

BUSINESS REVIEW

Group Performance Review

	Year to 31st March		
	2010 £ million	2009 £ million	% change
Revenue	7,839	7,848	-
Sales excluding precious metals	1,886	1,797	+5
Operating profit	250.6	280.0	-11
Profit before tax	228.5	249.4	-8
Total earnings per share	77.6p	82.6p	-6
Underlying*:			
Operating profit	271.8	298.5	-9
Profit before tax	254.1	267.9	-5
Earnings per share	86.4p	89.6p	-4

* Before amortisation of acquired intangibles, major impairment and restructuring charges and profit or loss on disposal of businesses.

Sales

Revenue for the year ended 31st March 2010 was in line with last year at £7.8 billion, although performance was biased towards the second half of the year due to the increase in activity and precious metal prices; first half revenue was £3.6 billion and second half revenue was £4.2 billion. Despite the economic background, the group's sales excluding precious metals held up well and were 5% higher than last year at £1,886 million. Translated at constant exchange rates, revenue for the year fell by 3% and sales excluding precious metals grew by 1%.



→ Our new heavy duty diesel catalyst manufacturing facility in western Pennsylvania, USA.

Operating Profit

Underlying operating profit (before amortisation of acquired intangibles, major impairment and restructuring charges) was 9% lower than last year at £271.8 million. The group benefited from the weakness of sterling and at constant exchange rates underlying operating profit would have been 13% lower than last year.

This year we have taken an impairment charge in respect of redundant assets at our Pharmaceutical Materials and Services contract research business in Massachusetts, USA. This resulted in a charge of £11.3 million which has been excluded from underlying earnings per share.

The performance of the individual businesses is explained in more detail on pages 12 to 19 in the Operations Review.