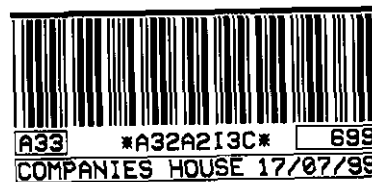


REGISTERED NO: 807043

SUPERDRUG STORES PLC
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999



SUPERDRUG STORES PLC
REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

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SUPERDRUG STORES PLC

DIRECTORS' REPORT

The Directors present their report and the financial statements for the financial year ended 30 January 1999.

PRINCIPAL ACTIVITY

The Company trades as a retailer in stores in the United Kingdom.

RESULTS, DIVIDENDS AND BUSINESS REVIEW

The profit on ordinary activities before taxation amounted to £35.3million (1998: £36.5million) and after taxation to £22.6million (1998: £21.7million). The Directors propose a final dividend of £15million; an interim dividend was not declared. (1998: interim dividend £1m; final dividend £15million).

Both the level of business and the period end financial position were satisfactory and the Directors expect that the present level of activity will be sustained for the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year were:

W. J. Glover (Managing Director)	
R. J. Broadbridge	(resigned 28 February 1998)
I. R. M. Edwards	
S. Hunt	
R. E. Jones	(resigned 31 March 1998)
J. M. E. O'Connor	(appointed 27 March 1998)
S. R. Round	
G. J. Mulcahy	(appointed 2 October 1998)
P. Vacassin	(resigned 30 April 1998)
K. C. S. Whitton	
E. J. Wright	(appointed 29 May 1998)

Details of Directors' interests in the share capital of the parent company, Kingfisher plc are set out in note 19 to the financial statements.

EMPLOYEE INVOLVEMENT

The Board regards employee involvement and effective communication as being essential to foster good employee relations, to achieve improved performance and productivity, to enhance the quality of working life, and to gain commitment to the Company's business objectives.

In January 1999, the Company established an employee representation forum comprising employee representatives from all areas of the business to inform and consult employees on business decisions which impact on them. Day-to-day communication and involvement is achieved through the normal process of briefing employees through line management.

As part of the Kingfisher Group, Superdrug employees are entitled to participate in the long established Employee Savings - Related Share Option Scheme. They can participate on an annual basis, regardless of number of hours worked, provided they meet certain service conditions. To further encourage employee involvement, an offer to participate will be made twice yearly from 1999 and the service requirements will be reduced from one year to six months.

SUPERDRUG STORES PLC
DIRECTORS' REPORT

DISABLED PERSONS

It is the Company's policy to give full consideration to the possibility of employing disabled persons wherever suitable opportunities exist. Employees who have become disabled are given every opportunity and assistance to continue in their employment or to be trained for other suitable positions.

SUPPLIER PAYMENT POLICY

The Company does not impose standard payment terms on its suppliers but agrees specific terms with each. It is the Company's policy to pay its suppliers in accordance with the terms which have been agreed.

The Company's average creditor payment period at 30 January 1999 was 35 days (1998: 35 days).

EURO

The Company's Euro Steering Group continues to review the practical implications and strategic opportunities or threats of the Euro to refine implementation plans, update the project critical path and to raise awareness of the issues. Progress continues within the timescales set around the Group and will draw upon the practical experiences of other European operations in the Group.

YEAR 2000

The Company is advanced in its plans for Year 2000. A full-time manager is responsible for ensuring that risks have been identified, that plans exist to address them and that those plans are being followed. Work on internal computer systems has been largely completed. The major risks and uncertainties are those common to all companies and relate to our dependence upon a successful and timely completion of Year 2000 programmes by other commercial entities and government bodies. Our plans to address these include monitoring of such organisations and contingency planning. We are confident that as a result of our preparations the business will trade successfully through the millennium period and beyond.

The Company has continued to charge the costs of rendering existing software Year 2000 compliant to the profit and loss account as they are incurred. These costs amounted to £1.1 million (1998: £0.5 million). Future forecast spend is £1.2million.

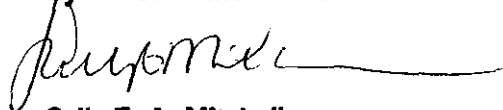
CHARITABLE DONATIONS

The Company made charitable donations and organised and contributed to fund-raising activities that in total raised £349,887 (1998: £44,368) during the period.

AUDITORS

Our auditors, Coopers and Lybrand, merged with Price Waterhouse on 1 July 1998, following which Coopers and Lybrand resigned and the directors appointed the new firm, PricewaterhouseCoopers, as auditors. A resolution to reappoint PricewaterhouseCoopers as auditors to the Company will be proposed at the Annual General Meeting.

By Order of the Board



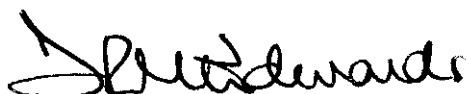
Sally E. A. Mitchell
Company Secretary
6 July 1999

SUPERDRUG STORES PLC
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit for the year to that date. In preparing the financial statements the Directors are required:

- to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.
- to take such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- to apply suitable accounting policies in a consistent manner and supported by reasonable and prudent judgements and estimates where necessary.
- to comply with all applicable accounting standards (except where any departures from this requirement are explained in the notes to the financial statements).
- to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

By Order of the Board



Ian R. M. Edwards
Director

6 July 1999

AUDITORS' REPORT TO THE MEMBERS OF SUPERDRUG STORES PLC

We have audited the financial statements on pages 5 to 19.

Respective responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report, including as described on page 3 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information in the Annual Report and consider the implication for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 30 January 1999 and of the profit for the financial year then ended and have been properly prepared in accordance with the Companies Act 1985.



PriceWaterhouseCoopers
Chartered Accountants and Registered Auditors
London

6 July 1999

SUPERDRUG STORES PLC
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JANUARY 1999

	Notes	Financial year to 30 January 1999 £'000	Financial year to 31 January 1998 £'000
TURNOVER	1	798,622	749,467
Cost of sales		(513,817)	(485,676)
GROSS PROFIT		284,805	263,791
Selling expenses		(222,956)	(204,052)
Administrative expenses		(27,981)	(24,317)
Other net operating income		7,155	4,597
OPERATING PROFIT	2	41,023	40,019
Net interest payable	3	(5,697)	(3,534)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		35,326	36,485
Taxation	6	(12,713)	(14,776)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		22,613	21,709
Dividends	7	(15,000)	(16,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR	15	7,613	5,709

All operations are continuing.


The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

The difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above, and their historical cost equivalents, is immaterial.

SUPERDRUG STORES PLC
BALANCE SHEET
AS AT 30 JANUARY 1999

	Notes	30 January 1999 £'000	31 January 1998 £'000
FIXED ASSETS			
Intangible assets	8	8,760	-
Tangible assets	9	146,865	125,222
CURRENT ASSETS			
Stock - goods for resale	13	120,021	102,887
Debtors	11	54,112	39,823
Cash		14,318	13,734
		188,451	156,444
CREDITORS:			
Amounts falling due within one year	12	(320,147)	(268,266)
NET CURRENT LIABILITIES		(131,696)	(111,822)
TOTAL ASSETS LESS CURRENT LIABILITIES		23,929	13,400
PROVISIONS FOR LIABILITIES AND CHARGES	13	(9,577)	(6,661)
		14,352	6,739
CAPITAL AND RESERVES			
Called up share capital	14	3,551	3,551
Share premium account	15	1,581	1,581
Revaluation reserve	15	126	154
Profit and loss account	15	9,094	1,453
EQUITY SHAREHOLDERS' FUNDS	16	14,352	6,739

Approved by the Board



I. R. M. Edwards
Director

6 July 1999

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

1 ACCOUNTING POLICIES

The financial statements of the Company are made up to the nearest Saturday to 31 January each year. The financial statements have been prepared in accordance with applicable accounting standards issued by UK accounting bodies which have been consistently applied.

Accounting convention

The financial statements of the company are prepared under the historical cost convention, modified by the revaluation of certain land and buildings.

Changes in presentation of financial information

FRS10, 'Goodwill and intangible assets' has been adopted and consequently goodwill arising on the acquisition of a business is capitalised as an intangible fixed asset and amortised through the profit and loss account over its estimated useful life of up to a maximum of 20 years. Previously, purchased goodwill on acquisition was immediately eliminated against reserves. The effect of this change in accounting policy has been to reduce the profit before tax by £135,000 representing the amortisation of capitalised additions in the year.

FRS12, 'Provisions, contingent liabilities and contingent assets' has been adopted early. No restatement of prior year information has been necessary, but additional disclosures have been provided in accordance with the standard [see note 13].

Stock

Stocks are stated at the lower of cost and net realisable value using the retail method.

Turnover

Turnover represents retail sales excluding value added tax for the 52 weeks to 30 January 1999 (last year 52 weeks ended 31 January 1998).

Tangible fixed assets

Land and buildings are stated at cost or valuation. Other fixed assets are stated at cost. The cost of fixed assets is their purchase price, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets less their estimate residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates are:-

Freehold land and buildings	nil
Leasehold land and buildings	term of lease
Fixtures, fittings and equipment	5 to 10 years
Motor vehicles	4 to 10 years

It is the Company's policy to maintain its properties in a state of good repair, and in the case of freehold properties, the directors consider that the lives of these properties and

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

their residual values are such that their depreciation is not significant. Accordingly, no depreciation is provided on freehold properties.

Operating leases

Costs in respect of operating lease rentals are charged on a straight-line basis to the profit and loss account.

Lessor accounting policy

Assets leased under operating leases are included within tangible fixed assets and depreciated over their estimated useful economic lives. Rentals receivable under operating leases are recognised in the profit and loss account as earned.

Fixed asset investments

Fixed asset investments are carried at cost less provision for any permanent diminution in value.

Goodwill

Purchased goodwill, being the excess of the fair value of consideration given over the fair value of the identifiable assets acquired, is capitalised as an intangible asset and amortised on a straight line basis over an appropriate period not exceeding 20 years (see changes in presentation of financial information above). Where a business is sold, or where goodwill has been impaired, the net book value of goodwill or the amount of impaired goodwill, as applicable, is charged through the profit and loss account in the year of disposal or impairment. The Company has taken advantage of the transitional rules of FRS 10 to leave purchased goodwill acquired prior to 31 January 1998 eliminated against reserves, see note 15. This goodwill will be charged to the profit and loss account on the subsequent disposal of the related business.

Pension Costs

The Company is a member of the Kingfisher Retirement Trust, a defined contribution scheme and the Kingfisher Pension Scheme, a defined benefits scheme. The assets in these funds are managed by third party investment managers and are held separately in trust.

Defined contribution pension costs charged to the profit and loss account, represent the amounts payable by the Company under the Trust rules for the period.

Defined benefit pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the Company benefits from the employee's service. The effects of variations from regular costs are spread over the expected average remaining service lives of members of the scheme.

Deferred taxation

Provision is made for deferred taxation on all material timing differences to the extent that it is probable that the liability or asset will crystallise.

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

Exemptions

The Company is exempt from the following:-

- (a) publication of a cash flow statement under FRS 1, '(Revised 1996) Cash Flow Statements'.
- (b) publication of consolidated accounts under Section 228 of the Companies Act; and
- (c) requirement to disclose related party transactions with 90% Kingfisher owned group undertakings, under FRS 8, 'Related Party Disclosures',

as the Company and the Superdrug Stores plc group of companies are wholly owned subsidiary undertakings of Kingfisher plc, a company registered in England and Wales, which will publish consolidated accounts and a group cash flow statement [see note 21].

2 OPERATING PROFIT	1999	1998
	£'000	£'000
Operating profit stated after crediting:		
Rental income	6,238	4,137
and after charging:		
Auditors' remuneration (including expenses)		
- for audit work	54	75
- for non-audit work	14	33
Operating leases - land and buildings	62,375	57,752
- plant and equipment	2,033	574
Loss on disposal of fixed assets	1,181	292
Depreciation	22,042	20,737
Amortisation of goodwill	135	-
3 NET INTEREST PAYABLE	1999	1998
	£'000	£'000
Interest payable on bank loans and overdrafts	(53)	(33)
Other interest payable	-	(22)
Interest payable to Group	(6,009)	(3,607)
	(6,062)	(3,662)
Interest receivable from Group	85	98
Other interest receivable	280	30
	(5,697)	(3,534)

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

4 EMPLOYEES	1999	1998
	£'000	£'000
Staff costs	97,531	89,281
Social security costs	6,254	5,725
Other pension costs	3,672	2,287
	<u>107,457</u>	<u>97,293</u>

The average number of persons employed by the company during the period was:	1999	1998
Stores	12,104	11,783
Distribution	494	569
Administration	413	390
	<u>13,011</u>	<u>12,742</u>

5 DIRECTORS EMOLUMENTS	1999	1998
	£'000	£'000
Aggregate emoluments	1,405	1,366
Aggregate amounts (excluding shares) receivable under long-term incentive schemes	420	207
Compensation for loss of office	150	-
	<u>1,975</u>	<u>1,573</u>

Retirement benefits are accruing to 6 directors (1998: 7 directors) under the Kingfisher Group's defined benefit scheme

	1999	1998
	£'000	£'000
Highest paid Director		
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	368	263
Defined benefit pension scheme		
Accrued pension at year end	<u>23</u>	<u>20</u>

The interests of the directors who held office at 30 January 1999, including the highest paid director, in the share options of the parent company, Kingfisher plc, are disclosed in note 19.

The 1998 comparatives have been restated to include the cash sums receivable under the phantom share option long-term incentive scheme.

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

6	TAXATION	1999 £'000	1998 £'000
	Tax charge on profit on the ordinary activities of the company for the period:		
	UK Corporation tax at 31% (1998: 31.33%)	12,315	12,812
	Double taxation relief	(31)	(23)
	Prior year adjustments	-	436
		<u>12,284</u>	<u>13,225</u>
	Deferred taxation	398	1,528
		<u>12,682</u>	<u>14,753</u>
	Overseas taxation	31	23
		<u>12,713</u>	<u>14,776</u>

7	DIVIDENDS	1999 £'000	1998 £'000
	Final proposed: 42.24p (1998: 45.06p) per 10p ordinary share	15,000	16,000
		<u>15,000</u>	<u>16,000</u>

8	INTANGIBLE FIXED ASSETS	Purchased goodwill £'000
	COST	
	At 1 February 1998	-
	Additions	8,895
	Disposals	-
	At 30 January 1999	<u>8,895</u>
	DEPRECIATION	
	At 1 February 1998	-
	Charge for period	(135)
	Disposals	-
	At 30 January 1999	<u>(135)</u>
	NET BOOK VALUE	
	At 30 January 1999	<u>8,760</u>
	At 31 January 1998	<u>-</u>

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

8 INTANGIBLE FIXED ASSETS (continued)

The goodwill arising on the purchase of pharmacy licences is being amortised over 20 years, as the directors estimate that the values of the underlying businesses acquired are expected to exceed the value of the underlying assets.

9 TANGIBLE FIXED ASSETS

	Land and buildings	Fixtures, fittings and equipment	Payment on account and assets in the course of construction	Total
	£'000	£'000	£'000	£'000
COST OR VALUATION				
At 1 February 1998	11,647	231,212	-	242,859
Additions	69	43,186	1,807	45,062
Disposals	(70)	(11,575)	-	(11,645)
At 30 January 1999	<u>11,646</u>	<u>262,823</u>	<u>1,807</u>	<u>276,276</u>
DEPRECIATION				
At 1 February 1998	(3,687)	(113,950)	-	(117,637)
Charge for period	(427)	(21,615)	-	(22,042)
Disposals	51	10,217	-	10,268
At 30 January 1999	<u>(4,063)</u>	<u>(125,348)</u>	<u>-</u>	<u>(129,411)</u>
NET BOOK VALUE				
At 30 January 1999	<u>7,583</u>	<u>137,475</u>	<u>1,807</u>	<u>146,865</u>
At 31 January 1998	<u>7,960</u>	<u>117,262</u>	<u>-</u>	<u>125,222</u>

£3.0million of cost [1998: £2.0million] and £1.6million of accumulated depreciation [1998:£0.8million] of tangible fixed assets are being held for use in operating leases.

The Company's short leasehold properties were revalued in 1982 on the basis of open market value for existing use by independent qualified valuers. No provision is made for tax on capital gains that might arise on the disposal of the Company's properties at the balance sheet amounts (note 13).

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

9 TANGIBLE FIXED ASSETS (continued)

Land and buildings may be further analysed as follows:-

	Freehold	Long leasehold	Short leasehold	Total 1999	Total 1998
	£'000	£'000	£'000	£'000	£'000
At valuation	-	-	541	541	541
At cost	824	3,506	6,775	11,105	11,106
	824	3,506	7,316	11,646	11,647
Aggregate depreciation	(29)	(575)	(3,459)	(4,063)	(3,687)
Net book value:					
At 30 January 1999	795	2,931	3,857	7,583	
At 31 January 1998	795	2,991	4,174		7,960

10 FIXED ASSET INVESTMENTS

Shares in Group undertakings are carried at nil value after cumulative amounts have been written off, to reflect the underlying value.

The Company's subsidiary undertakings are Tip Top Drugstores plc and F C Davison & Son (Chemists) Limited, both are non-trading, wholly owned and incorporated in England and Wales.

11 DEBTORS	1999	1998
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	35,767	22,172
Amounts owed by Group	2,879	2,815
Other debtors	2,573	2,780
Other prepayments	12,893	12,056
	<u>54,112</u>	<u>39,823</u>

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

12 CREDITORS	1999	1998
	£'000	£'000
Amounts falling due within one year:		
Bank overdrafts	27,805	20,938
Trade creditors	53,730	49,113
Amounts owed to Group	190,016	139,059
Corporation tax	4,962	11,690
Other taxation and social security	12,660	13,112
Other creditors	1,200	3,053
Accruals & deferred income	14,774	16,301
Proposed dividend	15,000	15,000
	<u>320,147</u>	<u>268,266</u>

13 PROVISION FOR LIABILITIES & CHARGES

	1999	1998
	£'000	£'000
Final salary pension fund provision [note 18]	722	722
Deferred taxation provided on accelerated capital allowances	6,337	5,939
Idle property provision	2,518	-
	<u>9,577</u>	<u>6,661</u>

Within the idle property provision, the Company has provided against future liabilities for all properties sublet at a shortfall and long-term idle properties. Amounts have been reclassified from creditors to provisions and prior year figures have not been restated. The provision is based on the value of future cash outflows relating to rent, rates and service charges.

The 1998 other provisions comparative has been adjusted to reflect the reclassification of the 1998 stock provision of £911,000 from other provisions to stock.

The movement on the amount provided for deferred tax is:

	1999	1998
	£'000	£'000
At start of the year	5,939	4,411
Profit and loss account	398	1,528
At end of the year	<u>6,337</u>	<u>5,939</u>

This excludes unprovided amounts for tax on capital gains which might arise on the disposal of properties at their balance sheet amounts as any material liability is unlikely to crystallise due to the law relating to rollover relief and the Company having brought forward capital losses. The amount, therefore, has not been quantified.

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

14 CALLED UP SHARE CAPITAL	1999	1998
	£'000	£'000
Authorised:		
45,000,000 ordinary shares of 10p each	<u>4,500</u>	<u>4,500</u>
Allotted, called up and fully paid:		
35,510,000 ordinary shares of 10p each	<u>3,551</u>	<u>3,551</u>

15 RESERVES	Share premium account	Revaluation reserve	Profit and loss account
	£'000	£'000	£'000
Balance at 1 February 1998	1,581	154	1,453
Retained profit for the year	-	-	7,613
Transfer from revaluation reserve to profit and loss account	-	(28)	28
Balance at 30 January 1999	<u>1,581</u>	<u>126</u>	<u>9,094</u>

- Cumulative goodwill of £23.0million arising on acquisitions of pharmacy business acquisitions made prior to 31 January 1998, has been eliminated against the profit and loss account reserve.

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999	1998
	£'000	£'000
Profit for the financial year	7,613	5,709
Goodwill written - off	<u>-</u>	<u>(4,546)</u>
Net addition to shareholders' funds	7,613	1,163
Opening shareholders' funds	<u>6,739</u>	<u>5,576</u>
Closing shareholders' funds	<u>14,352</u>	<u>6,739</u>

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

17	COMMITMENTS	1999	1998
		£'000	£'000

a)	Capital commitments:		
	Contracted but not provided	10,629	4,773

- b) Lease commitments:
The company had annual commitments under non-cancellable operating leases as follows:-

	Land and Buildings		Other	
	1999	1998	1999	1998
	£'000	£'000	£'000	£'000
Expiring within one year	1,026	1,310	288	405
Expiring between two and five years	5,145	3,977	935	886
Expiring in five years or more	64,445	56,360	2	2
	<u>70,616</u>	<u>61,647</u>	<u>1,225</u>	<u>1,293</u>

18 PENSIONS

The Company participates in the Kingfisher Retirement Trust, a defined contribution scheme and the Kingfisher Pension Scheme, a defined benefit Scheme. The total pension charge in the profit and loss account [note 4] of £3.7million [1998: £2.3million] includes £230,000 [1998:£376,000] for the defined contribution scheme. Full particulars of the Group schemes can be found in the financial statements of the ultimate parent undertaking, Kingfisher plc.

19 DIRECTORS' INTERESTS

The directors who held office at 30 January 1999 had the following interests in the shares of the parent company, Kingfisher plc:

	Ordinary shares of 12.5p each	
	1999	1998 ⁷
I. R. M. Edwards	8,000	8,000
W. J. Glover	8,289	5,398
S. Hunt	17,652	17,652
J. M. E. O Connor	-	- ⁸
S. R. Round	928	908
K. C. S. Whitton	-	-
E. J. Wright	-	- ⁸

G. J. Mulcahy is a director of the parent company and details of his share interests and options can be found in the financial statements of Kingfisher plc.

SUPERDRUG STORES PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JANUARY 1999

19 DIRECTORS' INTERESTS (continued)

The directors who held office at 30 January 1999 had the following interests in the share options of the parent company, Kingfisher plc:

Executive Share Options

		Number of Options					
	At start of year ⁷	Granted during year	Exercised during year	At end of year	Option price pence	Date from which exercisable	Expiry date
J M E O'Connor	-	19,334	-	19,334	550	27.04.2001	26.04.2008
Total	-	19,334	-	19,334			
I R M Edwards	10,892	-	10,892 ²	-	280	26.04.1996	25.04.2003
	33,968	-	33,968 ²	-	289	29.04.1997	28.04.2004
	44,444	-	44,444 ⁴	-	225	28.04.1998	27.04.2005
	37,734	-	-	37,734	292	01.05.1999	30.04.2006
	36,528	-	-	36,528	329	16.04.2000	15.04.2007
	-	21,656	-	21,656	550	27.04.2001	26.04.2008
Total	163,566	21,656	89,304	95,918			
W J Glover	44,938	-	-	44,938	292	01.05.1999	30.04.2006
	47,488	-	-	47,488	329	16.04.2000	15.04.2007
	-	51,318	-	51,318	550	27.04.2001	26.04.2008
Total	92,426	51,318	-	143,744			
S Hunt	9,754	-	-	9,754	280	26.04.1996	25.04.2003
	31,542	-	-	31,542	289	29.04.1997	28.04.2004
	44,444	-	-	44,444	225	28.04.1998	27.04.2005
	37,734	-	-	37,734	292	01.05.1999	30.04.2006
	41,094	-	-	41,094	329	16.04.2000	15.04.2007
	-	22,428	-	22,428	550	27.04.2001	26.04.2008
Total	164,568	22,428	-	186,996			
S R Round	1,396	-	-	1,396	280	26.04.1996	14.11.2004
	12,834	-	-	12,834	328	20.10.1996	19.10.2003
	24,262	-	-	24,262	289	29.04.1997	28.04.2004
	37,776	-	37,776 ⁶	-	225	28.04.1998	27.04.2005
	36,020	-	-	36,020	292	01.05.1999	30.04.2006
	31,962	-	-	31,962	329	16.04.2000	15.04.2007
	-	20,882	-	20,882	550	27.04.2001	26.04.2008
Total	144,250	20,882	37,776	127,356			

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19 DIRECTORS' INTERESTS (continued)

	Number of Options				Option price pence	Date from which exercisable	Expiry date
	At start of year ⁷	Granted during year	Exercised during year	At end of year			
K C S Whitton	23,084	-	23,084 ¹	-	238	15.11.1997	14.11.2004
	24,416	-	24,416 ³	-	225	28.04.1998	27.04.2005
	25,214	-	-	25,214	292	01.05.1999	30.04.2006
	10,312	-	-	10,312	320	25.10.1999	24.10.2006
	33,484	-	-	33,484	329	16.04.2000	15.04.2007
	-	21,838	-	21,838	550	27.04.2001	26.04.2008
Total	116,510	21,838	47,500	90,848			
E J Wright	52,000	-	52,000 ⁵	-	250	30.10.1998	30.10.2002
	44,596	-	-	44,496	292	01.05.1999	30.04.2006
	41,552	-	-	41,552	329	16.04.2000	15.04.2007
	-	22,584	-	22,584	550	27.04.2001	26.04.2008
Total	138,148⁸	22,584	52,000	108,732			

Notes:

1. Options exercised on 20 March 1998 when market price was 575p.
2. Options exercised on 27 March 1998 when market price was 560p.
3. Options exercised on 30 April 1998 when market price was 543p.
4. Options exercised on 23 October 1998 when market price was 514p.
5. Options exercised on 6 November 1998 when market price was 539p.
6. Options exercised on 10 December 1998 when market price was 604p.
7. On 2 July 1998, each of the ordinary shares of 25p in the share capital of Kingfisher plc were sub-divided into 2 ordinary shares of 12.5p each and, therefore, the directors' share interests as at 31 January 1998 have been re-stated to reflect this change.
8. At date of appointment.

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19 DIRECTORS' INTERESTS (continued)

ShareSave

	Number of Options			At end of year	Option price pence	Date from which exercisable	Expiry date
	At start of year	Granted during year	Exercised during year				
I R M Edwards	9,348	-	-	9,348	185	01.08.2000	31.01.2001
- total							
W J Glover	7,340	-	7,340	-	235	01.08.1998	31.01.1999
	-	2,226	-	2,226	438	01.08.2001	31.01.2002
Total	7,340	2,226	7,340	2,226			
S Hunt	5,608	-	-	5,608	185	01.08.2000	31.01.2001
	1,474	-	-	1,474	265	01.08.2000	31.01.2001
Total	7,082	-	-	7,082			
K C S Whitton	7,386	-	-	7,386	234	01.08.2001	31.01.2002
-total							
E J Wright	7,386	-	-	7,386	234	01.08.2001	31.01.2002
-total							

Notes:-

1. Options exercised on 15 October 1998 when market price was 530p.

The market price of the shares on 30 January 1999 was 624.5p and the range during the year was 425p to 694p.

Full details of directors' shareholdings and options to subscribe are given in the Register of Directors' Interests. Details of the Executive share option and Sharesave schemes can be found in the financial statements of Kingfisher plc.

20 RELATED PARTY TRANSACTIONS

There were no material transactions with related parties, as defined by FRS8 'Related Party Disclosures'.

21 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Kingfisher plc, a company registered in England and Wales. Copies of the financial statements of the ultimate parent undertaking can be obtained from The Secretary, Kingfisher plc, North West House, 119 Marylebone Road, London NW1 5PX.