



Interim Results 2012/13

Making more from waste



Disclaimer Statement

This presentation contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. These forward-looking statements are subject to risks, uncertainties and other factors which as a result could cause Shanks Group's actual future financial condition, performance and results to differ materially from the plans, goals and expectations set out in the forward-looking statements. Such statements are made only as at the date of this presentation and, except to the extent legally required, Shanks Group undertakes no obligation to revise or update such forward-looking statements.

Agenda

CEO Perspectives
& Highlights

Peter Dilnot
Group Chief Executive

Financial &
Operational Review

Toby Woolrych
Group Finance Director

Summary &
Outlook

Peter Dilnot
Group Chief Executive

Agenda

CEO Perspectives & Highlights

Peter Dilnot
Group Chief Executive

Financial & Operational Review

Toby Woolrych
Group Finance Director

Summary & Outlook

Peter Dilnot
Group Chief Executive

CEO Perspectives

- 1 We have a clear and consistent strategy with strong long-term growth drivers
- 2 H1 12/13 performance has been impacted by tough market conditions
 - Solid Waste division challenged by macro demand and price pressure
 - Organics, Hazardous Waste & UK Municipal divisions continue to perform well
- 3 New Group structure enables divisions to be managed actively and discretely
- 4 We are taking decisive action to transform the profitability of Solid Waste
- 5 In parallel, our investment programme continues to deliver profitable growth
- 6 We have a strong pipeline of opportunities and a robust balance sheet

**Macro environment remains challenging,
well-positioned for sustained profitable growth**

2012/13 Interim Highlights

Revenue & Profits

- Revenue down 8% primarily due to NL and UK SW*
- Underlying PBT down 22% - impacted by SW*

Solid Waste Division

- Major headwinds in NL; 60-year lows in construction
- UK volume and recycle prices hit by recession

Cost Reduction

- New structural cost programme launched today
- Delivers £13m in 13/14 and £20m annually from 15/16

Growth Divisions

- Organics revenue up 15%; UK Municipal profit up 42%*
- Hazardous Waste margins up 90 bps

Investment Programme

- 12.3% post-tax return for projects fully up and running
- £145m now invested with strong opportunity funnel

Cash Flow & Financing

- Underlying free cash flow conversion of 47%
- Net debt to EBITDA ratio at 2.1x

Dividend

- Interim dividend maintained at 1.1p per share
- Reflects Board's confidence in future growth

*At constant currency

Vision and Strategy



H1 Highlights

Vision

'To be the leading provider of sustainable waste management solutions in our target markets'

1

New Opportunities

- Barrow MBT completed
- Good progress in Wales AD
- 30KT new contract in Canada

2

Operational Performance

- UK Municipal margin up 310bps
- £9m cost savings in H1
- £50m structural cost plan started

3

Capabilities & Technologies

- Implemented new Group structure
- Shared Organics expertise
- Building shared service centre

4

Business Portfolio





- Gains from Van Tuijl acquisition
- Foronex transport sale
- Demolition exit

Making More From Waste

New Group Structure

Division	Characteristics
<p>Solid</p> 	<ul style="list-style-type: none"> • 'Local' business linked to macro economy • Focus on productivity and cost reduction • Well positioned for recovery
<p>Hazardous</p> 	<ul style="list-style-type: none"> • Strong business with competitive advantages • International experience and reach • Future growth through capacity investments
<p>Organics</p> 	<ul style="list-style-type: none"> • Growing business with proven capabilities • Profitable growth in new markets • Continued growth through new plants
<p>UK Municipal</p> 	<ul style="list-style-type: none"> • Stable business with long-term contracts • Improving operational margins • Growth through ramp-up & new opportunities

Benefits of New Group Structure

Division	Benefits	H1 Example
Solid 	<ul style="list-style-type: none"> • Significant cost synergies • Revenue gains across borders 	<ul style="list-style-type: none"> • Dutch SW from 8 to 3 regions • Renegotiated off take contracts
Hazardous 	<ul style="list-style-type: none"> • Sales synergies - eg oil & gas • Increased investments 	<ul style="list-style-type: none"> • Fast-tracked capital approvals • Accelerated 12/13 profit drivers
Organics 	<ul style="list-style-type: none"> • Leverage Orgaworld expertise • Increased Group focus 	<ul style="list-style-type: none"> • Improved UK/Belgian AD margins • Good progress in Wales
UK Municipal 	<ul style="list-style-type: none"> • Best practices across contracts • More focused bidding 	<ul style="list-style-type: none"> • 310 bps margin expansion • Improved key contract terms
Shanks Group	<ul style="list-style-type: none"> • Targeted cost action with clear 'case for change' • Increased focus on growth opportunities • Improved deployment of capital 	

Core Value Drivers in H1

Cost Reduction

£9m savings delivered in H1 from ongoing operational actions

3-year structural cost programme started

- Annualised £20m saving in 15/16
- £50m+ total saving over 3 years

Plant closures & headcount reduction in H1 deliver £6m annualised

Ongoing structural action will deliver savings of £13m in 13/14

Growth Investment

Over £295m recently invested in new infrastructure*

- Shanks programme £145m
- UK PFI projects £150m

Shanks programme generated 12.3% post tax in H1**

UK PFI operating margins >10%

Strong opportunity pipeline focused on Hazardous and Organics

* Since 2008, combination of Shanks investment programmes and UK PFI-linked investments (non recourse debt)

** From projects fully up and running in the £100m investment programme

Agenda

CEO Perspectives
& Highlights

Peter Dilnot
Group Chief Executive

Financial &
Operational Review

Toby Woolrych
Group Finance Director

Summary &
Outlook

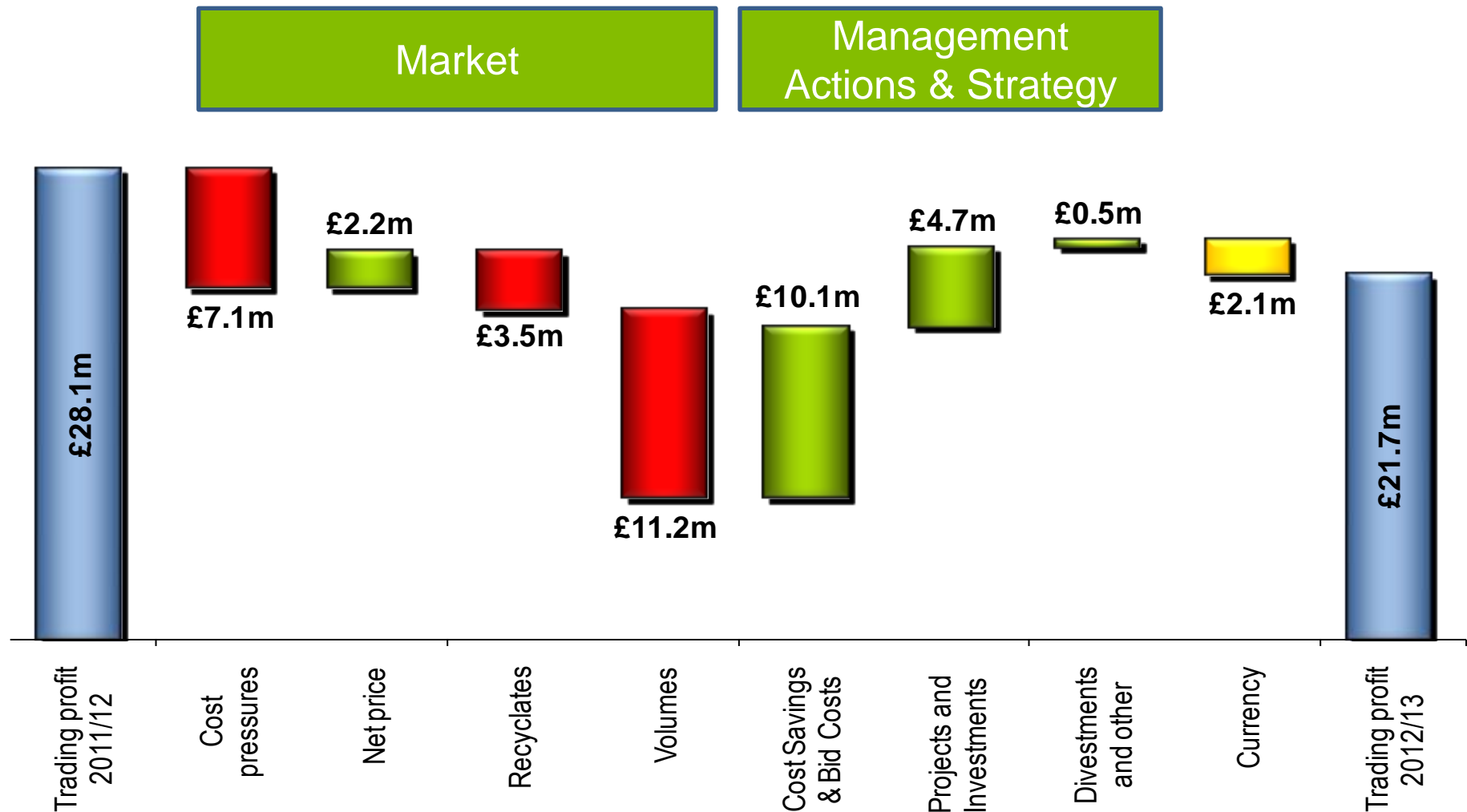
Peter Dilnot
Group Chief Executive

Income Statement

Six Months ended September

	Sep 12 £m	Sep 11 £m	Reported Change £m	Change %	Excluding currency Change %
Revenue	339.6	397.7	(58.1)	-15%	-8%
Trading Profit	21.7	28.1	(6.4)	-23%	-15%
Net Interest	(7.5)	(8.0)			
Associate Income	0.1	0.1			
Underlying profit before tax	14.3	20.2	(5.9)	-29%	-22%
Non trading and exceptional items	(7.3)	(2.9)			
Profit before tax	7.0	17.3	(10.3)	-60%	-54%
Taxation	(0.6)	(0.2)			
Profit after tax	6.4	17.1	(10.7)	-63%	-57%
Underlying earnings per share (p)	2.7	3.8	(1.1)	-29%	-21%
Basic earnings per share (p)	1.6	4.3	(2.7)	-63%	-56%

Trading Profit Progression: Drivers



Average exchange rates: Euro: 1.25 (PY:1.13); Can\$ 1.59 (PY:1.58)

Structural Cost Programme

- Structural cost reduction programme to deliver £20m of savings in 2015/16
 - £6m of annual savings already secured - will save £3m in H2 13
 - £7m of annual savings to be secured by year end – will save £1m in H2 13
 - £7m of annual savings to be delivered by shared services and improved procurement
- Cash cost of £28m results in cash payback on full savings of 1.3 years
- Charges taken over current and next accounting years

All figures in £m	P&L charge			Timing of charge			Timing of benefit			
	Non			12/13	12/13	13/14				
	Cash	Cash	Total	H1	H2	Total	12/13	13/14	14/15	15/16
Benelux Solid Waste	12	3	15	2	10	3	2	6	7	7
UK Solid Waste	3	11	14	2	12	-	2	5	5	5
Other divisions	3	-	3	1	2	-	1	1	1	1
Solid Waste shared services	10	-	10	-	1	9	-	-	3	4
Procurement	-	-	-	-	-	-	-	1	2	3
	28	14	42	5	25	12	5	13	18	20

Structural Cost Initiatives in Detail

Benelux Solid Waste

Secured: £3m p.a., £1.5m in H2

- One sorting centre closed
- Three sorting centres converted to transfer stations
- 85 headcount reduction

Underway: £4m p.a., complete by year end

- Further sorting line closed
- C&D processing satellite closed
- Capacity rightsizing
- 160 headcount reduction

Shared service centre saving £4m p.a.

- 40 headcount reduction

Improved procurement saving £3m p.a.

UK Solid Waste

Secured: £2m p.a., £1m in H2

- 60 headcount reduction
- Reorganised across regional PFI clusters
- Mostly back office savings

Underway: £3m p.a., £1m in H2

- Scottish assets rebalanced
- Operational changes & capacity reduction
- 70 headcount reduction

Divisional Performance

Solid Waste Benelux

Six months ended	Sep 12	Sep 11	Change	
	€m	€m	€m	%
Revenue				
Netherlands Solid Waste	117.3	129.6	(12.3)	-9%
Belgium Solid Waste	56.1	58.4	(2.3)	-4%
Belgium Others	44.4	52.5	(8.1)	-15%
Intra-segment	(9.6)	(9.0)	(0.6)	
Total Revenue	208.2	231.5	(23.3)	-10%
Total Revenue (£m)	167.1	204.4	(37.3)	-18%
Trading Profit				
Netherlands Solid Waste	6.7	10.6	(3.9)	-37%
Belgium Solid Waste	5.5	4.0	1.5	38%
Belgium Others	4.5	4.6	(0.1)	-2%
Divisional central services	(5.0)	(3.4)	(1.6)	
Total Trading Profit (before non trading & exceptional)	11.7	15.8	(4.1)	-26%
Total Trading Profit (£m)	9.4	13.9	(4.5)	-32%
Trading Margin				
Netherlands Solid Waste	5.7%	8.2%		
Belgium Solid Waste	9.8%	6.8%		
Belgium Others	10.1%	8.8%		
Total Trading Margin	5.6%	6.8%		

Market

- Dutch C&D volumes down 17%, prices down 6%
- Dutch I&C volumes down 6%, prices down 3%
- Belgium relatively flat

Progress

- Good contract wins: Dura Vermeer, Heineken
- Van Tuijl performs well

Investment

- Hook of Holland facility commissioned

Divisional Performance

Solid Waste UK

Six months ended

	Sep 12	Sep 11	Change	
	£m	£m	£m	%
Revenue	32.5	45.0	(12.5)	-28%
Trading Profit				
Solid Waste	(0.7)	4.4	(5.1)	-116%
Divisional central services	(1.5)	(2.0)	0.5	
Total Trading Profit (before non trading & exceptional)	(2.2)	2.4	(4.6)	-192%
Trading Margin				
Solid Waste	-2.2%	9.8%		
Total Trading Margin	-6.8%	5.3%		

Market

- Collection tonnages down 12%
- Recycling tonnages down 11%
- Sharp fall in recyclate prices in Q2
- Scotland particularly challenged

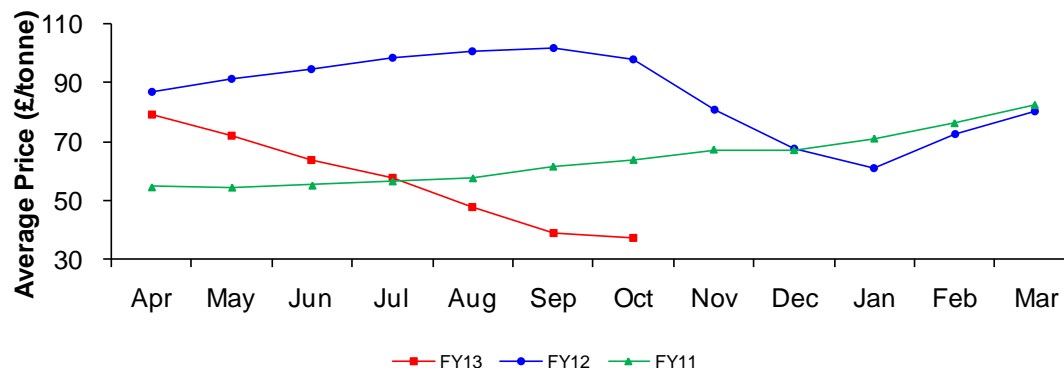
Progress

- Good contract wins
 - Bedfordshire
 - Silverburn

Investment

- Kettering MRF

UK average mixed paper prices - 3 month rolling



Divisional Performance Municipal Waste UK

Six months ended

	Sep 12	Sep 11	Change	
	£m	£m	£m	%
Revenue	57.1	55.0	2.1	4%
Trading Profit				
PF/PPP contracts	6.8	4.8	2.0	42%
Divisional central services	(2.6)	(4.1)	1.5	
Total Trading Profit (before non trading & exceptional)	4.2	0.7	3.5	500%
Trading Margin	7.4%	1.3%		

Existing contracts

- Good growth from all current operational contracts
- Barrow MBT plant completed and to start commissioning
- BDR construction underway
- D&G negotiations ongoing

Pipeline

- Planning permission received for Derby
- Financial close for Wakefield targeted for H2
- PB decision due shortly for Derry

Rolling 12 month trading margins*



*Margins now include an allocation of divisional central costs

PFI Directors' Valuation

- Portfolio valuation includes the four operating contracts, BDR and the two contracts at preferred bidder
- Valuation based on the cash flows of the financial vehicles and the operating contracts - discounted at 8%
- Valuation at £88m – 10% increase from March 12

Valuation of future cash flows discounted at 8%:	£m
Contracts in full operations - operational contract value	54
Contracts in build phase & at preferred bidder status - operational contract value	24
	<hr/>
	78
Contracts in full operations - SPV financing vehicles	4
Contracts in build phase & at preferred bidder status - SPV financing vehicles	6
	<hr/>
Directors' Valuation at 30 September 2012	88

Divisional Performance Hazardous Waste

Six months ended

	Sep 12 €m	Sep 11 €m	Change €m	%
Revenue	84.3	90.3	(6.0)	-7%
Total Revenue (£m)	67.7	79.7	(12.0)	-15%
Trading Profit				
Hazardous Waste	13.3	13.5	(0.2)	-1%
Divisional central services	(0.9)	(1.0)	0.1	
Total Trading Profit (before non trading & exceptional)	12.4	12.5	(0.1)	-1%
Total Trading Profit (£m)	9.9	11.2	(1.3)	-12%
Trading Margin	14.7%	13.8%		



Market

- Core markets robust
- Good order backlog in soil treatment
- Prior period included one-off waste water storage and treatment contract
- Strong summer season for Reym

Progress

- Reym grew margins significantly with improved operational efficiency
- ATM processing highly contaminated European soil contract

Investment

- ATM completing expansion of soil treatment facilities
- ATM to commence expansion of pyro (paints & solvents) facility

Divisional Performance Organics

Six months ended	Sep 12 €m	Sep 11 €m	Change €m	%
Revenue				
Netherlands	9.5	9.9	(0.4)	-4%
Canada	9.6	8.2	1.4	17%
Other Organics	3.7	1.8	1.9	106%
Total Revenue	22.8	19.9	2.9	15%
Total Revenue (£m)	18.3	17.6	0.7	4%
Trading Profit				
Netherlands	2.2	2.4	(0.2)	-8%
Canada	2.3	2.1	0.2	10%
Other Organics	-	(0.3)	0.3	100%
Divisional central services	(0.7)	(0.6)	(0.1)	
Total Trading Profit (before non trading & exceptional)	3.8	3.6	0.2	6%
Total Trading Profit (£m)	3.1	3.2	(0.1)	-3%
Trading Margin				
Netherlands	23.2%	24.2%		
Canada	24.0%	25.6%		
Other Organics	0.0%	-16.7%		
Total Trading Margin	16.7%	18.1%		

Market

- Underlying markets remain strong
- Good pipeline of opportunities in Canada & UK
- ROCs renewed in UK for AD

Progress

- Netherlands: third CHP to come on stream at Amsterdam AD plant
- Canada: good performance and new 30,000 ton contract with Region of York
- UK: Cumbernauld increases revenues, M&S power purchase agreement

Investment

- Westcott Park to commission mid-2013

Cash Flow Performance

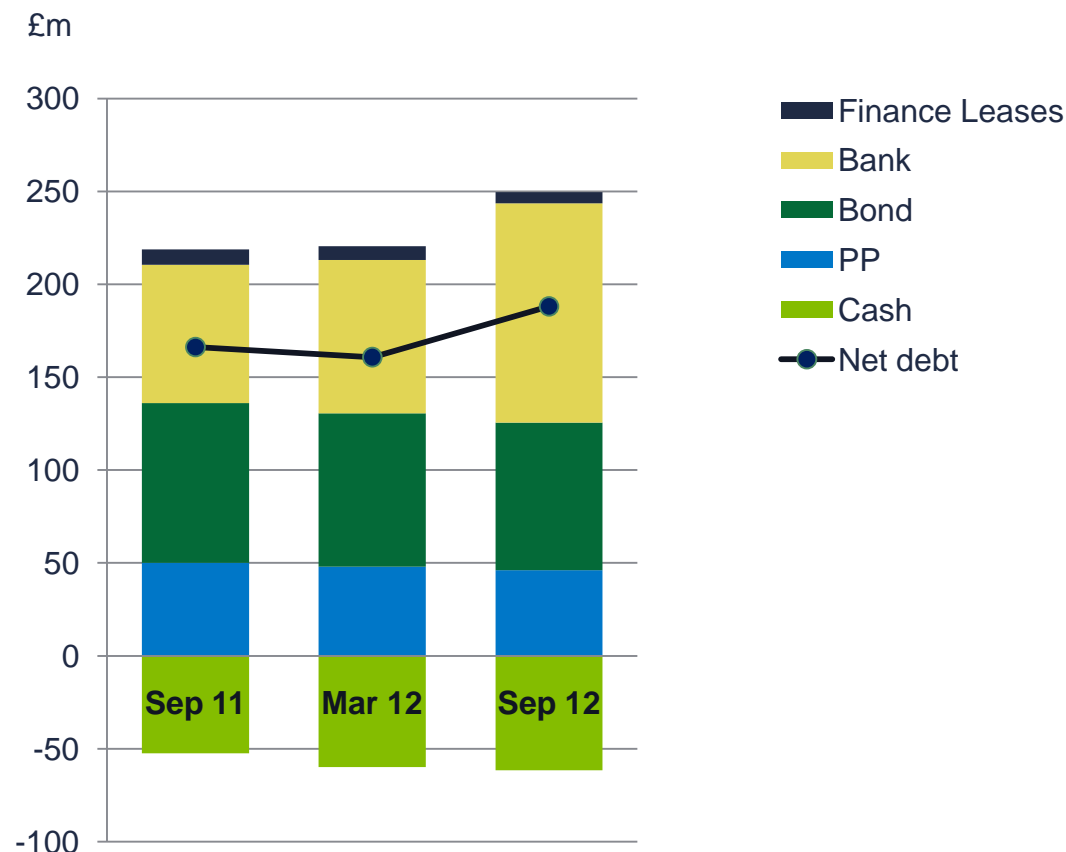
- £4m receipt falls into H2
- Replacement capital well controlled at 54% of depreciation (2011: 78%)
- Growth spend on Westcott Park, ATM soil treatment and Amsterdam AD
- Acquisition relates to final earn out payment on Orgaworld
- PFI funding relates to timing differences in PFI build activities and financing

	Sep 12 £m	Sep 11 £m
EBITDA	43.6	53.7
Working capital movement and other	(14.3)	(7.0)
Net replacement capital expenditure	(12.5)	(20.5)
Interest and tax	(6.6)	(7.9)
Underlying free cash flow	10.2	18.3
Net growth capital expenditure	(11.7)	(14.4)
Acquisitions and Disposals	(11.0)	(1.0)
Restructuring spend	(2.3)	-
Dividends paid	(9.3)	(8.9)
PFI funding and other	(8.9)	(5.3)
Net core cash flow	(33.0)	(11.3)
Free cash flow conversion	47%	65%

FCF conversion is defined as underlying free cash flow divided by trading profit

Important area of focus going forward

Movement in Core Net Debt



Core net debt	£m
Net debt at start of period	(160.8)
Net cash inflow	7.4
Net loan draw-downs	(40.4)
Loan fee amortisation	(0.5)
Exchange impact	6.2
Net debt at end of period	(188.1)

	Sep 12	Mar 12
Headroom	£79m	£138m
Net debt / EBITDA	2.1x	1.7x
Interest cover	4.3x	5.0x

In addition £60m of non recourse debt in relation to PFI/PPP contracts

Agenda

CEO Perspectives
& Highlights

Peter Dilnot
Group Chief Executive

Financial &
Operational Review

Toby Woolrych
Group Finance Director

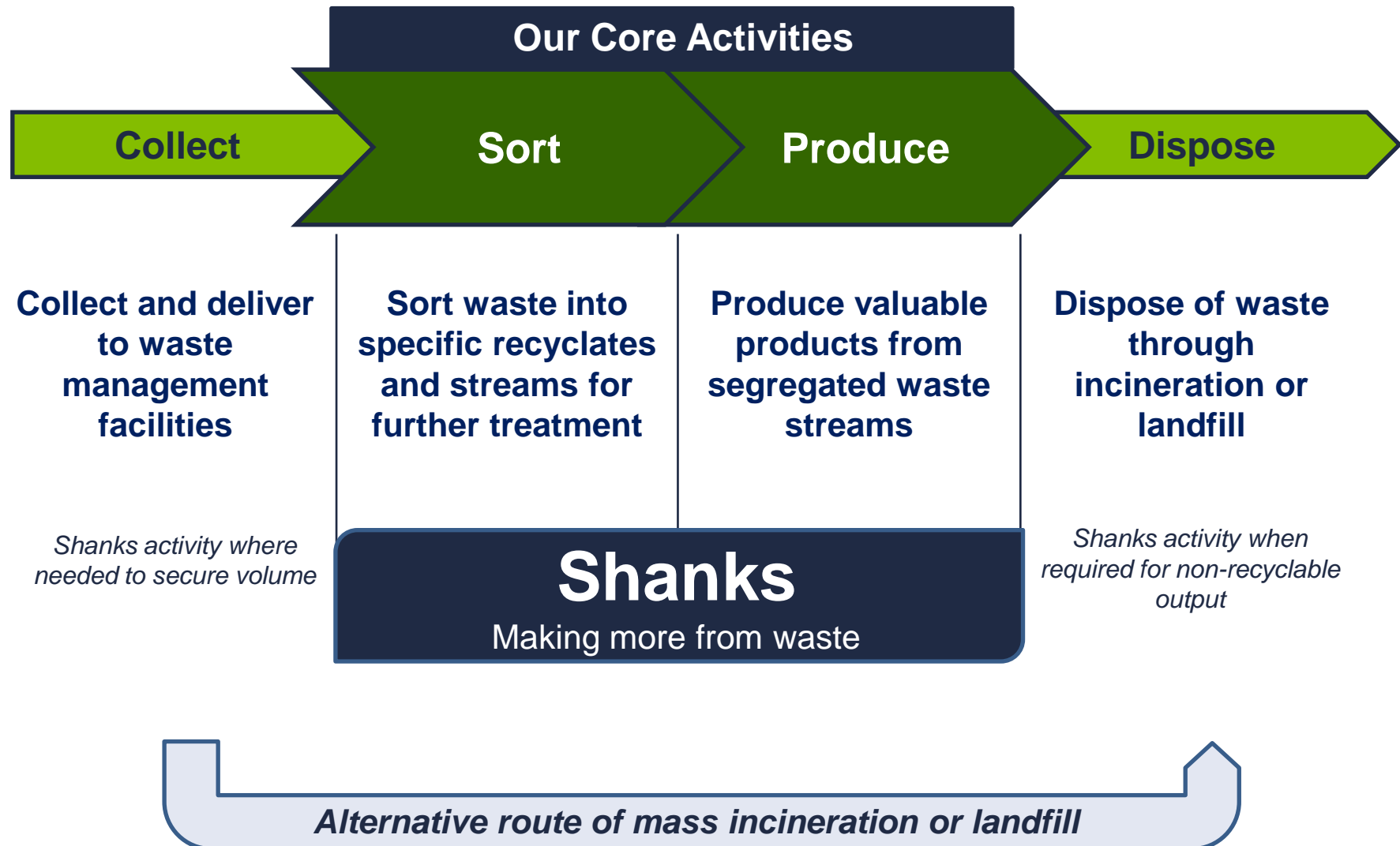
Summary &
Outlook

Peter Dilnot
Group Chief Executive

Strong Growth Drivers



Making More From Waste



Future Value Drivers

A

Cost Programmes

3 year structural cost programme created and launched

- Annualised £20m in 15/16
- £50m+ total savings over 3 years

Increasing focus on productivity and 'lean manufacturing'

- Product quality & mix
- New specifications and off-takes

Drive on operational cost reduction continues

B

Investment Growth

Significant investment in last four years

- £145m projects started
- Generating >12% post-tax return*

Incremental investment through UK PFI

- £150m committed infrastructure**
- £160m planned

£250m programme on track

- Strong future opportunity funnel
- Focus on Organics & Hazardous with attractive returns

* When projects fully up and running

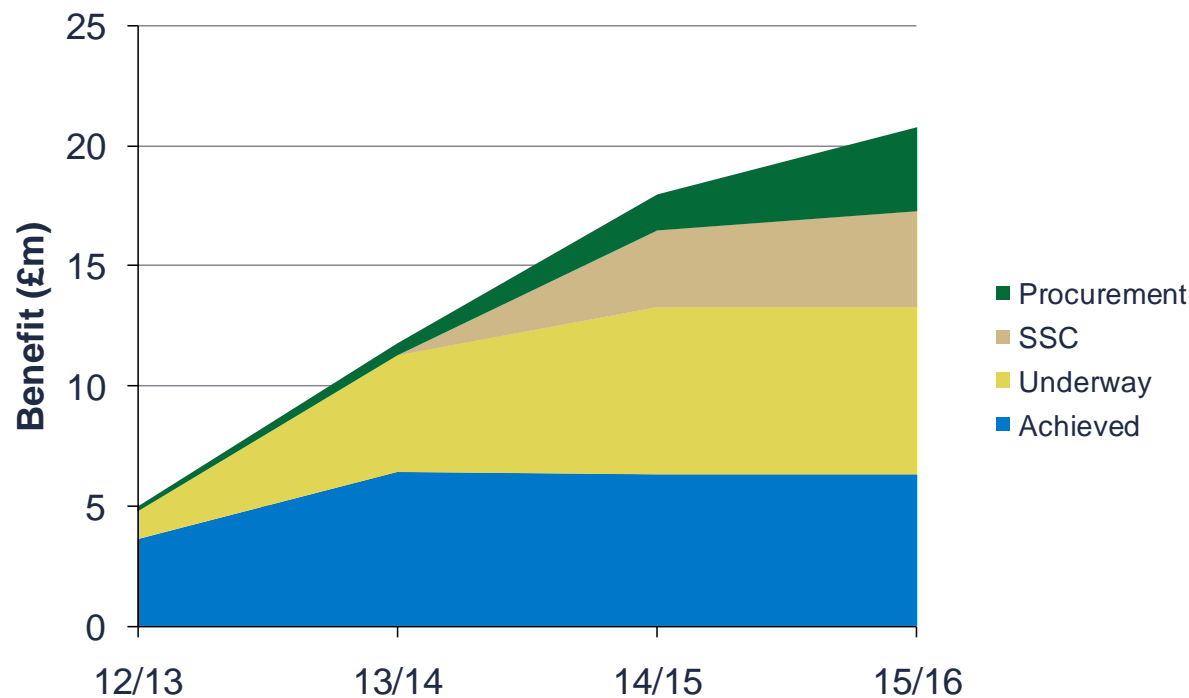
**Since 2008

Value Drivers by Division

Division	Market Context	How we win	A Cost	B Investment
Solid 	<ul style="list-style-type: none"> Highly competitive Low barriers to entry Overcapacity 	<ul style="list-style-type: none"> Best cost position in target regions Focused commercial action 	High	Low
Hazardous 	<ul style="list-style-type: none"> Concentrated market High barriers Blue-chip customers International demand 	<ul style="list-style-type: none"> Leverage cost position and drive utilisation Invest in capacity and reach 	Med	High
Organics 	<ul style="list-style-type: none"> Growing market with new entrants Municipal & commercial opportunities 	<ul style="list-style-type: none"> Margin gains through technical expertise Growth where inputs secure 	Med	High
UK Municipal 	<ul style="list-style-type: none"> Established market with 25-year contracts Evolving, less capital intense opportunities 	<ul style="list-style-type: none"> Deliver gains through operational excellence Selective new bidding 	High	High

Structural Cost Programme

Savings Progression



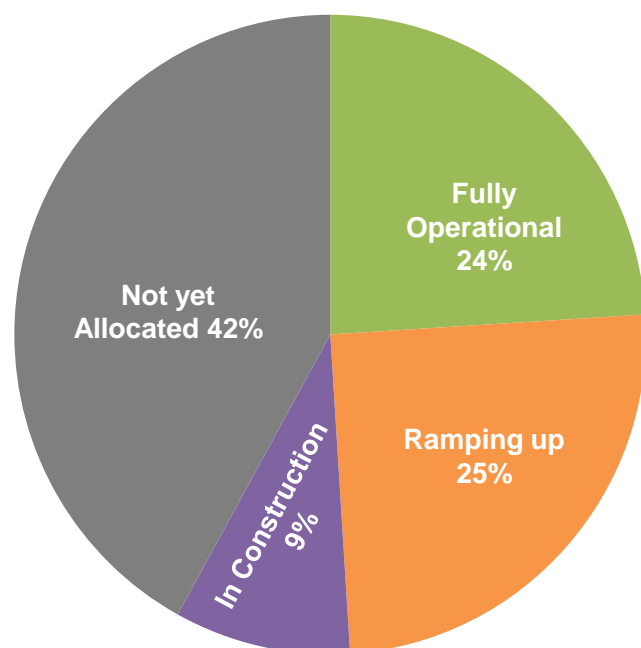
Highlights

- Strong case for change**
- Management buy-in and cultural shift**
- Action taken in H1 and H2 progressing well**
- Clear, concrete plans**
- Results in optimised plant footprint**
- Builds leaner and more productive team**

**Delivers £20m incremental cost saving in 15/16,
equivalent to 50% 11/12 PBT**

Investment Programme Status

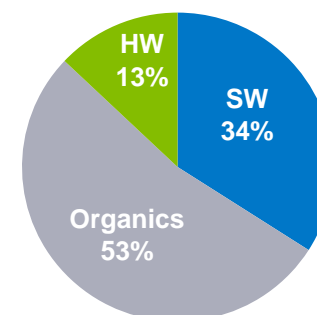
£250m Programme Status



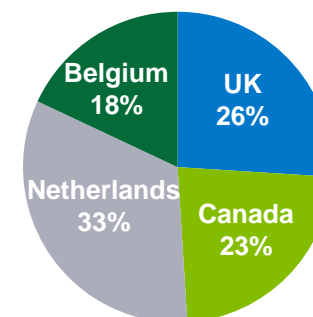
Post tax return %	£100m	£150m	£250m
Entire programme	9.2%	18.4%	11.0%
Fully operational	12.3%	12.8%	12.4%

£145m “Committed” Projects





Investment by Division



Investment by Geography



£250m Investment Outlook

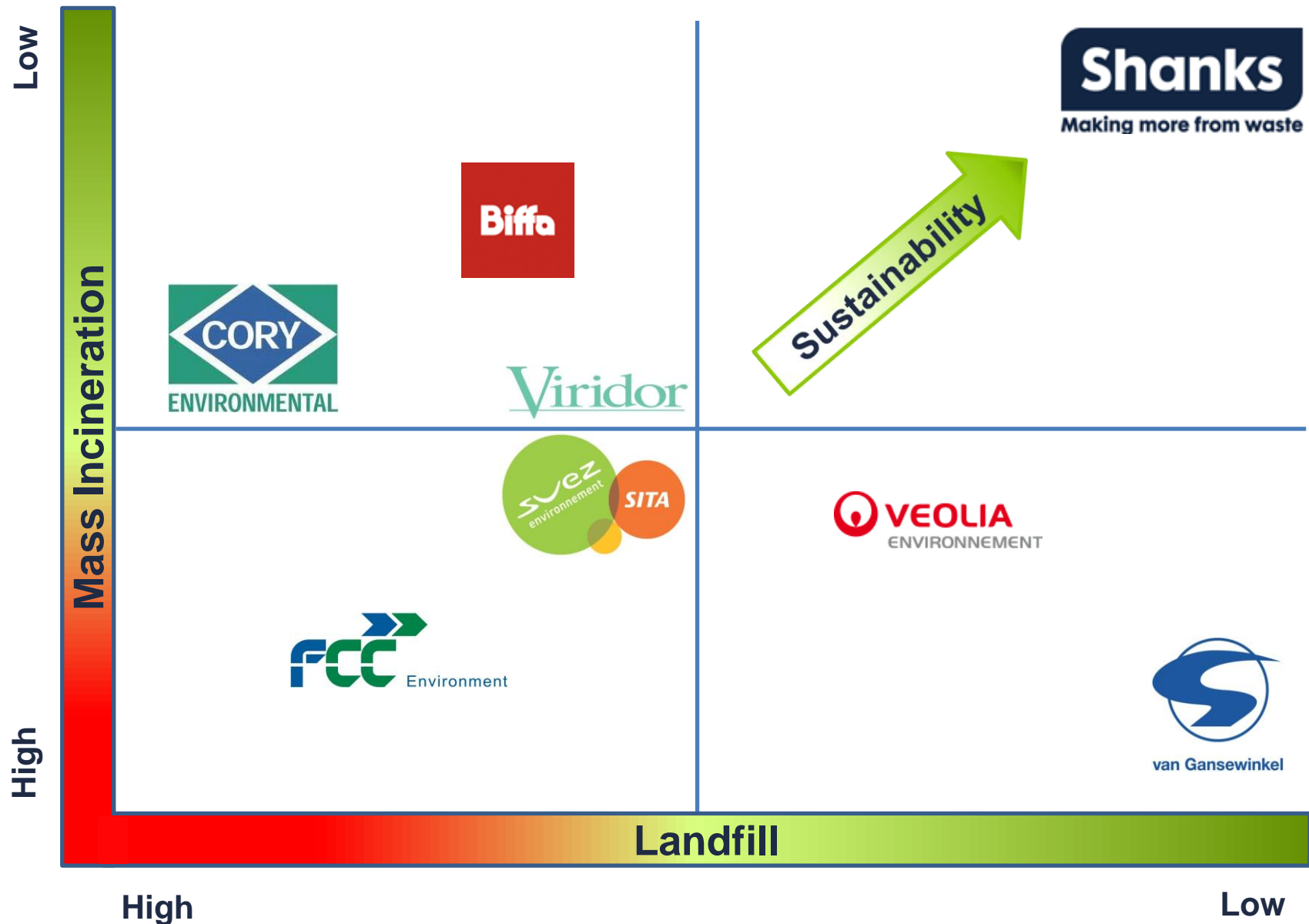
Category	Value	Examples	Profit Growth	Impact
Fully Operational	£60m	<ul style="list-style-type: none"> Ottawa Canada AD (Org) ATM water treatment (HW) Gent SRF capacity (SW) 	<ul style="list-style-type: none"> Improving margins from plant maturity Small increases in capacity 	
Ramping up	£65m	<ul style="list-style-type: none"> London Canada AD (Org) Amsterdam AD (Org) Cumbernauld AD (Org) ATM soil capacity (HW) 	<ul style="list-style-type: none"> Increased profit from further capacity and throughput Productivity gains over time 	
In Construction	£20m	<ul style="list-style-type: none"> Westcott Park AD (Org) Kettering MRF (SW) 	<ul style="list-style-type: none"> New contribution as plants commission and ramp 	
Not yet Allocated	£105m	<ul style="list-style-type: none"> ATM jetty extension (HW) Rotterdam project (HW) Canada plants (Org) 	<ul style="list-style-type: none"> New contribution as plants commission and ramp 	

Outlook

- **Solid Waste markets remain challenging**
- **Group reorganised to manage businesses more effectively**
- **Decisive action taken to deliver structural cost reduction**
- **Increasing returns from investment programme and UK Municipal portfolio**
- **2012/13 in line with the Board's revised expectations**
- **Clear path to future profitable growth**

Appendices

Shanks Distinct Positioning



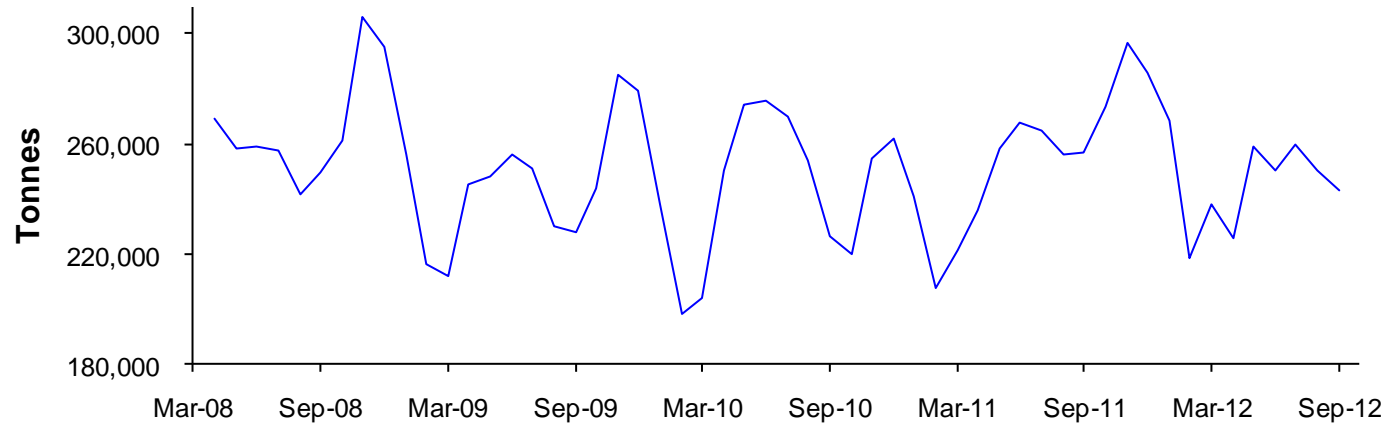
How Do We Measure The Business

Financial KPIs	Sep 12	March 12
Growth in revenue from sustainable activities	-7%	2%
Trading profit organic growth	-15%	6%
Return on operating assets	13.5%	15.2%
Free cash flow conversion	47%	81%
Post tax return on fully operational projects	12.3%	12.2%
Underlying earnings per share growth	-29%	11%
Leverage ratio	2.1 times	1.7 times

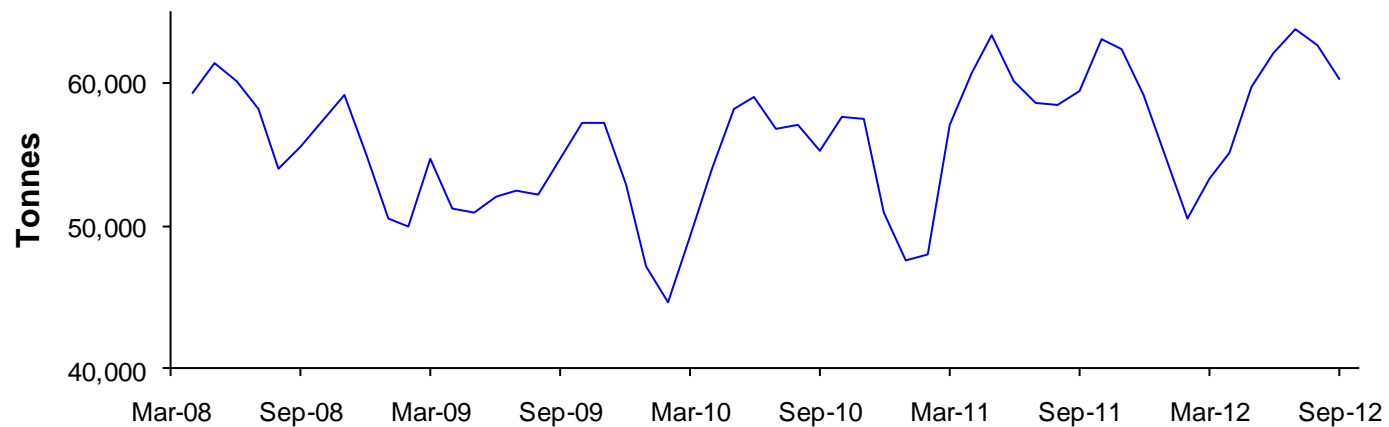
Operational KPIs	Sep 12	March 12
Waste volumes handled – tonnes	7.6m	7.9m
Recycling and recovery rate	79%	78%
Sorting centres - utilisation rates	67%	68%
Energy generated – megawatt hours	111,000	113,000
Lower RIDDOR rate (per 100,000 employees)	2,400	2,600

Benelux Market Data - Volumes

Netherlands Solid Waste volumes - 3 month rolling

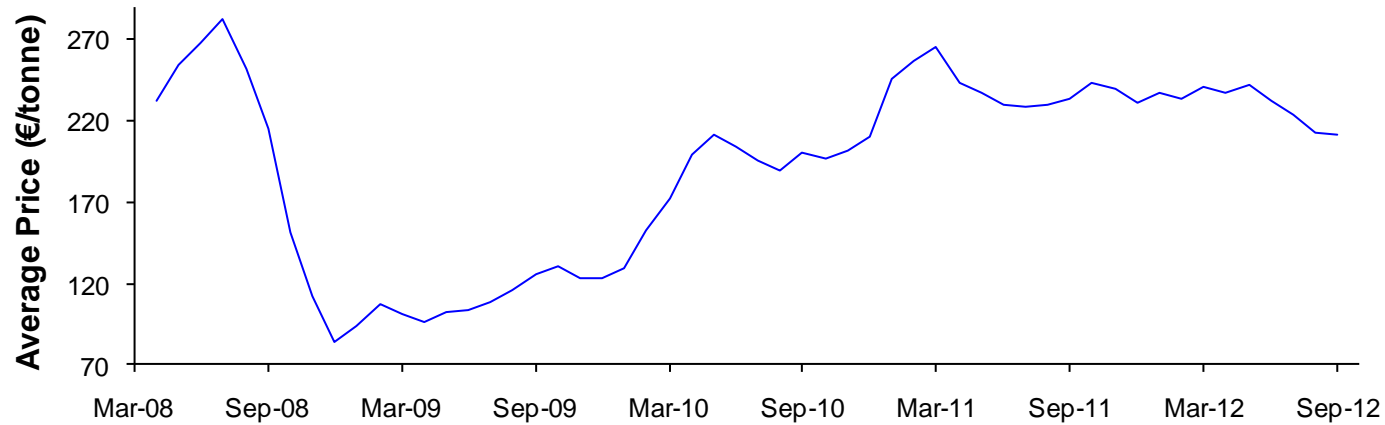


Belgium Solid Waste volumes - 3 month rolling

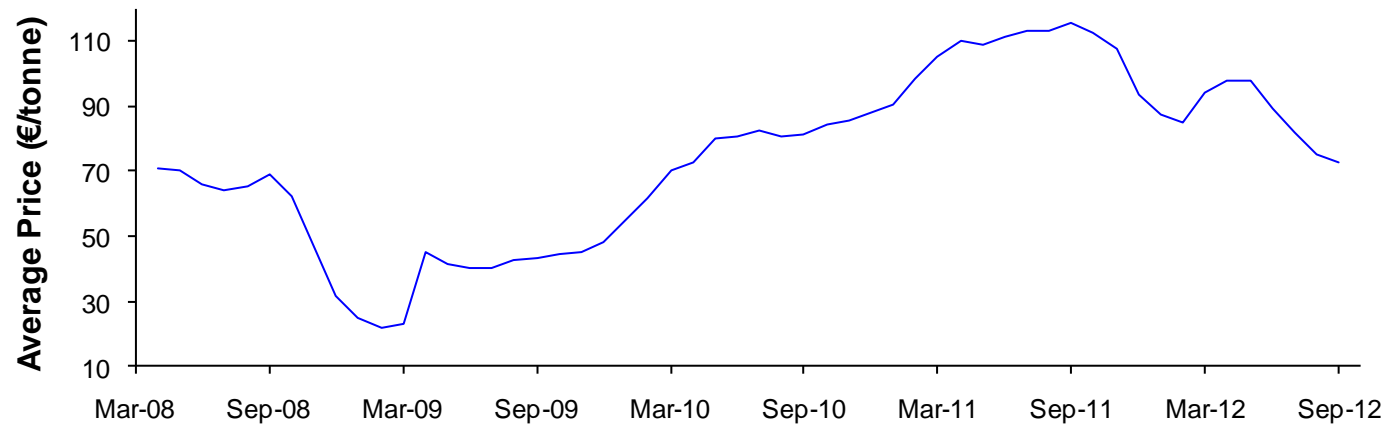


Benelux Market Data – Recyclate Pricing

Netherlands average metal prices - 3 month rolling

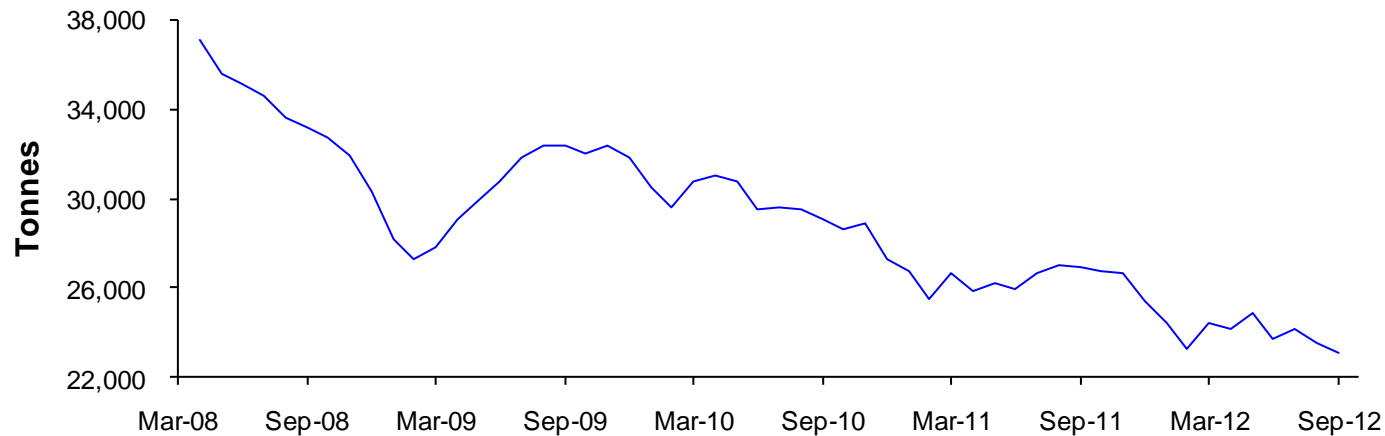


Netherlands average mixed paper prices - 3 month rolling

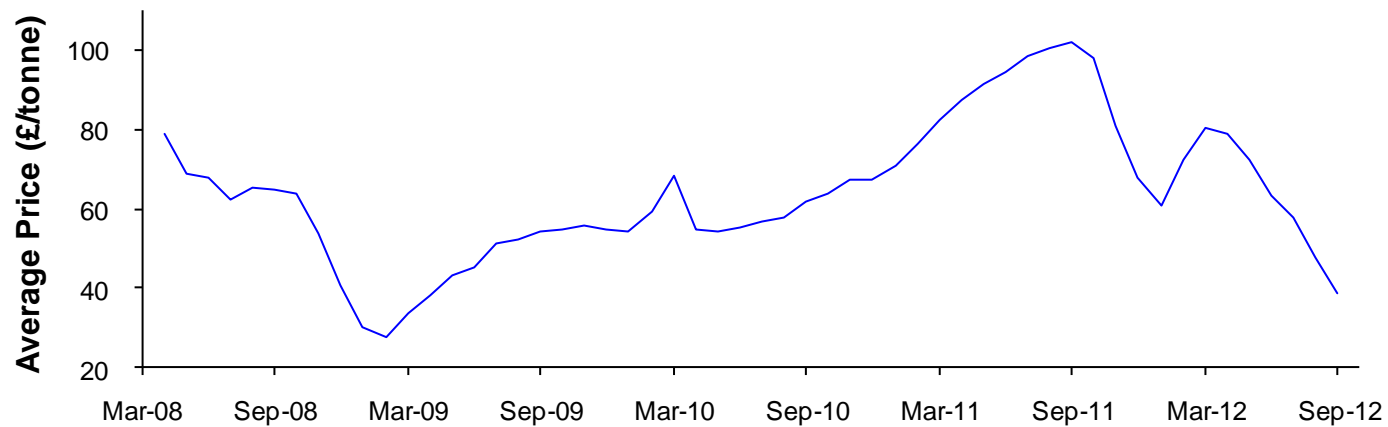


Solid Waste UK Market Data

UK Solid Waste volumes - 3 month rolling



UK average mixed paper prices - 3 month rolling

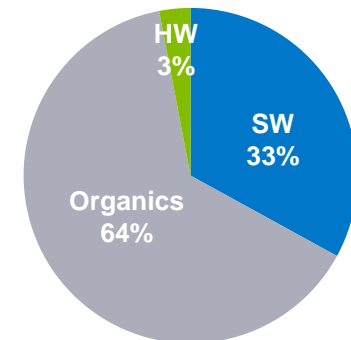


£100m Investment Programme

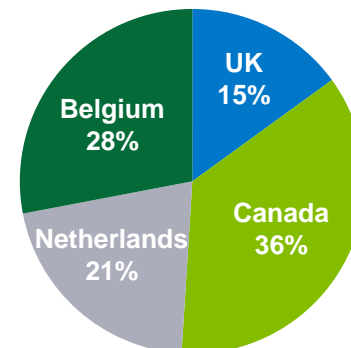
Division	Project	Status
Hazardous Waste	ATM water treatment	Operational
Organics	Roeselare AD	Operational
Organics	Ottawa Canada AD plant	Operational
Solid Waste	Foronex investment	Operational
Solid Waste	Sorting centre, Netherlands	Operational
Solid Waste	SRF capacity, Belgium	Operational
Solid Waste	Sorting centre, Belgium	Operational
Solid Waste	Steam turbine	Operational
Organics	Amsterdam AD plant	Ramping up
Organics	London Canada AD plant	Ramping up
Organics	Scotland AD plant	Ramping up
Solid Waste	MRF, UK	Ramping up

Entire programme	9.2%
Fully operational	12.3%

Investment by Division



Geographic breakdown of investment



£150m Investment Programme

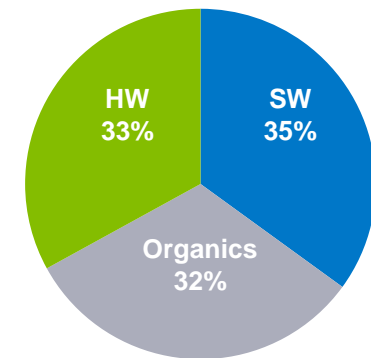
Division	Project	Status
Hazardous Waste	ATM pyro treatment	Operational
Hazardous Waste	ATM water treatment	Operational
Hazardous Waste	ATM others	Operational
Hazardous Waste	Reym various	Operational
Solid Waste	Sorting line improvements, Netherlands	Operational
Hazardous Waste	ATM soil treatment	Ramping up
Organics	Amsterdam AD plant, CHP	Ramping up
Solid Waste	Hook of Holland composting site	Ramping up
Organics	England AD plant	In Construction
Solid Waste	MRF, UK	In Construction

Programme Status

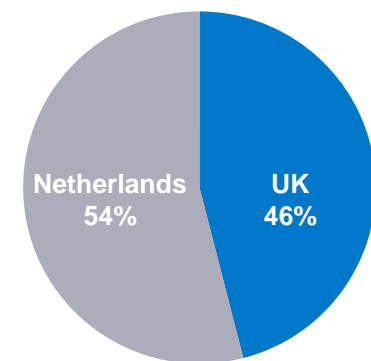
Operational	10%
Ramping up	8%
In Construction	15%
Not Yet Allocated	67%

Entire programme	18.4%
Fully operational	12.8%

Investment by Division*



Geographic breakdown of investment*



* Excluding projects not yet allocated

PFI/PPP Portfolio

Contract	Assets	Status
East London (ELWA)	MRF, MBT	Fully operational
Dumfries & Galloway	MBT, Landfill	Fully operational
Argyll & Bute	Landfill,	Fully operational
Cumbria	MBT	Fully operational, 2nd MBT commissioning in Q4
Barnsley Doncaster and Rotherham	MBT	Under construction
Wakefield	MRF, Autoclave, AD, Composting	Awaiting financial close
Derby	MBT, Gasification	Planning permission granted, awaiting final close
Derry	MBT, Gasification	Awaiting preferred bidder decision

Municipal AD projects covered under Organics

Segmental Analysis - Continuing

	Revenue			Trading Profit		
	6 months ended September			6 months ended September		
	2012	2011	Variance	2012	2011	Variance
	£m	£m	%	£m	£m	%
Solid Waste Benelux	167	204	(18)	9.4	13.9	(32)
Solid Waste UK	33	45	(28)	(2.2)	2.4	<100
Municipal Waste UK	57	55	4	4.2	0.7	>100
Organics	18	18	4	3.1	3.2	(3)
Hazardous Waste	68	80	(15)	9.9	11.2	(12)
Group Central Services	-	-	-	(2.7)	(3.3)	18
Inter-segment revenue	(3)	(4)	(15)	-	-	-
	340	398	(15)	21.7	28.1	(23)

Trading profit = operating profit before amortisation of acquisition intangibles, and exceptional items

Non-trading & Exceptional Items

Six months ended September	2012	2011
	£m	£m
Amortisation of acquisition intangibles	(1.8)	(1.9)
Restructuring charges	(5.1)	-
Exit from Foronex transport activities	1.0	-
Other provisions	(1.4)	-
Change in fair value of derivatives	-	(1.0)
Total non-trading & exceptional items	(7.3)	(2.9)

Balance Sheet as at 30 September

	Sep 12 £m	Sep 11 £m
Tangible fixed assets	376.1	393.9
Goodwill & other intangibles	258.7	280.7
Trade and other receivables	7.2	10.1
Financial assets relating to PFI/PPP contracts	73.9	49.5
Other investments and loans to JVs	6.6	7.5
Non current assets	722.5	741.7
Working capital	(12.1)	(38.9)
Pension deficit	(11.0)	(10.7)
Taxation	(25.2)	(31.9)
Provisions and other liabilities	(57.8)	(48.6)
Derivative financial liabilities	(25.9)	(16.2)
Net core debt	(188.1)	(166.3)
PFI non recourse net debt	(60.1)	(52.0)
Net Assets	342.3	377.1

Return on Capital

	Sept 12	March 12
Post tax ROIC (on depreciated capital base including goodwill)	6.2%	6.7%
Return on operating assets (trading profit on depreciated operating assets excluding debt, tax and goodwill)	13.5%	15.2%
Post tax project returns – fully operational projects in £100m programme (on the original invested capital)	12.3%	12.2%

Glossary

AD	Anaerobic digestion
C&D	Construction & Demolition
CHP	Combined Heat & Power
I&C	Industrial & Commercial
MBT	Mechanical Biological Treatment
MRF	Material Recycling Facility
PFI	Private Finance Initiative
PPP	Public Private Partnership
RDF	Refuse Derived Fuel
ROC	Renewable Obligation Certificate
SRF	Solid Recovered Fuel