

Wednesday 17 June 2009 for Immediate Release

Results for the year ended 31 March 2009

“A successful year with good results against backdrop of challenging economic environment”

Design and engineering consultancy group WS Atkins plc (Atkins) today announced preliminary results for the year ended 31 March 2009.

RESULTS SUMMARY

	Notes	2009	2008	change
<i>Continuing operations</i>				
Revenue	1	£1,487.2m	£1,313.6m	+13%
Operating profit		£103.1m	£86.7m	+19%
Operating margin		6.9%	6.6%	+0.3pp
Normalised profit before taxation	2	£100.2m	£91.9m	+9%
Profit before taxation		£102.7m	£91.9m	+12%
Profit for the year		£84.2m	£68.6m	+23%
Normalised diluted EPS	3	82.3p	66.7p	+23%
Cash flow from operating activities		£125.5m	£80.9m	+55%
Average staff numbers for the year	4,5	17,988	16,981	+6%
Staff numbers at 31 March	4,5	18,017	17,278	+4%
<i>Total operations</i>				
Profit for the year		£84.2m	£100.0m	-16%
Diluted earnings per share		84.8p	97.2p	-13%
Dividend relating to the year		26.0p	24.0p	+8%
Net funds		£234.2m	£168.4m	+39%

SUMMARY

- Good results with normalised diluted earnings per share up 23% to 82.3p.
- Operating profit up by 19% and operating margin up to 6.9%.
- Average staff numbers up 6% but 1,200 redundancies announced in the last quarter.
- Strong work in hand representing 54% of budgeted revenue.
- Continuing strong operating cash flow of £125.5m and net funds of £234.2m.
- Recommended final dividend of 17.25p, making the total dividend 26.0p, up 8%.

Notes:

1. Revenue excludes the Group's share of revenue from Joint Ventures.
2. Normalised profit before taxation is defined as profit before taxation less exceptional items and any profits or losses from disposals. This is considered to be a more representative measure of underlying trading.
3. Normalised diluted EPS is based on normalised profit after tax and allows for the dilutive effect of share options.
4. Staff numbers are measured on a full-time equivalent basis, including agency staff.
5. Staff numbers at 31 March 2009 include approximately 600 under notice of redundancy.

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“We are pleased to report another successful year. The continued development of the Group and the improvement in operating margins have been achieved against the backdrop of a challenging economic environment in the second half of the year.

We start the new financial year in a good position. The majority of our markets are stable and we are well placed to navigate through the challenging overall economic environment. We have a strong balance sheet and will continue to invest in developing the business.”

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Chairman

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Notes to editors

1. Atkins

Atkins (www.atkinglobal.com) plans, designs and enables the delivery of complex infrastructure and buildings for clients in the public and private sectors across the world. Atkins is the largest engineering consultancy in the UK and the world's eighth largest international design firm (sources: New Civil Engineer Consultants File, 2009; Engineering News Record, 2008).

2. Attachments

Attached to this press release are the overview of the year, extracts from the business review, the consolidated income statement, consolidated statement of recognised income and expense, consolidated balance sheet, consolidated cash flow statement and notes to the preliminary financial information for the year.

3. Analyst Presentation

A presentation for analysts will be held today at JPMorgan Cazenove, 20 Moorgate, London EC2R 6DA at 8.30am. Dial-in details are available from Smithfield for those wishing to join the presentation by conference call. A webcast of the presentation will subsequently be available via the Company's website, www.atkinglobal.com

4. Cautionary Statement

This press release and preliminary financial information (press release) have only been prepared for the shareholders of the Company, as a whole, and their sole purpose and use is to assist shareholders to exercise their governance rights. In particular, this press release has not been audited or otherwise independently verified. The Company and its directors and employees are not responsible for any other purpose or use, or to any other person, in relation to this press release.

This press release contains indications of likely future developments and other forward looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries, sectors and business segments in which the Group operates. These and other factors could adversely affect the Group's results, strategy and prospects. Forward looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future which could cause actual results and outcomes to differ. No obligation is assumed to update any forward looking statements, whether as a result of new information, future events or otherwise.

OVERVIEW OF THE YEAR

Atkins has had another successful year, with revenue up 13.2% and normalised diluted earnings per share up by 23%. We have, as planned, continued to make further progress in increasing operating margin from 6.6% to 6.9%. This continued development of the Group, including the improvement in operating margins, was achieved against a challenging economic backdrop in the second half of the year.

In the UK, our Rail, Highways and Transportation and Management and Project Services segments all performed well. There were good performances from the majority of our businesses within the Design and Engineering Solutions segment other than in our building design business which was adversely impacted by the slow down of its market. The results of our small Asset Management segment were very disappointing, reflecting problems with one legacy long-term PFI facilities management contract.

The result for our business in the Middle East was significantly ahead of last year, with operating profit of £17.3m, up 82%. In the first half of the year the business grew strongly but confidence in the region was significantly impacted by the global economic slowdown and a liquidity crisis in the region in autumn 2008. A number of projects were cancelled during the third quarter, necessitating a re-sizing of the business in the fourth quarter of the year. Our businesses in China and Europe have both delivered increased profits.

The Group's liquidity remains strong helped by a very good cash performance and we ended the year with net funds of £234.2m.

People

After a number of years of sustained growth, the Group's staff numbers reached a peak of approximately 18,600 in November 2008. In response to the worsening market conditions in the latter part of the year, principally in our UK and Middle East commercial and residential property-facing businesses, we announced the redundancy of some 1,200 staff. Approximately 600 staff had left the business by the year end, taking our year-end staff numbers to approximately 18,000, with the remainder leaving in the subsequent few months as their notice periods come to an end. At the same time, however, we are continuing to recruit to fill specialist vacancies in other areas of our business, such as nuclear, which continue to experience growth in demand and to take in graduate trainees.

Dividend

The Board is recommending a final dividend of 17.25p, making the total dividend for the year 26.0p (2008: 24.0p), an increase of 8%. If approved, the dividend will be paid on 25 September 2009 to ordinary shareholders on the register on 14 August 2009.

Outlook

We start the new financial year in a good position with work in hand representing 54% of our budgeted revenue (2008: 55%). The macro-economic climate varies significantly across our diverse range of markets. The majority are relatively stable but some uncertainties remain in our UK building design business and confidence has yet to fully return in the Middle East. We are, however, well prepared to respond to fluctuations, both positive and negative, in all our markets.

The Group is well placed to navigate through the challenging overall economic environment. We have a strong balance sheet and will continue to invest in developing the business.

BUSINESS REVIEW

Design and Engineering Solutions

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£418.3m	£373.6m	+12.0%
Operating profit	£31.6m	£30.2m	+4.6%
Operating margin	7.6%	8.1%	-0.5pp
Share of post-tax JV profit	£0.1m	-	
Work in hand	43%	39%	+4pp
People			
Staff numbers at 31 March	5,167	5,024	+2.8%
Average staff numbers	5,133	4,722	+8.7%

Design and Engineering Solutions as a whole had a good year with growth in revenue of £44.7m (12%). Operating profit increased by £1.4m (4.6%) with the reduction in margin primarily attributable to the poor performance of our UK building design business and consequent reorganisation costs of approximately £5m, including property rationalisation costs.

Our water and environment business of 1,850 staff continues to perform well. During the year, we have secured commissions with Northumbrian Water and a position on the AMP5 framework for Severn Trent Water. Bidding for the forthcoming regulatory programme will continue over the coming year and final determinations in the AMP5 price review in England and Wales, which govern future expenditure, are due in November with implementation of price limits expected in April 2010. Environmental concerns keep flood mitigation and coastal protection to the fore, where we are undertaking a number of studies under framework contracts with the water companies and the Environment Agency. Our planning and contaminated land capabilities, including environmental impact assessment and remediation work continue to be in demand both in the public and private sectors.

Our 1,400-strong multidisciplinary building design and engineering business, which primarily works on a portfolio of public sector projects in the UK had a mixed year. Successes on a number of major projects including work for the Olympic Delivery Authority (ODA) on the London Olympic Park, were partially offset by a disappointing year in our UK building design business which was adversely impacted by delays in the college modernisation programme for the Learning and Skills Council. As a result, headcount in this part of the business has been reduced by approximately 200 since 31 March 2008 to 800. During the year we commenced work for the London Organising Committee of the Olympic and Paralympic Games (LOCOG) following our appointment as the official engineering design services provider for the London 2012 Games.

Our aerospace business, which now employs over 300 staff, performed well continuing to support Airbus on a number of certification and design packages for the A330, A350 XWB, A380 and A400M aircraft. Nedtech, acquired last year, has performed very well and has confirmed our status as a transnational supplier to Airbus leading to a number of new opportunities.

The demand, from both public and private sector clients, for the services of our defence business remains solid. Our work on the Future Rapid Effect System programme for the UK Ministry of Defence is now focussed on the specialist vehicle families, where we continue to provide independent consultancy and commercial services. This is opening up further opportunities for us.

We have continued to successfully invest in expanding the services we offer in the nuclear sector through training and selective recruitment to build a cadre of multidiscipline nuclear experience in anticipation of increased decommissioning and new-build activity. We are assisting the UK Department of Energy and Climate Change with studies for the nuclear new-build programme and continue to support British Energy through a technical services agreement providing innovative solutions across their portfolio of nuclear power stations in the UK that runs to 2012, with an option to extend beyond this date. The acquisition in October 2008 of MG Bennett, a 30-strong mechanical and structural engineering design consultancy with nuclear lifting capability further enhances our offering in this expanding sector.

The skills of our energy businesses are increasingly being sought after in the renewables sector. We are conducting structural design work on the Galloper and Thanet offshore wind farm developments and we are

also involved in various wave, tide and current projects. The increasing need for alternative power generation methods to be connected to the grid offers opportunities for our electricity transmission and distribution business to develop outside of our core technical support and design contracts with Central Networks and National Grid.

The oil and gas business, which employs 300 staff, has performed well and our workload remains strong. In Europe, we are working on new developments such as the Solan field West of Shetland and we continue to help manage the integrity of existing assets for companies such as BP and Talisman. Our oil and gas business in the USA is also strong and growing on the back of design commissions for BP and Hess. Outside of our core markets of Europe and the USA, we continue to offer design services to regions such as West Africa, Egypt and Malaysia. We are also supporting BP and other oil companies with the global deployment of Fleet Management System which manages the assessment of integrity data for oil and gas assets.

Our communications business, which provides consultancy services in support of current and next generation communications infrastructure alongside a range of technical solutions to a broad range of clients, performed well. However, following Cable & Wireless' (C&W) acquisition of Thus in 2008, C&W decided to in-source the contract to look after their fibre optic network, using the existing Thus expertise. As a consequence approximately 70 staff, out of a total of 230 staff, transferred to C&W in May 2009.

Outlook

Overall, the outlook for the Design and Engineering Solutions segment is stable. Work in hand is ahead of last year, at 43% (2008: 39%) and over 80% of the segment's revenue comes from the publicly funded and regulated sectors. Increased competition in a tougher market environment is putting pressure upon prices but the range of our service offering positions us well for the year ahead.

Our UK building design business has been significantly impacted by reduced workload and, whilst our direct exposure to the commercial property sector is limited, the slow down in that market has increased competition in our other markets. In addition, it is unclear when the current hiatus in the Learning and Skills Council (LSC) building programme will come to an end. We are carefully monitoring the business to assess whether any further action is required.

The nuclear business is well positioned to take advantage of the opportunities that will be provided by the UK's nuclear new-build programme.

In the longer term, there are substantial opportunities for our business to support the UK government's drive to achieve its reduced carbon emissions as outlined in the 2009 carbon budget.

Highways and Transportation

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£292.4m	£274.6m	+6.5%
Operating profit	£20.2m	£16.8m	+20.2%
Operating margin	6.9%	6.1%	+0.8pp
Share of post-tax JV (loss) / profit	£(0.4)m	£0.7m	-157.1%
Work in hand	62%	78%	-16pp
People			
Staff numbers at 31 March	3,075	2,813	+9.3%
Average staff numbers	3,016	3,054	-1.2%

Our Highways and Transportation segment had a good year, continuing the trend of growth and improving margins. Operating profit increased by £3.4m (20.2%) as margins increased to 6.9% (2008: 6.1%) principally due to the strong demand for our higher-margin consultancy activities and the benefits of our continued drive for greater efficiencies. The reduction in average staff numbers is the result of the transfer out, under TUPE, of staff associated with the Northamptonshire County Council contract on 31 March 2008 and the transfer in, two months later, of staff on the Highways Agency Area 6 contract.

Our transport planning business, which provides a wide range of consultancy services, including advice on strategic, policy, management, forecasting, business case and investment appraisals for infrastructure investment, had a good year. We have established a leading position in transport governance reviews for city regions in response to the Local Transport Act. Demand for our technical advice on strategic transport planning policy, due diligence and the transport aspects of master planning remained strong throughout the year. Public realm enhancements combined with traffic management and improvements for pedestrians continue to be a good source of work in major cities. This is exemplified by our proposals for the re-design of Oxford Circus pedestrian crossings and surrounding area, on behalf of The Crown Estate and others. Our study on the business case for high speed rail continued to receive significant media attention throughout the year and we have secured further work in this area.

Our intelligent transport systems business continues to grow as the market for technology-based solutions develops in response to traffic management and sustainability challenges. For the Highways Agency, we are supporting the implementation of three managed motorway schemes to improve journey time reliability through hard shoulder running and we are managing the technology delivery programme. We continue to support the A14 Corridor traffic management scheme as construction starts, having designed it to offer end-to-end reliability and resilience benefits by targeting location-specific accident and congestion problems. The demand for our services in this market continues to be strong with a significant bidding pipeline.

Our design business, which delivers technical consultancy and R&D services as well as all aspects of design of highway infrastructure and transport technology, performed well. Design work on the M74 project in Scotland, secured last year, is progressing well and the project is now over two-thirds complete. During the year work commenced on the design for the M25 widening project under an Advance Activities Agreement pending financial close on the M25 DBFO contract. By 31 March, the design for the first section of the M25 to be widened had been completed, representing over one-third of the overall design commission for Connect Plus. Construction has now commenced following financial close on 20 May 2009.

Our highway services business, which represents around 60% of this segment's revenue, is engaged in maintaining and improving highway networks on behalf of the Highways Agency and local authorities. The business performed ahead of expectations in the second half-year benefiting from increased spending by clients, in part through the UK government's financial stimulus package. Preparation is underway for the commencement, in September 2009 of the 30-year M25 operating and maintenance contract which will be carried out by the Connect Plus Services operations and maintenance Joint Venture, in which we have a 32.5% interest. This contract will offset the loss in workload from the Area 11 MAC contract, performed through our 50% stake in the Optima Joint Venture, which terminates at the end of June 2009. Work is also underway on bidding a number of local authority and Highways Agency MAC contracts scheduled to be awarded later this year for commencement in 2010.

Outlook

We start the new financial year in a strong position. Work in hand at 31 March 2009, which excludes work for Connect Plus on the M25 as financial close had not yet been reached by the year-end, represented 62% of budgeted revenue for 2009/10 (2008: 78%). Including the work associated with the M25, our work in hand is very good at 70%. This gives us confidence in the outlook for 2009/10.

In the longer term, the majority of the work undertaken by this segment is on projects for local and national government or where they are the end client. The outlook remains sound as we anticipate that spending on projects and services that increase capacity, manage congestion or maintain the safe operation of the road network – all areas in which we have a strong technical offering - will remain stable.

Rail

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£196.1m	£208.2m	-5.8%
Operating profit	£17.0m	£11.9m	+42.9%
Operating margin	8.7%	5.7%	+3.0pp
Work in hand	61%	65%	-4pp
People			
Staff numbers at 31 March	1,624	1,669	-2.7%
Average staff numbers	1,635	1,703	-4.0%

The Rail segment performed well this year and delivered an operating profit of £17.0m, an anticipated and substantial improvement on the prior year driven by the impact of the change in the contractual arrangements on our work for London Underground and increased activity in our higher margin design business. As expected, there was a further reduction in revenue and a small decrease in staff numbers in line with the predicted reduction in activity in relation to Metronet.

Large re-signalling contracts for Network Rail continue to account for nearly half of our revenue. Our commitment to delivery earned us public recognition by Network Rail for our part in enabling them to complete the Rugby and Nuneaton section of the high-profile West Coast Main Line upgrade on time. Re-signalling is an important component of Network Rail's enhancement and renewals commitment and we anticipate continued spending over the next few years.

During the year we were awarded a significant contract for the re-signalling upgrade in Newport which includes designing, installing, testing and commissioning signalling units on the 35 mile stretch of track between Bristol and Cardiff. On the North London Line, which forms part of the London 2012 transport plan, we have also been appointed to take this re-signalling project from detailed design to commissioning. These two projects have combined revenue of approximately £100m.

The other part of our business, which focuses on rail-related design and consultancy services, has also performed well. Further work secured on the London 2012 transport plan includes the design, installation and commissioning of communications assets at Farringdon, City Thameslink and Blackfriars stations. We have also been awarded new railway enhancement projects for clients including Chiltern Railways, Milton Keynes Partnership and Dubai Ports' London Gateway. The rail consultancy market where our clients include the rolling stock owners, train operating companies and financial institutions has been partly impacted by the current economic malaise, nevertheless notable successes include supporting Hitachi in their successful bid for the Intercity Express Programme.

Crossrail remains a significant opportunity following our appointment to the design framework earlier in the year and to date we have, in partnership with Arup, been awarded the Tottenham Court Road station and bored tunnel design packages.

Outlook

The outlook for 2009/10 for our Rail segment remains positive with 61% of budgeted 2009/10 revenue secured by 31 March 2009 (2008: 65%). The UK rail market continues to demonstrate strong investment, with increasing demand for innovative solutions to meet the need for a capacity-enhanced, reliable railway.

Over the longer term increased spending on enhancements, and continued spending on major signalling works is expected following the acceptance by Network Rail in February 2009 of the Office of Rail Regulation's rail spending budget for 2009 to 2014. The level of investment in the London area rail network by Transport for London also provides opportunity. We are well placed to support our clients with the breadth and depth of our multidisciplinary expertise.

Middle East, China and Europe

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£303.2m	£191.6m	+58.2%
Operating profit	£22.2m	£11.4m	+94.7%
Operating margin	7.3%	5.9%	+1.4pp
Work in hand	53%	50%	+3pp
People			
Staff numbers at 31 March	4,565	4,076	+12.0%
Average staff numbers	4,498	3,660	+22.9%

The Middle East, China and Europe segment recorded significant growth in all three regions. On a constant currency basis, revenue increased by 36% and operating profit by 57%. The remaining increase in revenue and operating profit was as a result of foreign exchange translation due to the weakness of sterling with an average exchange rate for the US dollar, the principal currency in which our overseas activities are denominated, in 2008/09 of \$1.74:£1 (2007/08: \$2.01:£1).

Middle East

	2009	2008	change
Financial metrics			
Revenue	£186.0m	£112.2m	+65.8%
Operating profit	£17.3m	£9.5m	+82.1%
Operating margin	9.3%	8.5%	+0.8pp
Work in hand	53%	51%	+2pp
People			
Staff numbers at 31 March	2,824	2,470	+14.3%
Average staff numbers	2,823	2,119	+33.2%

Our **Middle East** business delivered further significant growth in revenue and operating profit up 82% to £17.3m. The first half of the year saw continued strong growth in what were booming economies across the region. During that time our staff numbers grew by 650 to a peak of over 3,100.

However, the region did not escape the global liquidity crisis and trading conditions worsened in the second half of the year, which particularly impacted the property sector where a number of projects were cancelled or deferred at short notice. As a result, we reduced our staff numbers by 500 of which 200 left by the year-end and the remaining 300 during April and May. The cost of these staff cuts, including associated rationalisation of office space, was approximately £3m.

With the cancellation of projects, we also experienced a significant slow down in payments by a number of our clients. Cash flow remains a priority and we are working with our clients to manage a satisfactory outcome for the business.

Despite the slow down, a number of projects were completed during the year including the 360m tall Al Mas Tower housing the region's first diamond exchange and the 306m high Address Hotel, Dubai's latest winner of the best new hotel award. Our major involvement delivering the Dubai Metro continued with a 250-person team remaining busy throughout the year.

The building market in Dubai has been particularly affected by the liquidity crisis, but our policy of diversifying the business away from building design and towards infrastructure has mitigated the impact of the downturn in property. We have also been able to protect key resources by redeploying them in other areas, such as Abu Dhabi and Oman, which have been less affected by the downturn.

Our strong capability and market presence as leading providers of large scale infrastructure, heavy civil engineering, utilities, transportation planning and engineering, continue to provide us with good opportunities. Project wins in this area include ongoing restoration work following cyclone Gonu in Oman, complex elevated roadways and bridge design in Abu Dhabi, the "Abra" water taxi and ferry stations in Dubai and work on sanitation and transportation master plans in Kuwait.

Outlook

Despite the slowdown in the third quarter, £45m of good quality new work was secured in the fourth quarter and work in hand represents 53% of budgeted revenue for 2009/10 (2008: 51%). The oil-rich countries such as Abu Dhabi, Qatar, Kuwait and Saudi Arabia are continuing to invest, albeit at a slower pace, particularly in enhancing their infrastructure and there are good opportunities for our business. The markets in Dubai and Bahrain have less activity and the timing of confidence returning is uncertain. The very high wage inflation experienced in the early part of the year has now reversed and accordingly we have instigated a 10% pay cut across the region in June 2009. Longer term, we are optimistic of a resurgence of activity in the region.

China

	2009	2008	change
Financial metrics			
Revenue	£46.1m	£29.8m	+54.7%
Operating profit	£2.7m	£0.3m	+800.0%
Operating margin	5.9%	1.0%	+4.9pp
Work in hand	71%	47%	+24pp
People			
Staff numbers at 31 March	933	861	+8.4%
Average staff numbers	890	859	+3.6%

We continue to make progress in **China** and the region as a whole performed ahead of expectations recording a significant improvement in operating profit over the prior year.

Demand for the services of our 300-strong Hong Kong infrastructure business contributed to better than expected performance from that business. The Hong Kong railway market is buoyant following the merger of the two major railway corporations in December 2007 and we are working on five major rail assignments for MTR Corporation.

Our business in mainland China recorded a much improved result, following the closure of underperforming activities and focusing on the core areas of architecture and urban design. We employ just over 400 staff in mainland China which is broadly in line with last year and positions us well for growth as the market matures.

Outlook

The business enters the new financial year with 71% of budgeted 2009/10 revenue secured (2008: 47%). Our Hong Kong office is particularly busy with work on MTR projects and our business on the Mainland is positioned to benefit from emerging opportunities.

Europe

	2009	2008	change
Financial metrics			
Revenue	£71.1m	£49.6m	+43.3%
Operating profit	£2.2m	£1.6m	+37.5%
Operating margin	3.1%	3.2%	-0.1pp
Work in hand	42%	47%	-5pp
People			
Staff numbers at 31 March	808	745	+8.5%
Average staff numbers	785	682	+15.1%

As a whole, the **Europe** portfolio performed in line with expectations, delivering a further improvement over the prior year.

There have, however, been mixed results across the portfolio. Our Danish business, which now employs 335 staff (2008: 280 staff) principally in the rail market, continues to perform well. Successes during the year include appointment to the project to upgrade the capacity of the Danish main lines network in connection with the coming Femern Belt project to provide a fixed rail link to Germany. The severe recession in Ireland has adversely impacted our Irish business but we have taken action to reduce costs with staff numbers reducing from 190 to 155 (18 left the business before the year-end and a further 17 in May). Sweden, which employs 130 staff, had another disappointing year but we are optimistic that the actions we have taken will ensure that the business performs better in the year ahead. The rest of the portfolio, in Poland and Portugal, performed in line with expectations.

Outlook

The outlook for the Europe portfolio is mixed with work in hand for the region as a whole representing 42% of budgeted revenue for 2009/10 (2008: 47%). The outlook in Denmark is good with the rail market strong but the two key challenges for the year ahead will be successfully managing through the recession in Ireland, where we have reduced pay by 10%, and stabilising our business in Sweden at a profitable level.

Management and Project Services

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£229.6m	£213.2m	+7.7%
Operating profit	£18.9m	£13.6m	+39.0%
Operating margin	8.2%	6.4%	+1.8pp
Share of post-tax JV profits	£0.2m	-	-
Work in hand	44%	48%	-4pp
People			
Staff numbers at 31 March	2,294	2,461	-6.8%
Average staff numbers	2,405	2,394	+0.4%

The Management and Project Services segment delivered an improved performance this year, with operating margin up 1.8 percentage points to 8.2%. The Faithful+Gould business, which represents approximately 70% of the segment, had a good year, despite tough trading in some market areas, and the Management Consultants business continued its recovery.

Faithful+Gould, with operations in the UK, USA and Asia Pacific, provides project management and cost consultancy services across a broad range of market sectors. The result for the year was in line with expectations with a slight shortfall in the UK business, which accounts for over 60% of revenue, offset by improvements in our North America and Asia Pacific businesses. Early action was taken to right-size our business to compensate for some softness in the private sector, mainly commercial property development which accounts for less than 10% of revenue.

We remain focused on our other key markets. In the USA we continue to develop the energy markets through instructions in nuclear new build for Exelon and programme management of power transmission lines for PacifiCorp. In the UK we have been reappointed to the government's Building Schools for the Future programme and have secured a new framework contract with a major UK financial services group. In Asia Pacific we have been awarded a commission for Johnson & Johnson in China and have also been engaged on a new solar panel manufacturing plant in Singapore.

The results for the year in our Management Consultants business were, as expected, much improved and in the fourth quarter we were appointed to two framework contracts to provide strategic and business change consultancy and project and programme management services to the UK Department for Work and Pensions. The overall market remains stable but the slowdown in the private sector has increased competition in our public sector markets where we focus on strategy, design and programme management for technology-enabled business change.

Outlook

The outlook for the segment as a whole is good with work in hand at 31 March 2009 representing 44% of budgeted revenue for 2009/10 (2008: 48%).

Faithful+Gould is a diverse business which delivers services to a wide range of markets. While the UK market is relatively mature, the USA will provide opportunities for us to develop further into energy and government, particularly infrastructure and defence, and in Asia Pacific opportunities will arise from continued inward investment across the region.

Our Management Consultants business currently has a small share of a large addressable market and, with its refocused services and strategy, is actively pursuing a number of opportunities to add to a pipeline underpinned by existing framework contracts with established clients.

Asset Management

Key performance indicators	2009	2008	change
Financial metrics			
Revenue	£47.6m	£52.4m	-9.2%
Operating (loss)/profit	£(6.8)m	£2.8m	-342.9%
Operating margin	(14.3)%	5.3%	-19.6pp
Share of post-tax JV profits	£0.3m	£0.2m	+50%
Profit on disposal of JV	£2.5m	-	-
Work in hand	99%	99%	-
People			
Staff numbers at 31 March	671	669	0.3%
Average staff numbers	682	674	+1.2%

The result for the Asset Management segment was poor having been materially impacted by increased onerous contract provisions and remediation costs, totalling approximately £12m, associated with one of our 10 long-term legacy PFI maintenance contracts where we act as managing contractor. The remainder of the contracts are performing in line with expectations and the business also benefited from a non-recurring gain of £1.7m.

Performance in the managing agent business was ahead of expectations and the prior year. This business has recently secured a new five-year contract with a major financial services client and been invited to expand the scope of services provided to two public sector clients.

The segment also realised a profit of £2.5m on the disposal of our interest in Modern Housing Solutions (Prime) Limited at the beginning of the year.

Outlook

Our Asset Management segment is dominated by a relatively small number of long term contracts and work in hand at 31 March 2009 represented 99% of budgeted revenue for 2009/10 (2008: 99%).

Financial performance

Net finance cost

Net finance cost for the year was £3.1m (2008: income of £4.3m) with the increase attributable to a £5.2m increase in the net finance cost on post employment benefit liabilities and a significant reduction in the interest receivable on short term deposits as global interest rates have reduced during the year. The net finance cost will increase further in 2009/10 as the impact of changing assumptions for discount rates and lower asset values on the IAS19 pension deficit interest take effect. Interest receivable on our net funds will also be impacted by the low interest rates.

Taxation

The Group's income tax expense for the year, on continuing operations, was £18.5m (2008: £23.3m). This included a one-off £7.0m benefit from the purchase of prior year consortium relief credits from the Metronet

companies, giving a normalised effective tax rate of 18.5% (2008: 25.7%). Excluding that one-off benefit, the Group's normalised effective tax rate would have been 25.4%, slightly higher than anticipated due to the impact of the lower share price on the tax deductions available from the Group's share incentive plans. Looking forward, the Group's effective tax rate is expected to continue to benefit from research and development tax credits and the proportion of profits earned in jurisdictions with lower tax rates than the UK.

Earnings per share (EPS)

Basic EPS was 86.1p (2008: 98.9p). Normalised diluted EPS, which is considered to be a more representative measure of underlying trading and relates to continuing operations, was 82.3p (2008: 66.7p), an increase of 23.4%. Excluding the benefit of acquired tax losses, normalised diluted earnings per share would have been 75.2p, an increase of 12.7%.

Pensions

Funding

The latest actuarial valuation of the defined benefit Atkins Pension Plan (the Plan) carried out as at 1 April 2007 indicated that the Plan had an actuarial deficit of approximately £215m. Accelerated contributions of £44.5m were made during the year and the Group has agreed to contribute a further £32m per year for the next five years. The next actuarial valuation will take place as at 1 April 2010 and is likely to be completed in late 2010 or early 2011.

Charges

The Group accounts for pension costs under IAS 19, *Employee benefits*. The total charge to the income statement in respect of defined benefit schemes reduced to £14.8m (2008: £17.8m), comprising total service cost of £8.9m (2008: £16.7m) and net finance cost of £5.9m (2008: £1.1m). The charge relating to defined contribution schemes increased to £28.2m (2008: £19.0m), reflecting the closure of the defined benefit schemes to future accrual and the transfer of staff to the defined contribution scheme.

IAS 19 valuation and accounting treatment

The Group assesses pension scheme funding with reference to actuarial valuations but for reporting purposes uses IAS 19. Under IAS 19, the Group recognised a much-increased post-tax retirement benefit liability of £215.4m at 31 March 2009 (2008: £153.9m) reflecting the adverse impact of the investment markets on fund assets. The actuarial loss recognised through equity amounted to £88.5m (2008: Gain of £6.4m which became a loss of £1.0m after taking into account the impact of the change in UK tax rates).

The assumptions used in the IAS 19 valuation are detailed in note 11.

Cash

Net funds at 31 March 2009 were £234.2m (2008: £168.4m) made up as follows:

	2009 £m	2008 £m
Cash and cash equivalents	209.7	154.5
Loan notes receivable	12.9	5.6
Financial assets at fair value through profit or loss	28.7	29.7
Borrowings due within one year	(2.8)	(4.2)
Borrowings due after one year	(0.6)	(3.2)
Finance leases	(13.7)	(14.0)
Net funds	234.2	168.4

Cash generated from continuing operations was £125.5m (2008: £80.9m), representing 122% of operating profit, and can be summarised as follows:

	2009 £m	2008 £m
EBITDA	136.5	117.1
Additional outflow relating to pensions	(40.6)	(29.1)
Movement in working capital	10.9	(7.3)
Movement in provisions	9.2	(5.5)
Other non-cash items	9.5	5.7
	125.5	80.9

Operating cash flow remained strong as we continued to optimise the cash position on our contracts. Proactive working capital management resulted in a net working capital inflow of £10.9m which was achieved despite a lengthening of debtor days in the Middle East in the last quarter of the year. The accruals for redundancy and bonus payments increased this year and will result in an outflow in the first half of 2009/10.

The movement in provisions includes the additional onerous contract provisions recognised in the Asset Management segment and a net increase in the Group's vacant property provision, where we took a more conservative view in light of the current environment for letting surplus office space, both of which will result in a cash out-flow in the coming financial years.

Net tax paid amounted to £12.8m (2008: £14.7m) which includes payments of £0.4m (2008: £11.8m) to Metronet for consortium relief. The cash flows associated with this year's Metronet consortium relief benefit of £7m will be incurred in 2009/10.

Net capital expenditure in the year, including the purchase of computer software licences, amounted to £27.6m (2008: £25.7m). This was less than originally anticipated as we reduced discretionary items in this time of economic uncertainty.

An amount of £12.3m (2008: £34.0m) was returned to shareholders via the share buyback programme.

Capital structure

As at 31 March 2009, the Group had a shareholders' deficit of £43.5m (2008: £23.4m) and the Company had shareholders' funds of £108.8m (2008: £126.9m).

The Company had 104.5m fully paid ordinary shares in issue at 31 March 2009 (2008: 104.5m). The Company commenced a share buyback programme in November 2007 and by 31 March 2009, had bought 4.3m of its own shares in the market for a total consideration, including commission and stamp duty, of £46.4m. These shares are held within treasury. During the year the Company bought 1.1m shares (2008: 3.2m) at a total cost of £11.5m (2008: £34.9m) with the last purchase occurring in July 2008.

Keith Clarke
Chief Executive

Robert MacLeod
Group Finance Director

16 June 2009

Consolidated income statement for the year ended 31 March 2009

	Notes	2009 £m	2008 £m
Continuing operations			
Revenue (Group and share of Joint Ventures)		1,532.4	1,399.5
Revenue	2	1,487.2	1,313.6
Cost of sales		(941.9)	(834.1)
Gross profit		545.3	479.5
Administrative expenses		(442.2)	(392.8)
Operating profit	2	103.1	86.7
Profit on disposal of Joint Venture	3	2.5	-
Share of post-tax profit from Joint Ventures	4	0.2	0.9
Profit from operations		105.8	87.6
Finance income	5	6.7	9.8
Finance cost	5	(9.8)	(5.5)
Net finance (cost) / income	5	(3.1)	4.3
Profit before taxation		102.7	91.9
Income tax expense	6	(18.5)	(23.3)
Profit for the year from continuing operations		84.2	68.6
Discontinued operations	7	-	31.4
Profit for the year attributable to equity shareholders	12	84.2	100.0
Earnings per share			
From continuing and discontinued operations (total)			
Basic earnings per share	9	86.1p	98.9p
Diluted earnings per share	9	84.8p	97.2p
From continuing operations			
Basic earnings per share	9	86.1p	67.9p
Diluted earnings per share	9	84.8p	66.7p
Dividends			
Dividends recognised in the year – paid	8	25.3p	21.5p
Dividends relating to the year - proposed	8	26.0p	24.0p

Notes 1 to 14 below form part of the preliminary financial information.

Consolidated balance sheet as at 31 March 2009

	Notes	2009 £m	2008 £m
Assets			
Non-current assets			
Goodwill		62.3	56.7
Other intangible assets		9.0	10.9
Property, plant and equipment		46.6	45.6
Investments in Joint Ventures		3.9	4.2
Deferred income tax assets		101.6	69.6
Other receivables		12.9	5.7
		236.3	192.7
Current assets			
Inventories		0.3	0.3
Trade and other receivables		353.7	299.7
Financial assets at fair value through profit or loss		28.7	29.7
Cash and cash equivalents		209.7	154.5
		592.4	484.2
Liabilities			
Current liabilities			
Borrowings		(7.6)	(7.8)
Trade and other payables		(478.7)	(409.2)
Derivative financial instruments		(1.2)	(0.9)
Current income tax liabilities		(31.2)	(26.8)
Provisions for other liabilities and charges		(9.9)	(4.3)
		(528.6)	(449.0)
Net current assets			
		63.8	35.2
Non-current liabilities			
Borrowings		(9.5)	(13.6)
Provisions for other liabilities and charges		(17.8)	(13.5)
Post employment benefit liabilities	11	(311.5)	(219.3)
Other non-current liabilities		(4.8)	(4.9)
		(343.6)	(251.3)
Net liabilities			
		(43.5)	(23.4)
Capital and reserves			
Ordinary shares	12	0.5	0.5
Share premium account	12	62.4	62.4
Merger reserve	12	8.9	8.9
Retained loss	12	(115.3)	(95.2)
Equity shareholders' deficit			
		(43.5)	(23.4)

Notes 1 to 14 below form part of the preliminary financial information.

Consolidated cash flow statement for the year ended 31 March 2009

	Notes	2009 £m	2008 £m
Cash flows from operating activities			
Cash generated from operations	13	125.5	80.9
Interest received		6.3	9.7
Interest paid		(2.2)	(3.3)
Income tax paid		(12.8)	(14.7)
Discontinued operations	7	-	0.3
Net cash generated from operating activities		116.8	72.9
Cash flows from investing activities			
Distributions received from Joint Ventures		1.3	2.5
Investments in Joint Ventures		-	(0.9)
Acquisition of subsidiaries			
- consideration		(3.5)	(6.4)
- cash acquired		1.0	0.7
- deferred consideration paid		(0.8)	-
Net loans to Joint Ventures		(6.9)	-
Purchases of property, plant and equipment		(18.2)	(18.9)
Proceeds from disposals of:			
- property, plant and equipment		1.1	1.0
- investments in subsidiaries		0.2	-
- investments in Joint Ventures		2.5	-
Financial assets		1.0	19.9
Purchases of intangible assets		(10.5)	(7.8)
Discontinued operations	7	-	(17.3)
Net cash used in investing activities		(32.8)	(27.2)
Cash flows from financing activities			
Repayment of short-term loans		(4.3)	(0.2)
Repayment of long-term loans		-	(17.6)
Finance lease principal payments		(4.5)	(4.4)
Share buyback		(12.3)	(34.0)
Equity dividends paid to shareholders	8	(24.7)	(21.8)
Discontinued operations	7	-	(0.3)
Net cash used in financing activities		(45.8)	(78.3)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		38.2	(32.6)
Cash, cash equivalents and bank overdrafts at beginning of year			
		154.5	187.7
Exchange movements			
		17.0	(0.6)
Cash, cash equivalents and bank overdrafts at end of year		209.7	154.5
	14		

Notes 1 to 14 below form part of the preliminary financial information.

Consolidated statement of recognised income and expense for the year ended 31 March 2009

	Notes	2009 £m	2008 £m
Actuarial (loss) / gain on retirement benefit liabilities	11	(122.8)	6.4
Share of Joint Venture equity items	12	-	0.2
Tax on items charged to equity	6	33.6	(7.8)
Cash flow hedges	12	-	(0.8)
Net differences on exchange	12	12.4	3.3
Net (loss) / income recognised directly to equity		(76.8)	1.3
Profit for the year		84.2	100.0
Total recognised income and expense for the year attributable to equity shareholders		7.4	101.3

Notes 1 to 14 below form part of the preliminary financial information.

Notes to the preliminary financial information for the year ended 31 March 2009

1. Basis of preparation and accounting policies

The financial information attached has been extracted from the audited financial statements for the year ended 31 March 2009, and has been prepared in accordance with IFRS as adopted by the EU and IFRIC interpretations issued and effective at the time of preparing those financial statements.

The financial information for the years ended 31 March 2009 and 31 March 2008 does not constitute summary financial information or statutory financial information as defined in Section 240 and Section 251 of the Companies Act 1985 for those years. The annual report and financial statements for the year ended 31 March 2009 were approved by the Board of Directors on 16 June 2009, together with this announcement, but have not yet been delivered to the Registrar of Companies. The auditor's report on the financial statements for both years was unqualified and did not contain a statement under either Section 237 (2) or 237 (3) of the Companies Act 1985. The financial statements for the year ended 31 March 2008 have been delivered to the Registrar.

The principal accounting policies adopted under IFRS and applied in the preparation of the financial statements are available on the Group's website, www.atkingglobal.com.

2. Segmental reporting

Revenue and results

2009	Total revenue £m	Inter-segment revenue £m	Revenue £m	Operating profit £m	Operating margin %	Share of post-tax profit from Joint Ventures £m
Design and Engineering Solutions	435.2	(16.9)	418.3	31.6	7.6%	0.1
Highways and Transportation	312.2	(19.8)	292.4	20.2	6.9%	(0.4)
Rail	210.2	(14.1)	196.1	17.0	8.7%	-
Middle East, China and Europe	329.9	(26.7)	303.2	22.2	7.3%	-
Management and Project Services	240.6	(11.0)	229.6	18.9	8.2%	0.2
Asset Management	50.5	(2.9)	47.6	(6.8)	(14.3)%	0.3
Total from operations	1,578.6	(91.4)	1,487.2	103.1	6.9%	0.2

2008	Total revenue £m	Inter segment revenue £m	Revenue £m	Operating profit £m	Operating margin %	Share of post-tax profit from Joint Ventures £m
Design and Engineering Solutions	390.8	(17.2)	373.6	30.2	8.1%	-
Highways and Transportation	291.6	(17.0)	274.6	16.8	6.1%	0.7
Rail	224.9	(16.7)	208.2	11.9	5.7%	-
Middle East, China and Europe	206.5	(14.9)	191.6	11.4	5.9%	-
Management and Project Services	223.5	(10.3)	213.2	13.6	6.4%	-
Asset Management	54.7	(2.3)	52.4	2.8	5.3%	0.2
Total continuing segments	1,392.0	(78.4)	1,313.6	86.7	6.6%	0.9
Discontinued operations	33.3	(0.1)	33.2	17.0	51.2%	-
Total from operations	1,425.3	(78.5)	1,346.8	103.7	7.7%	0.9

3. Profit on disposal of Joint Venture

On 1 April 2008 the Group disposed of its holding in Modern Housing Solutions (Prime) Limited generating a profit on disposal of £2.5m.

4. Joint Ventures

Share of post-tax profit/(loss) from Joint Ventures

2009	Continuing £m	Discontinued (note 7) £m	Total £m
Revenue	45.2	-	45.2
Operating expenditure	(44.7)	-	(44.7)
Operating profit	0.5	-	0.5
Finance cost	(5.4)	-	(5.4)
Finance income	5.1	-	5.1
Profit before taxation	0.2	-	0.2
Income tax (expense)/credit	-	-	-
Share of post-tax profit from Joint Ventures	0.2	-	0.2

2008	Continuing £m	Discontinued (note 7) £m	Total £m
Revenue	85.9	144.7	230.6
Operating expenditure	(85.1)	(138.7)	(223.8)
Operating profit	0.8	6.0	6.8
Finance cost	(4.3)	(8.3)	(12.6)
Finance income	4.8	0.9	5.7
Profit/(loss) before taxation	1.3	(1.4)	(0.1)
Income tax credit	(0.4)	1.4	1.0
Share of post-tax profit from Joint Ventures	0.9	-	0.9

5. Net finance cost/(income)

2009	Continuing £m	Discontinued £m	Total £m
Interest payable on borrowings	-	-	-
Hire purchase and finance leases	1.0	-	1.0
Unwinding of discount	1.0	-	1.0
Net finance cost on retirement benefit liabilities	6.6	-	6.6
Other finance costs	1.2	-	1.2
Finance cost	9.8	-	9.8
Interest receivable on short term deposits	(2.9)	-	(2.9)
Income from held at fair value financial assets	(2.2)	-	(2.2)
Unwinding of discount	(0.4)	-	(0.4)
Other finance income	(1.2)	-	(1.2)
Finance income	(6.7)	-	(6.7)
Net finance cost	3.1	-	3.1

2008	Continuing £m	Discontinued £m	Total £m
Interest payable on borrowings	0.8	-	0.8
Hire purchase and finance leases	1.0	0.1	1.1
Unwinding of discount	1.2	-	1.2
Net finance cost on retirement benefit liabilities	1.4	-	1.4
Other finance costs	1.1	0.8	1.9
Finance cost	5.5	0.9	6.4
Interest receivable on short term deposits	(7.1)	(0.3)	(7.4)
Income from held at fair value financial assets	(1.6)	-	(1.6)
Unwinding of discount	(0.3)	-	(0.3)
Other finance income	(0.8)	-	(0.8)
Finance income	(9.8)	(0.3)	(10.1)
Net finance (income)/cost	(4.3)	0.6	(3.7)

6. Income tax expense – continuing operations

a) Analysis of charge in the year

	2009 £m	2008 £m
Current income tax		
- Current year	16.8	18.9
- Adjustment in respect of prior year	0.5	(3.6)
Deferred income tax	1.2	8.0
Income tax on profit per income statement	18.5	23.3
Adjust for:		
- Joint Venture taxation	-	0.4
Normalised income tax expense	18.5	23.7
Profit before tax per income statement	102.7	91.9
Adjust for:		
- Joint Venture taxation	-	0.4
- Profit on disposal of joint venture	(2.5)	-
Normalised profit before income tax	100.2	92.3
Effective income tax rate	18.0%	25.4%
Normalised effective income tax rate	18.5%	25.7%

The total income tax expense (continuing and discontinued operations) was £18.5m (2008: £28.3m)

b) Factors affecting income tax expense

The normalised income tax expense for the year is lower than the standard rate of corporation tax in the UK of 28% (2008: 30%). The differences are explained below:

	2009	2008
	%	%
UK statutory income tax rate	28.0	30.0
Increase/(decrease) resulting from:		
Expenses not deductible for tax purposes	0.7	1.4
Adjustment in respect of overseas tax rates	(4.2)	(3.4)
Effect of share-based payments	2.7	0.8
Tax on Joint Ventures	(0.1)	-
R&D tax credit	(2.4)	(2.9)
Consortium relief	(6.9)	(0.6)
Other	0.7	0.4
Normalised effective income tax rate	18.5	25.7

c) Income tax on items charged to equity

	Retirement benefit liability	Share- based payments	2009 Total	Retirement benefit liability	Share- based payments	2008 Total
	£m	£m	£m	£m	£m	£m
At 1 April	1.1	2.9	4.0	8.5	3.3	11.8
Deferred income tax	34.3	(1.1)	33.2	(7.4)	(0.6)	(8.0)
Current income tax	-	0.4	0.4	-	0.2	0.2
At 31 March	35.4	2.2	37.6	1.1	2.9	4.0

7. Discontinued operations (31 March 2008)

Lambert Smith Hampton (LSH)

On 25 June 2007 contracts were exchanged for the disposal of LSH for a total consideration valued at £50.8m. Goodwill disposed of was £17.5m, including £2.6m within LSH's own balance sheet. The profit on disposal was £20.0m.

Metronet Joint Venture, Trans4m Joint Venture and related discontinued revenues and costs

Metronet BCV Limited and Metronet SSL Limited entered PPP Administration on 18 July 2007 and Trans4m's contracts were terminated on 30 August 2007.

Financial information relating to LSH, Metronet Joint Venture and Trans4m Joint Venture for the period prior to becoming discontinued is set out below. The income statement and cash flow statement distinguish discontinued operations from continuing operations.

2008	Metronet and Trans4m		
	LSH £m	Trans4m £m	Total £m
Income statement and cash flow information			
Revenue	16.0	17.2	33.2
Administration and other expenses	(15.8)	(0.4)	(16.2)
Net finance income/(cost)	0.2	(0.8)	(0.6)
Profit before taxation from discontinued operations	0.4	16.0	16.4
Income tax expense	(0.2)	(4.8)	(5.0)
Profit after income tax of discontinued operations	0.2	11.2	11.4
Pre-tax profit on disposal	20.0	-	20.0
Income tax expense	-	-	-
After-tax profit on disposal	20.0	-	20.0
Profit from discontinued operations	20.2	11.2	31.4
Operating cash flows from discontinued operations	2.8	(2.5)	0.3
Investing cash flows from discontinued operations	(0.2)	(48.0)	(48.2)
Investing cash flows – cash proceeds on disposal net of cash disposed	30.9	-	30.9
Financing cash flows from discontinued operations	(0.3)	-	(0.3)
Total cash flows	33.2	(50.5)	(17.3)

8. Dividends

	2009 pence	2008 pence	2009 £m	2008 £m
Final dividend paid for the year ended 31 March 2008 (2007)	16.50p	14.00 p	16.1	14.2
Interim dividend paid for the year ended 31 March 2009 (2008)	8.75p	7.50 p	8.6	7.6
Dividends recognised in the year	25.25p	21.50 p	24.7	21.8
Interim dividend paid for the year ended 31 March 2009 (2008)	8.75p	7.50 p	8.6	7.6
Final dividend proposed for the year ended 31 March 2009 (2008)	17.25p	16.50 p	16.9	16.1
Dividends relating to the year	26.00p	24.00 p	25.5	23.7

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in this preliminary financial information.

9. Earnings per share (EPS)

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares in issue during the year excluding shares held by the Employee Benefit Trusts (EBTs), which have not unconditionally vested in the employees, and shares held in treasury.

Diluted earnings per share is the basic earnings per share after allowing for the dilutive effect of the conversion into ordinary shares of the number of options outstanding during the year. The options relate to discretionary employee share plans.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below:

	2009 number (‘000)	2008 number (‘000)
Number of shares		
Weighted average number of shares used in basic and normalised basic EPS	97,790	101,105
Effect of dilutive securities – share options	1,516	1,735
Weighted average number of shares used in diluted and normalised diluted EPS	99,306	102,840

	2009 £m	2008 £m
Earnings – continuing and discontinued operations		
Profit for the year attributable to equity shareholders	84.2	100.0

Earnings – continuing operations		
Profit for the year attributable to equity shareholders	84.2	68.6
Profit on disposal of Joint Venture	(2.5)	-
Normalised earnings	81.7	68.6

	2009 pence	2008 pence
From continuing and discontinued operations		
Basic earnings per share	86.1	98.9
Diluted earnings per share	84.8	97.2
From continuing operations		
Basic earnings per share	86.1	67.9
Diluted earnings per share	84.8	66.7
Normalised basic earnings per share	83.5	67.9
Normalised diluted earnings per share	82.3	66.7

Normalised diluted EPS is considered to be a more representative measure of underlying trading.

10. Business combinations

On 6 October 2008 the Group acquired 100% of the share capital of M.G. Bennett & Associates Limited, a UK registered entity for £3.1m consisting of cash consideration of £2.6m and deferred consideration of £0.5m.

On 1 December 2008 the Group acquired 100% of the share capital of Trafimark AB, a Swedish registered entity for £0.8m consisting of a cash consideration of £0.5m, a deferred consideration of £0.2m and direct expenses paid of £0.1m.

	Total carrying value £m	Provisional fair value adjustments £m	Total Provisional fair value £m
Property, plant and equipment	0.6	(0.5)	0.1
Trade and other receivables	1.0	(0.1)	0.9
Cash and cash equivalents	1.0	-	1.0
Short term trade and other payables	(0.8)	-	(0.8)
Current income tax liabilities	-	-	-
	1.8	(0.6)	1.2
Goodwill on acquisition			2.7
Consideration			3.9
Consideration:			
Cash paid			3.1
Direct costs relating to the acquisition			0.1
Deferred consideration			0.7
			3.9

All acquisitions in the year have been aggregated in the table above as no single acquisition is considered individually material.

Included in the goodwill recognised above are items that cannot be individually separated and reliably measured due to their nature. These include new customers and synergy benefits. The provisional fair value adjustments relate primarily to the alignment to Group accounting policies.

The initial accounting for these acquisitions has been determined provisionally because fair values have not been finalised. Any adjustments to the accounting required following finalisation of the fair values to be assigned to the acquired assets and liabilities will be recorded from the acquisition date within 12 months of the acquisition date.

During the year the Group paid additional consideration of £0.1m to the vendors of Atkins (Trinidad) Limited, £0.1m to the vendors of Novaplan AB and £0.2m to the vendors of the trade and assets of H Day Limited T/A Derek Rogers & Associates.

As a result of finalising fair values of previous acquisitions and incurring qualifying direct expenses, additional goodwill of £0.2m was recognised for the trade and assets of H Day Limited T/A Derek Rogers & Associates during the year.

Included in the Group's results for the year is £1.7m of revenue and no profit in relation to the acquisitions above. If the acquisitions had been made at the beginning of the year then the Group's results would have included revenue of £3.8m, profit before taxation of £0.5m and profit after taxation of £0.4m for the year in relation to the acquisitions. The Group's total results would have been revenue of £1,489.3, profit before taxation of £103.2m and profit after taxation of £84.6m.

11. Post employment benefit liabilities

The Group's post employment benefit liabilities are analysed below.

	2009 £m	2008 £m
Retirement benefit liabilities	298.4	213.1
Other post employment liabilities	13.1	6.2
	311.5	219.3

The Group's opening other post employment benefit liabilities were previously disclosed within trade and other payables and have been restated. The restatement has no impact on the income statement of the Group.

(a) Retirement benefit liabilities

The Group operates both defined benefit and defined contribution pension schemes. The two main defined benefit schemes are the Atkins Pension Plan and the Railways Pension Scheme, both of which are funded final salary schemes. The assets of both schemes are held in separate trustee administered funds. Other pension schemes include the Atkins McCarthy Pension Plan in the Republic of Ireland, which is a final salary funded defined benefit scheme, and a range of defined contribution schemes or equivalent.

At 31 March 2009 the defined benefit section of the McCarthy pension scheme was closed to future accrual of benefits for members who do not enjoy a statutory or contractual right to a final-salary pension. These members have transferred to the Personal Retirement Savings Accounts - Ireland (PRSA - Irish Life) scheme with effect 1 April 2009.

In the previous year (30 September 2007) all defined benefit members of the Atkins Pension Plan were transferred to a defined contribution section for future service where it was clear they did not enjoy a statutory or contractual right to a final-salary pension; although the service accrual under the defined benefit sections ceased for these members, the link to final salary remains whilst employed by Atkins Limited (unless opting out or retiring if sooner). On 1 October 2007, 1,622 members transferred to a defined contribution section of the plan and, following further consultation, an additional 421 members transferred to the defined contribution section of the plan with effect 1 October 2008.

The defined benefit sections of all pension schemes are closed to new entrants, who are now offered membership of the defined contribution section.

The main assumptions used for the IAS 19 valuation of the retirement benefit liabilities for the Atkins Pension Plan and the Railways Pension Scheme are listed in the table below.

	2009	2008
Price inflation	3.00%	3.60%
Rate of increase of pensions in payment:		
Limited Price Indexation	3.00%	3.60%
Limited Price Indexation to 2.5%	2.50%	2.50%
Fixed	5.00%	5.00%
Rate of increase in salaries	4.50%	5.10%
Rate of increase for deferred pensioners	3.00%	3.60%
Discount rate	6.30%	6.50%
Expected rate of return on plan assets	6.60%	7.30%
Expected rate of social security increases	3.00%	3.60%
Longevity at age 65 for current pensioners		
Men	22.3 years	22.2 years
Women	24.7 years	24.6 years
Longevity at age 65 for future pensioners (current age 45)		
Men	24.2 years	24.1 years
Women	26.6 years	26.5 years

The actuarial tables used to calculate the retirement benefit liabilities for the Atkins Pension Plan were the "2000 series" standard tables, with medium cohort improvements and a minimum of 1% improvement per annum, based on year of use application. The Railways Pension Scheme results have been adjusted on an approximate basis to be based on the same mortality tables.

The components of the pension cost are as follows:

	2009 £m	2008 £m
Cost of sales		
Current service cost	8.9	16.7
Total service cost	8.9	16.7
Finance (income)/cost		
Finance cost	65.6	56.5
Expected return on plan assets	(59.7)	(55.4)
Net finance cost	5.9	1.1
Total charge to income statement for defined benefit schemes	14.8	17.8
Charge for defined contribution schemes	28.2	19.0
Total charge to income statement	43.0	36.8
Statement of recognised income and expense		
Loss on pension scheme assets	(194.2)	(88.1)
Changes in assumptions	71.4	94.5
Actuarial (loss)/gain	(122.8)	6.4
Deferred tax charged to equity	34.3	(7.4)
Actuarial loss - net of deferred tax	(88.5)	(1.0)

The expected return on plan assets is based on market expectation at the beginning of the year for returns over the entire life of the benefit obligation.

	2009 £m	2008 £m
Defined benefit obligation	(1,003.4)	(1,021.9)
Fair value of plan assets	705.0	808.8
Retirement benefit liabilities	(298.4)	(213.1)

Movements in the retirement benefit liabilities are as follows:

	2009 £m	2008 £m
At beginning of year	(213.1)	(250.1)
Service cost	(8.9)	(16.7)
Net finance cost	(5.9)	(1.1)
Contributions	52.5	48.5
Actuarial (loss)/gain	(122.8)	6.4
Difference on exchange	(0.2)	(0.1)
At end of year	(298.4)	(213.1)

The Group expects employer contributions to be paid during 2009/10 to be circa £39.5m, which includes £32.0m in relation to funding of the actuarial deficit.

The approximate effect on scheme liabilities from changes in the main assumptions used to value the liabilities are as follows:

	Change in assumption	Effect on plan liabilities	
		Atkins Pension Plan	Railways Pension Scheme
Discount rate	increase/decrease 0.5%	decrease/increase 10.0%	decrease/increase 9.0%
Rate of inflation	increase/decrease 0.5%	increase/decrease 8.0%	increase/decrease 9.0%
Real rate of increase in salaries	increase/decrease 0.5%	increase/decrease 2.0%	increase/decrease 3.0%
Longevity	increase 1 year	increase 3.0%	increase 2.0%

(b) Other post employment benefit liabilities

The Group operates unfunded gratuity schemes within certain of its non-UK businesses. Members of the schemes are entitled to receive a cash gratuity on leaving the business which is dependent on their length of employment and final salary. Valuation of the gratuity obligation is carried out in line with the principles of IAS19. Post employment benefits.

	2009 £m	2008 £m
Other post employment obligations at beginning of year	6.2	3.3
Service cost	4.0	3.1
Interest cost	0.7	0.3
Benefit payments	(1.0)	(0.4)
Difference on exchange	3.2	(0.1)
Other post employment obligations at end of year	13.1	6.2

12. Statement of changes in equity

	Share Capital £m	Share premium account £m	Merger reserve £m	Retained (loss)/ earnings £m	Equity shareholders' deficit £m
Balance at 1 April 2007	0.5	62.4	8.9	(147.9)	(76.1)
Profit for the year	-	-	-	100.0	100.0
Dividends	-	-	-	(21.8)	(21.8)
Actuarial loss on retirement benefit liabilities – net of deferred tax	-	-	-	(1.0)	(1.0)
Share-based movements	-	-	-	7.7	7.7
Share buyback	-	-	-	(34.9)	(34.9)
Share of Joint Venture equity items	-	-	-	0.2	0.2
Cash flow hedges	-	-	-	(0.8)	(0.8)
Net differences on exchange	-	-	-	3.3	3.3
Balance at 31 March 2008	0.5	62.4	8.9	(95.2)	(23.4)
Profit for the year	-	-	-	84.2	84.2
Dividends	-	-	-	(24.7)	(24.7)
Actuarial loss on retirement benefit liabilities – net of deferred tax	-	-	-	(88.5)	(88.5)
Share-based movements	-	-	-	8.0	8.0
Share buyback	-	-	-	(11.5)	(11.5)
Net differences on exchange	-	-	-	12.4	12.4
Balance at 31 March 2009	0.5	62.4	8.9	(115.3)	(43.5)

The amounts included above are shown net of taxation

13. Cash generated from continuing operations

	2009 £m	2008 £m
Profit for the year	84.2	68.6
Adjustments for:		
Income tax	18.5	23.3
Finance income	(6.7)	(9.8)
Finance cost	9.8	5.5
Share of post-tax profit from Joint Ventures	(0.2)	(0.9)
Depreciation charges	20.7	19.3
Profit on disposal of Joint Venture	(2.5)	-
Amortisation charges	12.7	11.1
Release of deferred income	(0.1)	(3.0)
Share-based payment charge	8.9	8.6
Result on disposal of property, plant and equipment	0.7	0.1
Movement in provisions	9.2	(5.5)
Movement in working capital	10.9	(7.3)
Movement in pensions	(40.6)	(29.1)
Cash generated from continuing operations	125.5	80.9

14. Analysis of net funds

	31 March 2008 £m	Cash flow £m	Other non-cash changes £m	Exchange movement £m	31 March 2009 £m
Cash and cash equivalents	154.5	38.2	-	17.0	209.7
Loan notes receivable	5.6	6.9	0.4	-	12.9
Financial assets at fair value through profit or loss	29.7	(1.0)	-	-	28.7
Borrowings due within one year	(4.2)	4.3	(2.9)	-	(2.8)
Borrowings due after one year	(3.2)	-	2.6	-	(0.6)
Finance leases	(14.0)	4.5	(4.2)	-	(13.7)
Net funds	168.4	52.9	(4.1)	17.0	234.2

General Information

WS Atkins plc is a public limited company incorporated and domiciled in England with company number 1885586. The Company is listed on the London Stock Exchange.

Copies of this preliminary financial information are available from the registered office: Woodcote Grove, Ashley Road, Epsom, Surrey KT18 5BW, England and may be viewed on the Atkins website www.atkinglobal.com.