



Voalex – Preliminary Results 2014/15

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- Return to profitable growth
- Revenue growth of 6% with stable margins
- Near doubling of operating profits from \$4.5million to \$8.8million
- Operating cash flow positive
- De-risked the balance sheet

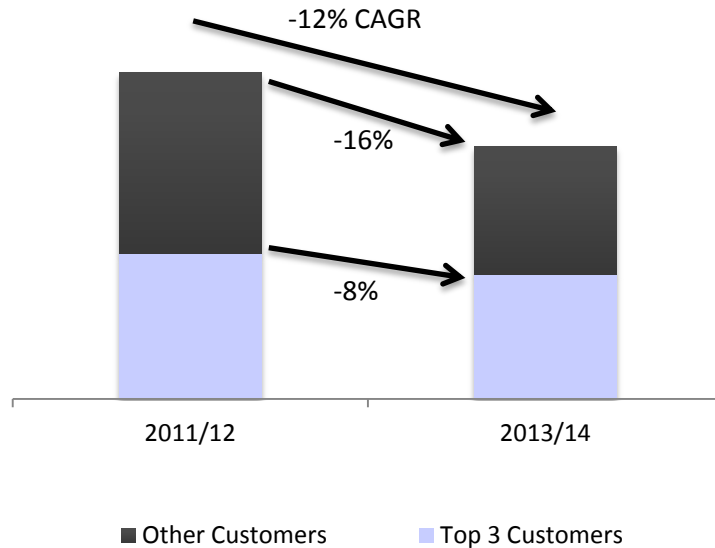
Volex Transformation Plan completed

– 2015/16 focus on continued growth and operational excellence

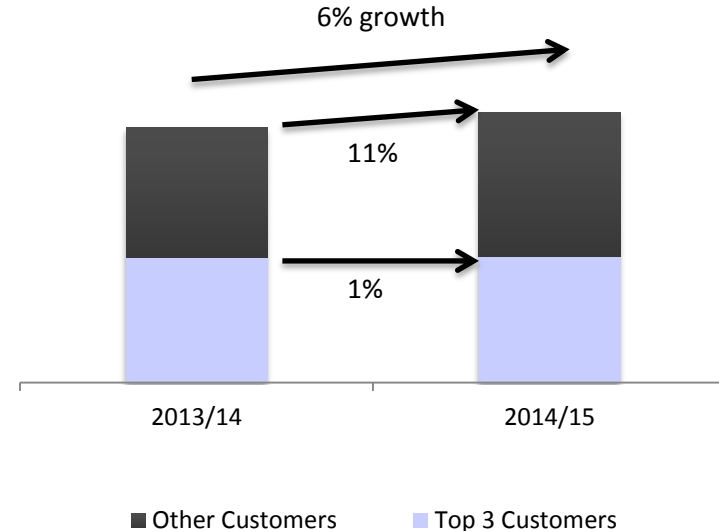
Volex has returned to profitable growth (1)



Revenue – FY2012 to FY2014



Revenue – FY2014 to FY2015

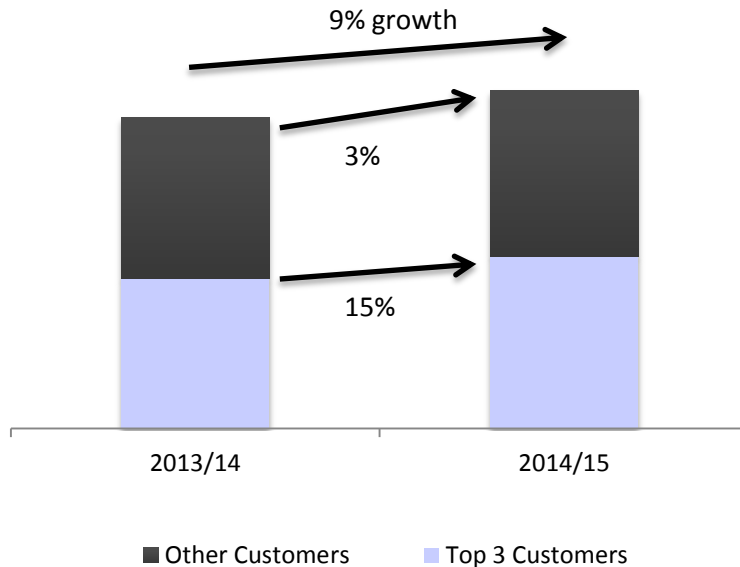


- Revenue increased by 6% to \$423million
 - Top 3 customers stabilised
 - Double digit revenue growth from other customers
- Revenue share of top 3 customers evolved from 49% to 47%
- Profit increased from \$4.5million to \$8.8million

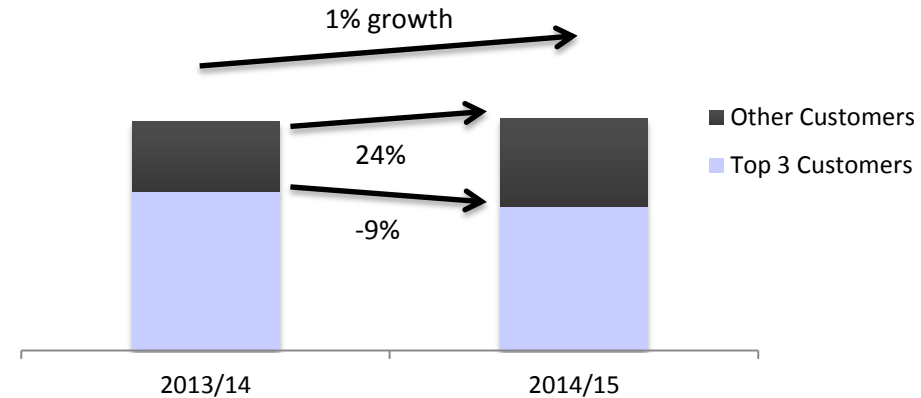
Volex has returned to profitable growth (2)



Power – FY2014 to FY2015



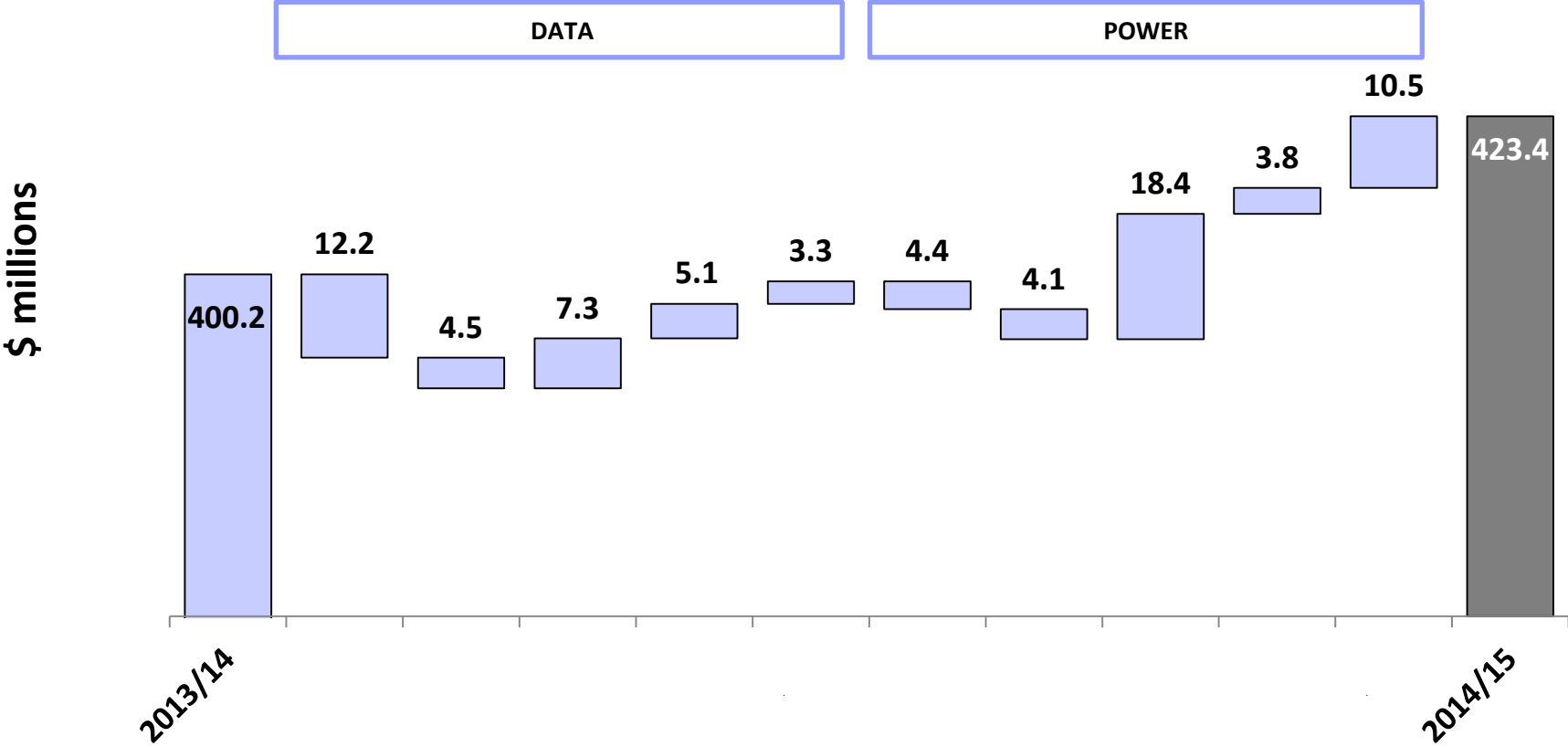
Data – FY2014 to FY2015



- Sales improved from \$252 to \$274 million
- Increased allocations in largest accounts
- Adding new customers – initially at low volumes in FY15
- Growth set to continue in FY16

- Sales increased from \$148 to \$150 million
- Largest accounts had a difficult H2 – Philips and Ericsson both reduced
- High growth across other customers
- Stronger growth expected in FY16

Revenue grew from \$400million to \$423million



Operational Priorities for FY16



- Continue to generate profitable growth
- Improve sales and operations
 - **Portfolio Lifecycle Management**
Improve market presence and innovate product portfolio
 - **Supply Chain Management**
Excellence in procurement/operations across all plants
 - **Customer Relationship Management**
Efficiency of regional sales force and key account management
 - **Finance Management**
Focus on cash return on capital employed
- Foster culture of ownership and accountability
- Increase stakeholder confidence and value creation

Financial Review

Financial Summary



\$m	FY14	FY15	Change
Revenue	400.2	423.4	5.8%
Gross Profit	66.5	70.9	6.5%
- Gross Margin	16.6%	16.8%	
Operating Costs	(62.0)	(62.1)	0.0%
Operating Profit	4.5	8.8	95.6%
- Operating Margin	1.1%	2.1%	
Exceptional Items	(11.6)	(12.5)	
Share Based Payments	2.3	(0.9)	
Finance Costs	(2.8)	(2.6)	
Tax	(6.6)	(3.5)	
Profit After Tax	(14.2)	(10.7)	
Underlying EPS	(9.0)	2.8	
Cash Generated by Operations	(8.2)	12.8	
Net Cash / (Debt)	(32.2)	1.9	

- Sales increase driven by increased pricing competitiveness in market and leveraging Volex USPs
- Gross margins maintained as a result of improved procurement and continued operational focus
- Operating costs held flat while increasing sales, results in a significant increase in operating profit

Cash generative during the year – resulting in net cash position at year-end

Exceptional Costs



\$m	FY14	FY15
Product Portfolio Realignment	-	5.8
Restructuring Costs	8.6	5.2
Financing	1.6	0.1
Provision for Historic Tax Claims	0.8	0.1
Movement in Onerous Lease Provisions	0.6	1.1
Other	-	0.2
Exceptional Costs	11.6	12.5
Cash impact of Exceptional Costs	7.5	5.4

- Product portfolio realignment is a non-cash impairment relating to the AOC development costs
- Cash exceptional costs reduce as the Volex Transformation Plan comes to an end
 - Going forward exceptional items expected to be at a reduced level
- Onerous lease provisions relate to the costs of vacant properties in the UK and Asia

Divisional Profits – Restated this year



\$m	FY14	FY15	Change
Revenue			
- Data	148.0	149.7	1.1%
- Power	252.2	273.7	8.5%
- Total	400.2	423.4	5.8%
Divisional Gross Profit			
- Data	33.2	34.2	2.9%
- Power	33.2	36.7	10.5%
- Total	66.5	70.9	6.7%
Divisional Operating Profit			
- Data	9.9	11.2	13.5%
- Power	1.1	5.4	399.1%
- Total	11.0	16.6	51.5%
Central Costs	(6.4)	(7.8)	
Operating Profit	4.5	8.8	94.7%

- In FY15 we have moved a cable harness activity that was previously reported in the results of Power to Data
- In FY15 we have decided to allocate certain costs previously classified as “central costs” directly into the divisions, to better reflect underlying financial performance
- Costs allocated onto the divisions include divisional HR, IT and Operations. Central costs going forward include costs related to the London head office and the UK listing – central finance, HR, legal, the non-executive and executive directors

\$m	FY14	FY15	Change
Revenue	148.0	149.7	1.1%
Gross Profit*	33.2	34.2	2.9%
Gross Margin*	22.5%	22.8%	
Operating Costs	23.4	23.0	-1.6%
Operating Profit*	9.9	11.2	13.5%
Operating Margin*	6.7%	7.5%	

*Underlying measure before Share Based Payments and Exceptional Items

- Revenue growth reversed in H2 due to customer specific issues
- Improved supply chain, operations and procurement led to an increase in gross margin and profit



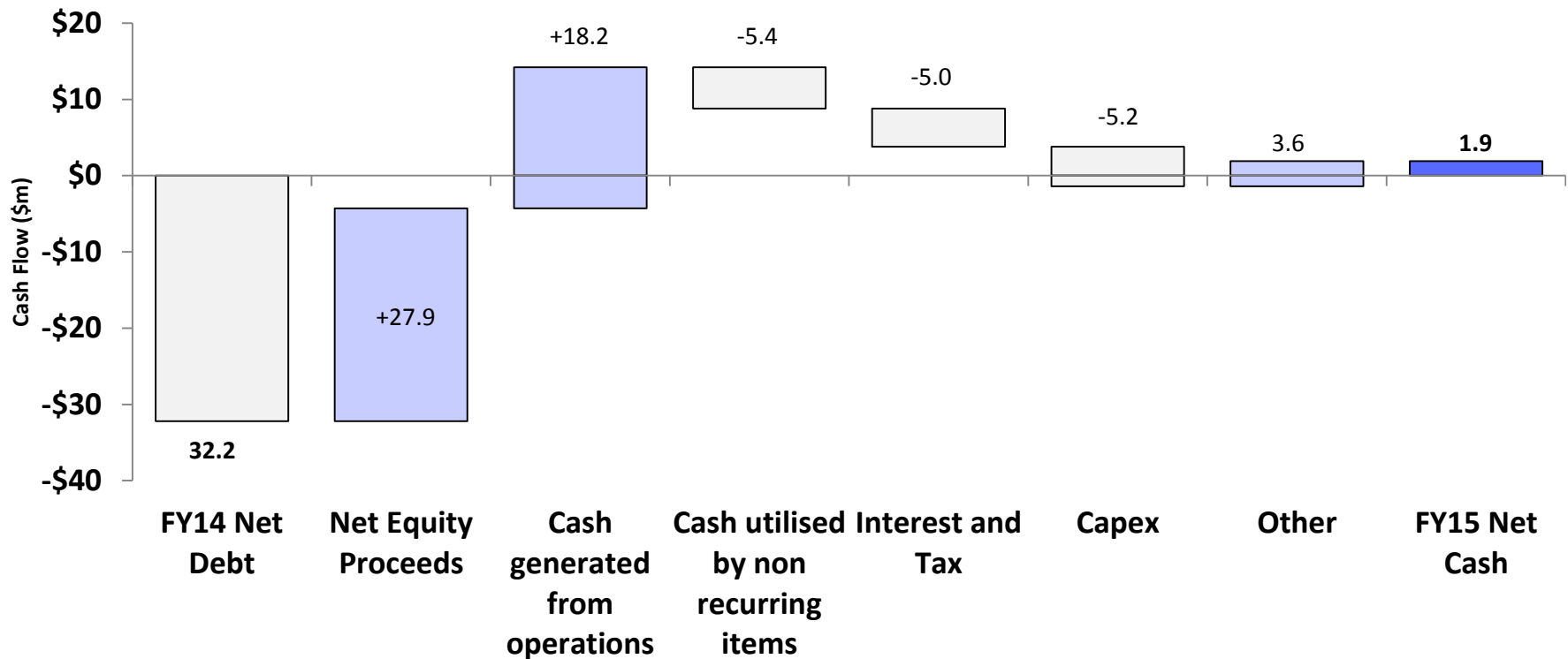
\$m	FY14	FY15	Change
Revenue	252.2	273.7	8.5%
Gross Profit*	33.2	36.7	10.5%
<i>Gross Margin*</i>	<i>13.2%</i>	<i>13.4%</i>	
Operating Costs	32.2	31.4	-2.5%
Operating Profit*	1.1	5.4	399.1%
<i>Operating Margin*</i>	<i>0.4%</i>	<i>2.0%</i>	

*Underlying measure before Share Based Payments and Exceptional Items



- Increased allocations from existing customers drove growth in the year
- Supply chain and design-to-cost improvements driving competitiveness
- Stable gross margins and strong improvement on operating profit

Cash Flow



- Aim is to generate positive cash-flow again in FY16
- Successful July 14 refinancing provides financial flexibility to further invest in our business

Balance Sheet



\$m	FY14	FY15
Goodwill & Intangibles	8.7	4.3
Property, Plant and Equipment	38.7	35.2
Other	1.3	1.9
Non-current Assets	48.7	41.4
Inventories	40.0	43.4
Trade & other receivables	78.6	75.2
Cash and bank balances	13.7	33.7
Current Assets	132.3	152.3
Trade & other payables	79.4	88.4
Overdraft	0.0	7.5
Tax liabilities	5.8	6.7
Other	5.6	5.2
Current Liabilities	90.8	107.8
Borrowings	45.9	24.3
Provisions	2.7	1.5
Other	4.8	5.6
Non-current Liabilities	53.4	31.4
Net Assets	36.8	54.5
Capital Employed	90.2	85.9
2014/15 EBIT / Average Capital Employed		10.0%

- Reduction in intangible assets due to write-down of product development costs
- Move from net debt to net cash as a result of equity fund raise in July 2014 and improved profitability and working capital management
- Target to increase return on capital employed to 15% in medium term

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- Completed Volex Transformation Plan –Now focus on optimising processes and driving growth and operational efficiency
 - Short term volatility expected to continue with our largest customers reflecting evolving nature of manufacturing industry
 - H1 will be challenging due to consumer electronics environment and customer portfolio-related timing issues
 - In the medium term expect to make further progress and to generate both revenue growth and an increase in operating profits

Strategy and Operating Review

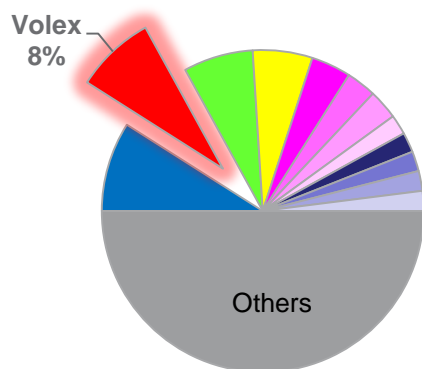
Power Division - Summary



Power products



Market Share



Power Market Specifics

- \$3.5bn addressable market
- Volume and price sensitive
- Dynamic customer sourcing through allocations
- Regional safety regulations and increasing focus on quality
- Stronger design and cosmetic requirements
- Increasing demand for local supplier base

Power Division – strategy to drive sales



Leverage blue-chip customer base

Recovery in existing customer relationships as foundation to drive further growth

Become partner of choice for new customers in a mature and competitive market, by:

Globally increasing sales competence and improving regional coverage

Supply Chain excellence based on design-to-cost to best suit global/regional needs

Market extension and expansion

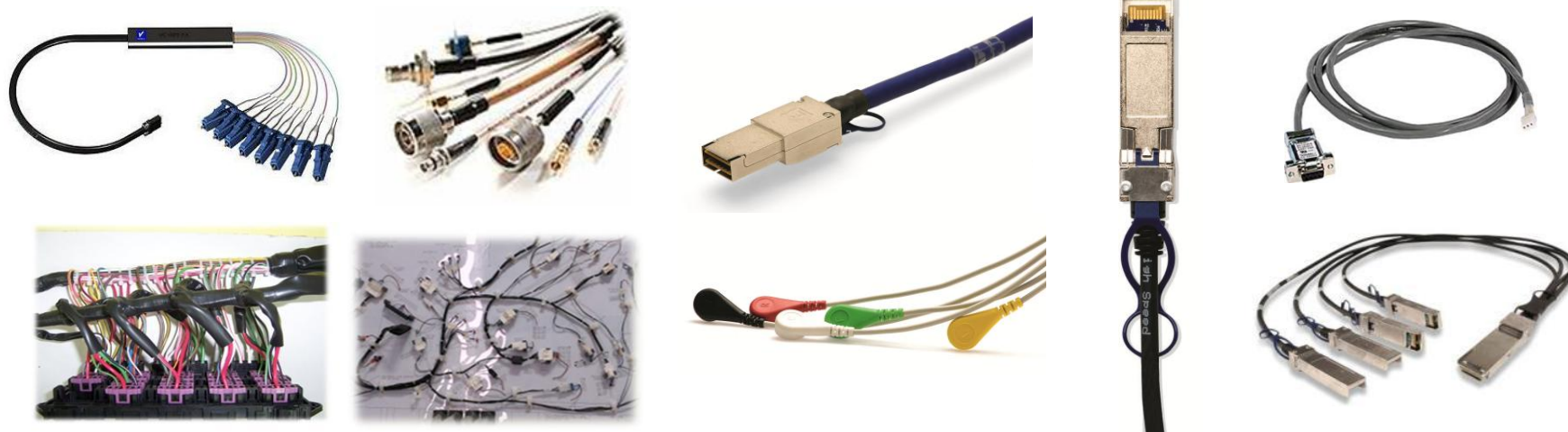
Extend into industrial and home appliance markets

Continuously evolve product portfolio (e.g. extend into current/future USB cables) and enhance engineering capability

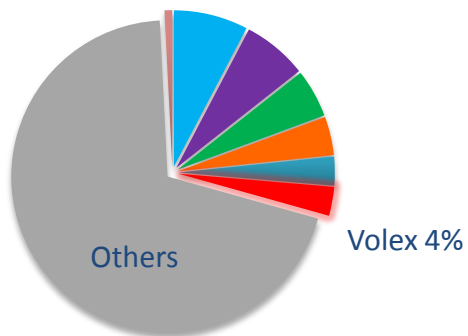
Data Division - Summary



Data products



Market Share



Micro-connectivity Market

\$3bn market currently segmenting into volume and niche value providers:

- Engineered products with long lifecycle
- Technical specification and performance
- Long term established supplier-customer relationships
- Increasing demand for local supplier base
- Value added services for technical and local support, logistics, approvals etc.

Data Division – shaping the future



Become partner of choice by leveraging global presence and local proximity, through:

- Increasing sales technical competence and improving regional coverage
- Offering supply chain excellence based on design-to-cost capabilities

Design In – Offer engineered and bespoke solutions

- Early involvement in customers product development/innovation cycles

Transition to be the “cable department” of target customers

- Evolve from product supplier to value added services (system assembly, support, logistics)

Strategy – increasing revenue and profits



Strategy to deliver revenues exceeding \$500m and 5% operating margin by FY2018



Strategic Priorities to FY18



Global footprint - act globally, operate locally



Design-to-Cost



Customer-centric



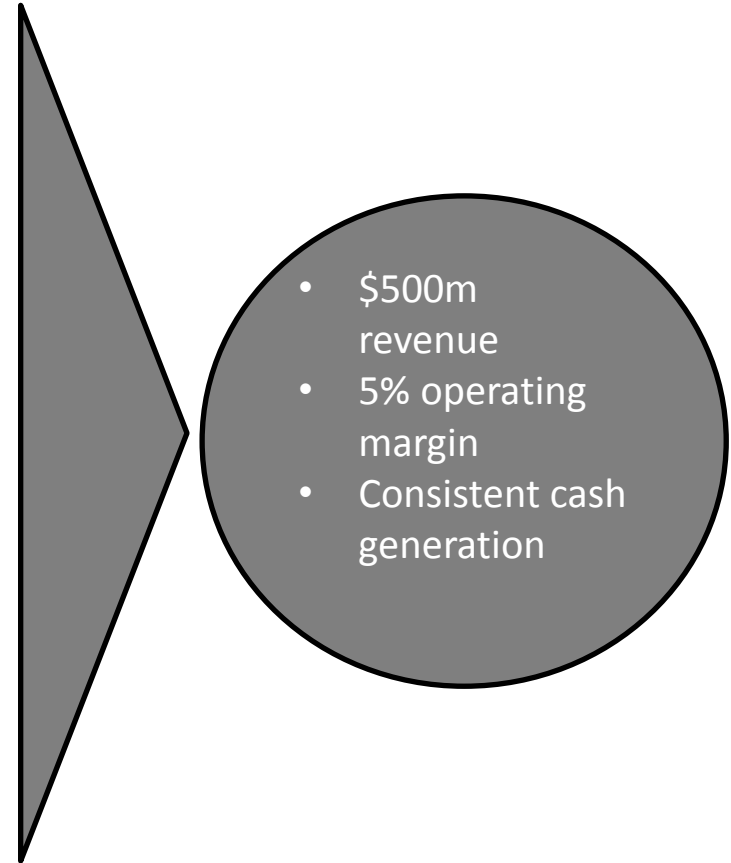
Productivity & factory utilisation



Best in class procurement



High performance culture



... through successful execution following the Volex Transformation Plan (VTP)