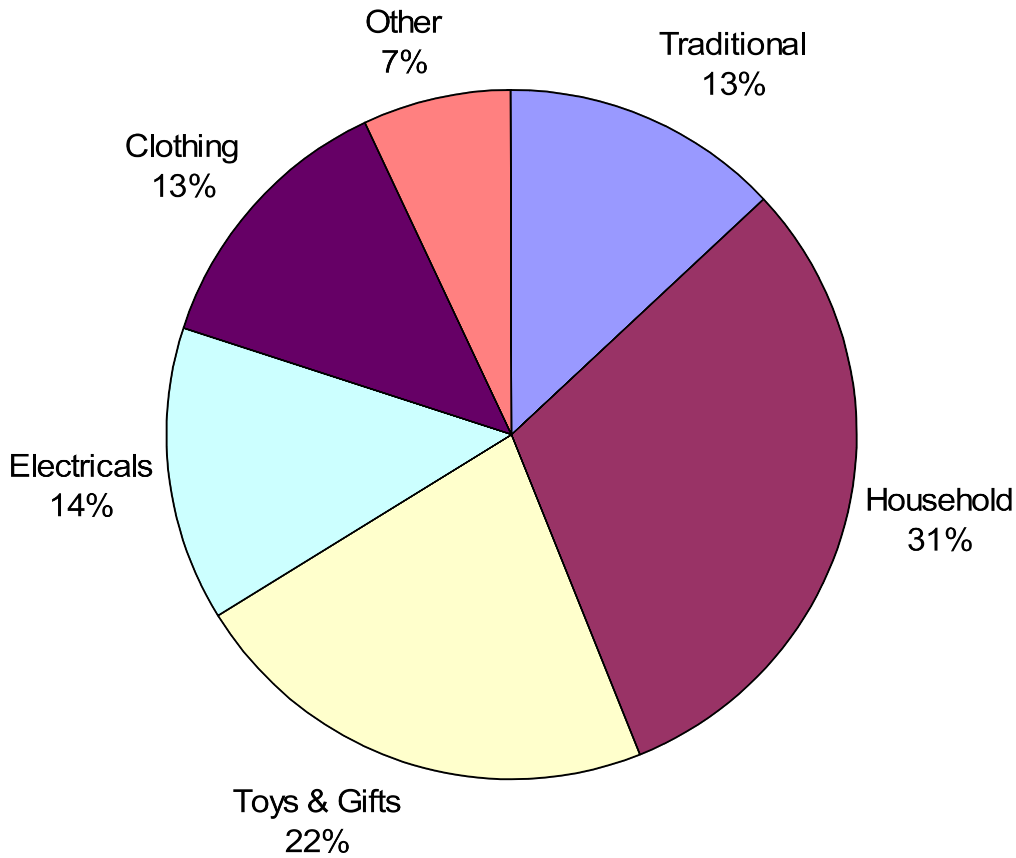
Clothing offers major opportunity

- £4bn market - we have a tiny fraction
- Major rollout based on careful testing – 141 more pages
- High take up of clothing in recruitment catalogues
- Own Brand “TG” products are top sellers
- Returns Rates controlled – under 10%
- Opportunity to enhance AOV and frequency
- Complementary to existing ranges
- Reduces seasonality and timing risk on marketing spend

Home Shopping – Credit Business

FINDEL PLC

Broadening product range



Home Shopping – Kleeneze

Solid Performance

- Solid profit performance despite slight reduction in sales
- Savings achieved in distribution and administration costs
- Re-investment in marketing on TV and radio

Home Shopping – Kitbag

FINDEL PLC

Development of extended model

- Sales +40%, Operating Profit +70%
- Kitbag Brand sales up 34%
- Everton contract live on extended model
- Everton site visitors up nearly 200% under Kitbag management
- Everton delighted with Kitbag's performance

Home Shopping – Webb Group

A leading Home Entertainment provider

- Acquired July 09
- Annual sales forecast £66m
- Cost reduction programme continuing
- Customer base expanded
- Unique position - Mail Order and Convenience stores
- Home Entertainment market +13% - resilient in recession

Education Supplies

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Operational efficiencies

- Two year plan to achieve £6m annualised savings
- Closure of Regional back office
- 2 warehouses and external storage vacated
- Rationalisation of stock ranges
- More Direct Supply – reduces costs and risks
- 25% reduction in supplier base
- New WMS reducing cost per line by over 16%

Education Supplies

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Commodity range geographical expansion

- Commodity sales strong but in limited geographical areas
- Use our National Brands to achieve national penetration
- Competitive pricing reinforces value message
- Uses existing commodity offer – no new stock lines

Education Supplies

Divisional Strategy

- Service
- Product Innovation
- Competitive Pricing

Education Supplies

New Product Development - Budget Brains

- Financial awareness an important new topic
- Multi level, cross curricular resource
- Sponsorship under discussion

Education Supplies

Demographic Benefits

- Primary Pupils declined between 1999 to 2009
- 10% increase projected over next 5 years
- Increases demand for resources

Healthcare

Opportunities increasing

- Market hiatus ended
- Currently tendering for 9 contracts
- Contract pipeline growing substantially
- Catalogue based sales +23%

Outlook

Significant cost savings already locked in

Board remains cautious, but:

▪ Efficiencies already locked in	£5m
▪ Hedging costs eliminated	£3.2m
▪ Currency benefits	£2.5m
▪ Interest costs (lower debt)	£3m
▪ Pension	£1m
Total	**£14.7m**

Appendix I

FINDEL PLC

Other Items

"Other items" relate to the results from operations sold or terminated in the current or previous periods, stock rationalisation costs, amortisation of intangible assets arising on business combinations, share-based payments, exceptional operating costs (net), exceptional finance costs and derivative remeasurements, together with the associated tax effects, but excludes interest receivable from its associate.

"Other items" have been disclosed separately in order to give an indication of the benchmark results of the ongoing businesses of the group