

# Notes to the financial statements

## 25 Retained earnings

|   | Group<br>Own shares<br>£m | Group<br>Profit and<br>loss account<br>£m | Group<br>Total retained<br>earnings<br>£m | Company<br>Retained<br>earnings<br>restated <sup>1</sup><br>£m |
|---|---------------------------|---|---|--|
| At 23 March 2008                            | (79)                      | 2,445                                     | 2,366                                     | 1,697  |
| Profit for the year                         | -                         | 289                                       | 289                                       | 165  |
| Dividends paid                              | -                         | (218)                                     | (218)                                     | (218)  |
| Share-based payment                         | -                         | 40  | 40  | -  |
| Shares vested                               | 45                        | -   | 45  | -  |
| Allotted in respect of share option schemes | -                         | (45)                                      | (45)                                      | 93   |
| <b>At 21 March 2009</b>                     | <b>(34)</b>               | <b>2,511</b>                              | <b>2,477</b>                              | <b>1,737</b>   |
| At 25 March 2007                            | (83)                      | 2,267                                     | 2,184                                     | 1,795  |
| Profit for the year                         | -                         | 329                                       | 329                                       | 90   |
| Dividends paid                              | -                         | (178)                                     | (178)                                     | (178)  |
| Share-based payment                         | -                         | 41  | 41  | -  |
| B shares redemption                         | -                         | (10)                                      | (10)                                      | (10)   |
| Shares vested                               | 4                         | -   | 4   | -  |
| Allotted in respect of share option schemes | -                         | (4)                                       | (4)                                       | -  |
| At 22 March 2008                            | (79)                      | 2,445                                     | 2,366                                     | 1,697  |

<sup>1</sup> The restatement of certain comparative amounts is explained in note 2 on page 52.

### Own shares held by Employee Share Ownership Plan ("ESOP") trusts

The Group owned 9,650,780 (2008: 22,497,295) of its ordinary shares of 28<sup>4</sup>/<sub>7</sub> pence nominal value each. At 21 March 2009, the total nominal value of the own shares was £2.8 million (2008: £6.4 million).

As at 21 March 2009 none of the own shares are held by an ESOP trust on behalf of certain Directors and senior employees under the Group's Performance Share Plan (2008: 37,627). All shares (2008: 22,459,668) are held by an ESOP trust for the Executive Share Option Plan. The ESOP trusts waive the rights to the dividends receivable in respect of the shareholder under the above schemes.

The cost of the own shares is deducted from equity in the Group financial statements. The market value of the own shares at 21 March 2009 was £30.2 million (2008: £74.9 million).