

19 November 2013

Bodycote plc

Interim Management Statement

Bodycote is issuing its Interim Management Statement covering the period from 1 July to 18 November 2013. The financial and operational data set out below relates to the four months from 1 July to 31 October 2013 (the "period") unless otherwise stated. All comparative comments in this statement reflect comparisons with the corresponding period in 2012. Full year results for 2013 will be issued on 27 February 2014.

Current trading

Reported revenue growth for the period was 6.9% (3.6% at constant exchange rates, with an organic decline of 1.3% and with acquisitions adding 4.9%).

Sales in the Aerospace, Defence and Energy (ADE) business were lower by 0.2% (2.6% lower at constant exchange rates), all of which was organic. At constant exchange rates, sales in Western Europe declined by 1.4% and in North America by 4.0%. Commercial aerospace revenues have grown, as expected, in both North America and Europe, and industrial gas turbine sales have further increased in all territories. There has been continued lower demand from the Oil & Gas sector, particularly for onshore requirements in the USA and reduced revenues in the defence sector which together have more than offset gains elsewhere.

Revenues in the Automotive and General Industrial (AGI) business were higher by 12.9% (8.9% at constant exchange rates). Acquisitions added 9.1% and organic sales were lower by 0.2%. In Western Europe, sales at constant exchange rates were ahead by 0.9%, all of which was organic. North American organic revenues declined 6.8% at constant exchange rates, while the acquisitions completed in 2012 added 48.0%. Car & light truck revenues have grown well in both North America and Europe and at a higher rate than in the first half. Heavy truck sales have turned positive in Europe but remain very weak in North America. In contrast, General industrial demand has also remained weak, especially in the mining and construction equipment sectors in North America. Emerging market sales grew modestly.

Financial position

Net borrowings at 31 October were £4.4m, compared to £27.1m at 30 June 2013, reflecting the trading performance outlined above and normal seasonal cashflows.

Outlook

Although economic growth in both Europe and North America continues to be muted, the Group's organic performance is showing some improvement, as anticipated, and the Board's expectations for the year to 31 December 2013 are unchanged.

Investor Conference Call

Stephen Harris and David Landless will be hosting a conference call for analysts and investors at 1100 hours today (19 November 2013).

Participant's Dial In Number: +44 (0) 203 426 2886

Participants will be asked for names only, no PIN required

For further information, please contact:

Bodycote plc

Stephen Harris, Chief Executive
David Landless, Group Finance Director
+44 (0) 1625 505300

FTI Consulting

Richard Mountain
Susanne Yule
+44 (0) 20 7269 7291

The Interim Management Statement, issued in accordance with the EU Disclosure and Transparency Directive, may contain forward-looking statements which:

- Have been made by the directors in good faith based on the information available to them up to the time of their approval of this statement; and
- Should be treated with caution due to the inherent uncertainties, which are beyond the Board's ability to control or estimate precisely and include both economic and business risk factors, underlying such forward looking information.