

Notes to the interim report

		6 MONTHS TO 30.9.2003 (UNAUDITED) £M	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	YEAR TO 31.3.2003 (AUDITED) £M
1 Segmental analysis				
By geographical destination				
Turnover:	United Kingdom	169.7	175.3	353.7
	Rest of Europe	116.3	107.7	227.0
	North America	50.8	52.4	103.2
	Japan	6.3	5.0	11.3
	Rest of World	25.7	24.9	48.5
		368.8	365.3	743.7
By geographical origin				
Turnover:	United Kingdom	176.0	182.1	366.9
	Rest of Europe	114.3	106.0	224.3
	North America	51.2	52.7	103.4
	Japan	6.3	5.0	11.3
	Rest of World	21.0	19.5	37.8
		368.8	365.3	743.7
Operating profit:	United Kingdom	56.8	57.1	119.1
	Rest of Europe	21.7	19.4	44.1
	North America	5.8	7.9	14.4
	Japan	(0.6)	(2.1)	(3.3)
	Rest of World	2.2	1.2	2.4
	Contribution – before amortisation of goodwill	85.9	83.5	176.7
	Groupwide process costs	(39.9)	(36.7)	(74.6)
	Amortisation of goodwill – Allied (North America)	(5.3)	(5.7)	(11.1)
	Amortisation of goodwill – RS Norway (Rest of Europe)	(0.1)	(0.1)	(0.2)
		40.6	41.0	90.8
By geographical location				
Net assets:	United Kingdom	212.6	210.6	219.9
	Rest of Europe	73.8	68.4	70.4
	North America	26.3	28.8	26.5
	Japan	3.1	3.9	1.7
	Rest of World	25.1	24.7	22.0
	Net operating assets	340.9	336.4	340.5
	Net debt	(69.3)	(67.2)	(46.9)
	Unallocated net assets	111.9	128.9	94.6
		383.5	398.1	388.2
Unallocated net assets comprise:				
	Intangible fixed assets:			
	Goodwill – Allied (North America)	162.3	182.4	175.9
	Goodwill – RS Norway (Rest of Europe)	0.6	0.8	0.7
	Corporate tax	(18.4)	(22.2)	(21.8)
	Proposed dividend	(24.3)	(22.8)	(51.1)
	Provisions for liabilities and charges	(8.3)	(9.3)	(9.1)
		111.9	128.9	94.6

2 Taxation on the profit of the Group

	6 MONTHS TO 30.9.2003 (UNAUDITED) £M	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	YEAR TO 31.3.2003 (AUDITED) £M
United Kingdom taxation	10.9	9.6	21.8
Overseas taxation	2.2	3.8	7.5
	13.1	13.4	29.3

3 Earnings per share

	6 MONTHS TO 30.9.2003 (UNAUDITED) £M	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	YEAR TO 31.3.2003 (AUDITED) £M
Profit on ordinary activities after taxation	26.8	27.1	60.3
Amortisation of goodwill (excluding tax effect)	5.4	5.8	11.3
Profit on ordinary activities after taxation and before amortisation of goodwill	32.2	32.9	71.6
Weighted average number of shares	434.9m	434.7m	434.8m
Basic earnings per share			
Before amortisation of goodwill	7.4p	7.6p	16.5p
After amortisation of goodwill	6.2p	6.2p	13.9p

4 Interim dividend

The timetable for the payment of the interim dividend is:

Ex-dividend date	17 December 2003
Dividend record date	19 December 2003
Dividend payment date	22 January 2004

5 Reconciliation of movements in shareholders' funds

	6 MONTHS TO 30.9.2003 (UNAUDITED) £M	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	YEAR TO 31.3.2003 (AUDITED) £M
Profit for the period	26.8	27.1	60.3
Dividends	(24.3)	(22.8)	(73.9)
Retained profit (loss) for the period	2.5	4.3	(13.6)
Translation differences	(7.3)	(18.7)	(10.8)
New share capital subscribed	0.1	0.4	0.5
Net reduction to equity	(4.7)	(14.0)	(23.9)
Equity shareholders' funds at the beginning of the period	388.2	412.1	412.1
Equity shareholders' funds at the end of the period	383.5	398.1	388.2

Notes to the interim report (continued)

	6 MONTHS TO 30.9.2003 (UNAUDITED) £M	6 MONTHS TO 30.9.2002 (UNAUDITED) £M	YEAR TO 31.3.2003 (AUDITED) £M
6 Reconciliation of net cash flow to movement in net debt			
Increase (decrease) in cash	6.2	(1.9)	(3.1)
Management of liquid resources	(13.1)	(9.7)	5.1
Financing – loans	(17.0)	(7.2)	(3.9)
Change in net debt relating to cash flows	(23.9)	(18.8)	(1.9)
Translation differences	1.5	4.6	8.0
Movement in net debt for the period	(22.4)	(14.2)	6.1
Net debt at the beginning of the period	(46.9)	(53.0)	(53.0)
Net debt at the end of the period	(69.3)	(67.2)	(46.9)
Net debt at the end of the period comprises:			
Cash at bank and in hand	9.4	2.3	2.9
Overdrafts	(0.9)	(1.0)	(0.3)
Current instalments of loans	(22.2)	(25.0)	(29.0)
Loans repayable after more than one year	(66.6)	(50.5)	(44.3)
Current asset investments	11.0	7.0	23.8
	(69.3)	(67.2)	(46.9)

	6 MONTHS TO 30.9.2003	6 MONTHS TO 30.9.2002	YEAR TO 31.3.2003
7 Principal exchange rates			
Average for the period			
United States Dollar	1.62	1.51	1.54
Euro	1.43	1.59	1.56
Japanese Yen	190	186	188
	30.9.2003	30.9.2002	31.3.2003
Period end			
United States Dollar	1.66	1.57	1.58
Euro	1.43	1.59	1.45
Japanese Yen	185	191	187

8 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 2003.

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 2003 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.