

# Porvair plc – Company Fact Sheet

## Profile

Porvair is a specialist filtration and environmental technology group with operations in the UK, US, Germany and China, employing about 500 people.

The Group develops designs and manufactures specialist filtration and separation equipment. We serve a range of markets of which aviation, energy and industrial process, environmental laboratories and non-ferrous metals are the most important.

At the heart of what we do is the filtration and engineering expertise which allows us to solve customer problems across all the markets we serve.

## Our Strategy

The Group manufactures in the UK, US, Germany and China and sales are global.

Porvair's strategy for the creation of growth and sustainable shareholder value is to:

- Focus on markets which:
  - require proprietary products that are typically bespoke, consumable and have long life cycles;
  - are driven by regulation, legislation (health, safety or environmental), or a critical need for process reliability;
  - offer sustainable barriers to entry, extensive quality accreditation, design rights, or patent protection.

→ Concentrate on markets that offer attractive long term growth potential. The Group's principal chosen markets are:

- aviation;
- energy and industrial process;
- environmental laboratories; and
- non-ferrous metals filtration.

→ Generate organic growth through new product development and geographic expansion.

→ Acquire complementary businesses that meet our rigorous financial and commercial criteria.

→ Maintain an appropriately funded balance sheet and generate sufficient cash to sustain a progressive dividend policy.

## Full year 2009 Highlights

### Financial Highlights

- Revenues for the year were £55.2 million (2008: £54.8 million).
- Profit before tax and exceptional items was £1.7 million (2008: £4.2 million), which was almost all generated in the second half of the year. Profit before tax was £1.1 million (2008: £4.2 million).
- Cash generated from operations of £6.0 million (2008: £4.2 million) was well ahead of the prior year.
- Net debt reduced to £13.9 million (2008: £16.7 million).
- Final dividend of 1.25 pence per share (2008: 1.25 pence) is maintained.

### Operating Highlights

- The results for the year are dominated by the sharp fall in demand at Metals Filtration in the first half of the year as aluminium and US automotive de-stocking fed through the supply chain.
- The business reacted swiftly to address costs where necessary. Over the course of the year Group headcount was cut by 15%.
- The second half of the year was better with sales rates in the US firming in the final quarter. The Group was profitable and cash generative for the year as a whole.
- Good strategic progress was made, despite the prevailing conditions. The benefits of revenue from new products, cautious geographic expansion and the integration of recent acquisitions can be seen in the results for the year.
- Seal Analytical, the water analysis business acquired in 2008, had a strong first year with the Group, generating profits growth and a good cash return on investment.

## Summary of Divisions

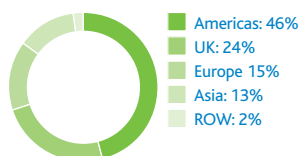
### Metals Filtration

The Metals Filtration Division designs and manufactures porous ceramic filters for the filtration of molten metals. It is the world leader in the filtration of cast house aluminium and in 2008 launched the first new filter for that market for 25 years. The business is based in North Carolina, USA and has operations in Illinois, USA and Wuhan in China. It employs 140 people and its sales are global.

## Key Financials – Full year

	2009 £m	2008 £m	2007 £m
Group revenue	55.2	54.8	45.5
Group operating profit	2.8	4.8	3.8
Profit before tax	1.7	4.2	3.4
Net debt	13.9	16.4	7.0
Earnings per share	2.7p	7.0p	5.8p
Dividend per share	2.25p	2.25p	2.2p

## 2009 Revenue by Destination (%)



Listed: London Stock Exchange  
 Ticker Symbol: PRV  
 Sector: Chemicals

### Microfiltration

The Microfiltration Division designs and manufactures a broad range of specialist filtration equipment for application in aerospace, energy, industrial and environmental laboratory applications. The business is headquartered in Fareham, Hampshire and has operations in New Milton; Poole; Wrexham; Richmond, Virginia, USA; and Hamburg, Germany. It employs 340 people and its sales are global.

## Board of Directors

Charles Matthews – Chairman  
 Michael Gatenby – Senior Non-Executive Director  
 Ben Stocks – Chief Executive  
 Chris Tyler – Group Finance Director  
 Andrew Walker – Non-Executive Director

## Porvair plc

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**Ben Stocks**  
Group Chief Executive



**Christopher Tyler**  
Group Finance Director