

Preliminary results

25 March 1999



Preliminary results

	1998	1997	1997 restated #
Turnover	£101.44	£92.85m	£84.93m*
Profit before tax	£25.41	£ 22.32m	£18.06m*
Earnings per share	19.26p	16.06P	
Dividend per share	10.90p	9.30p	

* pre-exceptional

using 1997 average exchange rates



UK / Overseas split

	1998 £m	1997 £m
Turnover	101.44	92.85
UK customers (% of turnover)		22.57 (24.3%)
Overseas customers (% of turnover)		70.28 (75.7%)
Profit before taxation (% on turnover)	25.73	22.32 (24.0%)
UK		14.39
Overseas		7.93
Taxation (rate)		8.11 (36.3%)
UK (rate)	3.96	4.86 (33.8%)
Overseas (rate)	5.11	3.25 (41.0%)


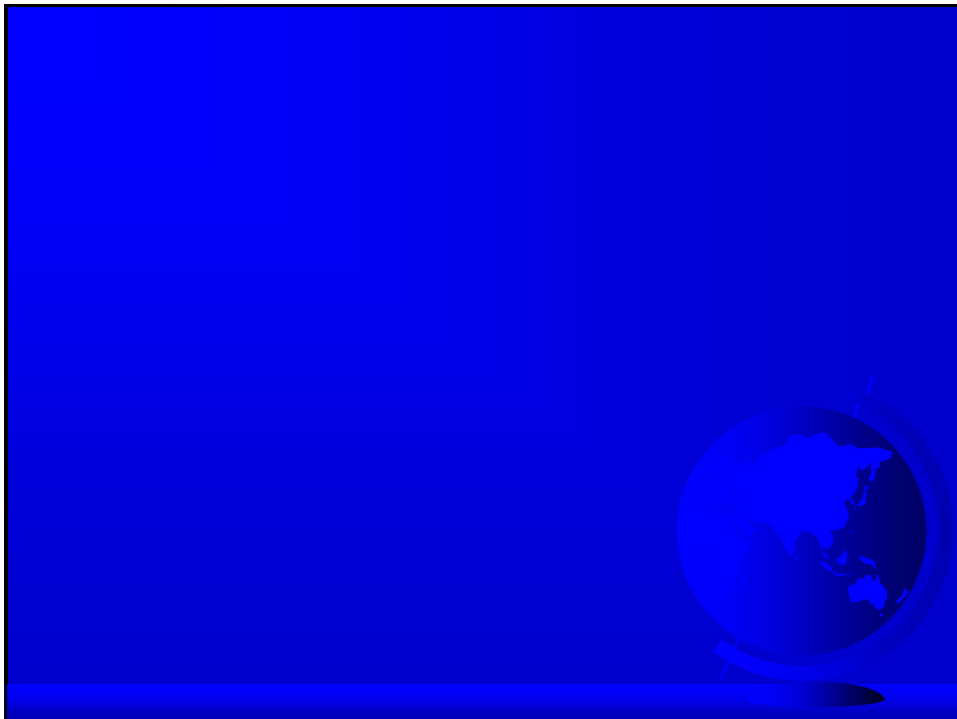
Net assets

as at 31 December

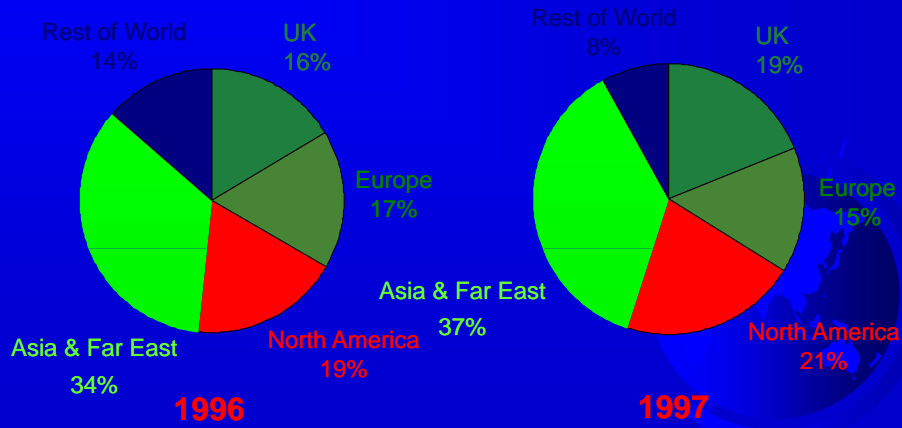
	1998 £m	1997 £m
Fixed assets	11.4	9.7
Current assets		
Stocks	13.4	14.0
Debtors	27.3	22.3
Net cash	33.0	33.9
	73.7	70.2
Creditors and provisions		(35.0)
	38.2	35.2
Net assets	44.9	44.9

Results in the 1990s

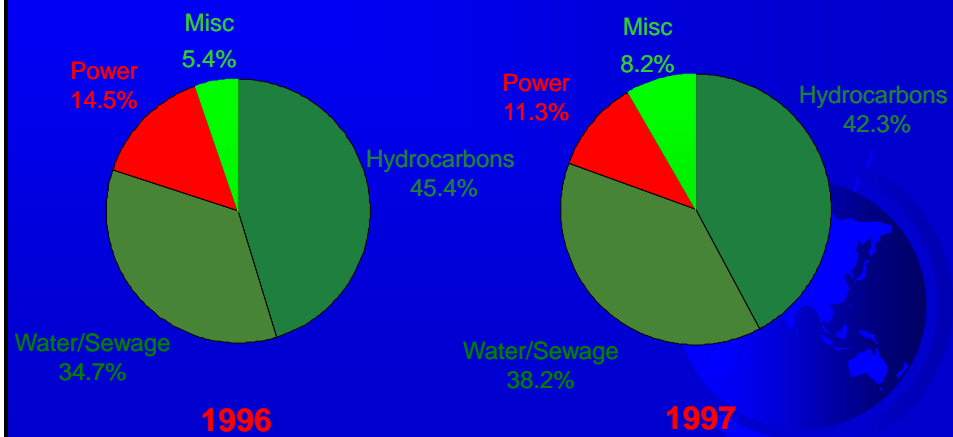
		1998	1997	1996	1995	1994	1993	1992	1991
Turnover			92.8	90.8	80.0	77.2	70.8	57.1	51.5
Operating profit	(+278%)		20.4	17.7	14.1	13.4	11.9	9.5	8.4
Pre-tax profit	(+265%)		22.3	19.0	15.3	14.0	12.9	10.5	9.5
eps	(+267%)		16.06	13.50	11.11	10.01	9.38	7.56	6.89
dps	(+248%)		9.30	8.00	5.40	4.80	4.25	3.72	3.33
rpi	(+34%)		160						
Share price	(+341%)		322	259	196	164	175	149	104
FTSE									
All Share	(+132%)		2796						1205
100	(+146%)		5968						2423

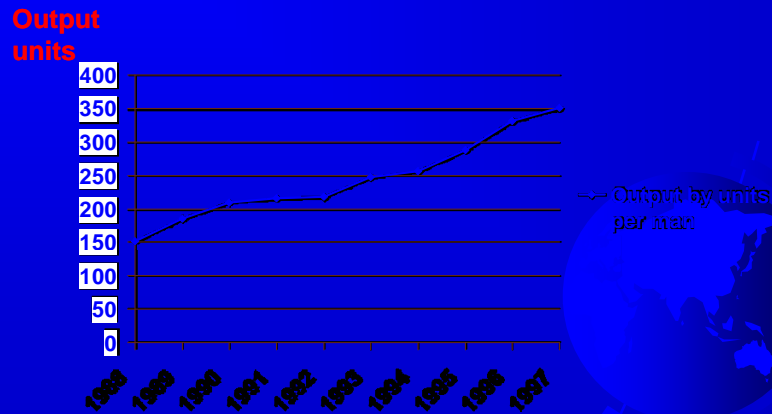
Electric actuator input by final destination



Electric actuator input by industry



Productivity - Bath plant



Project 55

Objective

To increase production capacity by 66% within current factory constraints.

How?

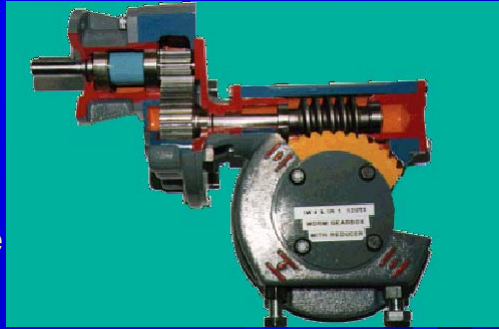
- Reduce inventory:
 - ◆ Kanban with suppliers
 - ◆ Batches of 1
- Reduce material handling:
 - ◆ Trackside delivery

When?

- IQ size 1 & 2 flow line in operation April '98
- Total new factory layout planned February '99

Alecto and Exeeco Gearboxes

- ☞ 90 deg worm type for ball, butterfly, plug valves & dampers
- ☞ Multi-turn type for penstocks and gate and globe valves



HPG actuator



New product development

