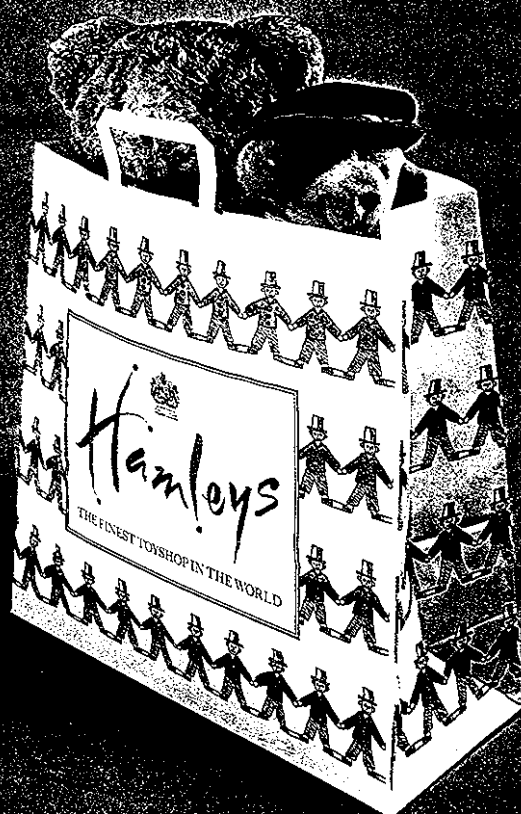


Hamleys

Annual Report 1995



1	Financial Highlights
3	Chairman's Statement
5	Operating Review
7	Financial Review
8	Directors and Advisers
9	Directors' Report
12	Statement of Directors' Responsibilities
13	Auditors' Report
14	Consolidated Profit and Loss Account
15	Consolidated Balance Sheet
16	Company Balance Sheet
17	Consolidated Cash Flow Statement
18	Notes to the Financial Statements
30	Four Year Financial Record
31	Notice of the Annual General Meeting
32	Shareholder Information and Financial Calendar



Hamleys is a unique, prestigious, internationally recognised specialist retailer of toys, games and gifts. It is one of the oldest and best known toy retailers and its flagship Regent Street store is regarded as the finest toy shop in the world.

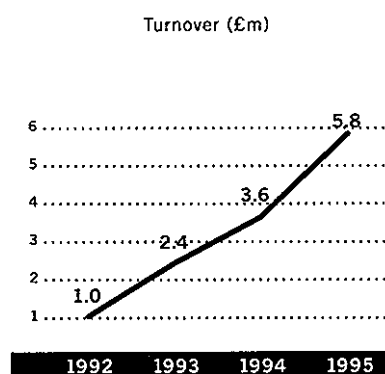
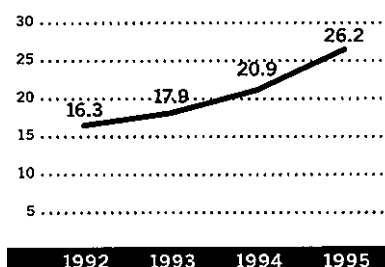
Hamleys is expanding its business beyond the Regent Street store, utilising the company's internationally recognised brand name, tourist appeal and toy retailing expertise.

This is the company's first annual report following its listing on the London Stock Exchange in May 1994.

Financial Highlights

	1995 £'000	1994 £'000	% Change
Turnover	26,160	20,915	25.1
Operating profit			
– before exceptional credits	5,201	3,561	46.1
– after exceptional credits	5,816	3,595	61.8
Profit before tax	5,653	2,696	109.7
Profit after tax	4,445	1,859	139.1
Reported earnings per share			
– after exceptional credits (FRS3 basis)	21.2p	11.8p	79.7
– before exceptional credits	16.6p	11.5p	44.3
Dividend per share	7.0p	4.7p*	48.9

(*see note on page 14)





*The third successive year of
substantial growth...*

I am pleased to welcome all our new shareholders following the successful flotation of the company in May 1994.

Results The group has made significant progress during the financial year. Turnover advanced 25% from £20.9m to £26.2m. Operating profit increased by 62% from £3.6m to £5.8m including a non-recurring rates rebate of £0.6m. Profit before tax increased 110% from £2.7m to £5.65m. Reported earnings per share after exceptional credits were 21.2p, representing an increase of 80% against 11.8p last year. Proforma earnings per share, which reflect the group's underlying performance, increased 55% against last year from 10.2p to 15.8p. This is the third successive year of substantial growth; over this period turnover has grown by 61% and profit before tax has increased from a loss of £0.85m in 1992 to this year's record of £5.65m. Cash generation has been strong and we ended the year free of debt with a positive cash balance of £3.7m.

It is our policy to pay dividends in line with earnings and the board is pleased to recommend a final dividend of 5.0p making a total dividend of 7.0p. This represents an increase of 49% over the 4.7p that would have been paid had the company been publicly quoted last year. If approved, the dividend will be paid on 5 June 1995 to shareholders registered at the close of business on 19 May 1995.

Trading The Hamleys stores enjoyed an excellent year. Regent Street performed particularly well with sales up 12% and Covent Garden exceeded our expectations in its first full year. Heathrow Airport continued to improve its contribution to profitability as did "Skyflyers", the licensing agreement we have with British Airways.

As part of our stated strategy to capitalise on our toy retailing and purchasing skills, we have developed the House of Toys concession. This is sited in nine departments within House of Fraser stores and in Hoopers in Tunbridge Wells. A further fourteen departments were opened within House of Fraser stores for the Christmas period. The introduction of this new trading format generated a small contribution to profit in its first year of operation.

Development We continue to seek ways to develop the business under the Hamleys name by looking for further opportunities to expand our retailing operations beyond the Regent Street store into tourist locations and by developing the unique Hamleys brand. The Channel Tunnel shop opened in February and we will open at Schiphol Airport in Amsterdam in May. We have also signed agreements to supply Hamleys branded Teddy Bears to an international promotions company and with The Children's Channel to operate a joint venture for the production of a children's toys mail order catalogue. We have also commenced the development of our own branded product range.

Outlook We expect improvements in the economy and growth in the number of tourists visiting London. The year has started in line with this view with sales in February ahead of last year; however, consumer confidence remains fragile.

Looking to the future, we will continue to seek opportunities to exploit the core retailing and merchandising skills within the group and to harness our financial and management resources to the benefit of shareholders.

Board of directors Rupert Hambro has indicated his wish to retire from the board during the next twelve months once a suitable replacement is appointed. I should like to thank Rupert for his contribution and support since his appointment as chairman in 1989.

Staff Finally, I should like to express my appreciation on behalf of the board to all our employees in this record year for the group.



Howard Dyer
Chairman





Profitability improved in all areas of the business...

Significant turnover growth was achieved at the **Regent Street** store in the financial year, which was the first full year of trading since the refurbishment was completed in June 1993.

During the year we introduced a number of initiatives aimed at refining the product mix and building on the special retail environment we have created at our flagship store. At the same time we have reduced our cost base and improved staff productivity, contributing to an overall improvement in operating margin.

We launched several new products during the year including Ad-Mad, LA-TREL, Misfortunes, ButtHead and TV Teddy. We were also able to offer exclusive products from certain leading suppliers, such as Dance 'n Twirl Barbie and Zolo, which were both released for Christmas. A new department was established selling character watches and clocks, and successful product ranges such as collectors' diecast and roller skates were expanded.

We successfully introduced new supplier displays to the store including Plastercraft models, K'NEX construction kits and an LGB train layout. We also continued to put great emphasis on our high quality window displays.

Revenues from the Hamleys Metropolis in the basement increased against last year and we were the first in the UK to stock new machines such as Virtua Fighter, Star Wars and Desert Tank.

Covent Garden The Covent Garden shop traded well in its first full year with profitability exceeding our expectations. The success was due to a constant review and refinement of the product offering to suit the profile of shoppers in the area.

Heathrow Terminal 4 The tax-free shop at Heathrow Terminal 4 continued to trade successfully and is now well established in a permanent location. Customers have reacted well to a shift in the product offering towards higher quality, higher value toys. We are confident of future growth in both sales and profitability from the Heathrow shop as passenger traffic through Terminal 4 is forecast to increase.

Skyflyers We achieved increases in both sales and profitability this year from our licensing agreement with British Airways for the supply of children's "Skyflyers" packs. We are pleased to have secured renegotiated terms for a further three years, although in future Hamleys will supply only the contents of the packs, not the packs themselves. This will affect the profitability of this business next year, although the effect on group profits will be small.

House of Toys We opened ten House of Toys departments during the year, nine within House of Fraser stores and one in Hoopers in Tunbridge Wells. A further fourteen departments were opened within House of Fraser stores for the Christmas period.

Whilst profitability from these concessions was small this year, we are confident of an improved performance next year as we refine the format based on the experience we have gained during the first year of operation. However, sales performance in department stores will clearly depend to a significant extent on the level of customer traffic through the store as a whole.

Profits The underlying operating profit before exceptional credits grew by 46% to £5.2m. Profitability improved in all areas of the business particularly at the Regent Street store.



Stephen Woodbridge
Managing Director





*A debt-free balance sheet
and a strongly cash-generative business...*

The flotation of the company on the London Stock Exchange on 6 May 1994 provided the platform for future growth and enabled the repayment of all existing loans.

Sales Turnover for the year increased by 25.1% over the previous year, reflecting growth in all areas of the business and the commencement of the new House of Toys operation. Turnover at the Regent Street store grew by 11.9% in the year.

Margins Consolidated gross margin was lower at 50.0% against 51.1% last year. This was a direct result of the lower gross margin from the House of Toys concession; however, the margin obtained from this operation exceeded our expectations. Gross margin was maintained at the Regent Street store and improved at both the satellite operations.

Operating margin before exceptional credits increased in the year from 17.0% to 19.9% as a result of the continuing stringent control of costs accompanying the group's expansion. Total costs as a percentage of sales have fallen from 34.1% to 30.1%, while sales per employee grew by 10.2% as a result of measures to improve staff productivity.

Interest The interest payable in the year of £163,000 comprises £207,000 of interest paid on loans before they were repaid on flotation offset by interest received on cash balances throughout the year.

Taxation The effective taxation rate for the year is 21.4%. The charge for the year has been reduced by a total of £540,000 as a result of a repayment agreed with the Inland Revenue of tax relating to a prior year and due to tax relief available in the current year on the payment of rolled-up interest following the flotation of the company. In future years, it is anticipated that the effective taxation rate will be significantly closer to the normal corporation taxation rate of 33%.

Earnings per share Earnings per share have been disclosed both before and after the exceptional credits. A proforma earnings per share calculation has also been presented in order to reflect the group's underlying performance.

Further details are given in note 8 to the financial statements.

Dividends The dividend cover for the year on profit after the exceptional credit is 2.8 times. On a proforma basis the cover is 2.3 times.

Balance Sheet Following the flotation of the company a successful application was made to the High Court to cancel the share premium account against the goodwill reserve.

Cash Flow The group generated strong operating cash flow in the year whilst funding the additional working capital demands of the House of Toys operation. Cash balances at the year end were £3.7m with a net cash inflow from operating activities in the year of £4.9m. The rates rebate had not been received at the year end.

The combination of a debt-free balance sheet and a strongly cash-generative business leaves us well-positioned to fund further developments.



Michael Riddy
Finance Director

Michael Riddy Finance Director 24 March 1995



Directors and Advisers

Directors

Howard Dyer *Chairman* (45) was formerly a director of Williams Holdings PLC, with responsibility for North American operations. In February 1991 he became a consultant to Hamleys before being appointed chief executive in January 1992 and chairman in March 1994. Since June 1993, he has been chairman and chief executive of Ascot Holdings Plc; he also holds a number of other non-executive directorships.

Stephen Woodbridge *Managing Director* (53) was formerly with Williams Holdings PLC, where he was responsible for special assignments in North America. In February 1991 he became a consultant to Hamleys before being appointed operations director in January 1992. In March 1994 he was appointed managing director, responsible for the day-to-day management of Hamleys.

Michael Riddy *ACA Finance Director* (38) trained with Coopers & Lybrand and had six years retailing experience with BAT Stores Limited and The Burton Group plc. Prior to joining Hamleys in October 1990, he was business planning manager for the European division of Hertz Inc.

Rupert Hambro *Non-executive* (51) joined Hambros Bank Limited in 1964 and became chairman in 1983. In 1986, he left to form J O Hambro & Company Limited. He joined the board of Hamleys in May 1989, was non-executive chairman until March 1994 and is chairman of the audit and remuneration committees. He holds a number of other non-executive directorships.

Jim Hodgkinson *Non-executive* (50) has 31 years retailing experience. He started his career at F. W. Woolworth Limited in 1962 and joined B & Q plc in 1972, becoming operations director in 1979 and group managing director in 1986. He is currently a director of Kingfisher plc and chairman and chief executive of B & Q plc. He joined the Hamleys board in April 1994.

Donald Mackenzie *Non-executive* (38) is managing director of CVC Capital Partners Limited. He joined the Hamleys board in May 1989 as an alternate director, becoming a full member of the board in January 1992. He holds five other non-executive directorships.



Jim Hodgkinson, Donald Mackenzie and
Rupert Hambro in Hamleys
Regent Street store.

Advisers

Merchant Bankers J O Hambro Magan & Company Limited
32 Queen Anne's Gate London SW1H 9AB

Stockbrokers Cazenove & Co 12 Tokenhouse Yard London EC2R 7AN

Bankers Bank of Scotland P.O. Box No. 10 38 St. Andrew Square Edinburgh EH2 2YR

Solicitors Slaughter and May 35 Basinghall Street London EC2V 5DB

Auditors Pannell Kerr Forster Wilmot House St. James's Court Friar Gate Derby DE1 1BT

Registrars Exchange Registrars Limited 18 Park Place Cardiff CF1 3PD

There has been no movement in the directors' interests between 28 January 1995 and 16 March 1995. The group maintains insurance for directors and officers against liabilities relating to the group as authorised by the Companies Act 1985.

Executive share option scheme

The following share options were granted to directors on the flotation date of 6 May 1994:

Director	Number of ordinary shares
S J Woodbridge	114,205
A M Riddy	57,103

There have been no changes to the above share options in the period from 6 May 1994 to 16 March 1995. Further information on the executive share option scheme is included in note 17 to the financial statements.

Corporate governance

The board of Hamleys plc has carried out a full review of the code of best practice contained in the Cadbury Committee Report on the financial aspects of corporate governance. Since flotation, the company has complied with the code except for the recommendation that the directors report on the company's system of internal financial control. Guidance for directors on this matter was published in December 1994 but has not yet become effective.

The board of directors The board comprises three executive and three non-executive directors. The board meets formally on a regular basis and approves the company's long-term plans, provides overall organisational control and delegates the responsibility of the day-to-day running of the company to the executive directors.

The board has also delegated specific responsibilities to committees as described below:

The audit committee This comprises all the non-executive directors, is chaired by R N Hambro and meets at least twice a year. Its main duties are to consider the appointment of the external auditors and the agreement of their fees and the review of the half year and annual financial statements before their submission to the board.

The remuneration committee This comprises all the non-executive directors and is chaired by R N Hambro. Meetings are held at least once a year. Its main duty is to determine the remuneration of the executive directors.

The nomination committee This comprises the chairman and all the non-executive directors and is chaired by H P Dyer. Its main duty is to approve the nomination of new members of the board of directors.

Fixed assets

Details of fixed assets are given in notes 9 and 10 to the financial statements.

The directors present their annual report and the audited financial statements for the year ended 28 January 1995.

Principal activity and review of business

The principal activity of the group is the retailing of toys and gifts. Turnover increased by 25.1% and continuing tight cost control resulted in an increase in operating profit before the exceptional credit of 46.1%. During the year twenty-four House of Toys sites were opened in department stores; ten of these sites will be traded all year round and fourteen operated during the Christmas period only.

A detailed review of the business is contained in the chairman's statement, operating review and financial review on pages 3-7.

Dividends and transfers to reserves

The group's net profit before tax increased from £2,696,000 to £5,653,000; an interim dividend of £457,000 was paid in December 1994 and a final dividend of £1,142,000 is proposed and, subject to shareholders' approval, will be paid in June 1995. The balance of £2,846,000 will be transferred to reserves.

Directors

The present membership of the board is set out on page 8. On 2 March 1994 H P Dyer replaced R N Hambro as chairman and S J Woodbridge was appointed managing director. On 11 April 1994 J C Hodgkinson was appointed as a non-executive director. K A Marks resigned as a director on 31 January 1994.

In accordance with the Articles of Association, resolutions will be submitted to the Annual General Meeting for the re-election of R N Hambro, A M Riddy and J C Hodgkinson. The current service agreement of A M Riddy is terminable by one year's written notice by the company or six months' written notice by the director. Neither R N Hambro nor J C Hodgkinson hold a service agreement.

R N Hambro has indicated his wish to retire from the board during the next twelve months once a suitable replacement is appointed.

The directors' interests as defined by the Companies Act 1985 in the shares of the company at 28 January 1995 and 29 January 1994 were as follows:

		5p shares ordinary	1p shares ordinary	1p shares deferred
		28 January 1995	29 January 1994	
H P Dyer	– beneficial	1,617,984	485,996	–
S J Woodbridge	– beneficial	209,208	59,302	–
A M Riddy	– beneficial	209,208	59,302	–
R N Hambro	– beneficial	170,012	38,378	2,498,900
	– non beneficial	34,500	–	–
J C Hodgkinson	– beneficial	2,500	–	–
A D Mackenzie	– beneficial	117,888	59,472	29,205



Substantial shareholdings

The company has been notified of the following holdings over 3% in the company's share capital at 16 March 1995:

Name of the company	Number of shares	Percentage of issued share capital
CIN Venture Nominees Limited	2,889,395	12.65
Citicorp Capital Investors Europe Limited	2,283,483	10.00
Chase Nominees Limited	1,070,000	4.68
Railway Pension Venture Capital Limited	992,004	4.34
Barclays Nominees (Lombard St.) Limited	903,500	3.96

Purchase of own shares

Prior to flotation on 6 May 1994, the company reorganised its share capital into a single class of shares. As part of this reorganisation the company acquired the 39,299,100 1p deferred ordinary shares in issue for a total consideration of £3.93. The nominal value of these shares was £392,991. Following acquisition, the shares were cancelled. Further details of the capital reorganisation are given in note 17 to the financial statements.

Donations

During the year the group made donations of toys, gifts and cash totalling £1,000 to various charities mainly associated with children.

Taxation

The company is not a close company as defined by Section 414 of the Income and Corporation Taxes Act 1988.

Going concern

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Auditors

Pannell Kerr Forster have expressed their willingness to continue in office as auditors of the company and a resolution to reappoint them will be proposed at the Annual General Meeting.

Annual General Meeting – special business

The notice of the Annual General Meeting sent with these accounts includes an item of special business. Whilst the directors have no present intention to exercise these authorities, it is proposed at the Annual General Meeting to renew the authority of the directors to allot securities of the company up to a nominal amount not exceeding £380,680, being 33⅓% of the current issued ordinary share capital of the company as at the date of this report. It is also proposed to renew the power of the directors to allot equity securities for cash without first being required to offer such securities to existing shareholders. This power is limited to a maximum amount of £57,100, being 5% of the current issued ordinary share capital. These will lapse after fifteen months or, if earlier, at the next Annual General Meeting.

By order of the board

Ladan Hall Secretary 24 March 1995

Ladan Hall



Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the auditors' statement of auditors' responsibilities set out on page 13, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for the financial year. The directors consider that, in preparing the financial statements, the company has used appropriate accounting policies, consistently applied, which are supported by judgements and estimates that are reasonable and prudent and that all accounting standards which they consider to be applicable have been followed.

The directors are responsible for ensuring 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. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and the group and to prevent and detect fraud and other irregularities.

Auditors' Report to the Shareholders of Hamleys plc

We have audited the financial statements on pages 14 to 29 which have been prepared under the accounting policies set out on page 18.

Respective responsibilities of directors and auditors

As described on page 12, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 and the group'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 affairs of the company and the group as at 28 January 1995 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pannell Kerr Forster
Chartered Accountants
Registered Auditors
Derby, 24 March 1995



Consolidated Profit and Loss Account

for the year ended 28 January 1995

	Notes	1995 £'000	1994 £'000
Turnover	1	26,160	20,915
Cost of sales		(13,081)	(10,232)
Gross profit		13,079	10,683
Distribution costs – before exceptional credits		(6,586)	(5,792)
– exceptional credits	4	615	34
– total		(5,971)	(5,758)
Administration expenses		(1,292)	(1,330)
Operating profit		5,816	3,595
Net interest payable	3	(163)	(899)
Profit on ordinary activities before taxation	4	5,653	2,696
Tax on profit on ordinary activities (including, in 1995, exceptional credits of £540,000)	5	(1,208)	(837)
Profit on ordinary activities after taxation		4,445	1,859
Dividends	7	(1,599)	–
Retained profit for the year		2,846	1,859
Earnings per share	8		
– after exceptional credits (FRS3 basis)		21.2p	11.8p
– before exceptional credits		16.6p	11.5p
Proforma earnings per share	8		
– before exceptional credits		15.8p	10.2p
Dividend per share	7	7.0p	4.7p*

The movements on reserves are given in note 18 to the financial statements.

All items stated in the profit and loss account relate to continuing activities.

There are no recognised gains and losses other than in the profit and loss account.

*No dividend was paid for the year ended 29 January 1994. If the ordinary shares had been listed on the London Stock Exchange at that time the directors consider that they would have recommended a dividend of 4.7p per ordinary share.

Consolidated Balance Sheet

as at 28 January 1995

	Notes	1995 £'000	1994 £'000
Fixed assets			
Intangible assets	9	118	—
Tangible assets	10	2,274	2,280
		<u>2,392</u>	<u>2,280</u>
Current assets			
Stocks – goods for resale		3,034	1,923
Debtors	12	2,454	774
Cash at bank and in hand	21	3,701	2,780
		<u>9,189</u>	<u>5,477</u>
Creditors			
Amounts falling due within one year	13	(7,269)	(4,193)
Net current assets		<u>1,920</u>	<u>1,284</u>
Total assets less current liabilities		<u>4,312</u>	<u>3,564</u>
Creditors			
Amounts falling due after more than one year	14	—	(13,771)
Provisions for liabilities and charges			
Deferred tax	15	—	(160)
Other provisions	16	(257)	(330)
Net assets/(liabilities)		<u>4,055</u>	<u>(10,697)</u>
Capital and reserves			
Called up share capital	17	1,142	432
Share premium account	18	—	6,128
Capital redemption reserve	18	393	—
Profit and loss account	18	4,646	1,800
		<u>6,181</u>	<u>8,360</u>
Goodwill reserve	18	(2,126)	(19,057)
Shareholders' funds	19	<u>4,055</u>	<u>(10,697)</u>

Approved by the board on 24 March 1995

H P Dyer Director

Howard Dyer

A M Riddy Director

A Riddy



Company Balance Sheet

as at 28 January 1995

	Notes	1995 £'000	1994 £'000
Fixed assets			
Investments	11	18,699	18,699
Current assets			
Debtors	12	3,402	3,646
Cash at bank and in hand		<u>-</u>	<u>1</u>
		3,402	3,647
Creditors			
Amounts falling due within one year	13	<u>(2,028)</u>	<u>(376)</u>
Net current assets		<u>1,374</u>	<u>3,271</u>
Total assets less current liabilities		20,073	21,970
Creditors			
Amounts falling due after more than one year	14	-	(13,771)
Provisions for liabilities and charges	16	<u>(177)</u>	<u>(250)</u>
Net assets		<u>19,896</u>	<u>7,949</u>
Capital and reserves			
Called up share capital	17	1,142	432
Share premium account	18	-	6,128
Capital redemption reserve	18	393	-
Special reserve	18	16,931	-
Profit and loss account	18	<u>1,430</u>	<u>1,389</u>
Shareholders' funds		<u>19,896</u>	<u>7,949</u>

Approved by the board on 24 March 1995

H P Dyer Director

Howard Dyer

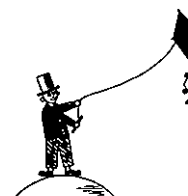
A M Riddy Director

A Riddy

Consolidated Cash Flow Statement

for the year ended 28 January 1995

		1995	1994
	Notes	£'000	£'000
Net cash inflow from operating activities	20	4,932	4,556
Returns on investments and servicing of finance			
Interest received		45	—
Rolled up interest paid on loans outstanding at 30 January 1994	22	(1,104)	—
Other interest paid		(235)	(466)
Interest element of finance lease rentals		(1)	(4)
Dividend paid		(457)	—
Net cash outflow from returns on investments and servicing of finance		(1,752)	(470)
Taxation			
Tax paid		(968)	(330)
Tax repayment		302	—
Net tax paid		(666)	(330)
Investing activities			
Intangible fixed assets		(127)	—
Tangible fixed assets — purchases		(406)	(1,010)
— disposals		17	2
Net cash outflow from investing activities		(516)	(1,008)
Net cash inflow before financing		1,998	2,748
Financing			
Repayment of loans	22	(12,917)	(250)
Issue of new shares		13,000	—
Share issue costs		(1,094)	—
Principal payments under finance leases	22	(66)	(81)
Net cash outflow from financing		(1,077)	(331)
Increase in cash and cash equivalents	21	921	2,417



Notes to the Financial Statements

for the year ended 28 January 1995

Accounting policies

a) Accounting convention

The financial statements are prepared in accordance with applicable Accounting Standards and under the historical cost convention, modified to include long leasehold property at a revalued amount.

b) Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiaries for the year ended 28 January 1995.

c) Goodwill

Goodwill arising on the acquisition of subsidiaries is written off against reserves in the year of acquisition.

d) Intangible fixed assets

Amortisation is provided on cost in equal instalments over the estimated lives of the assets.

The amortisation rates are as follows:

Trademarks	5%–20%
Branding and franchising costs	20%–50%

e) Tangible fixed assets

Depreciation is provided on cost and revalued amounts in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Long leasehold property	2% per annum
Leased assets	Over the term of the lease
Computer equipment	20% per annum
Fixtures and fittings	15%–20% per annum

f) Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

g) Stocks

Stocks are stated at the lower of invoice cost and net realisable value.

h) Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

i) Pension costs

The pension cost represents contributions payable by the group in the year.

j) Leases

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases. The amounts by which the lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation. Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

1 Turnover and profit

Turnover represents sales and the net income from concession sales excluding VAT. The turnover and profit before taxation are attributable to the principal activity of the group. The group has no significant sales or operating activities outside the United Kingdom.

2 Information regarding directors and employees

	1995 £'000	1994 £'000
Directors' remuneration		
Fees	49	40
Salaries	239	305
Benefits	29	15
Performance related bonus	34	-
	<u>351</u>	<u>360</u>
 Chairman - R N Hambro to 1 March 1994		
Fees	2	20
 Chairman - H P Dyer from 2 March 1994		
Salary	46	-
Benefits	13	-
Performance related bonus	9	-
	<u>68</u>	<u>-</u>
 Highest paid director		
Salary	120	137
Benefits	7	5
Performance related bonus	15	-
	<u>142</u>	<u>142</u>

Fees are paid only to non-executive directors. The performance related bonuses were awarded by the remuneration committee and were based on the level of growth of profit before taxation.

	Number	Number
Scale of directors' remuneration:		
£ 0 - £ 5,000	1	-
£ 5,001 - £ 10,000	-	2
£ 10,001 - £ 15,000	2	-
£ 15,001 - £ 20,000	1	1
£ 20,001 - £ 25,000	1	1
£ 25,001 - £ 30,000	1	-
£ 30,001 - £ 35,000	-	1
£ 35,001 - £ 40,000	1	1

Directors' interests

R N Hambro is also chairman of J O Hambro & Company Limited and has an indirect interest in the shares in J O Hambro Magan & Company Limited, one of the financial advisers to the company which received a fee of £207,000 for advice provided to the company in connection with its flotation. No other director had a material interest in any significant contract of the group.



Notes to the Financial Statements

for the year ended 28 January 1995

2 Information regarding directors and employees (continued)		1995	1994
		£'000	£'000
Employee costs during the year:			
Wages and salaries		2,944	2,708
Social security costs		249	209
Other pension costs		63	50
		<u>3,256</u>	<u>2,967</u>
		Number	Number
The average number of staff employed by the group during the year:			
Sales and distribution		190	166
Administration		29	27
		<u>219</u>	<u>193</u>
3 Net interest payable		1995	1994
		£'000	£'000
Interest receivable		45	-
Interest on loans wholly repayable within 5 years		(85)	(317)
Interest on other loans		(122)	(578)
Finance charges on finance leases		(1)	(4)
		<u>(163)</u>	<u>(899)</u>
4 Profit on ordinary activities before taxation		1995	1994
		£'000	£'000
Profit on ordinary activities before taxation is after charging:			
Rentals under operating leases:			
Hire of plant and machinery		86	41
Other operating leases – rental on Regent Street store		1,147	1,143
– other		175	151
Renewal and reassignment of trade marks		-	45
Exceptional items in respect of the long leasehold property (see note below) – credits		(615)	(34)
Depreciation and amortisation:			
Own assets:			
intangible		9	-
tangible		396	364
Assets held under finance leases		45	64
Auditors' remuneration		42	38
Fees paid to Pannell Kerr Forster for non-audit services		<u>25</u>	<u>9</u>
Included in share issue costs which were written off against the share premium account (note 18) are payments totalling £108,000 made to Pannell Kerr Forster in their capacity as reporting accountants.			

4 Profit on ordinary activities before taxation (continued)

Exceptional credits

a) 1995 The 1990 rates assessment of the Regent Street store was finalised during the year. This resulted in a rebate for the four years to 29 January 1994 of £615,000 which has been included as an exceptional credit in distribution costs.

b) 1994 In 1994 a net exceptional credit of £34,000 arose as a result of the revaluation of the group's long leasehold property (a charge of £466,000) offset by the release of a dilapidation provision which was no longer considered necessary (a credit of £500,000).

5 Tax on profit on ordinary activities

	1995	1994
	£'000	£'000
Corporation tax payable at 33% – current year	1,670	877
Corporation tax repayment – prior year	(302)	(61)
Deferred tax – current year	–	28
Deferred tax – prior years	(160)	(7)
	<u>1,208</u>	<u>837</u>

The charge for the year has been reduced by a total of £540,000 as a result of a repayment agreed with the Inland Revenue of tax relating to a prior year (£302,000) and due to tax relief available in the current year on the payment of rolled-up interest following the flotation of the company (£238,000).

6 Parent company profit and loss account

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit attributable to shareholders for the year to 28 January 1995 amounted to £1,640,000 (1994: £1,938,000).

7 Dividends

An interim dividend of £457,000 (2p per ordinary share) was paid during the year. A final dividend of £1,142,000 (5p per ordinary share) is proposed and, subject to shareholders' approval, will be paid in June 1995.

8 Earnings per share

Earnings per share have been calculated on the basis of the weighted average number of shares in issue during the year of 20,987,746 (1994: 15,814,000), earnings after exceptional credits of £4,445,000 (1994: £1,859,000) and earnings before exceptional credits of £3,493,000 (1994: £1,825,000). The weighted average number of shares in issue for 1994 has been adjusted to allow for the changes in capital structure described in note 17.

Adjusted earnings per share calculations have also been presented in order to reflect the group's underlying performance as follows:



Notes to the Financial Statements

for the year ended 28 January 1995

8 Earnings per share (continued)

	1995 Earnings per share p	1994 Earnings per share p
Earnings per share after exceptional credits (FRS 3 basis)	21.2	11.8
Exceptional credits – rates rebate (net of tax)	(2.0)	–
– taxation (see note 5)	(2.6)	–
– leasehold valuation	–	(0.3)
Earnings per share before exceptional credits	16.6	11.5
Proforma adjustments	(0.8)	(1.3)
Proforma earnings per share before exceptional credits	15.8	10.2

The proforma earnings per share are after making adjustments as if the net proceeds of the share issue which occurred on the flotation of the company had been received on 1 February 1993 and utilised to reduce the group's indebtedness. They have been calculated on a profit on ordinary activities after taxation of £3,614,000 (1994: £2,340,000) and 22,841,028 shares, being the number of shares in issue immediately following the flotation.

9 Intangible fixed assets

The group	Trademarks £'000	Other £'000	Total £'000
Cost			
Additions	49	78	127
Amortisation			
Provisions	(3)	(6)	(9)
Net book value			
At 28 January 1995	46	72	118

Other intangible fixed assets comprise costs incurred in developing a range of Hamleys branded goods and a franchising concept for use in overseas markets.

The company had no intangible fixed assets at 28 January 1995 or 29 January 1994.

10 Tangible fixed assets

The group	Total £'000	Long leasehold property £'000	Fixtures and fittings £'000	Computer equipment £'000
Cost or valuation				
At 30 January 1994	3,181	600	1,930	651
Additions	442	–	226	216
Disposals	(43)	–	–	(43)
At 28 January 1995	3,580	600	2,156	824
Accumulated depreciation				
At 30 January 1994	901	–	452	449
Provisions	441	14	301	126
Disposals	(36)	–	–	(36)
At 28 January 1995	1,306	14	753	539
Net book value				
At 28 January 1995	2,274	586	1,403	285
At 29 January 1994	2,280	600	1,478	202

10 Tangible fixed assets (continued)

Notes

a) The long leasehold property was valued at £600,000 as at 29 January 1994 on the basis of open market value for existing use.

b) The historical cost of long leasehold property included at valuation is as follows:

	1995	1994
	£'000	£'000
Cost	1,190	1,190
Accumulated depreciation	(147)	(124)
Net book value	<u>1,043</u>	<u>1,066</u>

c) The net book value of the group's computer equipment includes £nil (1994: £45,000) in respect of assets held under finance leases.

d) The company had no tangible fixed assets at 28 January 1995 or 29 January 1994.

11 Fixed assets – investments

1995
and
1994
£'000

The company

Shares in subsidiary undertaking	<u>18,699</u>
----------------------------------	---------------

The company owns the entire share capital of Hamleys of London Limited, which owns the entire share capital of Hamleys Trustees Limited and House of Toys Limited, which is dormant. The principal activities of each trading subsidiary are as follows:

Hamleys of London Limited – toy and gift retailing

Hamleys Trustees Limited – employee share trust

All subsidiaries are registered in England and Wales and operate in the United Kingdom.

12 Debtors

	The group		The company	
	1995	1994	1995	1994
	£'000	£'000	£'000	£'000
Trade debtors	588	224	–	–
Amounts owed by subsidiary undertaking	–	–	3,099	3,629
Other debtors	1,156	17	303	17
Prepayments and accrued income	710	533	–	–
	<u>2,454</u>	<u>774</u>	<u>3,402</u>	<u>3,646</u>

Included in the other debtors of both the group and the company is £286,000 in respect of debtors recoverable after more than one year.



Notes to the Financial Statements

for the year ended 28 January 1995

13 Creditors

	The group		The company	
	1995	1994	1995	1994
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Superior secured bank loan	–	250	–	250
Obligations under finance leases	–	66	–	–
Trade creditors	2,314	1,736	–	–
Amounts owed to subsidiary undertaking	–	–	503	–
Other creditors	420	160	97	98
Corporation tax	1,864	876	286	–
Other taxation and social security	904	666	–	–
Dividend	1,142	–	1,142	–
Accruals	625	439	–	28
	7,269	4,193	2,028	376

14 Creditors

Amounts falling due after more than one year:

The group and the company

	1995	1994
	£'000	£'000
Unsecured loan notes 1998	–	2,285
Deep discount unsecured loan stock 1998	–	3,399
Superior secured bank loan	–	4,200
Inferior secured bank loan	–	3,887
	–	13,771

All outstanding loans were repaid following flotation of the company on the London Stock Exchange on 6 May 1994.

15 Deferred taxation

Deferred taxation provided in the group financial statements and the amounts not provided are as follows:

	1995		1994
	£'000 Provided	£'000 Unprovided	£'000 Provided
Capital allowances in excess of depreciation	–	18	281
Short-term timing differences	–	(110)	(121)
	–	(92)	160

Movements on the group deferred taxation provision during the year ended 28 January 1995 were as follows:

	£'000
Balance at 30 January 1994	160
Released to profit and loss account in respect of prior years	(160)
Balance at 28 January 1995	–

The company had no deferred taxation, provided or unprovided, at 28 January 1995 or 29 January 1994.

16 Other provisions for liabilities and charges

	The group	The company
	1995	1995
	£'000	£'000
Balance at 30 January 1994	330	250
Utilised in the year	(73)	(73)
Balance at 28 January 1995	<u>257</u>	<u>177</u>

£177,000 (1994: £250,000) has been reserved to meet the cost of improving the company's computer systems. In addition a provision of £80,000 (1994: £80,000) has been reserved to meet the cost of dilapidations and reorganisation of the warehouse.

17 Share capital

	At 28 January 1995		Authorised	
	No.	£'000	At 29 January 1994	£'000
5p ordinary shares	31,300,000	1,565	—	—
1p ordinary shares	—	—	3,626,245	36
1p 'B' ordinary shares	—	—	327,255	3
1p deferred ordinary shares	—	—	41,798,000	418
		<u>1,565</u>		<u>457</u>

	At 28 January 1995		Allotted, issued and fully paid	
	No.	£'000	At 29 January 1994	£'000
5p ordinary shares	22,841,028	1,142	—	—
1p ordinary shares	—	—	3,626,245	36
1p 'B' ordinary shares	—	—	327,255	3
1p deferred ordinary shares	—	—	39,299,100	393
		<u>1,142</u>		<u>432</u>

At an Extraordinary General Meeting held on 5 April 1994 the shareholders unanimously approved the following changes to the company's share capital:

- Each 1p 'B' ordinary share was reclassified as a 1p ordinary share.
- The authorised share capital of the company was increased from £457,515 to £1,565,000 by the creation of 110,748,500 1p ordinary shares.
- A bonus issue of 19 1p ordinary shares for every 1p ordinary share held was made.
- All 1p ordinary shares, both issued and authorised but unissued, were consolidated into 5p ordinary shares.



Notes to the Financial Statements

for the year ended 28 January 1995

17 Share capital (continued)

- e) All issued 1p deferred ordinary shares, which carried no right to a dividend or distribution in any circumstances, were repurchased by the company for a consideration of 1p per 100,000 deferred ordinary shares held. Following this purchase, all the authorised but unissued 1p deferred ordinary shares were reclassified and consolidated into 5p ordinary shares.

On 6 May 1994, the company was floated on the London Stock Exchange. On that day, 7,027,028 5p ordinary shares were issued for a consideration of 185p each. The purpose of the share issue was to provide a platform for future growth and to enable the repayment of all existing loans.

The Hamleys executive share option scheme

On 11 April 1994, the company adopted an executive share option scheme. The scheme has been approved by the Inland Revenue. On 6 May 1994 options were granted to senior employees and directors of the company to acquire ordinary shares in the company at the offer price of 185p per share. At 28 January 1995 the number of shares over which there were unexercised options amounted to 362,723 ordinary shares of 5p each.

The number of ordinary shares which may be issued on the exercise of options granted under the scheme and any other executive share option scheme adopted by the company in any ten-year period may not exceed such number of ordinary shares as represents five per cent of the ordinary share capital of the company. An option granted under the scheme may not be exercised earlier than three years or later than ten years after the grant date and unless performance conditions have been met.

18 Reserves

	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Profit and loss account £'000	Goodwill reserve £'000
The group					
Balance at 30 January 1994	6,128	—	—	1,800	(19,057)
Bonus issue of shares	(752)	—	—	—	—
Surplus on repurchase of deferred ordinary shares	—	—	—	393	—
Transfer to capital redemption reserve	—	393	—	(393)	—
Issue of new shares	12,649	—	—	—	—
Share issue costs	(1,094)	—	—	—	—
Cancellation of share premium account	(16,931)	—	16,931	—	—
Offset of goodwill reserve against special reserve	—	—	(16,931)	—	16,931
Retained profit for the year	—	—	—	2,846	—
Balance at 28 January 1995	—	393	—	4,646	(2,126)

18 Reserves (continued)

	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Profit and loss account £'000
The company				
Balance at 30 January 1994	6,128	—	—	1,389
Bonus issue of shares	(752)	—	—	—
Surplus on repurchase of deferred ordinary shares	—	—	—	393
Transfer to capital redemption reserve	—	393	—	(393)
Issue of new shares	12,649	—	—	—
Share issue costs	(1,094)	—	—	—
Cancellation of share premium account	(16,931)	—	16,931	—
Retained profit for the year	—	—	—	41
Balance at 28 January 1995	<u>—</u>	<u>393</u>	<u>16,931</u>	<u>1,430</u>

At an Extraordinary General Meeting held on 25 April 1994 the shareholders approved the cancellation of the share premium account conditional upon the company obtaining a listing on the London Stock Exchange. The cancellation was confirmed by order of the High Court on 8 June 1994. The special reserve is not distributable.

19 Reconciliation of movements in shareholders' funds

	1995 £'000	1994 £'000
The group		
Balance at 30 January 1994	(10,697)	(12,556)
Net proceeds from issue of new shares	11,906	—
Retained profit for the year	2,846	1,859
Balance at 28 January 1995	<u>4,055</u>	<u>(10,697)</u>

20 Net cash flow from operating activities

	1995 £'000	1994 £'000
Net profit before taxation and interest	5,816	3,595
Amortisation on intangible fixed assets	9	—
Depreciation on tangible fixed assets	441	428
(Gain)/loss on sale of tangible fixed assets	(10)	11
Write-down of long leasehold property	—	466
Increase in stocks	(1,111)	(211)
Increase in debtors	(1,394)	(41)
Increase in creditors	1,254	808
Decrease in provisions for liabilities and charges	(73)	(500)
	<u>4,932</u>	<u>4,556</u>

The increase in debtors includes the rates rebate which had not been received at the year end.



Notes to the Financial Statements

for the year ended 28 January 1995

21	Analysis of changes in cash and cash equivalents during the year		1995		1994		
			£'000		£'000		
			Cash at bank and in hand				
			Balance at 30 January 1994		2,780		
			Net cash inflow		921		
				<u>3,701</u>	<u>2,780</u>		
22	Analysis of changes in financing during the year		Share capital and related reserves	Share capital and related reserves	Loans and finance lease obligations	Loans and finance lease obligations	
			1995	1994	1995	1994	
			£'000	£'000	£'000	£'000	
			Balance at 30 January 1994	6,560	6,560	14,087	13,899
			Repayment of loans	—	—	(12,917)	(250)

25 Operating lease commitments

At 28 January 1995 the group was committed to making the following annual payments in respect of operating leases:

	Land and buildings 1995 £'000	Land and buildings 1994 £'000	Other 1995 £'000	Other 1994 £'000
Leases which expire:				
Within one year	–	106	32	–
Within two to five years	226	118	54	38
After five years	1,150	1,150	–	–
	<u>1,376</u>	<u>1,374</u>	<u>86</u>	<u>38</u>

The company had no operating lease commitments at 28 January 1995 or 29 January 1994.

26 Pension schemes

Until 31 March 1992 the group operated a defined benefit pension scheme. From that date employee and employer contributions to this scheme ceased and a group administered personal pension plan scheme has been established in its place. The new scheme is not a company scheme; however, the company does contribute to the individual employee pension plans. Total company contributions in the year amounted to £63,000 (1994: £50,000), being 8.75% of pensionable salaries. There were no contributions payable at the year end.

Existing benefits of the members of the old defined benefit scheme are in the process of being transferred to the relevant individuals' personal pension plans. Once this has been achieved this pension scheme will be wound up. Having taken advice from the old scheme's actuarial consultants, the directors believe this scheme to be solvent.

27 Employee share trust

In 1989 the company established an employee share trust for the purpose of holding shares in the company for the benefit of employees of the group. In 1992 the employee share trust purchased shares in the company using funds borrowed from the company.

Hamleys Trustees Limited, a wholly owned subsidiary of the company, is the current trustee of the employee share trust. The trustee is obliged, under the terms of the trust deed, to transfer shares in the company, or grant options to acquire such shares, upon such terms and conditions as the company may from time to time direct. During the year 500 shares were gifted to long-serving employees of the company.

At 28 January 1995 the trust held 74,300 5p ordinary shares in the company (1994: 18,700 1p ordinary shares). The market value of these shares at 28 January 1995 was £141,913.

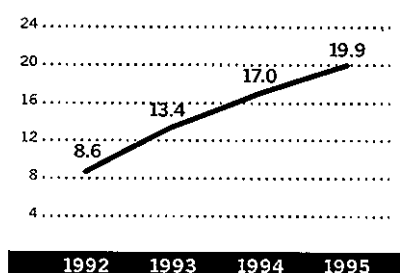
No shares held by the trust are currently under option to employees or have been conditionally gifted to them.



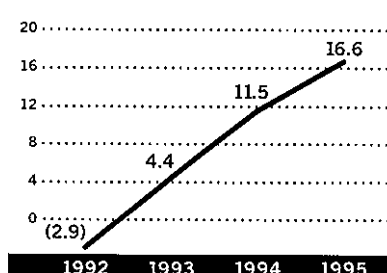
Four Year Financial Record

Year to end of January

	1992 £'000	1993 £'000	1994 £'000	1995 £'000
Turnover	16,280	17,888	20,915	26,160
Cost of sales	(8,315)	(8,752)	(10,232)	(13,081)
Gross profit	7,965	9,136	10,683	13,079
Distribution costs – before exceptional items	(5,236)	(5,405)	(5,792)	(6,586)
– exceptional items	–	–	34	615
Administration expenses – before exceptional items	(1,322)	(1,330)	(1,330)	(1,292)
– exceptional items	(427)	–	–	–
Operating profit	980	2,401	3,595	5,816
Net interest payable	(1,826)	(1,181)	(899)	(163)
Profit/(loss) on ordinary activities before taxation	(846)	1,220	2,696	5,653
Tax on profit on ordinary activities	–	(530)	(837)	(1,208)
Profit/(loss) on ordinary activities after taxation	(846)	690	1,859	4,445
Dividends	–	–	–	(1,599)
Retained profit/(loss) for the year	(846)	690	1,859	2,846
Gross margin %	48.9%	51.1%	51.1%	50.0%
Operating margin %	6.0%	13.4%	17.2%	22.2%
Operating margin % before exceptional items	8.6%	13.4%	17.0%	19.9%
Earnings/(loss) per share	(5.9)p	4.4p	11.8p	21.2p
Earnings/(loss) per share before exceptional items	(2.9)p	4.4p	11.5p	16.6p
Net cash inflow from operating activities (£'000)	1,985	2,828	4,556	4,932
Net assets/(liabilities) (£'000)	(13,249)	(12,556)	(10,697)	4,055



Operating margin (%)
(before exceptional items)



Eps (p)
(before exceptional items)

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of Hamleys plc will be held at The Café Royal, 68 Regent Street, London W1R 6EL on 25 May 1995 at 11.30 am for the transaction of the following business:

- 1 To receive and adopt the audited financial statements of the company for the year ended 28 January 1995 together with the directors' and the auditors' reports on those financial statements.
- 2 To declare a final dividend.
- 3 To re-elect R N Hambro as a director.
- 4 To re-elect A M Riddy as a director.
- 5 To re-elect J C Hodgkinson as a director.
- 6 To reappoint Pannell Kerr Forster as auditors of the company until the end of the next Annual General Meeting and authorise the directors to fix their remuneration.

Special business

To consider and, if thought fit, pass the following resolution, which will be proposed as a special resolution:

Special resolution

7 THAT,

- A) the directors be and are hereby generally and unconditionally authorised, pursuant to section 80 of the Companies Act 1985 (the "Act"), to exercise all or any of the powers of the company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount equal to £380,680; and
- B) pursuant thereto, the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) of the company as if section 89(1) of the Act did not apply to the allotment provided that this power is limited to:
 - i) allotments of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to holders of ordinary shares in proportion (as nearly as may be) to their existing holdings of ordinary shares but subject to the directors having a right to make such exclusions or other arrangements in connection with the offer as they deem necessary or expedient:
 - a) to deal with equity securities representing fractional entitlements; and
 - b) to deal with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory; and
 - ii) other allotments of equity securities for cash up to an aggregate nominal amount equal to £57,100;

provided that the authority and power shall expire fifteen months after the date of the passing of this resolution or at the conclusion of the Annual General Meeting of the company following the passing of this resolution whichever first occurs save that the company may prior thereto make an offer or agreement which would or might require securities to be allotted after such expiry and the directors may allot securities pursuant to any such offer or agreement notwithstanding such expiry.

By order of the board

Ladan Hall Secretary 31 March 1995

Ladan Hall

Notes:

- 1 A member entitled to attend and vote may appoint a proxy or proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the company.
A form of proxy is enclosed which, if required, should be signed in accordance with the instruction specified therein and deposited with Exchange Registrars Limited, 18 Park Place, Cardiff CF1 3PD not later than 11.30 am on 23 May 1995. Members who complete and return the form of proxy will not be precluded from attending and voting.
- 2 The register of directors' interests will be available for inspection at the place of the Annual General Meeting from 11.15 am on 25 May 1995 until the conclusion of the meeting.
- 3 Copies of directors' service contracts will be available for inspection at the registered office from the date of this notice until the date of the Annual General Meeting and at the place of the Annual General Meeting from 11.15 am until the conclusion of the meeting.



Shareholder Information

Registered office

Hamleys plc
188-196 Regent Street
London W1R 6BT
Registered number: 2352435

Hamleys stores

London

- West End – Regent Street
- Covent Garden

Airports

- Heathrow, Terminal 4
- Schiphol, Amsterdam
(opening May 1995)

Channel Tunnel

- Folkestone

House of Toys concessions

In major House of Fraser stores
In Hoopers, Tunbridge Wells

Financial Calendar

Annual General Meeting	25 May 1995
Final dividend payable	5 June 1995
Interim results announcement	October 1995
Interim dividend payable	December 1995