



Interim Results Presentation

Half Year Ended 29 March 2014

Presented by John Hayward, CEO, and James Lister, FD

Delivering results

Revenue (£m)	19.9	+21%
Operating profit* (£m)	2.2	+53%
Operating cash flow (£m)	1.8	+1.2
EPS (adjusted)* (p)	12.7	+38%
Interim dividend (p)	2.8	+8%
Net cash (£m)	10.5	

 **Growth led by Cylinders and Engineered Products divisions**

 **Successful £16.7 million fund raising and acquisition of Roota Engineering**

 **Investment in Kelley GTM to access new technologies and markets**

 **Strong order books and pipeline across the Group**

 **Full year revenue and underlying operating profit* expected to exceed market forecasts**

** Before acquisition costs and related amortisation*

hydratron

ROOTA
Engineering Ltd
Al-Met Ltd

CHESTERFIELD
SPECIAL CYLINDERS

KGTM
KELLEY Gas Transport Modules


CHESTERFIELD
BioGas

Engineered Products		
		
H1 Revenue	£9.3m	+33%
H1 Op Profit	£1.1m	+270%

Cylinders		
		
H1 Revenue	£10.5m	+23%
H1 Op Profit	£2.2m	+23%


Alternative Energy		
		
H1 Revenue	£0.1m	down £0.8m
H1 Op loss	£0.3m	down £0.2m

Designing products and services to satisfy specific customer needs in:

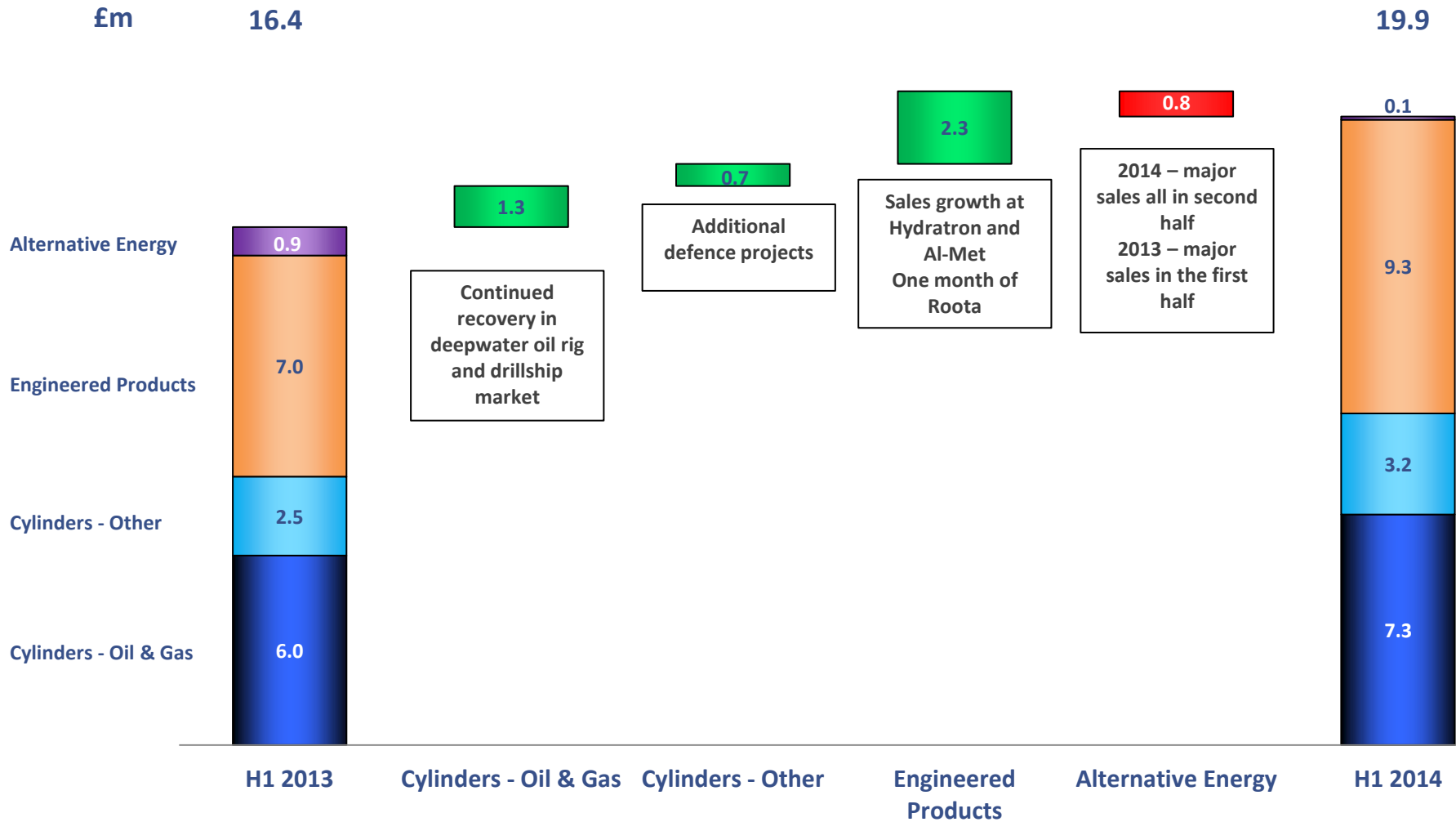
Oil and Gas		
		
Revenue		
H1 2014	£16.2m	81.6%
H1 2013	£12.7m	77.6%

Defence		
		
Revenue		
H1 2014	£2.3m	11.4%
H1 2013	£1.8m	5.9%

Industrial Gases		
		
Revenue		
H1 2014	£1.3m	6.6%
H1 2013	£1.0m	5.9%

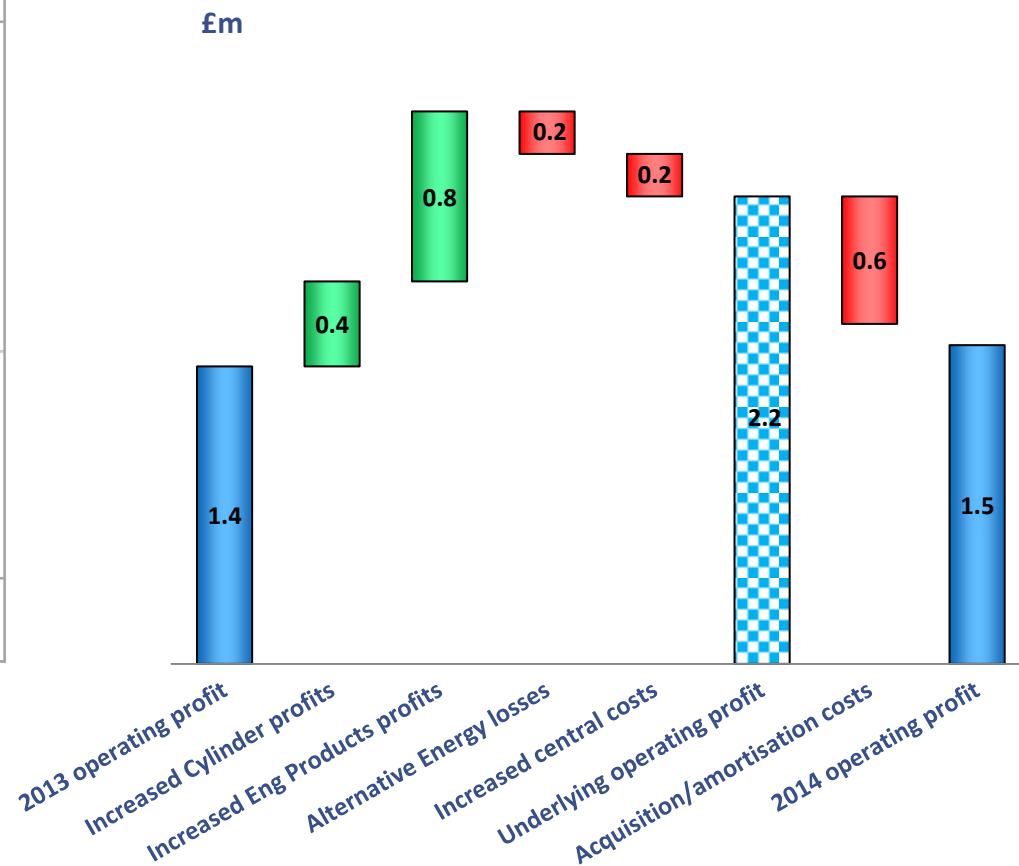
Alternative Energy		
		
Revenue		
H1 2014	£0.1m	0.4%
H1 2013	£0.9m	5.5%

Sales increased by 21%



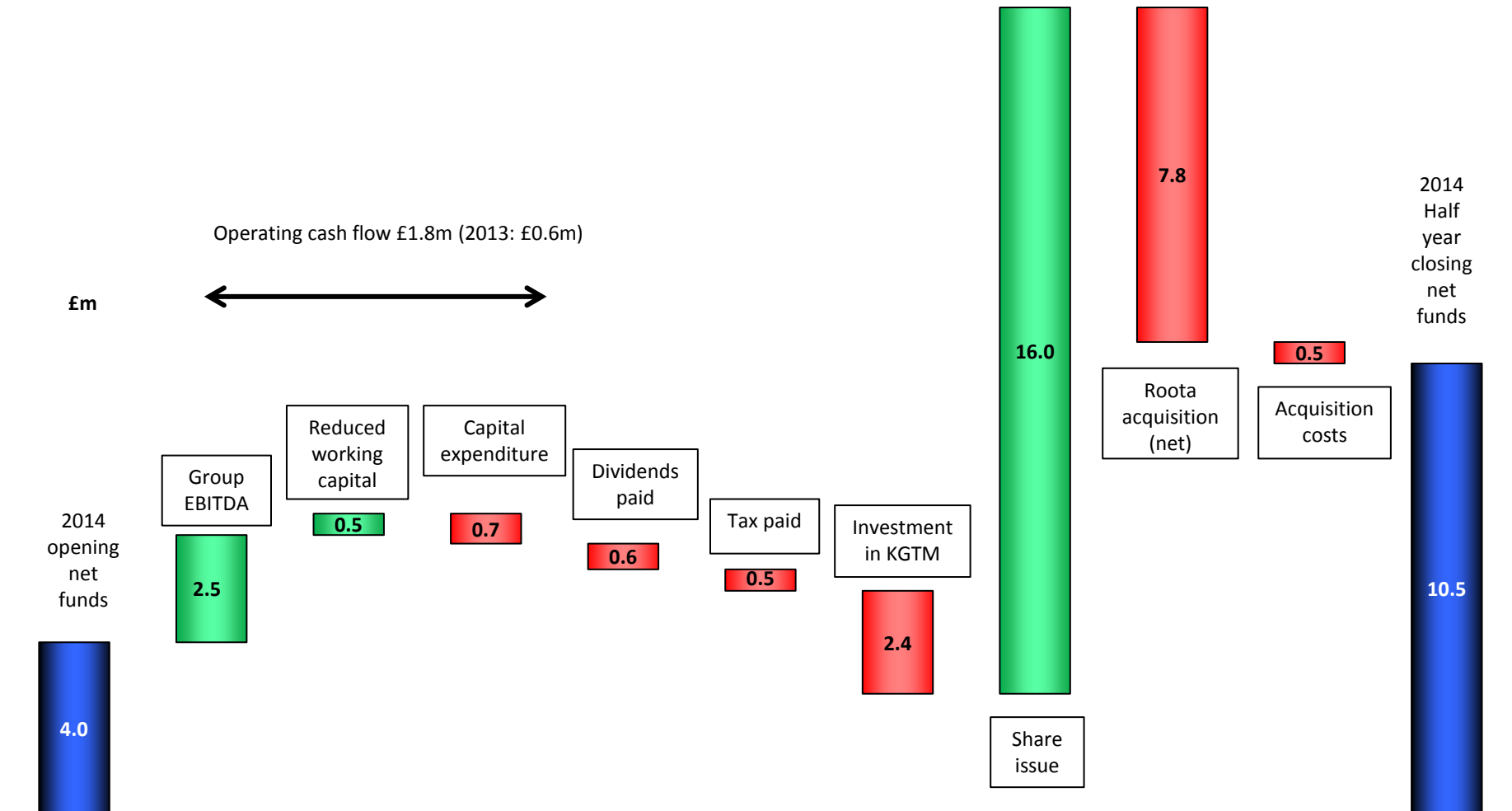
Underlying operating profit increased by 53%

	H1 2013 £m	H1 2014 £m
Cylinders	1.8	2.2
Engineered Products	0.3	1.1
Alternative Energy	(0.1)	(0.3)
Unallocated central costs	(0.6)	(0.8)
Underlying operating profit	1.4	2.2
Acquisition and amortisation costs	(0.1)	(0.7)
Operating profit	1.3	1.5



KGTM £m	Roota £m	Fund raise £m		29 Mar 2014 £m	28 Sep 2013 £m	30 Mar 2013 £m
-	11.6	-	Intangible assets	14.6	3.2	3.3
2.4	-	-	Investment/loans in KGTM	2.3	-	-
-	1.6	-	Fixed assets	6.7	4.8	4.6
-	1.2	-	Inventories	8.8	7.2	6.8
-	1.8	-	Receivables	15.0	8.9	9.7
-	(1.8)	-	Payables	(16.6)	(9.8)	(9.6)
-	1.2	-	Working capital	7.2	6.3	6.9
-	(2.2)	-	Tax provisions	(3.1)	(0.8)	(1.0)
-	(4.4)	-	Deferred consideration	(4.4)	-	-
(2.4)	(7.8)	16.0	Net funds	10.5	4.0	2.7
-	-	16.0	Net assets	33.8	17.5	16.5

Strong cash balance for further investments



	H1 2013	H1 2014		FY 2013
Sales (£m)	16.4	19.9	+21%	34.4
Underlying operating profit (£m)	1.4	2.2	+53%	3.3
Acquisition/amortisation costs (£m)	0.1	0.7		0.4
Operating profit (£m)	1.4	1.5	+7%	2.9
PBT (£m)	1.3	1.3	-	2.9
EPS basic (pence)	8.5p	6.9p	-19%	19.4p
EPS adjusted (pence)	9.2p	12.7p	+38%	22.6p
Dividend (pence)	2.6p	2.8p	+8%	7.8p
Operating cash flow (£m)	0.6	1.8		3.0
Net funds (£m)	2.7	10.5		4.0

Revenue	£10.5 million	+23%
Operating profit	£2.2 million	+23%



Strong demand for deep water oil & gas platforms

Sales and orders ahead of same period last year

Price reductions conceded for 2014 to maintain market share

Continued growth of in-situ re-test also leading to additional manufacturing sales

Expanding naval market

First sales into German market

Target market USA

Expansion of in-situ retest and oxygen clean markets

Alternative fuels drive medium term outlook

European CNG and hydrogen bulk storage and transportation

Joint development with Kelley GTM of types II and III composite cylinder standards

Share of losses of associate	£0.1 million	% n/a
---------------------------------	--------------	-------



- ✦ **Manufacturer of Gas Transport Modules (GTMs)**
- ✦ **40% stake acquired for US\$0.5 million and US\$3.5m loan**
- ✦ **Option to increase to 80% in 2015 via payment of US\$0.5 million and provision of further loans**
- ✦ **High growth potential and good reputation**
US market could be US\$130m in 2016
US\$70m could be served by current product offering and the rest by planned new type III composite product development (*Source: AMR International*)
- ✦ **Potential to grow a high value added re-testing service**
- ✦ **Expansion outside US**
Utilise CSC expertise to gain EN and ISO approvals
Potential for alternative fuels market in Europe and oil and gas industry throughout Asia

Revenue	£9.3 million	+33%
Operating profit	£1.1 million	+270%



Strong sales and profit growth

Second half 2013 recovery sustained through 2014 at Hydratron
 Al-Met increased sales and profits
 Roota contributing for one month in the period

Acquisition of Roota





Initial net consideration £7.8 million with earn out of up to £4.5 million over two years
 Precision machining company complementary to Al-Met
 Customer base oil and gas market focused

Continuing development

Hydratron increased capacity through local outsourcing of some component manufacture
 Acquisition of new CNC machines at Al-Met

Revenue	£0.1 million	-£0.8million
Operating loss	£0.3 million	-£0.2 million



-  Sales
-  Four orders, four customers received - total value £11.0 million
-  Delivery second-half 2014 and first-quarter of 2015 financial years
-  Strong pipeline with existing and potential new customers gives optimism for further growth in 2015

Great markets

- Continued growth in oil and gas market
- High added value opportunities in defence
- Alternative energy set for rapid growth

Great products

- Strong demand for core products
- Development programme of next generation products
- Development of high added value services

Great business

- Diverse and balanced
- Proven capability to acquire and integrate - acquisition targets being evaluated
- Ambitious with the vision, energy and capability to deliver

2014 full year expected to be ahead of market forecasts

This presentation has been prepared by Pressure Technologies plc (the "Company" or "Pressure Technology") solely in connection with providing information on the Company and to certain institutional and professional investors in the United Kingdom.

This presentation does not constitute or form part of any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities in the Company nor shall this presentation or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefore.

No reliance may be placed, for any purposes whatsoever, on the information contained in this presentation or on its completeness and this presentation should not be considered a recommendation by the Company or Charles Stanley Securities, a trading division of Charles Stanley & Company Limited ("Charles Stanley ") or any of their respective affiliates in relation to any purchase of or subscription for securities of the Company. The content of this Presentation has not been verified and has not been approved by an authorised person. Reliance on this document for the purpose of engaging in any investment activity may expose you to a significant risk of losing all of the property invested or of incurring additional liability. If you are in any doubt about this document, you should consult an appropriate independent advisor.

Neither this presentation nor any copy of it may be (i) taken or transmitted into the United States of America, (ii) distributed, directly or indirectly, in the United States of America or to any US person (within the meaning of regulations made under the Securities Act 1933, as amended), (iii) taken or transmitted into or distributed in Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, or (iv) taken or transmitted into or distributed in Japan or to any resident thereof. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this document in other jurisdictions may be restricted by law and the persons into whose possession this document comes should inform themselves about, and observe, any such restrictions or other applicable legal requirements.

This presentation includes statements that are, or may be deemed to be, "forward-looking statements". Such forward-looking statements are based on assumptions and estimates and involve risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. No representation or warranty express or implied is made as to the fairness, accuracy, completeness or correctness of the presentation or opinions contained therein and each recipient of the presentation must make its own investigation and assessment of the matters contained therein. In particular, but without prejudice to the generally of the foregoing, no representation or warranty is given, and no responsibility of liability is accepted, as to the achievement or reasonableness of any future projections or the assumptions underlying them, forecasts estimates or statements as to loss howsoever arising from any use of, or in connection with the presentation. No responsibility or liability whatsoever is accepted by any person for any loss howsoever arising from any use of, or in connection with the presentation or its contents or otherwise arising in connection therewith. In issuing the presentation, the Company does not undertake any obligation to update or to correct any inaccuracies which may become apparent in the presentation.