



Interim Results

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COMPUTACENTER PLC

Interim Results Announcement

Computacenter plc, the European IT infrastructure services provider, today announces interim results for the six months ended 30 June 2004.

Financial Highlights:

- * Group revenues unchanged at #1.25 billion
- * Profit before tax up 3.7% to #33.2 million (2003: #32.0 million)
- * Earnings per share up 6.8% to 12.6p (2003: 11.8p)
- * Interim dividend increased to 2.3p per share (2003: 2.0p)
- * Strong operating cashflow and balance sheet with net cash of #62.4 million

Operational Highlights:

- * UK Managed Services revenue growth of 18.7% (2003: 12.3%)
- * Encouraging pipeline of Managed Services opportunities
- * Further product price decline, though not as severe as 2003 as a whole
- * Continuing programme of operational improvements in Germany and France

Ron Sandler, Chairman of Computacenter plc, commented:

"Computacenter continued to make steady progress in the first half of 2004. Our Managed Services revenues in the UK grew by 18.7% in the period, and we secured a number of significant new contracts.

"The outlook for the full year remains in line with market expectations. Looking further ahead, the core UK franchise remains healthy, with continued growth prospects in Managed Services. We are working hard to deliver the turnaround of our European operations. With a strong balance sheet and a cash generative business, we have confidence in our future prospects."

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Chairman's Statement

Computacenter continued to make steady progress in the first half of 2004. A core part of our strategy in recent years has been to develop and grow our higher margin services businesses, with a particular emphasis on contracted desktop Managed Services. This continues to progress well. Our Managed Services revenues in the UK grew by 18.7% in the period, and we secured a number of significant new contracts.

We began to see modest signs of recovery in corporate IT capital expenditure, particularly in the UK. However, continued product price erosion, driven by intense competition between vendors has counteracted the impact of higher volume sales, and kept product margins under pressure.

Against this background, I am pleased with overall Group performance. In the first half of 2004, Computacenter delivered increased profit before tax of #33.2 million (2003: #32.0 million) on unchanged revenues of #1.25 billion (2003: #1.25 billion). Earnings per share for the period grew 6.8% to 12.6p (2003: 11.8p). The balance sheet remains strong, with #10.6 million of cash generated during the period, and net cash of #62.4 million at the period end.

Reflecting our policy of seeking to keep the interim dividend at a level equal to one-third of the preceding year's total dividend, Computacenter has approved an interim dividend of 2.3p per share (2003: 2.0p) on 15 October, 2004 to shareholders on the register as at 17 September, 2004.

We are continuing to take steps to reduce the cost base and improve the efficiency of our core Technology Sourcing activities. We are also leveraging our longstanding investment in logistics and warehousing by successfully extending our reach to the small and medium-size business sector, providing a sales model tailored for organisations of less than 2,000 employees.

CC CompuNet, our German subsidiary acquired in early 2003, saw operating profit decline to #2.5 million (2003: #3.2 million). This is attributable to market conditions. The programme of integrating CC CompuNet into the Group has continued well and we have made further investments in financial systems and logistics technology to ensure a basis for future profit growth.

The financial performance of Computacenter France remains a challenge, with an operating loss of #1.5 million (2003 loss: #1.7 million) in the period. Costs have been reduced, management changes have been made, and we continue to devote considerable time and attention to improving the performance of the business. Much remains to be done, but I am confident that these measures will produce positive results.

The outlook for the full year remains in line with market expectations. Looking further ahead, the core UK franchise remains healthy, with continued growth prospects in Managed Services. We are working hard to deliver the turnaround of our European operations. With a strong balance sheet and a cash generative business, we have confidence in our future prospects.

As ever, it is the staff of Computacenter who are responsible for the continuing success of the Group and to whom I should like to express my appreciation for all their hard work and commitment.

Review of Operations

UK

Computacenter's focus on providing a range of infrastructure services to complement its customers' in-house IT capabilities continued to be well-received by the market, with H1 2004 UK operating profit growing by 2.4%, from #31.4 million to #32.2 million.

Market conditions remained challenging. We saw an increase in IT expenditure from financial services organisations, although this only served to offset a decline in central government department spending. The principal feature of the

market in H1 was the continuation of intense price competition in our Technology Sourcing business, driven by the increasing commoditisation of computer products. We are seeking to address this long-term trend and protect our margins through the further streamlining of our sales process, improving efficiency and reducing costs.

Our profit growth in the period owes much to the continued success of our Managed Services business, which has grown steadily in recent years irrespective of general market conditions. Our Managed Services revenues increased by 18.7% in H1 2004, compared with overall growth of 10.9% in 2003. Managed Services successes included the award of a significant contract with a leading investment bank. This contract is valued at #15 million over three years and covers 4,500 users in the UK and a further 1,000 across Europe. Computacenter will be responsible for a range of services including request management, the provision of on-site helpdesks, and desktop and server maintenance. We were also awarded a Managed Services contract by Henderson Global Investors, a leading international investment management company, for desktop and server maintenance covering approximately 1,000 users.

We were successful in winning a number of significant extensions to existing Managed Services contracts. These include BAA, where we were awarded additional business worth #1.2 million per year on our current five-year contract. Under the terms of the contract, which has now been extended to 2010, we will provide an increased on-site service, including second-line user support.

We have an encouraging pipeline of Managed Services opportunities for the remainder of the year, which bodes well for sustained contracted revenue growth in 2004 and beyond.

We saw a weakening of demand for Infrastructure Integration projects. However we are currently in the discovery and planning phases for a number of large integration projects and there are signs that the continuing product price decline is helping to stimulate demand for these services. Major Infrastructure Integration wins in the first half of the year include the UK Government's Prescription Pricing Authority, for which we deployed a consolidated enterprise storage, server and support solution.

Due to intense competition, the market experienced continuing price erosion, although this was not as severe as for 2003 as a whole. As a result, overall product revenues declined by 1.2%. However, we delivered a record number of servers in H1 2004, with volumes increasing by over 50% on H1 2003, as organisations sought to establish sound IT infrastructures for Microsoft XP deployments. Significant Technology Sourcing successes included a contract with Scottish Power to supply enterprise technology worth approximately #7 million over three years.

Revenues of CCD, our trade distribution division, declined by 5.1%, due mainly to rebates now being claimed by customers through CCD rather than direct to vendors. However this has had no impact on CCD profitability.

RDC, our re-cycling and re-marketing arm, recorded its best ever half-year profit performance. Following on from RDC's success, we have invested in new premises and internal IT infrastructure, to help consolidate its position as a leading UK provider of end-of-life IT asset management.

Germany

CC CompuNet operating profit declined to #2.5 million (2003: #3.2 million) on revenues that were 1.3% lower than in H1 2003. Even allowing for the continuing weakness of the German market, we were disappointed not to see the successful integration of the business deliver further revenue growth in the first half. However we are broadly satisfied with our progress in Germany and continue to invest in initiatives, such as enhanced financial management systems and logistics technology, designed to establish a basis for future profit growth.

Consistent with our approach of seeking to share senior management expertise across the Group, we appointed Colin Brown as CEO of CC CompuNet during the period. Colin previously ran the highly successful UK Government business.

Significant recent successes in Germany include the renewal of our Managed Services contract with BMW Group for three years. We also won a two-year extension on our running contract with BMW Group for Helpdesk and Desktop Managed Services, which has resulted in significant service improvements and cost savings for the client.

In H2 2004, CC CompuNet will be renamed Computacenter.

France

Our French business saw revenue decline of less than 1% compared to 2003 and operating losses, excluding the release of positive goodwill, declined to #2.0 million (2003: #3.8 million). Including positive goodwill, the loss decreased to #1.5 million (2003: #1.7 million).

Whilst the profitability of our French operation remains unsatisfactory, we have succeeded in reducing operating costs and the measures we have put in place to restore Computacenter France to profitability are beginning to take effect. As part of a major French transformation project, we are focusing on our three core French businesses of product logistics, implementation and maintenance. In these areas we are seeking to improve service levels and delivery times, developing our capability for large project roll-outs and investing in training to ensure we have the right mix of skills to support future growth. Many of these initiatives employ best practices that have already proved successful in the UK, and UK management is increasingly involved in their implementation.

We continue to review our cost base and are putting in place improved mechanisms for business reporting. We are also in the process of introducing customer satisfaction measurement, already in place for sales functions, across the business. In general, we are seeking to introduce a more customer-focused culture, in which employees are more directly accountable for performance. However, it is apparent that this is a long-term project with no quick fixes, and we do not expect a return to profit this year.

Computacenter France continued to win significant new business. This included a Managed Services contract with Aventis Pasteur, covering 4,000 users in France and 700 worldwide, Infrastructure Integration consultancy for the French government's Agence Centrale des Organismes de Securite Sociale, and a major laptop and server roll-out for Renault Europe Automobiles.

Other businesses

Our Austrian business showed improved performance on H2 2003, securing some important new business. This included an extension of its existing services management contract with BAWAG-PSK, a leading Austrian bank, to cover the roll-out and ongoing support of 4,500 desktop PCs. We also won a contract with Kremsmuller, Austria's leading supplier of engineering and contracting services, for the migration of its entire infrastructure to a common Microsoft platform.

We were pleased with the performance of our Belgium and Luxembourg (BeLux) operation, which became profitable in the first half of the year. Operating profits grew to #68,000 on the back of strong revenue growth of 55.4%. Our success was in part due to our strengthening ability to work together across the Group to win multi-national business out of BeLux. For example, close co-operation between the BeLux and UK operations was instrumental in securing a major Technology Sourcing contract with BT Global Services.

Business development

The Group continues to invest in systems and processes to support business growth. The market for infrastructure services continues to be challenging, but

our investment in Managed Services is driving the business forward.

The next version of our integrated Services Management Tool Suite (SMTS v3.0), which we use to track and manage customer support requests, will begin to be deployed with UK Managed Services customers next year and will ultimately be made available across the Group. SMTSv3.0 will significantly enhance our Managed Services offering, improving our ability to audit and manage our customers' technology assets on their behalf.

In our Technology Sourcing business we are making good progress in extending our market coverage to the small and medium-size business sector, using a 'light-touch' sales model for organisations of less than 2,000 employees. We have also embarked upon a major upgrade of our e-commerce capability that will make our product sales far more web-enabled.

Overall, I am satisfied with Group performance in the first half. We will continue to take advantage of the many opportunities we see in the market whilst maintaining a rigorous control over our cost base.

Group profit and loss account

For the six months ended 30 June 2004

	Unaudited six months ended 30 June 2004 # '000	Restated unaudited six months ended 30 June 2003 # '000	Restated audited year ended 31 Dec 2003 # '000
Turnover: Group and share of joint venture's turnover	1,255,436	1,255,599	2,482,713
Less: share of joint venture's turnover	(518)	(937)	(1,418)
Continuing operations:			
Ongoing	1,254,918	911,291	1,797,133
Acquisitions	-	343,371	684,162
Group turnover	1,254,918	1,254,662	2,481,295
Cost of sales	(1,083,683)	(1,076,903)	(2,136,647)
Gross profit	171,235	177,759	344,648
Other operating expenses (net)	(138,200)	(145,308)	(278,710)
Operating profit			
Continuing operations:			
Ongoing	33,035	29,530	58,712
Acquisitions	-	2,921	7,226
Group operating profit	33,035	32,451	65,938
Share of operating loss in joint venture	(205)	(69)	(333)
Share of operating profit in associate	135	163	510
Total operating profit:			
Group and share of associate and joint venture	32,965	32,545	66,115
Interest receivable and similar income	1,996	1,569	3,249
Interest payable and similar charges	(1,743)	(2,094)	(4,203)

Profit on ordinary

activities before taxation	33,218	32,020	65,161
Tax on profit on ordinary activities	(9,850)	(10,377)	(18,902)
	-----	-----	-----
Profit on ordinary activities after taxation	23,368	21,643	46,259
Minority interests	30	20	45
	-----	-----	-----
Profit attributable to members of the parent company	23,398	21,663	46,304
Dividends - ordinary dividends on equity shares	(4,316)	(3,775)	(13,011)
	-----	-----	-----
Retained profit for the period	19,082	17,888	33,293
	=====	=====	=====
Earnings per share			
- Basic	12.6p	11.8p	25.0p
- Diluted	12.3p	11.6p	24.6p
Dividends per ordinary share	2.3p	2.0p	7.0p

Group statement of total recognised gains and losses
For the six months ended 30 June 2004

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Profit for the financial period excluding share of joint venture and associate	23,406	21,581	46,231
Share of joint venture's loss for the period	(143)	(48)	(233)
Share of associate's profit for the period	135	130	306
	-----	-----	-----
Profit attributable to members of the parent company for the financial period	23,398	21,663	46,304
Exchange differences on retranslation of net assets of associated and subsidiary undertakings	(1,945)	1,271	4,159
	-----	-----	-----
Total recognised gains for the period	21,453	22,934	50,463
	=====	=====	=====

Group balance sheet
At 30 June 2004

	Unaudited six months ended 30 June 2004	Restated unaudited six months ended 30 June 2003	Audited Year ended 31 Dec 2003

	#'000	#'000	#'000
Fixed assets			
Intangible assets			
Goodwill	4,646	4,899	4,755
Negative goodwill	-	(2,663)	(532)
	-----	-----	-----
	4,646	2,236	4,223
Tangible assets	94,925	106,237	100,549
Investments	11,146	10,312	11,036
	-----	-----	-----
	110,717	118,785	115,808
	-----	-----	-----
Current assets			
Stocks	121,005	117,616	134,133
Debtors : gross	485,729	422,652	520,701
Less non returnable proceeds	(55,643)	-	(78,390)
	-----	-----	-----
Debtors	430,086	422,652	442,311
Cash at bank and in hand	101,032	65,834	96,997
	-----	-----	-----
	652,123	606,102	673,441
Creditors: amounts falling due within one year	(433,614)	(429,299)	(466,816)
	-----	-----	-----
Net current assets	218,509	176,803	206,625
	-----	-----	-----
Total assets less current liabilities	329,226	295,588	322,433
Creditors: amounts falling due after more than one year	(3,547)	(326)	(13,923)
Provision for joint venture deficit			
Share of gross assets	272	725	385
Share of gross liabilities	(7,702)	(7,685)	(7,609)
	-----	-----	-----
	(7,430)	(6,960)	(7,224)
Provision for liabilities and charges	(17,962)	(22,190)	(18,403)
	-----	-----	-----
Total assets less liabilities	300,287	266,112	282,883
	=====	=====	=====
Capital and reserves			
Called up share capital	9,447	9,400	9,441
Share premium account	71,778	69,781	71,486
Capital redemption reserve	100	100	100
Investment in own shares	(2,503)	(2,503)	(2,503)
Profit and loss account	221,382	189,215	204,244
	-----	-----	-----
Shareholders' funds - equity	300,204	265,993	282,768
Minority interests - equity	83	119	115
	-----	-----	-----
	300,287	266,112	282,883
	=====	=====	=====

Group statement of cash flows
For the six months ended 30 June 2004

	Unaudited six months ended	Unaudited six months ended	Audited Year ended
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	30 June 2004 # '000	30 June 2003 # '000	31 Dec 2003 # '000
Cash inflow from operating activities	31,529	10,553	53,521
Returns on investments and servicing of finance	(428)	(608)	(954)
Taxation			
Corporation tax paid	(6,365)	(10,253)	(22,456)
Capital expenditure and financial investment	(5,122)	(10,866)	(14,562)
Acquisitions and disposals	-	(37,821)	(37,303)
Equity dividends paid	(9,305)	(10,731)	(14,437)
	-----	-----	-----
Cash inflow/(outflow) before financing	10,309	(59,726)	(36,191)
Financing			
Issue of shares	298	940	2,686
Net repayment of capital element of finance leases	-	(240)	(479)
	-----	-----	-----
Increase/(decrease) in cash in the period	10,607	(59,026)	(33,984)
	=====	=====	=====

Reconciliation of net cash flow to movement in net funds
For the six months ended 30 June 2004

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Net funds at 1 January 2004	49,925	83,430	83,430
Increase/(decrease) in cash in the year	10,607	(58,786)	(33,984)
Cash outflow from repayment of debt and lease finance	-	(240)	479
	-----	-----	-----
Change in net cash resulting from net funds	10,607	(59,026)	(33,505)
Exchange movement	1,896	-	-
	-----	-----	-----
Net funds at 30 June 2004	62,427	24,404	49,925
	=====	=====	=====

Analysis of changes in net funds

	At 1 January 2004 # '000	Cash flows in year # '000	Exchange movement # '000	At 30 June 2004 # '000
Cash at bank and in hand	96,997	4,237	(202)	101,032
Bank overdrafts	(46,535)	6,370	2,098	(38,067)

	-----	-----	-----	-----
Finance leases	50,462	10,607	1,896	62,965
Debt due after one year	(211)	-	-	(211)
	(326)	-	-	(326)
	-----	-----	-----	-----
Total	49,925	10,607	1,896	62,427
	=====	=====	=====	=====

Notes to the accounts

1 Accounting policies

Basis of preparation

The unaudited 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 31 December 2003. The taxation charge is calculated by applying the Directors' best estimate of the annual tax rate to the profit for the period. Other expenses are accrued in accordance with the same principles used in the preparation of the annual accounts.

The format of the Group Profit and Loss Account has been changed to Format 1 of schedule 4 of the Companies Act 1985 for the current period and all subsequent periods. Operating costs, as reported in prior years under Format 2, have been split between cost of sales and other operating expenses (net). It is the Directors' opinion that a change in the format is appropriate to provide additional disclosure of gross profit and that the allocation between cost of sales and other operating expenses (net) is sufficiently consistent across the Group.

2 Turnover and segmental analysis

The Group operates in one principal activity, that of the provision of information technology and related services. Turnover represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of VAT.

An analysis of turnover, gross profit and operating profit by origin is given below:

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Turnover by Origin			
UK	758,425	755,785	1,455,296
Germany	311,937	316,008	635,150
France	147,065	148,097	324,517
Austria	25,977	27,362	49,012
Belgium & Luxembourg	11,514	7,410	17,320
	-----	-----	-----
Total	1,254,918	1,254,662	2,481,295
	=====	=====	=====

Turnover by destination is not materially different to turnover by origin and has, therefore, not been disclosed.

2 Turnover and segmental analysis (continued)

	Unaudited six months ended 30 June 2004	Restated unaudited six months ended 30 June 2003	Restated audited year ended 31 Dec 2003

	#'000	#'000	#'000
Gross Profit			
UK	107,904	106,135	201,573
Germany	42,440	48,784	95,695
France	16,583	18,648	39,793
Austria	3,115	3,319	5,663
Belgium & Luxembourg	1,193	873	1,924
	-----	-----	-----
Total	171,235	177,759	344,648
	=====	=====	=====

The gross profit for 2003 has been restated to account for distribution costs within other operating expenses, as prescribed in Format 1 of schedule 4 of the Companies Act 1985. Previously these amounts were included in the calculation of gross profit, as described in notel.

Operating profit / (loss)

UK	32,185	31,434	61,829
Germany	2,537	3,228	8,728
France	(1,473)	(1,689)	(2,727)
Austria	(282)	(308)	(1,502)
Belgium & Luxembourg	68	(214)	(390)
	-----	-----	-----
Total group excluding associate & joint venture undertakings	33,035	32,451	65,938
Share of operating result of associate and joint venture	(70)	94	177
	-----	-----	-----
Total operating profit	32,965	32,545	66,115
	=====	=====	=====

3 Cost of sales and operating expenses

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Restated Audited Year ended 31 Dec 2003 # '000
Cost of sales	1,083,683	1,076,903	2,136,647
	-----	-----	-----
Distribution costs	9,953	11,616	22,606
Administrative costs	128,247	133,692	256,104
	-----	-----	-----
	138,200	145,308	278,710
	=====	=====	=====

4 Interest receivable and similar income

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Bank interest	1,787	1,284	2,773
Other interest receivable	209	285	476
	-----	-----	-----
	1,996	1,569	3,249
	=====	=====	=====

5 Interest payable and similar charges

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Bank loans and overdraft	706	704	3,448
Other loans	1,037	1,390	755
	-----	-----	-----
	1,743	2,094	4,203
	=====	=====	=====

6 Tax on profit on ordinary activities

The charge based on the profit for the period comprises:

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
UK Corporation tax			
- Current	10,550	10,083	17,612
- Prior	(868)	-	(621)
- Deferred tax	229	-	1,991
Foreign tax	-	315	20
	-----	-----	-----
	9,911	10,398	19,002
Share of joint venture's tax	(61)	(21)	(100)
	-----	-----	-----
	9,850	10,377	18,902
	=====	=====	=====

7 Earnings per share

The calculation of earnings per ordinary share is based on profit attributable to members of the holding Company of #23,398,000 (2003: #21,663,000) and on 186,032,000 (2003: 183,396,000) ordinary shares, being the weighted average number of ordinary shares in issue during the period after excluding the shares owned by the Computacenter Employee Share Trust, Computacenter Trustees Limited and the Computacenter Quest.

The diluted earnings per share is based on the same earnings figure of #23,398,000 (2003: #21,663,000) and on 189,762,000 (2003: 186,743,000) ordinary shares, calculated as the basic average number of ordinary shares, plus 3,730,000 (2003: 3,347,000) dilutive share options.

8 Investments

Update on Acquisitions - Germany and Austria

On 2 January 2003, the Group acquired the trade and assets of GE CompuNet in Germany and GECITS in Austria for an initial consideration of #38,134,000.

There has been no change in circumstances that has resulted in a change to the Board's view of the provisional fair value to Group of the assets and consideration.

Because the audited value of the net assets at completion was lower than stipulated in the purchase agreement, Computacenter anticipates receiving a repayment of #32,448,000 from GE Capital, the vendors, resulting in a net consideration for the acquisition of #5,686,000. Elements of this repayment

calculation continue to be disputed by GE Capital and in accordance with the purchase agreement, PricewaterhouseCoopers has been appointed, as an independent expert, to settle the matter. The Board has reviewed the likely outcome and is confident that this is properly reflected in the Group's accounts.

The assets of each of the acquired companies have been included in the Group's balance sheet at their fair values at the date of acquisition. In the view of the Board, there has been no change in circumstances to change the assessment of provisional fair values reported in the 2003 Annual Report.

Further consideration may be payable to the vendor, contingent on the result of the acquired businesses in 2004. No provision has been made for further payments, based on the actual performance in 2003 and the likely performance for 2004.

Update on contingent liability

On 15 October 2003 the vendors claimed that the Group had breached a provision of the German purchase agreement concerning an adjustment relating to tax assets, and have issued a claim for Euro52,165,292 (#36,762,000), plus interest, for upfront payment for the tax assets as opposed to payment as the assets are utilised. The Group rejects this claim and legal proceedings are in progress between the parties. On the basis of legal advice received, the Board continues to be confident that this claim is without merit and will be defended accordingly. No provision for this claim has been made in the Group's accounts.

9 Reconciliation of operating profit to operating cash flows

	Unaudited six months ended 30 June 2004 # '000	Unaudited six months ended 30 June 2003 # '000	Audited Year ended 31 Dec 2003 # '000
Operating profit	33,035	32,545	65,938
Depreciation	9,488	12,008	22,665
Revaluation of listed investment	-	-	(292)
Amortisation of positive goodwill	109	142	544
Impairment of positive goodwill	-	-	46
Amortisation of negative goodwill	(532)	(2,130)	(4,261)
Loss on disposal of fixed assets	503	(1,143)	914
Decrease/(increase) in debtors	4,276	(28,938)	(16,963)
Decrease/(increase) in stocks	10,173	13,176	(4,908)
Decrease in creditors	(25,841)	(15,994)	(8,432)
Currency and other adjustments	318	887	(1,730)
	-----	-----	-----
Net cash flow from operating activities	31,529	10,553	53,521
	=====	=====	=====

10 Publication of non-statutory accounts

The financial information contained in the 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 31 December 2003. Those accounts, upon which the auditors issued an unqualified opinion have been delivered to the Registrar of Companies.

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