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Keller Group plc
Full Year Results Announcement for the year ended 31 December 2008

Keller Group plc ("Keller" or "the Group"), the international ground engineering specialist, is pleased to announce its preliminary results for the year ended 31 December 2008.

Highlights include:

- Revenue* of £1,196.6m (2007: £955.1m), up 25%
- Like-for-like organic revenue growth of 12%, with particularly strong growth in Eastern Europe, Middle East and Australia
- Excellent operating margin* of 10.0% (2007: 11.2%)
- Profit before tax* up 10% to £113.2m (2007: £103.2m)
- Earnings per share* up 14% to 111.1p (2007: 97.6p)
- Proposed final dividend of 13.8p (2007: 12.0p), taking the total dividend for the year to 20.7p (2007: 18.0p), a 15% increase
- Cash generated from operations* represents 99% of EBITDA
- Net debt of £84.6m (2007: £54.5m) after £20.7m of adverse currency movements; committed facilities of £225m with substantial covenant headroom
- Current order book down around 10% from last year in constant currency terms – slightly up in sterling terms

**from continuing operations*

Justin Atkinson, Keller Chief Executive said:

"I am pleased to report that 2008 was another excellent year. However, as we move into 2009, we are encountering tougher conditions in almost all our markets and we expect this to continue for some time.

"With our strong balance sheet, our broad geographic spread and our reputation for safe, reliable and profitable work, we are well placed to weather the current global economic uncertainty.

"By continuing to focus on what we do best, we expect to maintain our track record of out-performing general construction markets over the medium to long term."

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A presentation for analysts will be held at 9.15 for 9.30am at The Theatre & Gallery, London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS
Print resolution images are available for the media to download from www.vismedia.co.uk

Chairman's Statement

I am pleased to report an excellent set of results for 2008 and to set out how the Group is responding to the current global recession.

Results

Group revenue from continuing operations rose by 25% to £1,196.6m (2007: £955.1m), whilst our operating margin on the same basis was slightly down at 10.0% from the previous year's all-time high of 11.2%, resulting in an operating profit of £119.4m (2007: £107.4m). On a constant currency basis, revenue increased by 14% and operating profit was broadly flat. Profit before tax from continuing operations was up 10% to £113.2m (2007: £103.2m) and earnings per share from continuing operations grew by 14% to 111.1p (2007: 97.6p).

Cash flow and net debt

Cash generated from operations was £138.4m (2007: £117.2m) and cash conversion from continuing operations was 99% of EBITDA. After net spend of £65.2m on capital expenditure (2007: £47.1m) and a total of £31.6m on acquisitions and share repurchases, net debt at the end of the year stood at £84.6m (2007: £54.5m). The increase in capital expenditure enabled us to make further progress in improving the efficiency of our equipment fleets and extending our heavy foundations operations in Eastern Europe and the Middle East.

The Group has £225m of committed facilities which expire between 2010 and 2014 and we are operating very comfortably within all of the associated financial covenants. Despite this strong financial position, cash management is a clear priority for the Group; we expect to reduce capital expenditure substantially in 2009 and we will continue our focus on careful management of working capital.

Dividends

In February 2007, following a review of the Group's dividend policy, we indicated that we would increase the dividend by 15% per annum for the foreseeable future, subject to maintaining three times' dividend cover. The Board is therefore recommending a final dividend of 13.8p per share (2007: 12.0p) which, together with the interim dividend paid of 6.9p (2007: 6.0p), brings the total dividend for the year to 20.7p, an increase of 15% on the previous year's 18.0p. Dividend cover for the year is 5.4x based on earnings per share from continuing operations (2007: 5.4x). The final dividend will be paid on 29 May 2009 to shareholders on the register at 1 May 2009.

Strategy

We remain focused on our strategy: to extend further our global leadership in specialist ground engineering through both organic growth and targeted acquisitions. The successful implementation of this strategy has delivered significant shareholder value over a number of years.

The strong like-for-like organic growth of 12% in 2008 was achieved by our dual approach: firstly, growing within our current geographic regions through the introduction of new technologies and methods; and secondly, expanding into new geographic regions. The first of these was achieved through our continued investment in the fastest-growing operations of the Group where we have successfully broadened our product offering. The second was reflected in delivering good reference projects and building a reputation in our newest markets, such as Brazil, Greece and Romania.

During the year, we made two further acquisitions: Olden in the US and Boreta in the Czech Republic. The acquisition of Olden, with its specialist soil nailing expertise, affords us the opportunity to develop this product further in the US. The Boreta acquisition adds heavy foundation products which complement the ground improvement and specialty grouting techniques offered by our existing Czech business, representing another step in the development of our heavy foundations business in Eastern Europe.

Our employees

These excellent results would not have been possible without the hard work and skill of our employees, to whom I extend the Board's thanks. It is easy to say that our people are our key asset. Our commitment is to match these words with action, by maintaining a working environment in which our employees are well respected, their talents can be nurtured and they have an opportunity to influence our future.

Outlook

Global GDP growth is projected to fall to just 0.5 percent in 2009[1], its lowest rate in 60 years, which may yet prove to be optimistic, with most of the countries in which we operate being in recession. At this early stage in the year, it is difficult to predict the severity of the impact which the global economic downturn will have on the Group. To a large extent, it will depend on the success of the stimulus measures that have been taken by governments around the world to assist construction markets by both accelerating public infrastructure programmes and unclogging credit markets so that privately-financed projects can be resumed.

We are certainly encountering tougher conditions in almost all our markets and we expect this to continue for some time. We have also experienced a shift towards more publicly-financed projects, with private funding becoming increasingly scarce and, in general, we are seeing lead times between contract tender and award being extended. In this environment, we will inevitably see a significant reduction in revenue in some countries although, at current exchange rates, currency translation benefits are likely to broadly offset the decrease in local currency revenue. Lower volumes, however, will inevitably lead to further pressure on margins.

On a constant currency basis, order intake in the last six months has been down by around 20% on the previous six months. The impact of this on the Group order book, however, has been substantially mitigated by the weakening of sterling over this period. Accordingly, at the end of January, our order book was around 10% below its January 2008 level on a constant currency basis, but slightly ahead in sterling terms.

In response to the tougher market conditions, we have already reduced our cost base in those parts of the Group which have been most affected. We will continue to take actions as necessary and to focus on cash generation. With our strong balance sheet, our broad geographic spread and our reputation for safe, reliable and profitable work, we are well placed to weather the storm and we expect to continue to out-perform general construction markets over the medium to long term.

[1] IMF, World Economic Outlook, January 2009

Operating Review

2008 was another record year for the Group, in which we succeeded in maintaining the momentum achieved over the previous three years.

Conditions in our major markets
In the US, non-residential construction expenditure was some 12% higher than the previous year[2], largely driven by high levels of public infrastructure spending and, within the private sector, strong investment in power and manufacturing. The residential sector continued to contract, with housing starts for single-family homes virtually halving in the year and more than 75% down on the 2005 peak. Taken as a whole, US construction expenditure reduced in the year by around 5%.

Conditions within our principal European markets were mixed: demand in Poland remained strong; Austria and Germany held up well; whilst the UK, France, and, in particular, Spain experienced a more abrupt slowdown.

Elsewhere, construction activity in the Middle East and Australia remained brisk for most of 2008, although the latter part of the year showed that these regions were not immune from the global recession, particularly in respect of privately funded projects.

Operations

US

Results summary:		
	2008	2007
Revenue	**£532.1m**	£473.2m
Operating profit	**£52.1m**	£61.6m
Margin	**9.8%**	13.0%

On a constant currency basis, revenue from our US operations as a whole was up by 5%, whilst operating profit was down by 21%, mainly reflecting a loss of contribution from Suncoast. Translated into sterling, overall revenue was 12% up, whilst operating profit was down by 15%.

Hayward Baker
2008 was another outstanding year for Hayward Baker, the largest of our US foundation businesses and the most diverse in terms of its geographic presence, range of services and the sectors it serves. This diversity has served Hayward Baker well, enabling it to take advantage of continued strong demand in sectors such as power, health and infrastructure. Power-related projects in which it was involved included piling and dynamic compaction works to support new wind farms in Wyoming and Oregon; design and build of an earth retention system for the installation of a coal conveyor at an energy plant in Texas; vibro works for the construction of petroleum storage tanks on the Gulf Coast; micropiling for a hybrid power plant in Virginia; jet grouting at a gas plant in New Jersey; and soil mixing at a nuclear plant in North Connecticut.

[2] The US Census Bureau of the Department of Commerce, 2 February 2009.

Flood prevention work on dams was also a significant feature of its 2008 workload. Major grouting works were undertaken at the Elk Water Dam in West Virginia and awarded at Wolf Creek Dam in Kentucky. Following the successful deployment of its new TRD (Trench cutting Re-mixing Deep wall) technology on a test section of the Herbert Hoover Dyke, Hayward Baker is continuing to use TRD technology to create a cutoff wall within the existing levee around Florida's Lake Okeechobee.

In the last quarter of the year Hayward Baker acquired Olden for a total consideration of $13.0m (£7.0m), including the assumption of debt. The acquired business reported annual revenues of around $35m (£19m) for the year ended 31 October 2008, with approximately 75% of its sales coming from the public sector. As the leading earth retention contractor in Texas, Olden is the preferred supplier of earth retention solutions to the Texas Department of Transport.

Case, McKinney, Anderson and HJ
Amongst our US piling businesses, a strong performance was delivered by Case and McKinney, whilst Anderson and HJ did well to manage a sharp fall-off in demand for privately funded projects in their respective home markets of California and Florida.

Our US businesses once again found that, by combining their skills and resources on large or particularly complex projects, they created good opportunities. The successful first-half co-operation between Case and McKinney to install foundations for the Fort Martin Power Station in West Virginia was followed up in the second half with several similar joint ventures, including foundations for the upgrade of the Brandon Shores Power Plant in Maryland and the new Philadelphia Convention Center. We anticipate continued strength in the power sector and, in particular, we expect to see an increasing number of electricity transmission projects over the medium term. Several of our US businesses should benefit from this opportunity; in particular McKinney, whose broad geographic spread and lighter, mobile fleet are well suited to this type of work.

We made progress in increasing our share of the fast-developing and highly fragmented continuous flight augur (CFA) market, despite the adverse market conditions. Our approach to this involves two or more of our businesses, usually including HJ with its particular CFA expertise, co-operating on very large projects, such as the Majestic Star Casino project in Pennsylvania, which was completed in the first half. In addition, individual businesses are seeking to introduce this technique into their local markets where to date it has not been widely-used, such as southern California, where Anderson used CFA for the foundation system for a new office and condominium development.

Suncoast
Despite the deepening recession in US housing, Suncoast managed to maintain a good sales volume, albeit down 16% in dollar terms on the previous year. However, as expected, competitive selling prices, combined with high material costs for most of the year, put margins under extreme pressure. Tight cost management, including a further reduction in headcount which is now at around one third of its peak level, produced a breakeven result for the year.

Existing home selling prices are now more than 25% below their 2006 high on a national basis[3] and the actual decline in many of Suncoast's markets is even greater. Construction activity in housing is unlikely to increase until prices have levelled out and the inventory of unsold homes has reduced. Most commentators, including the National Association of Home Builders, are not anticipating a significant turnaround before 2011. Until then, management will continue to focus on preserving cash, tight cost control and reducing overheads.

Continental Europe, Middle East & Asia (CEMEA)

Results summary:		
	2008	2007
Revenue	**£442.2m**	£296.8m
Operating profit	**£49.9m**	£30.4m
Margin	**11.3%**	10.2%

2008 saw an outstanding performance from our CEMEA business. On a constant currency basis, revenue was up some 29% and operating profit was 42% above the previous year, marking the fourth consecutive year of strong growth. Translated into sterling, revenue was 49% ahead of the previous year and operating profit was up by 65%. Market share gains in the Middle East and Poland were important drivers of revenue and profit growth.

Continental Europe

Overall, our businesses within the more mature Continental European markets fared well, with year on year growth exceeding the growth in their markets. The exception to this was Spain, where the severe market conditions had a pronounced impact, resulting in a 22% reduction in revenue compared with the previous year. However, management responded quickly with a series of cost-reduction measures and the business remains reasonably profitable.

In France we saw a drop in our usual volume of residential work, but were successful in substituting this with work in other sectors, such as a large contract with Areva to install stone columns for a new uranium energy facility. Our German business reported another improved result, partly reflecting management's focus on work selection to ensure that resources are deployed on those contracts with the highest value-added content, while our Austrian business had an excellent year, growing both sales and profit.

In Europe's emerging markets, we have seen growth of nearly 50% per annum over the past four years, largely reflecting the addition of heavy foundations to our product offering in this region. Once again, the largest contributor in 2008 was our Polish business, which was awarded a significant amount of work based on its packaged solutions. One such contract was for the new S8 expressway in Warsaw, where it installed diaphragm walls and jet grouted sealing slabs. While the business has worked across all sectors of the market, the development of the country's infrastructure has been particularly important to the growth of Keller in Poland. The 2012 European Football Championship has been one of the triggers for this development, creating a demand for new road, rail and airport infrastructure, as well as the National Stadium in Warsaw, for which Keller installed vibro stone columns.

In November, the Group purchased Boreta, a well-established and highly profitable foundations specialist based in Zlin, in the Czech Republic, for an initial consideration of around CZK170m (£5.6m) on a debt-free basis, together with an earn-out based on future profits. Boreta, which reported annual revenues of around CZK185m (£6m) for the year ended 31 December 2008, specialises in heavy foundation products.

[3] S&P/Case-Schiller US National Home Price Index, 24 February 2009

Middle East
Once again, our business in the Middle East produced an excellent performance, doubling its revenue in the year and generating very strong margins. This result highlights the importance of our strategy of building up our heavy foundations capability in the Middle East, with more than 50% of the region's 2008 sales derived from heavy foundations contracts. Saudi Arabia, UAE and Bahrain all made excellent contributions.

However, there is now considerable uncertainty regarding the future prospects for construction in the Middle East, as reflected in a rapid cooling of the Dubai market in the final few months of 2008. We remain busy in Abu Dhabi, where we continue to work at the Al Raha Beach complex and are now installing foundations for the new Khalifa Stadium. Saudi Arabia still has several major industrial projects in the pipeline, although the average lead time between initial tender and contract award for many large contracts has been noticeably extended and this has been reflected in a considerably reduced order book compared with this time last year.

Asia
Our Asian business, whilst still relatively small, almost doubled its revenue and profit year-on-year. Our operations in Malaysia and Singapore performed well and India made progress in broadening its product offering, with the addition of ground anchors. In Malaysia, we benefited from participation on a number of road and rail projects, such as the East Coast Highway, South Klang Valley Expressway and the Ipoh to Padang Besar railway, whilst in Singapore, much of our work was related to developments in the petrochemical sector.

Australia

Results summary:		
	2008	2007
Revenue	**£137.1m**	£107.1m
Operating profit	**£19.4m**	£14.7m
Margin	**14.2%**	13.7%

Our Australian business beat its formidable 2007 result by some margin, with all four operating companies making a strong contribution. On a constant currency basis, revenue increased by 17% and operating profit was up 21% whilst in sterling terms, revenue and operating profit increased by 28% and 32% respectively.

The core of the business in 2008 was a steady stream of infrastructure projects such as the foundations for a desalination plant in Sydney, New South Wales, the Mackay Bridge Upgrade project in Queensland and the Pacific Highway Ballina road bypass scheme in Northern New South Wales. At Ballina, two of our companies are engaged in dry soil mixing and installing stone columns, bored piles and driven piles. Our promising ground engineering subsidiary more than doubled its revenue year on year and made a significant profit contribution, reflecting its success on such projects as the coal handling facility upgrade for the Newcastle Coal Industrial Group, where its ground improvement works have continued into the first half of 2009.

The excellent 2008 result was also helped by the success of the Gateway Upgrade project in Brisbane. At around A$110m, this was an unusually large contract for our Australian business, but as this work has been performed a steady volume of medium-to-large contracts has filled its place, resulting in a resilient order book. In part, this reflects successful market positioning, which has allowed our Australian companies to take advantage of continued strong demand in the infrastructure sector, offsetting weaker demand from the commercial

sector in the latter part of 2008. We are also seeing a significant number of major infrastructure projects being tendered, which should keep us busy during 2009. However, the buoyant market of recent years has increased competition which, together with the softer market conditions, is likely to have an impact on our future margins from the region.

UK

Results summary (continuing business):		
	2008	2007
Revenue	**£85.2m**	£78.0m
Operating profit	**£2.7m**	£3.8m
Margin	**3.2%**	4.9%

The rapid deterioration in UK housing impacted in the second half of the year on the ground improvement business and, to a lesser extent, on Phi, which are most dependent on this sector. As a result, both of these businesses have taken steps to scale back their costs. The geotechnical business, which is more focused on infrastructure work, fared rather better in the year and a good contribution was made by the components manufacturing division.

We were pleased to hand over the foundations at the Olympic Stadium in October 2008, ahead of schedule and on budget, marking our contribution towards London meeting its 2012 deadline. Phi also benefited from Olympics-related work, with a contract to install retaining walls for roadways and other infrastructure for the Olympic Park.

Makers

We reported in our interim results announcement in July 2008 that, having successfully completed the disposal of the vast majority of the Makers business in 2007, we continue to resolve the legacy issues, which resulted in a post-tax loss of £1.7m in the full year.

Future performance, development and position

As indicated in the Chairman's Statement, the prospects for worldwide construction markets in the short to medium term are uncertain, with much resting on the speed and effectiveness of measures taken by governments to stimulate their economies. With some further contraction in privately-funded construction, we expect to face increased competition for 'standard' products where the ground conditions are relatively uncomplicated and where the barriers to entry are lower.

We will continue to focus on those sectors where we have a clear competitive advantage: providing bigger and more sophisticated foundation systems, for which a growing demand is being driven by long term trends such as:

- the increased use of marginal land;
- the prevalence of very large-scale development projects;
- increasing investment in power plants and outdated road and rail infrastructure;
- climate change triggering more river and dam flood protection projects; and
- an expanding market for buildings with reduced environmental impacts which should, over time, create a shift in favour of more sustainable ground engineering techniques.

Over the medium to long term, we expect to continue to see above-average levels of construction growth in those emerging markets where we are established and have the means to grow. We will focus resources on those regions which continue to offer growth opportunities through the global downturn.

Finally, we can expect the current difficult market conditions to give rise to further consolidation within our highly fragmented industry and we are well placed to take full advantage of such opportunities as they arise.

By continuing to focus on what we do best, we expect to continue our track record of out-performing general construction markets over the medium to long term.

Financial Review

Introduction

2008 was another excellent year for Keller, with revenue, profits and operating cash flows again at record levels.

Comparisons of sterling-denominated headline numbers with 2007 are made difficult by currency movements. Overseas revenue, profits and cash flows are translated using average foreign exchange rates. The average US dollar exchange rate against sterling was US$1.86, 7% stronger than in 2007, while the average euro exchange rate against sterling strengthened 14% from €1.46 to €1.26. The impact on the Group's consolidated assets and liabilities, which are translated at year-end exchange rates, was more pronounced as both the US dollar and the euro strengthened against sterling by around 30% between the beginning and end of 2008.

Results (from continuing operations)

Trading results

Group revenue increased by 25% in the year to £1,196.6m, reflecting strong organic growth in most of the Group's main markets, together with currency benefits and a small contribution from acquisitions. Stripping out the effects of acquisitions and foreign exchange movements, the Group's 2008 revenue was 12% up on 2007.

EBITDA was £144.3m, compared to £125.8m in 2007. Operating profit was £119.4m, up from £107.4m in 2007. Adjusting for the effects of acquisitions and currency movements, the Group's operating profit was substantially unchanged from 2007. At 10.0%, the operating margin remained strong although somewhat lower than last year's record high of 11.2%.

In the US, the Group's largest market, the US dollar-denominated operating profit was down 21% year-on-year, mainly reflecting the loss of profits at Suncoast, the business most exposed to the US residential market. In contrast, both CEMEA and Australia had excellent years, with very strong organic revenue growth and operating profits increasing on a constant currency basis by 42% and 21% respectively. In the UK, profits were down somewhat, reflecting the downturn in the UK construction market.

The Group's trading results are discussed more fully in the Chairman's Statement and the Operating Review.

Net finance costs

Net finance costs increased from £4.2m in 2007 to £6.2m in 2008. This increase is due to non-cash items included in net finance costs under IFRS. The net interest payable on the Group's net debt remained unchanged at £3.3m.

Tax

The Group's underlying effective tax rate was 32%, down from 35% in 2007, reflecting the fact that a higher proportion of the Group's profit was derived from lower tax countries. This lower rate is expected to be maintained in the short to medium term.

Discontinued operation

In 2007, we disposed of substantially all of our Makers business in the UK resulting in a charge after tax of £10.5m in that year. In 2008, the process of winding up legacy issues continued, resulting in an additional post-tax charge of £1.7m.

Earnings and dividends

Earnings per share (EPS) from continuing operations increased by 14% to 111.1p. Basic EPS, stated after the losses related to Makers, was 108.6p (2007: 81.8p).

The Board announced in 2007 that it intended to increase dividends by 15% per annum for the foreseeable future, subject to the dividend payment being three times covered. The Board is therefore recommending a final dividend of 13.8p per share, which brings the total dividend paid out of 2008 profits to 20.7p, a 15% increase on last year. The 2008 dividend is covered 5.4 times by EPS from continuing operations.

Cash flow

The Group has always placed a high priority on cash generation and has, in recent years, consistently improved working capital ratios. The current economic environment is inevitably putting pressure on working capital in certain locations and we will therefore continue to focus on maximising cash generation and minimising the Group's investment in working capital.

In 2008, the Group continued its excellent record of converting profits into cash. Net cash inflow from operations (excluding Makers) was £143.5m, representing 99% of EBITDA. The net cash outflow relating to Makers was £5.1m. Year-end working capital was £92.2m, £29.1m higher than at the end of 2007, due almost entirely to currency movements. Stripping out the impact of currency movements and acquisitions, year-end working capital was down on 2007, despite the Group's strong organic growth.

Capital expenditure, net of disposals, totalled £65.2m, up £11.4m on 2007 using like-for-like exchange rates. This significant increase reflects the growth in the Group's operations and the additional capital expenditure being committed to areas of long-term growth, most notably to build the Group's heavy foundations businesses in Eastern Europe and the Middle East. Capital expenditure is expected to decrease substantially in 2009 to around £40m.

The Group spent £14.1m in cash on acquisitions in the year including net debt assumed, mainly on Olden and Boreta, as well as £17.5m on purchasing its own shares (see below).

Financing

As at 31 December 2008, year-end net debt amounted to £84.6m (2007: £54.5m), with £20.7m of this increase resulting from currency movements. Based on net assets of £302.6m, year-end gearing was 28%, up slightly from 26% at the beginning of the year.

The Group's debt and committed facilities mainly comprise a US$100m private placement, repayable US$30m in 2011 and US$70m in 2014, an £80m syndicated revolving credit facility expiring in 2011 and a £65m syndicated revolving credit facility expiring in July 2010. To date, the Group has not drawn down on this £65m facility. At the year end, the Group also had other committed and uncommitted borrowing facilities totalling around £79m.

The Group therefore has sufficient available financing to support our strategy of growth, both through organic means and targeted, bolt-on acquisitions.

The major covenants in respect of our main borrowing facilities relate to the ratio of net debt to EBITDA, EBITDA interest cover and the Group's net worth. The Group is operating very comfortably within its covenant limits, as is illustrated in the table below:

Test	Covenant limit	Current position
Net debt:EBITDA	No more than 3x	**0.6x**
EBITDA interest cover	No less than 4x	**23.2x**
Net worth	Greater than £78m	**£302.6m**

Capital Structure

The Group's capital structure is kept under constant review, taking account of the need for, availability and cost of various sources of finance. In March 2008 the Board announced its intention to buy back up to 5% of the Company's ordinary shares. Between then and September 2008, the Company repurchased 2.2 million shares under this programme, representing 3.3% of its issued share capital, all of which are held in treasury. In addition, the Company purchased a further 0.3 million shares specifically to satisfy Performance Share Plan awards vesting in the period. The total cost of purchased shares was £17.5m and the average price paid per share was 681p. The Board has no current intention to purchase more treasury shares, other than to satisfy Performance Share Plan awards vesting in 2009.

Pensions

The Group has defined benefit pension arrangements in the UK, Germany and Austria.

The Group closed its UK defined benefit scheme for future benefit accrual with effect from 31 March 2006 and existing active members transferred to a new defined contribution arrangement. The last actuarial valuation of the UK scheme was as at 5 April 2008, when the market value of the scheme's assets was £26.9m and the scheme was 77% funded on an ongoing basis. The level of contributions, currently set at £1.5m a year, will be reviewed at the next actuarial valuation, which will be as at April 2011.

The 2008 year-end IAS 19 valuation of the UK scheme showed assets of £26.3m, liabilities of £28.6m and a pre-tax deficit of £2.3m.

In Germany and Austria, the defined benefit arrangements only apply to certain employees who joined the Group prior to 1998. There are no segregated funds to cover these defined benefit obligations and the respective liabilities are included on the Group balance sheet. These totalled £11.3m at 31 December 2008.

All other pension arrangements in the Group are of a defined contribution nature.

Management of financial risks

Currency risk

The Group faces currency risk principally on its net assets, of which a large proportion is in currencies other than sterling. The Group aims to reduce the impact that retranslation of these assets might have on the balance sheet, by matching the currency of its borrowings, where possible, with the currency of its assets. The majority of the Group's borrowings are US dollar-denominated, in order to provide a hedge against the Group's US dollar-denominated net assets.

The Group manages its currency flows to minimise currency transaction exchange risk. Forward contracts and other derivative financial instruments are used to hedge significant individual transactions. The majority of such currency flows within the Group relate to repatriation of profits and intra-Group loan repayments. The Group's foreign exchange cover is executed primarily in the UK.

The Group does not trade in financial instruments nor does it engage in speculative derivative transactions.

Interest rate risk
Interest rate risk is managed by mixing fixed and floating rate borrowings depending upon the purpose and term of the financing. As at 31 December 2008, virtually all the Group's third party borrowings bear interest at floating rates.

Credit risk
The Group's principal financial assets are trade and other receivables and bank and cash balances. These represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group has stringent procedures to manage counterparty risk and the assessment of customer credit risk is embedded in the contract tendering processes. Customer credit risk is mitigated by the Group's relatively small average contract size and its diversity, both geographically and in terms of end markets. As a result, no customer represented more than 3% of sales in 2008. The counterparty risk on bank and cash balances is managed by limiting the aggregate amount of exposure to any one institution by reference to their credit rating and by regular reviews of these ratings.

Principal risks and uncertainties

The main areas of uncertainty facing the Group relate to market conditions, acquisitions, technical risk and people. These also represent the Group's greatest opportunities and how we manage risks is a key differentiator between Keller and similar businesses.

Market cycles
Whilst our business will always be subject to economic cycles, market risk is reduced by the diversity of our markets, both in terms of geography and market segment. It is also partially offset by opportunities for consolidation in our highly fragmented markets. Typically, even where we are the clear leader, we still have a relatively small share of the market. Our ability to exploit these opportunities through bolt-on acquisitions is reflected in our track record of growing sales, and doing so profitably, across market cycles.

Acquisitions
We recognise the risks associated with acquisitions and our approach to buying businesses aims to manage these to acceptable levels. First, we try to get to know a target company, often working in joint venture, to understand the operational and cultural differences and potential synergies. This is followed by a robust due diligence process, most of which is undertaken by our own managers, and we then develop a clear integration plan which takes account of the unique character of the target company.

Technical risk
It is in the nature of our business that we continually assess and manage technical, and other operational, risks. The controls we have in place, particularly at the crucial stage of bidding for contracts, will be set out in the Internal Control section of our Corporate Governance Report in the Annual Report and Accounts. Given the Group's relatively small average contract value (less than £200,000), it is unlikely that any one contract is able to materially affect the results of the Group. Our ability to manage technical risks will generally be reflected in our profitability.

People
The risk of losing, or not being able to attract, good people is key. We pride ourselves in having some of the best professional and skilled people in the industry, who are motivated by our culture and the opportunities for career growth. The approach to training and developing employees will be discussed in our Social Responsibility Report in the Annual Report and Accounts.

Forward-looking statements

This announcement contains forward-looking statements. These have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report. The Directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Directors' responsibilities in respect of the financial statements

We confirm that to the best of our knowledge:

(a) the financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), give a true and fair view of the assets, liabilities and financial position and profit of the Group; and

(b) the management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of its principal risks and uncertainties.

J M West, Chairman **J W G Hind, Finance Director**

on behalf of the Board

Consolidated Income Statement

for the year ended 31 December 2008

	Note	2008 £m	2007 £m
Revenue	3	**1,196.6**	955.1
Operating costs		**(1,077.2)**	(847.7)
Operating profit	3	**119.4**	107.4
Finance income		**2.0**	2.5
Finance costs		**(8.2)**	(6.7)
Profit before taxation		**113.2**	103.2
Taxation		**(35.9)**	(35.9)
Profit for the period from continuing operations		**77.3**	67.3
Discontinued operation			
Loss from discontinued operation net of taxation	5	**(1.7)**	(10.5)
Profit for the period		**75.6**	56.8
Attributable to:			
Equity holders of the parent		**70.8**	54.0
Minority interests		**4.8**	2.8
		75.6	56.8
Earnings per share from continuing operations			
Basic earnings per share	6	**111.1p**	97.6p
Diluted earnings per share	6	**109.2p**	96.4p
Earnings per share			
Basic earnings per share	6	**108.6p**	81.8p
Diluted earnings per share	6	**106.7p**	80.7p

Consolidated Statement of Recognised Income and Expense

for the year ended 31 December 2008

	2008 £m	2007 £m
Exchange differences on translation of foreign operations	**66.1**	5.4
Net investment hedge losses	**(19.0)**	(0.5)
Cash flow hedge (losses)/gains taken to equity	**(35.1)**	1.9
Cash flow hedge transfers to income statement	**35.1**	(1.9)
Actuarial gains on defined benefit pension schemes	**1.6**	2.0
Tax on items taken directly to equity	**(0.5)**	(0.6)
Net income recognised directly in equity	**48.2**	6.3
Profit for the period	**75.6**	56.8
Total recognised income and expense for the period	**123.8**	63.1
Attributable to:		
Equity holders of the parent	**115.9**	59.8
Minority interests	**7.9**	3.3
	123.8	63.1

Consolidated Balance Sheet
as at 31 December 2008

	Note	2008 £m	2007 £m
ASSETS			
Non-current assets			
Intangible assets		**111.8**	80.8
Property, plant and equipment		**254.7**	155.8
Deferred tax assets		**7.7**	9.2
Other assets		**12.5**	13.7
		386.7	259.5
Current assets			
Inventories		**50.9**	26.9
Trade and other receivables		**364.4**	273.6
Current tax assets		**2.3**	-
Cash and cash equivalents		**48.6**	30.9
		466.2	331.4
Total assets		**852.9**	590.9
LIABILITIES			
Current liabilities			
Loans and borrowings		**(4.8)**	(7.6)
Current tax liabilities		**(15.1)**	(12.4)
Trade and other payables		**(323.1)**	(237.4)
Provisions		**(8.4)**	(7.4)
		(351.4)	(264.8)
Non-current liabilities			
Loans and borrowings		**(128.4)**	(77.8)
Retirement benefit liabilities		**(13.6)**	(13.9)
Deferred tax liabilities		**(16.5)**	(5.4)
Provisions		**(4.4)**	(3.2)
Other liabilities		**(36.0)**	(14.3)
		(198.9)	(114.6)
Total liabilities		**(550.3)**	(379.4)
NET ASSETS		**302.6**	211.5
EQUITY			
Share capital		**6.6**	6.6
Share premium account		**37.6**	37.6
Capital redemption reserve		**7.6**	7.6
Translation reserve		**43.9**	(0.1)
Retained earnings		**194.0**	150.6
Equity attributable to equity holders of the parent	8	**289.7**	202.3
Minority interests		**12.9**	9.2
Total equity		**302.6**	211.5

Consolidated Cash Flow Statement
for the year ended 31 December 2008

	2008 £m	2007 £m
Cash flows from operating activities		
Operating profit from continuing operations	**119.4**	107.4
Operating loss from discontinued operation	**(2.7)**	(13.3)
	116.7	94.1
Depreciation of property, plant and equipment	**24.2**	17.4
Amortisation of intangible assets	**0.7**	1.0
Loss on sale of property, plant and equipment	**0.3**	0.4
Other non-cash movements	**1.3**	1.0
Foreign exchange (gains)/losses	**(1.2)**	0.2
Operating cash flows before movements in working capital	**142.0**	114.1
Increase in inventories	**(12.4)**	(0.9)
Decrease/(increase) in trade and other receivables	**0.1**	(32.8)
Increase in trade and other payables	**11.0**	34.9
Change in provisions, retirement benefit and other non-current liabilities	**(2.3)**	1.9
Cash generated from operations	**138.4**	117.2
Interest paid	**(4.7)**	(5.3)
Income tax paid	**(27.9)**	(32.0)
Net cash inflow from operating activities	**105.8**	79.9
Cash flows from investing activities		
Interest received	**0.6**	1.3
Proceeds from sale of property, plant and equipment	**3.0**	1.0
Acquisition of subsidiaries, net of cash acquired	**(14.1)**	(34.5)
Acquisition of property, plant and equipment	**(68.2)**	(48.1)
Acquisition of intangible assets	**(1.4)**	-
Acquisition of other non-current assets	**(1.7)**	(2.8)
Net cash outflow from investing activities	**(81.8)**	(83.1)
Cash flows from financing activities		
Proceeds from the issue of share capital	**-**	0.5
Repurchase of own shares	**(17.5)**	-
New borrowings	**25.3**	22.2
Repayment of borrowings	**(6.6)**	(0.7)
Payment of finance lease liabilities	**(2.0)**	(1.9)
Dividends paid	**(15.9)**	(12.3)
Net cash (outflow)/ inflow from financing activities	**(16.7)**	7.8
Net increase in cash and cash equivalents	**7.3**	4.6
Cash and cash equivalents at beginning of period	**26.1**	20.3
Effect of exchange rate fluctuations	**13.1**	1.2
Cash and cash equivalents at end of period	**46.5**	26.1

1. Basis of preparation

The Group's 2008 results have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the EU.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2008 or 2007 but is derived from the 2008 accounts. Statutory accounts for 2007 have been delivered to the Registrar of Companies. Those for 2008, prepared under IFRS as adopted by the EU, will be delivered to the Registrar of Companies and made available on the Company's website at www.keller.co.uk in April 2009. The auditors have reported on those accounts; their reports were (i) unqualified, (ii) did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their reports and (iii) did not contain statements under section 237(2) or (3) of the Companies Act 1985.

In accordance with IFRS 5 – Non-current assets held for sale and discontinued operations – the loss from discontinued operation is shown separately in the income statement net of tax.

2. Foreign currencies

The exchange rates used in respect of principal currencies are:

	Average for period		Period end	
	2008	2007	**2008**	2007
US dollar	**1.86**	2.00	**1.45**	2.00
Euro	**1.26**	1.46	**1.03**	1.36
Australian dollar	**2.19**	2.39	**2.10**	2.28

3. Segmental analysis

Segment information is presented in respect of the Group's geographical segments, which are based on the Group's management and internal reporting structure. The Group considers that it has only one business activity: construction.

Geographical segment information including an analysis of the Group's revenues by geographical market, irrespective of the origin of the services, is presented below:

	2008 Revenue £m	2008 Operating profit £m	2007 Revenue £m	2007 Operating profit £m
UK	**85.2**	**2.7**	78.0	3.8
US	**532.1**	**52.1**	473.2	61.6
CEMEA[1]	**442.2**	**49.9**	296.8	30.4
Australia	**137.1**	**19.4**	107.1	14.7
	1,196.6	**124.1**	955.1	110.5
Central items and eliminations	**-**	**(4.7)**	-	(3.1)
Continuing operations	**1,196.6**	**119.4**	955.1	107.4
Discontinued operation (note 5)	**1.0**	**(2.7)**	36.8	(13.3)
	1,197.6	**116.7**	991.9	94.1

	2008 Assets £m	2008 Liabilities £m	2008 Capital employed £m	2007 Assets £m	2007 Liabilities £m	2007 Capital employed £m
UK	**47.2**	**(24.0)**	**23.2**	51.0	(36.5)	14.5
US	**367.4**	**(116.8)**	**250.6**	254.7	(91.6)	163.1
CEMEA[1]	**315.5**	**(172.1)**	**143.4**	188.5	(105.7)	82.8
Australia	**58.5**	**(25.6)**	**32.9**	47.3	(23.6)	23.7
	788.6	**(338.5)**	**450.1**	541.5	(257.4)	284.1
Central items[2]	**64.3**	**(211.8)**	**(147.5)**	49.4	(122.0)	(72.6)
	852.9	**(550.3)**	**302.6**	590.9	(379.4)	211.5

	2008 Capital additions £m	2008 Depreciation and amortisation £m	2008 Goodwill £m	2007 Capital additions £m	2007 Depreciation and amortisation £m	2007 Goodwill £m
UK	**4.2**	**1.6**	**12.3**	9.3	1.6	12.4
US	**18.6**	**9.8**	**73.6**	31.7	7.1	53.6
CEMEA[1]	**41.8**	**10.2**	**21.9**	21.2	6.5	13.0
Australia	**8.9**	**3.3**	**-**	8.4	3.0	-
Continuing operations	**73.5**	**24.9**	**107.8**	70.6	18.2	79.0
Discontinued operation (note 5)	**-**	**-**	**-**	-	0.2	-
	73.5	**24.9**	**107.8**	70.6	18.4	79.0

1 Continental Europe, Middle East & Asia, 2 Central items includes net debt and tax balances

4. Acquisitions

Acquisitions in 2008

	Olden			Boreta			Total		
	Carrying amount £m	Fair value adjustment £m	Fair value £m	Carrying amount £m	Fair value adjustment £m	Fair value £m	Carrying amount £m	Fair value adjustment £m	Fair value £m
Net assets acquired									
Intangible assets	-	0.5	0.5	-	0.5	0.5	**-**	**1.0**	**1.0**
Property, plant and equipment	4.0	0.8	4.8	1.0	-	1.0	**5.0**	**0.8**	**5.8**
Cash and cash equivalents	0.8	-	0.8	1.4	-	1.4	**2.2**	**-**	**2.2**
Other assets	4.9	(0.1)	4.8	2.4	-	2.4	**7.3**	**(0.1)**	**7.2**
Loans and borrowings	(1.5)	-	(1.5)	(0.5)	-	(0.5)	**(2.0)**	**-**	**(2.0)**
Other liabilities	(2.6)	(0.5)	(3.1)	(0.6)	(0.1)	(0.7)	**(3.2)**	**(0.6)**	**(3.8)**
	5.6	0.7	6.3	3.7	0.4	4.1	**9.3**	**1.1**	**10.4**
Goodwill			-			3.5			**3.5**
Total consideration			6.3			7.6			**13.9**
Satisfied by:									
Initial cash consideration			6.1			6.5			**12.6**
Deferred consideration			0.2			1.1			**1.3**
			6.3			7.6			**13.9**

On 31 October 2008 the Group acquired 100% of the share capital of Craig Olden Inc. ('Olden'). The fair value of the intangible assets acquired represents the fair value of non-compete undertakings and backlog at the date of acquisition. In the period to 31st December 2008 Olden contributed £0.5m (US$0.9m) to the net profit of the Group.

On 11 November 2008 the Group acquired 100% of the share capital of Boreta Spol. sr.o. ('Boreta'). The goodwill arising on acquisition is attributable to the knowledge and expertise of the assembled workforce and the operating synergies that arise from the Group's strengthened market position. The fair value of the intangible assets acquired represents the fair value of non-compete undertakings and backlog at the date of acquisition. In the period to 31 December 2008 Boreta contributed £nil to the net profit of the Group.

Had both acquisitions taken place on 1 January 2008, total Group revenue from continuing operations would have been £1,219.3m and total net profit from continuing operations would have been £79.5m.

Acquisitions in 2007

	Systems Geotechnique			HJ			Total		
	Carrying amount £m	Fair value adjustment £m	Fair value £m	Carrying amount £m	Fair value adjustment £m	Fair value £m	Carrying amount £m	Fair value adjustment £m	Fair value £m
Net assets acquired									
Intangible assets	-	0.5	0.5	-	0.9	0.9	**-**	**1.4**	**1.4**
Property, plant and equipment	1.6	-	1.6	5.1	0.2	5.3	**6.7**	**0.2**	**6.9**
Other assets	5.9	-	5.9	6.9	-	6.9	**12.8**	**-**	**12.8**
Loans and borrowings	(1.7)	-	(1.7)	-	-	-	**(1.7)**	**-**	**(1.7)**
Other liabilities	(4.3)	(0.1)	(4.4)	(2.9)	-	(2.9)	**(7.2)**	**(0.1)**	**(7.3)**
	1.5	0.4	1.9	9.1	1.1	10.2	**10.6**	**1.5**	**12.1**
Goodwill			7.0			13.4			**20.4**
Total consideration			8.9			23.6			**32.5**
Satisfied by:									
Initial cash consideration			7.4			23.6			**31.0**
Deferred consideration			1.5			-			**1.5**
			8.9			23.6			**32.5**

On 12 April 2007 the Group acquired 100% of the share capital of Bobian Limited with subsidiaries, collectively 'Systems Geotechnique'. During 2008 the estimate of the amount of deferred consideration payable was revised resulting in a reduction of goodwill by £0.3m.

On 1 October 2007 the Group acquired the business and assets of HJ Foundation Inc. ('HJ'). During 2008 the fair value of the net assets acquired was revised giving rise to additional goodwill of £0.5m.

Had both acquisitions taken place on 1 January 2007 total 2007 Group revenue from continuing operations would have been £988.2m and total net profit from continuing operations would have been £75.5m.

On 6 April 2006 the Group acquired 100% of the share capital of Phi Group Limited ('Phi'). During 2008 the estimate of the amount of deferred consideration payable was revised giving rise to additional goodwill of £0.2m.

5. Discontinued operation

The Board announced its decision to withdraw from Makers on 20 August 2007. By 31 December 2007 substantially all of the business had been disposed of. Losses attributable to the discontinued operation were as follows:

	2008 £m	2007 £m
Results of discontinued operation		
Revenue	**1.0**	36.8
Operating costs	**(3.7)**	(50.1)
Operating loss	**(2.7)**	(13.3)
Net finance costs	**(0.1)**	(0.2)
Loss before taxation	**(2.8)**	(13.5)
Taxation	**1.1**	3.7
	(1.7)	(9.8)
Loss on sale of discontinued operation	**-**	(0.7)
Taxation on gain on sale of discontinued operation	**-**	-
Loss for the period	**(1.7)**	(10.5)
Basic loss per share (pence) (note 6)	**(2.5)**	(15.8)
Diluted loss per share (pence) (note 6)	**(2.5)**	(15.7)
Cash flows from discontinued operation		
Net cash from operating activities	**(3.2)**	(10.2)
Net cash from investing activities	**0.2**	0.3
Net cash from financing activities	**4.0**	9.0
	1.0	(0.9)

The loss on sale of discontinued operation in 2007 arose on disposal of net current assets of £0.9m for a total consideration of £0.2m.

6. Earnings per share

Basic and diluted earnings per share from continuing operations are calculated as follows:

	2008 Basic £m	2008 Diluted £m	2007 Basic £m	2007 Diluted £m
Earnings (after tax and minority interests) being net profits attributable to equity holders of the parent	**72.5**	**72.5**	64.5	64.5

	No. of shares millions	No. of shares millions	No. of shares millions	No. of shares millions
Weighted average of ordinary shares in issue during the year	**65.2**	**65.2**	66.0	66.0
Add: weighted average of shares under option during the year	-	**1.2**	-	1.3
Add: weighted average of own shares held (excluding treasury shares)	-	**0.1**	-	0.1
Less: no. of shares assumed issued at fair value during the year	-	**(0.1)**	-	(0.5)
Adjusted weighted average ordinary shares in issue	**65.2**	**66.4**	66.0	66.9

	Pence	Pence	Pence	Pence
Earnings per share from continuing operations	**111.1**	**109.2**	97.6	96.4

Total earnings per share from continuing and discontinued operations of 108.6p (2007: 81.8p) was calculated based on earnings of £70.8m (2007: £54.0m) and the weighted average number of ordinary shares in issue during the year of 65.2 million (2007: 66.0 million).

Total diluted earnings per share from continuing and discontinued operations of 106.7p (2007: 80.7p) was calculated based on earnings of £70.8m (2007: 54.0m) and the adjusted weighted average number of ordinary shares in issue during the year of 66.4 million (2007: 66.9 million).

Loss per share from discontinued operation of 2.5p (2007: 15.8p) was calculated based on a loss of £1.7m (2007: £10.5m) and the weighted average number of ordinary shares in issue during the year of 65.2 million (2007: 66.0 million).

Diluted loss per share from discontinued operation of 2.5p (2007: 15.7p) was calculated based on a loss of £1.7m (2007: £10.5m) and the adjusted weighted average number of ordinary shares in issue during the year of 66.4 million (2007: 66.9 million).

7. Dividends payable to equity holders of the parent

Ordinary dividends on equity shares:

	2008 £m	2007 £m
Amounts recognised as distributions to equity holders in the period:		
Interim dividend for the year ended 31 December 2008 of 6.9p (2007: 6.0p) per share	**4.4**	4.0
Final dividend for the year ended 31 December 2007 of 12.0p (2006: 11.4p) per share	**7.9**	7.5
	12.3	11.5

The Directors have proposed a final dividend for the year ended 31 December 2008 of £8.8m, representing 13.8p (2007: 12.0p) per share. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on 19 May 2009 and has not been included as a liability in these financial statements.

8. Capital and reserves

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Translation reserve £m	Retained earnings £m	Attributable to equity holders of the parent £m	Minority interest £m	Total equity £m
At 1 January 2007	6.6	37.1	7.6	(4.5)	105.6	**152.4**	6.7	**159.1**
Total recognised income and expense	-	-	-	4.4	55.4	**59.8**	3.3	**63.1**
Dividends to shareholders	-	-	-	-	(11.5)	**(11.5)**	(0.8)	**(12.3)**
Share-based payments	-	-	-	-	1.1	**1.1**	-	**1.1**
Share capital issued	-	0.5	-	-	-	**0.5**	-	**0.5**
At 31 December 2007 and 1 January 2008	6.6	37.6	7.6	(0.1)	150.6	**202.3**	9.2	**211.5**
Total recognised income and expense	-	-	-	44.0	71.9	**115.9**	7.9	**123.8**
Dividends to shareholders	-	-	-	-	(12.3)	**(12.3)**	(4.2)	**(16.5)**
Share-based payments	-	-	-	-	1.3	**1.3**	-	**1.3**
Shares re-purchased	-	-	-	-	(17.5)	**(17.5)**	-	**(17.5)**
At 31 December 2008	6.6	37.6	7.6	43.9	194.0	**289.7**	12.9	**302.6**

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and the translation of borrowings that hedge those operations.

The capital redemption reserve is a non-distributable reserve created when the Company’s shares were redeemed or purchased other than from the proceeds of a fresh issue of shares.

Although the Group has cash flow hedges, the fair value movement during the year on the hedging instruments, a loss of £35.1m (2007: £1.9m gain), has been fully recycled through the income statement along with the corresponding gain (2007: loss) arising on the hedged item. The opening and closing balances on the hedging reserve are therefore £nil (2007: £nil).

During the period the Company has repurchased 2.2 million shares, all of which are held in Treasury. In addition, the Company purchased a further 325,000 shares specifically to satisfy Performance Share Plan awards. The average cost of purchased shares was 681p. All shares issued in 2007 related to share options exercised in that period.

9. Related party transactions

Transactions between the parent, jointly controlled operations and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

During the year the Group undertook various contracts with a total value of £9.7m (2007: £11.6m) for GTCEISU Construcción, S.A., a connected person of Mr López Jiménez, a Director of the Company. An amount of £8.0m (2007: £8.0m) is included in trade and other receivables in respect of amounts outstanding at 31 December 2008.

All amounts outstanding from related parties are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

The remuneration of the Directors, who are the key management personnel and related parties of the Group, will be set out in the audited part of the Directors’ Remuneration Report of the Annual Report and Accounts.