

Group profit and loss account

For the year ended 31st March 2003	2003 £m	2002 £m
Turnover		
Turnover from continuing operations	5,092.4	4,803.7
Discontinued operation	234.9	528.5
Turnover: group and share of joint ventures	5,327.3	5,332.2
Less: share of joint ventures' turnover	(2.1)	(3.9)
Group turnover	5,325.2	5,328.3
Operating profit		
Operating profit from continuing operations	534.8	575.7
Discontinued operation	22.5	54.3
Group operating profit	557.3	630.0
Share of operating loss of joint ventures	(13.2)	(20.9)
Total operating profit including share of joint ventures	544.1	609.1
Profit/(loss) on disposal of fixed assets	5.1	(6.0)
Provision for loss on closure of operations	(34.5)	–
Loss on disposal of businesses	(123.2)	(14.9)
Share of joint venture loss on closure of business	–	(5.6)
Profit on ordinary activities before interest	391.5	582.6
Net interest receivable and similar items	103.4	13.2
Profit on ordinary activities before taxation	494.9	595.8
Tax on profit on ordinary activities	(192.7)	(191.2)
Profit on ordinary activities after taxation	302.2	404.6
Equity minority interests	(0.5)	(0.3)
Profit for the financial year attributable to shareholders	301.7	404.3
Dividends paid and proposed	(230.7)	(240.6)
Retained profit for the financial year	71.0	163.7
Basic earnings per share	36.0p	45.9p
Basic earnings per share before exceptionals	45.2p	49.9p
Diluted earnings per share	35.9p	45.8p
Diluted earnings per share before exceptionals	45.1p	49.8p

Directors' remuneration can be found on pages 24 and 25.

Operating profit is stated after deducting exceptional costs of £nil (2002 £16.4m comprising a £10.4m charge relating to the withdrawal of the on-line photographic services of bootsphoto.com and £6.0m additional costs incurred within Boots The Chemists on the cost reduction programme and leisure exit).

The loss on disposal of businesses was £123.2m (2002 £14.9m). The principal disposal in the year was the sale of Halfords Limited (completed on 30th August 2002) to CVC Capital Partners. A provision for loss on closure of operations of £34.5m (2002 £nil) relates to the withdrawal from certain wellbeing services.

Included within net interest is an exceptional credit of £92.1m (2002 £nil) resulting from the closure of various interest rate swaps.

Turnover

Sales to customers, excluding VAT.

Operating profit

Profit from normal trading activities of the group.

Exceptional items

Items which due to their size and incidence are disclosed separately.

Joint ventures

An entity over which the company (Boots) has joint control.

Retained profit

That part of profit for the year which has been retained for the future.

Basic earnings per share

Profit earned for ordinary shareholders divided by the average number of shares in issue.

Diluted earnings per share

As basic, adjusted to reflect the average number of shares which may be issued in the future, therefore diluting earnings.