

9 Tax continued

	Year ended 31 December 2007		Year ended 31 December 2006	
	Results excluding exceptional items and specific IAS 39 mark to market movements £m	Results including exceptional items and specific IAS 39 mark to market movements £m	Results excluding exceptional items and specific IAS 39 mark to market movements £m	Results including exceptional items and specific IAS 39 mark to market movements £m
b) Reconciliation of tax expense to accounting profit				
Profit before tax (before exceptional items and specific IAS 39 mark to market movements)	596	596	525	525
Exceptional items and specific IAS 39 mark to market movements	–	(113)	–	99
Profit before tax	596	483	525	624
Tax at domestic tax rate of 30% (2006: 30%)	179	145	158	187
Tax effect of:				
Different tax rates of subsidiaries operating in other jurisdictions	4	4	14	14
Share of results of joint ventures and associates	(42)	(42)	(38)	(38)
Tax holidays	(8)	(8)	(10)	(10)
Expenses not deductible/(income not taxable) in determining taxable profit	10	(63)	(4)	(6)
Utilisation of tax losses not previously recognised	(4)	(7)	(4)	(6)
Change in tax rate	(31)	(80)	–	–
Adjustment to prior year provisions	5	5	6	6
Tax expense for the year	113	(46)	122	147

Included in profit before tax excluding exceptional items and specific IAS 39 mark to market movements is a tax charge of £60 million (2006: £55 million) relating to the Group's share of results of joint ventures and associates. The £42 million shown above (2006: £38 million) represents 70% of this tax charge (2006: 70%). The remaining 30% is already included within the tax charge calculated at the domestic tax rate.

Included in profit before tax including exceptional items and specific IAS 39 mark to market movements is a tax charge of £60 million (2006: £54 million) relating to the Group's share of results of joint ventures and associates. The £42 million shown above (2006: £38 million) represents 70% of this tax charge (2006: 70%). The remaining 30% is already included within the tax charge calculated at the domestic tax rate.

The statutory tax rate in the UK has been reduced from 30% to 28% with effect from 1 April 2008. Tax rate reductions have also occurred in Italy, Germany and the Czech Republic. The effect of these rate changes is included in the above amounts.

10 Dividends

At the Company's Annual General Meeting (AGM) held on 15 May 2007, shareholders approved the payment of a final dividend of 7.9p (2006: 4.5p) per Ordinary Share to shareholders registered on the Company share register on 25 May 2007. This dividend amounted to £118 million (2006: £67 million) and was paid on 26 June 2007.

An interim dividend of 2.77p per Ordinary Share, proposed by the Directors, was paid on 30 October 2007. This dividend amounted to £42 million (2006: £nil).

In respect of the current year, the Directors propose a dividend of 7.39p per Ordinary Share, to be paid on 26 June 2008. The dividend is subject to approval by shareholders at the Company's AGM and has not been included as a liability at 31 December 2007. There are no tax consequences to the Company from the estimated total dividend to be paid of £111 million.