

Financial Statements

Five Year Review

	IFRS Basis			UK GAAP Basis		
	2006 £m	2005 £m	2004 £m Restated	2004 £m Restated	2003 £m Restated	2002 £m Restated
Income Statement:						
Revenue (restated to exclude land sales)	3,147.4	3,003.2	2,976.0	2,976.0	2,855.5	2,536.1
Group operating profit before exceptional operating items and joint ventures	415.2	438.3	497.9	500.7	429.8	329.7
Share of post tax results of joint ventures	7.6	(0.8)	(0.4)	–	–	–
Share of operating loss of joint ventures	–	–	–	(0.3)	–	–
Exceptional operating items	(60.7)	–	–	–	–	(5.9)
Profit on ordinary activities before finance costs	362.1	437.5	497.5	500.4	429.8	323.8
Finance costs (net)	(51.9)	(71.0)	(59.9)	(49.7)	(51.6)	(37.9)
Profit on ordinary activities before taxation	310.2	366.5	437.6	450.7	378.2	285.9
Tax on profit on ordinary activities	(92.2)	(113.7)	(135.8)	(139.7)	(117.3)	(94.3)
Profit attributable to equity shareholders	218.0	252.8	301.8	311.0	260.9	191.6
Balance Sheet:						
Fixed assets and investments in joint ventures	71.8	57.6	36.4	35.9	26.4	28.1
Inventory	3,140.0	2,932.2	2,647.2	2,655.4	2,365.8	2,079.9
Other working capital	(910.2)	(689.4)	(586.1)	(608.3)	(619.4)	(710.4)
Provisions for liabilities and charges	(22.8)	(21.4)	(26.5)	(26.5)	(27.6)	(28.3)
Deficit on defined benefit pension scheme	(166.8)	(184.6)	(186.2)	–	–	–
Net operating assets	2,112.0	2,094.4	1,884.8	2,056.5	1,745.2	1,369.3
Corporate and deferred taxation (net)	(17.8)	(28.1)	(32.5)	(96.5)	(47.6)	(49.1)
Net assets	2,094.2	2,066.3	1,852.3	1,960.0	1,697.6	1,320.2
Shareholders' funds as reported	1,707.1	1,544.4	1,331.4	1,439.1	1,170.0	943.0
Prior year adjustments	–	–	–	–	(1.6)	1.6
Shareholders' funds restated	1,707.1	1,544.4	1,331.4	1,439.1	1,168.4	944.6
Net debt	387.1	521.9	520.9	520.9	529.2	375.6
	2,094.2	2,066.3	1,852.3	1,960.0	1,697.6	1,320.2
Statistics:						
Return on average shareholders' funds (after tax and before exceptional operating items)	15.7%	17.6%	25.2%	23.9%	24.7%	22.7%
Earnings per ordinary share – basic	54.8p	64.3p	78.4p	80.8p	68.5p	51.1p
Earnings per ordinary share – diluted	54.6p	64.0p	77.3p	79.7p	67.1p	50.0p
Earnings per ordinary share before exceptional operating items – basic	64.4p	64.3p	78.4p	80.8p	68.5p	52.2p
Earnings per ordinary share before exceptional operating items – diluted	64.1p	64.0p	77.3p	79.7p	67.1p	51.1p
Dividends per ordinary share from year's profit	19.4p	17.6p	16.0p	16.0p	12.25p	9.1p
Shareholders' funds per ordinary share	426p	389p	340p	368p	304p	250p
Ratios:						
Dividend cover (times)	2.8	3.7	4.9	5.1	5.6	5.6
Interest cover before exceptional operating items and interest on deferred acquisition consideration (times)	8.1	6.2	8.3	10.1	9.8	11.9
Gearing	23%	34%	39%	36%	45%	40%
Volumes:						
UK completions	13,616	12,100	12,232	12,232	12,909	13,720
US completions	4,347	4,921	4,422	4,422	3,661	3,197