



FINAL RESULTS TO 31 MARCH 2016

Paul Hamer, Chief Executive Officer
Sean Cummins, Finance Director



Who we are



Harnessing our UK expertise and relationships to grow internationally

Front-End Consultancy

- Helping clients to optimise the use and value of their assets & implement change
- Strategic relationships based on delivering value to underpin higher margins
- Predominantly short term, recurring contracts with UK blue chip clients – both public and private sector



International Development Specialist

- Market leader in EU
- Key supplier to UK Government Departments (MoD / FCO / DfID)
- Strong position in Fragile and Conflict Affected States (FCAS)
- Multi-year contracts and long-term framework agreements

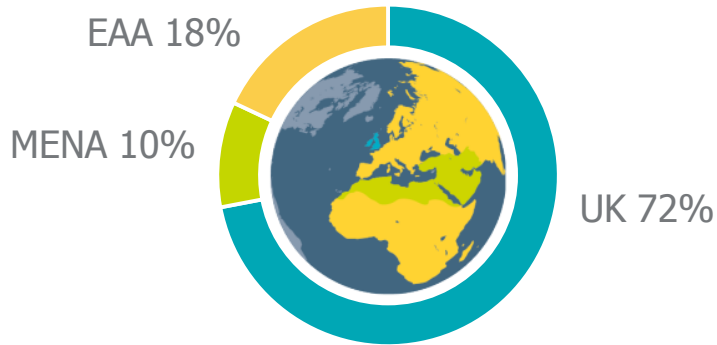


Spread of the business

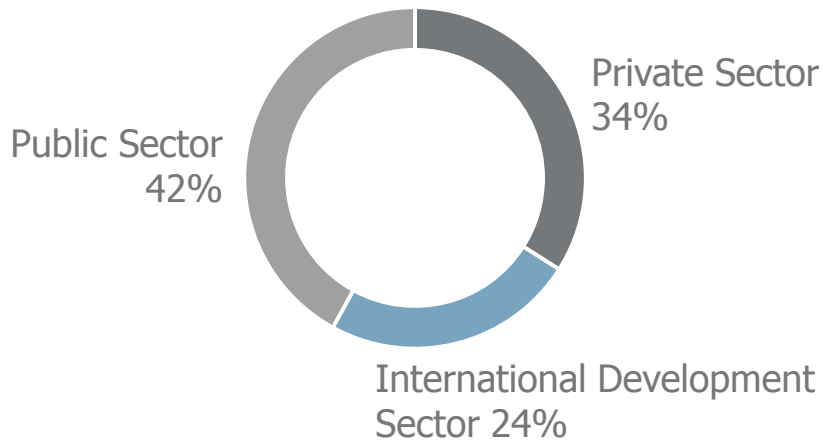


Turnover by region

for the full year to March 2016



Turnover by funding sector



7 Core Sectors

-  DEFENCE & JUSTICE
-  ENERGY & WASTE
-  ENVIRONMENT
-  MINING & METALS
-  TRANSPORT
-  SOCIAL DEVELOPMENT
-  URBAN & COMMERCIAL DEVELOPMENT

Highlights



Group Revenue

£133.5m

+ 2%
Much higher exit momentum

2015: £130.5m

Profit before tax*

£7.0m

+ 23%

2015: £5.7m

Order book

£150m

+ 43%

Earnings per share**

10.0p

2015: 9.2p

Final dividend

1.0p

+ 43% (2015: 0.7p)

Total dividend

1.5p

+ 50% (2015: 1.0p)

Implemented recommendations from Strategic Review

Eliminated defined benefit pension risk

The Board believes WYG will not be affected by EU referendum

* Including revenue from Joint Ventures

** Before separately disclosed items

Consolidated income statement



£'m	2016	2015
Revenue*	133.5	130.5
Operating profit**	7.2	5.8
Finance costs	(0.2)	(0.1)
Profit before tax**	7.0	5.7
Tax**	0.0	0.4
Profit after tax**	7.0	6.1
Adjusted diluted earnings per share	9.8p	8.6p

- 2% growth in revenue
- £1.4m increase in operating profit year on year; £2.2m H1 to £5.0m H2 driven by focus on quality and growth in revenue
- Increase in finance costs reflect utilisation of new facility
- Tax driven by positive tax position in UK
- Adjusted EPS based on 72m shares

* Including revenue from Joint Ventures

** Before separately disclosed items

Consolidated balance sheet



£'m	31 Mar 2016	31 Mar 2015
Goodwill	18.2	13.9
Fixed assets	12.9	7.6
Debtors, WIP less fees in advance	40.9	31.8
Creditors	(38.0)	(34.5)
Legacy provisions	(5.9)	(8.6)
Total net cash	0.2	12.3
Shareholders' funds	28.3	22.5

- Debtors and WIP, working capital days at 81 reflecting temporary impact of EU contracts and currency
- Creditors increase due to pick up in EU activity and deferred acquisition considerations
- £2.7m decrease in legacy provisions
- Total cash (net of debt) of £0.2m after £7.9m investment in acquisitions, the application of £2.8m on legacy issues and dividend payments of £0.8m

Consolidated cash flow statement



£'m	2016	2015
Operating profit (before separately disclosed items)	7.2	5.8
Depreciation and amortisation	1.9	1.8
Movement in working capital	(6.7)	(2.6)
	2.4	5.0
Interest and tax	(0.5)	(0.4)
Capex	(2.5)	(1.7)
Cash flow before legacy issues and acquisitions	(0.6)	2.9
Legacy cash costs	(2.8)	(3.4)
Cash flow before acquisitions and dividends	(3.4)	(0.5)
Acquisitions and disposals	(7.9)	(1.5)
Dividends and share related transactions	(0.8)	(0.9)
Net cash flow	(12.1)	(2.9)

- Cash outflow before acquisitions and dividends driven by:
 - Strong development in operating profit
 - Controlled investment in Capex ahead of depreciation
 - Increase in working capital – volume and timing
 - Stable interest and tax
 - Reducing legacy cash cost

Guidance



Revenue trend

Acceleration of growth in revenues supported by very strong order book

Gross margin

Operational gearing and focus on quality revenues; should continue to improve margin by c.1-2%

Operating costs

Modest growth to support growth of business

Interest costs

Some increase expected as we utilise our new facilities to support growth

Tax

Still settling down, but c.10% expected with ongoing benefit of UK tax losses

Capex

Similar level to previous year expected, as we continue to invest in our infrastructure of office accommodation and IT

Debtor & WIP days

81 days at 31 March 2016; expected to reduce to around 75 days – now measured on 'after fees in advance basis'

Legacy cash

Continues to unwind in line with prior year

Deferred consideration

Deferred consideration on acquisitions expected to be c.£3m in FY 17

Cash flows

We expect to be cash flow positive, before acquisitions

UK – strong growth in revenue, profits and order book



£'m	2016	2015
Revenue	96.3	83.9
Operating profit*	10.3	7.7
Operating margin*	10.7%	9.2%



Kirkstall Forge – project management support to transform this Brownfield site into a family-friendly hub capable of boosting job creation and business activity in the region.

* Before separately disclosed items

- Sustained operational momentum
- Future growth underpinned - 50% growth in order book (c£80m)
- Consolidated top 3 planning consultant position through acquisitions:
 - FMW Consultancy
 - North Associates
 - Signet Planning
- Long term demand for our services
 - Major infrastructure – HS2
 - Defence and energy
 - Residential and retail



EAA – EU budget delays reversing in H2; strong International Development growth in Africa



£'m	2016	2015
Revenue**	23.9	30.4
Operating profit*	0.7	1.6
Operating margin*	2.8%	5.2%



Supporting Development Aid in Sub-Saharan Africa – working with international funding organisations and national government agencies to provide monitoring and evaluation on a range of development programmes to strengthen vulnerable states.

* Before separately disclosed items

** Including share of Joint Venture revenues

- Europe
 - Market leader in managing EU funds both for EU Accession and Local Country Development
 - €15.2bn allocated to EU enlargement programme
 - €40m local opportunities in Poland utilising ESF funding
 - Growing presence in local technical consultancy markets
- Africa and Asia
 - Delivering challenging programmes for UK plc across fragile states
 - Launched The Migration Partnership – tackling EU migration challenge
 - £4bn pa focused on African development from major donors
 - Continuing to diversify funding clients
 - £43m of new contract wins – up 66% on 2015



MENA – broadly stable – excellent order book growth and cover for FY2017



£'m	2016	2015
Revenue	13.2	16.1
Operating profit*	0.3	0.4
Operating margin*	2.0%	2.8%



Roma Project – managing a two year technical assistance programme to increase social inclusion in the densely Roma populated areas of Turkey principally by facilitating their entry into the formal labour market.

* Before separately disclosed items

- Order book up 190% to £24.3m
- Order book cover FY2017 >90%
- Turkey
 - EU budget approval now unlocking key projects with strong future pipeline (€100m+)
 - Market leader winning 4 x more than nearest competitor
 - Future business growth through diversification into technical services and new sectors
- MENA
 - Growing support to UK government agencies in Saudi Arabia, Bahrain and UAE
 - Positioned on all FCAS-related frameworks for HMG
 - Major pipeline of opportunity relating to migration and security



Contracted order book summary



£'m	For delivery in current year		Beyond current year	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
UK	52	43	27	10
EAA	28	19	19	24
MENA	17	7	7	2



A strong underpin to the current year

Long term strategy



- Consolidate and build WYG's market position in core, fully-funded end markets
- Accelerate growth with selective acquisitions

3 key strategic growth themes

1. Urban Development and connected cities

Engineering Contribution to the UK GVA 2015, £bn

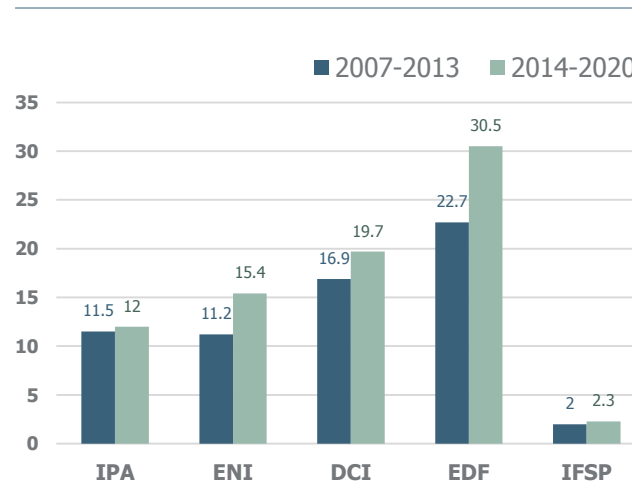


Architectural and engineering activities

£22bn

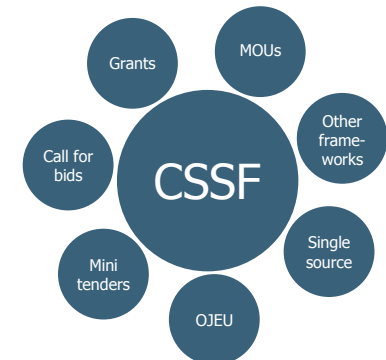
2. Preserving and protecting the global environment

EU Multiannual Financial Framework, €bn



3. Fragile States and Stabilisation - £1bn pa

- Peacekeeping Budget (£450m)
- Bilateral programme:
 - £400m including £200m new ODA
 - £20m Rapid Response Mechanism
- MoD funds
 - DMAP/Afghanistan (£150m)



Conclusion and outlook



- Excellent progress delivering on our reaffirmed strategy
- Further substantial uplift in order book and rapidly expanding pipeline gives confidence for current year and beyond
- New flexible £25m five year committed bank facility enabling accelerated investments
- Strong trading environment across all our regions
- Operating in long-term funded markets
- We are different from our peers: a highly diversified consultancy

“Aspiring to deliver up to £15m PBT by March 2018”



APPENDICES

Current and recent projects



UK Region

- **Project BORONA** – part of the MOD Army Basing Plan this project comprised the redevelopment of Beacon Barracks to provide new Single Living Accommodation for all ranks returning from Germany
- **Strule** – appointed to deliver a £100m plus education scheme consolidating five existing school campuses in Omagh, Northern Ireland
- **City of London Police** – overseeing the refurbishment of City of London's flagship Wood Street headquarters



International

- **Kahramanmaraş Water and Wastewater** – leading a consortium to deliver a €4m project establishing a financial and operational performance of water management in Turkey
- **Somalia PFM** – designing, implementing and managing an innovative and collaborative UK-Somalia public finance management (PFM) training programme for civil servants in the country
- **Poland's New Nuclear** – assisting with the delivery of one of the most significant projects in Poland's infrastructure programme, a contract worth £35m over the next 10 years



Shareholders



	%		Cumulative %
Slater Investments	13.8		13.8
Hargreave Hale	11.8		25.6
Robert Keith	10.9		36.5
Franklin Templeton Fund Management	9.9		46.4
Henderson Global Investors	8.6		55.0
River and Mercantile Asset Management	8.1		63.1
Majedie Asset Management	6.4		69.5
Old Mutual Global Investors	4.8		74.3
Miton Asset Management	3.6		77.9
Henderson Volantis Capital	3.6		81.5
Directors	1.3		82.8
Others	17.2		100.0
	100.0		

The team



Paul Hamer, Chief Executive Officer

Appointed Chief Executive in March 2009

Previously Managing Director of VT Nuclear Services, part of Babcock International, and brings with him over 20 years' experience in business management, leadership and project delivery. Held several senior executive positions in the contracting, nuclear, oil, chemical and petrochemical sectors.

Chairman of Green Economy Panel, Leeds City Region LEP



Sean Cummins, Group Finance Director

Joined WYG in December 2011 as Group Finance Director

Previously Group Finance Director at Scott Wilson Group plc and Yule Catto & Co plc. 25 years experience of commercial and operational financial management, including the last 13 years as Finance Director of a plc.

Management incentive schemes



Original Scheme - Transformation Incentive Plan (TIP)

- Put in place as part of 2011 refinancing
- Scheme closed in 2015 with 12.2m options surrendered equivalent to 17.9% of issued share capital
- 4.1m options outstanding

New Remuneration Scheme (approved at September 2015 AGM)

Three elements:

a) Short-Term Incentive Plan (STIP)

- Annual bonus scheme for most senior executives comprising cash, deferred cash and shares
- Stretching PBT and cash targets – delivered 14% for FY2016

b) Performance Share Plan (PSP)

- Senior executives and leadership team
- 3 years EPS and TSR targets split 50:50
- At the end of Year 1 on target to deliver 100% on EPS and 88.5% on TSR

c) Restricted Share Plan (RSP)

- Specific mission critical employees
- Retention incentive: 3 year vesting; no targets save continued employment

Strong acquisition track record



<p>Signet acquired January 2016</p> <ul style="list-style-type: none"> £4.2m consideration 	<p>Y/E 31 March 2016 (Annualised)</p> <ul style="list-style-type: none"> Revenue £4.5m PBT £1.5m 	<ul style="list-style-type: none"> Further enhances our planning capability Immediately earnings enhancing Performance exceeding expectations
<p>North Associates acquired October 2015</p> <ul style="list-style-type: none"> £4.5m consideration 	<p>Y/E 31 March 2016 (Annualised)</p> <ul style="list-style-type: none"> Revenue £3.2m PBT £1.1m 	<ul style="list-style-type: none"> Provides access to Britain's Energy Coast opportunities Immediately earnings enhancing Performing ahead of expectations
<p>FMW Consultancy acquired June 2015</p> <ul style="list-style-type: none"> £1.4m consideration 	<p>Y/E 31 May 2014:</p> <ul style="list-style-type: none"> FY15 revenue £1.6m Adjusted PBT £0.3m 	<ul style="list-style-type: none"> Cemented strong market position in transport and infrastructure planning Immediately earnings enhancing Focused on integrating
<p>Alliance Planning acquired September 2014</p> <ul style="list-style-type: none"> £3.2m consideration 	<p>Contribution since acquisition:</p> <ul style="list-style-type: none"> FY15 revenue £2.0m Operating profit of £0.4m 	<ul style="list-style-type: none"> Created one of the largest planning businesses in the UK Performing ahead of expectations Earnings enhancing in Year 1
<p>Delta Partnership acquired March 2014</p> <ul style="list-style-type: none"> £0.7m consideration 	<ul style="list-style-type: none"> FY15 revenue £1.2m 	<ul style="list-style-type: none"> Extended aid agency relationships and provided strong presence in Africa Allows greater access to international funders' investments in the region
<p>Upper Quartile (75%) acquired May 2013</p> <ul style="list-style-type: none"> £1.1m consideration 	<ul style="list-style-type: none"> FY15 revenue £4.8m 	<ul style="list-style-type: none"> Strengthened specialism in fragile states and stabilisation Secured several large contracts with DfID

Key financial metrics



Area	2016	2015	Comment
Revenue growth	+2%	+3%	Strong performance in the UK offset by slower than anticipated ramp-up of EU funding cycle
Profit before tax	£7.0m	£5.7m	23% increase in PBT, in line with expectations. Reflecting increase in revenues and improvement in operating margins
Earnings per share (adjusted and diluted)	9.8p	8.6p	14% growth in diluted EPS, driven by strong profit growth, lower finance costs and UK tax credits
Working capital days	81	72	Increase due to timing, impact on 3 non-standard EU contracts and increased focus on front end planning work with higher margins and working capital
Cash flow before investments	£(3.4m)	£(0.5m)	Acceleration of capital expenditure and increase in working capital
Order book	£150m	£105m	43% increase in order book reflects strong UK pipeline and recovery in international work

