

GAME

THE GAME GROUP PLC

Interim Results for the six months ended **31 July 2006**



Highlights

Interim Results for the six months ended 31 July 2006

	2006 £'m	2005 £'m
Group Turnover	272.9	220.8
Gross profit margin (%)	28.3	28.9
Operating loss before non-recurring costs	5.6	10.3
Loss before tax	7.1	14.7
Basic loss per share before non-recurring costs (pence)	1.46	2.31
Basic loss per share (pence)	1.46	3.19
Interim dividend per share (pence)	1.27	1.15

Key points

- Strong sales performance with total sales growth of 23.6% and like for like ('lfl') ahead by 13.4%
- Expected first half loss reduced by more than 50%, driven by strong revenue growth and tight cost control
- Further execution of our business development plan with entry into the Portuguese and Australian markets
- Store portfolio will be nearly 800 by the key Christmas trading season compared with 700 at the same time last year
- European launch dates announced for the Nintendo Wii in December 2006 and Sony Playstation 3 in March 2007
- Strong current trading for the 8 weeks to 23 September with total sales increase of 24.7% and lfl increase of 15.6%.

Chairman's Report

to the owners for the six months to 31 July 2006

Results

The market continues to transition from older technologies to the next generation consoles. The Board remains confident that this year will be better than last and to date our performance has been encouraging. We have worked hard to emphasise our specialist credentials including attributes such as our breadth of range, pre-owned programme, staff knowledge and our loyalty card. This has produced a strengthened market position which has driven a significant reduction in first half losses.

The Group has made an operating loss before interest and non-recurring costs of £5.6m in the first half of the year compared to a loss of £10.3m in the previous year due to revenue increases and strong cost control.

Group turnover for the six months ended 31 July 2006 was £272.9m (£220.8m). In the period, like-for-like ('lfl') sales increased by 13.4%. As expected the gross margins decreased by 60 basis points compared to last year primarily as a result of increased hardware sales participation within the overall sales mix.

The loss per share before non-recurring items was 1.46p (2.31p). The loss before tax was £7.1m (£14.7m). Basic loss per share was 1.46p (3.19p).

Your Board is increasing the interim dividend by 10% to 1.27p per share reflecting our confidence in the outlook for the Group.

Business development

Our market position

GAME has further strengthened its position as the number one specialist retailer of video games in Europe by investing significantly in store openings and refurbishment. The Group is already uniquely positioned in four key European territories – UK and Ireland, France, Spain and Scandinavia.

Our aim is to target the Group's resources towards those markets with the strongest return characteristics and where we believe our expertise can deliver real improvements in performance. We are continuing to build the Group's on-line capability in tandem with the growth in the store portfolio.

Our business development plan has continued with entry into the Portuguese and Australian markets.

The Portuguese business is a natural addition to complement our successful Spanish business. We expect to open 10 stores this year and up to 30 stores in the Portuguese market over the next few years.

On 19 September we announced the acquisition of The Games Wizards (TGW), a specialist retailer of pc and video games based in Sydney, Australia. TGW has 14 stores and 8 franchises and an experienced management team that has operated in the local market for more than 10 years.

Australia is an attractive games market, which is already larger than many European countries, with good growth dynamics and offers the potential to develop our international business further alongside our existing growth plans.

We will provide financial resources and expertise for a controlled store rollout incorporating an improved GAME consumer offer.

Business overview

Store portfolio

During the period the Group has opened or acquired 39 stores and closed 12 stores as part of our ongoing portfolio management. We have bought in 2 and closed 4 of our franchise stores in Spain.

	At 31 July 2006 Number	At 31 July 2005 Number	At 31 January 2006 Number
Company owned and concessions			
UK and Ireland	408	397	410
France	95	88	94
Scandinavia	54	54	53
Spain and Portugal	129	60	102
Continental Europe – Total	278	202	249
Franchises			
France	11	11	11
Spain	24	43	30
Total outlets	721	653	700

We expect to have 410 stores in UK and Ireland, as well as 320 stores and 35 franchises in Continental Europe ahead of the key Christmas trading period. In Australia we expect to have 18 owned stores and 8 franchises.

We anticipate that our total capital expenditure for the year will be around £22m excluding acquisitions.

UK and Ireland

The total revenues from the UK and Ireland in the period were £198.1m, up from £170.5m last year. The total sales increased by 16.2% with a 13.8% increase in the lfl sales.

Our stores in the UK and Ireland have performed well. We have continued to develop our consumer appeal through a high standard of customer service and a uniquely broad product range and strong value for money offers. We believe that our specialist focus and scale provide us with a major competitive advantage.

In the first half we have conducted extensive consumer research and as a result we trialled and developed a new layout and visual merchandising format for our stores. The trials were well received by our customers. We have commenced the rollout of a new store format incorporating strong branded visual merchandising with a new product layout for all of our stores in the UK and Ireland. The rollout will be completed in advance of the key trading season. The cost of this refurbishment programme will be £2.5m.

Continental Europe

The total revenues from Continental Europe of £74.7m (£50.3m) represented 27.4% of group revenues for the period compared with 22.8% in the prior year. The total sales for Continental Europe increased by 48.5% with a 12.1% increase in the Ifl sales.

In France our total revenues increased by 47.6% to £30.6m. Our business in France has performed well in the period. France is traditionally a very strong market for Nintendo which has been reflected in the sales of the DS and DS Lite and bodes very well for the launch on the Nintendo Wii. This year we expect to open 10 to 15 stores in France

In Spain our total revenues increased by 68.1% to £33.6m. We are already the number 1 specialist in the Spanish market place and this year we expect to become the overall leading retailer of pc and video games. In March we commenced store openings in Portugal and we now have 8 stores trading. The operations are managed by our Spanish management team. This year we plan to open between 40 and 50 stores in Spain and Portugal together.

In Scandinavia our total revenues grew by 9.8% to £10.6m. We are very pleased with the improvement in trading in this region.

We remain on track for these businesses to grow profits in aggregate for the financial year 2006/07.

Online retailing

We recognise that online retailing and digital distribution of games are important growth areas. The acquisition of the game.co.uk domain in December 2005 has helped to increase the consumer traffic to our website. Our group online sales have increased by 38.5% and represents 2.4% of total group revenues. Online represents a significant opportunity for future growth and we are able to appeal both to the broader market consumer through game.co.uk and to the dedicated gamer, through Gameplay.com.

We will be maintaining focus on this area of our business to ensure that we are well positioned both in terms of online retailing and digital distribution.

Treasury

Our net debt as at 31 July 2006 was £55.2m (31 July 2005 – £66.9m) (31 January 2006 – £5.0m net cash).

In the year average net debt is anticipated to be around £47m (£42m). The Board is committed to an efficient capital structure and continues to review dividend and share buyback policies along with the organic or acquisitive growth of the store portfolio.

Staff and Management

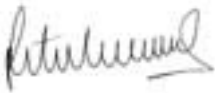
I would like to thank all of our management and staff for their continued commitment and enthusiasm. It is certainly pleasing to see the results of their efforts being reflected in the Group's financial performance.

Current trading and future prospects

This has been an encouraging start to the year. The key Christmas trading season will see the launch of the Nintendo Wii – a console which we believe will have great consumer appeal. There is good ongoing demand for the new technologies that have already launched – Nintendo DS Lite, Microsoft Xbox360 and the Sony PSP.

In the 8 weeks to 23 September total group sales were up by 24.7% with the UK and Ireland and Continental Europe up by 22.9% and 30.5% respectively. For the same period group lfl sales were up by 15.6% with the UK and Ireland lfl sales up by 20.2% and Continental Europe lfl sales up by 1.3%. This is a good performance given that the comparative period included the launch of the Sony PSP on 2 September 2005.

The next generation consoles continue to come to market, with the European launch of the Nintendo Wii due in December 2006 and the Sony Playstation 3 due in March 2007. The Board remains confident of a significantly improved performance this year.



Peter Lewis

Chairman

26 September 2006

Unaudited Consolidated Income Statement

for the six months ended 31 July 2006

	Notes	Six months ended 31 July 2006 Unaudited £'000	Six months ended 31 July 2005 Unaudited £'000	Year ended 31 January 2006 Audited £'000
Revenue	2	272,874	220,846	645,118
Cost of sales		195,550	157,069	470,763
Gross profit		77,324	63,777	174,355
Other operating expenses	3	82,932	77,081	166,132
Operating (loss)/profit before non-recurring costs		(5,608)	(10,329)	11,198
Non-recurring costs	3	–	(2,975)	(2,975)
Operating (loss)/profit		(5,608)	(13,304)	8,223
Finance income		37	28	352
Finance costs		(1,561)	(1,376)	(3,160)
(Loss)/profit before taxation		(7,132)	(14,652)	5,415
Taxation	4	(2,204)	(3,864)	2,678
(Loss)/profit for the period		(4,928)	(10,788)	2,737
(Loss)/earnings per share – basic	6	(1.46p)	(3.19p)	0.81p
– diluted	6	(1.46p)	(3.19p)	0.80p

Unaudited Consolidated Balance Sheet

as at 31 July 2006

	Notes	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Non current assets				
Intangible fixed assets	7	96,932	94,246	96,725
Property, plant & equipment	8	89,780	84,644	90,650
Deferred tax asset		202	778	3
		186,914	179,668	187,378
Current assets				
Inventories		69,525	58,269	70,225
Trade and other receivables	9	35,718	30,684	20,463
Cash and cash equivalents		14,421	6,477	54,225
		119,664	95,430	144,913
Current liabilities				
Trade and other payables	10	95,210	64,218	132,574
Short term borrowings		34,359	51,833	16,130
Current portion of long term borrowings	11	7,684	2,914	11,616
Corporation tax liabilities		–	–	1,959
		137,253	118,965	162,279
Net current liabilities		(17,589)	(23,535)	(17,366)
Total assets less current liabilities		169,325	156,133	170,012
Non current liabilities				
Long term borrowings	11	27,614	18,584	21,492
Leasehold property incentives		3,860	3,016	3,834
Net assets		137,851	134,533	144,686
Capital and reserves				
Called up share capital		16,928	16,838	16,845
Share premium account		41,440	40,603	40,677
Capital redemption reserve		2,223	2,223	2,223
Shares held in trust		(963)	(963)	(963)
Merger reserve		76,907	76,907	76,907
Profit & loss account	13	274	(1,171)	9,185
Foreign exchange reserve		1,042	96	(188)
Shareholders' funds	14	137,851	134,533	144,686

Approved by the Board on 26 September 2006

David Thomas
Director

Unaudited Consolidated Cash Flow Statement

for the six months ended 31 July 2006

	Six months ended 31 July 2006 Unaudited	Six months ended 31 July 2005 Unaudited	Year ended 31 January 2006 Audited
Notes	£'000	£'000	£'000
Cash flows from operating activities			
Operating (loss)/profit	(5,608)	(13,304)	8,223
Share based remuneration	678	646	1,366
Depreciation and amortisation	6,291	5,507	11,593
Loss on disposal of non current assets	14	251	952
Impairment of assets/goodwill	–	226	175
Market value movement on financial instrument	–	125	130
	1,375	(6,549)	22,439
Increase in trade and other receivables	(13,665)	(6,125)	(184)
Decrease/(increase) in inventories	700	6,199	(5,040)
(Decrease)/increase in trade and other payables	(37,031)	(23,060)	45,155
Increase/(decrease) in leasehold incentives	76	(191)	749
Cash generated from operations	(48,545)	(29,726)	63,119
Finance costs paid	(1,099)	(1,251)	(3,154)
Corporation tax paid	(1,423)	(3,164)	(2,809)
Net cash from operating activities	(51,067)	(34,141)	57,156
Cash flows from investing activities			
Acquisitions	15	–	(5,031)
Purchase of property, plant & equipment	(5,708)	(11,973)	(22,668)
Purchase of intangible assets	(565)	(196)	(991)
Proceeds from sale of equipment	897	509	222
Finance income received	37	28	352
Net cash used in investing activities	(5,339)	(16,663)	(30,553)
Cash flows from financing activities			
Proceeds from issue of share capital	846	420	503
Share buyback	–	(3,283)	(3,299)
Proceeds from long term borrowing	2,394	5,358	15,830
Payment of finance lease liabilities	(206)	(161)	(783)
Dividends paid	(4,661)	(4,082)	(7,955)
Net cash used in financing activities	(1,627)	(1,748)	4,296
Net (decrease)/increase in cash and cash equivalents	(58,033)	(52,552)	30,899
Cash and cash equivalents at beginning of period	38,095	7,196	7,196
Cash and cash equivalents at end of period	12	(19,938)	(45,356)
			38,095

Notes to the Interim Results

1 Accounting policies

Basis of preparation

The financial information presented in this interim report has been prepared in accordance with the accounting policies the Group expects to be applicable at 31 January 2007. The interim report has been prepared in accordance with those IFRS and IFRIC interpretations issued and effective as at the time of preparing the statement.

The accounting policies used in preparing the Interim Report are as set out in the statutory accounts to the year ended 31 January 2006.

2 Turnover and operating profit

	United Kingdom & Ireland	Rest of Europe	United Kingdom & Ireland	Rest of Europe	United Kingdom & Ireland	Rest of Europe
	31 July 2006	31 July 2006	31 July 2005	31 July 2005	31 January 2006	31 January 2006
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	198,147	74,727	170,529	50,317	491,624	153,494
Cost of sales	140,216	55,334	120,253	36,816	356,115	114,648
Gross profit	57,931	19,393	50,276	13,501	135,509	38,846
Other operating expenses	61,413	21,519	58,358	15,748	126,069	37,088
Operating (loss)/profit before non-recurring costs	(3,482)	(2,126)	(8,082)	(2,247)	9,440	1,758
Non-recurring costs	-	-	2,975	-	2,975	-
Operating (loss)/profit	(3,482)	(2,126)	(11,057)	(2,247)	6,465	1,758

Notes to the Interim Results continued

2 Turnover and operating profit (continued)

	Six months ended 31 July 2006 Unaudited £'000	Six months ended 31 July 2005 Unaudited £'000	Year ended 31 January 2006 Audited £'000
Turnover by territory			
United Kingdom and Ireland	198,147	170,529	491,624
France	30,594	20,724	64,635
Spain	33,570	19,973	63,292
Scandinavia	10,563	9,620	25,567
	272,874	220,846	645,118
Stores by territory			
United Kingdom and Ireland	408	397	410
France	95	78	94
Spain	129	60	102
Scandinavia	54	54	53
	686	589	659
Franchises			
France	11	–	11
Spain	24	43	30
	35	43	41
Trading square footage by territory			
United Kingdom and Ireland	513,585	495,757	511,162
France	104,982	85,951	104,045
Spain	92,084	59,003	82,022
Scandinavia	51,716	51,447	51,054
	762,367	692,158	748,283

3 Other operating expenses

	Six months ended 31 July 2006 Unaudited £'000	Six months ended 31 July 2005 Unaudited £'000	Year ended 31 January 2006 Audited £'000
Selling and distribution	70,946	62,864	138,698
Administrative expenses	11,986	14,217	27,434
	82,932	77,081	166,132

In the prior year administration expenses include non-recurring costs of £2,975,000 in relation to the settlement of the legal dispute relating to the acquisition of ABC Games International SA and costs related to aborted corporate discussions.

4 Taxation

The UK corporation tax charge has been included at an underlying corporation tax rate in line with the previous year.

	Six months ended 31 July 2006 Unaudited £'000	Six months ended 31 July 2005 Unaudited £'000	Year ended 31 January 2006 Audited £'000
Current year			
UK corporation tax	(2,005)	(3,387)	2,372
Adjustments in respect of prior periods	–	–	(900)
Overseas tax payable	–	5	950
Total current tax	(2,005)	(3,382)	2,422
Deferred tax:			
Origination and reversal of timing differences	(199)	(482)	256
	(2,204)	(3,864)	2,678

Notes to the Interim Results continued

5 Dividends

	Six months ended 31 July 2006 Unaudited £'000	Six months ended 31 July 2005 Unaudited £'000	Year ended 31 January 2006 Audited £'000
Ordinary dividends			
Interim proposed 1.27p per ordinary share (2005: 1.15p)	–	–	3,873
Final 1.38p per ordinary share (2005: 1.20p)	4,661	4,082	4,082
	4,661	4,082	7,955

The interim dividend in relation to the period ended 31 July 2006 was declared on 26 September 2006 and is payable on 24 November 2006 to shareholders on the register on 3 November 2006. This dividend is therefore not included above.

6 (Loss)/earnings per share

The calculation of loss per share for the six months ended 31 July 2006 is based on the loss after taxation of £4,928,000 (2005 interim: loss after taxation of £10,788,000; full year: profit after taxation of £2,737,000). The calculation of the earnings per share before non-recurring is based on a loss of £4,928,000 (2005 interim: loss of £7,813,000, full year: profit of £5,712,000). The calculation of basic loss per share is based on a weighted average number of shares in issue during the period of 337,599,199 (2005 interim: 338,591,467; full year: 337,698,496). The calculation of diluted loss per share is based on a weighted average number of shares in issue during the period of 337,599,199 (2005 interim: 338,591,467; full year: 340,615,329).

Reconciliation of denominators used for basic and diluted loss per share calculations:

	Basic Number	Effect of share options Number	Diluted Number
31 July 2006	337,599,199	–	337,599,199
31 July 2005	338,591,467	–	338,591,467
31 January 2006	337,698,496	2,916,833	340,615,329

There are 2,235,036 share options not included within the above calculations as they would have an anti-dilutive effect on the earnings per share calculation.

7 Intangible fixed assets

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Cost			
At beginning of period	99,389	120,290	94,056
Acquisitions	–	–	5,643
Additions	565	3,772	991
Foreign exchange adjustment	(4)	(44)	(107)
Disposals	(5)	(549)	(1,194)
At end of period	99,945	123,469	99,389
Amortisation			
At beginning of period	2,664	29,159	2,925
Acquisitions	–	–	–
Charge for the period	352	371	710
Foreign exchange adjustment	(1)	(14)	(3)
Disposals	(2)	(293)	(968)
At end of period	3,013	29,223	2,664
Net book value	96,932	94,246	96,725

Notes to the Interim Results continued

8 Property, plant and equipment

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Cost			
At beginning of period	139,137	116,748	116,748
Acquisitions	–	3,292	3,586
Additions	5,860	12,071	24,525
Foreign exchange adjustment	(34)	(102)	(383)
Disposals	(1,654)	(2,760)	(5,339)
At end of period	143,309	129,249	139,137
Depreciation			
At beginning of period	48,487	41,364	41,364
Acquisitions	–	255	542
Charge for the period	5,939	5,136	10,883
Foreign exchange adjustment	(5)	(120)	(86)
Disposals	(892)	(2,030)	(4,391)
Impairment	–	–	175
At end of period	53,529	44,605	48,487
Net book value	89,780	84,644	90,650

9 Trade and other receivables

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Amounts falling due within one year:			
Trade debtors	5,395	6,135	4,772
Other debtors	5,010	2,023	3,027
VAT	–	1	42
Corporation tax	1,589	4,241	–
Financial instrument	–	5	–
Prepayments and accrued income (principally rent & rates)	23,724	18,279	12,622
	35,718	30,684	20,463

10 Trade and other payables

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Trade creditors	67,408	43,382	92,379
Other creditors	4,014	2,670	3,867
Taxation and social security costs	2,260	1,769	2,327
VAT payable	6,786	4,350	17,719
Leasehold property incentives	561	389	511
Accruals and deferred income	14,181	11,658	15,771
	95,210	64,218	132,574

11 Long term borrowings

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Current portion			
Bank loans	7,311	2,709	10,710
Other loans	–	–	495
Obligations under finance leases and hire purchase contracts	373	205	411
	7,684	2,914	11,616
Non current portion			
Bank loans	26,713	17,955	20,425
Other loans	–	495	–
Obligations under finance leases and hire purchase contracts	901	134	1,067
	27,614	18,584	21,492

Notes to the Interim Results continued

12 Net (debt)/funds

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
Cash and cash equivalents	14,421	6,477	54,225
Short term borrowings	(34,359)	(51,833)	(16,130)
Net cash and cash equivalents	(19,938)	(45,356)	38,095
Current portion of long term borrowings	(7,684)	(2,914)	(11,616)
Long term borrowings	(27,614)	(18,584)	(21,492)
Net (debt)/funds	(55,236)	(66,854)	4,987

13 Profit and loss account

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
At 1 February	9,185	16,336	16,336
Share based payments	678	646	1,366
Share buy back	–	(3,283)	(3,299)
(Loss)/profit on ordinary activities after taxation	(4,928)	(10,788)	2,737
Dividends	(4,661)	(4,082)	(7,955)
	274	(1,171)	9,185

14 Statement of changes in shareholders' equity

	As at 31 July 2006 Unaudited £'000	As at 31 July 2005 Unaudited £'000	As at 31 January 2006 Audited £'000
(Loss)/profit on ordinary activities after tax	(4,928)	(10,788)	2,737
Exchange differences on foreign currency net investments	1,230	(382)	(666)
Dividends payable	(4,661)	(4,082)	(7,955)
Issue of shares during the year	846	422	503
Purchase of own shares for cancellation	–	(3,283)	(3,299)
Share based payment	678	646	1,366
Net (deductions)/additions to shareholders' funds	(6,835)	(17,467)	(7,314)
Shareholders' funds at beginning of year	144,686	152,000	152,000
Shareholders' funds at 31 July 2006	137,851	134,533	144,686

15 Acquisitions

Prior period acquisitions

On 26 July 2005 the Group acquired the French video game retailer Addon. Addon operates ten owned stores and a further ten franchises. During the first half of last year the Group also acquired the trade and assets of two further CentroMAIL franchises in Spain and an additional element of additional deferred consideration accrued on the Gameplay (GB) Ltd acquisition.

16 This interim report was approved by the Board of Directors on 26 September 2006

The financial information contained within this interim report does not comprise statutory accounts as defined in Section 240 of the Companies Act 1985.

The comparatives for the full year ended 31 January 2006 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement under section 237(2)-(3) of the Companies Act 1985.

Copies of this interim report are being posted to shareholders and are available from the Company's office at Unity House, Telford Road, Basingstoke, Hampshire RG21 6YJ.

Independent Review

report to The Game Group Plc

Introduction

We have been instructed by the Company to review the financial information for the six months ended 31 July 2006 on pages 6 to 17. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Listing Rules of the Financial Services Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of Group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as test of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 July 2006.

BDO Stoy Hayward LLP

Chartered Accountants
London

26 September 2006

Directors and Advisers

Directors	<p>Peter Lewis <i>non-executive Chairman</i> Martin Long <i>ACIS group chief executive</i> Lisa Morgan <i>deputy chief executive</i> David Thomas <i>ACA group finance director</i> Christopher Bell <i>non-executive director</i> Jean-Paul Giraud <i>non-executive director</i> Ishbel Macpherson <i>non-executive director</i></p>
Secretary	David Thomas ACA
Registered Office	<p>Unity House Telford Road Basingstoke RG21 6YJ</p>
Stockbrokers	<p>Deutsche Bank AG London Winchester House 1 Great Winchester Street London EC2N 2DB</p>
Bankers	<p>National Westminster Bank Plc Solent Corporate Business Centre Notebeme House, 84 High Street Southampton SO14 2NT</p>
Auditors	<p>BDO Stoy Hayward LLP 8 Baker Street London W1U 3LL</p>
Registrars and Transfer office	<p>Capita Registrars The Registry 34 Beckenham Road Kent BR3 4TU</p>
Corporate web site	www.gamegroup.plc.uk



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