

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

BG Group plc
International Financial Reporting Standards
Quarterly restatements – 2004

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Consolidated income statements

For the quarter ended

	31 March 2004			30 June 2004		
	Business performance	Non- operating items	Total	Business performance	Non- operating items	Total
	£m	£m	£m	£m	£m	£m
Group turnover and other operating income	856	-	856	962	-	962
Operating costs	(567)	-	(567)	(665)	-	(665)
Profit/(loss) on disposal of assets and businesses	-	22	22	-	65	65
Operating profit before share of results from joint ventures and associates	289	22	311	297	65	362
Finance income	11	-	11	10	-	10
Finance costs	(18)	-	(18)	(16)	-	(16)
Share of post-tax results from joint ventures and associates	31	-	31	29	-	29
Profit before tax	313	22	335	320	65	385
Taxation	(121)	(2)	(123)	(121)	(28)	(149)
Profit for the period	192	20	212	199	37	236
Profit attributable to minority interest	5	-	5	7	-	7
Profit attributable to shareholders (earnings)	187	20	207	192	37	229
Earnings per share – basic	5.3p	0.6p	5.9p	5.4p	1.1p	6.5p
Earnings per share – diluted	5.3p	0.6p	5.9p	5.4p	1.1p	6.5p
Total operating profit including share of pre-tax operating results from joint ventures and associates	336	22	358	347	65	412

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Consolidated income statements

For the quarter ended

	Business performance* 30 Sept 2004 £m	Business performance* 31 Dec 2004 £m
Group turnover	1,084	1,161
Operating costs	(738)	(773)
Operating profit before share of results from joint ventures and associates	346	388
Finance income	12	9
Finance costs	(20)	(21)
Share of post-tax results from joint ventures and associates	32	33
Profit before tax	370	409
Taxation	(142)	(171)
Profit for the period	228	238
Profit attributable to minority interest	14	2
Profit attributable to shareholders (earnings)	214	236
Earnings per share – basic	6.1p	6.7p
Earnings per share – diluted	6.1p	6.7p
<i>Total operating profit including share of pre-tax operating results from joint ventures and associates</i>	395	435

*There were no non-operating items in the quarters ended 30 September 2004 and 31 December 2004

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Consolidated statements of recognised income and expense

For the quarter ended

	31 Mar 2004 £m	30 June 2004 £m	30 Sep 2004 £m	31 Dec 2004 £m
Profit for the period	212	236	228	238
Foreign exchange adjustments	(45)	(34)	56	(113)
Recognised income and expense for the period	167	202	284	125
Attributable to:				
BG Shareholders' funds	157	202	267	121
Minority interest	10	-	17	4
	167	202	284	125

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Consolidated balance sheets

	31 Mar 2004 £m	30 June 2004 £m	30 Sep 2004 £m	31 Dec 2004 £m
Assets				
Non-current assets				
Goodwill	261	247	267	272
Intangible assets	347	511	504	585
Property, plant and equipment	4,129	4,241	4,408	4,509
Investments accounted for using equity method	1,108	1,006	1,052	1,049
Other investments	1	1	1	1
Deferred tax assets	54	39	61	68
Trade and other receivables	74	74	79	46
	5,974	6,119	6,372	6,530
Current assets				
Inventories	126	140	175	99
Trade and other receivables	796	832	937	1,190
Cash and cash equivalents	260	259	350	340
	1,182	1,231	1,462	1,629
Non-current assets classified as held for sale	473	426	475	530
Total assets	7,629	7,776	8,309	8,689
Liabilities				
Current liabilities				
Borrowings	(630)	(485)	(542)	(577)
Trade and other payables	(883)	(771)	(904)	(976)
Current income tax liabilities	(138)	(171)	(182)	(264)
	(1,651)	(1,427)	(1,628)	(1,817)
Non-current liabilities				
Borrowings	(608)	(728)	(814)	(762)
Trade and other payables	(70)	(80)	(77)	(89)
Deferred income tax liabilities	(825)	(864)	(861)	(907)
Retirement benefit obligations	(126)	(130)	(134)	(135)
Provisions	(286)	(287)	(288)	(325)
	(1,915)	(2,089)	(2,174)	(2,218)
Liabilities associated with non-current assets classified as held for sale	(42)	(34)	(51)	(67)
Total liabilities	(3,608)	(3,550)	(3,853)	(4,102)
Net assets	4,021	4,226	4,456	4,587

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Segmental analysis

Group turnover and other operating income	For the quarter ended			
	31 March 2004 £m	30 June 2004 £m	30 Sept 2004 £m	31 Dec 2004 £m
Exploration and Production	476	488	534	650
Liquefied Natural Gas	190	276	336	296
Transmission and Distribution	139	162	178	165
Power Generation	54	38	40	55
Other activities	1	2	3	2
Less:intra-group sales	(4)	(4)	(7)	(7)
	856	962	1,084	1,161

Business Performance

Quarter ended 31 March 2004 £m	Before share of results from joint ventures and associates	Share of results from joint ventures and associates	Non- operating items	Total
Exploration and Production	264	-	-	264
Liquefied Natural Gas	1	14	-	15
Transmission and Distribution	20	10	-	30
Power Generation	14	23	-	37
Other activities	(10)	-	22	12
Operating profit	289	47	22	358
Net finance costs	(7)	(9)	-	(16)
Taxation	(121)	(7)	(2)	(130)
Minority interest	(5)	-	-	(5)
Earnings	156	31	20	207

Business Performance

Quarter ended 30 June 2004 £m	Before share of results from joint ventures and associates	Share of results from joint ventures and associates	Non- operating items	Total
Exploration and Production	274	-	46	320
Liquefied Natural Gas	3	16	19	38
Transmission and Distribution	25	11	-	36
Power Generation	1	23	-	24
Other activities	(6)	-	-	(6)
Operating profit	297	50	65	412
Net finance costs	(6)	(9)	-	(15)
Taxation	(121)	(12)	(28)	(161)
Minority interest	(7)	-	-	(7)
Earnings	163	29	37	229

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Segmental analysis - continued

Quarter ended 30 Sept 2004	Before share of results from joint ventures and associates	Share of results from joint ventures and associates	Total
£m			
Exploration and Production	291	-	291
Liquefied Natural Gas	18	19	37
Transmission and Distribution	41	10	51
Power Generation	1	20	21
Other activities	(5)	-	(5)
Operating profit	346	49	395
Net finance costs	(8)	(8)	(16)
Taxation	(142)	(9)	(151)
Minority interest	(14)	-	(14)
Earnings	182	32	214

Quarter ended 31 Dec 2004	Before share of results from joint ventures and associates	Share of results from joint ventures and associates	Total
£m			
Exploration and Production	360	-	360
Liquefied Natural Gas	5	16	21
Transmission and Distribution	22	9	31
Power Generation	12	22	34
Other activities	(11)	-	(11)
Operating profit	388	47	435
Net finance costs	(12)	(8)	(20)
Taxation	(171)	(6)	(177)
Minority interest	(2)	-	(2)
Earnings	203	33	236

BG Group plc
International Financial Reporting Standards
Quarterly restatements - 2004

Consolidated cash flow statement

For the quarter ended

	31 Mar 2004 £m	30 Jun 2004 £m	30 Sep 2004 £m	31 Dec 2004 £m
Cash flows from operating activities				
Profit from operations	311	362	346	388
Depreciation and amortisation	111	106	110	116
Profit on disposal of non-current assets	(22)	(65)	-	-
Unsuccessful exploration expenditure written off	3	4	16	29
Increase/(decrease) in provisions	2	-	(4)	23
Share-based payments	-	-	4	4
Increase in working capital	(31)	(82)	(24)	(125)
Cash generated by operations	374	325	448	435
Income taxes paid	(76)	(93)	(94)	(124)
Net cash inflow from operating activities	298	232	354	311
Cash flows from investing activities				
Dividends received from joint ventures and associates	5	28	5	43
Proceeds from disposal of subsidiary undertakings and fixed asset investments	32	-	-	-
Proceeds from disposal of property, plant and equipment and intangible assets	-	143	-	(1)
Purchase of property, plant and equipment and intangible assets	(215)	(206)	(214)	(387)
Loans (to)/from joint ventures and associates	(69)	105	(19)	(21)
Purchase of subsidiary undertakings and fixed asset investments	(250)	(92)	-	(22)
Net cash outflow from investing activities	(497)	(22)	(228)	(388)
Cash flows from financing activities				
Net interest (paid)/received	(4)	(15)	(3)	10
Dividends paid	-	(65)	(60)	(2)
Net increase/(decrease) in short-term borrowings	145	(66)	46	42
Net increase/(decrease) in long-term borrowings	3	(57)	(22)	8
Issue of shares	5	2	1	5
Net cash inflow/(outflow) from financing activities	149	(201)	(38)	63
Net (decrease)/increase in cash and cash equivalents	(50)	9	88	(14)
Cash and cash equivalents at beginning of period	313	260	259	350
Effect of foreign exchange rate changes	(3)	(10)	3	4
Cash and cash equivalents at end of period	260	259	350	340