

Yorkshire Water Services Limited announces results for the year ended 31 March 2012.

Financial highlights:

- Operating profit before exceptional items is £313.0m (2011: £319.5m) after incurring £5.1m of additional cost in relation to the transfer of private sewers into Yorkshire Water's ownership on 1 October 2011.
- Turnover increased to £893.6m (2011: £867.4m).
- £9.6m of operating costs have been classified as exceptional. During 2011/12 additional financial investment was made to improve leakage performance such that leakage targets could be achieved even in the event of another severe winter.
- Capital expenditure of £404.2m was made during 2011/12 which included £3.4m in relation to the transfer of private sewers.
- At 31 March 2012 Yorkshire Water's Regulated Capital Value was £5,279m.

Chief Executive Richard Flint said:

"This is a good set of results delivered against a challenging economic backdrop and ongoing regulatory uncertainty."

"During the year we maintained our focus on delivering day-to-day operational excellence, while putting in place firm building blocks to support the company's long-term growth and success."

"The development and roll-out of six new strategic objectives, coupled with a root and branch review of the company's activities, has ensured greater alignment between performance and the delivery of the new company vision - Taking responsibility for the water environment for good."

"Our performance in Ofwat's Service Incentive Mechanism (SIM) is consistently good and we continue to have one of the lowest levels of customer complaints in the industry."

"The water resource situation in Yorkshire remains strong with no restrictions on customers' use and we comfortably achieved our leakage target of 297Ml/d for the year."

"Further service and environmental improvements were delivered during the year, with more than £400m being invested in the region, including the start of construction work on our industry-leading scheme to improve the quality of Yorkshire's beaches and bathing waters."

"Significant additional investment was also required to manage the implementation of the Government's transfer of private sewers into water company ownership, which saw us take on an additional 22,000kms of sewers and lateral drains."

"Despite the additional investment associated with the transfer and leakage reduction, we achieved our operating profit targets for the year."

“We remain in good shape to deliver the commitments we gave to our customers, regulators and stakeholders in our 2011-2015 business plan,” he added

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