

25 January 2000

## PRESS ANNOUNCEMENT

### INTERIM RESULTS - SALES UP 10 % Aggressive Restructuring Programme Implemented

Games Workshop Group PLC ("Games Workshop" or "the Group") announces its interim results for the six months ended 28 November 1999.

#### HIGHLIGHTS

- **Turnover at £39.1m (1998: £35.5m) - up 10%**
- **Pre-exceptional operating profit at £5.7m (1998: £5.4m) - up 5%**
- **Pre-exceptional profit before tax £5.7m (1998: £5.2m) - up 9%**
- **Profit before tax £3.8m (1998: £5.2m) - down 27%**
- **Pre-exceptional earnings per share at 11.5p (1998: 10.9p) - up 6%**
- **Basic earnings per share at 7.1p (1998: 10.9p) - down 35%**
- **Interim dividend per share at 3.77p (1998: 3.56p) - up 6%**
- **Growth returning to independent sector**
- **Continued like for like growth maintained in the retail operations**
- **Opened 16 new stores with 15 outside the UK**
- **Implemented aggressive two year restructuring programme, costing £5m; £1.9m charged in the current period**

Chairman, Tom Kirby, said: "I am pleased to report continued growth in underlying profits and turnover in the first half of the year. We have also seen the continued expansion of our global retail network and progress in rebuilding growth in our sales to independent retailers. In order to bring about more rapid growth we are aggressively restructuring our operations. The changes will bring greater control to the centre investing the Group with greater management expertise, focused firmly on Group needs.

The Board is confident that the successful completion of these changes will allow the Group to expand faster internationally, drive up margins through increased efficiencies and explore new opportunities to extend the reach of the Hobby.

The Games Workshop Hobby continues to show great growth potential with the current product range offering both continuity with our now classic brands, Warhammer and Warhammer 40,000, and exciting new games like Mordheim, a skirmish battle game set in the world of Warhammer, which was launched in October. We demonstrated our commitment to reaching out to new customers by opening a further sixteen new stores during the period. Fifteen of these were outside the UK reconfirming the increasing international nature of the Group.

We believe the growth we achieved in the first half will be maintained in the full year. The Board is confident that the appeal of the Games Workshop Hobby remains as powerful as ever."