

Southern Water Services Limited
Preliminary Announcement of unaudited results for the year ended 31 March 2005

Summarised Profit and Loss Account	2005	2004
	£m	£m
Turnover	475.0	455.1
Profit on ordinary activities before interest	187.8	178.4
Net interest payable	(102.6)	(93.4)
Profit on ordinary activities before taxation	85.2	85.0
Taxation	(18.0)	(26.6)
Profit after taxation	67.2	58.4
Dividends	(58.7)	(66.5)
Profit / (Loss) retained	8.5	(8.1)

Summarised Balance Sheet	2005	2004
	£m	£m
Fixed assets	2,754.9	2,711.5
Investments	29.2	29.2
Net current assets	962.8	794.1
Creditors : amounts falling due after more than one year		
Loans and other borrowings	(2,257.1)	(2,062.4)
Provisions for liabilities and charges	(383.6)	(375.9)
Deferred income	(43.7)	(42.5)
Net assets	1,062.5	1,054.0
Share capital	0.4	0.4
Share premium account and reserves	1,062.1	1,053.6
Capital employed	1,062.5	1,054.0

Summarised Cash Flow Statement	2005	2004
	£m	£m
Cash inflow from operating activities	301.6	249.8
Net dividends and interest	(144.9)	(208.1)
Ordinary taxation	(16.9)	(29.5)
Capital expenditure	(179.4)	(210.7)
Other items	4.5	(27.0)
Net cash inflow / (outflow) before financing	(35.1)	(225.5)
Financing:		
New loans	179.3	1,316.9
Repayment of loans	0.0	(1,210.6)
Proceeds from share issue	0.0	260.0
Net cash inflow from financing	179.3	366.3
Increase in cash	144.2	140.8
Reconciliation to net debt		
Net debt at beginning of year	(1,996.1)	(1,257.3)
Increase in net cash	144.2	140.8
Movements in borrowings	(175.0)	(922.9)
Debt issue costs	0.6	52.0
Non cash items	(21.0)	(8.7)
Net debt at end of year	(2,047.3)	(1,996.1)