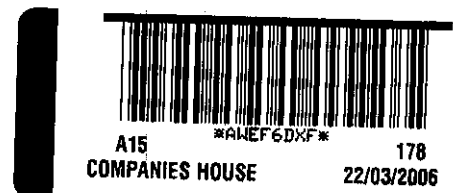


Games Workshop Interactive Limited
Annual report and financial statements
for the year ended 29 May 2005

Registered number 4140413



Games Workshop Interactive Limited

Annual report and financial statements for the year ended 29 May 2005

	Page
Company information.....	1
Directors' report for the year ended 29 May 2005	2
Independent auditors' report to the members of Games Workshop Interactive Limited	4
Profit and loss account for the year ended 29 May 2005.....	5
Balance sheet as at 29 May 2005.....	6
Notes to the financial statements for the year ended 29 May 2005	7

Games Workshop Interactive Limited

Company information

Directors

M Sherwin
R Tongue (appointed 31 May 2004)
A Jones (resigned 31 May 2004)

Secretary

M Sherwin

Registered office

Willow Road
Lenton
Nottingham
NG7 2WS

Games Workshop Interactive Limited

Directors' report for the year ended 29 May 2005

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditors' report, for the year ended 29 May 2005.

Principal activity

The principal activity of the company is to be a holding company within the Games Workshop group.

Business review

Both the level of the business and the year end financial position were satisfactory and the directors expect the present level of activity to continue for the foreseeable future.

On 5 October 2004, the company purchased the remaining 28.75% of share capital of Warhammer Online Limited for a consideration of £5.75 payable in cash.

Results and dividends

The audited financial statements for the year ended 29 May 2005 are set out on pages 5 to 11. The result for the year after taxation was a loss of £6 (2004: £nil). The directors do not recommend the payment of a dividend (2004: £nil).

Directors and their interests

The names of the directors of the company during the year are set out on page 1.

No director had any interest in the shares of the company.

The interests of M Sherwin in the shares of the ultimate parent company, including details of share options held, are shown in the consolidated financial statements of Games Workshop Group PLC.

The interests of R Tongue in the shares of the ultimate parent company, including details of share options held, are shown in the financial statements of Games Workshop (US Holdings) Limited.

Games Workshop Interactive Limited

Directors' report for the year ended 29 May 2005 (continued)

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



M Sherwin
Director
15 March 2006

Independent auditors' report to the members of Games Workshop Interactive Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 1985. 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.

Basis of audit 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 judgments 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 29 May 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
15 March 2006

Games Workshop Interactive Limited

Profit and loss account for the year ended 29 May 2005

	Notes	29 May 2005 £	30 May 2004 £
Amounts written off investments	2	(6)	-
Loss on ordinary activities before and after taxation, and loss for the year	9	(6)	-

There are no recognised gains or losses in either year other than the (loss)/result for the year, which is derived from continuing operations.

The accompanying notes are an integral part of this profit and loss account.

Games Workshop Interactive Limited

Balance sheet as at 29 May 2005

	Notes	2005 £	2004 £
Fixed assets			
Investments	5	-	-
Current assets			
Cash at bank and in hand		1	1
Creditors: amounts falling due within one year	6	(9,131)	(9,125)
Net current liabilities		(9,130)	(9,124)
Net liabilities		(9,130)	(9,124)
Capital and reserves			
Called-up share capital	8	1	1
Profit and loss account (deficit)	9	(9,131)	(9,125)
Equity shareholders' deficit	10	(9,130)	(9,124)

The financial statements on pages 5 to 11 were approved by the board of directors and signed on its behalf by:



M Sherwin
Director
15 March 2006

The accompanying notes are an integral part of this balance sheet.

Games Workshop Interactive Limited

Notes to the financial statements for the year ended 29 May 2005

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are drawn up for the 52 weeks ended 29 May 2005 and 30 May 2004.

The financial statements have been prepared on a going concern basis because the ultimate parent company, Games Workshop Group PLC, has confirmed that it will continue to provide financial support to the company, for the foreseeable future, to enable it to meet its liabilities as they fall due.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Games Workshop Group PLC which prepares publicly available consolidated financial statements that incorporate the results of the company. The company is also, on this basis, exempt from the requirement of Financial Reporting Standard 1 "Cash flow statements" to present a cash flow statement.

Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Amounts written off investments

	2005	2004
	£	£
Amounts written off investments	6	-

The above amount relates to the impairment of the investment in Warhammer Online Limited, due to the loss making position of that company.

Games Workshop Interactive Limited

Notes to the financial statements for the year ended 29 May 2005 (continued)

3 Directors' remuneration

Apart from the directors, there are no other employees.

The directors did not receive any remuneration in respect of their services to Games Workshop Interactive Limited.

4 Tax on loss on ordinary activities

The difference between the total current tax shown of £nil and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2005	2004
	£	£
(Loss)/result on ordinary activities before taxation	(6)	-
(Loss)/result on ordinary activities multiplied by the rate of corporation tax in the UK of 30% (2004: 30%)	(2)	-
Effect of:		
- expenses not deductible for tax purposes	2	-
Current tax charge for the year	-	-

5 Fixed asset investments

	2005	2004
	£	£
Subsidiary undertaking	-	-

The investment in the subsidiary undertaking is as follows:

Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held	Principal business activity
Warhammer Online Limited	England and Wales	£1 ordinary £1 preference	100% 100%	Design and development of online computer imagery and gaming

On 5 October 2004, the company purchased the remaining 28.75% of the issued share capital of Warhammer Online Limited for a consideration of £5.75 payable in cash.

Games Workshop Interactive Limited

Notes to the financial statements for the year ended 29 May 2005 (continued)

5 Fixed asset investments (continued)

	£
Cost	
At 31 May 2004	9,125
Addition	6
At 29 May 2005	9,131
Amounts written off	
At 31 May 2004	9,125
Impairment	6
At 29 May 2005	9,131
Net book value	
At 30 May 2004 and 29 May 2005	-

6 Creditors: amounts falling due within one year

	2005	2004
	£	£
Amounts due to group undertakings	9,131	9,125

7 Provisions for liabilities and charges

The company had no provided or unprovided deferred tax at either year end.

8 Called-up share capital

	2005	2004
	£	£
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called-up and fully-paid		
1 ordinary share of £1 each	1	1

Games Workshop Interactive Limited

Notes to the financial statements for the year ended 29 May 2005 (continued)

9 Reserves

	Profit and loss account
	£
At 31 May 2004	(9,125)
Loss for the year	(6)
At 29 May 2005	(9,131)

10 Reconciliation of movements in shareholders' deficit

	2005	2004
	£	£
Loss for the year	(6)	-
Opening shareholders' deficit	(9,124)	(9,124)
Closing shareholders' deficit	(9,130)	(9,124)

11 Financial commitments

a) Capital commitments

The company had no capital commitments at the year end (2004: £nil).

b) Lease commitments

The company had no annual commitments under non-cancellable operating leases at the year end (2004: £nil).

12 Contingent liabilities

The company has guaranteed the bank overdrafts and loans of certain other group undertakings. The aggregate amount outstanding under these arrangements at the balance sheet date was £7,511,451 (2004: £nil).

13 Related party disclosures

In accordance with the exemption permitted by Financial Reporting Standard 8 "Related party disclosures", related party transactions between members of the group headed by Games Workshop Group PLC, are not disclosed as more than 90% of the company's voting rights are controlled within the group and consolidated financial statements which incorporate the results of the company are publicly available.

Games Workshop Interactive Limited

Notes to the financial statements for the year ended 29 May 2005 (continued)

14 Ultimate parent company and controlling party

The company is a wholly owned subsidiary of Games Workshop Group PLC. The directors regard Games Workshop Group PLC, a company registered in England and Wales, as the ultimate parent company and controlling party.

Games Workshop Group PLC is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the group financial statements are available from The Secretary, Games Workshop Group PLC, Willow Road, Lenton, Nottingham, NG7 2WS.