

15 March 2010

Enterprise Group Holdings Limited ("Enterprise", "the Group" or "the Company")

Preliminary Results for the year ended 31 December 2009

Strong Progress and Substantial Contract wins

Enterprise, the infrastructure maintenance support services company, had another successful year in 2009 with record levels of operating profit and operating cash flow.

The Group won a number of important contracts during the year which will generate material progress in revenue and profits in 2010 and beyond. In 2009 the Company made further improvements to the foundations of the business ensuring that it will achieve significant growth in the future.

The Group is, and will remain, focussed on providing support to front-line services in the regulated industries and public sector organisations.

Highlights

- Contracts worth over £2bn won since January 2009
- Continued investment in the business to support the many opportunities for further material growth
- Operating profit grew to £77m in 2009, up from £74m in 2008
- Increase in the number and value of long term contracts to provide integrated services that improve cost and efficiency for customers
- Revenue exceeded £1bn for the second year running with organic revenue growth of circa 4%
- Order book now stands at £5.9bn. There is a considerable bid pipeline. Enquiry levels and bid activity are rising
- Recruitment of over 50 graduates in the year and training of over 130 apprentices. Increased investment in employee development
- Exit from non-core activity in the period

Neil Kirkby, the Group Chief Executive of Enterprise stated: "The high level of investment in the business has already delivered significant contract wins and provided a strong platform for further growth. The strong bid pipeline and the order book indicate that Enterprise has a very promising future and justify the Board's high level of confidence. The excellent performance achieved on behalf of our customers in 2009 and the hard work of our employees and staff underpins our expected future growth. The outlook for Enterprise is very positive."

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Notes to Editors

Enterprise is a UK-based support services company that has revenue in excess of £1bn and over 13,000 people either directly employed or operating through its DSP model. The Company has been serving the UK public sector for over 20 years and the utility markets for over 40 years. It provides maintenance support for a range of UK customers within the utility industry and the public sector. The Company uses its unique IT system, WorkManager, to ensure that it provides best value to all of its customers.

Enterprise's customers include the Ministry of Defence, Severn Trent Water, National Grid Gas, Scottish Power, Central Networks (EON), EDF, UU, Highways Agency, Transport for London, Liverpool City Council, Wolverhampton City Council, Solihull Metropolitan Borough Council and several London Boroughs including the City of London, Islington, Haringey and Westminster.

All references in this document are defined as follows:

revenue	revenue including share of jointly controlled entities
operating profit	operating profit before amortisation of intangible fixed assets and share of jointly controlled entities' taxation

CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT

Enterprise has had another successful year achieving the main strategic goals set at the start of 2009 and delivering results in line with management expectations. The Group is now very well prepared for further substantial growth in revenue, cash flow and profits.

During 2010 the Group will celebrate the tenth anniversary of its formation, the merger of ARM Services with Enterprise plc, which took place in August 2000. The Group has a long history of serving its markets, the utility sector and the public sector in the UK, with essential services. A growing and widely based business has been created from the strategic combination.

Company strategy and strengths

The strategy set in place at the time of the merger is almost unchanged though its implementation has progressed considerably, especially during the last three years. The core markets are the same as in 2000 and they remain highly attractive. Substantial positions have been achieved in related parts of the public sector market in which the Group was not present in 2000, including work for customers such as the Ministry of Defence (MoD), the Highways Agency (HA) and Transport for London (TfL) aided by the strategic acquisition of Accord in 2007.

The Group's culture is unaltered and remains focussed on delivering essential maintenance support services at the lowest possible cost and the highest level of efficiency and performance.

The drive for efficiency is supported by the Group's unique IT system, WorkManager, which is recognised as a leading operational support system in the industry and is a key component of Enterprise's ability to adapt to many different types of customer requirements.

The main activity of the Group remains that of providing "front-line" services which are a priority for the regulated sector and government organisations.

Enterprise's commitment to its broader social responsibilities continues. The Enterprise Foundation, which supports job creation and social enterprises, was established three years ago and is having a significant impact in the communities in which we work. The Group is currently in the process of obtaining accreditation with the Carbon Trust. It is committed to working with customers to reduce the impact of its activities on the environment.

Change over the last decade

Since 2000 Enterprise has achieved substantial growth in its size and scale. One of the results of that growth is the greater number of large opportunities for integrated service provision for which the Company can now bid and which the market now offers.

Group revenue has increased over ten-fold since the formation of Enterprise. It has become the largest dedicated provider of maintenance services in the UK. Today eight of the Group's contracts have annual revenue in excess of £40m and most of its large contracts have a duration of five years or longer.

Enterprise has shown that its core strengths and values can provide commercial success in its markets. It has also demonstrated that it can and will adapt to internal and external change. The strengths of the business are deeply rooted in its culture and the workforce.

Developing foundations for the long term

During 2009 a significant amount of further work was carried out to prepare the Group for another decade of solid and profitable growth. Substantial revenue expenditure was allocated to laying improved foundations for a more sustainable future. The main features include:

- Improving further the training and development of all employees
- Continued further investment in IT and the bespoke Enterprise WorkManager IT systems
- Intensifying efforts in Health and Safety awareness and training and continuous improvement of the procedures and systems
- Investing further in Process Re-engineering to drive improvements in the efficiency of service delivery
- The recruitment of over 50 more young graduates
- Raising the number of apprentices to over 130
- Continued further investment in business development and bid management. This will enable the Group to take full advantage of the substantial opportunities in the markets in which we operate
- Additional infrastructure to support the core business in 2010 and beyond given the scale of wins achieved in recent years

The Group is committed fully to continue its investment in the future of the business so that it can provide the growing service requirements of its customers and their consumers.

Attractive Markets

Current and potential customers in the markets which Enterprise serves are under pressure to achieve greater efficiency, higher levels of consumer satisfaction and lower costs. They are also required to make an increasing contribution to the broader environmental and social goals of the communities in which they operate. Health and Safety standards continue to rise, and the need to demonstrate excellence in this area is evident. Enterprise is well-equipped to support its customers in meeting all these objectives and, in doing so, generate an acceptable return to shareholders.

Customers are increasingly receptive to innovative ideas that will improve performance and lower cost. The UK government budget deficit will require changes to be made in public spending, the full impact of which has yet to be seen. In the public sector there is a greater requirement for process re-engineering and radical new approaches to service development.

In the water and power sectors the Regulators' recent determinations have been accepted. These provide for further requirements to maintain standards, improve efficiency, and reduce costs.

Whilst the market pressures to perform increase, the regulated industries and the public sector still remain attractive for Enterprise. The annual revenue value of the addressable market for the Group is around £24bn, at current prices. The markets in which Enterprise operates are expected to grow substantially. Pressure on public finances is expected to force a material uplift in the outsourcing of long-term integrated service activity to achieve improved levels of efficiency. The energy market offers further opportunities as consumption requirements increase, alternative energy services are developed and as management programmes are developed to reduce carbon emissions.

Against this background, management is confident that the Group's existing markets will provide the required platform for growth due to:

- The inevitable increase in the outsourcing of more activities, including the types of work at which Enterprise excels.
- Nearly all of the workload of the Group involves the delivery of essential regulated and public services the provision of which is required by statute and legislation; Enterprise is involved almost exclusively in providing "front-line" services.
- The trend for customers to integrate a broader range of services within one contract or a series of related contracts.
- Enterprise has unique experience of integration, re-engineering of service delivery and of operational "models" that can be adapted swiftly and easily to each customers' requirements.

The economic difficulties for the UK and the global economy are considerable. Enterprise has the skills sets, capabilities and flexibility to deliver the responses needed by customers in the present environment, while at the same time sustaining an acceptable level of return to its shareholders.

Enterprise works closely with customers to deliver their requirements, which evolve over the long life of the contracts. Group management is in constant dialogue with the supply chain and with procurement to ensure that customer needs are met and the best value possible is delivered.

Contract awards

The success of Enterprise's business development programmes was shown by the number of significant contract awards in 2009. The Group obtained new work with several customers and secured the renewal, sometimes with increased revenue, of existing contracts, especially in the Utility Division. 2009 was the last full year of the five-year regulatory periods in water and power in the UK and that triggered a number of large tenders and contract renewals. Overall over £2bn of activity was won in the year (only £0.5bn of which was extension of existing activities).

In the Public Sector Division, the Highways Agency and Transport for London awarded Enterprise significant contract renewals and new work. Typically contracts are broadening in terms of the range of services provided and, in certain cases, lengthening in term.

The key contract wins and renewals since January 2009 were:

- United Utilities Water £200m over five years with potential five year extension: new work
- National Grid, Gas Alliance £250m over five years with potential five year extension: new work
- Central Networks £250m over five years with potential five year extension: new work
- Transport for London £52m over two years: new work
- Highways Agency (Area 13) up to £150m over five years: new work
- Highway Agency (Area 1) up to £150m over five years: renewal
- Severn Trent Water, £250m over five years with potential five year extension: renewal
- Veolia Water, £50m over five years: renewal

Since the end of the financial year the Group has secured new contracts with Scottish Power worth £70m over three and a half years.

This new work will make a significant contribution to Group revenue and profit in 2010, though the full impact of the new contracts will not be seen in the financial performance until 2011.

The Group started to mobilise several of the large contracts won in 2009 ahead of the formal commencement dates. Customers are increasingly keen to ensure that there is only a limited break in service delivery between contract periods which sometimes creates the need for an early start.

Significant order book and pipeline

The Group order book is now in excess of £5bn (including extensions) and the pipeline of potential work is the largest in the group's history. There are several large work packages for which Enterprise has outstanding bids, some of which are at advanced stages of discussion.

Robust financial performance

At just under £1.1bn, revenue was slightly lower in 2009 than in the record prior year, when revenue grew by 28.7%. The decrease was due to in part to a planned increase in the focus on long term contracts.

Revenue in the core operations increased by 3.6% with growth on contracts with National Grid, The Highways Agency, Staffordshire County Council and Transport for London. This was offset, in part, by reduced spend by certain utility clients as regulatory periods came to an end and also by a planned reduction in workload with customers during 2009 as the Group improves its focus on long term contracts

Operating profit rose by 3.5% to £77m, which was in line with expectations, with improvements in both the Utility and Public Sector Divisions. In the year the Group benefited from the close out of several legacy contract positions. At the same time,

further revenue investment was made to ensure Enterprise can exploit effectively the growing scale of market opportunities. Going forward, inevitably the Group's mix of activities will vary from one year to the next, but operating margins are expected to stay within a range of 5% to 7%.

Board Developments

In the spring of 2009 Alan Fletcher joined the Board as non-executive Chairman of the Company succeeding Ian Nolan of 3i, who remains a non-executive Director. Alan brings to the Group wide-ranging experience of large, complex companies. He has experience of leading private companies, as both a director and an investor, in the delivery of value to stakeholders.

Simon Batey also joined the Board in the spring as a non-executive Director and became the Chairman of the Audit Committee. Simon brings considerable experience and wisdom to the Group having been formerly the Finance Director of United Utilities plc and of AMEC plc.

During the autumn Neil Kirkby was invited to become the Group Chief Executive and the Board is pleased he accepted the role. Neil joined the Company as Finance Director in April 2003 and became the Group Managing Director in 2008. He has made a considerable contribution to the growth of the Group.

Owen McLaughlin has stepped down from the role of Group Chief Executive. His long-term commitment to Enterprise is, however, unchanged and he remains a member of the Board and of its key sub-committees. The Board continues to benefit from his deep knowledge of the markets in which the Group operates and from his long standing relationships with suppliers and customers.

During the year, the important advisory roles played by Michael Hynes and Peter Dunt were formalised through their appointments as non-executive Directors of the Group. Mike's broad business knowledge and specific expertise in Local Government and Peter's experience in Central Government make important contributions to business development, Group strategy and operational performance.

Corporate Activity

In 2009 the Group sold or closed its activities in certain non-core areas, a process started in 2008 that is now nearly completed. This planned activity had an adverse short term impact on revenue but it will strengthen the Group in the long term. As a part of this operational refocusing, gas contracts in Ireland were transferred to new suppliers and certain other smaller contracts in the private sector were not renewed. Enterprise today has virtually no activity in the non-regulated private sector.

Bethell Power Services Limited was acquired in July 2009. This company has a long track record of operating in the power sector on maintenance and renewal activities. It has been integrated swiftly into the core operations of the Group. The acquisition has boosted the Group's profile in the power sector and supported new contract wins.

Employees and Staff

Throughout the difficulties in the economy over the last two years Enterprise has continued to invest in its employees. Efforts have been increased to ensure that training and development is of the highest possible standards, that people's

ambitions can be fulfilled, opportunities for personal development are created and that the achievement of objectives is rewarded.

The Group's systems and practices for Health and Safety have been upgraded continually and in 2009 Enterprise was awarded the RoSPA Gold Medal Award once again for its work in this vital area.

The employees and staff of Enterprise across the whole of the UK are congratulated on achieving a great performance in 2009 and laying strong foundations for the future.

Outlook

The outlook for Enterprise is highly encouraging. The new contract wins in 2009 will underpin growth in the medium and long term. The large pipeline and the substantial order book indicate that the Group has a very promising future and justify the Board's high level of confidence. 2009 was a year in which Enterprise once again worked hard, in partnership with its customers, to achieve high levels of performance. The Group has won significant levels of new work and built improved foundations for future growth.

Alan Fletcher
Chairman

Neil Kirkby
Chief Executive

12 March 2010

On behalf of the Enterprise Group Holdings Limited Board of Directors

BUSINESS REVIEW

Group Strategy Review

During 2009 the Group undertook a review of its direction, its markets and the implementation of its strategy. This was a normal periodic assessment of the Group's progress and prospects.

The exercise confirmed that Enterprise has the market opportunities and the resources, financial and managerial, to fulfil its aims for sustainable long-term growth.

The strategy of the Group has evolved over the last ten years. The core elements of the strategy are unchanged since the merger in 2000. The Group will continue to focus on the maintenance and renewal of infrastructure assets supporting "front-line" services, in the UK, in the regulated industries and the public sector.

The impact of the increased integration of services, the rising level of outsourcing and the requirement for greater investment in and maintenance of the infrastructure is expected to have a very positive impact on the rate of growth in the markets Enterprise addresses. The Group is adding new complementary skill sets and adapting existing ones to ensure it is able to service fully the requirements of its customers.

The Group's strategy is built around its existing strengths: its management teams and staff, customers, products and services and its culture, IT and operational systems. The Group plans to broaden its range of activities, in response primarily to customer demands, which will provide growth in new services and an increased level of integration. This will enable Enterprise to deliver continuous improvement in the effective and efficient management of essential assets.

The risks involved with pursuing the Group strategy are relatively low. The capital investment required by the Group is minimal as there are no major physical assets required. Corporate activity may be used to accelerate and enhance the rate of growth in certain key areas where either new skills or greater scale is required to secure the Group's position and provide a better service to customers. The focus will, however, remain on growing organically.

Enterprise is now one of a small number of companies able to offer comprehensive integrated services on a size and scale that is consistent with the requirements of the largest customers. It is anticipated that the large scale integration of support services provided by the Group in essential areas of the UK economy will generate even larger opportunities in the future.

UTILITY DIVISION

Financial headlines

The Utility Division was very successful with new contracts wins and renewals in 2009 and in early 2010. The level of bidding was higher than usual in the second half of 2009 due to the regulatory reviews in the water and power industries. Bid activity remains at a high level. A greater than expected number of opportunities are emerging as the utility sector goes through a period of substantial change.

The Division delivered a good and encouraging level of profit growth in 2009. EBIT rose by 6.1% in the year to a new record level of £31.1m. This performance did however include the benefit of a better than anticipated final account settlement on a contract that was exited in 2008. Going forward, volumes are set to increase following the success in winning new work during AMP5/DPCR5. Operating margins are likely to revert to the longer term average.

Whilst profits improved, the revenue of the Division reduced by 13.1% to £313m. The decline in revenue was due mainly to a small reduction in workload in the water and the telecoms operations, particularly in the second half of the year, and the withdrawal, after two years, from the gas operations in Ireland.

Major expansion in the water sector

Enterprise has had a good outcome from AMP5 tenders and contract renewals. The Group won renewals from existing customers such as Severn Trent Water and Veolia Water and regained a contract with United Utilities Water. The recent contract wins will generate a substantial rise in revenue in the future and have had a positive impact already. Revenues in the water sector were affected adversely in the second half of 2009 by a slowdown in spending ahead of AMP5.

Enterprise seeks to build relationships that are enduring in the long term. During 2009 the Group's management teams were focussed on supporting customers preparing AMP5 submissions and producing tenders for the new Regulatory period. The outcome from AMP5, in terms of increased workload, is very positive for the Group.

Enterprise has worked for Severn Trent Water for over ten years and the relationship is broadening. Recognising Enterprise's performance to date, Severn Trent Water re-awarded the Group a £500m contract (five years plus an option for a further five years) under AMP5, with additional contracts still under consideration.

Enterprise worked with United Utilities Water (UU) for 18 years up to 2005 when AMP4 began. It is therefore especially rewarding for the Group to re-win its work with UU. Enterprise has secured a five-year contract worth £200m starting in 2010 to maintain and renew the clean and waste water network in the North West of England.

Veolia Water (formerly Three Valleys) re-awarded Enterprise a five year contract to maintain the water network in the area to the north west of London. Since that award the Group has won a further contract from Veolia Water on the South East coast of Kent. Enterprise has worked with Veolia Water for eight years and this long term relationship is expected to continue.

Enterprise has shown consistently a high level of commitment to supporting companies in the water sector. The Group monitors closely the potential for changes in the structure of the industry that may emerge from a number of reviews, including the Cave Report and the efforts that are being made to improve the performance of the sector.

Positive developments in the power sector

The Group's operations in the power sector had a successful year and revenue reached a record level of £50m. The existing long term contracts combined with recent wins has taken the current annualised sales run rate to over £150m. The 7.7 % increase in revenue in 2009 from 2008, was due mainly to new contract wins complemented by the acquisition of Bethell Power Services Limited in July 2009.

Central Networks awarded Enterprise a contract worth up to £250m over a five year period to renew and maintain the power distribution system in the West Midlands. The Group has not worked for Central Networks on a contract of this scale previously. The contract is the first Distribution Alliance contract in the sector which demonstrates the success of Enterprise's partnering approach. The early stages of mobilisation are proceeding well and the contract starts formally in April 2010.

Scottish Power awarded Enterprise a £70m contract to maintain the power network in North Wales and Merseyside. Scottish Power became a customer of Enterprise in 2005. The relationship is developing as Enterprise demonstrates its capabilities.

The power distribution sector in the UK has just undergone its most recent Regulatory review. The Final Determination has been accepted by the seven companies that own the 14 networks across the UK. The performance requirements in the latest determination are high. That has created opportunities for Enterprise to work with customers in the sector to lower costs and improve efficiency. The determination shows a 20% rise in capital and operational expenditure over the period 2010-2015 to £14bn.

OFGEM published the findings of its strategic review of the gas and power sectors in the UK (Project Discovery). This far-reaching review concluded that structural changes will be required to both sectors to ensure secure and sustainable energy supplies at an acceptable level of costs and environmental performance. The document calls for expenditure of £200bn. Enterprise is working with a number of organisations to develop the role the Group can play in the next stage of the review.

Enterprise operates mainly in the distribution sector of the UK power industry. A number of opportunities are being assessed in other areas of the power industry. The increase in the amount of power to be generated from nuclear and renewable sources will require significant alteration in the current transmission structure and Enterprise will be involved in that process. The Group is also involved in the early stages of the development and roll-out of smart meters and the smart grid in the UK.

Gas contracts provide strong growth

Enterprise's operations in the gas sector grew strongly in 2009. The Group entered the gas market in 2001 via the acquisitions of Thomas Birmingham and Dewsbury Civil Engineering and has grown its operations substantially since then.

The £250m, five year contract with National Grid won in early 2009 was mobilised fully during the year and will make its first full year contribution in 2010. National Grid places a strong emphasis on partnership and joint working with its suppliers. This type of working environment is ideally suited to the way in which Enterprise operates.

The Group's other main gas contracts with Fulcrum and United Utilities performed well during the year.

The prospects within the gas sector are good. As in the power sector, Enterprise is monitoring the opportunities which will emerge from the expected roll-out of smart meters. The pace of the development will depend upon a Government review which is due to report this year. There is a high level of enthusiasm for creating a smarter gas network that uses new technology effectively. The 30 year programme for the refurbishment of the main gas network in the UK continues to provide the Group with opportunities.

Telecoms

During 2009 Enterprise's revenue in the telecoms sector reduced. The Group's main customer, BT Openreach, lowered its spend on the fixed line network during the year as it sought to manage its financial resources.

In the second half of the year BT informed Enterprise that it had awarded a national contract for the maintenance of its fixed line network to a new consortium. The Group has operated in four of BT's 12 UK regions for over 40 years and is recognised to be a very low cost operator. The Group's workload in this market reduced in 2009 as a consequence of BT's decisions and further reductions are expected in 2010.

Enterprise benefits from having a broad diversity of market opportunities, and revenue growth from other new contracts and extensions of workload on existing projects in the utility sector will exceed considerably the expected reduction in revenue from BT.

The Group is seeking to enter other segments of the telecoms market and a number of options are being explored which will allow the re-deployment of our knowledgeable staff. Enterprise continues to work on behalf of BT as the process of transferring the work to the new consortium progresses.

PUBLIC SECTOR DIVISION

Financial headlines

Enterprise is the largest dedicated supplier of front line services to the UK public sector. The pressure to lower costs and improve efficiency has increased substantially due to the increased size of the Government's budget deficit. Enterprise is well positioned to obtain new work in the current environment and there is a large number of opportunities in the Group's bid pipeline.

The revenue for the Division in 2009 was £747m a 2.4% increase on the prior year. Organic revenue growth of £72m was offset by the withdrawal from several contracts as part of the planned exit from non-core activity.

Operating profit rose by 1.6% to £45.8m (including the share of Joint Venture's ("JV's") profits before tax). The rollout of Enterprise systems and procedures into the acquired businesses has continued in 2009. The Group has seen the benefit of this, particularly through the improved profitability on certain previously loss making contracts which has boosted margins by around 0.4%.

Local Government and Social Housing

Enterprise operates in the main areas of population in UK; the North West, the Midlands and London and the South East. Other geographic areas of high population density and those with a need to make radical change to service delivery costs and efficiency are attractive to the Company.

The services that the Group provides to Local Government are the essential, front-line activities that are the least exposed to cuts in public spending. Enterprise's strategy is to build critical mass in key geographic areas thereby enabling economies of scale to be achieved, services to be integrated and Corporate Responsibility programmes to be linked and co-ordinated.

In the North West in 2009 the £14m a year waste collection contract with Manchester City Council had its first full year of operation and has been very successful. Management is confident that this contract will generate new work in the region in the future.

In Liverpool the Group's successful partnership with Liverpool City Council entered its seventh year of operation. New services, including waste collection, have been added to the contract, resulting from competitive bid processes. Enterprise has demonstrated to the City that it is able to provide the best combination of service quality and cost. The Group's largest social housing customer in Liverpool adopted a new procurement strategy that had an adverse impact on revenue in 2009. The local council's ability to deliver a "freeze" in its Council Tax for 2009/10 is aided by the efforts of Enterprise and the cost savings that have been achieved alongside high levels of consumer satisfaction.

The Group's Local Authority work in the Midlands is based around environmental services contracts in Wolverhampton and Solihull. These have expanded over the last three years. The Wolverhampton contract has grown since it commenced in 2005 and the Group is performing well on its £252m, 28 year waste collection and street scene contract in Solihull.

In London Enterprise works on behalf of the Local Authorities in Islington, Haringey and Barking and Dagenham, the City of London, the Royal Parks and for Westminster City Council. Further contract win opportunities are expected as councils outsource more services and seek improved value for money.

The Group's Local Authority services also include highways maintenance. In Liverpool this is integrated with the other work of the partnership, which is the Group's preferred method of operation in the area. In Staffordshire the Group's work, which started with a highways contract has been extended to include a wide range of activities that supports the Council.

Enterprise adapts fully to the needs of the local community in its work and has "highways only" contracts in Shropshire, Warrington, Anglesey and Wrexham. The Local Authority programmes account for the majority of the 34,000 kilometres of highway maintained by the Group.

The Group also works for Transport for London (TfL) maintaining highways in two boroughs in the capital and carrying out renewal and maintenance work on the London Underground (LUL). The Group commenced work on the LUL Power upgrade project with a £52m, two year contract on the first phase of this long term programme.

Central Government

In Central Government the Company's main work is with the Highways Agency and the Ministry of Defence. For the HA the Group maintains the main trunk roads in several parts of the UK and with the MoD, Enterprise has two Prime contracts in joint ventures (JV) with Carillion plc: Regional Prime Central and Modern Housing Solutions.

Enterprise's work with the HA received a significant boost towards the end of 2009. The HA informed the JV of its intention to award Managing Agents Contracts (MACs) contracts to EnterpriseMouchel in two areas, 1 and 13. The contract awards were confirmed in early 2010. The work commences formally in July 2010 and both contracts are for a period of five years with a possible two year extension and have a value to the JV of up to £300m in the first five years. The JV already had the contract for Area 1 and Mouchel was part of the now disbanded JV that served Area 13.

These contracts are especially pleasing for the employees and staff on the contracts, whose good performance has been recognised formally through the re-awards. The HA will benefit from the continuity of the management team, the know-how of the workforce and the existing supply chain in these regions.

EnterpriseMouchel now has three areas out of the 12 HA regions in the UK: 1, 3 and 13, and will seek potential opportunities to increase the range of services within the existing contracts and bid for other new work. The JV does not participate in capital works programmes for the HA.

The Group's work with the MoD will enter its fifth year in April 2010. The Regional Prime Contract includes the maintenance of over 6,000 military assets in the central area of the UK. The Modern Housing Solutions Prime contract is for the maintenance of over 40,000 dwellings used by the military throughout England and Wales.

The challenges faced by the Group's customer, Defence Estates (DE), are considerable. From the outset of the contract, Enterprise and its JV partner have collaborated with DE to reduce costs, re-engineer work programmes and become more efficient. For all parties involved in this project the pressure to perform has been considerable and these challenges will continue.

Enterprise's understanding of the specific needs of the military and DE in particular are now extensive and will underpin the Group's opportunities to extend its offering to this market in the future.

The Group is exploring other opportunities to work with Central Government on long term maintenance and asset management projects.

Health & Safety, Quality and Environment

The Group undertakes work at the centre of people's lives, in and around their homes and neighbourhoods, either with utility suppliers or public services. This makes the health and safety of employees and the members of the communities in which the Group works of paramount importance. The Group has comprehensive and proven Health and Safety management systems that operate in every Division. Throughout 2009 these systems were updated which resulted in BM Trada subsequently awarding BS OHSAS 18001 accreditation.

As part of the Board's commitment to continuous improvement in Health and Safety performance the 2009 to 2014 HSEQ Plan has been developed and rolled out. This plan has been developed in line with the guidance issued by the Institute of Directors and the HSE (Health and Safety Executive) for the effective leadership of safety throughout the Group.

The Group continued to develop its Target Zero initiative throughout the year as an integral part of the HSEQ plan. As part of the Board's commitment to further improve the Health and Safety culture, it commissioned a further behavioural safety programme (BSP) with support from Ryder Marsh (one of the Country's leading behavioural safety training providers). The BSP will be implemented across the Group throughout 2010 and beyond; and will be delivered by Enterprise operational managers who have been trained by Ryder Marsh to deliver the BSP.

The Group was awarded the RoSPA Gold Medal Award in 2009, the fourth consecutive award within this category, having held the RoSPA Gold Award for the previous five consecutive years. This latest Award was in recognition of the ability to reduce continually accidents and incidents within the workplace. The Group also won the Utility Gold Award at the Considerate Streetworks Contractor Awards in partnership with Severn Trent Water.

The Health and Safety of employees and the public and the environmental impact of business activities both form key parts of the Group's Corporate Responsibility commitment.

Issues relating to emissions, use of resources and the environmental impact of its work are priorities for Enterprise and its customers.

The Group actively monitors carbon emissions from its operations and is working towards a reduction in emissions. The Group is working closely with its supply chain partners to manufacture and distribute innovative new material manufactured from waste including recycled backfill and engineering materials.

To measure and manage these activities we have five focus areas within Environment of environmental management, carbon, waste, resources and accreditations. Health, Safety and the Environment are also key areas of the recently published corporate responsibility report which is available on the Group's website.

PRINCIPAL RISKS AND RISK MANAGEMENT

The Enterprise businesses, results and financial condition could be affected by a broad range of risks and uncertainties. The Group risk register identifies the principal risks facing the businesses, including those that are managed directly at a Group level. The Group risk register is updated and reviewed on a monthly basis and reviewed and discussed at the meetings of operational management and of the Board and appropriate actions are taken to mitigate the risks.

The risk management process is part of a framework that incorporates risk, security, business continuity and crisis management. The framework is supported by a set of top-level requirements, more detailed process descriptions and guidance and tools to support the implementation of the framework across the Group.

Active risks are categorised under the following six headings:

- Strategic - covering threats to the long-term deliverability of the Group's strategy. Principal risks include loss of competitive position and risks associated with corporate activity;
- Financial/Commercial - covering threats to the short to medium-term performance. Principal risks include the loss of key contracts, failure to meet financial business plans, availability of funding, pension fund liabilities and delays or cost over-runs in major programmes;
- Compliance - covering compliance with all relevant legislation and regulations. Principal risks include legal action resulting from compliance failures, loss or compromise of personal data and unethical behaviour by Directors or members of staff;
- Safety and Security - covering threats to the safety of staff, sub-contractors, members of the public and the environment and the security of the Group's assets and staff. Risks include the responsibility for a major accident or incident where public safety is concerned, environmental

pollution, assaults on staff in the course of their duties, loss of sensitive information and crime, fraud and terrorism;

- Operational - covering threats to the continuity of business operations. Principal risks include the failure of information systems, loss of key infrastructure and the recruitment and retention of key staff; and
- Management - covering possible internal failures of managers or management systems. Principal risks include failures of internal controls and management systems.

The most significant risks for the Group relate to the areas of strategy and safety. Social, environmental and ethical issues, while recognised within a number of the Group's risks, do not represent significant threats to the Group's strategy at present.

Reputational and emerging risks are kept under active review and the Board is informed of changes. Emerging risks cover longer-term risks that could represent a threat to the Group's activities but which are not yet sufficiently defined to be included as active risks. Examples of these risks include financial market instability, influenza pandemic, climate change and changes in key markets.

SUMMARY

2009 marked the final phase of the strategic re-focussing of the business on its core strengths. The Company is now exceptionally well placed to support its customers in the delivery of essential services at the lowest possible cost and with continuously improving levels of efficiency and consumer satisfaction.

Contract wins in 2009 and in early 2010 have raised annualised turnover to around £1.3bn with good prospects for further increases in future years. In the future operating margins are more likely to continue in line with historic levels varying according to the mix of work. 2009 benefited from the conclusion of legacy contracts that have been transferred. The Company strives to maintain margins that balance the need to re-invest in the Group, develop its people, reward shareholders and create improved services for customers.

The Group's strategy is to continue successfully providing essential services to the regulated and public sector markets in the UK. The range of services provided will broaden and the skills and knowledge of all employees throughout the Company will be developed. Enterprise has a very strong base from which to build its financial and managerial resource and will continue to benefit from the robust and growing markets in which it operates.

FINANCIAL REVIEW

Revenue and Profits

Group revenue at £1,060m was over £1bn for the second successive year. Revenue has been maintained at a high level and contract wins and renewals point to substantial growth in 2010 and in the mid term. Following strong revenue growth of 28.7% in 2008, in 2009 the Group achieved a successful integration of the new work obtained in 2008 and focussed on bidding large, long term contracts in the water, power and transport sectors.

The small decline in revenue compared with 2008 was due mainly to lower revenue in telecoms and water and the exit from certain non-core operations, which is part of the planned re-focussing of the business. The Group continued to invest significantly during 2009 in additional resources to ensure it has the abilities to address the increased scale of market opportunities as outsourcing and the level of integration of services increases. The success of this programme is demonstrated by the Group winning over £2bn of work since the start of January 2009. This success puts the Group in a position to deliver a healthy growth in core turnover in 2010 and 2011. Revenue from the core customers grew by 4% in 2009.

Operating profit of £77m for the year was 3.5% higher than in the prior year. EBITDA for the year was £84.4m compared with £82.2m in 2008. Margins were higher than the historical average in 2009 due to the benefit from the close out of several legacy contract positions. The Group expects that operating margins will revert to the long term average of 5% to 7% in 2010 and beyond.

Result for the year

The Group made a profit of £41.8m (2008: £26.3m) before amortisation of intangibles, non cash finance costs and tax. The retained loss for the year was £27.2m (2008: £47.9m).

Cash flow

The primary measure of financial performance is cash flow. The operating cash flow for 2009, including JV dividends was £56.2m (2008: £48.7m). Levels of working capital in the business were broadly consistent with the prior year.

The only acquisition during the year was Bethell Power Services which was bought for a cash consideration funded from existing facilities. The cash cost of Bethell was £17m in 2009 and there is a potential further final payment totalling £2.75m payable during 2010 and 2011. Capital expenditure was £6.7m which compares with £6.5m in 2008. There was a dividend from the Joint Ventures of £3.1m compared with £3.4m in 2008.

Working capital

The amount of working capital tied up in the Group's operations is closely monitored and reported to the Board on a monthly basis. The current assets are principally trade receivables. Our work comprises mainly small, discrete, maintenance tasks that have limited interdependency on other events.

The incidence of bad debts has historically been negligible. Disputes about payment are infrequent and when they arise are small in the context of the Group. Trade Debtor days were 30 in 2009 compared with 27 in 2008.

Enterprise pays its suppliers in accordance with agreed terms. Many of the organisations that supply goods and services to the companies in the Group are small businesses. We are mindful of our broader responsibilities to the community and of maintaining strong relationships throughout the supply chain on all of our contracts and that drives our policy in this area. Our trade creditor days in 2009 were 38 compared with 37 in 2008.

Interest costs

The cash interest cost for 2009 was £32.5m compared with £45.5m in 2008. The lower cost reflects the net benefit to the Group from lower levels of interest rates.

Capital structure

The Group's capital structure was altered in late 2009 such that 50% of the shareholder loan notes and 50% of the preference shares were converted into new classes of ordinary shares. The new capital structure demonstrates the robustness of shareholders' commitment to support the business.

Closing net debt was £737m compared with £828m in 2008. The level of debt reduced mainly due to the change in the capital structure noted above and positive operating cash flow, offset in part by the cost of acquiring Bethell Power Services.

Cash resources available for business growth were around £64m at the year end.

The Group banking facilities remain unchanged with no repayments due until 2015 at the earliest. Hedging arrangements are in place for around 50% of the Group's bank debt until 31 December 2010.

The Group continued to operate significantly within all banking covenants and is expected to continue to do so in the coming year.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman and Chief Executive's Statement and the Business Review. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described above.

The Group has considerable secured financial resources through to March 2015 together with contracts of a long term nature with a significant number of its customers who are principally blue chip utility companies or government authorities. The services which the Group delivers are primarily essential maintenance in nature. As a consequence the Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook and the potential impact on the Group's customers.

The Directors, in the light of FRC guidelines on going concern, have reviewed the Group's future cash flow forecasts and profit projections and based on those believe that it is appropriate to prepare the financial statements of the Group on the going concern basis.

The Directors are of the opinion that the Group's forecasts and projections show that the Group should be able to operate within its available facilities and comply with its banking covenants. The Group has committed facilities through to March 2015 and there is no repayment of debt until that time.

Shareholders interests

The balance sheet at the end of 2009 shows Total Shareholders' Interests of £200m compared with £194m at the end of 2008. The Group remains in a highly robust financial position in relation to its ability to finance and perform its operational responsibilities.

Financial risks

As part of its ordinary activities, the Group is exposed to a number of financial risks, including currency exposure, liquidity risk, credit risk and cash flow interest rate risk. The Group has policies and procedures in place to monitor and manage these risks.

Liquidity risk relates to the Group's ability to meet the cash flow requirements of the operations, while avoiding excessive levels of debt and/or breach of its debt covenants. The Group's borrowings are principally medium term loans which were fully drawn down to fund the acquisitions. In addition, the Group has a revolving credit facility, the amount of which is closely monitored by the Board.

Credit risk relates principally to invoiced trade receivables from customers. We assess all customers before trading commences and have detailed policies and procedures to monitor each situation. The nature of our customer base is such that we have limited exposure to bad debts.

As a result of the significant borrowings arising from prior year acquisitions, interest rate risk is a key factor monitored by management. To mitigate this risk, a significant portion (circa 50%) of the Group's cash pay debt has been hedged by way of a cap agreement.

Taxation

No Corporation Tax is payable in respect of the reporting period.

Pensions

The Group has limited exposure to the under funding of its pension schemes as nearly all of its schemes are based on defined contributions. The Group operates two defined benefit schemes in respect of acquired companies, Brophy Grounds Maintenance and Accord salaried staff. The combined deficits at 31 December 2009 were £7m compared with £0.7m in 2008 reflecting the significant drop in bond yields in the year.

**ENTERPRISE GROUP HOLDINGS
LIMITED**
For the year ended 31 December 2009
GROUP INCOME STATEMENT

		Year ended 31 December 2009			Year ended 31 December 2008		
	Note	Pre amortisation of intangible fixed assets £m	Amortisation of intangible fixed assets £m	Total £m	Pre amortisation of intangible fixed assets £m	Amortisation of intangible fixed assets £m	Total £m
Revenue							
Group continuing operations and share of jointly controlled entities		1,060.2	-	1,060.2	1,090.2	-	1,090.2
Less share of jointly controlled entities		(214.0)	-	(214.0)	(188.7)	-	(188.7)
Group revenue - continuing operations	1	846.2	-	846.2	901.5	-	901.5
Operating profit							
Continuing operations	1	67.5	(28.3)	39.2	65.2	(30.4)	34.8
Share of operating profits of jointly controlled entities		9.5	-	9.5	9.2	-	9.2
Share of tax of jointly controlled entities		(2.7)	-	(2.7)	(2.6)	-	(2.6)
Share of results of jointly controlled entities		6.8	-	6.8	6.6	-	6.6
Total operating profit - continuing operations	1	74.3	(28.3)	46.0	71.8	(30.4)	41.4
Interest income		0.3	-	0.3	5.2	-	5.2
Finance costs - payable in cash		(32.8)	-	(32.8)	(50.7)	-	(50.7)
Profit/(loss) after net cash pay interest		41.8	(28.3)	13.5	26.3	(30.4)	(4.1)
Other non cash gains and losses		7.4	-	7.4	(7.3)	-	(7.3)
Finance costs - deferred interest and amortisation		(51.5)	-	(51.5)	(50.1)	-	(50.1)
Loss before tax		(2.3)	(28.3)	(30.6)	(31.1)	(30.4)	(61.5)
Tax		(4.5)	7.9	3.4	5.1	8.5	13.6
Loss for the year from continuing operations		(6.8)	(20.4)	(27.2)	(26.0)	(21.9)	(47.9)
Attributable to:							
Equity shareholders of the parent				(27.2)			(47.9)

ENTERPRISE GROUP HOLDINGS LIMITED
AS AT 31 DECEMBER 2009
GROUP BALANCE SHEET

	Note	2009 £'m	2008 £'m
Non-current assets			
Goodwill		599.7	580.3
Other intangible assets		202.9	225.4
Property, plant and equipment		29.6	22.6
Interest in jointly controlled entities		7.1	4.5
Deferred tax asset		4.7	5.1
Other investments		0.0	0.0
		844.0	837.9
Current assets			
Inventories		7.9	5.6
Trade and other receivables		178.6	175.4
Cash and cash equivalents	2	64.2	68.7
Other financial assets	2	0.0	5.7
Derivative financial instruments		0.0	0.3
		250.7	255.7
Creditors: amounts falling due within one year			
Borrowings	2	0.4	1.4
Bank guaranteed loan notes	2	0.0	1.5
Derivative financial instruments		0.0	9.3
Obligations under finance leases	2	2.8	3.3
Tax liabilities		0.0	2.3
Provisions		11.1	19.5
Trade and other payables		169.3	160.0
		183.6	197.3
Net current assets		67.1	58.4
Total assets less current liabilities		911.1	896.3
Creditors: amounts falling due after more than one year			
Borrowings	2	635.3	624.5
Retirement benefit obligation		7.0	0.7
Trade and other payables		2.1	5.3
Obligations under finance leases	2	10.5	5.7
Deferred tax liabilities		56.3	63.9
Provisions		0.0	1.9
		711.2	702.0
Total shareholders' interests		199.9	194.3
Shareholders' interests			
Shareholder financing		124.3	216.6
Preference share capital		28.3	49.4
		152.6	266.0
Share capital		162.7	10.0
Investment in own shares		(0.1)	(0.2)
Retained earnings		(115.3)	(81.5)
Capital and reserves		47.3	(71.7)
Total shareholders' interests		199.9	194.3

ENTERPRISE GROUP HOLDINGS LIMITED
For the year ended 31 December 2009
GROUP STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	Year ended 31 December
	2009	2008
	£'m	£'m
Loss for the year	(27.2)	(47.9)
Exchange difference on retranslation of foreign branches	0.3	0.4
Actuarial losses on defined benefit pension schemes	(7.8)	(3.1)
Share of actuarial losses in jointly controlled entities	(1.6)	(2.4)
Tax relating to components of other comprehensive income	2.6	1.5
Other comprehensive income for the year	(6.5)	(3.4)
Total comprehensive income for the year	(33.7)	(51.3)
Attributable to:		
Equity holders of the parent	(33.7)	(51.3)

ENTERPRISE GROUP HOLDINGS LIMITED
For the year ended 31 December 2009
GROUP CASH FLOW STATEMENT

	Year ended 31 December 2009	Year ended 31 December 2008
Note	£'m	£'m
Reconciliation of operating profit to cash generated from operations		
Cash flow from operating activities		
Operating profit	46.0	41.4
Adjustments for:		
Depreciation of property, plant and equipment	7.4	7.8
Amortisation of intangible assets	28.3	30.4
Loss/(Profit) on disposal of property, plant and equipment	0.1	(0.6)
Share of results in jointly controlled entities	(6.8)	(6.6)
Operating charge for defined benefit pension scheme	(0.8)	(1.4)
Movement in provisions	(12.3)	(10.6)
Increase/(Decrease) in receivables	0.8	(0.5)
(Increase)/Decrease in inventories	(1.9)	0.5
Decrease in payables	(6.9)	(8.1)
Cash flows from operating activities before exceptional cash flows	53.8	52.3
Cash flow in respect of exceptional pension contributions	(0.8)	(4.4)
Cash outflow in respect of exceptional items	0.0	(2.6)
Net cash generated by operations	53.0	45.3
Tax (paid)/received	(0.8)	0.4
Net cash from operating activities	52.2	45.7
Investing activities		
Acquisitions of subsidiaries net of cash acquired	(16.0)	0.0
Cash transferred from restricted account	5.7	124.8
Purchase of property, plant and equipment	(6.7)	(6.5)
Proceeds on disposal of property, plant and equipment	0.0	0.7
Proceeds on sale of subsidiary	0.0	0.9
Investment in intangible fixed assets	(3.6)	(2.4)
Acquisition of share in jointly controlled entities	0.0	(1.3)
Dividends received from jointly controlled entities	3.1	3.4
Net cash (used)/generated in investing activities	(17.5)	119.6
Financing activities		
Finance costs paid	(32.3)	(51.5)
Interest received	0.3	7.7
Proceeds on issue of ordinary shares	0.0	0.0
Bank loans repaid	(2.2)	0.0
Other loans repaid	(1.5)	(125.1)
Principal payments under finance leases	(3.2)	(3.3)
Decrease in bank overdrafts	(0.4)	(6.9)
	2	
Net cash used in financing activities	(39.3)	(179.1)
Net decrease in cash and cash equivalents	(4.5)	(13.8)
	2	
Cash and cash equivalents at start of the period	68.7	82.5
Cash and cash equivalents at end of the period	64.2	68.7

ENTERPRISE GROUP HOLDINGS LIMITED

For the year ended 31 December 2009

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital £m	Own shares £m	Retained earnings £m	Total equity £m
Balance at 1 January 2008	10.0	(0.2)	(30.2)	(20.4)
Loss for the year	0.0	0.0	(47.9)	(47.9)
Other comprehensive income for the year	0.0	0.0	(3.4)	(3.4)
Total comprehensive income for the year	0.0	0.0	(51.3)	(51.3)
Own shares acquired/allotted in the year	0.0	0.0	0.0	0.0
Balance at 31 December 2008	10.0	(0.2)	(81.5)	(71.7)
Loss for the year	0.0	0.0	(27.2)	(27.2)
Other comprehensive income for the year	0.0	0.0	(6.5)	(6.5)
Total comprehensive income for the year	0.0	0.0	(33.7)	(33.7)
Issue of share capital	152.7	0.0	0.0	152.7
Costs in relation to issue of share capital	0.0	0.0	(0.1)	(0.1)
Own shares acquired/allotted in the year	0.0	0.1	0.0	0.1
Balance at 31 December 2009	162.7	(0.1)	(115.3)	47.3

ENTERPRISE GROUP HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2009

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS AND GEOGRAPHICAL INFORMATION

The Group is currently organised by the following two divisions: Utility Services and Public Sector Services. These divisions are the basis on which the Group reports its primary information.

The results for the year ended 31 December 2009 were as follows:

	Revenue		Operating Profit	
	2009	2008	2009	2008
	£m	£m	£m	£m
Continuing operations pre amortisation of intangible fixed assets				
Utility Services	313.3	360.6	31.1	29.3
Public Sector Services	532.9	540.9	36.3	35.9
Total continuing operations	<u>846.2</u>	<u>901.5</u>	<u>67.5</u>	<u>65.2</u>
<u>Amortisation of intangible fixed assets</u>			<u>(28.3)</u>	<u>(30.4)</u>
Continuing operations post amortisation of intangible fixed assets				
Utility Services			31.1	29.3
Public Sector Services			36.3	35.9
Amortisation of intangible fixed assets			(28.3)	(30.4)
			39.2	34.8
Share of results of jointly controlled entities - Public Sector			9.5	9.2
Tax of jointly controlled entities			(2.7)	(2.6)
Share of results of jointly controlled entities			<u>6.8</u>	<u>6.6</u>
Total operating profit			<u>46.0</u>	<u>41.4</u>
Interest income			0.3	5.2
Finance costs - payable in cash			(32.8)	(50.7)
Profit/(Loss) after net cash pay interest			<u>13.5</u>	<u>(4.1)</u>
Other gains and losses			7.4	(7.3)
Finance costs - deferred interest and amortisation			(51.5)	(50.1)
Loss before tax			<u>(30.6)</u>	<u>(61.5)</u>
Tax			3.4	13.6
Loss for the year from continuing operations			<u>(27.2)</u>	<u>(47.9)</u>

ENTERPRISE GROUP HOLDINGS LIMITED

AS AT 31 DECEMBER 2009

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Analysis of cash and cash equivalents and reconciliation to net debt

The analysis of cash and cash equivalents and reconciliation to net debt as at 31 December 2009 is:

	At start of the year £m	Acquisitions £m	Non cash movements £m	Cash flow £m	At end of period £m
Cash and cash equivalents	68.7	1.0	0.0	(5.5)	64.2
Overdrafts	(0.8)	0.0	0.0	0.4	(0.4)
	67.9	1.0	0.0	(5.1)	63.8
Other financial assets	5.7	0.0	0.0	(5.7)	0.0
Bank guaranteed loan notes	(1.5)	0.0	0.0	1.5	0.0
Borrowings due in greater than one year	(624.5)	0.0	(12.4)	1.6	(635.3)
Borrowings due in less than one year	(0.6)	0.0	0.0	0.6	0.0
Shareholder interests - due in greater than one year	(266.0)	0.0	113.4	0.0	(152.6)
Finance leases less than one year	(3.3)	0.0	(2.7)	3.2	(2.8)
Finance leases greater than one year	(5.7)	0.0	(4.8)	0.0	(10.5)
Net debt (including shareholder interests)	(828.0)	1.0	93.5	(3.9)	(737.4)

The analysis of cash and cash equivalents and reconciliation to net debt as at 31 December 2008 is:

	At start of the year £m	Acquisitions £m	Non cash movements £m	Cash flow £m	At end of period £m
Cash and cash equivalents	82.5	0.0	0.0	(13.8)	68.7
Overdrafts	(7.7)	0.0	0.0	6.9	(0.8)
	74.8	0.0	0.0	(6.9)	67.9
Other financial assets	130.8	0.0	0.0	(125.1)	5.7
Bank guaranteed loan notes	(126.3)	0.0	0.0	124.8	(1.5)
Borrowings due in greater than one year	(610.7)	0.0	(13.8)	0.0	(624.5)
Borrowings due in less than one year	(0.4)	0.0	(0.6)	0.4	(0.6)
Shareholder interests - due in greater than one year	(230.6)	0.0	(35.4)	0.0	(266.0)
Finance leases less than one year	(2.9)	0.0	(3.7)	3.3	(3.3)
Finance leases greater than one year	(5.2)	0.0	(0.5)	0.0	(5.7)
Net debt (including shareholder interests)	(770.5)	0.0	(54.0)	(3.5)	(828.0)

The non cash movements represent the roll up of interest on the PIK facility, the shareholder interests, the amortisation of arrangement fees in the year and inception of finance leases.

ENTERPRISE GROUP HOLDINGS LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2009

3. Statutory financial statements

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 December 2009 or 2008, but is derived from those accounts. Statutory accounts for 2008 have been delivered to the Registrar of Companies and those for 2009 will be delivered following the company's annual general meeting. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) Companies Act 2006 or equivalent preceding legislation.

Whilst the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards (IFRS), this announcement does not in itself contain sufficient information to comply with IFRS. The accounting policies used in the preparation of this preliminary announcement are consistent with those in the full financial statements which have yet to be published. The preliminary results for the year ended 31 December 2009 were approved by the Board of Directors on 12 March 2010