

NOTES TO THE CONSOLIDATED ACCOUNTS

CONTINUED

33 SHARE CAPITAL AND RESERVES

	Share capital £m	Share premium £m	Capital redemption reserve £m	Own shares £m	Other reserves (note 34) £m	Retained earnings £m	Total £m	Minority interests £m	Total equity £m
At 1 January 2006	7.5	174.2	0.2	(5.1)	24.5	108.1	309.4	2.9	312.3
Shares issued	0.2	15.6	–	–	–	–	15.8	–	15.8
Shares purchased	–	–	–	(11.6)	–	–	(11.6)	–	(11.6)
Total recognised expense/income	–	–	–	–	(16.6)	93.3	76.7	0.8	77.5
Share-based payments	–	–	–	–	–	2.0	2.0	–	2.0
Dividends	–	–	–	–	–	(50.1)	(50.1)	–	(50.1)
Payments to minority interest	–	–	–	–	–	–	–	(0.4)	(0.4)
At 31 December 2006	7.7	189.8	0.2	(16.7)	7.9	153.3	342.2	3.3	345.5

	Share capital £m	Share premium £m	Capital redemption reserve £m	Own shares £m	Other reserves (note 34) £m	Retained earnings £m	Total £m	Minority interests £m	Total equity £m
At 31 December 2004	7.0	47.5	–	(5.1)	13.3	203.2	265.9	0.9	266.8
Adoption of IAS 39	–	–	–	–	(5.9)	(6.9)	(12.8)	–	(12.8)
At 1 January 2005	7.0	47.5	–	(5.1)	7.4	196.3	253.1	0.9	254.0
Shares issued	0.7	126.7	–	–	–	–	127.4	–	127.4
Shares purchased	(0.2)	–	0.2	(3.5)	–	(25.8)	(29.3)	–	(29.3)
Acquisition of minority interest	–	–	–	–	–	–	–	2.8	2.8
Total recognised expense/income	–	–	–	–	17.1	(24.4)	(7.3)	0.1	(7.2)
Own shares released to satisfy employee share schemes	–	–	–	3.5	–	–	3.5	–	3.5
Disposal of subsidiaries	–	–	–	–	–	–	–	(0.9)	(0.9)
Share-based payments	–	–	–	–	–	3.6	3.6	–	3.6
Dividends	–	–	–	–	–	(41.6)	(41.6)	–	(41.6)
At 31 December 2005	7.5	174.2	0.2	(5.1)	24.5	108.1	309.4	2.9	312.3

Own shares comprise treasury shares and shares held in the Employee Benefit Trust.

Treasury shares include 1,825,000 (2005: 400,000) ordinary shares in the Company. During the year, the Group repurchased 1,425,000 (2005: 3,300,000) shares for consideration of £11.6m (2005: £29.3m). 1,425,000 (2005: 400,000) shares have been retained as treasury shares within equity for future issue under the Group's share schemes or cancellation. No shares were cancelled during the year (2005: 2,900,000).

Own shares include 663,351 (2005: 849,456) ordinary shares in the Company that have been purchased by the Trustees of the National Express Employee Benefit Trust (the "Trust"). During the year, the Trust purchased no (2005: 5,329) shares and 186,105 (2005: 899,417) shares were used to satisfy options granted under a number of the Company's share schemes. The value of shares within the Trust has been recognised as an investment in treasury shares. The market value of these shares at 31 December 2006 was £7.5m (2005: £7.3m). The dividends payable on these shares have been waived.