Monday, 6th September 2004

WILLIAM HILL PLC
ANNOUNCEMENT OF INTERIM RESULTS

William Hill PLC (the 'Group') today announces its results for the 26 weeks ended 29 June 2004.

Highlights include the following:

- Turnover up 42% to £3,886.6m (2003: £2,741.7m) and gross win up 18% to £382.1m (2003: £324.0m)

- Double digit growth in gross win in each of the three channels compared to the comparable period

- Profit on ordinary activities before finance charges up 29% to £131.2m (2003: £101.4m)

- Net cash inflow from operating activities up 33% to £142.1m (2003: £107.2m) which represents 110% of operating profit

- Basic earnings per share up 36% to 20.1 pence (2003: 14.8 pence)

- Interim dividend up 57% to 5.5 pence per share (2003: 3.5 pence per share) payable on 2 December 2004 to shareholders on the register on 5 November 2004

- In the eight weeks ended 24 August 2004, the Group's gross win was up 8% as normal variations in UK horse racing results led to a lower rate of growth than earlier in the year when results were particularly favourable to bookmakers

Commenting on the results, Charles Scott, Chairman, said:

"The Group has continued to achieve good levels of growth in gross win and profitability in each of its channels throughout the period. We are also investing in new technology, new channels to market, and new betting products to secure our competitive position and underpin our growth prospects for the future.

The Board remains confident in the outlook for the Group and consistent with its commitment to return value to shareholders proposes a significant increase in the interim dividend as well as continuing with the share buy back programme approved at the recent Annual General Meeting"

Enquiries:

David Harding, Chief Executive	Tel: 0208 918 3910
Tom Singer, Group Finance Director	Tel: 0208 918 3910
James Bradley, William Cullum, Brunswick	Tel: 0207 404 5959

There will be a presentation to analysts at 9.00 am today at The Lincoln Centre, 18 Lincoln's Inn Field, London WC2. Alternatively, it is possible to listen to the presentation by dialling 020 8901 6901. The presentation will be recorded and will be available for a period of one week by dialling 020 8515 2499 (from the UK) and +44 (0) 20 8515 2499 (from outside the UK) and using the replay access number 606158#. The slide presentation will be available on the Investor Relations section of the website: www.williamhillplc.co.uk

CHIEF EXECUTIVE'S REVIEW

The Group continues to increase gross win by expanding the number of products and betting opportunities, exploiting new channels to market, and improving the quality of its offering to customers. At the same time, close attention is paid to costs to ensure that any above inflation increase is justified in terms of incremental activity levels or reflects investment in future business development opportunities.

TRADING PERFORMANCE

Retail channel

The Retail division delivered growth in gross win of 15% in the period, with over the counter up by 8% and net income from fixed odds betting terminals (FOBTs) and amusement with prizes machines (AWPs) increasing 45%.

The over the counter business benefited from favourable horse racing results in the first quarter, an increase in the number of betting opportunities, extended trading hours, and the Euro 2004 football championship.

The average number of FOBTs in the retail estate increased to 3,658 during the period (first half 2003: 1,942) and we are now targeting 5,200 by the year end. Despite the roll out of a greater number of terminals, the average profit per terminal per week has averaged £400 since the introduction of the Code of Conduct in April. The average number of AWPs during the period has fallen to 2,020 (first half 2003: 2,869) and we are now targeting 800 by the year end. These targets equate to FOBT and AWP densities of 3.3 per shop and 0.5 per shop, respectively.

Costs in the Retail division increased by 9.3% primarily due to the need to employ staff for additional hours as a result of extended trading, a rise in picture costs consistent with increased betting opportunities, and the installation of additional FOBTs and maintenance of the associated ISDN network.

We continue to invest in the estate that includes 1,587 licensed betting offices (December 2003: 1,586). We have carried out 40 retail projects in the year to date and have 17 new licences in progress that are likely to open by the year end or early next year.

Our plans for introducing new technology into the shops remain on track with the introduction of a replacement text system scheduled for completion by December 2005 and an electronic point of sale (EPOS) system by early 2006. The total investment in respect of these two projects is estimated at £45m. Our work to date suggests that the business case in respect of EPOS is improving and therefore we are exploring how its roll out might be accelerated.

Telephone channel

The Telephone channel grew gross win by 22% over the comparable period as it benefited from favourable horse racing results in the first quarter, the growing popularity of betting in running, and good turnover and results in Euro 2004. This performance was achieved despite the absence of non-terrestrial televised horse racing for two months in the period. Total active accounts increased to 184,000 as at 29 June 2004 (30 December 2003: 171,000).

Costs in the channel were up 8.6% over the comparable period due to higher internal re-charges for technology support.

Interactive channel

The Interactive channel grew gross win by 37% over the comparable period with all four elements of our offering – Sportsbook, Arcade, Casino and Poker – growing strongly.

The Sportsbook benefited from favourable horse racing and football results. Again, the performance was achieved despite the above mentioned loss of some televised horse racing during the period. The Arcade offering expanded to six games in the period and delivered a promising level of incremental gross win which bodes well for the launch of William Hill TV later this year. The casino continues to benefit from the expansion of currency and language options in Autumn 2003, and the poker product more than doubled its gross win against the comparable period in which it was launched.

Total active accounts increased to 278,000 as at 29 June 2004 (30 December 2003: 247,000).

Costs in the channel increased 15% over the comparable period due to higher technology costs and bank charges.

Cost control

Total Group expenses were £167.3m representing an 8% increase over the comparable period. Stripping out the non like for like costs in respect of the additional staff associated with extended trading hours, additional FOBTs and increased coverage of horse racing in licensed betting offices gives an underlying rate of increase closer to 4%.

REGULATORY MODERNISATION

The government is consulting widely over the proposed introduction of the Gambling Bill but its content and timing remain subject to uncertainty. The Board continues to monitor the situation to assess how the new legislation might affect the competitive landscape.

RETURN OF CAPITAL

At the Annual General Meeting on 17 May 2004, shareholders gave authority to the Board to buy back up to a maximum of 10% of the issued share capital. As at close of business on 3 September 2004, 14.3m shares had been purchased, corresponding to 3.4% of the issued share capital at the date authority was given, of which 10.5m shares are being held in treasury and 3.8m shares have been cancelled.

The interim dividend has been raised by 57% to 5.5 pence per share.

ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

As previously reported, the Group has an ongoing project to review the impact on its financial statements of adopting International Financial Reporting Standards (IFRS) in 2005. The project is sponsored by the Group Finance Director and is overseen by the Audit Committee.

The review continues to progress well in identifying and quantifying the potential impact of IFRS on accounting policies and disclosures as well as wider business issues such as treasury and taxation.

Although the review is not yet completed, the work carried out to date suggests that the overall impact on the Group's earnings will not be significant.

CURRENT TRADING

In the eight weeks ended 24 August 2004, the Group's gross win was up 8% as normal variations in UK horse racing results led to a lower rate of growth than earlier in the year when results were particularly favourable to bookmakers.

The roll out of FOBTs continues and the estate had 5,041 terminals and 931 AWPs as at 31 August 2004. Since 1 April 2004, the net profit per terminal per week has averaged £400 with extended opening hours and improved contractual terms offsetting the effect of the Code of Conduct and the deployment of additional terminals.

Costs in the eight week period were up 6% compared to 8% for the six months to 29 June 2004 as the costs of extended trading hours and additional FOBTs are increasingly reflected in the comparative period.

William Hill PLC

Consolidated Profit and Loss Account

for the 26 weeks ended 29 June 2004

	Notes	**26 weeks ended 29 June 2004 £m**	26 weeks ended 1 July 2003 (restated) £m	52 weeks ended 30 December 2003 (restated) £m
Turnover	2	**3,886.6**	2,741.7	5,945.8
Cost of sales		**(3,589.7)**	(2,487.2)	(5,434.7)
Gross profit	2	**296.9**	254.5	511.1
Net operating expenses		**(167.3)**	(154.4)	(313.6)
Operating profit	2	**129.6**	100.1	197.5
Share of associate's operating profit		**1.6**	1.3	2.9
Profit on ordinary activities before finance charges		**131.2**	101.4	200.4
Net interest payable	3	**(11.9)**	(15.4)	(29.2)
Other finance charges		**(0.9)**	(0.9)	(1.7)
Profit on ordinary activities before tax		**118.4**	85.1	169.5
Tax on profit on ordinary activities	4	**(34.1)**	(23.1)	(45.2)
Profit on ordinary activities after tax for the financial period		**84.3**	62.0	124.3
Dividends proposed and paid	5	**(22.4)**	(14.6)	(52.2)
Retained profit for the financial period		**61.9**	47.4	72.1

Earnings per share (pence)				
Basic	6	**20.1**	14.8	29.7
Diluted	6	**19.8**	14.7	29.3

All amounts relate to continuing operations for the current and preceding financial periods.

Consolidated Statement of Total Recognised Gains and Losses

for the 26 weeks ended 29 June 2004

	Notes	**26 weeks ended 29 June 2004 £m**	26 weeks ended 1 July 2003 (restated) £m	52 weeks ended 30 December 2003 (restated) £m
Profit for the financial period		**84.3**	62.0	124.3
Actuarial loss recognised in the pension scheme		**(0.6)**	(11.9)	(3.7)
Deferred tax attributable to actuarial loss		**0.2**	3.8	1.1
Currency translation differences on foreign currency net investments		**(0.1)**	0.2	0.1
Total recognised gains and losses relating to the period		**83.8**	54.1	121.8
Prior period adjustment	1	**(1.9)**		
Total recognised gains and losses since last annual report		**81.9**		

William Hill PLC

Consolidated Balance Sheet
as at 29 June 2004

	Notes	**29 June 2004**	1 July 2003 (restated)	30 December 2003 (restated)
		£m	£m	£m
Fixed assets				
Intangible assets - goodwill		**732.3**	732.3	732.3
Tangible assets		**100.7**	101.5	101.0
Investments		**1.8**	-	0.8
		834.8	833.8	834.1
Current assets				
Stocks		**0.3**	0.3	0.4
Debtors: amounts recoverable within one year		**18.1**	18.4	15.7
Debtors: amounts recoverable after one year		**5.7**	5.5	6.2
Cash at bank and in hand		**60.0**	38.8	46.4
		84.1	63.0	68.7
Creditors: amounts falling due within one year		**(199.6)**	(152.9)	(187.1)
Net current liabilities		**(115.5)**	(89.9)	(118.4)
Total assets less current liabilities		**719.3**	743.9	715.7
Creditors: amounts falling due after more than one year		**(342.3)**	(420.9)	(366.6)
Share of net liabilities of associate		**-**	(0.2)	-
Net assets excluding pension liability		**377.0**	322.8	349.1
Pension liability		**(30.5)**	(36.8)	(31.7)
Net assets including pension liability		**346.5**	286.0	317.4
Capital and reserves				
Called-up share capital	7	**42.2**	42.2	42.2
Share premium account	7	**311.3**	311.3	311.3
Merger reserve	7	**(26.1)**	(26.1)	(26.1)
Other reserve	7	**-**	2.1	2.1
Own shares held	7	**(37.0)**	(5.0)	(5.0)
Profit and loss account	7	**56.1**	(38.5)	(7.1)
Equity shareholders' funds	8	**346.5**	286.0	317.4

William Hill PLC

Consolidated Cash Flow Statement
for the 26 weeks ended 29 June 2004

	Notes	**26 weeks ended 29 June 2004 £m**	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Net cash inflow from operating activities	9	**142.1**	107.2	224.5
Returns on investments and servicing of finance	10	**(11.9)**	(14.9)	(22.4)
Taxation		**(27.9)**	0.2	(21.7)
Capital expenditure and financial investment	10	**(7.2)**	(9.9)	(18.5)
Acquisitions	10	**-**	(4.9)	(4.9)
Equity dividend paid		**(37.7)**	(24.2)	(38.8)
Net cash inflow before financing		**57.4**	53.5	118.2
Financing	10	**(43.8)**	(59.3)	(116.4)
Increase/(decrease) in cash in the period	11	**13.6**	(5.8)	1.8

Notes to the accounts
for the 26 weeks ended 29 June 2004

1. Basis of preparation

The interim report comprises the unaudited results for the 26 weeks to 29 June 2004, comparative unaudited results for the 26 weeks ended 1 July 2003 and the audited results for the 52 weeks to 30 December 2003. The interim report has been prepared by the directors under the historical cost convention and on a basis consistent with applicable accounting standards. The interim report has been prepared on the basis of the accounting policies set out in the Group's statutory accounts for the 52 weeks ended 30 December 2003 with the exception of the change in policy outlined below. The interim report should therefore be read in conjunction with the 2003 report and accounts.

The Group has adopted Abstract 38 'Accounting for ESOP trusts' and the related amendments to Abstract 17 'Employee share schemes' issued by the Urgent Issues Task Force in December 2003.

The provisions of Abstract 38 change the presentation of an entity's own shares held in trust from requiring them to be recognised as assets (within investments), to requiring them to be deducted in arriving at shareholders' funds. The amount representing own shares held was £4.4m at 31 December 2002, £3.7m at 1 July 2003 and £2.8m at 30 December 2003.

Amended Abstract 17 requires that the minimum expense recognised in respect of share awards and options should be the difference between the fair value of the shares at the date of award and the amount that an employee may be required to pay for the shares ('the intrinsic value'). The expense was previously determined either as the intrinsic value or, where purchases of shares had been made by a trust at fair value, by reference to the cost of shares that were available for the award. The impact of adopting the amended Abstract 17 amounted to an additional charge of £0.6m against profit before tax in the 26 weeks ended 29 June 2004 (26 weeks ended 1 July 2003 – £0.5m; 52 weeks ended 30 December 2003 – £1.3m). In addition, £0.6m was charged in periods prior to 1 January 2003.

The interim report for the 26 weeks ended 29 June 2004, which was approved by the board of directors on 3 September 2004, does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The results for the 52 week period ended 30 December 2003 were extracted from the full accounts for William Hill PLC for the 52 weeks ended 30 December 2003, which have been filed with the Registrar of Companies. The auditors' report contained therein, was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

2. Segmental information

The Group's turnover, profits and operating net assets arise primarily from customers in the United Kingdom and therefore segmental information by geographical location is not presented.

Segmental information by distribution channel is shown below:

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 (restated) £m	52 weeks ended 30 December 2003 (restated) £m
Turnover			
- Retail	**3,266.1**	2,163.9	4,751.8
- Telephone	**274.5**	278.1	570.5
- Interactive	**331.4**	284.8	592.6
- Other activities	**14.6**	14.9	30.9
	3,886.6	2,741.7	5,945.8
Gross win			
- Retail	**290.8**	253.7	505.6
- Telephone	**34.6**	28.3	56.5
- Interactive	**52.9**	38.6	84.9
- Other activities	**3.8**	3.4	7.3
	382.1	324.0	654.3
Operating profit			
- Retail	**97.1**	80.6	152.4
- Telephone	**13.8**	10.4	22.2
- Interactive	**24.2**	16.1	37.1
- Other activities	**-**	0.5	0.9
- Central costs	**(5.5)**	(7.5)	(15.1)
	129.6	100.1	197.5
Net assets/(liabilities)			
- Retail	**55.3**	61.7	59.5
- Telephone	**(2.0)**	0.6	(0.5)
- Interactive	**(1.0)**	1.0	1.4
- Other activities	**7.2**	7.8	6.9
- Corporate	**287.0**	214.9	250.1
	346.5	286.0	317.4

The retail distribution channel comprises all activity undertaken in LBOs including AWPs and FOBTs. Other activities include on-course betting and greyhound stadia operations.

The directors believe that gross win and operating profit are more important performance metrics than turnover.

Net assets/(liabilities) have been allocated by segment where assets and liabilities can be identified with a particular channel. Corporate net assets include goodwill, corporation and deferred tax, net borrowings, pension liability and dividends payable as well as any assets and liabilities that cannot be allocated to a particular channel other than on a relatively arbitrary basis.

2. Segmental information (continued)

The segmental analysis of gross win set out above is shown before deducting GPT, duty, levies, VAT and other cost of sales such as casino and FOBT royalties to arrive at gross profit. A reconciliation from gross win to gross profit as presented in the profit and loss account is set out below:

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Gross win	**382.1**	324.0	654.3
GPT, duty, levies, VAT and other cost of sales	**(85.2)**	(69.5)	(143.2)
Gross profit	**296.9**	254.5	511.1

3. Net interest payable

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Interest receivable:			
Interest receivable	**0.7**	1.2	1.6
Interest payable and similar charges:			
Interest on bank loans and overdrafts	**(11.7)**	(15.4)	(28.7)
Interest on guaranteed unsecured loan notes 2005	**(0.1)**	(0.2)	(0.3)
Interest on high yield bonds	**-**	(0.3)	(0.3)
Share of associate's net interest payable	**(0.1)**	-	(0.1)
Amortisation of finance costs	**(0.7)**	(0.7)	(1.4)
Net interest payable	**(11.9)**	(15.4)	(29.2)

4. Tax on profit on ordinary activities

The tax charge on ordinary activities has been calculated using an expected effective rate for the full year of 28.8% (26 weeks ended 1 July 2003 – 27.1%; 52 weeks ended 30 December 2003 – 26.7%). This is lower than the statutory rate of 30% due to the utilisation of prior period tax losses.

5. Dividends proposed and paid

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Equity shares:			
- interim dividend proposed/paid	**22.4**	14.6	14.6
- final dividend paid	**-**	-	37.6
	22.4	14.6	52.2
Dividend per ordinary share (pence)	**5.5**	3.5	12.5

5. Dividends proposed and paid (continued)

The interim dividend of 5.5p (26 weeks ended 1 July 2003 – 3.5p) will be paid on 2 December 2004 to all shareholders on the register on 5 November 2004.

Under an agreement signed in November 2002, The William Hill Holdings 2001 Employee Benefit Trust agreed to waive all dividends. As at 29 June 2004, the trust held 2.9m ordinary shares. In addition, the Company has not provided for dividends on the 14.3m shares held in Treasury or repurchased and subsequently cancelled as at 3 September 2004. The Company estimates that 404.7m shares will qualify for the interim dividend.

6. Earnings per share

The basic and diluted earnings per share are calculated based on the following data:

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 (restated) £m	52 weeks ended 30 December 2003 (restated) £m
Profit after tax for the financial period	**84.3**	62.0	124.3

	Number (m)	Number (m)	Number (m)
Basic weighted average number of shares	**418.4**	418.4	418.7
Dilutive potential ordinary shares:			
Employee share awards and options	**7.5**	4.3	5.3
Dilutive weighted average number of shares	**425.9**	422.7	424.0

The basic weighted average number of shares excludes shares held by The William Hill Holdings 2001 Employee Benefit Trust and those shares held in treasury as such shares do not qualify for dividends. The effect of this is to reduce the average number of shares in the 26 weeks ended 29 June 2004 by 4.5m (26 weeks ended 1 July 2003 – 4.4m; 52 weeks ended 30 December 2003 – 4.4m).

7. Reserves

	Share capital £m	Share premium account £m	Merger reserve £m	Other reserves £m	Own shares held £m	Profit and loss account £m	Total £m
At 31 December 2003 (as previously reported)	42.2	311.3	(26.1)	2.1	-	(9.3)	320.2
Prior period adjustment (note 1)	-	-	-	-	(5.0)	2.2	(2.8)
As restated	42.2	311.3	(26.1)	2.1	(5.0)	(7.1)	317.4
Retained profit for the financial period	-	-	-	-	-	61.9	61.9
Actuarial loss recognised in the pension scheme	-	-	-	-	-	(0.6)	(0.6)
Deferred tax arising thereon	-	-	-	-	-	0.2	0.2
Treasury shares purchased	-	-	-	-	(33.7)	(0.3)	(34.0)
Expense recognised in respect of share remuneration	-	-	-	-	-	1.7	1.7
Movements on reserves due to transfer of own shares to recipients	-	-	-	(2.1)	1.7	0.4	-
Currency translation differences on foreign currency net investments	-	-	-	-	-	(0.1)	(0.1)
At 29 June 2004	**42.2**	**311.3**	**(26.1)**	**-**	**(37.0)**	**56.1**	**346.5**

Own shares held at 29 June 2003 amounting to £37.0m comprise 6.3m shares held in treasury purchased for £33.7m (excluding costs of £0.3m) and 2.9m shares held in The William Hill Holdings 2001 Employee Benefit Trust purchased for £3.3m. The shares held in treasury were purchased at a weighted average price of £5.35. As at 29 June 2004, the Company had paid £28.8m (see note 10) and owed £4.9m in respect of repurchased shares.

Profit and loss reserve:

	29 June 2004	1 July 2003 (restated)	30 December 2003 (restated)
	£m	£m	£m
Profit and loss account excluding pension liability	**86.6**	(1.7)	24.6
Pension liability	**(30.5)**	(36.8)	(31.7)
Profit and loss account including pension liability	**56.1**	(38.5)	(7.1)

William Hill PLC

Notes to the accounts
for the 26 weeks ended 29 June 2004

8. Reconciliation of movements in equity shareholders' funds

	29 June 2004 **£m**	1 July 2003 (restated) £m	30 December 2003 (restated) £m
Profit for the financial period	**84.3**	62.0	124.3
Other recognised gains and losses relating to the period (net)	**(0.5)**	(7.9)	(2.5)
	83.8	54.1	121.8
Dividends	**(22.4)**	(14.6)	(52.2)
Own shares purchased during period	**(34.0)**	-	-
Expense recognised in respect of share remuneration	**1.7**	1.6	2.9
Net addition to equity shareholders' funds	**29.1**	41.1	72.5
Opening equity shareholders' funds (as previously reported)	**317.4**	249.3	249.3
Prior period adjustment - reclassification of opening balance of own shares held (note 1)	**-**	(4.4)	(4.4)
As restated	**317.4**	244.9	244.9
Closing equity shareholders' funds	**346.5**	286.0	317.4

9. Reconciliation of operating profit to net cash inflow from operating activities

	26 weeks ended 29 June 2004 **£m**	26 weeks ended 1 July 2003 (restated) £m	52 weeks ended 30 December 2003 (restated) £m
Operating profit	**129.6**	100.1	197.5
Depreciation	**7.9**	9.5	18.4
Profit on sale of fixed assets	**(0.4)**	-	-
Expense recognised in respect of share remuneration	**1.7**	1.6	2.9
Increase in debtors	**(2.3)**	(4.3)	(1.5)
Increase in creditors	**8.8**	0.5	7.2
Cash contributions in excess of defined benefit pension cost	**(3.2)**	(0.2)	-
Net cash inflow from operating activities	**142.1**	107.2	224.5

10. Analysis of cash flows

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Returns on investments and servicing of finance:			
Interest received	**0.7**	1.1	1.6
Interest paid	**(12.6)**	(16.0)	(24.0)
Net cash outflow	**(11.9)**	(14.9)	(22.4)
Capital expenditure and financial investment:			
Purchase of fixed assets	**(7.8)**	(10.1)	(18.8)
Sale of tangible fixed assets	**0.6**	0.2	0.3
Net cash outflow	**(7.2)**	(9.9)	(18.5)
Acquisitions			
Purchase of subsidiary undertaking	**-**	(5.7)	(5.7)
Net cash acquired with subsidiary undertaking	**-**	0.8	0.8
Net cash outflow	**-**	(4.9)	(4.9)
Financing			
Loan facilities repaid	**(15.0)**	(59.3)	(116.4)
Own shares purchased during period	**(28.8)**	-	-
Net cash outflow	**(43.8)**	(59.3)	(116.4)

11. Analysis and reconciliation of net debt

	31 December 2003 £m	Cash flow £m	Other non-cash items £m	**29 June 2004 £m**
Analysis of net debt				
Cash at bank and in hand	46.4	13.6	-	**60.0**
Debts due within one year	(45.9)	(10.0)	-	**(55.9)**
Debts due after more than one year	(366.6)	25.0	(0.7)	**(342.3)**
Total	(366.1)	28.6	(0.7)	**(338.2)**

Other non-cash items of £0.7m comprise amortised debt issue costs.

	26 weeks ended 29 June 2004 £m	26 weeks ended 1 July 2003 £m	52 weeks ended 30 December 2003 £m
Increase/(decrease) in cash in the period	**13.6**	(5.8)	1.8
Cash outflow from decrease in net debt	**15.0**	59.3	116.4
Change in net debt resulting from cash flows	**28.6**	53.5	118.2
Loans acquired	**-**	(1.6)	(1.6)
Debt issue costs written off and amortised	**(0.7)**	(0.7)	(1.3)
	27.9	51.2	115.3
Opening net debt	**(366.1)**	(481.4)	(481.4)
Closing net debt	**(338.2)**	(430.2)	(366.1)

INDEPENDENT REVIEW REPORT TO WILLIAM HILL PLC

Introduction

We have been instructed by the Company to review the financial information for the 26 weeks ended 29 June 2004, which comprises the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated balance sheet, the consolidated cash flow statement and related notes 1 to 11. 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.

This report is made solely to the Company in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

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 polices and presentation applied to the interim figures are 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 the 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 tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom auditing standards 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 26 weeks ended 29 June 2004.

Deloitte & Touche LLP
Chartered Accountants
London

3 September 2004

Neither an audit nor a review provides assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular whether any changes may have occurred to the financial information since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.