Preliminary Results for the 12 months ended 29 January 2006

SLIDE 1 - Introduction

Good morning ladies and gentlemen. Welcome to our preliminary results announcement for the year to January 29th 2006.

SLIDE 2 - Agenda

This is our agenda for today. This year, in addition to our normal financial and operational review, we will be sharing with you our plans to improve our financial performance in the medium term.

SLIDE 3 – Likely OFT referral

I would like to start by commenting onthe potential OFT referral of the grocery market to the Competition Commission. This is a subject which seems to be high on everyone's agenda at the moment.

Let me tell you that Morrisons welcomes strong competition as good for the consumer and good for our business.

But strong competition also needs to be fair competition.

- When Morrisons gets planning consent, it builds what the plans say.
- When Morrisons advertises a price, you know it is the price you will pay - it does not depend on which format you are in.
- When Morrisons advertises a saving, it is a genuine saving – not money off a price that was artificially inflated the month before.
- We won't make spurious claims against our competitors, on our website or in the press.

We share some of the OFT’s concerns, and hope that measures can be taken to clean up the competitive landscape, hopefully without the cost that a full market reference would incur. We are making appropriate representations to the OFT.

SLIDE 4 – Board

This year we made great strides in strengthening our board by appointing:

- Susan Murray as non-executive director and Chairman of the Remuneration Committee.

- Paul Manduca as a non-executive director and Chairman of the Audit Committee.
- Brian Flanagan & Nigel Robertson as non-executive directors.

And last but not least

- Richard Pennycook as Group Finance Director.

I can confirm that we are making good progress in our search for a new CEO to take over from Bob and, whilst I have nothing further to say today, I will update you further as soon as I can.

Much of the Board's time over the last few months has been focused on the Optimisation Plan and Richard will be talking about this later.

SLIDE 5 - Dividend

The Board's confidence in the future prospects of the company is reflected in its recommendation of a final dividend of 3.07p bringing the full year dividend to 3.7p. This is the same level as last year.

And now I'll hand over to Richard who will take you through the financial results.

SLIDE 6 -

Thanks Ken

Ladies and gentlemen I am pleased that we have stabilised after a difficult year, and can today report trading figures in line with the guidance we gave at the interims. I intend to keep this section brief, to allow more time for our forward looking discussions around the Optimisation Plan.

SLIDE 7 - Financial summary

All numbers in this presentation are in IFRS format - you see here our key financial metrics. Sales were level, despite the volume of disposals, but their composition changed substantially. Our Operating Profits were down from £395m to £112m, and I will talk more about this in a moment.

Exceptional items were in line with previous guidance, with £271m included in the total figure shown here of £374m. Given the Group's profitability in the year, we undertook an impairment review of the Safeway acquisition. No impairment charge was taken against the carrying value of converted stores, as our Optimisation Plan supports these, but we did impair the goodwill arising on the acquisition, of £103.2m.

Net debt remained constant, reflecting the good cash generation characteristics of the business.

Net assets declined by £357m reflecting the loss in the year and our commitment to continue to pay the dividend. Within this figure, fixed assets (which are called "non current" assets under IFRS) increased by £249m as a result of investments in store conversions, new stores and infrastructure.

SLIDE 8 - Profit and loss account

I will bridge both sales and operating profit for you shortly. On this slide, I will just highlight three things:

- that the reduced interest charge is partly due to an increase in interest capitalised to £12m, as a result of some big infrastructure projects that will not recur next year.
- that operating profit before exceptionals of £111.5m would be £109.3m under UK gaap – so no material differences.
- that the effective tax rate is a credit, reflecting loss relief that will be carried back against past profits, leading to repayments of tax. We expect to revert to a normal tax charge next year.

SLIDE 9 - Operating profit pre exceptionals

Between this slide and the profit bridge you will gain a pretty clear idea of how Morrisons moved from an industry leading profit conversion two years ago to 0.9% in 2005/06. Our discussion on the Optimisation Plan will address the journey back towards more acceptable levels of profitability, but here let me highlight the following:

- Gross margin has reduced slightly, by 30bps. In fact, the real performance was somewhat better than this comparison suggests – the prior year figure included a one-time accounting gain of £77m and the current year figure includes the dilutive effect of much increased fuel sales – which as you know are low margin. Taking these two factors into account, there was a margin uplift from 04/05 of approximately 110 bps.
- The rise in staff costs is despite the divestment of 241 stores with associated payroll costs of approximately £80m in the year. The increase reflects a very substantial rise in staff numbers in stores following conversion, as well as more people in our expanded manufacturing facilities and the

increase in depot staff following the opening of the Latimer Park RDC.

- Depreciation was a level percentage of sales, and under UK gaap would have been £265m. I am confident, having reviewed our depreciation policies, that we remain the most conservative company in the sector.
- Other costs, that is overheads, were up significantly – by £158m. The key components were distribution and the impact of energy price increases.

SLIDE 10 - Exceptional costs

Exceptional cash costs were in line with previous guidance. The largest element was the completion of the two year stores conversion programme, with £147m charged in 2005/06 and £58m in 2004/05. These charges were in addition to the capitalized costs of £419m over two years. So in total, the 220 stores converted cost us £624m, equivalent to £2.8m per store or £110 per square foot. This is a higher figure than we previously highlighted but we remain within the overall guidance for post acquisition capex.

The other large cash item in exceptionals reflects the previously announced closure of three depots. Redundancy costs were £44m of the total £76m shown here, and we also took an impairment charge against the properties, of £21m.

We have written off the £103.2m goodwill created on the acquisition of Safeway. This arose on conversion from UK Gaap to IFRS and the Board considers, in view of the Group's current financial performance and the likelihood that profit recovery will take time, that it is appropriate to write off this item.

SLIDE 11 - Sales bridge – year on year

I mentioned previously that there were a lot of moving parts in sales in the year, and this chart helps to summarise them. It shows non fuel takings including VAT.

In bridging the two years' sales figures, £686m reflects 5 additional weeks of Safeway in 05/06, as the business was only owned for 47 weeks in the previous year. £780m results from the volume reduction of stores sold in 2004/05 and a further £687m from stores sold in the year. These are much the largest effects. Core Morrisons store sales were down £163m, primarily as a result of cannibalization following the disposals required by the OFT, which cost some £3m in lost sales per affected store. The good news story was the growth of £375m in the converted stores, and Bob will update you later on the most recent trends.

It is worth pointing out that the "disposal effect" will continue to be seen in 2006/07. There were sales in the year of £544m from stores that are no longer in the Group.

SLIDE 12 - Profit bridge – year on year

This slide sets out the year on year movement in operating profit. It is only directional, but I think it highlights clearly the dynamics of the year.

In 2005, when the business reported an Operating Profit of £395m, there was a hope that this was a reflection of post acquisition indigestion and that profits would bounce back. In fact in looking at the bridge from last year's operating profit of £395m to this year's £112m, you can see that a number of elements of this performance had been set in train in the immediate aftermath of the Safeway acquisition. £89m of the decline simply reflects accounting changes in 2004/05 which gave a one-time benefit in that year (particularly the recognition, on an accruals basis, of supplier income). A further £132m reflects the direct impact of conversion and disposal activity, in three elements:

Firstly, £49m from lost contribution as a result of disposals.

Secondly, the £47m profit impact on core stores of being required by the OFT to dispose of a number of large Safeway stores.

Thirdly the fact that staff costs in converted stores more than offset the profit contribution from increased sales, leaving those stores down £36m in the year.

These were the biggest effects on the year – totaling £221m of the profit decline. Improvements seen in margin performance, as I mentioned earlier, added £120m in the year, the biggest positive factor. Distribution costs increased by £72m due to the addition of network capacity. Extra manufacturing costs were £30m, reflecting much higher volumes of in house production supporting the bigger business. Cost inflation hit us hard, with the impact of energy cost increases the biggest factor in the £100m shown here. Another large element was higher pensions funding.

As you can see from this bridge, there is not much here that can simply be added back as non-recurring when considering our future profit recovery.

SLIDE 13 - Cash flow

This chart is largely self explanatory. I would just draw your attention to the disposal proceeds and capital expenditure lines. The two year picture shows the full effect of the post acquisition activities, with £1.4bn of disposal proceeds being used to fund the conversion programme and other infrastructure investments of £1.1bn as well as to pay off some of the acquisition debt. A full reconciliation of the movement in net debt is provided at the back of your packs. There are no more large disposals to come, but there will be some more infrastructure cost in distribution.

Ladies and gentlemen, there is much more financial detail available in your packs, but we have covered the key elements. Now let me hand you over to Bob Stott, for the operational review. Bob…

SLIDE 14

Thank you Richard

Good Morning ladies and gentlemen. It is good to be here again, even if for the final time. As Ken has said the search for my successor is well underway. However I continue to remain totally focused on the business but will also be ready to handover as soon as it's practical.

SLIDE 15 - Operational review

I am very pleased with what we have achieved operationally since the Christmas period update. The major events post Christmas have involved the commencement in February, of the first steps in the practical implementation of optimisation, the closure and sale of the former Safeway offices at Hayes and a major Company conference in order to explain our plans to all our senior management. I would also add at this point that this follows a conference in Leeds on November 28th to update our supply base following the completion of our conversion program. Our plans and strategy were very well received by our suppliers.

SLIDE 16 - The stores estate

This next slide demonstrates the nationwide network of stores now trading under the Morrison brand. We have created one business with one vision and one set of values. Going forward, as we indicated at the interims, we will therefore report to you as one business. In moving to the current 374 store estate we converted 220 stores, sold 241 and opened 15 new builds during 2004 and 2005. Since January 29th we have completed the planned disposal of a further four stores. There is a slide at the back of your pack which tracks the store estate during the last financial year.

SLIDE 17 - The stores estate - size

This slide demonstrates the components of the Morrison store estate by store sales areas. It highlights that around 40% of our stores, excluding the systems conversions, are now less than 25,000 square feet and these need to have an appropriate customer offer relative to specific store size, geography and demographics. Work is already underway as part of our optimisation program, and Richard will be talking about this later.

SLIDE 18 - The stores estate - geography

This completes the store estate picture in identifying the year end store numbers in our operating regions, and as you can see we are now a truly national brand. You will note that I have also shown the numbers of petrol filling stations in each region and I am pleased to tell you that we are now the fifth biggest fuel brand nationally and second to Tesco in the supermarket league. Both these stats are based on volume sales, the true measure in fuel retailing.

SLIDE 19 - Support infrastructure - distribution

I now move onto updating you on our distribution infrastructure and confirm that all activity ceased in January at Aylesford and Bristol, whilst the only activity still live at Warrington covers frozen foods. Warrington will finally close when our new frozen food distribution centre is fully on stream at Corby later this year. We are very well placed with distribution facilities in Scotland, the North East, the North West and into the Midlands, South Wales and East Anglia. We have no issues with capacity in serving the South West and South East but we are traveling too far in so doing. Our priority is therefore to develop modern regional distribution facilities to serve the south. Again this is part of the optimisation opportunity. In closing Aylesford, Bristol and Warrington we have moved from tired and high cost facilities at a short term cost, but with annual benefit of £30m.

SLIDE 20 - Support infrastructure - manufacturing

Vertical integration is very much part of our business model. We have increased capacity based on Northamptonshire by doubling the size of our fruit packing facilities at Thrapston and opening a new veg packhouse nearby at Rushden. This slide indicates how we are able to meet most of the needs of the business in fresh produce, fresh meat and certain other fresh food areas. Vertical integration also helps to give us leadership in certain fresh areas, as TNS data will later demonstrate.

SLIDE 21 – Performance update – year to 29th January 2006

I will now show you the like for like sales performance over the whole of last year across the continuing group broken down for the final time between core Morrison stores and the converted estate. Given the flat store sales performance reported in October for the stores converted for more than 52 weeks, I am pleased at the 3.8% uplift I can report for the period to January 29th; 6% if fuel is included.   As reported at Christmas, core Morrisons is now on an improving trend following cannibalisation from converted stores over the past year. Customer numbers, average basket size and sales densities are encouraging across the estate.

SLIDE 22 – Performance update – 7 weeks to 19th March 2006

Looking now at the first 7 weeks of the new year, to Sunday March 19th, I have set out the comparison with full year 2005/6The total like for like sales uplift (excluding fuel) is 3.2% and this, as you will realize, is stronger than the 6 week Christmas figures released in early January. Customer numbers in converted stores continue to grow and are cumulatively 7% higher after 7 weeks. Within the total like for like store sales uplift, stores converted for more than one year are continuing to show a very encouraging trend.

SLIDE 23 – Scotland – the story so far

Scotland is a good example of how well sales are progressing and how our brand is being accepted. Scotland was the region where we first completed the store conversion programme in mid 2005. Our brand was virtually unknown there prior to 2004 and the Safeway brand was well regarded. Following the conversion program we started to make good progress in the second half of 2005. This is clearly demonstrated by the like for like performance in the second half of last year and the first 7 weeks of our new year. The total sales increase in the first few weeks of 2006 is over 20%, excluding fuel.

SLIDE 24 – An improving story

As Richard will clearly articulate our vision is to become "the best grocer in town" and as such the TNS grocery market share trends will indicate our success. The estate stabilised towards the end of last year and so did market share. I am pleased to say that the trend lines are starting to show a positive picture again. The latest 12 week TNS figures to February 26th give us an 11.9% grocery market share – improving to 12% in the final four weeks of this particular period.

SLIDE 25 – Trading indices

I am also pleased to report that various performance indices produced by TNS clearly identify that we over perform in areas which are key to optimisation – in that they meet today's shopping needs. There is one clear exception to that – it is the Health and Beauty category. We identified this some time ago and tested a new format and a wider product range last year. This is an exciting sales and margin opportunity and is something that is very much part of our optimization plan.

SLIDE 26 – The Olive Index

Ed Garner of TNS has developed an Olive Index as a way of measuring a store's appeal to a wider and more affluent customer base. It is probably no surprise that Sainsbury's does so well given their Southern bias. However we are pleased to be comfortably ahead of other multiples who also have a national spread of stores. So much for the comment that our offer doesn't have appeal to a wider audience.

And where I hear you ask is Waitrose?

SLIDE 27 – The Olive Index

Where you'd expect!

SLIDE 28 – Morrisons value

So why are we retaining and growing customers' confidence? Why do one third of the UK population now shop with us at least once every 4 weeks?

Reason number one is that we are seen as being first for value (again the source is TNS), customers like Market Street, they like our promotional program and they admire the integrity of our offer as was reported by last year's 'Which' survey. They like our Best range of products, there are now almost 400 lines, and they see our Eat smart label and our organic ranges growing to meet their desire for healthier options. For those on limited budgets our Bettabuy label continues to offer very low prices.

TNS also measure actual customer purchases against their intention to purchase when they enter the store. This is known as the conversion index. It's good to note that Morrisons conversion rate for fresh fruit and fresh vegetables is the best of all the major store groups – quality condition and availability shining through.

SLIDE 29 – Morrisons – brand qualities

The Morrison brand is a brand for all regions and represents value, top quality, integrity and is delivered with great customer service. Our optimisation phase will gain us recognition as being the Best Grocer in Town. I have been pleased at being involved in the earlier stages of getting us there.

I would now like to hand back to Richard who, as you know, has been spending much of his first 6 months with us, working with our Executive team in the development of our optimisation plan which is focused on delivering a more effective and more profitable business.

Richard

SLIDE 30 - Optimisation Plan

Thanks Bob.

SLIDE 31 – Optimisation plan - themes

I want to spend a few minutes setting the scene and describing the new shape of the business, but let me just also summarise the guidance we are going to be providing:

- There will be no firm guidance on sales, but I will give you a sense of how we are looking at different aspects of the business.
- I will provide firm guidance on margins and costs.
- The very significant levels of exceptional spend getting the business into its new shape will come to an end, with exceptionals below £50m in total over the next 2 years.
- We will keep tight cash control in the coming year, with no increase in net debt.

SLIDE 32 – Optimisation plan – what it is (and is not)

The objectives of the Optimisation Plan are simple – apply the Morrisons model, which has worked so well over many years, to the new, bigger business, and adapt it where we have to, to reflect things that have changed. It is about getting the most out of our new business. Importantly, there is no “golden bullet” to fire, no raft of double running costs to fall out, no huge untapped synergy gains to pursue. Instead, it is about getting back to the day job, and delivering improvement store by store, line by line.

The Board has been very conscious of a few things in developing the Plan:

- Firstly, that it is about basic, tactical profit recovery. There is no “big idea” here. Strategic issues will await the imprint of the new CEO.
- Secondly, that this is not the FD’s plan – the whole management team owns it.
- Thirdly, implementation will take some time – this is a three year programme.

SLIDE 33 - Applying the Morrisons model

The new business is Morrisons. We have one vision – to be the best grocer in town - and one set of values. All the things that the business did right, in delivering industry leading financial performance two years ago, in continuing to win service awards whilst in the thick of the conversion programme, and, right now, in being regarded as the best grocer for value, need to be picked up and applied in all our stores.

This is no mean task.

SLIDE 34 - Adapting where necessary

Morrisons is a new business today. 5.5m customers each week, more than half the total, are only just getting to know us, and two in every three colleagues have less than 2 years service. More than half our space is new to Morrisons, and it is smaller and geographically more diverse than before. Getting our colleagues to deliver the Morrisons way will take us towards our Optimisation Goals – but we will also have to adapt. What works in 40,000 square feet may not work in 20,000, and what works in Newcastle may not work in Newquay. Morrisons has always been able to adapt successfully to new locations and local markets – now there are just more of them. A key to the Optimisation Programme will be more, and faster, adaptation than before.

SLIDE 35 - Delivering the plan – our goals

Our goals for the Optimisation phase are simple. We cannot overestimate the importance, for all colleagues, of getting back to the day job. Throughout the business, people have been distracted for two years - whether it is store managers displaced onto conversion activities, traders distracted by terms rationalisation, distribution managers opening and closing depots, HR managers handling redundancy programmes or finance guys managing disposal transactions. Morrisons was under-resourced to handle this activity, and the best people were put on to it. They are now getting back to the day job.

A strength of Morrisons is the ability of the business to act at pace, as witnessed by the conversion programme. Where we can deliver obvious gains, we are acting quickly.

However, where issues are not so obvious, we will think things through carefully. I will talk later about some trials that are under way, where we think there are benefits to be gained, but cannot be sure until the hypotheses have been tested.

And finally, as I mentioned previously, bigger, more strategic issues will await the arrival of the CEO.

SLIDE 36 - A critical change challenge

The Optimisation Plan is a large change programme, which has to build on the past strengths of the business but adapt these to the new shape of the business. This slide shows some examples:

- In the past, Morrisons was run by a small, tightly knit team at the centre, who knew the business and each other extremely well. Now, there are newcomers in the team, and the business is bigger and more diverse. We have to empower the top team more.
- Morrisons made a great virtue out of keeping things simple, and where we can we want to preserve this ethic. But we cannot avoid the fact that the business is more complex, or that there are so many new people needing to learn, fast.
- Morrisons was a business that acted on sound instinct – the normal decision support functions that would exist in most businesses were not required in Morrisons. They are now – the decision making is more complex, particularly in prioritising our work.
- Being the best creates a confidence that itself builds momentum. Morrisons' confidence has been knocked, but management are committed and determined to rebuild it.

- The low cost Morrisons culture, previously a virtue, in part caused some of the pain post acquisition, with not enough depth of management or systems flexibility. Any change programme has costs attached to it. We must have the former "low cost" credentials in mind, but recognise that we will not get back there immediately.

SLIDE 37 - A critical change challenge

What about the things that really made Morrisons great?

Being sales led, value driven, with a trading mentality, customer focused and massive attention to detail in stores?

In all these respects, there is no change.

SLIDE 38 - Original Morrisons stores – back to best

The so called core Morrisons stores had sales per square foot of £19.94 in 2003/04. Over the past two years, this figure barely changed, whilst cost inflation progressed by over 10%. A key part of our plan is the restoration of these stores to their past, industry best, conversion levels through the resumption of top line growth.

SLIDE 39 - Large converted stores – up to best

We converted 73 large Safeway stores to Morrisons, in places like Milton Keynes and Reading, and in time they should perform just like any comparable Morrisons store. The average size of this batch is 30,000 square feet, and whilst this is smaller than core Morrisons at 36,000, these stores have large enough volumes to convert at high profit levels.

As you can see, in the past year these stores were not performing at best practice levels, and over the next three years we will get them there. A combination of continuing sales momentum and great operational execution is required to build the profits, and a big contribution to this will come from a targeted 2.1m hours saving in the coming year.

SLIDE 40 -Smaller converted stores – forward to best

The smaller converted stores are large enough, at 21,000 square feet, to be "full shop" food stores, but in some respects we have to operate them differently. The original conversion programme simply dropped the Morrisons operating model into the stores, and now we have to go back and fine tune it. Some things are obvious to do – for example our admininstrative offices are manned throughout store opening times . In large stores, this is fine, and needed. In small stores, the volume of work is not there, and the stores can manage perfectly well on a more limited service. Trials have shown we can operate these smaller stores on 160 hours per week less, with no loss of service to the store. This, and other initiatives, will allow us to save 3.9m staff hours in these stores this year, from natural staff turnover.

We have a number of trials beginning to explore more difficult aspects of small store operation, including space allocations, range selection, promotional balance, in-store preparation and supply chain service. We will report back, as these trials progress, on deliverable and quantifiable benefits.

SLIDE 41 - Trading and marketing

The ability to market ourselves under one brand is a great step forward, and Bob has described the early benefits being seen in Scotland. We are equally encouraged that the trends in the sector are moving in our favour:

- The customer is more and more focused on the provenance, quality and healthiness of food, and our "fresh" credentials through Market Street and our vertical supply chain are strengths we can exploit.
- The media and the government are focusing closely on the role of large supermarkets. Morrisons reputation for straight dealing, with both customers and suppliers, will, we believe, stand us in good stead.

I mentioned that a big part of the Optimisation Plan is getting back to the day job. Our data tells us what is happening in our stores, and our people are now in a position to react to it. The chart on the right shows volumes in the South in the past 6 weeks. Market Street is clearly outperforming the overall store, as new customers discover our fresh credentials. As you can see, the salad bar is up 80%, fresh pizza up 46% and deli counter up

57% - all revealing the taste and discernment of our Southern customers. We are also pleased that pie sales, up 28%, are outstripping sales in the North of the country!

A good example of a specific initiative in the Trading arena is health and beauty. My colleagues have known for some time that we were lagging the market in this area, but could not act in the midst of the conversion programme. Now, following successful trials, we are rolling out a new layout and range across 140 large stores, and if the trial results are replicated we will see incremental sales of £100m pa from this initiative.

Our plans anticipate a continuing deflationary environment, but over and above this we have targeted a 90bps margin improvement during the three years of the plan.

SLIDE 42 - Distribution

Many companies have incurred great pain in trying to rationalise their distribution networks too quickly following an acquisition. Morrisons did not do this, with the result that availability in store has continued to be good throughout all the integration and conversion activities. This service came at a cost, however, with distribution costs per case last year some 43% higher than for Morrisons alone in 2003/04. The position will improve this year, following the recent depot closures, with net savings of approximately £30m this year, but as the chart shows our network is out of shape geographically and we will be running more miles than we ideally would like. This position will continue until we can add distribution capacity in the South, and it is likely to be 2008/09 before this can be brought on stream.

SLIDE 43 - In support

The support functions in Morrisons will come together under one roof by the time of the half year. As we move into the year, I hope that a new accounting system and new recruits to the finance team will provide insightful support to the business in monitoring our progress in delivery of the Plan.

Centrally, we will see lower costs as a result of elimination of the “dual running” elements last year and from other overhead reduction actions. These two things will deliver savings of £30m this year.

SLIDE 44 - Restoring pride in Morrisons

There is no rocket science in the Optimisation Plan – it is about hard work, attention to detail and a great team effort. In the coming year, we aim to save 6 million staff hours in store, equivalent to £50m in the year and an annualised saving of £90m.We intendto make progress towards our three year margin improvement target of 90 bps, to save £30m in distribution and a further £30m in the centre. Beyond the current year, we are confident of further improvements in our operating efficiency.

Our recovery will take time, but we are on with it and we will keep you updated on progress.

Now let me hand you back to Ken for his concluding remarks.

SLIDE 45 - Summary

You have seen our historic results, and we have outlined our future plans. It would be an understatement to say that this has been a challenging year. I am sure that we are over the worst and that the business is now stabilised. Certainly the 7 week year to date sales figures are encouraging, albeit that we have a long way to go.

The completion of the largest ever retail conversion programme in the UK in just eighteen months was a stunning achievement and one of which all those involved are justifiably proud. We still have much work to do to complete the necessary cultural change.

Clearly, as we have described, we face a number of challenges as we seek to return the business to delivering acceptable levels of shareholder returns.

I am confident that in our Optimisation Plan we have a blueprint to take the business forward.

Thank you - and I will now invite gentle questions from the floor.