13 April 2012

Norcon plc

(“Norcon” or the “Company”)

FINAL RESULTS

For the twelve months ended 31 December 2011

Norcon plc (LSE/AIM: NCON), the global communications network specialist, is pleased to announce audited and final results for the financial year ended 31 December 2011. The results conclude a broadly flat year for Norcon as it worked to navigate the widespread global economic challenges; whilst at the same time continue to take an early advantage of steadily increasing LTE capital investments taking place in the telecommunications arena.

FINANCIAL HIGHLIGHTS

Trading has been broadly consistent with the management team’s revised FY expectations, as set out in the Trading Update of 15 February 2012:

- Revenue of US$66.6m (FY 2010: US$68.6m)
- Operating profits of US$6.2m (FY 2010: US$7.3m)
- Profit before tax of US$5.4m (FY 2010: US$6.7m)
- Profit after tax of US$3.5m (FY 2010: US$4.3m)
- Cash at year end increased to US$12.5m (FY 2010: US$12.1m)
- Pro forma earnings per share on a basic basis of US$0.07 (FY 2010: US$0.09) with the number of shares of 48,800,808 during the year compared to the weighted average number of shares of 47,174,875 the prior year
- Dividend declared related to the final 2011 results of US$1m, a yield of 5% at the current share price

OPERATIONAL HIGHLIGHTS

- Client engagements in core markets renewed, in addition to new mandates secured in key expansion territories
- Organisation strengthened with the creation of the role and recruitment of a new Chief Operating Officer with further key personnel targeted to join in 2012 to support our geographical as well as services expansion
- Strategy remains unchanged with increased focus on going into new verticals and new geographies
- Favourable long-term market drivers are in place

Commenting on the results Norcon Chairman, Trond Tostrup, said:

“I am pleased that Norcon has managed to deliver another good year, in spite of global economic pressures. Thanks to our long term relations with key customers and great work by our team we remain resilient. We have made investments into our future as the Company continues to increase its geographical reach, as well as the services we offer to our clients. I firmly believe that our core strengths support our long term growth prospects.”

For further information, please contact:

Norcon plc
Arnold Rørholt, Chief Executive Officer +47 90 11 66 90
Marne Martin, Chief Financial Officer +44 (0) 78 13 92 09 74

FTI Consulting
James Melville-Ross, Matt Dixon or Tracey Bowditch +44 (0) 20 7831 3113

finnCap
Corporate Finance – Sarah Wharry, Charlotte Stranner or Rose Herbert +44 (0) 20 7600 1658

About Norcon:

Established in 1957, Norcon (LSE/AIM: NCON) has been a trusted consultant and project manager for more than half a century to the private sector and government agencies. These organisations rely on Norcon to select, implement and maintain a communication infrastructure that not only matches, but also supports the critical needs of their operations. Norcon's strength lies in its understanding of complex communication networks and their design.

www.norconplc.com

Chairman's Statement

This has undoubtedly been a difficult year for global business. Given the economic pressures our economies and our own Norcon business have faced, it is encouraging to report that the Company has again delivered a profitable outturn to the year ended 31 December 2011.

The growth in our profitability in 2011 has, as outlined in our Trading Update of 15 February 2012, been held back due to some additional cost items and investment in new territories.

To some degree, these challenges mask the positive momentum that has carried through in our business operations this year. We have strengthened our team creating the position of Chief Operating Officer. We have also continued to renew our mandates with our closest, most long-standing customers whilst making additional and early in-roads into new markets and geographies.

Our focus, as a company and as a Board, remains the pursuit of profitable growth. To that end, our efforts to expand our business have continued into the start of Financial Year 2012 and will remain our key priority throughout the year ahead.

We continue to benefit from a dedicated, flexible and highly capable team in the Norcon Group. This team is our greatest asset as a firm and I thank each and every Norcon colleague for their commitment, enthusiasm and efforts this year.

Trond Tostrup
Chairman

Chief Executive's Review

Operational Development

In light of the global situation, we are satisfied with our performance for 2011. In 2012, Norcon will increase emphasis on geographical expansion and the development of new services, thus speeding up the implementation of its long-term diversification strategy.

Our core business relationships continue to be strong, and we will continue to focus on these, as they will still be a key to our successful implementation of our geographical and services expansion. We recently signed a major contract for 2012, and are in the final stages of negotiating other substantial contracts, which have duration beyond 2012. At the end of April we will have a new Country Manager in Saudi Arabia in place, who will focus on existing clients and the establishment of new clients within the Kingdom. We are therefore optimistic with regards to the potential within Saudi Arabia.

As the telecom industry continues to invest in new technology, currently the roll out of LTE and FTTH networks which we have developed as a core expertise, we have been able to secure business with new clients outside our core region in 2011, although initially on a fairly small scale.

We have added clients in new markets in 2011, such as in Oman, Thailand, Malaysia, Scandinavia, Russia and Ukraine.

Building a team for the future

Norcon Group has a strong and stable team in place, which has done an impressive job in maintaining and securing new business in a difficult environment. As we will put strong emphasis on our geographical and services expansion in 2012 and onwards, we have decided to use 2012 to build the team to ensure successful implementation of this strategy. We are very pleased that, as outlined in our Interim Results on 21 September 2011, we have recruited a new COO with proven expertise in the telecom services industry. He has already made an impact, working to develop the new service expansion lines and with the right people to support our future growth plans.

We are thus set to make numerous new select technical and sales hires in 2012 with the benefits accruing per plan with full effect in 2013. The first few of these additional key hires will join the business in April 2012, including the recruitment to fill the newly created position of CTO.

In order to ensure success in our expansion strategy, we have already established a regional office in the US to service a contract that we have secured with one of the major players in the business. We will further establish an office for MEA outside of Saudi Arabia, APAC and Europe. These offices will be staffed by carefully selected individuals with experience from their respective regions. As part of our strategy, we are also looking to partner with product companies where we can structure solutions around their offerings.

Effect on 2012 P&L and turnover

The investments we are making in maintaining and building new business for the future will not give a considerable contribution to turnover until 2013. This is a main driver for our new initiatives outside our present main region of business. The investments will have an impact on our profits in 2012, but the Board of Directors believe firmly that it will pay off well in the years to come.

Norcon's relationships with its core customers continue to be as strong as ever with client retention rates remaining well above 90% consistent with prior years. The unbilled receivables as of year end 2011 have been invoiced and receivables are on track for collection as the year progresses. We therefore expect 2012 to be a strong year in terms of cash generation given the receivable balances as of year end.

Dividend Policy and Final Dividend for 2011

The Board now proposes to pay out a dividend of at least 25% of net income going forward, on an annual basis, as a policy. As the Company did not pay an interim dividend for this financial year, the final dividend for 2011 will be US$1,000,000, payable following the AGM in June 2012. The Board will in addition consider special dividends each year on a case by case basis.

Our policy will likewise be to pay an interim dividend in the coming years.

Outlook

We remain positive about our ability to win new contracts and position ourselves in 2012, making additional investments in the development of the company as described. We are confident that opportunities exist for Norcon to continue to grow organically over the longer term given the new contracts and investments in our core market, as well as the increased pace of international diversification. We look forward with confidence to the years ahead and the contributions our new efforts will bring to the Company.

It is with great excitement that I look forward to the contributions of our expanded team in the years ahead.

Arnold Rørholt
Chief Executive Officer

Financial Review

We are pleased to release our audited numbers for the full year 2011.

Summary

Norcon's performance during the past twelve months has been profitable, albeit at a lower level than in the prior year as explained above, with stronger net asset position (approximately US$25m) at the year end.

Revenue for 2011 totalled US$66.6m (FY 2010: US$68.6m). The decrease was primarily due to a shortfall in new business. Gross profit for 2011 was US$10.7m (FY 2010: US$12.1m).

Gross margin for 2011 was 16% for the year (FY 2010: 18%), due to increased cost of sales proportionally related to increased competition and start-up expenses in the new projects in Saudi Arabia as well as the other territories.

Profit before tax of US$5.4m for 2011 compared to the 2010 figure of US$6.7m due to lower gross margin and higher finance expenses (notably exchange rate losses). Administration expenses were approximately US$0.3m lower in 2011 than 2010, but not sufficient to compensate for the lower gross margin.

Profit after tax of US$3.5m for 2011 compared to the 2010 figure of US$4.3m. The percentage tax accrued for 2011 was 35% versus 36% in 2010. The underlying tax rates in the respective jurisdictions are detailed in the notes.

Pro forma basic earnings per share were US$0.07 for the full year compared to the US$0.09 earnings per share for 2010. The weighted average number of shares in 2011 was 48,800,808 compared to 47,174,875 in 2010 respectively.

Costs

Cost of sales totalled US$55.9m for the period compared to US$56.5m in 2010. While costs of sales did decrease, it decreased proportionally less than revenue.

Other operating costs, including net financial, operating and administration expenses totalled US$4.5m for the period down from US$4.8m in 2010.

Net other costs increased to US$0.8m from US$0.6m, largely related to increased financial expenses.

Taxation

Taxes were accrued in the amount of US$1.9m during 2011 (FY 2010: US$2.4m). The blended effective tax rate based on the tax accruals made for each business unit decreased to 35% in 2011 from 36% in 2010. The underlying tax rates in the countries in which we operate are detailed in the Notes.

Foreign Exchange

The Company is continuing its policy of denominating revenue and expenses either in the local currency if pegged to the US dollar or in US dollars to the extent feasible. Foreign exchange translation gains and losses in the period are noted in the accounts, and did increase significantly in 2012 compared to 2011 primarily due to the fluctuation of the US dollar to the Kuwaiti dinar.

Cash Flow

Cash flow continues to be positive for the year as a whole. Cash conversion decelerated in 2011 compared to 2010 due to the large volume of unbilled receivables. Such unbilled receivables were invoiced in 2012 prior to the date of this statement, and collections of such amounts will create positive cash momentum and increased operational cash conversion in 2012.

Balance Sheet

The Balance Sheet performance of the Company was quite strong.

Gross and net cash balances improved year on year.

As at 31 December 2011, cash was US$12.5m (FY 2010: US$12.1m) with positive net cash of US$7.1m (FY 2010: US$6.1m).

The Company remains net asset positive, with net assets increasing significantly to US$25.4m in 2011 (FY 2010: US$22.8m).

Total trade and other receivables increased to US$35.2m from US$31.6m in the prior year. Trade and unbilled receivable balances increased year on year to a total of US$30.6m from a total of US$24.6m. Work in Process (unbilled receivables) increased to US$10.1m in 2011 compared to US$4.4m in 2010. Retentions receivable decreased to US$0.5m compared to US$3.9m in 2010.

Trade payables have increased significantly to US$6.5m as of year end 2011 compared to US$4.0m in the preceding year.

In non-current liabilities, the accrual related to employees terminal benefits increased to US$10.5m from US$9.8m with the additional accrual for the year.

The final dividend for 2011 has been declared in the amount of US$1m.

Retained earnings and other reserves totalled US$25.4m as at the end of 2011 compared to US$22.8m as at the end of the 2010.

International Financial Reporting Standards (IFRS)

The Consolidated Financial Statements of Norcon and its branches and subsidiary companies have been audited by PKF Savvides & Co Ltd., the Company's auditor. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) under the historical cost convention.

Marne Martin
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2011

	2011	2010
	US$	US$
Revenue	**66.573.366**	68.597.874
Cost of sales	**(55.889.070)**	(56.445.691)
	10.684.296	12.152.183
Net profit from investing activities	**38.127**	16.574
Administration expenses	**(4.536.199)**	(4.881.176)
Other expenses	**(316)**	(269)
Operating profit	**6.185.908**	7.287.312
Finance costs	**(770.636)**	(572.476)
Share of results of associates before tax	**(1.349)**	(1.365)
Profit before tax	**5.413.923**	6.713.471
Tax	**(1.874.408)**	(2.421.186)
Net profit for the year	**3.539.515**	4.292.285
Other comprehensive income	-	-
Total comprehensive income for the year	**3.539.515**	4.292.285
Attributable to:		
Equity holders of the parent	**3.549.685**	4.294.586
Minority interest	**(10.170)**	(2.301)
	3.539.515	4.292.285
Basic earnings per share attributable to equity holders of the parent (cent)	**7,27**	9,10
Diluted earnings per share attributable to equity holders of the parent (cent)	**7,27**	8,72

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2011

	2011 US$	2010 US$
ASSETS		
Non-current assets		
Property, plant and equipment	**159.957**	178.334
Investments in associated undertakings	**590.211**	591.560
	750.168	769.894
Current assets		
Trade and other receivables	**35.263.743**	31.556.403
Cash at bank and in hand	**12.456.037**	12.075.188
	47.719.780	43.631.591
Total assets	**48.469.948**	44.401.485
EQUITY AND LIABILITIES		
Equity		
Share capital	**937.100**	937.100
Other reserves	**14.670.759**	14.569.790
Retained earnings	**9.742.457**	7.324.122
	25.350.316	22.831.012
Non-controlling interests	**1.835**	12.005
Total equity	**25.352.151**	22.843.017
Non-current liabilities		
Employees' terminal benefits	**10.514.890**	9.786.806
	10.514.890	9.786.806
Current liabilities		
Trade and other payables	**6.542.573**	3.966.278
Borrowings	**5.327.290**	6.019.868
Current tax liabilities	**733.044**	1.785.516
	12.602.907	11.771.662
Total liabilities	**23.117.797**	21.558.468
Total equity and liabilities	**48.469.948**	44.401.485

CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended 31 December 2011

	2011	2010
	US$	US$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**5.413.923**	6.713.471
Adjustments for:		
Depreciation of property, plant and equipment	**54.560**	53.307
Exchange difference arising on the translation of non-current assets in foreign currencies	**(405)**	(1.033)
Exchange difference arising on the translation and consolidation of foreign companies' financial statements	**121.318**	(160.663)
Share of loss from associates	**1.349**	1.365
Loss from the sale of property, plant and equipment	**316**	269
Interest income	**(38.127)**	(16.574)
Interest expense	**268.088**	322.657
Expense recognized in comprehensive income in respect of equity-settled share-based payments	**0**	233.340
Cash flows from operations before working capital changes	**5.821.022**	7.146.139
(Increase)/ Decrease in trade and other receivables	**(3.707.340)**	6.437.074
Increase/(Decrease) in trade and other payables	**2.576.295**	(8.892.670)
Increase in employees' terminal benefits	**728.084**	2.486.311
Cash flows from operations	**5.418.061**	7.176.854
Tax paid	**(2.926.880)**	(2.684.498)
Net cash flows from operating activities	**2.491.181**	4.492.356
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	**(40.172)**	(137.607)
Proceeds from disposal of property, plant and equipment	**4.078**	-
Interest received	**38.127**	16.574
Net cash flows from / (used in) investing activities	**2.033**	(121.033)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	**-**	6.361.266
Repayments of borrowings	**(610.341)**	(501.208)
Interest paid	**(268.088)**	(322.657)
Dividends paid	**(1.151.699)**	(4.860.000)
Net cash flows (used in) / from financing activities	**(2.030.128)**	677.401
Net increase in cash and cash equivalents	**463.086**	5.048.724
Cash and cash equivalents:		
At beginning of the year	**11.992.951**	6.944.227
At end of the year	**12.456.037**	11.992.951

Selected notes to the accounts

1. Incorporation and principal activities

Country of incorporation

The Company NORCON PLC (the "Company") was incorporated in the Isle of Man on 2 June 2008, as a company limited by shares under the Isle of Man companies act 2006. On the 28 July 2008, the company became public and had been admitted for trading at the AIM of the London Stock Exchange. Its registered office is at Fort Anne, Douglas, IM1 5PD, Isle of Man.

Principal activities

The principal activities of the Group, which are unchanged from last year, and are the provision of project management and outsourcing services as well as consulting engineers. The Group comprises of the holding company Norcon PLC, registered in the Isle of Man, the subsidiary company Norconsult Telematics Limited, registered in Cyprus (which includes branches/operations in Saudi Arabia, U.A.E. Abu Dhabi, Kuwait, Indonesia and Malaysia) and its subsidiary companies Norconsult Telematics and Company LLC registered in the Sultanate of Oman, Norconsult Telematics AS registered in Norway, Norcon Global Management & Consulting Ltd registered in Cyprus, Norconsult Telematics Integrated Solution Co. Ltd registered in the Republic of Sudan (dormant), Norconsult Telematics Ltd registered in Southern Sudan (dormant) and the associate company Norconsult Telematics (Saudi) Ltd registered in the Kingdom of Saudi Arabia.

In 2011 the Group has operated in the following countries: Saudi Arabia, Indonesia, Kuwait, UAE Abu Dhabi, Oman, Malaysia, Norway, Russia, Ukraine, Sweden and Thailand.

2. Accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented in these consolidated financial statements unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) . The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Adoption of new and revised IFRSs

During the current period the Group adopted all the new and revised IFRSs and International Accounting Standards (IAS), which are relevant to its operations.

At the date of authorisation of these financial statements some Standards were in issue but not yet effective. The Board of Directors expects that the adoption of these Standards in future periods will not have a material effect on the consolidated financial statements of the Group

3. Segmental analysis

The consolidated entity operates in one business segment (telecommunications, IT and defence systems consulting) for primary reporting and three geographical segments for secondary reporting being as follows: Europe, Middle East and Asia.

2011	**Europe US$**	**Middle East US$**	**Asia US$**	**Total US$**
Results				
Income for the year	(1.560.153)	4.549.799	560.039	3.549.685
Assets and Liabilities				
Segment assets	2.116.264	44.800.553	1.553.131	48.469.948
Segment liabilities	(376.100)	(21.470.422)	(1.271.275)	(23.117.797)
Other segment information				
Acquisition/(disposal) of fixed assets	(3.150)	26.241	-	23.091
Depreciation	3.071	51.424	65	54.560
Net cash flow	(2.106.108)	2.647.428	(78.234)	463.086

2010	Europe US$	Middle East US$	Asia US$	Total US$
Results				
Income for the year	(2.784.282)	6.903.808	175.062	4.294.586
Assets and Liabilities				
Segment assets	4.220.726	39.724.357	456.402	44.401.485
Segment liabilities	(383.215)	(20.328.805)	(846.448)	(21.558.468)
Other segment information				
Acquisition/(disposal) of fixed assets	(1.066)	133.597	-	132.531
Depreciation	5.287	46.052	1.968	53.307
Net cash flow	1.961.705	3.128.260	(41.241)	5.048.724

4. Tax

	2011 US$	2010 US$
Overseas tax	**1.869.820**	2.419.326
Defence contribution - current year	**4.588**	1.860
Charge for the year	**1.874.408**	2.421.186

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2011	2010
	US$	US$
Profit before tax	**5.413.923**	6.713.471
Tax calculated at the applicable tax rates	**541.392**	671.347
Tax effect of allowances and income not subject to tax	**(541.392)**	(671.347)
Defence contribution current year	**4.588**	1.860
Overseas tax during the year	**1.869.820**	2.419.326
Tax charge	**1.874.408**	2.421.186

	2011	2010
Corporation tax by country of operations:	**US$**	US$
Corporation tax for Kuwait	**299.409**	371.721
Corporation tax for Saudi Arabia	**1.114.772**	1.876.221
Corporation tax for South East Asia	**417.286**	128.865
Corporation tax for Malaysia	**3.601**	-
Corporation tax for Norway	**31.914**	42.519
Corporation tax for Oman	**2.838**	-
	1.869.820	2.419.326

The corporation tax rate is 10%. The Board of Directors has decided to register the company as a Cyprus tax resident, as it is deemed that the management and control of the company is exercised in Cyprus. In this respect tax computation under Cyprus tax law has been prepared.

Under certain conditions interest income may be subject to defence contribution at the rate of 15% (10% to 30 August 2011). In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter (in 2011 the rate was 15% up to 30 August 2011 and 17% thereafter).

Income tax on the Saudi Arabia branch has been provided on the estimated taxable profit at 20% (2010: 20%).

Income tax on the Kuwait branch has been provided on the estimated taxable profit at 15% (2010: 15%).

Income tax on the SE Asia Operations branch has been provided on the estimated taxable profit at 25% plus 20% on the profit after tax - repatriation of profits (2010: 28% plus 20% on the profit after tax - repatriation of profits)

Income tax of the Malaysia branch has been provided on the estimated taxable profit at 25%.

The subsidiary company in Norway is subject to 28% tax of its income.

The subsidiary company in Oman is subject to income tax at the rate of 12% on taxable income in excess of RO30.000.

5. Profit per share attributable to equity holders of the parent

Basic earnings per share	**2011**	2010
Profit attributable to shareholders (US$)	**3.549.685**	4.294.586
Weighted average number of ordinary shares in issue during the year	**48.800.808**	47.174.875
Basic earnings per share (cent)	**7,27**	9,10

Diluted earnings per share	**2011**	2010
Profit attributable to shareholders (US$)	**3.549.685**	4.294.586
Ordinary shares issued	**48.800.808**	48.800.808
Shares deemed to be issued:		
Warrants (note)	**-**	411.232
	48.800.808	49.212.040
Diluted earnings per share (cent)	**7,27**	8,72

Note: The warrants expired on 28 July 2011 without been exercised.

6. Dividends

	2011	2010
	US$	US$
Final dividend paid	**1.151.699**	4.860.000
	1.151.699	4.860.000

In October 2011, the Board of Directors paid dividend of US$1.151.699 out of the 2010 profits.

Dividends are subject to a deduction of special contribution for defence at the rate of 17% (15% to 30 August 2011) for individual shareholders that are resident in Cyprus. Dividends payable to non-residents of Cyprus are not subject to such a deduction.

7. Trade and other receivables

	2011	2010
	US$	US$
Trade receivables	**20.477.765**	20.188.922
Retentions receivable	**499.875**	3.903.438
Unbilled receivables	**10.119.654**	4.425.238
Directors' current accounts - debit balances	**-**	70.889
Deposits and prepayments	**956.863**	788.097
Other receivables	**3.208.262**	2.179.819
Refundable VAT	**1.324**	-
	35.263.743	31.556.403

As at 31 December, the ageing of trade receivables is as follows:

	2011	2010
	US$	US$
Up to 30 days	**5.668.793**	9.277.692
31- 60 days	**4.078.105**	5.268.148
61- 90 days	**2.259.587**	4.612.564
91-120 days	**1.736.170**	631.473
More than 120 days	**6.735.110**	399.045
	20.477.765	20.188.922

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

8. Trade and other payables

	2011	2010
	US$	US$
Trade payables	**4.031.880**	1.272.127
Directors' current accounts - credit balances	**650**	449
Accruals	**1.460.015**	2.231.711
Other creditors	**1.050.028**	461.991
	6.542.573	3.966.278

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

9. Contingent liabilities

The banker of the Group's Saudi Arabia branch has given bank guarantees limited to the equivalent of US$6.156.450 (2010:US$6.303.153) in respect of contract performance.

Letters of guarantee (Performance Bonds) for the Group's operations in UAE amounting to US$2.602.200 (2010:US$1.220.400) were in issue as at 31st December 2011. An amount of US$650.550 (which represents 25% of the performance bond) is blocked from the branch's bank balances as security for the issue of this performance bond with the remaining balance being secured by the issue of a corporate guarantee from the branch's ultimate holding company Norcon Plc. Also a letter of guarantee for AED50.000 for the registration of the Norconsult Abu Dhabi branch was in issue as at 31st December 2011 (2010:AED50.000).

A bank guarantee amounting to US$242.181 - RO93.000 (2010:US$33.854 -RO 13.000) was issued by the Group's subsidiary in Oman.

10. Annual accounts

Annual accounts for the year ended 31 December 2011 will be sent to shareholders shortly and will be available to view from the Company's website, www.norconplc.com