



Capital Markets Event

Agenda



16.40	Welcome	Mark Rollins
16.45	Q3 IMS	Simon Nicholls
17.05	Introduction	Mark Rollins
17.20	Flexonics Division Overview	Mike Sheppard
17.35	Senior Flexonics Bartlett	Joe Mockus
17.50	Senior Flexonics Pathway	Dorian Shillingford
18.05	Senior Flexonics Germany	Andreas Brand
18.20	Summary	Mark Rollins
18.30	Q&A Session	All
19.00	Drinks	
19.15	Dinner	
21.15	Evening Close	

Please ask questions at the end of each session



Q3 IMS

(Simon Nicholls)

Q3 Interim Management Statement



Performance

Q3 trading positive and in line with expectations
£68m net debt at end Q3 - £25m reduction in year

Aerospace

Boeing/Airbus ytd deliveries up 16%. Orders ahead of deliveries
23 B787s delivered ytd– production ramp up on plan
Business and regional jet markets stable
Program wins requiring significant engineering effort
Unsurprisingly, military & defence beginning to soften

Flexonics

European automotive weak. N.American trucks lower than H1
Non-European industrial sales healthy and mix good
Overall Q3 was strong performance – lower materials helping
China JV began life in August. Hargreaves sold last week

Outlook

Large commercial aerospace strong and visible
Land vehicle & military markets more challenging
2012 expected to be in line with expectations
Further progress in 2013, assuming conditions remain as today



Introduction

(Mark Rollins)

Purpose of the Event



To provide a better understanding of:

What makes Senior tick;

The Flexonics Division's products, capabilities and facilities;

The nature of Senior's future opportunities in these areas; and

The management Senior has to deliver on such opportunities.

& to answer any questions you may have – aerospace included

What is Senior



International manufacturing Group with 29 operations in 13 countries

Market-leading engineering solutions provider for OEMs in the worldwide aerospace, defence, land vehicle and energy markets

Operates through two reporting (three management) Divisions: Aerospace (Fluid Systems & Aerostructures) & Flexonics

“Tell it as it is” philosophy throughout the organisation

Culture of empowerment of autonomous, but collaborative, operations operating within a well-defined control framework

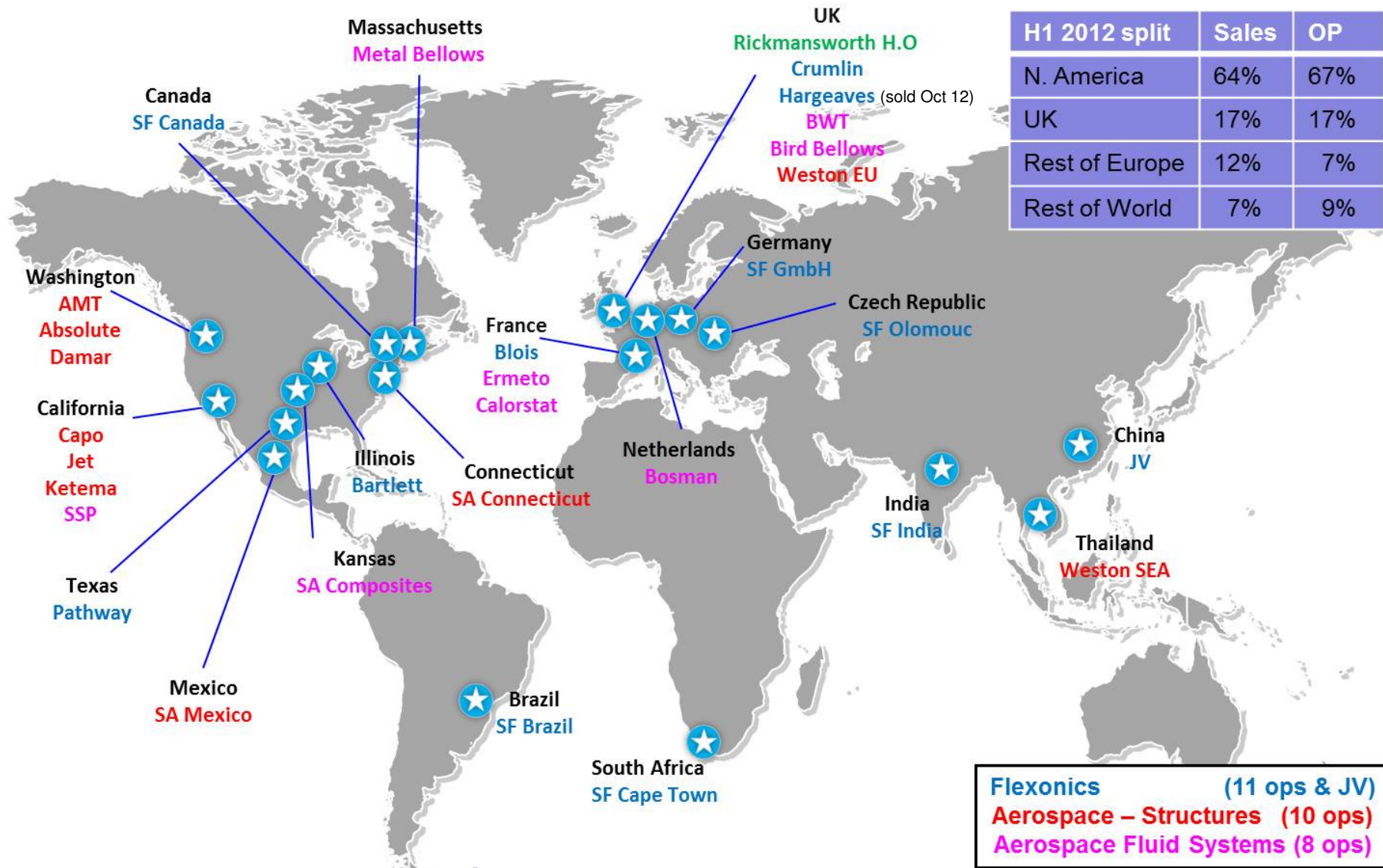
People, operational excellence and customer relationships are all key

Creator of shareholder value through development of integrated portfolio of high value-added engineering companies

Consistent focus on cash generation and operating in a safe manner



Senior's Locations



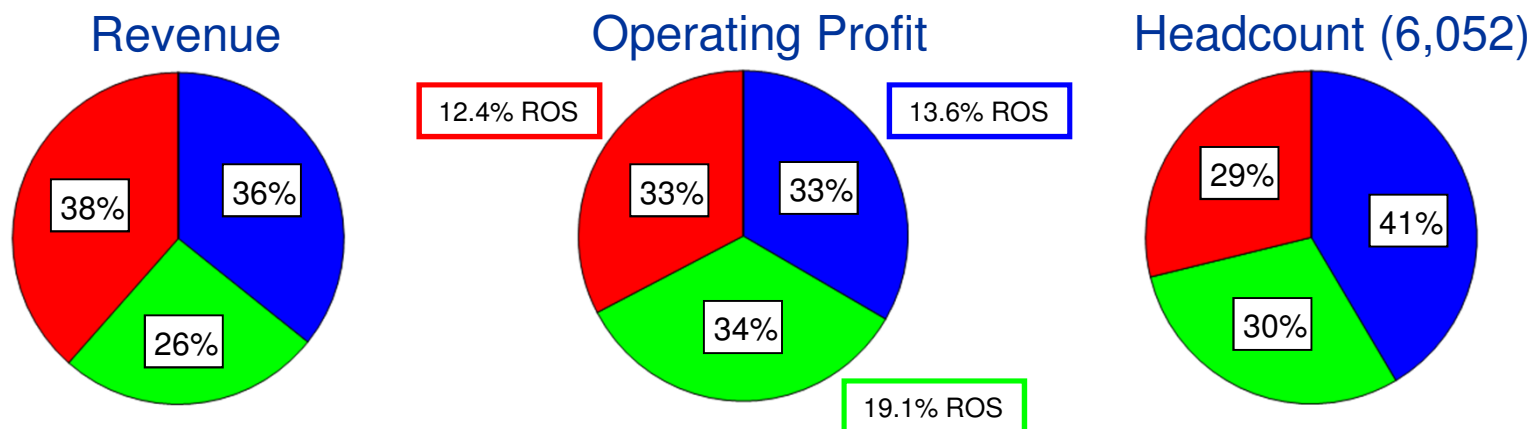
22nd October 2012

Capital Markets Event

H1 2012 Group Performance

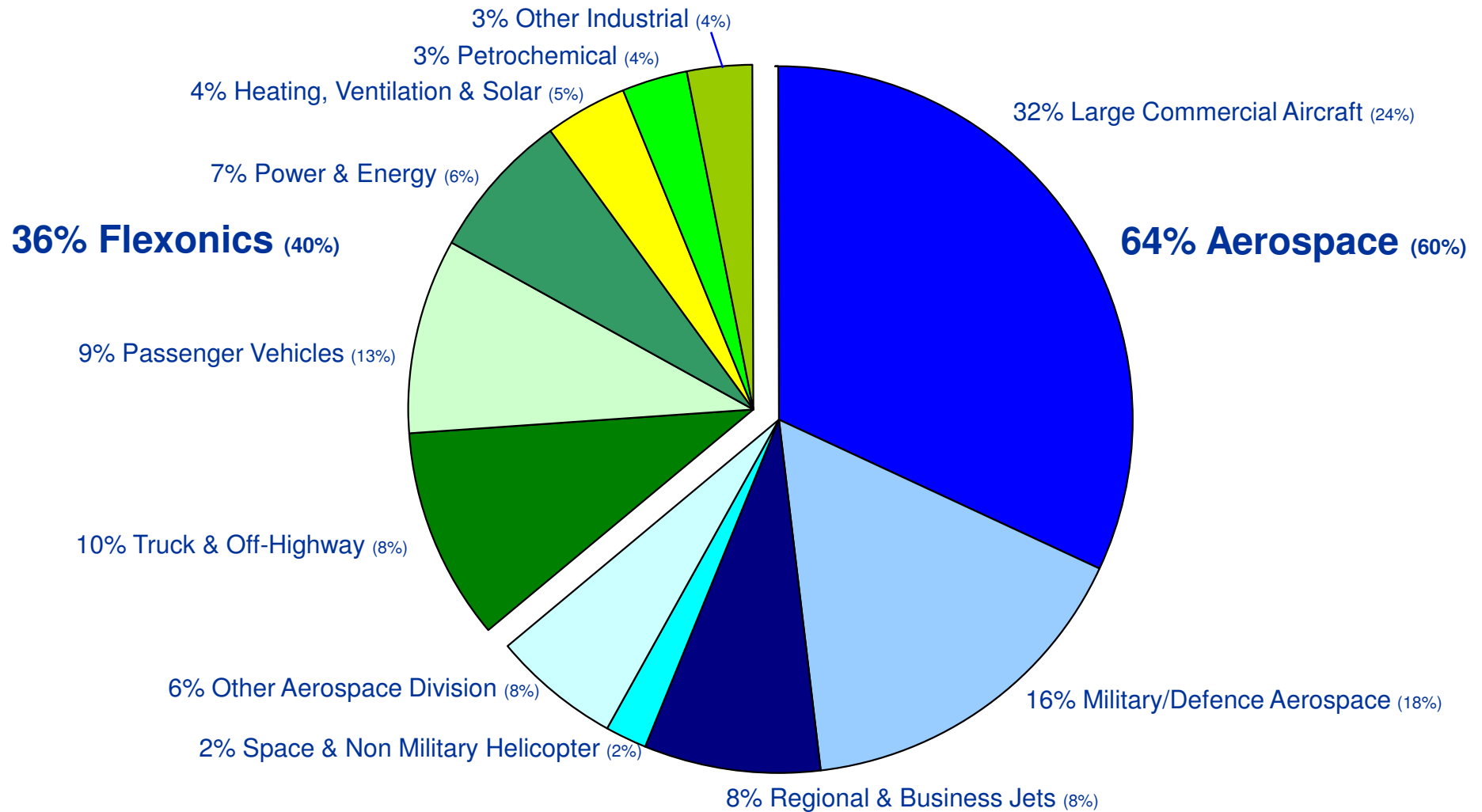


	H1 2012	H1 2011	Change
Revenue	£377.2m	£315.6m	+20%
Adjusted Operating Profit	£50.7m	£43.0m	+18%
Adjusted Operating Margin	13.5%	13.6%	-



Aerospace – Structures **Aerospace – Fluid Systems** **Flexonics**

Group Markets (H1 2012)





Flexonics Overview

(Mike Sheppard)

Senior Flexonics



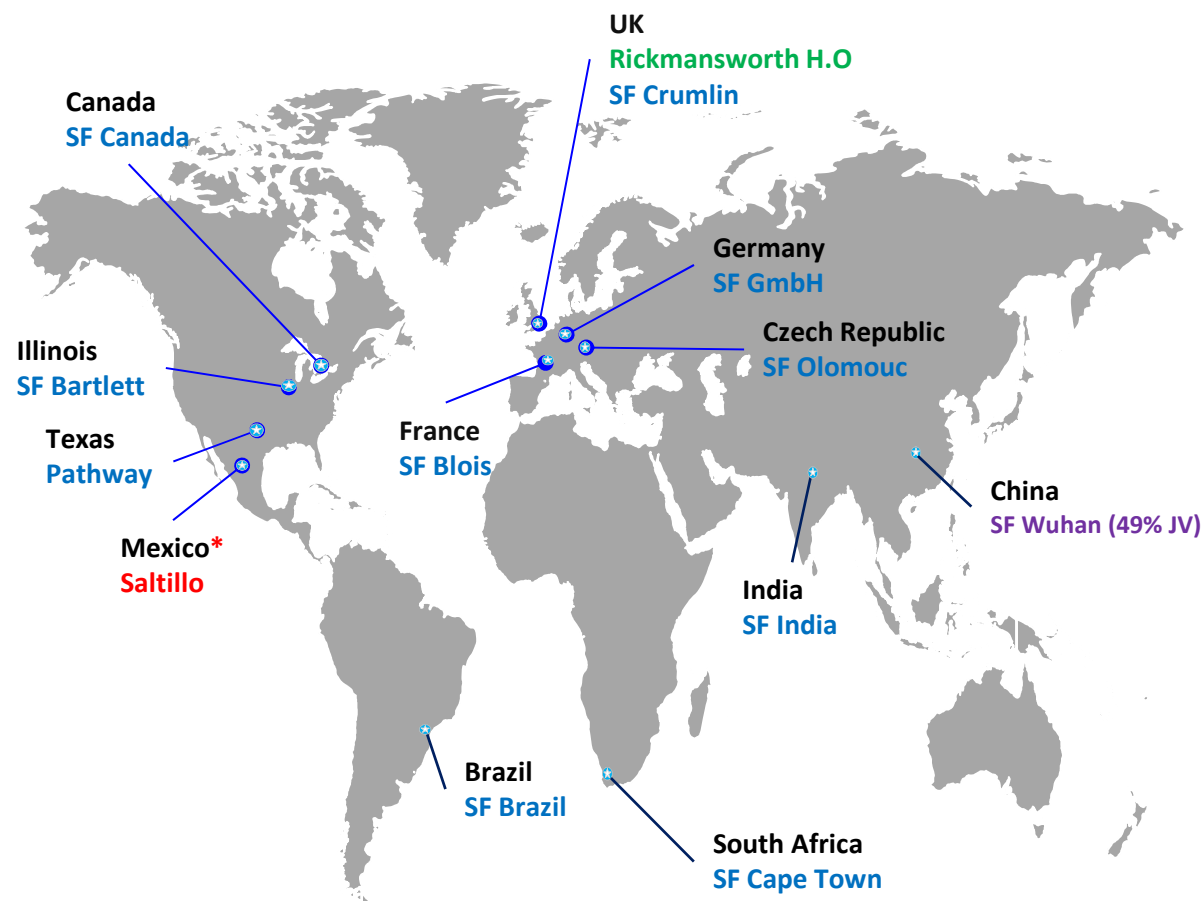
Michael Sheppard, CEO

- US Citizen, located Bartlett, IL USA
 - Senior Flexonics CEO 12 years
 - Senior Plc Board 2002-2009
 - Senior Flexonics – Bartlett VP/GM 1994-2000
 - Senior Flexonics BUD & Dir. Of Engineering
 - Graduated from University of Arkansas – BSME
- Business Philosophy
 - Be an engineered solution provider
 - Develop global opportunities
 - Pursue profitable growth
 - Manage our costs



Senior Flexonics

Facilities overview



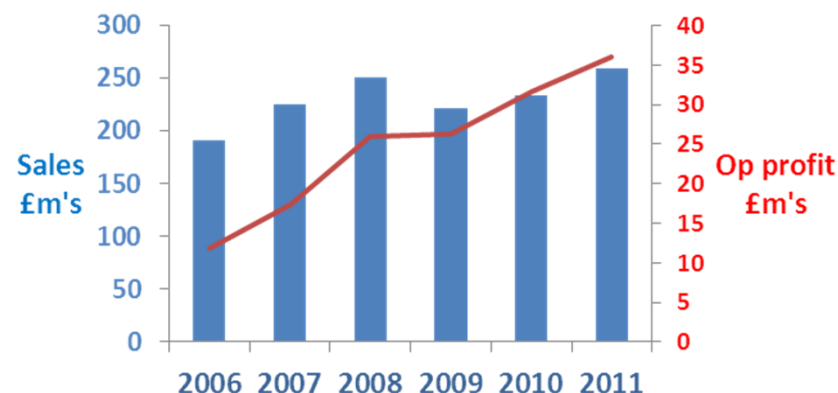
	Business	% H1 12 sales
1	Bartlett	31
2	Pathway	18
3	Germany	11
4	Blois	8
5	Cape Town	7
6	Brazil	5
7	Olomouc	4
8	Canada	4
9	India	3
10	Crumlin	1

In addition Hargreaves (now sold) accounted for 8% of H1 2012 sales

* Start up of assembly work in Senior Aerospace Mexico facility for Bartlett

Senior Flexonics

Financial overview



£m's	2010	2011	2012 H1	Excl Hargreaves
Sales	233.5	258.5	134.9	123.2
Op profit	31.6	36.0	18.3	17.9
Op %	13.5%	13.9%	13.6%	14.5%

H1 Excl Hargreaves	H1 2011 ⁽²⁾	H1 2012	Change
Revenue	£115.0m	£123.2m	+7.1%
Adjusted Operating Profit ⁽¹⁾	£15.9m	£17.9m	+12.6%
Adjusted Operating Margin ⁽¹⁾	13.8%	14.5%	+0.7ppts

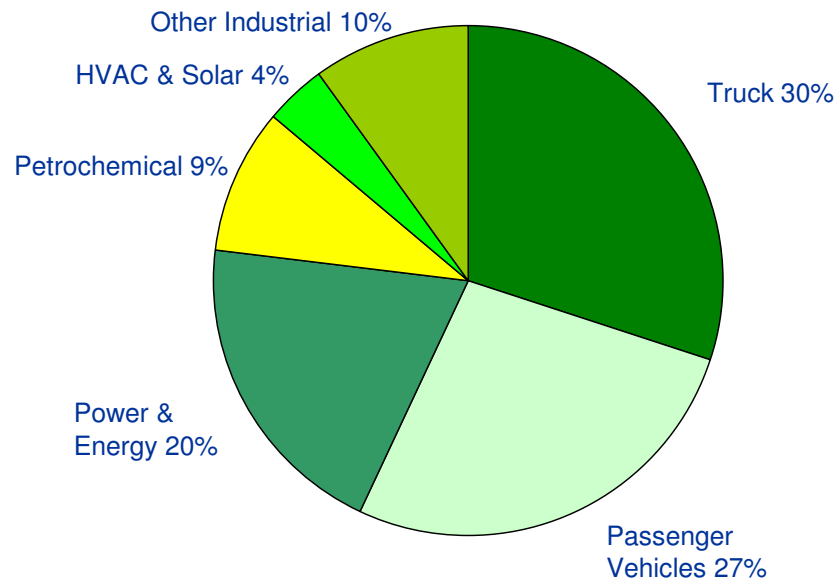
(1) Before acquisition costs of £0.3m (2011: £nil).

(2) All at June 2012 YTD exchange rates – translation effect only.

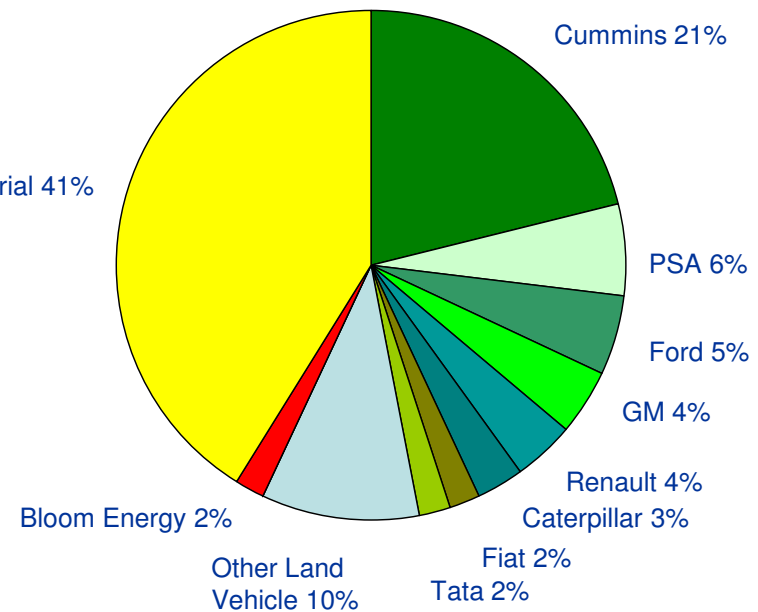
Senior Flexonics Overview (H1 2012)



Markets



Customers

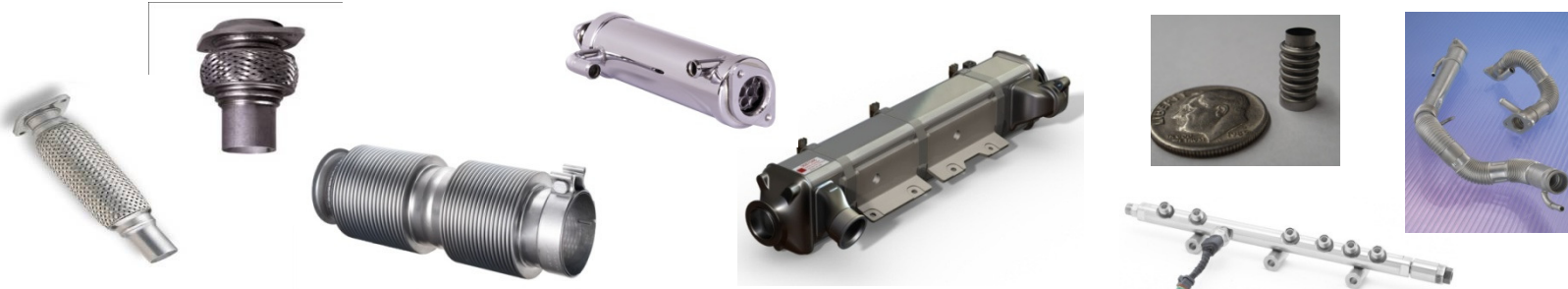


Senior Flexonics

Product overview



Land Vehicle Emissions: Passenger Car, Truck, Off Highway



Industrial Equipment: HVAC/Solar, Medical, Fuel Cells, Seals,

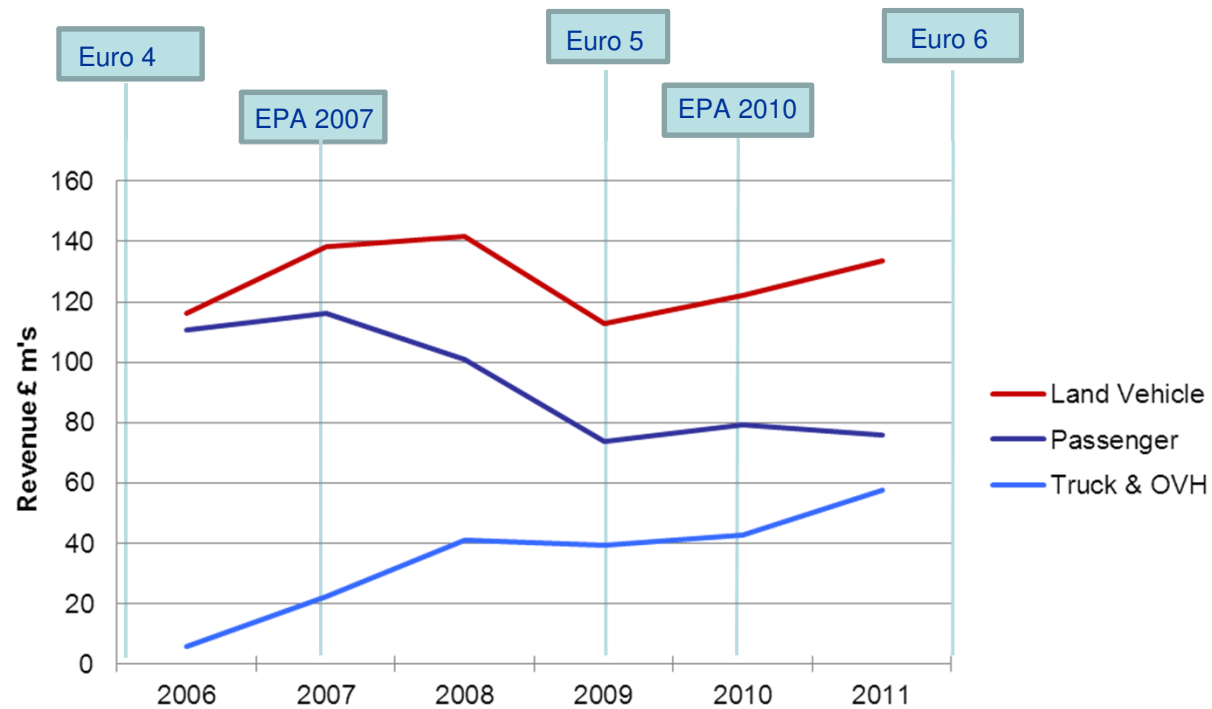


Industrial Process: Petrochem, Power Gen, Steel Mills,....



Senior Flexonics

Land Vehicles



Exhaust Flexes,
Tubes, HP lines



EGR Coolers
HP Rails

- Engineered products
- Emission driven
- Higher barriers to entry

Business Focus: High vol., Local Customers,

Niche positions, Global Support, Value Added

Senior Flexonics

Globalisation



Flexonics Sites	Large Ind projects	LV Exhaust flexes	LV Heat exchangers	LV Common Rail	LV HP lines	LV Turbo connectors
						
Pathway, US						
Canada						
Sao Paulo, BZ						
New Delhi			Planned		Import	
China		Planned		2013 Q4		
Blois, FR						
Olomouc, CZ						
Germany						
Crumlin, UK						Sales & Eng
Bartlett, US					Import	
Cape Town, SA						
Mexico		In Aero Facility				

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Growth strategy



Sector

Land Vehicle Emission Control

Heat Exchangers

Exhaust Flexes

Common Rail Diesel

Gasoline Direct Injection

Industrial Process Control

Expansion Joints & Dampers

Hoses, Flexes, Bellows

Fuel Cells, CHP, Solar Power & Heating

Strategic Objectives

- ❑ Continue to **develop product portfolio** in line with increasing **emission regulation** standards via both new technology (Waste Heat Recovery) and new markets (Fuel Cells)
- ❑ Grow share of **heavy-duty/off-highway diesel** engine programmes
- ❑ **Globalization of emissions products** within emerging markets via global base
- ❑ **Develop China (JV)** adding new customers
- ❑ Acquisition Targets: **Precision Machining**
- ❑ Capitalise on **energy sector requirements** to comply with **reduced emissions standards** (e.g. US Cross-State Air Pollution Rule)
- ❑ Build on success with **global projects** (FCCU, Catofin, Gas Turbine Power Gen)
- ❑ Seek **proprietary adjacent products**
- ❑ Participate selectively in developments in **key new technology applications** (e.g. combined heat & power, fuel cell, concentrated solar power)



Senior Flexonics Bartlett

(Joe Mockus)

Senior Flexonics – Bartlett

Introduction



Joe Mockus, VP/GM, Bartlett Operations.



- US Citizen, office/operations in Bartlett, Illinois.
- Experience – 23 years of Operational, Technical and Executive Leadership.
 - Senior Flexonics as Bartlett VP/GM for 2 years.
 - Femco Holdings as President & COO for 1 year.
 - Lucas Milhaupt North America as President for 2 years.
 - Underwriters Laboratories for 4 years, multiple roles.
 - Andrew Corporation (communication hardware) for 13 years, multiple roles.
- Master of Business Administration degree (with Honors)
University of Chicago.
- Bachelor of Science degree in Engineering
Michigan Technological University.

Senior Flexonics - Bartlett Background



- Founded in 1902 as Chicago Tubing & Braiding.
- Bartlett facility built in 1960 - 370,000 sq. ft. facility on a 19 acre site.
- Acquired by Senior Plc. in 1992.
- 31% of H1 Divisional revenues (largest operation).
- 475 employees.

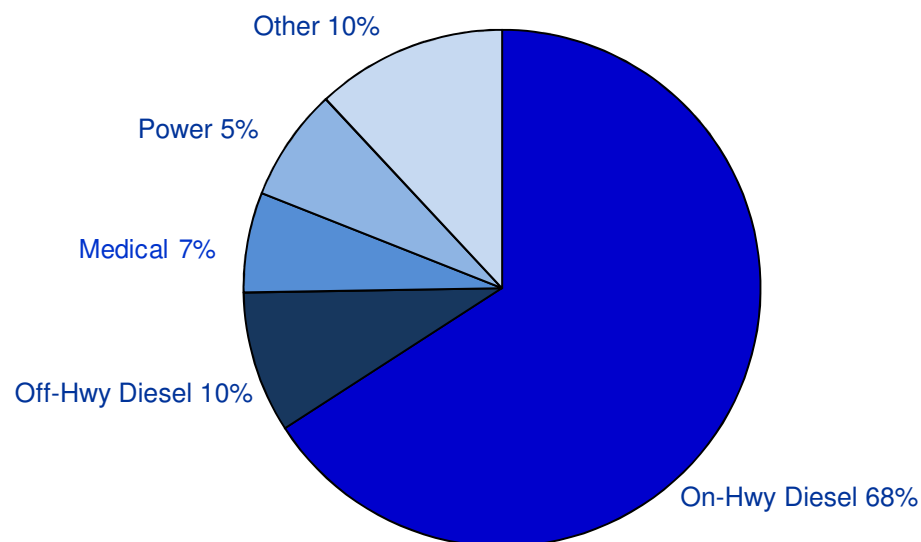


Senior Flexonics - Bartlett

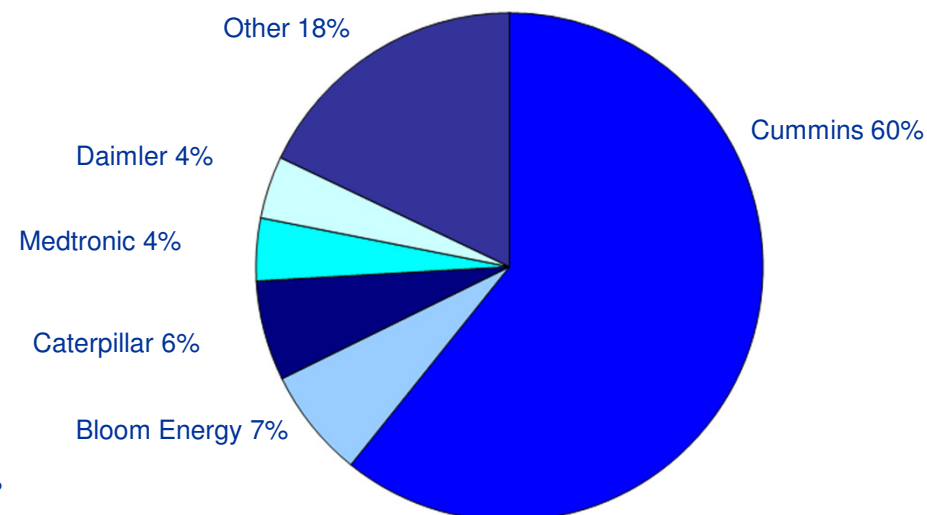
Markets served



Markets



Customers



- On-Highway Diesel segment consists of EGR Coolers, Fuel Rails, Exhaust Bellows and Tubes.
- Cummins account includes products shipped to the US, China, Brazil, UK, Mexico, Japan, Australia, Brazil and Sweden.

Senior Flexonics - Bartlett Capabilities



- Design, validation and manufacture of:
 - High-durability emissions and exhaust products that can withstand severe operating conditions in Heavy Duty On- and Off-Highway diesel engines.
 - Highly-efficient heat exchanger assemblies for unique Medical and Power applications.

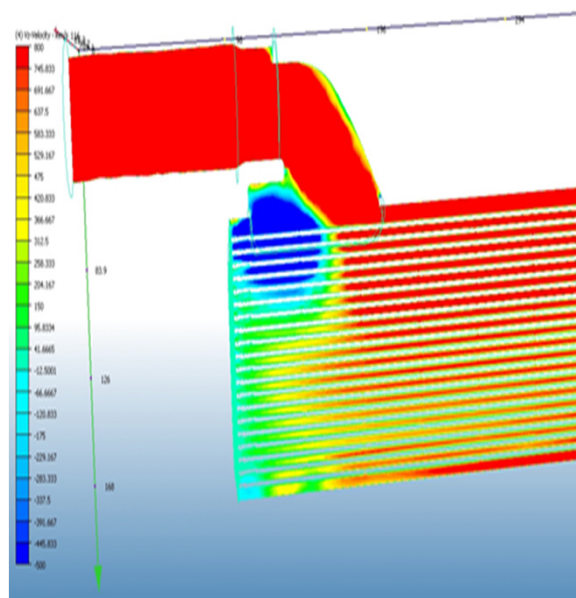
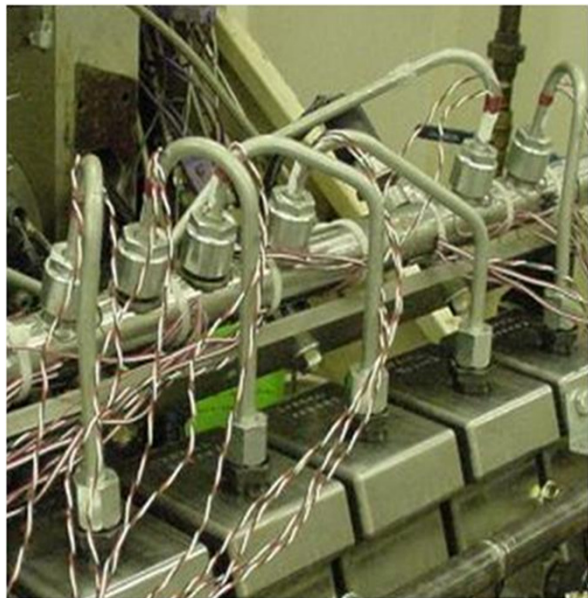


Senior Flexonics - Bartlett

Technical Capabilities



- Engineering and analysis
 - World-class finite element analysis and simulation capabilities
- Testing
 - In-house Technology Center for comprehensive validation testing and competitive benchmarking, including thermal analysis rig, chassis dynamometer and road testing.



**Making bellows
isn't rocket science.
It's harder.**

Senior Flexonics started out making equipment for the Saturn 5 rocket. But we've gone far beyond that. Now we produce custom bellows able to endure temperatures from -452°F to 2000°F. We manufacture the most durable Bellows, Common Rails and EGR Coolers designed to meet all global emissions standards.

Only from a company completely dedicated to innovation.

www.bellows.com

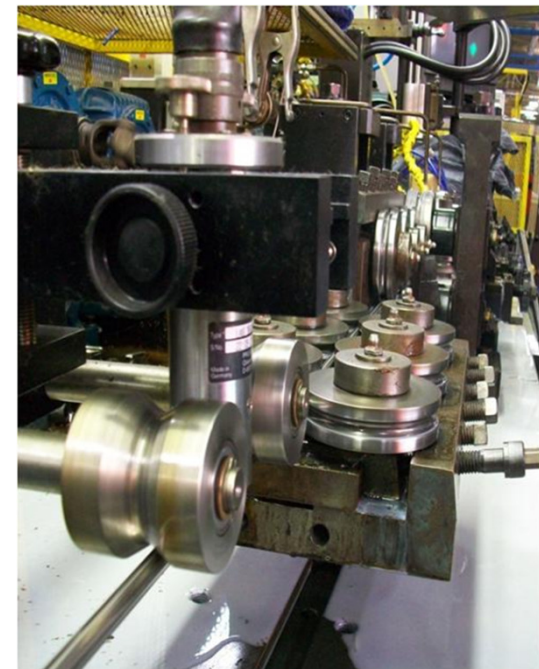
**senior
Flexonics**

www.senior-flexonics.com

Senior Flexonics - Bartlett Manufacturing Capabilities



- Tube forming
 - High-volume tube fabrication, corrugation and test
- Hydroforming
 - Capable of maintaining precise tolerances and complex geometries
- Welding & Brazing
 - High-volume
 - Exotic materials



Senior Flexonics - Bartlett Products



Senior Flexonics - Bartlett

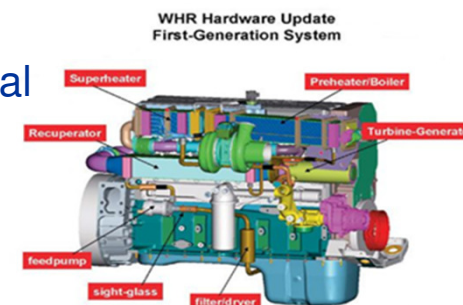
Growth Strategy



Growth Strategy: Customer Focus – Product Leadership – Operational Improvement

Outlook:

- Continued benefit from the roll-out of increasingly more stringent emissions and fuel economy standards globally.
- Maintain status as Cummins' sole source for Heavy Duty Exhaust Gas Recirculation Coolers (EGR) and expand product line to incorporate new technologies (Natural Gas, Waste Heat Recovery).
- Launch Fuel Rail production in Wuhan JV plant to service the Chinese On- and Off-Highway equipment market.
- Leverage Saltillo, Mexico facility to match US customers' manufacturing footprints and to reduce product cost, thus enabling Exhaust growth.
- Expand Specialty Products business into new Power and Medical markets and new geographic regions.
- Continuously reduce waste and improve velocity of our manufacturing operations.





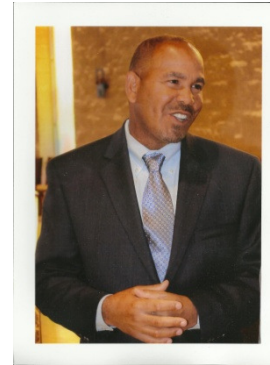
Senior Flexonics Pathway (Dorian Shillingford)

Senior Flexonics - Pathway

Introduction



Dorian Shillingford, CEO, Pathway Wahlco.



- Canadian Citizen, US permanent resident, office/operations in New Braunfels, Texas.
- Experience – 22 years of Operational, Finance and Executive Leadership.
 - Senior Flexonics, Pathway, CEO, for 8 years to present
 - Senior Flexonics, Canada, CEO, for 3 years
 - Parker Hannifin Corporation, 3 years of operations management
 - Parker Hannifin Corporation, 8 years as company controller.
- Degree and Designation in Finance from the Society of Management Accountants, of Canada

Senior Flexonics - Pathway Background



- Founded in 1902 as Chicago Tubing & Braiding
 - Adopted the Flexonics name in 1952
 - Acquired Tempflex and move to New Braunfels, Texas in 1980
 - Acquired by Senior Plc. in 1992
 - Acquired Pathway in 1999 and Wahlco in 2010.
-
- In 2004, added 30,000 to the existing 67,000 sq. ft in Texas and moved Pathway operations from Tennessee
 - 18% of H1 Divisional revenues
 - 290 employees.

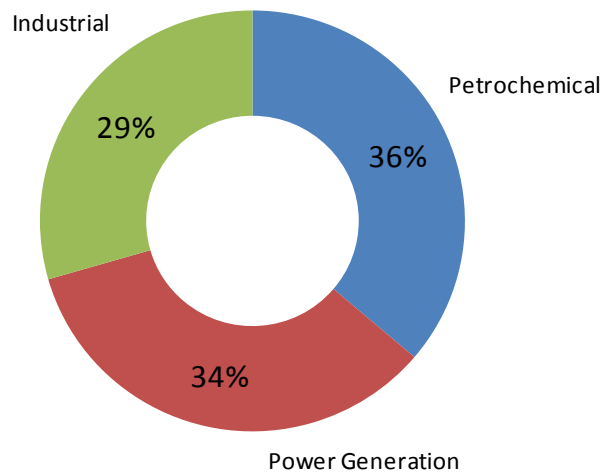


Senior Flexonics - Pathway

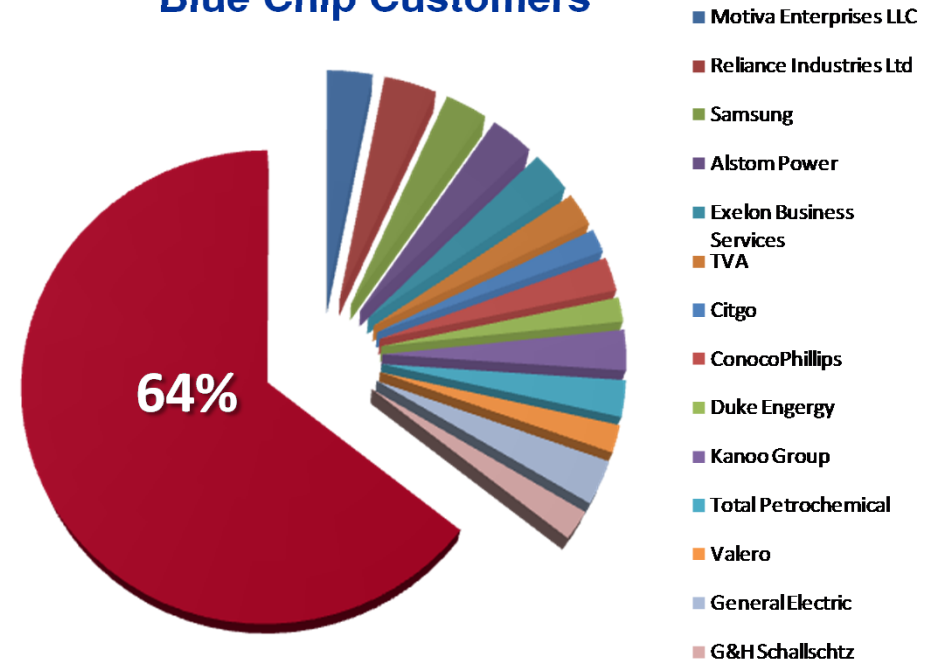
Markets served



Markets



“Blue Chip Customers”



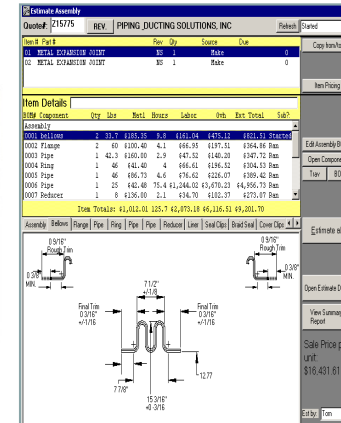
- Markets – Brand Recognition. Global markets and reach.
- Customers – Diverse & Global. Large and small. End users, EPCs or Traders.

The logo for Senior, featuring the word "senior" in a blue, lowercase, sans-serif font. The letter "o" is replaced by a stylized circular graphic consisting of three concentric rings: a blue outer ring, a black middle ring, and a white inner circle.

- “Engineering the impossible!”***

[illegible]

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Senior Flexonics - Pathway Manufacturing Capabilities



- Heavy fabrication parts work
 - Plate burning, rolling and pipe expanding
- Punch and hydro (bellows) forming
 - Geometries & tolerances tailored to severe service and special materials
- Welding & Assembly
 - Small volume, large sizes, complicated shapes
 - Exotic materials
 - Special weld procedures
- Application specific
 - Heat treats, X-rays, material integrity, pressure testing



Senior Flexonics - Pathway Growth Strategy (1)

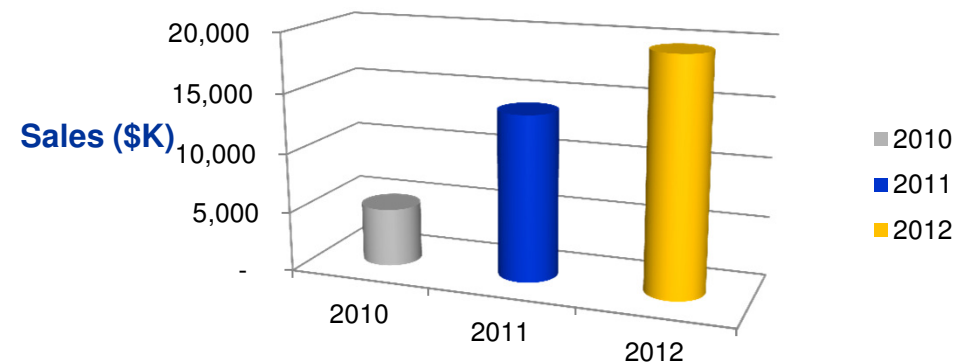


Growth Strategy:

Solutions Leadership – Global customers and projects – Operational Value

The addition of Wahlco Metroflex (2010)

- Extended reach into the Middle Eastern and Asian, Gas Turbine markets.
- Heavy duty Dampers for air pollution control in coal fired utilities.
- A unit more oriented to the domestic, light industrial & round, metal joint market.
- Legacy installations yielding aftermarket spare parts and MRO activity.
- New market potential – Gas Turbine Stack and Silencer applications.



Senior Flexonics – Pathway

Growth strategy (2)



Pathway: **How we Win & Profit....**

- Sophisticated engineering & equipment.....Metal Joints --Dampers
- Mission critical applications. Severe and rigorous use. Wear and tear.
- Legacy installations.....Our Brand and Nameplate.
 - Guarantee of invitation to tender (not to order).
 - Preference for original equipment.
 - Opportunity to cement relations. Avoid open tender.
- Product failure has consequential and exponential costs.
 - Expedited hardware
 - Aftermarket spares and Engineering services
- Special products –Nuclear



Senior Flexonics - Pathway Growth Strategy (3)



Outlook:

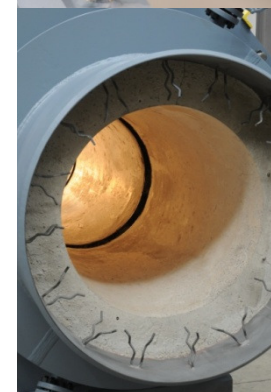
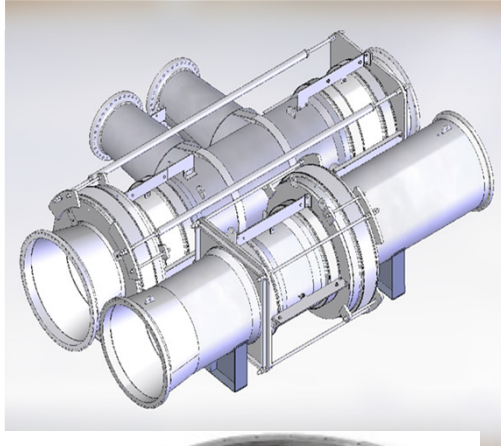
- Succeed at major new installations and upgrades in the Petrochemical industry.
- Increase competitiveness and reach with fabrication partners in Asia and SF Brazil.
- Improve and complete the customer value proposition through mission and process changes in operations.
- Dominate new opportunities from emission control regulations and other emerging changes in power generation.



Senior Flexonics Pathway



PRODUCTS...EXPECT BIG THINGS...



22nd October 2012

Capital Markets Event

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Senior Flexonics Germany (Andreas Brand)

Senior Flexonics – Germany

Introduction



Andreas Brand, CEO (since Jan 2010)
German Citizen, office/operation in Kassel, Germany



- Senior Executive 24 years with focus on Technology Environments, Automotive and Electronics
- MAHLE Filter Systems NA Inc. President North America for 3 years
- W.E.T. Automotive Systems President and CEO North America for 5 years; previously GM in Hungary / Global Quality Director
- ITT Semiconductors + TV Broadcast Engineering + Management roles Germany for 7 years
- Electrical Engineering Degree University Dortmund, Germany, 1988
- General Manager Degree Management Institute St. Gallen, Switzerland, 2000
- Advanced Management Programme Harvard Business School, USA, 2003

Senior Flexonics – Germany

History



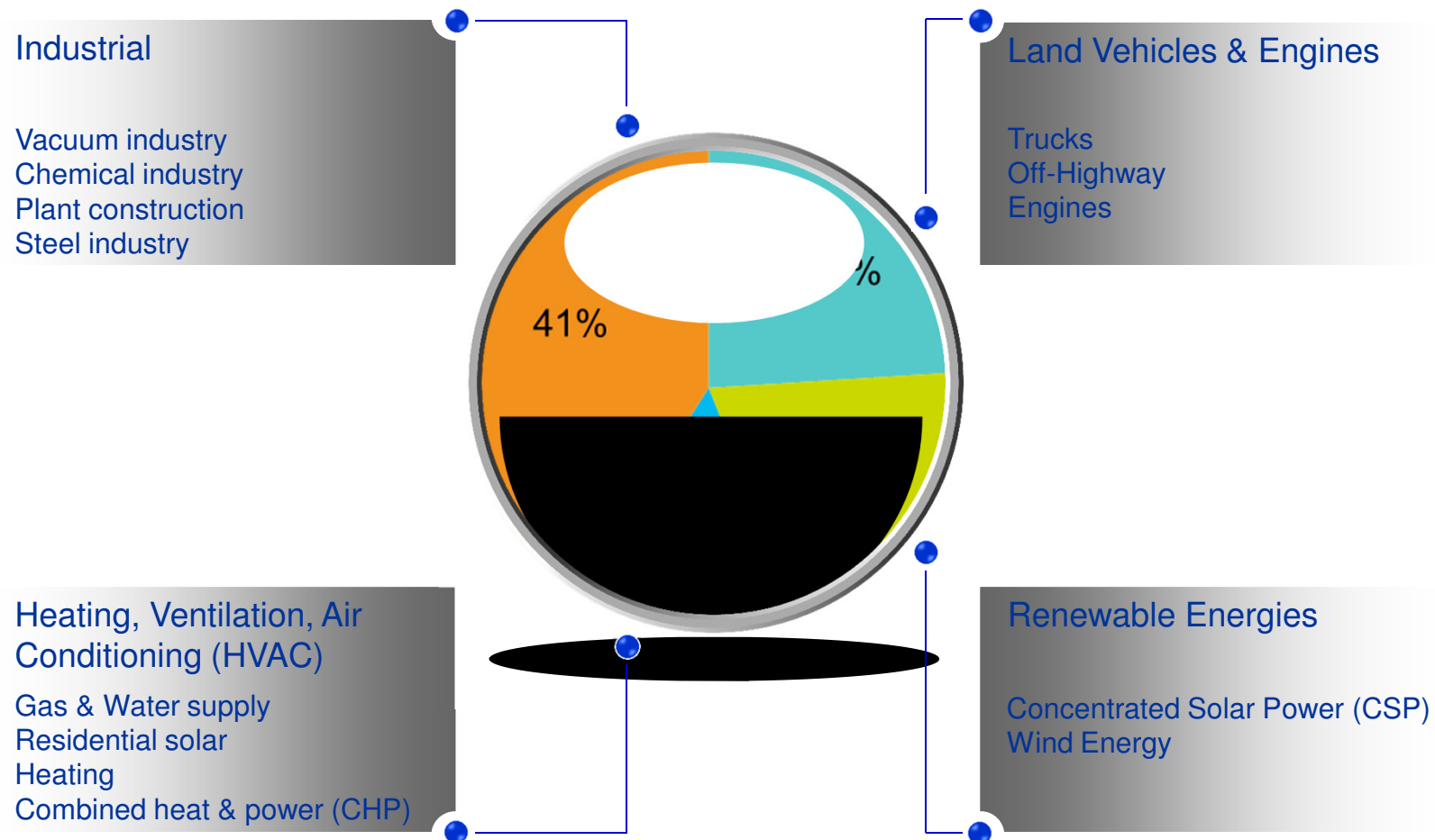
Senior Flexonics – Germany

Background

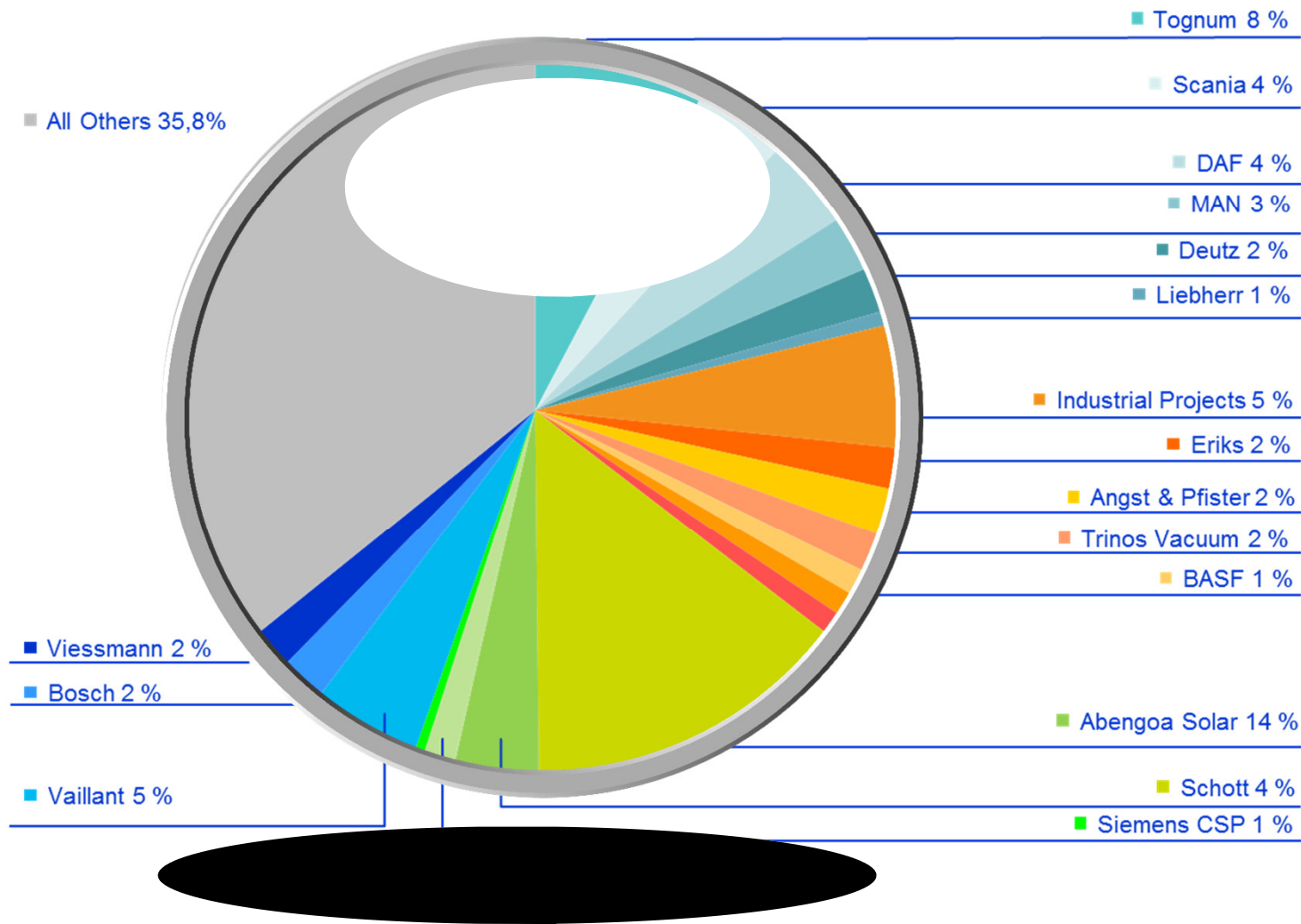


- **4 Business Units**
Industrial, Land Vehicles & Engines, Renewable Energies, HVAC
- **Two sites in Kassel**
- **14.330 m² covered with buildings**
32.500 m² available area
- **Turnover 2011 – Mio. € 42,3**
11 % of H1 Divisional revenues, Rank 3
- **310 employees (incl. contracted heads)**
- **CAGR 2002-2011 = 8,4 %**

Senior Flexonics – Germany Markets



Senior Flexonics – Germany Customers



Senior Flexonics – Germany

Capabilities



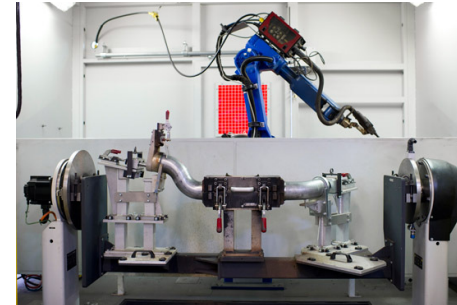
Single orders

- High flexibility
- Very short delivery time (responsive)



Project orders

- High revenue level
- Project Management
- On-time delivery



Serial orders

- High volume / repeatable business
- Cellular flow layout
- Error free production

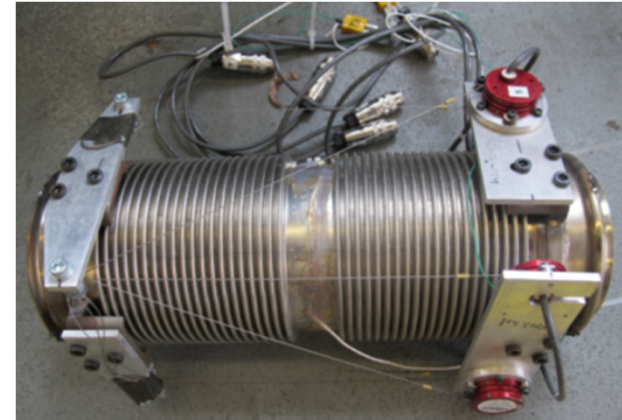
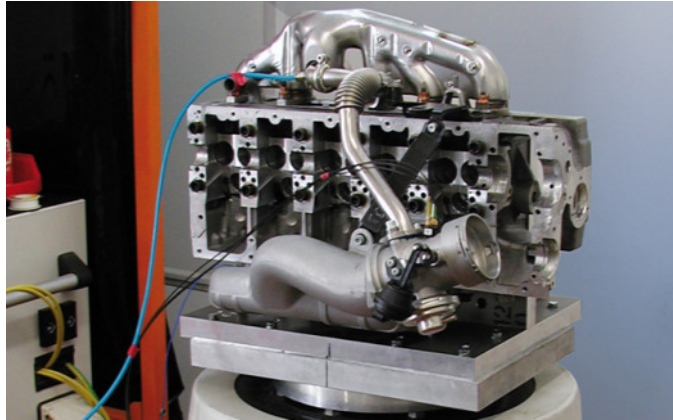


Senior Flexonics Kassel Capabilities



Engineering

- Advanced process & product development
- In-house developed analysis tools for flexible elements
- Testing and Prototype capabilities
- In-house machine and tooling design



Senior Flexonics Kassel Capabilities

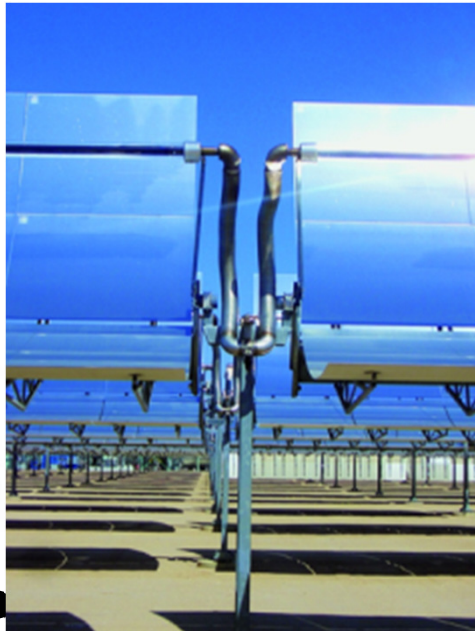


New Products

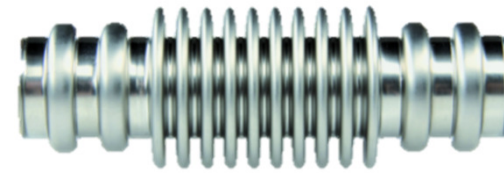
- Heavy-Duty Truck exhaust decoupling hose with new developed inner liner coupling element suited for EU6 emission level
- RotationFlex®-System for Molten-Salt in Parabolic Trough Solar Fields with integrated heating application



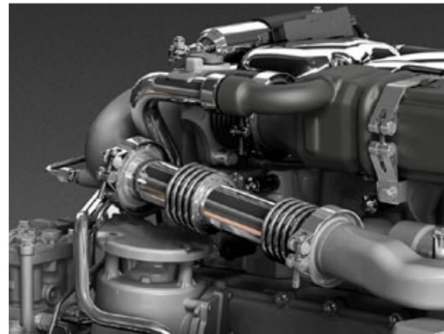
Senior Flexonics – Germany Products



Senior Flexonics – Germany Products



Senior Flexonics – Germany Products



Senior Flexonics – Germany

Growth Strategy



- Expand customer base for Concentrated Solar Power (CSP) with maintenance free products (Rotationflex) in equatorial countries
- Expand scope of offering from Renewable into Power Generation sectors
- Exploit growth potential in gas-tight heavy-duty engine exhaust applications (emissions driven)
- Develop niche positions in German light vehicle sector
- Within industrial markets, expand share of international customer base and increase levels of project related revenue



Summary and Q & A

Senior Flexonics Summary



A synergistic group of businesses servicing the land vehicle and industrial sectors
.....offering niche engineered products
.....utilising generally common technology
..... to diverse end-markets
..... from a global footprint

Long-term growth & market penetration driven by emission control regulations

Strength in diversity of sub-sectors and geographic spread

Evolving product mix towards engineered products (higher entry barriers)

Selective investments in emerging technologies for alternative energy sectors

A quality, financially performing, business with strong management

Accordingly, Senior is comfortable investing both organically and by acquisition

FLEXONICS

HIGH PERFORMANCE IN MOTION



Q & A

