

Group profit and loss account

52 weeks ended 27 February 1999

	Note	Total 1999 £m	Total 1998 (restated) £m
Sales at net selling prices	1	18,546	17,779
Value added tax		(1,388)	(1,327)
Turnover excluding value added tax	1/2	17,158	16,452
Operating expenses			
– Normal operating expenses		(16,155)	(15,505)
– Employee profit-sharing	3	(38)	(35)
– Integration costs	2	(26)	(63)
– Goodwill amortisation	11	(5)	–
Operating profit	1/2	934	849
Loss on disposal of discontinued operations		–	(8)
Net loss on disposal of fixed assets		(8)	(1)
Share of operating profit/(loss) of joint ventures	1	6	(6)
Profit on ordinary activities before interest		932	834
Net interest payable	7	(90)	(74)
Profit on ordinary activities before taxation		842	760
Profit before integration costs, loss on disposal of discontinued operations, net loss on disposal of fixed assets and goodwill amortisation		881	832
Integration costs		(26)	(63)
Loss on disposal of discontinued operations		–	(8)
Net loss on disposal of fixed assets		(8)	(1)
Goodwill amortisation		(5)	–
Tax on profit on ordinary activities	8	(237)	(228)
Profit on ordinary activities after taxation		605	532
Minority interests		1	–
Profit for the financial year		606	532
Dividends	9	(277)	(255)
Retained profit for the financial year	24	329	277
		Pence	Pence
Earnings per share	10	9.14	8.12
Adjusted for integration costs after taxation		0.27	0.79
Adjusted for net loss on disposal of fixed assets and loss on disposal of discontinued operations after taxation		0.12	0.14
Adjusted for goodwill amortisation		0.06	–
Adjusted earnings per share	10	9.59	9.05
Diluted earnings per share	10	8.93	7.93
Adjusted for integration costs after taxation		0.26	0.78
Adjusted for net loss on disposal of fixed assets and loss on disposal of discontinued operations after taxation		0.12	0.13
Adjusted for goodwill amortisation		0.06	–
Adjusted diluted earnings per share	10	9.37	8.84
Dividend per share	9	4.12	3.87
Dividend cover (times)		2.27	2.28

Accounting policies and notes forming part of these financial statements are on pages 22 to 40.