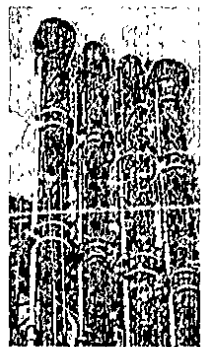
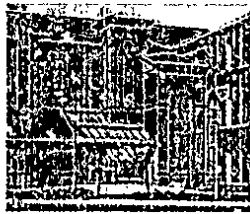


C o n t e n t s

Group strategy	2
Chairman's statement.....	3
Results and financial calendar	5
The organisation	6
The year in focus.....	8
● Infrastructure.....	12
● Industry	14
● Energy.....	16
● Commerce.....	18
● Environment.....	20
● Life and leisure	22
● AMEC people	24
● Looking to the future.....	25
Directors, officers and company information	26
Report of the directors	27
Consolidated profit and loss account.....	30
Consolidated balance sheet	31
Company balance sheet.....	32
Consolidated statement of source and application of funds	33
Notes to the accounts.....	34
Report of the auditors.....	48
Statistics	49
Principal group undertakings	50
Notice of annual general meeting.....	52



Group Strategy

The AMEC group has a comprehensive engineering,
construction and development capability.

Our breadth and depth of resource give us the strength and
flexibility to

respond effectively to changing client requirements

adapt our services to meet every need

resist cyclical change

innovate and create opportunity

We aim constantly to enhance the breadth of our
integrated capability throughout the world.

We will continue to offer the highest quality of service, products
and management, basing our growth on a sound foundation of
financial prudence.

The main principles of our strategy are to

**offer our customers the broadest possible range of
engineering, construction and development services**

ensure that every service offered is the best in its market

**offer our services wherever our customers need them
worldwide.**



Chairman's Statement

AMEC's strategy, as a group, developed significantly during the 1980's in market circumstances which became increasingly favourable. The full value of that strategy could not be proved until it was tested in more difficult conditions. 1990 has been a testing year but, against the background of one of the worst recessions ever suffered by our industry, AMEC's overall position has remained strong and the quality of our strategy has been clearly demonstrated by the increased profitability of our engineering and construction activities.

Profit before tax fell back from the record level of 1989 by 30.6 per cent to £63.4 million, reflecting the poor conditions in the housing and commercial property development markets. However, AMEC's breadth of resource and the flexibility of our structure enabled us to take advantage of those markets in which investment remained strong. This is reflected in the outstanding results from our building and civil engineering businesses and in our offshore and onshore process engineering activities.

In my statement last year I forecast that total construction output in 1990 would be significantly less than in the previous year and 1991 is not showing any improvement. Housing and commercial property development remain particularly depressed and, although housing may improve later in the year if interest rates continue to fall, the market for commercial property will remain difficult for some time longer.

As current markets weaken, there is a continuing reduction in the overall volume of business available. Nevertheless, as a whole, we entered 1991 with record order books in engineering and construction. Our overall strength is reflected in our

recommendation of an increased final dividend of 6.25p giving a total of 10.125p per ordinary share compared with 9.5p last year.

We have maintained our rigorous attention to cash management, a tradition in our group which is vital in the current market. Our accounting policies are conservative, reflected in the fact that we do not capitalise interest on either our housing or our property operations, and gearing is modest despite the major investments of recent years in the development of our group. Our prudence enables us to deal with current market conditions with confidence.

AMEC's position has been significantly enhanced during the last year by our growing ability to maximise the great added value potential in our group. Subsidiary companies are increasingly evolving joint approaches to both existing and new markets, offering clients the advantage of ready access to a wide and fully coordinated range of capabilities.

As the year ended, our new sector, AMEC Design and Management Limited, was formed to focus all of AMEC's onshore design and management resources, offering a total service of the highest quality and flexibility with significantly improved responsiveness to client needs. This initiative is already proving its value.



Alan Cockshaw FEng, Chairman.

The new sector will operate on a fully European basis linking directly with the construction management resources of Morse Diesel in the USA. Within the last few months, international capability has been strongly enhanced by our acquisition of a significant interest in Serete SA, France's premier independent engineering company. Serete has bases throughout France and in Italy,

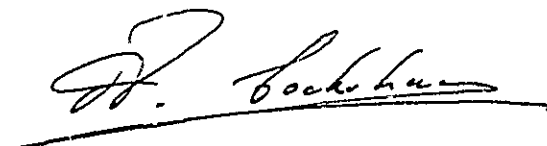
Spain, Portugal and Germany, through which the combined services of the two groups can be offered to international clients. This alliance creates one of Europe's foremost design engineering and construction management capabilities.

Even in today's difficult market, the overall strength of AMEC has allowed us to develop our strategy positively both at home and overseas. The Rights Issue announced concurrently with our results, to raise approximately £110.6 million, will further strengthen our capital base and provide the resources for continued progress.

We are moving into an era when construction groups, while maintaining their traditional strengths, must become increasingly design and technology led. With the resources AMEC already has in

these key areas, we are well placed to meet that challenge.

Our group employs many highly talented people at every level who not only respond to change but have also shown themselves well able to lead the process of change within our industry. It is the quality, commitment and loyalty of those people which gives us confidence in the profitable development of our group in the future. My sincere thanks to them all.

A handwritten signature in dark ink, appearing to read 'A. Cockshaw', with a horizontal line drawn underneath it.

Alan Cockshaw FEng
Chairman

AMEC p.l.c.

Results

	1990 £ million	1989 £ million
Turnover	2,218.3	1,992.6
Profit on ordinary activities before taxation	63.4	91.3
Profit on ordinary activities after taxation	42.2	61.2
Shareholders' funds	299.2	288.3
<i>Earnings per ordinary share – diluted</i>	<i>10.3p</i>	<i>26.1p</i>
<i>Earnings per ordinary share – undiluted</i>	<i>21.7p</i>	<i>35.7p</i>
<i>Dividends per ordinary share</i>	<i>10.125p</i>	<i>9.5p</i>

Financial Calendar

Publication of results and annual general meeting

The group's results will normally be published at the following times:

Interim report for half year to 30 June	early September
Preliminary profit announcement for year to 31 December	late March/early April
Report and Accounts for year to 31 December	mid May
Annual general meeting	held mid June

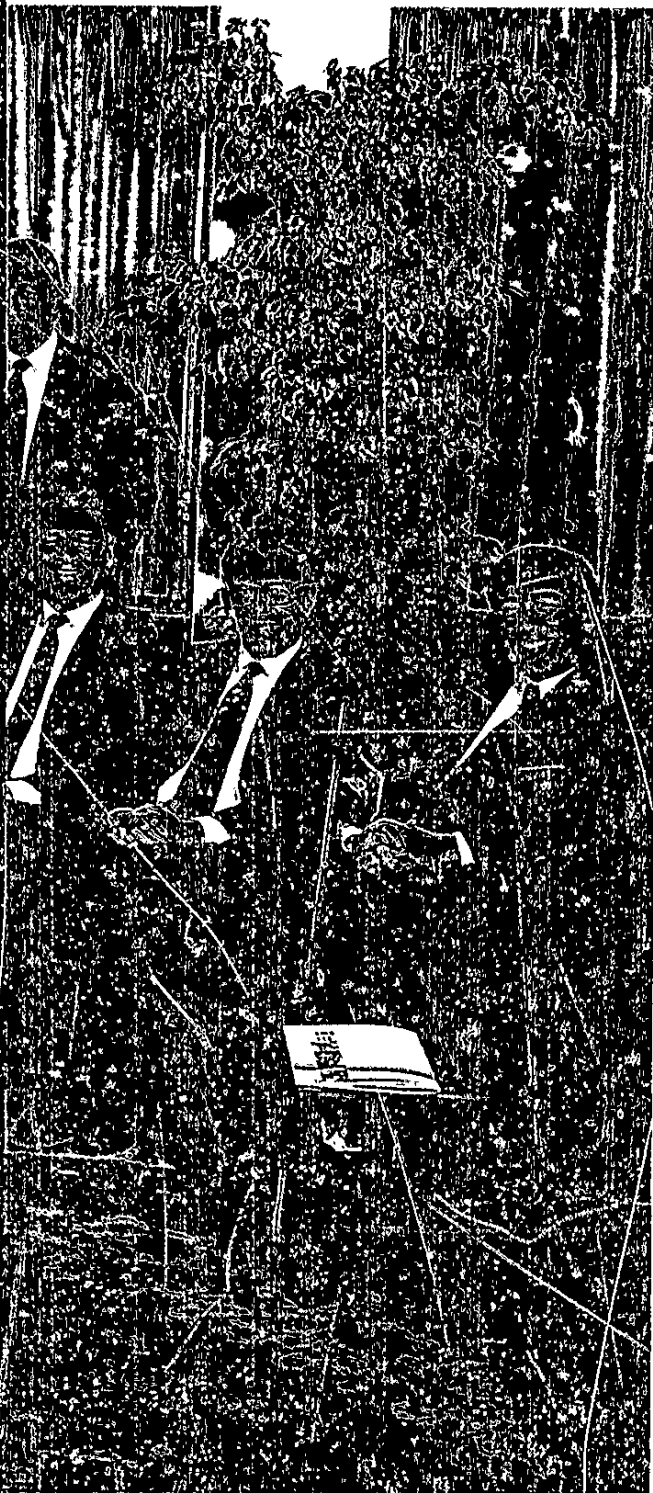
Dividends and interest payable

Interim ordinary dividend	late December
Final ordinary dividend	early July
Convertible preference dividends	1 May and 1 November
Loan stock interest	30 June and 31 December
Loan note interest	31 May and 30 November



The Organisation





Left to right: Len Whitting, sector chairman, design and management; Mike Kersey, sector chairman, mechanical and electrical; Dennis Clark, sector chairman, process and energy; Simon Batey, deputy finance director; Malcolm Eckersall, sector chairman, building and civil engineering; Mike Bardsley, secretary; David Robson, sector chairman, manufacturing and services; Malcolm Hawe, sector chairman, housing and property.



David Beardsmore, sector chairman and chief executive, United States.



Bill Dale, sector chairman and chief executive, Australia.

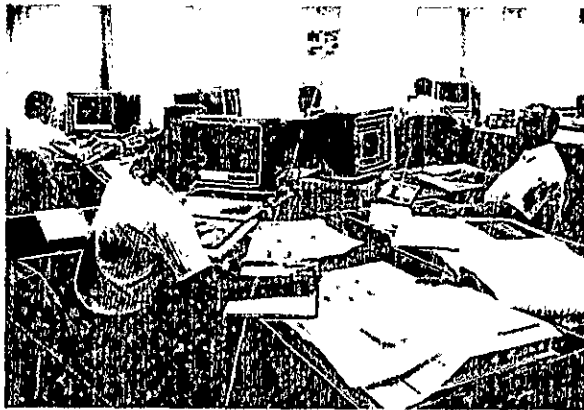


Above: Sir Oswald Davies and Sir George Jefferson.

Left to right: Ray Mott, Malcolm Hawe, Bill Morgan, Ian Bateman, Ron Peet, John Early, John Bateson, Rudi Kisjes, Alan Cockshaw, Eric Swainson, Dennis Clark.

The Year in Focus

1990 has been a testing year for the UK construction industry and 1991 is likely to be even harder with opportunities, particularly in the commercial sector, sharply reduced. AMEC has been saying for some time that its wide range of activities will be a great source of strength in difficult conditions. This confidence has been borne out by events – AMEC's offshore workload reached an all-time high during the year and order books in other construction and engineering activities across the group remain strong, helping to balance the decline in residential and commercial property development.



A CAD work station in action.

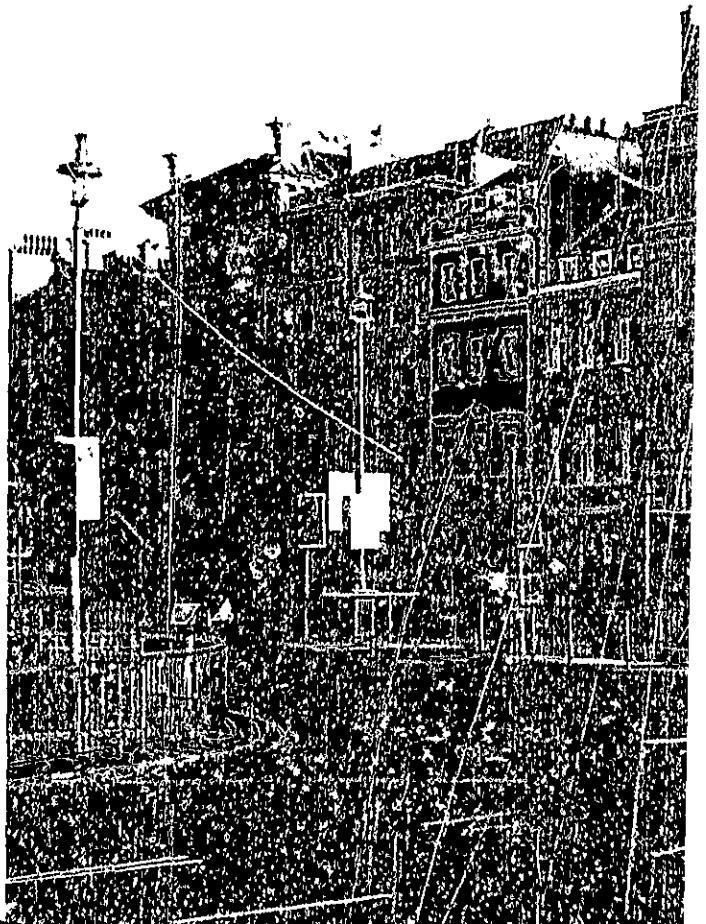
Dedication to quality is more important than ever in current market conditions and AMEC's commitment was recognised by many awards for individual and group achievements during the year – AMEC's civil engineering company alone received eight awards. The group's excellent safety record was maintained and 32 group companies received national safety awards from the British Safety Council.

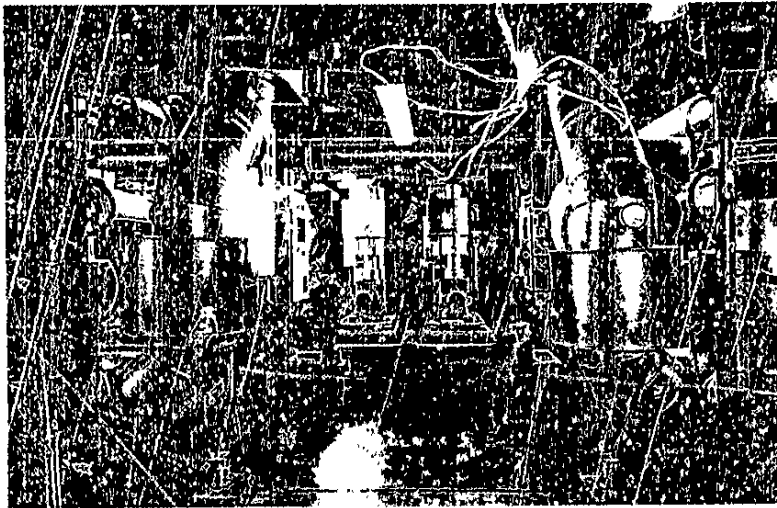
The group's sectoral framework was designed to develop the synergies between individual businesses enabling them to anticipate change and to achieve a coordinated approach to strong investment areas. One of the strongest forces for change in construction today is the growing impetus towards a fully integrated, designed service. This is a global phenomenon and AMEC's ability to compete successfully in international markets will depend

increasingly on a well developed design and technology base enabling AMEC to access major projects at the earliest possible stage.

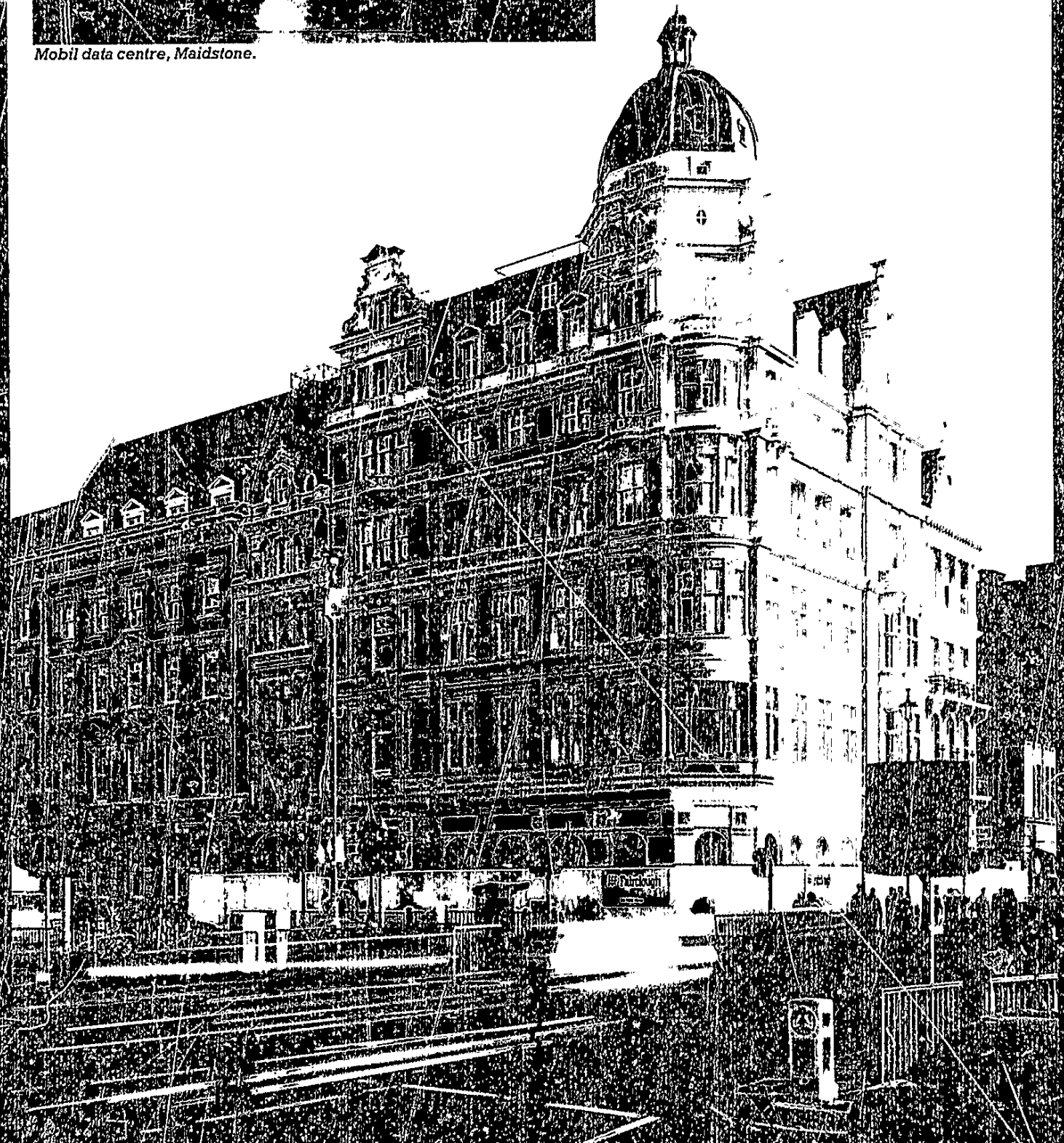


Olympic House, Manchester Airport.





Mobil data centre, Maidstone.



To ensure AMEC meets this demand effectively and to provide a sharper management focus for its design resources, AMEC has created a new sector, AMEC Design and Management. The sector has two reporting companies. AMEC Design and Construction, which brings together the resources of IDC, Matthew Hall's onshore engineering businesses and AMEC Design Consultants, and AMEC Projects, which works in close association with Morse Diesel International. The new sector will spearhead the group's drive to develop a design-led business throughout Europe. IDC recently received registration under BS5750 part one for its quality management systems throughout Europe and the award will greatly assist the new sector in this endeavour.

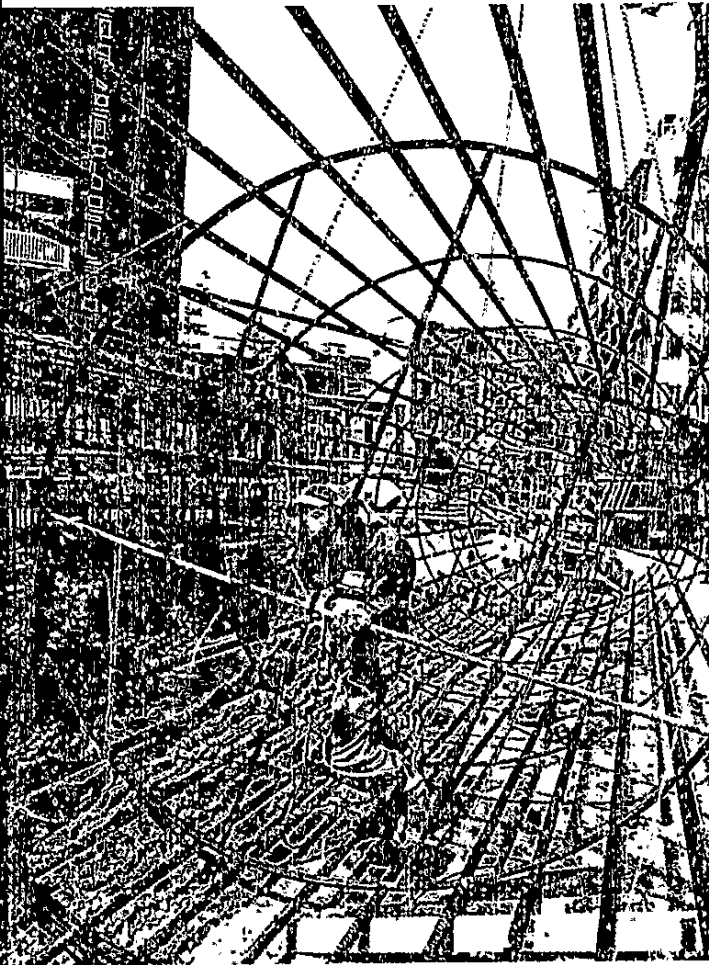


Broken Brow rail bridge, Reading.

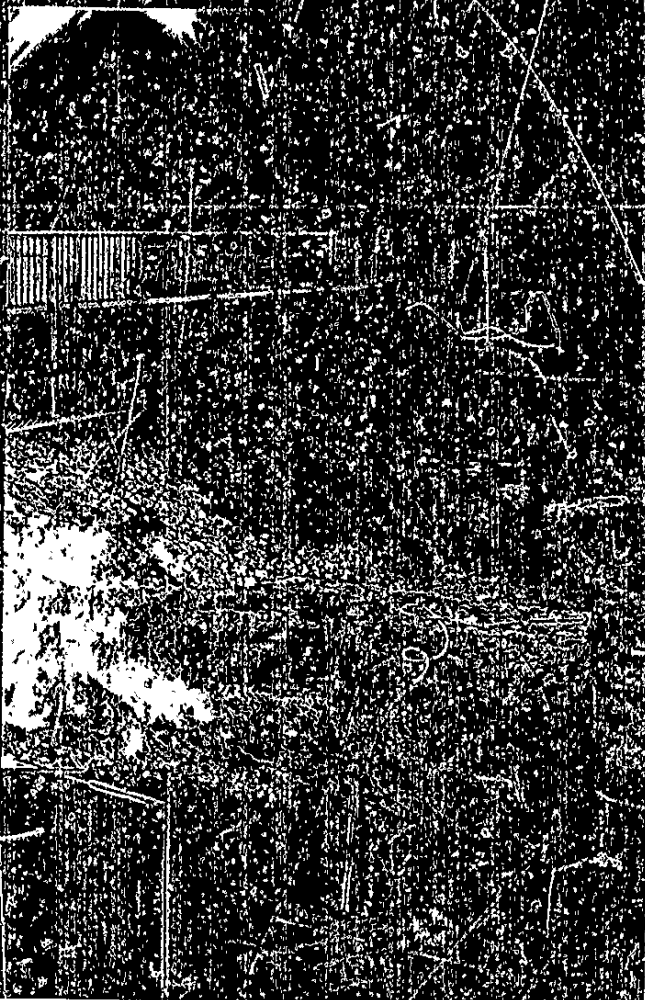
Despite the broad downturn in the UK economy, some market sectors are holding their own or strengthening. AMEC companies cooperate not only by working together but in looking ahead and, as a result, the group has been well positioned to take full advantage not only of the upsurge in oil and gas related investment but of markets such as water supply and treatment, transport infrastructure, healthcare, leisure, industrial process engineering and high technology manufacturing.

AMEC does not expect the housing market to improve significantly until the end of 1991 at the earliest and property will take still longer to recover. However, AMEC's commitment to inner city regeneration, particularly in partnership with the public sector, is expanding its opportunities to create added value by transforming very large areas of derelict and neglected land. Its property and house building companies both have a role to play in developing this approach.

The group's overseas businesses progressed well during the year, despite



Little Britain, London.



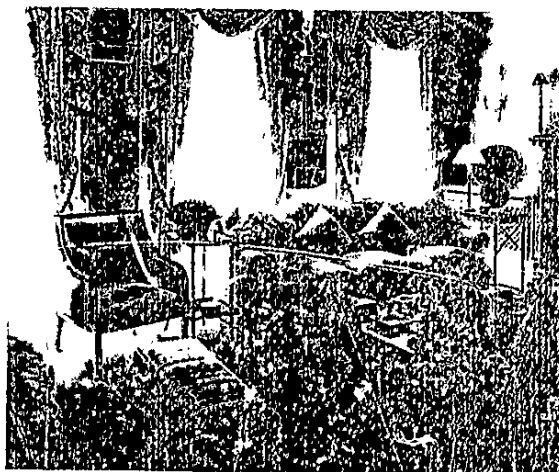
adverse trading conditions in some countries. Like the UK, the USA is also facing economic difficulties but relatively lower levels of inflation and interest rates are currently cushioning the severity of the downturn. The contribution of AMEC's US businesses has been greatly enhanced by the partnership with Morse Diesel which was announced at the beginning of 1990. In its first year of trading Morse Diesel International exceeded expectations by securing over one billion dollars' worth of new work, mainly in the north east and mid west states. There is also growing potential to utilise Morse Diesel's skills in mainland Europe, in close coordination with companies in the new design and management sector.

AMEC's activities in Europe continue to develop and it has been exploring opportunities for cooperation with former Eastern Bloc countries. AMEC's existing businesses in France, Holland, Belgium and Portugal are trading strongly and provide an excellent base for further expansion.

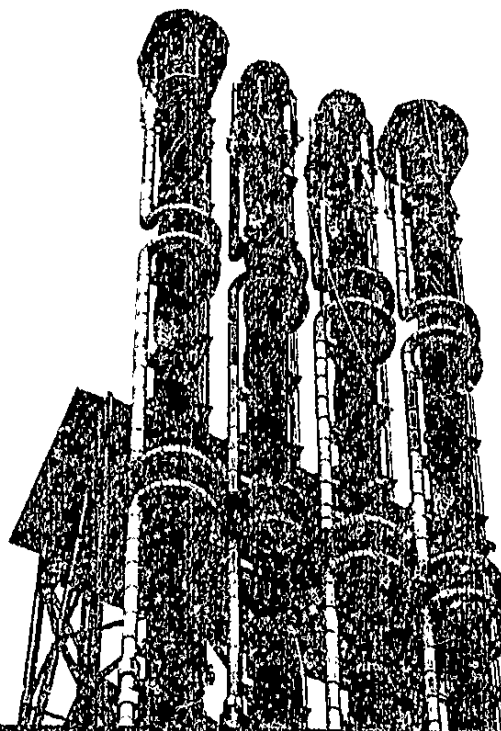
Shell Pernis, Holland.

Since the year end AMEC's position in France has been significantly strengthened by the acquisition of a 20 per cent stake in the independent engineering company Serete SA.

Conditions in Australia have been exceptionally difficult but AUST-AMEC has come through strongly and entered 1991 with a good level of orders. Matthew Hall Mechanical & Electrical Engineers actually achieved record sales in 1990, reflecting its position as the country's leading mechanical and electrical contractor.



Five Upper Brook Street, London.



Infrastructure

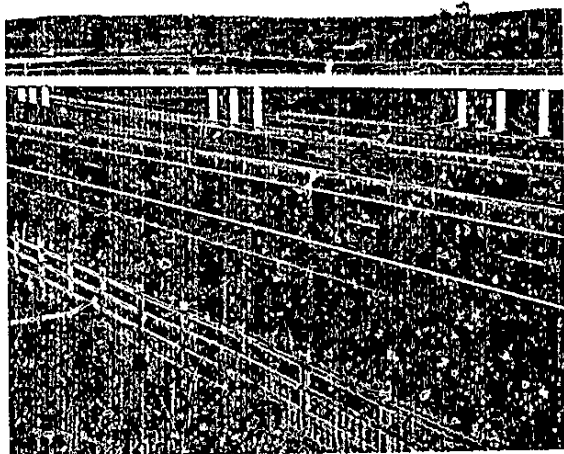
Rail-related projects are on the increase.

AMEC Projects continues to play a leading role in improving Britain's airport infrastructure.

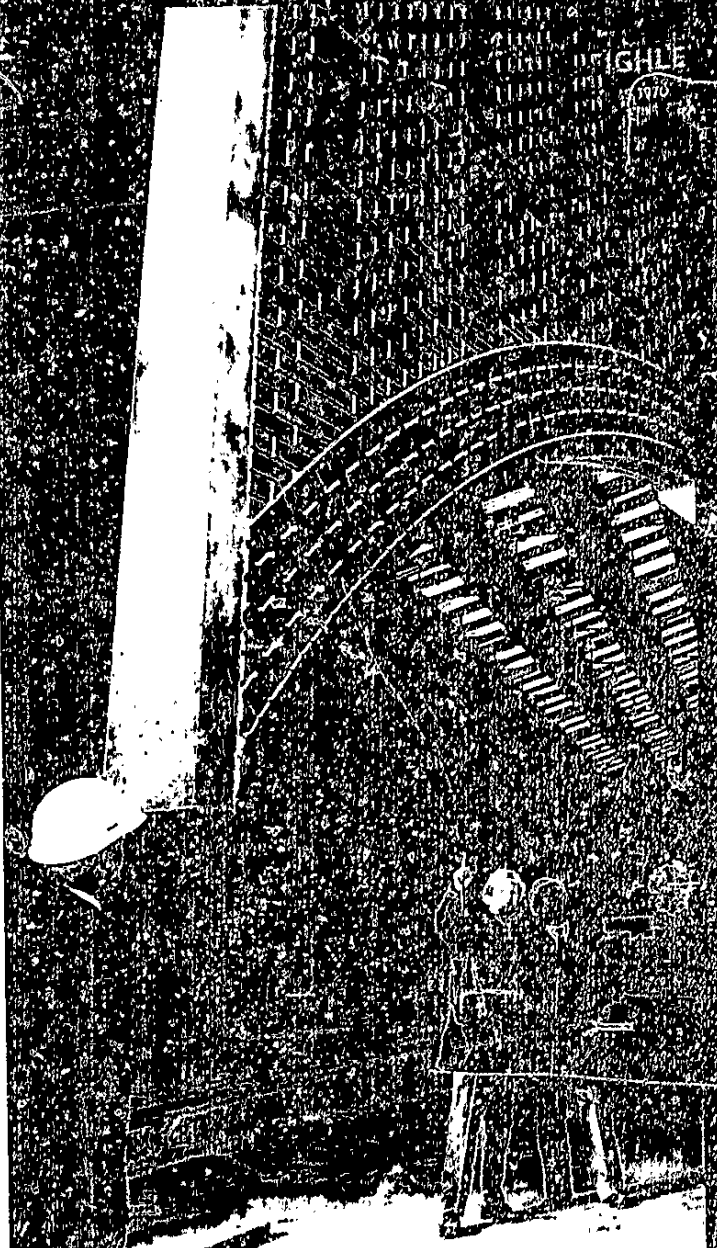
Spending on transport infrastructure is set to increase significantly over the next three years and this programme, combined with the capital expenditure plans of the water companies and other utilities, is expected to generate substantial volumes of work for AMEC group companies.

Although road construction plans are not materialising as quickly as had been expected, Fairclough Civil Engineering is well placed to build upon its track record for large and complex road projects like the Limehouse Link. This project is probably the most challenging and complicated roadworks contract ever undertaken in the UK. Work has progressed well during a year which also saw the ambitious M40 contract programme completed and the Maidstone centenary viaduct opened.

After many years of relative inactivity, rail-related projects are on the increase. Port Wakefield, Britain's first intermodal Channel



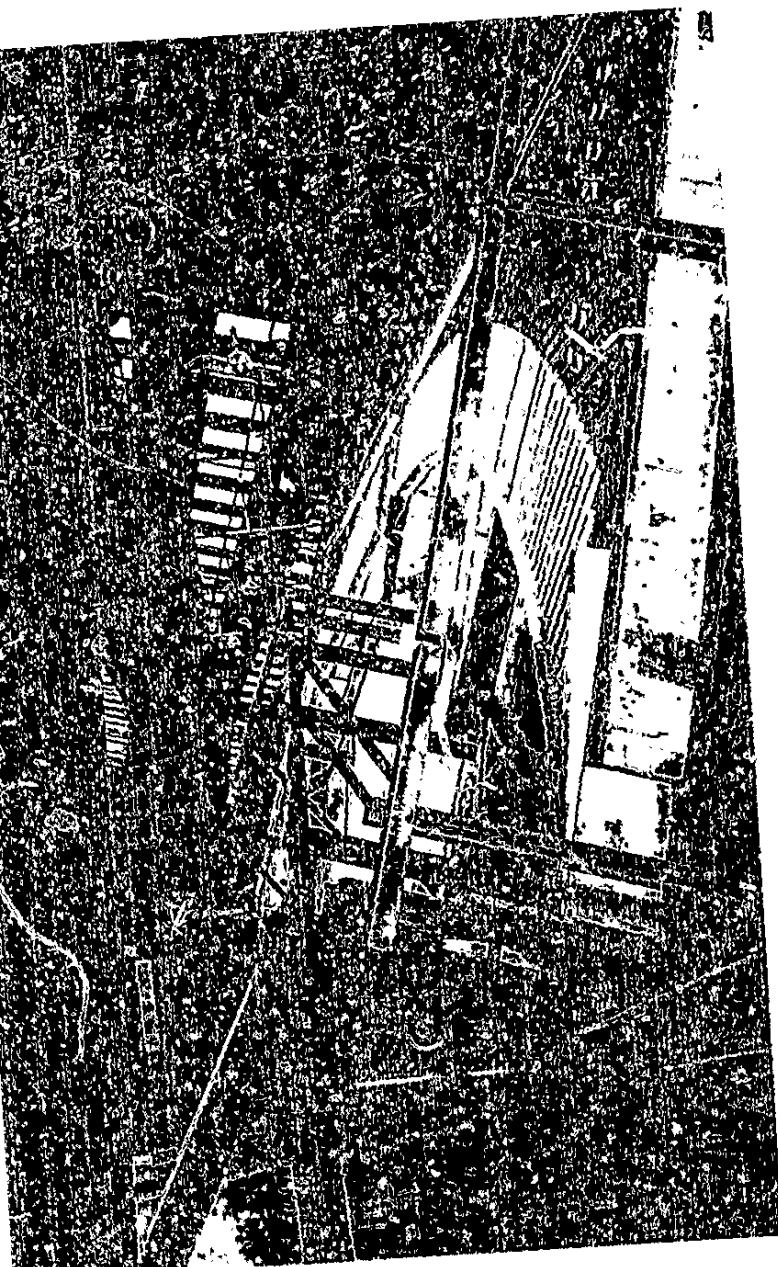
M40 extension.



Metrolink, Manchester.

Tunnel railfreight terminal, is being developed by Railfreight Distribution and AMEC Regeneration and represents a significant milestone in the relationship between AMEC and the City of Wakefield. The multi-million pound terminal is being built on over 200 acres of surplus British Rail and British Coal land and will handle around 400,000 tonnes of freight per annum in its early years of operation. The freight village should create up to 4,000 jobs in the area and will become a catalyst for inward investment into the North East during the 1990's.

Rail investment is not confined to schemes related to the Channel Tunnel. Fairclough Civil Engineering was awarded a contract to



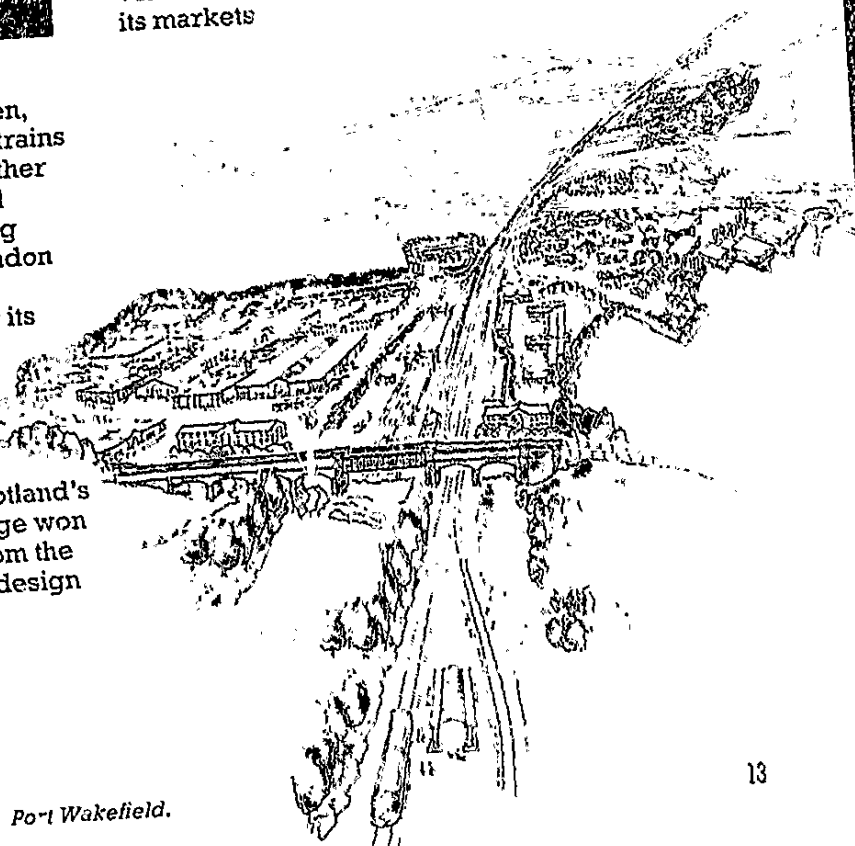
Interest in light rail schemes has grown steadily and construction of the £90 million Metrolink system in Manchester is proceeding on schedule for its opening at the end of 1991. GMM (Greater Manchester Metrolink), a partnership between the public and private sectors, which includes AMEC, will be the first to build, own and operate one of the new generation of supertrams. AMEC is also examining several other schemes.

AMEC Projects continues to play a leading role in improving Britain's airport infrastructure. The £110 million redevelopment of terminal three at Heathrow was successfully completed and the company has been awarded a further contract at terminal one. The £170 million management contract for Manchester's new terminal two is in its second year, as is work on extension and refurbishment of the Glasgow airport facilities

Fairclough Civil Engineering is operating at the forefront of tunnelling technology and has introduced a purpose built Lovat tunnelling machine on the Thames Water ring main contract. This highly sophisticated machine is capable of dealing with difficult ground conditions with very high water pressures. Similarly, new techniques and equipment are being introduced by the piling division which is working in joint venture with European partners to extend its markets

design and build a depot at Slade Green, Kent, for British Rail's new Networker trains and negotiations are underway for further similar schemes. The Broken Brow rail bridge was installed without disrupting services on the main line between London and Reading and Fairclough Civil Engineering received two awards for its innovative approach to this problem. In September 1990 the final 'golden' bolt was installed at Liverpool Street Station, marking completion of Robert Watson's intricate steel roof structure. In Scotland, Fairclough Scotland's work on the River Ness railway bridge won the company two commendations from the Saltire Society for civil engineering design and construction.

Port Wakefield.

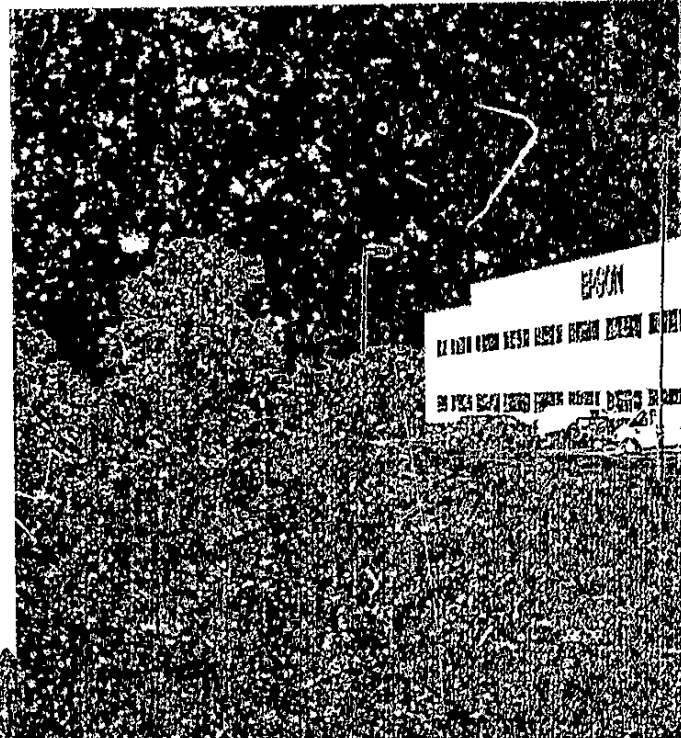


Industry

AMEC companies are well placed to service their clients' global investment plans.

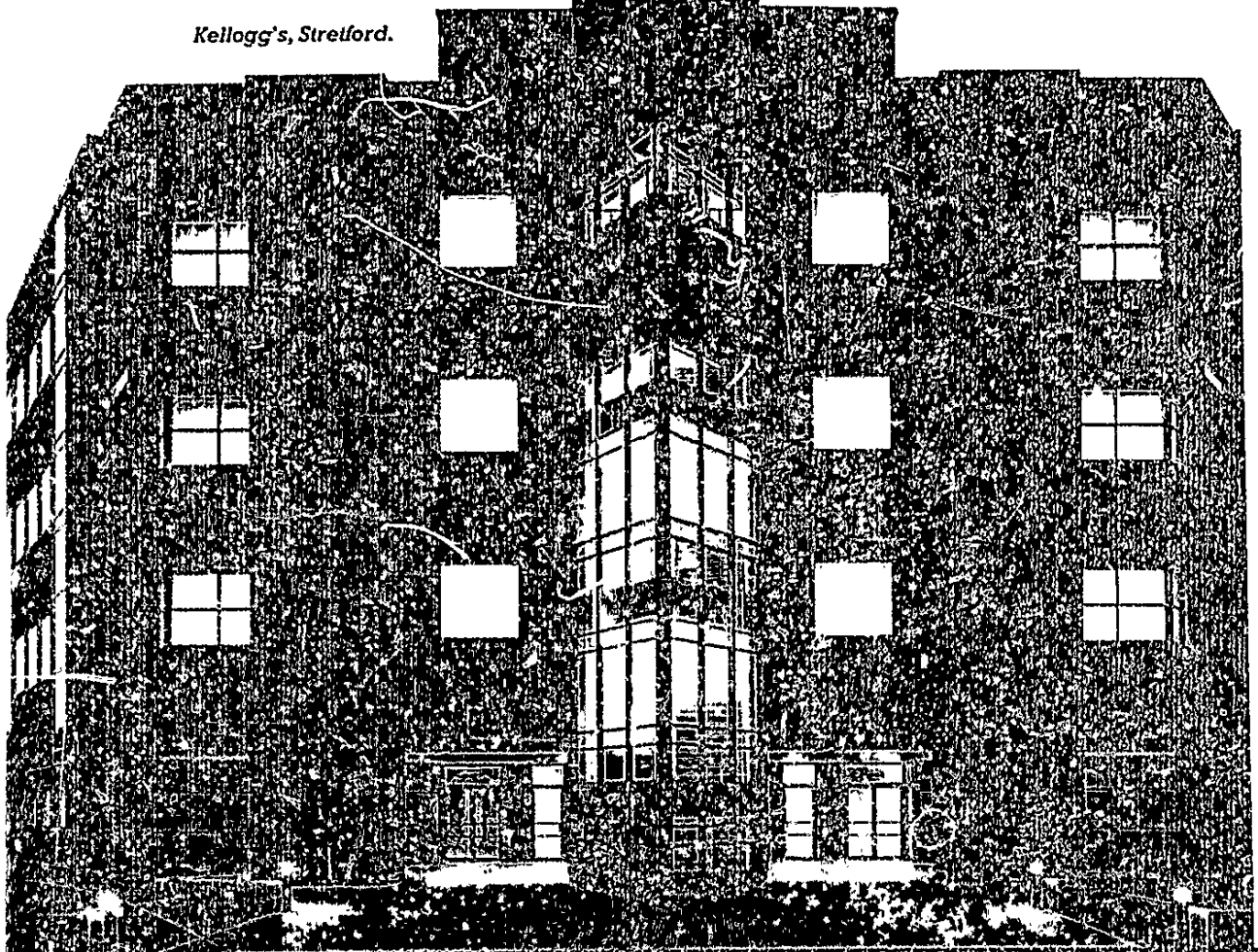
AMEC companies, with their ability to provide a total service from feasibility studies through to construction, operation and maintenance, are uniquely well-placed to service their clients' global investment plans. The industrial building market has not weakened as far or as fast as the commercial market and investment in certain sectors remains healthy.

Group companies have experienced strong demand from the food and drink processing and distribution industries, particularly for design and build schemes. AMEC Design and Construction's projects ranged from HJ Heinz's primary European research and development centre in Wigan, to a



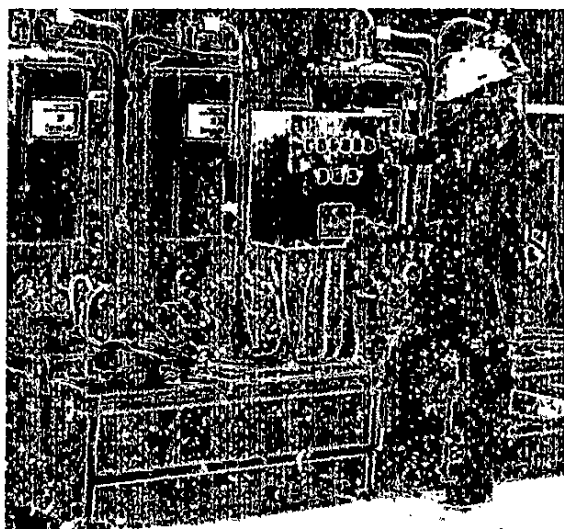
Epson production unit, Telford.

Kellogg's, Stretford.





major extension of Tunnel Refineries' syrup refinery at Greenwich and to a biscuit factory near Edinburgh for United Biscuits' subsidiary, Simmers Biscuits. Fairclough Building constructed a major new warehouse for Walkers Crisps and James Scott installed the electrical and instrumentation services and associated combined heat and power plant at a new glucose refinery for Davy Cerestar at Trafford Park, Manchester.



British Steel, Port Talbot, Wales.



Wellcome Foundation, Dartford.

AMEC Projects is a pioneer in high technology manufacturing plants and 1990 saw it complete yet another 'state of the art' micro electronics plant in Scotland – this time for Shin-etsu Handotai of Japan.

Group companies continued to strengthen their ties with long standing clients in the chemical and pharmaceutical industries.



Houston Light and Power Company.

AMEC Design and Construction was awarded a contract for a major new process plant by Rhône-Poulenc, the 11th project for this leading multinational. AMEC Projects completed a multi-million pound international computer centre for ICI and AMEC Design and Construction is designing and constructing new chemical research and development laboratories for the same client.

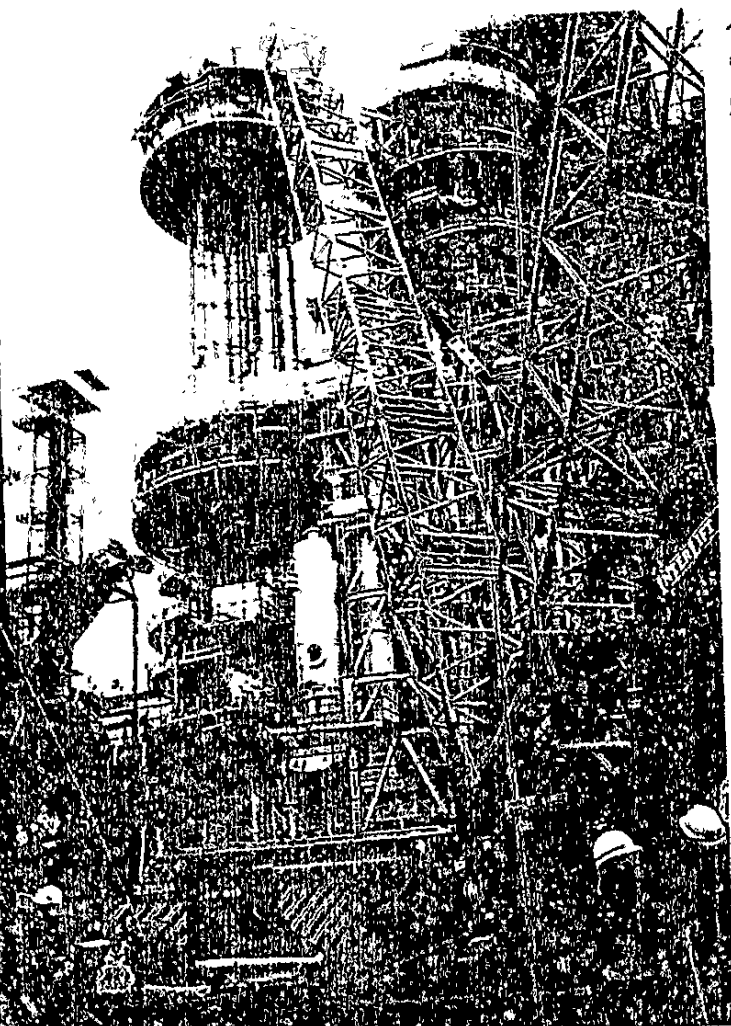
Other major industrial projects include a new car components factory in Telford for Nippondenso/Magneti Marelli (AMEC Projects), new plants for NSK Bearings (Fairclough Building), a glass fibre factory for PPG Industries Inc at Wigan (AMEC Design and Construction) and a data centre for mail order firm, Freemans (Denco).

E n e r g y

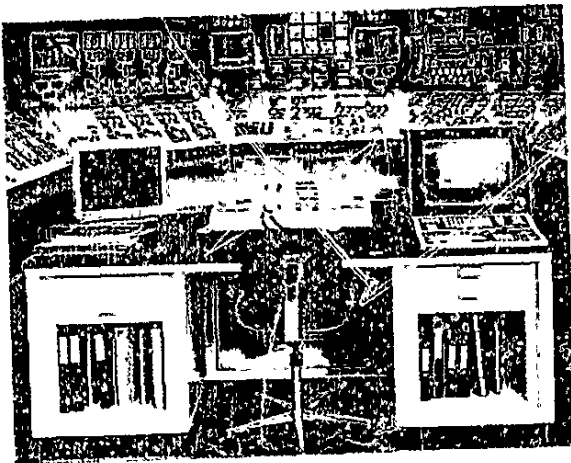
AMEC's long-standing commitment to the offshore oil and gas industry has proved invaluable.

Press Offshore's fabrication facility has the highest workload in the company's history.

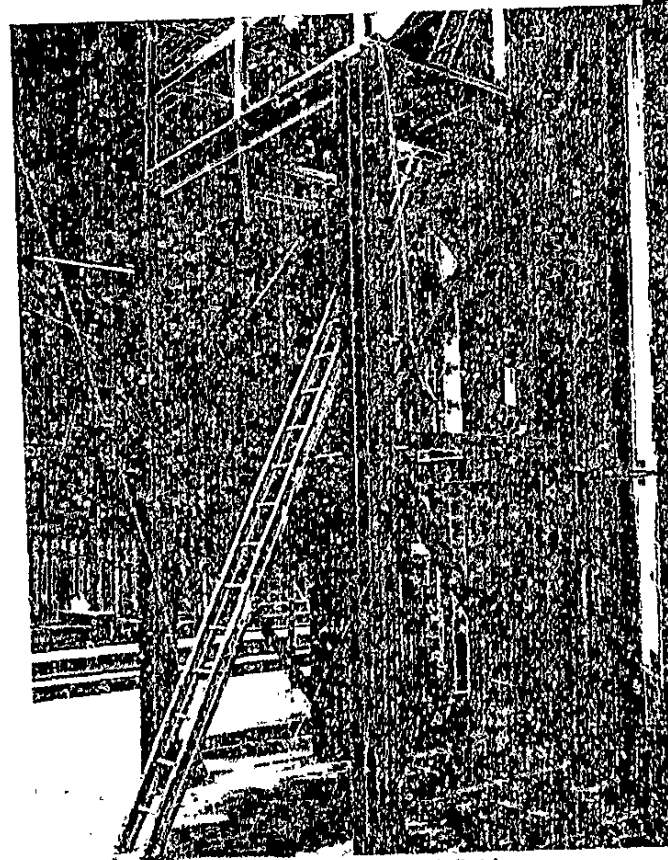
AMEC's long-standing commitment to the offshore oil and gas industry has proved invaluable in what is turning out to be a second North Sea boom. Capital expenditure in the UK sector of the North Sea is forecast to continue its rise in 1991 and 1992. The leading position of AMEC's specialist design, fabrication, installation and service companies will ensure that the AMEC group sees a major share of contracts secured.



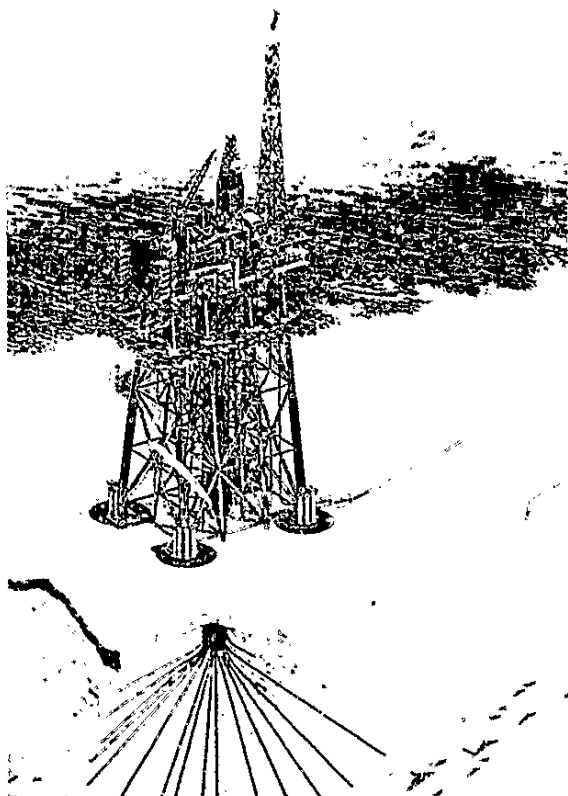
Fluidised catalytic cracking unit, Pembroke



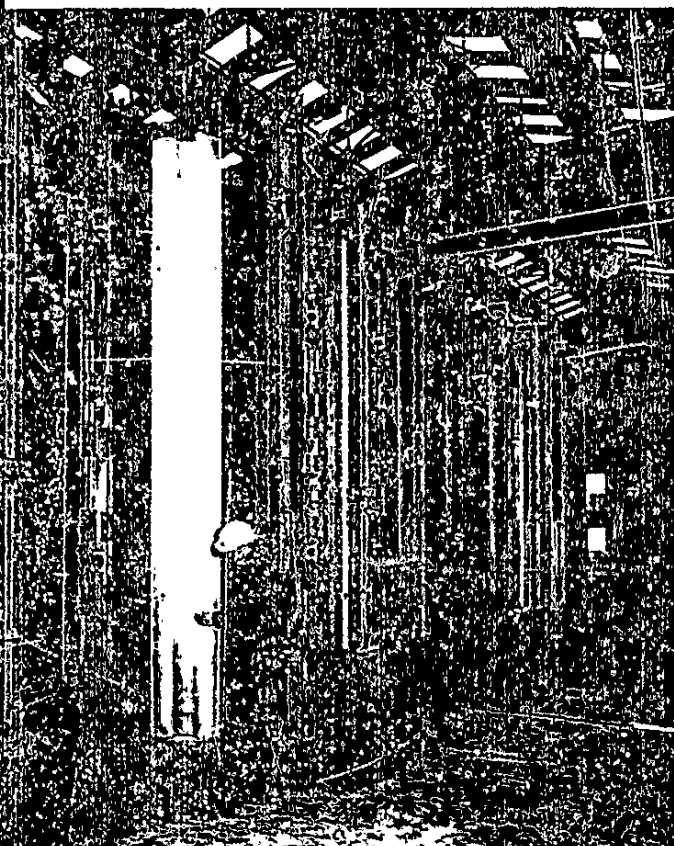
Longannet power station.



Waste product encapsulation plant, Sellafield.



Goodwyn 'A' platform, Australia.

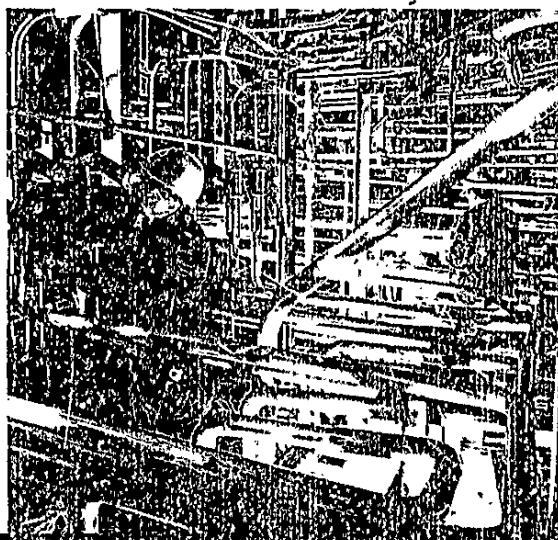


THORP, Sellafield.

Matthew Hall Engineering and Press Offshore both benefited from this strong market. Indeed, Press Offshore rounded off its year with the highest fabrication workload in the company's history – 55,000 tonnes of modules and integrated decks. Significant progress was also made in expanding operations overseas. In collaboration with the Spanish construction group, Dragados, Press Offshore was awarded a £50 million contract to build a 7,500 tonne integrated utility deck for Amerada Hess in Cadiz. In Australia, the joint venture with Clough Engineering is building two modules for the Goodwyn field development.

AMEC always anticipated that demand would grow for the turnkey contract approach to North Sea developments and the award by AGIP of the largest ever project of its type confirmed this view. Tiffany Contractors, a joint venture between Matthew Hall Engineering, Press Offshore and Saipem, a major Italian contractor in the energy market, is to engineer, procure, fabricate, install and commission the Tiffany oil and gas production platform. The £450 million project creates and maintains jobs for nearly 3,500 people.

Investment in power generation and supply is beginning to grow and this has prompted AMEC to form a new company, James Scott Power, to provide refurbishment, reinforcement and new connections to both the 400/275 kilovolt grid system and the 132 kilovolt distribution network. The company will be well placed to service the needs of the newly created National Grid Company along with the Scottish Power companies and the 12 distribution companies of England and Wales.



Commerce

AMEC works with clients to identify and realise niche schemes.

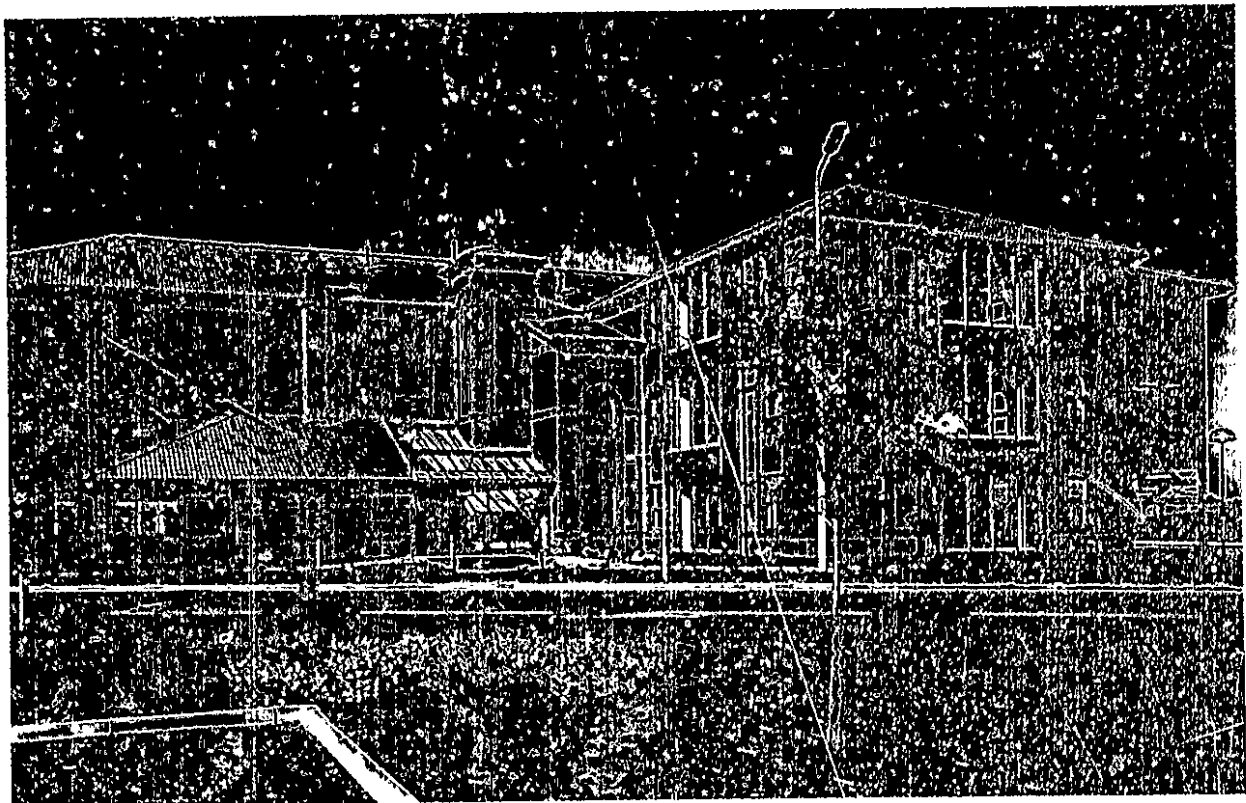
After several years of explosive growth, the commercial building market slowed down in 1990 and investment is expected to decline sharply in 1991 and 1992 before recovering in 1993. This downturn will affect some AMEC companies but, by working with clients to identify and realise niche schemes, AMEC can maximise the opportunities available in what will be a very difficult market.

The year saw AMEC companies continue their successful collaboration with banks, building societies and other financial institutions. AMEC Projects completed a new headquarters for Barclays Bank at Coventry, AMEC Design and Construction restructured and refurbished the Ulster Bank, Dublin, Matthew Hall Mechanical & Electrical Engineers installed services at

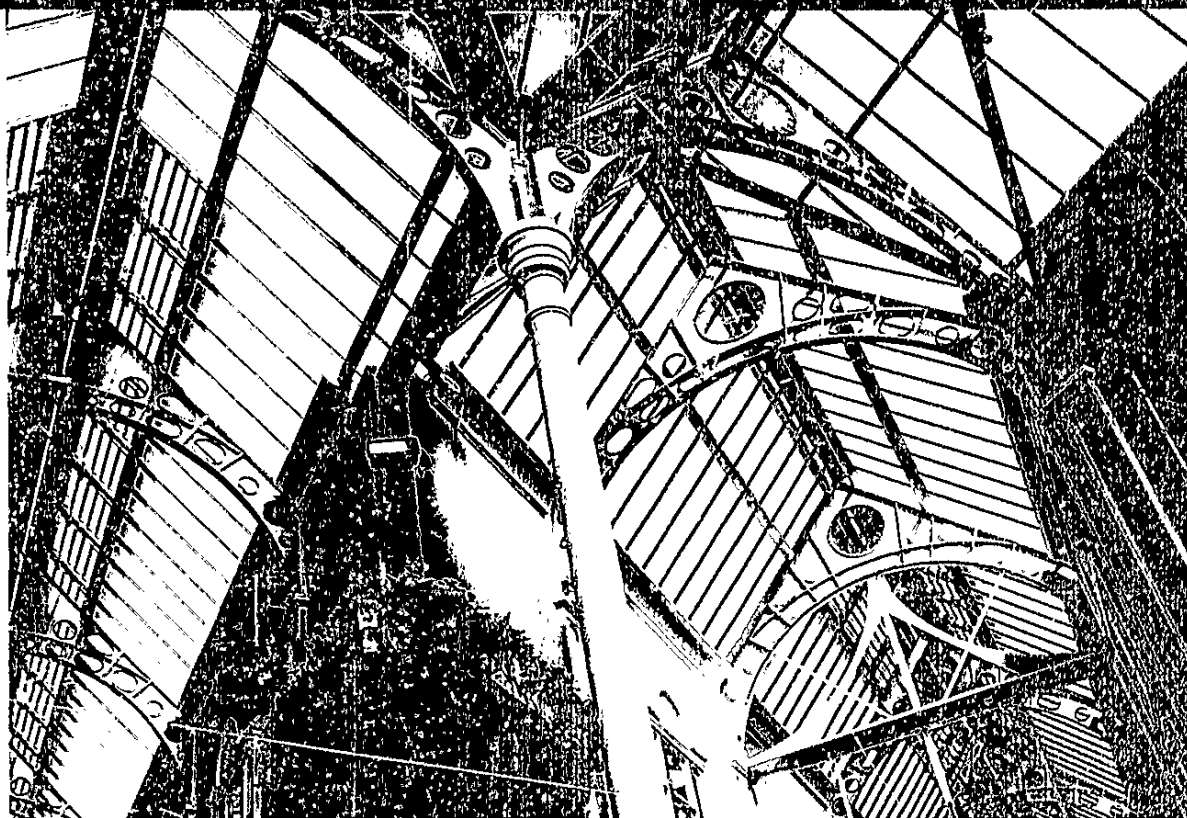
JP Morgan's headquarters in London and AMEC Projects completed its third project for the Halifax Building Society - a seven storey office block. Fairclough Building has started work on a £33 million contract to build a major regional shopping centre in the Buttermarket area of Ipswich for Legal and General Properties.

Retail food outlets also produced substantial volumes of work for the group with Fairclough Building projects including Asda superstores at Blyth and Wolverhampton and a Sainsbury's supermarket at Hampton. Robert Watson provided the structural steelwork for four other Sainsbury stores and AMEC Projects completed the contract management of the immense fit-out of Sainsbury's Savacentre superstore in the Meadowhall shopping and leisure complex, Sheffield.

Work on AMEC Properties' 300,000 square feet Trafalgar Place office development,

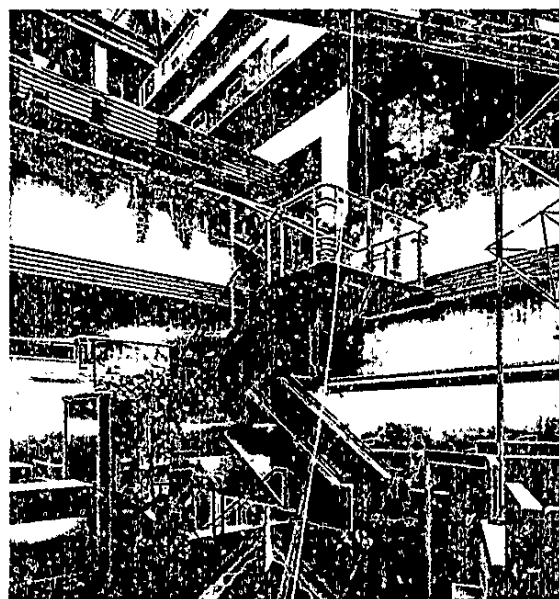


Osprey House, Manchester.



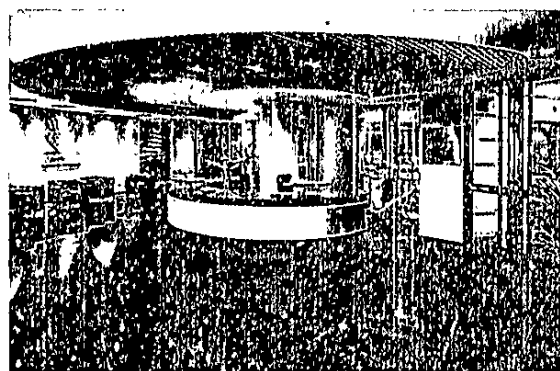
The Ulster Bank, Dublin.

The Galleries, Wigan.



adjacent to Brighton Station, progressed well during the year. The scheme, which comprises five buildings around a central courtyard, is being managed by AMEC Projects with Fairclough Building, Matthew Hall Mechanical & Electrical Engineers and other group companies all working together to realise the project. Two of the buildings have been pre-sold to international consulting engineers, Ewbank Preece.

In mid 1990 Matthew Hall Mechanical & Electrical Engineers launched a new 'one stop' interior design service - ASPEKT - for commercial clients. The service fills a gap in the interior design market by providing a project management approach to combining technical areas such as building services, communications and space planning with aesthetic disciplines.



Jardine House, London.



Denne Road, Horsham.

Environment

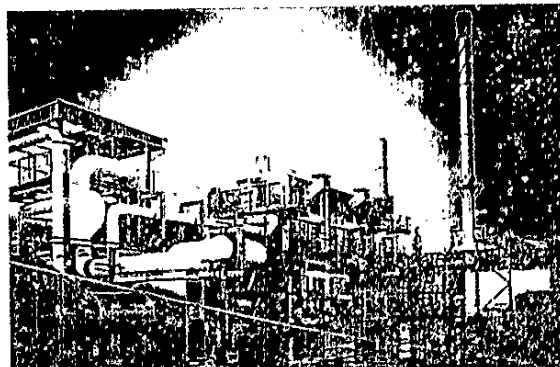
Group companies have long been active in the design and construction of waste and water treatment facilities.

Virtually all of AMEC's activities impinge on the environment and the group has been working, directly and indirectly, to improve and conserve the quality of surroundings for many years. Group companies have long been active in the design and construction of waste and water treatment facilities, including toxic waste. For example, Matthew Hall Engineering and Press Construction have just completed a major extension of Rechem's toxic waste incineration facilities at Southampton.

AMEC is well placed to build on this background as capital expenditure on environmental protection increases. Reflecting a more pro-active stance in this market, AMEC has set up a specialist company – Viridian Bioprocessing – with Rhône-Poulenc and the University of Kent. Viridian is developing and marketing innovative processes for the biological treatment of industrial waste. Considerable interest is being shown in the company's techniques and AMEC is confident that it will be able to meet the growing demand for biotreatment.

Land remediation is frequently the key to successful urban regeneration. AMEC Regeneration is working with Fairclough Civil Engineering and Fairclough-Parkinson Mining on one of the largest reclamation schemes in Europe, less than a mile from the town centre of St Helens. When the land has been restored it will be used for residential development by Fairclough Homes.

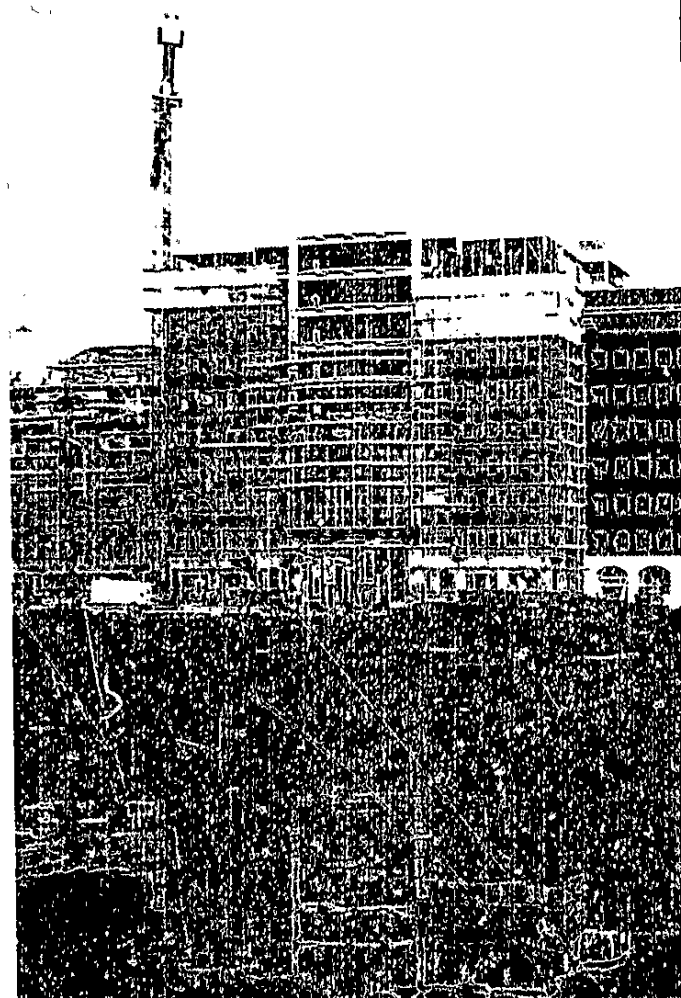
The St Helens scheme became possible through the cooperation of St Helens Borough Council and the landowner, confirmation of AMEC's belief that public/private sector collaboration is the most effective means of achieving urban renewal.

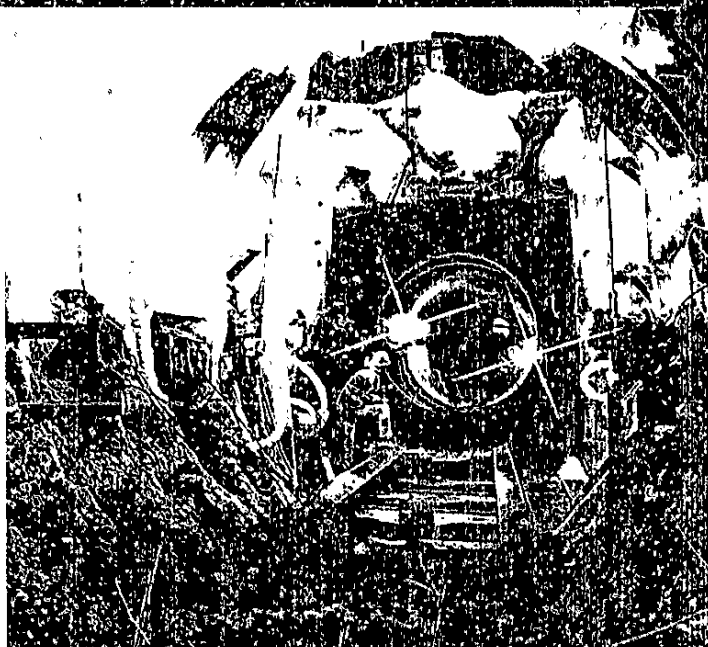


Rechem plant, Southampton.



Crewe Business Park.





Thames Water's London ring main.

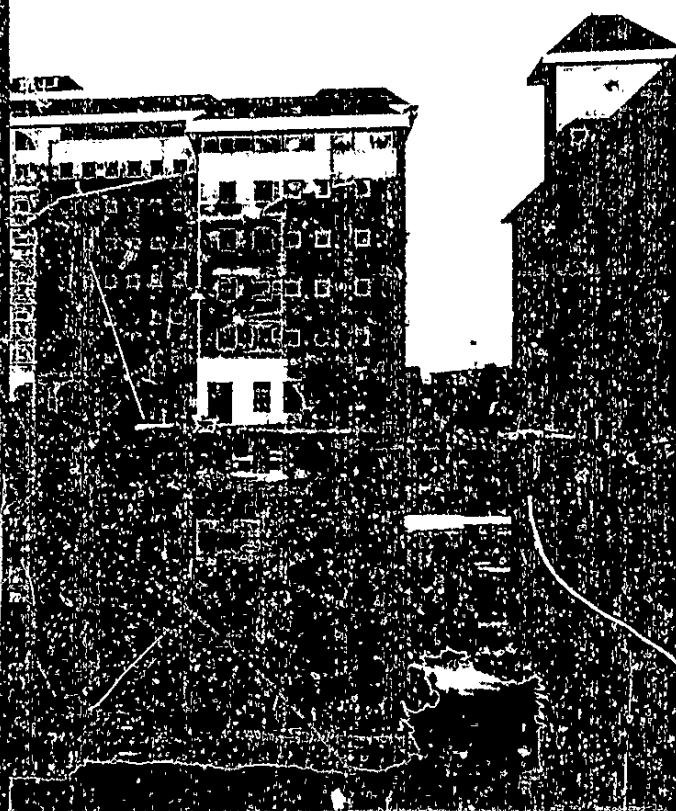
The progress of the Wakefield regeneration scheme, which is being developed by Wakefield Metropolitan District Council and AMEC Regeneration, provides additional confirmation that partnership is the way forward. One part of this programme which got underway in 1990 is a £21 million shopping centre at Castleford, being developed by AMEC Properties and AMEC Regeneration and constructed by Fairclough Building.

Commercial property development is not generally associated with environmental awareness but AMEC Properties is leading change in this field by approaching its developments in an environmentally responsible manner. Early in 1990 AMEC Properties commissioned an environmental impact assessment of its £50 million Anchorage office complex at Salford Quays. This initiative led to a green building award under the Building Research Establishment's environmental assessment method. The Anchorage is the largest development in the UK to receive such an award.

AMEC Properties was the first developer to undertake a major scheme as part of the ecologically friendly Crewe Business Park where the local authorities, in partnership with the Cheshire Conservation Trust, are ensuring that the park is developed in a way which enhances its natural assets. Phase one of the development has been completed and has attracted high quality tenants such as Barclays Bank and the Milk Marketing Board.

Noise is often one of the most disruptive aspects of civil engineering projects and Fairclough Civil Engineering's piling division has taken action to reduce the nuisance. It is the first contractor in the UK to take delivery of a Giken silent piler from Mitsubishi. Following successful trials on sea defence work in Lincolnshire and sheet piling at Cambridge University, the piler is now being used in building the foundations for the flue gas desulphurisation plant at Drax B power station.

Denco made its contribution by introducing a more environmentally friendly range of compressed air dryers.



Life and Leisure

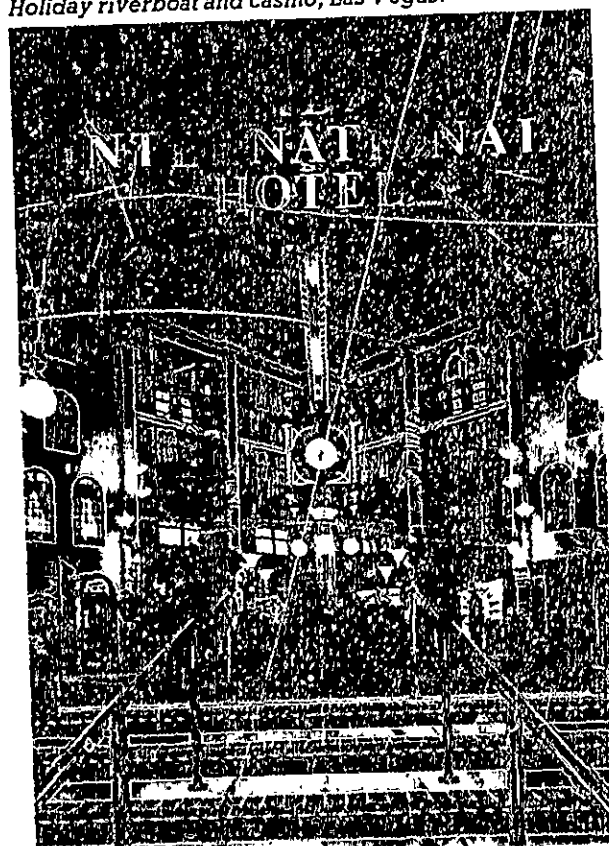
Investment in new and improved leisure and sporting facilities has been relatively strong.

AMEC is involved in a wide range of projects which revolve around improving the quality of life. Investment in new and improved leisure and sporting facilities has been relatively strong. It is forecast to remain one of the more buoyant sectors and AMEC companies are well positioned to meet future demand.

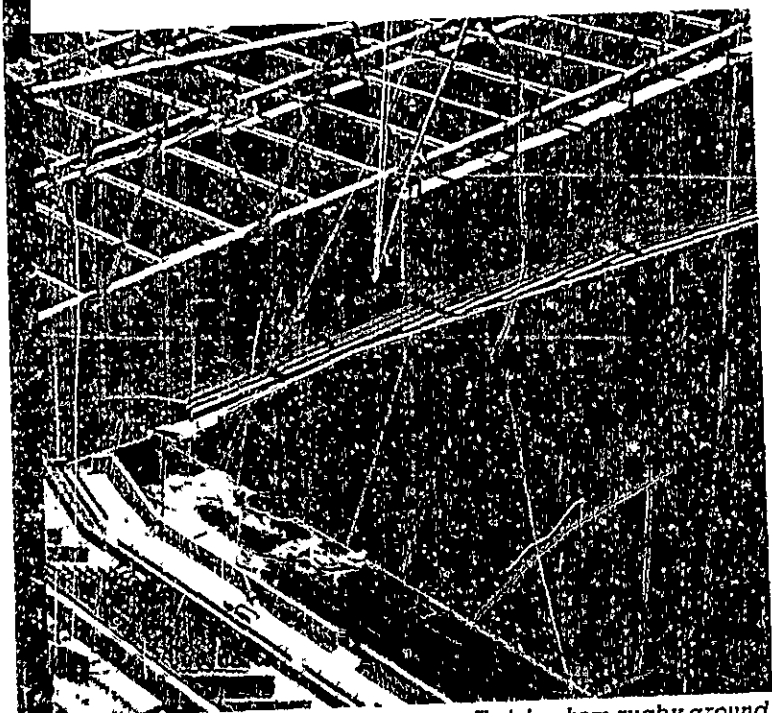
Group companies completed their work at Lords Cricket Ground, Twickenham and Ibrox Park during 1990, a year in which the West Yorkshire Playhouse in Leeds was opened. This theatre complex, constructed by Fairclough Building, is likely to be the last new theatre to be built in England this century. Electrical installation work in the new Glasgow Concert Hall was completed by James Scott and the hall also opened during 1990 – Glasgow's year as European City of Culture. AMEC Design and Construction has been commissioned by The Oxford University Press to redevelop the historic buildings at its Oxford headquarters – a £12 million scheme which entails conversion of the OUP's printing works and construction of a new office building.



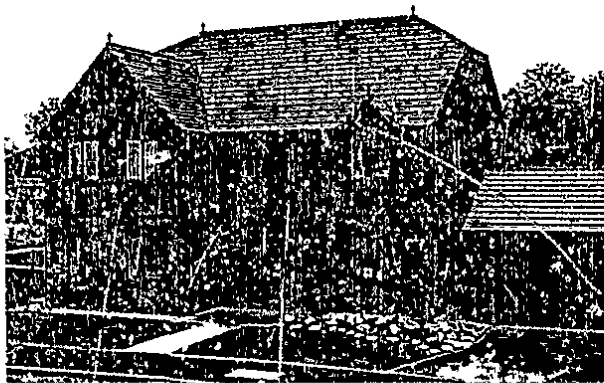
Holiday riverboat and casino, Las Vegas.



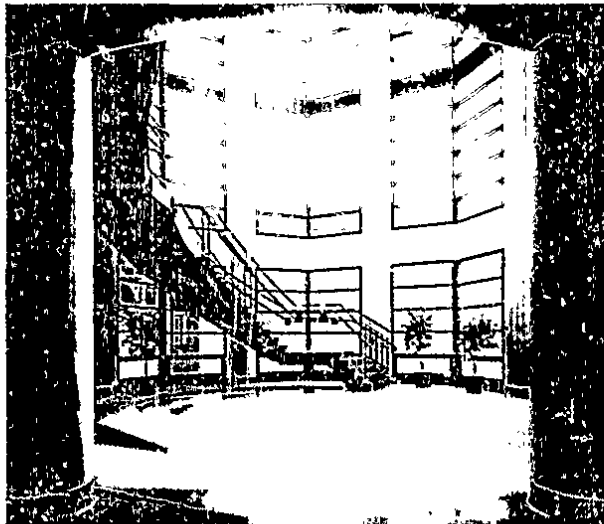
Cardiff International Hotel.



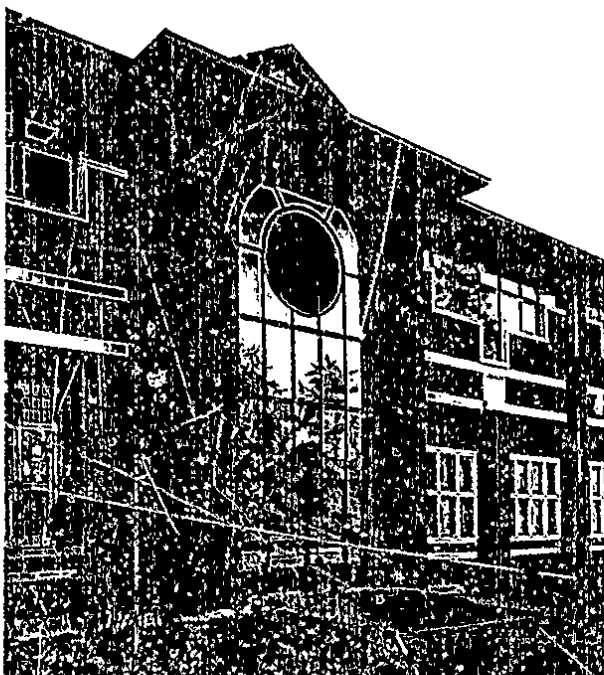
Twickenham rugby ground.



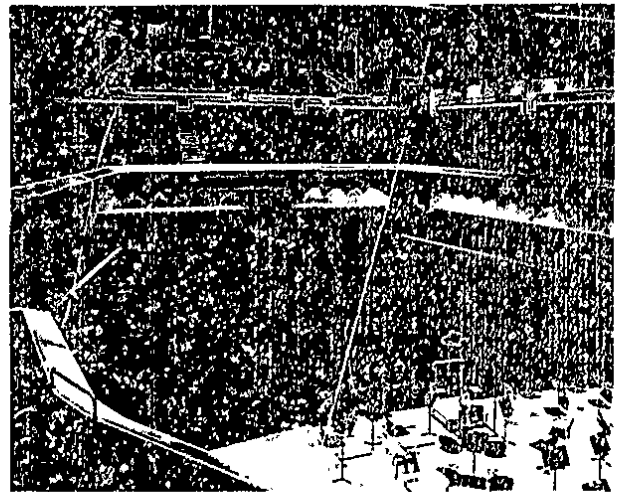
Eton Park, Preston.



Keio High School, New York.



Whitgift School, Croydon.



Royal Concert Hall, Glasgow.

There is evidence of a changing attitude to building projects by the public sector. The Fife Health Board awarded AMEC Projects the project management contract for the new West Fife District General Hospital at Dunfermline – the first time this style of contract has been used for a major acute hospital. The Departments of Health and Social Security have also taken this route for the new £50 million headquarters in Leeds. Matthew Hall Mechanical & Electrical Engineers was awarded a £19 million contract for the 'fast track' installation of building services at the Westminster and Chelsea Hospital.

The conversion of St George's Hospital, Hyde Park, into an hotel – where Matthew Hall Mechanical & Electrical Engineers is installing the building services – is one of a variety of hotel projects currently being undertaken by group companies. Fairclough Building is constructing the Garden Court Hotel, Warrington, for long-standing client Holiday Inns. Garden Court is the first of a series of new concept hotels across the UK and one of four projects for Holiday Inns in 1990. AMEC's commitment to quality was again demonstrated by the presentation of a silver medal in the Chartered Institute of Building's Manager of the Year Awards to Fairclough Building's project manager, Tony Wilson, at De Vere Hotels' Belfry Hotel in the West Midlands.

AMEC People

AMEC continues to invest heavily in the training and development of all levels of staff.

1990 was a year of particular challenge for AMEC's management and employees with increasing demands being made upon them because of market conditions. As part of its ongoing commitment to the development of its employees, AMEC is continuing to invest heavily in the training and development of all levels of staff using its own resources as well as working with external agencies. The main focus is on meeting the specific local needs of employees, although senior management training is provided on a group basis. AMEC is forging close relationships with specific schools and colleges in order to meet the long term challenge of key skills shortages. AMEC intends to develop further its links with business schools in 1991.

The broadening of the group's international activities has widened the range of career opportunities for staff. Moves between countries are an increasing reality. AMEC's corporate aim remains that it should enable all staff to develop their potential to the fullest extent for the benefit of themselves and the business.

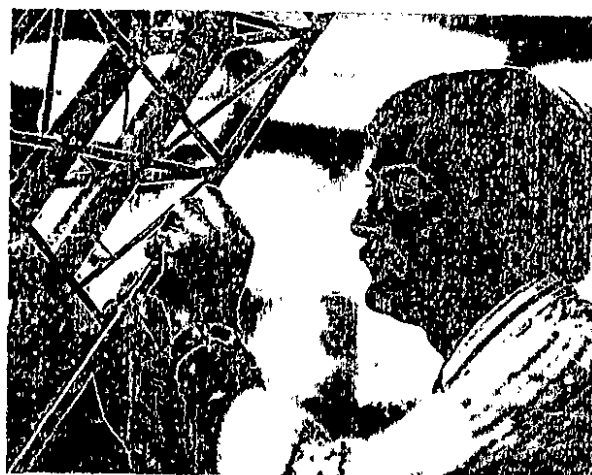
Communications with and between employees is the key to building team membership and achieving success. During 1990, AMEC held its first series of regional conferences on the theme of 'Achieving Greatness'. These conferences were attended by over 500 directors and senior executives and a video was made to assist onward communication of key messages to all employees. The Institute of Public Relations awarded AMEC its prestigious Certificate of Excellence for internal communications for these conferences.

The group newspaper, *AMEC Times*, which is circulated to all employees, was redesigned in 1990 and now appears with

full colour. During 1990, special editions were produced on the annual results and the MORI survey of employee attitudes. In addition, some group companies produce their own local newsletters.

Other employee consultation arrangements continue. The pensions consultative committee of the AMEC Staff Pension Scheme meets regularly and its meetings are reported in *Pension News* which carries information about the scheme in background articles. Pension scheme members also receive personal benefit statements.

In 1990, AMEC employees supported a range of charities and good causes. In particular, employees raised almost £100,000 for the Wythenshawe Cancer Care Appeal for a purpose-built chemotherapy

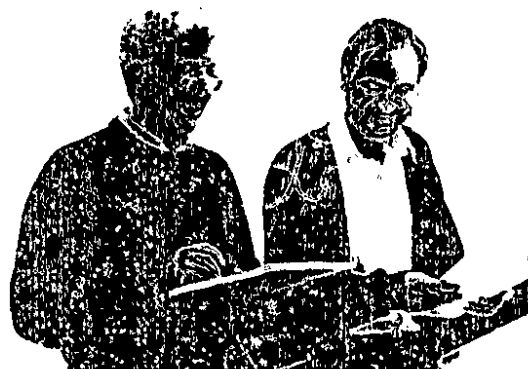


care unit and over £70,000 for local charities in the North East.

Health and safety remains a high priority for group companies with a below average accident incidence rate being maintained.

During the year, safety training took an even higher priority than in previous years with over 4,000 employees passing through in-house, CITB approved, safety training courses. More than 100 directors and managers attended the five-day Institution of Occupational Safety and Health foundation courses and more than 200 attended one-day and three-day safety courses.

Sub-contractors used by group companies are also encouraged to attend the safety training sessions. Such training is carried out as part of the total safety culture of the group.



Looking to the Future

AMEC's performance in the year has shown the value of its management approach and the resilience of its corporate philosophy which centres around flexibility, innovation and responsiveness to clients' needs.

1990 brought a variety of new initiatives, all of which were aimed at improving AMEC's overall capability and exploiting the full potential of the group's broad range of activities, both at home and overseas. AMEC will continue with its search for new business areas and strategic alliances, particularly where they can help enhance the added value of the group.

The next year or two will not be easy but AMEC is well prepared. The group's performance demonstrates that it has the breadth of expertise and the management policies which enable the group to meet this challenge and move forward successfully into the future.

AMEC p.l.c.

Directors, Officers and
Company Information

Directors

A Cockshaw FEng *Chairman*
JS Bateson *Chief Executive*
Sir Oswald Davies CBE DCM
CI Bateman
JWH Morgan FEng
RH Peet CBE
RW Mott
R Kisjes
JD Early
E Swainson CBE
Sir George Jefferson CBE FEng
MA Hawe
D Clark OBE

Sir Oswald Davies, Mr JWH Morgan, Mr RH Peet, Mr E Swainson and Sir George Jefferson are non-executive directors.

Sir Oswald Davies, aged 70, was previously Chairman of Fairclough Construction Group p.l.c. and Chairman of AMEC p.l.c. from its formation through to 31 July 1984.

Mr Morgan, aged 63, joined the board on 3 October 1983 and was previously a Director of The General Electric Company p.l.c. He was Chairman of AMEC p.l.c. from 1 August 1984 to 18 May 1988.

Mr Peet, aged 65, joined the board on 1 January 1984 and was previously Chief Executive of Legal and General Group p.l.c.

Mr Swainson, aged 64, joined the board on 20 July 1987 and was previously Managing Director of IMI p.l.c.

Sir George Jefferson aged 70, joined the board on 8 February 1989 and was previously Chairman of Matthew Hall Plc.

Secretary

MJ Bardsley

Auditors

KPMG Peat Marwick McLintock

Registrars

Barclays Bank PLC
Octagon House,
Gadbrook Park,
Northwich,
Cheshire CW9 7RD

Principal Bankers

Barclays Bank PLC
National Westminster Bank PLC
The Royal Bank of Scotland plc

Registered Office

Sandiway House,
Hartford,
Northwich,
Cheshire,
CW8 2YA

Registered in England
No 1675285



Report of the Directors

The directors have pleasure in presenting the ninth annual report and accounts being for the year ended 31 December 1990.

Business Review

The business of the group is building and civil engineering, mechanical and electrical engineering, property development and housing. The group's activities are reviewed in the chairman's statement on pages 3 and 4 and in the year in focus on pages 8 to 25.

The profit for the year available to shareholders amounting to £41.3 million is shown in the consolidated profit and loss account on page 30. The directors recommend that a final dividend of 6.25p per ordinary share be paid which, together with the interim dividend of 3.875p, makes a total ordinary dividend for the year of 10.125p. After ordinary dividends of £14.0 million and preference dividends of £11.3 million, £16.0 million has been transferred to reserves.

The final dividend will be payable on 1 July 1991 to ordinary shareholders on the register at the close of business on 10 May 1991.

An analysis of the group's activities is given in note 2 on page 35.

Share Capital

The present authorised and issued share capital of the company and movements during the year are set out in note 19 on pages 44 and 45. The proposed new articles of association to be submitted for adoption at the 1991 annual general meeting include limited powers for the directors to allot the unissued share capital of the company and to issue shares for cash other than to existing shareholders.

The directors have no present intention of issuing any ordinary shares other than in respect of the recent rights issue, conversion of preference shares, the exercise of share options and in lieu of cash dividends. No issue will be made which will effectively alter the control of the company without the prior approval of shareholders in general meeting.

Share Dividends

At the 1990 annual general meeting resolutions were passed authorising the directors to offer to ordinary shareholders the right to elect to receive additional ordinary shares, credited as fully paid, in lieu of any cash dividend declared or proposed at that annual general meeting or thereafter through to the end of the 1991 annual general meeting.

The directors have resolved, subject to the approval of the recommended final dividend of 6.25p per share for 1990, to offer ordinary shareholders the opportunity to elect once again to receive new ordinary shares in lieu of cash for this dividend.

The number of ordinary shares to be allotted in respect of the final ordinary dividend for 1990 will be calculated by reference to the average quotation of

the company's ordinary shares over the five days commencing on 29 April 1991 (the date on which they will be first quoted "ex" the relevant dividend).

Holders of any convertible preference shares converted pursuant to conversion notices served on the company prior to 21 June 1991 will not be entitled to the final ordinary dividend to be declared in respect of the financial year ended 31 December 1990 but will, upon becoming registered as the holders of ordinary shares, thereafter be entitled to make elections to receive fully paid ordinary shares instead of cash for any future dividends where a scrip alternative is available.

The directors believe that the opportunity to receive new ordinary shares instead of a cash dividend is attractive to many shareholders as it enables them to increase their holdings in the company in a simple manner without paying any dealing costs or stamp duty. In addition, to the extent that shareholders elect to receive new shares instead of cash dividends, the company will benefit from a reduction in advance corporation tax which would otherwise have been payable and the retention of the cash which would have been paid out as dividends.

The proposed new articles of association include authority for the directors to offer to ordinary shareholders the right to elect to receive additional ordinary shares in lieu of a cash dividend in respect of any dividends declared or proposed from the date of the adoption of new articles through to the end of the 1996 annual general meeting.

Share Options

It is proposed that amendments be made to the Rules of the AMEC Savings Related Share Option Scheme to increase the monthly savings limit and to both the Rules of that Scheme and the Rules of the AMEC Executive Share Option Scheme. In connection with the rate at which options can be granted during the life of each Scheme, within the overall maximum limits specified by the Rules. Resolutions will be proposed, as ordinary resolutions, in this regard at the annual general meeting. A circular is enclosed with the annual report in connection with the special business for the annual general meeting and this circular contains further information in respect of these proposals.

Directors

The following were directors at 31 December 1990:

A Cockshaw	R Kisjes
JS Bateson	JD Early
Sir Oswald Davis	F Swainson
CI Bateman	Mr George Jefferson
JWH Morgan	MA Hawe
RH Peet	D Clark
RW Mott	

The Companies Act 1985 requires that directors who attain the age of 70 years must vacate office at the conclusion of the next succeeding annual general

AMEC p.l.c.

Report of the Directors

meeting. Sir Oswald Davies and Sir George Jefferson have both now attained the age of 70 years and retire from office. As prescribed by the Companies Act 1985, special notice has been received in respect of their re-election and, being eligible, resolutions will therefore be proposed at the annual general meeting to re-elect Sir Oswald, who also retires by rotation, and Sir George as directors of the company.

Sir Oswald and Sir George do not have service contracts with the company. Other directors retiring by rotation in accordance with article 84 of the articles of association of the company are Mr E Swainson and Mr C I Bateman and, being eligible, they offer themselves for re-election. Mr Swainson does not have a service contract. Mr Bateman has a service contract with the company terminable by three years' notice.

The beneficial interests in the share capital of the company of the directors holding office at 31 December 1990 were as follows:-

<u>1 January 1990</u>	Ordinary Shares	Preference Shares	Executive options*	SAYE options*
A Cockshaw	1,460	1,840	227,748	—
JS Bateson	1,000	1,600	198,122	—
Sir Oswald Davies	67,672	—	—	—
CI Bateman	24,000	—	155,244	3,799
JWH Morgan	15,352	9,000	—	—
RH Peet	28,000	16,799	—	—
RW Mott	14,000	—	176,682	6,666
R Kisjes	1,042	600	130,710	—
JD Early	3,130	2,200	156,232	—
E Swainson	4,000	2,400	—	—
**Sir George Jefferson	—	25,000	—	—
MA Hawe	6,850,000	—	—	—
***D Clark	—	—	—	—

<u>31 December 1990</u>	Ordinary Shares	Preference Shares	Executive options*	SAYE options*
A Cockshaw	1,531	1,840	227,748	—
JS Bateson	10,000	1,600	147,048	—
Sir Oswald Davies	67,672	—	—	—
CI Bateman	24,000	—	155,244	2,466
JWH Morgan	15,352	9,000	—	—
RH Peet	28,000	16,799	—	—
RW Mott	14,000	—	176,682	6,666
R Kisjes	1,062	600	130,710	—
JD Early	3,287	2,200	156,232	—
E Swainson	4,000	2,400	—	—
**Sir George Jefferson	—	25,000	—	—
MA Hawe	3,870,000	—	—	—
***D Clark	1,019	—	91,674	—

Ordinary shareholdings at 1 January 1990 have been adjusted to reflect the capitalisation issue which took place on 5 July 1990.

*The Executive options and the SAYE options were granted under the terms of the AMEC Executive Share Option Scheme and the AMEC Savings Related Share Option Scheme respectively which were approved at the extraordinary general meeting held on 16 May 1985, the terms of which are set out in note 19 on pages 44 and 45.

**Sir George Jefferson also has a beneficial interest in £4,375 of unsecured floating rate loan notes 1994.

***Mr D Clark held, at the date of his appointment, 10 April 1990, a beneficial interest in 91,674 executive options and acquired a beneficial interest in 1,000 ordinary shares on 16 May 1990. Both figures have been adjusted to reflect the capitalisation issue.

No director had any other interests, beneficial or otherwise, in the share capital, 15% unsecured loan stock or the unsecured floating rate loan notes of the company.

On 7 February 1991, Mr RW Mott exercised a SAYE

option over 6,666 ordinary shares in the company.

On 30 January 1991, Mr CI Bateman sold a total of 11,500 ordinary shares in which he held a beneficial interest and bought the same number of shares on 31 January 1991.



AMEC p.l.c.

Report of the Directors

On 4 February 1991, Mr RW Mott sold a total of 12,000 ordinary shares in which he held a beneficial interest and bought the same number of shares on 5 February 1991.

There were no other changes in the directors' interests in the share and loan capital of the company between 31 December 1990 and 27 March 1991.

By a supplemental agreement dated 18 March 1991, Mr M A Hawe and the other parties to the agreement of 19 May 1988, relating to the acquisition of the outstanding 50 per cent interest in Fairclough Homes Limited, agreed that no further consideration (which would, if it had become due, have been satisfied by the issue of additional ordinary shares in the company) was due by the company in respect thereof.

During the year there were no other contracts or arrangements of significance, other than directors' service contracts, between any director and the company or any subsidiary in which a director's interest was material.

Substantial Interests

The directors have been notified of the under-mentioned interests comprising 3% or more of the ordinary share capital of the company as at 27 March 1991.

BAT Industries plc	7,000,000 shares	4.90%
Schroder Investment Management Limited	5,760,074 shares	4.03%
Norwich Union Fund Managers Ltd	5,168,926 shares	3.62%
Midland Bank p.l.c.	4,538,606 shares	3.18%
ICI Investment Management Ltd	4,440,120 shares	3.11%
Prudential Corporation Group of Companies	4,427,052 shares	3.10%

The directors have also been notified of the undermentioned interests comprising 3% or more of the preference share capital of the company as at 27 March 1991.

Morgan Grenfell Group PLC	20,904,987 shares	12.07%
Prudential Corporation Group of Companies	6,004,896 shares	3.47%

Employees

In 1990, AMEC employed on average 30,396 people worldwide. Details are given in note 5 on page 36.

Further share options were granted in 1990 under the Rules of the AMEC Savings Related Share Option Scheme, in accordance with AMEC's declared objective of increasing employee awareness, participation and interest in the business of the group.

The group's management policies seek to ensure that all employees' careers are determined solely on merit. No employee will suffer because of his or her sex, race, ethnic origin or religious belief. These principles guide operations worldwide.

It is the group's policy to consider for and enable suitably qualified disabled persons to seek and maintain employment and to assist them in overcoming their handicaps at work. The group recognises that special conditions are necessary in view of the nature of its main activities to ensure that disabled persons employed are properly trained for the tasks they perform.

Donations

Charitable donations for the year amounted to £217,000 including £50,000 to the AMEC Charitable Trust. Charitable donations amounting to £51,800 in the year were made by the AMEC Charitable Trust.

Status for Taxation

As far as the directors are aware the close company provisions of the Income and Corporation Taxes Act 1988 do not apply to the company.

Directors' and Officers' Liability Insurance

As permitted by the Companies Act 1985 (as amended), the company has maintained insurance cover for the directors and officers of all group companies against certain liabilities which they may incur in carrying out their duties.

Articles of Association

It is proposed to adopt new articles of association for the company to reflect changes in the law and current practice since the date of incorporation of the company when the original articles were adopted, and other changes which your directors consider appropriate and a resolution will be proposed in this regard at the annual general meeting. The circular enclosed with the annual report outlines the principal changes in the new articles compared with the current articles.

Auditors

A resolution will be proposed at the annual general meeting to re-appoint KPMG Peat Marwick McLintock as auditors and to authorise the directors to fix their remuneration.

Post Balance Sheet Event

On 26 March 1991 a 20% shareholding in Serete SA was acquired for a consideration of approximately £11 million. Serete is France's leading independent design engineering and construction management group.

By order of the board
MJ Eardsley
Secretary, 27 March 1991

AMEC p.l.c.
Consolidated Profit and
Loss Account

FOR THE YEAR ENDED 31 DECEMBER 1990

	Note	1990 £million	1989 £million
Turnover	2	2,218.3	1,992.6
Cost of sales		2,019.2	1,780.4
		<hr/>	<hr/>
Gross profit		199.1	212.2
Administrative expenses		128.1	115.4
		<hr/>	<hr/>
Operating Profit	3	71.0	96.8
Share of results of associated undertakings		(2.8)	(2.1)
Net interest payable	6	(4.8)	(3.4)
		<hr/>	<hr/>
Profit on Ordinary Activities before Taxation		63.4	91.3
Taxation on profit on ordinary activities	7	21.2	30.1
		<hr/>	<hr/>
Profit on Ordinary Activities after Taxation		42.2	61.2
Extraordinary items	8	0.9	0.9
		<hr/>	<hr/>
Profit for the Financial Year		41.3	60.3
Dividends	9	25.3	24.1
		<hr/>	<hr/>
Retained Profit	20	16.0	36.2
		<hr/>	<hr/>
 Earnings per Ordinary Share	11		
Diluted		18.3p	26.1p
Undiluted		21.7p	35.7p
		<hr/>	<hr/>
 Dividends per Ordinary Share	9	10.125p	9.5p
		<hr/>	<hr/>

The notes on pages 34 to 47 form part of these accounts.



AMEC p.l.c.

Consolidated Balance Sheet

AT 31 DECEMBER 1990

	Note	1990 £million	1990 £million	1989 £million	1989 £million
Fixed Assets					
Tangible assets	12		165.1		157.2
Investments	13		35.0		20.7
			<u>200.1</u>		<u>177.9</u>
Current Assets					
Stocks	14	241.7		253.0	
Debtors	15	539.4		475.0	
Cash at bank and in hand		83.1		64.2	
		<u>864.2</u>		<u>792.2</u>	
Creditors: due within one year	16	670.5		632.0	
Net Current Assets			<u>193.7</u>		<u>160.2</u>
Total Assets Less Current Liabilities			<u>393.8</u>		<u>338.1</u>
Creditors: due after one year	17	94.3		49.8	
Provision for Liabilities and Charges	18	0.3		-	
			<u>94.6</u>		<u>49.8</u>
			<u>299.2</u>		<u>288.3</u>
Capital and Reserves					
Called up share capital	19		157.9		122.3
Reserves	20		141.3		166.0
Shareholders' Funds			<u>299.2</u>		<u>288.3</u>

Approved by the board of directors on 27 March 1991

A Cockshaw, director

JD Early, director

The notes on pages 34 to 47 form part of these accounts.



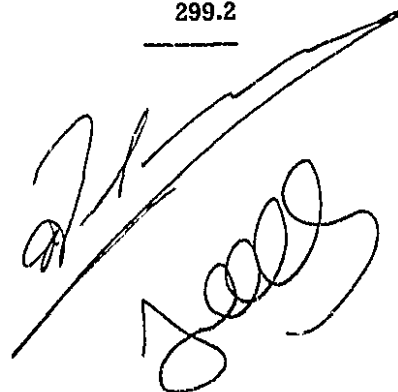
AMEC p.l.c.

Company Balance Sheet

AT 31 DECEMBER 1990

	Note	1990 £million	1990 £million	1989 £million	1989 £million
Fixed Assets					
Tangible assets	12		7.1		7.2
Investments in subsidiary undertakings	13		258.3		293.3
Other investments	13		27.6		12.5
			<u>293.0</u>		<u>313.0</u>
Current Assets					
Debtors	15	19.0		17.7	
Cash at bank and in hand		126.3		88.1	
			<u>145.3</u>		<u>105.8</u>
Creditors: due within one year	16	71.8		104.0	
Net Current Assets			<u>73.5</u>		<u>1.8</u>
Total Assets Less Current Liabilities			<u>366.5</u>		<u>314.8</u>
Creditors: due after one year	17		67.3		26.5
			<u>299.2</u>		<u>288.3</u>
Capital and Reserves					
Called up share capital	19		157.9		122.3
Reserves	20		141.3		166.0
Shareholders' Funds			<u>299.2</u>		<u>288.3</u>

Approved by the board of directors on 27 March 1991
A Cockshaw, director
JD Early, director
The notes on pages 34 to 47 form part of these accounts.



AMEC p.l.c.

Consolidated Statement of Source and Application of Funds

FOR THE YEAR ENDED 31 DECEMBER 1990

	1990 £million	1990 £million	1989 £million	1989 £million
Source of Funds:				
Profit on ordinary activities before taxation		63.4		91.3
Extraordinary items before taxation		(1.2)		(2.9)
		62.2		88.4
Items not involving the movement of funds:				
Depreciation	25.1		26.0	
Reserves of associated undertakings	4.3		2.7	
Exchange and other adjustments	0.8		(1.7)	
		30.2		27.0
Total generated from operations		92.4		115.4
Funds from other sources:				
Net proceeds from share issues		1.2		1.7
Disposal of tangible assets and investments		12.3		29.2
Total Funds Generated		<u>105.9</u>		<u>146.3</u>
Application of Funds:				
Purchase of tangible assets		46.8		54.3
Investments		23.8		10.8
Dividends paid to shareholders		24.6		23.1
Taxation paid		26.0		36.3
		121.2		124.5
Changes in working capital:				
Stocks and long-term contracts	6.5		80.2	
Debtors	44.8		46.4	
Creditors	(77.2)		(75.1)	
		(25.9)		51.5
Total Funds Applied		<u>95.3</u>		<u>176.0</u>
Excess of Funds Generated over Funds Applied		10.6		—
Excess of funds applied over funds generated		—		(29.7)
Net borrowings at 1 January		(10.7)		19.0
Net Borrowings at 31 December		<u>(0.1)</u>		<u>(10.7)</u>

AMEC p.l.c.

Notes to the Accounts

1 Accounting Policies

Basis of Presentation

Accounting convention
The accounts have been prepared in accordance with applicable Accounting Standards under the historical cost convention modified to include the revaluation of certain fixed assets.

Basis of consolidation

The group accounts include the accounts of AMEC p.l.c. and all its subsidiary undertakings and the group's share of the results and net assets of associated undertakings made up to 31 December each year. Certain overseas associated undertakings have been consolidated at original cost and profit recognised on a remittance basis.

The company has not presented its own profit and loss account as permitted by Section 230 of the Companies Act 1985 (as amended).

Turnover

Turnover represents sales and value of work done excluding all internal transactions within the group.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Long-Term Contracts

Amounts recoverable on long-term contracts are stated at cost plus attributable profits less provision for any known or anticipated losses and payments on account and are included in debtors.

Payments on account in excess of amounts recoverable on long-term contracts are included in creditors.

Research and Development

Research and development expenditure is written off as incurred.

Deferred Taxation

Provision is made for taxation deferred in respect of all timing differences except where it is considered there is reasonable probability that such taxation will not be payable in the foreseeable future.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising on the retranslation of opening net assets of overseas group undertakings are taken directly to reserves. All other translation differences are taken to the profit and loss account.

Goodwill

Goodwill representing the excess of the purchase consideration over the fair value of net assets acquired is charged to reserves in the year of acquisition.

Depreciation

Depreciation is provided on all tangible assets, other than freehold land and investment properties, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its anticipated useful life, as follows:

Freehold buildings	~50 years
Leasehold land and buildings	the lease term
Plant and equipment	mainly 3 to 5 years

Pensions

Contributions to pension schemes are allocated to the profit and loss account so as to maintain a substantially level percentage of relevant payroll costs over the normal expected service lives of employees.



AMEC p.l.c.
Notes to the Accounts

2 Turnover and Profit before Taxation

	Turnover 1990 £million	Turnover 1989 £million	Profit 1990 £million	Profit 1989 £million
By principal activity:				
Building and civil engineering	865.4	754.5	30.3	26.9
Mechanical and electrical engineering	1,202.7	992.1	38.6	26.3
Property development and housing	189.6	257.3	(0.7)	41.5
	<u>2,257.7</u>	<u>2,003.9</u>	<u>68.2</u>	<u>94.7</u>
Internal trading	39.4	11.3	—	—
Net interest payable	—	—	4.8	3.4
	<u>2,218.3</u>	<u>1,992.6</u>	<u>63.4</u>	<u>91.3</u>

Turnover by geographical area:

	1990 £million	1989 £million
United Kingdom	1,867.2	1,632.4
Rest of Europe	59.2	31.3
Americas	129.5	157.1
Australasia	110.0	115.0
Africa	21.8	13.4
Asia	30.6	23.4
	<u>2,218.3</u>	<u>1,992.6</u>

3 Operating Profit

	1990 £million	1989 £million
Operating profit is stated after charging:		
Depreciation	25.1	26.0
Hire of plant and equipment	39.3	33.3
Property lease rentals	11.0	8.1
Auditors' remuneration	0.8	0.8

AMEC p.l.c.

Notes to the Accounts

4 Directors' Remuneration

	1990 £million	1989 £million
Emoluments including pension contributions	1.2	1.2

The emoluments (excluding pension contributions) of the chairman amounted to £179,763. (1989-£199,105).

The emoluments (excluding pension contributions) of all the directors fell within the following ranges:

£	Number	Number
15,001- 20,000	4	4
30,001- 35,000	1	-
55,001- 60,000	-	1
60,001- 65,000	1	1
75,001- 80,000	2	-
85,001- 90,000	-	1
90,001- 95,000	1	-
95,001-100,000	-	1
100,001-105,000	-	1
105,001-110,000	1	-
110,001-115,000	1	1
115,001-120,000	-	1
150,001-155,000	1	-
160,001-165,000	-	1
175,001-180,000	1	-
195,001-200,000	-	1

5 Staff Costs

	1990 £million	1989 £million
Wages and salaries	497.8	463.0
Social security costs	44.3	45.9
Other pension costs	16.6	14.7
	<u>558.7</u>	<u>523.6</u>

The average number of persons employed during the year was:

	Number	Number
Building and civil engineering	8,248	8,121
Mechanical and electrical engineering	21,431	21,181
Property development and housing	717	819
	<u>30,396</u>	<u>30,121</u>



AMEC p.l.c.

Notes to the Accounts

6 Net Interest Payable

	1990 £million	1989 £million
Interest payable:		
On loans wholly repayable within five years:		
-- not by instalments	(14.8)	(10.2)
-- by instalments	(0.3)	(0.4)
On loans repayable in more than five years	-	(0.3)
On finance leases	(0.2)	(0.3)
Interest receivable:		
Bank and short-term deposits	6.4	5.1
Associated undertakings	2.7	2.1
Other	1.4	0.6
	<u>(4.8)</u>	<u>(3.4)</u>

7 Taxation on Profit on Ordinary Activities

	1990 £million	1989 £million
The taxation charge is made up as follows:		
Based on the profit for the year:		
Corporation tax	21.9	28.7
Double taxation relief	(1.0)	(0.6)
	<u>20.9</u>	<u>28.1</u>
Overseas taxation	3.2	1.6
	<u>24.1</u>	<u>29.7</u>
Taxation (over) under provided in previous years	(2.0)	1.3
Associated undertakings	(0.9)	(0.9)
	<u>21.2</u>	<u>31</u>
Taxation for the year has been provided at the rate of 34.25% (1989-35%)		
Approximate amount of losses available in subsidiary undertakings to carry forward against future taxable trading income subject to agreement of the appropriate taxation authorities	<u>4.6</u>	<u>9.1</u>

AMEC p.l.c.

Notes to the Accounts

8 Extraordinary Items

	1990 £million	1989 £million
Surplus on sale of subsidiary undertakings	0.7	
Closure and reorganisation costs	(1.9)	(2.9)
	(1.2)	(2.9)
Taxation	0.3	2.0
	(0.9)	(0.9)

9 Dividends

	1990 pence per share	1989 pence per share	1990 £million	1989 £million
Ordinary shares:				
Interim	3.875	3.625	5.5	5.1
Final proposed	6.250	5.875	8.9	8.3
Adjustment for ordinary shares allotted in respect of scrip dividend alternative			(0.4)	(0.6)
	10.125	9.500	14.0	12.8
Convertible redeemable preference shares			11.3	11.3
			25.3	24.1

10 Retained Profit

	1990 £million	1989 £million
Dealt with in the accounts of AMEC p.l.c.	25.3	33.7
Retained by subsidiary undertakings	(9.3)	2.5
	16.0	36.2

11 Earnings per Ordinary Share

The calculation of undiluted earnings per ordinary share is based on earnings of **£30.8 million** (1989 - £49.9 million) and on **141,657,232** (1989 - 139,710,698) ordinary shares being the weighted average number of ordinary shares in issue during the year.

The calculation of diluted earnings per ordinary share is based on adjusted earnings of **£42.9 million** (1989 - £62.0 million) and on **233,797,842** (1989 - 237,657,128) ordinary shares which allows for conversion of all the convertible redeemable preference shares in issue and the allotment of ordinary shares under employee share option schemes.

The 1989 comparative figures have been restated to reflect the capitalisation issue on 5 July 1990 of one new ordinary share for each ordinary share held.



AMEC p.l.c.

Notes to the Accounts

12 Tangible Assets

Group:	Land and buildings £million	Plant and equipment £million	Total £million
Cost or valuation:			
At 1 January 1990	84.8	191.4	276.2
Additions and transfers	11.0	35.8	46.8
Disposals and transfers	(2.8)	(25.4)	(28.2)
Revaluation	(1.7)	(0.2)	(1.9)
Exchange adjustment	(2.0)	(3.2)	(5.2)
At 31 December 1990	89.3	198.4	287.7
Depreciation:			
At 1 January 1990	3.4	115.6	119.0
Provided during the year	1.9	23.2	25.1
Disposals and transfers	(0.2)	(18.6)	(18.8)
Revaluation	—	(0.2)	(0.2)
Exchange adjustment	(0.4)	(2.1)	(2.5)
At 31 December 1990	4.7	117.9	122.6
Net book value:			
At 31 December 1990	84.6	80.5	165.1
At 31 December 1989	81.4	75.8	157.2
Company:	Land and buildings £million	Plant and equipment £million	Total £million
Cost or valuation:			
At 1 January 1990	6.1	1.7	7.8
Additions and transfers	0.3	0.2	0.5
Disposals and transfers	—	(0.1)	(0.1)
At 31 December 1990	6.4	1.8	8.2
Depreciation:			
At 1 January 1990	—	0.6	0.6
Provided during the year	0.1	0.4	0.5
At 31 December 1990	0.1	1.0	1.1
Net book value:			
At 31 December 1990	6.3	0.8	7.1
At 31 December 1989	6.1	1.1	7.2

AMEC p.l.c.

Notes to the Accounts

12 Tangible Assets (continued)

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
The net book value of land and buildings comprises:				
Freehold	76.1	74.4	5.5	5.4
Long leasehold	6.0	4.6	0.3	0.3
Short leasehold	2.5	2.4	0.5	0.4
	<hr/> 84.6 <hr/>	<hr/> 81.4 <hr/>	<hr/> 6.3 <hr/>	<hr/> 6.1 <hr/>
Land and buildings are stated at:				
Valuation 1988	2.1	2.1	—	—
Valuation 1989	63.3	66.9	6.1	6.1
Cost	23.9	15.8	0.3	—
	<hr/> 89.3 <hr/>	<hr/> 84.8 <hr/>	<hr/> 6.4 <hr/>	<hr/> 6.1 <hr/>

No provision has been made for the tax liability which may arise in the event that certain properties are disposed of at their revalued amounts.

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
The amount of land and buildings, included above at valuation, determined according to the historical cost accounting rules is as follows:				
Cost	54.9	55.7	5.8	5.8
Depreciation	8.4	7.5	0.4	0.2
	<hr/> 46.5 <hr/>	<hr/> 48.2 <hr/>	<hr/> 5.4 <hr/>	<hr/> 5.6 <hr/>
Net book value				
Fixed assets not depreciated:				
Land	28.5	30.0	2.4	2.4
Investment properties	13.6	11.1	—	—
Assets in the course of construction	4.5	0.6	—	—
	<hr/> 46.6 <hr/>	<hr/> 41.7 <hr/>	<hr/> 2.4 <hr/>	<hr/> 2.4 <hr/>



Notes to the Accounts**13 Investments (held as fixed assets)**

	Company 1990 £million	Company 1989 £million
Investments in subsidiary undertakings		
Shares at valuation	238.0	187.3
Amounts owed by subsidiary undertakings	260.7	327.9
Amounts owed to subsidiary undertakings	(240.4)	(221.0)
	<u>258.3</u>	<u>293.3</u>

Investments in subsidiary undertakings are stated at attributable net asset value.

Other investments

	Group Associated Undertakings £million	Group Other Investments £million	Company Associated Undertakings £million	Company Other Investments £million
Net book value at 1 January 1990	20.7	-	12.5	-
Additions and transfers	16.3	7.5	13.2	0.4
Disposals and transfers	(2.8)	(0.1)	1.6	(0.1)
Goodwill on acquisition	(1.4)	-	(0.4)	-
Net movement in share of reserves	(5.2)	-	0.4	-
Net book value at 31 December 1990	<u>27.6</u>	<u>7.4</u>	<u>27.3</u>	<u>0.3</u>

Represented by:

Shares at cost less amounts written off	31.9	7.4	25.2	0.3
Share of post acquisition reserves	(4.3)	-	2.1	-
	<u>27.6</u>	<u>7.4</u>	<u>27.3</u>	<u>0.3</u>

Investments listed on a United Kingdom Stock Exchange:

Cost plus share of post acquisition reserves	<u>20.0</u>	<u>7.3</u>	<u>20.0</u>	<u>0.2</u>
Market value	<u>23.9</u>	<u>6.0</u>	<u>23.9</u>	<u>0.2</u>

Principal group undertakings are listed on pages 50 and 51.

AMEC p.l.c.

Notes to the Accounts

14 Stocks

	Group 1990 £million	Group 1989 £million
Property development land and work in progress	217.9	229.1
Raw materials and consumables	12.4	12.2
Other work in progress	5.2	3.9
Finished goods and goods for resale	6.2	7.8
	<u>241.7</u>	<u>253.0</u>

15 Debtors

Due within one year:

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Amounts recoverable on contracts	196.0	179.9	-	-
Trade debtors	234.6	217.6	-	-
Amounts owed by subsidiary undertakings	-	-	14.2	11.1
Amounts owed by associated undertakings	22.4	30.7	-	-
Other debtors	6.6	9.4	0.8	2.5
Prepayments and accrued income	9.1	8.8	1.0	1.3
	<u>468.7</u>	<u>446.4</u>	<u>16.0</u>	<u>14.9</u>

Due after one year:

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Amounts recoverable on contracts	3.3	-	-	-
Trade debtors	50.4	20.0	-	-
Amounts owed by associated undertakings	13.7	5.4	-	-
Other debtors	3.3	3.2	3.0	2.8
	<u>539.4</u>	<u>476.0</u>	<u>19.0</u>	<u>17.7</u>

16 Creditors: due within one year

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Bank loans and overdrafts	12.7	43.8	-	36.6
Trade creditors	419.5	367.7	11.9	9.1
Payments on account	80.5	79.7	-	-
Amounts owed to subsidiary undertakings	-	-	1.2	0.8
Amounts owed to associated undertakings	1.0	0.7	-	-
Corporation tax	36.7	41.5	35.3	37.2
Other taxation and social security costs	32.8	25.2	7.8	4.2
Other creditors	29.3	20.5	0.6	0.4
Accruals and deferred income	47.2	42.8	4.2	5.6
Dividends	10.8	10.1	10.8	10.1
	<u>670.5</u>	<u>632.0</u>	<u>71.8</u>	<u>104.0</u>



Notes to the Accounts**17 Creditors: due after one year**

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Loans repayable:				
-- between one and two years	0.8	3.9	-	3.1
-- between two and five years	63.1	19.1	60.3	16.9
-- after five years	0.1	1.6	-	-
	64.0	24.6	60.8	20.0
Loan stock 1992	6.5	6.5	6.5	6.5
Trade creditors	19.4	16.9	-	-
Payments on account	2.6	1.8	-	-
Amount owed to an associated undertaking	1.8	-	-	-
	94.3	49.8	67.3	26.5
Loans are denominated in:				
Pounds sterling	39.5	-	39.5	-
US dollars	23.7	23.5	21.3	20.0
Other overseas currencies	0.3	1.1	-	-
	64.0	24.6	60.8	20.0

Interest payments on all loans vary with market rates. At 31 December 1990 the average rate payable on all loans was 11.85% (1989 - 9.11%).

Loans amounting to £60.8 million mature within one year. They represent advances against facilities available to the company until December 1994 under which such loans may be refinanced on a continuing basis.

The 15% unsecured loan stock 1992 will be redeemed at par on 31 December 1992.

18 Provision for Liabilities and Charges

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Deferred taxation				
Balance at 1 January 1990			-	-
Deferred taxation movement			0.3	-
Balance at 31 December 1990			0.3	-
Accelerated capital allowances	3.7	1.8	3.7	1.8
Other timing differences	(3.4)	(1.8)	(3.7)	(1.8)
Provided in accounts	0.3	-	-	-
Not provided in accounts:				
Accelerated capital allowances	1.2	1.1	1.2	1.1
Other timing differences	(1.2)	(1.1)	(1.2)	(1.1)
Total potential liability	0.3	-	-	-

AMEC p.l.c.

Notes to the Accounts

19 Share Capital

The authorised share capital of the company is **£220,000,000** (1989 – £160,000,000).

Allotted, called up and fully paid:	1990 £ million	1989 £ million
Ordinary shares of 50p each	71.3	35.2
6.5p (net) cumulative convertible redeemable preference shares of 50p each	86.6	87.1
	<u>157.9</u>	<u>122.3</u>

The total number of ordinary shares allotted at 31 December 1990 was **142,558,886** (1989 – 140,945,372, restated to reflect the capitalisation issue on 5 July 1990 of one new ordinary share for each ordinary share held).

The total number of preference shares allotted at 31 December 1990 was **173,229,960** (1989 – 174,080,909).

Conversion and redemption of preference shares

The preference shares are convertible into ordinary shares on 31 May (or, if later, the date five weeks after despatch to the holders of the preference shares of the audited consolidated accounts of the company and its subsidiary undertakings for the most recently ended financial period) or 30 November in each of the years up to and including the year 2008 on the basis of 48.78 ordinary shares of 50p each for every 100 preference shares.

The company must redeem at 100p per share on 1 May 2009 any preference shares which remain in issue and are outstanding at that date.

Holders of 691,066 preference shares converted their holdings into 168,551 ordinary shares on the conversion date of 4 June 1990.

Holders of 159,883 preference shares converted their holdings into 77,991 ordinary shares on the conversion date of 30 November 1990.

Scrip dividends

Subsequent to the scrip dividend alternative offered to ordinary shareholders in respect of the final dividend for 1989, 71,807 ordinary shares were allotted on 19 June 1990.

Subsequent to the scrip dividend alternative offered to ordinary shareholders in respect of the interim dividend for 1990, 86,862 ordinary shares were allotted on 19 December 1990.

Share options

In 1990 share options were granted in respect of 753,422 ordinary shares under the AMEC Savings Related Share Option Scheme and in respect of 140,000 ordinary shares under the AMEC Executive Share Option Scheme.



AMEC p.l.c.

Notes to the Accounts

19 Share Capital (continued)

At 31 December 1990 share options were outstanding as follows:

Option price per share	Number of shares
------------------------------	------------------------

Savings Related Share Option Schemes

Normally exercisable in the period between:

October 1990 and March 1991	111p	304,626
August 1991 and January 1992	123.5p	167,440
February 1992 and August 1994	142.54p	921,350
August 1992 and January 1993	150p	379,862
August 1993 and January 1994	173p	387,162
September 1994 and February 1995	209p	599,006
September 1995 and February 1996	181p	708,118

Executive Share Option Schemes

Normally exercisable in the period between:

September 1988 and September 1995	116p	367,574
April 1989 and April 1996	137p	408,872
July 1989 and July 1996	152.41p	347,560
April 1990 and April 1997	166p	990,420
October 1990 and October 1997	252.19p	212,040
April 1991 and April 1998	192p	1,045,302
May 1991 and May 1998	167.76p	49,704
August 1991 and August 1998	182p	110,000
May 1992 and May 1999	232p	500,000
May 1993 and May 2000	193.5p	140,000

Currently there are 2,184 participants in the Savings Related Schemes and 112 participants in the Executive Schemes.

During the year the following allotments of ordinary shares were made under the provisions of the various Share Option Schemes:-

Savings Related Schemes	111p	536,077
	123.5p	1,592
	142.54p	4,112
	150p	3,760
	173p	4,742
	209p	112
Executive Schemes	116p	34,731
	137p	25,546
	152.41p	107,040
	166p	52,077
	192p	14,801

Notes to the Accounts**20 Reserves**

Group:	Share premium account £million	Revaluation reserve £million	Profit and loss account £million	Total reserves £million
At 1 January 1990	80.4	20.8	64.8	166.0
Retained profit	-	-	16.9	16.0
Shares issued	(34.4)	-	-	(34.4)
Goodwill on acquisitions	-	-	(1.9)	(1.9)
Disposals and transfers	-	(2.7)	-	(2.7)
Other movements	-	-	(1.7)	(1.7)
At 31 December 1990	46.0	18.1	77.2	141.3

Cumulative goodwill on acquisitions, after related share premium and merger relief of **£93.8 million** (1989 - £93.8 million) written off to group reserves amounted to **£43.4 million** (1989 - £41.5 million).

Company:

At 1 January 1990	80.4	31.4	54.2	166.0
Retained profit	-	-	25.3	25.3
Shares issued	(34.4)	-	-	(34.4)
Adjustment to carrying value of investments	-	(9.9)	(5.7)	(15.6)
At 31 December 1990	46.0	21.5	73.8	141.3

21 Capital Commitments

	Group 1990 £million	Group 1989 £million	Company 1990 £million	Company 1989 £million
Contracted but not provided in accounts	4.9	3.4	-	-
Authorised by the directors but not contracted	7.2	5.1	-	-

22 Lease Commitments

	Group Land and buildings 1990 £million	Group Plant and equipment 1990 £million	Group Land and buildings 1989 £million	Group Plant and equipment 1989 £million
Current annual commitments payable under non-cancellable leases expiring:				
Within one year	0.5	0.3	0.5	0.3
Between two and five years	6.0	1.9	1.5	1.1
After five years	6.6	0.1	6.5	0.1
	13.1	2.3	8.5	1.5



AMEC p.l.c.
Notes to the Accounts

23 Contingent Liabilities

	Company 1990 £million	Company/ 1989 £million
Guarantees given in respect of borrowings of subsidiary undertakings	<u>100.7</u>	<u>66.3</u>

AMEC p.l.c. and certain subsidiary undertakings have given counter indemnities in respect of performance bonds issued on behalf of group undertakings in the normal course of business.

24 Pension Arrangements

The group operates a number of pension schemes for UK and overseas employees. Over 90% of members are in defined benefit schemes. Contributions paid by employees and employers are held in funds that are separate from the group's finances and which are administered by trustees.

Pension costs are assessed in accordance with the advice of independent qualified actuaries.

The projected unit method is used to assess liabilities and future funding rates for the major scheme which covers over 60% of UK members. The latest actuarial valuation of this scheme was undertaken as of 1 April 1990. The present employer contribution rate of 12% of earnings assumes investment returns 2% higher than the rate of annual salary increases.

At the date of the latest actuarial valuations the market value of group schemes was £290 million and the actuarial value of the assets was sufficient to cover accrued benefits.

Report of the Auditors

TO THE MEMBERS OF AMEC p.l.c.

We have audited the accounts on pages 30 to 47 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 31 December 1990 and of the profit and source and application of funds of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Peat Marwick McLintock

KPMG Peat Marwick McLintock
Chartered Accountants
Leeds

27 March 1991

AMEC p.l.c

Statistics

FOR THE FIVE YEARS ENDED 31 DECEMBER 1990

	1990 £m	1989 £m	1988 £m	1987 £m	1986 £m
Consolidated Results					
Turnover	2,218.3	1,992.6	1,309.9	793.6	711.0
Profit before taxation	63.4	91.3	61.6	34.5	30.5
Taxation	21.2	30.1	21.5	12.3	11.0
Profit after taxation	42.2	61.2	40.1	22.2	19.5
Extraordinary items	(0.9)	(0.9)	5.3	(0.9)	(1.2)
Attributable profit	41.3	60.3	45.4	21.3	18.3
Dividends	25.3	24.1	15.7	8.4	7.7
Retained profit	16.0	36.2	29.7	12.9	10.6
<i>Earnings per ordinary share: diluted</i>	<i>18.3p</i>	<i>26.1p</i>	<i>23.9p</i>	<i>17.0p</i>	<i>14.9p</i>
<i>Earnings per ordinary share: undiluted</i>	<i>21.7p</i>	<i>35.7p</i>	<i>27.1p</i>	<i>17.3p</i>	<i>15.0p</i>
<i>Dividends per ordinary share</i>	<i>10.125p</i>	<i>9.5p</i>	<i>8.5p</i>	<i>6.5p</i>	<i>6.0p</i>

Summarised Consolidated Balance Sheets

Assets employed:					
Fixed assets	200.1	177.9	155.8	107.1	85.9
Net current assets	193.7	160.2	124.5	20.1	27.1
	393.8	338.1	280.3	127.2	113.0
Financed by:					
Share capital	157.9	122.3	122.5	32.2	32.2
Reserves	141.3	166.0	115.5	75.7	67.6
Shareholders' funds	299.2	288.3	238.0	107.9	99.8
Loan stock	6.5	6.5	6.5	6.5	6.5
Loans	64.0	24.6	23.6	8.1	0.4
Other creditors	23.3	18.7	11.8	4.7	6.3
Deferred taxation	0.3	--	0.4	--	--
	393.8	338.1	280.3	127.2	113.0

NOTES

- 1 Dividends and earnings per ordinary share have been adjusted for capital issues.
- 2 The figures are stated in accordance with the accounting policies set out on page 24.

AMEC p.l.c.

Principal Group Undertakings

AT 31 DECEMBER 1990

Subsidiary Undertakings

- AMEC Construction Services Limited
- AMEC Design and Construction Limited
- AMEC Design and Management Limited
- * AMFC Holdings Inc., incorporated in the USA
- AMEC International Construction Limited, operating outside the UK
- AMEC Property and Overseas Investments Limited
- AMEC Projects Limited
- AMEC Properties Limited
- AMEC Regeneration Limited
- Arden Computer Services Limited
- * Atlantic Services Limited, incorporated in Bermuda
- * AUST-AMEC Pty Limited, incorporated in Australia
- * Australian Minder Systems Pty Limited, incorporated in Australia
- * Barnard and Burk Group Inc., incorporated in the USA
- * Barnard and Burk Engineers and Constructors, Inc., incorporated in the USA
- CV Buchan Limited
- Denco Limited
- * Denco SA, incorporated in France
- William Ellis (Etchingham) Limited
- Fairclough Building Limited
- Fairclough Civil Engineering Limited
- Fairclough Engineering Limited
- * Fairclough Homes Limited
- Fairclough International Construction Limited, operating outside the UK
- Fairclough-Parkinson Mining Limited
- Fairclough Scotland Limited, incorporated in Scotland
- * Fire Protection Industries Inc., incorporated in the USA
- * The Fisk Group Inc., incorporated in the USA
- Franklin Hodge Industries Limited
- The IDC Group Limited
- IDC Property Investments Limited
- * Inpark BV, incorporated in Holland
- Intek Floors Limited
- Matthew Hall Engineering Limited
- * Matthew Hall Keynes Engineering BV, incorporated in Holland
- Matthew Hall Mechanical & Electrical Engineers Limited
- * Matthew Hall Mechanical & Electrical Engineers (Pty) Limited, incorporated in Australia
- * Matthew Hall (Pty) Limited, incorporated in Australia
- Metal and Pipeline Endurance Limited
- Press Construction Limited
- Press (Humberside Fabricators) Limited
- Press International Construction Limited, operating outside the UK
- Press Offshore Limited
- James Scott Limited, incorporated in Scotland
- James Scott Power Limited, incorporated in Scotland
- * Stoneleigh Developments Limited
- * Sunland Services, Inc., incorporated in the USA

AMEC p.l.c.

Principal Group Undertakings

AT 31 DECEMBER 1990

Travel Places (International) Limited
Robert Watson & Co. (Constructional Engineers) Limited
Robert Watson & Co. (Steelwork) Limited
*Worsham Sprinkler Co. Inc., incorporated in the USA

Associated Undertakings

*Gulliver Consolidated Limited, incorporated in Zimbabwe (45%) (Note 4)
Power Corporation Plc, incorporated in the Republic of Ireland (18.16% of ordinary shares) (Note 5)
*GERIL-AMEC S.G.P.S., S.A., incorporated in Portugal (50%) (Note 6)
Morse Diesel International, a partnership established in the United States (50%)

Investments

*Trafford Park Estates PLC (15.14%) (Note 7)

Notes

- 1 The above are, in the opinion of the directors, those undertakings principally affecting group trading results and net assets.
- 2 Except where otherwise indicated, all of the undertakings are wholly owned, incorporated in England, operate principally in their countries of incorporation and their share capitals are in ordinary shares.
- 3 Shares are held directly by AMEC p.l.c. except where marked with an asterisk where they are held by subsidiary undertakings.
- 4 The issued share capital of Gulliver Consolidated Limited is 3,482,450 Zimbabwean dollars divided into 6,964,900 shares of 50 cents each.
- 5 The issued share capital of Power Corporation Plc is 116,273,491 ordinary shares of IR10p each, 2,016,843 Series A convertible redeemable deferred shares of IR1p each and 2,596,464 Series B convertible redeemable deferred shares of IR1p each.
- 6 The issued share capital of GERIL-AMEC S.G.P.S., S.A. is 1,626,000,000 Escudos divided into shares of 1,000 Escudos each.
- 7 The issued share capital of Trafford Park Estates PLC is 67,040,168 ordinary shares of 25p each

AMEC p.l.c.
Notice of
Annual General Meeting

Notice is hereby given that the ninth annual general meeting of AMEC p.l.c. will be held at the Holiday Inn Crowne Plaza Midland Hotel, Peter Street, Manchester, on Thursday 13 June 1991 at 12 noon for the following purposes:

1 To consider the accounts and the reports of the directors and the auditors for the year ended 31 December 1990 and to approve a final dividend of 6.25p per ordinary share (Resolution 1).

2 To re-elect directors:

Resolution 2 - Sir George Jefferson, who has attained the age of 70 years.

Resolution 3 - Sir Oswald Davies, who has attained the age of 70 years and who also retires by rotation.

(Special notice to propose resolutions 2 and 3 has been received).

Resolutions 4 and 5 - Mr E Swainson and Mr C I Bateman, who retire by rotation.

3 To re-appoint the auditors (Resolution 6).

4 As special business, to consider and, if thought fit, pass the following resolutions:

As a Special Resolution (Resolution 7):

That the regulations set forth in the printed document produced to this meeting and for the purpose of identification signed by the chairman hereof, be approved and adopted as the articles of association of the company, in substitution for, and to the exclusion of, the existing articles of association.

As an Ordinary Resolution (Resolution 8):

That, subject to Inland Revenue approval, the directors be authorised to amend the Rules of the AMEC Savings Related Share Option Scheme to permit employees to contribute up to £250 per month, or such other amount as may be permitted from time to time by legislation, and the directors be authorised to do all acts and things necessary or expedient to carry the same into effect.

As an Ordinary Resolution (Resolution 9):

That, subject to Inland Revenue approval, the amendments to the AMEC Executive Share Option Scheme and AMEC Savings Related Share Option Scheme (the "Schemes") described in the circular dated 17 May 1991 and incorporated in the Rules of the Schemes produced to the meeting and signed for the purposes of identification by the chairman, or substantially in that form, be approved and the directors be authorised to make such amendments and do all acts and things necessary or expedient to carry the same into effect.

By order of the board

M J Bardsley

Secretary

17 May 1991

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not also be a member. Copies of the annual report and accounts are sent to loan stock holders and loan note holders for information only. Loan stock holders and loan note holders are not entitled to attend or vote at the annual general meeting.

A circular is enclosed with the annual report outlining the principal changes in the new articles of association compared with the current articles and the background to and details of the proposed changes to the Rules of the AMEC Savings Related Share Option Scheme and the AMEC Executive Share Option Scheme.

There will be available for inspection at the registered office of the company during business hours on any weekday (excluding Saturdays and public holidays) from the date of this notice until the date of the annual general meeting and at the Holiday Inn Crowne Plaza Midland Hotel, Peter Street, Manchester, from 11.45am on 13 June 1991 until the conclusion of the meeting, copies of all service contracts of the directors with the company or any of its subsidiary undertakings not expiring or terminable within one year without payment of compensation, a copy of the proposed new articles of association and copies of the Rules of the AMEC Savings Related Share Option Scheme and the AMEC Executive Share Option Scheme in their present and proposed amended forms.

