

Notes to the consolidated financial statements

for the year ended 30 September 2008

1 Segmental reporting

Revenues	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Intra- Group £m	
Year ended 30 September 2008						
Total revenue	4,553	3,021	1,926	1,947	–	11,447
Less: Inter-segment revenue ²	–	–	–	–	–	–
External revenue	4,553	3,021	1,926	1,947	–	11,447
Less: Discontinued operations	–	–	–	(7)	–	(7)
External revenue – continuing	4,553	3,021	1,926	1,940	–	11,440
Year ended 30 September 2007						
Total revenue	4,162	2,842	1,986	1,654	(18)	10,626
Less: Inter-segment revenue ²	–	(7)	(7)	(4)	18	–
External revenue	4,162	2,835	1,979	1,650	–	10,626
Transfers ¹	44	–	–	(44)	–	–
Less: Discontinued operations	–	(282)	(48)	(28)	–	(358)
External revenue – continuing	4,206	2,553	1,931	1,578	–	10,268

1 Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

2 In the prior year inter-segment revenue largely arose as the result of trading between Selecta and other discontinued companies and the rest of the Group. There was no inter-segmental trading in the current year.

Revenues	Business segments		Total £m
	Contracts £m	Vending £m	
Year ended 30 September 2008			
External revenue	10,999	448	11,447
Less: Discontinued operations	(7)	–	(7)
External revenue – continuing	10,992	448	11,440
Year ended 30 September 2007			
External revenue	9,843	783	10,626
Less: Discontinued operations	(33)	(325)	(358)
External revenue – continuing	9,810	458	10,268

Notes to the consolidated financial statements

for the year ended 30 September 2008

1 Segmental reporting continued

Result	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Year ended 30 September 2008						
Total operating profit before associates and amortisation of intangibles arising on acquisition	311	197	108	103	(62)	657
Less: Discontinued operations	–	–	–	1	–	1
Operating profit before associates and amortisation of intangibles arising on acquisition – continuing	311	197	108	104	(62)	658
Less: Amortisation of intangibles arising on acquisition	–	–	–	(3)	–	(3)
Operating profit before associates – continuing	311	197	108	101	(62)	655
Add: Share of profit of associates	2	–	2	–	–	4
Operating profit – continuing	313	197	110	101	(62)	659
Finance income						27
Finance costs						(100)
Hedge accounting ineffectiveness						(4)
Change in fair value of minority interest put options						(16)
Profit before tax						566
Income tax expense						(169)
Profit for the year from continuing operations						397
Year ended 30 September 2007						
Total operating profit before associates and amortisation of intangibles arising on acquisition	261	181	107	57	(58)	548
Transfers ¹	3	–	–	(3)	–	–
Less: Discontinued operations	–	(30)	–	7	–	(23)
Operating profit before associates and amortisation of intangibles arising on acquisition – continuing	264	151	107	61	(58)	525
Less: Amortisation of intangibles arising on acquisition	–	–	–	–	–	–
Operating profit before associates – continuing	264	151	107	61	(58)	525
Add: Share of profit of associates	1	–	3	–	–	4
Operating profit – continuing	265	151	110	61	(58)	529
Finance income						28
Finance costs						(115)
Hedge accounting ineffectiveness						(6)
Change in fair value of minority interest put options						–
Profit before tax						436
Income tax expense						(124)
Profit for the year from continuing operations						312

¹ Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

Notes to the consolidated financial statements

for the year ended 30 September 2008

1 Segmental reporting continued

	Geographical segments					Unallocated		Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	Current and deferred tax £m	Net debt £m	
Balance sheet								
As at 30 September 2008								
Total assets	2,100	960	2,124	855	8	275	599	6,921
Total liabilities	(855)	(837)	(308)	(489)	(364)	(258)	(1,604)	(4,715)
Net assets/(liabilities)	1,245	123	1,816	366	(356)	17	(1,005)	2,206
<i>Total assets include:</i>								
Interests in associates – continuing	1	–	27	–	–	–	–	28
As at 30 September 2007								
Total assets – as reported	1,726	849	2,124	620	9	250	854	6,432
Transfers ¹	12	–	–	(12)	–	–	–	–
Total assets – restated	1,738	849	2,124	608	9	250	854	6,432
Total liabilities – as reported	(654)	(713)	(333)	(362)	(406)	(176)	(1,618)	(4,262)
Transfers ¹	(12)	–	–	12	–	–	–	–
Total liabilities – restated	(666)	(713)	(333)	(350)	(406)	(176)	(1,618)	(4,262)
Net assets – as reported	1,072	136	1,791	258	(397)	74	(764)	2,170
Transfers ¹	–	–	–	–	–	–	–	–
Net assets/(liabilities) – restated	1,072	136	1,791	258	(397)	74	(764)	2,170
<i>Total assets include:</i>								
Interests in associates – continuing	2	–	23	–	–	–	–	25

¹ Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

	Business segments			Unallocated		Total £m
	Contracts £m	Vending £m	Central activities £m	Current and deferred tax £m	Net debt £m	
Balance sheet						
As at 30 September 2008						
Total assets	5,543	496	8	275	599	6,921
As at 30 September 2007						
Total assets	5,128	191	9	250	854	6,432

	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Additions to other intangible assets						
Year ended 30 September 2008						
Total additions to other intangible assets	64	2	4	3	1	74
Year ended 30 September 2007						
Total additions to other intangible assets – as reported	7	3	7	2	2	21
Transfers ¹	–	–	–	–	–	–
Restatements ²	52	–	–	1	–	53
Total additions to other intangible assets – restated	59	3	7	3	2	74
Less: Discontinued operations	–	–	–	–	–	–
Additions to other intangible assets – continuing	59	3	7	3	2	74

¹ Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

² Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

Notes to the consolidated financial statements

for the year ended 30 September 2008

1 Segmental reporting continued

	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Additions to property, plant and equipment						
Year ended 30 September 2008						
Total additions to property, plant and equipment³	40	42	20	23	1	126
Year ended 30 September 2007						
Total additions to property, plant and equipment – as reported ³	101	67	18	18	1	205
Transfers ¹	1	–	–	(1)	–	–
Restatements ²	(49)	–	–	(1)	–	(50)
Total additions to property, plant and equipment – restated	53	67	18	16	1	155
Less: Discontinued operations	–	(31)	(3)	–	–	(34)
Additions to property, plant and equipment – continuing	53	36	15	16	1	121

1 Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

2 Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

3 Includes leased assets of £8 million (2007: £15 million).

	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Amortisation of other intangible assets						
Year ended 30 September 2008						
Total amortisation of other intangible assets³	56	10	10	6	2	84
Year ended 30 September 2007						
Total amortisation of other intangible assets – as reported	10	8	9	3	1	31
Transfers ¹	–	–	–	–	–	–
Restatements ²	28	–	–	1	–	29
Total amortisation of other intangible assets – restated	38	8	9	4	1	60
Less: Discontinued operations	–	–	–	–	–	–
Amortisation of other intangible assets – continuing	38	8	9	4	1	60

1 Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

2 Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

3 Including the amortisation of intangibles arising on acquisition.

	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Depreciation of property, plant and equipment						
Year ended 30 September 2008						
Total depreciation of property, plant and equipment	43	38	24	17	3	125
Year ended 30 September 2007						
Total depreciation of property, plant and equipment – as reported	64	56	34	15	1	170
Transfers ¹	–	–	–	–	–	–
Restatements ²	(27)	–	–	(1)	–	(28)
Total depreciation of property, plant and equipment – restated	37	56	34	14	1	142
Less: Discontinued operations	–	(24)	(4)	–	–	(28)
Depreciation of property, plant and equipment – continuing	37	32	30	14	1	114

1 Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

2 Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

Notes to the consolidated financial statements

for the year ended 30 September 2008

1 Segmental reporting continued

	Geographical segments					Total £m
	North America £m	Continental Europe £m	United Kingdom £m	Rest of the World £m	Central activities £m	
Other non-cash expenses						
Year ended 30 September 2008						
Total other non-cash expenses³	4	3	2	1	4	14
Year ended 30 September 2007						
Total other non-cash expenses – as reported	5	7	5	4	4	25
Transfers ¹	–	–	–	–	–	–
Restatements ²	–	–	–	–	–	–
Total other non-cash expenses – restated	5	7	5	4	4	25
Less: Discontinued operations	–	(1)	–	–	–	(1)
Other non-cash expenses – continuing³	5	6	5	4	4	24

1 Mexico was transferred from the Rest of the World to the North America segment during the current reporting period to reflect a similar change in the management reporting structure. The 2007 segmental results have been restated on a consistent basis.

2 Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

3 Other non-cash expenses are mainly comprised of share-based payments.

	Business segments			Total £m
	Contracts £m	Vending £m	Central activities £m	
Other information				
Year ended 30 September 2008				
Total additions to other intangible assets	69	4	1	74
Total additions to property, plant and equipment²	116	9	1	126
Year ended 30 September 2007				
Total additions to other intangible assets – as reported	18	2	1	21
Restatements ¹	53	–	–	53
Total additions to other intangible assets – restated	71	2	1	74
Less: Discontinued operations	–	–	–	–
Additions to other intangible assets – continuing	71	2	1	74
Total additions to property, plant and equipment – as reported ²	157	47	1	205
Restatements ¹	(50)	–	–	(50)
Total additions to property, plant and equipment – restated	107	47	1	155
Less: Discontinued operations	–	(34)	–	(34)
Additions to property, plant and equipment – continuing	107	13	1	121

1 Certain contract-related assets previously included in property, plant and equipment, and other receivables have been reclassified as intangible assets. The 2007 segmental results have been restated on a consistent basis. There is no impact on the income statement.

2 Includes leased assets of £8 million (2007: £15 million).