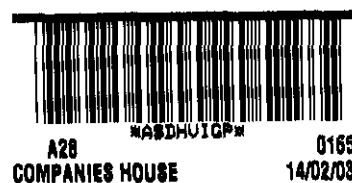


DIXONS TREASURY MANAGEMENT LIMITED

REGISTERED NO. 2792167

ANNUAL REPORT AND FINANCIAL STATEMENTS

52 weeks ended 27 April 2002



DIXONS TREASURY MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2002

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DIXONS TREASURY MANAGEMENT LIMITED
DIRECTORS' REPORT

The directors present their report and the financial statements of the Company for the 52 weeks ended 27 April 2002. Comparative figures are for the 52 weeks ended 28 April 2001.

Results

The Company did not trade during the period.

Dividends

The directors recommend that no dividend be paid (2000/01 £nil).

Directors

The directors of the Company during the period were :

G D Budd
M J Sidders

Both directors served throughout the period.

Directors' share interests

The directors' interests in the share capital of the ultimate parent, Dixons Group plc, were:

Beneficial and family interests

	Ordinary shares 27 April 2002		Ordinary shares 28 April 2001	
	Unrestricted	Restricted	Unrestricted	Restricted
G D Budd	534,591	168,017	528,876	240,340
M J Sidders	67,670	143,249	67,605	211,764

The directors' restricted beneficial interests comprise shares awarded under bonus arrangements put in place following the disposal of Freeserve and shares held in their share bank under the deferred equity participation plan. Details of the deferred equity participation plan and the bonus arrangements are disclosed in the financial statements of Dixons Group plc.

Directors' share options

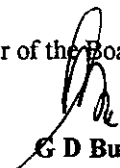
	At 29 April 2001	Granted in period	Exercised in period	At 27 April 2002
G D Budd	499,304	75,757	-	575,061
M J Sidders	139,065	35,065	(22,724)	151,406

DIXONS TREASURY MANAGEMENT LIMITED
DIRECTORS' REPORT continued

Each of the directors is technically interested as a potential beneficiary in 5,777,608 (28 April 2001 7,776,341) ordinary shares owned by Dixons TSR Trust Limited, the trustee of the Dixons Group plc share ownership plans. The particulars of the Trust are disclosed in the financial statements of Dixons Group plc.

No director had a beneficial interest in the shares of the Company or any other group undertaking except as disclosed above or in any contract or arrangement to which the Company or any other group undertaking was a party during or at the end of the financial period.

By Order of the Board



G D Budd
Secretary

24 June 2002
Registered office
Maylands Avenue
Hemel Hempstead
Hertfordshire
HP2 7TG

DIXONS TREASURY MANAGEMENT LIMITED
DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

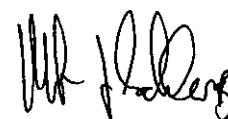
The directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period. In preparing the financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. Applicable accounting standards have been followed. The financial statements have been prepared on the going concern basis. The directors are also responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Company and to prevent and detect fraud or any other irregularities.

DIXONS TREASURY MANAGEMENT LIMITED
BALANCE SHEET
as at 27 April 2002

	<i>Note</i>	2002 <u>£</u>	2001 <u>£</u>
Current assets			
Debtors	3	<u>2</u>	<u>2</u>
Equity shareholder's funds			
Called up share capital	4	<u>2</u>	<u>2</u>

The Company was a dormant company within the meaning of Section 250 of the Companies Act 1985 throughout the period ended at the date of the balance sheet.

The financial statements were approved by the Board of Directors on 24 June 2002 and signed on its behalf by :



M J Sidders

DIXONS TREASURY MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with UK law and applicable accounting standards. The principal accounting policies are set out below.

1.1 Accounting convention

The financial statements are prepared in accordance with the historical cost convention.

1.2 Cash flow statement

As permitted by FRS 1 (Revised 1996) "Cash flow statements", the Company has not prepared a cash flow statement because it is a wholly owned subsidiary and consolidated financial statements in which the Company is included are publicly available.

2. EMPLOYEES AND DIRECTORS

The Company had no employees during the period (2000/01 none). The directors received no remuneration for services to the Company during the period (2000/01 £nil).

	2002 £	2001 £
3. DEBTORS		
Amounts due from group undertakings	<u>2</u>	<u>2</u>
4. CALLED UP SHARE CAPITAL		
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

5. PROFIT AND LOSS ACCOUNT

The Company did not trade during the period. Accordingly, no profit and loss account has been presented.

6. RELATED PARTY DISCLOSURE

The Company has applied the exemption allowed by FRS 8 regarding disclosure of transactions with other undertakings which are members of the Dixons Group.

7. PARENT COMPANY

The Company's immediate parent and controlling entity is Wallace Heaton Limited.

The Company's ultimate parent and controlling entity is Dixons Group plc which is incorporated in Great Britain and is registered in England and Wales. Copies of its accounts may be obtained from its registered office at Maylands Avenue, Hemel Hempstead, Hertfordshire HP2 7TG.