

CORPORATE AND OPERATING MEASURES

Sales – underlying and constant exchange rate movement

Sales movement for continuing operations excluding the impact of acquisitions and disposals and movements in exchange rates.

All figures in £ millions	2005
Underlying increase	325
Portfolio changes	29
Exchange differences	46
Total sales increase	400
Underlying increase	9%
Constant exchange rate increase	10%

Adjusted income statement

Reconciliation of the Consolidated Income Statement to the adjusted numbers presented as non-GAAP measures in the financial statements.

All figures in £ millions	2005					Adjusted Income Statement
	Income Statement	Re-analyse Discontinued operations	Other gains and losses	Amortisation of acquired intangibles	Other net finance costs	
Gross profit	2,074	27	–	–	–	2,101
Operating expenses	(1,592)	(30)	–	11	–	(1,611)
Other net gains and losses	40	306	(346)	–	–	–
Share of results of joint ventures and associates	14	–	–	–	2	16
Operating profit	536	303	(346)	11	2	506
Net finance costs	(70)	–	–	–	(14)	(84)
Profit before tax	466	303	(346)	11	(12)	422
Income tax	(124)	(1)	(2)	(4)	3	(128)
Profit for the year from continuing operations	342	302	(348)	7	(9)	294
Profit for the year from discontinued operations	302	(302)	–	–	–	–
Profit for the year	644	–	(348)	7	(9)	294
Minority interest	(20)	–	–	(2)	–	(22)
Earnings	624	–	(348)	5	(9)	272

All figures in £ millions	2004					Adjusted Income Statement
	Income Statement	Re-analyse Discontinued operations	Other gains and losses	Amortisation of acquired intangibles	Other net finance costs	
Gross profit	1,907	129	–	–	–	2,036
Operating expenses	(1,520)	(105)	–	5	–	(1,620)
Other net gains and losses	9	–	(9)	–	–	–
Share of results of joint ventures and associates	8	2	–	–	–	10
Operating profit	404	26	(9)	5	–	426
Net finance costs	(79)	3	–	–	–	(76)
Profit before tax	325	29	(9)	5	–	350
Income tax	(63)	(7)	(36)	(2)	–	(108)
Profit for the year from continuing operations	262	22	(45)	3	–	242
Profit for the year from discontinued operations	22	(22)	–	–	–	–
Profit for the year	284	–	(45)	3	–	242
Minority interest	(22)	–	–	(1)	–	(23)
Earnings	262	–	(45)	2	–	219

All figures in £ millions	2003					Adjusted Income Statement
	Income Statement	Re-analyse Discontinued operations	Other gains and losses	Amortisation of acquired intangibles	Other net finance costs	
Gross profit	2,004	116	–	–	–	2,120
Operating expenses	(1,594)	(87)	–	4	–	(1,677)
Other net gains and losses	(6)	12	(6)	–	–	–
Share of results of joint ventures and associates	2	2	–	–	–	4
Operating profit	406	43	(6)	4	–	447
Net finance costs	(93)	3	–	–	–	(90)
Profit before tax	313	46	(6)	4	–	357
Income tax	(61)	(23)	(31)	(1)	–	(116)
Profit for the year from continuing operations	252	23	(37)	3	–	241
Profit for the year from discontinued operations	23	(23)	–	–	–	–
Profit for the year	275	–	(37)	3	–	241
Minority interest	(23)	–	2	(1)	–	(22)
Earnings	252	–	(35)	2	–	219

Adjusted operating profit – underlying and constant exchange rate movement

Operating profit movement excluding the impact of acquisitions and disposals and movements in exchange rates.

All figures in £ millions	2005		
	Continuing	Discontinued	Total
Underlying increase	88	–	88
Portfolio changes	9	(29)	(20)
Exchange differences	12	–	12
Adjusted operating profit increase	109	(29)	80
Underlying increase	22%	–	22%
Constant exchange rate increase	24%	–	16%

Free cash flow per share

Operating cash flow for continuing and discontinued operations less tax, interest and integration costs paid, divided by the weighted average number of shares in issue.

All figures in £ millions	2003	2004	2005
Adjusted operating profit	447	426	506
Cash conversion	71%	98%	113%
Operating cash flow	318	418	570
Tax paid on operating profits	(34)	(55)	(65)
Net finance costs	(76)	(85)	(65)
Operating free cash flow	208	278	440
Non operating finance changes	–	–	(7)
Non operating tax (paid)/received	(10)	10	–
Integration costs	(8)	(4)	(2)
Total free cash flow	190	284	431
Weighted average number of shares in issue (millions)	794.4	795.6	797.9
Operating free cash flow per share	26.2p	34.9p	55.1p
Total free cash flow per share	23.9p	35.7p	54.0p

Return on invested capital*

Adjusted operating profit less cash tax expressed as a percentage of gross invested capital.

All figures in £ millions	2003	2004	2005
Adjusted operating profit	447	426	506
Cash tax (15%)	(67)	(64)	(76)
Return	380	362	430
Gross goodwill	5,295	5,150	5,663
Net operating assets	1,020	728	792
Invested capital	6,315	5,878	6,455
Return on invested capital	6.0%	6.2%	6.7%