

# Five year financial summary

YEARS ENDED 31 MARCH

	1994 £m	1995 £m	1996 £m	1997 £m	1998 £m
<b>Profit and loss account</b>					
Turnover	13,675	13,893	14,446	14,935	<b>15,640</b>
Other operating income (a)	53	129	103	106	<b>372</b>
Operating profit (b)	2,982	2,663	3,100	3,245	<b>3,657</b>
Group's share of profits (losses) of associated undertakings	18	92	82	139	<b>(252)</b>
Profit (loss) on sale of group undertakings	(14)	241	7	8	<b>63</b>
Net interest payable	(230)	(259)	(170)	(129)	<b>(249)</b>
Premium on repurchase of bonds	–	(75)	–	(60)	<b>–</b>
Profit on ordinary activities before taxation	2,756	2,662	3,019	3,203	<b>3,219</b>
Tax on profit on ordinary activities:					
Corporation and similar taxes	(951)	(926)	(1,027)	(1,102)	<b>(978)</b>
Windfall tax	–	–	–	–	<b>(510)</b>
Profit on ordinary activities after taxation	1,805	1,736	1,992	2,101	<b>1,731</b>
Minority interests	(38)	(5)	(6)	(24)	<b>(25)</b>
Profit for the financial year	1,767	1,731	1,986	2,077	<b>1,706</b>
Earnings per share	28.5p	27.8p	31.6p	32.8p	<b>26.7p</b>
Earnings per share before exceptional items	28.5p	27.8p	31.6p	32.8p	<b>31.7p</b>
Fully diluted earnings per share	27.9p	27.2p	31.0p	32.2p	<b>26.3p</b>
Fully diluted earnings per share before exceptional items	27.9p	27.2p	31.0p	32.2p	<b>31.2p</b>
Dividends per share (including 1997 special dividend of 35p)	16.7p	17.7p	18.7p	54.85p	<b>19.0p</b>
(a) Including MCI merger break-up fee net of expenses	–	–	–	–	<b>238</b>
(b) Including redundancy charges	517	820	421	367	<b>106</b>
<b>Cash flow statement</b>					
Cash flow from operating activities	4,917	5,119	5,834	6,192	<b>6,076</b>
Returns on investments and servicing of finance	(202)	(348)	(150)	(220)	<b>(160)</b>
Taxation	(605)	(1,175)	(784)	(1,045)	<b>(1,886)</b>
Capital expenditure and financial investment	(2,123)	(2,535)	(2,500)	(2,820)	<b>(3,108)</b>
Acquisitions and disposals	(482)	(2,260)	(132)	(252)	<b>(1,501)</b>
Equity dividends paid	(999)	(1,065)	(1,138)	(1,217)	<b>(3,473)</b>
Cash inflow (outflow) before management of liquid resources and financing	506	(2,264)	1,130	638	<b>(4,052)</b>
Management of liquid resources	(797)	2,557	(1,317)	(504)	<b>2,247</b>
Financing	273	(207)	215	(224)	<b>1,794</b>
Increase (decrease) in cash for the year	(18)	86	28	(90)	<b>(11)</b>
Decrease (increase) in net debt for the year	563	(2,146)	1,319	849	<b>(3,860)</b>

# Five year financial summary (continued)

AT 31 MARCH

	1994 £m	1995 £m	1996 £m	1997 £m	1998 £m
<b>Balance sheet</b>					
Tangible fixed assets	15,584	16,012	16,496	16,802	<b>17,252</b>
Fixed asset investments	1,312	1,082	1,057	1,273	<b>1,708</b>
Net current assets (liabilities)	125	(725)	(106)	(2,667)	<b>(2,637)</b>
Total assets less current liabilities	17,021	16,369	17,447	15,408	<b>16,323</b>
Loans and other borrowings falling due after one year	(3,199)	(3,361)	(3,322)	(2,693)	<b>(3,889)</b>
Provisions for liabilities and charges	(701)	(879)	(1,267)	(1,391)	<b>(1,426)</b>
Minority interests	(95)	(132)	(180)	(208)	<b>(223)</b>
Total assets less liabilities	13,026	11,997	12,678	11,116	<b>10,785</b>
Total equity shareholders' funds	13,026	11,997	12,678	11,116	<b>10,785</b>
Total assets	22,565	21,459	23,536	25,062	<b>23,285</b>

## US GAAP

YEARS ENDED 31 MARCH

Income before taxes	2,333	2,580	2,774	3,326	<b>2,796</b>
Net income	1,476	1,744	1,806	2,149	<b>1,451</b>
Basic earnings per ordinary share	23.8p	28.0p	28.8p	33.9p	<b>22.7p</b>
Diluted earnings per ordinary share	23.4p	27.6p	28.4p	33.6p	<b>22.4p</b>
Basic earnings per ADS	£2.38	£2.80	£2.88	£3.39	<b>£2.27</b>
Diluted earnings per ADS	£2.34	£2.76	£2.84	£3.36	<b>£2.24</b>

AT 31 MARCH

Total assets	23,181	23,879	26,183	27,239	<b>27,951</b>
Ordinary shareholders' equity	11,511	12,185	13,010	11,588	<b>12,615</b>