

News Release

London, 14 November 2018

For immediate release

Smiths Group Q1 trading update

Smiths Group plc ("Smiths" or "the Group") today announces that management expectations for the full year remain unchanged, based on its first quarter performance.

Revenue for the three months ended 31 October was down (1)% on an underlying¹ basis. This reflected:

- Continued good growth in John Crane with an acceleration in OE orders and further strong aftermarket demand.
- In Smiths Medical, as expected, revenue was impacted by the previously announced regulatory and contract challenges which are progressively abating; the division remains on track to return to growth in the second half.
- In Smiths Detection, the phasing of orders impacted Q1 revenue, with an expected strong second half supported by a robust order book.
- Smiths Interconnect delivered strong growth, with a good performance in Space and favourable phasing.
- Flex-Tek continued to deliver good organic growth, driven by heat solutions and flexible gas tubing.

For the full year, the Group is expected to at least sustain the FY2018 underlying¹ growth rate, with its performance weighted towards the second half.

The Group is adopting IFRS15 this year. As previously communicated, the associated restatement of FY2018 comparatives had no impact on profit, but reduced revenue by £(16)m and net assets by £(1)m.

It is also announced today that following a formal tender process led by the Audit Committee, the Board has approved the appointment of KPMG as external auditor for the Company for the financial year commencing 1 August 2019. The appointment will be subject to shareholder approval at the 2019 Annual General Meeting ('AGM'). PricewaterhouseCoopers LLP will remain the Group's auditors for the current financial year which commenced on 1 August 2018, subject to their reappointment at today's AGM.

In a separate release, Smiths also announced today the planned separation of Smiths Medical.

Management will be holding a conference call for analysts and investors at **8.00am (UK time) today**.

Dial in details:

UK toll free: 0800 358 9473

International: +44 333 3000 804

United States toll free: +1 855 857 0686

Participant PIN code: 71570689#

An audio replay is available for seven days on the following numbers (access code 301259691#):

UK toll free: 0800 358 2049

International: +44 333 300 0819

United States toll free: +1 844 307 9361

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¹ Underlying modifies headline performance to: adjust prior year to reflect an equivalent period of ownership for divested businesses; and exclude the effects of foreign exchange, acquisitions and supplemental sales for divested businesses.

Enquiries:

Investor enquiries

Jemma Spalton, Smiths Group
+44 (0)20 7004 1637
+44 (0)78 6739 0350
jemma.spalton@smiths.com

Marion Le Bot, Smiths Group
+44 (0)20 7004 1672
+44 (0)75 8315 4386
marion.lebot@smiths.com

Media enquiries

Deborah Scott, FTI Consulting
+44 (0)20 3727 1459
+44 (0)797 953 7449
smiths@fticonsulting.com

Alex Le May, FTI Consulting
+44 (0)20 3727 1308
+44 (0)7702 443 312
smiths@fticonsulting.com

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About Smiths Group

Smiths Group 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.