

Group profit and loss account

for the year ended 31 March 2002

| | Notes | Continuing activities | | | | Discontinued activities and intra-group items £m | Total £m |
|---|-------|--|---|-----------------------------------|---------|---|-------------|
| | | Before goodwill amortisation and exceptional items £m | Goodwill amortisation and exceptional items £m | Total continuing activities £m | | | |
| Total turnover | 3 | 21,815 | – | 21,815 | 2,827 | 24,642 | |
| Group's share of joint ventures' turnover | 3 | (2,752) | – | (2,752) | (76) | (2,828) | |
| Group's share of associates' turnover | 3 | (1,297) | – | (1,297) | (639) | (1,936) | |
| Trading between group and principal joint venture | 3 | 681 | – | 681 | – | 681 | |
| Group turnover | 2, 3 | 18,447 | – | 18,447 | 2,112 | 20,559 | |
| Other operating income | 4 | 361 | – | 361 | 1 | 362 | |
| Operating costs | 5 | (16,037) | (2,817) | (18,854) | (2,546) | (21,400) | |
| Group operating profit (loss) | | 2,771 | (2,817) | (46) | (433) | (479) | |
| Group's share of operating profit (loss) of joint ventures | 6 | (323) | (1,160) | (1,483) | 19 | (1,464) | |
| Group's share of operating profit (loss) of associates | 6 | 215 | (175) | 40 | 43 | 83 | |
| Total operating profit (loss) | | 2,663 | (4,152) | (1,489) | (371) | (1,860) | |
| Profit on sale of fixed asset investments | 7 | – | 169 | 169 | 3,208 | 3,377 | |
| Profit (loss) on sale of group undertakings | 7 | – | (148) | (148) | 1,160 | 1,012 | |
| Profit on sale of property fixed assets | 8 | 27 | 1,062 | 1,089 | – | 1,089 | |
| Interest receivable | 10 | 360 | – | 360 | – | 360 | |
| Amounts written off investments | 9 | – | (535) | (535) | – | (535) | |
| Interest payable | 11 | (1,777) | (162) | (1,939) | (43) | (1,982) | |
| Profit (loss) on ordinary activities before taxation | | 1,273 | (3,766) | (2,493) | 3,954 | 1,461 | |
| Tax on profit (loss) on ordinary activities | 12 | (528) | 143 | (385) | (58) | (443) | |
| Profit (loss) on ordinary activities after taxation | | 745 | (3,623) | (2,878) | 3,896 | 1,018 | |
| Minority interests | 13 | (10) | – | (10) | (13) | (23) | |
| Profit (loss) for the financial year | | 735 | (3,623) | (2,888) | 3,883 | 995 | |
| Dividends (see note below) | 14 | | | | | (173) | |
| Retained profit for the financial year | 28 | | | | | 822 | |
| Basic earnings (loss) per share | 15 | 8.8p | | (34.8)p | | 12.0p | |
| Diluted earnings (loss) per share | 15 | 8.8p | | (34.8)p | | 11.9p | |

In addition to the final dividend recommended for the year of £173 million there was a demerger distribution of £19,490 million, representing the net assets of mmO2 (including purchased goodwill) as at the date of demerger. Of the demerger distribution, £9 million represents a cash dividend paid by British Telecommunications plc to mmO2 plc as part of the demerger process.

Group profit and loss account

for the year ended 31 March 2001

| | Notes | Continuing activities | | | | Total (note 1) £m |
|---|-------|--|---|-----------------------------------|---|-------------------------|
| | | Before goodwill amortisation and exceptional items £m | Goodwill amortisation and exceptional items £m | Total continuing activities £m | Discontinued activities and intra-group items £m | |
| Total turnover | 3 | 21,068 | – | 21,068 | 8,598 | 29,666 |
| Group's share of joint ventures' turnover | 3 | (3,420) | – | (3,420) | (598) | (4,018) |
| Group's share of associates' turnover | 3 | (1,205) | – | (1,205) | (4,714) | (5,919) |
| Trading between group and principal joint venture | 3 | 698 | – | 698 | – | 698 |
| Group turnover | 2, 3 | 17,141 | – | 17,141 | 3,286 | 20,427 |
| Other operating income | 4 | 346 | – | 346 | 13 | 359 |
| Operating costs | 5 | (14,405) | (95) | (14,500) | (6,259) | (20,759) |
| Group operating profit (loss) | | 3,082 | (95) | 2,987 | (2,960) | 27 |
| Group's share of operating loss of joint ventures | 6 | (268) | (241) | (509) | (257) | (766) |
| Group's share of operating profit (loss) of associates | 6 | 111 | (133) | (22) | 391 | 369 |
| Total operating profit (loss) | | 2,925 | (469) | 2,456 | (2,826) | (370) |
| Profit on sale of fixed asset investments | 7 | – | 534 | 534 | 1 | 535 |
| Profit on sale of group undertakings | 7 | – | 84 | 84 | – | 84 |
| Profit on sale of property fixed assets | 8 | 34 | – | 34 | – | 34 |
| Interest receivable | 10 | 379 | 25 | 404 | 4 | 408 |
| Interest payable | 11 | (1,575) | – | (1,575) | (147) | (1,722) |
| Profit (loss) on ordinary activities before taxation | | 1,763 | 174 | 1,937 | (2,968) | (1,031) |
| Tax on profit (loss) on ordinary activities | 12 | (385) | (47) | (432) | (280) | (712) |
| Profit (loss) on ordinary activities after taxation | | 1,378 | 127 | 1,505 | (3,248) | (1,743) |
| Minority interests | 13 | 23 | (21) | 2 | (129) | (127) |
| Profit (loss) for the financial year | | 1,401 | 106 | 1,507 | (3,377) | (1,870) |
| Dividends | 14 | | | | | (571) |
| Transfer from reserves for the financial year | 28 | | | | | (2,441) |
| Basic earnings (loss) per share | 15 | 19.3p | | 20.7p | | (25.7)p |
| Diluted earnings (loss) per share | 15 | 19.0p | | 20.4p | | (25.7)p |

Group profit and loss account

for the year ended 31 March 2000

| | Notes | Continuing activities | | | Discontinued activities and intra-group items £m | Total (note 1) £m |
|---|-------|--|---|-----------------------------------|---|-------------------------|
| | | Before goodwill amortisation and exceptional items £m | Goodwill amortisation and exceptional items £m | Total continuing activities £m | | |
| Total turnover | 3 | 18,228 | – | 18,228 | 3,675 | 21,903 |
| Group's share of joint ventures' turnover | 3 | (1,387) | – | (1,387) | (397) | (1,784) |
| Group's share of associates' turnover | 3 | (892) | – | (892) | (688) | (1,580) |
| Trading between group and principal joint venture | 3 | 176 | – | 176 | – | 176 |
| Group turnover | 2, 3 | 16,125 | – | 16,125 | 2,590 | 18,715 |
| Other operating income | 4 | 216 | – | 216 | – | 216 |
| Operating costs | 5 | (12,911) | (74) | (12,985) | (2,374) | (15,359) |
| Group operating profit (loss) | | 3,430 | (74) | 3,356 | 216 | 3,572 |
| Group's share of operating loss of joint ventures | 6 | (191) | (20) | (211) | (216) | (427) |
| Group's share of operating profit (loss) of associates | 6 | 35 | (37) | (2) | 29 | 27 |
| Total operating profit (loss) | | 3,274 | (131) | 3,143 | 29 | 3,172 |
| Profit on sale of group undertakings | 7 | – | 126 | 126 | – | 126 |
| Profit on sale of property fixed assets | 8 | 26 | – | 26 | – | 26 |
| Interest receivable | 10 | 193 | – | 193 | – | 193 |
| Interest payable | 11 | (520) | – | (520) | (55) | (575) |
| Profit (loss) on ordinary activities before taxation | | 2,973 | (5) | 2,968 | (26) | 2,942 |
| Tax on profit (loss) on ordinary activities | 12 | (848) | (16) | (864) | (93) | (957) |
| Profit (loss) on ordinary activities after taxation | | 2,125 | (21) | 2,104 | (119) | 1,985 |
| Minority interests | 13 | 9 | – | 9 | 1 | 10 |
| Profit (loss) for the financial year | | 2,134 | (21) | 2,113 | (118) | 1,995 |
| Dividends | 14 | | | | | (1,426) |
| Retained profit for the financial year | 28 | | | | | 569 |
| Basic earnings per share | 15 | 29.5p | | 29.2p | | 27.6p |
| Diluted earnings per share | 15 | 28.8p | | 28.5p | | 26.9p |