

Group income statement

For the year ended 31 December 2006

	Notes	2006			2005		
		Before exceptional items* £m	Exceptional items* (Note 8) £m	Total £m	Before exceptional items £m	Exceptional items (Note 8) £m	Total £m
Revenue including share of joint ventures and associates		5,852	–	5,852	4,938	–	4,938
Share of revenue of joint ventures and associates	15	(1,365)	–	(1,365)	(1,101)	–	(1,101)
Group revenue	2	4,487	–	4,487	3,837	–	3,837
Cost of sales		(4,121)	–	(4,121)	(3,528)	(14)	(3,542)
Gross profit		366	–	366	309	(14)	295
Net operating expenses							
– amortisation of intangible assets		–	(1)	(1)	–	–	–
– other		(285)	(19)	(304)	(237)	–	(237)
Group operating profit		81	(20)	61	72	(14)	58
Share of results of joint ventures and associates	15	63	–	63	43	30	73
Profit from operations	4	144	(20)	124	115	16	131
Investment income	6	26	–	26	56	–	56
Finance costs	7	(18)	(7)	(25)	(37)	(9)	(46)
Profit before taxation		152	(27)	125	134	7	141
Taxation	9	(35)	1	(34)	(32)	(3)	(35)
Profit for the year attributable to equity shareholders		117	(26)	91	102	4	106

*and amortisation of intangible assets (Note 13)

	Notes	2006 pence	2005 pence
Basic earnings per ordinary share	10	21.2	24.9
Diluted earnings per ordinary share	10	21.0	24.7
Dividends per ordinary share proposed for the year	11	9.1	8.1

Group statement of recognised income and expense

For the year ended 31 December 2006

	Notes	2006 £m	2005 £m
Actuarial gains/(losses) on retirement benefit obligations		36	(14)
PFI/PPP cash flow hedges – net fair value gains/(losses)		32	(17)
– reclassified and reported in net profit		–	1
PFI/PPP financial assets – fair value revaluation		(2)	10
– reclassified and reported in net profit		–	(4)
Changes in fair value of net investment hedges		14	(6)
Currency translation differences		(17)	8
Tax on items taken directly to equity		(26)	9
Net income/(expense) recognised directly in equity		37	(13)
Profit for the year		91	106
Total recognised income for the year attributable to equity shareholders	28.1	128	93