

APPENDIX 3.2
(referred to in paragraph 3.34)

NEG: financial summary

TABLE 1 NEG: consolidated balance sheet summary

	<i>Years ended 31 December</i>					<i>£'000</i>
	<i>1992</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	
Fixed assets:						
Tangibles	6,984	66,140	70,921	199,458	219,143	
Investments	<u>46</u>	<u>265</u>	<u>233</u>	<u>1,796</u>	<u>1,896</u>	
	7,030	66,405	71,154	201,254	221,039	
Current assets:						
Stock	908	159	255	2,520	5,042	
Debtors	<u>10,426</u>	<u>14,395</u>	<u>15,187</u>	<u>26,155</u>	<u>45,457</u>	
	11,334	14,554	15,442	28,675	50,499	
Creditors due within one year	<u>(21,627)</u>	<u>(28,156)</u>	<u>(35,353)</u>	<u>(77,892)</u>	<u>(103,349)</u>	
Net operating assets*	(3,263)	52,803	51,243	152,037	168,189	
Net cash#	11,791	(8,551)	(2,414)	(29,175)	(3,086)	
Creditors due after one year	0	(1,006)	(886)	(492)	(677)	
Provisions	<u>(972)</u>	<u>(5,283)</u>	<u>(4,477)</u>	<u>(16,360)</u>	<u>(18,398)</u>	
Net assets	<u>7,556</u>	<u>37,963</u>	<u>43,466</u>	<u>106,010</u>	<u>146,028</u>	
Shareholders' funds:						
Share capital	1,955	6,065	6,066	29,585	29,865	
Capital reserves	65	23,007	21,769	42,739	52,508	
Retained earnings	<u>5,536</u>	<u>8,891</u>	<u>15,631</u>	<u>33,686</u>	<u>63,655</u>	
	<u>7,556</u>	<u>37,963</u>	<u>43,466</u>	<u>106,010</u>	<u>146,028</u>	

Source: NEG/MMC analysis.

*Net operating assets comprise fixed assets, current assets and current liabilities excluding cash, borrowings, proposed dividends and unrelated investments.

#Net cash comprises cash less borrowings including finance facilities such as lease obligations.

TABLE 2 NEG: profit and loss account summary

	<i>Years ended 31 December</i>					<i>£'000</i>
	<i>1992</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	
Turnover	120,628	139,047	170,009	317,744	482,548	
Operating costs	<u>(114,314)</u>	<u>(129,795)</u>	<u>(153,731)</u>	<u>(273,700)</u>	<u>(420,243)</u>	
Operating profit	6,314	9,252	16,278	44,044	62,305	
Non-operating income	<u>595</u>	<u>236</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Profit before interest	6,909	9,488	16,278	44,044	62,305	
Net interest (paid)	<u>(91)</u>	<u>(183)</u>	<u>(1,042)</u>	<u>(2,506)</u>	<u>(2,213)</u>	
Profit before tax	6,818	9,305	15,236	41,538	60,092	
Tax	<u>(2,426)</u>	<u>(2,958)</u>	<u>(5,024)</u>	<u>(14,005)</u>	<u>(18,668)</u>	
Profit after tax	4,392	6,347	10,212	27,533	41,424	
Dividends	<u>(850)</u>	<u>(2,991)</u>	<u>(3,481)</u>	<u>(9,581)</u>	<u>(11,497)</u>	
Retained earnings	<u>3,542</u>	<u>3,356</u>	<u>6,731</u>	<u>17,952</u>	<u>29,927</u>	
Earnings per share (p) fully diluted	16.7	16.4	25.2	27.9	32.8	

Source: NEG/MMC analysis.