



PRESS RELEASE

28 January 2009

For Immediate Release

SHOP DIRECT GROUP STATEMENT

As part of its ongoing successful transformation to be an online-led business, Shop Direct Group has today announced proposed changes to its operational structure.

As set out in the January trading update, the Group announced sales up 9 percent for the six-week period with online sales growth of 44 percent. The Group's online business now accounts for 56 percent of total sales, up from 18% three years ago. Shop Direct has around five million active customers shopping across its broad portfolio of brands in the UK. Customers have become more confident shopping online and, as such, the way they interact with the business is changing.

One of the consequences of this is the proposed closure of the Crosby Contact (Call) Centre and a limited number of changes at some other sites. As a result, we are entering a 90-day consultation period with a number of our employees of whom, we anticipate 1,150 will be affected.

Mark Newton Jones, Chief Executive said:

"We recognise that this will be a difficult time for those members of our team impacted by today's announcement. We do hope to relocate 250 of them and we will do everything we can to support those affected. Our business is changing because the way our customers choose to shop with us is changing. We anticipate that 70 percent of our sales will be online by 2010/11 and, therefore, the future of our business is online-led. We are a strong and growing business. In order to maintain this growth, we need to continue to adapt and change to the needs of our customers."

Ends

Notes to Editors:

- Shop Direct Group, the UK's largest online and home shopping retailer has sales of circa £1.6 billion
- In the Christmas trading update, 9th January 2009, the Group announced sales up 9 percent for the six week period with online sales growth of 44 percent
- Shop Direct Group has seven contact (call) centres and the site proposed for closure in today's announcement is Crosby in Liverpool. There are also proposed changes at other business sites across the Group.
- Shop Direct has around 5m active customers across the business
- Shop Direct employs around 10,500 people





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- One in three households in the UK has one or more of the Shop Direct Group's catalogues (Autumn/Winter and Spring Summer catalogues)
- Brands include Littlewoods and Littlewoods Direct, Additions, Great Universal, Choice, Kays, Empire Stores and Marshall Ward
- Shop online at www.littlewoods.com or www.littlewoodsdirect.com

Media Enquires:

Ann Bryon / Anthony Taylor, Shop Direct Group, 0844 292 3269
Charlotte Kenyon / Teresa Bianchi, Brunswick on 0207 404 5959

