

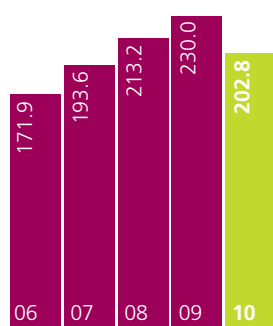
# Business Review

## Segmental performance

continued

## Management and Project Services

Key performance indicators	2010	2009	change
<b>Financial metrics</b>			
Revenue	<b>£202.8m</b>	£230.0m	-11.8%
Operating profit	<b>£15.9m</b>	£18.9m	-15.9%
Operating margin	<b>7.8%</b>	8.2%	-0.4pp
<b>Work in hand</b>			
	<b>44%</b>	44%	-
<b>People</b>			
Staff numbers at 31 March	<b>1,991</b>	2,294	-13.2%
Average staff numbers	<b>2,094</b>	2,405	-12.9%



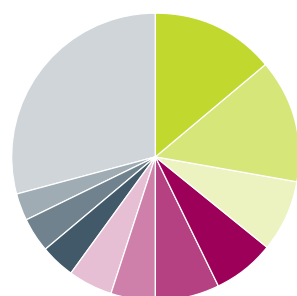
Revenue £m



Operating profit £m

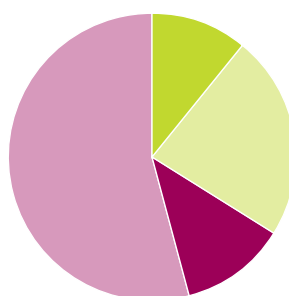


Average staff numbers



### Revenue by market

Education 14%	Government buildings 5%
Oil and gas 14%	Water 4%
Industry 8%	Energy 4%
Financial services 7%	Health 3%
Pharmaceutical 7%	Other 29%
Commercial buildings 5%	



### Revenue by client type

Public sector: local government 11%
Public sector: national government 23%
Regulated 12%
Private sector 54%

## Appointed by Lloyds Banking Group to provide project management and quantity surveying services



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Management and Project Services had a good year, despite revenue being down by over 11% on the prior year as we adjusted staff numbers in our Faithful+Gould business to take account of prospective activity levels.

Despite the reduction in revenue our continuing focus on maintaining margins meant that these were close to last year at 7.8% (2009: 8.2%) for the segment as a whole.

Our Faithful+Gould business, which accounts for the majority of the segment's revenue, provides project management and cost consultancy services in a broad range of market sectors. Our diverse client base and geographic spread has provided resilience in a difficult and highly competitive market over the last year. This has adversely affected volumes in parts of our business and we took early action to reduce headcount by approximately 300 staff across the world.

Faithful+Gould has secured a number of significant projects in the last year, including public sector frameworks such as our appointment in the UK to the

Government's Buying Solutions Project Management and Design Services framework, and in the USA where we secured a position on a five-year General Services Administration national project management framework with the US Government.

We continue to address the financial services market with a recently secured framework for Lloyds Banking Group providing project management and quantity surveying services, building on existing contracts with RBS and Barclays. We also continue to work in education on the Building Schools for the Future programme and in the utilities market for a number of water companies.

Elsewhere, our Asia Pacific business continues to develop, underpinned by work for global pharmaceutical companies investing in both new and existing facilities in the region.

Our Management Consultants business, which had a very good year, continues to plan, design and deliver programmes that create value through efficiency gains from the implementation of ICT-enabled business change.

Our markets in the UK and internationally cover a diverse base of local government and public sector clients for whom we deliver efficiency improvements through business change. In the capital-intensive private sector we deliver business change, feasibility studies, due diligence and project development plans and methodologies.

### Outlook

We are pleased to have maintained our work in hand for the coming year at 44% of budgeted revenue and to have extended our total future work with a number of longer term contracts.

Overall, the outlook for this segment is stable.