

10 Earnings per share

	2007 £m	2006 £m
Basic	28.1p	16.7p
Diluted	27.4p	16.6p

Basic

Basic earnings per share are calculated by dividing profit after tax of £100.4m (2006: £59.9m) by the weighted average number of issued shares during the year of 357.4m (2006: 357.9m). The shares held in the Employee Share Options Plan (ESOP) have been excluded from the calculation until such time as they vest unconditionally with the employees. In addition, the treasury shares have been excluded from the calculation.

Diluted

Diluted earnings per share are calculated by dividing profit after tax of £100.4m (2006: £59.9m) by the adjusted weighted average number of shares of 366.0m (2006: 361.5m). The adjusted weighted average number of shares assumes conversion of dilutive potential ordinary shares, being shares from the SAYE, retention and deferred share schemes. The shares held in the ESOP have been excluded from the calculation until such time as they vest unconditionally with the employees. In addition, the treasury shares have been excluded from the calculation.