

## Accounting Policy Changes

### IFRS15 'Revenue from contracts with customers' – restatement of 2017 financial statements

The Group has adopted IFRS15 on 1 January 2018. The standard sets out the requirements for recognising revenue from contracts with customers, and supersedes the current revenue recognition guidance including IAS 18 'Revenue', IAS 11 'Construction Contracts' and the related interpretations.

The Group has applied the fully retrospective method when adopting IFRS15 which requires the restatement of the comparative periods presented in the financial statements. Below we have set out the expected impact of the restatement on the year ended 31 December 2017 financial statements and each quarter in 2017.

#### Impact on the Consolidated Income Statement and Total Comprehensive Income (unaudited)

(\$ in millions)	Reported <sup>1</sup>	IFRS15 adj	Restated
<b>Revenues</b>	<b>1,400.2</b>	<b>(8.5)</b>	<b>1,391.7</b>
Other operating costs	(212.1)	16.3	(195.8)
<b>EBITDA</b>	<b>731.5</b>	<b>7.8</b>	<b>739.3</b>
Depreciation and amortisation	(406.7)	(5.1)	(411.8)
<b>Operating profit</b>	<b>321.5</b>	<b>2.7</b>	<b>324.2</b>
Financing income	6.5	1.3	7.8
<b>Profit before tax</b>	<b>229.8</b>	<b>4.0</b>	<b>233.8</b>
Tax	(47.5)	(1.3)	(48.8)
<b>Profit after tax</b>	<b>182.3</b>	<b>2.7</b>	<b>185.0</b>
<b>Total comprehensive income</b>	<b>207.7</b>	<b>2.7</b>	<b>210.4</b>

#### Quarterly impact in 2017:

(\$ in millions)	Q1	Q2	Q3	Q4	Total
<b>Revenues</b>	(2.7)	(1.8)	(2.1)	(1.9)	<b>(8.5)</b>
Other operating costs	4.3	3.4	4.1	4.5	16.3
<b>EBITDA</b>	<b>1.6</b>	<b>1.6</b>	<b>2.0</b>	<b>2.6</b>	<b>7.8</b>
Depreciation and amortisation	(1.2)	(1.0)	(1.2)	(1.7)	(5.1)
<b>Operating profit</b>	<b>0.4</b>	<b>0.6</b>	<b>0.8</b>	<b>0.9</b>	<b>2.7</b>
Financing income	0.3	0.3	0.3	0.4	1.3
<b>Profit before tax</b>	<b>0.7</b>	<b>0.9</b>	<b>1.1</b>	<b>1.3</b>	<b>4.0</b>
Tax	(0.2)	(0.2)	(0.4)	(0.5)	(1.3)
<b>Profit after tax</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>2.7</b>
<b>Total comprehensive income</b>	<b>0.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.8</b>	<b>2.7</b>

<sup>1</sup> Reported refers to the Annual report and accounts for 2017.

## Impact on the Consolidated Balance Sheet and Equity (unaudited)

(\$ in millions)	Reported	IFRS 15 adj	Restated
<b>Non-current assets</b>			
Property, plant and equipment	3,236.6	18.9	3,255.5
Deferred income tax asset	35.6	(0.2)	35.4
<b>Current assets</b>			
Trade and other receivables	319.4	25.0	344.4
<b>Total assets</b>	<b>4,959.5</b>	<b>43.7</b>	<b>5,003.2</b>
<b>Current liabilities</b>			
Trade and other payables	584.6	49.8	634.4
<b>Non-current liabilities</b>			
Deferred income tax liabilities	237.3	1.1	238.4
<b>Total liabilities</b>	<b>3,704.2</b>	<b>50.9</b>	<b>3,755.1</b>
<b>Net assets (Equity)</b>	<b>1,255.3</b>	<b>(7.2)</b>	<b>1,248.1</b>

### Quarterly impact in 2017:

(\$ in millions)	B/F	Q1	Q2	Q3	Q4	Total
<b>Non-current assets</b>						
Property, plant and equipment	8.5	3.1	2.3	2.5	2.5	18.9
Deferred income tax asset	–	–	–	(0.1)	(0.1)	(0.2)
<b>Current assets</b>						
Trade and other receivables	11.0	3.5	3.5	3.5	3.5	25.0
<b>Total assets</b>	<b>19.5</b>	<b>6.6</b>	<b>5.8</b>	<b>5.9</b>	<b>5.9</b>	<b>43.7</b>
<b>Current liabilities</b>						
Trade and other payables	29.4	5.7	4.9	4.9	4.9	49.8
<b>Non-current liabilities</b>						
Deferred income tax liabilities	-	0.2	0.2	0.4	0.3	1.1
<b>Total liabilities</b>	<b>29.4</b>	<b>5.9</b>	<b>5.1</b>	<b>5.3</b>	<b>5.2</b>	<b>50.9</b>
<b>Net assets (Equity)</b>	<b>(9.9)</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>0.7</b>	<b>(7.2)</b>

### Impact on the Consolidated Cash Flow Statement (unaudited)

(\$ in millions)	Reported	IFRS15 adj	Restated
Cash generated from operations	774.4	15.4	789.8
<b>Net cash inflow from operating activities</b>	<b>760.1</b>	<b>15.4</b>	<b>775.5</b>
Purchase of property, plant and equipment	(438.9)	(15.4)*	(454.3)
<b>Net cash used in investing activities</b>	<b>(546.7)</b>	<b>(15.4)</b>	<b>(562.1)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>116.9</b>	<b>–</b>	<b>116.9</b>

\*all success based capex

### Quarterly impact in 2017:

(\$ in millions)	Q1	Q2	Q3	Q4	Total
Cash generated from operations	4.2	3.2	3.8	4.2	15.4
<b>Net cash inflow from operating activities</b>	<b>4.2</b>	<b>3.2</b>	<b>3.8</b>	<b>4.2</b>	<b>15.4</b>
Purchase of property, plant and equipment	(4.2)	(3.2)	(3.8)	(4.2)	(15.4)
<b>Net cash used in investing activities</b>	<b>(4.2)</b>	<b>(3.2)</b>	<b>(3.8)</b>	<b>(4.2)</b>	<b>(15.4)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Impact on the Segmental Analysis (unaudited)

(\$ in millions)	Reported	IFRS15 adj	Restated
<b>Revenues</b>			
Maritime	564.7	2.6	567.3
Government	366.7	–	366.7
Aviation	195.0	(13.2)	181.8
Enterprise	132.6	–	132.6
Central Services	141.2	2.1	143.3
<b>Total revenues</b>	<b>1,400.2</b>	<b>(8.5)</b>	<b>1,391.7</b>
<b>EBITDA</b>			
Maritime	441.9	5.1	447.0
Government	265.2	–	265.2
Aviation	103.4	0.6	104.0
Enterprise	91.9	–	91.9
Central Services	(151.0)	2.1	(148.9)
<b>Adjusted EBITDA</b>	<b>751.4</b>	<b>7.8</b>	<b>759.2</b>
Restructuring charge	(19.9)	-	(19.9)
<b>EBITDA</b>	<b>731.5</b>	<b>7.8</b>	<b>739.3</b>
<b>Cash capital expenditure</b>			
Maritime	43.4	2.5	45.9
Government	9.9	–	9.9
Aviation	130.9	12.9	143.8
Enterprise	-	–	-
Central Services	414.5	–	414.5
<b>Total cash capital expenditure</b>	<b>598.7</b>	<b>15.4</b>	<b>614.1</b>
Financing costs capitalised in the cost of qualifying assets	40.2	–	40.2
Cash flow timing	36.6	–	36.6
<b>Total capital expenditure</b>	<b>675.5</b>	<b>15.4</b>	<b>690.9</b>

### Quarterly impact in 2017:

(\$ in millions)	Q1	Q2	Q3	Q4	Total
<b>Revenues</b>					
Maritime	0.7	0.7	0.4	0.8	2.6
Aviation	(3.9)	(3.0)	(3.0)	(3.3)	(13.2)
Central Services	0.5	0.5	0.5	0.6	2.1
<b>Total revenues</b>	<b>(2.7)</b>	<b>(1.8)</b>	<b>(2.1)</b>	<b>(1.9)</b>	<b>(8.5)</b>
<b>EBITDA</b>					
Maritime	1.3	1.0	1.2	1.6	5.1
Aviation	(0.2)	0.1	0.3	0.4	0.6
Central Services	0.5	0.5	0.5	0.6	2.1
<b>EBITDA</b>	<b>1.6</b>	<b>1.6</b>	<b>2.0</b>	<b>2.6</b>	<b>7.8</b>
<b>Cash capital expenditure</b>					
Maritime	0.6	0.3	0.8	0.8	2.5
Aviation	3.6	2.9	3.0	3.4	12.9
<b>Total cash capital expenditure</b>	<b>4.2</b>	<b>3.2</b>	<b>3.8</b>	<b>4.2</b>	<b>15.4</b>
<b>Total capital expenditure</b>	<b>4.2</b>	<b>3.2</b>	<b>3.8</b>	<b>4.2</b>	<b>15.4</b>

## IFRS16 'Leases'

The Group has also adopted IFRS16 on 1 January 2018 using the modified retrospective approach which allows for the recognition of the lease liability and asset as at 1 January 2018 with no restatement of prior period financial statements. The main impact is around property leases where the Group is the lessee.

Unlike IFRS15, IFRS16 does not require any adjustments to prior year numbers. However, the Group will outline the impact of IFRS16 in its quarterly financial statements during the course of 2018.