

## ITEM 11 – COMPENSATION OF DIRECTORS AND OFFICERS

The information set forth under the heading “Report on directors’ remuneration” on pages 33 to 40 of the 1998 Report and Accounts contained in the company’s Report on Form 6-K dated 9 June 1998 is incorporated herein by reference.

Helen Alexander, who was appointed to the Board on 1 June 1998, will receive a fee of £27,000 a year for her services as a non-executive director and as a member of the Audit Committee. Neville Isdell, who will be appointed to the Board on 1 July 1998, will receive a fee of £27,000 a year for his services as a non-executive director and as a member of the Remuneration Committee.

## ITEM 12 – OPTIONS TO PURCHASE SECURITIES FROM REGISTRANT OR SUBSIDIARIES

The information set forth under the heading “Directors’ interests” on pages 38 to 40 of the 1998 Report and Accounts contained in the company’s Report on Form 6-K dated 9 June 1998 is incorporated herein by reference.

At 15 May 1998, the options outstanding under the company’s share option schemes, together with their exercise prices and dates, were as follows:

Scheme	Option price per Ordinary Share	Normal date of exercise	Number of Ordinary Shares	
Savings-related schemes	£2.65	1997	85,687	
	3.20	1998	43,948,910	
	3.00	1999	8,430,856	
	3.41	1999	27,285,160	
	3.06	2000	46,133,961	
	3.19	2000	2,117	
	3.22	2000	4,071	
	3.59	2000	121,792	
	3.65	2000	43,457	
	4.04	2000	5,029,863	
	2.67	2001	67,153,951	
	3.59	2002	53,083,779	
	Other share option schemes	2.81	1992 – 1999	141,660
		2.63	1992 – 1999	136,890
		2.89	1993 – 2000	724,349
3.47		1994 – 2001	820	
3.53		1994 – 2001	30,000	
3.32		1995 – 2002	225,180	
3.33		1995 – 2002	1,281,080	
3.40		1995 – 2002	58,530	
4.30		1996 – 2003	1,461,167	
4.60		1996 – 2003	62,580	
3.70		1997 – 2004	128,983	
3.87		1997 – 2004	116,280	
3.75		1997 – 2004	1,752,070	
3.79		1997 – 2004	114,908	
3.98		1998 – 2005	5,030	
3.46	1998 – 2005	75,160		
3.66	1999 – 2006	122,500		
3.81	2000 – 2007	103,550		
4.01	2000 – 2007	69,830		
4.54	2000 – 2007	193,740		
5.96	2000 – 2008	19,470		
Total options outstanding			258,147,381	

At 15 May 1998, the company’s directors as a group held options to subscribe for 347,218 shares.