



# Annual General Meeting

6 September 2017





Severfield

# AGM statement





**Alan Dunsmore**  
Acting Chief Executive Officer





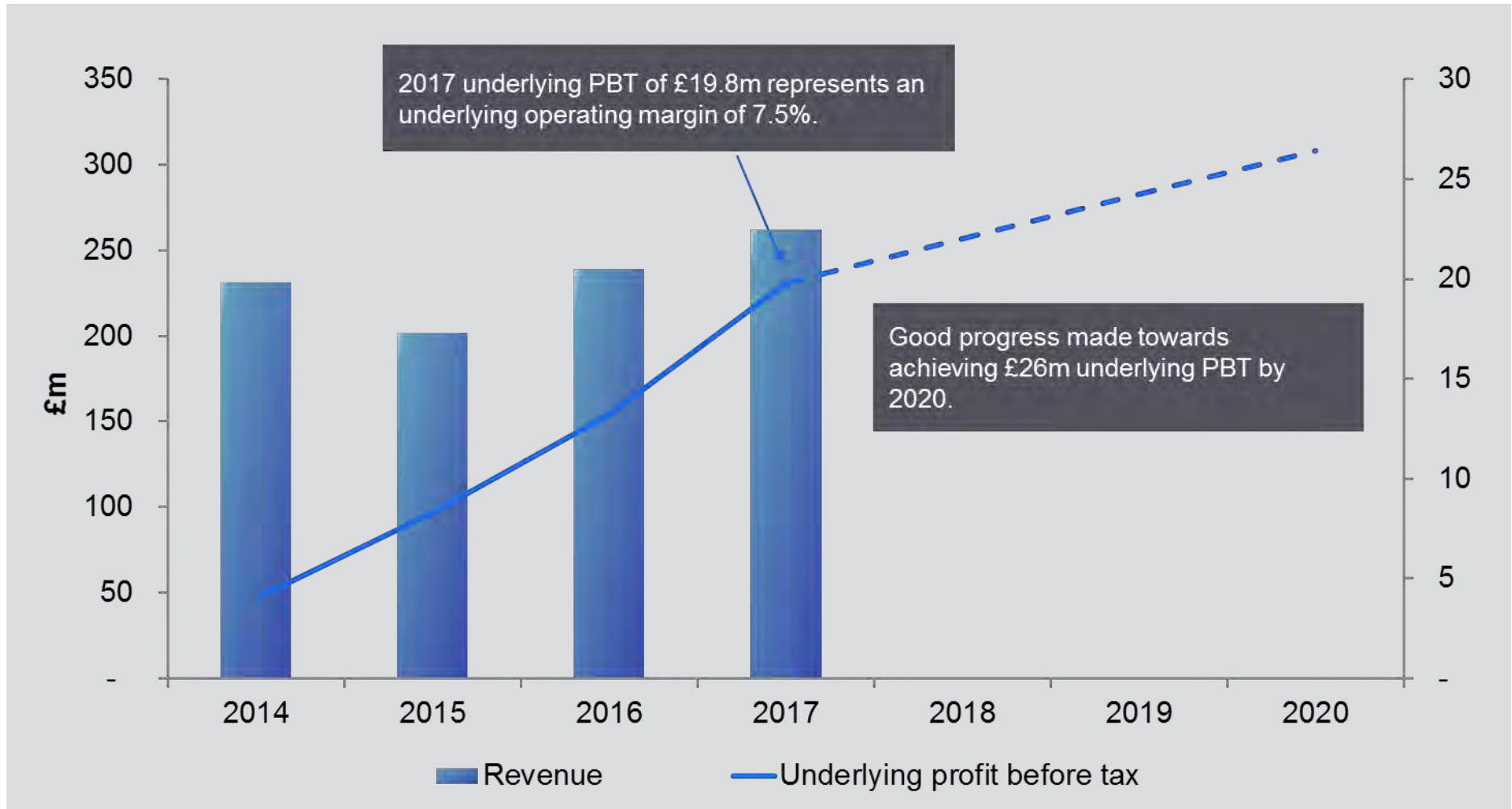
# Highlights

---

- **Underlying profit before tax up 50% at £19.8m**
- Revenue up 10% at £262.2m
- **Continued strong cash generation with net funds of £32.6m**
- UK order book at £221m
- **First profit from Indian business – Group share £0.2m**
- India order book at £64m
- **Underlying basic EPS up 51% at 5.53p**
- Final dividend of 1.6p per share
- **Good progress made towards 2020 profit target of £26m**



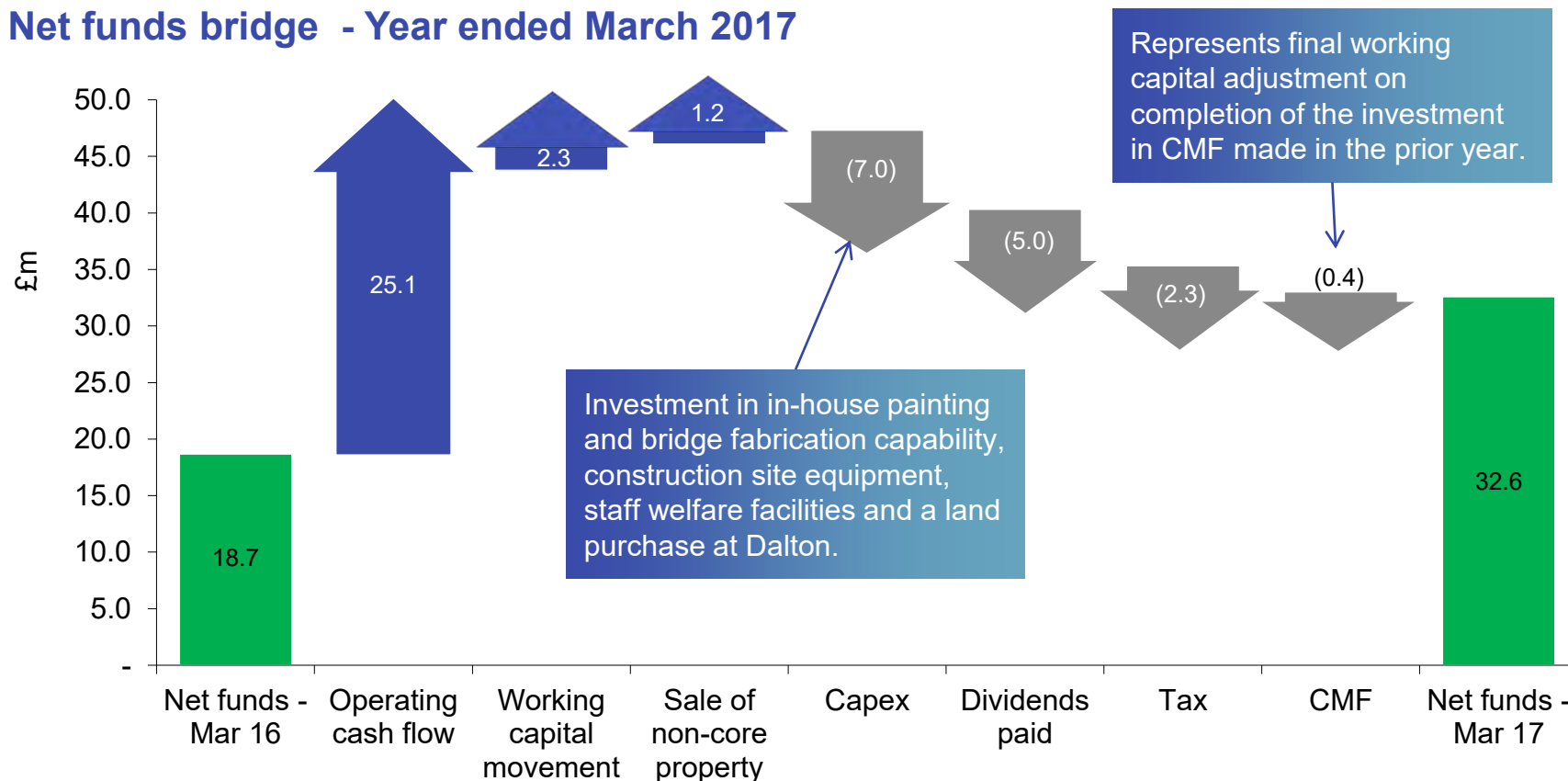
# Revenue and profit





# Cash flow

## Net funds bridge - Year ended March 2017



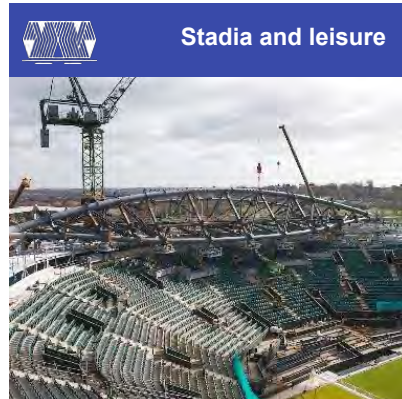
- Operating cash conversion of 112% (2016: 150%)
- RCF facility of £25m with HSBC and Yorkshire Bank (accordion facility of £20m available at Group's request - matures in July 2019)



# Market sectors



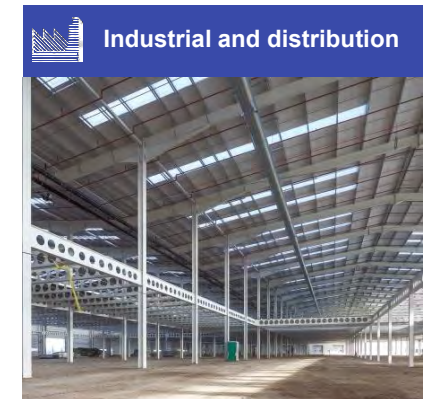
Power and energy



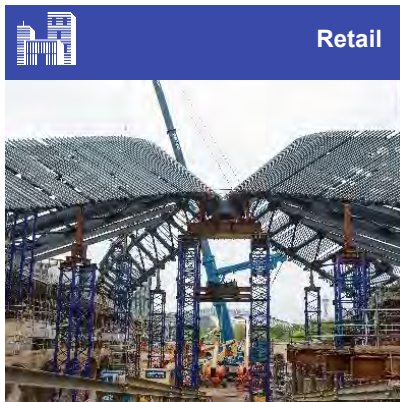
Stadia and leisure



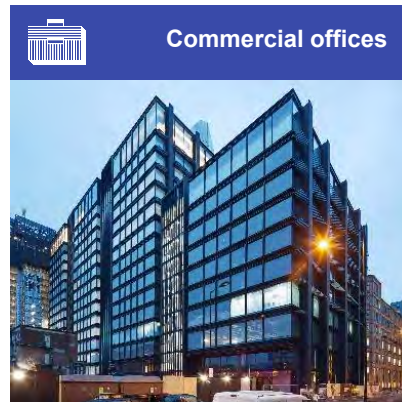
Health and education



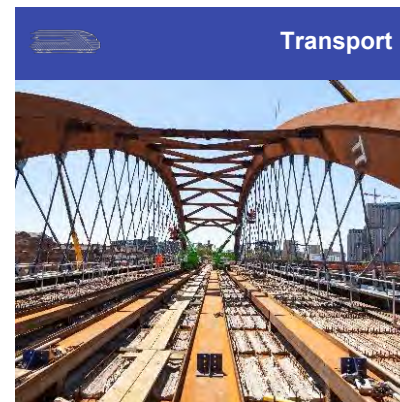
Industrial and distribution



Retail



Commercial offices



Transport

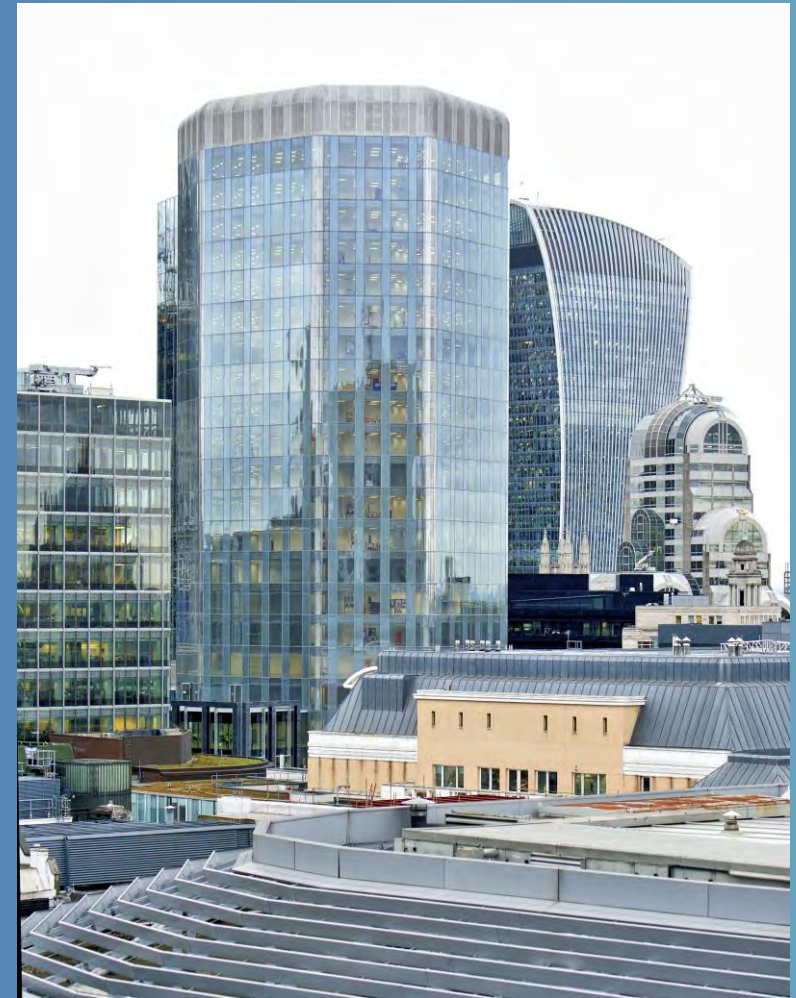


Data centres and other



# Market conditions - UK

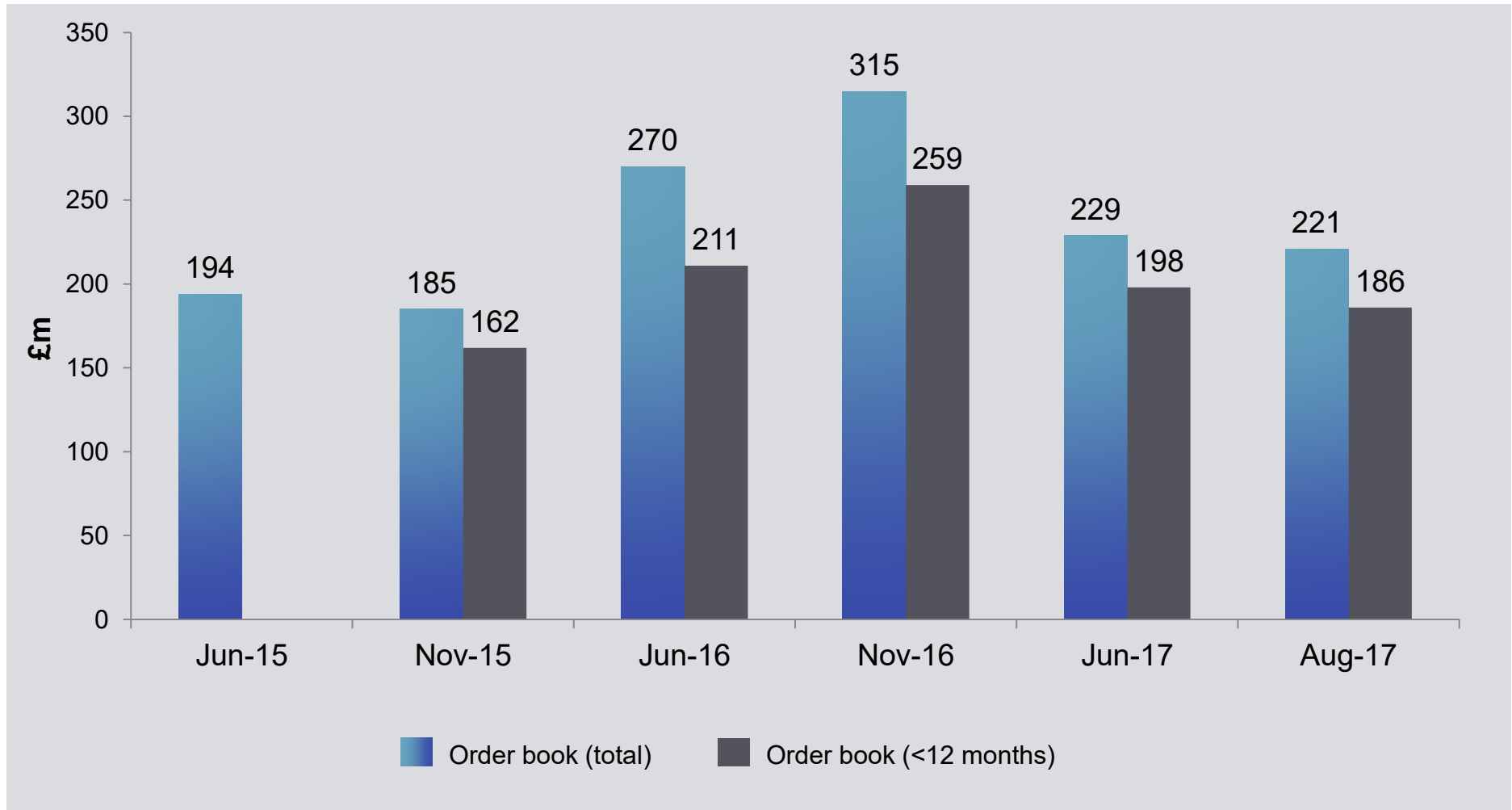
- Modest economic growth expected to be reflected in construction markets
- Past 12 months have seen an unusual flow of four major projects at the same time. This is now normalising
- Pipeline remains steady
- Steel supply situation has become more stable in the past year







# High quality order book





# Current major projects

London Bridge Station Canopies



22 Bishopsgate, London



Covanta Power Station, Dublin



Tottenham Hotspur FC Stadium





# Current major projects

*UPS Warehouse, Essex*



*Coal Drops Yard, London*



*Wimbledon No.1 Court*





# India - overview

---

- GDP growth remains strong
- Government continuing to reshape economy to stimulate investment
- Market conversion activity continues
  - along with focus on appropriate T&Cs
- Business learning to manage higher level of contract timing movements
- Agreement with joint venture partner to invest additional equity to repay term loan



# Current projects - India

*Advant IT Park, Noida*



*Hospital, Kerala*



*Intel SRR4, Bangalore*



*Shopping Complex, Kerala*



*Altair, Colombo*





# Group strategic priorities

## Our vision

To be recognised as **world-class leaders in structural steel**, known for our ability to deliver any project, to the highest possible standards

## Smarter, safer, more sustainable

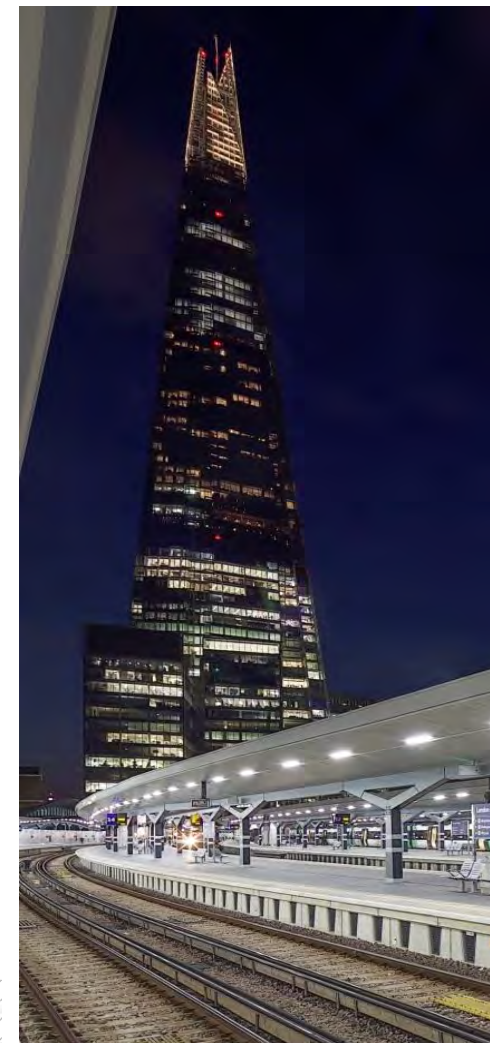
- Innovation
- Systems
- People
- Productivity
- Risk management, control and safety

## New business

- **New products**
  - Cold formed products; purlins, more to follow
- **New geographical markets**
  - European Business Development Director recruited
- **New sectors**
  - Continue to be researched

## Strategic target

Profit before tax of **£26m** by 2020

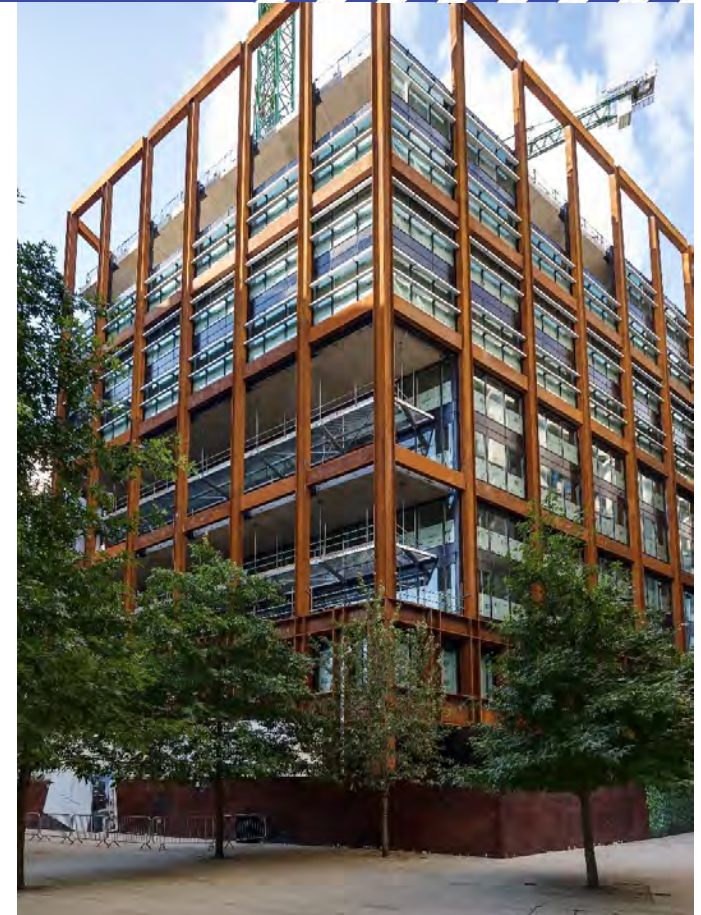




# Summary and outlook

## Another year of strong results

- Continuing stability of market
- Strategy implementation delivering clear benefits
- Further investment in India with increased share of profits
- On track to double profit before tax by 2020



# Thank you.

## Q&A

For more information:

**Alan Dunsmore – Acting Chief Executive Officer**

**Adam Semple – Acting Group Finance Director**

+44 (0) 1845 577 896

Severs House, Dalton Airfield Industrial Estate

Dalton, Thirsk

North Yorkshire, YO7 3JN, UK

[www.severfield.com](http://www.severfield.com)