

ROTORK plc

Interim Results 2002



ROTORK GROUP INTERIM RESULTS 2002

Highlights

- **Group turnover up 13% to £65.0m**
- **Operating profit before goodwill amortisation up 14% to £12.6m**
- **Adjusted EPS up 9% to 9.8p**
- **Fluid System businesses making strong progress with increased orders and profitability**
- **Interim dividend up 7.5% to 5.0p**

ROTORK GROUP INTERIM RESULTS 2002

Group Turnover by Currency

	First Half 2002 £m	Currency Effects £m
Sterling	18.5	-
US Dollar*	23.6	0.5
Euro	14.9	(0.3)
Venezuela	1.9	0.7
Other	<u>6.1</u>	<u>0.4</u>
TOTAL	65.0	1.3

*** This includes US\$, Canada \$, Malaysia, Hong Kong**

ROTORK GROUP INTERIM RESULTS 2002

Turnover and Profit

	First half 2002 £m	First half 2001 £m	
Turnover	65.0	57.5	
Acquisitions	(3.8)		
Currency effect	<u>1.3</u>		
Underlying turnover	62.5	57.5	up 9%
Profit before goodwill amortisation	12.8	11.5	(up 11.3%)
Profit before tax	12.1	11.0	(up 10.0%)

ROTORK GROUP INTERIM RESULTS 2002

Profit and Loss Account

- **Gross margin in core business up 2%**
- **Group overheads up**
- **Overall net margin constant at 20%**

ROTORK GROUP INTERIM RESULTS 2002

Tax

	First half 2002 £m	First half 2001 £m
Turnover	65.0	57.5
Profit before goodwill amortisation	12.8	11.5
Profit before tax	12.1	11.0
Tax	(4.4)	(3.7)
Effective tax rate before goodwill amortisation	34%	

ROTORK GROUP INTERIM RESULTS 2002

Financial Highlights

	First half 2002 £m	First half 2001 £m
EPS basic	9.0p	8.4p (up 7%)
EPS adjusted	9.8p	9.0p (up 9%)
Dividend per share	5.00p	4.65p (up 7.5%)
Dividend cover	1.8	1.8

ROTORK GROUP INTERIM RESULTS 2002

Balance Sheet

	30 June	31 Dec
	2002	2001
	£m	£m
Fixed assets		
Intangible	21.3	16.6
Tangible	14.8	14.1
Investments	<u>0.3</u>	<u>0.6</u>
	36.4	31.3
Current assets		
Stock	20.0	18.0

ROTORK GROUP INTERIM RESULTS 2002

Inventory

	30 June	31 Dec
	2002	2001
	£m	£m
Components	10.5	12.7
Work in progress and finished goods	8.3	5.3
Jordan	1.2	-
	<u>20.0</u>	<u>18.0</u>

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Intangible	21.3	16.6
Tangible	14.8	14.1
Investments	<u>0.3</u>	<u>0.6</u>
	36.4	31.3
Current assets		
Stock	20.0	18.0
Debtors	36.2	33.7

ROTORK GROUP INTERIM RESULTS 2002

Debtors

	30 June 2002 £m	31 Dec 2001 £m
Debtors	36.2	33.7
of which trade debtors	29.1	30.3
– Days outstanding reduced by	2	
– Non trade debtors	7.1	3.4
– Non trade debtors increase due to pre paid taxes		

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Intangible	21.3	16.6
Tangible	14.8	14.1
Investments	<u>0.3</u>	<u>0.6</u>
	36.4	31.3
Current assets		
Stock	20.0	18.0
Debtors	36.2	33.7
Cash	<u>13.2</u>	<u>22.2</u>
	69.4	73.9
Creditors & provisions	(35.6)	(37.3)
Net assets	70.2	67.9

ROTORK GROUP INTERIM RESULTS 2002

Group Cashflow

	First half 2002 £m	First half 2001 £m
Operating profit	11.9	10.6
Depreciation	1.1	1.1
Goodwill amortisation	0.7	0.5
Working capital movement	(2.9)	(2.1)
Net cash in from operating activities	10.8	10.1

ROTORK GROUP INTERIM RESULTS 2002

Group Cashflow

	First half 2002 £m	First half 2001 £m
Net cash in from operating activities	10.8	10.1
Net interest received	0.2	0.4
Taxation	(4.6)	(3.4)
Net capital expenditure	(0.9)	(0.8)
 Net cash generated by operations	 5.5	 6.3
 Dividends	 (7.1)	 (6.7)
Acquisitions and disposals	(7.7)	0.1
Financing	<u>0.3</u>	<u>0.8</u>
Cash (outflow)/inflow	(9.0)	0.5
 Cash balance at 30 June	 13.2	 17.3

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