

Notes to the interim report

		6 MONTHS TO 30.9.2002 (UNAUDITED)	6 MONTHS TO 30.9.2001 (UNAUDITED) (AS RESTATED)	YEAR TO 31.3.2002 (AUDITED)
		NOTE	£M	£M
1 Segmental analysis				
By geographical destination				
Turnover:	United Kingdom	175.3	192.8	379.7
	Rest of Europe	107.7	102.6	214.4
	North America	52.4	57.6	110.0
	Japan	5.0	4.2	9.0
	Rest of World	24.9	24.1	46.5
		365.3	381.3	759.6
By geographical origin				
Turnover:	United Kingdom	182.1	199.7	393.0
	Rest of Europe	106.0	100.5	210.7
	North America	52.7	57.9	110.5
	Japan	5.0	4.2	9.0
	Rest of World	19.5	19.0	36.4
		365.3	381.3	759.6
Operating profit:	United Kingdom	57.1	62.8	126.2
	Rest of Europe	19.4	17.7	40.4
	North America	7.9	8.5	15.9
	Japan	(2.1)	(2.8)	(4.7)
	Rest of World	1.2	(0.2)	0.2
	Contribution – before amortisation of goodwill	83.5	86.0	178.0
	Groupwide process costs	(36.7)	(34.4)	(69.3)
	Amortisation of goodwill – Allied (North America)	(5.7)	(6.0)	(11.9)
	Amortisation of goodwill – RS Norway (Rest of Europe)	(0.1)	–	(0.1)
		41.0	45.6	96.7
By geographical location				
Net assets:	United Kingdom	210.6	229.6	210.6
	Rest of Europe	68.4	66.4	67.0
	North America	28.8	32.6	29.5
	Japan	3.9	4.0	3.5
	Rest of World	24.7	27.5	27.1
	Net operating assets	336.4	360.1	337.7
	Net debt	(67.2)	(91.3)	(53.0)
	Unallocated net assets	128.9	148.4	127.4
		398.1	417.2	412.1
Unallocated net assets comprise:				
	Intangible fixed assets:			
	Goodwill – Allied (North America)	182.4	206.5	207.7
	Goodwill – RS Norway (Rest of Europe)	0.8	0.8	0.8
	Corporate tax	(22.2)	(28.8)	(23.0)
	Proposed dividend	(22.8)	(21.3)	(47.9)
	Provisions for liabilities and charges	(9.3)	(8.8)	(10.2)
		128.9	148.4	127.4

	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	6 MONTHS TO 30.9.2001 (UNAUDITED) £M	YEAR TO 31.3.2002 (AUDITED) £M	
2 Taxation on the profit of the Group				
United Kingdom taxation	9.6	13.7	23.8	
Overseas taxation	3.8	0.9	6.8	
	13.4	14.6	30.6	
3 Earnings per share				
Profit on ordinary activities after taxation	27.1	29.0	62.9	
Amortisation of goodwill (excluding tax effect)	5.8	6.0	12.0	
Profit on ordinary activities after taxation and before amortisation of goodwill	32.9	35.0	74.9	
Weighted average number of shares	434.7m	433.8m	434.1m	
Basic earnings per share				
Before amortisation of goodwill	7.6p	8.1p	17.3p	
After amortisation of goodwill	6.2p	6.7p	14.5p	
4 Interim dividend				
The timetable for the payment of the interim dividend is:				
Ex-dividend date	18 December 2002			
Dividend record date	20 December 2002			
Dividend payment date	22 January 2003			
5 Reconciliation of movements in shareholders' funds				
	NOTE	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	6 MONTHS TO 30.9.2001 (UNAUDITED) (AS RESTATED) £M	YEAR TO 31.3.2002 (AUDITED) £M
Profit for the period		27.1	29.0	62.9
Dividends		(22.8)	(21.3)	(69.2)
Retained profit (loss) for the period		4.3	7.7	(6.3)
Translation differences		(18.7)	(7.4)	0.5
New share capital subscribed		0.4	2.0	3.0
Net (reduction) addition to equity		(14.0)	2.3	(2.8)
Equity shareholders' funds at the beginning of the period	6	412.1	414.9	414.9
Equity shareholders' funds at the end of the period		398.1	417.2	412.1
6 Restatement: implementation of FRS 19 prior year adjustment				
For the 6 months to 30 September 2001 the provision for liabilities and charges has been increased and opening shareholders' funds decreased by £0.5m from the amounts originally reported in the Interim statement for the period. This represents, as included in the accounts for the year to 31 March 2002, the effect of a change in accounting policy for deferred tax as a result of the adoption of FRS 19 Deferred tax.				

Notes to the interim report continued

	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	6 MONTHS TO 30.9.2001 (UNAUDITED) £M	YEAR TO 31.3.2002 (AUDITED) £M
7 Reconciliation of net cash flow to movement in net debt			
Decrease in cash	(1.9)	(3.0)	(6.9)
Management of liquid resources	(9.7)	(6.7)	9.6
Financing – loans	(7.2)	(7.7)	18.4
Change in net debt relating to cash flows	(18.8)	(17.4)	21.1
Translation differences	4.6	1.6	1.4
Movement in net debt for the period	(14.2)	(15.8)	22.5
Net debt at the beginning of the period	(53.0)	(75.5)	(75.5)
Net debt at the end of the period	(67.2)	(91.3)	(53.0)
Net debt at the end of the period comprises:			
Cash at bank and in hand	2.3	8.4	5.1
Overdrafts	(1.0)	(1.0)	(1.9)
Current instalments of loans	(25.0)	(28.6)	(19.7)
Loans repayable after more than one year	(50.5)	(70.1)	(52.8)
Current asset investments	7.0	–	16.3
	(67.2)	(91.3)	(53.0)

	6 MONTHS TO 30.9.2002	6 MONTHS TO 30.9.2001	YEAR TO 31.3.2002
8 Principal exchange rates			
Average for the period			
United States Dollar	1.51	1.43	1.43
Euro	1.59	1.63	1.63
Japanese Yen	186	175	180
	30.9.2002	30.9.2001	31.3.2002
Period end			
United States Dollar	1.57	1.47	1.42
Euro	1.59	1.61	1.63
Japanese Yen	191	175	189

9 Basis of preparation

The financial information has been prepared under the historical cost convention and in accordance with applicable accounting standards, using the accounting policies set out in the Annual Report for the year ended 31 March 2002.

The financial information included in this document does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985. The statutory accounts for the year to 31 March 2002 have been filed with the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under Section 237 (2) or (3) of the Companies Act 1985. The interim financial information is unaudited but has been subject to a limited review by KPMG Audit Plc.