

# Acquisition of Bifold Group

August 2015

**rotork**



## Summary

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- Acquisition of Bifold Group, a leading instrument valve manufacturer
- Significant step forward in delivery of flow control strategy
- Highly complementary product portfolio
- Significantly increases Rotork's addressable market by £750m
- A long held target company. Strategic addition to Rotork Instruments and the Group
- Consideration of up to £125m on a cash-free and debt-free basis, funded from new committed debt facilities

## Bifold Overview

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- Bifold is a leading developer and manufacturer of pneumatic and hydraulic system components, primarily for the oil & gas market
- Expertise in niche sub sectors such as subsea and wellhead control systems
- Focus on ultra-low power technology and delivering configured product in market leading timescales
- Strong market presence coupled with excellent brand recognition
- Approx. 300 staff located in Manchester, Taunton and Lutterworth UK



## Rotork Acquisition Rationale














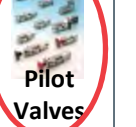










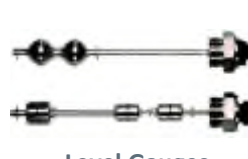



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- Directly in line with core strategy of strengthening Rotork's presence in the flow control sector and broadening our product portfolio

	Bifold
Enhance Position in an End User Market	✓
Enhance or Extend Product Offering	✓
Enhance Position in a Geographic Market	

- Increase Rotork addressable market by £750m to £4.3bn
- Technical expertise in hydraulic and ultra low power technology
- Strong product development culture
- Strategic addition to Rotork Instruments
- Strong management team who will remain following acquisition

## Strategy for Growth

	Pressure	Flow	Temperature
Control	    	        	  
Measurement	   	   	  

## Financials

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- Total consideration up to £125m in cash, £115m on completion and £10m deferred for up to 2 years based on achieving specific financial targets
- 31 August 2014: £41.0m sales, £10.2m EBITDA
- 31 August 2015 forecast: £37.7m sales, £7.6m EBITDA
- Well invested, high quality business

## Appendix







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