Smiths Group
Interim Results
London, 24 March 2010

investor.relations@smiths.com
This presentation contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of these interim results and the Company undertakes no obligation to update these forward-looking statements. Nothing in this presentation should be construed as a profit forecast.
Introduction

Philip Bowman
Chief Executive
Business highlights

Margins improve 190 basis points to 16.2% - a ten year high

Positive margin development across all divisions

Reported sales down 1%; underlying down 5%

Headline operating profit up 12%, underlying up 7%

Significant improvement in cash generation - free cash-flow £133m

Dividend unchanged at 10.5p
Results benefited from key operational achievements

- **Delivering operational efficiencies**
  - Restructuring initiatives delivered savings of £10m; £27m to date
  - Portfolio profitability reviews improving pricing and margins
  - Leveraging scale procurement project saves £6m; £15m to date

- **Strong cash generation**
  - Better management of working capital
  - Focus on cash is delivering improved cash performance

- **Investing in future growth**
  - Extended portfolio and presence through acquisitions
  - Increased company-funded R&D to drive future growth
A primary focus on safety is delivering continued improvements

Recordable & lost time incident rates have been improving

*Measured per 100 employees per year
Financial review

John Langston
Finance Director
# Interim results 2010

<table>
<thead>
<tr>
<th>£m</th>
<th>Headline*</th>
<th>Statutory</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2009 Reported</td>
</tr>
<tr>
<td><strong>Continuing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>1,279</td>
<td>1,292</td>
</tr>
<tr>
<td>Operating profit</td>
<td>207</td>
<td>185</td>
</tr>
<tr>
<td>Margin</td>
<td>16.2%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Pre-tax profit</td>
<td>178</td>
<td>167</td>
</tr>
<tr>
<td>Basic EPS (p)</td>
<td>34.7</td>
<td>32.5</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>133</td>
<td>104</td>
</tr>
<tr>
<td>Dividend (pps)</td>
<td>10.5</td>
<td>10.5</td>
</tr>
</tbody>
</table>

* In addition to statutory reporting, Smiths Group reports its continuing operations on a headline basis. Headline profit is before exceptional items, amortisation of acquired intangible assets, profit/loss on disposal of businesses and financing gains/losses. Free cash flow is defined in the Financial review in the press release.

** Organic growth at constant currency.
Profit progression 2009 to 2010

- Volume: Lower across all divisions - except Smiths Detection
- Manufacturing efficiencies: Value engineering and other cost initiatives
- Material cost savings: Group-wide leveraging scale programme
- Lower overheads/other: Benefits from restructuring projects
- Price: Mainly John Crane and Smiths Medical

PBT: £167m

- Volume: £34m
- Manufacturing efficiencies: £15m
- Material cost savings: £9m
- Lower o'heads/other: £15m
- Price: £5m
- Currency: £10m
- Pensions/financing: £9m

Average exchange rates
- US$: 1.63 (2009: 1.64)
- Euro: 1.12 (2009: 1.20)
Smiths Detection: Strong growth, improving margins

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>2010</th>
<th>2009</th>
<th>reported</th>
<th>underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>266</td>
<td>233</td>
<td></td>
<td>+14%</td>
<td>+11%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>39</td>
<td>24</td>
<td></td>
<td>+62%</td>
<td>+56%</td>
</tr>
<tr>
<td>Margin</td>
<td>14.5%</td>
<td>10.2%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating profit £m

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>24</td>
</tr>
<tr>
<td>Volume</td>
<td>10</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>(1)</td>
</tr>
<tr>
<td>Net foreign exchange</td>
<td>6</td>
</tr>
</tbody>
</table>

2009/10 39

- Volume: Higher volumes driven primarily by ports and borders and military
- R&D: Increased investment
- FX: Translation and transaction benefit
### John Crane: Delivering improved margins

<table>
<thead>
<tr>
<th></th>
<th>£m 2010</th>
<th>2009</th>
<th>reported</th>
<th>underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>358</td>
<td>393</td>
<td>(9)%</td>
<td>(15)%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>64</td>
<td>66</td>
<td>(3)%</td>
<td>(8)%</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>17.9%</td>
<td>16.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Operating profit £m

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td>(28)</td>
<td></td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td><strong>Operational efficiencies</strong></td>
<td>20</td>
<td></td>
</tr>
<tr>
<td><strong>Acquisitions</strong></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td><strong>Foreign exchange</strong></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>66</td>
<td>64</td>
</tr>
</tbody>
</table>

- **Volume**: Mainly due to declining OEM sales
- **Pricing**: Net benefit
- **Efficiencies**: Cost saving initiatives have more than offset inflationary increases
- **Acquisitions**: Orion
- **FX**: Translation benefit
### Smiths Medical: Showing strong margin improvement

<table>
<thead>
<tr>
<th>£m</th>
<th>2010</th>
<th>2009</th>
<th>reported</th>
<th>underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>414</td>
<td>403</td>
<td>+3%</td>
<td>(1)%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>86</td>
<td>77</td>
<td>+12%</td>
<td>+9%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>20.9%</td>
<td>19.1%</td>
<td></td>
<td></td>
</tr>
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</table>

#### Operating profit £m

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>(4)</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Operational efficiencies</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Net foreign exchange</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

- **Volume**: Exit from diabetes partly offset by volumes improvements in other products
- **Price**: Increases from portfolio profitability review
- **Operational efficiencies**: Lower overheads, raw material costs and manufacturing savings
- **Acquisitions**: SMZ syringe pumps
- **FX**: Translation benefit
### Smiths Interconnect: Restructuring delivering margin improvements

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>reported</th>
<th>underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>146</td>
<td>152</td>
<td>(4)%</td>
<td>(9)%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>23</td>
<td>24</td>
<td>(2)%</td>
<td>(5)%</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>16.0%</td>
<td>15.7%</td>
<td></td>
<td></td>
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</tbody>
</table>

**Operating profit £m**

<table>
<thead>
<tr>
<th>2008/09</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td>(6)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operational efficiencies</strong></td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Foreign exchange</strong></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**2009/10**

- Volume: Primarily wireless and industrial sectors
- Operational efficiencies: Overheads, procurement savings and restructuring benefits
- FX: Translation
### Flex-Tek: Driving cost efficiencies to preserve margins

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
<th>2010</th>
<th>2009</th>
<th>reported</th>
<th>underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>96</td>
<td>111</td>
<td></td>
<td>(14)%</td>
<td>(14)%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>9</td>
<td>11</td>
<td></td>
<td>(13)%</td>
<td>(14)%</td>
</tr>
<tr>
<td>Margin</td>
<td>9.8%</td>
<td>9.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating profit £m

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>(6)</td>
<td></td>
</tr>
<tr>
<td>Procurement savings</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Operational efficiencies</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11</td>
<td>9</td>
</tr>
</tbody>
</table>

- Volume: Declines in US housing, appliances and aerospace
- Procurement savings: Benefits from leveraging scale programme
- Efficiencies: Benefits of restructuring and lower overheads
Reconciliation: Headline operating profit to statutory profit

<table>
<thead>
<tr>
<th></th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Headline operating profit</strong></td>
<td>207</td>
</tr>
<tr>
<td>Gains on changes to post-retirement benefits</td>
<td>4</td>
</tr>
<tr>
<td>Profit on disposal of businesses</td>
<td>4</td>
</tr>
<tr>
<td>Corporate and divisional restructuring</td>
<td>(5)</td>
</tr>
<tr>
<td>John Crane litigation - provision</td>
<td>(5)</td>
</tr>
<tr>
<td>Exceptional operating items</td>
<td>(2)</td>
</tr>
<tr>
<td>Amortisation of acquired intangible assets</td>
<td>(19)</td>
</tr>
<tr>
<td><strong>Statutory operating profit</strong></td>
<td>186</td>
</tr>
</tbody>
</table>
### Exceptional items: Restructuring programme is delivering savings

<table>
<thead>
<tr>
<th>Programme</th>
<th>2010 H1 savings</th>
<th>Savings to date</th>
<th>Forecast benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Crane</td>
<td>6</td>
<td>12</td>
<td>25</td>
</tr>
<tr>
<td>Medical</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Flex-Tek</td>
<td>3</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>IT</td>
<td>-</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>HQ (Completed)</td>
<td></td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>27</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

**£33m of costs to date**

**£45m of total planned costs**

**£50m of total planned savings**

**£17m of savings targeted in FY 2010**
## Improved operating cash

<table>
<thead>
<tr>
<th>£m (for continuing activities)</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headline operating profit</td>
<td>207</td>
<td>185</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>7</td>
<td>(35)</td>
</tr>
<tr>
<td>Share based payment</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Capital expenditure (Property, plant &amp; equipment)</td>
<td>(20)</td>
<td>(26)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>32</td>
<td>30</td>
</tr>
<tr>
<td>Development costs &amp; other intangibles (net of amortisation and deferred income)</td>
<td>(3)</td>
<td>(8)</td>
</tr>
<tr>
<td>Operating cash-flow</td>
<td>230</td>
<td>154</td>
</tr>
<tr>
<td><strong>Conversion rate</strong></td>
<td><strong>111%</strong></td>
<td><strong>83%</strong></td>
</tr>
</tbody>
</table>
### Net debt increased by £30m to £915m driven by foreign exchange

<table>
<thead>
<tr>
<th>£m</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt at start of period</td>
<td>(885)</td>
</tr>
<tr>
<td>Operating cash (after capex etc.)</td>
<td>230</td>
</tr>
<tr>
<td>Interest and tax</td>
<td>(69)</td>
</tr>
<tr>
<td>Exceptionals</td>
<td>(28)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>133</td>
</tr>
<tr>
<td>Dividends</td>
<td>(92)</td>
</tr>
<tr>
<td>Acquisitions/disposals</td>
<td>(8)</td>
</tr>
<tr>
<td>Financing including net investment hedges</td>
<td>(20)</td>
</tr>
<tr>
<td>Foreign exchange</td>
<td>(30)</td>
</tr>
<tr>
<td>Movement in fair value of swapped debt and interest accrual</td>
<td>(13)</td>
</tr>
<tr>
<td>Change in net debt</td>
<td>(30)</td>
</tr>
<tr>
<td><strong>Net debt at end of period</strong></td>
<td>(915)</td>
</tr>
</tbody>
</table>
Pensions: Deficit has reduced further

<table>
<thead>
<tr>
<th>Deficit reduced since 31 July</th>
<th>£m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit at 31 July 2009</td>
<td>(339)</td>
</tr>
<tr>
<td>Foreign exchange</td>
<td>(7)</td>
</tr>
<tr>
<td>Return on assets</td>
<td>253</td>
</tr>
<tr>
<td>Contributions (net of service costs)</td>
<td>13</td>
</tr>
<tr>
<td>Change in liabilities</td>
<td>(218)</td>
</tr>
<tr>
<td>Gains from scheme closures</td>
<td>4</td>
</tr>
<tr>
<td>Deficit at 30 January 2010</td>
<td>(294)</td>
</tr>
</tbody>
</table>

P&L and cash

<table>
<thead>
<tr>
<th>FY 2010</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance income</td>
<td>£1m</td>
</tr>
<tr>
<td>Cash contributions*</td>
<td>£51m</td>
</tr>
</tbody>
</table>

* Agreed cash contributions for funded schemes. Future contributions are subject to the outcome of the triennial review.
Financials: Conclusion

- Results demonstrate progress on operational improvement
- Continued strong cash performance
- Funding investment in growth: Acquisitions and R&D investment
- A healthy platform for future growth and driving returns
Operational review and priorities

Philip Bowman, Chief Executive
Smiths Group: Opportunities to create value

**Delivering operational efficiencies**
- Improve margins through restructuring and ‘self-help’ programmes
- Upgrade our business systems to drive faster data-based decisions and leverage scale

**Cash generation**
- Continue to reduce working capital as percentage of sales
- Focus on cash generation to fund growth

**Investing in future growth**
- Investing in targeted R&D to launch new products
- Growing our technology and reach through bolt-on acquisitions
- Expansion in developing markets
Smiths Group: Operational improvement is delivering results

Improving margins

Improving cash

Investing in R&D

1 / Headline operating profit margin
2 / Headline operating profit last conversion
3 / Company funded investment in R&D (£m)
2010 H1 Sales: £266m
14% reported
11% underlying

2010 H1 Operating profit: £39m
14.5% margin

Margins improved 430 basis points to 14.5%

Ports & borders underlying sales up 92%
• New contract wins are supporting sales growth

Military underlying sales up 30%
• Driven mainly by the JCAD programme

Transportation down 5%
• Some project delays
• New contract wins: Canada, US, Australia
• Since Christmas day attack - increased orders for explosive trace detection
• Trials underway for body image scanners
Smiths Detection: Continuing to invest for the future through R&D

- Company funded R&D increased 4% to £16m or 5.9% of sales
- Total H1 spend increased to £20m; 7.4% of sales
- Agreement with Analogic to develop next generation checked baggage scanner:
  - Combine 3-D Computed Tomography with multi-energy X-ray
  - Development costs part of ongoing R&D spend over 2-3 years
- Body image scanner: eqo - using millimetre wave
  - Deployed as part of airport trials
  - Under evaluation with the TSA
- New partnership with Novartis on biological detection and clinical applications
  - Biological detection
Smiths Detection: Operational priorities

- Implement cost reduction initiatives
- Progress trials for body image screener - eqo
- Continue investment in new product development
- Roll out airport checkpoint & cargo screening systems

Outlook

- Order book is ahead of last year - supports growth in second half
- Timing of order call-offs may vary
- Will benefit from leadership position, technologies, cost reductions
Smiths Group plc    Interim Results 2010

2010 H1 Sales: £358m
(9)% growth
(15)% underlying

2010 H1 Operating profit: £64m
17.9% margin

Margins improved 110 basis points to 17.9%
• Restructuring programme delivering margin benefits

Mechanical seals, seal support systems and couplings
• First-fit OEM sales declined by some 16% reflecting capex cuts
• Aftermarket - oil & gas down 2%; other markets down 12%

Bearings and filters
• Benefiting from acquisition of Orion
• Extending product reach by leveraging existing network

Production solutions
• New pump repair service contract in Romania

John Crane: Margins benefiting from restructuring programme

2010 H1 sales %

- First-fit OEM 37%
- Aftermarket 63%
- Oil, gas & petrochemical
- Chemical and pharma
- Distributors
- General industry

37%
37%
10%
9%
7%
John Crane: Driving efficiencies and investing in future growth

Restructuring programme is on track

- Delivered H1 savings of £6m; cumulative savings of £12m
- Total annualised savings planned of £25m
- Improved customer service and faster delivery

Investing in future growth

- Expanding service centre network - UK, US and New Zealand
- Investment in new test facilities to support product development
- New products: to support carbon capture, reduce customers’ energy usage, and cope with extreme conditions
John Crane: Operational priorities

- Implement restructuring programme - global John Crane
- Service centre growth
- Complete ERP implementation by July 2010
- Build the business through acquisitions

Outlook

- John Crane’s order book has continued to build
- Second half growth will not offset H1 declines
- Cost reduction initiatives will support continued margin expansion
2010 H1 Sales: £414m
2% underlying growth excluding diabetes*

2010 H1 Operating profit: £86m
20.9% margin

Positive sales momentum has continued - excluding diabetes
Margins boosted by cost savings and portfolio profitability review

Medication Delivery - sales up 6%*
• CADD-Solis® has delivered strong sales growth
• Roll-out to new markets

Vital Care - sales up 1%
• Turnaround in temperature management
• Respiratory products are growing

Safety Devices - sales flat
• Growth in safety needles - benefit from H1N1
• Offset by distributor destocking in peripheral IV catheters

* Excluding diabetes sales following decision to exit.
Including diabetes: reported sales up 3%, underlying sales down 1%.
Smiths Medical: 24-month improvement programme delivering results

- Return to revenue growth and improving margins
- Focus on new products and operational improvements delivering value

### Inventory turns

- 2007: 2.4
- 2010: 3.4

### ERP Implementation

- 2007: 62%
- 2010: 99%

### New Product Sales

- 2007: 99%
- 2010: +53%

- Smiths Medical in better shape and well-positioned for future growth
- Further opportunities for operational improvement
Smiths Medical: Investing in growth opportunities

Sales from products launched in last three years up 21% year-on-year

- New product launches ahead of schedule
- Focus on fewer R&D projects for greater impact - faster execution

Selection of new product launches:

- New convective warming blankets
- Roll-out to new markets: UniPerc™, LockIt Plus™, SuctionPro™, CADD Solis™
Smiths Medical: Operational priorities

- Continue SKU and customer profitability reviews and action planning
- Continue to reduce business complexity and reduce costs
- Increase R&D spend to launch high margin products
- Invest in sales & marketing during the second half

Outlook

- Positive sales momentum expected to continue
- Diabetes exit will constrain sales in line with last year
- Margins will benefit from cost savings, product launches and price increases
- R&D will also increase in H2 to accelerate new product launches
2010 H1 Sales: £146m
(4)% reported
(9)% underlying

2010 H1 Operating profit: £23m
16.0% margin

Military/aerospace - underlying sales decrease of 3%
• Slowdown in commercial aerospace, some delays to military programmes
• Production projects: EMP protection; secure communications; UAVs and specialist connectors
• New KuStream broadband antenna for commercial aircraft

Wireless - underlying sales fell by 16%
• Affected by a slowdown in new infrastructure deployments
• Growth test equipment to improve network performance

Rail, medical and automation - underlying sales down by 9%
• Markets have stabilised but remain challenging
• Benefiting from an increase in rail investment and new products in medical

Smiths Interconnect: Delivering margin growth; launching new products
Smiths Interconnect: Strengthening the business through acquisition

Interconnect Devices, Inc. expands the connector portfolio

- Meets our criteria of adding complementary technologies; extending our geographic presence and leveraging existing scale
- Adds a completely new range of spring probe connectors
- Enhances profile in China and leverage existing sales forces, particularly Europe
- Immediately earnings accretive; completion subject to regulatory approval

Channel Microwave complements the microwave components portfolio

- Completed in October; sales of $7m
- California-based business complements Lorch and TRAK businesses
Smiths Interconnect: Operational priorities

• Continued focus on cost control
• Integrate recent acquisitions and look for further opportunities
• Deliver major customer requirements to maintain momentum in key contracts

Outlook

• Military order book is strong supported by sustained investment in military communications; launch of KuStream broadband antenna
• Wireless infrastructure investment continues to be constrained – some signs of improvement
• Margins will benefits from cost saving initiatives
2010 H1 Sales: £96m
(14)% reported
(14)% underlying

2010 Operating profit : £9m
9.8% margin

Restructuring programme delivering savings and margins
• Savings to date of £7m

Aerospace - underlying sales fell 16%
• Declines in regional aircraft and business jets

Heat Solutions - underlying sales fell 14%
• Weak US construction: Lower sales of gas piping and HVAC

Flexible Solutions - underlying sales fell 16%
• Softer demand from US floorcare and the general industrial sector

2010 H1 sales %
- Aerospace: 51%
- Flexible Solutions: 26%
- Heat Solutions: 23%
Flex-Tek: Improving trend in Heat Solutions and Flexible Solutions

Monthly growth trend versus prior year month

Heat and Flexible Solutions (74% of sales)
Flex-Tek: Operational priorities

- Expand non-construction markets, e.g. aerospace & medical
- Asian growth potential in industrial and appliance markets
- Deliver the restructuring programme

Outlook

- US housing market has shown some signs of improvement; aerospace is likely to remain challenging
- Deliver cost savings to preserve margins; strongly leveraged to a recovery
Smiths Group: Opportunities to create value

Delivering operational efficiencies
- Improve margins through restructuring and ‘self-help’ programmes
- Upgrade our business systems to drive faster data-based decisions and leverage scale

Cash generation
- Continue to reduce working capital as percentage of sales
- Focus on cash generation to fund growth

Investing in future growth
- Investing in targeted R&D to launch new products
- Growing our technology and reach through bolt-on acquisitions
- Expansion in developing markets
Questions and Answers

2010 Investor Days
Smiths Interconnect - Tampa, FL - 22 June
Smiths Medical - St Paul, MN - 23 June

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