

Leaders in outsourced solutions

Information

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www.hays-plc.com

Designed by **MAGEE**

Printed by Gavin Martin

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HAYS PROVIDES *outsourced
business solutions across
Europe to CUSTOMERS
in the COMMERCIAL,
PROFESSIONAL, INDUSTRIAL
and PUBLIC sectors.*

FINANCIAL HIGHLIGHTS

Six months to 31 December (unaudited)	2001	2000 (restated)
Turnover from continuing operations	£1,198.5m	£1,172.9m
Operating profit*	£122.8m	£137.8m
Profit before tax*	£115.1m	£125.8m
Earnings per share**	4.65p	5.29p
Dividend per share	1.52p	1.32p

* Before goodwill amortisation, exceptional items and discontinued operations.
** Before goodwill amortisation and exceptional items.

BUSINESS HIGHLIGHTS

- ➔ With £62 million operating profit, Hays Personnel continues to demonstrate its resilience and ability to perform in a difficult market.
- ➔ Strong top line growth in Business Process Outsourcing with sales up by 16%.
- ➔ 'To the door' business Mail delivery service launched in central London, Manchester and Edinburgh covering the time critical premium mail market.
- ➔ In Logistics we continue to win new business at good margins primarily due to our ability to add value to our customers.
- ➔ Group balance sheet remains strong with net debt £42 million lower than last year and interest costs covered twelve times.

CHAIRMAN'S STATEMENT

“OVERALL THE GROUP'S MIX OF BUSINESSES GIVES IT CONSIDERABLE RESILIENCE AND WE ARE CONTINUING TO INVEST FOR THE FUTURE AS WELL AS INCREASING OUR BUSINESS FOCUS TO DELIVER PREMIUM RETURNS AND GROWTH FOR OUR SHAREHOLDERS.”

Introduction

In the six months to 31 December 2001 the Group has continued to make progress in developing and focusing its businesses against the backdrop of tough market conditions. Group sales were broadly similar to last year with sales growth in Continental Logistics and BPO offset by reduced levels of activity in our Personnel business, and turnover surrendered to Consignia within Mail. Earnings per share before goodwill amortisation and exceptional items decreased by 12% compared with the same period last year. This decline was as expected being driven principally by the sensitivity to the economy of Personnel and a weak performance in UK Logistics. In recent months our Personnel business has performed better than was predicted last Autumn but against this parts of our Commercial division are performing below expectation.

Cash generation, a prime management focus in these poor economic conditions, has been good and has further reinforced our strong balance sheet with net debt £42 million lower than last year. Interest was covered 12 times before goodwill amortisation.

Interim Dividend

The interim dividend is being increased by 15% to 1.52p and will be paid on 31 May 2002 to shareholders on the register on 26 April 2002. The

dividend is covered 2.6 times and reflects the Board's progressive dividend policy.

Personnel

Hays Personnel continues to demonstrate its resilience and ability to perform in a difficult market. Market leadership, active management of costs and our concentration on the temporary staff market has resulted in a 1% sales increase and operating profit of £62.0 million, only 12% below the same period last year with the decline largely attributable to our Australian and City of London operations.

Inevitably at this stage of the cycle the proportion of lower margin temporary placements has risen resulting in a decrease in the overall margin to 12.2%. Cost management is demonstrated by the careful control of headcount down 10.5% from a peak of 4,238 to the current level of 3,791.

Hays Montrose, our technical agency specialising in the construction industry, continued to grow its profit year on year by over 10%.

Haysworks, (our HR Portal), is becoming an increasingly important channel to market for job seekers and client advertisers. In the last three months visitors actively using the site have risen to 60,000 per week, job searches have increased by over 50%, and on line applications have increased by over 60%. The integration of Haysworks into our

business has been an outstanding success, giving us competitive advantage.

Despite the market conditions we are continuing to invest in the organic development of our European specialist recruitment network with new branches opened in France, Spain and Belgium. We are also investing heavily in the provision of integrated HR Solutions and were pleased to announce a landmark contract win in this area with Liverpool & Victoria Assurance in November to provide a complete range of outsourced HR services, in addition to winning a number of comprehensive recruitment management contracts. The medium term growth prospects for our Personnel business remain highly attractive.

Commercial

Sales were up 8% but profit decreased by 6%.

a) Business Process Outsourcing

Our Business Process Outsourcing offer has been simplified during the year and the division has continued to generate strong top line growth with sales up by 16%. Profits are being held back by reduced systems project activity and by slower than expected installation of NMIS (our Business Intelligence Solution) with Police Forces across England. Our core Business Intelligence software has been developed for use in a number of sectors and we have recently signed a five-year contract to develop and operate a similar system to provide hospital performance statistics and management information for the Department of Health. The development of Hays Business Process Outsourcing across Europe is seen as a critical area to drive future profit growth. We are investing in a new web-enabled call centre facility in Châlons-sur-Saône, France, which will provide the platform to accelerate our development in the coming months.

We announced last September that we would be investing in the modernisation of our Information Management and Document Storage business (Hays IMS) to substantially improve our service to customers. Whilst work to date has been cash positive the disruption to the business has been greater than anticipated and will continue to have a significant impact on sales growth as well as profits. The business will emerge stronger and fitter on completion of the project.

b) Mail & Express

Volumes in our core DX business grew by circa 4% on a like for like basis, but profits remain broadly similar to last year after surrendering the final elements of our Mailline business to Consignia and costs incurred as we invest to take advantage of future deregulation.

The potential for this division is exciting. Postcomm, the independent regulator charged with liberalising the mail market, has shown strong commitment to introducing effective competition. In September Postcomm granted three interim licences to Hays to introduce innovative new services covering the time critical premium mail market with a business to business focus. These new services are being introduced progressively and "to the door" delivery services have been launched by Hays in Central London, Edinburgh and Manchester. We already handle more mail volume than any other private mail operator and have state of the art sortation equipment compatible with Consignia. We are now investing in our network reach and customer marketing to take advantage of the new market opportunities.

Logistics

Sales were up 1% and operating profit was 16% lower. This was as expected in a difficult market, particularly in the U.K. Year on year profits in our Continental European operation improved compared

CHAIRMAN'S STATEMENT (CONTINUED)

with the same period last year, although the division's total operating profit was held back by a decline in our UK network businesses and investment in our infrastructure to deliver Fourth Party Solutions (4PS).

Our contract base remains strong and has been supported by renewals with Scottish Courage and new wins with Carrefour, Scotts and Auchan amongst others. We continue to win new business at good margins primarily due to our ability to add value to our customers via the use of our in-house IT and consulting expertise. In the first six months of this year we have implemented our Logistar supply chain management software for Auchan and Nestlé (e-tracking). Our retail crates business continues to grow strongly in the UK with two new wash sites opened for Sainsbury to support the existing crate management contract. Critical for our crate development in the US is the spring growing season and we expect to receive significant contracts shortly to launch the US operations.

Management

The search for a new Chief Executive continues to be the priority. The Nomination Committee is not prepared to compromise on quality and high calibre people are proving very difficult to prise away from their current companies in this climate. Meanwhile our Executive team has responded to the challenge to develop the Group and is providing outstanding support for my dual role as Chairman and acting CEO.

Prospects


The economic outlook for the major European economies continues to be a concern and it is difficult to judge when an upturn will occur. Against this background, attempting to create temporary profit improvements by cutting the essential infrastructure of the Group or failing to invest in the development of

the Group is not, we believe, in shareholders' interests. In all of our businesses the first priority is to maintain and develop existing customer relationships and to continue our organic development.

We believe that our Personnel business will continue to demonstrate its resilience in a difficult market. The number of temporary workers restarting contracts in January was similar to the level working in the final quarter of last year, but permanent fees remain sensitive to the current economic weakness. Early indications for January and February suggest that our temporary fees have continued to grow by circa 3% compared to the same period last year, whilst permanent placements are down circa 21% on a like for like basis. In total the Personnel division's turnover is similar to the same periods of last year. The broad coverage and market leadership of Personnel, combined with its continuing geographic development, positions the division to continue its out-performance.

Our Commercial and Logistics divisions are less affected by changes in business confidence or the economic environment. However, the logistics market remains competitive and we do not see this improving in the second half whilst Commercial's profits will continue to be impacted by the cost of the reorganisation of our Information Management business.

Cash generation remains a central focus providing us with the financial strength to continue investment through the downturn. This investment will position the Group to benefit when the economies of Europe begin to improve.



Bob Lawson, Chairman

5 March 2002

ACCOUNTANTS' REVIEW REPORT

INDEPENDENT REVIEW REPORT TO HAYS PLC

INTRODUCTION

We have been instructed by the Company to review the financial information for the six months ended 31 December 2001 which comprises a consolidated profit and loss account, a consolidated summarised balance sheet, a consolidated summarised cash flow statement and related notes 1 to 12. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

DIRECTORS' RESPONSIBILITIES

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the Directors. The Directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

REVIEW CONCLUSION

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 December 2001.

Deloitte & Touche
Chartered Accountants
5 March 2002

Hill House
1 Little New Street
London EC4A 3TR

RESULTS

for the half year ended 31 December 2001

	(In £'s million)	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited and restated)	Year to 30 June 2001 (Restated)
TURNOVER				
Continuing operations		1,198.5	1,172.9	2,453.3
Discontinued operations		–	91.6	181.0
		1,198.5	1,264.5	2,634.3
PROFIT FROM OPERATIONS				
Continuing operations		122.8	137.8	288.4
Discontinued operations		–	4.2	9.6
		122.8	142.0	298.0
Exceptional operating costs		–	–	(22.5)
Goodwill amortisation		(12.5)	(9.0)	(18.5)
OPERATING PROFIT				
Share of operating profit of associated company		2.7	–	–
		113.0	133.0	257.0
EXCEPTIONAL ITEMS				
Net interest payable		(10.4)	(12.0)	(64.9)
		103.0	121.0	165.8
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION				
Tax on profit on ordinary activities		(35.7)	(39.9)	(73.5)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION				
Equity minority interests		(0.1)	(0.1)	(0.2)
PROFIT FOR THE PERIOD				
Dividends		(26.0)	(22.2)	(69.2)
TRANSFERRED TO RESERVES				
		41.2	58.8	22.9
Earnings per ordinary share before exceptional items and goodwill amortisation				
		4.65p	5.29p	11.01p
Basic earnings per share				
		3.94p	4.76p	5.41p
Diluted earnings per share				
		3.91p	4.71p	5.35p
DIVIDEND PER SHARE				
		1.52p	1.32p	4.07p
INTEREST COVER				
		12X	12X	11X

SUMMARISED BALANCE SHEET

as at 31 December 2001

	<i>(In £'s million)</i>		
	31 December 2001 (Unaudited)	31 December 2000 (Unaudited and restated)	30 June 2001 (Restated)
Goodwill and intangible fixed assets	275.5	316.5	286.7
Tangible fixed assets	503.7	512.4	555.2
Investments	102.5	56.2	54.3
Net current assets/(liabilities)	28.7	9.6	(27.4)
Other creditors due after more than one year	(7.9)	(29.3)	(25.6)
Provisions for liabilities and charges	(75.5)	(52.5)	(60.0)
	827.0	812.9	783.2
Called up share capital	17.3	17.3	17.3
Share premium account	367.5	362.4	365.5
Profit and loss account	119.8	67.8	78.7
Equity shareholders' interests	504.6	447.5	461.5
Minority interests	0.9	1.5	0.8
	505.5	449.0	462.3
Net debt	321.5	363.9	320.9
	827.0	812.9	783.2
Net debt as a % of shareholders' and minority interests	64%	81%	69%

SUMMARISED CASHFLOW STATEMENT

for the half year ended 31 December 2001

	(In £'s million)		
	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited)	Year to 30 June 2001
OPERATING ACTIVITIES			
Total operating profit	110.3	133.0	257.0
Depreciation and amortisation	43.7	40.0	84.0
Other operating activities	0.5	0.8	(8.1)
Increase in working capital	(62.9)	(80.3)	(31.9)
Net cash inflow from operating activities	91.6	93.5	301.0
Returns on investment and servicing of finance	(10.4)	(12.7)	(27.0)
Tax paid	(26.7)	(27.1)	(83.1)
Net capital expenditure	(35.2)	(41.7)	(111.7)
CASH INFLOW BEFORE ACQUISITIONS AND DISPOSALS	19.3	12.0	79.2
Net acquisitions and disposals	29.8	(34.3)	(46.8)
Equity dividends paid	(47.5)	(40.7)	(63.1)
CASH INFLOW / (OUTFLOW) BEFORE FINANCING	1.6	(63.0)	(30.7)
Financing	(17.2)	69.8	68.4
(DECREASE) / INCREASE IN CASH	(15.6)	6.8	37.7
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
(Decrease)/increase in cash	(15.6)	6.8	37.7
Cash flow from financing	19.7	(83.6)	(77.8)
Change in net debt resulting from cash flows	4.1	(76.8)	(40.1)
Borrowings acquired with subsidiaries	–	–	0.1
Loan notes issued	–	(10.6)	(13.6)
Exchange adjustment and other	(4.7)	0.5	9.7
MOVEMENT IN NET DEBT IN THE PERIOD	(0.6)	(86.9)	(43.9)
OPENING NET DEBT	(320.9)	(277.0)	(277.0)
CLOSING NET DEBT	(321.5)	(363.9)	(320.9)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the half year ended 31 December 2001

	<i>(In £'s million)</i>		
	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited and restated)	Year to 30 June 2001 (Restated)
Profit for the period	67.2	81.0	92.1
Translation differences on foreign currency investments	(0.1)	(0.2)	(2.5)
	67.1	80.8	89.6
Prior period adjustment in respect of FRS 19	(23.0)	–	–
Total recognised gains and losses	44.1	80.8	89.6

RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' INTERESTS

for the half year ended 31 December 2001

	<i>(In £'s million)</i>		
	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited and restated)	Year to 30 June 2001 (Restated)
Profit for the period	67.2	81.0	92.1
Dividends	(26.0)	(22.2)	(69.2)
	41.2	58.8	22.9
Exchange differences on translation	(0.1)	(0.2)	(2.5)
New share capital subscribed	2.0	3.2	6.3
Goodwill written back	–	–	49.1
Net increase in shareholders' interests	43.1	61.8	75.8
Opening shareholders' interests as previously reported	484.5	407.3	407.3
Prior period adjustment	(23.0)	(21.6)	(21.6)
Closing shareholders' interests as restated	504.6	447.5	461.5

The results, summarised balance sheet, statement of total recognised gains and losses and movement in equity shareholders' interests for the periods ended 31 December 2000 and 30 June 2001 have been restated as a result of the adoption of FRS 19 'Deferred Tax'.

NOTES

1 STATEMENT UNDER S240 – PUBLICATION OF NON STATUTORY ACCOUNTS

The financial information contained in this interim statement does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The financial information for the full preceding year is based on the statutory accounts for the financial year ended 30 June 2001 as restated following adoption of FRS 19. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies.

2 BASIS OF PREPARATION OF INTERIM FINANCIAL INFORMATION

The interim financial information has been prepared on the basis of the accounting policies set out in the Group's statutory accounts for the year ended 30 June 2001, except that the Group has now adopted FRS 19. Following the adoption of FRS 19, the Group now provides for deferred tax in respect of assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

NOTES

3 SEGMENTAL INFORMATION (BEFORE GOODWILL AMORTISATION AND EXCEPTIONAL OPERATING COSTS)

	<i>(In £'s million)</i>		Half year to		Year to	
	31 December 2001		31 December 2000		30 June 2001	
	Turnover (Unaudited)	Operating Profit (Unaudited)	Turnover (Unaudited)	Operating Profit (Unaudited)	Turnover	Operating Profit
BY BUSINESS SECTOR						
Continuing Operations						
Commercial	243.0	37.6	224.9	40.0	476.3	89.0
Personnel	506.9	62.0	502.3	70.1	1,084.0	146.0
Logistics	448.6	23.2	445.7	27.7	893.0	53.4
	1,198.5	122.8	1,172.9	137.8	2,453.3	288.4
Discontinued Operations	–	–	91.6	4.2	181.0	9.6
	1,198.5	122.8	1,264.5	142.0	2,634.3	298.0
BY GEOGRAPHIC AREA						
Continuing Operations						
United Kingdom	789.1	98.9	775.2	110.2	1,617.4	232.4
Other Europe	345.6	18.2	325.0	17.5	686.9	37.1
Rest of the World	63.8	5.7	72.7	10.1	149.0	18.9
	1,198.5	122.8	1,172.9	137.8	2,453.3	288.4
Discontinued Operations	–	–	91.6	4.2	181.0	9.6
	1,198.5	122.8	1,264.5	142.0	2,634.3	298.0

SEGMENTAL INFORMATION (AFTER GOODWILL AMORTISATION AND EXCEPTIONAL OPERATING COSTS)

	<i>(In £'s million)</i>		Half year to		Year to	
	31 December 2001		31 December 2000		30 June 2001	
	Turnover (Unaudited)	Operating Profit (Unaudited)	Turnover (Unaudited)	Operating Profit (Unaudited)	Turnover	Operating Profit
BY BUSINESS SECTOR						
Continuing Operations						
Commercial	243.0	31.4	224.9	36.6	476.3	67.4
Personnel	506.9	59.1	502.3	67.7	1,084.0	138.3
Logistics	448.6	19.8	445.7	24.7	893.0	42.1
	1,198.5	110.3	1,172.9	129.0	2,453.3	247.8
Discontinued Operations	–	–	91.6	4.0	181.0	9.2
	1,198.5	110.3	1,264.5	133.0	2,634.3	257.0
BY GEOGRAPHIC AREA						
Continuing Operations						
United Kingdom	789.1	90.4	775.2	104.2	1,617.4	203.2
Other Europe	345.6	14.2	325.0	14.7	686.9	25.7
Rest of the World	63.8	5.7	72.7	10.1	149.0	18.9
	1,198.5	110.3	1,172.9	129.0	2,453.3	247.8
Discontinued Operations	–	–	91.6	4.0	181.0	9.2
	1,198.5	110.3	1,264.5	133.0	2,634.3	257.0

NOTES

4 EXCEPTIONAL ITEMS

The Group disposed of its non-core chemicals activities on 27 July 2001. The goodwill attributable to the business was written off in the year ended 30 June 2001 as described in the notes to the financial statements for that period. After providing for disposal costs and certain retained liabilities, the disposal gave rise to a gain of £0.4 million.

5 NET INTEREST PAYABLE

<i>(In £'s million)</i>	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited)	Year to 30 June 2001
INTEREST PAYABLE AND SIMILAR CHARGES			
Bank overdrafts and other loans	(11.6)	(12.0)	(26.1)
Finance leases	(1.4)	(0.8)	(2.2)
Share of interest payable of associate	(1.7)	–	–
	(14.7)	(12.8)	(28.3)
INTEREST RECEIVABLE AND SIMILAR INCOME			
Deposits	2.5	0.8	2.0
Interest receivable on loan to associate	1.8	–	–
	4.3	0.8	2.0
	(10.4)	(12.0)	(26.3)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge for the six months to 31 December 2001 is based on the estimated effective rate for the full year before goodwill amortisation and exceptional items of 31.0%. Following adoption of FRS 19 the comparative figures have been restated. A tax credit of £10.6 million was attributable to exceptional items in the period ended 30 June 2001.

7 EARNINGS PER SHARE

Earnings per share (EPS) is based on profits from ordinary activities after taxation and minority interests of £67.2 million and a weighted average of 1,705.8 million shares. To enable comparisons with previous periods, EPS has also been calculated before goodwill and exceptional items using earnings of £79.3 million. The weighted average number of shares in issue excludes shares held by the Hays Employee Share Trust Ltd and the Hays plc Qualifying Employee Share Ownership Trust. The dilution effect of share options issued to employees but not yet exercised is 11.6 million shares and diluted EPS is 3.91p.

NOTES

8 DIVIDENDS

	<i>(pence)</i>	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited)	Year to 30 June 2001
Interim – pence per ordinary share		1.52	1.32	1.32
Final – pence per ordinary share		–	–	2.75
		1.52	1.32	4.07

	<i>(In £'s million)</i>	Half year to 31 December 2001 (Unaudited)	Half year to 31 December 2000 (Unaudited)	Year to 30 June 2001
Interim		26.0	22.2	22.2
Final		–	–	47.0
		26.0	22.2	69.2

9 INVESTMENTS

	<i>(In £'s million)</i>	31 December 2001 (Unaudited)	31 December 2000 (Unaudited)	30 June 2001
Associated companies		51.6	2.2	2.1
Own shares		50.8	52.7	51.2
Other investments		0.1	1.3	1.0
		102.5	56.2	54.3

Investments in associated companies include £49.8 million in relation to Albion Chemicals Ltd including principal and accrued interest on the loan made on disposal of £48.5 million, as described in note 11.

NOTES

10 PROVISIONS FOR LIABILITIES AND CHARGES

<i>(In £'s million)</i>	Pensions	Deferred taxation	Property	Deferred employee benefits	Other	Total
At 1 July 2001 as reported	5.8	0.8	3.6	11.6	15.2	37.0
Prior period adjustment	–	23.0	–	–	–	23.0
At 1 July 2001 as restated	5.8	23.8	3.6	11.6	15.2	60.0
Exchange retranslation	–	–	–	0.1	–	0.1
Charged to P&L account	0.6	4.7	–	0.6	14.3	20.2
Utilised	(0.1)	–	(0.6)	(1.0)	(3.1)	(4.8)
At 31 December 2001 (unaudited)	6.3	28.5	3.0	11.3	26.4	75.5

Other provisions include £13.9 million of potential liabilities retained following the disposal of Hays Chemicals Ltd and its subsidiaries in the period and £8.3 million in respect of the reorganisation of the Information Management business.

11 ACQUISITIONS AND DISPOSALS

No acquisitions were completed in the period.

On 27 July 2001 the Group completed the disposal of its non-core chemical activities for a consideration of £106.8 million. £60.1 million of the sale price was paid in cash at completion, with the balance of £46.7 million being settled by a loan carrying a coupon of 9% for the first three years rising to 15% by year five. Net assets disposed, plus transaction costs, totalled £92.5 million, including £17.9 million of cash. After providing for retained liabilities, the disposal gave rise to a gain on disposal of £0.4 million. As part of the transaction, the Group invested £0.7 million in a 49% stake in Albion Chemicals Ltd, the purchase vehicle.

On 29 August 2001 the Group disposed of its retail installation services business for a net consideration of £0.7 million. The transaction gave rise to no gain or loss on disposal in the period.

12 MOVEMENT IN NET DEBT

<i>(In £'s million)</i>	Cash	Debt	Net debt
At 1 July 2001	130.4	(451.3)	(320.9)
Foreign exchange movements	0.7	(5.4)	(4.7)
Movement during period	(15.6)	–	(15.6)
Borrowings repaid	–	19.7	19.7
At 31 December 2001 (unaudited)	115.5	(437.0)	(321.5)

Cash comprises cash at bank and in hand, less overdrafts. Debt includes borrowings and finance lease liabilities.

GROUP ACTIVITIES

OUR UNIQUE MIX OF CAPABILITIES ENABLES US TO *PROVIDE A WIDE RANGE OF INTEGRATED* OUTSOURCING SOLUTIONS.



→ PERSONNEL →	COMMERCIAL →	LOGISTICS
<p>Business: recruiting permanent and temporary, skilled and professional staff and providing comprehensive HR solutions.</p> <p>Sectors: accountancy, construction, IT, banking, insurance, legal, call centres, marketing and education.</p> <p>Markets: UK, Republic of Ireland, Continental Europe, Australia, New Zealand, Canada.</p> <p>Customers: start-ups to blue chips.</p> <p>Summary: leaders in international specialist recruitment and HR solutions.</p>	<p>Business: business process outsourcing, which comprises data solutions, IT consulting and solutions, and specialist mail services.</p> <p>Sectors: private, professional and public.</p> <p>Markets: UK, Republic of Ireland, Continental Europe, USA.</p> <p>Customers: professional firms to government departments.</p> <p>Summary: leaders in office support.</p>	<p>Business: designing and managing innovative supply chain solutions.</p> <p>Sectors: consumer, manufacturing, retail, automotive and technology.</p> <p>Markets: UK, Republic of Ireland, Continental Europe, USA.</p> <p>Customers: national and multi-national retailers and manufacturers.</p> <p>Summary: leaders in total supply chain solutions.</p>

FINANCIAL CALENDAR

Interim Statement for half year ending 31 December	March
Interim Dividend on Ordinary Shares paid	May
Preliminary Announcement of results for financial year ending 30 June	September
Annual Report posted to shareholders	October
Annual General Meeting held	November
Final Dividend on Ordinary Shares paid	November

For further information contact David Beckley on +44 (0) 1483 302203.

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