

Segmental reporting
a. Business segment analysis

	2006				
	Revenue £m	Profit from operations £m	Operating margin %	Underlying profit from operations £m	Underlying margin %
Americas Beverages	2,566	562	21.9	584	22.8
Americas Confectionery	1,330	181	13.6	207	15.6
EMEA	2,318	205	8.9	276	11.9
Asia Pacific	1,205	142	11.8	165	13.7
Central	8	(181)	n/a	(159)	n/a
	7,427	909	12.2	1,073	14.4
Share of results in associates		(16)			
Profit before financing and taxation		893			
Investment revenue		48			
Finance cost		(203)			
Profit before taxation		738			
Taxation		(215)			
Minority interests		4			
Profit for the period from continuing operations		527			
Discontinued operations (see Note 32(a))		642			
Profit for the period – equity holders		1,169			

An explanation of segment performance measures is included in Note 1(a).

Reconciliation of profit from operations to Underlying performance measure

	2006						
	Reported performance £m	Reversal of restructuring costs £m	Reversal of amortisation and impairment of intangibles £m	Reversal of non-trading items £m	Reversal of UK product recall £m	IAS 39 adjustment £m	Underlying performance measure £m
Americas Beverages	562	21	19	(17)	–	(1)	584
Americas Confectionery	181	11	2	14	–	(1)	207
EMEA	205	65	15	(38)	30	(1)	276
Asia Pacific	142	15	2	–	–	6	165
Central	(181)	21	–	1	–	–	(159)
Profit from operations	909	133	38	(40)	30	3	1,073

An explanation of the reconciling items between reported and Underlying performance measures is included in Note 1(y).

Financial statements continued

Business segment analysis

	2005				
	Revenue £m	Profit from operations £m	Operating margin %	Underlying profit from operations £m	Underlying margin %
Americas Beverages	1,781	537	30.1	524	29.4
Americas Confectionery	1,228	153	12.4	172	14.0
EMEA	2,257	326	14.4	328	14.5
Asia Pacific	1,157	143	12.3	157	13.6
Central	9	(164)	n/a	(156)	n/a
	6,432	995	15.5	1,025	15.9
Share of results in associates		28			
Profit before financing and taxation		1,023			
Investment revenue		42			
Finance cost		(230)			
Profit before taxation		835			
Taxation		(135)			
Minority interests		(11)			
Profit for the period from continuing operations		689			
Discontinued operations (see Note 32(a))		76			
Profit for the period – equity holders		765			

An explanation of segment performance measures is included in Note 1(a).

Reconciliation of profit from operations to Underlying performance measure

	2005					
	Reported performance £m	Reversal of restructuring costs £m	Reversal of amortisation and impairment of intangibles £m	Reversal of non-trading items £m	IAS 39 adjustment £m	Underlying performance measure £m
Americas Beverages	537	6	2	(20)	(1)	524
Americas Confectionery	153	21	2	–	(4)	172
EMEA	326	21	–	(5)	(14)	328
Asia Pacific	143	15	2	–	(3)	157
Central	(164)	8	–	–	–	(156)
Profit from operations	995	71	6	(25)	(22)	1,025

An explanation of the reconciling items between reported and Underlying performance measures is included in Note 1(y).

Business segment analysis

	2004				
	Revenue £m	Profit from operations £m	Operating margin %	Underlying profit from operations £m	Underlying margin %
Americas Beverages	1,686	479	28.4	503	29.8
Americas Confectionery	1,093	100	9.1	143	13.1
EMEA	2,173	301	13.9	316	14.5
Asia Pacific	1,050	114	10.9	134	12.8
Central	10	(175)	n/a	(149)	n/a
	6,012	819	13.6	947	15.8
Share of results in associates		22			
Profit before financing and taxation		841			
Investment revenue		48			
Finance cost		(253)			
Profit before taxation		636			
Taxation		(144)			
Minority interests		(22)			
Profit for the period from continuing operations		470			
Discontinued operations (see Note 32(a))		55			
Profit for the period – equity holders		525			

An explanation of segment performance measures is included in Note 1(a).

Reconciliation of profit from operations to Underlying performance measure

	2004					
	Reported performance £m	Reversal of restructuring costs £m	Reversal of amortisation and impairment of intangibles £m	Reversal of non-trading items £m	IAS 39 adjustment £m	Underlying performance measure £m
Americas Beverages	479	23	2	(1)	n/a	503
Americas Confectionery	100	41	2	–	n/a	143
EMEA	301	21	–	(6)	n/a	316
Asia Pacific	114	18	2	–	n/a	134
Central	(175)	36	1	(11)	n/a	(149)
Profit from operations	819	139	7	(18)	n/a	947

An explanation of the reconciling items between reported and Underlying performance measures is included in Note 1(y).

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b. Business segment assets and liabilities

	2006						
	Segment assets £m	Investment in associates £m	Unallocated assets ¹ £m	Total assets £m	Segment liabilities £m	Unallocated liabilities ¹ £m	Total liabilities £m
Americas Beverages	3,941	6	–	3,947	(499)	–	(499)
Americas Confectionery	2,319	–	–	2,319	(250)	–	(250)
EMEA	2,414	1	–	2,415	(807)	–	(807)
Asia Pacific	957	1	–	958	(290)	–	(290)
Central	–	14	580	594	–	(4,691)	(4,691)
Continuing operations	9,631	22	580	10,233	(1,846)	(4,691)	(6,537)
Discontinued operations	–	–	–	–	–	–	–
	9,631	22	580	10,233	(1,846)	(4,691)	(6,537)

¹ Unallocated assets and liabilities principally comprise centrally held property, plant and equipment, income tax assets and liabilities, obligations under finance leases, derivative financial instrument balances and group debt.

	2005						
	Segment assets £m	Investment in associates £m	Unallocated assets £m	Total assets £m	Segment liabilities £m	Unallocated liabilities £m	Total liabilities £m
Americas Beverages	3,155	307	–	3,462	(402)	–	(402)
Americas Confectionery	2,590	–	–	2,590	(287)	–	(287)
EMEA	2,412	50	–	2,462	(707)	–	(707)
Asia Pacific	1,000	2	–	1,002	(394)	–	(394)
Central	–	13	522	535	–	(5,876)	(5,876)
Continuing operations	9,157	372	522	10,051	(1,790)	(5,876)	(7,666)
Discontinued operations	911	30	–	941	(291)	–	(291)
	10,068	402	522	10,992	(2,081)	(5,876)	(7,957)

Certain reclassifications relating to debt and tax items have been made between segment assets/liabilities and unallocated assets/liabilities. As a result of these reclassifications unallocated assets have increased from £377 million to £522 million and unallocated liabilities have increased from £4,093 million to £5,876 million with a corresponding decrease in segment assets/liabilities.

	2004						
	Segment assets £m	Investment in associates £m	Unallocated assets £m	Total assets £m	Segment liabilities £m	Unallocated liabilities £m	Total liabilities £m
Americas Beverages	2,791	251	–	3,042	(344)	–	(344)
Americas Confectionery	2,243	–	–	2,243	(250)	–	(250)
EMEA	2,335	27	–	2,362	(755)	–	(755)
Asia Pacific	927	1	–	928	(439)	–	(439)
Europe Beverages	973	31	–	1,004	(222)	–	(222)
Central	–	14	287	301	–	(5,570)	(5,570)
Continuing operations	9,269	324	287	9,880	(2,010)	(5,570)	(7,580)

Certain reclassifications relating to debt and tax items have been made between segment assets/liabilities and unallocated assets/liabilities. As a result of these reclassifications unallocated assets have increased from £253 million to £287 million and unallocated liabilities have increased from £3,980 million to £5,570 million with a corresponding decrease in segment assets/liabilities.

c. Business segment share of result in associates

	2006 £m	2005 £m	2004 £m
Profit from operations of associates			
Americas Beverages	(1)	15	11
Americas Confectionery	–	–	–
EMEA	(22) ¹	7	5
Asia Pacific	–	–	–
Central	7	6	6
Continuing operations	(16)	28	22
Discontinued operations	–	–	(1)
	(16)	28	21

¹ Includes adjustment of £23 million relating to Cadbury Nigeria.

d. Other business segment items

	2006					
	Inter-segment revenue £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions: – excluding acquired subsidiaries £m	– acquired subsidiaries £m	Depreciation and amortisation of software intangibles £m	Amortisation and impairment of intangibles £m
Americas Beverages	1	853	78	234	64	19
Americas Confectionery	24	9	63	–	37	2
EMEA	27	83	167	42	82	15
Asia Pacific	5	–	66	–	36	2
Central	(57)	–	10	–	20	–
Continuing operations	–	945	384	276	239	38
Discontinued operations	–	–	1	–	1	–
	–	945	385	276	240	38

	2005					
	Inter-segment revenue £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions: – excluding acquired subsidiaries £m	– acquired subsidiaries £m	Depreciation and amortisation of software intangibles £m	Amortisation and impairment of intangibles £m
Americas Beverages	–	–	24	–	36	2
Americas Confectionery	23	–	73	–	31	2
EMEA	37	31	126	–	76	–
Asia Pacific	3	–	52	–	35	2
Central	(63)	–	15	–	7	–
Continuing operations	–	31	290	–	185	6
Discontinued operations	–	–	19	–	22	–
	–	31	309	–	207	6

	2004					
	Inter-segment revenue £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions: – excluding acquired subsidiaries £m	– acquired subsidiaries £m	Depreciation and amortisation of software intangibles £m	Amortisation and impairment of intangibles £m
Americas Beverages	–	–	36	–	33	2
Americas Confectionery	12	5	58	2	28	2
EMEA	69	8	96	–	79	–
Asia Pacific	2	18	40	–	33	2
Central	(83)	–	37	–	20	1
Continuing operations	–	31	267	2	193	7
Discontinued operations	–	26	25	–	23	–
	–	57	292	2	216	7

Financial statements continued

e. Secondary segment analysis – geographical segments

2006

	Revenue £m	Segment assets £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions:	
				– excluding acquired subsidiaries £m	– acquired subsidiaries £m
United Kingdom	1,086	1,156	1	84	–
Euro zone	574	732	–	27	–
United States of America	2,792	4,962	862	89	234
Central and Southern America	733	982	–	38	–
Australia	762	558	–	40	–
Other	1,480	1,843	82	106	42
Continuing operations	7,427	10,233	945	384	276
Discontinued operations	70	–	–	1	–
	7,497	10,233	945	385	276

2005

	Revenue £m	Segment assets £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions:	
				– excluding acquired subsidiaries £m	– acquired subsidiaries £m
United Kingdom	1,083	1,099	31	88	–
Euro zone	588	575	–	31	–
United States of America	1,998	3,527	–	40	–
Central and Southern America	658	435	–	44	–
Australia	741	513	–	33	–
Other	1,364	3,902	–	54	–
Continuing operations	6,432	10,051	31	290	–
Discontinued operations	725	941	–	19	–
	7,157	10,992	31	309	–

2004

	Revenue £m	Segment assets £m	Acquisition of intangibles £m	Property, plant and equipment and software intangible additions:	
				– excluding acquired subsidiaries £m	– acquired subsidiaries £m
United Kingdom	1,065	1,153	6	65	–
Euro zone	602	1,608	–	27	–
United States of America	1,889	3,125	5	41	–
Central and Southern America	549	344	–	41	–
Australia	675	467	–	26	–
Other	1,232	3,183	20	67	2
Continuing operations	6,012	9,880	31	267	2
Discontinued operations	726	–	26	25	–
	6,738	9,880	57	292	2

Revenue and profit from operations are recorded by origin. There is no material difference between this classification and revenue and profit from operations by destination. See page 116 for further information regarding business segments.

The Group's revenue is predominantly derived from the sale of confectionery and beverage products. Group revenue, analysed between these groups of products, is set out within Note 2.