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Oxford Instruments enters into Joint Venture with GD Intressenter AB, comprising Omicron Nanotechnology and Scienta Scientific

Oxford Instruments plc, a leading provider of high technology tools and systems for industry and research, today announces that it has entered into a Joint Venture with GD Intressenter AB of Sweden ("GDI") to create the world's largest player in the highly specialised Ultra High Vacuum Surface Science field. The JV will comprise Oxford Instruments' Omicron Nanotechnology GmbH and associated subsidiaries ("Omicron") and GDI's Scienta Scientific AB and associated subsidiaries ("Scienta").

In consideration for new shares in Scienta, Oxford Instruments has transferred all of its shares in the capital of Omicron to Scienta. Oxford Instruments holds a 47 per cent interest in the share capital of Scienta and GDI holds 53 per cent.

The JV provides excellent opportunities to enhance product development, cut production costs and broaden the product range, while extending market reach and strengthening customer relationships.

The Board of Directors of the JV will include representatives from GDI and Oxford Instruments. The CEO of the new business will be Mr Johan Åman who is based in Uppsala, Sweden. Mr Åman has been CEO of Scienta since 2013 and prior to this he held senior commercial and research positions in Mycronic AB. GDI is backed by a leading Nordic Venture Capital Firm, InnovationsKapital, and other financial investors.

In the twelve months to 31st March 2014, Omicron generated revenue of £28.5 million and a loss before tax of £0.6 million. The gross assets of Omicron at 30th September 2014 were £26.1 million. In the financial year to 31st December 2014, Scienta generated revenue of SEK279 million (approximately £24.6 million) and a profit before tax of SEK25 million (approximately £2.2 million). The gross assets of Scienta at 31st December 2014 were SEK146 million (approximately £12.9 million). Oxford Instruments has provided a term loan of SEK40 million (approximately £3.1 million) to the JV. The transaction will result in no profit or loss on the carrying value of Omicron for Oxford Instruments.

Commenting on the establishment of the JV, Jonathan Flint, Chief Executive of Oxford Instruments, stated:

"This new venture will create the largest player in the exciting field of Surface Science and UHV engineering. Customers will benefit from an enhanced product portfolio and improved service, and the synergies generated by merging the two businesses will provide significant efficiencies and cost savings."

Lars Hagdahl, Chairman of GDI and of the JV, said:

"I am very pleased with the creation of this JV. Going forward together we are a larger and stronger business that will be good for our customers, partners and employees."

Jonathan Flint (Chief Executive) and Kevin Boyd (Group Finance Director) will host a conference call for analysts and investors on this announcement at 08:30 am (UK time), today 28 May. To join the call, please use the dial-in numbers below:

Dial: +44 02031394830
PIN: 32701817#

- Ends -

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Issued for and on behalf of Oxford Instruments plc

Notes to Editors

About Oxford Instruments plc

Oxford Instruments designs, supplies and supports high-technology tools and systems with a focus on research and industrial applications. Innovation has been the driving force behind Oxford Instruments' growth and success for over 50 years, and its strategy is to effect the successful commercialisation of these ideas by bringing them to market in a timely and customer-focused fashion.

The first technology business to be spun out from Oxford University, Oxford Instruments objective is to be the leading provider of new generation tools and systems for the research and industrial sectors with a focus on nanotechnology. Its key market sectors include nano-fabrication and nano-materials. The company's strategy is to expand the business into the life sciences arena, where nanotechnology and biotechnology intersect.

This involves the combination of core technologies in areas such as low temperature, high magnetic field and ultra high vacuum environments; Nuclear Magnetic Resonance; x-ray, electron, laser and optical based metrology; atomic force microscopy; optical imaging; advanced growth, deposition and etching.

Oxford Instruments aims to pursue responsible development and deeper understanding of our world through science and technology. Its products, expertise, and ideas address global issues such as energy, environment, security and health.