

Q3 2008/9 Interim Management Statement

WS Atkins plc ("Atkins" or "the Group"), the design and engineering consultancy group, today provides its Interim Management Statement for the period from 1 October 2008 to date.

Performance

The Group's performance in the three months ended 31 December 2008 was good and year to date performance remains in line with our expectations.

Despite the current worldwide economic uncertainty, the Group's financial position remains good with cash generation also in line with our expectations.

Nevertheless, we have been affected by the uncertainty in a number of markets, principally in our Middle East and UK building design businesses. As a result, we anticipate that in the second half of this financial year staff numbers across the Group will reduce by some 5%. We will continue to monitor changes in the market environment going forward and make adjustments to staffing levels where appropriate.

The majority of our markets in the **Design and Engineering Solutions** segment continue to perform in line with our expectations. We were pleased to be appointed as the official engineering design services provider for the London 2012 Olympic Games. Our UK building design business, which represents approximately 2% of the Group's revenue, has been severely impacted by general market conditions and the deferral of projects by the Learning and Skills Council. The results of this segment for the full year will therefore be adversely impacted by re-structuring costs.

Our **Rail** business has continued to perform well. We have successfully completed the majority of our work on the re-signalling of the Rugby to Nuneaton section of the West Coast Main Line and we are now redeploying our resources to other similar projects such as Newport. We are also bidding on a number of packages of work for Crossrail.

The **Highways and Transportation** segment is making solid progress. We are working with the Highways Agency and our partners towards reaching financial close on the M25 DBFO contract. In the meantime, we have a team working on the design to ensure that the contractor can commence work on site as soon as practicable after the signing of the contract.

Our **Middle East** business performed well until confidence in the region was significantly impacted by the global economic slow down. Whilst we are able to re-deploy staff across the region, we have also reduced staff numbers as the outlook remains uncertain. Our **Europe** and **China** businesses are making progress in line with our expectations, despite previously announced weakness in Ireland and Sweden.

The **Management and Project Services** segment continues to perform in line with our expectations. Our cost consultancy business, Faithful+Gould, is performing well in a challenging climate and our Management Consultants business is also performing well with performance underpinned by a number of longer-term contracts.

The results of our **Asset Management** segment for the full year will be adversely impacted by increased remediation costs of a long-term legacy PFI maintenance contract where we act as managing contractor.

Outlook

The economic environment is difficult and will remain challenging, but we continue to have confidence in the underlying strength of our business. Our overall expectations for the Group for the year to 31 March 2009 remain unchanged, having taken account of anticipated restructuring costs.

Enquiries

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1. Cautionary statement

This announcement may contain indications of likely future developments and other forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the countries, sectors and business segments in which the Group operates. These and other factors could adversely affect the Group's results, strategy and prospects. Forward-looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future which could cause actual results and outcomes to differ materially from those currently anticipated. No obligation is assumed to update any forward-looking statements, whether as a result of new information, future events or otherwise.

2. Analyst conference call

There will be a conference call for analysts at 0830 today. Details are available from Aidan Holloway at Smithfield (+44 (0) 20 7903 0602).

3. Atkins

Atkins (www.atkinsglobal.com) is a multinational engineering and design consultancy, providing expertise to help resolve complex challenges presented by the built and natural environment. Atkins is the largest multidisciplinary consultancy in Europe, the largest engineering consultancy in both the UK and the Middle East, and the UK's second largest architecture firm.

Atkins won Engineering Consultant of the Year 2008 at the prestigious Building Awards. The company was named among the "20 Best Big Companies to Work For 2008" by *The Sunday Times*; *The Times* Top 100 Graduate Employers 2008; and *The Times* Top 50 Companies Where Women Want to Work 2008. The company was construction sector winner for the third consecutive year in the Target National Graduate Recruitment Awards 2008.

Atkins is the official engineering design services provider for the London 2012 Olympic and Paralympic Games.