AMEC plc INTERIM RESULTS 2009
RECORD TRADING PERFORMANCE

- EBITA[1] up 25% to £94.5 million (2008: £75.9 million)
- 7.5% EBITA margin[2] (2008: 6.0%); firmly on track to deliver 8.5% in 2010
- Diluted earnings per share[4] from continuing operations 20.8 pence, up 11%
- Interim dividend increased 15% to 6.1 pence per share
- Group order book £3.2 billion (June 2008: £2.5 billion; December 2008: £3.3 billion)
- Average weekly net cash for 2009 expected to be £700 million before further acquisitions

Chief Executive Samir Brikho said:

"These results, achieved in a challenging trading environment, are further evidence of our improved competitive position and internal efficiency. Our investment in developing relationships with key customers continues to result in new contract awards and the quality of our backlog has never been better.

"With our Operational Excellence programme now close to completion, we expect to achieve a margin approaching eight per cent this year, and are firmly on track to deliver our group margin target for 2010 of 8.5 per cent.

"The 15 per cent increase in our interim dividend demonstrates our continuing confidence in the future. We are well positioned in long-term growth markets and upon completion of Operational Excellence, will benefit from unrivalled strength and operational flexibility. With £700 million of cash on the balance sheet, we will seek to supplement organic growth in the business with further value adding acquisitions."

Results interview, presentation and live webcast

An interview with Samir Brikho and Ian McHoul, Chief Financial Officer, is available at amec.com

A presentation of the interim results for analysts and investors will take place at 8.30am today. A live webcast of the event and the presentation slides will be available on amec.com.

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Financial highlights:

Six months ended 30 June	2009	2008	
	£ million	£ million	
Continuing operations:			
Revenue	1,259.7	1,255.2	-
EBITA[1]	94.5	75.9	+25%
Adjusted profit before tax[3]	97.5	90.4	+8%
Profit before tax	88.4	92.3	-4%
Adjusted diluted earnings per share[4]	20.8p	18.8p	+11%
Diluted earnings per share from continuing			

INTERIM RESULTS

Total group revenues for the six months ended 30 June 2009 increased by 0.4 per cent to £1,259.7 million (2008: £1,255.2 million). Growth in the Natural Resources and Earth and Environmental divisions was offset by the effects of the strategic refocusing of the Power and Process division on the provision of low-risk services with high value added, and the progressive run-off of old contracts that do not meet the new criteria.

Set against the backdrop of a challenging trading environment, EBITA margin increased strongly in each of the group's three core divisions, resulting in a new group record of 7.5 per cent for the six months ended 30 June 2009 (2008: 6.0 per cent).

Performance improvement

Actions associated with the Operational Excellence programme will be substantially complete by the end of 2009.

As expected, the programme incurred implementation costs of c.£5 million during the first half, these being partly offset by benefits, which will continue to build during the second half of 2009 and beyond. Benefits arise

SEGMENTAL REVIEW

Natural Resources

Natural Resources comprises AMEC’s activities in Oil and Gas Services (55 per cent of revenues in the six months ended June 2009), Oil Sands (28 per cent of revenues) and Minerals and Metals Mining (17 per cent of revenues). Services include asse

The Natural Resources order book at 30 June 2009 stood at £1.73 billion, slightly ahead of the position at 31 December 2008 (£1.71 billion) and an increase of 30 per cent on the same time last year (30 June 2008: £1.33 billion). The order book can be analysed as follows:

- Capex 78%; Opex 22% (30 June 2008: Capex 83%; Opex 17%)
- UK/Europe 35%; Americas 24%; Rest of world 41% (30 June 2008: UK/Europe 48%; Americas 16%; Rest of world 36%).

Natural Resources has seen further success in terms of major contract awards resulting from strategic relationship management and other aspects of the Operational Excellence programme. During the first half, major contract awards included:

- BG: two year contract extension to

Power and Process

This division is focused on the power and process markets, principally in the UK and the Americas, and the nuclear market globally. The business designs, delivers, enhances and maintains infrastructure for a broad range of customers in the public and private sectors.

Revenues during the six months ended 30 June 2009 were split between each of the three principal areas of activity in Power and Process as follows: Process 45 per cent, Nuclear 28 per cent and Power 27 per cent.

The order book can be analysed as follows:

- Capex 34%; Opex 66% (30 June 2008: Capex 21%; Opex 79%)
- UK/Europe 60%; Americas 40% (30 June 2008: UK/Europe 77%; Americas 23%).

Power and Process has seen further success in terms of major contract awards resulting from strategic relationship management and other aspects of the Operational Excellence programme. During the first half, major contract awards included:

- National Grid: five year contract to support capital investment in the electricity transmission infrastructure in New York State (US)
- EDF Energy: three year contract for mechanical, electrical and instrumentation installation at the new West Burton Combined Cycle Gas Turbine power station (UK).

In April 2009, AMEC signed a major joint venture agreement with the Korea Electric Power Corporation (KEPCO), the Korea Gas Corporation (KOGAS) and the Korea Development Bank (KDB) to develop energy-related business opportunities and projects in South Korea and internationally. The joint venture was established in July 2009, with AMEC providing start up capital of £0.3 million in cash and having a 54 per cent shareholding.

Further details on these, and other Power and Process announcements, may be found at amec.com/media.

With the order book having increased by 21 per cent over the last 12 months, Power and Process expects see revenue performance in the second half of 2009 to be stronger than the first six months of the year. Profits in the second half will benefit from the discontinuation of losses on older contracts. However, profit recognition on the Sellafield contract is expected to be weighted towards the first half of each year, as the year end for the performance incentivised contract is 31 March.

Earth and Environmental

AMEC's Earth and Environmental business provides specialist environmental, geotechnical, programme management and consultancy services to a broad range of customers in the public and private sectors, primarily in North America. Earth and Environmental operates from a regional network and is characterised by a large number of small value contracts.

£ million	**H1 2009**	H1 2008	Change	Underlying[1]
Revenue	**243.6**	165.8	+47%	+4%
EBITA	**17.4**	10.5	+66%	+21%
EBITA margin	**7.1%**	6.3%	+80bps	
Order book	**0.22bn**			

FINANCIAL REVIEW

Administrative expenses

Administrative expenses increased by £11.2 million to £91.9 million (2008: £80.7 million) reflecting currency movements, acquisitions, £2.0 million deferred consideration in the Earth and Environmental division and a reduced level of net interest income from the pension schemes.

Corporate costs, which represent the costs of operating the central corporate functions of AMEC and certain regional overheads, were £18.8 million (2008: £17.3 million), with the increase for the period reflecting costs of Operational Excellence.

Exceptional items

Two small businesses were divested during the first half of 2009 generating a small loss on disposal. In addition, there was a net release of provisions reflecting progress made in resolving issues relating to various legacy projects. This resulted in pre-tax exceptional gains of £2.2 million from continuing operations. Further details of exceptional items are provided in note 3.

AMEC continues to make progress in settling legacy disputes where it is reasonable to do so. As previously disclosed, settlement was reached in early 2009 on the major issues on the US Courthouses dispute, within the provisions originally made.

No new significant contingent liabilities were added in the first half of 2009.

Intangible amortisation

Intangible amortisation relates to capitalised software and intangible assets acquired as part of the group's acquisitions. The first half 2009 charge of £6.6 million is £4.0 million higher than in 2008, with the increase due to the acquisitions in the year and the full impact of acquisitions made in 2008.

Tax

Income tax on the profit before exceptional items and intangible amortisation for the six months ended 30 June 2009 is based on an effective rate of 28.7 per cent (six months ended 30 June 2008: 30.9 per cent), which has been calculated by reference to the projected charge for the full year (2008: 30.8 per cent). The reduction principally reflects the agreement of historical items with various tax authorities.

Financial position and net cash

The group remains in an exceptionally strong financial position, with net cash as at 30 June 2009 of £698.8 million (31 December 2008: £764.5 million; 30 June 2008 £600.8 million), of which advance cash from customers was c.£15 million. The half year position is typically weaker than the full year as a result of seasonal working capital movements and the weighting of tax payments to the first half.

Average weekly net cash for the six months ended 30 June 2009 was better than expected, standing at a record level of £690 million.

Expectations for group average weekly net cash in 2009 have improved to c.£700 million. This figure is after taking account of c.£30 million spent on acquisitions in the first half.

During the six months ended 30 June 2008, £94.3 million of this cash was placed on deposit for periods of three to six months. This is shown as short-term investments on the balance sheet.

Pensions

At 30 June 2009, there was a pre-tax surplus under IAS19 on the UK pension schemes of £168.2 million. The expected return on retirement benefit assets is down significantly in 2009 compared with 2008, as a result of conditions in the financial markets. Largely as a consequence of this, the net financing income from pensions, which is included in the income statement in profit before net financing income, is expected to decline by some £12 million in 2009 from the figure of £18.4 million reported in 2008. £6 million of this impact is included in the first half of 2009.

The results of the latest triennial actuarial valuations of the main UK defined benefit schemes have been agreed with the Trustees. The schemes had a surplus of £47 million at the date of the valuation (1 April 2008) on the valuation basis agreed with the Trustees incorporating enhanced longevity assumptions, and it has been agreed that there will be no material change in the overall level of contributions to the schemes going forward.

The schemes operate on a career average salary basis and remain open to future accrual and new entrants.

Provisions

Provisions held at 30 June 2009 were £185.6 million (31 December 2008: £204.3 million). During 2009, c.£17 million of the provisions were utilised, and exchange movements of £12 million on retranslating the opening balances were largely offset by amounts transferred from payables in the balance sheet.

Provisions currently held for future costs of litigation total £53.7 million (31 December 2008: £65.3 million).

As at 30 June 2009	£ million
Litigation provisions	53.7
Indemnities granted to buyers/ retained obligations on disposed businesses	81.3
Insurance and other	50.6
Total	185.6

Issued share capital

As at 17 August 2009, AMEC had a total of 332,660,438 ordinary shares with voting rights. In addition 5,305,433 shares were held in treasury.

Share schemes - share buybacks

AMEC presently holds a total of 5,305,433 shares as treasury shares, all of which have been allocated to the group's SAYE scheme awards up to 2008. Given the likelihood of further share schemes in 2009 and

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Six months ended 30 June 2009 Before amortisation and exceptional items £ million	Amortisation and exceptional items (note 3) £ million	Total £ million
Continuing operations				
Revenue	2	1,259.7	-	1,259.7
Cost of sales		(1,083.7)	2.2	(1,081.5)
Gross profit		176.0	2.2	178.2
Administrative expenses		(91.9)	(6.6)	(98.5)
Profit on business disposals and closures		-	-	-
Profit/(loss) before net financing income		84.1	(4.4)	79.7
Financial income		6.5	-	6.5
Financial expense		(3.5)	-	(3.5)
Net financing income		3.0	-	3.0
Share of post-tax results of joint ventures		5.7	-	5.7
Profit/(loss) before income tax	2	92.8	(4.4)	88.4
Income tax	4	(24.7)	2.1	(22.6)
Profit/(loss) for the period from continuing operations		68.1	(2.3)	65.8
(Loss)/profit for the period from discontinued operations	5	(1.4)	1.5	0.1
Profit/(loss) for the period		66.7	(0.8)	65.9
Attributable to:				
Equity holders of the parent				65.3
Minority interests				0.6
				65.9
Basic earnings per share:	6			
Continuing operations				20.0p
Discontinued operations				-
				20.0p
Diluted earnings per share:	6			
Continuing operations				19.5p
Discontinued operations				-
				19.5p

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Six months ended 30 June 2008 (restated) Before amortisation and exceptional items £ million	Amortisation and exceptional items (note 3) £ million	Total £ million
Continuing operations				
Revenue	2	1,255.2	-	1,255.2
Cost of sales		(1,099.2)	-	(1,099.2)
Gross profit		156.0	-	156.0
Administrative expenses		(80.7)	(2.6)	(83.3)
Profit on business disposals and closures		-	4.7	4.7
Profit before net financing income		75.3	2.1	77.4
Financial income		15.9	-	15.9
Financial expense		(1.4)	-	(1.4)
Net financing income		14.5	-	14.5
Share of post-tax results of joint ventures		0.4	-	0.4
Profit before income tax	2	90.2	2.1	92.3
Income tax	4	(27.7)	2.2	(25.5)
Profit for the period from continuing operations		62.5	4.3	66.8
Profit/(loss) for the period from discontinued operations	5	2.8	(1.2)	1.6
Profit for the period		65.3	3.1	68.4
Attributable to:				
Equity holders of the parent				68.5
Minority interests				(0.1)
				68.4
Basic earnings per share:	6			
Continuing operations				20.5p
Discontinued operations				0.5p
				21.0p
Diluted earnings per share:	6			
Continuing operations				20.1p
Discontinued operations				0.5p
				20.6p

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December 2008 (restated) Before amortisation and exceptional items £ million	Amortisation and exceptional items (note 3) £ million	Total £ million
Continuing operations				
Revenue	2	2,606.4	-	2,606.4
Cost of sales		(2,267.4)	-	(2,267.4)
Gross profit		339.0	-	339.0
Administrative expenses		(157.6)	(9.2)	(166.8)
Profit on business disposals and closures		-	109.0	109.0
Profit before net financing income		181.4	99.8	281.2
Financial income		32.1	-	32.1
Financial expense		(6.7)	-	(6.7)
Net financing income		25.4	-	25.4
Share of post-tax results of joint ventures		-	-	-
Profit before income tax	2	206.8	99.8	306.6
Income tax		(62.7)	(34.2)	(96.9)
Profit for the year from continuing operations		144.1	65.6	209.7
Profit/(loss) for the year from discontinued operations	5	1.0	(11.7)	(10.7)
Profit for the year		145.1	53.9	199.0
Attributable to:				
Equity holders of the parent				199.7
Minority interests				(0.7)
				199.0
Basic earnings per share:	6			
Continuing operations				64.5p
Discontinued operations				(3.3)p
				61.2p
Diluted earnings per share:	6			
Continuing operations				63.1p
Discontinued operations				(3.2)p
				59.9p

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June 2009 £ million	Six months ended 30 June 2008 £ million	Year ended 31 December 2008 £ million
Profit for the period	**65.9**	68.4	199.0
Actuarial losses on defined benefit pension schemes	**-**	-	(113.1)
Tax on actuarial losses	**-**	-	39.2
Exchange differences on translation of foreign subsidiaries	**(52.6)**	(7.8)	89.2
Net gain/(loss) on hedges of net investment in foreign subsidiaries	**26.5**	0.1	(38.6)
Cash flow hedges:			
Effective portion of changes in fair value	**8.4**	(3.2)	(12.3)
Transferred to the income statement	**-**	-	(0.3)
Tax on effective portion of changes in fair value of cash flow hedges	**(2.3)**	-	3.7
Tax on equity-settled share based payments	**2.8**	(2.5)	(10.1)
Other comprehensive income	**(17.2)**	(13.4)	(42.3)
Total comprehensive income	**48.7**	55.0	156.7
Attributable to:			
Equity holders of the parent	**48.6**	55.1	156.8
Minority interests	**0.1**	(0.1)	(0.1)
Total comprehensive income	**48.7**	55.0	156.7

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	30 June 2009 £ million	30 June 2008 (restated) £ million	31 December 2008 (restated) £ million
ASSETS				
Non-current assets				
Property, plant and equipment		**45.5**	51.1	50.6
Intangible assets	8	**379.0**	321.3	388.1
Interests in joint ventures		**32.2**	26.2	29.4
Other investments		**0.9**	0.6	1.0

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital £million	Share Premium £million	Hedging Reserve £million	Transl'n reserve £million	Capital redemption reserve £million	Retained earnings £million	**Total £million**	Minority interests £million	**Total equity £million**
As at 1 Jan 2009	169.0	100.7	(9.2)	68.9	17.2	639.4	**986.0**	2.6	**988.6**
Profit for the period	-	-	-	-	-	65.3	**65.3**	0.6	**65.9**
Exchange differences on translation of foreign subsidiaries	-	-	-	(52.1)	-	-	**(52.1)**	(0.5)	**(52.6)**
Net gain on hedges of net investment in foreign subsidiaries	-	-	-	26.5	-	-	**26.5**	-	**26.5**
Effective portion of changes in fair value of cash flow hedges	-	-	8.4	-	-	-	**8.4**	-	**8.4**
Tax on effective portion of changes in fair value of cash flow hedges	-	-	(2.3)	-	-	-	**(2.3)**	-	**(2.3)**
Tax on equity-settled share based payments	-	-	-	-	-	2.8	**2.8**	-	**2.8**
Other comprehensive income for the period	-	-	6.1	(25.6)	-	2.8	**(16.7)**	(0.5)	**(17.2)**
Total comprehensive income for the period	-	-	6.1	(25.6)	-	68.1	**48.6**	0.1	**48.7**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 June 2009 £ million	Six months ended 30 June 2008 £ million	Year ended 31 December 2008 £ million
Cash flow from operating activities			
Profit before income tax from continuing operations	**88.4**	92.3	306.6
Profit before income tax from discontinued operations	**3.6**	2.3	(11.6)
Profit before income tax	**92.0**	94.6	295.0
Financial income	**(6.5)**	(15.9)	(32.1)
Financial expense	**3.5**	1.4	6.7
Share of post-tax results of joint ventures	**(5.7)**	(0.4)	-
Intangible amortisation	**6.6**	2.6	9.2
Depreciation	**6.7**	7.3	19.2
Profit on disposal of businesses	**(2.7)**	(5.3)	(110.6)
Profit on disposal of property, plant and equipment	**(0.1)**	(0.8)	(26.7((w[

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (continued)

	30 June 2009	30 June	31 December

2. SEGMENTAL ANALYSIS OF CONTINUING OPERATIONS

AMEC has three divisions that offer high-value consultancy, engineering and project management services to different end markets in the world's energy, power and process industries. AMEC is organised by division, each of which is managed separately and considered to be a reportable segment. The Investments and Other activities segment comprises various legacy businesses. Details of the services offered by each division and the end markets in which they operate are given in segmental review on pages 5 to 9.

	Revenue			**Profit/(loss)**		
	Six months ended 30 June 2009 £ million	Six months ended 30 June 2008 £ million	Year ended 31 December 2008 £ million	**Six months ended 30 June 2009 £ million**	Six months ended 30 June 2008 £ million	Year ended 31 December 2008 £ million

2. SEGMENTAL ANALYSIS OF CONTINUING OPERATIONS (continued)

	Net assets/(liabilities)		
	30 June 2009 £ million	30 June 2008 £ million	31 December 2008 £ million
Class of business:			
Natural Resources	**50.7**	38.7	46.4
Power and Process	**(1.4)**	(3.3)	6.3
Earth and Environmental	**53.0**	46.9	49.6
Investments and Other activities	**(189.8)**	(213.6)	(241.7)
	(87.5)	(131.3)	(139.4)
Goodwill	**333.5**	282.0	345.5
Other intangible assets	**45.5**	39.3	42.6
Net cash	**698.8**	600.8	764.5
Unallocated net assets/(liabilities)	**9.7**	101.3	(24.6)
	1,000.0	892.1	988.6

Unallocated net assets/(liabilities) principally comprise asse

3. AMORTISATION AND EXCEPTIONAL ITEMS (continued)

Exceptional items are further analysed as follows:

	Six months ended 30 June 2009		
	(Losses)/ gains on disposals £ million	**Other exceptional items £ million**	**Total £ million**
Continuing operations	**(2.2)**	**4.4**	**2.2**
Discontinued operations	**4.9**	**-**	**4.9**
Profit before tax	**2.7**	**4.4**	**7.1**
Tax	**(2.4)**	**(0.7)**	**(3.1)**
Profit after tax	**0.3**	**3.7**	**4.0**

Two small businesses were divested in the first half and, together with foreign exchange movements on provisions established on the disposal of AMEC SPIE in 2007, resulted in an exceptional pre-tax gain on disposal of £2.7 million.

Other exceptional items of £4.4 million arise from a net release of provisions following positive developments in relation to outstanding matters on various legacy projects.

	Six months ended 30 June 2008		
	Gains/ (losses) on disposals £ million	Other exceptional items £ million	Total £ million
Continuing operations	5.4	(0.7)	4.7
Discontinued operations	(0.1)	(0.4)	(0.5)
Profit/(loss) before tax	5.3	(1.1)	4.2
Tax	(2.2)	2.9	0.7
Profit after tax	3.1	1.8	4.9

Two peripheral businesses were sold in the six months ended 30 June 2008, resulting in exceptional pre-tax gains on disposal of £5.3 million. Other exceptional items include provision and other adjustments in relation to outstanding matters on various legacy projects.

	Year ended 31 December 2008		
	Gains/ (losses) on disposals £ million	Other exceptional items £ million	Total £ million
Continuing operations	110.7	(1.7)	109.0
Discontinued operations	(0.1)	(11.7)	(11.8)
Profit/(loss) before tax	110.6	(13.4)	97.2
Tax	(37.6)	0.5	(37.1)
Profit/(loss) after tax	73.0	(12.9)	60.1

During the year to 31 December 2008, the UK Wind Developments business, excluding AMEC's share of the Isle of Lewis development, and a number of smaller businesses were sold resulting in an aggregate pre-tax exceptional gain of £110.6 million (post-tax: £73.0 million). Other exceptional items include provision and other adjustments in relation to outstanding matters on various legacy projects.

4. INCOME TAX

Income tax on the profit before exceptional items and intangible amortisation for the six months ended 30 June 2009 is based on an effective rate of 28.7 per cent (six months ended 30 June 2008 : 30.9 per cent), which has been calculated by reference to the projected charge for the full year.

6. EARNINGS PER SHARE (continued)

Basic and diluted profit from continuing operations is calculated as set out below:

	Six months ended 30 June 2009 £ million	Six months ended 30 June 2008 £ million	Year ended 31 December 2008 £ million
Profit for the period from continuing operations	**65.8**	Tw[(Pr)/loss66.8	attributable259.87

8. INTANGIBLE ASSETS

	Goodwill £ million	Software £ million	Other £ million	Total £ million
Cost:				
As at 1 January 2009	380.2	7.9	57.6	445.7
Exchange and other movements	(27.6)	(0.4)	(3.6)	(31.6)
Acquisition of businesses	12.9	-	9.0	21.9
Additions	-	0.5	-	0.5
Reclassifications from property, plant and equipment	-	5.7	0.6	6.3
As at 30 June 2009	**365.5**	**13.7**	**63.6**	**442.8**
Amortisation:				
As at 1 January 2009	34.7	5.3	17.6	57.6
Exchange and other movements	(2.7)	(0.3)	(1.5)	(4.5)
Provided during the period	-	0.3	6.3	6.6
Reclassifications from property, plant and equipment	-	3.9	0.2	4.1
As at 30 June 2009	**32.0**	**9.2**	**22.6**	**63.8**
Net book value:				
As at 30 June 2009	**333.5**	**4.5**	**41.0**	**379.0**
Cost:				
As at 1 January 2008	245.4	5.9	13.0	264.3
Exchange and other movements	(4.9)	-	(0.4)	(5.3)
Acquisition of businesses	70.8	-	32.7	103.5
Additions	-	1.1	-	1.1
As at 30 June 2008	311.3	7.0	45.3	363.6
Amortisation:				
As at 1 January 2008	30.0	( )6066.7 9 55o9.18 .47998 ref320.16 522.56 69.18 .48004 refq 1 0 0 .		

10. PROVISIONS

The nature and measurement bases of the group's provisions are unchanged from those presented in the 2008 annual report and accounts.

	Litigation settlement and future legal costs £ million	Indemnities granted and retained obligations on disposed businesses £ million	Insurance £ million	Onerous property contracts £ million	Total £ million
As at 1 January 2009	65.3	87.9	41.3	9.8	204.3
Exchange movements	(5.1)	(6.8)	-	-	(11.9)

12. ACQUISITIONS

~~All the fo~~llowing purchases have been accounted for as acquisitions. None of the businesses acquired made a material contribution to consolidated revenue and profit in the period from their acquisition to 30 June 2009. Their revenue and profit for the six month period ending 30 June 2009 were also not material to the group.

Intangible assets recognised at fair value on the acquisition of these businesses included brands, trade names, customer relationships, order backlogs and non-compete agreements.

Performance Improvements Group Limited (PI)

On 26 January 2009, the group acquired all of the shares in PI. PI is based in the UK and is an asset optimisation consultancy services company.

The amounts recognised in respect of identifiable assets and liabilities relating to the acquisition of PI were as follows:

	Book value £ million	Fair value adjustments £ million	Recognised value £ million
Property, plant and equipment	0.3	-	0.3
Intangible assets	-	7.5	7.5
Trade and other receivables	4.8	-	4.8
Cash and cash equivalents	(0.7)	-	(0.7)
Trade and other payables	(2.4)	-	(2.4)
Deferred tax liability	-	(2.1)	(2.1)
Net identifiable assets and liabilities	2.0	5.4	7.4
Goodwill on acquisition			7.5
			14.9
Consideration			
Cash - paid on completion			12.8

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

We confirm that to the best of our knowledge:

- The condensed set of accounts has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU.

- The interim management report includes a fair review of the information required by:

    - DTR 4.2.7R of the "Disclosures and Transparency Rules", being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

    - DTR 4.2.8R of the "Disclosure and Transparency Rules", being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

S Y BRIKHO
Chief Executive

I P McHOUL
Chief Financial Officer

27 August 2009