

Consolidated income statement

for the year ended 31 December

	Notes	2007 £m	Total 2007 £m	2006 £m	Total 2006 £m
Continuing operations					
Combined sales of Group and equity accounted investments	3		15,710		13,765
Less: share of equity accounted investments	3		(1,401)		(1,432)
Revenue	3		14,309		12,333
Operating costs	4		(13,480)		(11,763)
Other income	5		209		371
<i>Group operating profit excluding amortisation and impairment of intangible assets</i>			1,335		1,080
Amortisation	11		(149)		(105)
Impairment	11		(148)		(34)
Group operating profit			1,038		941
<i>Share of results of equity accounted investments excluding finance costs and taxation expense</i>			142		127
<i>Financial income of equity accounted investments</i>			35		21
<i>Taxation expense of equity accounted investments</i>			(38)		(35)
Share of results of equity accounted investments	14		139		113
<i>Earnings before amortisation and impairment of intangible assets, finance costs and taxation expense (EBITA)</i>			1,477		1,207
Amortisation			(149)		(105)
Impairment			(148)		(34)
<i>Financial income of equity accounted investments</i>			35		21
<i>Taxation expense of equity accounted investments</i>			(38)		(35)
Operating profit	3		1,177		1,054
Finance costs	6				
Financial income			1,257		1,330
Financial expense			(1,199)		(1,525)
			58		(195)
Profit before taxation			1,235		859
Taxation expense	8				
UK taxation			(201)		(97)
Overseas taxation			(134)		(116)
			(335)		(213)
Profit for the year from continuing operations			900		646
Profit for the year from discontinued operations	9		22		993
Profit for the year			922		1,639
Attributable to:					
BAE Systems shareholders			901		1,636
Minority interests			21		3
			922		1,639
Earnings per share					
	10				
Continuing operations:					
Basic earnings per share			26.0p		19.9p
Diluted earnings per share			25.8p		19.8p
Discontinued operations:					
Basic earnings per share			0.6p		30.8p
Diluted earnings per share			0.6p		29.4p
Total:					
Basic earnings per share			26.6p		50.7p
Diluted earnings per share			26.4p		49.2p