



Financial Highlights

Our capital structure is always under review to assess its efficiency in line with the policy of maximising shareholder value.

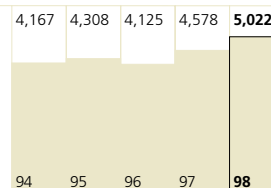
In the last five years the balance sheet has been restructured through share buybacks of £511 million (1994/95) and £300 million (1996/97) and the payment of a special dividend of £400 million (1997/98). The total amount of cash returned to shareholders in these distributions and through normal dividends in the past five years has totalled almost £1.9 billion.

The value of these payments to shareholders and the effect of the movement in share prices in the five year period have led to a total return to shareholders of 128.2 per cent, which represents 17.9 per cent on an annualised basis.



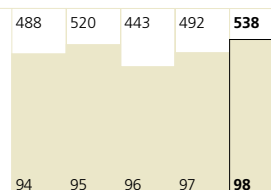
Turnover £m

Turnover increased by 9.7% to £5,021.9 million
 Turnover from continuing operations increased by 11.7%



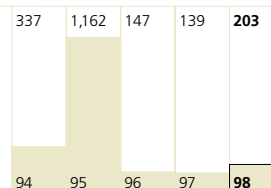
Operating profit before exceptional items £m

Operating profit before exceptional items increased by 9.4% to £538.0 million
 Operating profit before exceptional items from continuing operations increased by 7.7%
 Profit before tax and exceptional items was £553.2 million



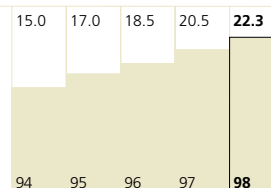
Free cash flow £m

1995 includes the sale of Boots Pharmaceuticals



Distribution to shareholders pence

Dividend per share (excluding special dividend) increased by 8.8% to 22.3p



Share price pence at 31st March

The percentage change in share price for the five years to 31st March 1998 is 100.2%, from 478p to 957p

