

Group income statement

Year ended 31 July 2006

	Notes	2006 £m	2005 £m
<i>Continuing operations</i>			
Revenue	2	14,158	11,256
Cost of sales		(10,222)	(8,174)
Gross profit		3,936	3,082
Distribution costs		(2,413)	(1,930)
Administrative expenses: amortisation of acquired intangibles		(48)	(6)
Administrative expenses: other		(665)	(468)
Administrative expenses: total		(713)	(474)
Other income		24	24
Operating profit	2, 3	834	702
Finance revenue	4	49	27
Finance costs	5	(114)	(64)
Profit before tax		769	665
Tax expense	6	(232)	(186)
Profit for the year attributable to equity shareholders		537	479
Earnings per share	8		
Basic earnings per share		90.77p	81.61p
Diluted earnings per share		90.02p	80.75p
Non-GAAP measures of performance	9		
Trading profit		882	708
Profit before tax and the amortisation of acquired intangibles		817	671

Group statement of recognised income and expense

Year ended 31 July 2006

	2006 £m	2005 £m
Profit for the financial year	537	479
Net exchange adjustments offset in reserves	(124)	57
Cash flow hedges		
– fair value gains and losses	14	(11)
– reclassified and reported in net profit for the year	(1)	–
Actuarial gain/(loss) on retirement benefits	7	(4)
Change in fair value of available-for-sale investments	(7)	–
Tax (charge)/credit recognised in the income statement	6 (13)	34
Net (losses)/gains not recognised in the income statement	(124)	76
Total recognised income for the year attributable to shareholders	413	555

The accompanying notes are an integral part of these consolidated financial statements.