

**Renishaw plc**  
**Interim management statement**  
**3rd May 2013**

Renishaw plc issues the following Interim management statement covering the period from 1st January 2013 to 2nd May 2013. Financial information in this announcement relating to the current year is unaudited.

**Group trading activity**

Revenue	3rd quarter ended 31st March			9 months ended 31st March		
	2012	2013	Change	2012	2013	Change
	£m	£m	%	£m	£m	%
Metrology	75.8	74.7	-1%	211.7	237.2	+12%
Healthcare	5.8	7.2	+24%	17.1	18.9	+11%
Total	81.6	81.9	+0%	228.8	256.1	+12%

Revenue for the third quarter ended 31st March 2013 was £81.9m, compared with £81.6m for the comparable period last year. Cumulative revenue for the 9 months to 31st March 2013 of £256.1m was 12% ahead of the £228.8m for the comparable period.

During the period we experienced growth in Europe, UK and the Americas, when compared with the corresponding period last year. Revenue in the Far East, our largest geographical market was, however, slightly below the level of last year.

Cumulatively for the 9 months, revenue in the Far East is 29% ahead of the corresponding period last year reflecting very strong 1st quarter growth, with Europe and the Americas being at a similar level and the UK, a smaller market, being 12% higher.

Adjusted profit before tax	2012	2013	Change
	£m	£m	%
3rd quarter ended 31st March	21.4	16.5	-23%
9 months ended 31st March	52.6	59.8	+14%

Profit before tax for the third quarter amounted to £16.5m compared with £21.4m last year and for the 9 months to 31st March 2013, excluding the exceptional credit of £2.9m accounted for in the first half year, amounted to £59.8m compared with £52.6m last year, an increase of 14%. As stated in our half year report, the Group's cost base has increased, with additional sales and marketing and production resource to support our growing revenue, along with increasing investment in research and development programmes.

**Metrology**

Revenue in the Group's metrology sector for the 3rd quarter was £74.7m, 1% lower than the comparable period last year of £75.8m and for the 9 months amounted to £237.2m compared with £211.7m for the comparable period last year, an increase of 12%.

Increasing investment into the electronic and semiconductor markets has continued to improve revenue for our encoder product line during this quarter, whilst, cumulatively, growth has mainly come from our machine tool product line.

New products introduced into the market during the period include the PH10 PLUS probe head and controller, new off-axis rotary software for the XR20-W rotary calibrator and the RVC Siemens software (volumetric compensation software for Siemens controllers).

On 21st April 2013 the Company was honoured with its 16th Queen's Award. The Queen's Award for Enterprise has been granted in the Innovations category for the REVO® five-axis multi-sensor probing system for co-ordinate measuring machines.

## Healthcare

In our healthcare business sector, revenue for the 3rd quarter was £7.2m, compared with £5.8m for the comparable period last year, an increase of 24%. Revenue for the 9 months was £18.9m compared with £17.1m last year, an increase of 11%. These increases were mainly driven by good demand for our spectroscopy products.

In France, the neurosurgery department of Centre Hospitalier Universitaire Pasteur in Nice, completed their first neurosurgical procedures using Renishaw's neuromate® stereotactic system.

Our spectroscopy product line launched powerful new WiRE4 software for its inVia Raman system and eclipse filters for improved Raman analysis.

## Group developments

In the UK, Measurement Devices Limited has moved into the newly completed 20,000 sq ft facility in York. In Miskin, South Wales, refurbishment of a further 66,000 sq ft production space is complete and a 26,000 sq ft extension to our Ireland production facility has also been completed. In China, the Group has opened its eleventh office with a new liaison office in Wuhan.

Group headcount at the end of March 2013 was 3,131, up from 3,065 at the end of December 2012 and an increase of 227 since the start of the financial year.

## Financial position

The Group continues to maintain a strong balance sheet with net cash balances of £35.1m at 31st March 2013 compared with £22.4m at 31st March 2012. Additionally, there is an escrow account of £11.0m relating to the provision of security for the Group's defined benefit pension scheme.

## Non-executive director

On 11th April 2013, John Jeans CBE CEng was appointed a non-executive director of the Company. John is currently Chairman of the Council of Cardiff University and Imanova (an imaging research partnership between three London Universities and the Medical Research Council). In addition he chairs the Board of MRC Technology and is a non-executive director of the Alliance Medical Group. He is also a board member of the University and College Employers Association.

## Outlook

As previously reported the Group faces particularly tough comparators going into the fourth quarter which last year saw a number of large orders in China related to the consumer electronics market. Based on recent underlying activity levels, we currently expect that revenue in the second half will be at similar levels to revenue in the first half of this fiscal year. Given the continuing investments into our business to position the Group for long-term growth, we expect the current year adjusted profit before tax (excluding the exceptional credit of £2.9m) to be around the same level as last year.

With global investment in production systems and processes expected to continue, we remain confident for the long-term prospects of the Group.

Sir David McMurtry CBE, RDI, FREng, FRS, CEng, FIMechE  
Chairman and Chief Executive

3rd May 2013

Note. Renishaw will be announcing its year end results to 30th June 2013 on 24th July 2013.

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