

# *The Roxboro Group PLC*

**Interim Results**

**6 Months to 30th June 2005**

*12 September 2005*

- Solartron sold through two transactions
- Aggregate consideration of over £70m (with adjustments)
- Plan to return £46.6m to shareholders (over £110m returned since 2000)
- Name of company to be changed to Dialight plc
- Focussed strategy on applied LED technology
- First half result very satisfactory (given the distractions)
- Dialight order book up 28% from start of year
- Board to be restructured



# *Financial Review*

→ *interim results*

*2005*

*the roxboro group plc*

UK GAAP profit and loss account

6 months ended 30 June 2005

£ m

*30 June 2005*  
*sales profit*

*30 June 2004*  
*sales profit*

Dialight 25.8 2.4 28.2 2.3

Solartron 32.7 2.9 31.0 3.3

58.5 5.3 59.2 5.6

Central (1.1) (1.2)

Profit before goodwill and taxation 4.2 4.4

Operating Margins:

● Dialight 9% 8%

● Solartron 9% 11%

➔ *interim results*

*2005*

*the roxboro group plc*

UK GAAP profit and loss account (contd.)

6 months ended 30 June 2005

£ m

*30 June 2005*

*30 June 2004*

Profit before goodwill and taxation	4.2	4.4
Goodwill	(0.5)	(0.5)
	<u>3.7</u>	<u>3.9</u>
Taxation	(1.6)	(1.6)
	<u>2.1</u>	<u>2.3</u>
Underlying taxation rate	37.7%	36.1%
UK GAAP EPS		
● Basic	6.6p	7.4p
● Adjusted	8.5p	9.3p
Dividends	3.4p	3.4p
Dividend Cover (excluding goodwill)	2.5x	2.7x

➔ *interim results*

*2005*

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summarised cashflows

£ m

	<i>2005</i>	<i>2004</i>
• <b>Operating Profit</b>	<b>4.2</b>	<b>4.4</b>
– Depreciation	1.2	1.4
– Working capital	(2.3)	1.8
– Provisions	(0.1)	0.4
• <b>Operating Cash Flow</b>	<b>3.0</b>	<b>8.0</b>
– Capital Expenditure	(1.4)	(0.7)
– Taxation	(1.3)	(1.4)
• <b>Free Cash Flow</b>	<b>0.3</b>	<b>5.9</b>

➔ *interim results*

*2005*

**movement in cash**

**£ m**

	<i>2005</i>	<i>2004</i>
<b>• Free Cash Flow</b>	<b>0.3</b>	<b>5.9</b>
– Dividends	(2.3)	(2.1)
– B Share redemptions	(0.1)	(0.1)
– Ordinary share issues	-	0.1
<b>• Net Cash (Outflow)/Inflow</b>	<b>(2.1)</b>	<b>3.8</b>
– Opening Net Cash	6.8	2.0
– Translation	0.5	-
<b>• Closing Net Cash</b>	<b>5.2</b>	<b>5.8</b>

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pro forma profit on disposals (UK GAAP)

£ m

	Gross Proceeds	Net Proceeds	Pro forma Net Assets	Pro forma Profit	Historic P/E	EBITDA	Sales
Mobrey	26.0	20.5	18.1	2.4	-	-	-
Solartron	42.1	33.1	9.8	23.3	-	-	-
	68.1	53.6	27.9	25.7	15.5x	8.6x	1.1x

Notes:

1. Additional sums to be received under cash, working capital and for adjustments for tax.
2. Pro forma net assets include goodwill

→ *interim results*

2005

Utilisation of disposal proceeds  
£ m

Gross proceeds*			68.1
Expenses		(5.5)	
Tax		(9.0)	(14.5)
			53.6
Pension funding			(7.0)
			46.6
'C' Share	86p	(26.7)**	
Special dividend	64p	(19.9)**	(46.6)
			-

\* Excludes adjustments

\*\* Fully diluted basis

➔ *interim results*

2005

- IFRS implemented as at 01 January 2005
  - One year's comparative date
- Overall impact limited to a few key areas:
  - Pensions
  - Development costs
  - Discontinued operations
  - Goodwill
  - Employee share options (future periods)

- Balance sheet as at 30 June 2005
  - reduction in net assets of £4.6m
- 2004 IFRS operating profit before goodwill
  - increased by £2.7m

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profit for 6 months ended 30 June 2005  
£ m

## **Operating profit – continuing operations**

UK GAAP	2.4
IFRS adjustments - pensions	0.2
- development costs	0.1
Central	(1.1)
Rounding	(0.1)
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IFRS reported	1.5
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## **Net finance cost – continuing operations**

UK GAAP	-
IFRS adjustments - pensions	(0.2)
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IFRS reported	(0.2)
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➔ *interim results*

*2005*

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