

# Renishaw Investor Day 2018

## Welcome



**Sir David McMurtry**  
**Executive Chairman**



**William Lee**  
**Chief Executive**

# Strategy overview

*William Lee, Chief Executive  
Renishaw plc*



# Trading update – 9 months to 31<sup>st</sup> March 2018

- **Cumulative revenue up 11.9% to £429.9m**
- **Adjusted profit before tax for the first nine months was up 39.2% at £97.6m**
- **Forecast range for full year revenue and profit increased:**
  - Revenue: £585m to £610m
  - Adjusted profit: £135m to £150m
  - Statutory profit: £145m to £160m

Renishaw plc  
Trading update  
9th May 2018

Ahead of the investor day being held tomorrow, we are providing a trading update as follows:

Renishaw plc, the global high-precision metrology and healthcare technology group, publishes this trading update for the nine months ended 31st March 2018. It contains unaudited information that covers the first three quarters and the period since.

#### Trading activity

Continuing operations	9 months to 31st March 2018	9 months to 31st March 2017*	Change
Metrology	£406.6m	£361.4m	+12.5%
Healthcare	£23.3m	£22.9m	+1.7%
<b>Total Revenue</b>	<b>£429.9m</b>	<b>£384.3m</b>	<b>+11.9%</b>
<b>Adjusted* Profit before tax</b>	<b>£97.6m</b>	<b>£70.1m</b>	<b>+39.2%</b>
<b>Statutory Profit before tax</b>	<b>£104.4m</b>	<b>£69.7m</b>	<b>+49.8%</b>

Revenue from continuing operations for the first three quarters of the current financial year was £429.9m, an increase of 11.9% compared with £384.3m for the corresponding period last year. We experienced underlying growth at constant exchange rates of 16.4%, with growth in all regions.

In our metrology business revenue amounted to £406.6m compared with £361.4m for the same period last year, with an underlying growth at constant exchange rates of 16.9%. Revenue in our healthcare business was £23.3m compared with £22.9m for the same period last year, an increase of 5.9% at constant exchange rates.

Adjusted\* profit before tax from continuing operations for the first three quarters amounted to £97.6m compared with a restated adjusted\* profit before tax of £70.1m for the corresponding period last year.

#### Financial position

The Group balance sheet remains strong with net cash balances of £91.2m as at 31st March 2018 (30th June 2017: £51.9m).

#### Outlook

Notwithstanding current economic uncertainties, the Board remains confident in the future prospects of the Group. In our half year interim report, we forecast full year revenue to be in the range of £575m to £605m and adjusted profit before tax to be in the range of £127m to £147m. We continue to expect growth in both revenue and profit for this financial year and now expect full year revenue to be in the range of £585m to £610m and adjusted profit before tax to be in the range of £135m to £150m. Statutory profit before tax is expected to be in the range of £145m to £160m.

The preliminary full year results for the year ending 30th June 2018 will be released on 26th July 2018.

Sir David McMurtry  
CBE, RDI, FRS, FRCEng, CEng, FIMechE  
Executive Chairman

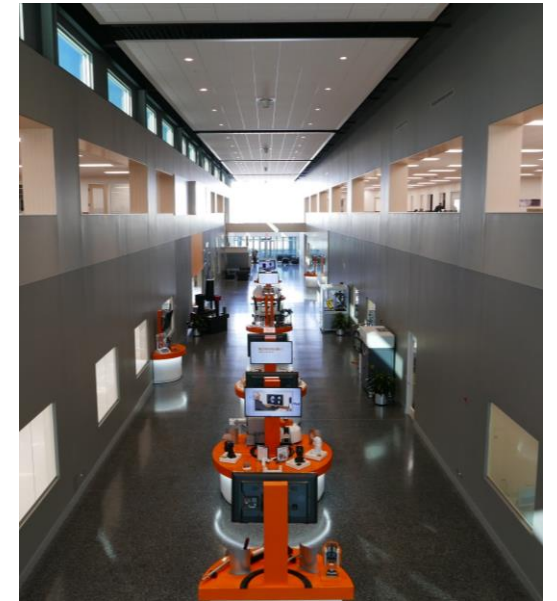
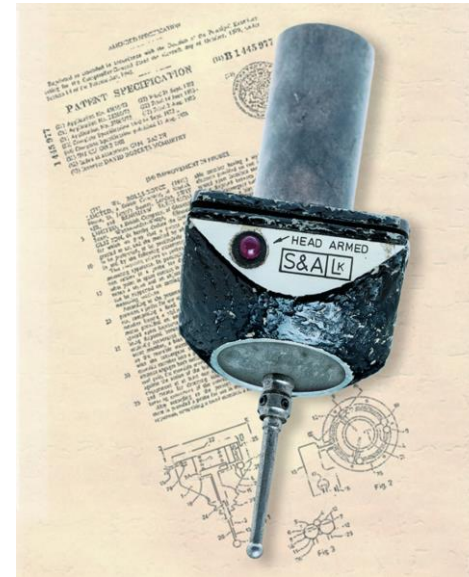
William Lee  
Chief Executive Officer

9th May 2018

Renishaw plc  
Registered office New Mills, Wotton-under-Edge, Gloucestershire, GL12 6JR  
Registered number 1106260  
LEI number 21380048ADXM6Z67CT18  
Telephone number 01453 524524  
Website www.renishaw.com

# Overview

- Our fundamental strategy is based on:
- patented and innovative products and processes
- high quality manufacturing
- providing local customer support in all our markets around the globe



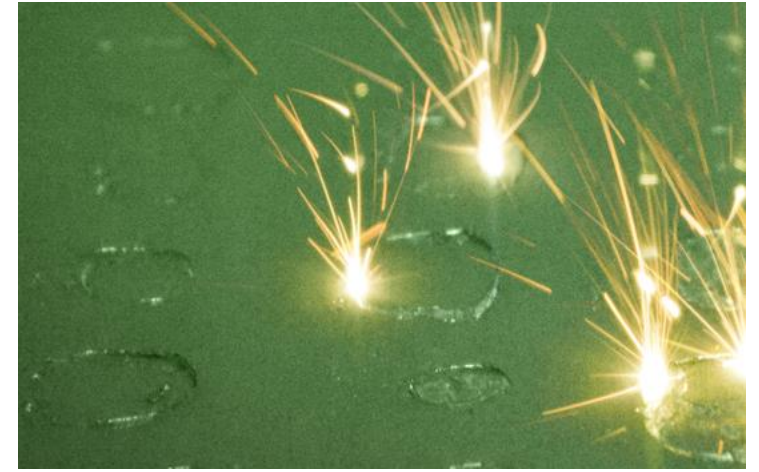
# Investments in people

- **4,584 employees at end of December 2017: 2,888 (UK) and 1,696 (Overseas)**
- **Record 50 apprentices recruited for 2018**
- **Opening of dedicated education centre at Miskin site**
- **Extensive engineering work experience programme again this Summer**

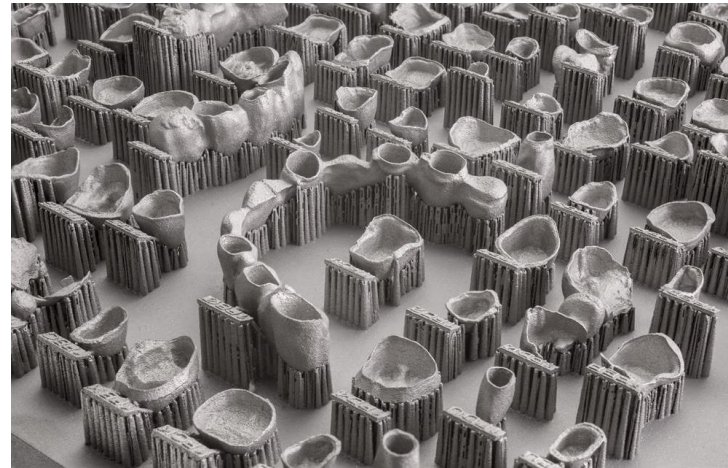


# Renishaw – product overview

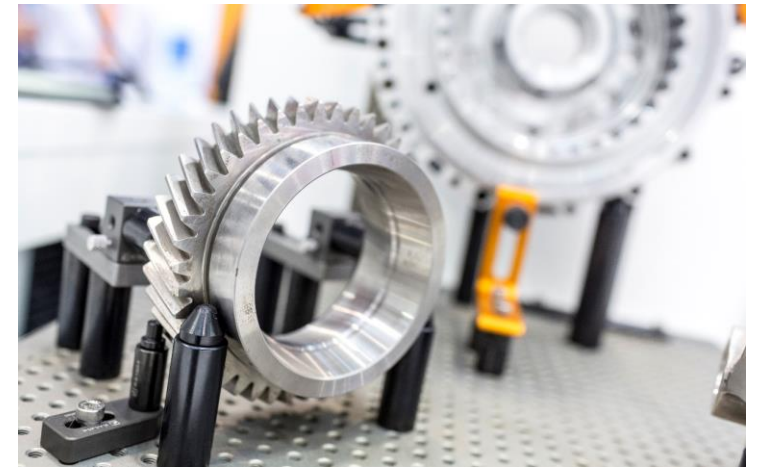
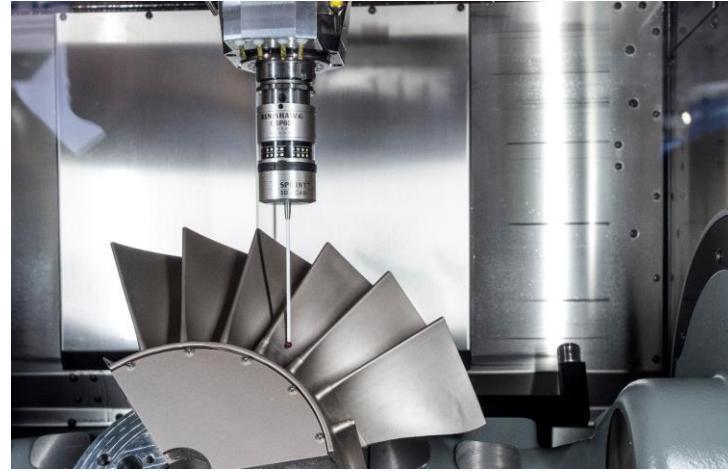
Metrology



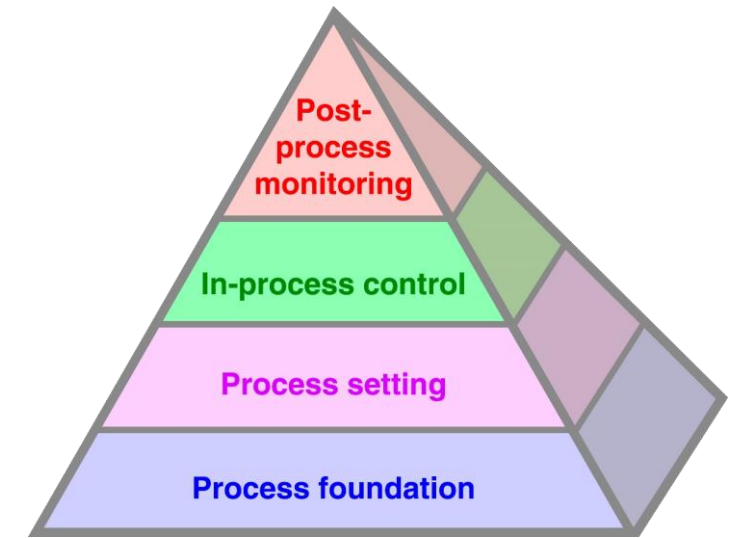
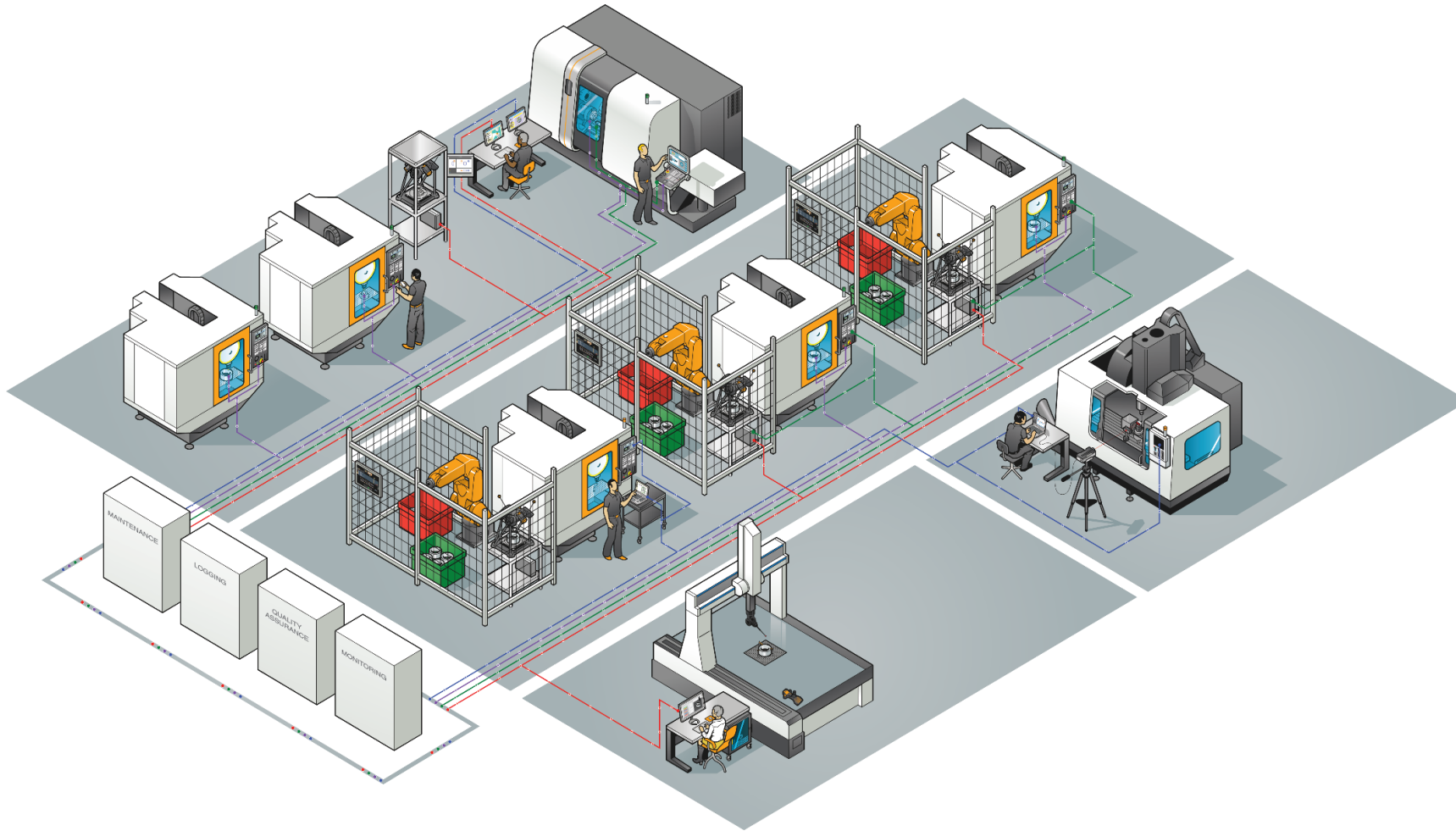
Healthcare



# Industrial Metrology update



# Our vision – shop floor metrology and the pyramid



The Productive Process Pyramid™



# Integrated process control solutions

RENISHAW 

**RENISHAW**   
apply innovation™

# Market drivers and new product development

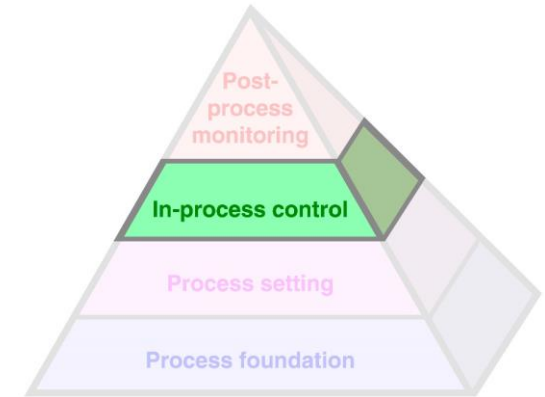
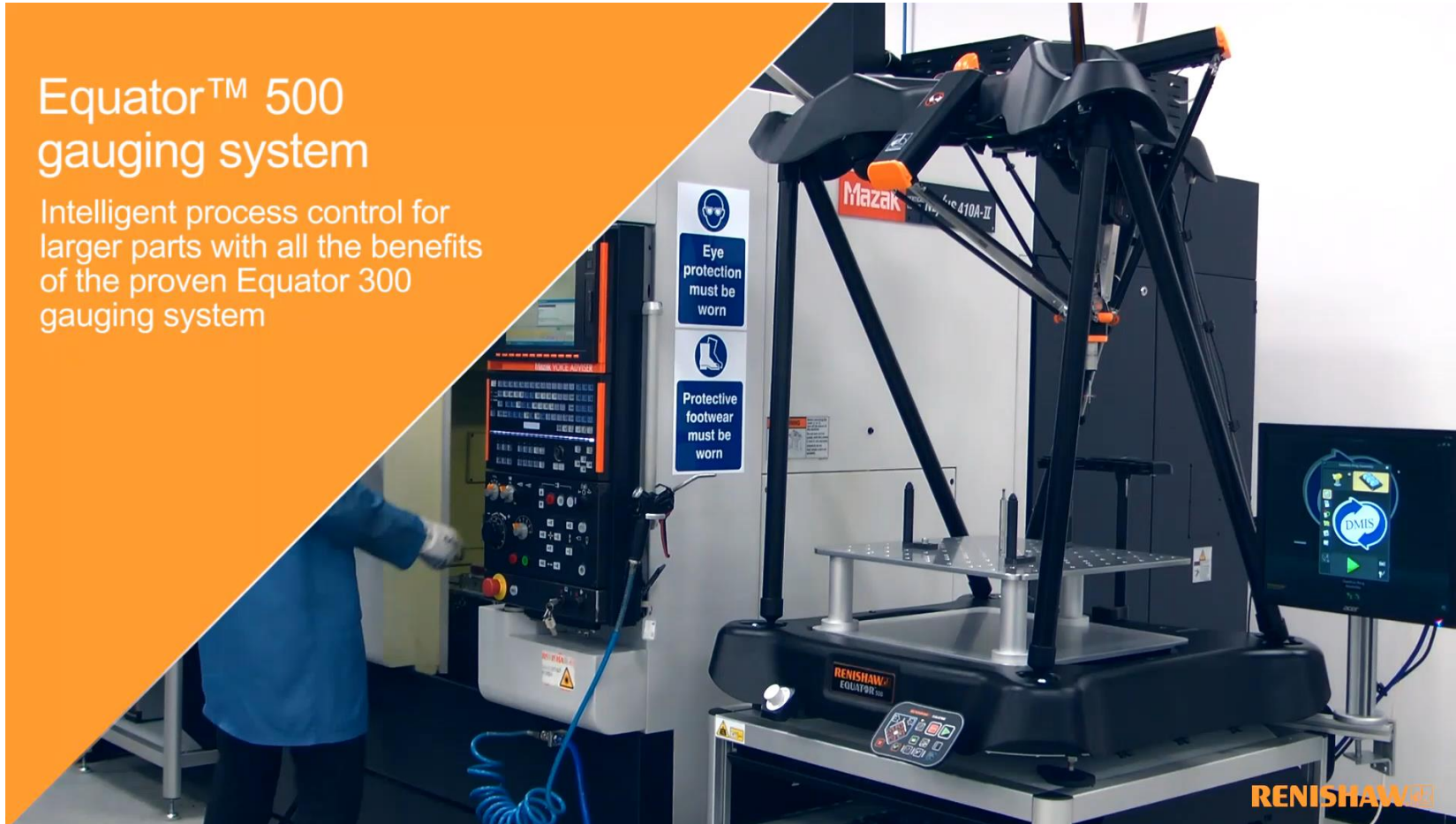
- **Increasing component complexity and closer tolerances require:**
  - Increased capability
  - Improved measurement performance
- **Cost down pressures requires increased speed of operation and lower scrap/rework**
- **Global skills shortages require**
  - Easier to use solutions
  - More automation and robotics



# New industrial metrology products and applications

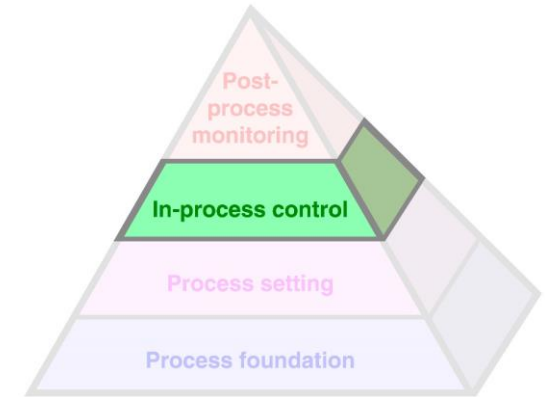
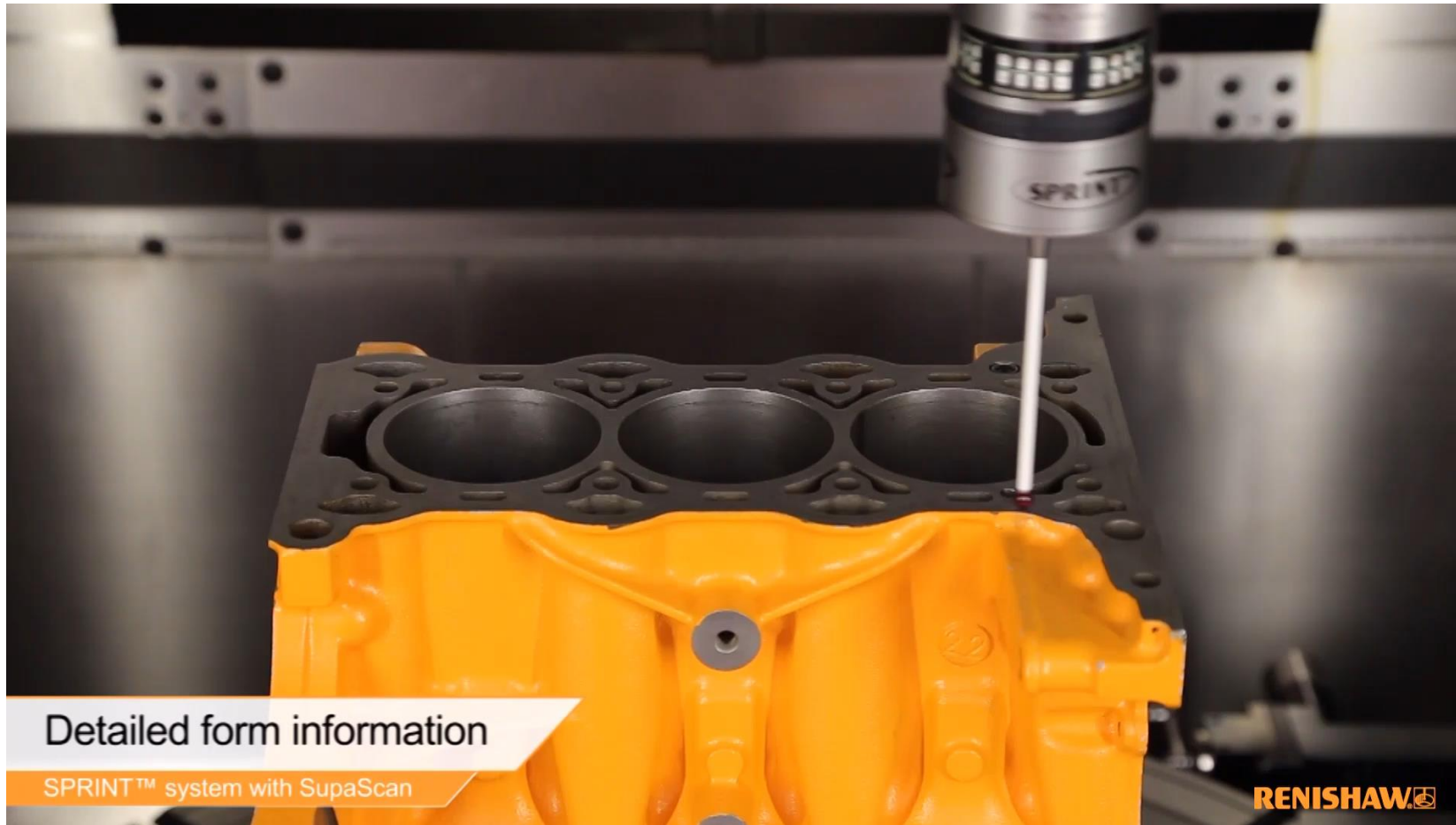
## Equator™ 500 gauging system

Intelligent process control for larger parts with all the benefits of the proven Equator 300 gauging system



Equator 500

# New industrial metrology products and applications



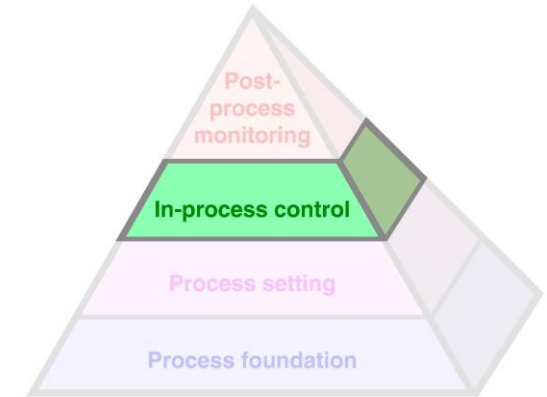
**SupaScan v3 for SPRINT  
(with surface condition  
monitoring)**

# New industrial metrology products and applications

## MP250 strain gauge probe

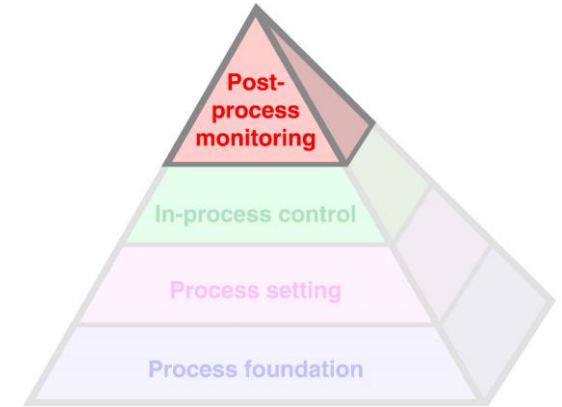
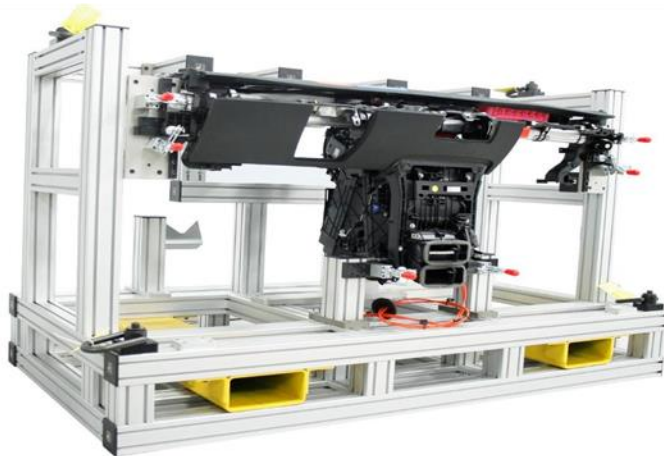
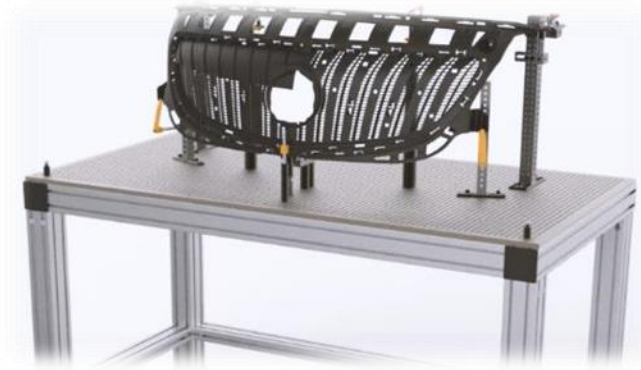
High-accuracy, robust and compact inspection probe designed for grinding machines.

RENISHAW 



**MP250 enhanced system  
for grinding machines**

# New industrial metrology products and applications



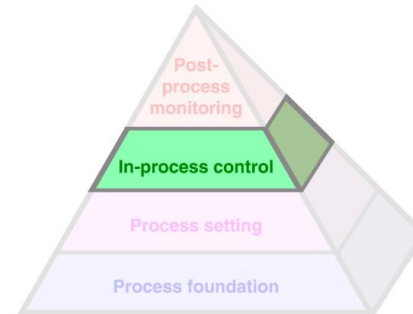
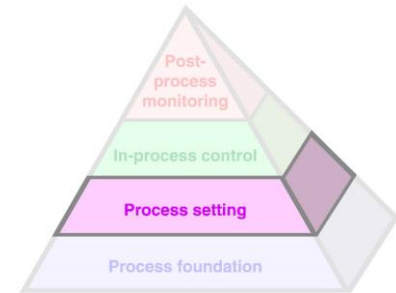
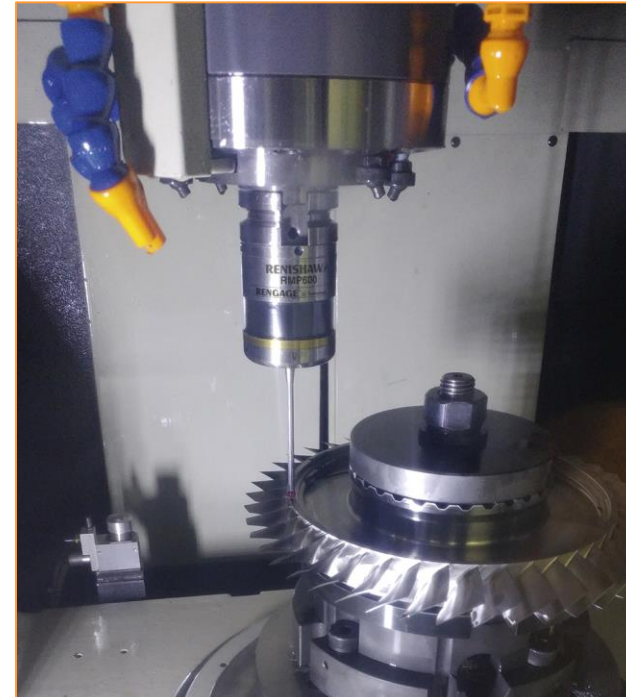
**Fixtures and styli**

# Meeting market demands

## Honeywell Aerospace, Mexico (Impeller manufacturer)

Workpiece set-up was causing problems with no way of identifying the problem until after 16 hours of machining and one hour of inspection.

After retrofitting the machine tool with a Renishaw RMP600 probe, parts are measured prior to machining to detect and compensate for any misalignment, eliminating scrap and costly rework.



# Meeting market demands

## Europea Microfusioni Aerospaziali, Italy (Turbine blade manufacturer)

Checking critical dimensions of complex turbine and aero-engine blades can be difficult and time consuming, especially where 100% inspection required.

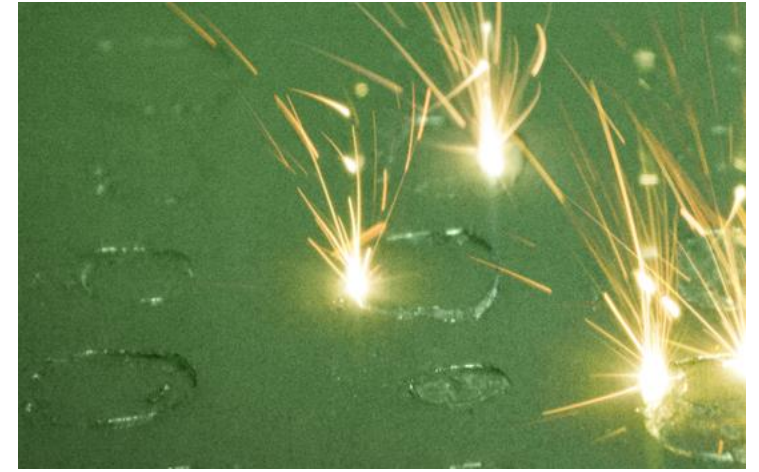
After retrofitting existing CMMs with Renishaw PH20 5-axis probe head and MODUS software, inspection cycle times have been reduced by up to 50%.



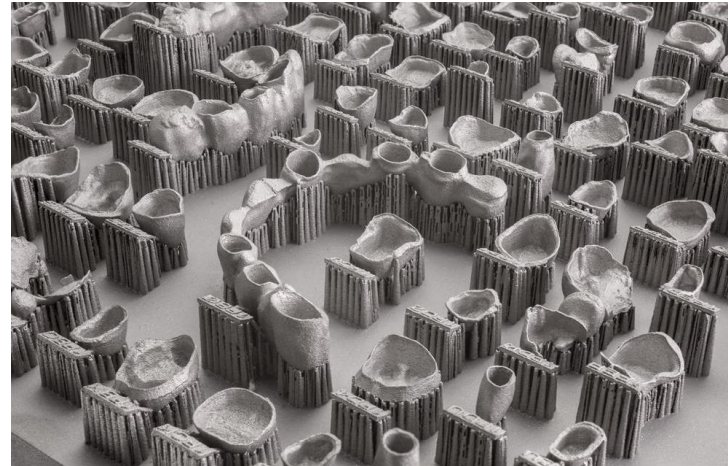


# Renishaw – product overview

Metrology



Healthcare



# Motion control



**Laser encoders**



**Optical encoders**



**Magnetic encoders**

# Market drivers and new product development

Well placed to meet requirements in key growth areas e.g. flat panel displays, automotive sensors, automation and robotics

Market drivers are size, accuracy, speed, ease of use.



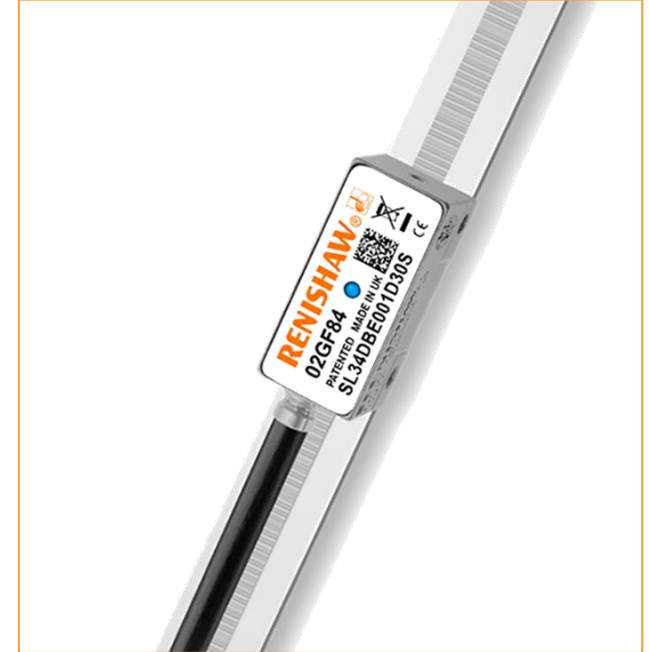
# New motion control products and applications

QUANTiC™ series of digital incremental encoders

Made for manufacturing

**QUANTiC encoder**

# New motion control products and applications



**RESOLUTE FS  
(functional safety) encoder**

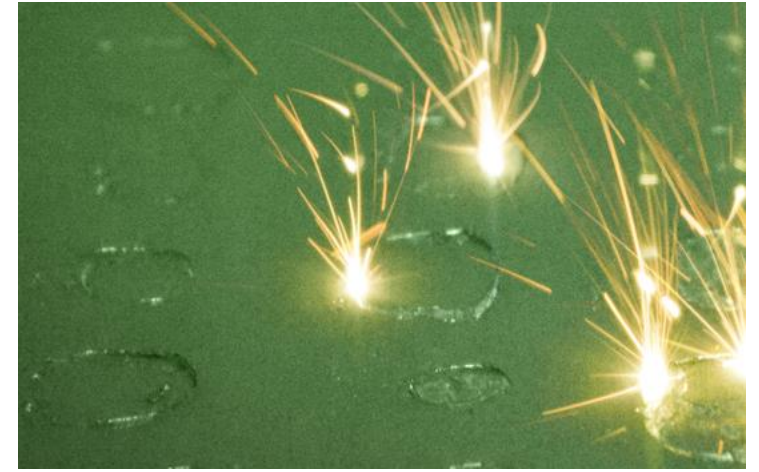
# Meeting market demands



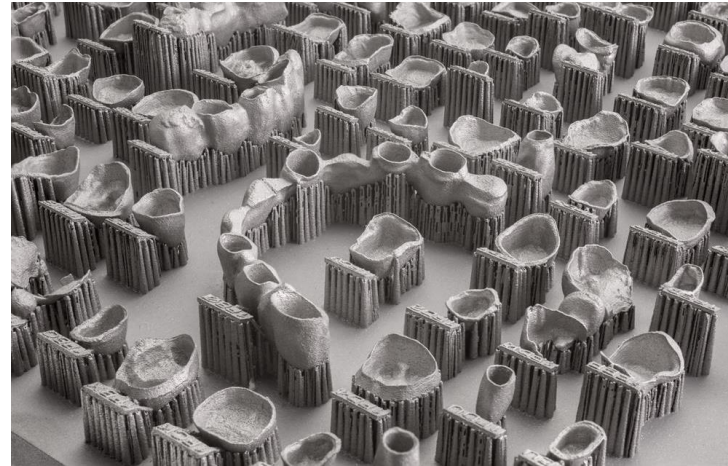
**PAL Robotics, Spain**  
(Robot manufacturer)

# Renishaw – product overview

Metrology



Healthcare



# Additive manufacturing

formnext

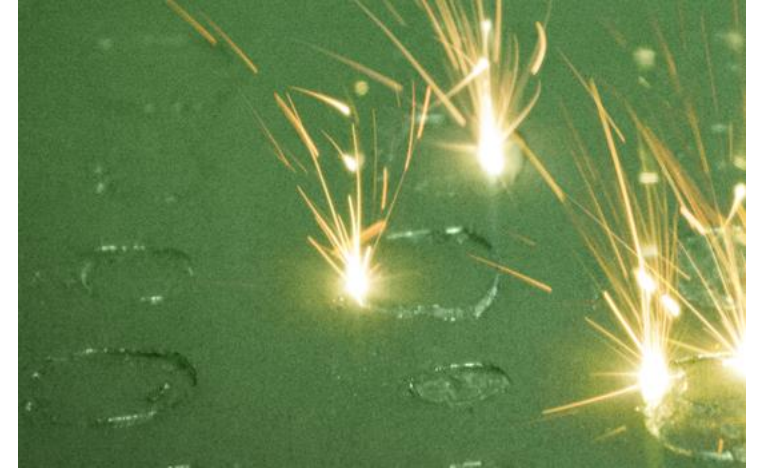


- Significant product introductions
  - **RenAM 500Q, high productivity system**
  - **InfiniAM Spectral process monitoring**
  - **InfiniAM Central remote monitoring**
  - **AM 400 <sup>HT</sup> high temperature AM system**

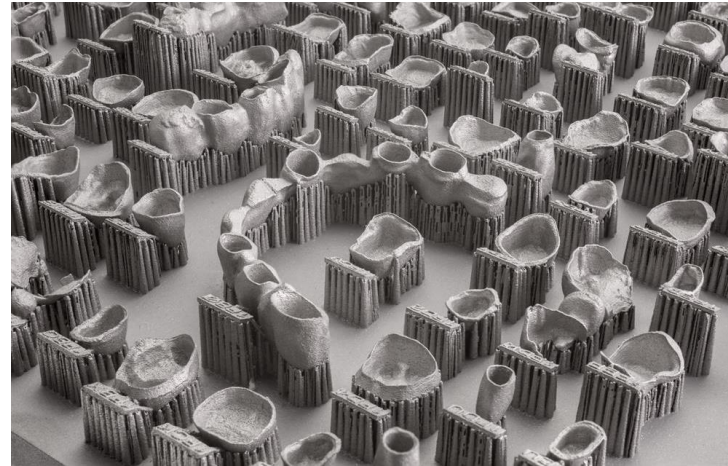


# Renishaw – product overview

Metrology



Healthcare



# Recent healthcare developments

- The USA's Food and Drug Administration (FDA) has cleared the combined use of the neuromate stereotactic robot with neuroinspire™ planning software.
- In Sweden and Finland, the first patients in a new clinical study have been implanted with a novel drug delivery system, developed by Renishaw. A joint clinical study with Herantis Pharma to investigate the treatment of Parkinson's disease using Cerebral Dopamine Neurotrophic Factor (CDNF).



# Meeting market demands

## The Walton Centre, Liverpool, UK (NHS Trust for neuroscience)

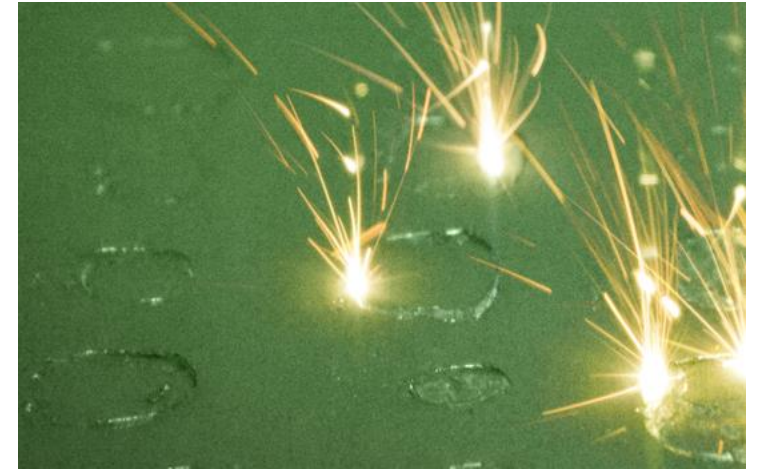
Neurosurgeons have carried out their first stereoelectroencephalography (SEEG) procedures (used in epilepsy treatments) with the assistance of the Renishaw neuromate stereotactic robot.

These procedures mark a transition to robot assisted neurosurgery which should see both patients and staff benefitting from reduced procedure times.



# Renishaw – product overview

Metrology



Healthcare

