

# Consolidated income statement

For the 52 weeks ended 27 March 2016 and 52 weeks ended 29 March 2015

	Notes	52 weeks 2016			52 weeks 2015		
		Reported <sup>1</sup> £m	Specific items £m	Adjusted <sup>2</sup> £m	Reported <sup>1</sup> £m	Specific items £m	Adjusted <sup>2</sup> £m
<b>Continuing operations</b>							
<b>Revenue</b>	2	<b>9,251</b>	-	<b>9,251</b>	9,328	-	9,328
Operating costs <sup>3</sup>	3/4	<b>(8,766)</b>	<b>(257)</b>	<b>(8,509)</b>	(8,717)	(129)	(8,588)
People costs		<b>(5,456)</b>	<b>(257)</b>	<b>(5,199)</b>	(5,359)	(129)	(5,230)
Distribution and conveyance costs		<b>(1,736)</b>	-	<b>(1,736)</b>	(1,764)	-	(1,764)
Infrastructure costs		<b>(995)</b>	-	<b>(995)</b>	(1,019)	-	(1,019)
Other operating costs		<b>(579)</b>	-	<b>(579)</b>	(575)	-	(575)
<b>Operating profit before transformation costs</b>		<b>485</b>	<b>(257)</b>	<b>742</b>	611	(129)	740
Transformation costs		<b>(191)</b>	-	<b>(191)</b>	(145)	-	(145)
<b>Operating profit after transformation costs</b>		<b>294</b>	<b>(257)</b>	<b>551</b>	466	(129)	595
Operating specific items:	5						
Employee Free Shares charge		<b>(158)</b>	<b>(158)</b>	-	(169)	(169)	-
Legacy credit/(costs) and impairment		<b>2</b>	<b>2</b>	-	(79)	(79)	-
<b>Operating profit</b>		<b>138</b>	<b>(413)</b>	<b>551</b>	218	(377)	595
Profit on disposal of property, plant and equipment (non-operating specific item)	5	<b>29</b>	<b>29</b>	-	133	133	-
<b>Earnings before interest and tax</b>		<b>167</b>	<b>(384)</b>	<b>551</b>	351	(244)	595
Finance costs	6	<b>(16)</b>	-	<b>(16)</b>	(30)	-	(30)
Finance income	6	<b>3</b>	-	<b>3</b>	4	-	4
Net pension interest (non-operating specific item)	5/10(c)	<b>113</b>	<b>113</b>	-	75	75	-
<b>Profit before tax</b>		<b>267</b>	<b>(271)</b>	<b>538</b>	400	(169)	569
Tax (charge)/credit	7	<b>(45)</b>	<b>73</b>	<b>(118)</b>	(72)	66	(138)
<b>Profit for the year from continuing operations</b>		<b>222</b>	<b>(198)</b>	<b>420</b>	328	(103)	431
<b>Discontinued operations</b>							
Profit from disposal of discontinued operations (non-operating specific item)	5/16	<b>31</b>	<b>31</b>	-	-	-	-
Tax on profit from disposal of discontinued operations	7	<b>(5)</b>	<b>(5)</b>	-	-	-	-
<b>Profit for the year</b>		<b>248</b>	<b>(172)</b>	<b>420</b>	328	(103)	431
<b>Profit for the year attributable to:</b>							
Equity holders of the parent Company		<b>241</b>	<b>(172)</b>	<b>413</b>	325	(103)	428
Non-controlling interests		<b>7</b>	-	<b>7</b>	3	-	3
<b>Earnings per share</b>							
Basic – continuing operations	8	<b>21.5p</b>	<b>(19.8)p</b>	<b>41.3p</b>	32.5p	(10.3)p	42.8p
Diluted – continuing operations	8	<b>21.4p</b>	<b>(19.7)p</b>	<b>41.1p</b>	32.5p	(10.3)p	42.8p
Basic – total Group	8	<b>24.1p</b>	<b>(17.2)p</b>	<b>41.3p</b>	32.5p	(10.3)p	42.8p
Diluted – total Group	8	<b>24.0p</b>	<b>(17.1)p</b>	<b>41.1p</b>	32.5p	(10.3)p	42.8p

<sup>1</sup> Reported – prepared in accordance with International Financial Reporting Standards (IFRS)

<sup>2</sup> Adjusted – a non-IFRS measure, being Reported results excluding specific items

<sup>3</sup> Operating costs are stated before transformation costs, Employee Free Shares charge and legacy credit/(costs) and impairment