John Wood Group PLC
Half year Report 2012

Energy Supporting Energy worldwide

John Wood Group PLC ('Wood Group' or the 'Group') is an international energy services company employing more than 41,000 people worldwide and operating in 50 countries. The Group has three businesses – Engineering, Wood Group PSN and Wood Group GTS – providing a range of engineering, production support, maintenance management and industrial gas turbine overhaul and repair services to the oil & gas, and power generation industries worldwide.

Financial highlights

- Revenue from continuing operations[1] of $3,346.3m (2011: $2,465.9m) up 36%
- EBITA from continuing operations[1] of $205.1m (2011: $133.9m) up 53%
- Profit from continuing operations before tax and exceptional items of $160.0m (2011: $102.7m) up 56%
- Adjusted diluted EPS[1] of 37.4 cents (2011: 25.2 cents) up 48%
- Interim dividend of 5.7 cents (2011: 3.9 cents) up 46%

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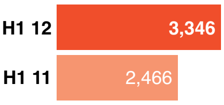
[1] See detailed footnotes page 9.

$ refers to US dollar, the reporting and principal functional currency of the Group.

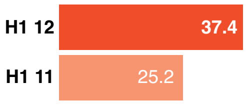
Performance highlights

Revenue ($m)

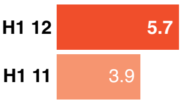


Total EBITA[2] ($m)

Adjusted diluted EPS[3] (cents)



Dividend per ordinary share (cents)



People[1]

Safety cases[8] (per million man hours)

Operating highlights

Engineering

- Revenue growth and margin improvement
- Important contract wins including Ichthys and Mafumeira Sul
- Strong order book and future prospects

Wood Group PSN

- Strong performance in the North Sea and North America
- Actively working to improve performance on our long term contract with PDO in Oman
- Renewals and contract wins support future performance

Wood Group GTS

- Continued growth in Maintenance revenue and EBITA
- Power Solutions EBITA benefitting from advanced stage of completion on Dorad contract
- Expect good growth in EBITA for the year, weighted to the second half

Interim statement

"In the first half the Group has delivered growth across all three divisions, and we are confident of achieving full year performance in line with expectations."

Sir Ian Wood, Chairman
Allister Langlands, Chief Executive

Overview
In the first half the Group has delivered growth across all three divisions, and we are confident of achieving full year performance in line with expectations.

Engineering is benefitting from global demand for our services, particularly in our upstream and subsea & pipeline activities. Our Engineering order book and future prospects remain strong and we currently anticipate that full year EBITA will be up over 30% on 2011.

In Wood Group PSN, results reflect the contribution from the acquired PSN business for the full six month period. We saw strong performance in the North Sea and North America, particularly in the US shale regions. In international markets, we are active in Australia, Africa, the Caspian and the Arabian Gulf where we are actively working to improve performance on our long term contract with PDO in Oman.

In Wood Group GTS, conditions in power markets remain relatively challenging although we are seeing some signs of improvement in the US. Maintenance EBITA was up around 10% and Power Solutions delivered increased EBITA due to the more advanced stage of completion on the Dorad contract. Overall, we expect good growth in EBITA for the year, weighted to the second half.

In July, we announced a number of board changes which will be effective on 1 November. Sir Ian Wood will retire as Chairman and from the Board. Allister Langlands, CEO, will become Chairman and Bob Keiller, Chief Executive of Wood Group PSN, will become CEO. Alongside these moves, Robin Watson, the current Head of Wood Group PSN in the UK, will succeed Bob Keiller as Chief Executive of the Wood Group PSN division and will join the Board on 1 January 2013. Mark Dobler, the new Chief Executive of the Wood Group GTS division will also join the Board on 1 January 2013, having been with the Group for over 10 years. We believe we are well placed to further develop our leading positions across engineering, production facilities support and gas turbine services.

Markets
Overall, conditions in energy markets remain favourable. Uncertainty about the global economic outlook and somewhat lower commodity prices has not had any discernible impact on activity levels or the current outlook. The Group is well placed with a balance of opex and capex related activities across key geographical areas of industry growth. We have a robust balance sheet and are well positioned to take advantage of strong longer term energy fundamentals, supported by demand from developing economies and increasingly complex field development and production challenges.

Trading performance	**Interim June 2012 $m**	**Interim June 2011 $m**	**Change**
Revenue from continuing operations[1]	**3,346.3**	2,465.9	35.7%
EBITA from continuing operations[1,2]	**205.1**	133.9	53.2%
EBITA margin from continuing operations %	**6.1%**	5.4%	0.7pts
Profit from continuing operations before tax and exceptional items	**160.0**	102.7	55.8%
Basic EPS (cents)	**33.9c**	444.0c	n/m
Adjusted diluted EPS[3] (cents)	**37.4c**	25.2c	48.4%

Note: Continuing operations revenue and EBITA figures include the results of PSN since acquisition in April 2011, and exclude the results of Well Support and the Wood Group GTS Aero engine overhaul business, disposed of in April 2011 and April 2012 respectively.

Revenue from continuing operations increased by 36% and EBITA from continuing operations was up 53%. Continuing operations EBITA margin ('margins') increased by 0.7 percentage points due to improved margins in all divisions. Adjusted diluted EPS increased by 48% to 37.4c, due to growth in EBITA from continuing operations and the reduction in the average number of fully diluted shares in the period subsequent to the return of capital in 2011, offset by the impact of the disposal of Well Support.

Dividend
Reflecting our confidence in the longer term outlook for the Group, we currently intend to pay a total dividend of 17.0 cents per share for 2012 which will represent a 26% increase for the year. In order to rebalance more closely in the ratio of one third interim to two thirds final, we have declared an interim dividend of 5.7 cents which will be paid on 28 September.

"The Group is well placed with a balance of opex and capex related activities across key geographical areas of industry growth and a robust balance sheet. In July we announced a number of board changes and our strong management team is well set to further develop our leading positions across engineering, production facilities support and gas turbine services."

Sir Ian Wood, Chairman
Allister Langlands, Chief Executive

Allister G. Langlands
Chief Executive

Sir Ian Wood
Chairman

Interim statement

Divisional highlights

Engineering

We provide a wide range of engineering services to the upstream, subsea & pipeline, downstream & industrial and clean energy sectors. These include conceptual studies, engineering, project & construction management (EPCM) and control system upgrades.

	Interim June 2012 $m	Interim June 2011 $m	Change
Revenue	**872.2**	688.5	26.7%
EBITA	**104.1**	72.5	43.6%
EBITA margin	**11.9%**	10.5%	1.4pts
People[4]	**10,100**	8,000	26%

Engineering performed well, delivering 27% revenue growth and margin improvement from 10.5% to 11.9%, largely reflecting increased activity in upstream and subsea & pipelines. EBITA increased by 44%, reflecting higher volumes and some improvement in underlying pricing.

Headcount increased by 26% from 8,000 in June 2011 to 10,100, both organically and through the acquisition of ISI Solutions in the second half of 2011. This compares to a headcount of 9,100 at December 2011.

Our upstream business accounted for around 40% of Engineering revenue. In the Gulf of Mexico, we are working on a number of offshore developments including Jack & St Malo, Tubular Bells, Hadrian and Lucius. In Canada, we have been active on a range of conventional and unconventional projects. We had a number of important awards during the period, including the Ichthys and Mafumeira Sul projects; both scheduled for completion in the second half of 2013.

Our subsea & pipeline business also accounted for around 40% of revenue. We were particularly active in the North Sea and Australia, where we are working on projects including Quad 204, Equus, Julimar and Gorgon. We also secured Enterprise Frame Agreements with Shell, under which we are executing a range of work including the Linnorm FEED study in Norway. Our onshore pipelines business performed well, benefitting from liquids focused activity in the US shale regions.

Downstream, process & industrial activities accounted for around 20% of revenue. Performance was impacted by lower expenditure in the US refining market.

Outlook

Activity levels remain high and are supported by a strong order book and future prospects. As a result, we anticipate that Engineering will deliver full year EBITA up over 30% on 2011.

Wood Group PSN

We provide life of field support to producing assets through brownfield engineering and modifications, production enhancement, operations and maintenance (including UK duty holder services), training, maintenance management and abandonment services.

	Interim June 2012 $m	Interim June 2011 $m	Change
Revenue	**1,774.1**	1,296.9	36.8%
EBITA	**90.0**	65.1	38.2%
EBITA margin	**5.1%**	5.0%	0.1pts
People[4]	**28,000**	24,000	17%

Revenue and EBITA include the results of PSN from the date of acquisition on 20 April 2011.

In Wood Group PSN, revenue and EBITA growth of 37% and 38% respectively, resulted primarily from the contribution of the acquired PSN business for the full six months in 2012. On a pro forma basis, which includes PSN revenue and EBITA for the full first half of 2011, revenue increased by 7% and EBITA increased by 3%. Pro forma EBITA growth was held back by continuing losses in Oman.

Headcount increased by 17% from 24,000 in June 2011 to 28,000, including around 2,500 people in respect of the mobilisation of our contract in Oman with PDO.

We saw strong performance in the North Sea, which is our largest market and accounted for around 40% of Wood Group PSN revenue. Customer spending on infrastructure integrity management and production enhancement continues to give us confidence in the medium term market outlook. We are active on operations & maintenance and brownfield engineering work scopes on longer term contracts with customers including BP, Shell, Talisman and TAQA, together with our recently awarded contract with Premier Oil.

The Americas accounted for around 30% of revenue. North America remains strong, with growth in the provision of onshore support services including to the US shale regions, where we see further opportunities and have recently completed the acquisition of Duval in the Eagle Ford region of Texas. Our offshore activities in the Gulf of Mexico also performed well. In Latin America, we expect to complete the outstanding work on our downstream project for Ecopetrol in Colombia in the second half of 2012 in line with the provisions made in 2011.

International markets, outside the North Sea and the Americas, represent around 30% of revenue. In Oman, we have seen increased activity on our significant contract with PDO. Losses in the first half were broadly in line with those of the second half of 2011 at just over $10m. We are active on a number of steps to improve financial performance, including increasing operational efficiency and resolving a number of commercial issues. We anticipate that losses will reduce in the second half leading to a full year loss in 2012 of around $15m-$20m. We expect to see ongoing improvement in 2013, and beyond this continue to see the potential for long run profitability on the contract. In Australia, we have around 2,000 people working for clients including Exxon Mobil, QGC and GLNG. In Africa, we remain active in Chad, Equatorial Guinea, Nigeria and Angola, where we are providing maintenance support services to BP on Block 31 and see further opportunities. In the Caspian, we are providing facilities engineering and commissioning services to customers in Kazakhstan.

Outlook
We anticipate an improved performance for Wood Group PSN in 2012 resulting from the full year benefit of the PSN acquisition, continued strength in the North Sea, North America, Australia and Africa, together with the reduction of overall contract losses compared to 2011.

Wood Group GTS

We are a leading independent provider of rotating equipment services and solutions for clients in the power, oil & gas and clean energy markets. Our aftermarket Maintenance activities include facility operations & maintenance and repair & overhaul of gas, wind and steam turbines, pumps and other high-speed rotating equipment. Our Power Solutions business provides power plant engineering, procurement & construction and construction management services to the owners of power-generation facilities.

	Interim June 2012 $m	Interim June 2011 $m	Change
Revenue	**700.0**	480.5	45.7%
EBITA	**38.1**	22.5	69.3%
EBITA margin	**5.4%**	4.7%	0.7pts
People[4]	**3,700**	3,400	9%

Revenue increased by 46% and EBITA increased by 69%. Maintenance EBITA was up around 10% on 2011 and Power Solutions EBITA benefited from the more advanced stage of completion on the Dorad contract.

Headcount increased by 9% from 3,400 to 3,700, predominantly due to higher activity in Power Solutions and seasonal increases in our US field operations in Maintenance.

In Maintenance, revenue and EBITA growth of around 10% was led by continued strength in our oil and gas related activities and the contribution from some small acquisitions completed in 2011. We were also awarded a multi-year maintenance services contract for Shell's Brent assets in the North Sea. In our power related activities, we continue to add new long term service agreements and have recently signed contracts with TAQA in Ghana and Sime Darby in Thailand.

Power Solutions delivered improved EBITA due to the more advanced stage of completion on the Dorad contract. There has been some delay on our GWF contract, although we still anticipate a reasonable EBITA contribution and completion in the second half of 2012. The Dorad contract continues to be scheduled for completion in the second half of 2013. We are actively pursuing additional Power Solutions opportunities in areas including the US, the Caspian, the Middle East and Africa.

Outlook
In Wood Group GTS, we expect good growth in EBITA for the year, weighted to the second half. In Maintenance, we are seeing some signs of improvement in the US power market. In Power Solutions, we have good visibility for 2012 and are active on a number of future prospects although constraints in the project financing market, together with some uncertainty around the outlook for global GDP growth, is holding back contract awards.

Interim statement

Financial review

Financial performance	Interim June 2012 $m	Interim June 2011 $m	Full year Dec 2011 $m
Revenue from continuing operations	**3,346.3**	2,465.9	5,666.8
EBITA from continuing operations	**205.1**	133.9	341.6
EBITA margin from continuing operations	***6.1%***	*5.4%*	*6.0%*
Amortisation	(39.0)	(26.9)	(78.7)
Operating profit from continuing operations before exceptional items	**166.1**	107.0	262.9
Net finance expense	(6.1)	(4.3)	(8.8)
Profit from continuing operations before tax and exceptional items	**160.0**	102.7	254.1
Taxation on continuing operations before exceptional items	(46.4)	(30.8)	(75.0)
Profit for the period from continuing operations before exceptional items	**113.6**	71.9	179.1
(Loss)/profit from discontinued operations, net of tax	(1.1)	37.0	36.1
Profit for the period before exceptional items	**112.5**	108.9	215.2
Exceptional items, net of tax	10.2	2,154.0	2,087.6
Profit for the period	**122.7**	2,262.9	2,302.8
Basic EPS (cents)	33.9c	444.0c	530.7c
Adjusted diluted EPS (cents)	**37.4c**	25.2c	60.2c

The review of our trading performance is contained within the Divisional commentary above.

The PSN acquisition was completed on 26 April 2011. On a pro forma basis, which includes PSN revenue and EBITA for the full first half of 2011, the performance of the continuing Group would have been as set out below.

Unaudited	H1 2012 $m	H1 2011 $m	% Change
Engineering	**872.2**	688.5	**27%**
Wood Group PSN	**1,774.1**	1,660.2	**7%**
Wood Group GTS	**700.0**	480.5	**46%**
Pro forma revenue from continuing operations	**3,346.3**	2,829.2	**18%**
Engineering	**104.1**	72.5	**44%**
Wood Group PSN	**90.0**	87.1	**3%**
Wood Group GTS	**38.1**	22.5	**69%**
Central	**(27.1)**	(26.2)	**3%**
Pro forma EBITA from continuing operations	**205.1**	155.9	**32%**

The pro forma result shows underlying growth in revenue of 18% and in EBITA of 32%. All divisions are showing growth in revenue and EBITA, with growth in Wood Group PSN held back by losses in Oman as noted in the Divisional commentary above.

Amortisation

The amortisation charge for the half year of $39.0m (2011: $26.9m) includes $27.4m (2011: $17.1m) of amortisation relating to intangible assets arising from acquisitions, of which $23.1m (2011: $11.8m) is in relation to the PSN acquisition. We currently anticipate that the amortisation charge for the full year will be around $80m. We regard the amortisation charge relating to intangible assets arising from acquisitions to be a relatively subjective measure, and as a result continue to believe that performance is best measured excluding this figure. This is one of the primary reasons for our key reporting measures for profit and earnings per share excluding the impact of amortisation.

Net finance expense

Net finance expense from continuing operations is analysed further below:

	Interim June 2012 $m	Interim June 2011 $m	Full Year Dec 2011 $m
Interest on debt	**4.8**	5.3	9.0
Non utilisation fees	**0.8**	1.5	2.3
Non-cash charges on pension and deferred consideration	**0.7**	0.3	1.3
Bank fees and charges	**0.7**	0.4	1.1
Total finance expense from continuing operations	**7.0**	7.5	13.7
Finance income	**(0.9)**	(3.2)	(4.9)
Net finance expense from continuing operations	**6.1**	4.3	8.8

Interest cover[5], based on EBITA from continuing operations, remains strong at 33.3 times (2011: 31.1 times).

Exceptional Items

As at June 2012, the Group has recognised a net provision for doubtful debts of $9.3m which includes a net tax credit of $3.9m.

At 30 June 2012, the Group has provided $15.1m that relates to work carried out for ATP Oil & Gas Corporation, who have filed a voluntary petition for reorganisation under Chapter 11 of the US Bankruptcy Code. We will continue to make every effort to recover amounts due.

At 31 December 2011, a provision of $13.0m was held in relation to overdue Libyan receivables as a result of the political disruption in Libya earlier in 2011. In July 2012, the Group received a payment of $5.8m from its customer and accordingly the provision has been reduced by this amount and a credit booked to exceptional items in the income statement. A tax charge of $1.4m has been recognised on this gain.

In the first half of 2012, the Group recorded a pre-tax net exceptional gain of $21.2m in relation to the disposal of the remaining Well Support Middle Eastern business which was completed in May 2012. A tax charge of $5.6m has been recognised on this gain.

Taxation

The effective tax rate on continuing operations before exceptional items was 29.0% (2011: 30.0%).

	Interim June 2012 $m	Interim June 2011 $m	Full Year Dec 2011 $m
Profit from continuing operations before tax pre-exceptional items	**160.0**	102.7	254.1
Underlying tax charge	**54.3**	35.8	91.8
Credit in relation to deferred tax on amortisation of intangibles arising on acquisition	**(7.9)**	(5.0)	(16.8)
Tax charge per financial statements	**46.4**	30.8	75.0
Effective tax rate on continuing operations	**29.0%**	30.0%	29.5%

As noted in our December 2011 results, following the sale of Well Support and acquisition of PSN, we expect the typical effective tax rate going forward to be no more than 29.0%, with the reduction due to the change in geographic mix of the Group, reduced rates in certain jurisdictions and management actions taken.

Earnings per share

Adjusted diluted EPS for the six months to 30 June 2012 increased by 48% to 37.4 cents per share, due to growth in EBITA from continuing operations and the reduction in the average number of fully diluted shares in the period subsequent to the return of capital in 2011, partially offset by the impact of the disposal of Well Support. The average number of fully diluted shares used in the EPS calculation for the period was 371.4m (2011: 526.9m) and the closing balance was 372.7m.

Reconciliation of number of fully diluted shares *(All figures are in million shares)*	Closing 30 June 2012	Weighted Average 2012
Ordinary shares	**371.3**	**371.3**
Shares held by employee share trusts	**(10.6)**	**(12.6)**
Basic shares for EPS purposes	**360.7**	**358.7**
Effect of dilutive shares	**12.0**	**12.7**
Fully diluted shares for EPS purposes	**372.7**	**371.4**

Dividend

Reflecting our confidence in the longer term outlook for the Group, we currently intend to pay a total dividend of 17.0 cents per share for 2012 which will represent a 26% increase for the year. In order to rebalance more closely in the ratio of one third interim to two thirds final, we have declared an interim dividend of 5.7 cents which will be paid on 28 September.

Interim statement

Summary Balance Sheet

	June 2012 $m	December 2011 $m
Non-current assets	**1,880.7**	1,873.9
Current assets	**2,101.5**	2,007.1
Current liabilities	**(1,412.5)**	(1,505.2)
Net current assets	**689.0**	501.9
Non-current liabilities	**(494.6)**	(401.3)
Net assets	**2,075.1**	1,974.5
Equity attributable to owners of the parent	**2,066.6**	1,964.5
Non-controlling interests	**8.5**	10.0
Total equity	**2,075.1**	1,974.5

The increase in net current assets since December 2011 is due to higher receivables and inventory, lower payables and income tax liabilities, partly offset by lower cash and the disposal of net assets held for sale at December 2011.

The increase in non-current liabilities is primarily due to the increase in long term borrowings since December 2011.

Capital efficiency

The continuing Group's Return on Capital Employed ('ROCE')[6] increased from 17.7% at 30 June 2011 to 17.8%. This reflects an increase in ROCE in the Engineering and Wood Group GTS divisions following higher profitability in the period, partly offset by lower ROCE in Wood Group PSN which in 2012 has the impact for the full 6 months of higher goodwill and intangibles arising from acquisition.

The continuing Group's ratio of Operating Capital Employed to Revenue ('OCER')[7] increased from 10.6% at 30 June 2011 to 11.8%. The increase was due principally to the increase in working capital in the period.

Cash flow and net debt

	Interim June 2012 $m	Interim June 2011 $m	Full Year Dec 2011 $m
Opening net debt	**(3.9)**	(15.1)	(15.1)
Cash generated from operations pre working capital	**226.7**	217.8	471.6
Working capital movements (continuing operations)	**(172.9)**	(87.7)	(109.5)
Working capital movements (discontinued operations)	**–**	(77.6)	(77.6)
Cash generated from operations	**53.8**	52.5	284.5
Acquisitions, capex and intangibles	**(71.4)**	(978.2)	(1,083.8)
Disposals	**38.4**	2,745.9	2,793.6
Return of cash to shareholders	**(7.7)**	(681.0)	(1,725.8)
Tax paid	**(84.9)**	(58.5)	(118.7)
Interest, dividends and other	**(35.4)**	(48.9)	(123.4)
Exchange movements on net debt	**3.7**	(31.6)	(15.2)
(Increase)/decrease in net debt	**(103.5)**	1,000.2	11.2
Closing (net debt)/cash	**(107.4)**	985.1	(3.9)

Throughout the period the Group has maintained a level of debt as set out below.

	Interim June 2012 $m	Interim June 2011 $m	Full Year Dec 2011 $m
Average net debt	**127.7**	*	*
Average gross debt	**323.9**	282.9	295.5
Closing net debt/(cash)	**107.4**	(985.1)	3.9
Closing gross debt	**287.5**	201.7	230.5

*Average net debt figures for 2011 do not provide a meaningful comparison as a result of the cash received from the Well Support disposal and the subsequent return of cash to shareholders and are not therefore provided.

Cash generated from operations pre-working capital increased by $8.9m to $226.7m and post-working capital increased by $1.3m to $53.8m. The working capital outflow of $172.9m in the first half of 2012 was due to a combination of the seasonality of working capital at December 2011, higher activity in the first half of 2012 compared to the second half of 2011, an increase in GTS inventory and an increase in closing receivable days. The increase in receivables days was due in part to slower collection from certain customers in North America and the Middle East. We do not consider the first half outflow to be indicative of any structural change in the Group's working capital consumption, and it is anticipated that the working capital position will improve in the second half of 2012.

No cash was paid in relation to acquisitions made in the period (2011: $917.4m). In early July, the Group acquired Duval for an initial consideration of $21.4m. Duval is based in Texas and provides oilfield operations, maintenance and fabrication services to the Eagle Ford shale region.

Deferred consideration paid in respect of prior period acquisitions amounted to $26.0m (2011: $9.2m) and payments for capex and intangible assets decreased to $45.4m (2011: $50.8m).

Tax payments in the period totalled $84.9m (2011: $58.5m) and interest, dividends and other amounted to $35.4m (2011: $48.9m).

Foreign exchange and constant currency reporting
The Group's revenue and EBITA can be impacted by movements in foreign exchange rates, including the effect of retranslating the results of subsidiaries with various functional currencies into US dollars at different exchange rates. Given there was no significant movement in the average US dollar to other major currencies in which we operate between the first half of 2011 and the first half of 2012, our results in constant currency terms are materially the same as those presented above.

Principal risks and uncertainties
The principal risks and uncertainties facing the Group in the second half of 2012 that could lead to a significant loss of reputation or that could impact on the performance of the Group, along with our approach to managing and mitigating these risks, remain broadly unchanged from those described in the Group's 2011 Annual Report.

The key risks are in the following areas –

- Operating in cyclical oil & gas and power markets
- Health, Safety and Environmental performance
- Investment in new service areas and geographic markets
- Attraction and retention of key management
- Compliance with our ethical standards
- Quality of services
- Contracting strategy and execution
- Operating in a range of different legal, political and fiscal regimes

The mitigating factors set out in the Annual Report are designed to reduce, but cannot be relied upon to eliminate, the risk areas identified. For further detail on the principal risks and uncertainties see pages 22 to 25 of the Group's 2011 Annual Report.

Sir Ian Wood
Chairman
20 August 2012

Allister G Langlands
Chief Executive

Footnotes

1 Continuing operations revenue and EBITA figures include the results of PSN since acquisition in April 2011, and exclude the results of Well Support and the Wood Group GTS Aero engine overhaul business, disposed of in April 2011 and April 2012 respectively. The figures for June 2011 have been restated to show the Wood Group GTS aero engine overhaul business as discontinued.

2 EBITA from continuing operations represents operating profit from continuing operations pre-exceptional items of $166.1m (2010: $107.0m), before the deduction of amortisation of $39.0m (2011: $26.9m) and is provided as it is a key unit of measurement used by the Group in the management of its business.

3 Adjusted diluted earnings per share ('AEPS') is calculated by dividing earnings before exceptional items and amortisation, net of tax, by the weighted average number of ordinary shares in issue during the period, excluding shares held by the Group's employee share ownership trusts and adjusted to assume conversion of all potentially dilutive ordinary shares.

4 Number of people includes both employees and contractors at 30 June 2012.

5 Interest cover is EBITA from continuing operations divided by the net finance charge from continuing operations.

6 Return on Capital Employed ('ROCE') is EBITA divided by average capital employed.

7 Operating Capital Employed to Revenue ('OCER') is the average operating capital employed divided by revenue. Operating capital employed comprises property, plant and equipment, intangible assets (excluding intangibles recognised on acquisition), inventories and trade and other receivables, less trade and other payables.

8 Safety cases are measured by TRCF. TRCF is Total Recordable Case Frequency (LWC+RWC+MTC) per million man hours. All figures are continuing Group pro forma.

LWC Lost Work Case
RWC Restricted Work Case
MTC Medical Treatment Case

Group income statement
for the six month period to 30 June 2012

		Unaudited Interim June 2012			Unaudited Interim June 2011			Audited Full Year December 2011		
	Note	**Pre-exceptional items $m**	**Exceptional items (note 3) $m**	**Total $m**	Pre-exceptional items $m	Exceptional items (note 3) $m	Total $m	Pre-exceptional items $m	Exceptional items (note 3) $m	Total $m
Revenue from continuing operations	2	**3,346.3**	**–**	**3,346.3**	2,465.9	–	2,465.9	5,666.8	–	5,666.8
Cost of sales		**(2,777.4)**	**–**	**(2,777.4)**	(2,018.4)	–	(2,018.4)	(4,684.2)	(29.7)	(4,713.9)
Gross profit		**568.9**	**–**	**568.9**	447.5	–	447.5	982.6	(29.7)	952.9
Administrative expenses		**(402.8)**	**(9.3)**	**(412.1)**	(340.5)	(42.1)	(382.6)	(719.7)	(125.7)	(845.4)
Operating profit	2	**166.1**	**(9.3)**	**156.8**	107.0	(42.1)	64.9	262.9	(155.4)	107.5
Finance income		**0.9**	**–**	**0.9**	3.2	–	3.2	4.9	–	4.9
Finance expense		**(7.0)**	**–**	**(7.0)**	(7.5)	(3.8)	(11.3)	(13.7)	(3.8)	(17.5)
Profit before taxation from continuing operations		**160.0**	**(9.3)**	**150.7**	102.7	(45.9)	56.8	254.1	(159.2)	94.9
Taxation	8	**(46.4)**	**3.9**	**(42.5)**	(30.8)	10.2	(20.6)	(75.0)	26.7	(48.3)
Profit for the period from continuing operations		**113.6**	**(5.4)**	**108.2**	71.9	(35.7)	36.2	179.1	(132.5)	46.6
(Loss/)profit from discontinued operations, net of tax		**(1.1)**	**15.6**	**14.5**	37.0	2,189.7	2,226.7	36.1	2,220.1	2,256.2
Profit for the period		**112.5**	**10.2**	**122.7**	108.9	2,154.0	2,262.9	215.2	2,087.6	2,302.8
Profit attributable to:										
Owners of the parent		**111.3**	**10.2**	**121.5**	108.7	2,154.0	2,262.7	214.7	2,087.6	2,302.3
Non-controlling interests		**1.2**	**–**	**1.2**	0.2	–	0.2	0.5	–	0.5
		112.5	**10.2**	**122.7**	108.9	2,154.0	2,262.9	215.2	2,087.6	2,302.8
Earnings per share (expressed in cents per share)										
Basic	7	**31.0**	**2.9**	**33.9**	21.3	422.7	444.0	49.5	481.2	530.7
Diluted	7	**30.0**	**2.7**	**32.7**	20.6	408.8	429.4	47.8	465.2	513.0

(Loss)/profit from discontinued operations net of tax represent the post-tax losses of the Wood Group GTS aero engine overhaul business which was divested in April 2012 and the post-tax profits of the Well Support business which was divested in April 2011, together with the post-tax gain on divestment.

Group statement of comprehensive income

for the six month period to 30 June 2012

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year December 2011 $m
Profit for the period	**122.7**	2,262.9	2,302.8
Other comprehensive income			
Actuarial losses on retirement benefit liabilities	**–**	–	(22.6)
Movement in deferred tax relating to retirement benefit liabilities	**–**	–	6.1
Cash flow hedges	**0.4**	7.1	(1.6)
Net exchange movements on retranslation of foreign currency net assets	**2.1**	12.5	(31.1)
Net exchange movements on retranslation of non-controlling interests	**–**	0.2	(0.2)
Total comprehensive income for the period	**125.2**	2,282.7	2,253.4
Total comprehensive income for the period is attributable to:			
Owners of the parent	**124.0**	2,282.3	2,253.1
Non-controlling interests	**1.2**	0.4	0.3
	125.2	2,282.7	2,253.4

Group balance sheet
as at 30 June 2012

	Note	**Unaudited Interim June 2012 $m**	Unaudited Interim June 2011 $m	Audited Full Year December 2011 $m
Assets				
Non-current assets				
Goodwill and other intangible assets		**1,606.0**	1,694.0	1,621.3
Property plant and equipment		**161.8**	146.7	150.0
Long term receivables		**48.5**	45.9	42.0
Deferred tax assets		**64.4**	70.7	60.6
		1,880.7	1,957.3	1,873.9
Current assets				
Inventories		**435.9**	416.2	404.5
Trade and other receivables		**1,446.9**	1,250.5	1,320.9
Income tax receivable		**38.6**	13.9	28.7
Cash and cash equivalents	12	**180.1**	1,186.8	226.6
Gross assets held for sale		**-**	-	26.4
		2,101.5	2,867.4	2,007.1
Liabilities				
Current liabilities				
Borrowings	12	**56.2**	29.2	69.2
Trade and other payables		**1,242.8**	1,219.6	1,286.2
Income tax liabilities		**113.5**	130.1	139.2
Gross liabilities held for sale		**-**	-	10.6
		1,412.5	1,378.9	1,505.2
Net current assets		**689.0**	1,488.5	501.9
Non-current liabilities				
Borrowings	12	**231.3**	172.5	161.3
Deferred tax liabilities		**4.3**	63.5	5.7
Retirement benefit liabilities	9	**47.3**	25.3	45.8
Other non-current liabilities		**121.5**	88.5	98.7
Provisions		**90.2**	29.3	89.8
		494.6	379.1	401.3
Net assets		**2,075.1**	3,066.7	1,974.5
Equity attributable to owners of the parent				
Share capital		**23.4**	23.3	23.4
Share premium		**8.1**	321.8	7.7
Retained earnings		**1,569.0**	2,516.2	1,469.8
Other reserves		**466.1**	194.2	463.6
		2,066.6	3,055.5	1,964.5
Non-controlling interests		**8.5**	11.2	10.0
Total equity		**2,075.1**	3,066.7	1,974.5

Group statement of changes in equity

for the six month period to 30 June 2012

	Note	Share Capital $m	Share Premium $m	Retained Earnings $m	Other Reserves $m	Equity attributable to owners of the parent $m	Non-controlling interests $m	Total Equity $m
At 1 January 2011		26.3	315.8	1,007.6	56.6	**1,406.3**	10.9	**1,417.2**
Profit for the period		–	–	2,262.7	–	**2,262.7**	0.2	**2,262.9**
Other comprehensive income:								
Cash flow hedges		–	–	–	7.1	**7.1**	–	**7.1**
Net exchange movements on retranslation of foreign currency net assets		–	–	–	12.5	**12.5**	0.2	**12.7**
Total comprehensive income for the period		**–**	**–**	**2,262.7**	**19.6**	**2,282.3**	**0.4**	**2,282.7**
Transactions with owners:								
Dividends paid	4	–	–	(39.3)	–	**(39.3)**	(0.2)	**(39.5)**
Credit relating to share based charges	13	–	–	2.2	–	**2.2**	–	**2.2**
Shares disposed of by employee share trusts		–	–	9.9	–	**9.9**	–	**9.9**
Exchange movements in respect of shares held by employee share trusts		–	–	(1.9)	–	**(1.9)**	–	**(1.9)**
Shares issued in respect of the PSN acquisition		0.6	–	–	114.4	**115.0**	–	**115.0**
Purchase of shares under tender offer		(3.6)	–	(675.7)	3.6	**(675.7)**	–	**(675.7)**
Expenses and foreign exchange relating to return of cash to shareholders, net of tax		–	–	(43.3)	–	**(43.3)**	–	**(43.3)**
Adjustment relating to options exercised under share symmetry scheme		–	6.0	(6.0)	–	**–**	–	**–**
Transactions with non-controlling interests		–	–	–	–	**–**	0.1	**0.1**
At 30 June 2011		**23.3**	**321.8**	**2,516.2**	**194.2**	**3,055.5**	**11.2**	**3,066.7**
At 1 January 2012		**23.4**	**7.7**	**1,469.8**	**463.6**	**1,964.5**	**10.0**	**1,974.5**
Profit for the period		–	–	121.5	–	**121.5**	1.2	**122.7**
Other comprehensive income:								
Cash flow hedges		–	–	–	0.4	**0.4**	–	**0.4**
Net exchange movements on retranslation of foreign currency net assets		–	–	–	2.1	**2.1**	–	**2.1**
Total comprehensive income for the period		**–**	**–**	**121.5**	**2.5**	**124.0**	**1.2**	**125.2**
Transactions with owners:								
Dividends paid	4	–	–	(34.6)	–	**(34.6)**	(0.8)	**(35.4)**
Credit relating to share based charges	13	–	–	9.2	–	**9.2**	–	**9.2**
Shares disposed of by employee share trusts		–	–	4.5	–	**4.5**	–	**4.5**
Exchange movements in respect of shares held by employee share trusts		–	–	(1.0)	–	**(1.0)**	–	**(1.0)**
Adjustment relating to options exercised under share symmetry scheme		–	0.4	(0.4)	–	**–**	–	**–**
Transactions with non-controlling interests		–	–	–	–	**–**	(1.9)	**(1.9)**
At 30 June 2012		**23.4**	**8.1**	**1,569.0**	**466.1**	**2,066.6**	**8.5**	**2,075.1**

The figures presented in the above tables are unaudited.

Other reserves include the capital redemption reserve, capital reduction reserve, merger reserve, currency translation reserve and the hedging reserve.

Group cash flow statement

for the six month period to 30 June 2012

	Note	**Unaudited Interim June 2012 $m**	Unaudited Interim June 2011 $m	Audited Full Year December 2011 $m
Cash generated from operations	11	**53.8**	52.5	284.5
Tax paid		**(84.9)**	(58.5)	(118.7)
Net cash (used in)/from operating activities		**(31.1)**	(6.0)	165.8
Cash flows from investing activities				
Acquisition of subsidiaries (net of cash and borrowings acquired)	5	**(26.0)**	(926.6)	(979.4)
Cash impact of exceptional items		**–**	(11.2)	(16.4)
Proceeds from divestment of subsidiaries (net of cash and borrowings divested and divestment costs)	6	**38.4**	2,745.9	2,793.6
Purchase of property plant and equipment		**(30.7)**	(38.0)	(72.4)
Proceeds from sale of property plant and equipment		**–**	1.0	3.5
Purchase of intangible assets		**(14.7)**	(12.8)	(32.0)
Proceeds from disposal of intangible assets		**–**	0.6	0.6
Transactions with non-controlling interests		**–**	(0.8)	0.5
Net cash (used in)/from investing activities		**(33.0)**	1,758.1	1,698.0
Cash flows from financing activities				
Proceeds from/(repayment of) bank loans		**57.9**	(1.6)	39.9
Return of cash to shareholders		**(7.7)**	(675.7)	(1,725.8)
Expenses relating to return of cash to shareholders		**–**	(5.3)	(14.9)
Purchase of shares by employee share trusts		**–**	–	(42.5)
Disposal of shares by employee share trusts		**4.5**	9.9	12.3
Interest received		**0.9**	2.5	4.6
Interest paid		**(5.4)**	(12.2)	(17.4)
Dividends paid to shareholders	4	**(34.6)**	(39.3)	(53.4)
Dividends paid to non-controlling interests		**(0.8)**	(0.2)	(0.3)
Net cash from/(used in) financing activities		**14.8**	(721.9)	(1,797.5)
Net (decrease)/increase in cash and cash equivalents		**(49.3)**	1,030.2	66.3
Effect of exchange rate changes on cash and cash equivalents		**2.8**	(23.5)	(19.8)
Opening cash and cash equivalents		**226.6**	180.1	180.1
Closing cash and cash equivalents		**180.1**	1,186.8	226.6

Notes to the interim accounts

for the six month period to 30 June 2012

1 Basis of preparation

The interim report and financial statements for the six months ended 30 June 2012 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim financial reporting' as adopted by the European Union. The interim report and financial statements should be read in conjunction with the Group's 2011 Annual Report and Accounts which have been prepared in accordance with IFRSs as adopted by the European Union.

The interim report and financial statements have been prepared on the basis of the accounting policies set out in the Group's 2011 Annual Report and Accounts and those new standards discussed below which are applicable from 1 January 2012. The interim report and financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim financial statements were approved by the Board of Directors on 20 August 2012. The results for the six months to 30 June 2012 and the comparative results for six months to 30 June 2011 are unaudited. The comparative figures for the year ended 31 December 2011 do not constitute the statutory financial statements for that year. Those financial statements have been delivered to the Registrar of Companies and include the auditor's report which was unqualified and did not contain any statement under Section 498 of the Companies Act 2006.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the consolidated interim financial statements.

Functional currency

The Group's earnings stream is primarily US dollars and the principal functional currency is the US dollar, being the most representative currency of the Group. The Group's financial statements are therefore prepared in US dollars.

The following exchange rates have been used in the preparation of these accounts:

	June 2012	June 2011
Average rate £1 = $	**1.5752**	1.6150
Closing rate £1 = $	**1.5685**	1.6055

Disclosure of impact of new and future accounting standards

(a) Amended standards and interpretations not relevant to the Group

The following revisions and amendments to standards and interpretations are mandatory as of 1 January 2012 but are currently not relevant to the Group and have no impact to the Group's interim financial statements:

- Amendment to IFRS 7, Financial instruments: Transfers of financial assets
- Amendment to IFRS 1 on hyperinflation and fixed dates
- Amendment to IAS 12, 'Income taxes' on deferred tax

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following relevant standards and amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2013 or later periods, but the Group has not early adopted them:

- IFRS 9, 'Financial instruments'
- IFRS 10, 'Consolidated financial statements'
- IFRS 11, 'Joint arrangements'
- IFRS 12, 'Disclosures of interests in other entities'
- IFRS 13, 'Fair value measurement'
- IAS 19 (revised 2011) 'Employee benefits'
- IAS 27 (revised 2011) 'Separate financial statements'
- IAS 28 (revised 2011) 'Associates and joint ventures'
- Amendment to IFRS 1, 'Presentation of financial statements' on OCI
- Amendment to IFRS 7 on Financial instruments asset and liability offsetting

The Group currently accounts for its interests in joint ventures using proportional consolidation. Under IFRS 11, proportional consolidation will not be permitted and therefore from 1st January 2013 the Group will account for its interests in joint ventures using equity accounting. The use of equity accounting will have no impact on Group profit for the year or earnings per share, but will impact the presentation of the Group's interests in joint ventures in the income statement and in the balance sheet.

The Group has yet to assess the full impact of the other new standards and amendments but does not expect them to have a material impact on the financial statements.

Notes to the interim accounts

for the six month period to 30 June 2012

2 Segmental reporting

The segment information provided to the Chief Operating Decision Maker for the reportable operating segments for the period included the following:

Reportable operating segments

	Revenue			EBITDA[1]			EBITA[1]			Operating profit		
	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year 2011 $m	**Unaudited Interim June 2012 $m**	Unaudited Interim June 2011 $m	Audited Full Year 2011 $m	**Unaudited Interim June 2012 $m**	Unaudited Interim June 2011 $m	Audited Full Year 2011 $m	**Unaudited Interim June 2012 $m**	Unaudited Interim June 2011 $m	Audited Full Year 2011 $m
Engineering	**872.2**	688.5	1,458.6	**109.0**	76.7	170.6	**104.1**	72.5	162.0	**87.4**	42.1	128.3
Wood Group PSN[2]	**1,774.1**	1,296.9	3,012.7	**96.0**	70.5	165.8	**90.0**	65.1	153.2	**63.8**	30.0	42.0
Wood Group GTS	**700.0**	480.5	1,195.5	**45.1**	28.1	91.8	**38.1**	22.5	78.8	**33.5**	19.7	(8.9)
Central costs[3]	**–**	–	–	**(25.6)**	(24.8)	(49.4)	**(27.1)**	(26.2)	(52.4)	**(27.9)**	(26.9)	(53.9)
Well Support – divested[4]	**–**	347.0	347.8	**–**	70.0	69.5	**–**	58.4	57.6	**–**	58.4	57.6
Wood Group GTS – divested[5]	**6.8**	15.9	37.7	**(1.7)**	(0.3)	(0.5)	**(2.0)**	(0.3)	(0.5)	**(2.0)**	(0.3)	(12.5)
Total[6]	**3,353.1**	2,828.8	6,052.3	**222.8**	220.2	447.8	**203.1**	192.0	398.7	**154.8**	123.0	152.6
Remove divested operations	**(6.8)**	(362.9)	(385.5)	**1.7**	(69.7)	(69.0)	**2.0**	(58.1)	(57.1)	**2.0**	(58.1)	(45.1)
Total continuing operations	**3,346.3**	2,465.9	5,666.8	**224.5**	150.5	378.8	**205.1**	133.9	341.6	**156.8**	64.9	107.5
Finance income										**0.9**	3.2	4.9
Finance expense										**(7.0)**	(11.3)	(17.5)
Profit before taxation from continuing operations										**150.7**	56.8	94.9
Taxation										**(42.5)**	(20.6)	(48.3)
Profit for the period from continuing operations										**108.2**	36.2	46.6
Profit from discontinued operations net of tax										**14.5**	2,226.7	2,256.2
Profit for the period										**122.7**	2,262.9	2,302.8

Notes

1. Total continuing EBITDA represents operating profit of $156.8m (2011: $64.9m) before adding back continuing depreciation of property, plant and equipment of $19.4m (2011: $16.6m), amortisation of $39.0m (2011: $26.9m) and continuing exceptional items of $9.3m (2011: $42.1m). EBITA represents EBITDA less depreciation. EBITA and EBITDA are provided as they are units of measurement used by the Group in the management of its business.
2. The 2011 results of Wood Group PSN include the trading activity of PSN from the date of acquisition, 20 April 2011.
3. Central costs include the costs of certain management personnel in both the UK and the US, along with an element of Group infrastructure costs.
4. The 2011 results of the Well Support division represent the trading activity of that division up to 26 April 2011, the date the division was divested.
5. The 2012 results of the Wood Group GTS engine overhaul business represents the trading activity of that business up to 4 April 2012, the date the business was divested.
6. Figures on the total row are the sum of continuing activity and the activity of the divested businesses up to the date of disposal excluding the gains on divestment.
7. Revenue arising from sales between segments is not material.

Segment assets

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year Dec 2011 $m
Engineering	**829.9**	735.3	724.9
Wood Group PSN	**1,987.9**	2,000.2	1,897.8
Wood Group GTS	**996.3**	883.4	1,059.3
Well Support – divested	**–**	7.7	7.7
Wood Group GTS – divested	**–**	28.3	18.7
Unallocated	**168.1**	1,169.8	172.6
	3,982.2	4,824.7	3,881.0

Unallocated segment assets includes cash, income tax and deferred tax balances.

Notes to the interim accounts
for the six month period to 30 June 2012

3 Exceptional items

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year Dec 2011 $m
Exceptional items included in continuing operations			
Acquisition costs	**–**	9.5	12.0
Integration and restructuring charges	**–**	9.7	84.2
Provision for doubtful debts	**9.3**	22.9	13.0
Impairment of goodwill	**–**	–	46.2
	9.3	42.1	155.4
Bank facility fees relating to PSN acquisition	**–**	3.8	3.8
	9.3	45.9	159.2
Taxation	**(3.9)**	(10.2)	(26.7)
Continuing operations exceptional items, net of tax	**5.4**	35.7	132.5
Exceptional items included in discontinued operations			
Gain on divestment – Well Support (note 6)	**(21.2)**	(2,267.2)	(2,305.7)
Write down of assets of aero engine overhaul business	**–**	–	12.0
	(21.2)	(2,267.2)	(2,293.7)
Taxation	**5.6**	77.5	73.6
Discontinued operations exceptional items, net of tax	**(15.6)**	(2,189.7)	(2,220.1)
Total exceptional items, net of tax	**(10.2)**	(2,154.0)	(2,087.6)

During the period, a net provision for doubtful debts of $9.3m was recorded.

At 30 June 2012, the Group has provided $15.1m that relates to work carried out for ATP Oil and Gas Corporation, who have filed a voluntary petition for reorganisation under Chapter 11 of the US Bankruptcy Code. At 31 December 2011, the Group had provided $13.0m in respect of overdue Libyan receivables as a result of the political disruption earlier in 2011. In July 2012, the Group received $5.8m of these receivables and as a result this amount has been released from the provision resulting in a credit to exceptional items in the period.

A tax credit of $3.9m has been recorded in relation to exceptional items in continuing operations in the period to June 2012.

The gain on divestment of subsidiaries of $21.2m relates to the disposal of the Group's interest in a Well Support business in the Middle East and the disposal of the Wood Group GTS aero engine overhaul business. A tax charge of $5.6m has been recorded in relation to the gain on divestment of subsidiaries. Further details of these divestments are provided in note 6.

For further details of the 2011 exceptional items please see the 2011 Annual Report and Accounts.

4 Dividends

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year Dec 2011 $m
Dividends on ordinary shares			
Final paid	**34.6**	39.3	39.3
Interim paid	**–**	–	14.1
Total dividends	**34.6**	39.3	53.4

After the balance sheet date, the directors declared an interim dividend of 5.7 cents per share which will be paid on 28 September 2012. The interim financial statements do not reflect the interim dividend, which will be recognised in equity attributable to owners of the parent as an appropriation of retained earnings in the financial statements for the year ended 31 December 2012.

Notes to the interim accounts
for the six month period to 30 June 2012

5 Acquisitions

Contingent consideration payments amounting to $26.0m were made during the period in relation to acquisitions completed in previous years.

Fair value adjustments in respect of the PSN acquisition have now been finalised and resulted in increased goodwill of $3.7m in the period. The prior year figures have not been restated for this adjustment as it is not considered to be material.

6 Divestments

In April 2012, the Group divested its aero engine overhaul business and in May 2012, the Group completed the divestment of its interest in a Well Support business in the Middle East. Details of the assets and liabilities disposed of and of cash received are as follows:

	$m
Property plant and equipment	7.6
Goodwill and other intangible assets	1.4
Inventories	14.1
Trade and other receivables	10.6
Cash and cash equivalents	0.4
Borrowings	(0.2)
Trade and other payables	(16.9)
	17.0
Non-controlling interests	(1.2)
Net assets divested	**15.8**
Gross proceeds received	43.0
Gross gain on divestment	**27.2**
Disposal costs	(6.0)
Net gain on divestment before tax	**21.2**
Tax	(5.6)
Net gain on divestment after tax (see note 3)	**15.6**

The inflow of cash and cash equivalents in relation to the divestments is analysed as follows:

	$m
Gross proceeds receivable	43.0
Proceeds not yet received	(2.7)
Divestment costs paid	(1.7)
Cash divested	(0.4)
Borrowings divested	0.2
Net cash inflow from divestment	**38.4**

Notes to the interim accounts

for the six month period to 30 June 2012

7 Earnings per share

	Unaudited Interim June 2012			Unaudited Interim June 2011			Audited Full Year December 2011		
	Earnings attributable to equity shareholders $m	**Number of shares (millions)**	**Earnings per share (cents)**	Earnings attributable to equity shareholders $m	Number of shares (millions)	Earnings per share (cents)	Earnings attributable to equity shareholders $m	Number of shares (millions)	Earnings per share (cents)
Basic pre-exceptional	**111.3**	**358.7**	**31.0**	108.7	509.6	21.3	214.7	433.8	49.5
Exceptional items, net of tax	**10.2**	**358.7**	**2.9**	2,154.0	509.6	422.7	2,087.6	433.8	481.2
Basic	**121.5**	**358.7**	**33.9**	2,262.7	509.6	444.0	2,302.3	433.8	530.7
Effect of dilutive ordinary shares	**–**	**12.7**	**(1.2)**	–	17.3	(14.6)	–	15.0	(17.7)
Diluted	**121.5**	**371.4**	**32.7**	2,262.7	526.9	429.4	2,302.3	448.8	513.0
Exceptional items, net of tax	**(10.2)**	**–**	**(2.7)**	(2,154.0)	–	(408.8)	(2,087.6)	–	(465.2)
Diluted pre-exceptional items	**111.3**	**371.4**	**30.0**	108.7	526.9	20.6	214.7	448.8	47.8
Amortisation, net of tax	**27.7**	**–**	**7.4**	23.9	–	4.6	55.5	–	12.4
Adjusted diluted	**139.0**	**371.4**	**37.4**	132.6	526.9	25.2	270.2	448.8	60.2
Adjusted basic	**139.0**	**358.7**	**38.8**	132.6	509.6	26.0	270.2	433.8	62.3

The calculation of basic earnings per share ('EPS') is based on the earnings attributable to equity shareholders divided by the weighted average number of ordinary shares in issue during the period excluding shares held by the Group's employee share trusts. For the calculation of diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. The Group has two types of dilutive ordinary shares – share options granted to employees under Employee Share Option Schemes and the Long Term Retention Plan; and shares issuable under the Group's Long Term Incentive Plan. Adjusted basic and adjust diluted EPS is disclosed to show the results excluding the impact of exceptional items and amortisation, net of tax.

8 Taxation

The taxation charge for the six months ended 30 June 2012 reflects an anticipated rate of 29.0% on continuing profit before taxation and exceptional items for the year ending 31 December 2012 (June 2011: 30.0%).

Legislation to reduce the main rate of UK corporation tax from 26% to 25% from 1 April 2012 was included in the Finance Act 2011. A resolution passed by Parliament on 26 March 2012 has reduced the main rate of corporation tax by a further 1% to 24% from 1 April 2012. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014. None of these expected rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

9 Retirement benefit liability

No interim revaluation of the pension liability has been carried out at 30 June 2012 and accordingly there is no actuarial gain/loss in the statement of recognised income and expense. The figures for gains and losses for the full year together with the surplus/deficit at the year end will be presented in the 2012 Annual Report and Accounts.

10 Related party transactions

The following transactions were carried out with the Group's joint ventures in the six months to 30 June. These transactions comprise sales and purchase of goods and services in the ordinary course of business.

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year December 2011 $m
Sales of goods and services to joint ventures	**15.5**	27.0	44.0
Purchase of goods and services from joint ventures	**9.5**	8.0	24.6
Receivables from joint ventures	**58.5**	26.5	36.8
Payables to joint ventures	**11.7**	4.2	5.5

Notes to the interim accounts
for the six month period to 30 June 2012

11 Cash generated from operations

	Unaudited Interim June 2012 $m	Unaudited Interim June 2011 $m	Audited Full Year December 2011 $m
Reconciliation of operating profit to cash generated from operations:			
Operating profit from continuing operations before exceptional items	**166.1**	107.0	262.9
Operating (loss)/profit from discontinued operations before exceptional items	**(2.0)**	58.1	57.1
Adjustments for:			
Depreciation	**19.7**	26.4	47.2
Loss/(profit) on disposal of property plant and equipment	**0.1**	0.8	(0.1)
Amortisation of intangible assets	**39.0**	26.9	78.7
Share based charges	**11.7**	2.2	19.2
Decrease in provisions	**(2.7)**	(5.7)	(3.1)
Changes in working capital (excluding effect of acquisition and divestment of subsidiaries)			
Increase in inventories	**(31.2)**	(36.0)	(51.4)
Increase in receivables	**(133.4)**	(131.2)	(232.1)
(Decrease)/increase in payables	**(8.3)**	1.9	96.4
Exchange movements	**(5.2)**	2.1	9.7
Cash generated from operations	**53.8**	52.5	284.5

12 Reconciliation of cash flow to movement in net debt

	At 1 January 2012 $m	Cash flow $m	Exchange movements $m	**At 30 June 2012 $m**
Cash and cash equivalents	226.6	(49.3)	2.8	**180.1**
Short term borrowings	(69.2)	13.5	(0.5)	**(56.2)**
Long term borrowings	(161.3)	(71.4)	1.4	**(231.3)**
Net debt	(3.9)	(107.2)	3.7	**(107.4)**

Notes to the interim accounts
for the six month period to 30 June 2012

13 Share based charges

Share based charges for the period of $11.7m (2011: $8.5m) relate to options granted under the Group's executive share option schemes and awards under the Long Term Incentive Plan and the Long Term Cash Incentive Plan ('LTCIP'). The charge is included in administrative expenses in the income statement. The liability of $2.5m in respect of the LTCIP is included in non-current liabilities with the balance of the charge, $9.2m being credited to equity.

14 Capital commitments

At 30 June 2012 the Group had entered into contracts for future capital expenditure amounting to $11.4m. The capital expenditure relates to property plant and equipment and has not been provided in the financial statements.

15 Post balance sheet events

On 1 July 2012, the Group acquired Duval Lease Services and Freer Iron Works Inc ('Duval') for an initial consideration of $21.4m. Duval provides maintenance, installation and fabrication services in the Eagle Ford shale region of Texas.

16 Contingent liabilities

In February 2010, the Group, and several other parties, were notified of a legal claim from a customer in respect of work carried out in 2008. Management believe that the Group is in a strong position to defend the claim. In addition, the Group is currently cooperating with an investigation in relation to a facility where it previously provided services. Management do not believe that it is probable that any material liability will arise from either of these matters. There has been no material change to the position on these matters since 31 December 2011.

Statement of directors' responsibilities
for the six month period to 30 June 2012

The directors confirm that the interim report and financial statements have been prepared in accordance with IAS 34 as adopted by the European Union and that the interim report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the financial statements and a description of the principal risks and uncertainties for the remaining six months of the year; and
- material related party transactions in the first six months and any material changes in the related party transactions described in the last annual report.

The directors of John Wood Group PLC are listed in the Group's 2011 Annual Report and Accounts with the exception of the following changes in the period: C Masters resigned on 10 May 2012, J Morgan resigned on 10 May 2012, L Thomas resigned on 29 June 2012, M Papworth resigned on 29 June 2012 and M Shafer-Malicki was appointed on 1 June 2012.

A G Langlands
Chief Executive

A G Semple
Group Finance Director

20 August 2012

Independent review report to John Wood Group PLC

for the six month period to 30 June 2012

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the interim financial report for the six months ended 30 June 2012 which comprises the Group income statement, Group statement of comprehensive income, Group balance sheet, Group statement of changes in equity, Group cash flow statement and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information in the condensed set of financial statements.

Directors' responsibilities

The interim financial report, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed financial statements included in this interim financial report have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the interim financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the six months ended 30 June 2012 are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
Aberdeen
20 August 2012

Shareholder information

Payment of dividends

The Company declares its dividends in US dollars. As a result of the shareholders being mainly UK based, dividends will be paid in sterling, but if you would like to receive your dividend in dollars please contact the Registrars at the address below. All shareholders will receive dividends in sterling unless requested. If you are a UK based shareholder, the Company encourages you to have your dividends paid through the BACS (Banker's Automated Clearing Services) system. The benefit of the BACS payment method is that the Registrars post the tax vouchers directly to the shareholders, whilst the dividend is credited on the payment date to the shareholder's Bank or Building Society account. Shareholders who have not yet arranged for their dividends to be paid direct to their Bank or Building Society account and wish to benefit from this service should contact the Registrars at the address below. Sterling dividends will be translated at the closing mid-point spot rate on 31 August 2012 as published in the Financial Times on 1 September 2012.

Officers and advisers

Secretary and Registered Office
R M B Brown
John Wood Group PLC
John Wood House
Greenwell Road
Aberdeen
AB12 3AX

Tel: 01224 851000

Registrars
Equiniti
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Tel: 0871 384 2649

Stockbrokers
Credit Suisse
JPMorgan Cazenove Limited

Independent Auditor
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Company Solicitors
Slaughter and May

Financial calendar

	6 months ended 30 June 2012	**Year ending 31 December 2012**
Results announced	21 August 2012	Early March 2013
Ex-dividend date	29 August 2012	April 2013
Dividend record date	31 August 2012	April 2013
Dividend payment date	28 September 2012	May 2013
Annual General Meeting		May 2013

The Group's Investor Relations website can be accessed at www.woodgroup.com.

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John Wood Group PLC
15 Justice Mill Lane
Aberdeen
AB11 6EQ
UK

Tel +44 1224 851 000

17420 Katy Freeway
Suite 300
Houston
TX 77094
USA

Tel +1 281 828 3500

www.woodgroup.com