Interim Results Announcement 2012/13

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Chief Executive

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13 November 2012
Agenda

- Highlights
- Financial Review
- Operational Review
- Summary and Outlook
Highlights

- Good progress in the first half
- Increased R&D investment
- Global demand for nanotechnology tools
- Growth in emerging markets
- Efficiency improvements
- Increased interim dividend
- 14 Cubed plan on track
Medium Term Prospects

- Overall demand remains strong
- Some softness in the industrial sector
- Healthy new product pipeline
Long Term Growth

- Tools for extracting more value from each atom in a world of finite resources
- Estimated 15% annual structural growth in nanotools market
Expanding Footprint & BRIC

NORTH AMERICA
- Vacaville, USA
- Deerfield Beach, USA
- Woodbridge, USA
- Eden Prairie, USA
- Austin, USA (2)
- Concord, USA
- Scotts Valley, USA
- Carteret, USA
- Dallas, USA

EUROPE
- Tubney Woods, UK
- High Wycombe, UK
- Bristol, UK
- East Grinstead, UK
- Taunusstein, Germany
- Wiesbaden, Germany
- Uedem, Germany
- St. Cannat, France
- Gometz la Ville, France
- Prague, Czech Republic
- Espoo, Finland
- Lidingö, Sweden
- Moscow, Russian Federation

ASIA
- Chengdu, China
- Beijing, China
- Shanghai, China (2)
- Guangzhou, China
- Singapore
- Taiwan
- Tokyo, Japan (2)
- Mumbai, India
Financial Review
Kevin Boyd
## Highlights

<table>
<thead>
<tr>
<th></th>
<th>2012/13</th>
<th>2011/12</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders (£m)</td>
<td>169.8</td>
<td>174.8</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Revenues (£m)</td>
<td>170.8</td>
<td>159.1</td>
<td>7.4%</td>
</tr>
<tr>
<td>Adjusted Operating profit (£m)*</td>
<td>23.8</td>
<td>18.9</td>
<td>25.9%</td>
</tr>
<tr>
<td>Return On Sales (%)</td>
<td>13.9%</td>
<td>11.9%</td>
<td>+2.0pp</td>
</tr>
<tr>
<td>Adjusted profit before tax (£m)*</td>
<td>23.1</td>
<td>18.7</td>
<td>23.5%</td>
</tr>
<tr>
<td>Adjusted EPS (pence)*</td>
<td>33.9</td>
<td>28.2</td>
<td>20.2%</td>
</tr>
<tr>
<td>Dividend (pence)</td>
<td>3.05</td>
<td>2.77</td>
<td>10.1%</td>
</tr>
<tr>
<td>Net Cash (£m)</td>
<td>37.1</td>
<td>11.9</td>
<td>25.2</td>
</tr>
</tbody>
</table>

*Adjusted numbers are stated to give a better understanding of the underlying business. Details of adjusting items can be found in Note 2 of the Half Year Report.
## Segments

<table>
<thead>
<tr>
<th></th>
<th>Nanotech Tools</th>
<th>Industrial Products</th>
<th>Service</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012/13 £m</td>
<td>2011/12 £m</td>
<td>2012/13 £m</td>
<td>2011/12 £m</td>
</tr>
<tr>
<td>External revenue</td>
<td>80.7</td>
<td>70.0</td>
<td>60.9</td>
<td>64.2</td>
</tr>
<tr>
<td>Inter-segment revenue</td>
<td>0.2</td>
<td>0.4</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Sector revenue</td>
<td>80.9</td>
<td>70.4</td>
<td>61.5</td>
<td>64.7</td>
</tr>
<tr>
<td>Adjusted Operating Profit</td>
<td>10.4</td>
<td>7.3</td>
<td>7.6</td>
<td>6.6</td>
</tr>
<tr>
<td>Return on sales</td>
<td>12.9%</td>
<td>10.4%</td>
<td>12.4%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>
Sales by Destination

H1 2012/13

- Europe: 38%
- North America: 27%
- Asia: 33%
- RoW: 2%

H1 2011/12

- Europe: 35%
- North America: 28%
- Asia: 33%
- RoW: 4%
Profit Bridge

- 2011/12 Volume: £18.7m
- 2011/12 Eff/Mix: £3.9m
- 2011/12 FX: £3.8m
- 2011/12 Op Ex: £0.2m
- 2011/12 M&A: £0.0m
- 2011/12 Interest: £(3.0)m
- 2012/13 Interest: £(0.5)m
- 2012/13 2012/13: £23.1m
Cash

£m

- EBITDA: 28.2
- Other: 0.7
- WC: (11.1)
- Capex: (4.2)
- R&D: (1.8)
- Pension: (2.4)
- Tax: (5.8)
- Dividend: (1.6)
- Movement: 2.0
Sales Progress

15.9% CAGR
Profit and Margin Progress

Operating Profit

EBIT%
Operational Review
Jonathan Flint
Our Businesses

Nanotechnology Tools
- NanoAnalysis
- NanoScience
- Omicron Nanotechnology
- Plasma Technology

Industrial Products
- Industrial Analysis
  - X-ray Fluorescence
  - Optical Emission Spectroscopy
  - Magnetic Resonance
- Industrial Components
  - Austin Scientific
  - Superconducting Wire
  - X-ray Technology

Service
- CT& MR Service (3rd Party)
- NT & IP Service (OI products)
NanoTechnology Tools
High-performance technology products for research and industry

- AZTEC materials characterisation systems
- MEMS – micro electromechanical systems
- Quantum Information Processing
- Omicron NanoTechnology
• Opportunities in emerging markets
• New applications for X-ray Technology
• New Hand Held analysers
• Shale Oil
Service

Service, support, training, refurb, consumables, accessories

- Broader range of services
- Benefiting from US healthcare reforms
- Innovative support programmes
Summary and Outlook

- Exposure to long term growth markets
- Diverse geographies and technologies
- Strong pipeline of new products
- Potential for bolt-on acquisitions
- Business Improvement Programme
- Resilience to macro economic climate
- On track to deliver 14 Cubed objectives
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