

ATTACHMENTS

EMI GROUP PLC FINANCIAL STATEMENTS

- (a) Financial highlights for the year ended 31 March 2003.
- (b)–(c) Consolidated profit and loss account for the year ended 31 March 2003.
- (d) Consolidated balance sheet at 31 March 2003.
- (e) Statement of total recognised gains and losses for the year ended 31 March 2003.
- (e) Reconciliation of movements in shareholders' funds for the year ended 31 March 2003.
- (f)–(g) Consolidated cash flow statement for the year ended 31 March 2003.
- (h)–(o) Notes to the financial statements for the year ended 31 March 2003.

EMI Group plc
FINANCIAL HIGHLIGHTS
for the year ended 31 March 2003

	2003	2002
	£m	£m
Group turnover	2,175.4	2,445.8
EBITDA (i)	297.0	241.9
Group operating profit before operating exceptional items and amortisation (EBITA)	254.0	190.9
Profit before taxation, exceptional items and amortisation (ii)	177.3	153.3
Profit before taxation	319.3	(152.8)
Basic earnings per share	29.3p	(25.5)p
Adjusted diluted earnings per share (iii)	15.6p	11.8p
Dividend per share	8.0p	8.0p
Return on sales (iv)	11.7%	7.8%
Interest cover (v)	3.9x	4.0x

- (i) EBITDA is Group operating profit before operating exceptional items, depreciation and amortisation of goodwill and music copyrights.
- (ii) Profit before taxation, exceptional items and amortisation is before both operating and non-operating exceptional items and amortisation of goodwill and music copyrights.
- (iii) Adjusted diluted earnings per share is before both operating and non-operating exceptional items and amortisation of goodwill and music copyrights.
- (iv) Return on sales is defined as Group operating profit before operating exceptional items and amortisation of goodwill and music copyrights as a percentage of turnover.
- (v) Interest cover is defined as the number of times Group EBITDA is greater than Group finance charges.

EMI Group plc
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2003

	Year ended 31.03.03		Year ended 31.03.02	
	Total £m	EMI Group (excl. HMV Group) Before except items & amortn £m	EMI Group (excl. HMV Group) Before excep items & amortn £m	Total £m
TURNOVER:				
Total (including joint venture)	2,240.9	2,175.4	2,445.8	3,153.7
Less: joint venture turnover	(65.5)	-	-	(707.9)
Group turnover (note 2)	2,175.4	2,175.4	2,445.8	2,445.8
Cost of sales	(1,376.7)	(1,331.2)	(1,592.7)	(1,726.5)
Gross profit	798.7	844.2	853.1	719.3
<i>Distribution costs</i>	(98.7)	(98.7)	(119.9)	(127.5)
Administration expenses	(544.7)	(528.9)	(577.4)	(708.9)
Other operating income, net	31.1	37.4	35.1	16.1
Group operating profit (loss) (note 2)	186.4	254.0	190.9	(101.0)
Share of operating profit in joint venture before exceptional items	0.4	-	-	44.6
Share of operating exceptional items in joint venture	-	-	-	(10.3)
Share of operating profit in joint venture	0.4	-	-	34.3
<i>Share of operating profits (losses) in associated undertakings</i>	0.1	0.2	(1.1)	(2.9)
<i>Total operating profit (loss)</i>	186.9	254.2	189.8	(69.6)
Non-operating exceptional items (note 3)	209.7	-	-	-
Profit (loss) before finance charges	396.6	254.2	189.8	(69.6)
FINANCE CHARGES:				
Group (including associates)	(76.1)	(76.1)	(60.4)	(60.4)
Joint venture before exceptional items	(1.2)	-	-	(20.7)
Joint venture – exceptional items	-	-	-	(2.1)
Joint venture	(1.2)	-	-	(22.8)
Total finance charges (note 4)	(77.3)	(76.1)	(60.4)	(83.2)
Profit (loss) on ordinary activities before taxation	319.3	178.1	129.4	(152.8)
Adjusted (loss) profit before tax – HMV Group (discontinued)		(0.8)	23.9	
Profit before tax, exceptional items and amortisation		177.3	153.3	

EMI Group plc
CONSOLIDATED PROFIT AND LOSS ACCOUNT continued
for the year ended 31 March 2003

	Year ended 31.03.03		Year ended 31.03.02	
	EMI Group (excl. HMV Group)	EMI Group (excl. HMV Group)	EMI Group (excl. HMV Group)	EMI Group (excl. HMV Group)
	Total	Before excep items & amortn	Before excep items & amortn	Total
	£m	£m	£m	£m
Profit (loss) on ordinary activities before taxation	319.3	178.1	129.4	(152.8)
Taxation on profit on ordinary activities (note 5)	(83.2)	(45.1)	(38.6)	(38.2)
Profit (loss) on ordinary activities after taxation	236.1	133.0	90.8	(191.0)
Minority interests (equity)	(6.4)	(10.3)	(15.2)	(8.5)
Profit (loss) attributable to members of the holding company	229.7	122.7	75.6	(199.5)
Dividends (equity) (note 6)	(62.8)			(62.2)
<i>Transfer to (from) profit & loss reserve</i>	166.9			(261.7)

EMI Group plc
CONSOLIDATED BALANCE SHEET
at 31 March 2003

	Notes	2003 £m	2002 £m
FIXED ASSETS			
Music copyrights		451.2	518.2
Goodwill		56.2	34.0
Tangible fixed assets		289.4	277.3
Investments: associated undertakings		6.7	7.1
Other fixed asset investments		15.5	22.4
Investments: own shares		7.3	13.1
		826.3	872.1
CURRENT ASSETS			
Stocks		36.4	43.0
Debtors: amounts falling due within one year		816.7	763.7
Debtors: amounts falling due after more than one year		138.6	133.8
Deferred taxation		14.6	17.1
Investments: liquid funds	8	0.5	0.7
Cash at bank & in hand & cash deposits	8	100.2	85.7
		1,107.0	1,044.0
CREDITORS: amounts falling due within one year			
Borrowings	8	(38.5)	(771.0)
Other creditors		(1,365.0)	(1,297.1)
		(1,403.5)	(2,068.1)
NET CURRENT LIABILITIES			
TOTAL ASSETS LESS CURRENT LIABILITIES			
		529.8	(152.0)
CREDITORS: amounts falling due after more than one year			
Borrowings	8	(922.0)	(373.3)
Other creditors		(58.1)	(27.4)
		(980.1)	(400.7)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation		(5.5)	(3.4)
Other provisions	10	(104.4)	(173.1)
Investments: joint venture (HMV Media Group)		-	(159.9)
		(109.9)	(336.4)
		(560.2)	(889.1)
CAPITAL AND RESERVES			
Called-up share capital		110.4	110.4
Share premium account		445.8	445.8
Capital redemption reserve		495.8	495.8
Other reserves		256.0	256.0
Profit & loss reserve		(2,001.1)	(2,338.2)
<i>Equity shareholders' funds</i>		(693.1)	(1,030.2)
MINORITY INTERESTS (EQUITY)			
		132.9	141.1
		(560.2)	(889.1)

EMI Group plc
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 March 2003

	2003	2003	2002	2002
	£m	£m	£m	£m
Profit (loss) for the financial year				
Group		230.1		(202.0)
Joint venture		(0.5)		4.1
Associates		0.1		(1.6)
Profit (loss) for the financial year		229.7		(199.5)
Currency translation – Group*	(13.5)		(6.5)	
Currency translation – joint venture and associates	-		0.5	
Other recognised losses		(13.5)		(6.0)
Total recognised gains and losses relating to the year		216.2		(205.5)

*Net currency gains of £7.6m (2002: £1.5m) which relate to foreign currency borrowings to finance investment overseas and the related tax charge of £nil (2002: £nil), have been included within the Group currency translation movement on reserves.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
for the year ended 31 March 2003

	2003	2003	2002	2002
	£m	£m	£m	£m
Opening shareholders' funds		(1,030.2)		(776.2)
Profit (loss) for the financial year	229.7		(199.5)	
Dividends (equity) (note 6)	(62.8)		(62.2)	
Other recognised losses	(13.5)		(6.0)	
Goodwill adjustments	183.7		9.9	
Share of joint venture reserves adj.	-		3.6	
Shares issued	-		0.2	
<i>Net increase (decrease) in shareholders' funds for the year</i>		337.1		(254.0)
<i>Closing shareholders' funds</i>		(693.1)		(1,030.2)

EMI Group plc
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2003

	2003	2002
	£m	£m
<i>Net cash inflow from operating activities</i>	117.2	211.9
<i>Dividends received from associated undertakings</i>	0.1	0.7
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Net interest paid	(4.6)	(58.7)
Dividends paid to minorities	(6.5)	(3.3)
Net cash outflow from returns on investments and servicing of finance	(11.1)	(62.0)
<i>Tax paid</i>	(38.7)	(22.3)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of music copyrights	(7.6)	(10.6)
Sale of music copyrights	1.2	-
Purchase of tangible fixed assets	(68.5)	(39.2)
Sale of tangible fixed assets	9.3	10.1
Purchase of investments: own shares	(0.8)	(1.9)
Purchase of fixed asset investments	(10.4)	-
Sale of fixed asset investments	35.6	0.1
Purchase of associated undertakings	(1.8)	(3.6)
Loans repaid by associated undertakings	0.7	0.8
Disposal of associated undertakings	2.2	1.9
Net cash outflow from capital expenditure and financial investment	(40.1)	(42.4)
ACQUISITIONS AND DISPOSALS		
Purchase of businesses net of cash acquired	(22.4)	(22.6)
Disposal of joint venture (HMV Group plc)	209.5	-
Deferred consideration paid	(1.0)	(1.4)
<i>Disposal of subsidiary undertaking</i>	(0.7)	-
<i>Net cash inflow (outflow) from acquisitions and disposals</i>	185.4	(24.0)
Equity dividends paid	(29.4)	(125.3)
Net cash inflow (outflow) before management of liquid resources and financing	183.4	(63.4)
Issue of Ordinary Share capital	-	0.2
Management of liquid resources (note 9)	1.1	5.1
Financing (note 9)	(154.9)	0.6
Net cash (outflow) inflow from management of liquid resources and financing	(153.8)	5.9
Increase (decrease) in cash (note 9)	29.6	(57.5)

EMI Group plc
CONSOLIDATED CASH FLOW STATEMENT continued
for the year ended 31 March 2003

Reconciliation of Group operating profit (loss) to net cash inflow from operating activities:

	2003	2002
	£m	£m
Group operating profit (loss)	186.4	(101.0)
Depreciation charge	43.0	51.0
Amortisation charge:		
Music copyrights	39.0	43.5
Goodwill	3.7	6.0
Fixed asset write-down	-	1.1
Goodwill write-down – subsidiaries	12.1	29.3
Goodwill write-down – associates	-	8.5
Music copyrights write-down	6.5	-
Current asset investment write-down	2.5	-
Investments: own shares write-down	3.8	-
Associated undertaking write-down	-	7.0
Amounts provided (note 10)	9.7	107.2
Provisions utilised (note 10):		
Disposals and fundamental reorganisations	(1.6)	(12.5)
Other	(83.7)	(16.9)
(Increase) decrease in working capital:		
Stock	2.4	2.6
Debtors	(94.8)	63.9
Creditors	(11.8)	22.2
<i>Net cash inflow from operating activities</i>	117.2	211.9

EMI Group plc
NOTES TO THE ACCOUNTS
for the year ended 31 March 2003

NOTE 1 – BASIS OF PREPARATION

The consolidated financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The results for the years ended 31 March 2003 and 31 March 2002 represent continuing operations except the joint venture (HMV Group plc).

The financial statements have been prepared on the basis of the accounting policies set out in the Group's financial statements for the year ended 31 March 2003.

This announcement does not constitute the Group's financial statements for the year ended 31 March 2003. The financial statements for the year ended 31 March 2003 have not yet been delivered to the registrar. However the auditors have issued an unqualified audit report on the financial statements for this year.

NOTE 2 - SEGMENTAL ANALYSES

	2003	2003	2002	2002
	Turnover	Operating Profit	Turnover	Operating Profit
	£m	£m	£m	£m
BY CLASS OF BUSINESS:				
Recorded Music	1,774.2	150.5	2,029.4	83.1
Music Publishing	401.2	103.5	416.4	107.8
Group*	2,175.4	254.0	2,445.8	190.9
Operating exceptional items and amortisation**		(67.6)		(291.9)
Group operating profit*		186.4		(101.0)
BY ORIGIN:				
United Kingdom	330.9	69.1	338.9	59.4
Rest of Europe	660.5	88.6	732.0	98.7
Latin America	51.0	(2.5)	88.1	(2.8)
North America	706.1	68.3	826.3	(2.1)
Asia Pacific	409.9	27.6	439.8	33.6
Other	17.0	2.9	20.7	4.1
Group*	2,175.4	254.0	2,445.8	190.9
BY DESTINATION:				
United Kingdom	316.8		337.4	
Rest of Europe	675.3		726.9	
Latin America	46.3		88.9	
North America	707.4		828.6	
Asia Pacific	406.7		440.6	
Other	22.9		23.4	
Group*	2,175.4		2,445.8	

*Group turnover and operating profit excludes the Group's share of amounts relating to the joint venture (HMV Group), which was discontinued on 15 May 2002, and associated undertakings. Amounts relating to joint venture have been excluded due to non-coterminous period ends.

**Comprises operating exceptional items of £(24.9)m (2002: £(242.4)m) and amortisation of goodwill and music copyrights of £(42.7)m (2002: £(49.5)m). The split of operating exceptional items and amortisation of goodwill and music copyrights by class of business is as follows: Recorded Music £(24.2)m (2002: £(235.1)m), Music Publishing £(43.4)m (2002: £(56.8)m). The split of operating exceptional items and amortisation of goodwill and music copyrights by origin is as follows: United Kingdom £(16.3)m (2002: £(19.2)m); Rest of Europe £(12.1)m (2002: £(53.3)m); Latin America £(0.1)m (2002: £(22.2)m); North America £(38.4)m (2002: £(176.0)m); Asia Pacific £(0.4)m (2002: £(19.0)m); Other £(0.3)m (2002: £(2.2)m).

Attachment (i)

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 2 - SEGMENTAL ANALYSES continued

	2003	2003	2002	2002
	Operating	Average	Operating	Average
	Assets	Employees	Assets	Employees
	£m	No.	£m	No.
BY CLASS OF BUSINESS:				
Recorded Music	180.6	7,439	44.4	8,644
Music Publishing	409.2	649	453.9	626
HMV Group plc – discontinued	-	n/a	(162.9)	n/a
Group	589.8	8,088	335.4	9,270
BY ORIGIN:				
United Kingdom	76.8	1,162	(113.1)	1,423
Rest of Europe	6.5	2,510	(13.1)	2,765
Latin America	7.4	324	3.1	422
North America	376.9	2,573	333.7	2,923
Asia Pacific	116.2	1,382	118.6	1,522
Other	6.0	137	6.2	215
Group	589.8	8,088	335.4	9,270

The reconciliation of operating assets to net liabilities is as follows:

	2003	2002
	£m	£m
Operating assets	589.8	335.4
Tax, dividends and net interest payable	(290.2)	(166.6)
Capital employed	299.6	168.8
Net borrowings	(859.8)	(1,057.9)
Net liabilities	(560.2)	(889.1)

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 3 - EXCEPTIONAL ITEMS

(i) Operating exceptional items

	2003	2002
	£m	£m
Release of overprovision for reorganisation costs charged in prior year	6.0	-
Restructuring and reorganisation costs		
Headcount reduction	(6.0)	(93.7)
Roster reduction	-	(69.4)
Impact of economic downturn in Latin America	-	(16.7)
Restructuring of satellite label activity	-	(40.5)
Asset impairment and other*	(24.9)	(22.1)
<i>Total operating exceptional items</i>	(24.9)	(242.4)

*Including write-downs of music copyrights (£6.5m), goodwill (£12.1m), current asset investments (£2.5m) and investments own shares (£3.8m) in 2003. Including goodwill (£5.7m) and relocation and other costs (£16.4m) in 2002.

**Includes £39.3m relating to the termination of the recording contract with Mariah Carey.

***Resulted in significantly increased returns and bad debts.

****Including goodwill (£23.6m) and associate investment (£15.5m) write-offs.

The attributable taxation credit relating to operating exceptional items is £nil (2002: £7.8m).

(ii) Non-operating exceptional items

	2003	2002
	£m	£m
Profit on sale of holding in HMV Group plc, including goodwill of £262.5m	215.2	-
Loss on sale of subsidiary undertaking, including goodwill of £8.4m	(25.2)	-
Net gain (provision for loss) on sale of fixed assets *	19.7	-
	209.7	-

The attributable taxation charge relating to non-operating exceptional items is £38.4m (2002: £nil)

* Including a provision for loss on disposal of £(1.8)m and a gain on sale of Viva of £28.0m

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 4 – FINANCE CHARGES

	2003	2003	2002	2002
	£m	£m	£m	£m
Interest payable on:				
Bank overdrafts and loans	61.8		55.9	
Other	18.6		15.0	
		80.4		70.9
Interest receivable on:				
Bank balances	(2.3)		(2.7)	
Other	(2.0)		(7.8)	
		(4.3)		(10.5)
Group finance charges (incl associates)		76.1		60.4
Joint venture (HMV Group) - discontinued		1.2		22.8
Total finance charges		77.3		83.2

Finance charges for associates are £nil (2002: £nil).

NOTE 5 - TAXATION

	2003	2002
	£m	£m
Current tax:		
UK corporation tax	37.7	10.8
Advance corporation tax written back on ordinary activities	-	(20.6)
Double taxation relief	(4.9)	(6.7)
	32.8	(16.5)
Withholding tax	8.5	12.1
Other foreign tax	49.4	36.4
Adjustment in respect of prior periods	(11.5)	(4.3)
Joint venture	(0.3)	7.4
<i>Total current tax</i>	78.9	35.1
Deferred tax:		
Origination and reversal of timing differences	4.2	2.6
Others:		
Associated undertakings	0.1	0.5
<i>Tax on profit on ordinary activities</i>	83.2	38.2

There is a tax charge on exceptional items of £(38.4)m (2002: £7.8m credit).

NOTE 6 – DIVIDENDS (EQUITY)

	2003	2002	2003	2002
	per share	per share	£m	£m
Ordinary dividends (net):				
Interim	2.00p	4.25p	15.8	33.5
Adjustment to 2003 and 2002 interim	-	-	-	(0.2)
Proposed final	6.00p	3.75p	47.2	29.6
Adjustment to 2002 and 2001 final	-	-	(0.2)	(0.7)
	8.00p	8.00p	62.8	62.2

The final dividend of 6.00p per share will be paid on 3 October 2003 to shareholders on the register at the close of business on 5 September 2003.

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 7 – EARNINGS PER ORDINARY SHARE

	2003	2002
Basic earnings per Ordinary Share is calculated as follows:		
Earnings	£229.7m	£(199.5)m
Weighted average number of Ordinary Shares in issue	784.0m	782.8m
Earnings per Ordinary Share	29.3p	(25.5)p
Diluted earnings per Ordinary Share is calculated as follows:		
Earnings	£229.7m	£(199.5)m
Adjusted weighted average number of Ordinary Shares	784.4m	783.6m
Earnings per Ordinary Share	29.3p	(25.5)p
Adjusted basic earnings per Ordinary Share is calculated as follows:		
Adjusted earnings	£122.2m	£92.1m
Weighted average number of Ordinary Shares in issue	784.0m	782.8m
Adjusted earnings per Ordinary Share	15.6p	11.8p
Adjusted diluted earnings per Ordinary Share is calculated as follows:		
Adjusted earnings	£122.2m	£92.1m
Adjusted weighted average number of Ordinary Shares	784.4m	783.6m
Adjusted earnings per Ordinary Share	15.6p	11.8p

Adjusted earnings are included as they provide a better understanding of the underlying trading performance of the Group on a normalised basis.

RECONCILIATION OF ADJUSTED EARNINGS

	£m	Per Share	2003	£m	Per Share	2002
Earnings/basic EPS	229.7		29.3p	(199.5)		(25.5)p
Adjustments:						
Operating exceptional items	24.9		3.2p	242.4		31.0p
Non-operating exceptional items	(209.7)		(26.8)p	-		-
Share of operating exceptions in joint venture	-		-	10.3		1.3p
Share of exceptional finance charges in joint venture	-		-	2.1		0.3p
Amortisation of goodwill and music copyrights	42.8		5.5p	51.3		6.5p
Attributable taxation to non-operating exceptional items	38.4		4.9p	(7.8)		(1.0)p
Minority interest (re music copyright amortisation)	(3.9)		(0.5)p	(4.3)		(0.5)p
Minority interest (re operating exceptional)	-		-	(5.3)		(0.7)p
Minority interest (re attributable taxation)	-		-	2.9		0.4p
Adjusted earnings/adjusted EPS	122.2		15.6p	92.1		11.8p
Adjusted dilution impact	n/a		-	n/a		-
Adjusted earnings/adjusted diluted EPS	122.2		15.6p	92.1		11.8p

The adjusted weighted average number of Ordinary Shares used in the diluted earnings per share calculations, 784.4m (2002: 783.6m), is the weighted average number of Ordinary Shares in issue, 784.0m (2002: 782.8m), plus adjustments for dilutive share options, 0.4m (2002: 0.8m).

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 8 - BORROWINGS

	2003	2002
	£m	£m
<i>LONG-TERM BORROWINGS</i>		
<i>Bank loans and debt finance</i>	922.4	374.1
Finance leases	1.5	2.0
Less: repayable within one year	(1.9)	(2.8)
<i>Total long-term borrowings</i>	922.0	373.3
SHORT-TERM BORROWINGS		
Loans and overdrafts	35.9	767.4
Finance leases	0.7	0.8
Short-term element of long-term loans	1.9	2.8
<i>Total short-term borrowings</i>	38.5	771.0
<i>Total borrowings</i>	960.5	1,144.3
Liquid funds:		
Investments: liquid funds	(0.5)	(0.7)
Cash at bank and in hand and cash deposits	(100.2)	(85.7)
<i>Net borrowings</i>	859.8	1,057.9

Long-term borrowings include £166.8m (2002: £18.4m) of borrowings repayable within one year, which are drawings under long-term committed facilities and, therefore, have been classified as such.

Under their banking arrangements, overdraft and cash balances of the Company and of certain subsidiaries are pooled or offset and cross-guaranteed. Such pooling and offsets are reflected in the Group balance sheet as appropriate.

The Group has cash balances of £20.7m held with banks within the UK and £80m held with banks outside, but freely transferrable to, the UK.

Maturity analysis of long-term borrowings:

	2003	2002
	£m	£m
Amounts falling due after more than one year are repayable as follows:		
Between one and two years	169.1	2.8
Between two and five years	59.6	19.7
After five years:		
By instalments	39.3	-
Other	654.0	350.8
	922.0	373.3

The amount of debt, any of which falls due for payment after more than five years, is £693.3m (2002: £350.8m).

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 9 – CASH, LIQUID RESOURCES AND FINANCING

The following definitions have been used:

CASH: Cash in hand and deposits repayable on demand if available within 24 hours without penalty and including overdrafts.

LIQUID RESOURCES: Investments and deposits, other than those included as cash, which are readily convertible into known amounts of cash.

FINANCING: Borrowings, less overdrafts, which have been treated as cash.

Analysis of movement in the Group's net borrowings in the year ended 31 March 2003:

	At 1.4.02	Cash flow	Acquisitions/ disposals	Exchange movement	At 31.3.03
	£m	£m	£m	£m	£m
Cash at bank and in hand	84.4	13.8	-	1.7	99.9
Overdrafts	(40.7)	15.8	-	(0.1)	(25.0)
<i>Cash</i>	43.7	29.6	-	1.6	74.9
Debt due after more than one year	(371.3)	(558.4)	-	9.2	(920.5)
Debt due within one year	(729.5)	712.4	(4.3)	8.6	(12.8)
Finance leases	(2.8)	0.9	-	(0.3)	(2.2)
<i>Financing</i>	(1,103.6)	154.9	(4.3)	17.5	(935.5)
Investments: liquid funds	0.7	(0.2)	-	-	0.5
Cash deposits	1.3	(0.9)	-	(0.1)	0.3
<i>Liquid resources</i>	2.0	(1.1)	-	(0.1)	0.8
Total	(1,057.9)	183.4	(4.3)	19.0	(859.8)

Cash flow on financing of £154.9m is split between new loans of £(603.5)m, loans repaid of £757.5m and capital element of finance leases repaid of £0.9m.

The Group's net borrowings at 31 March 2003 comprised:

	Cash	Liquid resources & financing	Net borrowings
	£m	£m	£m
Investments: liquid funds	-	0.5	0.5
Cash at bank and in hand and cash deposits	99.9	0.3	100.2
Borrowings due within one year	(25.0)	(13.5)	(38.5)
Borrowings due after more than one year	-	(922.0)	(922.0)
At 31 March 2003	74.9	(934.7)	(859.8)
At 31 March 2002	43.7	(1,101.6)	(1,057.9)

EMI Group plc
NOTES TO THE ACCOUNTS continued
for the year ended 31 March 2003

NOTE 10 – OTHER PROVISIONS FOR LIABILITIES AND CHARGES

	Trading	Pensions	Disposal & fundamental reorg'n	Acquisition and integration	Total
	£m	£m	£m	£m	£m
At 31 March 2002	121.1	32.6	4.0	15.4	173.1
Currency retranslation	(2.3)	3.9	-	(1.5)	0.1
Provisions utilised	(74.9)	(8.0)	(1.6)	(0.8)	(85.3)
Charged against:					
Operating profit	4.8	4.9	-	-	9.7
Exceptional items	-	-	5.0	-	5.0
Disposal of businesses	(0.2)	-	-	-	(0.2)
Reclassification	2.0	-	-	-	2.0
31 March 2003	50.5	33.4	7.4	13.1	104.4

The pension provisions arise in overseas companies in respect of state schemes and employees covered by the Group's unfunded schemes.

Trading provisions include royalty audit and other trading provisions charged through operating profit before exceptional items, and restructuring and reorganisation provisions charged through operating exceptional items.