

Smiths News PLC

Smiths News PLC Interim Management Statement

Smiths News PLC (“the Group”), the largest UK newspaper and magazine wholesaler and a leading UK book wholesaler, is today issuing its Interim Management Statement covering the 19 week period (“the period”) to 9 July 2011.

The Group remains on track to deliver growth in pre-tax profits for the year to 31 August 2011, in line with market consensus.

Smiths News revenues declined 2.8% on a like for like basis, with both newspapers and magazines sales being positively impacted by the Royal Wedding.

Bertrams’ revenues declined 7.5% on a like for like basis over the 19 week period. However, recent trading has been stronger with like for like sales for the most recent 6 week period, being in line with last year.

The recommended offer for Dawson Holdings PLC announced on 7 June, continues through the offer timetable and is expected to complete by September.

There has been no change in the underlying financial condition of the Group since the half year ended 28 February 2011 and the Group continues to operate well within its bank facilities.

The Group will announce its preliminary results for the year ending 31 August 2011 on 20 October 2011.

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About Smiths News PLC:

Smiths News PLC comprises Smiths News, the UK’s leading wholesaler of newspapers and magazines, and Bertrams, a leading UK book wholesaler. The Company was formed on 1 September 2006 following the demerger of WH Smith PLC.

Smiths News distributes newspapers and magazines on behalf of all the major national publishers as well as a large number of regional publishers. The business serves approximately 30,000 customers across England and Wales, supplying large general retailers as well as smaller independent newsagents. Smiths News has an approximate 55% share of the newspaper and magazine wholesaling market in the UK. In addition to its distribution activities, Smiths News collects and processes returns, supplies sales information to publishers and provides a range of services for its retail customers.

Bertrams, which was acquired on 20 March 2009, supplies books to a mix of independent booksellers, on-line and multiple retailers, and libraries. Bertrams has an approximate 45% share of the wholesale book market.

The Group operates from 54 distribution centres across England and Wales, and employs over 5,000 staff.