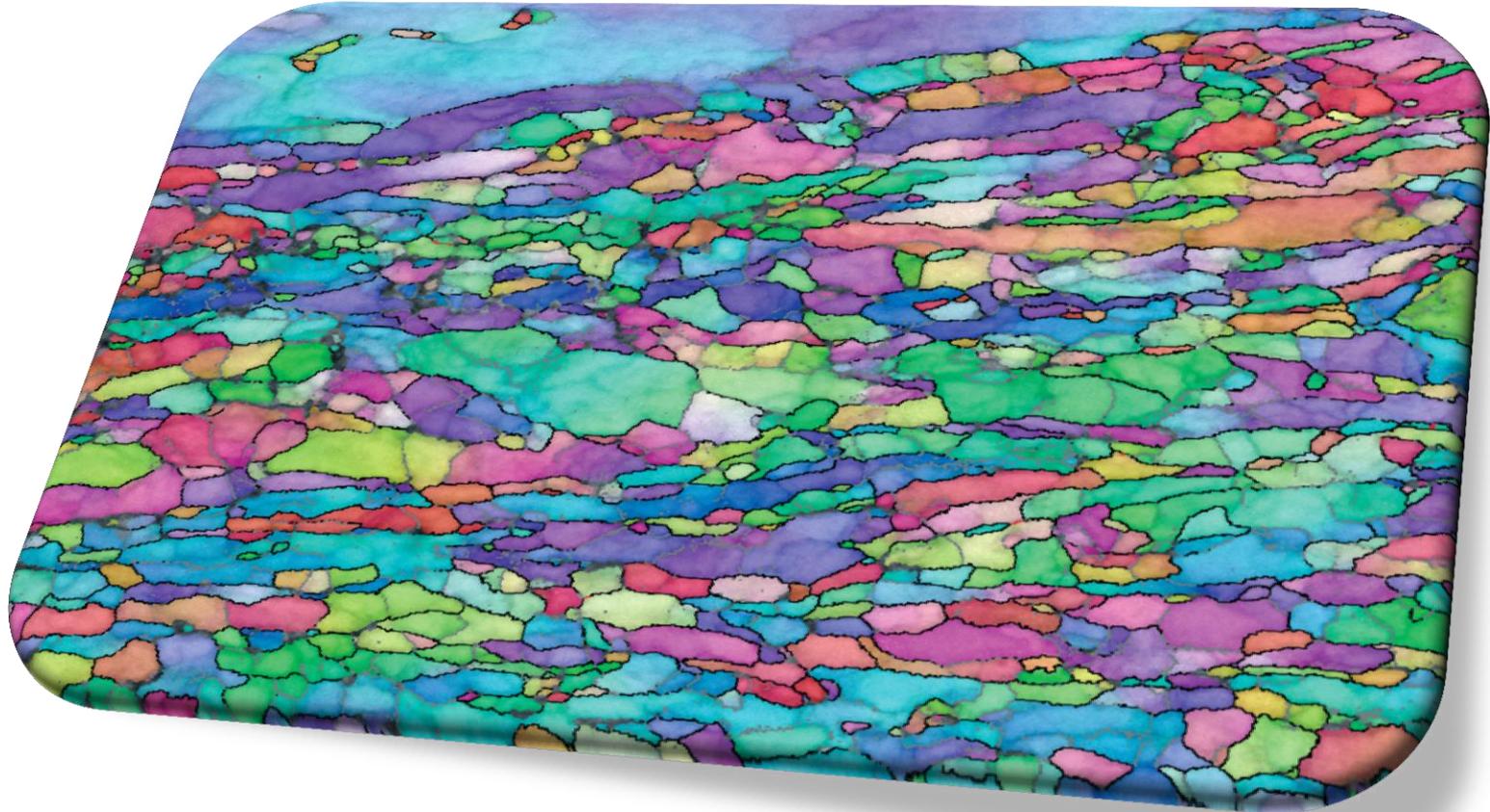


Preliminary Results Announcement

9 June 2015



The Business of Science®

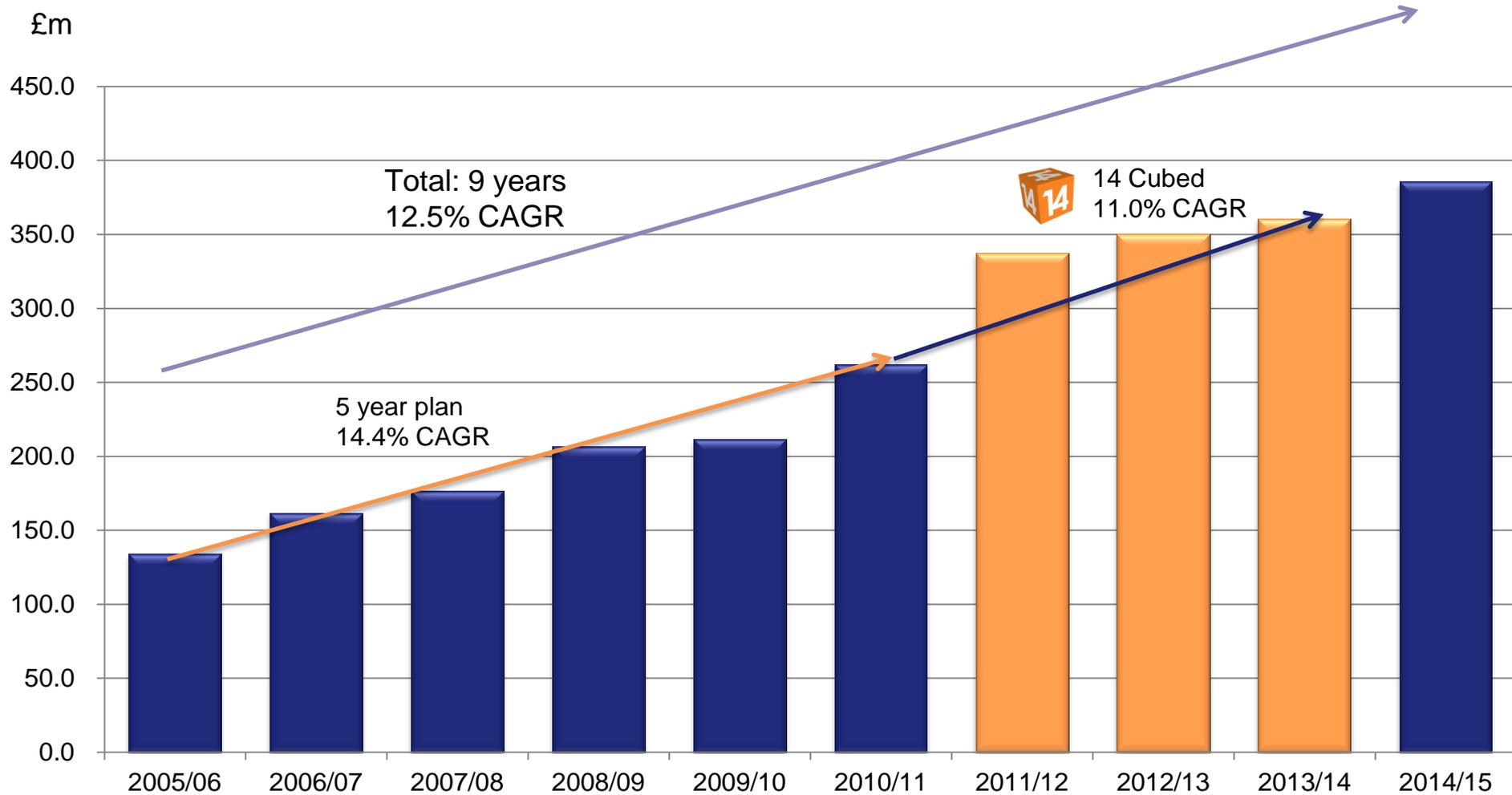


Jonathan Flint – Chief Executive
Kevin Boyd – Group Finance Director

- FY 2014/2015 performance
- Return to growth plan and restructuring
- Financial review
- Operational review
- Current trading and outlook

- Full year performance in line with re-set expectations in a challenging year
- Swift and decisive cost saving programme
- Strategic and operational progress
- Long-term demand drivers for our tools and services remain intact

Sales Progress



	January 2015 Position	Current Position
Russia	Key export licenses rejected. Previously approved licenses revoked	No significant orders expected in current year
Japan	Expected recovery slower than expected	Orders now showing improvement
Industrial Analysis	Dilution of competitive position	New products selling well

Accelerated Cost Reduction Plan

	Planned	Achieved
Headcount	5% reduction	7% reduction
Annual Cost Saving	£6 million	£8 million
Site Rationalisation	6 sites assessed	6 sites to close by half year

Return to Growth Plan



The Business of Science®

- Research and Development spend increased to 9.1% of sales
- Extensive management road show focusing on staff engagement
- Acquisition and Joint Venture

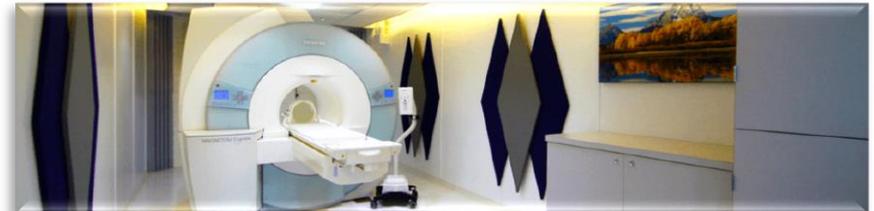
Acquisition: Medical Imaging Resources

part of Service sector



The Business of Science®

- MIR specialises in CT and MRI scanners in the USA
- Build, lease and service of mobile systems
- Oxford Instruments Healthcare now much larger player in independent service provider market in USA
- Now offer full service to broader customer base
- Positions us well to maximise the opportunities available through the Affordable Healthcare Act



- Joint venture comprising Scienta Scientific AB and Omicron
- Creates largest player in exciting field of Surface Science
- Oxford Instruments holds 47% share capital, 2 of 5 board seats
- Opportunities to enhance product development, cut production costs, broaden product range
- Extends market reach and strengthens customer relationships

scientaomicron



Financial Review

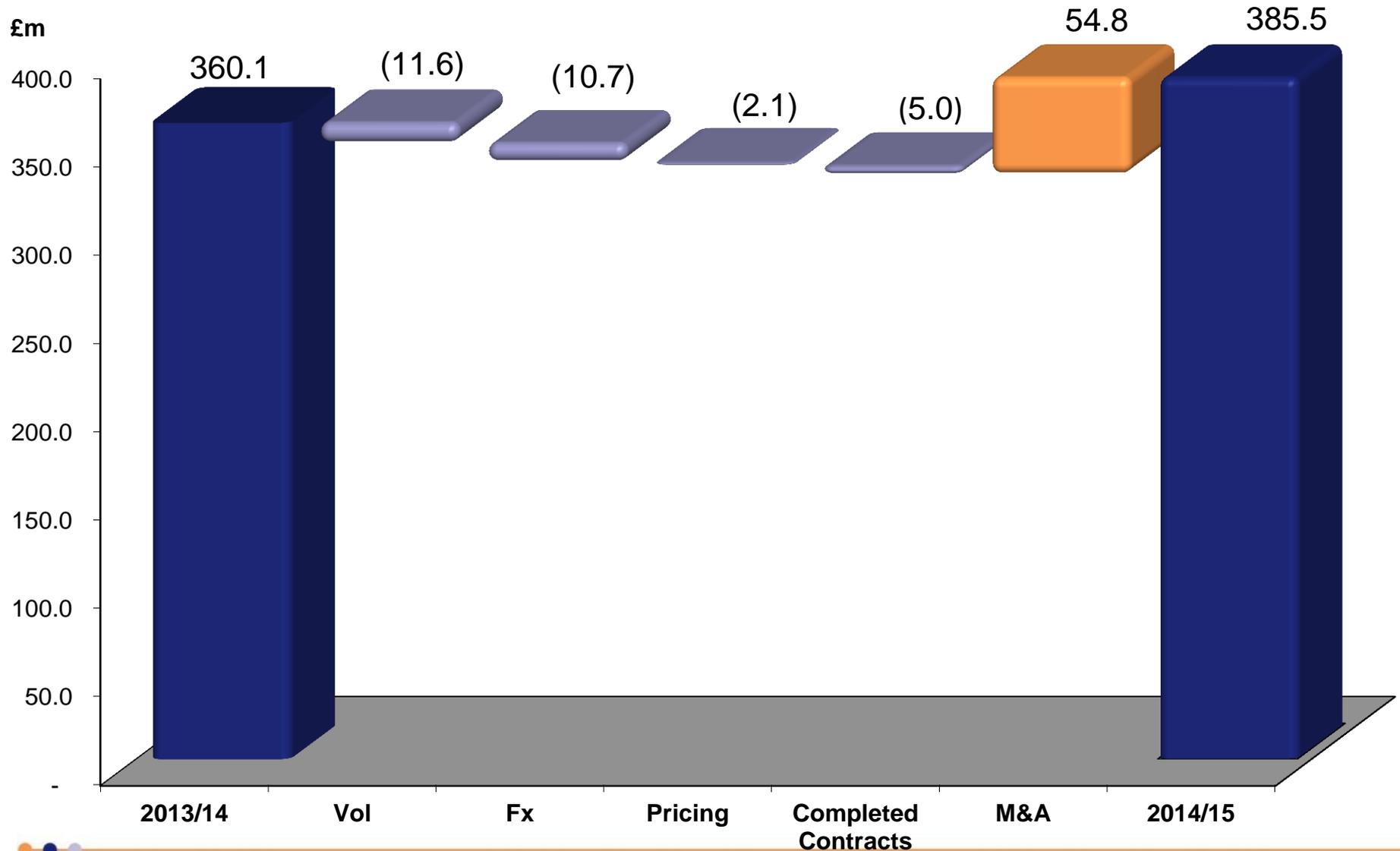
Kevin Boyd

Financial Highlights

	2014/15	2013/14	Change
Orders (£m)	386.6	342.2	13.0%
Revenues (£m)	385.5	360.1	7.1%
Operating profit (£m)	42.7	50.3	-15.1%
Return On Sales (%)	11.1%	14.0%	-2.9pp
Adjusted profit before tax (£m)*	35.6	47.1	-24.4%
Adjusted EPS (pence)*	48.2	67.7	-28.8%
Dividend (pence)	13.0	12.4	4.8%
Net Cash/(Debt) (£m)	(118.9)	(124.3)	5.4

*Adjusted numbers are stated to give a better understanding of the underlying business.
Details of adjusting items can be found in Note 1 of the Financial Statements

Sales Bridge



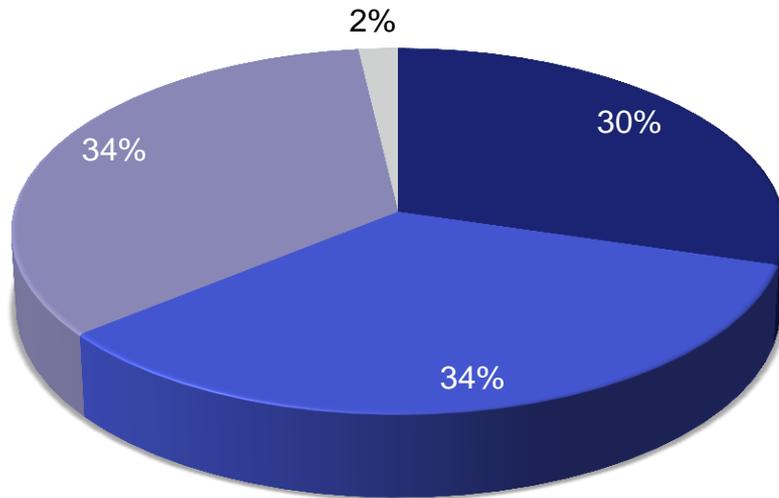
Segmental Sales

£'m	Nanotechnology Tools	Industrial Products	Service	Total*
2013/14	180.6	114.7	66.4	360.1
Organic	(13.7)	(7.5)	2.3	(18.7)
FX	(6.2)	(2.4)	(2.1)	(10.7)
Acquisitions	50.5	2.3	2.0	54.8
2014/15	211.2	107.1	68.6	385.5
Growth				
Reported	17%	-7%	3%	7%
Underlying	-8%	-4%	7%	-4%

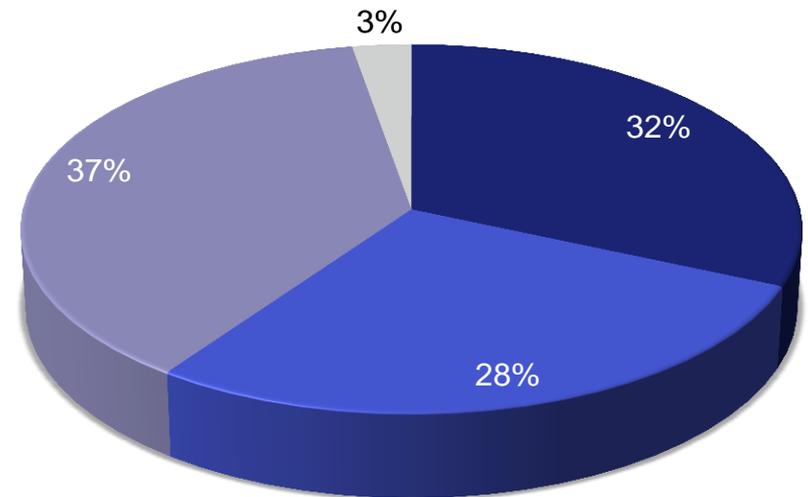
* Excluding inter-segmental revenues

Sales by Geography

2015 FY



2014 FY

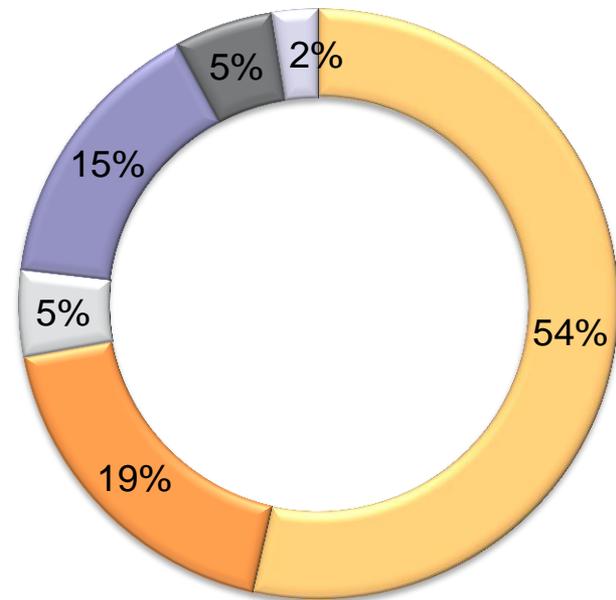


■ Europe
■ Asia

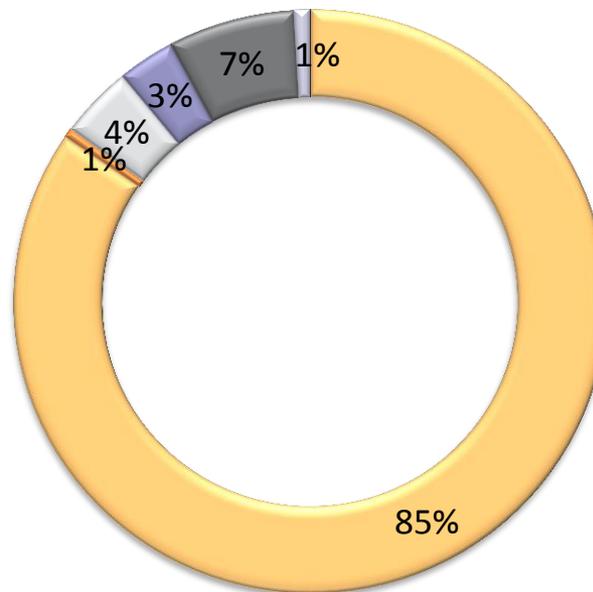
■ North America
■ RoW

Market Segments

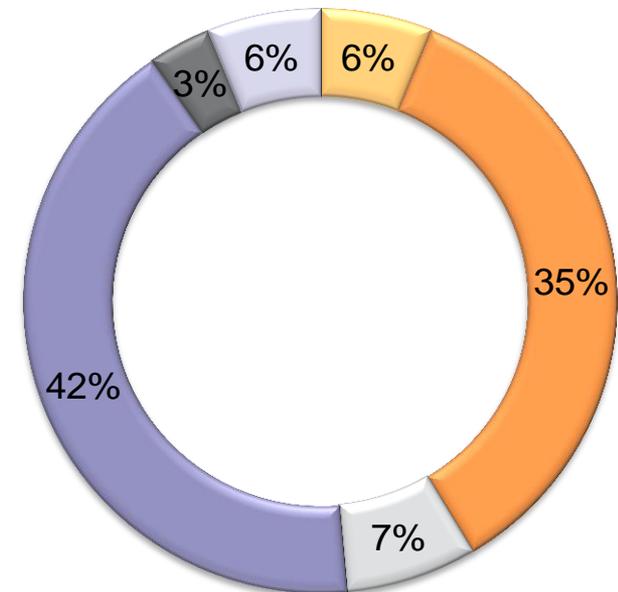
Group



Nanotechnology Tools

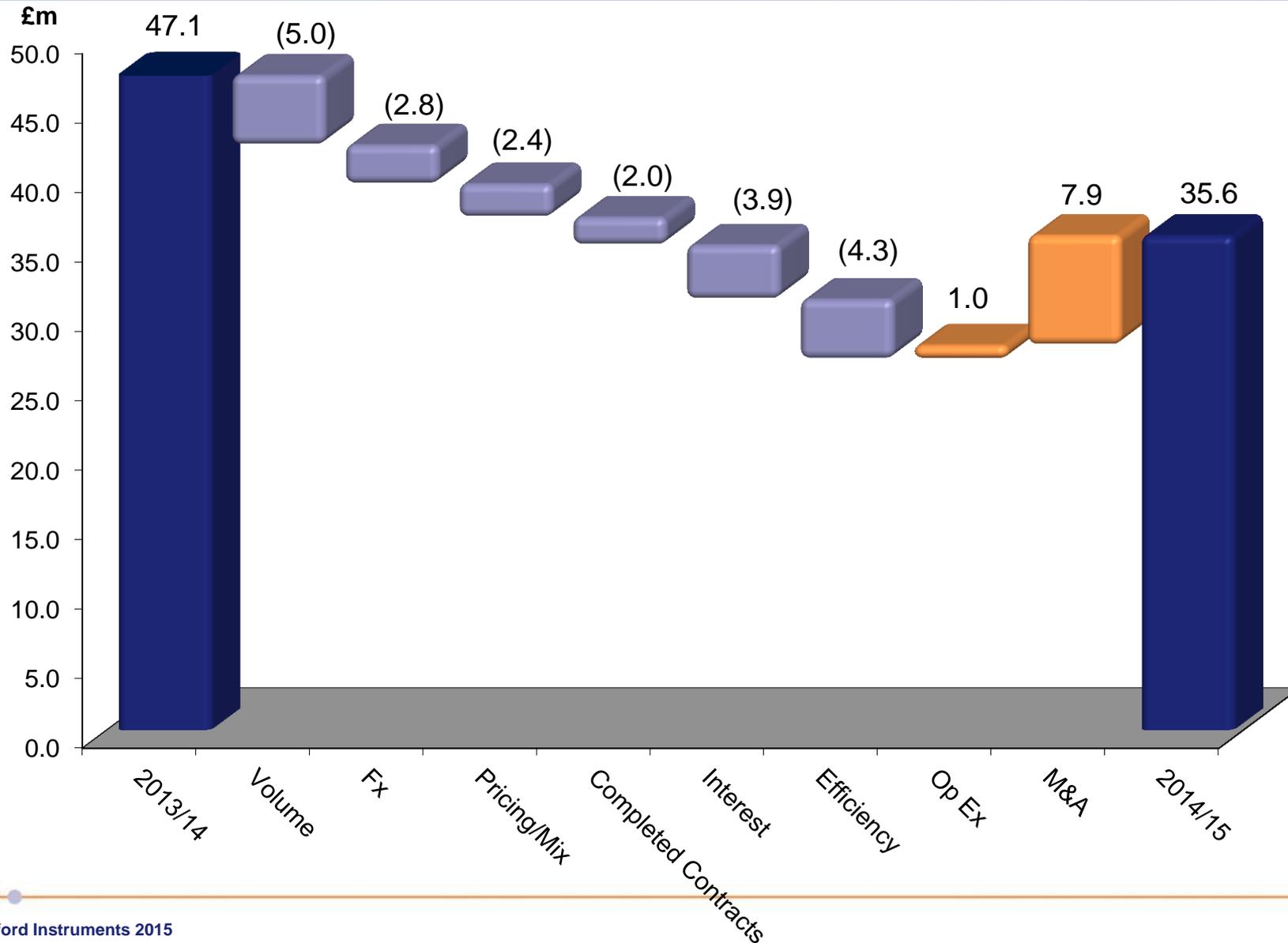


Industrial Products



- Research and Academia
- Life Sciences
- Environment
- Metals & Construction
- Semicon/IT
- Energy

Profit Bridge

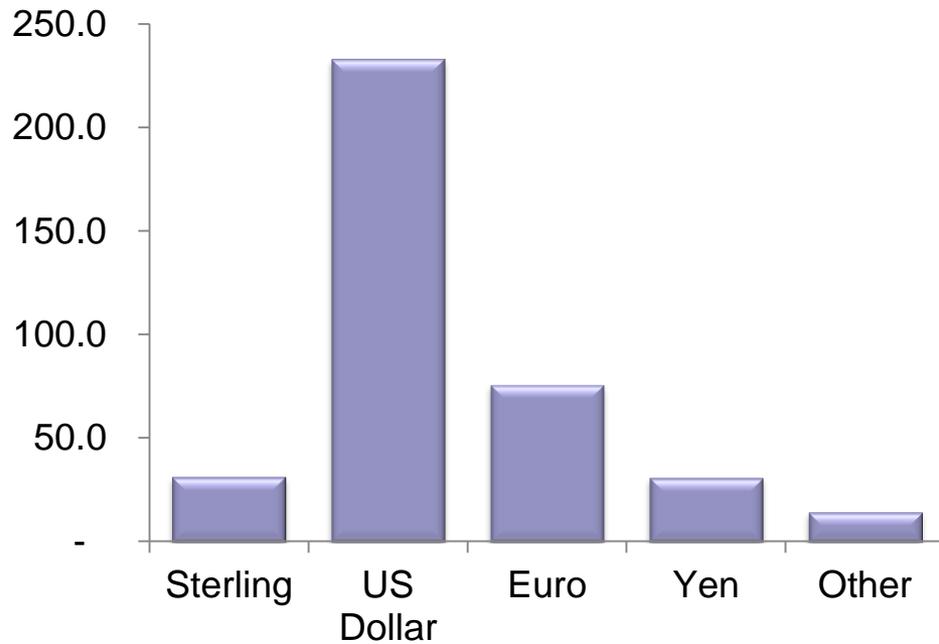


Segmental Profit

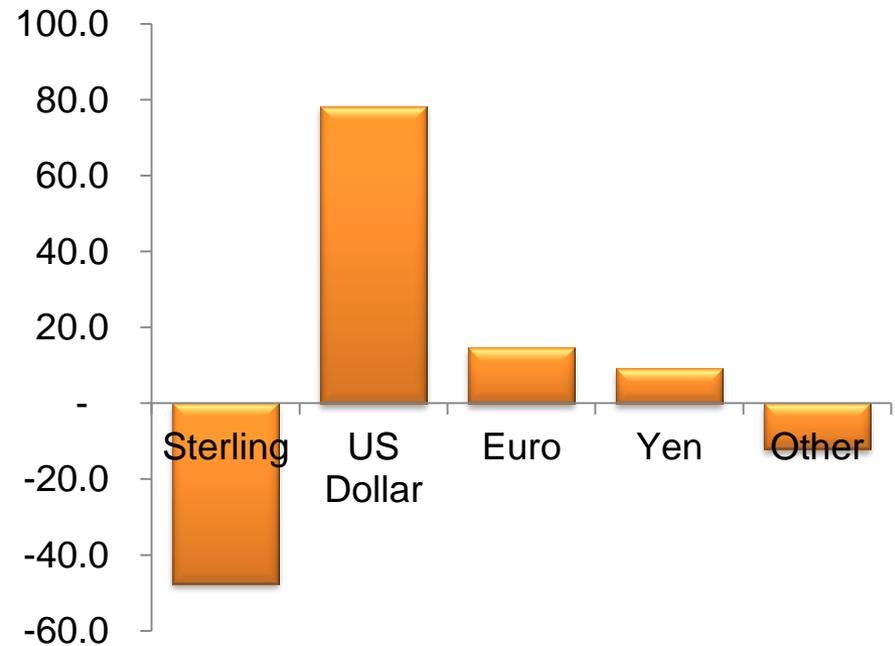
£'M	Nanotechnology Tools	Industrial Products	Service	Total
2013/14	21.2	15.6	13.5	50.3
Organic	(7.9)	(6.4)	1.6	(12.7)
FX	(0.7)	(1.9)	(0.2)	(2.8)
Acquisitions	8.1	(1.0)	0.8	7.9
2014/15	20.7	6.3	15.7	42.7
ROS				
2013/14	11.7%	13.6%	20.3%	14.0%
2014/15	9.8%	5.9%	22.9%	11.1%

Currency Exposure

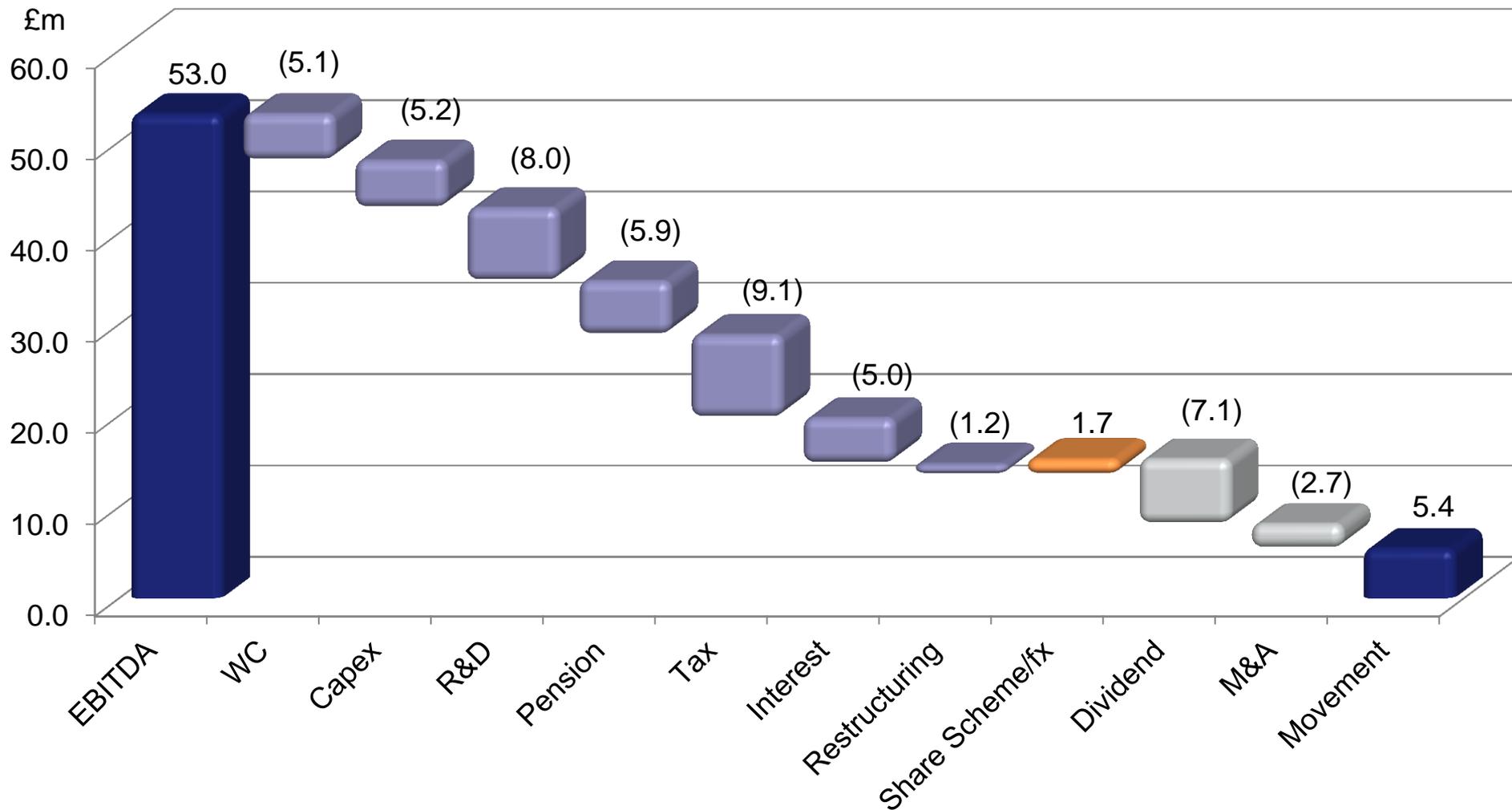
Sales £'m



Profit £'m



Cash



£'m	2014/15	2015/16	Total
Income Statement	9.9	1.4	11.3
Cash	1.2	7.4	8.6
Benefit	-	8.0	8.0

- 6 sites to close
- 7% reduction in employees
- Plasma Technology exit from high volume production semiconductor market

M&A Activity Post Year End

£'m	Date		Consideration	Pro-forma Annual	
				Sales	EBIT
MIR	1/5/15	Acquisition	15.2	10.7	1.8
Omicron	28/5/15	Disposal	-	28.5	(0.6)
Scienta-Omicron	28/5/15	Joint Venture	-	-	1.0

Operational Review

Jonathan Flint

Nanotechnology Tools

**High-performance
technology products**

- **NanoSolutions**
- **NanoCharacterisation**

Industrial Products

**Analytical instruments
and high technology
components**

- **Industrial Analysis**
- **Industrial Components**

Service

**Service, support, training,
refurb, consumables,
accessories**

- **OI Healthcare**
- **OiService - own products**

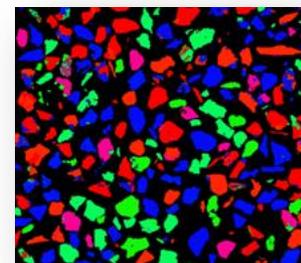
Nanotechnology Tools

highest technology products serving research and industrial customers in the public and private sectors



The Business of Science®

- Andor contributed strongly
- NanoScience and Asylum performing well
- Plasma Technology affected by continued weak demand for HBLED and Russian sanctions
- NanoAnalysis generally strong. Weaker in Japan
- Omicron progressed to break even and placed in Joint Venture



Industrial Products

analytical systems for quality control, environmental and compliance testing, and components for industry and research



The Business of Science®

- Weaker performance in the year
- Delayed launch of X-MET8000
- Building improved distribution channels in North America and China
- ITER completion in Q1 2014 yielded tough comparators
- Integration of acquisitions Roentgenanalytik and RMG near completion
- Maxxi 6, the first fully developed product from Roentgenanalytik acquisition



- Good performance in all territories
- Ongoing success of MRI and CT scanner servicing business
- Completion of Siemens MRI service
- Acquisition of Medical Imaging Resources



- Orders and revenues are up; adjusted profit before tax is down
- Challenges in Russia and Japan
- Weaker than expected trading in Industrial Analysis
- Accelerated cost reduction programme
- MIR acquisition; Omicron Joint Venture
- Andor Technology has integrated well and is performing strongly

- Slow start in the first two months
- Expect to see a return to organic growth as recently launched products and improved routes to market gain traction
- Expectations for current year unchanged
- Nanotechnology and the convergence of the sciences will continue to yield long term structural growth

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