



## **HRG Historic Corporate Actions FAQs**

**I bought shares in GUS several years ago, but cannot remember what price I paid. I now need this information to complete my tax return. Where can I find out the original share price?**

The contract note that was provided by the broker when purchasing the shares will have this information. In the absence of this, the London Stock Exchange can provide the information for a small charge. For details, please phone 01232 321094. There is also some limited historical price information in the share information section of this website.

**I have a question about the tax on my shares. Who do I speak to?**

We are not able to provide advice to investors on such matters. For such advice, please contact your financial adviser.

**What is the effect of the Burberry demerger and the GUS share consolidation on 13 December 2005 on GUS shareholders at that date?**

(i) The Burberry demerger

As indicated in the GUS EGM Circular, GUS shareholders received 305 Burberry Group plc shares for every 1,000 GUS shares held at the record time on 13 December.

(ii) The GUS share consolidation

Immediately after the demerger of Burberry on 13 December 2005, the share capital of GUS was consolidated and the nominal value of each consolidated GUS share was increased from 25 pence to 29 <sup>3</sup>/<sub>43</sub> pence. As a consequence, GUS shareholders received 860 new consolidated GUS Ordinary shares of nominal value 29 <sup>3</sup>/<sub>43</sub> pence each for every 1,000 old GUS Ordinary shares of nominal value 25 pence each held at the Record Time of 7am on 13 December 2005. This process also involved the issue of new 29 <sup>3</sup>/<sub>43</sub> pence Ordinary share certificates to replace existing 25 pence Ordinary share certificates, which have now become valueless.

(iii) UK Capital Gains Tax

Following the demerger of Burberry and the GUS share consolidation, the previous base cost of any old GUS shares held at 7am on 13 December 2005 is apportioned for UK capital gains tax purposes in the following ratio: new GUS shares 86.897%; Burberry shares 13.103%. This is based on the dividend ratio of 0.305 Burberry shares for each old GUS share held and the

respective market values on 13 December 2005, determined according to normal UK CGT rules, of 980.5 pence for new GUS shares and 416.875 pence for Burberry shares.

### **What is the 1982 value of GUS shares for UK Capital Gains Tax purposes?**

a) Disposals before the Burberry demerger and the GUS share consolidation on 13 December 2005:

For UK capital gains tax purposes, the 31 March 1982 values (as adjusted for the enfranchisement and bonus issues in 1993) are: Ordinary Shares held at 31 March 1982 - 72.57 pence. 'A' Ordinary Shares held at that date (and redesignated as Ordinary shares in 1993) - 129 pence.

b) Disposals after the Burberry demerger and the GUS share consolidation on 13 December 2005:

Following the demerger of Burberry Group plc from GUS on 13 December 2005 and the GUS share consolidation at that date (which increased the nominal value of each new GUS share), the 31 March 1982 values are apportioned for UK capital gains tax purposes as follows:

Burberry shares

<b>Apportioned between</b>		
<b>New GUS shares</b>	<b>Burberry shares</b>	
Ordinary Shares held at 31 March 1982	73.40p	9.44p
'A' Ordinary Shares held at 31 March 1982 (redesignated as Ordinary shares in 1993)	130.48p	16.79p

The apportionment ratio is given within the previous question.

### **What was the initial value of Home Retail Group shares for UK Capital Gains Tax purposes?**

Following the separation of Home Retail Group and Experian from GUS, the previous base cost of any GUS plc shares held at 4.30pm on 6 October 2006 is apportioned for UK Capital Gains Tax (CGT) purposes in the following ratio: 58.235% to Experian Group Ltd shares and 41.765% to Home Retail Group plc shares (based on the closing prices of the respective shares on their first day of trading after their admission to the Official List of the LSE on 11 October 2006). For GUS shares acquired prior to the demerger of Burberry on 13 December 2005 which are affected by both the Burberry demerger and the subsequent separation of Home Retail

Group and Experian, the original CGT base cost is apportioned 50.604% to Experian Group Ltd shares, 36.293% to Home Retail Group plc shares and 13.103% to Burberry Group plc shares.

For US federal income tax purposes, in order to determine their respective US tax bases in the Home Retail Group and Experian Group shares received pursuant to the demerger, US shareholders must allocate their basis in the GUS plc shares previously held by them between their Experian Group shares and Home Retail Group shares in proportion to their respective fair market values. For purposes of determining the allocation of basis between the shares in Experian Group and Home Retail Group for UK tax purposes, the market value of each company was determined based on trading prices as at 11 October 2006. Although not necessarily determinative for US tax purposes, we believe it would be reasonable in this case for US shareholders to use such UK tax valuations of the shares in allocating basis between their Experian Group shares and Home Retail Group shares. However, there can be no assurance that the IRS will agree with those valuations, or won't propose an alternative valuation.

US IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any US tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the US Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein