

25 APRIL 2012

INTERIM MANAGEMENT STATEMENT

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Bodycote is issuing its interim management statement covering the period from 1 January to 24 April 2012, ahead of the company's 59th Annual General Meeting, which will be held at 11.00 am today. The financial and operational data set out below are in respect of the Group's first quarter (1 January to 31 March 2012) unless otherwise stated.

CURRENT TRADING

Revenue for the three months to 31 March 2012 was 6.9% higher than in the same period last year (8.3% at constant exchange rates).

Sales in Aerospace, Defence & Energy were ahead by 13.5% (at constant exchange rates) compared to the same period in 2011. Revenues from the commercial aerospace sector continued to grow well, with both OEM and maintenance and repair requirements increasing. The defence sector remained stable. Sales into Oil & Gas customers grew strongly. Industrial Gas Turbine demand has maintained the trend that was established in the second half of 2011, with North America remaining more buoyant than Europe.

In Automotive & General Industrial, automotive sales continued to improve in North America but, as anticipated, there was some softness in continental Europe. Revenues from general industrial customers remained robust, although growth rates were lower than in the corresponding quarter of 2011. In total, Automotive & General Industrial revenues were higher than Q1 of 2011 by 4.8% (at constant exchange rates).

ACQUISITION OF HEAT TREATMENT BUSINESS OF CURTISS-WRIGHT

Bodycote announced on 2 April 2012 the acquisition of the heat treatment business of Curtiss-Wright Corporation for a total consideration of US\$52m. In the twelve months to December 2011 the business delivered EBIT of US\$7.7m on revenues of US\$36.5m.

The business comprises nine sites in Northern and Central USA serving a wide range of industries but with a particular focus on commercial aerospace and oil & gas (34% of sales). It also features some key automotive accounts (20% of sales).

FINANCIAL POSITION

Net debt as at 31 March 2012 was £20.2m, compared to net cash of £0.1m at 31 December 2011 and includes acquisition costs of £32.1m (US\$52m).

OUTLOOK

Bodycote has delivered a good performance in the first quarter of 2012. The Board's expectations for the full year, for the business excluding the acquisition, are unchanged from the time of our full year results presentation in February.

Investor Conference Call

Stephen Harris and David Landless will be hosting a conference call for analysts and investors at 0800 hours today (25 April 2012).

Participant's Dial-In Number: +44 (0) 20 3140 0722

Participants will be asked for names only, no PIN required

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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.