

For the year ended 31 December 2007

Group income statement

	Notes	2007			2006		
		Before exceptional items* £m	Exceptional items* (Note 8) £m	Total £m	Before exceptional items* £m	Exceptional items* (Note 8) £m	Total £m
Continuing operations							
Revenue including share of joint ventures and associates		7,488	–	7,488	5,506	–	5,506
Share of revenue of joint ventures and associates	16	(1,022)	–	(1,022)	(1,019)	–	(1,019)
Group revenue	2	6,466	–	6,466	4,487	–	4,487
Cost of sales		(5,959)	(33)	(5,992)	(4,121)	–	(4,121)
Gross profit		507	(33)	474	366	–	366
Net operating expenses							
– amortisation of intangible assets		–	(9)	(9)	–	(1)	(1)
– other		(381)	(6)	(387)	(286)	(19)	(305)
Group operating profit		126	(48)	78	80	(20)	60
Share of results of joint ventures and associates	16	65	6	71	48	–	48
Profit from operations	4	191	(42)	149	128	(20)	108
Investment income	6	29	–	29	26	–	26
Finance costs	7	(19)	(2)	(21)	(18)	(7)	(25)
Profit before taxation		201	(44)	157	136	(27)	109
Taxation	9	(53)	65	12	(35)	1	(34)
Profit for the year from continuing operations		148	21	169	101	(26)	75
(Loss)/profit for the year from discontinued operations	10	2	(20)	(18)	16	–	16
Profit for the year attributable to equity shareholders		150	1	151	117	(26)	91

*and amortisation of intangible assets (Note 14)

	Notes	2007 pence	2006 pence
Basic earnings per ordinary share			
– continuing operations	11	39.3	17.6
– discontinued operations	11	(4.2)	3.6
		35.1	21.2
Diluted earnings per ordinary share			
– continuing operations	11	39.0	17.4
– discontinued operations	11	(4.2)	3.6
		34.8	21.0
Dividends per ordinary share proposed for the year	12	11.5	9.1

For the year ended 31 December 2007

Group statement of recognised income and expense

	Notes	2007 £m	2006 £m
Actuarial gains on retirement benefit obligations		2	36
PFI/PPP cash flow hedges – fair value revaluations		(7)	32
– reclassified and reported in net profit		7	–
PFI/PPP financial assets – fair value revaluations		(26)	(2)
– reclassified and reported in net profit		(3)	–
Changes in fair value of net investment hedges		(4)	14
Currency translation differences		7	(17)
Tax on items taken directly to equity		5	(26)
Net (expense)/income recognised directly in equity		(19)	37
Profit for the year from continuing operations		169	75
(Loss)/profit for the year from discontinued operations		(18)	16
Total recognised income for the year attributable to equity shareholders	29.1	132	128