Smiths Group Q1 Trading Statement

Smiths Group plc ("Smiths" or “the Group”) today announces its trading statement for the first quarter of FY2021.

Smiths delivered a good trading performance in the first quarter. In a period of ongoing global disruption, the Group continues to demonstrate its resilience, founded on market-leading positions and a high proportion of aftermarket revenues.

Revenue for the three months ended 31 October for Continuing Operations\(^1\) was down (2)% on an underlying\(^2\) basis. This underpins the Group’s confidence in meeting market expectations for the full year.

- John Crane performed as expected, with challenging market conditions in Energy, partially offset by modest growth in Industrials
- Smiths Detection delivered a strong performance in Aviation during the quarter, driven by delivery of original equipment orders, which was offset by Other Security Systems
- Flex-Tek delivered strong Industrial sales that more than offset Aerospace weakness
- Good momentum continued in Smiths Interconnect

Revenue for the three months ended 31 October for Smiths Medical\(^1\) was up 4% on an underlying\(^2\) basis driven by further growth in Infusion Systems and Vital Care.

The Group’s strategic restructuring programme is progressing well and will deliver the anticipated £30m of savings in the current year and the full £70m benefit in FY2022.

The Group continues to demonstrate its strong cash generation and cash balances at 31 October had increased to £413m.

On 27 October 2020, the Trustee of the Smiths Industries Pension Scheme secured a further £146.5m bulk annuity buy-in agreement with Canada Life, which insured the benefits of a further c.1,000 pensioners, demonstrating further progress in the de-risking of the Company’s pension liabilities.

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\(^1\) Continuing Operations exclude Smiths Medical which is accounted for as ‘Discontinued Operations – businesses held for distribution to owners’, given the intended separation of Smiths Medical.

\(^2\) Underlying modifies headline performance to exclude the effects of foreign exchange.

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About Smiths Group
Smiths is a global technology company listed on the London Stock Exchange (SMIN) and operates a sponsored level one ADR programme (SMGZY). Its businesses share common characteristics (well-positioned in growing markets, technology-led, asset-light, digitising, with a high proportion of aftermarket revenues) and a common operating model (The Smiths Excellence System). For more information visit www.smiths.com.