

Five year record

	IFRS		UK GAAP		
	2005 £m	2004 £m	2003 £m	2002 £m	2001 £m
CONSOLIDATED INCOME STATEMENT					
Revenue – Continuing operations	1,065.7	870.4	842.4	867.6	931.9
– Discontinued operations ⁽ⁱ⁾	–	–	28.8	32.9	29.9
	1,065.7	870.4	871.2	900.5	961.8
Operating profit – Continuing operations	101.7	51.9	23.3	7.5	(8.4)
– Discontinued operations ⁽ⁱ⁾	–	–	3.8	23.8	2.0
Operating profit	101.7	51.9	27.1	31.3	(6.4)
Operating profit excluding exceptional items	97.5	54.9	38.9	34.8	36.1
Exceptional items	4.2	(3.0)	(11.8)	(3.5)	(42.5)
	101.7	51.9	27.1	31.3	(6.4)
Net financing charge ⁽ⁱⁱ⁾	(2.7)	(14.5)	(23.3)	(19.3)	(13.9)
Share of post tax profits of associates	4.5	3.6	–	–	–
Profit/(loss) before tax	103.5	41.0	3.8	12.0	(20.3)
Tax on profit on ordinary activities ^(iv)	(20.0)	(4.4)	(6.9)	(3.7)	(11.1)
Profit/(loss) for the year	83.5	36.6	(3.1)	8.3	(31.4)
Attributable to:-					
– Equity shareholders	74.0	29.8	(7.4)	4.8	(32.8)
– Minority interests	9.5	6.8	4.3	3.5	1.4
	83.5	36.6	(3.1)	8.3	(31.4)
CONSOLIDATED BALANCE SHEET					
Intangible assets	40.2	21.7	17.3	18.5	19.8
Property, plant and equipment	110.5	111.3	105.7	133.1	154.5
Investments in associates	24.7	22.1	27.9	24.2	24.6
Deferred income tax assets	17.1	12.2	–	–	3.2
Other non-current assets	15.9	3.0	3.5	3.8	4.0
Non-current assets	208.4	170.3	154.4	179.6	206.1
Inventory	119.5	102.7	102.0	112.4	129.5
Trade and other receivables	300.3	237.4	199.1	221.9	247.3
Trade, other payables and income tax liabilities	(282.4)	(215.1)	(181.2)	(182.6)	(215.2)
Total assets less current liabilities (excluding net debt and provisions)	345.8	295.3	274.3	331.3	367.7
Long-term liabilities and provisions					
Deferred income tax liabilities	(14.6)	(12.8)	–	–	(0.7)
Retirement benefit obligations	(131.2)	(137.4)	(65.5)	(70.8)	(71.1)
Provisions	(40.7)	(40.2)	(46.1)	(52.5)	(65.3)
Other long-term liabilities	(4.2)	(4.9)	(1.0)	(1.0)	(0.7)
	(190.7)	(195.3)	(112.6)	(124.3)	(137.8)
	155.1	100.0	161.7	207.0	229.9
Financed by					
Equity shareholders' funds	135.1	11.5	4.4	(5.5)	(8.3)
Minority interests	13.5	22.2	20.5	18.5	24.1
	148.6	33.7	24.9	13.0	15.8
Bank borrowings	8.3	41.3	78.8	92.4	110.1
US dollar loan notes	70.8	66.7	113.7	128.2	144.7
Other indebtedness (including finance leases)	3.1	3.4	4.2	5.6	6.9
Gross debt	82.2	111.4	196.7	226.2	261.7
Cash	(75.7)	(45.1)	(59.9)	(32.2)	(47.6)
Net debt	6.5	66.3	136.8	194.0	214.1
	155.1	100.0	161.7	207.0	229.9
Basic earnings per share (expressed in pence per share)^(iv)					
Adjusted ^(v)	43.0	19.8	9.9	6.8	9.7
Headline	46.9	20.9	(6.2)	4.0	(27.5)

(i) Before exceptional items, gains or losses on inter-company balances and amortisation of goodwill.

(ii) The Group adopted IFRS with a transition date of 1 January 2004. The comparatives for 2004 have been restated in accordance with IFRS with the exception of IAS 32 and 39 which are only effective for periods beginning after 1 January 2005. The results for earlier years were prepared in accordance with UK GAAP. Figures have been restated to include the results of GCE and the US Defence businesses under discontinued operations.

(iii) Net financing charge includes retranslation gains on inter-company loans of £3.5 million in 2005 and losses of £3.0 million in 2004. Exceptional costs of £6.5 million and exceptional gains of £4.4 million were included in the net financing charge in 2003 and 2001 respectively.

(iv) The earnings per share for 2003 and prior years have been restated for the rights issue.

(v) Tax on profit on ordinary activities in 2004 and 2001 includes an exceptional credit of £6.6 million and an exceptional charge of £6.1 million respectively.