wood.

News Release

20 March 2018

Full year results for the year ended 31 December 2017

"2017 was a year of transformational strategic development. The acquisition of Amec Foster Wheeler in October brought together two businesses and three brands to create Wood, a global leader in project, engineering and technical services delivery. We are a broader business with multi-sector, full service capability across energy and industrial markets and a stronger, more balanced offering in oil & gas. Integration is progressing ahead of schedule with initial cost synergies achieved earlier than plan. Financial performance for 2017 is in line with guidance. I am confident we have a unique platform to unlock revenue synergies and generate good longer term growth"

Robin Watson, Chief Executive

Year ended 31 December	Reported 2017 $m	Reported 2016 $m	% Movement	Proforma 2017 $m[1]	Proforma 2016 $m[1]	% Movement
Total Revenue[2]	**6,169**	4,934	*25.0%*	**9,882**	11,235	*(12.0)%*
Total EBITA[2]	**372**	363	*2.5%*	**598**	673	*(11.1)%*
EBITA Margin	**6.0%**	7.4%	*(1.4)%*	**6.0%**	6.0%	*0.0%*
Revenue from continuing operations on an equity accounting basis	**5,394**	4,121	*30.9%*			
Operating Profit before exceptional items	**212**	244	*(13.1)%*			
(Loss)/profit for the period	**(30.0)**	34.4	*(187)%*			
Basic EPS	**(7.4)c**	7.5c	*(199)%*			
Adjusted diluted EPS[3]	**53.3c**	64.1c	*(16.8)%*			
Total Dividend	**34.3c**	33.3c	*3.0%*			
Net debt (excluding JV's)	**1,646.1**	322.6				

- Financial results for 2017 ahead of guidance on a reported basis and in line on a proforma basis
- Relatively resilient performance despite continued challenging conditions in core oil & gas markets
- Integration progressing at pace. Annualised cost synergies delivery of greater than $40m to date, earlier than plan. Remain confident of delivering at least $170m in three years
- Net debt of $1.65bn and 12 month proforma Net debt : EBITDA of 2.4x
- Deleveraging plan underpinned by confidence in earnings quality, synergies delivery and planned disposal of non core assets of at least $200m
- Progressive dividend retained. Proposed final dividend of 23.2c up 3%
- Proforma results in 2017 establish the base for Wood going forward and benefit from a dispute settlement in legacy AFW, partially offset by cost overruns on certain fixed price, non-oil and gas contracts
- Operating profit before exceptional items is stated after non cash amortisation charges of $141m, including $32m of amortisation of intangibles arising on the acquisition of AFW
- Loss for the period is stated after exceptional costs of $165m, including $67m in respect of the acquisition of Amec Foster Wheeler and restructuring & integration costs of $51m
- Anticipate modest EBITA growth in 2018 reflecting early stage recovery in certain oil & gas markets, good momentum in broader energy and industrial contract awards and delivery of cost synergies

Notes:

1 *Proforma results are unaudited. They include 12 months of AFW's results but exclude the results of businesses disposed; principally the AFW North Sea upstream business, the AFW North American nuclear operations and the disposed elements of GPG. It also excludes the results of other, less material disposed interests including the Aquenta consultancy, an interest in Incheon Bridge and interests in two Italian windfarms.*

2 *See detailed footnotes following the Financial Review. Total Revenue and Total EBITA are presented based on proportionally consolidated numbers, which is the basis used by management to run the business and includes the contribution from joint ventures. A reconciliation to statutory numbers is provided in note 1 to the accounts.*

3 *Company compiled publicly available consensus 2017 Reported EBITA on a proportionally consolidated basis is $345mm and AEPS is 50.5c. Consensus 2017 EBITA on a Proforma basis is $597m. (https://www.woodplc.com/investors/analyst-consensus-and-coverage)*

Wood is a global leader in the delivery of project, engineering and technical services to energy and industrial markets. We operate in more than 60 countries, employing around 55,000 people, with revenues of around $10 billion. We provide performance-driven solutions throughout the asset life-cycle, from concept to decommissioning across a broad range of industrial markets including the upstream, midstream and downstream oil & gas, power & process, environment and infrastructure, clean energy, mining, nuclear and general industrial sectors. www.woodplc.com

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There will be an analyst and investor presentation at the Lincoln Centre, 18 Lincoln's Inn Fields, WC2A 3ED at 09.00. Early registration is advised from 08.30.

A live webcast of the presentation will be available from https://www.woodplc.com/investors/financial-events-calendar Replay facilities will be available later in the day.

Chair's statement

2017 was a year of significant development for Wood Group culminating in the completion of the acquisition of Amec Foster Wheeler ("AFW") on 6 October to create Wood, a global leader in the delivery of project, engineering and technical services to energy and industrial markets.

Wood Group has a long and successful track record of acquisition-led growth. In 2016 AFW was identified as a larger potential acquisition that could accelerate the Wood Group strategy to improve its service offering in project delivery, enhance its capability across the value chain in core oil and gas markets, and broaden and deepen end market and customer exposure.

The first quarter of 2017 presented an opportunity to acquire AFW at an appropriate valuation. The Board recognised the compelling rationale for substantial cost synergies and incremental revenue synergies in a less cyclically volatile business with a similar business model and strong operational capability. The all share offer announced on 13 March represented a 15% premium to the previous day's closing price and received the overwhelming support of both sets of shareholders on 15 June with over 99% voting in favour. Since completion on 6 October, Robin and his combined leadership team have been focussed on integration, making good use of the lessons learned from Wood Group's successful 2016 organisational change programme and proven track record of cost reduction.

The transaction did not divert management's attention from operational delivery, which remained very much in focus throughout the year. The flexibility of our asset light business model has been crucial during the downturn in the oil & gas market. Wood Group's focus on cost and managing utilisation continued throughout 2017. Capital discipline remained high on the agenda for E&P operators despite some recovery in commodity prices in the second half of the year. Going forward, Wood will have a broader exposure across energy and industrial markets and the oil and gas segment will account for around half of revenue.

Post completion, three former AFW directors joined the Board. Roy Franklin is now the Senior Independent Director and Deputy Chair and Linda Adamany and Ian McHoul serve as non-executive directors. In January, Richard Howson stepped down from the Board. These board changes ensure diversity at Board level in terms of background, experience and thought leadership.

Taking account of cashflows and earnings, the progressive Wood dividend policy is a key element of our investment case and compares favourably against peers in the global engineering and construction sector. The Board has recommended a final dividend of 23.2 cents per share, which makes a total distribution for the year of 34.3 cents, an increase of 3% on the 2016 total distribution. Former AFW shareholders will also receive the final dividend.

Looking ahead, the Board is very confident that Wood will build on the integrated growth platform of Wood Group and Amec Foster Wheeler for the long term benefit of all stakeholders.

Ian Marchant, Chair

Chief Executive Review

Creating Wood, a global leader in project, engineering and technical services delivery

The acquisition of AFW in October 2017 brought together three brands and two companies to create one leading business in project, engineering and technical services delivery. We are a business of significantly increased scale with around 55,000 people in over 60 countries providing solutions across the asset life cycle from concept to decommissioning. We have a stronger, more balanced oil & gas offering and we are a much broader business, with a multi-sector, full service capability across energy and industrial markets.

In the first few months since completion, we have completed detailed business unit reviews that have confirmed the strategic rationale for the deal, the depth of capability in AFW and the unique growth opportunities for the combined business.

The Wood operating model was in place and communicated on Day 1, greatly benefitting our stakeholders' understanding of the combined business and enabling our integration process to begin at pace. Wood Group completed a service defined organisational change programme in 2016 that focussed on simplicity and efficiency, resulting in a structure that could accommodate future business additions. As a result, the integration of AFW requires only minor modification to our operating and reporting model. Our 2016 reorganisation was key to the delivery of cumulative overhead costs savings of over $240m by the end of 2016, during the prolonged downturn in the oil & gas sector. We are confident this experience will enable us to deliver a leaner, more competitive combined organisation and underpin the delivery of cost synergies.

Integration and the achievement of synergies has been a key objective for the whole business. We remain very confident of delivering annualised cost synergies at least $170m by the end of the third year following completion and are currently ahead of schedule. Our actions to date have been focussed on rationalisation at the top levels of management and the initial stages of property rationalisation. Key leadership was in place on Day 1 and we have subsequently announced a further two levels of organisation. We are taking a "Best of Both" approach to ensure retention of key experience and expertise in the combined business. To date we have delivered annualised cost synergies of greater than $40m. Costs to deliver synergies of c. $30m, including redundancy, restructuring and integration costs are recognised in exceptional items and are tracking in line with expectations.

Wood is better placed to serve customers than ever before, with a more comprehensive range of capabilities and the potential to deliver efficient integrated solutions with fewer customer interfaces. Customer reaction to the deal, particularly across oil & gas, has been positive. We have had some early successes on revenue synergies, including our recently announced contract with Saudi Aramco to support their integrated crude oils to chemicals complex. We have also made good progress on merging bidding pipelines and aligning tendering and project delivery governance. The strategy and development function is leading the revenue synergies programme with an initial focus on educating leaders about the broader range of Wood capabilities on offer and identifying opportunities where we have a combination of capability that addresses an identified customer need. Examples include extending our involvement in oil & gas projects from the start of the asset life cycle to the end, leveraging our operations services experience into new industry sectors served by the legacy AFW business and building on our sector agnostic service offerings across the broader customer base.

The restrictions on interaction with AFW imposed by the offer period prevented us from deepening our understanding of the well flagged opportunities and risks until the transaction closed. Following completion, David Kemp and I led comprehensive reviews into the acquired business units. These reviews are now complete. Recognising the change in risk profile in the combined business, a key element of this process was a focus on significant contracts with profit at risk. The risk profile inherited is in line with our expectations and we have identified opportunities to simplify the process around how risk is managed. We have already enhanced our governance structures, project and tender review and contracting policy as a result. We have also taken the decision not to pursue certain high risk lump sum work which was problematic in the legacy AFW business.

Deleveraging to within our preferred range of 0.5 to 1.5x net debt to EBITDA within approximately 18 months post completion is a key priority and we remain confident in the underlying quality of earnings and cash conversion in the business to achieve this target. Our target range reflects our long standing preference for a strong balance sheet foundation. The key elements of our deleveraging plan include; improved working capital management, delivering cost synergies, capital discipline and disposing of non-core businesses including the potential disposal of EthosEnergy. We anticipate proceeds from all such non-core disposals to exceed $200m in the next 18 months.

In terms of our combined safety performance, we now have almost 200 million man-hours of annual exposure. Our initial assessment is that the businesses share common areas of focus and the impact on lagging indicators is minimal. Our 'Stand Up for Safety' programme continues to be implemented and will be the cornerstone of the Wood safety engagement through 2018 and beyond. Our general safety performance has encouraging improvements, with total recordable case frequency (TRCF) and lost work case frequency (LWCF) down 8% and 17% respectively compared to 2016 on a proforma basis. Regrettably, there were two fatalities in the legacy AFW business in 2017, both vehicle related. Our focus on safety as our top priority is undiminished.

Details of certain investigations in the UK and US and in respect of certain litigation in the US, that have previously been disclosed, are included in the contingent liabilities and provisions note to the accounts. Wood continues to cooperate with and assist the relevant authorities including the SFO in relation to their respective investigations into the historical use of agents and in relation to Unaoil.

Financial performance in 2017

Year ended 31 December	**Reported 2017 $m**	Reported 2016 $m	% Movement	**Proforma 2017 $m[1]**	Proforma 2016 $m[1]	% Movement
Total Revenue[2]	**6,169**	4,934	*25.0%*	**9,882**	11,235	*(12.0)%*
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We outlined our approach to financial metrics and reporting in November ahead of the first Wood trading update in December. There is no change to our proportionally consolidated approach to running and reporting the business which includes the contribution from joint ventures. Total EBITA and Adjusted diluted EPS are retained as our principal profit measures and EBITA is stated after costs relating to asbestos litigation and claims.

Financial results for 2017 are ahead of guidance on a reported basis and in line on a proforma basis.

Reported full year actual results comprise the legacy Wood Group business and a contribution from AFW for the period from completion on 6 October 2017 to 31 December 2017.

Results are also presented on a Proforma basis to provide better insight into the continuing business and establish the base level for Wood for comparability going forward. Proforma results include 12 months of AFW's results but exclude the results of businesses disposed; principally the AFW North Sea upstream business, the AFW North American nuclear operations and the disposed elements of GPG. They also exclude the results of other, less material disposed interests including the Aquenta consultancy, an interest in Incheon Bridge and interests in two Italian windfarms.

In the legacy Wood Group business, results reflect relatively resilient performance in a challenging oil & gas market. In AS Americas, EBITA was down on 2016. Revenues were broadly in line with 2016, but margins fell due to the completion of onshore engineering projects in 2016, only partly offset by increased activity in offshore engineering. In AS EAAA revenue was down on 2016 but with a stronger second half as expected. We continued to make good progress on overhead reduction and saw some moderation in pricing pressure, although EBITA margin reduced in part due to the positive one off impact of commercial close out on significant and legacy projects in 2016 of around $15m. In STS we saw good growth in automation revenue and robust activity in technology related work, offset by lower activity in subsea & export systems. EBITA margin reduced, in part due to the positive one off impact of commercial close out on significant and legacy projects in 2016, and lower margins in subsea.

In terms of the underlying trading in the legacy AFW business, a number of themes highlighted in their half year results have been evident in our review of the business post completion. From a financial perspective, in the second half the receipt of a dispute settlement was partly offset by delays and cost overruns on certain fixed price non-oil and gas contracts.

Operating profit before exceptional items is stated after non cash amortisation charges of $141m (2016:$104m) which includes $32m in respect of amortisation of intangibles arising on the acquisition of AFW.

The loss for the period of $30m is stated after exceptional costs of $165m net of tax. This included $67m in respect of costs relating to the acquisition of Amec Foster Wheeler, comprising advisory fees of $59m and underwriting fees in respect of new debt facilities of $8m. Also included are restructuring, redundancy & integration costs of $51m. We also made a provision for $19m in the first half in relation to an ongoing subcontractor dispute on a legacy turbines contract which was substantially completed prior to the formation of EthosEnergy. Also included in exceptional costs is a further impairment in the carrying value of EthosEnergy of $28m and other exceptional costs relating to EthosEnergy of c. $10m, mainly related to impairment of receivables.

Net Debt at the year end was $1.65bn and net debt to 12 month proforma EBITDA was 2.4x. This compares to net debt at completion of $2.0bn, which was in line with our expectations. Since completion, the disposal of the AFW UK upstream business on 27 October reduced net debt by c. $250m, although this was partly offset by expected transaction and synergy delivery costs that sit below the EBITA line. Cash conversion was 69% reflecting improved working capital performance offset in part by the cash impact of exceptional items including costs related to the AFW acquisition and integration. Cash conversion before exceptional items was 90%.

Outlook

We entered 2017 as a business engaged in the design, modification, construction and operation of facilities mainly in the upstream oil & gas sector with a clear strategy to broaden into adjacent industries. We are now well positioned as a global leader in project, engineering and technical services delivery. We are a broader business with multi-sector, full service capability across energy and industrial markets and a more balanced offering in oil & gas.

Following completion of the AFW transaction, our business unit reviews confirmed the strategic rationale for the deal, the depth of capability in AFW and the unique growth opportunities for the combined business. At this early stage we currently anticipate modest EBITA growth in 2018. This compares to 2017 proforma EBITA, which includes the one-off benefit of a dispute settlement in legacy AFW. Expected EBITA growth reflects early stage recovery in certain areas of our core oil & gas market and benefit from the delivery of cost synergies. We have also seen good momentum in contract awards more generally in broader energy and industrial markets in the second half of 2017.

Looking further ahead, we have a unique platform to unlock revenue synergies and generate good longer term growth. Our financial objectives and focus are clear; to reduce net debt to EBITDA to below 1.5x within approximately 18 months, to retain our progressive dividend policy taking into account cashflows and earnings and to deliver cost synergies by year 3 of at least $170m in line with our previous commitment.

Asset Solutions Americas

	Reported			Proforma		
	FY 2017 $m	FY 2016 $m	*Change (%)*	FY 2017 $m	FY 2016 $m	*Change (%)*
Total Revenue	2,387	2,115	*12.9%*	3,186	4,219	*(24.5)%*
Total EBITA	158	176	*(10.2)%*	165	225	*(26.7)%*
EBITA Margin	6.6%	8.3%	*(1.7)%*	5.2%	5.3%	*(0.1)%*
People	16,800	10,900	*54.1%*	16,800	16,000	*5.0%*

The AFW acquisition provided AS Americas with a multi-sector engineering, procurement and construction capability predominantly focused on the Power & Process industries and an enhanced capability in the Downstream & Chemicals market. The business unit retains its leading upstream oil & gas engineering activity, offshore operations services and onshore construction & maintenance offering and now has a more balanced multi sector exposure with an enhanced EPC and project management offering.

Reported results in 2017 include revenue of c$370m from the Power & Process and Downstream & Chemicals businesses of AFW in the period from completion on 6 October to 31 December, which included activity on US solar projects.

Proforma results are included to provide insight into the underlying business and include a full year contribution from the AFW activities acquired, together with the comparative figures for 2016. Performance in downstream & chemicals improved in 2017. Activity in power & process reduced following the step up in solar projects that arose in 2016 in response to the anticipated end of US solar investment incentives and activity in downstream and chemicals reduced.

Performance in the legacy Wood Group business was down on 2016. Revenues were broadly in line, but margins fell due to the completion of onshore engineering projects in 2016, only partly offset by increased activity in offshore engineering.

Activity on offshore greenfield capital projects including Husky White Rose, Peregrino, Leviathan and Mad Dog 2 partly offset reduced onshore engineering work following completion of a number of projects in 2016 including Flint Hills and the ETC Dakota access pipeline. In US shale, increased drilling activity has led to a modest improvement in demand for our construction and infrastructure activities and performance is up on 2016. Operations Services work remained relatively robust despite challenging conditions in the Gulf of Mexico and onshore markets. We saw increased activity in Newfoundland on the Hibernia Platform and on our Hebron hook up and commissioning scope which completed in the second half of 2017. We remain active on downstream and non-oil and gas projects including our maintenance scope on the Sweeny refinery in Texas for Phillips 66 and our onshore civil works and infrastructure projects with Sofidel in Ohio.

Outlook

We have retained our market share in the offshore greenfield market, although visibility on projects beyond existing work remains low and pricing remains under pressure. Activity in downstream & chemicals capital projects is expected to increase as work secured on contracts including the c$600m methanol plant YCI EPC scope ramps up from a slow start. We have good visibility on EPC projects in the power and process sectors. The improvement in shale activity is expected to continue with activity focused on the Niobrara and Permian basins where we are increasing headcount. In operations services we expect the challenging market conditions to continue into 2018. The delivery of significant cost synergies will be a key area of focus in 2018 and these are progressing ahead of plan.

Asset Solutions Europe, Africa, Asia and Australia

	Reported			Proforma		
	FY 2017 $m	FY 2016 $m	*Change (%)*	FY 2017 $m	FY 2016 $m	*Change (%)*
Total Revenue	2,617	2,331	*12.3%*	3,723	4,016	*(7.3)%*
Total EBITA	140	143	*(2.1)%*	283	350	*(19.1)%*
EBITA Margin	5.3%	6.1%	*(0.8)%*	7.6%	8.7%	*(1.1)%*
People	25,700	15,300	*68%*	25,700	29,800	*(13.8)%*

The AFW acquisition provided AS EAAA with a leading project engineering and delivery capability in oil & gas. The business unit retains its leading upstream operations services offering and now has a more balanced exposure across upstream and downstream, a proven track record in EPC and project management and an established high value engineering centre.

Reported results in 2017 include revenue of c$500m from the oil, gas & chemicals project engineering business of AFW in the period from completion on 6 October to 31 December, which included activity on Shah Deniz for BP, the Antwerp oil refinery for Exxon Mobil and the project management consultancy contract for the Al-Zour chemicals plant with Kuwait Oil Company.

Proforma results are included to provide insight into the underlying business and include a full year contribution from the AFW activities acquired, together with the comparative figures for 2016. Proforma performance in 2017 includes the one off settlement received by AFW, related to a dispute settlement on certain oil & gas projects. In 2016 pro-forma EBITA benefitted from significant provision releases in the legacy AFW business.

In the legacy Wood Group business unit, although revenue was down on 2016, EBITA in 2016 was supported in part by the positive one off impact of commercial close out on significant and legacy projects of around $15m. Second half performance was stronger than H1 as expected, as we continued to make good progress on overhead reduction and saw some moderation in pricing pressure,

Operations Services work was the largest contributor to revenue and earnings in 2017 and included improved performance in the Middle East and Asia Pacific. Our contract with Exxon in Iraq is progressing well and in Asia Pacific, activity levels on our Exxon contract in Papua New Guinea are increasing and we remain active on projects including our expanded scope with Melbourne Water. We also commenced work on our five year managed services scope from Hess Malaysia for their offshore facilities in the North Malay basin. In Saudi Arabia, work under the GES+ contract with Aramco was released at a slower than expected rate. In Europe, we retain a market leading position in the challenging North Sea Market where we saw a significant fall in revenue and earnings with reduced workscopes and lower volumes of minor modifications work. Our differentiated offering continues to position us well with new entrants, building on the success of our work on CATS with Antin and Ancala’s midstream assets. We also secured our first onshore downstream workscope supporting the Lindsey oil refinery for Total for 5 years. Our industrial services business performed broadly in line with the prior year. In projects and modifications, we have seen a significant reduction in modifications and upgrade work, with the most material reductions in the North Sea and Kazakhstan.

Turbine joint ventures were up on 2016, with RWG performing robustly and improved performance in EthosEnergy. The impairment of EthosEnergy in 2017 reflects the latest expectation of sales price less costs to sell, based on anticipated longer term prospects.

Outlook

Looking ahead, we see good underlying growth in AS EAAA in 2018. In Operations Services we see a positive outlook from a low base in the North Sea, a relatively robust outlook for Asia, the Middle East and Australasia and see downstream opportunities in the Middle East and mainland Europe. The delivery of significant cost synergies will be a key area of focus in 2018 and these are progressing ahead of plan. Capital projects are expected to account for c.40% of revenues. Due to the phasing of activity on secured work and the one off benefit in 2017 on certain oil and gas projects, reported performance in Capital Projects will likely be lower in 2018, although we have good visibility of work including the FEED and project management consultancy scope for Aramco on both the Marjan field and the integrated crude oils to chemicals complex.

Specialist Technical Solutions

	Reported			Proforma		
	FY 2017 $m	FY 2016 $m	*Change (%)*	FY 2017 $m	FY 2016 $m	*Change (%)*
Total Revenue	756	488	*54.9%*	1,320	1,240	*6.4%*
Total EBITA	82	79	*3.8%*	134	147	*(8.8)%*
EBITA Margin	10.8%	16.2%	*(5.4)%*	10.1%	11.8%	*(1.7)%*
People	7,600	2,800	*171.4%*	7,600	6,600	*15.1%*

The scale, breadth of end market exposure and technical capability within STS have been greatly enhanced by the AFW acquisition. Reported results in 2017 include revenue of c. $180m from the Mining & Minerals, Nuclear and Process Technology activities of AFW in the period from completion on 6 October to 31 December. Proforma results are included to provide insight into the underlying business and include a full year contribution from the AFW activities acquired, together with the comparative figures for 2016.

In 2017 we saw good growth in automation revenue and robust activity in technology related work, offset by lower activity in subsea & export systems in the legacy Wood Group business. EBITA margin reduced in part due to the positive one off impact of commercial close out on significant and legacy projects in 2016 and lower margins in subsea.

Growth in automation was led by increased procurement activity on the Tengiz expansion project for TCO and the contribution of CEC in Detroit acquired in May, which enhanced our industrial process & control capabilities in the automotive sector. Technology related activity including asset integrity solutions and clean energy performed relatively robustly. Activity in subsea reduced with available workscopes in the market generally limited to small projects, brownfield or early stage work.

Outlook

Benefitting from the increase in commodity prices, our consulting and project delivery work in Mining & Minerals has a positive outlook and will be our largest contributor to STS revenue in 2018 with good visibility on projects including the c. $150m Gruyere Gold EPC work in Australia. Our nuclear business is well positioned in the UK and we expect it to continue to perform robustly. In automation we are seeing early signs of improvement in some downstream and refining markets and we have strong visibility on the TCO project beyond 2018. In the subsea market, some positive sentiment is returning but with opportunities more focussed on brownfield and operations scopes.

Environment and Infrastructure Solutions

	Reported			Proforma		
	FY 2017 $m	FY 2016 $m	*Change (%)*	FY 2017 $m	FY 2016 $m	*Change (%)*
Total Revenue	321	n/a	*n/a*	1,279	1,252	*2.2%*
Total EBITA	25	n/a	*n/a*	72	40	*80.0%*
EBITA Margin	7.8%	n/a	*n/a*	5.6%	3.2%	*2.4%*
People	7,300	n/a	*n/a*	7,300	7,100	*2.8%*

The AFW acquisition provided Wood with a leading environmental remediation consultancy and engineering & construction project management capability across a broad range of sectors including government, transport, water, mining and oil & gas.

Reported results in 2017 reflect results of AFW's environment & infrastructure solutions business in the period from completion on 6 October to 31 December. Proforma results are included to provide insight into the underlying business.

2017 revenues in the E&IS business were in line with 2016 due to growth in government and mining sectors and good execution on pharmaceutical projects. This is offset by a reduction in oil and gas projects, particularly in North America as challenging conditions continue and the completion of a land remediation project management scope at the end of 2016. In 2016 EBITA was impacted by significant cost overruns on a fixed price, non-oil and gas, US government capital project in the Pacific. EBITA in 2017 also includes the impact of overruns on a fixed price contract with the US government but to a lesser extent. Undertaking contracts of this specific nature will not be part of our strategy going forward due to inherent cash flow challenges.

Outlook

We expect further growth in 2018. Government represents the largest sector for our E&IS business and we are well positioned to benefit from increased environmental and infrastructure investment, particularly in the US. In Europe we will also benefit from EPCM work for GlaxoSmithKline in Germany secured in the second half. Due to the multi-sector nature of our capabilities in E&IS we see strong opportunities for revenue synergies across complementary sectors in our Asset Solutions and Specialist Technical Solutions businesses.

Investment Services

A number of potentially non-core legacy activities in AFW are managed in Investment Services. This includes the activities of the Transmission and Distribution business and the Industrial Power and Machinery business in addition to interests in a number of infrastructure projects. Investment services generated proforma revenues of $374m in 2017 (2016: $508m) and EBITA of $28m (2016: $4m).

Financial Review

Trading performance

Reported full year trading performance comprises the heritage Wood Group business and the contribution from AFW for the period from completion on 6 October 2017 to 31 December 2017.

There is no change to our proportionally consolidated approach to running and reporting the business which includes the contribution from joint ventures. Total EBITA and Adjusted diluted EPS are retained as our principal profit measures and EBITA is stated after costs relating to asbestos.

A reconciliation to statutory measures of revenue and operating profit from continuing operations excluding joint ventures is included in note 1 to the financial statements.

	Full Year 2017 $m	Full Year 2016 $m
Total Revenue	**6,169.0**	4,934.0
Total EBITA	**371.6**	363.4
EBITA margin %	***6.0%***	*7.4%*
Amortisation - software and system development	**(61.3)**	(54.4)
Amortisation - intangible assets from acquisitions	**(80.0)**	(49.9)
EBIT	**230.3**	259.1
Net finance expense (excluding exceptional items)	**(52.9)**	(25.8)
Profit before tax, exceptional and discontinued items	**177.4**	233.3
Taxation before exceptional items	**(42.3)**	(59.1)
Profit before exceptional items	**135.1**	174.2
Exceptional items, net of tax	**(165.1)**	(139.8)
(Loss)/profit for the period	**(30.0)**	34.4
Basic EPS (cents)	**(7.4)c**	7.5c
Adjusted diluted EPS (cents)	**53.3c**	64.1c

The review of our trading performance is contained within the Chief Executive Review.

Reconciliation to operating profit

The table below sets out a reconciliation of Total EBITA to operating profit per the group income statement before exceptional items. Operating profit on a post exceptional basis by segment is included in note 1 to the financial statements.

	2017 $m	2016 $m
Total EBITA	**371.6**	363.4
Amortisation	**(141.3)**	(104.3)
EBIT	**230.3**	259.1
Tax and interest charges on joint ventures included within operating profit but not in Total EBITA	**(17.9)**	(15.4)
Operating profit before exceptional items	**212.4**	243.7

Pro-forma Revenue and EBITA

The financial performance of the Group for 2017 and 2016 on a pro-foma basis is presented below. Pro-forma results are unaudited and are included to provide better insight into the underlying, continuing business performance and establish the base level for Wood for comparability going forward.

They include 12 months of AFW's results but exclude the results of businesses disposed; principally the AFW North Sea upstream business, the AFW North American nuclear operations and the disposed elements of GPG. They also excludes the results of other, less material disposed interests including the Aquenta consultancy, an interest in Incheon Bridge and interests in two Italian windfarms.

Unaudited	2017 Total Revenue $m	2017 Total EBITA $m	2016 Total Revenue $m	2016 Total EBITA $m
Asset Solutions Americas	**3,186.5**	**164.9**	4,219.0	225.0
Asset Solutions EAAA	**3,722.7**	**283.5**	4,016.0	350.0
Specialist Technical Solutions	**1,320.0**	**133.8**	1,240.0	147.0
Environment and Infrastructure Solutions	**1,279.0**	**71.9**	1,252.0	40.0
Investment Services	**373.6**	**27.9**	508.0	4.0
Centre (incl asbestos)	**-**	**(84.3)**	-	(93.0)
Pro forma	**9,881.8**	**597.7**	11,235.0	673.0
EBITA margin		**6.0%**		6.0%

Accounting for the acquisition of Amec Foster Wheeler

Wood Group acquired Amec Foster Wheeler ('AFW') by issuing 294.5m new shares. Total consideration amounted to $2,809.4m based on the closing share price and the US dollar exchange rate on that date. Goodwill of $3,514.5m and intangible assets of $1,343.6m were recognised on the transaction. The intangible assets include customer relationships, order backlog and brands and will be amortised over periods of between 2 and 20 years. Amortisation of $32.0m is included in the 2017 results with the annual charge for 2018 expected to be around $129m. Subsequent to completion of the acquisition, a detailed review of the acquired AFW balance sheet was carried out and a number of opening balance sheet and fair value adjustments were identified. These totalled $211m and net assets at date of acquisition have been adjusted and had the effect of increasing the amount of goodwill recognised on the acquisition.

Amortisation

Total amortisation for 2017 of $141.3m (2016: $104.3m) includes $32.0m for AFW as mentioned above and $48.0m of amortisation relating to intangible assets arising from prior year acquisitions. Amortisation in respect of software and development costs was $61.3m (2016: $54.4m) and this largely relates to engineering software and ERP system development. Included in the amortisation charge for the year above is $1.9m (2016: $2.0m) in respect of joint ventures.

Net finance expense and debt

Net finance expense is analysed below.

	Full year 2017 $m	Full year 2016 $m
Interest on debt	**20.8**	4.8
Interest on US Private Placement debt	**14.1**	14.1
Finance expense relating to defined benefit pension schemes	**2.6**	-
Unwinding of discount relating to asbestos and deferred consideration	**6.3**	2.6
Other interest, fees and charges	**11.9**	6.5
Total finance expense pre-exceptional items	**55.7**	28.0
Finance income relating to defined benefit pension schemes	**-**	(0.2)
Other finance income	**(2.8)**	(2.0)
Net finance expense pre-exceptional items	**52.9**	25.8

Interest cover[4] was 7.0 times (2016: 14.1 times).

Included in the above are net finance charges of $3.4m (2016: $2.4m) in respect of joint ventures.

Finance costs of $8.5m relating to the acquisition of AFW have been treated as 'exceptional items' and are excluded from the above analysis.

The Group negotiated new bank facilities in order to complete the acquisition of AFW. The facilities comprised a $1bn term loan repayable in 2020 and a 5 year Revolving Credit Facility of $1.75bn repayable in 2022. At 31 December 2017 total borrowings under these facilities amounted to $1,961.1m with $692.0m undrawn. A further $143.5m of overdraft funding is available under the Group's other short term facilities.

Net debt to pro-forma EBITDA at 31 December was 2.4 times (2016: 0.8 times) against our covenant of 3.5 times. The Group's target is to reduce the net debt to EBITDA ratio to below 1.5 times within 18 months.

Exceptional items

	Full Year 2017 $m	Full year 2016 $m
Acquisition costs	**58.9**	-
Redundancy, restructuring and integration costs	**51.4**	65.9
Arbitration settlement provision	**19.2**	-
EthosEnergy impairment and other write offs	**38.3**	89.0
Investigation support costs	**8.2**	-
	176.0	154.9
Bank fees relating to AFW acquisition	**8.5**	-
	184.5	154.9
Tax on exceptional items	**(19.4)**	(15.1)
Continuing exceptional items, net of tax	**165.1**	139.8

Acquisition costs of $58.9m have been incurred during the year in relation to the acquisition of Amec Foster Wheeler. These costs include broker and legal fees as well as other advisor and regulatory fees. In addition, $8.5m of bank fees have been expensed in respect of the new borrowing facility required to fund the acquisition.

Redundancy, restructuring and integration costs of $51.4m have been incurred during the year. The total includes $33.1m in respect of synergy delivery costs including $19.0m of redundancy and restructuring costs and $14.1m of other integration costs. Also included is other redundancy and restructuring costs of $9.1m and costs relating to onerous property leases of $9.2m.

A charge of $19.2m has been recorded in relation to a legacy contract which was carried out by our Gas Turbine Services business prior to the formation of EthosEnergy. Arbitration hearings have been held in relation to a dispute between the Group and a former subcontractor and this amount represents our best estimate of the likely settlement including related legal costs. The outcome of the arbitration hearing is likely to be known in the first half of 2018.

Investigation support costs of $8.2m have been incurred during the period in relation to ongoing investigations into the historical use of agents and other third parties.

At 31 December 2017, the Group carried out an impairment review of its investment in the EthosEnergy joint venture. The recoverable amount of the investment, based on management's estimate of fair value less costs of disposal, of $77.0m, is lower than the book value and an impairment charge of $28.0m has been booked in the income statement. In addition, EthosEnergy has recorded exceptional charges of $1.1m during the year relating to the closure of its power solutions business and the Group has impaired its receivables by $5.7m in relation to a balance due by EthosEnergy and booked a $3.5m charge in relation to a likely settlement of indirect taxes.

A tax credit of $19.4m has been recorded in respect of the exceptional items included in continuing operations.

Taxation

The effective tax rate on profit before tax, exceptional and discontinued items including joint ventures and discontinued operations on a proportionally consolidated basis is set out below.

	Full year 2017 $m	Full year 2016 $m
Profit from continuing operations before tax (pre-exceptional items)	**177.4**	233.3
Tax charge (pre-exceptional items)	**42.3**	59.1
Effective tax rate on continuing operations (pre-exceptional items)	**23.8%**	25.3%

The tax charge above includes $14.5m in relation to joint ventures (2016: $12.4m).

The Group has carried out an initial review of the US Tax and Jobs Act which came into force on 1 January 2018 and as a result has recorded a one-off non-cash credit of $8.5m to the income statement in 2017 as a result of the revaluation of net deferred tax liabilities. The cash impact of the reduction in the headline US federal rate to 21% is likely to be offset to some extent by greater restriction on the level of interest deduction allowed in the US also introduced by the Act. The rate reduction is expected to have a favourable on the Group's effective tax rate going forward.

Earnings per share

Adjusted diluted EPS for the year was 53.3 cents per share (2016: 64.1 cents). The average number of fully diluted shares used in the EPS calculation for the period was 451.3m (2016: 382.9m).

Adjusted diluted EPS adds back all amortisation. If only the amortisation related to intangible assets arising on acquisition is adjusted and no adjustment is made for that relating to software and development costs, the figure for 2017 would be 42.9 cents per share (2016: 53.5 cents).

Reconciliation of number of fully diluted shares (million)	**Closing**	**Weighted average**
At start of year	381.0	381.0
Allocation of shares to employee share trusts	2.2	1.7
Shares issued to acquire AFW	294.5	67.0
	677.7	449.7
Shares held by employee share trusts	(9.1)	(9.7)
Basic number of shares for EPS	**668.6**	**440.0**
Effect of dilutive shares	11.7	11.3
Fully diluted number of shares for EPS	**680.3**	**451.3**

Dividend

Taking account of cash flows and earnings, the progressive Wood dividend policy is a key element of our investment case and compares favourably against peers in the global engineering and construction sector. The Board has recommended a final dividend of 23.2 cents per share, which makes a total distribution for the year of 34.3 cents, an increase of 3%. The final dividend will be paid on 17 May 2018 to all shareholders on the register at the close of business on 20 April 2018.

Cash flow and net debt

The cash flow and net debt position below has been prepared using equity accounting for joint ventures, and as such does not proportionally consolidate the assets and liabilities of joint ventures. The gross and net debt figures including joint ventures are given below.

	Full year 2017 $m	Full year 2016 $m
Opening net debt (excluding JV's)	**(322.6)**	**(293.9)**
EBITDA	**423.1**	**419.7**
Less JV EBITDA	(61.9)	(60.3)
	361.2	**359.4**
Exceptional items – cash impact	(75.1)	(25.1)
Decrease in provisions	(75.8)	(43.8)
Dividends from JV's and other	55.7	35.0
Cash generated from operations pre-working capital	**266.0**	**325.5**
Working capital movements	(16.0)	(80.4)
Cash generated from operations	**250.0**	**245.1**
Acquisitions	(1,469.3)	(36.2)
Divestments	254.9	-
Capex and intangibles	(79.1)	(86.8)
Tax paid	(99.6)	(55.6)
Interest dividends and other	(180.4)	(95.2)
Increase in net debt	**(1,323.5)**	**(28.7)**
Closing net debt (excluding JV's)	**(1,646.1)**	**(322.6)**

Cash generated from operations pre-working capital decreased by $59.5m to $266.0m and post-working capital increased by $4.9m to $250.0m as a result of improvements in working capital.

Cash conversion, calculated as cash generated from operations as a percentage of EBITDA, improved slightly to 69% (2016: 68%) due to improved working capital performance partly offset by the cash impact of exceptional costs, primarily related to the acquisition of Amec Foster Wheeler. Excluding the impact of exceptional costs cash conversion is 90%.

The cash outflow in respect of acquisitions of $1,469.3m includes $1,385.4m in relation to the acquisition of Amec Foster Wheeler, $50.5m in respect of CEC and $33.4m in respect of companies acquired in prior periods. The amount shown in respect of AFW relates to the net borrowings on its balance sheet at the date of acquisition.

Cash from divestments of $254.9m relates to the disposal of Amec Foster Wheeler's UK upstream oil and gas business and the disposal of their North American nuclear and pulverised coal businesses.

Payments for capex and intangible assets were $79.1m (2016: $86.8m) and included software development and expenditure on ERP systems across the Group.

Summary Balance Sheet

The balance sheet below has been prepared using equity accounting for joint ventures, and as such does not proportionally consolidate the joint ventures assets and liabilities.

	Dec 2017 $m	Dec 2016 $m
Non-current assets	**8,025.5**	2,450.0
Current assets	**4,049.6**	1,579.5
Current liabilities	**(3,243.5)**	(1,070.7)
Net current assets	**806.1**	508.8
Non-current liabilities	**(3,859.6)**	(750.6)
Net assets	**4,972.0**	2,208.2
Equity attributable to owners of the parent	**4,960.3**	2,195.2
Non-controlling interests	**11.7**	13.0
Total equity	**4,972.0**	2,208.2

Non-current assets include $6,870.8m (2016: $1,894.5m) of goodwill and intangible assets, $4,859.2m of which relates to the acquisition of Amec Foster Wheeler. The Group's balance sheet has changed significantly as a result of the acquisition with significant increases in current assets, current liabilities and non-current liabilities. Long term borrowings have increased by $1.8bn as a result of the debt acquired and the shares issued to AFW shareholders to complete the transaction have resulted in an increase in equity of $2.8bn.

Asbestos related obligations

As a result of the acquisition of AFW, the Group is subject to claims by individuals who allege that they have suffered personal injury from exposure to asbestos primarily in connection with equipment allegedly manufactured by certain subsidiaries during the 1970's or earlier. The majority of the asbestos related liabilities arise as a result of Amec's acquisition of Foster Wheeler in 2014. The overwhelming majority of claims that have been made and are expected to be made are in the United States. The table below shows the recent claims history for former Foster Wheeler entities.

Number of US claims	2017	2016
Open claims at start of year	81,720	110,130
New claims received	3,200	3,800
Claims resolved	(14,800)	(32,210)
Open claims at end of year	**70,120**	**81,720**

The following table summarises the total approximate US asbestos related net cash impact for indemnity and defence cost payments and collection of insurance proceeds:

	2017 $m	2016 $m
Asbestos litigation, defence and case resolution payments	50.6	46.0
Insurance proceeds	(16.4)	(17.2)
Net asbestos related payments	**34.2**	**28.8**

The Group expects to have net cash outflows of $35.9m as a result of asbestos liability indemnity and defence payments in excess of insurance proceeds during 2018. The estimate assumes no additional settlements with insurance companies and no elections to fund additional payments. The Group has worked with its independent asbestos valuation experts to estimate the amount of asbestos related indemnity and defence costs at each year end based on a forecast to 2050.

The Group's EBITA is stated after deducting costs relating to asbestos including administration costs, movements in the liability as a result of changes in assumptions and changes in the discount rate.

Pensions

The Group operates a number of defined benefit pension schemes in the UK and US and a number of defined contribution plans. At 31 December 2017, the schemes had a net surplus of $167.7m (2016: deficit $7.0m). The movement in the year is largely due to the addition of a number of defined benefit schemes as a result of the AFW acquisition. In assessing the potential liabilities, judgment is required to determine the assumptions around inflation, investment returns and member longevity. The assumptions at 31 December 2017 showed a slight reduction in the discount rates (which results in higher scheme liabilities) and lower inflation rates (which results in lower scheme liabilities). Full details of pension assets and liabilities are provided in note 30 to the Group financial statements.

Acquisitions and divestments

In May 2017, the Group acquired 100% of the share capital of CEC Controls Inc ('CEC'), a designer and builder of industrial and process control systems for the automotive manufacturing industry based in Detroit, USA.

On 6 October 2017, the Group acquired 100% of the share capital of Amec Foster Wheeler plc ('AFW') by issuing 0.75 Wood Group shares for each AFW share. The total value of the consideration was $2,809.4m. In addition, the Group acquired AFW net debt amounting to $1,385.4m. The acquisition of Amec Foster Wheeler accelerates Wood Group's strategy to improve its service offering in project delivery, enhance its capability across the value chain in core oil and gas markets, and broaden and deepen end market and customer exposure.

On 27 October 2017, the Group disposed of Amec Foster Wheeler's UK upstream oil and gas business for a gross consideration of $299.0m. This divestment was one of the conditions agreed with the competition authorities to enable the Group to proceed with the Amec Foster Wheeler acquisition. On 6 November 2017, the Group disposed of Amec Foster Wheeler's North American nuclear operations for a gross consideration of $8.9m and on 1 December, the disposal of its pulverised coal business was completed for a gross consideration of $5.2m.

Footnotes

1 Total EBITA represents operating profit including JVs on a proportional basis of $54.3m (2016: $104.2m) before the deduction of amortisation of $141.3m (2016: $104.2m) and continuing exceptional expense of $176.0m (2016: $154.9m) and is provided as it is a key unit of measurement used by the Group in the management of its business.
2 Adjusted diluted earnings per share ("AEPS") is calculated by dividing earnings before exceptional items and amortisation, net of tax, by the weighted average number of ordinary shares in issue during the period, excluding shares held by the Group's employee share ownership trusts and adjusted to assume conversion of all potentially dilutive ordinary shares.
3 Number of people includes both employees and contractors at 31 December 2017 and includes joint ventures.
4 Interest cover is reported EBITA divided by the net finance expense.

JOHN WOOD GROUP PLC

GROUP FINANCIAL STATEMENTS

FOR THE YEAR TO 31st DECEMBER 2017

Company Registration Number SC 36219

John Wood Group PLC

Consolidated income statement
for the year to 31 December 2017

		2017			2016		
	Note	Pre-Exceptional Items $m	Exceptional Items (note 4) $m	Total $m	Pre-Exceptional Items $m	Exceptional Items (note 4) $m	Total $m
Revenue from continuing operations	1	5,394.4	-	5,394.4	4,120.6	-	4,120.6
Cost of sales		(4,714.4)	-	(4,714.4)	(3,498.2)	-	(3,498.2)
Gross profit		680.0	-	680.0	622.4	-	622.4
Administrative expenses	4	(500.0)	(146.9)	(646.9)	(411.4)	(68.3)	(479.7)
Impairment of investment in joint ventures	4,10	-	(28.0)	(28.0)	-	(56.7)	(56.7)
Share of post-tax profit from joint ventures	4,10	32.4	(1.1)	31.3	32.7	(29.3)	3.4
Operating profit	1	212.4	(176.0)	36.4	243.7	(154.3)	89.4
Finance income	2	2.8	-	2.8	2.2	-	2.2
Finance expense	2	(52.3)	(8.5)	(60.8)	(25.6)	-	(25.6)
Profit/(loss) before taxation from continuing operations	3,4	162.9	(184.5)	(21.6)	220.3	(154.3)	66.0
Taxation	4,5	(27.8)	19.4	(8.4)	(46.1)	14.5	(31.6)
Profit/(loss) for the year from continuing operations		135.1	(165.1)	(30.0)	174.2	(139.8)	34.4
Profit/(loss) attributable to:							
Owners of the parent		132.7	(165.1)	(32.4)	167.6	(139.8)	27.8
Non-controlling interests	26	2.4	-	2.4	6.6	-	6.6
		135.1	(165.1)	(30.0)	174.2	(139.8)	34.4
Earnings per share (expressed in cents per share)							
Basic	7			(7.4)			7.5
Diluted	7			(7.4)			7.3

The notes on pages 7 to 82 are an integral part of these consolidated financial statements.

John Wood Group PLC

Consolidated statement of comprehensive income/expense

for the year to 31 December 2017

	Note	2017 $m	2016 $m
(Loss)/profit for the year		**(30.0)**	34.4
Other comprehensive (expense)/income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on retirement benefit scheme	**30**	**(1.2)**	(14.2)
Movement in deferred tax relating to retirement benefit scheme	**5**	**0.7**	2.8
Total items that will not be reclassified to profit or loss		**(0.5)**	(11.4)
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges	**25**	**1.3**	-
Exchange movements on retranslation of foreign currency net assets	**25**	**119.2**	(138.8)
Exchange movements on retranslation of non-controlling interests	**26**	**-**	(0.3)
Total items that may be reclassified subsequently to profit or loss		**120.5**	(139.1)
Other comprehensive income/(expense) for the year, net of tax		**120.0**	(150.5)
Total comprehensive income/(expense) for the year		**90.0**	(116.1)
Total comprehensive income/(expense) for the year is attributable to:			
Owners of the parent		**87.6**	(122.4)
Non-controlling interests		**2.4**	6.3
		90.0	(116.1)

Total comprehensive income/(expense) for the year is attributable to continuing operations.

Exchange movements on the retranslation of net assets could be subsequently reclassified to profit or loss in the event of the disposal of a business.

The notes on pages 7 to 82 are an integral part of these consolidated financial statements.

John Wood Group PLC

Consolidated balance sheet

as at 31 December 2017

	Note	2017 $m	2016 $m
Assets			
Non-current assets			
Goodwill and other intangible assets	**8**	**6,870.8**	1,894.5
Property plant and equipment	**9**	**233.5**	171.1
Investment in joint ventures	**10**	**239.9**	205.9
Long term receivables	**12**	**241.3**	87.2
Retirement benefit scheme surplus	**30**	**331.5**	-
Deferred tax assets	**19**	**108.5**	91.3
		8,025.5	2,450.0
Current assets			
Inventories	**11**	**14.2**	7.0
Trade and other receivables	**12**	**2,628.7**	951.7
Financial assets	**12**	**88.2**	26.6
Income tax receivable		**93.0**	14.7
Cash and cash equivalents	**13**	**1,225.5**	579.5
		4,049.6	1,579.5
Liabilities			
Current liabilities			
Borrowings	**15**	**543.2**	433.6
Trade and other payables	**14**	**2,447.6**	589.0
Income tax liabilities		**252.7**	48.1
		3,243.5	1,070.7
Net current assets		**806.1**	508.8
Non-current liabilities			
Borrowings	**15**	**2,336.1**	495.0
Deferred tax liabilities	**19**	**181.5**	4.7
Retirement benefit scheme deficit	**30**	**163.8**	7.0
Other non-current liabilities	**16**	**312.3**	173.3
Provisions	**18**	**865.9**	70.6
		3,859.6	750.6
Net assets		**4,972.0**	2,208.2
Equity attributable to owners of the parent			
Share capital	**21**	**40.5**	23.9
Share premium	**22**	**63.9**	63.9
Retained earnings	**23**	**1,935.2**	2,098.0
Merger reserve	**24**	**2,790.8**	-
Other reserves	**25**	**129.9**	9.4
Total equity attributable to owners of the parent		**4,960.3**	2,195.2
Non-controlling interests	**26**	**11.7**	13.0
Total equity		**4,972.0**	2,208.2

The financial statements on pages 2 to 82 were approved by the board of directors on 19 March 2018 and signed on its behalf by:

Robin Watson, Director David Kemp, Director

The notes on pages 7 to 82 are an integral part of these consolidated financial statements.

John Wood Group PLC
Consolidated statement of changes in equity
for the year to 31 December 2017

	Note	Share capital $m	Share premium $m	Retained earnings $m	Merger reserve $m	Other reserves $m	Equity attributable to owners of the parent $m	Non-controlling interests $m	Total equity $m
At 1 January 2016		**23.8**	**63.9**	**2,162.4**	**-**	**148.2**	**2,398.3**	**22.7**	**2,421.0**
Profit for the year		-	-	27.8	-	-	**27.8**	6.6	**34.4**
Other comprehensive income/(expense):									
Re-measurement losses on retirement benefit scheme	**30**	-	-	(14.2)	-	-	**(14.2)**	-	**(14.2)**
Movement in deferred tax relating to retirement benefit scheme	**5**	-	-	2.8	-	-	**2.8**	-	**2.8**
Net exchange movements on retranslation of foreign currency net assets	**25/26**	-	-	-	-	(138.8)	**(138.8)**	(0.3)	**(139.1)**
Total comprehensive income/(expense) for the year		**-**	**-**	**16.4**	**-**	**(138.8)**	**(122.4)**	**6.3**	**(116.1)**
Transactions with owners:									
Dividends paid	**6/26**	-	-	(116.0)	-	-	**(116.0)**	(6.7)	**(122.7)**
Credit relating to share based charges	**20**	-	-	10.7	-	-	**10.7**	-	**10.7**
Tax relating to share option schemes	**5**	-	-	6.4	-	-	**6.4**	-	**6.4**
Shares allocated to employee share trusts	**23**	0.1	-	(0.1)	-	-	**-**	-	**-**
Shares issued by employee share trusts to satisfy option exercises	**23**	-	-	7.5	-	-	**7.5**	-	**7.5**
Exchange movements in respect of shares held by employee share trusts	**23**	-	-	20.9	-	-	**20.9**	-	**20.9**
Transactions with non-controlling interests	**23/26**	-	-	(10.2)	-	-	**(10.2)**	(9.3)	**(19.5)**
At 31 December 2016		**23.9**	**63.9**	**2,098.0**	**-**	**9.4**	**2,195.2**	**13.0**	**2,208.2**
(Loss)/profit for the year		**-**	**-**	**(32.4)**	**-**	**-**	**(32.4)**	**2.4**	**(30.0)**
Other comprehensive income/(expense):									
Re-measurement losses on retirement benefit scheme	**30**	**-**	**-**	**(1.2)**	**-**	**-**	**(1.2)**	**-**	**(1.2)**
Movement in deferred tax relating to retirement benefit scheme	**5**	**-**	**-**	**0.7**	**-**	**-**	**0.7**	**-**	**0.7**
Cash flow hedges	**25**	**-**	**-**	**-**	**-**	**1.3**	**1.3**	**-**	**1.3**
Net exchange movements on retranslation of foreign currency net assets	**25/26**	**-**	**-**	**-**	**-**	**119.2**	**119.2**	**-**	**119.2**
Total comprehensive income/(expense) for the year		**-**	**-**	**(32.9)**	**-**	**120.5**	**87.6**	**2.4**	**90.0**
Transactions with owners:									
Dividends paid	**6/26**	**-**	**-**	**(125.6)**	**-**	**-**	**(125.6)**	**(4.5)**	**(130.1)**
Issue of shares in relation to acquisition of Amec Foster Wheeler	**21/24**	**16.5**	**-**	**-**	**2,790.8**	**-**	**2,807.3**	**-**	**2,807.3**
Share based charges attributable to purchase consideration	**28**	**-**	**-**	**2.1**	**-**	**-**	**2.1**	**-**	**2.1**
Non-controlling interests acquired on Amec Foster Wheeler acquisition	**28**	**-**	**-**	**-**	**-**	**-**	**-**	**1.2**	**1.2**
Credit relating to share based charges	**20**	**-**	**-**	**10.2**	**-**	**-**	**10.2**	**-**	**10.2**
Tax relating to share option schemes	**5**	**-**	**-**	**(4.0)**	**-**	**-**	**(4.0)**	**-**	**(4.0)**
Deferred tax impact of rate change in equity	**19**	**-**	**-**	**(4.2)**	**-**	**-**	**(4.2)**	**-**	**(4.2)**
Shares allocated to employee share trusts	**23**	**0.1**	**-**	**(0.1)**	**-**	**-**	**-**	**-**	**-**
Shares issued by employee share trusts to satisfy option exercises	**23**	**-**	**-**	**2.4**	**-**	**-**	**2.4**	**-**	**2.4**
Gain on sale of shares sold by employee share trusts	**23**	**-**	**-**	**3.2**	**-**	**-**	**3.2**	**-**	**3.2**
Exchange movements in respect of shares held by employee share trusts	**23**	**-**	**-**	**(9.9)**	**-**	**-**	**(9.9)**	**-**	**(9.9)**
Transactions with non-controlling interests	**23/26**	**-**	**-**	**(4.0)**	**-**	**-**	**(4.0)**	**(0.4)**	**(4.4)**
At 31 December 2017		**40.5**	**63.9**	**1,935.2**	**2,790.8**	**129.9**	**4,960.3**	**11.7**	**4,972.0**

The notes on pages 7 to 82 are an integral part of these consolidated financial statements.

John Wood Group PLC

Consolidated cash flow statement

for the year to 31 December 2017

	Note	2017 $m	2016 $m
Cash generated from operations	**27**	**250.0**	245.1
Tax paid		**(99.6)**	(55.6)
Net cash generated from operating activities		**150.4**	189.5
Cash flows from investing activities			
Acquisition of subsidiaries (cash acquired less consideration paid)	**28**	**359.8**	(17.4)
Disposal of businesses (net of cash disposed)	**28**	**254.9**	-
Purchase of property plant and equipment	**9**	**(22.1)**	(29.0)
Proceeds from sale of property plant and equipment		**5.2**	24.4
Purchase of intangible assets	**8**	**(57.0)**	(57.8)
Interest received		**3.1**	2.4
Repayment of loans from joint ventures		**20.8**	24.0
Net cash from/(used in) investing activities		**564.7**	(53.4)
Cash flows from financing activities			
Proceeds from/(repayment of) bank loans and overdrafts	**27**	**1,939.2**	(241.6)
Borrowings acquired and repaid on acquisition of subsidiaries	**28**	**(1,809.7)**	-
Proceeds from finance leases		**0.5**	-
Settlement of derivative financial instruments	**17**	**(21.3)**	-
Proceeds from disposal of shares by employee share trusts	**23**	**5.6**	7.5
Interest paid		**(53.3)**	(23.4)
Dividends paid to shareholders	**6**	**(125.6)**	(116.0)
Dividends paid to non-controlling interests	**26**	**(4.5)**	(6.7)
Acquisition of non-controlling interests	**26**	**(3.9)**	(18.8)
Net cash used in financing activities		**(73.0)**	(399.0)
Net increase/(decrease) in cash and cash equivalents	**27**	**642.1**	(262.9)
Effect of exchange rate changes on cash and cash equivalents	**27**	**3.9**	(8.9)
Opening cash and cash equivalents		**579.5**	851.3
Closing cash and cash equivalents	**13**	**1,225.5**	579.5

The notes on pages 7 to 82 are an integral part of these consolidated financial statements.

Notes to the financial statements
for the year to 31 December 2017

General information

John Wood Group PLC, its subsidiaries and joint ventures, ('the Group') delivers comprehensive services to support its customers across the complete lifecycle of their assets, from concept to decommissioning, across a range of energy, process and utility markets. Details of the Group's activities during the year are provided in the Strategic Report. John Wood Group PLC is a public limited company, incorporated and domiciled in the United Kingdom and listed on the London Stock Exchange. Copies of the Group financial statements are available from the Company's registered office at 15 Justice Mill Lane, Aberdeen AB11 6EQ.

Accounting Policies

Basis of preparation
These financial statements have been prepared in accordance with IFRS and IFRIC interpretations adopted by the European Union ('EU') and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are also in compliance with IFRS as issued by the International Accounting Standards Board. The Group financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through the income statement.

Significant accounting policies
The Group's significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of consolidation
The Group financial statements are the result of the consolidation of the financial statements of the Group's subsidiary undertakings from the date of acquisition or up until the date of divestment as appropriate. Subsidiaries are entities over which the Group has the power to govern the financial and operating policies and generally accompanies a shareholding of more than one half of the voting rights. All Group companies apply the Group's accounting policies and prepare financial statements to 31 December.

Joint ventures
A joint venture is a type of joint arrangement where the parties to the arrangement share rights to its net assets. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries.

The Group's interests in joint ventures are accounted for using equity accounting. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture from the acquisition date. The results of the joint ventures are included in the consolidated financial statements from the date the joint control commences until the date that it ceases. The Group includes its share of joint venture profit on the line 'Share of post-tax profit from joint ventures' in the Group income statement and its share of joint venture net assets in the 'investment in joint ventures' line in the Group balance sheet.

Critical accounting judgements and estimates
The preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. These estimates and judgements are based on management's best knowledge of the amount, event or actions and actual results ultimately may differ from those estimates. The estimates and assumptions that could result in a material adjustment to the carrying amounts of assets and liabilities are addressed below.

(a) Impairment of goodwill (estimate)
The Group carries out impairment reviews whenever events or changes in circumstance indicate that the carrying value of goodwill may not be recoverable. In addition, the Group carries out an annual impairment review. An impairment loss is recognised when the recoverable amount of goodwill is less than the carrying amount. The impairment tests are carried out by CGU ('Cash Generating Unit') and reflect the latest Group budgets and

Accounting Policies (continued)

forecasts as approved by the Board. The budgets and forecasts are based on various assumptions relating to the Group's businesses including assumptions relating to market outlook, resource utilisation, contract awards and contract margins. The outlook for the Group is discussed in the Chief Executive Review. Pre-tax discount rates of between 10.3% and 11.4% have been used to discount the CGU cash flows and a terminal value is applied using long term growth rates of between 2% and 3%. A sensitivity analysis has been performed allowing for possible changes to the discount rate, the long term growth rate and the short term EBITA growth rate for certain businesses. See note 8 for further details.

(b) Accounting for acquisition of Amec Foster Wheeler plc (judgement)
The Group acquired Amec Foster Wheeler on 6 October 2017 for a total consideration of $2,809.4m. The provisional acquisition accounting for the transaction is set out in note 28 to the accounts. In completing the accounting, management have been required to make judgements relating to the fair value of the assets and liabilities acquired. In particular, judgement has been used in assessing the valuation of intangible assets acquired and in valuing certain liabilities. Intangible assets of $1,343.6m have been recognised comprising customer relationships, order backlog and brands. The Group used an independent expert to assist in the valuation process. Deferred tax liabilities of $261.5m have been recognised in relation to these intangible assets. Management reviewed the Amec Foster Wheeler balance sheet at the acquisition date and recorded additional net liabilities of $211.4m. This amount comprised $104.5m of fair value adjustments relating to management's assessment of possible claims made against Amec Foster Wheeler and other judgements made on certain contracts, $49.4m of additional tax provisions and a $57.5m adjustment required to align AFW's revenue recognition policy on lump sum contracts with Wood Group's policy. The accounting for the acquisition will be finalised during 2018.

(c) Impairment of investment in EthosEnergy joint venture (estimate)
The Group's investment in the EthosEnergy joint venture is accounted for using equity accounting. An impairment review was carried out in December 2017. Group management's estimate of fair value less costs of disposal of $77.0m is lower than the book value and an impairment of $28.0m has been recorded in the income statement. If fair value less costs of disposal are ultimately less than $77.0m then a further impairment will be required. See note 10 for further details.

(d) Income taxes (judgement and estimate)
The Group is subject to income taxes in numerous jurisdictions and judgement is required in determining the provision for income taxes. The Group provides for uncertain tax positions based on the best estimate of the most likely outcome in respect of the relevant issue. Where the final outcome on uncertain tax positions is different from the amounts initially recorded, the difference will have an impact on the Group's tax charge. There is also judgement required in determining whether deferred tax assets arising on losses should be recognised. The Group recognises deferred tax assets to the extent they can be utilised against future taxable profits. See notes 5 and 19 for further details.

(e) Retirement benefit schemes (estimate)
The Group operates a number of defined benefit pension schemes which are largely closed to future accrual. The value of the Group's retirement benefit schemes surplus/deficit is determined on an actuarial basis using a number of assumptions. Changes in these assumptions will impact the carrying value of the surplus/deficit. The Group determines the appropriate discount rate to be used in the actuarial valuations at the end of each financial year following consultation with the retirement benefit schemes' actuaries. In determining the rate used, consideration is given to the interest rates of high quality corporate bonds in the currency in which the benefits will be paid and that have terms to maturity similar to those of the related retirement benefit obligation. See note 30 for further details.

(f) Provisions (judgement and estimate)
The Group records provisions where it has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation can be made. Where the outcome is less than probable, but more than remote, no provision is recorded but a contingent liability is disclosed in the financial statements, if material. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and

Accounting Policies (continued)

probability of the liability and typically the Group's balance sheet includes provisions for doubtful debts, warranty provisions, contract provisions (including onerous contracts) and pending legal issues.

As a result of the acquisition of Amec Foster Wheeler the Group has acquired a significant asbestos related liability. Some of AFW's legacy US and UK subsidiaries are defendants in asbestos related lawsuits and there are out of court informal claims pending in both jurisdictions. Plaintiffs claim damages for personal injury alleged to have arisen from exposure to the use of asbestos in connection with work allegedly performed by subsidiary companies in the 1970's and earlier. The provision for asbestos liabilities is the Group's best estimate of the obligation required to settle claims up until 2050. See note 18 for further details.

(g) Revenue recognition on fixed price and long term contracts (estimate and judgement)
The Group has a significant number of fixed price long term contracts which are accounted for in accordance with IAS 11 and requires estimates to be made for contract costs and revenues. Contract costs and revenues are affected by a variety of uncertainties that depend on the outcome of future events. Estimates are updated regularly and significant changes are highlighted through established internal review procedures. The contract reviews focus on timing and recognition of revenue including any incentive payments and the recoverability of income from variations to the contract scope or claims. The impact of any change in accounting estimates is then reflected in the ongoing results.

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

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

	2017	2016
Average rate £1 = $	**1.2886**	1.3538
Closing rate £1 = $	**1.3528**	1.2357

Foreign currencies
In each individual entity, transactions in overseas currencies are translated into the relevant functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date. Any exchange differences are taken to the income statement.

Income statements of entities whose functional currency is not the US dollar are translated into US dollars at average rates of exchange for the period and assets and liabilities are translated into US dollars at the rates of exchange ruling at the balance sheet date. Exchange differences arising on translation of net assets in such entities held at the beginning of the year, together with those differences resulting from the restatement of profits and losses from average to year end rates, are taken to the currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate ruling at the balance sheet date.

The directors consider it appropriate to record sterling denominated equity share capital in the financial statements of John Wood Group PLC at the exchange rate ruling on the date it was raised.

Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is recognised only when it is probable that the economic benefits associated with a transaction will flow to the Group and the amount of revenue can be measured reliably. Revenue is recognised as the services are rendered, including where they are based on contractual rates per man

Accounting Policies (continued)

hour in respect of multi-year service contracts. Incentive performance revenue is recognised upon completion of agreed objectives. Revenue is stated net of sales taxes (such as VAT) and discounts.

Revenue on fixed price or lump sum contracts for services, construction contracts and fixed price long-term service agreements is recognised according to the stage of completion reached in the contract by measuring the proportion of costs incurred for work performed to total estimated costs. An estimate of the profit attributable to work completed is recognised, on a basis that the directors consider to be appropriate, once the outcome of the contract can be estimated reliably, which is when a contract is not less than 20% complete. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately. Revenue from variations is only recognised when it is probable that the customer will approve the variations and the related adjustment to contract price can be measured reliably.

A claim is an amount that the contractor seeks to collect from the customer as reimbursement for costs whose inclusion in the contract price is disputed, and may arise from, for example, delays caused by the customer, errors in specification or design and disputed variations in contract work. Claims are included in contract revenue when negotiations with the customer have reached an advanced stage such that it is probable that the customer will accept the claim and the amount of the claim can be measured reliably.

Incentive payments are additional amounts payable to the contractor if specified performance standards are met or exceeded. Incentive payments are recognised when the contract is sufficiently far advanced that it is probable that the required performance standards will be met and the amount of the payment can be measured reliably.

The net amount of costs incurred to date plus recognised profits less progress billings is presented as gross amounts due from customers within trade and other receivables. Gross amounts due to customers are included in trade and other payables and represent payments on account received in excess of amounts due from customers.

Details of the services provided by the Group are provided under the ‘Segmental Reporting’ heading.

Exceptional items
Exceptional items are those significant items which are separately disclosed by virtue of their size or incidence to enable a full understanding of the Group’s financial performance. Material transactions which may give rise to exceptional items include gains and losses on divestment of businesses, write downs or impairments of assets including goodwill, restructuring costs or provisions, litigation settlements, provisions for onerous contracts and acquisition and divestment costs. See note 4 for full details of exceptional items.

Finance expense/income
Interest income and expense is recorded in the income statement in the period to which it relates. Arrangement fees and expenses in respect of the Group’s debt facilities are amortised over the period which the Group expects the facility to be in place. Interest relating to the unwinding of discount on deferred and contingent consideration and asbestos liabilities is included in finance expense. Interest relating to the Group’s retirement benefit schemes are also included in finance income/expense. See note 2 for further details.

Dividends
Dividends to the Group’s shareholders are recognised as a liability in the period in which the dividends are approved by shareholders. Interim dividends are recognised when paid. See note 6 for further details.

Goodwill
The Group uses the purchase method of accounting to account for acquisitions. Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. Goodwill is carried at cost less accumulated impairment losses. Goodwill is not amortised. Acquisition costs are expensed and included in administrative expenses in the income statement.

Intangible assets
Intangible assets are carried at cost less accumulated amortisation. Intangible assets are recognised if it is probable that there will be future economic benefits attributable to the asset, the cost of the asset can be

Accounting Policies (continued)

measured reliably, the asset is separately identifiable and there is control over the use of the asset. Where the Group acquires a business, intangible assets on acquisition are identified and evaluated to determine the carrying value on the acquisition balance sheet. Intangible assets are amortised over their estimated useful lives on a straight line basis, as follows:

Software	3-5 years
Development costs and licenses	3-5 years
Intangible assets on acquisition	
- Customer contracts and relationships	5-13 years
- Order backlog	2-5 years
- Brands	20 years

Property plant and equipment
Property plant and equipment (PP&E) is stated at cost less accumulated depreciation and impairment. No depreciation is charged with respect to freehold land and assets in the course of construction.

Depreciation is calculated using the straight line method over the following estimated useful lives of the assets:

Freehold and long leasehold buildings	25-50 years
Short leasehold buildings	period of lease
Plant and equipment	3-10 years

When estimating the useful life of an asset group, the principal factors the Group takes into account are the durability of the assets, the intensity at which the assets are expected to be used and the expected rate of technological developments. Asset lives and residual values are assessed at each balance sheet date.

Impairment
The Group performs impairment reviews in respect of PP&E, investment in joint ventures and intangible assets whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. In addition, the Group carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than its carrying amount.

For the purposes of impairment testing, goodwill is allocated to the appropriate cash generating unit ('CGU'). The CGUs are aligned to the structure the Group uses to manage its business. Cash flows are discounted in determining the value in use.

See note 8 for further details of goodwill impairment testing and note 10 for details of impairment of investment in joint ventures.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and other short-term bank deposits with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities.

Following the issue of a decision by the IFRS Interpretations Committee regarding offsetting and cash pooling arrangements, the Group presents balances that are part of a pooling arrangement on a gross basis in both cash and short term borrowings.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The provision is determined by reference to previous experience of recoverability for receivables in each market in which the Group operates.

Notes to the financial statements
for the year to 31 December 2017

Accounting Policies (continued)

Trade payables
Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Deferred and contingent consideration
Where deferred or contingent consideration is payable on the acquisition of a business based on an earn out arrangement, an estimate of the amount payable is made at the date of acquisition and reviewed regularly thereafter, with any change in the estimated liability being reflected in the income statement. Where deferred consideration is payable after more than one year the estimated liability is discounted using an appropriate rate of interest. Deferred and contingent consideration is recognised at fair value.

Taxation
The tax charge represents the sum of tax currently payable and deferred tax. Tax currently payable is based on the taxable profit for the year. Taxable profit differs from the profit reported in the income statement due to items that are not taxable or deductible in any period and also due to items that are taxable or deductible in a different period. The Group's liability for current tax is calculated using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided, using the full liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The principal temporary differences arise from depreciation on PP&E, tax losses carried forward and, in relation to acquisitions, the difference between the fair values of the net assets acquired and their tax base. Tax rates enacted, or substantively enacted, at the balance sheet date are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Accounting for derivative financial instruments and hedging activities
Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured at fair value.

Where hedging is to be undertaken, the Group documents the relationship between the hedging instrument and the hedged item at the inception of the transaction, as well as the risk management objective and strategy for undertaking the hedge transaction. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

Fair value estimation
The fair value of interest rate swaps is calculated as the present value of their estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward foreign exchange market rates at the balance sheet date. The fair values of all derivative financial instruments are obtained from valuations provided by financial institutions.

The carrying values of trade receivables and payables approximate to their fair values.

The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Operating leases
As lessee
Payments made under operating leases are charged to the income statement on a straight line basis over the period of the lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease period.

Accounting Policies (continued)

As lessor
Operating lease rental income arising from leased assets is recognised in the income statement on a straight line basis over the lease period.

Finance leases
A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the present value of the minimum lease payments. Lease payments are apportioned between finance expense and a reduction of the lease liability so as to achieve a constant rate of interest on the outstanding balance. Leased assets are depreciated over their estimated useful life.

Retirement benefit scheme surplus/deficit
The Group operates a number of defined benefit and defined contribution pension schemes. The surplus or deficit recognised in respect of the defined benefit schemes represents the difference between the present value of the defined benefit obligations and the fair value of the scheme assets. The assets of these schemes are held in separate trustee administered funds. The schemes are largely closed to future accrual.

The defined benefit schemes assets are measured using fair values. Pension scheme liabilities are measured annually by an independent actuary using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the Group's defined benefit schemes expected to arise from employee service in the period is charged to operating profit. The interest income on scheme assets and the increase during the period in the present value of the schemes liabilities arising from the passage of time are netted and included in finance income/expense. Re-measurement gains and losses are recognised in the statement of comprehensive income in full in the period in which they occur. The defined benefit schemes surplus or deficit is recognised in full and presented on the face of the Group balance sheet.

The Group's contributions to defined contribution schemes are charged to the income statement in the period to which the contributions relate.

The Group operates a SERP pension arrangement in the US for certain employees. Contributions are paid into a separate investment vehicle and invested in a portfolio of US funds that are recognised by the Group as a long term receivable with a corresponding liability in other non-current liabilities. Investments are carried at fair value. The fair value of listed equity investments and mutual funds is based on quoted market prices and so the fair value measurement can be categorised in Level 1 of the fair value hierarchy.

Provisions
Provision is made for the estimated liability on all services under warranty, including claims already received, based on past experience. Other provisions are recognised where the Group is deemed to have a legal or constructive obligation, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made. Where amounts provided are payable after more than one year the estimated liability is discounted using an appropriate rate of interest. See note 18 for further details.

Share based charges relating to employee share schemes
The Group has recorded share based charges in relation to a number of employee share schemes.

Charges are recorded in the income statement as an employee benefit expense for the fair value of share options (as at the grant date) expected to be exercised under the Executive Share Option Schemes ('ESOS') and the Long Term Retention Plan ('LTRP'). Amounts are accrued over the vesting period with the corresponding credit recorded in retained earnings.

Options are also awarded under the Group's Long Term Plan ('LTP') which is the incentive scheme in place for executive directors and certain senior executives. The charge for options awarded under the LTP is based on the fair value of those options at the grant date, spread over the vesting period. The corresponding credit is recorded in retained earnings. For awards that have a market related performance measure, the fair value of the market

Notes to the financial statements

for the year to 31 December 2017

Accounting Policies (continued)

related element is calculated using a Monte Carlo simulation model.

The Group has an Employee Share Plan under which employees contribute regular monthly amounts which are used to purchase shares over a one year period. At the end of the year the participating employees are awarded one free share for every three shares purchased providing they remain in employment for a further year. A charge is calculated for the award of free shares and accrued over the vesting period with the corresponding credit taken to retained earnings.

For further details of these schemes, please see note 20 and the Directors Remuneration Report.

Share capital

John Wood Group PLC has one class of ordinary shares and these are classified as equity. Dividends on ordinary shares are not recognised as a liability or charged to equity until they have been approved by shareholders.

The Group is deemed to have control of the assets, liabilities, income and costs of its employee share trusts, therefore they have been consolidated in the financial statements of the Group. Shares acquired by and disposed of by the employee share trusts are recorded at cost. The cost of shares held by the employee share trusts is deducted from equity.

Segmental reporting

The Group has determined that its operating segments are based on management reports reviewed by the Chief Operating Decision Maker ('CODM'), the Group's Chief Executive. The Group's reportable segments are Asset Solutions Europe, Africa, Asia, Australia ('ASEAAA'), Assets Solutions Americas ('ASA'), Specialist Technical Solutions ('STS'), Environmental and Infrastructure Solutions ('E&IS') and Investment Services.

Asset Solutions is focused on increasing production, improving efficiency, reducing cost and extending asset life and provides initial design, construction, operations, maintenance and decommissioning services mainly in the oil and gas sector. STS provides a range of specialist, largely technology related services focused on solving complex technological challenges across a broad range of energy and industrial sectors. E&IS provides consulting, engineering, project and construction management services to a range of sectors including government, water, transport, energy and pharmaceuticals. Investment Services manages a range of legacy or non-core businesses and investments with a view to generating value via remediation and restructuring prior to their eventual disposal.

The Chief Executive measures the operating performance of these segments using 'EBITA' (Earnings before interest, tax and amortisation). Operating segments are reported in a manner consistent with the internal management reports provided to the Chief Executive who is responsible for allocating resources and assessing performance of the operating segments.

Assets and liabilities held for sale

Disposal groups are classified as assets and liabilities held for sale if it is highly probable that they will be recovered primarily through sale rather than continuing use. Assets are measured at the lower of cost and fair value less costs to sell.

Research and development government credits

The Group claims research and development government credits in the UK, US and Canada. These credits are similar in nature to grants and are offset against the related expenditure category in the income statement. The credits are recognised when there is reasonable assurance that they will be received, which in some cases can be some time after the original expense is incurred.

Notes to the financial statements
for the year to 31 December 2017

Accounting Policies (continued)

Disclosure of impact of new and future accounting standards

(a) Amended standards and interpretations

The following standards and interpretations apply for the first time to accounting periods commencing on or after 1 January 2017:

- Amendments to IAS 12 'Income taxes' on the recognition of deferred tax assets for unrealised losses
- Amendments to disclosure requirements of IAS 7 'Statement of cash flows'
- Amendments to disclosure requirements of IFRS 12 'Disclosure of interests in other entities'

The introduction of these standards and interpretations does not have a material impact on the Group's financial statements.

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

The following standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2018, but the Group has not early adopted them:

- IFRS 15 'Revenue from contracts with customers' is effective for accounting periods beginning on or after 1 January 2018. This standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts'. Group management has reviewed its existing revenue recognition processes from a sample of legacy Wood Group contracts in each of its businesses to assess whether current practice is compliant with IFRS 15. The review concluded that current practices are compliant with IFRS 15 and although there are some areas where existing processes may require to be amended slightly, management does not believe that the application of the new standard will have a material impact on the legacy Wood Group businesses. Management also initiated a review of legacy Amec Foster Wheeler contracts in each of its businesses. Due to the timing and scale of the Amec Foster Wheeler acquisition, this review was well progressed but not fully completed at the date of signing these financial statements.
- IFRS 9 'Financial instruments' is effective for accounting periods on or after 1 January 2018. In assessing the impact of this standard on the Group's financial statements, management has prepared an analysis of credit losses incurred over the last three years. Total credit losses incurred amounted to around 0.05% of revenue and thus the application of the expected credit loss methodology required by the standard is not expected to have a material impact on the financial statements.
- IFRS 16 'Leases' is effective for accounting periods beginning on or after 1 January 2019. The Group is in the process of assessing the likely impact of this standard on the financial statements. Under IFRS 16, all operating leases will be brought onto the balance sheet and will increase assets and debt as well as impacting EBITDA.

All other amendments not yet effective and not included above are not material or applicable to the Group.

John Wood Group PLC

Notes to the financial statements

for the year to 31 December 2017

1 Segmental reporting

The Group operates through five segments, Asset Solutions EAAA, Asset Solutions Americas, Specialist Technical Solutions, Environment & Infrastructure Solutions and Investment Services. Asset Solutions EAAA and Asset Solutions Americas have been renamed and Environment & Infrastructure Solutions and Investment Services are new reportable segments following the Amec Foster Wheeler acquisition in 2017.

Under IFRS 11 'Joint arrangements', the Group is required to account for joint ventures using equity accounting, however for management reporting the Group continues to use proportional consolidation, hence the inclusion of the proportional presentation in this note.

The segment information provided to the Group's Chief Executive for the reportable operating segments for the year ended 31 December 2017 includes the following:

Reportable Operating Segments	**Revenue**		**EBITDA(1)**		**EBITA(1)**		**Operating profit**	
	Year ended 31 Dec 2017	Year ended 31 Dec 2016	**Year ended 31 Dec 2017**	Year ended 31 Dec 2016	**Year ended 31 Dec 2017**	Year ended 31 Dec 2016	**Year ended 31 Dec 2017**	Year ended 31 Dec 2016
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m
Asset Solutions EAAA	**2,617.0**	2,331.3	**162.6**	166.7	**139.8**	143.4	**57.1**	(9.5)
Asset Solutions Americas	**2,387.2**	2,115.2	**179.8**	203.1	**157.7**	176.3	**69.0**	100.8
Specialist Technical Solutions	**755.9**	487.5	**85.8**	82.1	**82.1**	79.2	**61.9**	58.1
Environment & Infrastructure Solutions	**321.3**	-	**26.0**	-	**24.7**	-	**12.1**	-
Investment Services	**85.4**	-	**5.3**	-	**5.3**	-	**1.2**	-
Central costs (2)	**2.2**	-	**(36.4)**	(32.2)	**(38.0)**	(35.5)	**(147.0)**	(45.2)
Total	**6,169.0**	4,934.0	**423.1**	419.7	**371.6**	363.4	**54.3**	104.2
Remove share of joint ventures	**(774.6)**	(813.4)	**(61.9)**	(60.3)	**(52.2)**	(50.1)	**v(49.2)**	(18.2)
Total continuing operations excluding joint ventures	**5,394.4**	4,120.6	**361.2**	359.4	**319.4**	313.3	**5.1**	86.0
Share of post-tax profit from joint ventures							**31.3**	3.4
Operating profit							**36.4**	89.4
Finance income							**2.8**	2.2
Finance expense							**(60.8)**	(25.6)
(Loss/)profit before taxation from continuing operations							**(21.6)**	66.0
Taxation							**(8.4)**	(31.6)
(Loss)/profit for the year from continuing operations							**(30.0)**	34.4

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1 Segmental reporting (continued)

Notes

1 A reconciliation from Operating profit (before exceptional items) to EBITA and EBITDA is provided in the table below. EBITDA represents EBITA before depreciation of property plant and equipment of $51.5m (2016 : $56.3m). EBITA and EBITDA are provided as they are units of measurement used by the Group in the management of its business.
2 Central costs include the costs of certain management personnel in both the UK and the US, along with an element of Group infrastructure costs.
3 Revenue arising from sales between segments is not material.

Reconciliation of Operating Profit to EBITA and EBITDA

	2017	2016
	$m	$m
Operating profit	**36.4**	89.4
Share of joint venture interest	**3.4**	2.4
Share of joint venture tax	**14.5**	12.4
Operating profit (including share of joint ventures)	**54.3**	104.2
Continuing exceptional items	**176.0**	154.9
EBIT	**230.3**	259.1
Amortisation (including joint ventures)	**141.3**	104.3
EBITA	**371.6**	363.4
Depreciation (including joint ventures)	**51.5**	56.3
EBITDA	**423.1**	419.7

John Wood Group PLC

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Segmental Reporting (continued)

Segment assets and liabilities

At 31 December 2017	**Asset Solutions EAAA $m**	**Asset Solutions Americas $m**	**Specialist Technical Solutions $m**	**Environment and Infrastructure Solutions $m**	**Investment Services $m**	**Unallocated $m**	**Total $m**
Segment assets	**3,177.0**	**3,595.7**	**1,541.6**	**1,295.9**	**430.9**	**2,034.0**	**12,075.1**
Segment liabilities	**1,063.0**	**997.7**	**380.9**	**241.7**	**324.1**	**4,095.7**	**7,103.1**
At 31 December 2016							
Segment assets	1,008.7	1,878.8	281.7	-	-	860.3	4,029.5
Segment liabilities	386.4	323.1	96.5	-	-	1,015.3	1,821.3

Unallocated assets and liabilities include income tax, deferred tax and cash and cash equivalents and borrowings where this relates to the financing of the Group’s operations.

Environment & Infrastructure Solutions and Investment Services are new reportable segments in 2017 following the Amec Foster Wheeler acquisition.

John Wood Group PLC

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1 Segmental Reporting (continued)

Other segment items

At 31 December 2017	Asset Solutions EAAA $m	Asset Solutions Americas $m	Specialist Technical Solutions $m	Environment and Infrastructure Solutions $m	Investment Services $m	Unallocated $m	Total $m
Capital expenditure							
PP&E	9.1	9.1	2.6	0.4	0.1	0.8	22.1
Intangible assets	20.1	24.7	4.8	0.1	-	7.3	57.0
Non-cash expense							
Depreciation	13.3	21.9	3.7	1.3	-	1.6	41.8
Amortisation	33.5	80.3	16.2	8.1	0.9	0.4	139.4
Exceptional items	42.9	3.7	2.3	3.4	2.4	45.1	99.8

At 31 December 2016							
Capital expenditure							
PP&E	20.4	6.2	0.8	-	-	1.6	29.0
Intangible assets	26.8	18.5	5.0	-	-	7.5	57.8
Non-cash expense							
Depreciation	13.5	26.4	2.9	-	-	3.3	46.1
Amortisation	20.0	64.8	10.0	-	-	7.5	102.3
Exceptional items	86.9	6.7	5.2	-	-	1.1	99.9

The figures in the tables above are prepared on an equity accounting basis and therefore exclude the share of joint ventures.

Depreciation in respect of joint ventures totals $9.7m (2016: $10.2m) and joint venture amortisation amounts to $1.9m (2016: $2.0m).

Environment & Infrastructure Solutions and Investment Services are new reportable segments in 2017 following the Amec Foster Wheeler acquisition.

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1 Segmental Reporting (continued)

Geographical segments

	Segment assets		Continuing revenue	
	2017	2016	**2017**	2016
	$m	$m	**$m**	$m
UK	**2,665.2**	842.3	**900.5**	866.7
US	**4,939.9**	1,852.8	**2,253.0**	1,848.0
Rest of the world	**4,470.0**	1,334.4	**2,240.9**	1,405.9
	12,075.1	4,029.5	**5,394.4**	4,120.6

Revenue by geographical segment is based on the location of the ultimate project. Revenue is attributable to the provision of services.

2 Finance expense/(income)

	2017	2016
	$m	$m
Interest payable on senior loan notes	**14.1**	14.1
Interest payable on borrowings	**20.8**	4.8
Amortisation of bank facility fees	**1.6**	0.7
Interest expense – retirement benefit obligations (note 30)	**2.6**	-
Unwinding of discount on deferred and contingent consideration liabilities	**2.3**	2.6
Unwinding of discount on asbestos provision (note 18)	**4.0**	-
Other interest expense	**6.9**	3.4
Finance expense – pre-exceptional items	**52.3**	25.6
Bank fees relating to Amec Foster Wheeler acquisition	**8.5**	-
Finance expense – continuing operations	**60.8**	25.6
Interest receivable	**(2.8)**	(2.0)
Interest income – retirement benefit obligations (note 30)	**-**	(0.2)
Finance income	**(2.8)**	(2.2)
Finance expense – continuing operations – net	**58.0**	23.4

$15.5m of participation fees were paid in relation to the new bank facilities and this amount is being amortised over the facility term.

Bank fees of $8.5m relating to the acquisition of Amec Foster Wheeler have been treated as exceptional items and include $6.4m of one-off underwriting and ticking fees and $2.1m relating to the write off of capitalised fees in respect of the previous bank facilities.

Net interest expense of $3.4m (2016: $2.4m) has been deducted in arriving at the share of post-tax profit from joint ventures.

Notes to the financial statements

for the year to 31 December 2017

3 Profit before taxation

	2017 $m	2016 $m
The following items have been charged/(credited) in arriving at profit before taxation :		
Employee benefits expense (note 29)	**2,741.6**	2,210.1
Depreciation of property plant and equipment (note 9)	**41.8**	46.1
Amortisation of intangible assets (note 8)	**139.4**	102.3
Gain on disposal of property plant and equipment	**(1.3)**	(4.7)
Other operating lease rentals payable:		
- Plant and machinery	**22.9**	26.3
- Property	**110.7**	77.0
Foreign exchange losses/(gains)	**0.7**	(3.0)

Depreciation of property plant and equipment is included in cost of sales or administrative expenses in the income statement. Amortisation of intangible assets is included in administrative expenses in the income statement.

Services provided by the Group's auditors and associate firms

During the year the Group obtained the following services from its auditors, PwC and associate firms at costs as detailed below:

	2017 $m	2016 $m
Fees payable to the Group's auditors and its associate firms for -		
Audit of parent company and consolidated financial statements	**1.0**	1.0
Audit of Group companies pursuant to legislation	**2.9**	1.9
Reporting accountant and due diligence services in relation to AFW acquisition	**2.5**	-
Tax and other services	**0.2**	0.1
	6.6	3.0

In addition to the above, fees totalling $5.8m are payable to Ernst & Young LLP for work done in relation to the audit of Amec Foster Wheeler and its subsidiaries.

4 Exceptional items

	2017 $m	2016 $m
Exceptional items included in continuing operations		
Acquisition costs in respect of the acquisition of Amec Foster Wheeler	**58.9**	-
Redundancy, restructuring and integration costs	**51.4**	65.9
Arbitration settlement provision	**19.2**	-
Investigation support costs	**8.2**	-
Impairment of investment in EthosEnergy	**28.0**	56.7
Impairments recorded by EthosEnergy	**1.1**	29.9
Other write offs relating to EthosEnergy	**9.2**	2.4
	176.0	154.9
Bank fees relating to Amec Foster Wheeler acquisition	**8.5**	-
	184.5	154.9
Tax credit	**(19.4)**	(15.1)
Continuing operations exceptional items, net of tax	**165.1**	139.8

Acquisition costs of $58.9m have been incurred during the year in relation to the acquisition of Amec Foster Wheeler. These costs include broker and legal fees as well as other advisor and regulatory fees. In addition, $8.5m of bank fees have been expensed in respect of the new borrowing facility required to fund the acquisition (see note 2).

Redundancy, restructuring and integration costs of $51.4m have been incurred during the year. The total includes $28.1m of redundancy and restructuring costs, $14.1m of integration costs in relation to the acquisition of Amec Foster Wheeler and $9.2m of costs relating to onerous property leases.

A charge of $19.2m has been recorded in relation to a legacy contract carried out by our Gas Turbine Services business prior to the formation of EthosEnergy. Arbitration hearings have been held in relation to a dispute between the Group and a former subcontractor and this amount represents our best estimate of the likely settlement including related legal costs. The outcome of the arbitration hearing is likely to be known in the first half of 2018.

Investigation support costs of $8.2m have been incurred during the period in relation to ongoing investigations by the US Securities and Exchange Commission, the US Department of Justice and UK Serious Fraud Office. See note 32 for full details.

At 31 December 2017, the Group carried out an impairment review of its investment in the EthosEnergy joint venture. The recoverable amount of the investment, based on management's estimate of fair value less costs of disposal of $77.0m, is lower than the book value and an impairment charge of $28.0m has been booked in the income statement (see note 10). In addition, EthosEnergy has recorded exceptional charges of $1.1m during the year relating to the closure of its power solutions business. The Group has also written off receivables of $5.7m in relation to a balance due by EthosEnergy and booked a $3.5m charge in relation to a likely settlement of indirect taxes.

The allocation of continuing exceptionals (excluding bank fees) of $176.0m by segment is as follows – EAAA $47.3m, Americas $8.4m, STS $4.0m, E&IS $4.5m, Investment Services $3.2m and Central $108.6m.

A tax credit of $19.4m has been recorded against exceptional items.

For further details of the 2016 exceptional items please refer to the 2016 Annual Report and Accounts.

5 Taxation

	2017 $m	2016 $m
Current tax		
Current year	**87.8**	49.6
Adjustment in respect of prior years	**(21.3)**	(9.5)
	66.5	40.1
Deferred tax		
Current year	**(55.3)**	(11.8)
Adjustment in respect of prior years	**(2.8)**	3.3
	(58.1)	(8.5)
Total tax charge	**8.4**	31.6
Comprising -		
Tax on continuing operations before exceptional items	**27.8**	46.7
Tax on exceptional items in continuing operations	**(19.4)**	(15.1)
Total tax charge	**8.4**	31.6

Tax charged/(credited) to equity	2017 $m	2016 $m
Deferred tax movement on retirement benefit liabilities	**(0.7)**	(2.8)
Deferred tax relating to share option schemes	**5.8**	(4.9)
Current tax relating to share option schemes	**(1.8)**	(1.5)
Deferred tax impact of rate change	**4.2**	-
Total charged/(credited) to equity	**7.5**	(9.2)

5 Taxation (continued)

Tax is calculated at the rates prevailing in the respective jurisdictions in which the Group operates. The expected rate is the weighted average rate taking into account the Group's profits in these jurisdictions. The expected rate has increased in 2017 due to the change in mix of the tax jurisdictions in which the Group operates. The tax charge for the year is higher (2016: higher) than the expected tax (credit)/charge due to the following factors:

	2017 $m	2016 $m
(Loss)/profit before taxation from continuing operations (excluding profits from and impairment of joint ventures)	**(24.9)**	119.3
(Loss)/profit before tax at expected rate of 27.5% (2016: 24.7%)	**(6.8)**	29.5
Effects of:		
Adjustments in respect of prior years	**(24.1)**	(6.2)
Non-recognition of losses and other attributes	**(9.4)**	10.0
Effect of foreign taxes	**19.3**	8.0
One-off impact of tax reform	**(13.0)**	-
Other permanent differences	**42.4**	(9.7)
Total tax charge	**8.4**	31.6

The adjustment in respect of prior years is largely due to the release of uncertain tax provisions as the final outcome on certain issues was agreed during the year.

The one-off impact of tax reform is as a result of a reduction in the US tax rate from 1 January 2018 reducing the Group's deferred tax liability as well as changes in loss utilisation rules in the UK allowing losses that would not otherwise have been accessible to be utilised against future profits.

Other permanent differences include adjustments for share based charges, research and development allowances, changes in unrecognised tax attributes and expenditure which is not tax deductible. Tax losses are recognised where there is reasonable certainty that they can be utilised in future years. Other permanent differences in 2017 have been impacted by a restructure of Amec Foster Wheeler's US business and the resulting tax charge on the related intercompany transactions although this has been partly offset by the utilisation of the businesses unrecognised tax losses.

Net income tax liabilities in the Group balance sheet include $265.2m relating to uncertain tax positions where management has had to exercise judgement in determining the most likely outcome in respect of the relevant issue. The larger amounts relate to tax payable in relation to divestments ($13.0m), recoverability of withholding taxes ($81.6m), and group financing ($51.4m). Where the final outcome on these issues differs to the amounts provided, the Group's tax charge will be impacted.

Amounts are netted in the Group balance sheet where corporate tax assets and liabilities are in the same jurisdictions and to the extent there is a legal right of offset.

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6 Dividends

	2017	2016
	$m	$m
Dividends on ordinary shares		
Final 2016 dividend paid: 22.5 cents per share (Final 2015: 20.5 cents)	**83.9**	75.9
Interim 2017 dividend paid: 11.1 cents per share (Interim 2016: 10.8 cents)	**41.7**	40.1
	125.6	116.0

The directors are proposing a final dividend in respect of the financial year ended 31 December 2017 of 23.2 cents per share. The final dividend will be paid on 17 May 2018 to shareholders who are on the register of members on 20 April 2018. The financial statements do not reflect the final dividend, the payment of which will result in an estimated $155.1m reduction in equity attributable to owners of the parent.

7 Earnings per share

	2017			2016		
	Earnings/(losses) attributable to owners of the parent $m	**Number of shares m**	**Earnings per share cents**	Earnings attributable to owners of the parent $m	Number of shares m	Earnings per share cents
Basic pre-exceptional	**132.7**	**440.0**	**30.1**	167.6	370.9	45.2
Exceptional items, net of tax	**(165.1)**	**-**	**(37.5)**	(139.8)	-	(37.7)
Basic	**(32.4)**	**440.0**	**(7.4)**	27.8	370.9	7.5
Effect of dilutive ordinary shares	**-**	**-**	**-**	-	12.0	(0.2)
Diluted	**(32.4)**	**440.0**	**(7.4)**	27.8	382.9	7.3
Adjusted diluted earnings per share calculation						
Basic	**(32.4)**	**440.0**	**(7.4)**	27.8	370.9	7.5
Effect of dilutive ordinary shares	**-**	**11.3**	**0.2**	-	12.0	(0.2)
	(32.4)	**451.3**	**(7.2)**	27.8	382.9	7.3
Exceptional items, net of tax	**165.1**	**-**	**36.6**	139.8	-	36.5
Amortisation, net of tax	**107.7**	**-**	**23.9**	77.9	-	20.3
Adjusted diluted	**240.4**	**451.3**	**53.3**	245.5	382.9	64.1
Adjusted basic	**240.4**	**440.0**	**54.6**	245.5	370.9	66.2

As the Group has reported a basic loss per ordinary share, any potential ordinary shares are anti-dilutive and are excluded from the calculation of diluted loss per share. These options could potentially dilute earnings per share in future periods. As adjusted diluted earnings per share is a non-GAAP measure, the potential ordinary shares have not been excluded from this calculation.

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7 Earnings per share (continued)

The calculation of basic earnings per share is based on the earnings attributable to owners of the parent divided by the weighted average number of ordinary shares in issue during the year excluding shares held by the Group's employee share trusts. For the calculation of diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of dilutive potential ordinary shares. The Group's dilutive ordinary shares comprise share options granted to employees under Executive Share Option Schemes and the Long Term Retention Plan, shares and share options awarded under the Group's Long Term Plan and shares awarded under the Group's Employee Share Plan. Adjusted basic and adjusted diluted earnings per share are disclosed to show the results excluding the impact of exceptional items and amortisation, net of tax.

8 Goodwill and other intangible assets

	Goodwill $m	Software and development costs $m	Customer contracts and relationships $m	Order backlog $m	Brands $m	Total $m
Cost						
At 1 January 2017	1,706.0	256.8	432.6	-	-	2,395.4
Exchange movements	99.4	16.3	17.4	0.5	3.5	137.1
Additions	-	57.0	-	-	-	57.0
Acquisitions (note 28)	3,554.6	35.1	444.6	184.2	727.1	4,945.6
Disposals	-	(7.0)	-	-	-	(7.0)
At 31 December 2017	**5,360.0**	**358.2**	**894.6**	**184.7**	**730.6**	**7,528.1**
Amortisation and impairment						
At 1 January 2017	0.8	182.1	318.0	-	-	500.9
Exchange movements	-	11.2	12.6	0.1	0.1	24.0
Amortisation charge	-	59.3	58.5	12.6	9.0	139.4
Disposals	-	(7.0)	-	-	-	(7.0)
At 31 December 2017	**0.8**	**245.6**	**389.1**	**12.7**	**9.1**	**657.3**
Net book value at 31 December 2017	**5,359.2**	**112.6**	**505.5**	**172.0**	**721.5**	**6,870.8**
Cost						
At 1 January 2016	1,766.1	233.5	433.5	-	-	2,433.1
Exchange movements	(78.4)	(14.2)	(7.3)	-	-	(99.9)
Additions	-	57.8	-	-	-	57.8
Acquisitions (note 28)	18.3	0.1	6.4	-	-	24.8
Disposals	-	(20.4)	-	-	-	(20.4)
At 31 December 2016	**1,706.0**	**256.8**	**432.6**	**-**	**-**	**2,395.4**
Amortisation and impairment						
At 1 January 2016	0.8	155.4	272.4	-	-	428.6
Exchange movements	-	(6.7)	(4.3)	-	-	(11.0)
Amortisation charge	-	52.4	49.9	-	-	102.3
Disposals	-	(19.0)	-	-	-	(19.0)
At 31 December 2016	**0.8**	**182.1**	**318.0**	**-**	**-**	**500.9**
Net book value at 31 December 2016	**1,705.2**	**74.7**	**114.6**	**-**	**-**	**1,894.5**

As per note 28, goodwill acquired during the year comprises $3,514.5m in relation to the Amec Foster Wheeler acquisition, $38.8m in relation to CEC and $1.3m in relation to acquisitions in prior periods.

In accordance with IAS 36 'Impairment of assets', goodwill was tested for impairment during the year. The impairment tests were carried out by Cash Generating Unit ('CGU'). The Group has five reportable segments. Goodwill is monitored by management at the level of these segments. Goodwill is allocated to CGU's as indicated in the table below.

8 Goodwill and other intangible assets (continued)

Value-in-use calculations have been prepared for each CGU using the cash flow projections included in the financial budgets and forecasts prepared by management and approved by the Board for 2018 and 2019. The budgets and forecasts are based on various assumptions including market outlook, resource utilisation, contract backlog, contract margins and assumed contract awards. Growth rates of between 5% and 9% per annum have been assumed for 2020 and for 2021 and 2022 cash flows have been extrapolated using a growth rate of 3% for Asset Solutions EAAA, Specialist Technical Solutions and Investment Services and 2% for Asset Solutions Americas and Environmental and Infrastructure Solutions. A terminal value is applied thereafter in order to calculate long term estimated cash flows using the same anticipated growth rates. The growth rates used do not exceed the long-term average growth rates for the regions in which the CGUs operate. The cash flows have been discounted using discount rates appropriate for each CGU, and these are reviewed annually. The pre-tax rates used for the 2017 review are as follows - 10.8% for Asset Solutions EAAA, 10.6% for Asset Solutions Americas, 11.4% for Specialist Technical Solutions 10.3% for Environmental and Infrastructure Solutions and 10.7% for Investment Services (the equivalent post-tax rates are 9.5%, 9.25%, 10.0%, 9.25% and 9.5% respectively).

The carrying value of the goodwill for each CGU is shown in the table below. No goodwill has been written off during the current or prior year.

Cash Generating Unit	**Goodwill carrying value ($m)**
Asset Solutions EAAA	2,033.6
Asset Solutions Americas	1,754.7
Specialist Technical Solutions	921.8
Environmental and Infrastructure Solutions	489.0
Investment Services	160.1

A sensitivity analysis has been performed on the basis of a 1% reduction in the long term growth rate and a 1% increase in the discount rate in order to assess the impact of reasonable possible changes to the assumptions used in the impairment review. A 1% reduction in the long term growth rate would result in an impairment of $166.9m in Assets Solutions EAAA. A 1% increase in the discount rate would result in an impairment of $242.7m in Asset Solutions EAAA. In addition, if the short term EBITA growth rates assumed by management for Asset Solutions EAAA in 2018 and 2019 were 3% lower than projected then an impairment would result. The lower headroom in Asset Solutions EAAA is primarily due to challenging market conditions in the North Sea. The sensitivity analysis did not identify any potential impairments other than those mentioned above for Asset Solutions EAAA.

Intangible assets arising on acquisition include the valuation of customer contracts and relationships, order backlog and brands recognised on business combinations. As part of the annual impairment review, Group management has assessed whether there were any impairment triggers and none were identified.

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9 Property plant and equipment

	Land and Buildings $m	Plant and equipment $m	Total $m
Cost			
At 1 January 2017	80.7	208.3	289.0
Exchange movements	5.6	13.1	18.7
Additions	1.2	20.9	22.1
Acquisitions (note 28)	41.9	41.9	83.8
Disposals	(5.8)	(23.6)	(29.4)
Reclassifications	-	5.8	5.8
At 31 December 2017	**123.6**	**266.4**	**390.0**
Accumulated depreciation and impairment			
At 1 January 2017	33.2	84.7	117.9
Exchange movements	1.2	14.0	15.2
Charge for the year	7.9	33.9	41.8
Disposals	(5.6)	(19.9)	(25.5)
Impairment	0.4	2.3	2.7
Reclassifications	-	4.4	4.4
At 31 December 2017	**37.1**	**119.4**	**156.5**
Net book value at 31 December 2017	**86.5**	**147.0**	**233.5**
Cost			
At 1 January 2016	73.0	242.8	315.8
Exchange movements	(4.6)	(11.8)	(16.4)
Additions	9.8	19.2	29.0
Acquisitions	0.4	0.7	1.1
Disposals	(5.0)	(47.6)	(52.6)
Reclassifications	7.1	5.0	12.1
At 31 December 2016	**80.7**	**208.3**	**289.0**
Accumulated depreciation and impairment			
At 1 January 2016	30.7	80.9	111.6
Exchange movements	(2.4)	(7.5)	(9.9)
Charge for the year	6.9	39.2	46.1
Disposals	(2.0)	(30.8)	(32.8)
Impairment	-	2.9	2.9
At 31 December 2016	**33.2**	**84.7**	**117.9**
Net book value at 31 December 2016	**47.5**	**123.6**	**171.1**

The net book value of Land and Buildings includes $53.6m (2016: $24.8m) of Long Leasehold and Freehold property and $32.9m (2016:$22.7m) of Short Leasehold property.

There were no material amounts in assets under construction at 31 December 2017.

10 Investment in joint ventures

The Group operates a number of joint ventures companies, the most significant of which are its turbine JV's, EthosEnergy Group Limited and RWG (Repair & Overhauls) Limited. The Group has a 51% shareholding in EthosEnergy, a provider of rotating equipment services and solutions to the power, oil and gas and industrial markets. EthosEnergy is based in Aberdeen, Scotland. The Group has a 50% shareholding in RWG, a provider of repair and overhaul services to the oil and gas, power generation and marine propulsion industries. RWG is based in Aberdeen, Scotland.

The assets, liabilities, income and expenses of the EthosEnergy and RWG are shown below. The financial information below has been extracted from the management accounts for these entities.

	EthosEnergy (100%)		**RWG (100%)**	
	2017 **$m**	2016 $m	**2017** **$m**	2016 $m
Non-current assets	**162.1**	151.2	**37.9**	34.6
Current assets	**723.9**	683.4	**126.0**	121.6
Current liabilities	**(310.2)**	(300.8)	**(40.9)**	(36.6)
Non-current liabilities	**(114.8)**	(99.8)	**(2.9)**	(0.8)
Net assets	**461.0**	434.0	**120.1**	118.8
Wood Group share	**235.1**	221.3	**60.1**	59.4
Impairments and other adjustments	**(158.1)**	(121.3)	**-**	-
Wood Group investment	**77.0**	100.0	**60.1**	59.4
Revenue	**842.2**	815.1	**206.0**	231.8
Cost of sales	**(722.5)**	(703.1)	**(147.7)**	(165.0)
Administrative expenses	**(93.6)**	(101.9)	**(29.7)**	(33.4)
Exceptional items	**(2.2)**	(58.7)	**-**	-
Operating profit/(loss)	**23.9**	(48.6)	**28.6**	33.4
Net finance (expense)/income	**(5.5)**	(4.4)	**-**	0.1
Profit/(loss) before tax	**18.4**	(53.0)	**28.6**	33.5
Tax	**(8.6)**	(4.8)	**(6.9)**	(7.6)
Post-tax profit/(loss) from joint ventures	**9.8**	(57.8)	**21.7**	25.9
Wood Group share	**5.0**	(29.5)	**10.9**	13.0

The Group has carried out an impairment review on the valuation of its EthosEnergy joint venture at 31 December 2017. Management's estimate of fair value less costs of disposal is $77.0m which is lower than the book value and an impairment charge of $28.0m has been recorded in the income statement. The fair value is supported by third party market data. If fair value less costs of disposal are ultimately less than $77.0m then a further impairment will be required.

EthosEnergy has also recorded impairment losses of $1.1m (Wood Group share) relating to the closure of its power solutions business. This charge is reflected in the exceptional expense line in the table below.

EthosEnergy's net borrowings, including parent company loans, at 31 December 2017 amounted to $92.6m.

RWG had net cash at 31 December 2017 of $9.2m.

10 Investment in joint ventures (continued)

The Group's share of its joint venture income and expenses is shown below.

	2017	2016
	$m	$m
Revenue	**774.6**	813.4
Cost of sales	**(650.7)**	(687.5)
Administrative expenses	**(73.6)**	(77.8)
Exceptional expense	**(1.1)**	(29.9)
Operating profit	**49.2**	18.2
Net finance expense/(income)	**(3.4)**	(2.4)
Profit before tax	**45.8**	15.8
Tax	**(14.5)**	(12.4)
Share of post-tax profit from joint ventures	**31.3**	3.4

The movement in investment in joint ventures is shown below.

	$m
At 1 January 2017	205.9
Exchange movements on retranslation of net assets	7.2
Acquired	55.5
Share of profit after tax	31.3
Impairment of investments	(28.0)
Dividends	(32.0)
At 31 December 2017	**239.9**

The joint ventures have no significant contingent liabilities to which the Group is exposed, nor has the Group any significant contingent liabilities in relation to its interest in the joint ventures.

A full list of subsidiary and joint venture entities is included in note 35.

11 Inventories

	2017	2016
	$m	$m
Materials	**7.8**	2.7
Work in progress	**2.1**	0.5
Finished goods and goods for resale	**4.3**	3.8
	14.2	7.0

12 Trade and other receivables

	2017 $m	2016 $m
Trade receivables	**1,798.1**	785.8
Less: provision for impairment of trade receivables	**(93.0)**	(24.7)
Trade receivables – net	**1,705.1**	761.1
Gross amounts due from customers	**571.0**	3.9
Prepayments and accrued income	**131.6**	33.4
Loans due from joint ventures	**59.9**	80.7
Other receivables	**161.1**	72.6
Trade and other receivables – current	**2,628.7**	951.7
Long term receivables	**241.3**	87.2
Total receivables	**2,870.0**	1,038.9

The net amount of costs incurred to date plus recognised profits less progress billings on long term contracts is presented as gross amounts due from customers above.

The aggregate amount of costs incurred plus recognised profits (less recognised losses) for all long-term contracts in progress at the balance sheet date amounted to $12,403.1m.

Long term receivables include $83.8m relating to the US SERP pension arrangement referred to in note 30.

Financial assets

	2017 $m	2016 $m
Bank deposits (more than three months)	**31.2**	-
Restricted cash	**26.5**	26.5
Derivative financial instruments	**30.5**	0.1
	88.2	26.6

The restricted cash of $26.5m (2016: $26.5m) is cash that is subject to an attachment order. The Group cannot access this cash until it receives a release letter from the Courts and as a result the cash balance is presented in financial assets. Management believe it is appropriate to include the restricted cash balance in the Group's net debt figure (see note 27).

Bank deposits of more than three months of $31.2m are short term instruments held by Amec Foster Wheeler's insurance captive.

12 Trade and other receivables (continued)

The Group's trade receivables balance is shown in the table below.

31 December 2017	Trade receivables - Gross $m	Provision for impairment $m	Trade receivables – Net $m	Receivable days
Asset Solutions EAAA	**625.1**	**(48.7)**	**576.4**	**78**
Asset Solutions Americas	**651.3**	**(24.7)**	**626.6**	**75**
Specialist Technical Solutions	**209.1**	**(12.5)**	**196.6**	**99**
Environment and Infrastructure Solutions	**242.8**	**(4.5)**	**238.3**	**124**
Investment Services	**69.8**	**(2.6)**	**67.2**	**127**
Total Group	**1,798.1**	**(93.0)**	**1,705.1**	**86**

31 December 2016				
Asset Solutions EAAA	334.9	(12.1)	322.8	86
Asset Solutions Americas	387.0	(11.9)	375.1	69
Specialist Technical Solutions	63.9	(0.7)	63.2	85
Total Group	785.8	(24.7)	761.1	77

Receivable days are calculated by allocating the closing trade receivables balance to current and prior period revenue. A receivable days calculation of 86 indicates that closing trade receivables represent the most recent 86 days of revenue.

A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the terms of the original receivables.

The ageing of the provision for impairment of trade receivables is as follows:

	2017 $m	2016 $m
Up to 3 months	**1.1**	1.9
Over 3 months	**91.9**	22.8
	93.0	24.7

12 Trade and other receivables (continued)

The movement on the provision for impairment of trade receivables is as follows:

2017	**Asset Solutions EAAA $m**	**Asset Solutions Americas $m**	**Specialist Technical Solutions $m**	**Environment & Infrastructure Solutions $m**	**Investment Services $m**	**Total $m**
At 1 January	12.1	11.9	0.7	-	-	24.7
Exchange movements	1.4	-	0.1	-	-	1.5
Acquisitions	39.0	19.5	15.7	4.3	2.5	81.0
Provided during year	0.7	0.1	0.9	0.6	0.2	2.5
Released during year	(4.5)	(6.8)	(4.9)	(0.4)	(0.1)	(16.7)
At 31 December	**48.7**	**24.7**	**12.5**	**4.5**	**2.6**	**93.0**
2016						
At 1 January	8.7	27.0	3.9	-	-	39.6
Exchange movements	(1.5)	-	(0.1)	-	-	(1.6)
Provided during year	5.3	0.4	-	-	-	5.7
Released during year	(0.4)	(15.5)	(3.1)	-	-	(19.0)
At 31 December	**12.1**	**11.9**	**0.7**	**-**	**-**	**24.7**

The other classes within trade and other receivables do not contain impaired assets.

Included within gross trade receivables of $1,798.1m above (2016: $785.8m) are receivables of $581.0m (2016: $160.4m) which were past due but not impaired. These relate to customers for whom there is no recent history or expectation of default. The ageing analysis of these trade receivables is as follows:

	2017 $m	2016 $m
Up to 3 months overdue	**365.3**	82.8
Over 3 months overdue	**215.7**	77.6
	581.0	160.4

The above analysis excludes retentions relating to contracts in progress of $118.5m (2016: nil).

13 Cash and cash equivalents

	2017 **$m**	2016 $m
Cash at bank and in hand	**1,205.5**	579.5
Short-term bank deposits	**20.0**	-
	1,225.5	579.5

Cash at bank and in hand at 31 December 2017 includes $533.4m (2016: $420.3m) that is part of the Group's cash pooling arrangements. For internal reporting this amount is netted with short-term overdrafts and presented as a net figure on the Group's balance sheet. However, in preparing these financial statements, the Group has grossed up both its cash and borrowings figures by this amount.

The effective interest rate on short-term deposits at 31 December 2017 was 1.62% and these deposits have an average maturity of 13 days.

At 31 December 2017, the Group held $20.6m of cash in Angolan kwanza. Due to the lack of US dollars in country the Group has experienced challenges in converting its kwanza cash balances and repatriating funds. During January 2018, the value of the kwanza was devalued by around 30% against the US dollar and further devaluation of the currency is forecast during 2018. The Group will continue to explore opportunities to repatriate this cash however the devaluation of the cash balance will have an impact on the Group's 2018 profits.

14 Trade and other payables

	2017 **$m**	2016 $m
Trade payables	**792.6**	187.3
Gross amounts due to customers	**465.7**	-
Other tax and social security payable	**74.5**	21.7
Accruals and deferred income	**612.1**	341.8
Deferred and contingent consideration (see note 17)	**36.8**	26.4
Finance leases	**18.6**	-
Derivative financial instruments	**11.8**	2.1
Other payables	**435.5**	9.7
	2,447.6	589.0

Gross amounts due to customers included above represent payments on account received in excess of amounts due from customers on long term contracts.

Accruals and deferred income includes amounts due to suppliers and sub-contractors that have not yet been invoiced, unpaid wages, salaries and bonuses.

Other payables includes contract provisions, payroll related liabilities and asbestos related payables (see note 18).

Deferred and contingent consideration represents amounts payable on acquisitions made by the Group. The amount included in the table above is expected to be paid within one year from the balance sheet date.

15 Borrowings

	2017 $m	2016 $m
Bank loans and overdrafts due within one year or on demand		
Unsecured	**543.2**	433.6
Non-current bank loans		
Unsecured	**1,961.1**	120.0
Senior loan notes		
Unsecured	**375.0**	375.0
Total non-current borrowings	**2,336.1**	495.0

Borrowings of $533.4m (2016: $420.3m) that are part of the Group's cash pooling arrangements and are netted against cash for internal reporting purposes are grossed up in the short term borrowings figure above.

Bank overdrafts are denominated in a number of currencies and bear interest based on LIBOR or the relevant foreign currency equivalent.

The Group entered into new banking facilities on the acquisition of Amec Foster Wheeler. Total facilities of $2.75bn comprise a 5 year $1.75bn revolving credit facility and a $1bn 3 year term loan.

The Group has $375.0m of unsecured senior loan notes issued in the US private placement market. The notes mature in 2021, 2024 and 2026 and interest is payable at an average fixed rate of 3.74%. Of the total non-current borrowings of $2,336.1m, $213.5m is denominated in sterling with the balance in US dollars.

The effective interest rates on the Group's bank loans and overdrafts at the balance sheet date were as follows:

	2017 %	2016 %
US dollar	**2.58**	1.55
Sterling	**1.80**	0.85
Euro	**1.15**	0.60
Canadian dollar	**-**	2.70
Australian dollar	**2.38**	2.45
Norwegian kroner	**1.08**	1.53
Saudi Riyals	**-**	4.83

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2017 $m	2016 $m
US Dollar	**2,284.9**	649.1
Sterling	**478.1**	162.8
Euro	**8.1**	4.1
Canadian dollar	**-**	20.0
Australian dollar	**88.2**	69.0
Norwegian kroner	**14.6**	19.3
Other	**5.4**	4.3
	2,879.3	928.6

15 Borrowings (continued)

The Group is required to issue trade finance instruments to certain customers. These include tender bonds, performance bonds, retention bonds, advance payment bonds and standby letters of credit. At 31 December 2017, the Group's bank facilities relating to the issue of bonds, guarantees and letters of credit amounted to $1,831.3m (2016: $546.7m). At 31 December 2017, these facilities were 54% utilised (2016: 33%).

Borrowing facilities
The Group has the following undrawn borrowing facilities available at 31 December:

	2017 **$m**	2016 $m
Expiring within one year	**143.5**	100.0
Expiring between two and five years	**692.0**	830.0
	835.5	930.0

All undrawn borrowing facilities are floating rate facilities. The facilities expiring within one year are annual facilities subject to review at various dates during 2018. The Group entered into new banking facilities on the acquisition of Amec Foster Wheeler. Total facilities of $2.75bn comprise a 5 year $1.75bn revolving credit facility and a $1bn 3 year term loan. The Group was in compliance with its bank covenants throughout the year.

16 Other non-current liabilities

	2017 **$m**	2016 $m
Deferred and contingent consideration (see note 17)	**24.4**	66.3
Finance leases	**31.4**	-
Other payables	**256.5**	107.0
	312.3	173.3

Deferred and contingent consideration represents amounts payable on acquisitions made by the Group. The amount included in the table above is expected to be paid between one and three years from the balance sheet date.

Other payables include $83.8m relating to the US SERP pension arrangement referred to in note 30 and unfavourable leases of $115.0m.

17 Financial instruments

The Group's activities give rise to a variety of financial risks: market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy is to hedge exposures wherever practicable in order to minimise any potential adverse impact on the Group's financial performance.

Risk management is carried out by the Group Treasury department in line with the Group's Treasury policies. Group Treasury, together with the Group's business units identify, evaluate and where appropriate, hedge financial risks. The Group's Treasury policies cover specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and investment of excess cash.

Where the Board considers that a material element of the Group's profits and net assets are exposed to a country in which there is significant geo-political uncertainty a strategy is agreed to ensure that the risk is minimised.

17 Financial instruments (continued)

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currencies. The Group has subsidiary companies whose revenue and expenses are denominated in currencies other than the US dollar. Where possible, the Group's policy is to eliminate all significant currency exposures at the time of the transaction by using financial instruments such as forward currency contracts. Changes in the forward contract fair values are booked through the income statement, except where hedge accounting is used in which case the change in fair value is recorded in equity.

Hedging of foreign currency exchange risk – cash flow hedges
The notional contract amount, carrying amount and fair values of forward contracts and currency swaps designated as cash flow hedges at the balance sheet date are shown in the table below.

	2017 Notional contract amount $m	2016 Notional contract amount $m	2017 Carrying amount and fair value $m	2016 Carrying amount and fair value $m
Current assets	**157.9**	-	**5.4**	-
Current liabilities	**(36.4)**	-	**(0.9)**	-

A net foreign exchange gain of $0.7m (2016: nil) was recognised in the hedging reserve as a result of fair value movements on forward contract and currency swaps designated as cash flow hedges.

Hedging of foreign currency exchange risk – fair value through income statement
The notional contract amount, carrying amount and fair value of all other forward contracts and currency swaps at the balance sheet date are shown in the table below.

	2017 Notional contract amount $m	2016 Notional contract amount $m	2017 Carrying amount and fair value $m	2016 Carrying amount and fair value $m
Current assets	**973.8**	5.4	**24.5**	0.1
Current liabilities	**(651.7)**	(238.7)	**(10.9)**	(1.5)

The Group's largest foreign exchange risk relates to movements in the sterling/US dollar exchange rate. Movements in the sterling/US dollar rate impact the translation of sterling profit earned in the UK and the translation of sterling denominated net assets. The potential impact of changes in the sterling/US dollar exchange rate is summarised in the table below. As the Group reports in US dollars a weakening of the pound has a negative impact on translation of its sterling companies' profits and net assets.

	2017 $m	2016 $m
Impact of 10% increase to average £/$ exchange rate on profit after tax	**(4.0)**	2.4
Impact of 10% increase to closing £/$ exchange rate on equity	**178.1**	67.1

10% has been used in these calculations as it represents a reasonable possible change in the sterling/US dollar exchange rate. The Group also has foreign exchange risk in relation a number of other currencies, such as the Australian dollar, the Canadian dollar and the Euro.

17 Financial instruments (continued)

(ii) Interest rate risk

The Group finances its operations through a mixture of retained profits and debt. The Group borrows in the desired currencies at a mixture of fixed and floating rates of interest and then uses interest rate swaps to generate the desired interest profile and to manage the Group's exposure to interest rate fluctuations. At 31 December 2017, 15% (2016: 53%) of the Group's borrowings were at fixed rates after taking account of interest rate swaps. The Group is also exposed to interest rate risk on cash held on deposit. The Group's policy is to maximise the return on cash deposits and where possible, deposit cash with a financial institution with a credit rating of 'A' or better.

Hedging of interest rate risk – cash flow hedges
The notional contract amount, carrying amount and fair value of interest rate swaps designated as cash flow hedges at the balance sheet date are shown in the table below.

	2017 Hedged amount $m	2016 Hedged amount $m	2017 Carrying amount and fair value $m	2016 Carrying amount and fair value $m
Interest rate swaps	**60.0**	120.0	**0.6**	(0.6)

A net foreign exchange gain of $0.6m (2016: nil) was recognised in the hedging reserve as a result of fair value movements on interest rate swaps designated as cash flow hedges.

If average interest rates had been 1% higher or lower during 2017 (2016: 1%), post-tax profit for the year would have been $4.5m lower or higher respectively (2016: $0.7m). 1% has been used in this calculation as it represents a reasonable possible change in interest rates.

Immediately following the acquisition of Amec Foster Wheeler, the Group repaid AFW's existing bank borrowings. As part of that transaction, a net payment of $21.3m was made to close out debt related derivative financial instruments.

(iii) Price risk

The Group is not exposed to any significant price risk in relation to its financial instruments.

(b) Credit risk

The Group's credit risk primarily relates to its trade receivables. Responsibility for managing credit risk lies within the businesses with support being provided by Group and divisional management where appropriate.

The credit risk associated with customers is considered as part of each tender review process and is addressed initially through contract payment terms. Trade finance instruments such as letters of credit, bonds, guarantees and credit insurance are used to manage credit risk where appropriate. Credit control practices are applied thereafter during the project execution phase. A right to interest and suspension is normally sought in all contracts. There is significant management focus on customers that are classified as high risk in the current challenging market although the Group had no material write offs in the year.

The Group's major customers are typically large companies which have strong credit ratings assigned by international credit rating agencies. Where a customer does not have sufficiently strong credit ratings, alternative forms of security such as the trade finance instruments referred to above may be obtained.

The Group has a broad customer base and management believe that no further credit risk provision is required in excess of the provision for impairment of trade receivables.

17 Financial instruments (continued)

Management review trade receivables across the Group based on receivable days calculations to assess performance. A table showing trade receivables and receivable days is provided in note 12. Receivable days calculations are not provided on non-trade receivables as management do not believe that this information is a relevant metric.

The maximum credit risk exposure on cash and cash equivalents and bank deposits (more than three months) at 31 December 2017 was $1,283.2m. The Group treasury department monitors counterparty exposure on a global basis to avoid any over exposure to any one counterparty.

The Group's policy is to deposit cash at institutions with a credit rating of 'A' or better where possible. 52% of cash held on deposit at 31 December 2017 was held with such institutions.

(c) Liquidity risk

The Group's policy is to ensure the availability of an appropriate amount of funding to meet both current and future forecast requirements consistent with the Group's budget and strategic plans. The Group will finance operations and growth from its existing cash resources and the $835.5m undrawn portion of the Group's committed banking facilities. At 31 December 2017, 100% (2016: 100%) of the Group's principal borrowing facilities (including senior loan notes) were due to mature in more than one year. Based on the Group's latest forecasts the Group has sufficient funding in place to meet its future obligations.

The Group entered into new banking facilities on the acquisition of Amec Foster Wheeler. Total facilities of $2.75bn comprise a 5 year $1.75bn revolving credit facility and a $1bn 3 year term loan.

The Group has $375m of unsecured senior loan notes issued in the US private placement market. The notes mature in 2021, 2024 and 2026.

(d) Capital risk

The Group seeks to maintain an optimal capital structure. The Group monitors its capital structure on the basis of its gearing ratio, interest cover and when applicable, the ratio of net debt to EBITDA.

Gearing is calculated by dividing net debt by equity attributable to owners of the parent. Gearing at 31 December 2017 was 33.2% (2016: 15.1%).

Interest cover is calculated by dividing total EBITA by net finance expense. Interest cover for the year to 31 December 2017 was 7.0 times (2016: 14.1 times).

The ratio of net debt to pro-forma EBITDA at 31 December 2017 was 2.4 (2016: 0.8). The calculation of pro-forma EBITDA is prepared as if Amec Foster Wheeeler and CEC were acquired on 1 January 2017.

Deferred and contingent consideration
Deferred and contingent consideration is payable on the acquisition of businesses based on earn out arrangements and is initially recognised at fair value. The amount payable is dependent on the post-acquisition profits of the acquired entities and the provision made is based on the Group's estimate of the likely profits of those entities based on the relevant Acquisition Approval Paper submitted to the Group Board. Where actual profits are higher or lower than the Group's estimate and the amount of contingent consideration payable is consequently different to the amount estimated then the variance is charged or credited to the income statement. Where deferred and contingent consideration is payable after more than one year the estimated liability is discounted using an appropriate rate of interest. The fair value of contingent consideration is not based on observable market data and as such the valuation method is classified as level 3 as per above. The process for valuation is consistently applied to all acquisitions.

17 Financial instruments (continued)

The table below presents the changes in level 3 financial instruments during the year:

Contingent consideration arising from business combinations	**$m**
At 1 January	92.7
Exchange movements	1.8
Amounts provided in relation to new acquisitions	14.0
Interest relating to discounting of contingent consideration	2.3
Payments during the year	(32.1)
Amounts released to the income statement	(17.5)
At 31 December	**61.2**

Financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Drawdowns under the bilateral bank facilities are for periods of three months or less and therefore loan interest payable is excluded from the amounts below.

At 31 December 2017	**Less than 1 year $m**	**Between 1 and 2 years $m**	**Between 2 and 5 years $m**	**Over 5 years $m**
Borrowings	**557.2**	**14.0**	**2,077.2**	**327.6**
Trade and other payables	**2,373.1**	**-**	**-**	**-**
Other non-current liabilities	**-**	**224.5**	**88.8**	**-**
At 31 December 2016				
Borrowings	447.6	14.0	238.6	339.1
Trade and other payables	567.3	-	-	-
Other non-current liabilities	-	76.6	100.4	-

Fair value of non-derivative financial assets and financial liabilities

The fair value of short-term borrowings, trade and other payables, trade and other receivables, financial assets, short-term deposits and cash at bank and in hand approximates to the carrying amount because of the short maturity of interest rates in respect of these instruments. Drawdowns under long-term bank facilities are for periods of three months or less and as a result, book value and fair value are considered to be the same.

Fair values (excluding the fair value of assets and liabilities classified as held for sale) are determined using observable market prices (level 2 as defined by IFRS 13 'Fair Value Measurement') as follows:

- The fair value of forward foreign exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.
- The fair value of interest rate swaps is estimated by discounting estimated future cash flows based on the terms and maturity of each contract and using market rates.

All derivative fair values are verified by comparison to valuations provided by the derivative counterparty banks.

The Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the year ended 31 December 2017 and 31 December 2016, there were no transfers into or out of level 2 fair value measurements.

18 Provisions

	Asbestos related litigation $m	Project and environmental litigation $m	Obligations relating to disposed businesses $m	Other provisions $m	Total $m
At 1 January 2017	-	-	8.1	62.5	70.6
Acquired	514.9	146.5	88.2	72.8	822.4
Exchange movements	17.1	3.5	3.5	5.1	29.2
Utilised	(15.0)	(1.1)	(1.9)	(27.2)	(45.2)
Charge to income statement	0.2	-	0.6	5.3	6.1
Released to income statement	(0.2)	(5.9)	-	-	(6.1)
Change in discount rate	(2.3)	-	-	-	(2.3)
Unwinding of discount	4.0	-	-	-	4.0
Reclassifications	(7.1)	5.7	2.6	(14.0)	(12.8)
At 31 December 2017	**511.6**	**148.7**	**101.1**	**104.5**	**865.9**

Asbestos related litigation

Certain of the Group's US and UK subsidiaries are defendants in a number of asbestos related lawsuits and out of court informal claims pending in both countries. Plaintiffs claim damages for personal injury alleged to have arisen from exposure to asbestos primarily in connection with equipment allegedly manufactured by certain Group companies in the 1970's or earlier. It is expected that these subsidiaries will be named as defendants in additional and/or similar suits and that new claims will be filed in the future. Whilst some of these claims have been and are expected to be made in the UK, the overwhelming majority have been and are expected to be made in the US.

The Group's asbestos related liabilities were assumed on the acquisition of Amec Foster Wheeler. Management has worked with independent asbestos valuation experts to measure the asbestos related liabilities assumed. Asbestos related liabilities recognised by the Group include estimates of indemnity amounts and defence costs expected to be incurred in each year in the period to 2050, beyond which time management expects that there will no longer be a significant number of open claims. Management's estimates are based on the following information and assumptions - the number of open claims, the forecasted number of future claims, the estimated average cost per claim by disease type (mesothelioma, lung cancer and non-malignancies), claim filings which result in no monetary payments (the 'zero pay rate') as well as other factors.

In recent years, certain of the Group's subsidiaries have entered into settlement agreements calling for insurers to make lump sum payments, as well as payments over time, for use by our subsidiaries to fund asbestos-related indemnity and defence costs, and, in certain cases, for reimbursement for portions of out of pocket costs incurred. Asbestos related insurance recoveries under executed settlement agreements are recognised in trade and other receivables together with management's best estimate of actual and probable insurance recoveries relating to the Group's liability for pending and estimated future asbestos claims in the period to 2050. The Group's actual insurance recoveries may be limited by future insolvencies among its insurers. The Group does not recognise insurance recoveries due from currently insolvent insurers unless they are subject to court approved settlement in liquidation proceedings.

The Group has discounted the expected future cash flows with respect to the asbestos related liabilities and the expected insurance recoveries using discount rates determined by reference to appropriate risk free market interest rates.

Notes to the financial statements
for the year to 31 December 2017

18 Provisions (continued)

Asbestos related liabilities and assets recognised on the Group's balance sheet were as follows:

	US $m	UK $m	2017 Total $m	US $m	UK $m	2016 Total $m
Asbestos related provision						
Gross provision	589.0	73.2	662.2	-	-	-
Effect of discounting	(99.8)	-	(99.8)	-	-	-
Net provision	**489.2**	**73.2**	**562.4**	**-**	**-**	**-**
Insurance recoveries						
Gross recoveries	(66.8)	(68.5)	(135.3)	-	-	-
Effect of discounting	2.9	-	2.9	-	-	-
Net recoveries	**(63.9)**	**(68.5)**	**(132.4)**	**-**	**-**	**-**
Net asbestos related liabilities	**425.3**	**4.7**	**430.0**	**-**	**-**	**-**

The net asbestos provision of $562.4m (2016: nil) is made up of $511.6m included in provisions (2016: nil) and $50.8m (2016: nil) in respect of asbestos liabilities included in trade and other payables.

Estimation of asbestos related liabilities and insurance recoveries is subject to a number of uncertainties that may result in significant changes to the current estimates. Among these are uncertainties as to the ultimate number and type of claims filed, the amounts of claim costs, the impact of bankruptcies of other companies with asbestos claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, as well as potential legislative changes. Fluctuations in market interest rates and the uncertainties noted above could cause significant changes in the discounted amount of the asbestos related liabilities and insurance recoveries.

Project and environmental litigation
The Group is party to litigation involving clients and sub-contractors arising out of project contracts. Management has taken internal and external legal advice in considering known or reasonably likely legal claims and actions by and against the Group. Where a known or likely claim or action is identified, management carefully assesses the likelihood of success of the claim or action. Generally, a provision is recognised only in respect of those claims or actions where management consider it is probable that a settlement will be required. Additionally, however, the Group recognises provisions for known or likely claims against an acquired business if, at the acquisition date, it is possible that the claim or action will be successful and its amount can be reliably estimated.

Provision is made for management's best estimate of the likely settlement costs and/or damages to be awarded for those claims and actions that management considers are likely to be successful. Due to the inherent commercial, legal and technical uncertainties in estimating project claims, the amounts ultimately paid or realised by the Group could differ materially from the amounts that are recognised in the financial statements. An estimate of future legal costs is included only in the litigation provision acquired from Amec Foster Wheeler as on a fair value basis it is reasonable to include this as it reflects what would be paid by a third party to assume the liability.

Chemical Plant Litigation in the United States
In 2013, one of Amec Foster Wheeler plc's subsidiaries contracted to engineer, procure and construct a chemical plant for a client in Texas. In December 2015 the client partially terminated the contract and in September 2016, terminated the remainder of the contract and commenced a lawsuit in Texas against the subsidiary and also Amec Foster Wheeler plc, seeking damages for breach of contract and warranty, gross negligence, and fraud. The claim amount is unspecified but the client alleges that the projected cost for the assigned scope of work is approximately $700 million above the alleged estimate and that the subsidiary's delays have caused it to suffer continuing monthly damages of $25 million due to the fact that the facility is not complete and it is not able to sell the expected products from the facility. The client seeks recovery of actual and punitive damages, as well as the disgorgement of the full project fixed fee paid to the subsidiary (approximately $66.5 million).

18 Provisions (continued)

The Group believes that the claims lack legal and factual merit. The estimate that the subsidiary provided was in connection with the client's initial request for a lump sum bid and highly conditioned. The contract that was ultimately signed, and which governs the dispute, is a reimbursable cost plus fixed fee contract, with no guaranteed price or schedule, wherein the client assumed joint responsibility for management of the work and development of the project schedule. Liability for consequential damages is barred, except in the case of wilful misconduct. Except for gross negligence, wilful misconduct, and warranty claims, overall liability is capped at 10 percent of the contract price (or approximately $100 million). Amec Foster Wheeler has denied the claims and intend to vigorously defend the lawsuit. The lawsuit is in the early stages of proceedings and it would be premature to predict the ultimate outcome of the matter. The Group has a provision of $73.5m as at 31 December 2017 on this project against disallowed costs and warranties, which includes $35.5m of estimated legal fees included as a fair value adjustment on the acquisition of Amec Foster Wheeler.

Environmental litigation
Certain of the jurisdictions in which the Group operates, in particular the US and the EU, have environmental laws under which current and past owners or operators of property may be jointly and severally liable for the costs of removal or remediation of toxic or hazardous substances on or under their property, regardless of whether such materials were released in violation of law and whether the operator or owner knew of, or was responsible for, the presence of such substances. Largely as a consequence of the acquisition of Amec Foster Wheeler, the Group currently owns and operates, or owned and operated, industrial facilities. It is likely that, as a result of the Group's current or former operations, hazardous substances have affected the property on which those facilities are or were situated. The Group has also received and may continue to receive claims pursuant to indemnity obligations from the present owners of facilities we have transferred, which may require us to incur costs for investigation and/or remediation. As at 31 December 2017, the Group held provisions totalling $35.9m for the estimated future environmental clean-up costs in relation to industrial facilities that it no longer operates. Whilst the timing of the related cash flows is typically uncertain, the Group expects that certain of its remediation obligations may continue for up to 60 years.

Obligations related to disposed businesses
As described in note 32, the Group agreed to indemnify certain third parties relating to businesses and/or assets that were previously owned by the Group and were sold to them. As at 31 December 2017, the Group recognised indemnity provisions totalling $101.1m. Indemnity provisions principally relate to businesses that were sold by Amec Foster Wheeler prior to its acquisition by the Group.

Other provisions
At 31 December 2017, other provisions of $104.5m (2016: $62.5m) have been recognised. This amount includes warranty provisions in respect of guarantees provided in the normal course of business relating to contract performance. It is expected that any payment required in respect of these provisions would be made within two years.

Included within the reclassifications line is $13.4m of unfavourable leases which the Group had previously included within other provisions but are now shown in other non-current liabilities.

19 Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the tax rate applicable to the territory in which the asset or liability has arisen. The UK rate of corporation tax, currently 19%, will reduce to 17% in April 2020. The Group has provided deferred tax in relation to UK companies at 18% (2016: 19.5%). The movement on the deferred tax account is shown below:

	2017 $m	2016 $m
At 1 January	**(86.6)**	(56.5)
Exchange movements	**1.7**	(2.7)
Credit to income statement (note 5)	**(58.1)**	(8.5)
Acquisitions (note 28)	**219.7**	-
Deferred tax relating to R&D credits	**(13.0)**	(11.2)
Deferred tax relating to retirement benefit liabilities	**(0.7)**	(2.8)
Deferred tax relating to share option schemes	**5.8**	(4.9)
Impact of rate change in equity	**4.2**	-
At 31 December	**73.0**	(86.6)

Deferred tax is presented in the financial statements as follows:

	2017 $m	2016 $m
Deferred tax assets	**(108.5)**	(91.3)
Deferred tax liabilities	**181.5**	4.7
Net deferred tax liability/(asset)	**73.0**	(86.6)

$48.1m (2016: $9.8m) of deferred tax is recognised on the unremitted earnings of overseas subsidiaries and joint ventures as it is anticipated that distributions will be made in the foreseeable future. We expect all other earnings to be continually reinvested by the Group. There is no tax expected to be payable on them in the foreseeable future and as a result no deferred tax is provided.

Recognition of $85.9m of deferred tax assets in relation to the US tax group is based on forecast profits of the US businesses.

The Group has unrecognised tax losses of $5,824.6m (2016: $164.3m) to carry forward against future taxable income. Tax losses are recognised where there is reasonable certainty that they can be utilised in future years.

Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

At 31 December 2017, the expiry dates of unrecognised deferred tax assets carried forward are as follows:

	Tax losses $m	**Deductible temporary differences $m**	**Total $m**
Expiring within 5 years	1,907.0	62.8	1,969.8
Expiring within 6-10 years	-	271.1	271.1
Unlimited	2,962.0	621.7	3,583.7
	4,869.0	**955.6**	**5,824.6**

19 Deferred tax (continued)

The deferred tax balances are analysed below:-

2017	**Accelerated capital allowances**	**Pension**	**Share based charges**	**Other temporary differences**	**Losses**	**Total**
	$m	**$m**	**$m**	**$m**	**$m**	**$m**
Deferred tax assets	(184.6)	(6.7)	(13.6)	217.6	(121.2)	(108.5)
Deferred tax liabilities	493.2	60.1	-	(371.8)	-	181.5
Net deferred tax (asset)/liability	**308.6**	**53.4**	**(13.6)**	**(154.2)**	**(121.2)**	**73.0**
2016						
Deferred tax assets	42.3	(1.4)	(19.7)	(76.6)	(35.9)	(91.3)
Deferred tax liabilities	-	-	-	4.7	-	4.7
Net deferred tax (asset)/liability	42.3	(1.4)	(19.7)	(71.9)	(35.9)	(86.6)

20 Share based charges

The Group currently has a number of share schemes that give rise to share based charges. These are the Executive Share Option Scheme ('ESOS'), the Long Term Retention Plan ('LTRP'), the Long Term Plan ('LTP') and the Employee Share Plan. The charge to operating profit for these schemes for the year amounted to $10.2m (2016: $10.7m). This included $0.6m relating to the roll-over of Amec Foster Wheeler awards under their Long Term Incentive Plan into Wood Group awards. In addition, an amount of $2.1m has been allocated to the acquisition consideration (see note 28).

The assumptions made in arriving at the charge for each scheme are detailed below.

ESOS and LTRP
For the purposes of calculating the fair value of the share options, a Black-Scholes option pricing model has been used. Based on past experience, it has been assumed that options will be exercised, on average, six months after the earliest exercise date, which is four years after grant date, and there will be a lapse rate of 25% for ESOS and 20% for LTRP. The share price volatility used in the calculation of 40% is based on the actual volatility of the Group's shares as well as that of comparable companies. The risk free rate of return is based on the implied yield available on zero coupon gilts with a term remaining equal to the expected lifetime of the options at the date of grant.

Long Term Plan
The Group's Long Term Plan ('LTP') was introduced during 2013. There are two distinct awards made under the LTP. Nil value share options will be awarded on the same basis as awards under the LTRP (see above). In addition, awards to senior management are made based on achievement of performance measures, these being total shareholder return and adjusted diluted earnings per share. Participants may be granted conditional share awards or nil cost options at the start of the cycle. Performance is measured over a three year period and up to 80% of an award may vest based on the performance over that period. The vesting of at least 20% of any award is normally deferred for a further period of at least two years.

Performance based awards
Details of the LTP awards are set out in the table below. The charge for market related performance targets has been calculated using a Monte Carlo simulation model taking account of share price volatility against peer group companies, risk free rate of return, dividend yield and the expected lifetime of the award. Further details of the LTP are provided in the Directors' Remuneration Report.

Cycle	**5**	**6**	**7**	**8**	**9**	**10**
Performance period	2012-14	2013-15	2014-16	2015-17	2016-18	2017-19
Fair value of awards	£6.18	£7.53	£7.26	£5.95	£5.82	£8.54
Type of award	Shares/options	Options	Options	Options	Options	Options
Outstanding at 31/12/17	10,502	55,946	150,334	2,705,123	2,610,838	2,172,954

In addition to the awards above, 960,633 options are outstanding at 31 December 2017 in respect of awards made under the Amec Foster Wheeler Long Term Incentive Plan. These awards were converted to Wood Group awards following the acquisition of Amec Foster Wheeler on 6 October 2017. The fair value of these awards is £7.00.

20 Share based charges (continued)

The awards outstanding under cycles 5, 6 and 7 represent 20% of the award at vesting which is deferred for two years.

Further details on the LTP are provided in the Directors' Remuneration Report.

Share options

A summary of the basis for the charge for ESOS, LTRP and LTP options is set out below together with the number of options granted, exercised and lapsed during the year.

	ESOS		LTRP		LTP	
	2017	2016	**2017**	2016	**2017**	2016
Number of participants	**493**	605	**23**	135	**247**	262
Lapse rate	**25%**	25%	**20%**	20%	**10-20%**	10-20%
Risk free rate of return on grants during year	**N/A**	N/A	**N/A**	N/A	**0.07%-0.34%**	0.15%-0.58%
Share price volatility	**40%**	40%	**40%**	40%	**40%**	40%
Dividend yield on grants during year	**N/A**	N/A	**N/A**	N/A	**3.60%**	3.50%
Fair value of options granted during year	**N/A**	N/A	**N/A**	N/A	**£4.73-£6.81**	£5.79-£5.96
Weighted average remaining contractual life	**4.7 years**	5.5 years	**0.3 years**	1.2 years	**2.5 years**	2.3 years

Options outstanding 1 January	**3,850,154**	5,308,594	**482,062**	1,106,986	**1,800,364**	1,421,864
Options granted during the year	**-**	-	**-**	-	**728,736**	530,228
Options exercised during the year	**(487,873)**	(1,013,892)	**(395,739)**	(548,278)	**(355,906)**	(42,575)
Options lapsed during the year	**(336,008)**	(444,548)	**(12,376)**	(76,646)	**(159,621)**	(109,153)
Dividends accrued on options	**-**	-	**-**	-	**22,480**	-
Options outstanding 31 December	**3,026,273**	3,850,154	**73,947**	482,062	**2,036,053**	1,800,364

No. of options exercisable at 31 December	**2,189,367**	1,835,482	**73,947**	48,875	**7,500**	-
Weighted average share price of options exercised during year	**£8.14**	£7.21	**£7.52**	£6.52	**£7.30**	£6.92

20 Share based charges (continued)

Executive Share Option Schemes
The following options to subscribe for new or existing shares were outstanding at 31 December:

Year of Grant	Number of ordinary shares under option 2017	2016	Exercise price (per share)	Exercise period
2007	**-**	15,000	268½p	2011-2017
2008	**25,000**	37,000	381¾p	2012-2018
2009	**178,750**	239,200	222p	2013-2019
2010	**247,114**	352,114	377½p	2014-2020
2011	**325,440**	484,340	529½p	2015-2021
2012	**508,446**	707,828	680½p	2016-2022
2013	**904,617**	1,077,481	845⅓p	2017-2023
2013	**-**	4,000	812p	2017-2023
2014	**836,906**	933,191	767⅔p	2018-2024
	3,026,273	3,850,154		

Share options are granted at an exercise price equal to the average mid-market price of the shares on the three days prior to the date of grant.

Long Term Retention Plan
The following options granted under the Group's LTRP were outstanding at 31 December:

Year of Grant	Number of ordinary shares under option 2017	2016	Exercise price (per share)	Exercise period
2012	**-**	48,875	$4\frac{2}{7}$p	2016-2017
2013	**73,947**	433,187	$4\frac{2}{7}$p	2017-2018
	73,947	482,062		

Options are granted under the Group's LTRP at par value. There are no performance criteria attached to the exercise of options under the LTRP.

Nil value share options
The following options granted under the Group's LTP were outstanding at 31 December:

Year of Grant	Number of ordinary shares under option 2017	2016	Exercise price (per share)	Exercise period
2013	**7,500**	11,500	0.00p	2017-2018
2014	**639,292**	705,575	0.00p	2018-2019
2015	**43,002**	330,769	0.00p	2017-2018
2015	**163,645**	222,292	0.00p	2019-2020
2016	**235,228**	235,228	0.00p	2018-2019
2016	**237,083**	295,000	0.00p	2020-2021
2017	**190,303**	-	0.00p	2019-2020
2017	**520,000**	-	0.00p	2021-2022
	2,036,053	1,800,364		

20 Share based charges (continued)

Options are granted under the Group's LTP at nil value. There are performance criteria relating to the creation of the pool available but none relating to the exercise of the options. Further details on the LTP are provided in the Directors' Remuneration Report.

Employee share plan
The Group introduced an Employee Share Plan during 2016. Under the plan employees contribute regular monthly amounts which are used to purchase shares over a one year period. At the end of the year, the participating employees are awarded one free share for every three shares purchased, providing they remain in employment for a further year. It is estimated that 183,999 shares will be awarded at the end of the first year of the scheme.

Amec Foster Wheeler also has an Employee Share Plan. Awards under this scheme were converted to Wood Group awards following the acquisition on 6 October 2017. At 31 December 2017, 1,099,016 options were outstanding under this scheme.

21 Share capital

Ordinary shares of 4²/₇ pence each (2016: 4²/₇ pence)		**2017**		2016
Issued and fully paid	**shares**	**$m**	shares	$m
At 1 January	**381,025,384**	**23.9**	378,875,384	23.8
Allocation of new shares to employee share trusts	**2,150,000**	**0.1**	2,150,000	0.1
Shares issued in relation to acquisition of Amec Foster Wheeler	**294,510,217**	**16.5**	-	-
Shares issued to satisfy option exercises	**6,695**	**-**	-	-
At 31 December	**677,692,296**	**40.5**	381,025,384	23.9

On 6 October 2017, 294,510,217 new shares were issued in relation to the acquisition of Amec Foster Wheeler. The value of the consideration for these shares was $2,807.3m with $16.5m being credited to share capital and the balance to the merger reserve (see note 24). The total consideration for Amec Foster Wheeler was $2,809.4m.

22 Share premium

	2017	2016
	$m	$m
At 1 January	**63.9**	63.9
Allocation of new shares to employee share trusts	**-**	-
At 31 December	**63.9**	63.9

The shares allocated to the trust during the year were issued at 4²/₇ pence (2016: 4²/₇ pence).

Notes to the financial statements

for the year to 31 December 2017

23 Retained earnings

	2017 $m	2016 $m
At 1 January	**2,098.0**	2,162.4
(Loss)/profit for the year attributable to owners of the parent	**(32.4)**	27.8
Dividends paid (note 6)	**(125.6)**	(116.0)
Credit relating to share based charges (note 20)	**10.2**	10.7
Share based charges allocated to AFW purchase consideration	**2.1**	-
Re-measurement loss on retirement benefit liabilities (note 30)	**(1.2)**	(14.2)
Movement in deferred tax relating to retirement benefit liabilities	**0.7**	2.8
Shares allocated to employee share trusts	**(0.1)**	(0.1)
Shares disposed of by employee share trusts	**2.4**	7.5
Gain on sale of shares sold by employee share trusts	**3.2**	-
Tax relating to share option schemes	**(4.2)**	6.4
Deferred tax impact of rate change in equity	**(4.0)**	-
Exchange movements in respect of shares held by employee share trusts	**(9.9)**	20.9
Transactions with non-controlling interests	**(4.0)**	(10.2)
At 31 December	**1,935.2**	2,098.0

Retained earnings are stated after deducting the investment in own shares held by employee share trusts. No options have been granted over shares held by the employee share trusts (2016: nil).

Shares held by employee share trusts

	2017		2016	
	Shares	**$m**	Shares	$m
Balance 1 January	**9,097,352**	**105.5**	8,985,323	133.8
New shares allocated	**2,150,000**	**0.1**	2,150,000	0.1
Shares issued to satisfy option exercises	**(1,239,518)**	**(2.3)**	(1,604,745)	(7.5)
Shares issued to satisfy awards under Long Term Incentive Plan	**(478,611)**	**-**	(430,818)	-
Shares issued to satisfy awards under Employee Share Plan	**(436)**	**-**	(2,408)	-
Sale of shares by JWG Trustees Ltd	**(421,000)**	**(0.1)**	-	-
Exchange movement	**-**	**9.9**	-	(20.9)
Balance 31 December	**9,107,787**	**113.1**	9,097,352	105.5

Shares acquired by the employee share trusts are purchased in the open market using funds provided by John Wood Group PLC to meet obligations under the Employee Share Option Schemes, LTRP and LTP. Shares are allocated to the employee share trusts in order to satisfy future option exercises at various prices.

The costs of funding and administering the trusts are charged to the income statement in the period to which they relate. The market value of the shares at 31 December 2017 was $80.1m (2016: $98.5m) based on the closing share price of £6.50 (2016: £8.76). The employee share trusts have waived their rights to receipt of dividends on ordinary shares.

In December 2017, 421,000 shares held by JWG Trustees Ltd were sold for a total consideration of $3.3m. The cost of these shares was $0.1m and the gain on disposal of $3.2m has been credited to retained earnings in the period.

The amount of John Wood Group PLC's reserves that are considered distributable is disclosed in note 12 to the Company Financial Statements.

24 Merger reserve

	2017 $m	2016 $m
At 1 January	-	-
Shares issued in relation to acquisition of Amec Foster Wheeler	**2,790.8**	-
At 31 December	**2,790.8**	-

On 6 October 2017, 294,510,217 new shares were issued in relation to the acquisition of Amec Foster Wheeler. As the acquisition resulted in the Group securing 90% of Amec Foster Wheeler's share capital, the acquisition qualifies for merger relief under section 612 of the Companies Act 2006 and the premium arising on the issue of the shares is credited to a merger reserve rather than the share premium account. The total value of the consideration for Amec Foster Wheeler was $2,809.4m with $16.5m being credited to share capital, $2,790.8m to the merger reserve and $2.1m to retained earnings.

25 Other reserves

	Capital reduction reserve $m	Capital redemption reserve $m	Currency translation reserve $m	Hedging reserve $m	Total $m
At 1 January 2016	88.1	439.7	(378.6)	(1.0)	148.2
Exchange movement on retranslation of foreign currency net assets	-	-	(138.8)	-	(138.8)
At 31 December 2016	**88.1**	**439.7**	**(517.4)**	**(1.0)**	**9.4**
Cash flow hedges	-	-	-	1.3	1.3
Exchange movement on retranslation of foreign currency net assets	-	-	119.2	-	119.2
At 31 December 2017	**88.1**	**439.7**	**(398.2)**	**0.3**	**129.9**

The capital reduction reserve was created subsequent to the Group's IPO in 2002 and is a distributable reserve.

The capital redemption reserve was created following a share issue that formed part of the return of cash to shareholders in 2011. This is not a distributable reserve.

The currency translation reserve relates to the retranslation of foreign currency net assets on consolidation. This was reset to zero on transition to IFRS at 1 January 2004. The movement during the year relates to the retranslation of foreign currency net assets, including goodwill and intangible assets recognised on acquisition.

The hedging reserve relates to the accounting for derivative financial instruments under IAS 39. Fair value gains and losses in respect of effective cash flow hedges are recognised in the hedging reserve.

26 Non-controlling interests

	2017 **$m**	2016 $m
At 1 January	**13.0**	22.7
Exchange movements	**-**	(0.3)
Acquired	**1.2**	-
Share of profit for the year	**2.4**	6.6
Dividends paid to non-controlling interests	**(4.5)**	(6.7)
Transactions with non-controlling interests	**(0.4)**	(9.3)
At 31 December	**11.7**	13.0

The Group paid $3.9m to acquire minority shareholdings during the year. The $0.4m in the above table represents the share of net assets acquired and the excess has been recorded against retained earnings.

27 Cash generated from operations

	Note	2017 $m	2016 $m
Reconciliation of operating profit to cash generated from operations:			
Operating profit from continuing operations		**36.4**	89.4
Less share of post-tax profit from joint ventures		**(31.3)**	(3.4)
		5.1	86.0
Adjustments for:			
Depreciation	**9**	**41.8**	46.1
Gain on disposal of property plant and equipment	**3**	**(1.3)**	(4.7)
Impairment of property plant and equipment	**9**	**2.7**	-
Amortisation of intangible assets	**8**	**139.4**	102.3
Share based charges	**20**	**10.2**	10.7
Decrease in provisions	**18**	**(75.8)**	(43.8)
Dividends from joint ventures	**10**	**32.0**	25.4
Exceptional items - non cash impact	**1,4**	**99.8**	99.9
Changes in working capital (excluding effect of acquisition and divestment of subsidiaries)			
(Increase)/decrease in inventories		**(0.4)**	0.9
Decrease in receivables		**287.3**	98.3
Decrease in payables		**(302.9)**	(179.6)
Exchange movements		**12.1**	3.6
Cash generated from operations		**250.0**	245.1

Analysis of net debt

	At 1 January 2017 $m	Acquired $m	Cash flow $m	Exchange movements $m	At 31 December 2017 $m
Short-term borrowings (note 15)	(433.6)	-	(108.2)	(1.4)	(543.2)
Finance leases (notes 14 and 16)	-	(49.5)	(0.5)	-	(50.0)
Long-term borrowings (note 15)	(495.0)	-	(1,831.0)	(10.1)	(2,336.1)
	(928.6)	**(49.5)**	**(1,939.7)**	**(11.5)**	**(2.929.3)**
Cash and cash equivalents (note 13)	579.5	-	642.1	3.9	1,225.5
Restricted cash (note 12)	26.5	-	-	-	26.5
Bank deposits (more than three months) (note 12)	-	30.1	-	1.1	31.2
Net debt	**(322.6)**	**(19.4)**	**(1,297.6)**	**(6.5)**	**(1,646.1)**

The cash flow column in the table above includes cash and borrowings of $447.5m and $1,809.7m respectively acquired on the acquisitions of Amec Foster Wheeler and CEC (see note 28).

28 Acquisitions and divestments

On 6 October 2017, the Group acquired 100% of the share capital of Amec Foster Wheeler plc. The acquisition was completed through the issue of 294,510,217 new Wood Group shares for a value of $2,807.3m. In addition, $2.1m relating to share awards to Amec Foster Wheeler employees was allocated to the purchase consideration.

The assets and liabilities acquired in respect of the Amec Foster Wheeler acquisition were as follows:

	Provisional acquired balance sheet $m
Property, plant and equipment	83.4
Intangible assets recognised on acquisition	1,343.6
Other intangible assets	35.1
Investment in joint ventures	55.5
Retirement benefit schemes surplus	147.3
Long term receivables	167.3
Inventories	6.7
Trade and other receivables	1,861.4
Assets held for sale	582.6
Bank deposits (more than 3 months)	30.1
Cash and cash equivalents	443.7
Borrowings	(1,809.7)
Finance leases	(49.5)
Trade and other payables	(1,902.8)
Liabilities held for sale	(326.2)
Current tax	(149.1)
Deferred tax	(219.7)
Provisions	(822.4)
Non-current liabilities	(181.2)
Total identifiable net liabilities acquired	**(703.9)**
Non-controlling interests	(1.2)
	(705.1)
Goodwill	3,514.5
Consideration	**2,809.4**
Consideration satisfied by:	
Issue of shares	**2,807.3**
Share based charges allocated to consideration	**2.1**
	2,809.4

The acquisition of Amec Foster Wheeler accelerates the Group's strategy, increases the range of customer relationships, facilitates development of technology enabled solutions and broadens end market, geographic and customer exposure. It will provide enhanced capability and diversification across oil and gas, chemicals, renewables, environmental and infrastructure and mining segments. These factors contribute to the goodwill recognised on acquisition. Amec Foster Wheeler's skilled workforce did not meet the criteria for recognition as an intangible asset at the date of acquisition and thus also contributed to the goodwill recognised.

The accounting for the acquisition is provisional and will be finalised in the next accounting period.

28 Acquisitions and divestments (continued)

Intangible assets of $1,343.6m, representing the fair value of customer relationships, order backlog and brands have been recorded in relation to the acquisition. Deferred tax liabilities of $261.5m have been recognised in relation to intangible assets.

Fair value adjustments of $104.5m have been made to the acquisition balance sheet. This amount includes $37.1m of additional contract liabilities, $42.6m of anticipated legal fees to defend claims against the Group, $19.1m of additional insurance captive liabilities in order to align with Wood Group policy and $5.7m of other adjustments. In addition, an adjustment of $57.5m has been recorded to align Amec Foster Wheeler's revenue recognition policy on lump sum contracts with Wood Group's policy and $49.4m of additional tax provisions have also been recorded.

The Group has used acquisition accounting for the purchase of Amec Foster Wheeler and, in accordance with the Group's accounting policies, the goodwill arising on consolidation of $3,514.5m has been capitalised.

The adjusted trade and other receivables acquired of $1,861.4m, net of provisions, are expected to be recovered in full. Gross trade and other receivables acquired, before provisions and fair value adjustments amounted to $1,974.2m. Long term receivables acquired amounted to $167.3m.

In May 2017, the Group acquired 100% of the share capital of CEC Controls Inc ('CEC'), a designer and builder of industrial and process control systems for the automotive manufacturing industry based in Detroit, USA.

The assets and liabilities acquired in respect of the CEC acquisition were as follows:

	$m
Property, plant and equipment	0.4
Intangible assets recognised on acquisition	12.3
Trade and other receivables	19.6
Cash and cash equivalents	3.8
Trade and other payables	(6.6)
Total identifiable net assets acquired	**29.5**
Goodwill	38.8
Consideration	**68.3**
Consideration satisfied by:	
Cash	54.3
Deferred and contingent consideration	14.0
	68.3

Contingent consideration has been provided in relation to the CEC acquisition and is payable over the next 3 years. The amount payable is dependent on post-acquisition profits and the provision made is based on the Group's estimate of the likely profits of the entity. Where deferred consideration is payable after more than one year the estimated liability is discounted using an appropriate rate of interest.

The acquisition of CEC gives that company access to the Group's wider client base and use of the Group's resources to further grow and develop its businesses contributing to the goodwill recognised on the acquisition.

The Group has used acquisition accounting for the purchase of CEC and, in accordance with the Group's accounting policies, the goodwill arising on consolidation of $38.8m has been capitalised.

Intangible assets of $12.3m, representing the fair value of customer contracts and relationships, have been recorded in relation to the acquisition of CEC. Trade and other receivables acquired of $19.6m are expected to be recovered in full. The accounting for the acquisition will be finalised in the next accounting period.

28 Acquisitions and divestments (continued)

Acquisition costs incurred during the year are included in administrative expenses in the income statement (see note 4).

The inflow of cash and cash equivalents in respect of acquisitions is analysed as follows:

	$m
Cash consideration for acquisitions in year	(54.3)
Cash consideration relating to acquisitions in prior periods	(33.4)
Cash acquired	447.5
Net cash inflow	**359.8**

Borrowings of $1,809.7m were acquired on the acquisition of Amec Foster Wheeler.

Contingent consideration payments of $32.1m and a top-up payment of $1.3m were made during the year in respect of acquisitions made in prior periods. Total deferred and contingent consideration outstanding at 31 December amounted to $61.2m (2016: $92.7m). See note 17 for further details.

The pro-forma results of the Group, on the basis that Amec Foster Wheeler was acquired on 1 January 2017 are presented in the Financial Review in the Group's Annual Report. The figures for the pre-acquisition period have been extracted from the management accounts of Amec Foster Wheeler, are unaudited and show Group revenue of $9,884.8m and EBITA of $597.7m for the year ended 31 December 2017.

From the date of acquisition to 31 December 2017, Amec Foster Wheeler contributed $1,435.5m to revenue and $96.1m to EBITA and CEC contributed $42.7m to revenue and $7.2m to EBITA.

Divestments

On 27 October 2017, the Group disposed of Amec Foster Wheeler's UK upstream oil and gas business for a gross consideration of $299.0m. This divestment was one of the conditions agreed with the UK competition authorities to enable the Group to proceed with the Amec Foster Wheeler acquisition. In November 2017, the Group disposed of Amec Foster Wheeler's North American nuclear operations for a gross consideration of $8.9m and in December 2017 the Group disposed of a small boiler business for a gross consideration of $5.2m.

On the acquisition balance sheet of Amec Foster Wheeler the assets and liabilities of these businesses were classified as held for sale.

The accounting for the disposals is shown below -:

	$m
Assets held for sale	**550.1**
Liabilities held for sale	**(238.5)**
Net assets divested	**311.6**
Gross proceeds received	**313.1**
Gross gain	**1.5**
Disposal costs	**(1.5)**
Net gain	**-**

The cash inflow in respect of these disposals is analysed below.

	$m
Gross proceeds received	313.1
Disposal costs paid	(1.5)
Cash divested	(56.7)
Cash inflow	**254.9**

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29 Employees and directors

Employee benefits expense	2017 $m	2016 $m
Wages and salaries	**2,458.0**	1,964.6
Social security costs	**197.1**	166.5
Pension costs – defined benefit schemes (note 30)	**0.2**	-
Pension costs – defined contribution schemes (note 30)	**76.1**	68.3
Share based charges (note 20)	**10.2**	10.7
	2,741.6	2,210.1

Average monthly number of employees (including executive directors)	2017 No.	2016 No.
By geographical area:		
UK	**6,972**	7,169
US	**11,350**	10,736
Rest of the World	**10,709**	7,626
	29,031	25,531

The average number of employees excludes contractors and employees of joint venture companies. Employees of Amec Foster Wheeler have been included for the last three months of the year.

Key management compensation	2017 $m	2016 $m
Salaries and short-term employee benefits	**7.5**	5.6
Amounts receivable under long-term incentive schemes	**1.3**	0.8
Social security costs	**1.0**	0.8
Post-employment benefits	**0.2**	0.3
Share based charges	**1.7**	1.3
	11.7	8.8

Key management compensation represents the charge to the income statement in respect of the remuneration of the Group board and Group Executive Leadership Team ('ELT') members. Both the Group board and the ELT have been extended following the Amec Foster Wheeler acquisition. At 31 December 2017, key management held 0.2% of the voting rights of the company.

Directors	2017 $m	2016 $m
Aggregate emoluments	**2.9**	2.6
Aggregate amounts receivable under long-term incentive schemes	**0.6**	0.4
Aggregate gains made on the exercise of share options	**0.7**	0.2
Share based charges	**0.6**	0.6
	4.8	3.8

At 31 December 2017 , two directors (2016: two) had retirement benefits accruing under a defined contribution pension plan and no directors (2016: none) had benefits accruing under a defined benefit pension scheme. Further details of directors' emoluments are provided in the Directors' Remuneration Report.

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30 Retirement benefit schemes

The Group operates a number of defined benefit pension schemes. The assets of the defined benefits schemes are held separately from those of the Group, being invested with independent investment companies in trustee administered funds. These schemes are largely closed to future accrual.

As well as the John Wood Group PLC Retirement Benefit Scheme, the acquisition of Amec Foster Wheeler added a number of further defined benefit schemes, the most significant of which are the Amec Foster Wheeler Pension Plan and the Foster Wheeler Inc Salaried Employees Pension Plan.

The valuations used have been based on the final valuation of the John Wood Group PLC Retirement Benefit Scheme as at 5 April 2016, the preliminary valuation of Amec Foster Wheeler Pension Plan as at 31 March 2017 and the valuation of the Foster Wheeler Inc Pension Plan as at 1 January 2017. The scheme valuations have been updated by the schemes' actuaries for the requirement to assess the present value of the liabilities of the schemes as at 31 December 2017. The assets of the schemes are stated at their aggregate market value as at 31 December 2017.

Scheme membership at the balance sheet date was as follows –

	2017 JWG PLC RBS	2017 AFW Pension Plan	2017 FW Inc Pension Plan	2016 JWG PLC RBS
Deferred members	689	9,766	1,570	724
Pensioner members	419	9,546	3,234	397

The principal assumptions made by the actuaries at the balance sheet date were:

	2017 JWG PLC RBS %	2017 AFW Pension Plan %	2017 FW Inc Pension Plan %	2016 JWG PLC RBS %
Discount rate	2.5	2.5	3.4	2.6
Rate of increase in pensions in payment and deferred pensions	3.2	2.7	N/A	3.5
Rate of retail price index inflation	3.3	3.1	N/A	3.6
Rate of consumer price index inflation	2.3	N/A	N/A	2.6

The mortality assumptions used to determine pension liabilities in the three schemes at 31 December 2017 were as follows –

Scheme	Mortality assumption
JWG PLC RBS	S2NA mortality tables with CMI 2015 projections and a long-term rate of improvement of 1.25% pa
AFW Pension Plan	Scheme specific table with CMI 2016 projections and a long-term rate of improvement of 1.25% pa
FW Inc Pension Plan	RP-2014 Employee and Annuitant tables for males and females with generational projection using scale MMP-2016 with no collar adjustments

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30 Retirement benefit schemes (continued)

The mortality tables use data appropriate to each of the Group's schemes adjusted to allow for expected future improvements in mortality using the latest projections. For the three schemes referred to above the assumed life expectancies are shown in the following table:

	2017 JWG PLC RBS	**2017 AFW Pension Plan**	**2017 FW Inc Pension Plan**	**2016 JWG PLC RBS**
Life expectancy at age 65 of male aged 45	24.3	24.4	21.9	24.2
Life expectancy at age 65 of male aged 65	22.5	22.6	20.5	22.4
Life expectancy at age 65 of female aged 45	26.6	26.3	23.7	26.5
Life expectancy at age 65 of female aged 65	24.7	24.3	22.4	24.6

The amounts recognised in the income statement are as follows:

	2017 $m	2016 $m
Current service cost	**0.2**	-
Interest cost	**36.2**	8.8
Interest income on scheme assets	**(33.6)**	(9.0)
Total included within finance expense/(income)	**2.6**	(0.2)

The amounts recognised in the balance sheet are determined as follows:

	2017 $m	2016 $m
Present value of funded obligations	**4,354.9**	246.3
Fair value of scheme assets	**(4,522.6)**	(239.3)
Net (surplus)/deficit	**(167.7)**	7.0

Changes in the present value of the defined benefit liability are as follows:

	2017 $m	2016 $m
Present value of funded obligations at 1 January	**246.3**	249.7
Acquired	**3,882.3**	-
Current service cost	**0.2**	-
Interest cost	**36.2**	8.8
Re-measurements:		
- actuarial losses arising from changes in financial assumptions	**90.3**	72.7
- actuarial losses/(gains) arising from changes in demographic assumptions	**15.3**	(10.9)
- actuarial losses/(gains) arising from changes in experience	**15.4**	(15.3)
Benefits paid	**(83.1)**	(14.8)
Settlement of unfunded liability	**(8.5)**	-
Exchange movements	**160.5**	(43.9)
Present value of funded obligations at 31 December	**4,354.9**	246.3

30 Retirement benefit schemes (continued)

Changes in the fair value of scheme assets are as follows:

	2017 $m	2016 $m
Fair value of scheme assets at 1 January	**239.3**	254.2
Acquired	**4,029.6**	-
Interest income on scheme assets	**33.6**	9.0
Contributions	**14.9**	2.3
Benefits paid	**(80.9)**	(14.8)
Re-measurement gain on scheme assets	**115.8**	32.3
Actuarial movement arising from changes in financial assumptions	**4.0**	-
Expenses paid	**(2.4)**	-
Exchange movements	**168.7**	(43.7)
Fair value of scheme assets at 31 December	**4,522.6**	239.3

Analysis of the movement in the balance sheet (surplus)/deficit:

	2017 $m	2016 $m
Deficit/(surplus) at 1 January	**7.0**	(4.5)
Acquired	**(147.3)**	-
Current service cost	**0.2**	-
Finance expense/(income)	**2.6**	(0.2)
Contributions	**(14.9)**	(2.3)
Re-measurement losses recognised in the year	**1.2**	14.2
Benefits paid	**(2.2)**	-
Expenses paid	**2.4**	-
Settlement of unfunded liability	**(8.5)**	-
Exchange movements	**(8.2)**	(0.2)
(Surplus)/deficit at 31 December	**(167.7)**	7.0

The net (surplus)/deficit at 31 December is presented in the Group balance sheet as follows –

	2017 $m	2016 $m
JWG PLC Retirement Benefit Scheme	**(22.9)**	-
AFW Pension Plan	**(308.6)**	-
Retirement benefit scheme surplus	**(331.5)**	-
Foster Wheeler Inc Pension Plan	**80.6**	-
JWG PLC Retirement Benefit Scheme	**-**	7.0
All other schemes	**83.2**	-
Retirement benefit scheme deficit	**163.8**	7.0
Net (surplus)/deficit	**(167.7)**	7.0

30 Retirement benefit schemes (continued)

For the three principal schemes the defined benefit obligation can be allocated to the plan participants as follows:

	2017 JWG PLC RBS %	2017 AFW Pension Plan %	2017 FW Inc Pension Plan %	2016 JWG PLC RBS %
Deferred members of the scheme	75.1	48.0	24.7	72.2
Pensioner members of the scheme	24.7	52.0	75.3	23.8
Unfunded liabilities	0.2	-	-	4.0

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2017 JWG PLC RBS %	2017 AFW Pension Plan %	2017 FW Inc Pension Plan %	2016 JWG PLC RBS %
Equities	66.9	34.3	60.0	78.9
Property	7.1	7.9	-	-
Bonds (including gilts)	10.9	52.7	40.0	16.6
Liability driven investments	11.3	-	-	-
Cash	1.5	4.1	-	2.0
Other	2.3	1.0	-	2.5
	100.0	**100.0**	**100.0**	100.0

The contributions expected to be paid during the financial year ending 31 December 2018 amount to $23.7m.

Scheme risks
The retirement benefit schemes are exposed to a number of risks, the most significant of which are –

Volatility
The defined benefit obligation is measured with reference to corporate bond yields and if scheme assets underperform relative to this yield, this will create a deficit, all other things being equal. The scheme investments are well diversified such that the failure of a single investment would not have a material impact on the overall level of assets.

Changes in bond yields
A decrease in corporate bond yields will increase the defined benefit obligation. This would however be offset to some extent by a corresponding increase in the value of the scheme's bond asset holdings.

Inflation risk
The majority of benefits in deferment and in payment are linked to price inflation so higher actual inflation and higher assumed inflation will increase the defined benefit obligation.

Life expectancy
The defined benefit obligation is generally made up of benefits payable for life and so increases to members' life expectancies will increase the defined benefit obligation, all other things being equal.

30 Retirement benefit schemes (continued)

Sensitivity of the retirement benefit obligation

The impact of changes to the key assumptions on the retirement benefit obligation is shown below. The sensitivity is based on a change in an assumption whilst holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension obligation recognised in the Group balance sheet.

Approximate impact on scheme liabilities	**JWG PLC RBS**	**AFW Pension Plan**	**FW Inc Pension Plan**
	$m	**$m**	**$m**
Discount rate			
Plus 0.1%	(5.0)	(63.3)	(3.2)
Minus 0.1%	5.1	65.0	3.2
Inflation			
Plus 0.1%	3.7	54.7	N/A
Minus 0.1%	(3.6)	(54.5)	N/A
Life expectancy			
Plus 1 year	6.7	130.8	12.5
Minus 1 year	(6.3)	(129.9)	(12.5)

Defined contribution plans

Pension costs for defined contribution plans were as follows:

	2017	2016
	$m	$m
Defined contribution plans	**76.1**	68.3

There were no material contributions outstanding at 31 December 2017 in respect of defined contribution plans.

The Group operates a SERP pension arrangement in the US for certain employees. During the year, the Group made contributions of $0.6m (2016: $0.6m) to the arrangement. Contributions are invested in a portfolio of US funds and the fair value of the funds at the balance sheet date are recognised by the Group as a long term receivable. Investments held by the Group at 31 December amounted to $83.8m (2016: $77.4m) and will be used to pay benefits when employees retire. The corresponding liability is recorded in other non-current liabilities.

31 Operating lease commitments – minimum lease payments

	Property	**2017 Vehicles, plant and equipment**	Property	2016 Vehicles, plant and equipment
	$m	**$m**	$m	$m
Amounts payable under non-cancellable operating leases due:				
Within one year	**171.0**	**5.4**	79.0	9.2
Later than one year and less than five years	**457.4**	**3.7**	225.2	5.5
After five years	**225.8**	**-**	208.0	-
	854.2	**9.1**	512.2	14.7

The Group leases various offices and facilities under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights. The Group also leases vehicles, plant and equipment under non-cancellable operating lease agreements.

32 Contingent liabilities

Cross guarantees
At the balance sheet date, the Group had cross guarantees without limit extended to its principal bankers in respect of sums advanced to subsidiaries.

Legal Claims
From time to time, the Group is notified of claims in respect of work carried out. Where management believes we are in a strong position to defend these claims no provision is made.

Employment claims
The Group is aware of challenges to historic employment practices which may have an impact on the Group, including the application of National Insurance Contributions to workers in the UK Continental Shelf. In addition, previous court cases have challenged the UK's historic interpretation of EU legislation relating to holiday pay and this may have an impact on all companies who have employees in the UK, including the Group. At this point, we do not believe that it is probable that a liability, if any, will arise from any of these claims and therefore no provision has been made.

Indemnities and retained obligations
The Group has agreed to indemnify certain third parties relating to businesses and/or assets that were previously owned by the Group and were sold to them. Such indemnifications relate primarily to breach of covenants, breach of representations and warranties, as well as potential exposure for retained liabilities, environmental matters and third party claims for activities conducted by the Group prior to the sale of such businesses and/or assets. We have established provisions for those indemnities in respect of which we consider it probable that there will be a successful claim. We do not expect indemnities or retained obligations for which a provision has not been established to have a material impact on the Group's financial position, results of operations or cash flows.

Guarantees
In 2016, one of the Group's subsidiaries disposed of a refinery/electricity generation plant located in Chile. A condition of the disposal was that the subsidiary was required to sign an operation and maintenance contract with the purchaser. This has resulted in a number of performance obligations with respect to refinery output and electricity generation by the plant.

Mount Polley
The Mount Polley mine is owned and operated by Mount Polley Mining Corporation, a subsidiary of Imperial Metals Corporation, and is located near the town of Likely, British Columbia, Canada. On 4 August 2014, a tailings pond facility at the mine failed releasing large quantities of water and mine tailings into the local environment. The dam was in the process of being raised (as part of its annual raise) at the time of the failure. One of Amec Foster Wheeler's subsidiaries, along with other parties, had various design and quality assurance responsibilities associated with the development of this facility. Amec Foster Wheeler's subsidiary was providing engineering services at the time of the breach, but did not perform the original design.

An independent review panel, appointed by the government of British Columbia, issued a report on 30 January 2015 concluding that the cause of failure was shearing along a zone of weak soil along with other contributory factors. On 17 December 2015, the chief inspector of mines for British Columbia issued a report that for the most part agreed with the conclusions of the independent review panel. Whilst the chief inspector concluded that there were failings in the required standard of care of all of the engineers, he concluded that the responsibility for the breach lies primarily with the mine owner, Mount Polley Mining Corporation. He also concluded that there was no evidence of any significant contravention of regulatory requirements.

On 4 July 2016, Mount Polley Mining Corporation and Imperial Metals Corporation filed a suit against Amec Foster Wheeler's subsidiary and others. The claim seeks C$3 million in costs payable to government agencies

32 Contingent liabilities (continued)

and unspecified damages for loss of profit, reconstruction costs and environmental remediation. Subsequent to this filing, several tourist operators and First Nations also filed suit alleging that they suffered damages as a result of the tailings facility failure. It is Amec Foster Wheeler management's opinion that its employees performed in a professional manner consistent with the standard of care for a competent engineer on a project of this nature in British Columbia. In addition, the contracts between Amec Foster Wheeler's subsidiary and Mount Polley Mining Corporation contain limitation of liability provisions that exclude claims for consequential damages and limit the subsidiary's liability to Mount Polley Mining Corporation to the amount of professional fees charged, which were less than C$1 million.

The Group has retained outside counsel and filed a response to Mount Polley Mining Corporation's civil claim on 23 September 2016. Given the early stage of this matter, it is difficult to predict the likely outcome of this proceeding. Mindful of the foregoing caveat, it is management's opinion that it is probable that there will be an outflow in respect of this issue (with liability shared with the other parties), but it is probable that if there is an outflow to Mount Polley Mining Corporation, it will be limited to the prescribed contractual limitation of liability referenced above.

Investigations
Amec Foster Wheeler has received voluntary requests for information from, and continues to cooperate with, the US Securities and Exchange Commission ("SEC") and the US Department of Justice ("DOJ") in connection with their ongoing investigations into Amec Foster Wheeler in relation to Unaoil and in relation to historical use of agents and certain other business counterparties by Amec Foster Wheeler and its legacy companies primarily in the Middle East. In addition, Amec Foster Wheeler has provided information relating to the historical use of third parties by legacy Amec Foster Wheeler companies in certain other regions to the SEC and DOJ.

Amec Foster Wheeler made a disclosure to the UK Serious Fraud Office ("SFO") about these matters and, in April 2017, in connection with the SFO's investigation into Unaoil, the SFO required Amec Foster Wheeler to produce information relating to any relationship of Amec Foster Wheeler with Unaoil or certain other third parties. In July 2017, the SFO opened an investigation into Amec Foster Wheeler, predecessor companies and associated persons. The investigation focuses on the past use of third parties and possible bribery and corruption and related offences and relates to various jurisdictions. The Group is co-operating with and assisting the SFO in relation to this investigation.

Notifications of certain matters within the above investigations have also been made to the relevant authority in Brazil (namely, the Federal Prosecution Service).

Independently, the Group has conducted an internal investigation into the historical engagement of Unaoil by legacy Wood Group companies, reviewing information available to the Group in this context. This internal investigation confirmed that a legacy Wood Group joint venture engaged Unaoil and that the joint venture made payments to Unaoil under agency agreements. The Group has informed the Crown Office and Procurator Fiscal Service ("COPFS"), the relevant authority in Scotland, of the findings of the internal investigation. The Group understands that COPFS and the SFO are, in line with the memorandum of understanding between them, liaising to consider which authority will be responsible for the matter going forward. The Group is co-operating with and assisting the authorities in connection with this matter.

At this time it is not possible to make a reliable estimate of the liability, if any, that may arise in relation to any of the above matters and therefore no provision has been made for them in the financial statements.

Tax planning
The Group undertakes tax planning which is compliant with current legislation and accepted practice. Recent changes to the tax environment, including the OECDs project around Base Erosion and Profit Shifting have brought into question tax planning previously undertaken by multinational entities. There have been several recent high profile tax cases against tax authorities and large groups. The European Commission continues

32 Contingent liabilities (continued)

formal investigations to examine whether decisions by the tax authorities in certain European countries comply with European Union rules, and has issued judgements in some cases which are being contested by the groups and the countries effected. The Group is monitoring the outcome of these cases in order to understand whether there is any risk to the Group. Specifically the EC has challenged the UK Controlled Foreign Companies (CFC) rules in relation to an exemption for certain financing income. Based on the Group's current assessment of such issues, it is too early to speculate on the likelihood of liabilities arising, and as a result, it is not currently considered probable that there will be an outflow in respect of these issues.

33 Capital and other financial commitments

	2017	2016
	$m	$m
Contracts placed for future capital expenditure not provided in the financial statements	**18.5**	8.1

The capital expenditure above relates to property plant and equipment. In addition, joint venture companies have commitments amounting to $2.2m.

34 Related party transactions

The following transactions were carried out with the Group's joint ventures. These transactions comprise sales and purchases of goods and services and funding provided in the ordinary course of business. The receivables include loans to joint venture companies.

	2017	2016
	$m	$m
Sale of goods and services to joint ventures	**9.5**	29.6
Purchase of goods and services from joint ventures	**8.1**	8.5
Receivables from joint ventures	**131.2**	119.5
Payables to joint ventures	**14.3**	13.3

Key management compensation is disclosed in note 29.

The Group currently pays an annual fee of £15,000 (2016: £15,000) to Dunelm Energy, a company in which Ian Marchant, the Group Chairman, has an interest, for secretarial and administration services and the provision of office space.

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35 Subsidiaries and joint ventures

The Group's subsidiary and joint venture undertakings at 31 December 2017 are listed below. All subsidiaries are fully consolidated in the financial statements. Ownership interests noted in the table reflect holdings of ordinary shares.

Subsidiaries		
Company name	**Registered Address**	**Ownership Interest %**
Algeria		
SARL Wood Group Algeria	Cite Zone Industrielle BP 504, Hassi Messaoud	100
Wood Group Somias SPA	PO Box 67, Elmalaha Road (Route des Salines), Elbouni, Annaba	55
Angola		
Production Services Network Angola Limitada	RuaKima Kienda, Edificio SGEP, 2nd Floor, Apartment 16, Boavista District, Ingombota, Luanda	49*
Wood Group Kianda Limitada	No 201, Rua Engenheiro Armindo de Andrade, Bairro Miramar, Simbizanga, Luanda	41*
Argentina		
AGRA Argentina S.A.	25 de Mayo 596, piso 8º, C1002ABL, Buenos Aires, Argentina	100
Foster Wheeler E&C Argentina S.A.	Paraguay 1866, Buenos Aires, Argentina	100
ISI Mustang (Argentina) S.A.	Pedro Molina 714, Ciudad de Mendoza, Provincia de Mendoza	100
Australia		
Altablue Australia Pty Ltd	Wood Group House, Level 1, 432 Murray Street, Perth WA 6000	100
AMEC Australia Finance Company Pty Ltd	Wood Group House, Level 1, 432 Murray Street, Perth WA 6000	100
Amec Foster Wheeler Australia Holding Company Pty Ltd	Wood Group House, Level 1, 432 Murray Street, Perth WA 6000	100
Amec Foster Wheeler Australia Pty Ltd	Wood Group House, Level 1, 432 Murray Street, Perth WA 6000	100
Amec Foster Wheeler BG Holdings Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Amec Foster Wheeler BG Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Amec Foster Wheeler Engineering Holdings Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Amec Foster Wheeler Engineering Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Amec Foster Wheeler Environment & Infrastructure Pty Ltd	Level 4, 144 Edward Street, Brisbane, QLD, 4000, Australia	100
Amec Foster Wheeler Zektin Architecture Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Amec Foster Wheeler Zektin Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
AMEC Minproc Projects (New Zealand) Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
AMEC Zektin Group Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Aus-Ops Pty Ltd	Wood Group House, Level 1, 432 Murray Street, Perth WA 6000	100
Foster Wheeler (QLD) Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Foster Wheeler (WA) Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Geosafe Australia Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Global Carbon Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRA Technology Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Asia Holdings Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Asia Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Developments Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD ESAP Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Investments Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD New Zealand Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Normet Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Oil & Gas Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Pty Limited	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Renewables Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
GRD Waste Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Innofield Services Pty Ltd	Level 6, 54-58 Mounts Bay Road, Perth WA 6000	100
KEC International Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Kirfield Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
M & O Global Pty Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Macraes New Zealand Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Marine & Offshore Group Pty Limited	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Minproc Engineers Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Minproc Group Superannuation Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Minproc Overseas Projects Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Minproc Projects (Ghana) Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100

Notes to the financial statements

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Minproc Technology Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Mustang Engineering Pty. Ltd.	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Octagon International Properties Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
ODL PTY LTD	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Qedi Completions & Commissioning Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
Rider Hunt International (WA) Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
S2V Consulting Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
South Shore Nominees Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
SVT Holdings Pty Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Terra Nova Technologies Australia Pty Ltd	Level 7, 197 St Georges Terrace, Perth, WA, 6000, Australia	100
WGPSN Queensland Pty Ltd	Santos Place, Level 9, 32 Turbot Street, Brisbane QLD 4000	100
Wood Group Australia PTY Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Wood Group Engineering and Production Facilities Australia Pty Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Wood Group Integrity Management Pty Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Wood Group Kenny Australia Pty Ltd	Wood Group House, Level 6, 432 Murray Street, Perth WA 6000	100
Wood Group PSN Australia Pty Ltd	Level 3, 171 Collins Street, Melbourne, VIC 3000	100
Azerbaijan		
AMEC Limited Liability Company	AZ1010, Baku City Sabail District, Nizami 90A, Azerbaijan	100
Wood Group PSN Azerbaijan LLC	96E Nizami Street, Sabail, Baku, AZ 1010	100
Bahamas		
Montreal Engineering (Overseas) Limited	c/o 2020 Winston Park Drive, Suite 7000, Oakville Ontario	100
Bermuda		
AMEC (Bermuda) Limited	Canon's Court, 22 Victoria Street, (PO Box HM 1179), Hamilton, HM EX, Bermuda	100
Atlantic Services Limited	Canon's Court, 22 Victoria Street, (PO Box HM 1179), Hamilton, HM EX, Bermuda	100
Foster Wheeler Holdings Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	100
Foster Wheeler Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	100
FW European E & C Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	100
FW Management Operations, Ltd.	Clarendon House, 2 Church Street, P.O. Box HM 1022, Hamilton HM CX, Bermuda	100
Production Services Network International Limited	Canon's Court, 22 Victoria Street, Hamilton, Bermuda HM12	100
Bolivia		
ISI Mustang Bolivia S.R.L.	Avenida San Martin Calle 6 Este, Equipetrol No. 5, Barrio, Santa Cruz	100
Brazil		
AMEC do Brasil Participações Ltda	Rua Quitanda 50, 15th floor, Centro, Rio de Janeiro, CEP 20011-030, Brazil	100
Amec Foster Wheeler America Latina, Ltda.	Centro Empresarial Ribeirao Office Tower, Av. Braz Olaia Acosta, 727 - 18 andar - Sl. 1810, Cep. 14026-404 - Jd. California, Ribeirao Preto, Sao Paulo, Brazil	100
Amec Foster Wheeler Brasil S.A.	Rua Quitanda 50, 15th floor, Centro, Rio de Janeiro, CEP 20011-030, Brazil	100
AMEC Petroleo e Gas Limitada	Rua Quitanda 50, 15th floor, Centro, Rio de Janeiro, CEP 20011-030, Brazil	100
AMEC Projetos e Consultoria Ltda	Rua Professor Moraes No. 476, Loja 5, Sobreloja, Bairro Funcionarios, Belo Horizonte, Minas Gerais, 30150-370, Brazil	100
Santos Barbosa Tecnica Comercio e Servicios Ltda	Estrada Sao Jose do Mutum, 301 - Imboassica, Cidade de Macae, Rio de Janeiro, CEP 27973-030	100
Wood Group Engineering and Production Facilities Brasil Ltda	Rua Ministro Salgado Filho, 119, Cavaleiros, Cidade de Macae, Estado do Rio de Janeiro, CEP 27920-210	100
Wood Group Kenny do Brasil Servicos de Engenharia Ltda	Rua Sete de Setembro, 54 - 4 andares, Centro, Rio de Janeiro - RJ, CEP 20050-009	100
British Virgin Islands		
MDM Engineering Group Limited	Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands	100
Brunei Darussalam		
Amec Foster Wheeler (B) SDN BHD	Unit No.s 406A-410A, Wisma Jaya, Jalan Pemancha, Bandar Seri Begawan BS8811, Brunei Darussalam	99
Bulgaria		
AMEC Minproc Bulgaria EOOD	7th Floor, 9-11 Maria Louisa Blvd, Vazrazhdane District, Sofia 1301, Bulgaria	100
Cameroon		
Amec Foster Wheeler Cameroun SARL	Cap Limboh, Limbe, BP1280, Cameroon	100
Canada		
418750 Alberta Inc.	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
AMEC BDR Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
Amec Foster Wheeler Canada Ltd.	1925-18th Avenue NE, Suite 401, Calgary, AB, T2E 7T8, Canada	100
CK Temple Holdings Ltd.	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
Rider Hunt International (Alberta) Inc.	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
AFW Canada Investments Limited	Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5	100
AFW Canadian Holdco Inc.	Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5	100

AMEC Canada Finance ULC	111, Dunsmuir St., Vancouver, BC, V6B 5W3, Canada	100
AMEC Canada Holdings Inc.	Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5	100
QEDI Commissioning and Completions (Canada) Limited	Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5	100
AMEC Earth & Environmental Limited	801, 900, 6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
Amec Foster Wheeler Americas Limited	2020 Winston Park Drive, Suite 700, Oakville, ON, L6H 6X7, Canada	100
Amec Foster Wheeler Inc.	2020 Winston Park Drive, Suite 700, Oakville, ON, L6H 6X7, Canada	100
AMEC Infrastructure Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
AMEC South America Limited	2020 Winston Park Drive, Suite 700, Oakville, ON, L6H 6X7, Canada	100
Campro AGRA Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
Howe AGRA Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
MASA Ventures Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	100
Wood Group Asset Integrity Solutions, Inc.	Centennial Place, East Tower, 1900, 520 - 3rd Ave. S.W., Calgary, Alberta, T2P 0R3	100
Wood Group Canada, Inc.	Centennial Place, East Tower, 1900, 520 - 3rd Ave. S.W., Calgary, Alberta, T2P 0R3	100
Wood Group E&PF (Canada) Limited	Centennial Place, East Tower, 1900, 520 - 3rd Ave. S.W., Calgary, Alberta, T2P 0R3	100
Wood Group Kenny Canada Ltd.	Centennial Place, East Tower, 1900, 520 - 3rd Ave. S.W., Calgary, Alberta, T2P 0R3	100
Wood Group Mustang (Canada) Construction Management Inc.	Centennial Place, East Tower, 1900, 520 - 3rd Ave. S.W., Calgary, Alberta, T2P 0R3	100
AMEC Geomatics Limited	900 AMEC Place, 801-6th Avenue S.W., Calgary, AB, T2P 3W3, Canada	75
Cayman Islands		
FW Chile Holdings Ltd.	Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, George Town, KY1-1111	100
Wood Group O&M International, Ltd.	Whitehall House, 238 North Church Street, George Town, Grand Cayman KY1-1102	100
Wood Group OTS International Inc.	Whitehall House, 238 North Church Street, George Town, Grand Cayman KY1-1102	100
Chile		
AMEC CADE Ingeniería y Desarrollo De Proyectos Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	100
AMEC Chile Ingeniería y Construcción Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	100
Amec Foster Wheeler International Ingenieria y Construcción Limitada	Av. Apoquindo 3846, piso 15, Las Condes, Santiago, 7550123, Chile	100
Amec Foster Wheeler Talcahuano, Operaciónes y Mantenciones Limitada	Camino A Ramuntcho 3230, Sector 4 Esquinas, Talcahuano, Chile	100
ISI Mustang Chile SpA	Calle Providencia 337, off. 7, Comuna de Providencia, Santiago	100
Terra Nova Technologies Chile Limitada	Av. Apoquindo 3846, piso 15, Las Condes, Santiago, 7550123, Chile	100
China		
AG Offshore Engineering (China) Ltd	Room A25, 3rd Floor, No 473 West Fute 1st Road, Shanghai	100
Amec Foster Wheeler Engineering & Construction Design (Shanghai) Co., Ltd.	Room 401, Floor 4, No, 120 Qixia Road, Pudong New Area, Shanghai, China	100
Amec Foster Wheeler Engineering & Consulting (Shanghai) Co., Ltd	Room 204, Building 1, No. 1287, Shangcheng Road, Pudong New District, Shanghai	100
Feng Neng Sgurr (Beijing) Renewable Energy Technology Co. Ltd	1217, No 5 Dongzhimen South Avenue, Dongcheng	100
Grenland Group (China) Limited	Room D2, 6th Floor, No 2446, Jin Qiao Road, Pudong, Shanghai	100
Colombia		
Amec Foster Wheeler Colombia SAS	Calle 110 No. 9-25, Offices 515 and 516, Bogotá, Colombia	100
Procesos y Disenos Energeticos SA	Carrera 11 A No. 96-51 5th floor, Bogota D.C.	100
Curaçao		
Harwat International Finance Corporation N.V.	Penstraat 35, P.O. Box 4888, Curacao	100
Cyprus		
AMEC Overseas (Cyprus) Limited	1, Lampousas Street, 1095 Nicosia, Cyprus	100
J P Kenny Overseas Limited	Themistokli Dervi 5, Elenion Building, 2nd Floor, P.C. 1005, Nicosia	100
WG International Services Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
WGPF Contracting Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
WGPS International Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
Wood Group Angola Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
Wood Group Engineering Services (North Africa) Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
Wood Group Equatorial Guinea Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	100
Czech Republic		
Amec Foster Wheeler Nuclear Czech Republic, a.s.	Brno, Křenová, 184/58, 602 00, Czech Republic	100
Amec Foster Wheeler s.r.o.	Krenova 58, Brno, 60200, Czech Republic	100
Egypt		

Foster Wheeler Petroleum Services S.A.E.	Al-Amerya General Free Zone, Alexandria, Egypt	100
Equatorial Guinea		
Baker Energy International Equatorial Guinea S.A.	Bioko, Island Region, Malabo	65
Hexagon Sociedad Anonima con Consejo de Administracion	Solege, Calle Kenia S/N, Malabo	65
France		
Amec Foster Wheeler France S.A.	14, Place de la Coupole, Charenton-le-Pont, France, 94220	100
Amec Foster Wheeler Nuclear France SAS	Immeuble Horizon Sainte Victoire, Bâtiment A, 970 rue René Descartes, 13857 Aix-en-Provence cedex 3, France	100
Wood Group Engineering Services (France) SAS	6 Pl de la Madeleine, Paris, 75008	100
Wood Group France SAS	15-19 rue des Mathurins, Paris 75009	100
Gabon		
Production Services Network Gabon SARL	Place of Independence, En face de la BVMAC, Libreville, Gabon BP 922	100
Germany		
Amec Foster Wheeler E & I GmbH	Weserstrasse 4, Frankfurt am Main, 60329, Germany	100
Bauunternehmung Kittelberger GmbH	Von-Miller-Strasse 13, 67661 Kaiserslautern, Germany	100
KIG Immobilien Beteiligungsgesellschaft mbH	Hammstrasse 6, 04129 Leipzig, Germany	100
KIG Immobiliengesellschaft mbH & Co. KG	Hammstrasse 6, 04129 Leipzig, Germany	100
Ghana		
Amec Foster Wheeler Operations Ghana Limited	3rd Floor Teachers Hall Complex, Education Loop, Off Barnes Road, PO Box 1632, Accra, Ghana	100
MDM Projects - Ghana Limited	2nd Floor Cedar House, 13 Samora Machel Road, Asylum Down, Accram, Ghana	100
Amec Foster Wheeler & BBS Limited	No 4 Momotsa Avenue, Behind All Saints Anglican Church, Adabraka, Accra, Ghana	80
Wood Group Ghana Limited	20 Jones Nelson Road, Adabraka, Accra	49*
Gibraltar		
Foster Wheeler (Gibraltar) Holdings Limited	Suite 1, Burns House, 19 Town Range, Gibraltar	100
Greece		
Foster Wheeler Hellas Engineering and Construction Societe Anonyme	21 Elvetias Street, (First Floor), Agia Paraskevi, 153 42, Greece	100
Guatemala		
AMEC Guatemala Engineering and Consulting, Sociedad Anonima	Ciudad Guatemala, Guatemala	100
Guernsey		
AMEC Operations Limited	22 Havilland Street, St Peter Port, GY1 2QB, Guernsey	100
Garlan Insurance Limited	St Martins House, Le Bordage, St Peter Port, GY1 4AU	100
Wood Group Offshore Services Limited	Ogier House, St Julian's Avenue, St Peter Port, GY1 1WA	100
Hong Kong		
AMEC Engineering Limited	5008, 50th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong	100
SgurrEnergy Hong Kong Limited	26/F Beautiful group Tower, 77 Connaught Road Central, Hong Kong	100
AMEC Asia Pacific Limited	5008, 50th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong	99
Hungary		
FW Hungary Licensing Limited Liability Company	Krisztina korut 2-4. I. em. 17, Budapest, Hungary, 1122	100
India		
Amec Foster Wheeler India Global Business Services LLP	V Floor, "Zenith Building", Ascendas IT Park, CSIR Road, Taramani, Chennai, 600 113, India	100
Amec Foster Wheeler India Private Limited	6th Floor, Zenith Building, Ascendas IT Park, CSIR Road, Taramani, Chennai 600 113, India	100
Ingenious Process Solutions Private Limited	307, Atlanta Estate, 3rd Floor, Hanuman TekdiI Road Vitbhatti, Off. W. E. Highway, Goregaon (East) Mumbai MH 400063	100
Mustang Engineering India Private Limited	R9, F -3 RD W: B, P-214, B- Wing, Laxmikant Apartment, Sitaram Keer Marg, Mahim, Mumbai 400016	100
Wood Group Kenny India Private Limited	Floor 15, Building No 5, DLF Cyber City, Phase III, Gurgaon - 122002, Haryana	100
Wood Group PSN India Private Limited	Floor 15, Building No 5, Tower B, Cyber Terraces, Gurgaon - 122002, Haryana	100
SgurrEnergy India Pvt. Ltd	58/2 Kausar Baugh, Off NIBM Road, Kondhwa, Pune, Maharashtra 411048	50
Indonesia		
PT AGRA Monenco	2020 Winston Park Drive, Suite 700, Oakville, ON, L6H 6X7, Canada	100
PT Simons International Indonesia		100
PT Australian Skills Training	Green Town Warehouse No. 2, Bengkong-Batam	95
PT Foster Wheeler O&G Indonesia	Perkantoran Pulo mas Blok VII No.2, Jl. Perintis Kemerdekaan, Pulo Gadung, Jakarta Timur 13260, Indonesia	90
PT Wood Group Indonesia	Office 88 Tower, 20th - H Floor, Jl. Casablanca Kav 88, South Jakarta 12870	90
PT Amec Foster Wheeler Indonesia	Perkantoran Pulo mas Blok VII No. 2, Jl Perintis Kemerdekaan, Pulo Gadung, Jakarta, Timur, Indonesia	85
Iran		
Wood Group Iran - Qeshm Company (pjs)	No 2564, Hafez Street, Toola Industrial Park, Annaba, Qeshm Island	97
Iraq		

Ghabet El Iraq for General Contracting and Engineering Services, Engineering Consultancy (LLC)	Suite 24, Building 106, St 19, Sec 213, Al-Kindi St, Al-Haritheeya Qts, Baghdad	100
Touchstone General Contracting, Engineering Consultancy and Project Management LLC	Flat no. 23A, 3rd Floor, near Kahramana Square Anbar Building, District no. 903, Hay Al Karada, Baghdad, Iraq	100
Wood Group, LLC	Shoresh, Hadid and Khashab St., Erbil,	100
Ireland		
JWG Ireland CAD Unlimited Company	Second Floor, Blocks 4 and 5, Galway Technology Park, Parkmore, Galway	100
JWG Ireland NOK Unlimited Company	Second Floor, Blocks 4 and 5, Galway Technology Park, Parkmore, Galway	100
JWG Ireland USD 2 Unlimited Company	Second Floor, Blocks 4 and 5, Galway Technology Park, Parkmore, Galway	100
JWG Ireland USD 3 Unlimited Company	Second Floor, Blocks 4 and 5, Galway Technology Park, Parkmore, Galway	100
JWG Ireland USD Unlimited Company	Second Floor, Blocks 4 and 5, Galway Technology Park, Parkmore, Galway	100
Marine Computation Services Kenny Group Limited	70 Sir John Rogerson's Quay, Dublin 2	100
Wood Group Kenny Ireland Limited	70 Sir John Rogerson's Quay, Dublin 2	100
Pyeroy (Ireland) Unlimited	70 Sir John Rogerson's Quay, Dublin 2	95
Italy		
Amec Foster Wheeler Italiana S.r.l.	Via S. Caboto 15, Corsico, 20094, Italy	100
FW TURNA S.r.l.	Via S. Caboto 15, Corsico (Milano), 20094, Italy	100
Jamaica		
Monenco Jamaica Limited	2020 Winston Park Drive, Suite 700, Oakville, Ontario	100
Japan		
Amec Foster Wheeler Asia K.K.	Shiba International Law Offices, 1-3-4-5F Atago, Minatoku, Tokyo, 105-0002, Japan	100
Jersey		
AltaBlue Limited	28 Esplanade, St Helier, JE2 3QA, Jersey	100
AMEC Canada Investments Company Limited	95/97 Halkett Place, St Helier, JE1 1BX, Jersey, United Kingdom	100
AMEC Nuclear Consultants International Limited	95/97 Halkett Place, St Helier, JE1 1BX, Jersey, United Kingdom	100
GTS Power Solutions Limited	28 Esplanade, St Helier, JE2 3QA, Jersey	100
Wood Group Engineering Services (Middle East) Limited	28 Esplanade, St Helier, JE2 3QA, Jersey	100
Wood Group Production Facilities Limited	28 Esplanade, St Helier, JE2 3QA, Jersey	100
Kazakhstan		
AMEC Limited Liability Partnership	78A Azattyk Avenue, Atyrau, 060005, Kazakhstan	100
Foster Wheeler Kazakhstan LLP	app. 27, h. 64, Bostandykskiy district, Abaya Ave., Almaty City, Kazakhstan	100
QED International (Kazakhstan) Limited Liability Partnership	78, "A" Azattyk avenue, Atyrau 060005, Kazakhstan	100
Wood Group Kazakhstan LLP	55 Ablai Khan Ave., Room #112/114, Almaty 050004	100
Yeskertkish Kyzmet Kazakhstan LLP	Atyrau City, Airport Area, Atyrau	100
Kuwait		
AMEC Kuwait Project Management and Contracting Company W.L.L.	2nd Floor, Al Mutawa Building, Ahmed Al Jaber Street, Sharq, Kuwait City	49*
Liberia		
Amec Foster Wheeler Liberia Inc	King Plaza, 2nd-4th Floors, Broad Street, Monrovia 10, Liberia	100
Luxembourg		
AFW Luxembourg 1 S.a.r.l.	5, rue Guillaume Kroll, Luxembourg, L-1882	100
AFW Luxembourg 2 S.a.r.l.	5, rue Guillaume Kroll, Luxembourg, L-1882	100
FW Europe Financial Holdings S.à r.l.	5, rue Guillaume Kroll, Luxembourg, L-1882	100
FW Holdings S.à r.l.	5, rue Guillaume Kroll, Luxembourg, L-1881	100
FW Investment Holdings S.à r.l.	5, rue Guillaume Kroll, Luxembourg, L-1882	100
Financial Services S.à r.l.	5, Rue Guillaume J. Kroll, L-1882, Luxembourg	100
Malaysia		
AMEC (Malaysia) Sdn Bhd	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	100
Amec Foster Wheeler OPE Sdn. Bhd.	12th Floor, West Block, Wisma Selangor Dredging, 142-C Jalan Ampang, Kuala Lumpur, 50450, Malaysia	100
AMEC Holdings (Malaysia) Sdn Bhd	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	100
AMEC Oil Gas and Process Sdn Bhd	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	100
AMEC Process & Energy Sdn Bhd	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	100
BMA Engineering Sdn Bhd	Unit C-12-4, Level 12, Block C, Megan Avenue II, 50450 Kuala Lumpur, Wilayah Persekutuan	100
Foster Wheeler (Malaysia) Sdn. Bhd.	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	100
Mustang Malaysia Sdn. Bhd	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan	100

Rider Hunt International (Malaysia) Sdn Bhd	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan	100
Wood Group Engineering Sdn. Bhd	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan	0*
Wood Group Kenny Sdn Bhd	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan	0*
Wood Group Mustang (M) Sdn. Bhd.	Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan	100
Foster Wheeler E&C (Malaysia) Sdn. Bhd.	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1, Leboh Ampang, Kuala Lumpur, 50100, Malaysia	70
Wood Group Production Facilities (Malaysia) Sdn. Bhd.	Lot 1-3, Level 5, Block G (South), Pusat Bandar Damansara, 50490 Kuala Lumpur	48*
Mauritius		
MDM Engineering Investments Ltd	1st Floor, Felix House, 24 Dr Joseph Street, Port Louis, Mauritius	100
MDM Engineering Projects Ltd	1st Floor, Felix House, 24 Dr Joseph Street, Port Louis, Mauritius	100
P.E. Consultants, Inc.	St James Court-Suite 308, St Denis Street, Port Louis, Mauritius	100
QED International Ltd	C/o Appleby Management (Mauritius) Ltd, 11th Floor, Medine Mews, La Chaussée Street, Port Louis, Mauritius	100
Mexico		
Amec Foster Wheeler Energia Mexico S. de R.L. de C.V.	Av. Vasconcelos 453, Colonia del Valle 66220 Nuevo Leon, Monterrey (Estados Unidos de México), Mexico	100
Amec Foster Wheeler Mexico, S.A. de C.V.	c/o Carlos Salazar, 2333 Oriente, Col. Obrera, Monterrrey, Nuevo Leon, 64010, Mexico	100
AYMEC de Mexico S.A. de C.V.	453 Planta Alta Del Valle, San Pedro Garza Garcia, Nuevo Leon 66220, Mexico	100
Exergy Engineering Services, S.A. de C.V.	David Alfaro Siqueiros 104 piso 2, Col. Valle Oriente, San Pedro Garza Garcia, Nuevo Leon, CP. 66269, Mexico	100
Exergy Engineering, S.A. de C.V.	David Alfaro Siqueiros 104 piso 2, Col. Valle Oriente, San Pedro Garza Garcia, Nuevo Leon, CP. 66269, Mexico	100
Global Mining Projects and Engineering, S.A. de C.V.	Calle Coronado 124, Zona Centro, Chihuahau, Chihuahau, 31000, Mexico	100
ISI Mustang Servicios de Ingenieria de Mexico, S de R.L. De C.V.	Homero 1804 Piso 11, Col. Los Morales - Delegacion Miguel Hidalgo, Mexico City, Distrito Federal, C.P. 11540	100
MACTEC Mexico S.A. de C.V.	Paseo de la Reforma 450, Lomas de Chapultepec, 11000 Mexico D.F., Mexico	100
Wood Group de Mexico S.A. de C.V.	Blvd. Manuel Avila Camacho 40 - 1801, Lomas de Cahpultepec, Delgacion Miguel Hidalgo, D.F. 11000	100
Wood Group Management Services de Mexico S.A. de C.V.	Blvd. Manuel Avila Camacho 40 - 1801, Lomas de Cahpultepec, Delgacion Miguel Hidalgo, D.F. 11000	100
Mongolia		
AMEC LLC	Suite 403, 4th Floor New Century Plaza, Chinggis Avenue, Sukhbaatar District, Ulaanbaatar, Mongolia	100
Mozambique		
Amec Foster Wheeler Mozambique Limitada	Mocambique, Maputo Cidade, Distrito Urbano 1, Bairro Sommerschield II, Av. Julius Nyerere, nº 3412, Maputo, Mozambique	100
Wood Group Mocambique, Limitada	73 Rua Jose Sidumo, Bairro da Polana, Maputo	100
Netherlands		
AMEC GRD SA B.V.	Prins Bernhardplein 200, Amsterdam, 1097 JB, Netherlands	100
AMEC Holland B.V.	Prins Bernhardplein 200, Amsterdam, 1097 JB, Netherlands	100
AMEC International Investments B.V.	Meander 251, Arnhem, 6825 MC, Netherlands	100
AMEC Investments B.V.	Prins Bernhardplein 200, 1097 JB, Amsterdam, Netherlands	100
Foster Wheeler Continental B.V.	Naritaweg 165, 1043 BW Amsterdam, Netherlands	100
Foster Wheeler Europe B.V.	Naritaweg 165, 1043 BW Amsterdam, Netherlands	100
John Wood Group B.V.	Atrium Building, 8th Floor, Strawinskylaan 3127, Amsterdam, 1077 ZX	100
John Wood Group Holdings BV	Atrium Building, 8th Floor, Strawinskylaan 3127, Amsterdam, 1077 ZX	100
Wood Group Azerbaijan B.V.	Atrium Building, 8th Floor, Strawinskylaan 3127, Amsterdam, 1077 ZX	100
New Zealand		
Amec Foster Wheeler AC-NZ Limited	22 Customs Street, Auckland Central, Auckland, 1010, New Zealand	100
AMEC New Zealand Limited	c/o KPMG, 18 Viaduct Harbour Avenue, Maritime Square, Auckland, New Zealand	100
M&O Pacific Limited	28 Manadon Street, New Plymouth	100
Nicaragua		
MACTEC Engineering and Consulting, Sociedad Anonima (Nicaragua)	Del Hospital Militar, 1 Cuadra al Lago, Managua, Nicaragua	98
Nigeria		
AMEC Contractors (W/A) Limited	13A AJ Marinho Drive, Victoria Island, Lagos, Nigeria	100
AMEC King Wilkinson (Nigeria) Limited	No 3, Hospital Road, PO Box 9289, Lagos, Nigeria	100
Foster Wheeler (Nigeria) Limited	1 Murtala Muhammed Drive, (Formerly Bank Road), Ikoyi, Lagos, Nigeria	100
Overseas Technical Services Nigeria Limited	No 13 Sumbo Jibowu Street, Ikoyi, Lagos	93

Foster Wheeler Environmental Company Nigeria Limited	c/o Nwokedi & Co., 21 Ajasa Street, Onikan, Nigeria	87
AMEC Offshore (Nigeria) Limited	18th Floor, Western House, 8/10 Broad street, Lagos, Nigeria	75
Monenco Nigeria Limited	Ebani House (Marina side), 62 Marina, Lagos, Nigeria	60
JWG Nigeria Limited	13 Sumbo Jibowu Street, Ikoyi, Lagos	49*
Norway		
Erbus AS	Fokserodveien 12, Sandefjord, 3241	100
Wood Group Kenny Norge AS	Lkkeveien 99, Stavanger	100
Wood Group Norway AS	Fokserodveien 12, Sandefjord	100
Wood Group Norway Holdings AS	Fokserodveien 12, Sandefjord	100
Wood Group Norway Operations AS	Kanalsletta 2, 4033 Stavanger	100
Oman		
Amec Foster Wheeler Engineering Consultancy LLC	PO Box 1469, Postal Code 133, Al-Khuwair, Sultanate of Oman	60
Papau New Guinea		
Wood Group PNG Limited	Level 5, Bsp Haus, Harbour City, Port Moresby, National Capital District, Papau New Guinea	100
Peru		
Amec Foster Wheeler (Perú) S.A.	Calle Las Begonias 441, Piso 8, San Isidro, Lima, 27, Peru	100
ISI Mustang Peru S.A.C.	Calle Martir Olaya 201, off. 801 Miraflores, Lima	100
Wood Group Peru S.A.C.	Av. de la Floresta 407, 5th Floor, San Borja, Lima	100
Philippines		
Foster Wheeler (Philippines) Corporation	U-7A, 7/F PDCP Bank Centre,V.A. Rufino St. Corner L.P. Leviste St., Salcedo Village, Makati City, PH, 1227	100
Production Services Network Holdings Corp.	585 ME National Road HW, Barangay Alangilan, Batangas City, Batangas	100
PSN Production Services Network Philippines Corp	12th Floor, Net One Center, 26th Street Corner, 3rd Avenue, Crescent Park West, Bonifacio Global City, Taguig, Metro Manilla 1634	40*
Poland		
Amec Foster Wheeler Consulting Poland Sp. z o.o.	Ul.Chmielna 85/87, Warsaw, 00-805, Poland	100
Portugal		
Amec Foster Wheeler (Portugal) Lda	Avenida Barbosa du Bocage 113-4, Lisboa, 1050-031, Portugal	100
Qatar		
Production Services Network Qatar LLC	PO Box 2515, Doha	24*
Romania		
AMEC Environment & Infrastructure SRL	59, Gr. Alexandrescu St., 2nd Floor, 1st District, Bucharest, Code 010626, Romania	100
Amec Foster Wheeler Nuclear RO SRL	Str. Grigore Alexandrescu 59, Etaj 2 (second floor), Sector 1, Bucharest, Romania	100
AMEC Operations S.R.L	Rooms 1 and 2, 2nd Floor, No. 59 Strada Grigore Alexandrescu, Sector 1, Bucharest 010623, Romania	100
PSN Overseas Romania SRL	Ploiesti, 225 Gheorghe Doja Street, 2nd Floor, Prahova County	100
Russia		
AMEC Eurasia Limited	Novy Arbat, 11 bld., 1 Moscow, Russian Federation	100
OOO Amec Foster Wheeler	Office E-100, Park Place, 113/1, Leninsky Prospekt, 117198, Moscow, Russian Federation	100
Production Services Network Eurasia LLC	Tverskaya St. 16/3, Moscow	50*
Production Services Network Sakhalin LLC	2-6 Floors, 88 Amurskaya, 693020, Yuzhno-Sakhalinsk	50*
Sakhalin Technical Services Network LLC	Suite 417, Kommunistichesy Prospekt 32, Yuzhno-Sakhalinsk, Sakhalin	40*
Saudi Arabia		
Mustang Saudi Arabia Co. Ltd.	P.O. Box 17411, Riyadh	100
Mustang and Faisal Jamil Al-Hejailan Consulting Engineering Company	PO Box 9175, Riyadh	75
Wood Group ESP Saudi Arabia Limited	PO Box 1280, Al-Khobar	51
Singapore		
Amec Foster Wheeler Asia Pacific Pte. Ltd.	One Marina Boulevard #28-00, Singapore, 018989, Singapore	100
AMEC Global Resources Pte Limited	991E Alexandra Road, #01 - 25, 119973, Singapore	100
AMEC Global Services Pte Ltd	991E Alexandra Road, #01 - 25, 119973, Singapore	100
Australian Skills Training Pte. Ltd.	Shaw Tower #28-09, 100 Beach Road, Singapore, 189702	100
Foster Wheeler Eastern Private Limited	1 Marina Boulevard, #28-00, Singapore 018989	100
OPE O&G Asia Pacific Pte. Ltd.	1 Marina Boulevard, #28-00, One Marina Boulevard, 018989, Singapore	100
Rider Hunt International (Singapore) Pte Limited	24 Raffles Place, #24-03 Clifford Centre, Singapore, 048621	100
Simons Pacific Services Pte Ltd.	#27-01 Millenia Tower, 1 Temasek Ave, Singapore, 039192	100
Wood Group Engineering Pte. Limited	Shaw Tower #28-09, 100 Beach Road, Singapore, 189702	100
Wood Group International Services Pte. Ltd.	Shaw Tower #28-09, 100 Beach Road, Singapore, 189702	100
Slovakia		
Amec Foster Wheeler Nuclear Slovakia s.r.o.	Piestanska 3, Trnava, 917 01, Slovakia	100
The Automated Technology Group (Slovakia) s.r.o.	Hviezdoslavovo namestie 13, Mestska cast Stare Mesto, Bratislava 811 02	100
South Africa		

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Amec Foster Wheeler Properties (Pty) Limited	Second Road, Halfway House, P. O. Box 76, Midrand 1685, South Africa	100
AMEC Minproc (Proprietary) Limited	2 Eglin Road, Sunninghill, 2157, South Africa	100
MDM Technical Africa (Pty) Ltd	Zeelie Office Park, 381 Ontdekkers Road, Floida Park Ext 3, Roodepoort, 1709, South Africa	100
Wood Group (South Africa) Pty Ltd	PO Box 2506, Houghton 2041	100
Mossel Bay Energy IPP (proprietary) Limited (RF)	2nd Road Halfway House, Midrand, South Africa	90
Nuclear Consultants International (Proprietary) Limited	Nr 5, 5th Ave, Melkbos Strand, Cape Town, 7441, South Africa	85
Amec Foster Wheeler South Africa (PTY) Limited	Second Road, Halfway House, Midrand, 1685	70
South Korea		
AMEC Korea Limited	KT Building 11F, 14 Yeouidaero, Youngdeungpo-gu, Seoul 07320, Korea, Republic of	100
Spain		
Amec Foster Wheeler Energia, S.L.U.	Calle Gabriel Garcia Marquez, no 2, Parque Empresarial Madrid, Las Rozas, 28232 Las Rozas, Madrid, Spain	100
Amec Foster Wheeler Iberia S.L.U.	Calle Gabriel Garcia Marquez, no 2, Parque Empresarial Madrid, Las Rozas, 28232 Las Rozas, Madrid, Spain	100
Conequip, S.A.	Calle Gabriel Garcia Marquez, no 2, Parque Empresarial Madrid, Las Rozas, 28232 Las Rozas, Madrid, Spain	100
Switzerland		
A-FW International Investments GmbH	c/o Intertrust Services (Schweiz) AG, Alpenstrasse 15, 6300, Zug, Zug, Switzerland	100
Amec Foster Wheeler Engineering AG	Lohweg 6, 4054 Basel, Switzerland	100
FW Financial Holdings GmbH	c/o BDS Consulting AG, Vordergrasse 3, Schaffhausen, 8200, Switzerland	100
Tanzania		
MDM Projects-Tanzania Limited	11th Floor, PPF Towers, Gardens Avenue / Ohio Street, Dar es Salaam, Tanzania	100
Thailand		
Amec Foster Wheeler Holding (Thailand) Limited	1st Floor Talaythong Tower, 53 Moo 9, Sukhumvit Road, Thungsukla, Sriracha, Chonburi, 20230, Thailand	100
Foster Wheeler (Thailand) Limited	53 Talaythong Tower, 1st Floor, Moo 9, Sukhumvit Road, Tambol Tungsukhla, Amphur Sriracha, Chonburi, 20230, Thailand	100
SIE Siam Limited	91/17 Soi Wattananivet 4, Suthisarnvinijchai Road, Khwaeng Samsennok, Khet Huaykwang, Bangkok Metropolis, Thailand	100
Simons International Engineering Ltd.	91/17 Soi Wattananivet 4, Suthisarnvinijchai Road, Khwaeng Samsennok, Khet Huaykwang, Bangkok Metropolis, Thailand	100
The Democratic Republic of the Congo		
MDM Engineering SPRL	32 Avenue 3Z, Commune de Kasuku, Ville de Kindu, Democratic Republic of Congo	100
Trinidad and Tobago		
Wood Group Trinidad & Tobago Limited	18 Scott Bushe Street, Port of Spain	100
Turkey		
Amec Foster Wheeler Bimas Birlesik Insaat ve Muhendislik A.S.	Kucukbakkalkoy Mah, Çardak Sok, No.1A Plaza, 34750 Atasehir, Istanbul, Turkey	100
Uganda		
Wood Group PSN Uganda Limited	KAA House, Plot 41, Nakasero Road, PO Box 9566, Kampala	100
United Arab Emirates		
AMEC Growth Regions Support FZ LLC	41st Floor, Business Central Towers, Dubai, United Arab Emirates	100
Attric International FZ LLE	Fujairah Tower, Fujairah, Creative City - Media Free Zone, UAE	100
PSN Overseas Holding Company Limited	The MAZE Tower, 15th Floor, Sheikh Zayed Road, PO Box 9275, Dubai	100
QED International FZ LLC	Knowledge Village, Alsufouh Road, Dubai, United Arab Emirates	100
Production Services Network Emirates LLC	Floor 5, International Tower, Capital Centre, 24th (Karama) Street, P.O. Box 105828, Abu Dhabi	49*
United Kingdom		
AFW E&C Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AFW Finance 2 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AFW Finance 3 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AFW Hungary Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AFW Investments 2 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AFW Investments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (AGL) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (BCS) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (F.C.G.) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (MH1992) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (MHL) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC (WSL) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC BKW Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Bravo Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100

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AMEC Building Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Canada Limited	KPMG LLP, 15 Canada Square, Canary Wharf, London, E14 5GL	100
AMEC Capital Projects Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Civil Engineering Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Construction Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Design and Management Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Engineering Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Facilities Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler (Holdings) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Earth and Environmental (UK) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Energy Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Environment & Infrastructure UK Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Finance Asia Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Finance Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Group Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler International Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler International Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Nuclear Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Nuclear International Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Nuclear UK Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Amec Foster Wheeler Property and Overseas Investments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Hedge Co 1 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Infrastructure Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Investments Europe Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Kazakhstan Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Manufacturing and Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Mechanical and Electrical Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Mining Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Nominees Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Nuclear M & O Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Nuclear Overseas Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Nuclear Projects Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Offshore Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Offshore Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Process and Energy International Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Process and Energy Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Project Investments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Spareco (12) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Spareco (14) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Staff Pensions Trustee Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Trustees Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC USA Finance Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC USA Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC USA Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Utilities Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Wind Developments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Applied Environmental Research Centre Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Atlantis Hedge Co 1 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Atlantis Hedge Co 2 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Attric Ltd	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Energy, Safety and Risk Consultants (UK) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Entec Holdings Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Entec Investments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler (G.B.) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler (London) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler (Process Plants) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler E&C Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler Environmental (UK) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler Europe	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler Management Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Foster Wheeler Petroleum Development Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100

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Foster Wheeler World Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
FW Chile Holdings 2 Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
FW Investments Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
MDM UK Finance Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Metal and Pipeline Endurance Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
National Nuclear Corporation Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Press Construction Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Process Industries Agency Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Process Plants Suppliers Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Rider Hunt International Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Sandiway Solutions (No 3) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Sigma 2 AFW Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Sigma Financial Facilities Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
The IDC Group Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
Tray Field Services Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
William Ellis (Etchingham) Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	100
AMEC Construction Scotland Limited	Annan House, 33-35 Palmerston Road, Aberdeen, AB11 5QP, Scotland	100
AMEC Offshore Developments Limited	Annan House, 33-35 Palmerston Road, Aberdeen, AB11 5QP, Scotland	100
James Scott Engineering Group Limited	Annan House, 33-35 Palmerston Road, Aberdeen, AB11 5QP, Scotland	100
James Scott Limited	Annan House, 33-35 Palmerston Road, Aberdeen, AB11 5QP, Scotland	100
QED International (UK) Limited	Annan House, 33-35 Palmerston Road, Aberdeen, AB11 5QP, Scotland	100
Automated Technology Group Holdings Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
Autotech Controls Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
East Mediterranean Energy Services Limited	3rd Floor, 68-70 George Street, Edinburgh, EH2 2LR	100
HFA Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Igranic Control Systems Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
Integrated Maintenance Services Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
J W G Trustees Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
John Brown E & C Ltd	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
John Wood Group US Company	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
JWG Investments Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
JWGUSA Holdings Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Kelwat Investments Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
MCS Kenny International (UK) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Mustang Engineering Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Offshore Design Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Production Services Network (UK) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Production Services Network Bangladesh Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
PSJ Fabrications Ltd	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
PSN (Angola) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
PSN (Philippines) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
PSN Asia Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
PSN Overseas Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
SD FortyFive Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
SgurrEnergy Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Sigma 3 (North Sea) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ, Scotland	100
Talentworx Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
The Automated Technology Group Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
The Igranic Group Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
WDG038 Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
WGD023 Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
WGD028 Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
WGPSN (Holdings) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Algeria Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Algiers Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Annaba Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Arzew Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Engineering & Operations Support Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Engineering (North Sea) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Engineering Contractors Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Frontier Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Gas Turbine Services Holdings Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Hassi Messaoud Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Holdings (International) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Investments Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100

Wood Group Kenny Corporate Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Kenny Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
Wood Group Kenny UK Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
Wood Group Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Management Services Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Power Investments Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Production Services UK Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group Properties Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group UK Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Wood Group/OTS Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	100
Wood International Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	100
Pyeroy Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	95
Wood Group Industrial Services Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	95
WG Intetech Holdings Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	90
Wood Group Intetech Limited	Compass Point, 79-87 Kingston Road, Staines, TW18 1DT	90
Fast Reactor Technology Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	51
SgurrControl Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	51
WGPSN Eurasia Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	50
USA		
AGRA Foundations Inc	The Corporation Trust Company, 1209 Orange Street, Wilmington DE 19801	100
Amec Foster Wheeler Programs, Inc.	2475 Northwinds Parkway, #200-260, Alpharetta, GA, 30009	100
Barsotti's Inc.	Perryville Corporate Park, 53 Frontage Road, PO Box 9000, Hampton, NJ, 08827-90000	100
MDIC Inc.	2730, Suite 100, Gateway Oaks Drive, Sacramento, Sacramento, CA, 95833	100
Terra Nova Technologies, Inc.	818 West Seventh Street, Ste. 930, Los Angeles, CA, 90017	100
MACTEC Constructors, Inc.	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
MACTEC E&C, LLC	1675 Broadway, Suite 1200, Denver, CO, 80202	100
MASA Ventures, Inc.	1675 Broadway, Suite 1200, Denver, CO, 80202	100
AMEC Construction Management, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Developments, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Earth & Environmental LLP	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Engineering and Consulting of Michigan, Inc.	46850 Magellan, Suite 190, Novi, MI, 48377	100
Amec Foster Wheeler Arabia Ltd.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Constructors, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Environmental Equipment Company, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Industrial Power Company, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Kamtech, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Martinez, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler North America Corp.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Power Systems, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler USA Corporation	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Holdings, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Newco LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC Oil & Gas World Services, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC USA Holdco LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC USA Holdings, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
AMEC USA Investments LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Camden County Energy Recovery Corp.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Energia Holdings, LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Equipment Consultants, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Andes, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Asia Limited	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Avon, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Development Corporation	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Energy Corporation	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Energy Manufacturing, Inc.	Perryville Corporate Park, 53 Frontage Road, PO Box 9000, Hampton, NJ, 08827-9000	100
Foster Wheeler Finance LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Hydrox, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Intercontinental Corporation	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler International LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Maintenance, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100

Foster Wheeler Operations, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Real Estate Development Corp.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Realty Services, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Santiago, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler US Power Group Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Foster Wheeler Zack, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
FWPS Specialty Products, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
King Wilkinson, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
MACTEC E&C International, Inc.	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
Process Consultants, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Thelco Co.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Tray, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801	100
Amec Foster Wheeler Ventures, Inc.	1200, South Pine Island Road, Plantation, FL, 33324	100
Amec Foster Wheeler E&C Services, Inc.	1979 Lakeside Parkway, Suite 400, Tucker, GA, 30084	100
AMEC Industrial Programs, LLC	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
MACTEC Consulting, LLC	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
MACTEC Environmental Consultants, Inc.	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
Sehold, Inc.	1979 Lakeside Parkway, Suite 400, Tucker, GA, 30084	100
Simons-Eastern Consultants, Inc.	1201 Peachtree Street NE, Atlanta, GA, 30361	100
MACTEC Architectural Services, Inc.	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	100
AMEC Architectural, Inc.	511 Congress Street, Ste. 200, Portland, ME, 04101	100
AMEC Massachusetts, Inc.	Suite 700, 155 Federal Street, Boston, MA, 02110	100
AMEC Michigan, Inc.	40600 Ann Arbor Road E, Suite 201, Plymouth, MI, 48170-4675	100
AGRA Holdings, Inc.	701 S. Carson Street, Suite 200, Carson City, NV, 89701	100
Amec Foster Wheeler Environment & Infrastructure, Inc.	701 S. Carson Street, Suite 200, Carson City, NV, 89701	100
AMEC North Carolina, Inc.	225, Hillsborough Street, Raleigh, NC, 27603	100
McCullough Associates, Inc.	2020 Winston Park Drive, Suite 700, Oakville, ON, L6H 6X7	100
4900 Singleton, L.P.	400 North St. Paul, Dallas, TX, 75201	100
Amec Foster Wheeler Oil & Gas, Inc.	1999 Bryan Street, Ste. 900, Dallas, TX, 75201-3136	100
Foster Wheeler Environmental Corporation	1999 Bryan Street, Ste. 900, Dallas, TX, 75201-3136	100
QED International LLC	1999 Bryan Street, Ste. 900, Dallas, TX, 75201-3136	100
Rider Hunt International (USA) Inc.	1999 Bryan Street, Ste. 900, Dallas, TX, 75201-3136	100
Altablue Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
BMA Solutions Inc	211 E. 7th Street, Suite 620, Austin TX 78701	100
C E C Controls Company, Inc	601 Abbot Road, East Lansing, MI 48823 United States	100
Cape Software, Inc.	211 E. 7th Street, Suite 620, Austin TX 78701	100
Global Performance, LLC	1703 Laurel Street, Columbia, SC 57501	100
Ingenious Inc.	211 E. 7th Street, Suite 620, Austin TX 78701	100
ISI Group, L.L.C.	211 E. 7th Street, Suite 620, Austin TX 78701	100
JWGUSA Holdings, Inc.	2711 Centerville Road, Suite 400, Wilmington, DE 19808	100
Kelchner, Inc.	1300 East 9th Street, Cleveland, OH 44114	100
Mitchell's Oil Field Services, Inc.	26 West Sixth Avenue, Helena, MT 59624	100
Mustang Engineering (North Carolina) PC	327 Hillsborough Street, Raleigh, NC 27603	100
Mustang Engineering Florida, Inc.	1200 South Pine Island Road, Plantation, FL 33324	100
Mustang International, L.P.	211 E. 7th Street, Suite 620, Austin TX 78701	100
Mustang Process and Industrial Inc.	2 Office Park Court, Columbia SC 29223	100
Mustang Subs GP, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
Mustang Subs LP, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
NDT Systems, Inc.	211 E. 7th Street, Suite 620, Austin TX 78701	100
Onshore Pipeline Engineering, D.P.C.	245 Park Avenue, New York, NY 10167	100
SgurrEnergy Inc.	2711 Centerville Road, Suite 400, Wilmington, DE 19808	100
Swaggart Brothers, Inc.	1127 Broadway St. NE, Ste 310, Salem, OR 97301	100
Swaggart Logging & Excavation LLC	1127 Broadway St. NE, Ste 310, Salem, OR 97301	100
Wood Group Alaska, LLC	1675 South State St, Suite B, Dover DE 19901	100
Wood Group E & PF Holdings, Inc.	2711 Centerville Road, Suite 400, Wilmington, DE 19808	100
Wood Group Mustang Holdings, Inc.	211 E. 7th Street, Suite 620, Austin TX 78701	100
Wood Group PSN, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
Wood Group Support Services, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
Wood Group US Holdings, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
Wood Group US International, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	100
Wood Group USA, Inc.	211 E. 7th Street, Suite 620, Austin TX 78701	100
Operations Analysis, Inc.	300 East Pine Street, Seattle, WA, 98122	100
Martinez Cogen Limited Partnership	Perryville Corporate Park, 53 Frontage Road, PO Box 9000, Hampton, NJ, 08827-9000	99
Mustang of New Jersey, Inc.	830 Bear Tavern Road, West Trenton, NJ 08628	80

Perryville Corporate Park Condominium Association, Inc.	Corporation Service Company, 830 Bear Tavern Road, West Trenton, Mercer, NJ, 08628	67
Vanuatu		
O.T.S. Finance and Management Limited	Law Partners House, Rue Pasteur, Port Vila	100
Overseas Technical Service International Limited	Law Partners House, Rue Pasteur, Port Vila	100
Venezuela		
Amec Foster Wheeler Venezuela, C.A.	Avenida Francisco de Miranda, Torre Cavendes, Piso 9, Ofic 903, Caracas, Venezuela	100
Simco	Avenida 5 de Julio, Ebtre avs. 3Ey3F, Edificio Geminis, Piso 5, Maracaibo	90
Virgin Islands, British		
Wood Group Engineering (Colombia) Ltd.	Geneva Place, 2nd Floor, 333 Waterfront Drive, PO Box 3339, Road Town, Tortola	100
Wood Group PDE Limited	Geneva Place, 2nd Floor, 333 Waterfront Drive, PO Box 3339, Road Town, Tortola	100

*Companies consolidated for accounting purposes as subsidiaries on the basis of control.

Joint Ventures

Company name	Registered Address	Ownership Interest %
Azerbaijan		
Socar-Foster Wheeler Engineering LLC	88A Zardaby Avenue,Baku, Azerbaijan	35
Australia		
Clough AMEC Pty Ltd	Level 2, 18-32 Parliament Place, West Perth, WA, WA 6005, Australia	50
Transcanada Turbines Australia Pty Limited	32 Murray Street, Perth WA 6000	50
Brazil		
RWG Reparacao E Revisao Limitada	Rua Dr Cincinato Braga 47, Unidade 1, Sao Bernardo do Campo, Sao Paulo	50
COPEL-AMEC S/C Ltda.	Rua Carneiro Lobo, No. 468, conjuntos 1301 a 1303, Centro Empresarial Champs Elysees, Curitiba, State of Parana, Brazil	48
Brunei Darussalam		
SKS Wood Sdn Bhd	Lot No 23, G-25 Area, Simpang 81-4, Seria KB2533, PO Box 105, Seria KB1133, Negara	43
Canada		
ABV Consultants Ltd.	Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC, V6C 2B5, Canada	50
AMEC Black & McDonald Limited	11 Frazee Avenue, Dartmouth, NS, B3B 1Z4, Canada	50
ODL Canada Limited	689 Water Street, St. John's, NF A1E 1B5	50
Teshmont Consultants Inc.	1190 Waverley Street, Winnipeg, MB, R3T 0P4, Canada	50
Transcanada Turbines Ltd.	TransCanada PipeLines Tower, 111 Fifth Avenue S.W., P.O. Box 1000, Station M, Calgary AB T2P 4KE	50
Vista-Mustang JV Corp.	Suite B12, 6020 2nd Street S. E., Calgary AB T2H 2L8	50
SSBV Consultants Inc.	1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC, V6C 3L6, Canada	33
Chile		
CEJV Ingeniería y Construcción Limitada	Av. Isidora Goyenechea 2800, Floor 32, Las Condes, Santiago, 7550647, Chile	50
Consorcio AMEC CADE / PSI Consultores Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	50
Consorcio de Ingeniería Geoconsult Cade Idepe Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	50
Consorcio de Ingeniería Systra Cade Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	50
Consorcio TNT Vial y Vives D Chile Limitada	Ave. Santa Maria 2810, Providencia, Santiago, Chile	50
Construcciòn e Ingenieria Chile FI Limitada	Avenida Andrés Bello 2711, Piso 22 - Comuna Las Condens, Santiago, Chile	50
Consorcio Consultor Systra / Cade Idepe / Geoconsult Limitada	Av. Jose Domingo, Canas No 2640, Nunoa, Santiago, 7750164, Chile	40
Construcciòn e Ingenieria FIM Chile,Limitada	Avenida Santa Maria 2810, Comuna de Providencia, Santiago, Chile	33
China		
Amec Foster Wheeler Power Machinery Company Limited	No.1, Fuhui Road, Xinhui District, Jiangmen City, Guangdong Province, China	52
SZPE Amec Foster Wheeler Engineering Co., Ltd	No. 143 Jinyi Road, Jinshan District, Shanghai, 200540, China	50
Foster Wheeler (Hebei) Engineering Design Co., Ltd.	CEFOC Information Mansion, Zhongshan West Road No. 356, Shijiazhuang, China	49
Cyprus		
Wood Group - CCC Limited	Elenion Building, 2nd Floor, 5 Themistocles Street, CY-1066 Nicosia	50
France		
Momentum SNC	70 Boulevard de Courcelles, 75017 Paris, France	33
Italy		
Voreas S.r.l.	Via S. Caboto 15, Corsico, Milan, 20094, Italy	50
Centro Energia Ferrara S.r.l.	Via Andrea Doria 41/G, Rome, 00192, Italy	42

Centro Energia Teverola S.r.l.	Via Andrea Doria 41/G, Rome, 00192, Italy	42
Kazakhstan		
PSN KazStroy JSC	Satpayev str. 46, Atyrau	50
Malaysia		
AMEC Larastia Sdn. Bhd.	No.8.03, 8th Floor, Plaza First Nationwide, 161, Jalan Tun H.S.Lee, 50000 Kuala Lumpur, Malaysia	49
RWG OTEC Sdn. Bhd.	No 39-1, Jalan 9/62A, Bendar Menjalara, Kepong, 52200 Kuala Lumpur, Wilayah Persekutuan	25
Mexico		
AFWA DUBA Salina Cruz, S. de R.L. de C.V.	Carlos Salazar, #2333, Colonia Obrera, Monterrey, Nuevo Leon, Mexico	50
Mustang Diavaz, S.A.P.I. de C.V.	Av. Revolucion 468, Col. San Pedro de los Pinos Mexico, D.F.	50
Netherlands		
AJS v.o.f.	Verkeerstorenweg 3, 1786 PN Den Helder, Netherlands	50
Runway Omega B.V.	Kosterijland 20, 3981 AJ, Bunnik, Netherlands	50
New Zealand		
Beca AMEC Limited	Ground Floor, Beca House, 21 Pitt Street, Auckland, 1010, New Zealand	50
Qatar		
AMEC Black Cat LLC	5th Floor Al Aqaria Tower, Building No. 34, Museum Street, Old Salata Area, Street 970, Zone 18, P.O Box No. 24523 Doha, Qatar	49
Spain		
Isolux Monenco Medio Ambiente S.A.	Calle Juan Bravo, 3-C, Madrid, 28006, Spain	49
Saudi Arabia		
AMEC BKW Arabia Limited	Al Rushaid Petroleum Investment Co. Building, Prince Hamoud Street, PO Box 31685 – Al Khobar 31952, Saudi Arabia	50
Amec Foster Wheeler Energy and Partners Engineering Company	Karawan Towers, South Block, King Faisal Road, Al-Khobar, Saudi Arabia	50
Singapore		
AFWDEC Engineering and Construction Pte. Ltd.	1 Marina Boulevard, #28-00, One Marina Boulevard, 018989, Singapore	50
Clough AMEC SEA Pte Ltd	991E Alexandra Road, #01 - 25, 119973, Singapore	50
South Korea		
AMEC Partners Korea Limited	KT Building 11F, 14 Yeouidaero, Youngdeungpo-gu, Seoul 07320, Korea, Republic of	54
Trinidad and Tobago		
Massy Wood Group Ltd.	3rd Floor, Tatil Building, 11A Maraval Road, Port of Spain	50
United Arab Emirates		
Foster Wheeler Kentz Energy Services DMCC	PO Box 26593, Unit 3601, Tiffany Tower, Cluster W, Jumeirah Lakes Towers, Dubai, United Arab Emirates	50
Foster Wheeler Kentz Oil & Gas Services DMCC	Unit No: 2H-05-230 Jewellery & Gemplex 2, Plot No: DMCC-PH2-J&GPlexS Jewellery & Gemplex, Dubai, United Arab Emirates	50
United Kingdom		
EthosEnergy Group Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	51
Fast Reactor Technology Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	51
F. & N.E. Limited	Croft Road, Crossflatts, Bingley, West Yorkshire, BD16 2UA	50
F.& N.E. (1990) Limited	Croft Road, Crossflatts, Bingley, West Yorkshire, BD16 2UA	50
PWR Power Projects Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	50
South Kensington Developments Limited	Portland House, Bickenhill Lane, Solihull, Birmingham, B37 7BQ, England, United Kingdom	50
UK Nuclear Restoration Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	50
Lewis Wind Power Holdings Limited	EDF Energy, GSO Business Park, East Kilbride, G74 5PG, Scotland	50
Stornoway Wind Farm Limited	EDF Energy, GSO Business Park, East Kilbride, G74 5PG, Scotland	50
Uisenis Power Limited	EDF Energy, GSO Business Park, East Kilbride, G74 5PG, Scotland	50
Northern Integrated Services Limited	Ground Floor, 15 Justice Mill Lane, Aberdeen, AB11 6EQ	50
RWG (Repair & Overhauls) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	50
TransCanada Turbines (UK) Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	50
Sulzer Wood Limited	15 Justice Mill Lane, Aberdeen, AB11 6EQ	49
Ship Support Services Limited	Drayton Hall, Church Road, West Drayton, UB7 7PS	47
Nuclear Management Partners Limited	Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, England	36
ACM Health Solutions Limited	Carillion House, 84 Salop Street, Wolverhampton, WV3 0SR, England	33
Road Management Services (A13) Holdings Limited	Carillion House, 84 Salop Street, Wolverhampton, WV3 0SR, England	25
Road Management Services (A13) plc	Carillion House, 84 Salop Street, Wolverhampton, WV3 0SR, England	25
USA		
AMEC - SAI Joint Venture, LLC	701 S. Carson Street, Suite 200, Carson City, NV, 89701	50
Core Tech - Amec Foster Wheeler, LLC	Suite 180, 751 Arbor Way, Blue Bell, PA, 19422-1951	50
Nan - Amec Foster Wheeler, LLC	98-1238 Kaahumanu St., Suite 400, Pearl City, HI, 96782	50
RWG (Repair & Overhauls) USA, Inc.	2711 Centerville Road, Suite 400, Wilmington, DE 19808	50
TransCanada Turbines, Inc.	2215-B Renaissance Dr., Las Vegas, NV 89119	50

FluorAmec, LLC	1105 Lakewood Parkway, Suite 300, Alpharetta, GA, 30009	49
Flour Amec II, LLC	100 Fluor Daniel Drive, Greenville, SC, 29607-2770	45
Boldt Amec LLC	2525 North Roemer Road, Appleton, WI, 54912	40
Energy Logistics, Inc.	160 Greentree Drive, Suite 101, Dover, DE 19904	33
Venezuela		
OTEPI FW, S.A.	Zona Rental Universidad Metropolitana, Edificio Otepi, Terrazas del Avila, Caracas 1070, Edo Miranda, VE	50

Associates		
Company name	**Regsitered Address**	**Ownership interest %**
Canada		
Teshmont Consultants LP	1190 Waverley Street, Winnipeg, MB, R3T 0P4, Canada	30
Teshmont GP Inc.	1190 Waverley Street, Winnipeg, MB, R3T 0P4, Canada	30
Iran		
Foster Wheeler Adibi Engineering	9th Floor Aluminumm Building, Avenue Shah, Tehran	45
Oman		
AMEC Al Turki LLC	Al Alawi, Mansoor Jamal & Co., Barristers & Legal Consultants, Muscat International Centre, Mezzanine Floor, Muttrah Business District, P.O. Box 686 Ruwi, Oman	35

Details of the direct subsidiaries of John Wood Group PLC are provided in note 1 to the parent company financial statements.

The Group will be exempting the following companies from an audit in 2017 under Section 479A of the Companies Act 2006. All of these companies are fully consolidated in the Group Financial Statements.

AFW E&C Holdings Limited (Registered number 9861564)
AFW Hungary Limited (Registered number 9861581)
Amec Foster Wheeler Finance Asia Limited (Registered number 6205760)
Amec Foster Wheeler Property and Overseas Investments Limited (Registered number 1580678)
Amec Hedge Co 1 Limited (Registered number 7870120)
Amec Kazakhstan Holdings Limited (Registered number 4530056)
Amec USA Finance Limited (Registered number 5299446)
Amec USA Holdings Limited (Registered number 4041261)
Amec USA Limited (Registered number 4044800)
Amec Wind Developments Limited (Registered number 8781332)
Atlantis Hedge Co 1 Limited (Registered number 9302428)
Atlantis Hedge Co 2 Limited (Registered number 9302562)
FW Chile Holdings 2 Limited (Registered number 9861563)
Kelwat Investments Limited (Registered number SC203212)
Sandiway Solutions (No 3) Limited (Registered number 5318249)
Sigma Financial Facilities Limited (Registered number 3863449)
Wood Group Engineering and Operations Support Limited (Registered number SC159149)
JWGUSA Holdings Limited (Registered number SC178512)
Wood Group Investments Limited (Registered number SC301983)
Wood International Limited (Registered number SC202031)

Shareholder information

Payment of dividends
The Company declares its dividends in US dollars. As a result of the shareholders being mainly UK based, dividends will be paid in sterling, but if you would like to receive your dividend in US dollars please contact the Registrars at the address below. All shareholders will receive dividends in sterling unless requested. If you are a UK based shareholder, the Company encourages you to have your dividends paid through the BACS (Banker's Automated Clearing Services) system. The benefit of the BACS payment method is that the Registrars post the tax vouchers directly to the shareholders, whilst the dividend is credited on the payment date to the shareholder's Bank or Building Society account. UK shareholders who have not yet arranged for their dividends to be paid direct to their Bank or Building Society account and wish to benefit from this service should contact the Registrars at the address below. Sterling dividends will be translated at the closing mid-point spot rate on 20 April 2018 as published in the Financial Times on 21 April 2018.

Officers and advisers

Secretary and Registered Office
M McIntyre
John Wood Group PLC
15 Justice Mill Lane
Aberdeen
AB11 6EQ

Tel: 01224 851000

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

Tel: 0871 384 2649

Stockbrokers
JPMorgan Cazenove Limited
Credit Suisse

Independent Auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
The Capitol
431 Union Street
Aberdeen
AB11 6DA

Company Solicitors
Slaughter and May

Financial calendar

Results announced	20 March 2018
Ex-dividend date	19 April 2018
Dividend record date	20 April 2018
Annual General Meeting	11 May 2018
Dividend payment date	17 May 2018

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