

News Release

16 June 2011

BALFOUR BEATTY REPORTING CHANGE

Balfour Beatty, the international infrastructure group, announces that Balfour Beatty Plant & Fleet Services has been transferred from Construction Services into Balfour Beatty WorkPlace in Support Services as of 1 January 2011. It is recognised that Plant & Fleet Services has a wide-ranging customer base across Balfour Beatty in the UK and that its activities are a complementary strategic fit within the Support Services division.

There is no change to the operating numbers at the Group level; however, the Group's IFRS 8 *Operating Segments* analysis does require restatement, with a re-allocation of Group revenue (£9 million) and profit from operations (£11 million) for the year ended 31 December 2010 from Construction Services to Support Services. The Group revenue movement is small in relation to profit from operations due to the intercompany nature of the majority of the Plant & Fleet Services revenue.

Unaudited segmental schedules showing the effect of these restatements for Construction Services and Support Services are appended to this press release.

ENDS

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Notes to Editors:

1. Balfour Beatty (www.balfourbeatty.com) is a world-class infrastructure group with capabilities in professional services, construction services, support services and infrastructure investments.

We work in partnership with our customers principally in the UK, continental Europe, the US, South-East Asia, Australia and the Middle East, who value the highest levels of quality, safety and technical expertise.

Key infrastructure markets include transportation (roads, rail and airports); social infrastructure (education, specialist healthcare, and various types of accommodation); utilities (water, gas and power transmission and generation) and commercial (offices, leisure and retail).

The Group delivers services essential to the development, creation and care of these infrastructure assets including project design, financing and management, engineering and construction, and facilities management services.

Balfour Beatty employs 50,000 people around the world.

Appendix

Year ended 31 December 2010	Support Services			Construction Services		
Performance by activity:	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Revenue including share of joint ventures and associates	1,443	1,434	1%	6,734	6,743	–
Share of revenue of joint ventures and associates	(131)	(131)	–	(616)	(616)	–
Group revenue	1,312	1,303	1%	6,118	6,127	–
Group operating profit	57	46	24%	170	181	(5)%
Share of results of joint ventures and associates	5	5	–	31	31	–
Profit from operations before exceptional items and amortisation	62	51	22%	201	212	(5)%
Exceptional items	(12)	(12)	–	(6)	(6)	–
Amortisation of intangible assets	(1)	(1)	–	(18)	(18)	–
Profit from operations	49	38	29%	177	188	(6)%
Assets and liabilities						
Total assets	472	396	19%	2,336	2,412	(3)%
Total liabilities	(428)	(363)	18%	(2,454)	(2,519)	(3)%
Net assets/(liabilities)	44	33	33%	(118)	(107)	10%
Other information						
Capital expenditure	32	17	88%	37	52	(29)%
Depreciation	26	12	117%	34	48	(29)%
Further information						
Total revenue	1,597	1,518	5%	6,961	7,040	(1)%
Intragroup revenue	(154)	(84)	83%	(227)	(297)	(24)%
Revenue including share of joint ventures and associates	1,443	1,434	1%	6,734	6,743	–

Note: there was no significant movement in the order book.

Year ended 31 December 2009	Support Services			Construction Services		
Performance by activity:	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Revenue including share of joint ventures and associates	1,452	1,443	1%	7,482	7,491	–
Share of revenue of joint ventures and associates	(140)	(140)	–	(673)	(673)	–
Group revenue	1,312	1,303	1%	6,809	6,818	–
Group operating profit	60	50	20%	173	183	(5)%
Share of results of joint ventures and associates	5	5	–	24	24	–
Profit from operations before exceptional items and amortisation	65	55	18%	197	207	(5)%
Exceptional items	3	3	–	(16)	(16)	–
Amortisation of intangible assets	(2)	(2)	–	(20)	(20)	–
Profit from operations	66	56	18%	161	171	(6)%
Assets and liabilities						
Total assets	456	380	20%	2,422	2,498	(3)%
Total liabilities	(466)	(400)	17%	(2,699)	(2,765)	(2)%
Net liabilities	(10)	(20)	(50)%	(277)	(267)	4%
Other information						
Capital expenditure	30	10	200%	35	55	(36)%
Depreciation	29	13	123%	34	50	(32)%
Further information						
Total revenue	1,592	1,509	6%	7,735	7,818	(1)%
Intragroup revenue	(140)	(66)	112%	(253)	(327)	(23)%
Revenue including share of joint ventures and associates	1,452	1,443	1%	7,482	7,491	–

Note: there was no significant movement in the order book.

Year ended 31 December 2008	Support Services			Construction Services		
	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Performance by activity:						
Revenue including share of joint ventures and associates	1,558	1,548	1%	7,085	7,095	–
Share of revenue of joint ventures and associates	(130)	(130)	–	(702)	(702)	–
Group revenue	1,428	1,418	1%	6,383	6,393	–
Group operating profit	62	48	29%	132	146	(10)%
Share of results of joint ventures and associates	4	4	–	21	21	–
Profit from operations before exceptional items and amortisation	66	52	27%	153	167	(8)%
Exceptional items	–	–	–	(6)	(6)	–
Amortisation of intangible assets	(2)	(2)	–	(15)	(15)	–
Profit from operations	64	50	28%	132	146	(10)%
Assets and liabilities						
Total assets	513	429	20%	2,514	2,598	(3)%
Total liabilities	(434)	(364)	19%	(2,534)	(2,604)	(3)%
Net assets/(liabilities)	79	65	22%	(20)	(6)	233%
Other information						
Capital expenditure	32	11	191%	58	79	(27)%
Depreciation	27	13	108%	34	48	(29)%
Further information						
Total revenue	1,699	1,612	5%	7,281	7,368	(1)%
Intragroup revenue	(141)	(64)	120%	(196)	(273)	(28)%
Revenue including share of joint ventures and associates	1,558	1,548	1%	7,085	7,095	–

Note: there was no significant movement in the order book.

Year ended 31 December 2007	Support Services			Construction Services		
Performance by activity:	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Revenue including share of joint ventures and associates	1,372	1,359	1%	5,519	5,532	(0)%
Share of revenue of joint ventures and associates	(113)	(113)	–	(566)	(566)	–
Group revenue	1,259	1,246	1%	4,953	4,966	–
Group operating profit	49	36	36%	107	120	(11)%
Share of results of joint ventures and associates	–	–	–	24	24	–
Profit from operations before exceptional items and amortisation	49	36	36%	131	144	(9)%
Exceptional items	–	–	–	(33)	(33)	–
Amortisation of intangible assets	–	–	–	(9)	(9)	–
Profit from operations	49	36	36%	89	102	(13)%
Further information						
Total revenue	1,508	1,423	6%	5,634	5,719	(1)%
Intragroup revenue	(136)	(64)	113%	(115)	(187)	(39)%
Revenue including share of joint ventures and associates	1,372	1,359	1%	5,519	5,532	–

Note: there was no significant movement in the order book.

The effect on the 2010 half-year accounts represented in the 2011 half-year report will be as follows:

Half-year ended 26 June 2010	Support Services			Construction Services		
	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Performance by activity:						
Revenue including share of joint ventures and associates	739	735	1%	3,278	3,282	–
Share of revenue of joint ventures and associates	(64)	(64)	–	(275)	(275)	–
Group revenue	675	671	1%	3,003	3,007	–
Group operating profit	23	19	21%	65	69	(6)%
Share of results of joint ventures and associates	2	2	–	14	14	–
Profit from operations before exceptional items and amortisation	25	21	19%	79	83	(5)%
Exceptional items	–	–	–	(1)	(1)	–
Amortisation of intangible assets	(1)	(1)	–	(8)	(8)	–
Profit from operations	24	20	20%	70	74	(5)%
Assets and liabilities						
Total assets	482	414	16%	2,617	2,685	(3)%
Total liabilities	(489)	(425)	15%	(2,797)	(2,861)	(2)%
Net liabilities	(7)	(11)	(36)%	(180)	(176)	2%
Other information						
Capital expenditure	13	9	44%	18	22	(18)%
Depreciation	12	5	140%	18	25	(28)%
Further information						
Total revenue	830	792	5%	3,381	3,419	(1)%
Intragroup revenue	(91)	(57)	60%	(103)	(137)	(25)%
Revenue including share of joint ventures and associates	739	735	1%	3,278	3,282	–

Note: there was no significant movement in the order book.

The effect on the other half-year accounts previously reported will be as follows:

Half-year ended 27 June 2009	Support Services			Construction Services		
	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Performance by activity:						
Revenue including share of joint ventures and associates	730	726	1%	3,781	3,785	–
Share of revenue of joint ventures and associates	(62)	(62)	–	(359)	(359)	–
Group revenue	668	664	1%	3,422	3,426	–
Group operating profit	31	27	15%	56	60	(6)%
Share of results of joint ventures and associates	1	1	–	11	11	–
Profit from operations before exceptional items and amortisation	32	28	15%	67	71	(6)%
Exceptional items	–	–	–	(6)	(6)	–
Amortisation of intangible assets	(1)	(1)	–	(10)	(10)	–
Profit from operations	31	27	15%	51	55	(7)%
Assets and liabilities						
Total assets	524	451	16%	2,529	2,602	(3)%
Total liabilities	(523)	(454)	15%	(2,742)	(2,811)	(2)%
Net assets/(liabilities)	1	(3)	133%	(213)	(209)	2%
Other information						
Capital expenditure	20	8	150%	21	33	(36)%
Depreciation	15	7	114%	18	26	(31)%

Further information						
Total revenue	800	759	5%	3,894	3,935	(1)%
Intragroup revenue	(70)	(33)	112%	(113)	(150)	(25)%
Revenue including share of joint ventures and associates	730	726	1%	3,781	3,785	–

Note: there was no significant movement in the order book.

Half-year ended 28 June 2008	Support Services			Construction Services		
	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Performance by activity:						
Revenue including share of joint ventures and associates	762	757	1%	3,212	3,217	–
Share of revenue of joint ventures and associates	(61)	(61)	–	(315)	(315)	–
Group revenue	701	696	1%	2,897	2,902	–
Group operating profit	28	22	27%	43	49	(12)%
Share of results of joint ventures and associates	1	1	–	11	11	–
Profit from operations before exceptional items and amortisation	29	23	26%	54	60	(10)%
Exceptional items	–	–	–	(1)	(1)	–
Amortisation of intangible assets	(1)	(1)	–	(7)	(7)	–
Profit from operations	28	22	27%	46	52	(12)%

Further information						
Total revenue	834	791	5%	3,289	3,332	(1)%
Intragroup revenue	(72)	(34)	112%	(77)	(115)	(33)%
Revenue including share of joint ventures and associates	762	757	1%	3,212	3,217	–

Note: there was no significant movement in the order book.

Half-year ended 30 June 2007	Support Services			Construction Services		
Performance by activity:	Restated £m	As previously reported £m	% change	Restated £m	As previously reported £m	% change
Revenue including share of joint ventures and associates	685	670	2%	2,428	2,443	(1)%
Share of revenue of joint ventures and associates	(54)	(54)	–	(285)	(285)	–
Group revenue	631	616	2%	2,143	2,158	(1)%
Group operating profit	19	12	58%	31	38	(18)%
Share of results of joint ventures and associates	–	–	–	7	7	–
Profit from operations before exceptional items and amortisation	19	12	58%	38	45	(16)%
Exceptional items	–	–	–	(37)	(37)	–
Amortisation of intangible assets	–	–	–	(3)	(3)	–
Profit from operations	19	12	58%	(2)	5	(140)%
Further information						
Total revenue	741	698	6%	2,494	2,537	(2)%
Intragroup revenue	(56)	(28)	104%	(66)	(94)	(30)%
Revenue including share of joint ventures and associates	685	670	2%	2,428	2,443	(1)%

Note: there was no significant movement in the order book.