



## Interim Results 2015/16

5 November 2015

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

## Introduction

**Peter Dilnot**  
Group Chief Executive

## Operating Review

**Toby Woolrych**  
Group Finance Director

## Future Growth

**Peter Dilnot**  
Group Chief Executive

## 1 Delivered revenue and profit growth in constant currency during H1

- Commercial Waste performing strongly due to self-help and market recovery
- Hazardous Waste investments on track, some H1 headwinds but stronger H2 expected
- Municipal build-out of new infrastructure progressing with BDR commissioned

## 2 Maintaining capital discipline with cash better than expectations at end September

## 3 Overall guidance for 2015/16 full year remains unchanged

## 4 Consistent strategy with clear future growth drivers

- Margin expansion from market recovery and productivity initiatives
- Investment plan on track to deliver high quality earnings growth
- Value-enhancing M&A opportunities

**Focus on execution and delivery**

# 2015/16 Interim Results

## Revenue & Profits

- Revenue up 5% at constant currency
- Underlying trading profit up 6% at constant currency

## Commercial Division

- Commercial Division trading profit up 30%, with Netherlands up 78%
- Some market recovery plus improvement initiatives reading through

## Hazardous & Municipal

- Hazardous Waste impacted by oil and gas market, profit remains flat
- Municipal trading profit down 7% due to expected contract changes

## Cash Flow & Financing

- Tight cash management debt lower than expectations at £184m
- Core net debt: EBITDA at 2.7x

## EPS & Dividend

- EPS up 6% at constant currency
- Interim dividend maintained at 1.1p per share, reflecting confidence

## Commercial

### Netherlands

- Construction market recovering
- Imports filling EfW capacity

### Belgium

- New waste taxes from July 15
- Domestic SRF demand volatile (cement kilns)

## Hazardous

### EU Oil and Gas

- Sustained low oil price and CAPEX slowed
- End market demand remains flat

### EU Treatment

- EU soil remediation market steady
- Waterside volumes driven by regulation

## Municipal

### UK

- Ongoing austerity pressures
- RDF/SRF market evolving<sup>1</sup>

### Canada

- Continued drive for landfill diversion
- Change in compost regulations

**Some short-term market headwinds, but overall trading in-line with expectations and strong long-term growth drivers remain**

<sup>1</sup> SRF = Solid Recovered Fuel; RDF = Refuse Derived Fuel

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# Income Statement – Six months ended September 2015

	Sep 15 £m	Sep 14 £m	Change £m	%	Excluding currency change %
<b>Revenue</b>	<b>297.0</b>	<b>304.8</b>	<b>(7.8)</b>	<b>-3%</b>	<b>5%</b>
<b>Trading Profit</b>	<b>17.4</b>	<b>18.1</b>	<b>(0.7)</b>	<b>-4%</b>	<b>6%</b>
Net Interest	(7.1)	(7.2)			
Income from associates and JVs	0.4	0.3			
<b>Underlying profit before tax</b>	<b>10.7</b>	<b>11.2</b>	<b>(0.5)</b>	<b>-5%</b>	<b>4%</b>
Non-trading and exceptional items	(8.1)	(19.8)	11.7		
<b>Profit (loss) before tax</b>	<b>2.6</b>	<b>(8.6)</b>	<b>11.2</b>		
Taxation	(1.5)	(1.1)			
<b>Profit (loss) after tax</b>	<b>1.1</b>	<b>(9.7)</b>	<b>10.8</b>		
Discontinued operations	0.3	(0.1)			
<b>Profit (loss) for the period</b>	<b>1.4</b>	<b>(9.8)</b>	<b>11.2</b>		
<b>Continuing operations:</b>					
Basic earnings per share (p)	0.3	(2.5)	2.8		
<b>Underlying earnings per share (p)</b>	<b>2.1</b>	<b>2.1</b>	<b>-</b>	<b>0%</b>	<b>6%</b>
<b>Interim dividend (pence per share)</b>	<b>1.1p</b>	<b>1.1p</b>	<b>-</b>		



# Commercial Waste

	Sep 15 €m	Sep 14 €m	Change €m	%
<b>Revenue</b>				
NL Commercial Waste	126.5	118.8	7.7	6%
BE Commercial Waste	75.4	79.3	(3.9)	-5%
<b>Total Revenue</b>	<b>201.9</b>	<b>198.1</b>	<b>3.8</b>	<b>2%</b>
<b>Total Revenue (£m)</b>	<b>145.5</b>	<b>159.2</b>	<b>(13.7)</b>	<b>-9%</b>
<b>Trading Profit</b>				
NL Commercial Waste	8.2	4.6	3.6	78%
BE Commercial Waste	3.1	4.1	(1.0)	-24%
<b>Total Trading Profit</b>	<b>11.3</b>	<b>8.7</b>	<b>2.6</b>	<b>30%</b>
<b>Total Trading Profit (£m)</b>	<b>8.1</b>	<b>7.2</b>	<b>0.9</b>	<b>13%</b>
<b>Trading Margin</b>				
NL Commercial Waste	6.5%	3.9%		
BE Commercial Waste	4.1%	5.2%		
<b>Total Trading Margin</b>	<b>5.6%</b>	<b>4.4%</b>		
<b>Return on operating assets</b>				
NL Commercial Waste	7.2%	5.1%		
BE Commercial Waste	42.4%	36.7%		
<b>Total Return on operating assets</b>	<b>9.9%</b>	<b>8.6%</b>		

## Netherlands

- Recovery in construction volumes by 8%
- Higher commercial waste pricing and firmer recycle prices
- Self-help programmes delivering – commercial effectiveness, cost reduction, continuous improvement

## Belgium

- Ongoing challenges in SRF off-take reduces throughput in Gent
- Wood dust market challenged in H1 but now improving
- Cetem valorisation landfill permit extension
- Sale of small non-core operations in France
- Self-help programmes underway

	Sep 15 €m	Sep 14 €m	Change €m	%
Revenue	89.4	86.1	3.3	4%
Revenue (£m)	64.4	69.2	(4.8)	-7%
Trading Profit	10.1	10.0	0.1	1%
Trading Profit (£m)	7.3	8.0	(0.7)	-9%
Trading Margin	11.3%	11.6%		
Return on operating assets	23.2%	28.5%		

## Soil performance

- Thermal soil intake remaining strong
- Soil processing volumes in line with expectations

## Water treatment

- Strong ship cleaning volumes
- Fall in volume of industrial sludges
- Contamination incident in H1
- Water tanks and jetty extension fully operational

## Industrial Cleaning markets tighten

- Fewer major shutdowns and lower productivity
- New Total Care centre in Rotterdam's Europoort is fully operational

	Sep 15 £m	Sep 14 £m	Change £m	%
<b>Revenue</b>				
UK Municipal	80.4	74.9	5.5	7%
Canada Municipal	10.6	6.1	4.5	74%
<b>Total Revenue*</b>	<b>91.0</b>	<b>81.0</b>	<b>10.0</b>	<b>12%</b>
<b>Total Revenue (£m)</b>	90.2	81.0	9.2	11%
<b>Trading Profit</b>				
UK Municipal	4.2	5.0	(0.8)	-16%
Canada Municipal	1.4	1.3	0.1	8%
Bid costs	(0.3)	(0.6)	0.3	
<b>Total Trading Profit*</b>	<b>5.3</b>	<b>5.7</b>	<b>(0.4)</b>	<b>-7%</b>
<b>Total Trading Profit (£m)</b>	5.2	5.7	(0.5)	-9%
<b>Trading Margin</b>				
UK Municipal	5.2%	6.7%		
Canada Municipal	13.2%	21.3%		
<b>Total Trading Margin</b>	<b>5.8%</b>	<b>7.0%</b>		

\* Canada at constant currency

## Existing Contracts

- Strong operational performance
- BDR facility entered full service on schedule
- Lean conversion, productivity programmes and procurement initiatives well underway to offset tightness in off-take markets
- ELWA fire damaged third line now operational
- Canada broadly flat with ongoing weaker volumes

## Construction

- Wakefield facility largely complete but will enter full service late due to AD contractor insolvency
- Derby waste-to-energy facility construction progressing well
- Canadian Surrey contract construction underway

**Directors' valuation of the UK PFI portfolio increased to £115m**

# Non-trading and Exceptional Items

	Sep 15 £m	Sep 14 £m
Damages on the Wakefield contract	(4.6)	-
ATM waterside contamination	(1.4)	-
ATM soil revenue recognition	(1.0)	-
Amortisation of acquisition intangibles	(0.9)	(1.0)
Restructuring charges	(0.1)	(3.3)
Acquisition costs	(0.1)	(0.2)
Impairment of goodwill	-	(11.1)
Canadian contract issues	-	(3.0)
Costs relating to the fire at a UK Municipal site	-	(1.0)
Portfolio activities	-	(0.3)
Change in fair value of derivatives	-	0.1
<b>Total non-trading and exceptional items</b>	<b>(8.1)</b>	<b>(19.8)</b>

Continuing operations only

- Delays at Wakefield due to insolvency of the AD facility contractor
- Delivery of contaminated sludges into the ATM waterside during July
- Reversal of over-recognition of revenue in soil volumes processed
- 3 year restructuring programme coming to an end – small items still to come through in H2

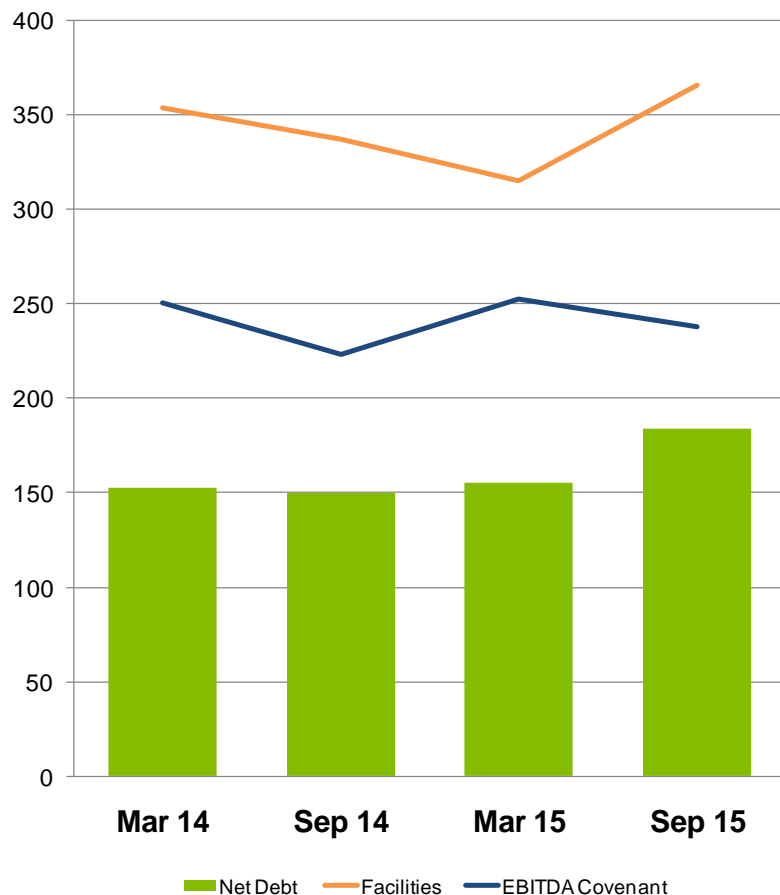
# Cash Flow Performance

	Sep 15 £m	Sep 14 £m
EBITDA	34.9	38.4
Working capital movement and other	(1.4)	(0.5)
Net replacement capital expenditure	(9.2)	(17.4)
Interest and tax	(7.9)	(7.8)
<b>Underlying free cash flow</b>	<b>16.4</b>	<b>12.7</b>
Growth capital expenditure	(4.8)	(5.4)
Acquisitions and disposals	2.8	0.4
Restructuring spend	(1.2)	(3.6)
Dividends paid	(9.3)	(9.3)
UK PFI funding	(21.6)	1.8
Canada Municipal funding	(3.2)	-
Other	(4.6)	(3.1)
<b>Net core cash flow</b>	<b>(25.5)</b>	<b>(6.5)</b>
<b>Free cash flow conversion</b>	<b>95%</b>	<b>70%</b>

- Core EBITDA decline due to currency
- Ratio of replacement capital expenditure to depreciation of 52% (2014: 87%) following the catch up expenditure last year
- Growth capital mostly in Hazardous Waste
- UK PFI funding includes the sub-debt injection in BDR and additional costs of commissioning
- Canada Municipal is the Surrey build cost
- Other includes the pension deficit funding

**Strong free cash conversion and high investment levels as forecast**

# Movement in Core Net Debt



- €100m Green Retail Bond issue at 3.65% in June
- €40m Pricoa notes redeemed in June
- €100m 2010 Retail Bond redeemed in October

	Mar 14	Sep 14	Mar 15	Sep 15
Headroom (facilities plus cash)	£201m	£188m	£154m	£169m
Headroom (leverage)	£98m	£74m	£97m	£54m
Net debt / EBITDA	1.9x	2.1x	2.3x	2.7x
Interest cover	3.7x	3.1x	3.6x	3.6x
Total net worth headroom	£66m	£34m	£42m	£22m

**Debt facilities and headroom as forecast**

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# Strong Long-term Growth Drivers

## Clear Macro Drivers

- 1 Reduce greenhouse gases
- 2 Move to renewable energy
- 3 Save valuable virgin resources
- 4 Improve air quality

## Legislation and Regulation

EU

- Landfill Directive
- Revised Waste Framework

National

- Landfill and incinerator taxes
- PFI/PPP credits

Regional

- Segregated collections
- Municipal recycling targets

## Shanks Unique Position



### Waste hierarchy

1. PREVENT

2. REUSE

3. RECYCLE

4. ENERGY

5. BURN

6. DUMP



NL



BE



UK



CA



3%<sup>1</sup>

15%<sup>1</sup>

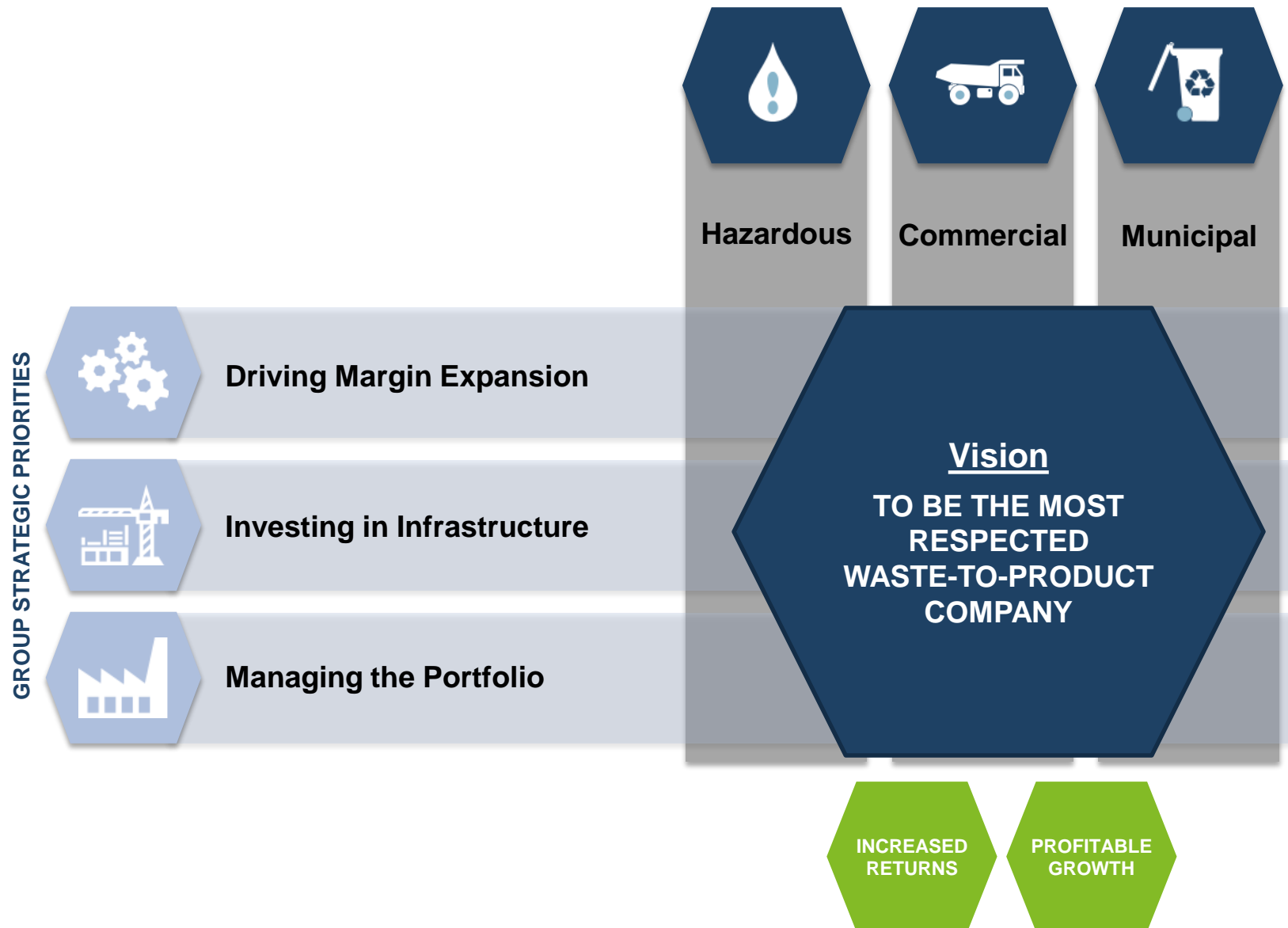
25%<sup>1</sup>

70%<sup>1</sup>

<sup>1</sup> Percentage of total waste sent to landfill



# Our Strategy





# Commercial Waste Division

## Netherlands Market Segments

	C&D	I&C
Underlying volumes	↗ Construction activity	→ GDP-linked
Recycling rate	→	↗ Incineration tax
Import rates	-	↗ RDF/SRF
Demand for SKS services	↗	↗

## Belgium Market Dynamics

### Regulation

- New taxes from 1 July 15 (blanket application)
- No change to import/export rules

### CETEM

- Extension granted for valorisation (400KT)
- Approximately four years volume

### SRF Outlets

- Volatile local demand
- New export markets being established

### Wood

- Strong demand for dust today
- Customer transition plan underway

On track to deliver pre-crisis levels of profitability and returns



## Oil and Gas Market Overview

**Sustained lower oil price may continue to impact major oil companies (MOCs)**

- Less exploration activities
- Lower overall CAPEX levels
- Squeeze on OPEX

**End-user demand for fuel/energy continues**

- Internal EU shipping flat
- Refining activities in RTM and offshore production constant

**Gas market challenges in North NL with production limits and pricing pressure**

## Impact for Shanks

**Majority of demand for Shanks' services is linked to OPEX**

- Only ~20% of oil and gas demand linked to capital projects

**Industrial cleaning and sludge demand has been lower in H1**

- Impact of MOCs squeezing OPEX
- 'Unwind' now expected in H2

**Shipping related demand is end-user linked and driven by more regulation**

**Gas activity decline may be more structural**

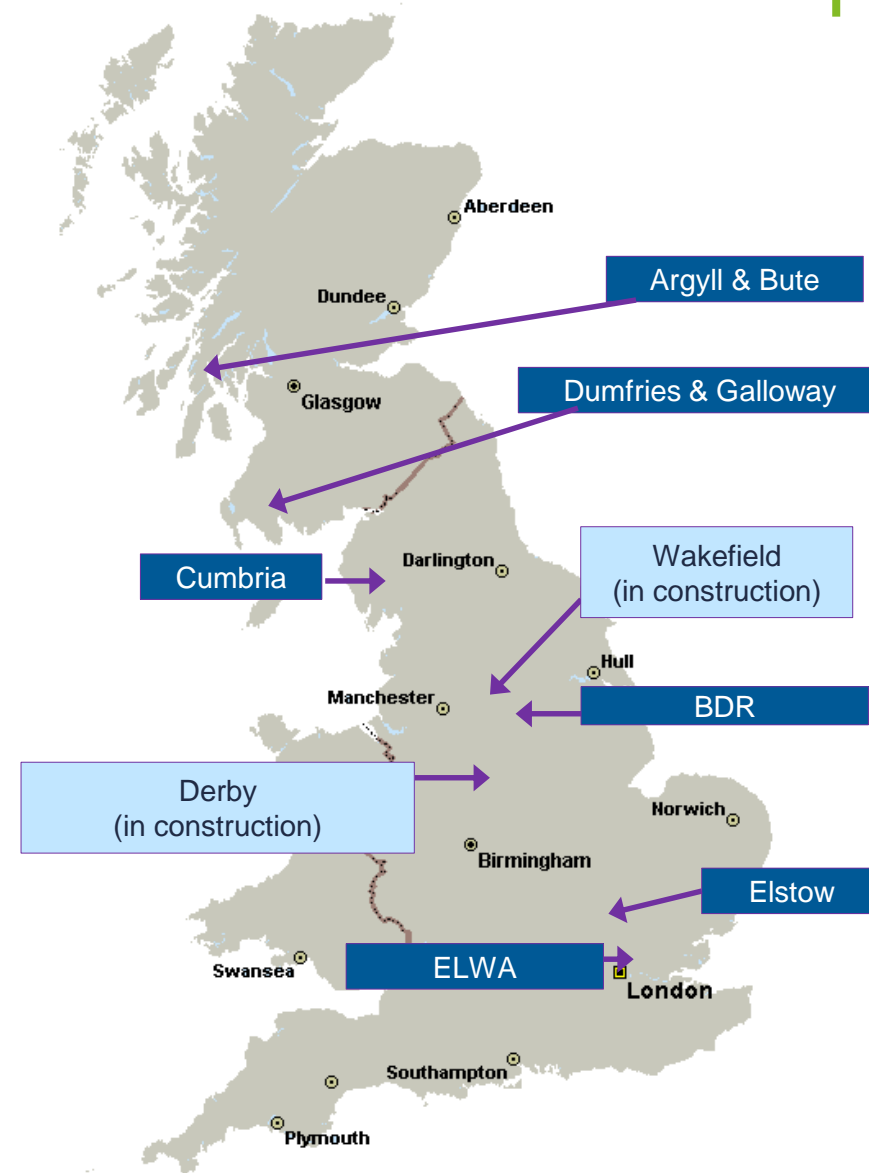
**On track to deliver double-digit earnings growth while maintaining attractive returns**



# Municipal Division - UK

Derby			Sep 16	Mar 17	2041
Wakefield			Under way	Dec 15	2038
BDR					2040
Cumbria					2034
A&B					2026
D&G					2029
ELWA					2027
Elstow					2021
	Financial Close	Build Phase	Comm- issioning	Full Operation	Contract duration

 = In progress     = Achieved  
 = To start     = Delivered in H1 16





# Municipal Division - Canada

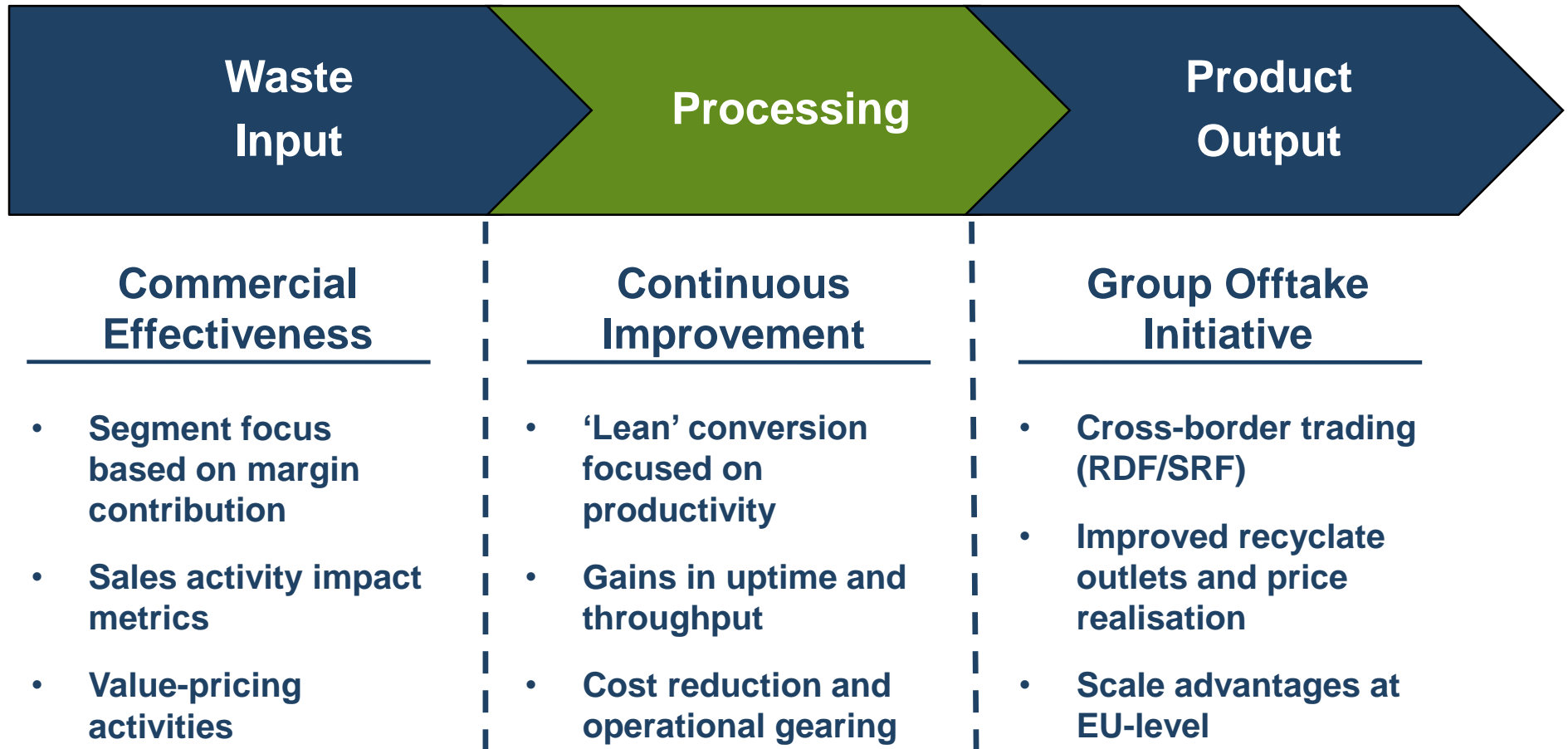


Site	Input	Throughput	Technology	Operational
London	Organic food waste	150 KT	Tunnel composting	2006
Ottawa	Organic food waste, 'leaf & yard' waste	150 KT	Tunnel composting	2010
Surrey	Organic food waste	90 KT	AD & composting	2017

**Municipal division to increase earnings as new assets come online**






# Margin Expansion Initiatives



**Core initiatives gaining traction and reading through to results in NL Commercial**



# Infrastructure Investment Update

Division	H1 16 Completion	In Construction
<b>Commercial</b> 	<ul style="list-style-type: none"> <li>C&amp;D sorting line (Contrans)<sup>(1)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Vliko new facility<sup>(2)</sup></li> </ul>
<b>Hazardous</b> 	<ul style="list-style-type: none"> <li>Rotterdam harbour 'Total Care' Centre</li> <li>Water tanks and coolers</li> <li>Jetty extension</li> </ul>	-
<b>Municipal</b> 	<ul style="list-style-type: none"> <li>BDR facility</li> </ul>	<ul style="list-style-type: none"> <li>Wakefield facility<sup>(2)</sup></li> <li>Derby facility</li> <li>Surrey Organics (Canada)<sup>(2)</sup></li> </ul>

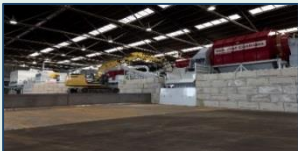


**New assets to generate high quality earnings growth and target returns**

<sup>(1)</sup> Initially completed in Mar 15 with full ramp-up to above target throughput achieved in Oct 15

<sup>(2)</sup> Vliko: due operational in H2 17; Wakefield: FSC expected Dec 15; Surrey: Commissioning from Sep 16



# Infrastructure Investment Returns

Division	Div'n ROA	Investment Return	Spent	Allocated	Comment
<b>Commercial</b> 	9.9%	13.0%	£56m	£5m	<ul style="list-style-type: none"> <li>Investment returns above Division average</li> <li>Vliko new facility build to start</li> </ul>
<b>Hazardous</b> 	23.2%	28.8%	£37m	£2m	<ul style="list-style-type: none"> <li>Investment returns strong due to impact of soil and water storage</li> <li>Limited further investment</li> </ul>
<b>Municipal<sup>(1)</sup></b> 	14.4%	12.5%	£57m	£25m	<ul style="list-style-type: none"> <li>Surrey Bio-fuels facility build now underway</li> </ul>
<b>Total</b>	12.4%	17.9%	£150m	£32m	

**Investment strategy and returns on track**

<sup>(1)</sup> Investment represents Canadian and UK Organics assets and excludes UK PFI contract spend





## Strategy

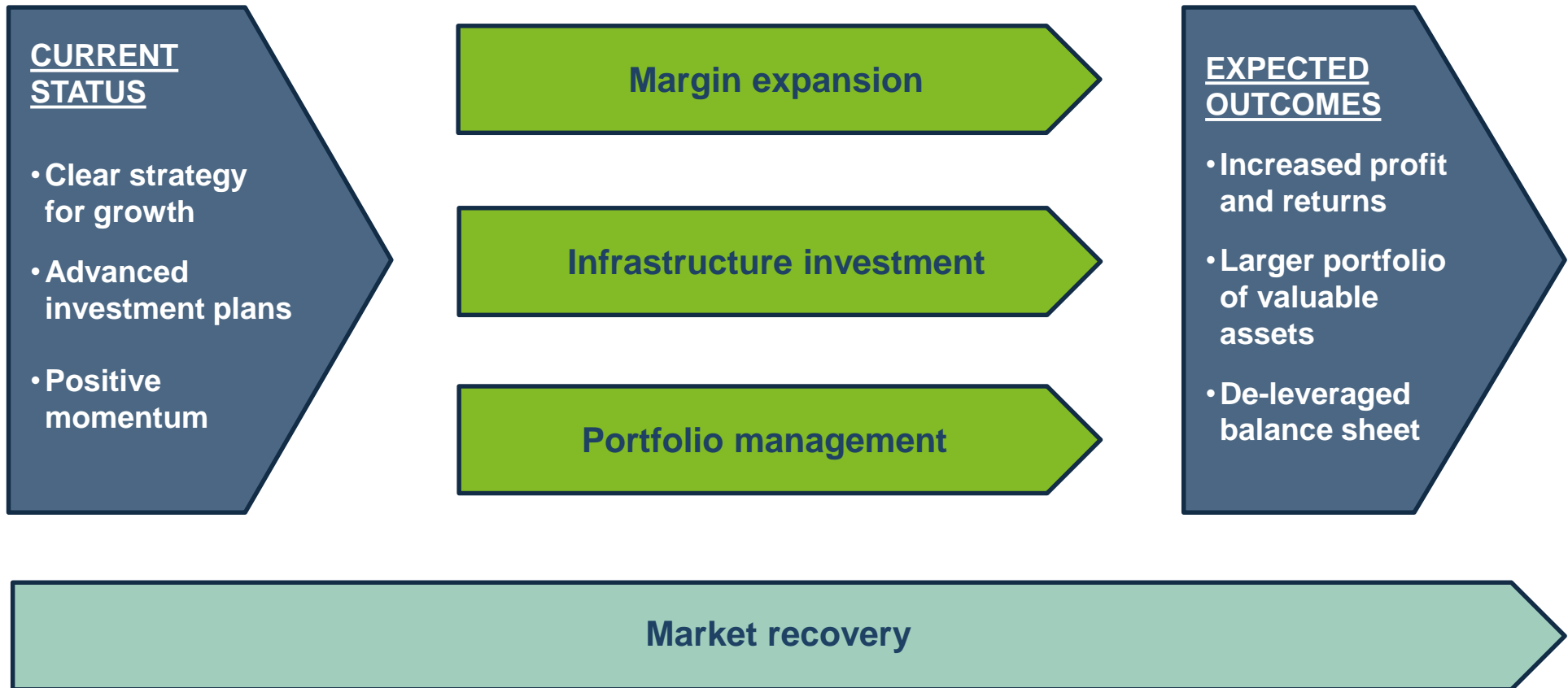
- **Actively manage business portfolio to build focused Group with improved returns**
- **Dispose of assets where unclear path to generating target returns**
- **Acquire businesses that reinforce Shanks and deliver accretive returns**

## Potential future plays

- **Possible sales of non-core standalone plants and PFI sub-debt**
- **Acquisition of Dutch SW business where strong synergies exist**
- **Acquisition of adjacent business and/or expand footprint of profitable activities**

**Focus on portfolio management whilst maintaining capital discipline**

# Platform for Transformation



## **1 Delivered revenue and profit growth in constant currency during H1**

- Commercial Waste performing strongly due to self-help and market recovery
- Hazardous Waste investments on track, some H1 headwinds but stronger H2 expected
- Municipal build-out of new infrastructure progressing with BDR commissioned

## **2 Maintaining capital discipline with cash better than expectations at end September**

## **3 Overall guidance for 2015/16 full year remains unchanged**

## **4 Consistent strategy with clear future growth drivers**

- Margin expansion from market recovery and productivity initiatives
- Investment plan on track to deliver high quality earnings growth
- Value-enhancing M&A opportunities

# Appendices – Group Introduction



# Our Strategy

## Our divisional structure

- **Hazardous**

Industrial cleaning and treatment of hazardous waste.

- **Municipal**

Operation of waste management facilities under long-term municipal contracts.

- **Commercial**

Collection and treatment of commercial waste.

## Group strategic priorities

- **Driving margin expansion**

Developing world-class capabilities such as Continuous Improvement and Commercial Effectiveness.

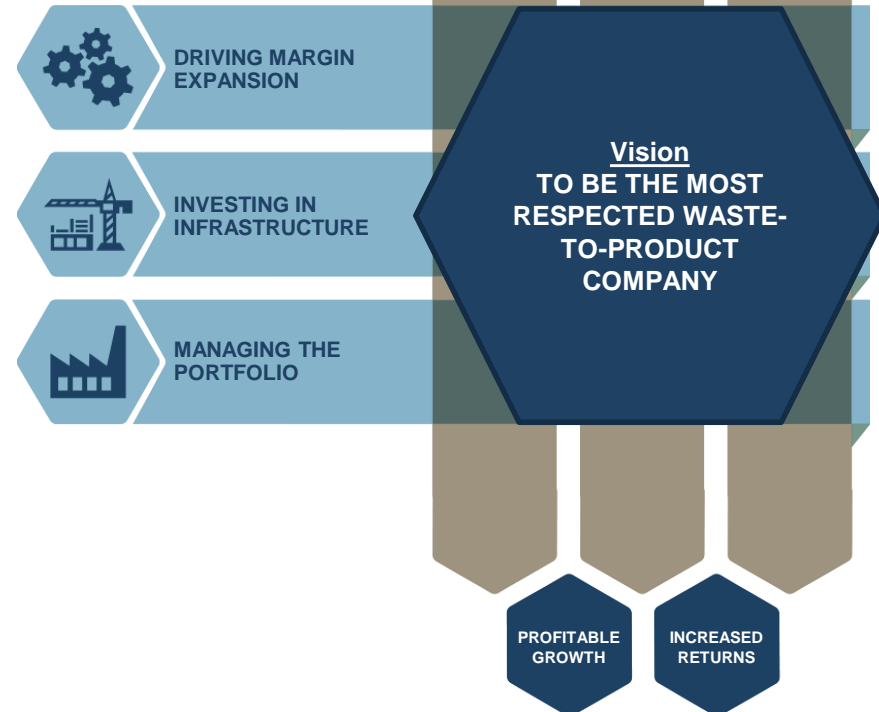
- **Investing in infrastructure**

Expanding the footprint and capability with selective investment in new infrastructure.

- **Managing the portfolio**

Continuing to actively manage the portfolio to improve the quality of our earnings.

### GROUP STRATEGIC PRIORITIES



### OUR DIVISIONS





# Commercial: Growth Strategy

## Markets

- Dutch construction and demolition (C&D)
- Benelux industrial & commercial (I&C waste)
- Selective municipal Benelux contracts
- Recycling monostreams (glass & wood)



Macro recovery plus increased demand due to legislation



## Position

- Market leader in Dutch C&D collection and treatment
- I&C scale and advantage route density in selected Benelux regions
- Strong local presence and respected brands
- Excellent product quality and certifications<sup>(1)</sup>



Current market leadership and growth platform in recovering markets



## Strategy

- 1 Ensure lowest cost position through productivity & scale
- 2 Focus commercial activity on profitable segments
- 3 Gain share through consolidation and winning business from distressed competitors
- 4 Create high quality products for target markets



Leverage market position to deliver previous profitability and returns



<sup>(1)</sup> Icopellets, SRF, wood pellets +



# Hazardous: Growth Strategy

## Markets

- Contaminated soil remediation
- Waste water and industrial sludge treatment
- Industrial ship cleaning and degassing
- Industrial cleaning and services

Increasingly stringent legislation  
plus macro recovery



## Position

- EU market leadership in thermal soil treatment
- Advantaged water technology and harbour location
- Proven excellence in Dutch industrial services
- Integrated and synergistic operations

Market leadership and scale in  
attractive linked niches



## Strategy

- 1 Invest in environmental excellence
- 2 Ramp-up new capacity
- 3 Broaden scope of inputs and treatments
- 4 Expand geographic footprint

Grow business while maintaining  
attractive returns





# Municipal: Growth Strategy

## Markets

- UK PFI/PPP waste treatment contracts
- EU waste-derived fuel for industrial applications<sup>(1)</sup>
- Organics waste treatment for Canadian cities
- Integrated municipal waste treatment contracts in NA



Long-term growth markets as North America and UK increasingly divert waste from landfill



## Position

- Market leader in UK MBT (mechanical biological treatment)
- Deep experience (over 15 years) of long-term contracts
- Leading quality and volume producer of SRF
- Established provider of robust organics treatment in NA



Clear UK and Canadian leadership in sustainable waste solutions<sup>(2)</sup> for municipalities



## Strategy

- 1 Sustain current contracts in partnership with local authorities
- 2 Ramp-up new assets under construction In UK and Canada
- 3 Secure incremental volumes to maximise utilisation
- 4 Win new long-term contracts in target growth areas



Deliver growth from assets under construction and new contract wins



<sup>(1)</sup> Includes RDF and SRF for use in EfW and cement production

<sup>(2)</sup> Sustainable municipal waste treatment = MBT in the UK and Organics in Canada



# Group Strategic Levers



## Deliver Margin Improvement

### Strategy

- 1 Develop capabilities where excellence creates advantage and has direct profit impact – examples:
  - Commercial effectiveness
  - Continuous improvement
- 2 Embed capabilities with new processes and training to ensure sustained ongoing improvement

### Execution

- 1 Run pilot improvement projects in key businesses using Shanks expertise and input from other industries
- 2 Roll-out “piloted” capabilities across Group with PMO support and training
- 3 Track and drive profit impact



## Investment in Infrastructure

### Strategy

- 1 Deploy capital where Shanks advantaged and can generate attractive returns
- 2 Reinforce market leadership positions to ensure sustained advantage
- 3 Use non-recourse debt to maximise growth potential where appropriate

### Execution

- 1 Target 16-20% post-tax returns
- 2 Strong preference for secure inputs, often under long-term contract
- 3 Rigorous structured process to filter, test, implement and review



## Manage Portfolio

### Strategy

- 1 Actively manage business portfolio to build focused Group with improved returns
- 2 Dispose of assets where unclear path to generating target returns
- 3 Acquire businesses that reinforce Shanks and deliver accretive returns

### Execution

- 1 Develop register of non-core assets, sweat, and then sell when value can be realised
- 2 Cultivate funnel of acquisition targets based on strategic fit and synergies
- 3 Acquire assets while maintaining strong capital discipline

# Appendices – Financial Information



# Segmental Analysis

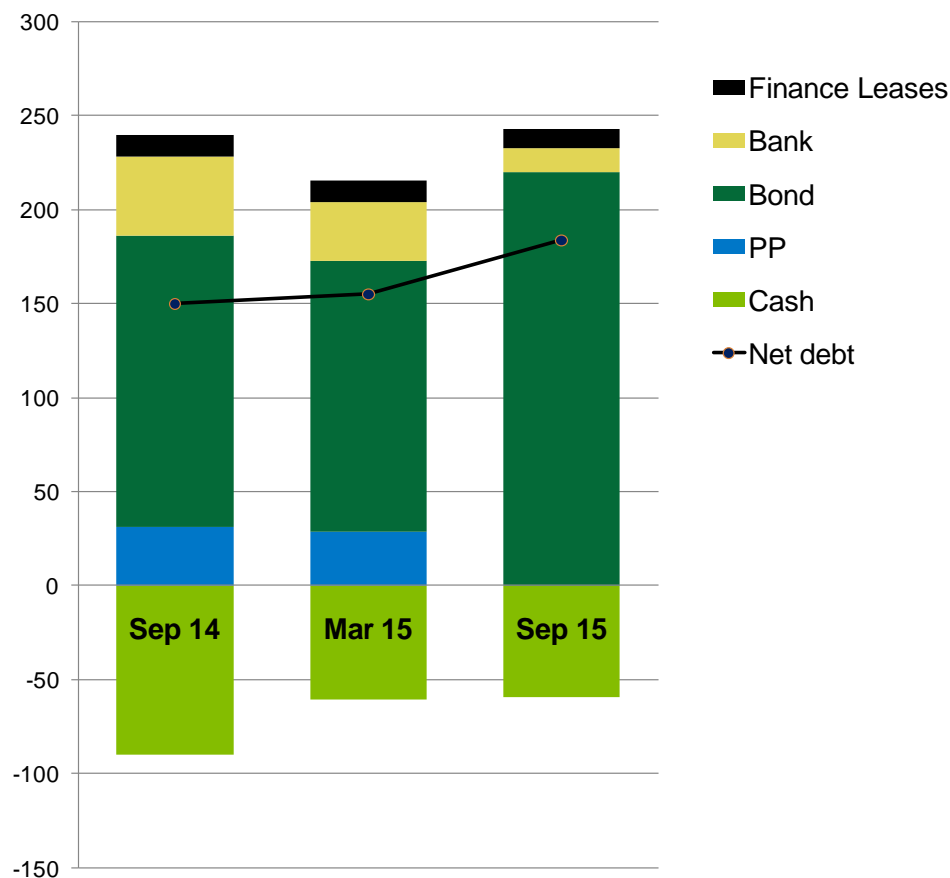
	Sep 15 £m	Sep 14 £m	Change %	Excluding currency change %		Sep 15 £m	Sep 14 £m	Change %	Excluding currency change %
	Revenue					Trading Profit			
Commercial Waste	145.5	159.2	(9)	2		8.1	7.2	13	30
Hazardous Waste	64.4	69.2	(7)	4		7.3	8.0	(9)	1
Municipal	90.2	81.0	11	12		5.2	5.7	(9)	(7)
Group central services	-	-				(3.2)	(2.8)	(14)	(14)
Inter-segment revenue	(3.1)	(4.6)				-	-		
	297.0	304.8	(3)	5		17.4	18.1	(4)	6

Trading profit = operating profit before amortisation of acquisition intangibles and exceptional items  
Comparatives for 2014 have been restated to reflect the new reportable segments post the March 2015 divisional restructuring

# Balance Sheet

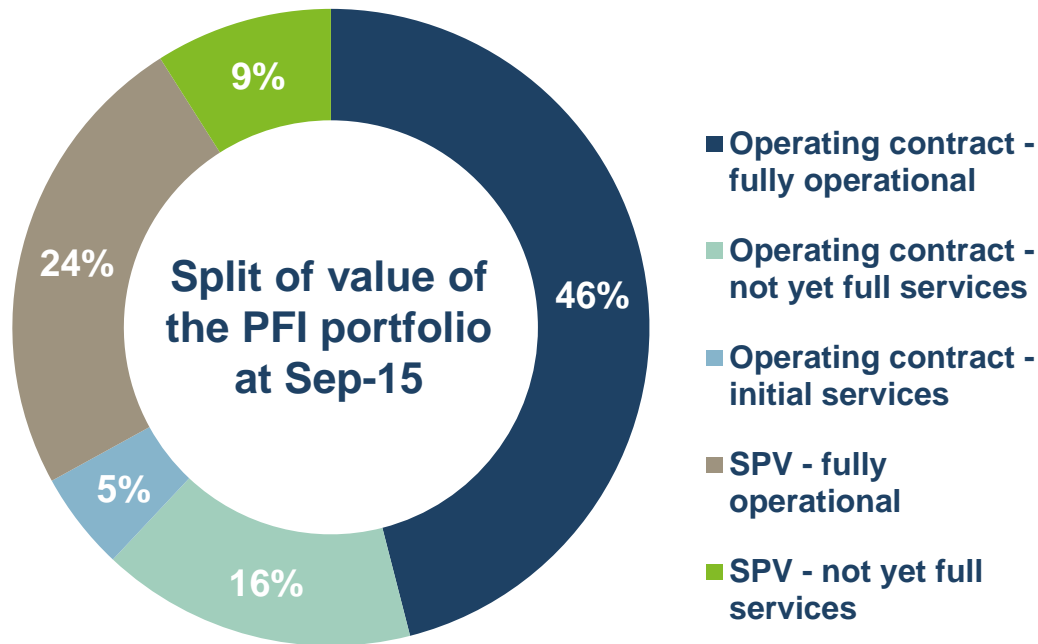
	Sep 15 £m	Mar 15 £m
Tangible fixed assets	279.7	282.9
Goodwill & other intangibles	175.3	173.8
Non current PF/PPP financial assets	271.5	246.6
Trade and other receivables	0.8	2.2
Investments	11.5	10.1
<b>Non current assets</b>	<b>738.8</b>	<b>715.6</b>
Working capital	(55.0)	(59.1)
Current PF/PPP financial assets	5.5	31.6
Assets classified as held for sale	1.1	3.5
Pension deficit	(22.6)	(16.4)
Taxation	(15.6)	(14.7)
Provisions and other liabilities	(53.1)	(49.8)
Net core debt	(183.7)	(155.0)
PFI non recourse net debt	(196.6)	(222.6)
Derivative financial liabilities	(39.9)	(44.0)
<b>Net Assets</b>	<b>178.9</b>	<b>189.1</b>

## Analysis of Core Net Debt £m



# UK PFI Directors' Valuation

- Portfolio valuation includes the five fully operational contracts, plus Wakefield and Derby under construction
- Valuation based on the cash flows of the financing vehicles and the operating contracts - discounted at 8% and risk adjusted
- Valuation increased by £5m to £110m



Portfolio split £m		Sep-15
Operating contract - fully operational		53
Operating contract - initial services		6
Operating contract - not yet full services		18
SPV - fully operational		28
SPV - not yet full services		10
		115

# Return on Capital

	Sep 15	Mar 15	Sep 14
Post tax ROIC (on depreciated capital base including goodwill)	6.3%	6.0%	5.8%
Return on operating assets – continuing operations (trading profit on depreciated operating assets excluding debt, tax and goodwill)	12.4%	12.2%	13.2%
Pre-tax project returns – fully operational projects (on the original invested capital)	17.9%	18.1%	18.4%