

Group income statement

Year ended 31 July 2007

	Notes	2007 £m	2006 £m
<i>Continuing operations</i>			
Revenue	2	16,221	14,158
Cost of sales		(11,702)	(10,222)
Gross profit		4,519	3,936
Distribution costs		(2,958)	(2,413)
Administrative expenses: amortisation and impairment of acquired intangibles		(124)	(48)
Administrative expenses: other		(723)	(665)
Administrative expenses: total		(847)	(713)
Other income		39	24
Operating profit	2,3	753	834
Finance revenue	4	58	49
Finance costs	5	(177)	(114)
Profit before tax		634	769
Tax expense	6	(160)	(232)
Profit for the year attributable to equity shareholders		474	537
Earnings per share	8		
Basic earnings per share		73.52p	90.77p
Diluted earnings per share		73.17p	90.02p
Non-GAAP measures of performance	9		
Trading profit		877	882
Profit before tax and the amortisation and impairment of acquired intangibles		758	817

Group statement of recognised income and expense

Year ended 31 July 2007

	Notes	2007 £m	2006 £m
Profit for the financial year		474	537
Net exchange adjustments offset in reserves	30	(132)	(124)
Cash flow hedges			
– fair value gains and losses		2	14
– reclassified and reported in net profit for the year		(1)	(1)
Actuarial gains on retirement benefits		70	7
Change in fair value of available-for-sale investments		(5)	(7)
Tax charge not recognised in the income statement	6	(17)	(13)
Net losses not recognised in the income statement		(83)	(124)
Total recognised income for the year attributable to shareholders		391	413

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