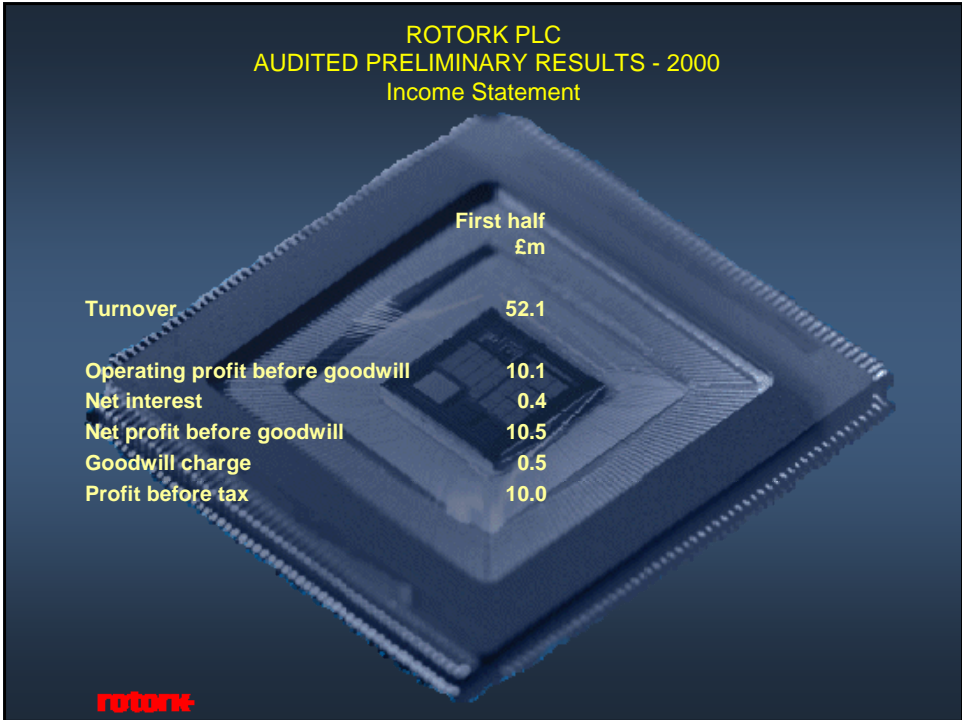


A large, dark blue microchip is centered on a black background. The chip has a square shape with a grid of pins around the perimeter and a central square area with a smaller grid. The text 'ROTORK PLC Preliminary Results 2000' is overlaid in yellow.

ROTORK PLC Preliminary Results 2000

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A large, dark blue microchip is centered on a black background. The chip has a square shape with a grid of pins around the perimeter and a central square area with a smaller grid. The text 'ROTORK PLC AUDITED PRELIMINARY RESULTS - 2000 Income Statement' is overlaid in yellow.

ROTORK PLC AUDITED PRELIMINARY RESULTS - 2000 Income Statement

	First half £m
Turnover	52.1
Operating profit before goodwill	10.1
Net interest	0.4
Net profit before goodwill	10.5
Goodwill charge	0.5
Profit before tax	10.0

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Income Statement

	First half £m	Second half £m	Full year £m
Turnover	52.1	55.8	107.9
Operating profit before goodwill	10.1	10.7	20.8
Net interest	0.4	0.4	0.8
Net profit before goodwill	10.5	11.1	21.6
Goodwill charge	0.5	0.5	1.0
Profit before tax	10.0	10.6	20.6
Order Input		up 10%	112.9

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Turnover

	2000 £m	1999 £m	
Turnover	107.9	117.5	-8.2%
Sales to: UK customers	22.6	24.2	-6.6%
Overseas customers	<u>85.3</u>	<u>93.3</u>	-8.6%
	107.9	117.5	

Currency effect less than 1%

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Income Statement

	2000	1999
	£m	£m
Turnover	107.9	117.5
Gross profit	48.9	53.9
Margin %	45.3	45.9

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Income Statement

	2000	1999
	£m	£m
Turnover	107.9	117.5
Gross profit	48.9	53.9
Margin %	45.3	45.9
Distribution costs	2.3	2.0
Administrative expenses	26.5	25.1
Goodwill amortisation	1.0	0.9
Other operating income	0.7	0.1
Operating profit after charging goodwill	19.8	26.0

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Income Statement

	2000	1999
	£m	£m
Turnover	107.9	117.5
Gross profit	48.9	53.9
Margin %	45.3	45.9
Distribution costs	2.3	2.0
Administrative expenses	26.5	25.1
Goodwill amortisation	1.0	0.9
Other operating income	0.7	0.1
Operating profit after charging goodwill	19.8	26.0
Interest receivable	0.8	1.0
Net profit	20.6	27.0
NET PROFIT BEFORE GOODWILL	21.6	27.9

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000

	2000	1999
	£m	£m
Turnover	107.9	117.5
Profit before goodwill and tax	21.6	27.9
Profit before tax	20.6	27.0
Tax	7.1	9.5
Effective tax rate on pre goodwill profit	32.9%	34.1%

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000

Tax Rates

	%
Canada	44.6
Japan	42.0
Italy	41.3
US	40.0
India	38.5
France	36.6
Australia	36.0
Netherlands	35.0
Rotork effective tax rate*	32.9
UK corporation tax rate	30.0
Malaysia	28.0
Singapore	26.0
Hong Kong	16.0

*on pre-goodwill profit

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000

Effective tax rate (on pre goodwill profit)

	2000	1999	1998	1997
Rate declared %	32.9	34.1	36.3	40.1
Reduction year on year %	1.2	2.2	3.8	

Major reasons:

- Trend to worldwide lower tax rates
- Acquisitions in low rate jurisdictions

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000

	2000	1999
	£m	£m
Turnover	107.9	117.5
Profit before goodwill and tax	21.6	27.9
Profit before tax	20.6	27.0
Tax	7.1	9.5
Effective tax rate on pre goodwill profit	32.9	34.1
Earnings per share		
- Basic	15.6p	20.3p
- Basic before goodwill	16.8p	21.3p
Dividend per share	12.2p	12.2p
Dividend cover	1.3	1.7

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed assets		
Intangibles	18.2	19.2
Tangible	<u>15.8</u>	<u>14.4</u>
	<u>34.0</u>	<u>33.6</u>
Current assets		
Inventory	14.6	13.8
Debtors	32.9	28.4
Cash	<u>16.8</u>	<u>25.8</u>
	<u>64.3</u>	<u>68.0</u>
Creditors	32.5	37.6
Net current assets	<u>31.8</u>	<u>30.4</u>
Provisions for liabilities and charges	3.3	4.2
TOTAL ASSETS	<u>62.5</u>	<u>59.8</u>

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed assets		
Intangibles	18.2	19.2
Goodwill at 31 December 1999		19.2
Adjustment for deferred consideration not paid		(0.5)
Purchase of Skil Controls business		0.5
Goodwill amortisation for the year		<u>(1.0)</u>
Goodwill at 31 December 2000		<u>18.2</u>

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed Assets		
Intangibles	18.2	19.2
Tangible	15.8	14.4

The major project in 1999 and 2000 has been the new IQ actuator. The development of this product has cost £2.8m in Capex and revenue between 1999 and 2000. The Capex spend in 2000 was £400k.

New building in Rochester aimed at

- greater capacity, particularly for large packaged fluid power actuators
- outgrew the previous building
- provide a base for the Gears business to increase its support of the US market

US building accounts for £2.2m increase in fixed assets during the year (building and new plant and machinery)

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed assets		
Intangibles	18.2	19.2
Tangible	<u>15.8</u>	<u>14.4</u>
	34.0	33.6
Current assets		
Inventory	14.6	13.8

Raw materials up £770k due mainly to IQ2 component purchases prior to production start up.

IQ1 continued to be built to complete existing orders, and for specifications not yet covered by IQ2.

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed assets		
Intangibles	18.2	19.2
Tangible	<u>15.8</u>	<u>14.4</u>
	34.0	33.6
Current assets		
Inventory	14.6	13.8
Debtors	32.9	28.4
Trade debtors	28.1	24.9
Debtor days (quarter 4)	77	76
Other debtors	1.8	0.7
Prepayments and accrued income	1.6	1.0
Corporation tax	1.1	1.1
Deferred consideration	0.3	0.7

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Fixed Assets		
Intangibles	18.2	19.2
Tangible	<u>15.8</u>	<u>14.4</u>
	<u>34.0</u>	<u>33.6</u>
Current Assets		
Inventory	14.6	13.8
Debtors	32.9	28.4
Cash	<u>16.8</u>	<u>25.8</u>
	<u>64.3</u>	<u>68.0</u>
Creditors	32.5	37.6

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Balance Sheet at 31 December 2000

	2000	1999
	£m	£m
Creditors	32.5	37.6
Trade creditors	10.3	8.1
Creditor payment days	41	47
Corporation tax	3.8	5.4
Borrowings	1.6	4.0
Deferred consideration	0.3	1.7
Dividends	6.7	6.8

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Cashflow

	2000 £m	1999 £m
Cash inflow		
Operating profit	19.8	26.0
Net interest received	<u>0.8</u>	<u>0.9</u>
Profit before tax	20.6	26.9
Depreciation	2.0	1.9
Goodwill amortisation	1.0	0.9
Working capital movement	<u>(5.3)</u>	<u>(2.8)</u>
Net cash inflow from operating activities	18.3	26.9

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Cashflow

	2000 £m	1999 £m
Net cash inflow from operating activities	18.3	26.9
Dividends	(10.5)	(9.8)
Taxation	(8.5)	(10.3)
Capital expenditure	<u>(3.0)</u>	<u>(2.5)</u>
Net cash generated by the business	(3.7)	4.3
Deferred consideration	(0.9)	-
Acquisitions and disposals	(0.5)	(14.9)
Purchase of shares	(1.1)	-
Repayment of Rotork Fluid System loans	<u>(2.4)</u>	-
Financing	<u>(0.4)</u>	<u>0.9</u>
Net cash outflow	<u>(9.0)</u>	<u>(9.7)</u>
Cash balance at year end	16.8	25.8
NET CASH	15.2	21.2

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ROTORK PLC
AUDITED PRELIMINARY RESULTS - 2000
Cash Reduction Year on Year

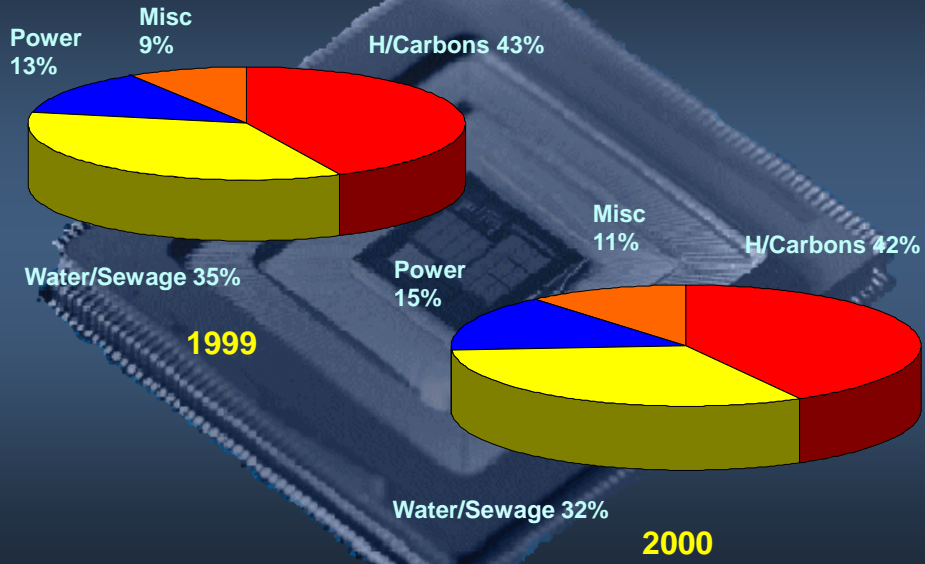
	£m
Main reasons	
• US building	2.2
• Share repurchase	1.1
• Purchase of Skil Controls business	0.5
• Fluid System loss	1.0
• Deferred consideration (net)	0.9
• Inventory build - IQ2	0.8
• Rotork Fluid System business refinancing	<u>2.4</u>
TOTAL	8.9

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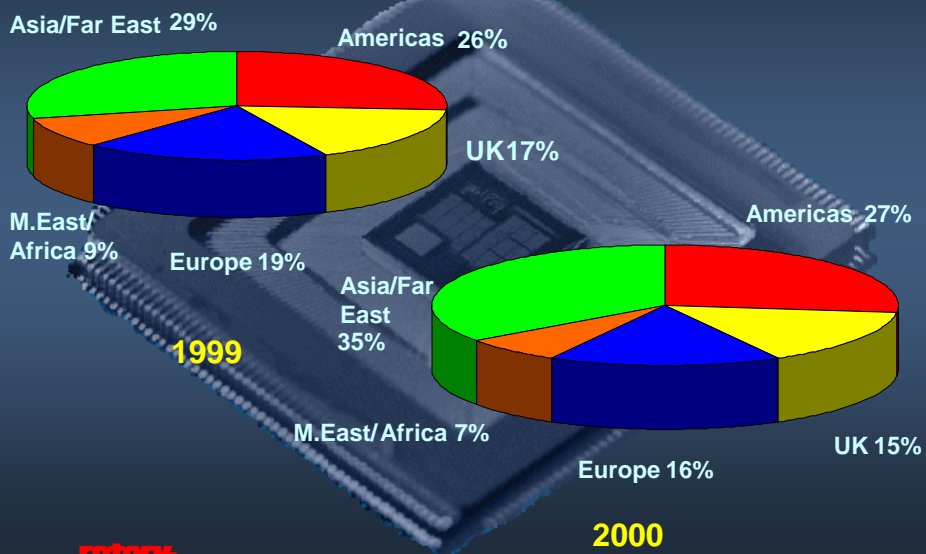
ROTORK PLC
Preliminary Results 2000

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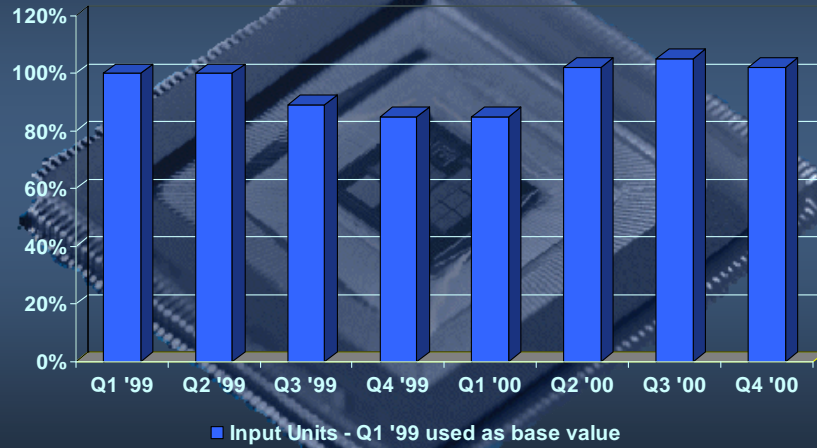
Electric Actuator Unit Input by Industry



Electric Actuator Unit Input by Final Destination



Quarterly Analysis of Electric Actuator Input Units



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Predictive maintenance

Retrofit solutions

Service and support

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New Product Development



