

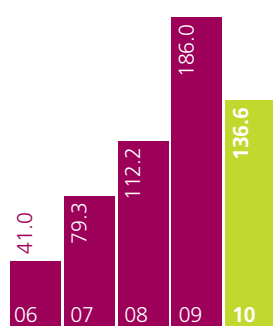
Business Review

Segmental performance

continued

Middle East

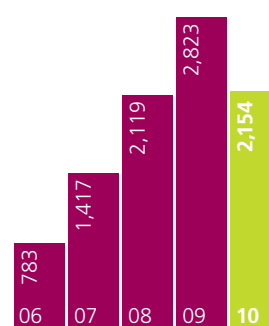
Key performance indicators	2010	2009	change
Financial metrics			
Revenue	£136.6m	£186.0m	-26.6%
Operating profit	£14.0m	£17.3m	-19.1%
Operating margin	10.2%	9.3%	+0.9pp
Work in hand			
	57%	53%	+4pp
People			
Staff numbers at 31 March	1,867	2,824	-33.9%
Average staff numbers	2,154	2,823	-23.7%



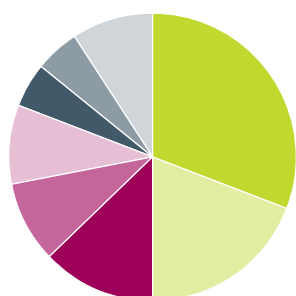
Revenue £m



Operating profit £m

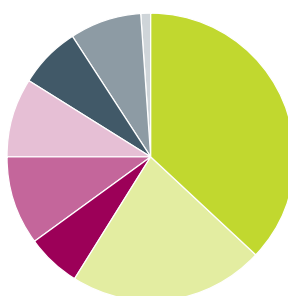


Average staff numbers



Revenue by market

Commercial buildings 31%	Roads 9%
Rail 19%	Oil and gas 5%
Urban development 13%	Hospitality 5%
Residential buildings 9%	Other 9%



Revenue by geography

Dubai 37%	Oman 9%
Abu Dhabi 22%	Qatar 7%
Bahrain 10%	Other Middle East 8%
	India 1%

Dubai Metro Red Line successfully opened as scheduled



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Our Middle East business continues to successfully navigate a difficult economic climate. Confidence and liquidity is beginning to return to the region with the strongest opportunities relating to public sector infrastructure.

Compared to last year we have extended our order book, which stood at 57% of budgeted revenue for 2010/11 at 31 March 2010 (2009: 53%). During the year, we reduced our headcount in the region in anticipation of lower activity and we ended the year with 1,867 staff (2009: 2,824). Our continued focus on margins is reflected in the improvement in the year to 10.2% (2009: 9.3%).

The profile of our debt in the Middle East, in common with the market as a whole, has continued to deteriorate. We have maintained the Group policy of providing for all debt greater than 180 days, or sooner if there is a risk of non-recovery.

We have a well-established presence in six primary locations in the region, centred on Abu Dhabi and Dubai, and we continue to expand our footprint in the region both in terms of geographical location and the breadth of sectors we serve.

We are investing in and securing work in defence, energy, planning and management consultancy, while at the same time adding to our existing infrastructure, building design, planning and oil and gas businesses.

Our work on the Red Line of the Dubai Metro was fundamental to its high-profile and successful opening on 9 September 2009. The Dubai Metro is the world's longest automated driverless metro system, with more than 25 overground stations, four underground stations and over 47 kilometres of viaducts. Our work on the Dubai Metro Green Line continues, along with other rail-related work such as the Makkah Metro project in Saudi Arabia, which is progressing well.

Outlook

Market sentiment is improving and the action taken to reduce headcount to match forward workload and increase efficiency positions us well for future growth, although the timing of work starting on projects secured remains a little unpredictable. Our planning and consultancy business is seeing increasing opportunities with clients seeking greater clarity and certainty about their business cases before investment.