

Thursday 26 October 2017

Bodycote plc
Trading Update

Bodycote, the world's leading provider of heat treatment and specialist thermal processing services, is issuing a trading update covering the three month period from 1 July to 30 September 2017 ("the period").

Current trading

Group revenue for the three months ended 30 September 2017 was £169.0m, 16.6% higher than the same period last year and 12.9% higher at constant currency. Organic growth¹ was 9.1% at constant currency, reflecting 9.6% growth in our Aerospace, Defence and Energy business and 8.7% growth in the Automotive & General Industrial business. The year to date organic constant currency growth was 6.2%.

The following review of the Group's markets quotes all movements on the basis of organic growth against the same period in 2016 at constant currency:

Civil aerospace revenues grew 3.0% and continued to be driven by growth in Western Europe. The recovery in the North American onshore oil & gas market began during the second quarter and continued during the period. The overall growth of our energy revenues was 24.5%. Defence revenues continued to decline in the period.

We saw continued growth of 8.3% in the car and light truck market, with strong growth in Western Europe and our emerging markets, while North American revenues were down. General industrial revenues were 11.0% higher against a weak comparable. General Industrial growth was achieved in all geographies, and was strongest in Western Europe.

Financial position

Net cash as at 30 September 2017 was £23.8m compared to net cash of £17.7m at 30 June. The interim dividend of 5.3p per share will be paid on 3 November 2017, at a cost of £10.1m.

Summary and outlook

Bodycote's performance in the period has been in line with the Board's expectations and, accordingly, the Group's outlook for the year as a whole remains unchanged.

¹ Organic growth is growth excluding acquisitions

Trading Update Conference Call

Stephen Harris and Dominique Yates will be hosting a conference call for analysts and investors at 8.00am today (Thursday 26 October).

Participant's dial in number: +44 (0) 3333009263

Participants will be asked for names only, no PIN required

For further information, please contact:

Bodycote plc

Stephen Harris, Group Chief Executive

Dominique Yates, Chief Financial Officer

Fiona Lawrence, Head of Investor Relations

Tel No +44(0) 1625 505300

FTI Consulting

Richard Mountain

Susanne Yule

Tel No +44 (0) 2037271340