



17 May 2017

Bodycote plc Trading Update

Bodycote is issuing a trading update covering the period from 1 January to 30 April 2017 ("the period"), ahead of the Company's 64th Annual General Meeting, which will be held at 12.00pm today.

Current trading

Group revenue for the four months ended 30 April 2017 was £227.0m, 18.0% higher than the same period last year, 7.1% higher at constant exchange rates. Like-for-like revenues¹ were higher by 3.9%. Aerospace, Defence & Energy business revenues were higher by 10.8% (0.6% at constant exchange rates). Automotive & General Industrial business revenues increased by 23.2% (11.8% at constant exchange rates).

The following review of the Group's markets quotes all movements on a like-for-like basis and at constant exchange rates:

Civil aviation revenues were higher by 3.8% year-on-year, as we continued to witness good growth in Western Europe. However, weak revenues from the defence sector and lower revenues from the Oil and Gas sector (where sales were still declining in the comparative period in 2016) substantially offset this growth.

Car and light truck revenues increased by 7.9%, with strong growth in Europe and our Emerging Markets. Meanwhile Heavy Truck and Bus revenues have yet to rebound and showed a small decrease in revenues in the period. General industrial revenues were 7.6% higher, the first positive growth we have seen in this segment for nearly three years. This recovery is predominantly being experienced in Europe, with limited North American growth so far.

Financial position

Net cash as at 30 April 2017 was £10.6m, compared to net cash of £1.1m at 31 December 2016 and represents a relatively strong cash flow for the period, as we controlled costs and managed working capital flows well. The 2016 final dividend of 10.8p per share will be paid on 2 June 2017, at a total cost of £20.5m.

Summary and Outlook

Bodycote's performance in the first four months of the year has been robust and in line with the Board's expectations. Accordingly, the Group's outlook for the year as a whole remains unchanged.

Trading update conference call

¹ Like for like year-on-year revenue growth rates are at constant exchange rates and exclude acquisitions, closed sites, and the impact of disposals of businesses.

Stephen Harris and Dominique Yates will be hosting a conference call for analysts and investors at 8.00am BST today (17 May 2017).

Participant's dial in number: Toll - +44 0203 4270662

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Participants will be asked for names only, no PIN required

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