

stadium group plc

Interim results to 30 June 2008





- ❖ Group sales up 16%
- ❖ Profit up 13%
- ❖ EMS and Power supplies both performing well
- ❖ Stadium Power growth and opportunities
- ❖ Strong cash flow and balance sheet



Interim results 2008

Colin Wilson. Finance Director



- ⇒ Sales growth in **Electronics and Power** businesses of over 20%
- ⇒ **Total revenue** increased 16% to £23.06m (2007: £19.88m)
- ⇒ **Profit before tax** increased 13% to £1.40m (2007: £1.24m)
- ⇒ **Operating cash flow conversion** 134% (2007: 143%)
- ⇒ Balance sheet virtually ungeared to **finance further growth**

- ⇒ **Earnings per share** up 8% to 3.9p
- ⇒ **Interim dividend** increased by 4% to 1.25p

income statement

Interim results 2008

for the six months ended 30 June

	30 June 2008 £m	30 June 2007 £m
Revenue	23.06	19.88
Cost of sales	(17.83)	(15.33)
Gross profit	5.23	4.55
Other income	-	0.22
Operating expenses	(3.74)	(3.37)
Operating profit	1.49	1.40
Finance costs	(0.09)	(0.16)
Profit before tax	1.40	1.24
Taxation	(0.28)	(0.24)
Profit for the period	1.12	1.01
Basic earnings per share	3.9p	3.6p
Diluted earnings per share	3.8p	3.6p

segmental analysis

Interim results 2008



£m

	Electronics	Power	Branded Plastics	Corporate	Total
Sales	15.2	2.17	5.69	-	<u>23.06</u>
Operating profit	1.16	0.36	0.25	(0.28)	<u>1.49</u>
Operating margin	7.6 %	16.7 %	4.4 %	-	<u>6.49 %</u>
Net operating assets	6.05	0.94	4.78	(2.67)	<u>9.1</u>

summarised cash flow

Interim results 2008

	<u>6 months</u> <u>30 June</u> <u>2008</u> <u>£m</u>	<u>6 months</u> <u>30 June</u> <u>2007</u> <u>£m</u>	<u>12 months</u> <u>31 Dec</u> <u>2007</u> <u>£m</u>
Operating profit	1.49	1.40	2.96
Working capital	0.13	0.20	1.11
Depreciation	0.38	0.40	0.78
Trading cashflow	2.00	2.00	4.85
Pensions	(0.58)	(0.53)	(1.05)
Tax	(0.03)	(0.04)	(0.12)
Operating cashflow	1.39	1.43	3.68
Fixed assets	(0.20)	(0.25)	2.26
Acquisitions	-	(0.67)	(0.67)
Interest	(0.09)	(0.15)	(0.34)
Dividends	(0.74)	(0.70)	(1.05)
Decrease / (increase) in net debt	0.36	(0.34)	3.88

balance sheet

Interim results 2008



	<u>30 June</u> <u>2008</u> <u>£m</u>	<u>31 Dec</u> <u>2007</u> <u>£m</u>	<u>30 June</u> <u>2007</u> <u>£m</u>
Fixed assets	8.01	8.18	8.23
Assets held for resale	-	-	3.25
Working capital	4.26	4.62	5.30
Cash / (overdraft)	0.81	0.46	(0.87)
Deferred consideration	0.51	0.52	-
Loans	(0.94)	(0.96)	(3.85)
Net pension liability	(3.55)	(4.13)	(3.92)
Total equity	<u>9.10</u>	<u>8.69</u>	<u>8.14</u>
Gearing	<u>1%</u>	<u>6%</u>	<u>58%</u>



- ❖ Sales up 22%. profits up 41%
- ❖ ISO13485 medical manufacturing approval
- ❖ Lean manufacturing
- ❖ Enhanced SMT capability through investment in UK and China facilities



- ⇒ Sales up 55%; profits up 64%
- ⇒ KRP Power Source and Ferrus Power integration
- ⇒ Consolidated marketing strategy
- ⇒ New product launches



- ❖ Sales to retail and construction markets
- ❖ Volume stable due to increased market share
- ❖ Costs inflated due to oil based spend
 - plastics
 - energy
- ❖ Pricing model recovers in H2 2008

Stadium Building Products : Quest Consumer Products



Position

- Strong balance sheet
- Cash focus
- Broad spread across several geographical markets

Prospects

- Positioned well for continued growth / challenging conditions
- New market development
- Acquisition opportunities



Appendix



stadium electronics

	<u>2008</u> <u>£m</u>	<u>2007</u> <u>£m</u>
Revenue by source		
Asia	11.88	9.40
UK	3.32	3.08
Total	<u>15.20</u>	<u>12.48</u>
Operating profit	<u>1.16</u>	<u>0.82</u>
Operating margin	<u>7.6%</u>	<u>6.6%</u>



stadium power

	<u>2008</u> <u>£m</u>	<u>2007</u> <u>£m</u>
Revenue by source		
UK	1.62	1.01
Asia	0.55	0.39
Total	<u>2.17</u>	<u>1.40</u>
Operating profit	<u>0.36</u>	<u>0.22</u>
Operating margin	<u>16.6%</u>	<u>15.7%</u>



branded plastics

	<u>2008</u> <u>£m</u>	<u>2007</u> <u>£m</u>
Revenue		
Babycare	2.49	2.53
Building Products	3.20	3.47
Total	<u>5.69</u>	<u>6.00</u>
Operating profit	<u>0.25</u>	<u>0.44</u>
Operating margin	<u>4.4%</u>	<u>7.3%</u>



sales by destination	<u>30 June</u> <u>2008</u> <u>£m</u>	<u>30 June</u> <u>2007</u> <u>£m</u>
UK	13.13	13.85
Europe	4.31	2.01
Asia	1.28	1.38
Americas	2.82	1.43
Other	1.53	1.21
Total	<u>23.06</u>	<u>19.88</u>



sales by market	<u>30 June</u> <u>2008</u> <u>£m</u>	<u>30 June</u> <u>2007</u> <u>£m</u>
Consumer	10.83	10.62
Industrial	6.97	5.97
Automotive	2.22	1.35
Medical & personal care	2.97	1.87
Other	0.06	0.07
Total	<u>23.06</u>	<u>19.88</u>