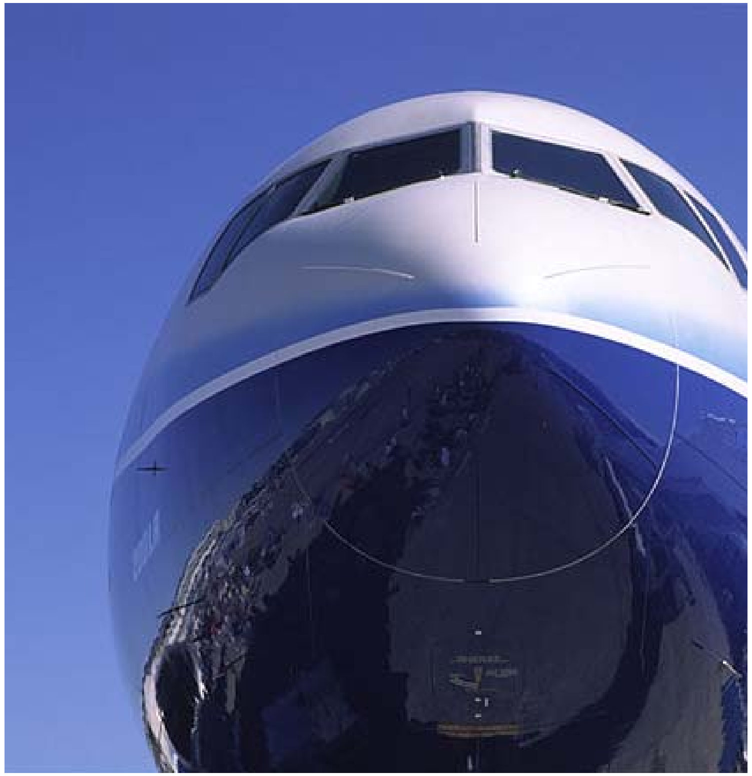


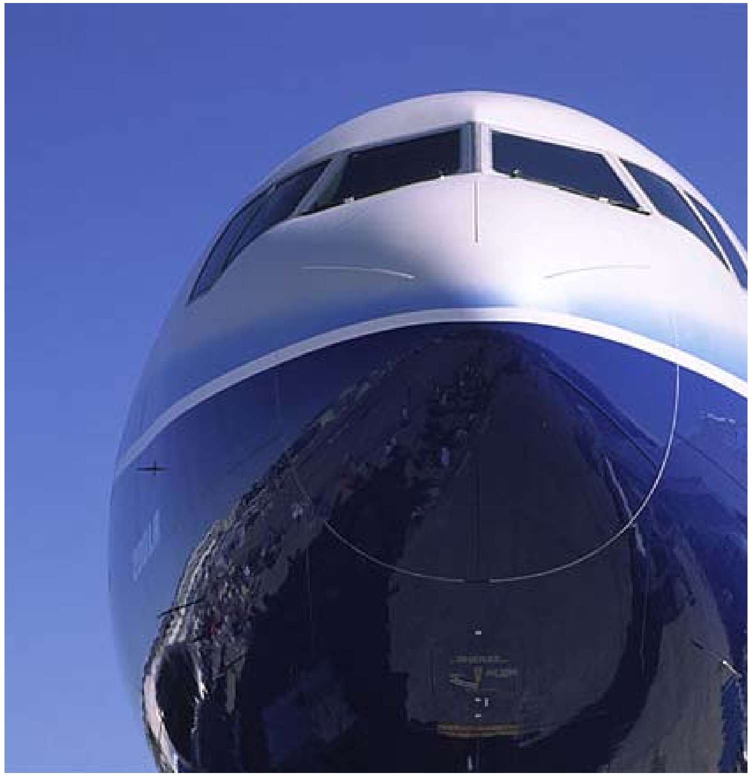




INTERIM RESULTS 2014

AGENDA

Welcome	Mark Rollins	CEO
Interim Results	Derek Harding	FD
Markets & Outlook	Mark Rollins	CEO



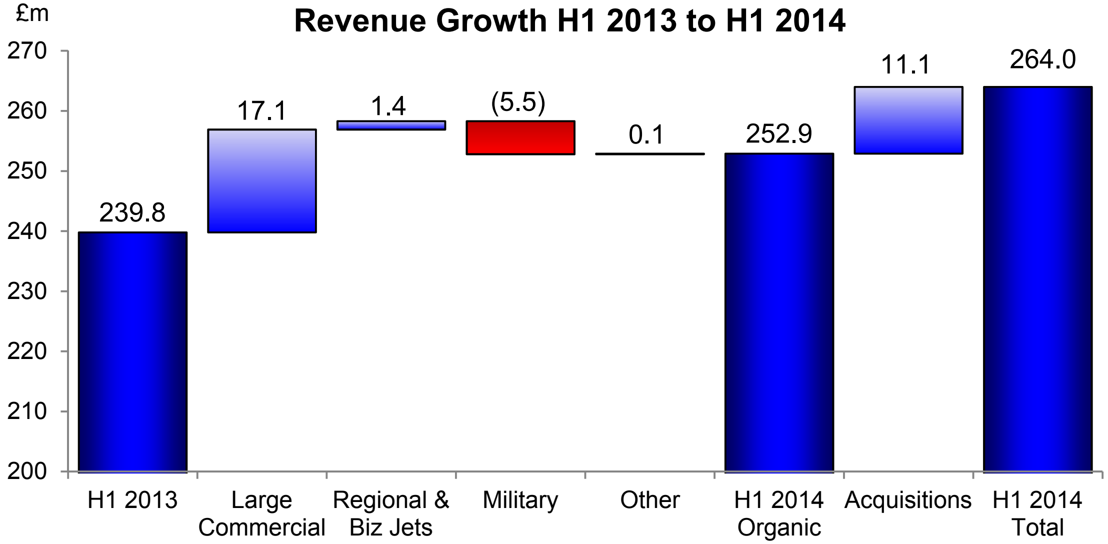
2014 INTERIM RESULTS

FINANCIAL HIGHLIGHTS

	H1 2014	H1 2013	Change	constant currency
Revenue	**£400.4m**	£399.3m	**-%**	**+7%**(1)
Adjusted Operating Profit	**£54.6m**	£53.3m	**+2%**	**+11%**(2)
Adjusted Operating Margin	**13.6%**	13.3%	**+0.3ppts**	**+0.4ppts**(3)
Adjusted Profit before Tax	**£50.1m**	£48.3m	**+4%**	**+12%**
Adjusted Earnings per Share	**9.65p**	9.31p	**+4%**	
Interim Dividend per Share	**1.67p**	1.52p	**+10%**	
Free Cash Flow	**£32.7m**	£28.1m	**+16%**	
Net Debt – June	**£114.3m**	£65.5m	**£49m increase**	
Net Debt – December 2013		£59.2m	**£55m increase**	

(1) Organic revenue (excluding acquisitions) increased by 3% on a constant currency basis.
(2) Organic adjusted operating profit (excluding acquisitions) increased by 7% on a constant currency basis.
(3) Organic adjusted operating margin (excluding acquisitions) is 13.7% (2013: 13.2% on a constant currency basis).

AEROSPACE RESULTS – constant exchange rates(2)

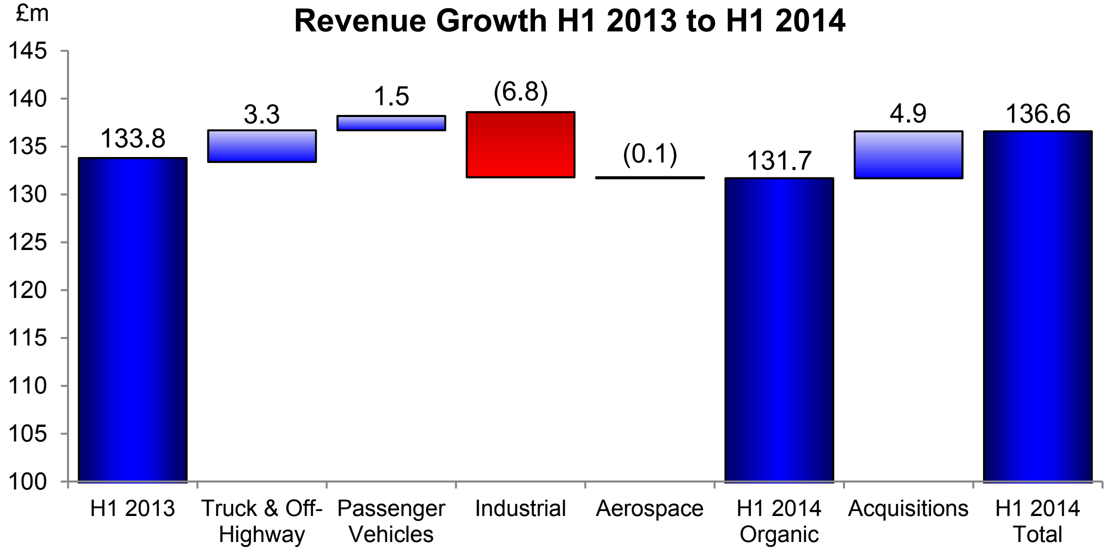


£m	H1 2014	H1 2013	Change
Revenue	264.0	239.8	+10.1%
Adj OP(1)	39.4	34.9	+12.9%
Margin	14.9%	14.6%	+0.3ppts
Organic(3)			
Revenue	252.9	239.8	+5.5%
Adj OP(1)	38.3	34.9	+9.7%
Margin	15.1%	14.6%	+0.5ppts

- Organic sales in **large commercial aircraft** sector, up £17.1m (↑ 13%); build rate increases as anticipated
- Organic **regional jet** sales up £0.9m (↑ 10%); organic **business jet** sales up £0.5m (↑ 2%)
- As expected, weaker activity in **military and defence** sector, down £5.5m (↓ 10%) on organic basis
- OP% up due to improved efficiencies, non repeat of Weston move costs and 2013 cost reductions
- Thermal operational performance challenging due to historic OTD/quality issues. Now improving
- Upeca Aerospace solid start – being integrated into the Aerospace Structures Division
- Consolidation of Capo into Ketema nearing completion, as planned, with benefits expected from Q4 2014

(1) Before amortisation of intangible assets arising on acquisitions of £2.1m (2013: £1.5m), acquisition costs of £0.2m (2013: £0.1m) and goodwill impairment charge of £nil (2013: £12.9m).
(2) All at H1 2014 exchange rates – translation effect only.
(3) 2014 organic growth figures exclude 1 month's contribution from Atlas (£0.4m turnover; £0.1m operating profit), which was acquired beginning of February 2013, 6 month's contribution from Thermal (£7.9m turnover; £0.5m operating profit), which was acquired end of November 2013 and 3 month's contribution from Upeca Aerospace (£2.8m turnover; £0.5m operating profit), which was acquired beginning of April 2014.

FLEXONICS RESULTS – constant exchange rates(2)



£m	H1 2014	H1 2013	Change
Revenue	136.6	133.8	+2.1%
Adj OP(1)	20.1	18.5	+8.6%
Margin	14.7%	13.8%	+0.9ppts
Organic(3)			
Revenue	131.7	133.8	-1.6%
Adj OP(1)	19.4	18.5	+4.9%
Margin	14.7%	13.8%	+0.9ppts

- Total (and organic) revenue from **land vehicles** markets increased by £4.8m (↑ 6%)
  - North American truck: Senior revenue increased by £1.6m (↑ 4%); market production increased by 15%
  - £1.8m (↑ 26%) growth in European truck turnover as new programmes ramped up
  - Improved demand in European passenger vehicle markets resulted in turnover up by £1.4m (↑ 8%)
  - Elsewhere, increased land vehicle turnover for China was mostly offset by weak demand in Brazil & India
- Organic turnover from **industrial** markets decreased by £6.8m (↓ 12%)
  - Powergen and renewables weaker due to non repeat of 2013 solar contract and lower fuel cell volumes
- Increase in OP% achieved due to lower French losses and efficiency gains in North America
- Upeca Energy solid start – being integrated into the Group's Flexonics Division

(1) Before amortisation of intangible assets arising on acquisitions of £1.0m (2013: £0.6m), acquisition costs of £0.2m (2013: £nil) and reversal of GA contingent consideration payable of £nil (2013: £3.9m).
(2) All at H1 2014 exchange rates – translation effect only.
(3) 2014 organic growth figures exclude 3 month's contribution from Upeca Energy (£4.9m turnover; £0.7m operating profit), which was acquired beginning of April 2014

DIVISION RESULTS – constant exchange rates[2]

£m	Revenue £m			Adj Operating Profit[1] £m			Margin on Sales	
	2014	2013	Change	2014	2013	Change	2014	2013
Aerospace	264.0	239.8	+10.1%	39.4	34.9	+12.9%	14.9%	14.6%
Flexonics	136.6	133.8	+2.1%	20.1	18.5	+8.6%	14.7%	13.8%
Share of JV	-	-	-	(0.2)	(0.1)	-	-	-
Inter-seg. sales	*(0.2)*	*(0.5)*	-	-	-	-	-	-
Central Costs	-	-	-	(4.7)	(4.0)	-	-	-
Continuing Ops.	**400.4**	**373.1**	**+7.3%**	**54.6**	**49.3**	**+10.8%**	**13.6%**	**13.2%**
Exchange	-	26.2	-	-	4.0	-	-	-
As Reported	**400.4**	**399.3**	**+0.3%**	**54.6**	**53.3**	**+2.4%**	**13.6%**	**13.3%**

(1) Adjusted operating profit is as defined on page 6.
(2) All at H1 2014 exchange rates – translation effect only.

GEOGRAPHIC RESULTS – constant exchange rates(2)

£m	Revenue £m			Adj Operating Profit(1) £m			Margin on Sales	
	2014	**2013**	**Change**	**2014**	**2013**	**Change**	**2014**	**2013**
North America	253.1	247.4	+2.3%	37.7	36.5	+3.3%	14.9%	14.8%
Rest of Europe	49.8	49.0	+1.6%	4.5	3.8	+18.4%	9.0%	7.8%
United Kingdom	65.7	56.6	+16.1%	11.9	10.0	+19.0%	18.1%	17.7%
Rest of World	33.6	22.2	+51.4%	5.4	3.1	+74.2%	16.1%	14.0%
Share of JV	-	-	-	(0.2)	(0.1)	-	-	-
Inter-seg. sales	*(1.8)*	*(2.1)*	-	-	-	-	-	-
Central Costs	-	-	-	(4.7)	(4.0)	-	-	-
Continuing Ops.	**400.4**	**373.1**	**+7.3%**	**54.6**	**49.3**	**+10.8%**	**13.6%**	**13.2%**
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As Reported	**400.4**	**399.3**	**+0.3%**	**54.6**	**53.3**	**+2.4%**	**13.6%**	**13.3%**

(1) Adjusted operating profit is as defined on page 6.
(2) All at H1 2014 exchange rates – translation effect only.

ADJUSTED AND REPORTED PROFIT

		H1 2014 £m	H1 2013 £m	Change
Adjusted operating profit [1]		**54.6**	**53.3**	**+2%** (+11% on constant currency basis)
Net interest payable	- borrowings and cash	(4.1)	(4.3)	
	- retirement benefits	(0.4)	(0.7)	
Adjusted profit before tax [1]		**50.1**	**48.3**	**+4%** (+12% on constant currency basis)
Tax (2014: 20.0%; 2013: 20.0%)		(10.0)	(9.7)	
Adjusted profit for the period [1]		**40.1**	**38.6**	**+4%**
Acquisition costs		(0.4)	(0.1)	
Amortisation of intangible assets		(3.1)	(2.1)	
Impairment of goodwill		-	(12.9)	
Reversal of contingent consideration payable		-	3.9	
Exceptional pension charge		(1.5)	-	
Related tax on above items		0.9	5.9	
Reported profit for period		**36.0**	**33.3**	

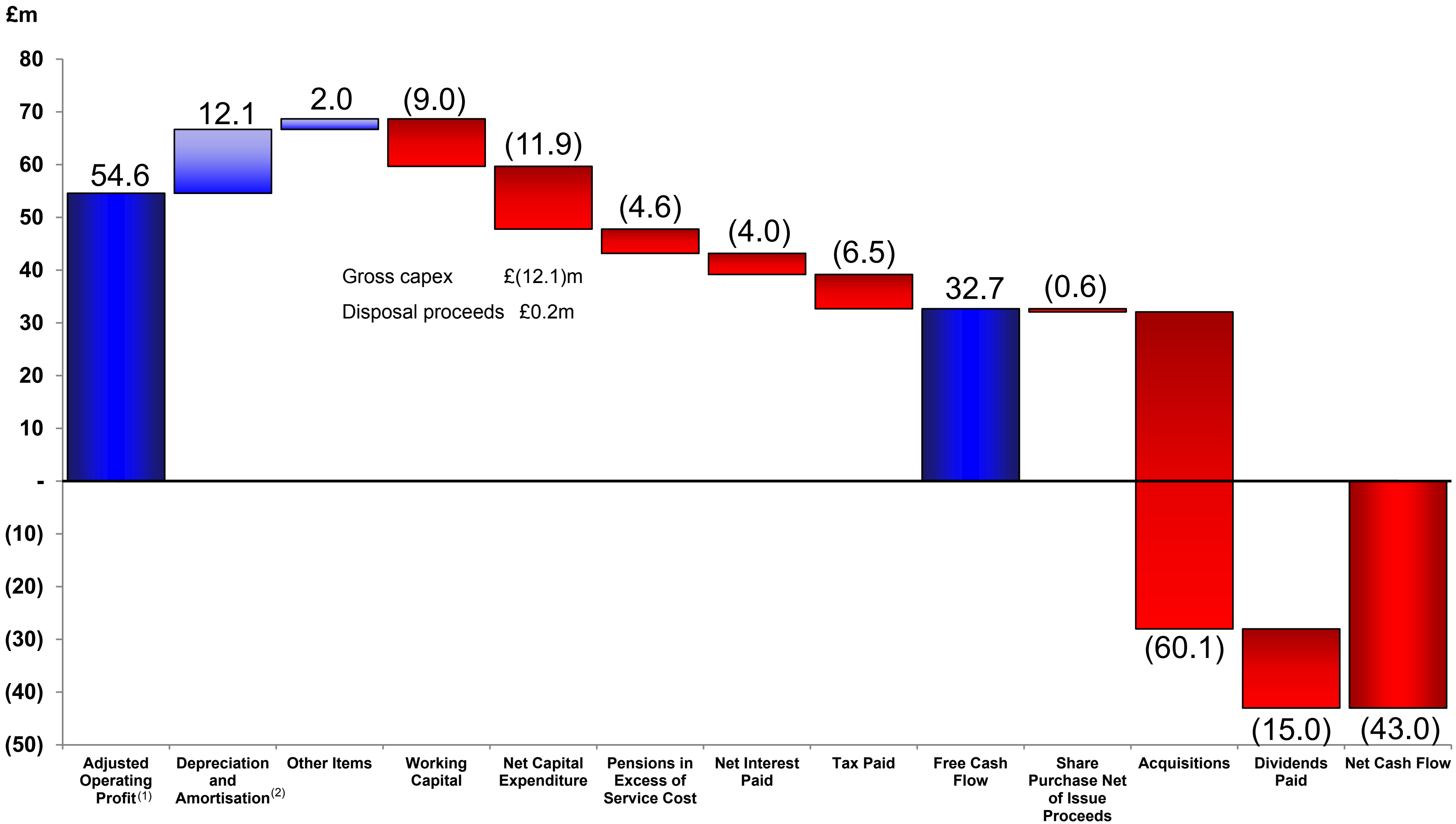
(1) Before acquisition costs of £0.4m (2013: £0.1m), amortisation of intangible assets arising on acquisitions of £3.1m (2013: £2.1m), goodwill impairment charge of £nil (2013: £12.9m), reversal of contingent consideration payable of £nil (2013: £3.9m) and pension curtailment charge of £1.5m (2013: £nil).

EARNINGS PER SHARE AND DIVIDENDS

	H1 2014	H1 2013	Change
Average number of shares			
Basic	415.7m	414.4m	+1.3m
Fully diluted	421.1m	419.7m	+1.4m
Adjusted earnings per share(1)			
Basic	9.65p	9.31p	+4%
Fully diluted	9.52p	9.20p	+3%
Dividends (pence per share)			
Interim	1.67p	1.52p	+10%
Final		3.60p	
Total		5.12p	
Dividend cost (£m)			
Interim	£7.0m	£6.3m	
Final		£15.0m	
Total		£21.3m	
Dividend cover (last 12 months)	3.7x	3.9x	

(1) Based on adjusted profit for the period as defined on page 6.

CASH FLOW AND USE OF FUNDS



(1) Adjusted operating profit is as defined on page 6.
(2) Before amortisation of intangible assets arising on acquisitions of £3.1m (2013: £2.1m).

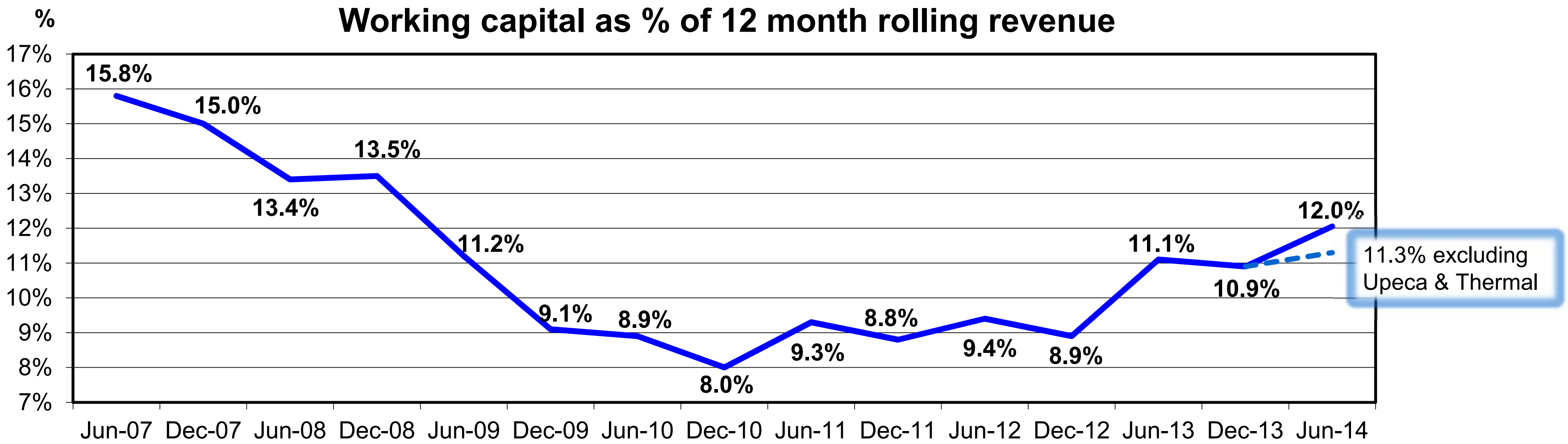
BALANCE SHEET

	June 2014 £m	June 2013 £m	Dec 2013 £m
Goodwill and other intangible assets	289.5	237.1	242.5
Investment in JV	0.8	1.1	1.0
Property, plant and equipment	154.7	143.5	142.6
Other long-term assets	7.1	11.9	7.5
Non current assets	**452.1**	**393.6**	**393.6**
Inventories	111.2	98.1	99.4
Receivables	133.1	124.2	113.7
Payables	(146.8)	(138.3)	(129.0)
Working capital (page 10)	**97.5**	**84.0**	**84.1**
Current tax liabilities (net)	(15.7)	(13.8)	(14.5)
Net current assets	**81.8**	**70.2**	**69.6**
Retirement benefit obligations (page 38)	(24.8)	(30.3)	(25.6)
Net borrowings	(114.3)	(65.5)	(59.2)
Other long-term liabilities	(19.0)	(16.7)	(16.9)
Net assets	**375.8**	**351.3**	**361.5**
Net debt to EBITDA[1] (page 37)	**0.8x**	**0.5x**	**0.5x**

(1) Based on rolling 12 month EBITDA

WORKING CAPITAL

	Balance Sheet			Cash Flow
	Inventories	Receivables	Payables	Working Capital
	£m	£m	£m	£m
31 December 2013 (page 9)	**99.4**	**113.7**	**(129.0)**	
Movements in period:				
Aerospace	5.7	4.7	(5.7)	(4.7)
Flexonics	3.0	8.3	(9.9)	(1.4)
Holding companies	-	1.3	1.6	(2.9)
	8.7	14.3	(14.0)	(9.0)
Acquisitions and disposals	5.3	7.6	(6.5)	
Foreign exchange effect	(2.2)	(2.5)	2.5	
Other non-cash movements	-	-	0.2	
30 June 2014 (page 9)	**111.2**	**133.1**	**(146.8)**	**(9.0)** (page 32)

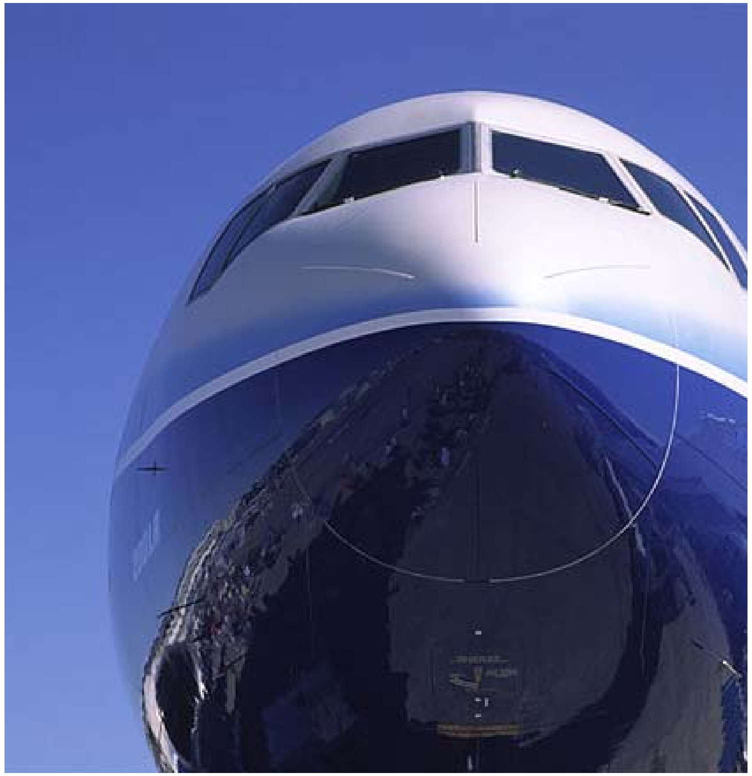


H1 2014 FINANCIAL SUMMARY

- Group revenue broadly unchanged at £400.4m (+7% at constant currency)
- Adjusted profit before tax increased by 4% to £50.1m (+12% at constant currency)
- Adjusted earning per share up 4% to 9.65p
- Completed acquisition of Upeca in April for £74.4m: an encouraging start with the Group
- Continued strong free cash flow resulted in net debt of £114.3m (0.8x EBITDA) after acquisition of Upeca
- Group outlook remains encouraging and interim dividend increased by 10% to 1.67p per share

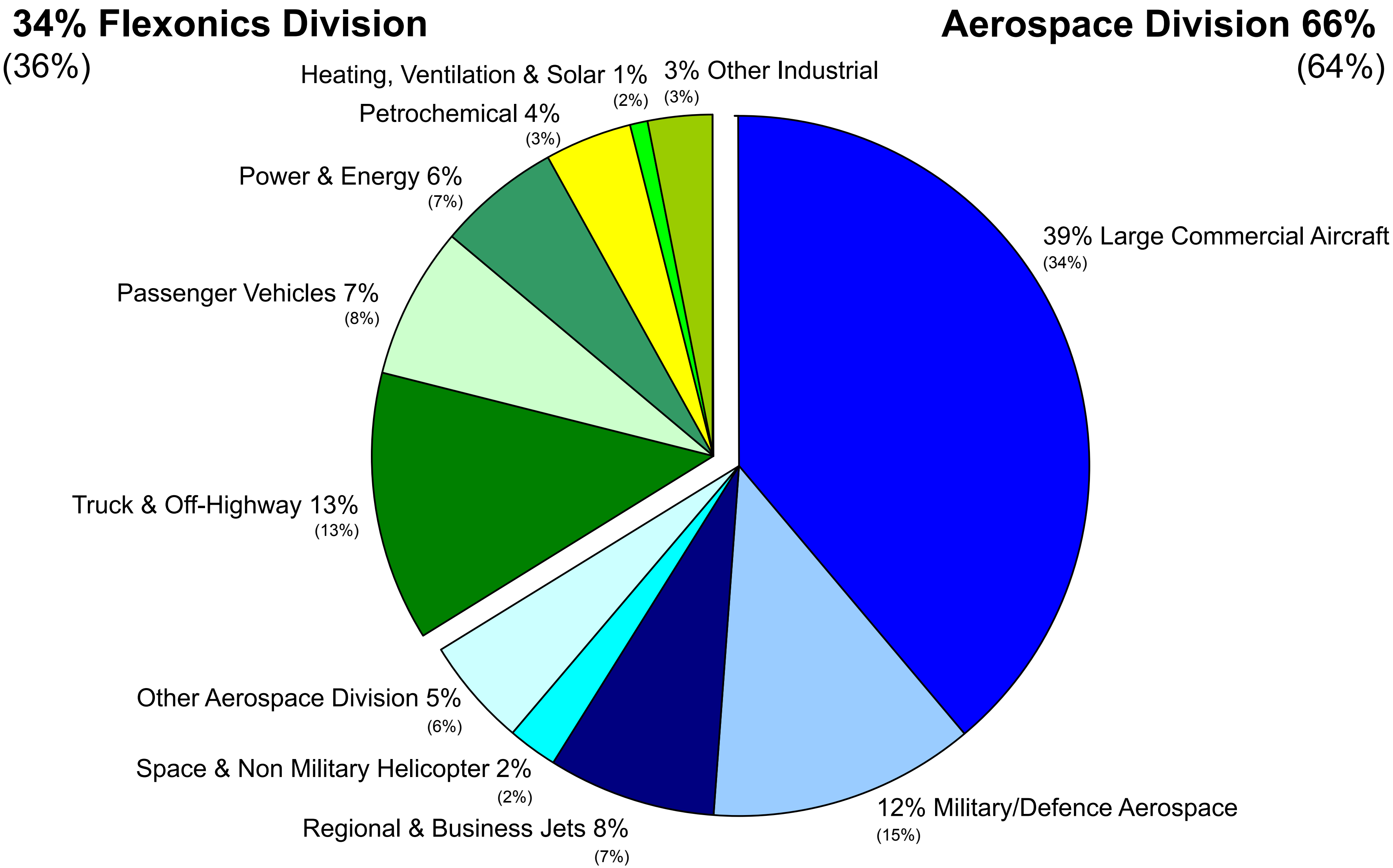






MARKETS & OUTLOOK

SENIOR'S MARKETS – H1 2014

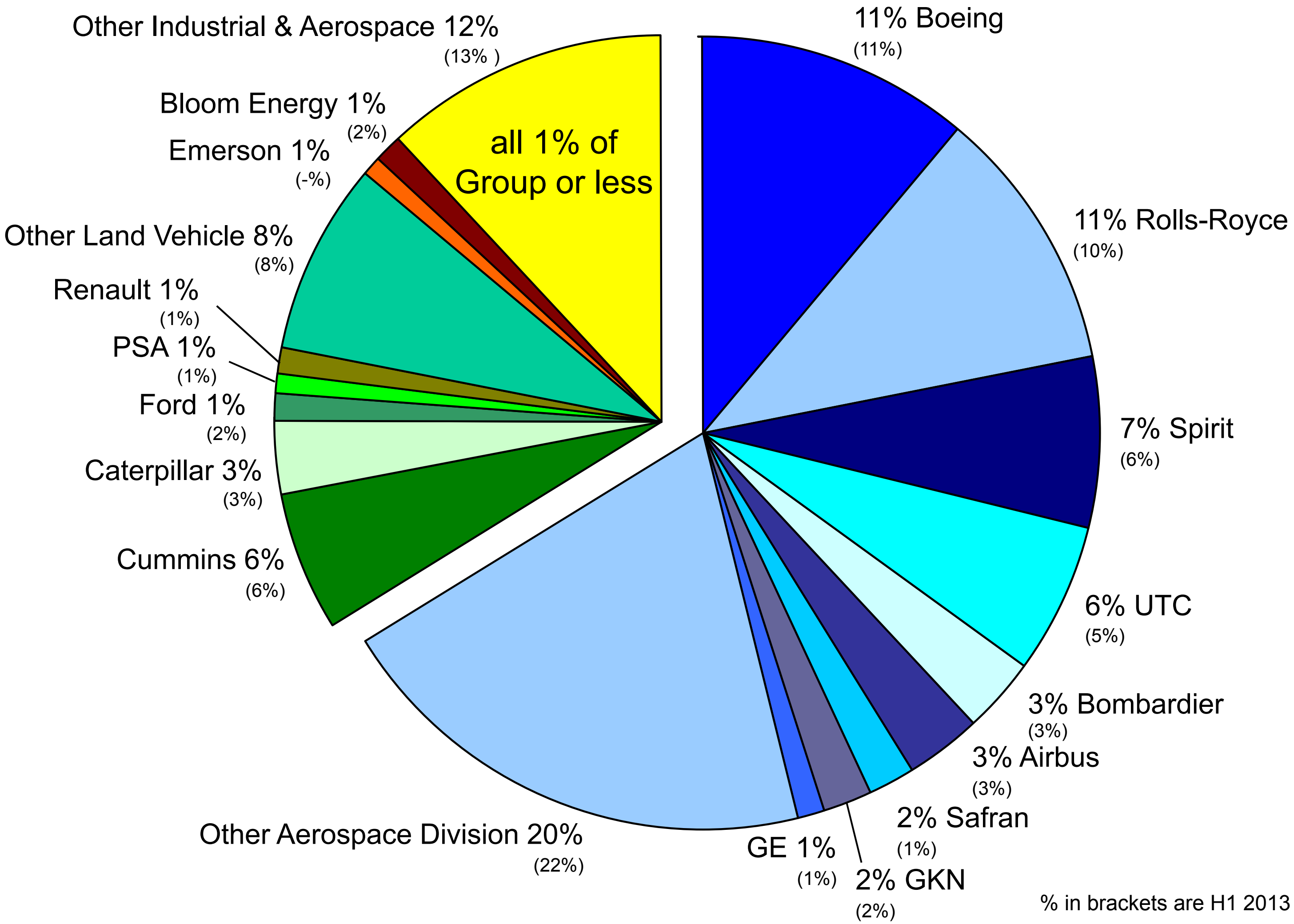


% in brackets are H1 2013 comparatives

SENIOR'S CUSTOMERS – H1 2014

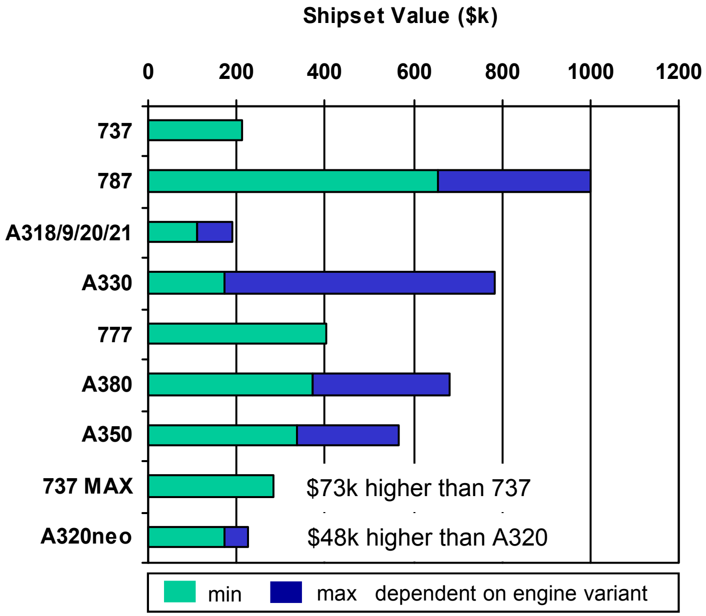
34% Flexonics Division
(36%)

Aerospace Division 66%
(64%)

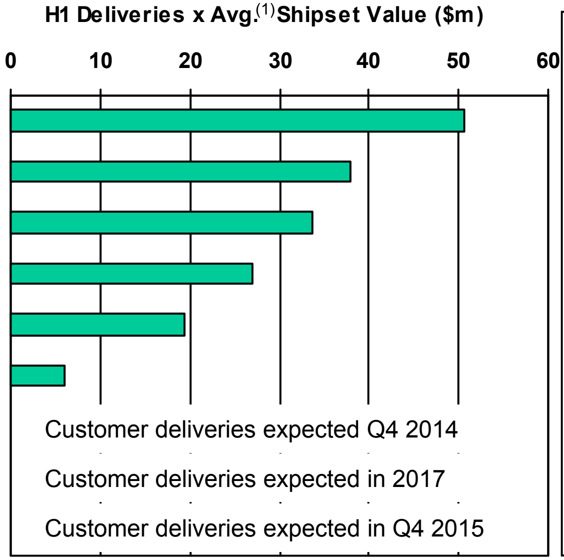


% in brackets are H1 2013 comparatives

LARGE COMMERCIAL AIRCRAFT (39% of Group)



Aircraft	Avg.[1] shipset value ($k)	H1 2014 deliveries (number)	Order book (number)	Var. in avg. shipset value 12/13 to 6/14 ($k)
737	212	239	1,832	-1
787	792	48	869	+10
A318/9/20/21	150	237	1,529	+27
A330	531	53	243	+22
777	402	48	339	+5
A380	494	13	189	+33
A350	430	Nil	742	+49
737 MAX	285	Nil	2,099	+7
A320neo	198	Nil	2,843	+6



[1] Average based on programme share and estimated engine variant

[2] At constant exchange rates

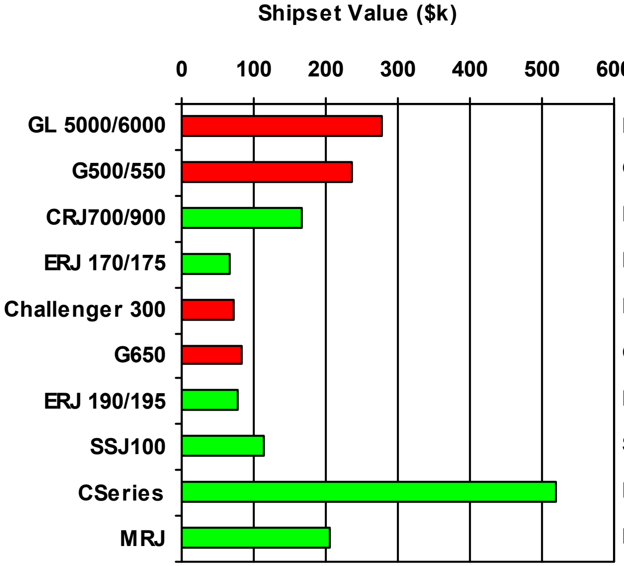
	Estimated annual deliveries (number)					Growth (%)
	2013	2014	2015	2016	2017	2013-2017
737[3]	440	492	504	504	550	+25%
787	65	110	120	136	144	+122%
A320[3]	493	493	495	527	532	+8%
A330	108	109	110	110	110	+2%
777	98	100	100	100	90	-8%
A380	25	29	30	30	30	+20%
A350[4]	-	17	37	69	106	na

[3] Estimated deliveries include A320neo / 737MAX, respectively
[4] A350 production estimates
Source: Customers, Teal Group & internal estimates

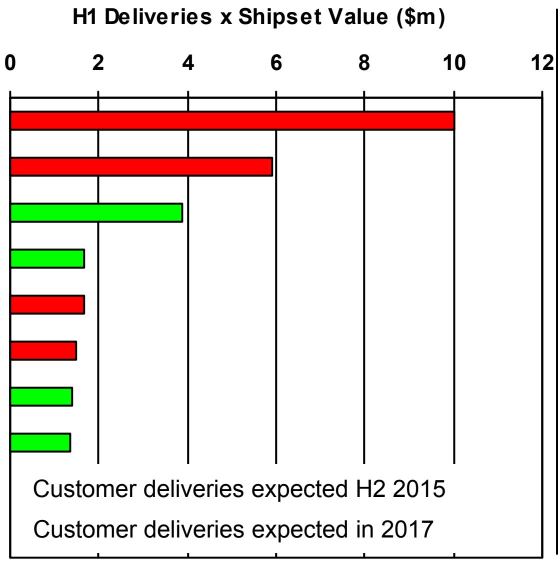
Group sales ↑ 20%[2] over H1 2013; organic basis ↑ 13%[2]

- Boeing and Airbus H1 2014 deliveries ↑ 7% to 645 aircraft (H1 2013: 601)
  Booked net orders of 789 aircraft (H1 2013: 1,412), 22% above deliveries
  8+ years order book at current production rates
- Further 697 firm order commitments announced at Farnborough in July
- Upeca adds $21k shipset content on A320 and $49k on A350
- A350 shipset at $430k with acquisition of Upeca
  Will increase by over 30% when aerofoil content goes into production in 2015
- Airbus launches A330neo with T7000 engine and entry into service in Q4 2017
- Price pressure ongoing but moderating as negotiations conclude as expected

REGIONAL AND BUSINESS JETS (8% of Group)



	Manufacturer	Shipset value ($k)	H1 2014 deliveries	Order book	Var. in avg. shipset value 12/13 to 6/14 ($k)
GL 5000/6000	Bombardier	277	36	?	+10
G500/550	Gulfstream	236	25[1]	?	+2
CRJ700/900	Bombardier	168	23	74	+5
ERJ 170/175	Embraer	68	25	267	-
Challenger 300	Bombardier	73	23	?	-10
G650	Gulfstream	84	18[1]	?	+3
ERJ 190/195	Embraer	79	18	173	-
SSJ100	Sukhoi	113	12[1]	147[1]	-9
CSeries	Bombardier	520	Nil	203	+19
MRJ	Mitsubishi	206	Nil	165	-13



[1] estimated

[2] At constant exchange rates

	Estimated annual deliveries (number)				Growth %
	2013	2014	2015	2016	2013-2016
GL 5000/6000	62	70	70	70	+13%
G500/550	48	45	42	42	-13%
CRJ700/900	19	50	52	52	+174%
ERJ 170/175	28	50	50	50	+79%
Challenger 300	55	58	58	58	+5%
G650	42	46	52	55	+31%
ERJ 190/195	62	45	82	85	+37%
SSJ100	10	20	22	22	+120%
CSeries	-	-	12	24	na

Source: Customers, GAMA, Teal Group & internal estimates

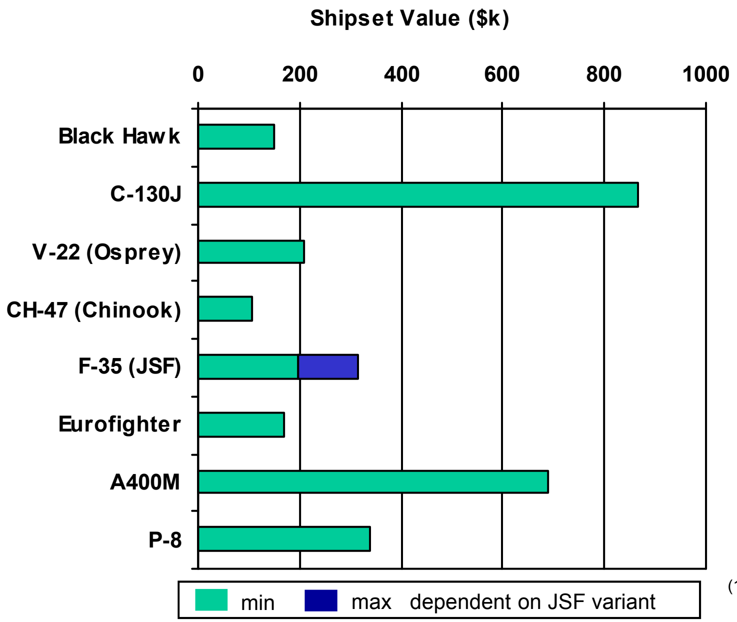
⇨ **Business Jets**
5% of Group

- Group sales ↑ 5%[2] (£1m) over H1 2013; organic ↑ 2%[2]
- Market H1 2014 deliveries ↑ 12% to 318 aircraft (H1 2013: 283)
- Market deliveries: Large jets ↓ 1%; mid jets ↑ 25%; light jets ↑ 27%
- Sales growth due to increased Bombardier L85 development sales
- Satisfactory future, partially determined by degree of L85 success and Senior's ultimate production shipset value

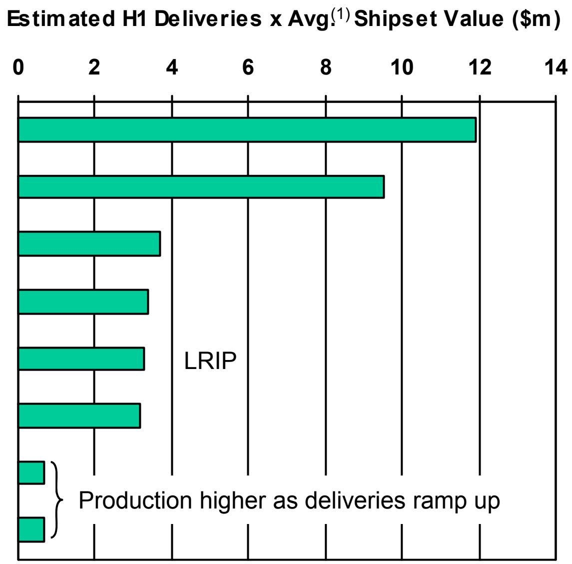
⇨ **Regional Jets**
3% of Group

- Group sales ↑ 11%[2] (£1m) over H1 2013; organic ↑ 10%[2]
- Bombardier and Embraer combined H1 2014 deliveries ↑ 23% to 79 aircraft (H1 2013: 64)
- Sales growth due to increased activity in CRJ series and SSJ100
- Future healthy growth from CSeries (starting late 2015)
- Won $101k content on Embraer's 2nd generation E2 Jet (customer deliveries to commence in 2018). Other work in quotation
- Healthy growth from 2016 due to new programmes

MILITARY AND DEFENCE (12% of Group)



	Avg.[1] shipset value ($k)	Estimated H1 2014 deliveries (number)	Var. in avg. shipset value 12/13 to 6/14 ($k)
Black Hawk	150	79	-
C-130J	867	11	+9
V-22 (Osprey)	207	18	-3
CH-47 (Chinook)	107	32	-9
F-35 (JSF)	234	14	+4
Eurofighter	168	19	+6
A400M	688	1	+3
P-8	337	2	-2



(1) Average based on programme share and estimated aircraft & engine variant

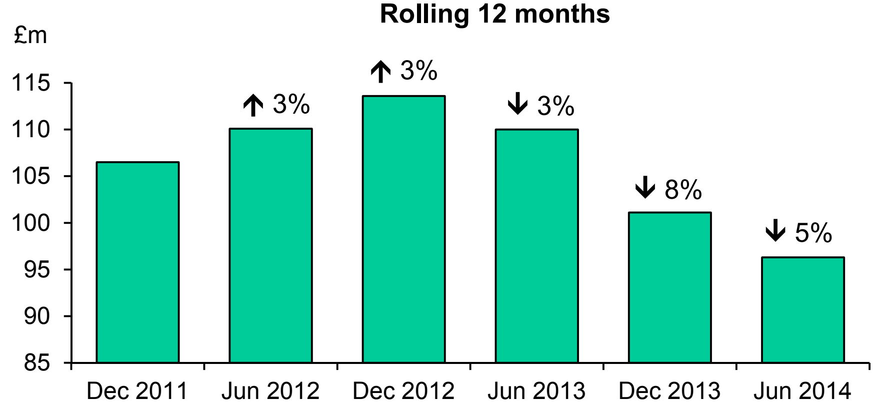
(2) At constant exchange rates

	Estimated annual deliveries (number)				Growth %
	2013	2014	2015	2016	2013-2016
Black Hawk	173	171	184	179	+3%
C-130J	25	24	24	24	-4%
V-22 (Osprey)	41	36	21	21	-49%
CH-47 (Chinook)	44	66	45	46	+5%
F-35 (JSF)	35	36	37	39	+11%
Eurofighter	39	38	36	36	-8%
A400M	2	12	23	24	+1100%
P-8	11	14	16	18	+64%

Source: Customers, Teal Group & internal estimates

Group sales ↓ 9%[2] over H1 2013; organic basis ↓ 10%[2]

Reported Group Military and Defence Sales[2]
Rolling 12 months



LAND VEHICLES (20% of Group)

Truck & Off-Highway Vehicles (13% of Group)

H1 2014 market[1] compared to H1 2013:

- N. American truck sales ↑ 8%; production ↑ 15%
- N. American truck production forecast[1]:
  2014 ↑ 14%; 2015 ↑ 3%; 2016 flat
- EU truck sales ↑ 2%; production ↓ 3%
- EU truck production forecast[1]:
  2014 ↑ 1%; 2015 ↑ 12%; 2016 ↑ 1%

Group sales ↑ 7%[2] from H1 2013

- N. America (10% of Group) Group sales ↑ 4%; higher HP rails, exhaust bellows and OE cooler volumes
- Cooler spares volumes lower due to improvement in longevity
- Launched first exhaust products at Navistar
- EU (2% of Group) Group sales ↑ 26% (£2m) as new programmes ramp up (both on and off highway)
- Increase in sales of rails to China from N. America and EU

Passenger Vehicles (7% of Group)

H1 2014 market[1] compared to H1 2013:

- Overall EU car sales ↑ 6%; production ↑ 6%
- European sales of PSA, Renault and Ford ↑ 10%
- EU car production forecast[1]:
  2014 ↑ 3%; 2015 ↑ 2%; 2016 ↑ 2%
- N. Am. light vehicle sales ↑ 4%; production ↑ 4%
- Brazil car sales ↓ 10%; production ↓ 17%
- India car sales ↓ 1%; production ↓ 3%

Group sales ↑ 6%[2] from H1 2013

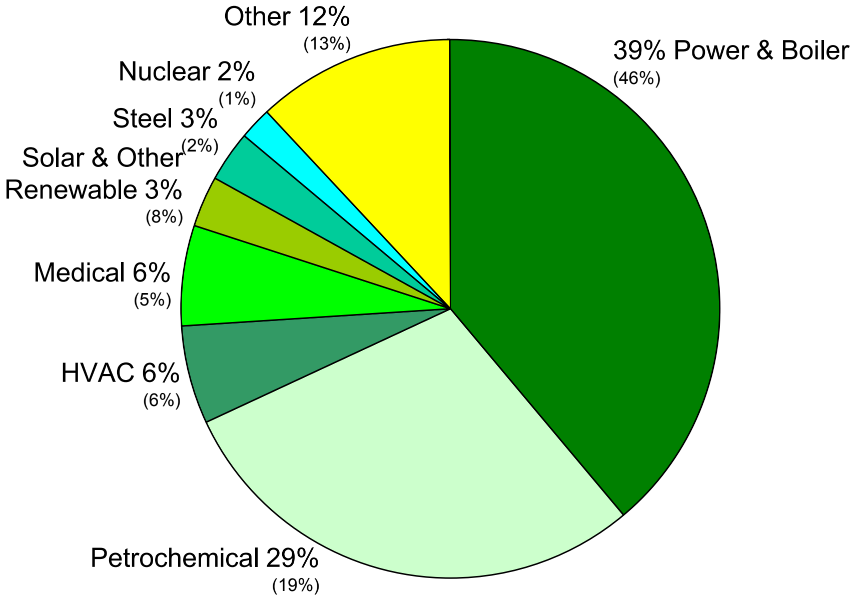
- EU (5% of Group) Group sales ↑ 8% (£1m) as European passenger vehicle market recovers from the 17 year low seen in 2013
- Elsewhere, outside of EU, Group sales ↑ 1% (<£1m) as higher N. America and China sales offset weaker market led sales in Brazil and India

(1) Industry Data - Source: ACEA, Wards, IHS Automotive, LMC Automotive, ACT Research & internal estimates

(2) At constant exchange rates

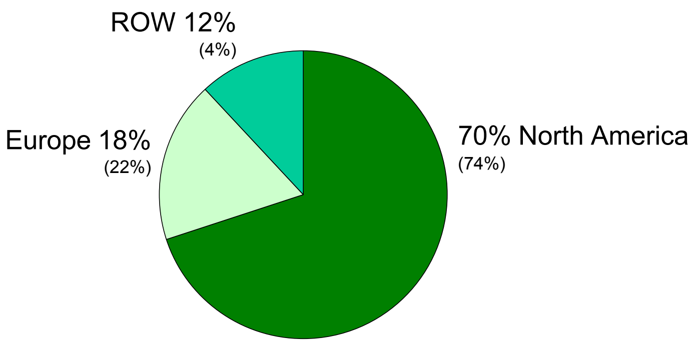
INDUSTRIAL (14% of Group)

H1 2014 Industrial sales split



(1) At constant exchange rates
% in brackets are H1 2013 comparatives

H1 2014 Sales by Origin



<u>Group sales ↓ 3%(1) over H1 2013; ↓ 12%(1) on organic basis</u>

Power & Energy:	↓ 16%(1)	↓ £4m; lower fuel cell dielectrics
Petrochemical:	↑ 5%(1) organic	↑ £1m; service and repair work
HVAC:	↓ 9%(1)	↓ <£1m; weaker Canadian market
Medical:	↑ 3%(1)	↑ <£1m; customer facility move related inventory build
Solar & Other Renewable:	↓ 66%(1)	↓ £3m; non repeat of solar farm orders from H1 2013
Other Markets:	↑ 1%(1)	higher sales to steel industry, offset by weaker general industrial markets

<u>H2 2014</u>

Improvement anticipated as:

- Brazil ships already manufactured product as Petrobras payment received
- Pathway starts shipping large expansion joint order for North American catofin plant

ACQUISITION FRAMEWORK

More Likely → Less Likely

Division	✓ Fluid Systems, Structures; ✓ Flexonics; New Markets
Market	✓ Large Commercial; Biz Jet; Rotorcraft; Reg Jet; VLJ; ✓ Energy; Renewables; Nuclear; Truck; Defence; Automotive; General Industrial; Medical; Semi-conductor
Product	Aero Ducting; Structural Composites; Control Bellows; Jet Engine Mach; ✓ Precision Machining; Emission Control; Auto Piping; Heat Exchangers/Coolers; Expansion Joints; Tooling; Industrial Tube
Nature	Own design; ✓ Highly Engineered BTP; Commodity BTP; Higher Value Assy.; On-Site; Components
Geography	North America; UK; Europe; Australasia; Africa; ✓ Asia; South America
Ownership	✓ Owner managed; Trade; Venture Capital
Revenue	✓ $50 to $100m; $100m+; $30 to $50m; less than $30m; Small add-ons

✓ Upeca ($125m including acquired net debt)

UPECA TECHNOLOGIES ACQUISITION

UPECA Technologies Sdn. Bhd. (“UPECA”), comprising UPECA Flowtech (“UFT”) and UPECA Aerotech (“UAT”), both based in Malaysia (30 minutes apart) and UPECA Engineering (Tianjin), (“UET”) based in China, is a manufacturer of high-precision engineered components serving the Aerospace and Energy sectors.

- ⇨ Owner managed business with over 20 years of manufacturing experience
- ⇨ Total 260,000 sq ft of manufacturing and office space with 2 sites in Kuala Lumpur, Malaysia and 1 site in Tianjin, China; 643 employees
- ⇨ Markets: 1/3 Aerospace (primarily commercial), 2/3 Energy (primarily oil and gas)
- ⇨ Customers include Spirit, Honeywell, UTAS, Emerson, Baker Hughes and Halliburton
- ⇨ Year to 31 March 2014: Revenue £30.8m; Operating Profit £4.4m; EBITDA £7.3m
- ⇨ Consideration £74.4m: £59.1m for 100% of business and the assumption of £15.3m of net debt
- ⇨ Experienced existing management team continuing to run the business
- ⇨ Significant growth opportunity as Senior’s customers increasingly seeking local, in region, supply chain support

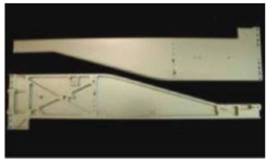
See page 31 for further details

Aerospace Products

Fan Cowl

Bleed Valves

Specialty Seating



Seal Guide and Hinge

Flexonics Products

Flow Control Valve Bodies

Actuator Housings

Subsea Tree Components

Oilfield Services Packers

Excellent strategic addition to Senior’s portfolio, strengthening the Group’s aerospace and energy market presence in the increasingly important South-East Asia region

INVESTMENTS

AMT
Increasing capacity to support Boeing build rate increases and additional content for total cost of £6m over next 1.5 years

South Carolina
Setting up a satellite AMT facility adjacent to Boeing's rapidly growing facility in Charleston, South Carolina, to assemble 787 structural parts. 25,000 sq ft leased facility with £0.4m investment in plant and equipment by end of 2014

Ketema
Strategic decision to consolidate Capo facility into Ketema in 2014
P&L Cost: £1.9m in 2013
Cash outflow: £1.6m in 2014
Savings: £1.2m pa from 2015

Thailand
Expanding capacity threefold (+196,000 sq ft) and adding processing capability at total cost of £6m over next 3 years

SSP
Additional 59,000 sq ft building to be built & leased near the existing facility to support growth, principally for the A320neo and CSeries. £4m investment in plant and equipment to be spent over next 3 years

Upeca Aerospace
Investing £4m over next 4 years to support new programmes with GKN and UTAS on A330, A350 and 787

Thailand
Adding capability in Thailand for XWB and Trent 1000 packages from Rolls-Royce at total cost of £6m over next 2.5 years

GROUP 2014 OUTLOOK

Large Commercial Aerospace:	➪ **Healthy**: underlying strength, 737 & 787 build rates increased.
	➪ A350 entry into service expected before end of the year.
	➪ Full H2 contribution from acquisition of Upeca Aerospace in April.
	➪ Increasing capacity in Thailand, US and Malaysia.
	➪ Price pressure ongoing but moderating as negotiations conclude as expected.
	➪ Industrialisation of new programmes and Thermal operational improvement both require delivery.
Business and Regional Jets:	➪ **Satisfactory**: engineering costs easing but E2-Jet development commences.
	➪ CSeries: year of testing means shipment of flight test vehicle products.
	➪ Business Jets: modest market recovery. L85 development sales ongoing.
Military and Defence:	➪ **Modest decline**: rate of reduction slowed by new programmes.
Land Vehicles – Trucks:	➪ **Satisfactory**: gradual market recovery in US and Europe.
	➪ Cooler spares decline; ramp up of new programmes in Europe.
– Passenger Vehicles:	➪ **Slightly better**: market recovery in Europe; weakness in Brazil & India.
	➪ Chinese exhaust flex production to start H2 2014.
Industrial:	➪ **Satisfactory**: large catofin project starting delivery in Q4.
	➪ Brazil activity increasing. N America fuel-cell dielectric revenue lower.
	➪ Full H2 contribution from acquisition of Upeca Energy in April.

Anticipate performing in line with the Board's expectations (currency excepted) and to make further progress in the second half of the year

CURRENCY EFFECT

HALF YEAR			Translation Impact on H1 2013[1] (£m)	
Avg. H1 2013	Rates to GBP	Avg. H1 2014	Revenue	Adj. PBT[2]
1.55	US $	1.67	(18.8)	(2.2)
1.18	Euro €	1.22	(1.5)	(0.1)
14.22	South African Rand	17.83	(1.9)	(0.6)
46.40	Thai Baht	54.63	(1.2)	(0.1)
3.17	Brazilian Real	3.83	(1.0)	(0.1)
1.57	Canadian $	1.83	(0.8)	(0.1)
30.23	Czech Rep. Koruna	33.45	(0.5)	(0.2)
85.36	Indian Rupee	101.66	(0.5)	(0.1)
Net Impact on H1 2013			**(26.2)**	**(3.5)**

FULL YEAR			Translation Impact on FY 2013[3] (£m)	
Avg. FY 2013	Rates to GBP	Avg. FY 2014[3]	Revenue	Adj. PBT[2]
1.57	US $	1.69	(35.5)	(4.7)
1.18	Euro €	1.23	(3.5)	(0.2)
15.14	South African Rand	17.95	(2.7)	(0.9)
48.44	Thai Baht	54.91	(2.3)	(0.3)
3.41	Brazilian Real	3.79	(1.2)	(0.1)
1.62	Canadian $	1.82	(1.2)	(0.3)
30.65	Czech Rep. Koruna	33.86	(1.0)	(0.4)
92.06	Indian Rupee	101.93	(0.5)	-
Net Impact on FY 2013			**(47.9)**	**(6.9)**

(1) The impact on H1 2013 results if exchange rates were at the H1 2014 average rates (translation impact only)
(2) Adjusted profit before tax (PBT) is as defined on pages 6 (H1) and 30 (FY)
(3) The impact on full year 2013 results if exchange rates were at the FY 2014 average rates (translation impact only) – assumes 30th June 2014 rates for rest of 2014.

GROUP LONGER-TERM OUTLOOK

Large Commercial Aerospace:
- ➪ 787 ($792k per s/s): 10 pm (2014), 12 pm (2016), 14 pm (2019)?
- ➪ A350 ($430k per s/s): 3 pm (2015), 6 pm (2016), 13 pm (2018)?
- ➪ A320neo & 737 MAX (higher s/s & rates) launch in 2015 & 2017.
- ➪ Thailand expansion effective mid 2015 when R-R XWB/T1000 launch.
- ➪ Growth opportunities: Malaysia; South Carolina; Airbus dollarisation; operational excellence.

Business and Regional Jets:
- ➪ CSeries ($520k per s/s): customer deliveries expected from H2 2015.
- ➪ Increased content on E2-Jets; deliveries expected from 2018.
- ➪ Gradual recovery in Biz jet market – but mainly in mid/light aircraft.

Military and Defence:
- ➪ Overall rate of decline anticipated to slow.
- ➪ A400M ($688k per s/s) expected ramp up to 24 p.a. in 2016.
- ➪ Rising JSF build rates from 2016.

Land Vehicles – Trucks:
- ➪ Expected ongoing global market recovery.
- ➪ Europe growth likely higher due to new programmes.

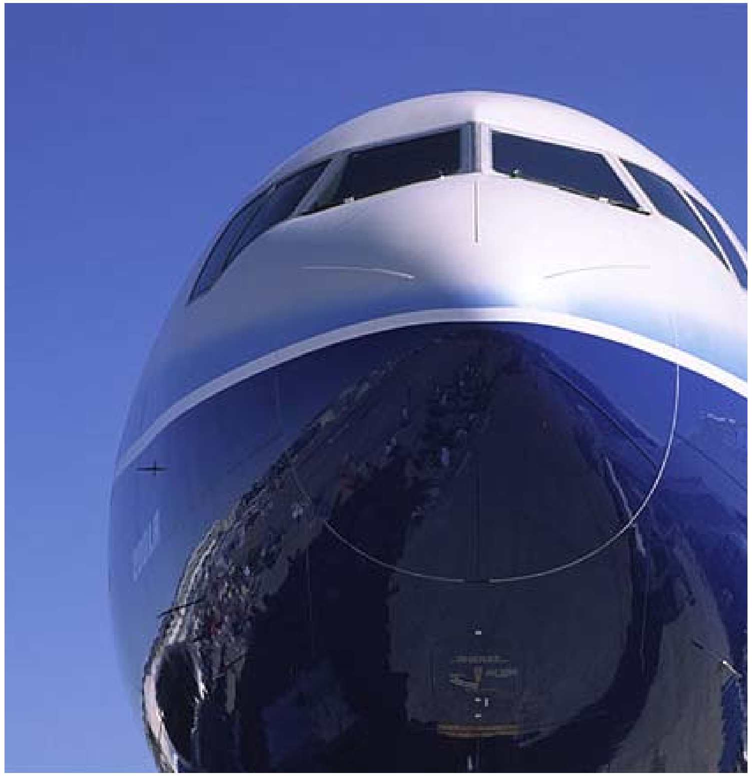
– Passenger Vehicles:
- ➪ European market recovery. China exhaust flexes ramping up.

Industrial:
- ➪ Global GDP increase and tightening environmental legislation.

The Group is well positioned to make further progress in 2015 and beyond





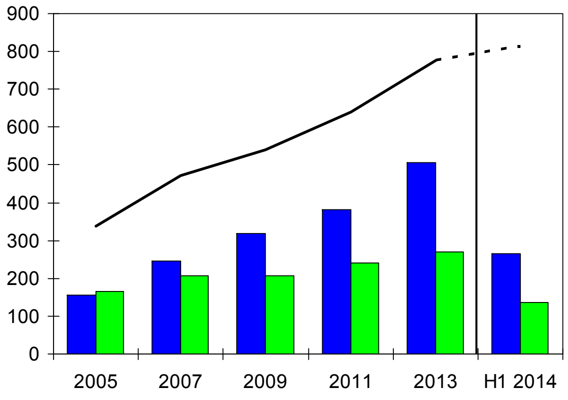


ANY QUESTIONS?

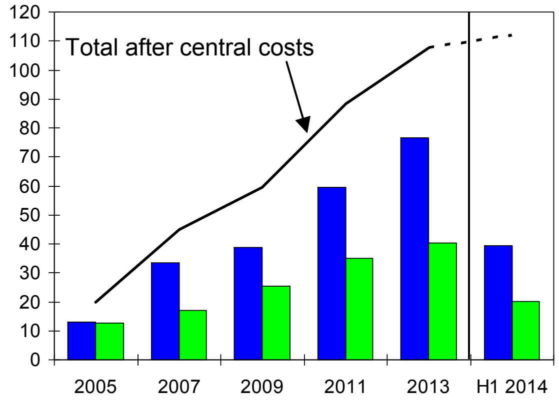
APPENDICES

GROUP EVOLUTION

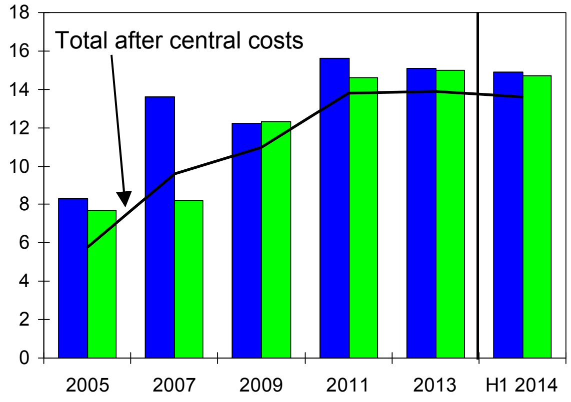
Revenue (£m)



Adjusted Operating Profit (£m)

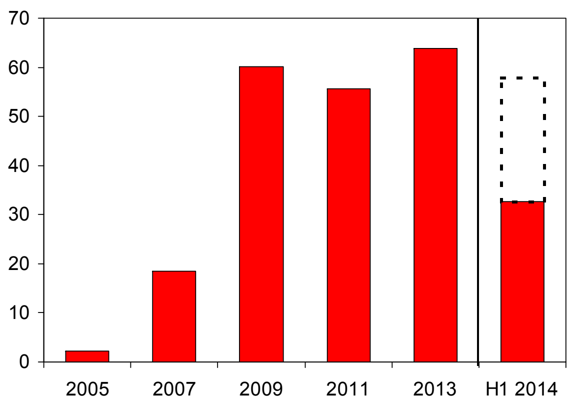


Adjusted Operating Margin (%)



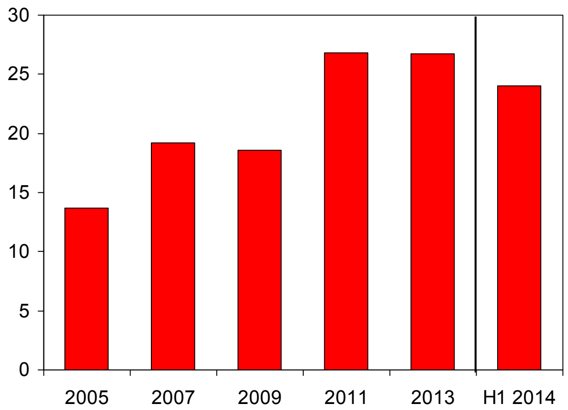
Aerospace   Flexonics   Group   JHG FY Forecast (pre results)

Free Cash Flow (£m)

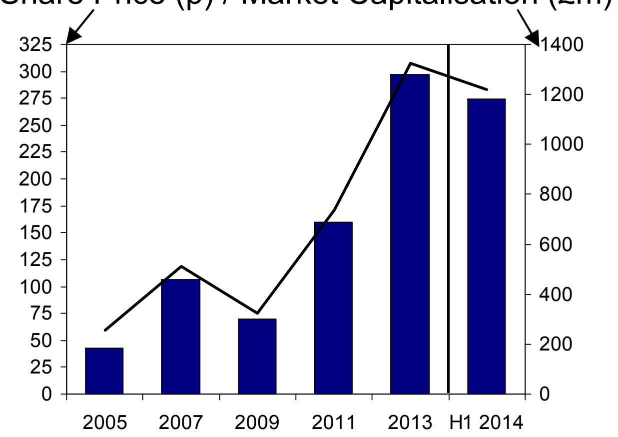


Group   JHG FY Forecast (pre results)

Return on Capital Employed (%)



Share Price (p) / Market Capitalisation (£m)



Market Capitalisation   Share Price

EXECUTIVE MANAGEMENT TEAM

Chairman

Group: 3 years
Role: 3 years

Charles Berry

Group CEO

Group: 17 years
Role: 7 years

Mark Rollins

Flexonics CEO

Group: 32 years
Role: 14 years

Mike Sheppard

Aerospace Fluid Systems CEO

Group: 17 years
Role: 7 years

Launie Fleming

Aerospace Structures CEO

Group: 8 years
Role: 5 years

Jerry Goodwin

Group Finance Director

Group: 18 months
Role: 18 months

Derek Harding

Head of Investor Relations & Leadership Development

Group: 9 years
New Role

Bindi Foyle

Head of Business Development

Group: 10 years
Role: 12 months

David Beavan

Group Company Secretary

Group: 12 years
Role: 12 years

Andrew Bodenham

Group HSE Manager

Group: 9 years
Role: 9 years

James Pomeroy

Dates assume service to 31st March 2015

EXCHANGE RATES

	Profit and Loss Account				Balance Sheet			
	Average Rates				Period End Rates			
	H1 2014	H1 2013	Change	FY 2013	June 2014	June 2013	Change	Dec 2013
£ : US Dollar	1.67	1.55	-7.2%	1.57	1.70	1.52	-10.6%	1.66
£ : Euro	1.22	1.18	-3.3%	1.18	1.25	1.17	-6.4%	1.20
£ : Rand	17.83	14.22	-20.2%	15.14	18.09	15.06	-16.7%	17.35
Euro : Rand	14.61	12.05	-17.5%	12.83	14.47	12.87	-11.1%	14.46

Using H1 2014 average rates would have decreased H1 2013 sales by £26.2m
Using H1 2014 average rates would have decreased H1 2013 operating profits by £4.0m
Period end rates decreased reported debt by £1.4m compared to Dec 2013

Estimated that 10 cents movement in £:$ (£:€) exchange rate affects full year sales by £30m (£7m), operating profit by £5m (£0.4m), profit before tax by £4m (£0.4m) and net debt by £6m (£nil)

DIVISION RESULTS – AS REPORTED

£m	Revenue £m			Adj Operating Profit[1] £m			Margin on Sales	
	2014	**2013**	**Currency Impact[2]**	**2014**	**2013**	**Currency Impact[2]**	**2014**	**2013**
Aerospace	264.0	254.2	(14.4)	39.4	36.8	(1.9)	14.9%	14.5%
Flexonics	136.6	145.6	(11.8)	20.1	20.6	(2.1)	14.7%	14.1%
Share of JV	-	-	-	(0.2)	(0.1)	-	-	-
Inter-seg. sales	*(0.2)*	*(0.5)*	-	-	-	-	-	-
Central Costs	-	-	-	(4.7)	(4.0)	-	-	-
Continuing Ops.	**400.4**	**399.3**	**(26.2)**	**54.6**	**53.3**	**(4.0)**	**13.6%**	**13.3%**

(1) Adjusted operating profit is as defined on page 6.
(2) Currency impact is the effect on the H1 2013 reported figures when retranslated at H1 2014 average exchange rates.

GEOGRAPHIC RESULTS – AS REPORTED

£m	Revenue £m			Adj Operating Profit[1] £m			Margin on Sales	
	2014	2013	Currency Impact[2]	2014	2013	Currency Impact[2]	2014	2013
North America	253.1	267.0	(19.6)	37.7	39.4	(2.9)	14.9%	14.8%
Rest of Europe	49.8	51.0	(2.0)	4.5	4.0	(0.2)	9.0%	7.8%
United Kingdom	65.7	56.6	-	11.9	10.0	-	18.1%	17.7%
Rest of World	33.6	26.9	(4.7)	5.4	4.0	(0.9)	16.1%	14.9%
Share of JV	-	-	-	(0.2)	(0.1)	-	-	-
Inter-seg. sales	*(1.8)*	*(2.2)*	*0.1*	-	-	-	-	-
Central Costs	-	-	-	(4.7)	(4.0)	-	-	-
Continuing Ops.	**400.4**	**399.3**	**(26.2)**	**54.6**	**53.3**	**(4.0)**	**13.6%**	**13.3%**

(1) Adjusted operating profit is as defined on page 6.
(2) Currency impact is the effect on the H1 2013 reported figures when retranslated at H1 2014 average exchange rates.

DIVISION RESULTS – HALF YEARLY

	Revenue				Adjusted Operating Profit			
	H1 2014	**H2 2013**	**H1 2013**	**H2 2012**	**H1 2014**	**H2 2013**	**H1 2013**	**H2 2012**
Aerospace	264.0	252.4	254.2	228.0	39.4	39.7	36.8	35.6
Flexonics	136.6	123.7	145.6	118.8	20.1	19.8	20.6	19.4
Inter-segment sales	(0.2)	(0.3)	(0.5)	(0.3)	-	-	-	-
Share of JV	-	-	-	-	(0.2)	(0.2)	(0.1)	(0.1)
Central costs	-	-	-	-	(4.7)	(5.0)	(4.0)	(4.6)
Continuing operations	**400.4**	**375.8**	**399.3**	**346.5**	**54.6**	**54.3**	**53.3**	**50.3**
Discontinued operations	-	-	-	6.1	-	-	-	0.4
Total operations	**400.4**	**375.8**	**399.3**	**352.6**	**54.6**	**54.3**	**53.3**	**50.7**
Interest - borrowings and cash					(4.1)	(3.8)	(4.3)	(3.8)
- retirement benefits					(0.4)	(0.7)	(0.7)	(1.3)
Tax					(10.0)	(9.6)	(9.7)	(7.7)
Adjusted profit for the period [(1)]					**40.1**	**40.2**	**38.6**	**37.9**
Adjusted earnings per share [(1)]					**9.65p**	**9.69p**	**9.31p**	**9.18p**

(1) Before loss on disposal of fixed assets (H2 2012 £0.1m; Others £nil), acquisition costs (H1 2014 £0.4m; H2 2013 £0.3; H1 2013 £0.1m; H2 2012 £0.3m), amortisation of intangible assets arising on acquisitions (H1 2014 £3.1m; H2 2013 £2.1m; H1 2013 £2.1m; H2 2012 £2.3m), restructuring costs (H2 2013 £1.9m; Others £nil), goodwill impairment charge (H1 2013 £12.9m; Others £nil), reversal of contingent consideration payable (H1 2013 £3.9m; Others £nil), pension curtailment charge (H1 2014 £1.5m; H2 2013 £1.1m gain; H2 2012 £1.9m; Others £nil) and profit on disposal of discontinued operation (H2 2012 £2.5m; Others £nil). Note that for full year 2013 the goodwill impairment charge was £12.7m and the reversal of contingent consideration payable was £3.8m as a result of translation at 2013 average exchange rates.

AEROSPACE – UPECA TECHNOLOGIES ACQUISITION continued

UAT – Aerospace Structures Division

- 110,000 sq ft of manufacturing and office space (leased), located in the outskirts of Kuala Lumpur, Malaysia
- Comprehensive AS9100, ISO9001 and NADCAP accredited manufacturing capability in South-East Asia including secondary processing capability
- Aerostructures (67%): fan cowls, ribs, seal guides
  Avionics (16%): brackets, frames
  Fuel Systems (7%): bleed valves
  Engine Structures (5%): casings, bearings structures
  Interiors (5%): specialty seating, seat panels & pans
- Platforms include A320 ($21k shipset), A350 ($49k) and B787 (from 2015)
- Global customers including UTAS, Spirit, Honeywell, Meggitt, Sogerma
- Year to March 2014: Revenue MYR59m (£10.9m)
- 326 total employees
- Kavan Jeet Singh retains responsibility for UPECA's Aerospace Division – over 10 years aerospace industry experience
- Reports to Aerospace Structures Divisional CEO

UFT and UET – Flexonics Division

- 77,000 sq ft of manufacturing and office space (owned), located in the outskirts of Kuala Lumpur, Malaysia; and 73,000 sq ft of manufacturing and office space (leased), located in Wuqing, Tianjin, China
- Well invested facilities with ISO9001 approvals
- Oil & Gas Flow control equipment components (90%)
  Oil & Gas Subsea tree equipment components (3%)
  Oil & Gas Oilfield services equipment components (1%)
  Mechanical and Electrical components (6%)
- Able to work with a large range of materials including: aluminium alloys, carbon and stainless steel, inconel, titanium, duplex/super duplex, monel, nitronics
- Global customers including Emerson, Baker Hughes, Halliburton, Aker Solutions
- Year to March 2014: Revenue MYR108m (£19.9m)
- 317 total employees – 184 in Malaysia; 133 in China
- Eugene Ang retains responsibility for UPECA's Energy Division and has been with UPECA for over 16 years
- Reports to Flexonics Divisional CEO

FREE CASH FLOW

	H1 2014 £m	H1 2013 £m	FY 2013 £m
Operating profit from continuing ops.	**49.6**	**42.1**	**93.3**
Share of JV loss	0.2	0.1	0.3
Depreciation	11.8	10.9	21.6
Amortisation of intangible assets	3.4	2.5	4.9
Goodwill impairment & reversal of contingent consideration payable	-	9.0	8.9
Restructuring charge	-	-	1.9
Charge for share-based plans	1.7	1.7	3.5
Pension curtailment charge / (gain)	1.5	-	(1.1)
Pension payments above service cost	(4.6)	(3.3)	(7.7)
Working capital (page 10)	(9.0)	(14.1)	(19.1)
Currency movements	0.5	(0.2)	-
Cash generated from operations	**55.1**	**48.7**	**106.5**
Interest paid (net)	(4.0)	(4.0)	(7.9)
Tax paid	(6.5)	(4.3)	(6.0)
Capital expenditure (page 34)	(12.1)	(12.5)	(29.7)
Sale of fixed assets	0.2	0.2	0.9
Free cash flow	**32.7**	**28.1**	**63.8**

CHANGE IN NET DEBT

UPECA acquisition impact on net debt £74.4m

	H1 2014 £m	H1 2013 £m	FY 2013 £m
Free cash flow (page 32)	**32.7**	**28.1**	**63.8**
Dividends	(15.0)	(13.6)	(19.9)
Acquisitions (net of cash & o/d acquired) and JV	(60.1)	(2.8)	(31.0)
Share issues	0.1	0.1	0.1
Purchase of shares by employee benefit trust	(0.7)	(0.7)	(0.9)
Net cash (outflow)/ inflow	**(43.0)**	**11.1**	**12.1**
Exchange variations	2.2	(5.7)	(0.2)
Finance leases assumed on acquisition	(1.4)	-	(0.2)
Bank and other loans assumed on acquisition	(12.9)	-	-
Net debt – opening	(59.2)	(70.9)	(70.9)
Net debt – closing (page 35)	**(114.3)**	**(65.5)**	**(59.2)**
Net debt to EBITDA (page 37)	**0.8x**[(2)]	**0.5x**[(2)]	**0.5x**

(1) Net of overdraft and final working capital adjustment.
(2) Based on rolling 12 month EBITDA

GROSS CAPITAL EXPENDITURE

	H1 2014		H1 2013	
	Capex	Depn [1]	Capex	Depn [1]
	£m	£m	£m	£m
Aerospace	7.9	7.7	9.1	7.0
Flexonics	3.9	4.3	3.3	4.2
Holding Companies	0.3	0.1	0.1	0.1
Total	**12.1**	**12.1**	**12.5**	**11.3**

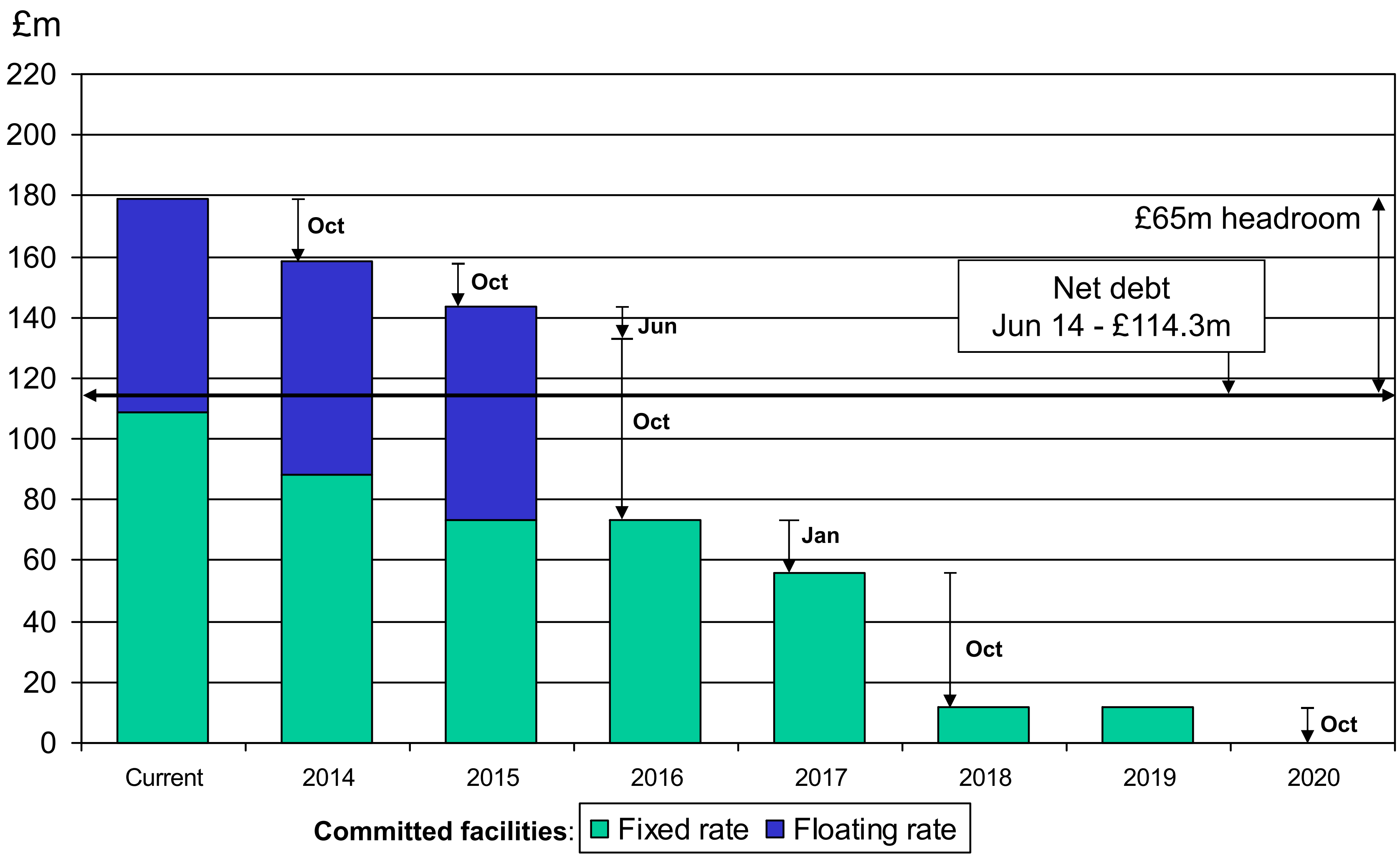
(1) Depreciation excludes amortisation of intangible assets arising on acquisitions of £3.1m (2013: £2.1m) but includes amortisation of computer software of £0.3m (2013 : £0.4m).

USAGE OF CREDIT FACILITIES – June 2014

	Interest %	Facility £m	Usage £m	Usage by Currency £	$	€	Other
Private placements:							
US $20.0m (Oct 2020)	6.94%	11.8	11.8	-	11.8	-	-
US $75.0m (Oct 2018)	6.84%	44.1	44.1	-	44.1	-	-
US $30.0m (Jan 2017)	5.85%	17.6	17.6	-	17.6	-	-
US $25.0m (Oct 2015)	6.42%	14.7	14.7	-	14.7	-	-
US $35.0m (Oct 2014)	5.93%	20.6	20.6	-	20.6	-	-
	6.46%	**108.8**	**108.8**	-	**108.8**	-	-
Bank facilities:							
Revolving credit facility (Oct 2016) £60.0m		60.0	27.5	14.0	13.5	-	-
Harris Bank (Jun 2016) $17.1m		10.1	-	-	-	-	-
Total committed facilities		**178.9**	**136.3**	**14.0**	**122.3**	**-**	**-**
Overdrafts and bank loans		34.1	8.4	-	-	-	8.4
Finance leases		1.2	1.2	0.1	0.3	-	0.8
Other loans		0.2	0.2	-	-	0.2	-
Gross debt		**214.4**	**146.1**	**14.1**	**122.6**	**0.2**	**9.2**
Cash		-	(31.8)	(2.5)	(6.3)	(4.2)	(18.8)
Net debt		**214.4**	**114.3**	**11.6**	**116.3**	**(4.0)**	**(9.6)**

Headroom of £65m on committed facilities

MATURITY PROFILE OF CREDIT FACILITIES



COVENANTS

	June 2014	Dec 2013	June 2013	Dec 2012
Net Debt	£114.3m	£59.2m	£65.5m	£70.9m
Net interest [1] - rolling 12 months	£9.0m	£8.4m	£8.2m	£7.8m
EBITDA [1] - rolling 12 months	£137.5m	£129.7m	£124.9m	£122.7m
Interest cover (to exceed 3.5 times)	**15.3 x**	**15.4 x**	**15.2 x**	**15.7 x**
Net Debt to EBITDA (not to exceed 3 times)	**0.8 x**	**0.5 x**	**0.5 x**	**0.6 x**

(1) The Group's results only include Upeca, Thermal, Atlas and GA from their date of acquisition (April 2014, Nov 2013, Feb 2013 and Nov 2012, respectively). Consequently, for covenant purposes for rolling 12 months to June 2014, net interest and EBITDA include an additional £1.1m and £6.6m respectively in respect of Upeca and Thermal's combined results prior to acquisition. For covenant purposes for 2013, net interest and EBITDA include an additional £0.3m and £1.2m respectively in respect of Thermal and Atlas' combined results prior to acquisition. For covenant purposes for rolling 12 months to June 2013, net interest and EBITDA include an additional £0.1m and £1.5m respectively in respect of Atlas and GA's combined results prior to acquisition and excludes £0.4m EBITDA to eliminate Hargreaves results prior to disposal in 2012. For covenant purposes for 2012, net interest and EBITDA include an additional £0.1m and £4.1m respectively in respect of GA's results prior to acquisition and excludes £0.9m EBITDA from Hargreaves.

PENSIONS – DEFICIT MOVEMENT

	6 Months 2014				2013
	UK Funded £m	USA Funded £m	Various Unfunded £m	Total £m	Total £m
IAS19 Scheme deficit at 31 Dec 2013	**(15.6)**	**(4.3)**	**(5.7)**	**(25.6)**	**(37.1)**
Current service cost	(0.2)	(0.2)	-	(0.4)	(2.0)
Past service cost	-	-	0.2	0.2	-
Running costs	(0.2)	-	(0.1)	(0.3)	(0.8)
Curtailment (charge)/ gain	(1.5)	-	-	(1.5)	1.1
Total employer cash contributions	4.4	0.3	0.4	5.1	10.4
Net interest charge	(0.3)	(0.1)	-	(0.4)	(1.4)
Actuarial variations - assets	6.4	3.0	-	9.4	6.6
- liabilities	(9.1)	(2.5)	-	(11.6)	(2.3)
Foreign exchange impact	-	0.1	0.2	0.3	(0.1)
IAS19 Scheme deficit at 30 June 2014	**(16.1)**	**(3.7)**	**(5.0)**	**(24.8)**	**(25.6)**

	2014	UK 2013
Discount rate	4.20%	4.50%
Salary inflation	2.00% [(1)]	2.00% [(1)]
Price inflation	3.20%	3.30%
Life expectancy of male aged 65 in 20 years	23.6yrs	23.6yrs

(1) Due to introducing a cap on pensionable earnings growth of 2.0% per annum from April 2010 in the UK plan.

PENSIONS – UK PLAN FUNDING

UK Plan closed to future accrual from April 2014

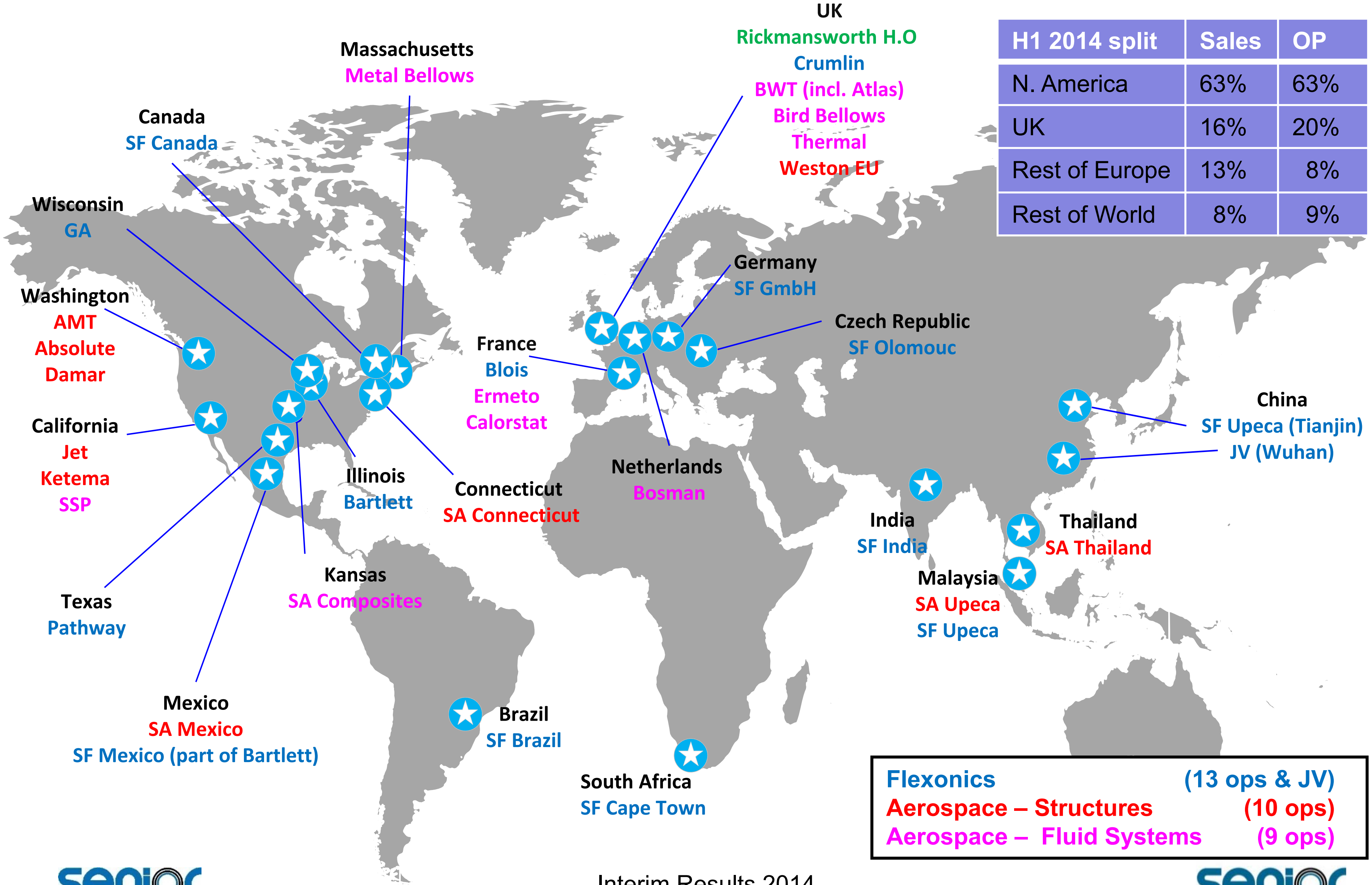
Actuarial Valuations

Last valuation	5 April 2013
Scheme assets/(liabilities) at valuation	£226.3m / (£275.3m)
Funding level	82%

IAS 19 Valuations	**Jun 2014** £m	**Dec 2013** £m	**Jun 2013** £m
Scheme Assets			
Equities	75.2	72.4	64.5
Bonds	85.7	80.9	80.4
Gilts	71.9	68.4	68.6
Cash & net current liabilities	1.2	1.4	(1.5)
Total	234.0	223.1	212.0
Scheme Liabilities	£250.1m	£238.7m	£228.9m
Scheme deficit	**£16.1m**	**£15.6m**	**£16.9m**
Scheme assets / liabilities (IAS19)	94%	93%	93%

Cash Flows		£m	£m	£m
DB contributions	- Service cost	0.2	1.0	0.5
	- Planned deficit funding	3.9	7.3	3.4
	- Other	0.3	0.1	-
		4.4	8.4	3.9

SENIOR'S LOCATIONS



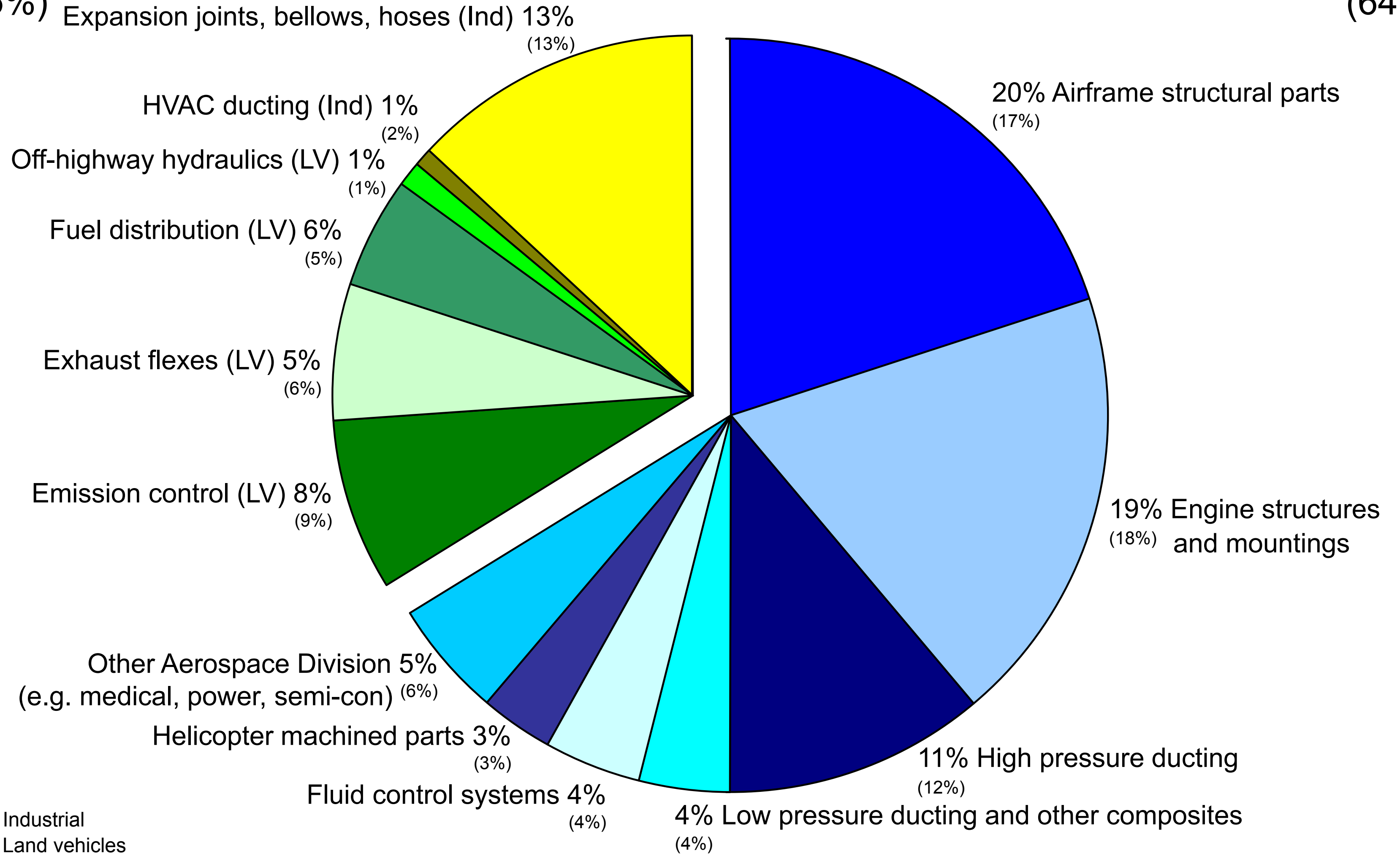
H1 2014 split	Sales	OP
N. America	63%	63%
UK	16%	20%
Rest of Europe	13%	8%
Rest of World	8%	9%

Flexonics	(13 ops & JV)
Aerospace – Structures	(10 ops)
Aerospace – Fluid Systems	(9 ops)

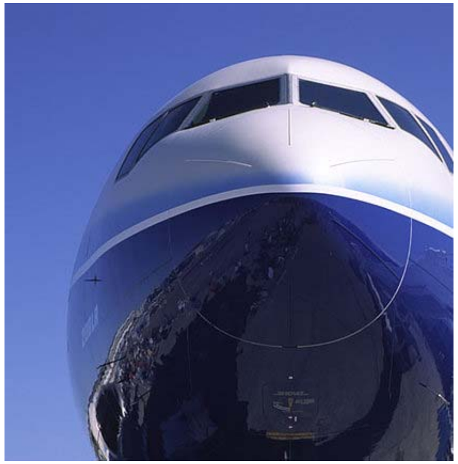
SENIOR'S PRODUCTS – H1 2014

34% Flexonics Division (36%)

Aerospace Division 66% (64%)



(Ind) - Industrial
(LV) - Land vehicles
% in brackets are H1 2013 comparatives



AEROSPACE DIVISION

AEROSPACE – ORDERS AND DELIVERIES

Large Commercial Aircraft	Deliveries H1 2014	Deliveries 2013	Deliveries 2012	Deliveries 2011	Net Orders H1 2014	Net Orders 2013	Net Orders 2012	Net Orders 2011	Order Book Jun 2014	Order Book Dec 2013	Order Book Dec 2012	Order Book Dec 2011
Boeing	342	648	601	477	499	1,355	1,203	805	5,237	5,080	4,373	3,771
Airbus	303	626	588	534	290	1,503	833	1,419	5,546	5,559	4,682	4,437
Total	645	1,274	1,189	1,011	789	2,858	2,036	2,224	10,783	10,639	9,055	8,208

Regional Jets	Deliveries H1 2014	Deliveries 2013	Deliveries 2012	Deliveries 2011	Net Orders H1 2014	Net Orders 2013	Net Orders 2012	Net Orders 2011	Order Book Jun 2014	Order Book Dec 2013	Order Book Dec 2012	Order Book Dec 2011
Bombardier(1)	26	26	14	46	42	64	88	42	309 (2)	293	255	181
Embraer	43	90	106	105	54	334	42	104	440 (3)	429	185	249
Total	69	116	120	151	96	398	130	146	749	722	440	430

Business Jets	Deliveries H1 2014	Deliveries 2013	Deliveries 2012	Deliveries 2011
Total H1 2013 – 283	318	678	672	696

(1) Bombardier figures exclude Q-Series turboprop Q-Series H1 2014 deliveries 10 (FY 2013: 29; FY 2012: 36); H1 2014 net orders 19 (FY 2013: 17; FY 2012: 50)

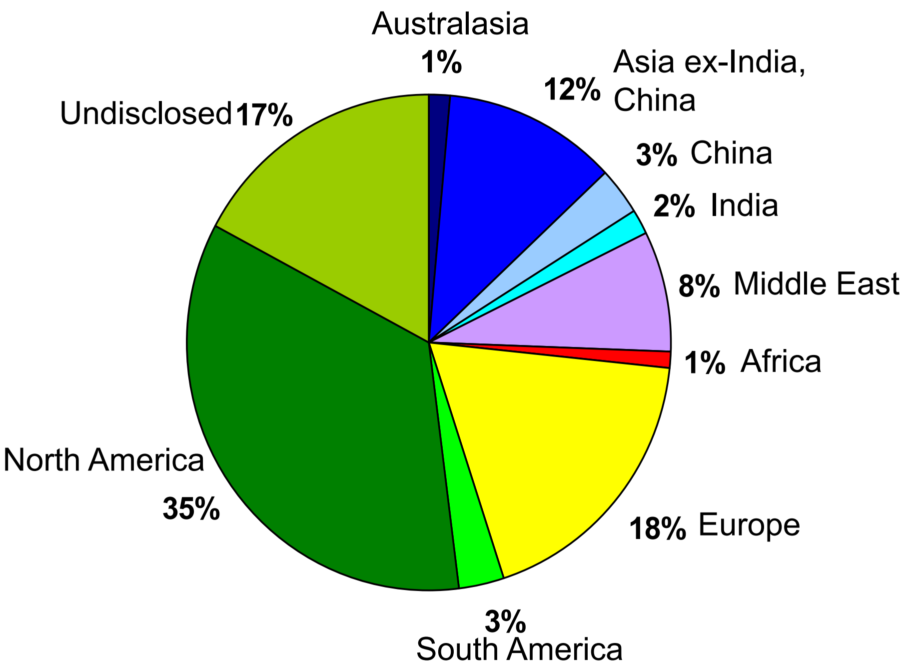
(2) Includes 203 orders for CSeries

(3) Includes 200 orders for E175/190/195-E2

Source: General Aviation Manufacturers Association and Speednews

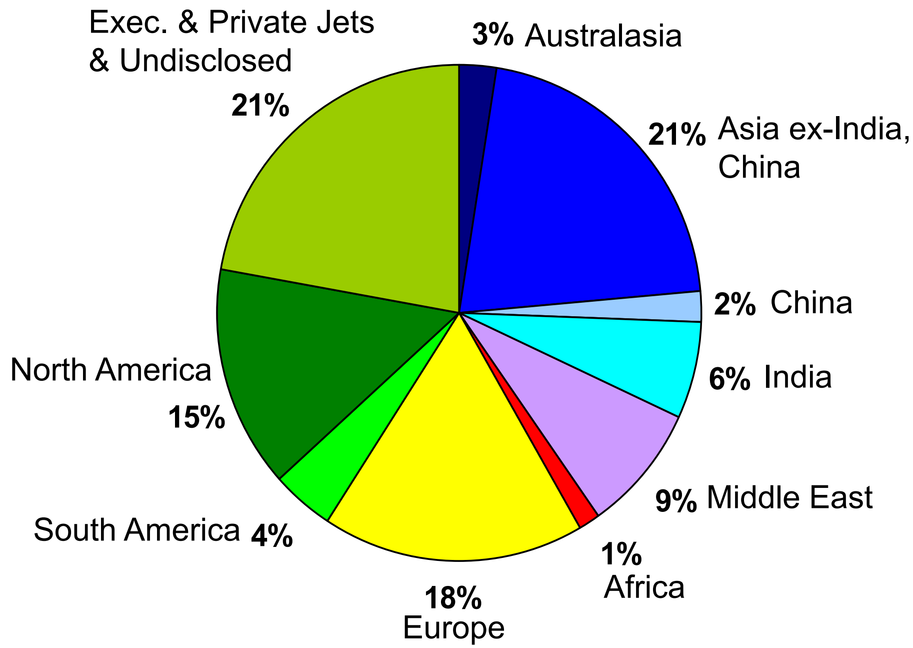
AEROSPACE – LARGE COMMERCIAL AIRCRAFT BACKLOG

Boeing backlog by region: June 2014



5,237 aircraft

Airbus backlog by region: June 2014



5,546 aircraft

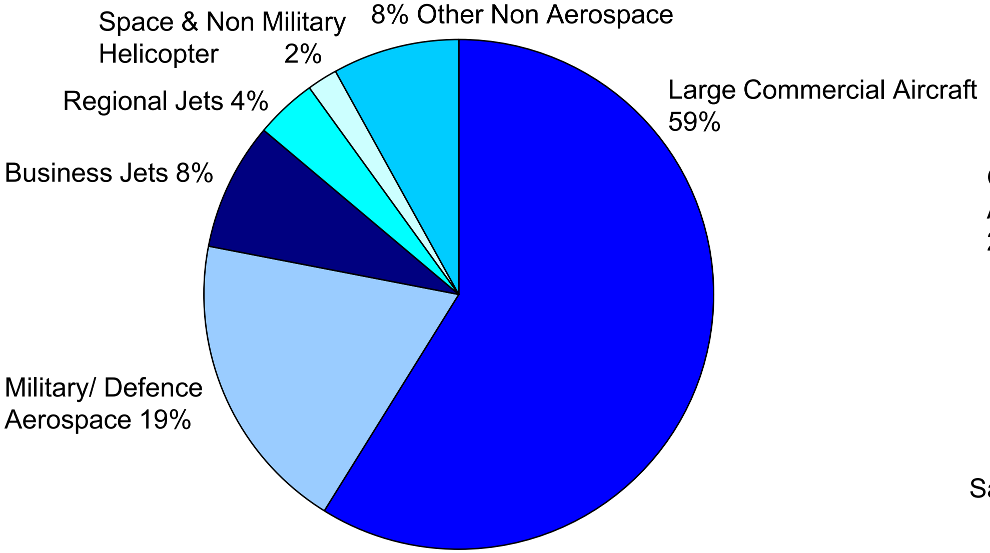
Source: Boeing and Airbus

AEROSPACE DIVISION: A SUMMARY

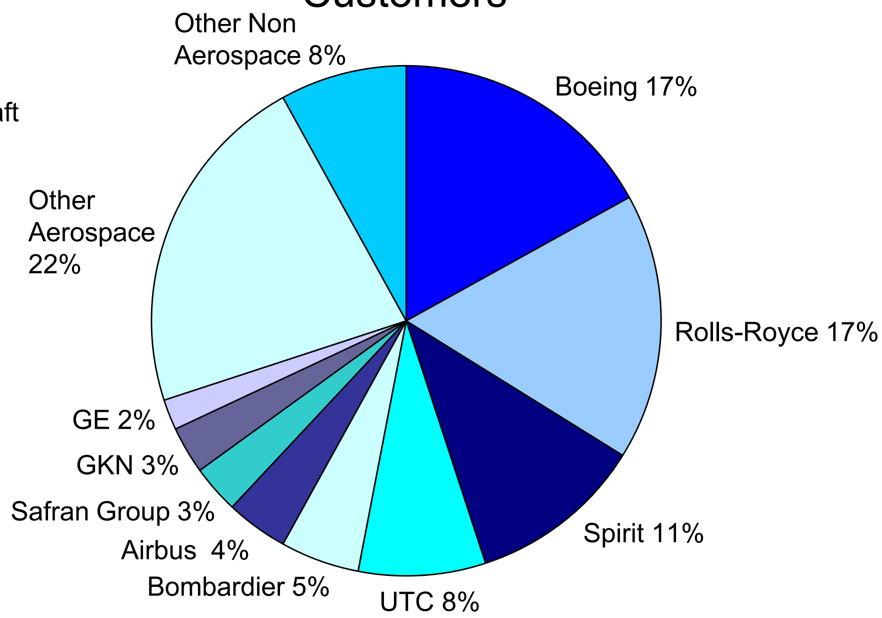
	2014	2013[2]	Change
Revenue	**£264.0m**	£239.8m	**+10.1%**
Adjusted Operating Profit[1]	**£39.4m**	£34.9m	**+12.9%**
Adjusted Operating Margin[1]	**14.9%**	14.6%	**+0.3ppts**

19 Operations	
NAFTA	10
Europe	3
UK	4
ROW	2

Markets

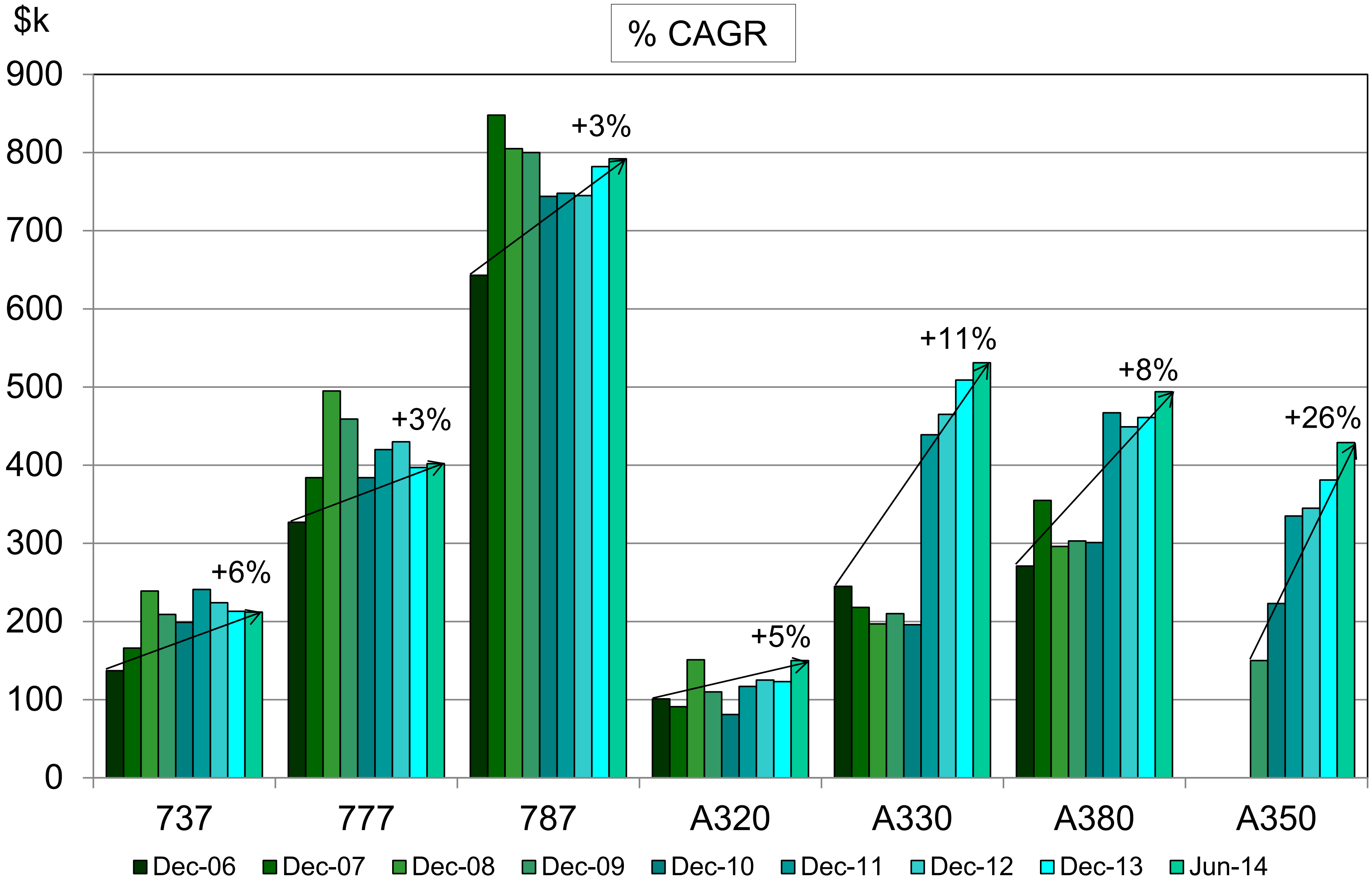


Customers



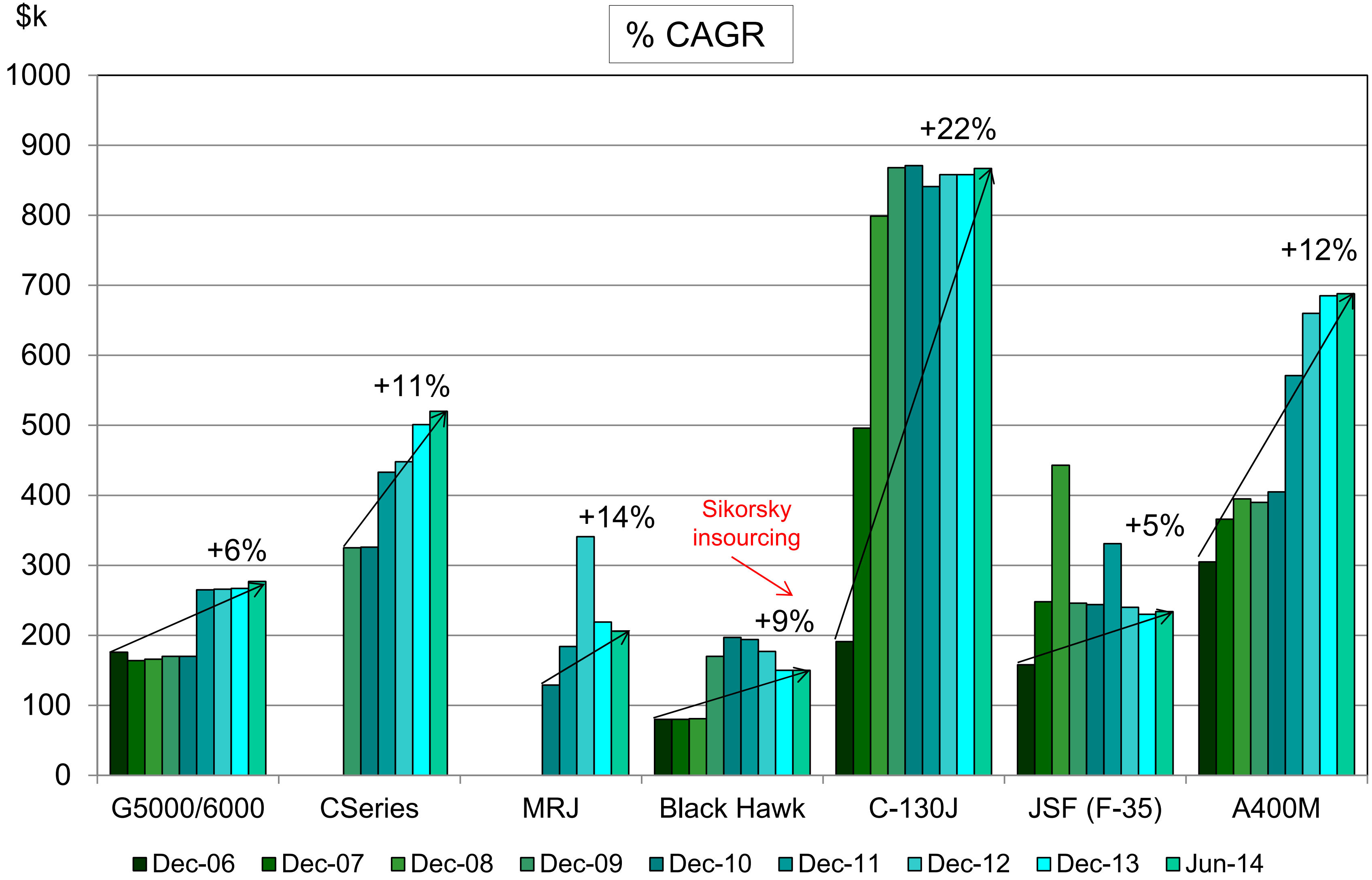
(1) Before amortisation of intangible assets arising on acquisitions of £2.1m (2013: £1.5m), acquisition costs of £0.2m (2013: £0.1m) and goodwill impairment charge of £nil (2013: £12.9m).
(2) All at H1 2014 exchange rates – translation effect only.

SHIPSET VALUE[(1)] PROGRESSION – LARGE COMMERCIAL AIRCRAFT



(1) Average based on programme share and estimated engine variant

SHIPSET VALUE[1] PROGRESSION – Regional, Business and Military



[1] Average based on programme share and estimated engine variant

AEROSPACE – OPERATIONS

	Operation	Location
Structures	Senior Aerospace AMT	Seattle, USA
	Senior Aerospace Ketema	San Diego, USA
	Senior Aerospace Weston EU	Colne, UK
	Senior Aerospace Jet Products	San Diego, USA
	Senior Aerospace Connecticut	Enfield, CT, USA
	Senior Aerospace Thailand	Chonburi, Thailand
	Senior Aerospace Damar	Seattle, USA
	Senior Aerospace Absolute Mnfg	Seattle, USA
	Senior Aerospace Mexico	Saltillo, Mexico
	Senior Aerospace Upeca	Kuala Lumpur, Malaysia
Fluid Systems	Senior Aerospace SSP	Los Angeles, USA
	Senior Aerospace BWT (incl. Atlas)	Macclesfield & Ilkeston, UK
	Senior Aerospace Metal Bellows	Boston, USA
	Senior Aerospace Bird Bellows	Congleton, UK
	Senior Aerospace Ermeto	Blois, France
	Senior Aerospace Thermal Engineering	Royston, UK
	Senior Aerospace Composites	Wichita, KS, USA
	Senior Aerospace Calorstat Bellows	Dourdan, France
	Senior Aerospace Bosman	Rotterdam, Holland

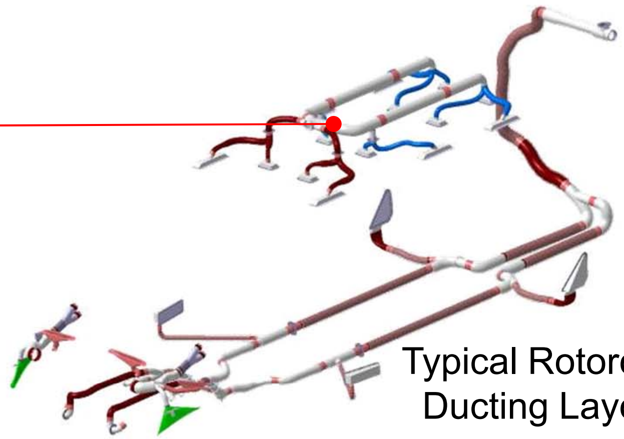
H1 2014 Total Gross Sales were £267.8m (H1 2013 £258.4m)

AEROSPACE – STRATEGY

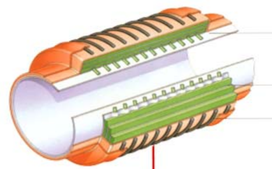
Sector		Strategic Objectives
Fluid Systems	**Fluid Conveyance Systems** Low Pressure Ducting High Pressure Ducting Aerospace Control Products Non-Aerospace Control Products	❑ Continue to develop products for new platforms ❑ Further develop strategic customer relationships ❑ Successful execution of new development programmes ❑ Expand engineered product portfolio ❑ Acquire new or adjacent technologies
Fluid Systems / Aerostructures	**Gas Turbine Engines** Fluid Systems Engine Components	❑ Target higher value-add engineered or flight-critical parts (e.g. rotating) ❑ Develop cross-business customer relationships ❑ Further develop low-cost country footprint ❑ Secure additional content on engines for next generation narrow-body and wide-body commercial aircraft ❑ Expand process capabilities via new technology investment
Aerostructures	**Structures** Airframe Assemblies Nacelles Helicopter Transmissions	❑ Extend customer value proposition via increased collaboration ❑ Continue to focus on operational excellence to drive customer satisfaction and increase market share ❑ Develop capabilities and build a business of increased scale in Thailand ❑ Expand process capabilities to enhance added value for customers ❑ Invest in new technologies necessary for substantial growth

Fluid Conveyance: Low Pressure Ducting

Low Pressure Ducting Assembly

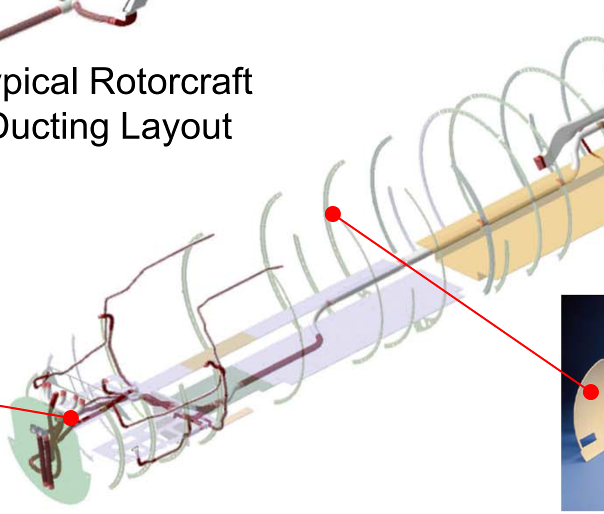


Typical Rotorcraft Ducting Layout

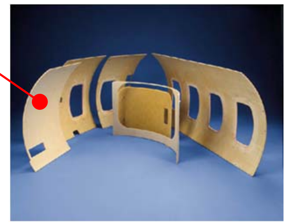


Engineered Composite Duct Assembly

Various Composite Duct Products



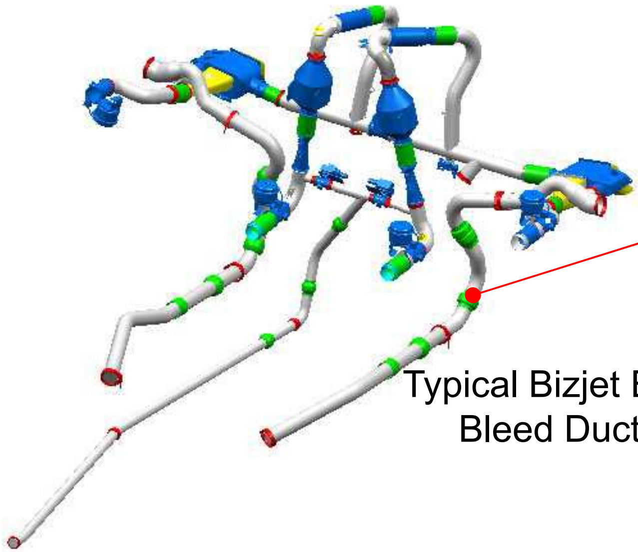
Typical Business Jet Ducting Layout



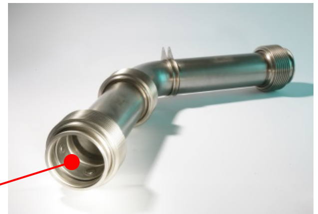
Composite Wall Panels

Main Operations:	BWT, Composites, Atlas
Main Customers:	Bombardier, Cessna, Hawker, Mitsubishi, Embraer, Agusta Westland

Fluid Conveyance: High Pressure Ducting



Typical Bizjet Engine Bleed Ducting

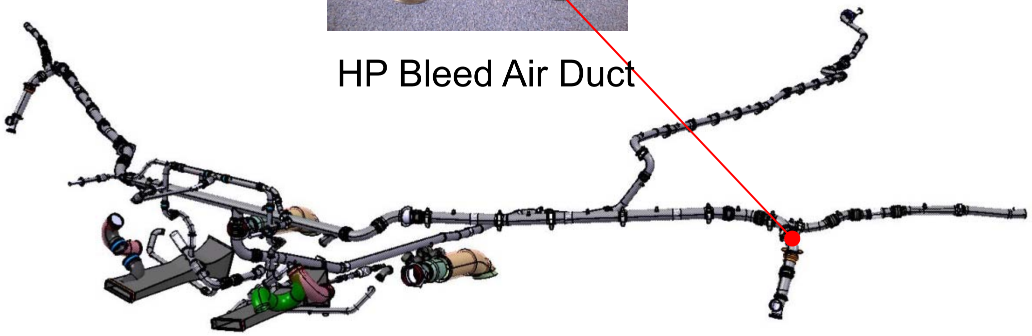


HP Bleed Air Duct

Engineered Solutions

HP Bleed Air Duct

Typical Wing Duct Products



Bombardier CSeries High Pressure Ducting Layout

Main Operations:	SSP, Bird Bellows, Calorstat
Main Customers:	Airbus, Boeing, Bombardier, Lockheed Martin, Gulfstream, GKN

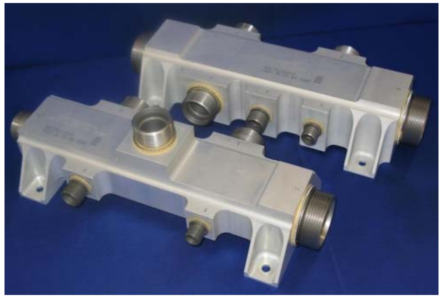
Fluid Conveyance: Aerospace Control Products

Hydraulic Bellows Accumulators

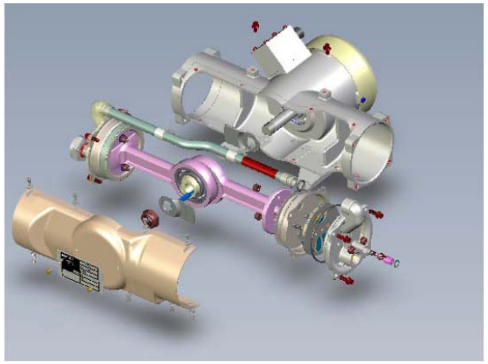
Hydraulic System Couplings

Control Actuators

Pressure/Temp Sensors



Hydraulic Control Manifold



Compressor Assembly

Main Operations:	Metal Bellows, Calorstat, Bird Bellows, Ermeto
Main Customers:	Airbus, Boeing, Lockheed Martin, Northrop Grumman, Embraer, Eaton, GKN

Fluid Conveyance: Non-Aerospace Control Products

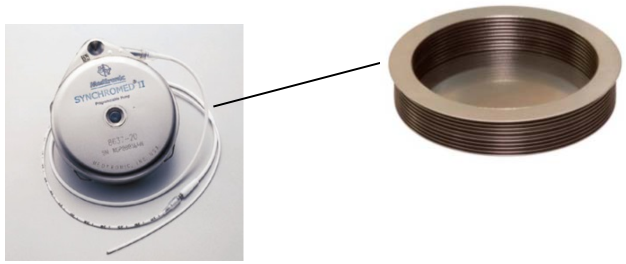
Pin Lift Actuator

(Semi-Conductor)

Bellows Assembly

(Nuclear industry)

Process Control Valves
(Chemical process)

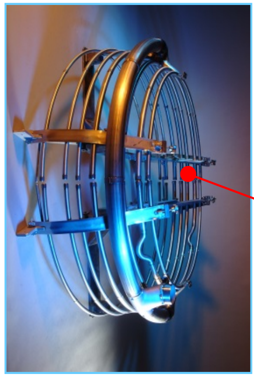


Drug Pump Implant

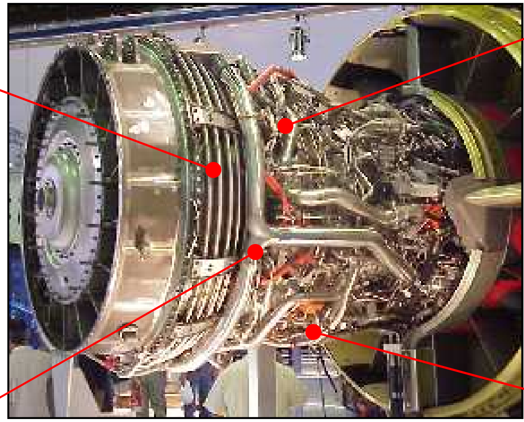
(Medical)

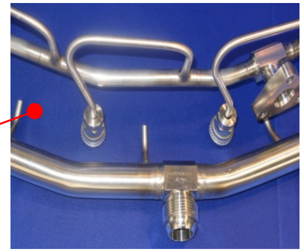
Main Operations:	Calorstat, Metal Bellows, Ermeto, Bird Bellows
Main Customers:	AECL Nuclear, Volvo, LAM Industries, Medtronics, Carrier, Dresser, Tyco

Gas Turbine Engines: Fluid Systems



Active Clearance Control System





Hydraulic/Fuel Feed Manifolds

Engine Bleed Ducting

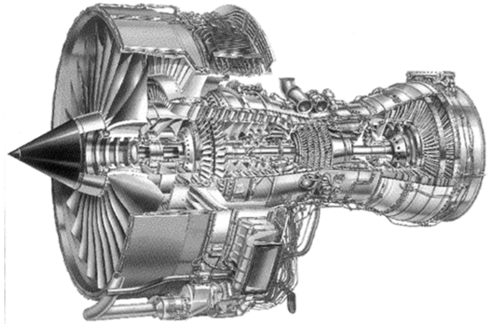
Static Seal

Bellows Face Seal

Main Operations:	Bosman, Ermeto, Metal Bellows, Bird Bellows, SSP, Thermal
Main Customers:	Rolls-Royce, Snecma, MTU, Pratt & Whitney

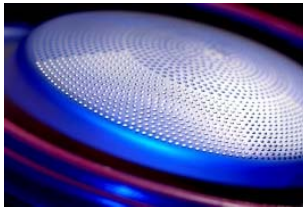
Gas Turbine Engine: Engine Components

TFE 731 Lear Jet/Hawker Front Frame



Typical Gas Turbine Aero-engine

307 Combustion Case (Dassault 7X)



Silencer

F-35 Front Strutted Case

Trent 1000 Engine Casing (B787)

Trent 1000 Combustor Case (B787)

Aerofoil for gas turbine engine

TFE 731 Learjet/Hawker Bearing Support Housing

Main Operations:	Ketema, Jet, Capo, Weston, S A Thailand, Thermal
Main Customers:	GE, Rolls-Royce, Honeywell, UTC (P&W and Goodrich)

Structures: Airframe

737 Boeing Wing Ribs

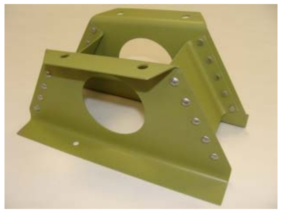
737 Main Landing Gear Wheel Well

747 Frame Support Assy.

787 Vertical Fin

787 Aft Engine Pylon

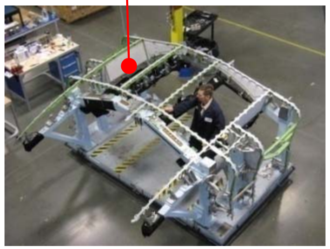
747-8 Fuselage component



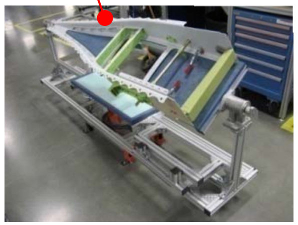
Fan Cowl

Main Operations:	AMT, Absolute, Damar, Mexico, Weston, S A Thailand, S A Upeca
Main Customers:	Boeing, Spirit, Goodrich (UTC)

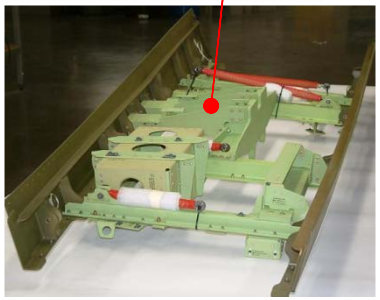
Structures: Assemblies



737 Wing to Body Frame (Birdcage)

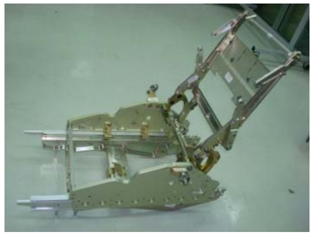


737 Air Inlet (2ea) Ram Air



767 Engine Pylon

787 Wing to Body Frame



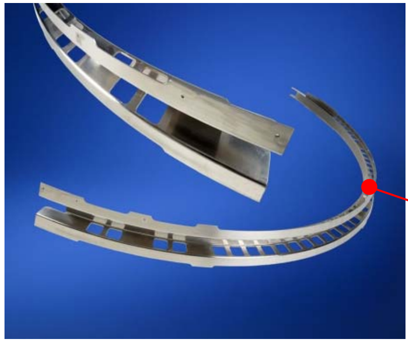
Premium Seat Chassis

Main Operations: AMT, Weston, S A Thailand

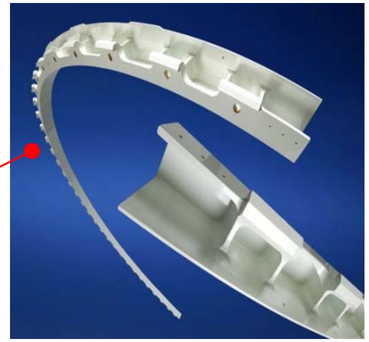
Main Customers: Boeing, Spirit, Contour (Zodiac)

Structures: Nacelles

B777 Engine Nacelle Housing



777 Load Share Ring



GE 90 Inlet Attach Rings (B777)

CF34-10 Torque Box Ring, (Embraer 190)

Thrust Reverser Detail

737 Cascade Support Ring

Main Operations:	Jet, Ketema, Thermal
Main Customers:	Boeing, Goodrich, Spirit, Middle River (GE)

Structures: Helicopter Transmissions

Sikorsky UH60 Blackhawk

Sikorsky S-92 Rotorcraft

UH60 Blackhawk Housing Assy.

Blackhawk Gear Housing Assy.

S-92 Swash Plate Guide

S-92 Carrier Assy.

Blackhawk Carrier Assy.

Blackhawk Spindle

Main Operations:	S A Connecticut
Main Customers:	Sikorsky, Rolls-Royce

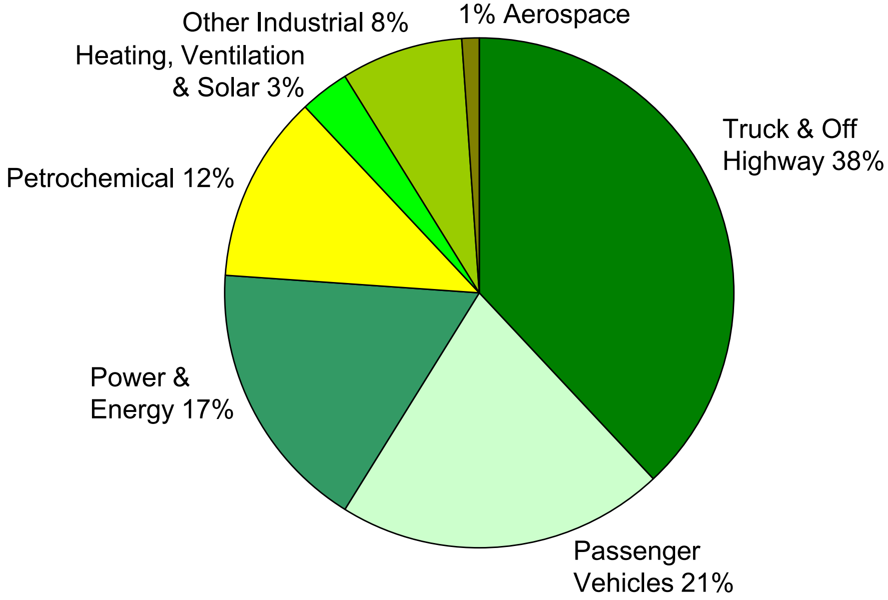
FLEXONICS DIVISION

FLEXONICS DIVISION: A SUMMARY

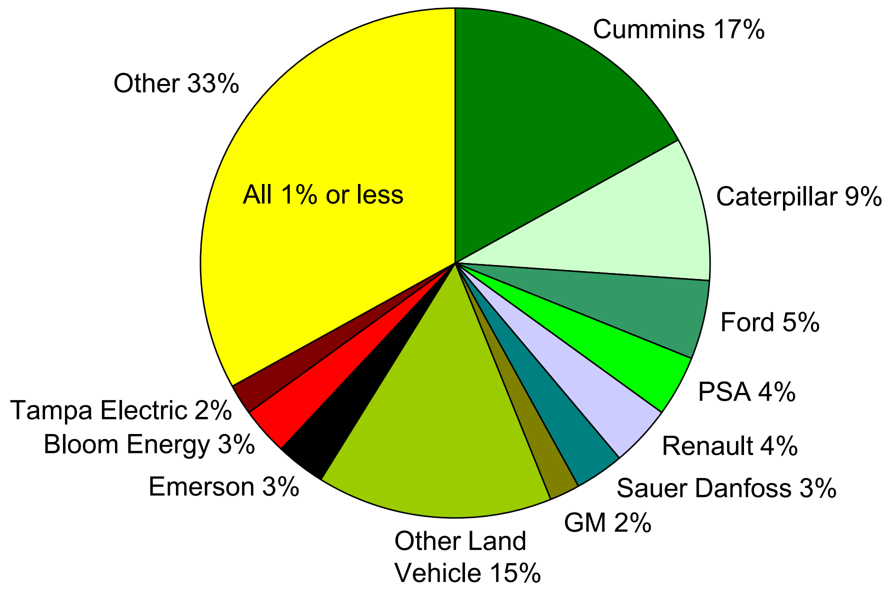
	2014	2013[2]	Change
Revenue	**£136.6m**	£133.8m	**+2.1%**
Adjusted Operating Profit[1]	**£20.1m**	£18.5m	**+8.6%**
Adjusted Operating Margin[1]	**14.7%**	13.8%	**+0.9ppts**

13 Operations + JV	
NAFTA	4
Europe	3
UK	1
ROW	5
China JV	1

Markets



Customers



(1) Before amortisation of intangible assets arising on acquisitions of £1.0m (2013: £0.6m), acquisition costs of £0.2m (2013: £nil) and reversal of GA contingent consideration payable of £nil (2013: £3.9m).
(2) All at H1 2014 exchange rates – translation effect only.

FLEXONICS – OPERATIONS

Operation	Location
Senior Flexonics Bartlett	Chicago, USA & Saltillo, Mexico
Senior Flexonics Pathway	San Antonio & Maine, USA
Senior Flexonics GA	Wisconsin, USA
Senior Flexonics Germany	Germany
Senior Flexonics Blois	France
Senior Flexonics Cape Town	South Africa
Senior Flexonics Olomouc	Czech Republic
Senior Flexonics Upeca	Malaysia & Tianjin, China
Senior Flexonics Sao Paulo	Brazil
Senior Flexonics Canada	Toronto, Canada
Senior Flexonics Crumlin	South Wales (R&D centre)
Senior Flexonics New Delhi	India
Senior Flexonics Technologies	Wuhan, China (Joint venture)

H1 2014 Total Gross Sales (incl. JV) were £138.6m (H1 2013 £146.9m)

FLEXONICS – STRATEGY

Sector	Strategic Objectives
Land Vehicle Emission Control Heat Exchangers Exhaust Flexes Common Rail Diesel	- Develop product portfolio as emission regulation thresholds increase globally - Build programmes with new truck and off-highway customers - Invest further in emerging market footprint, in growth markets - Investment in passenger car niches to support development of global platform capabilities
Industrial Process Control Expansion Joints & Dampers Hoses, Flexes, Bellows Fuel Cells, CHP, Solar Power & Heating	- Expand global presence as emerging markets add local refining and processing facilities - Secure growth from tightening emission standards in developed markets - Seek proprietary adjacent products - Participate in new technology developments and applications (e.g. combined heat & power fuel cells, concentrated solar power, micro turbines) - Secure new major process projects as their capital funding becomes available

Land Vehicle Emission Control

Tubes

Turbo-oil feed and drain

Common Rails

High Pressure Fuel Lines

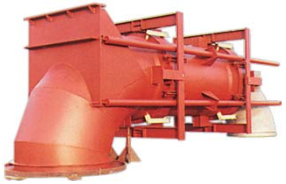
Exhaust Bellows

Diesel fuel injector components

EGR Coolers/Heat Exchangers

Main Operations:	Bartlett, GA, Germany, Blois, Cape Town, Sao Paulo, New Delhi
Main Customers:	Cummins, Perkins, CAT, MAN, Scania, JCB, PSA, Ford, Renault, Faurecia

Industrial Process Control (1)

Metal Expansion Joints


Fabric Expansion Joints

Refineries
Steel Mills


Power
Generation


Dampers/Diverters


Metal Expansion Joints

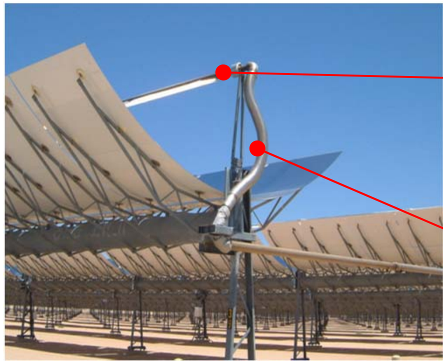

Oilfield Services
Packers

Flow Control Valve
Bodies

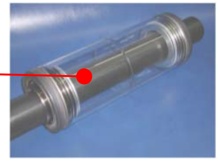
Main Operations:	Pathway, WahlcoMetroflex, S F Upeca
Main Customers:	US domestic operators (400+), Constructors (Global), Engineering specifiers

Industrial Process Control (2)

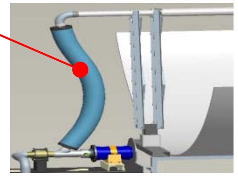

Flexible Tubes & Hoses



CSP - Solar Troughs



Vacuum Seal Bellows



RotationFlex ®

Medical Heat Exchangers

Fuel Cells – Dielectric for fuel delivery

Instrument Control Bellows

Main Operations:	Bartlett, Canada, Germany, Crumlin
Main Customers:	Medtronics, Valliant, Schott, Abengoa, Bloom Energy

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Presentation

Appendices