



INTERIM RESULTS 2018

AGENDA

Introduction	David Squires	CEO
2018 Interim Results	Bindi Foyle	FD
Markets & Outlook	David Squires	CEO



2018 INTERIM RESULTS

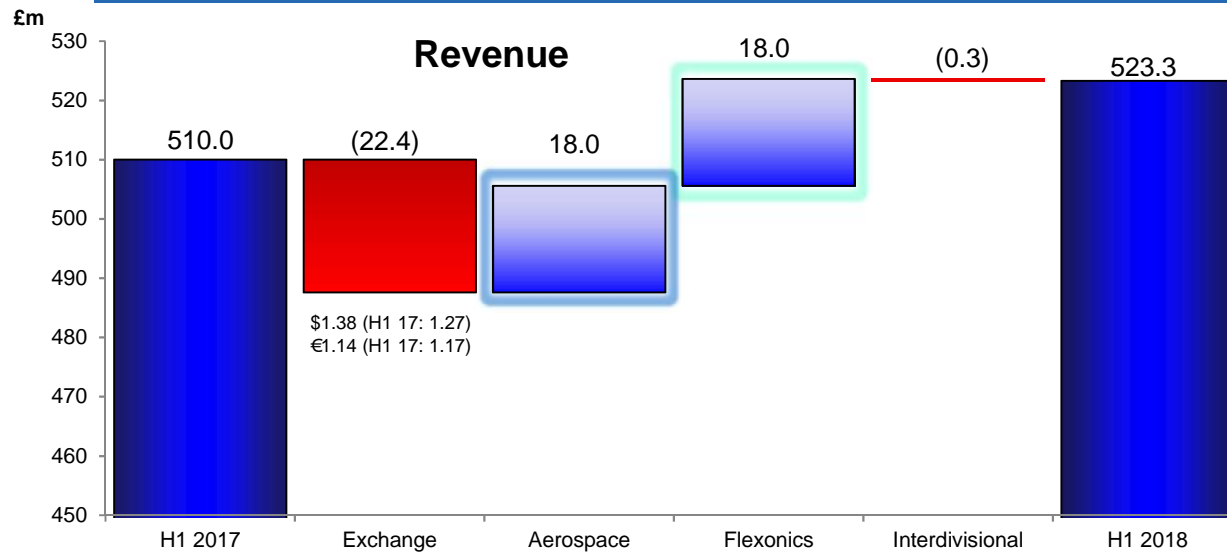
Cautionary Statement

This document contains certain forward-looking statements. Such statements have been made in good faith based on information available at the time of announcing the results for the six months ended 30 June 2018. These statements should therefore be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information.

FINANCIAL HIGHLIGHTS

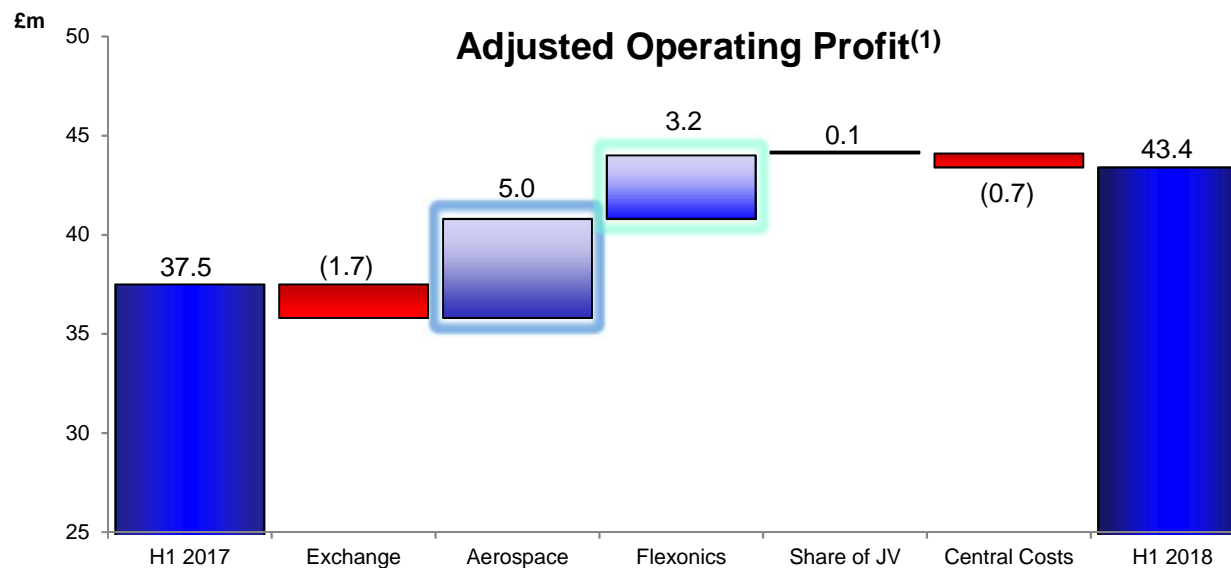
	H1 2018	H1 2017	Change	constant currency
Revenue	£523.3m	£510.0m	+3%	+7%
Adjusted Operating Profit	£43.4m	£37.5m	+16%	+21%
Adjusted Operating Margin	8.3%	7.4%	+90bps	+100bps
Adjusted Profit before Tax	£39.0m	£32.6m	+20%	+24%
Adjusted Earnings per Share	7.36p	6.23p	+18%	
Interim Dividend per Share	2.19p	2.05p	+7%	
Free Cash Flow	£32.2m	£29.6m	+9%	
Net Debt – June	£148.8m	£181.6m	£33m decrease	
Net Debt – December 2017		£155.3m	£7m decrease	

H1 2018 AT A GLANCE



Aerospace			
	H1 2018 £m	H1 2017 £m	Change
Revenue	363.5	345.5	+5.2%
Adj OP ⁽¹⁾	38.0	33.0	+15.2%
Margin	10.5%	9.6%	+90bps

- Large Commercial ↑ £13.1m
- Regional & Business Jets ↓ £(0.2)m
- Military ↓ £(1.5)m
- Other ↑ £6.6m
- Margin ↑ 90 bps from increased revenues, focus on cost reduction and operational improvements



Flexonics			
	H1 2018 £m	H1 2017 £m	Change
Revenue	160.6	142.6	+12.6%
Adj OP ⁽¹⁾	12.8	9.6	+33.3%
Margin	8.0%	6.7%	+130bps

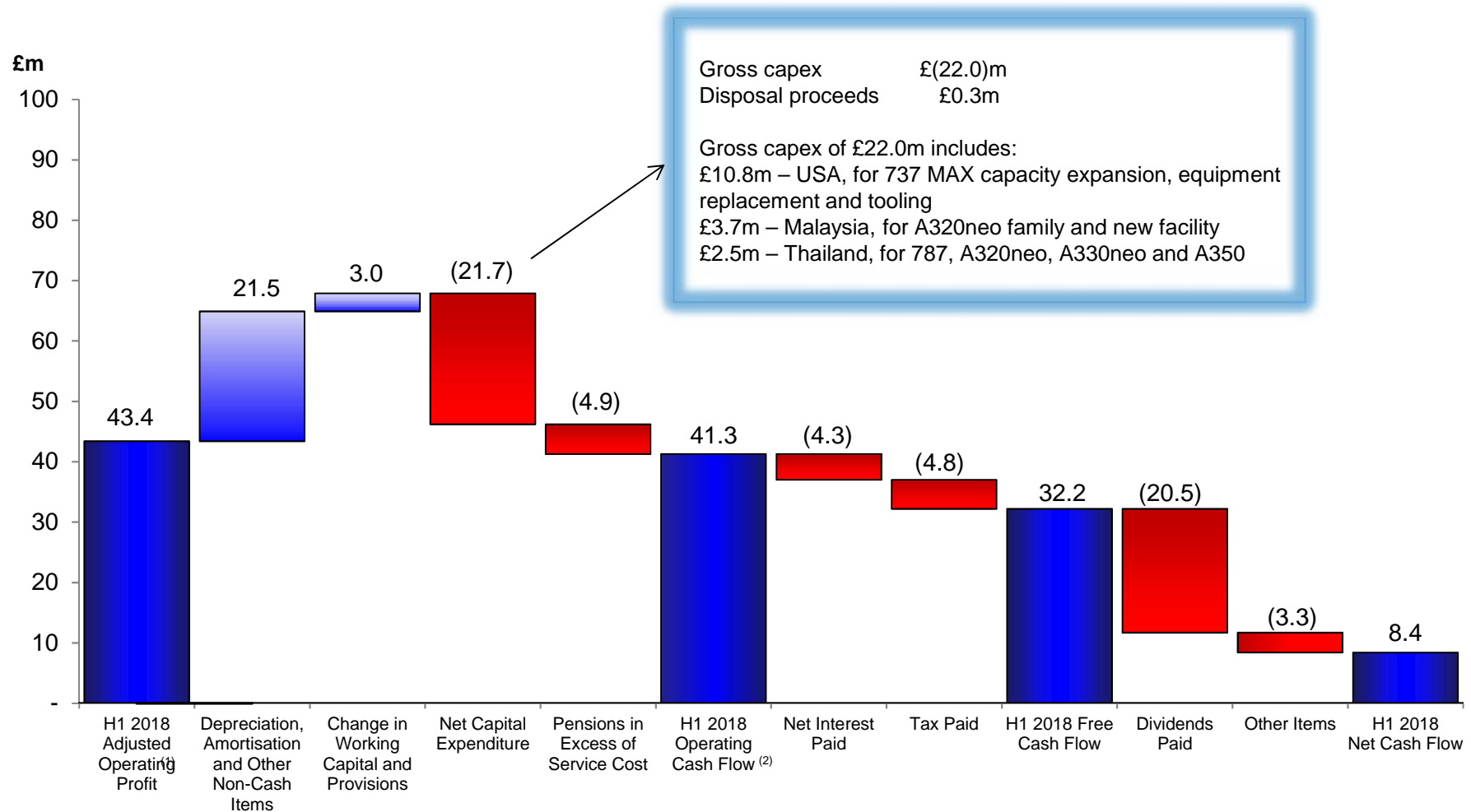
- Truck & Off-highway ↑ £9.2m
- Passenger Vehicles ↓ £(1.2)m
- Industrial ↑ £9.4m
- Other ↑ £0.6m
- Margin ↑ 130 bps from increased revenues, coupled with benefits from cost management and efficiency initiatives

(1) Adjusted operating profit is as defined on page 6.

ADJUSTED AND REPORTED PROFIT

	H1 2018 £m	H1 2017 £m	Change
Adjusted operating profit	43.4	37.5	+16% (21% on constant currency basis)
Net interest payable – borrowings and cash	(4.5)	(4.8)	
– retirement benefits	0.1	(0.1)	
Adjusted profit before tax	39.0	32.6	+20% (24% on constant currency basis)
Tax (H1 2018: 21.0%; H1 2017: 19.9%)	(8.2)	(6.5)	
Adjusted profit for the period	30.8	26.1	+18%
Amortisation of intangible assets from acquisitions	(7.6)	(8.6)	
Related tax on above items	1.5	2.3	
Reported profit for the period	24.7	19.8	+25%

CASH FLOW AND USE OF FUNDS



(1) Adjusted operating profit is as defined on page 6.

(2) Operating Cash Flow is defined as cash generated by operations after investment in Net Capital Expenditure

BALANCE SHEET

	June 2018 £m	Dec 2017 £m	June 2017 £m
Goodwill and other intangible assets	340.8	344.0	360.6
Investment in JV	2.7	2.4	2.0
Property, plant and equipment	265.0	256.1	248.3
Other long-term assets	3.2	2.4	6.9
Non current assets (before pension)	611.7	604.9	617.8
Inventories	169.5	154.5	156.8
Receivables	161.0	154.3	163.5
Payables and Provisions	(207.5)	(178.3)	(181.5)
Current tax liabilities (net)	(20.4)	(20.2)	(24.0)
Assets held for sale	-	3.9	4.0
Loan to JV (current)	-	0.2	-
Net current assets (before net debt items)	102.6	114.4	118.8
Retirement benefits (net)	20.2	4.7	(3.2)
Net debt	(148.8)	(155.3)	(181.6)
Other long-term liabilities	(39.2)	(37.1)	(53.9)
Net assets	546.5	531.6	497.9
Net debt to EBITDA	1.2x	1.3x	1.6x

FX Impact from Dec 2017

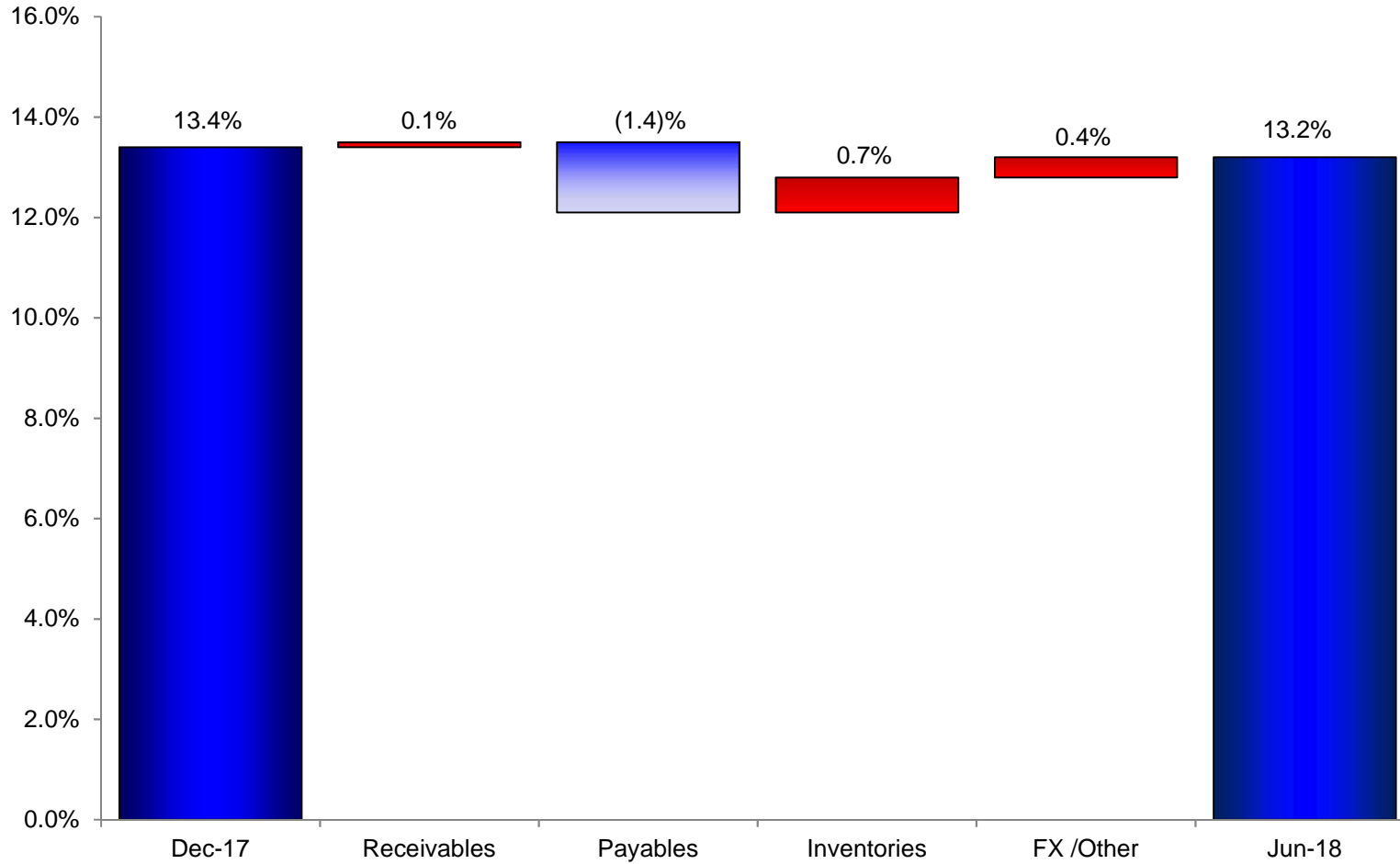
	£m
Non current assets	11.9
Working capital	1.1
Net debt	(1.9)

Retirement Benefits (net)

	£m
As at December 2017, net	4.7
Cash contributions	5.5
Actuarial gain on liabilities	19.5
Actuarial loss on assets	(9.2)
FX	(0.2)
Other	(0.1)
As at June 2018, net	20.2

WORKING CAPITAL

Working capital as a % of revenue



H1 2018 FINANCIAL SUMMARY

- ⇒ Trading slightly ahead of expectations
- ⇒ Another strong period of order intake
 - Book-to-bill 1.2x
- ⇒ Margin progression in both Divisions
 - Aerospace ↑ 90 bps and Flexonics ↑ 130 bps in constant currency
- ⇒ Adjusted profit before tax of £39.0m, ↑ 20%
- ⇒ Strong free cash flow of £32.2m after investing £22.0m in capital expenditure for further organic growth
- ⇒ Interim dividend increased by 6.8%



MARKETS & OUTLOOK

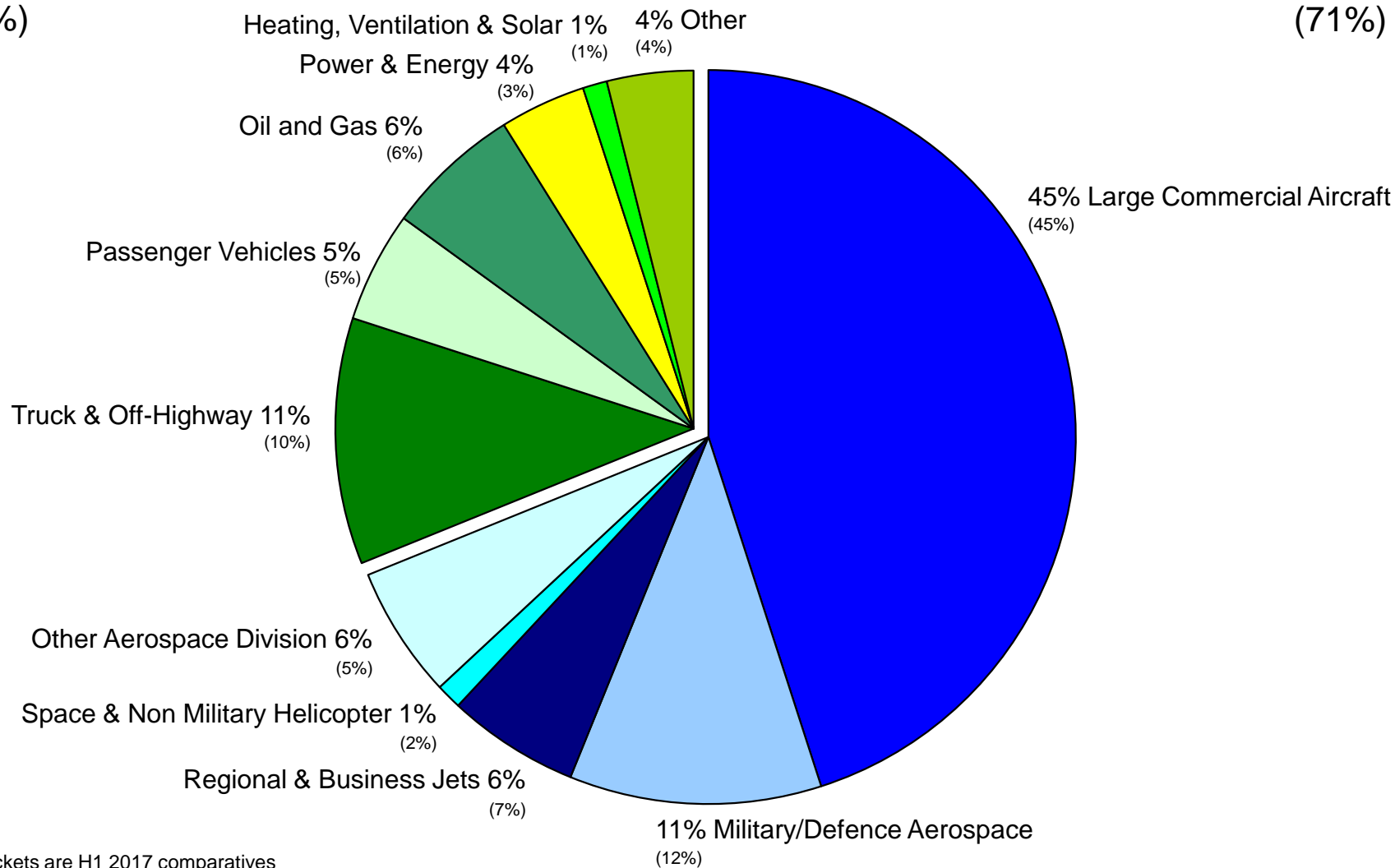
SENIOR'S MARKETS – H1 2018

31% Flexonics Division

(29%)

Aerospace Division 69%

(71%)

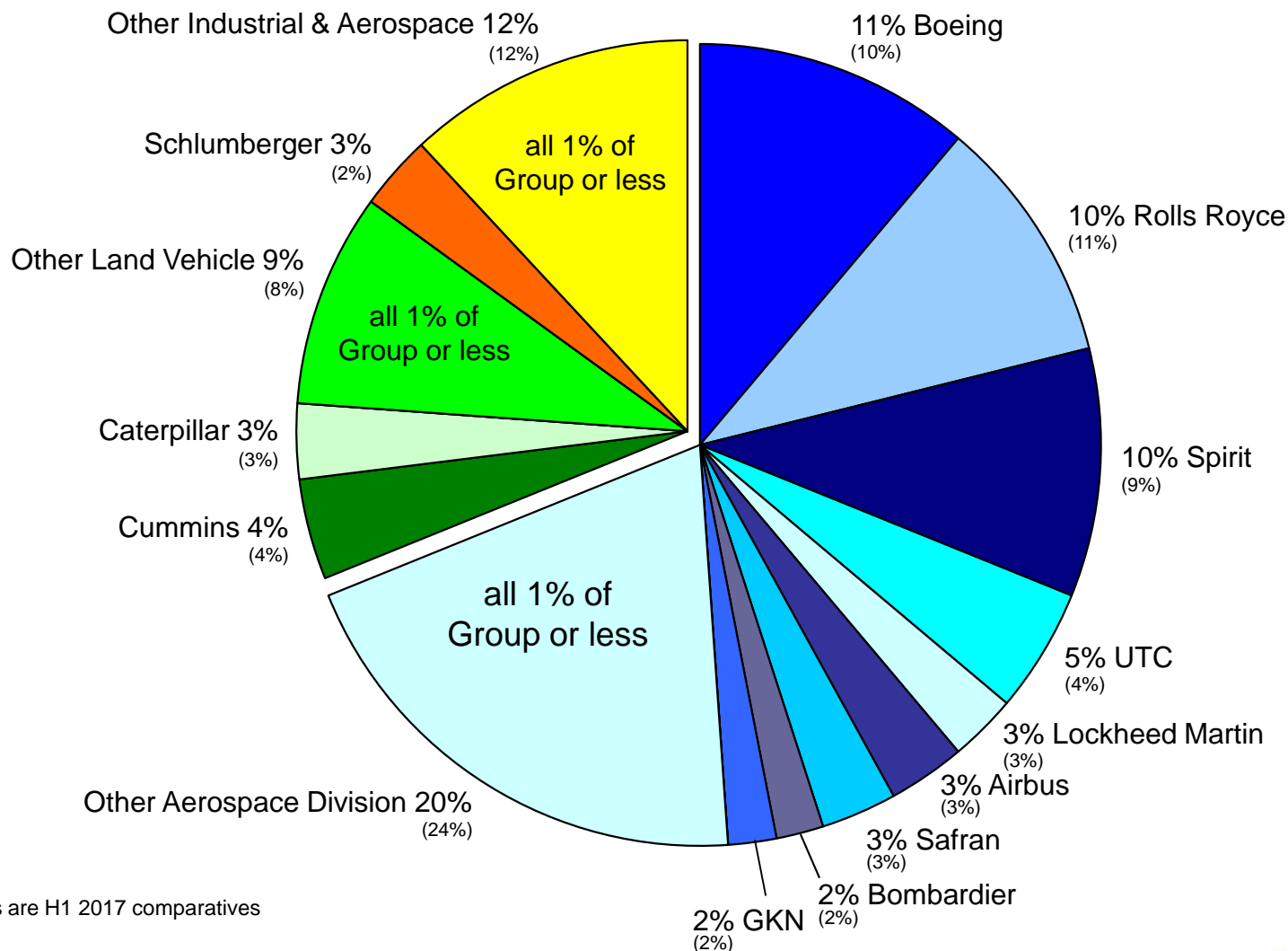


% in brackets are H1 2017 comparatives

SENIOR'S CUSTOMERS – H1 2018

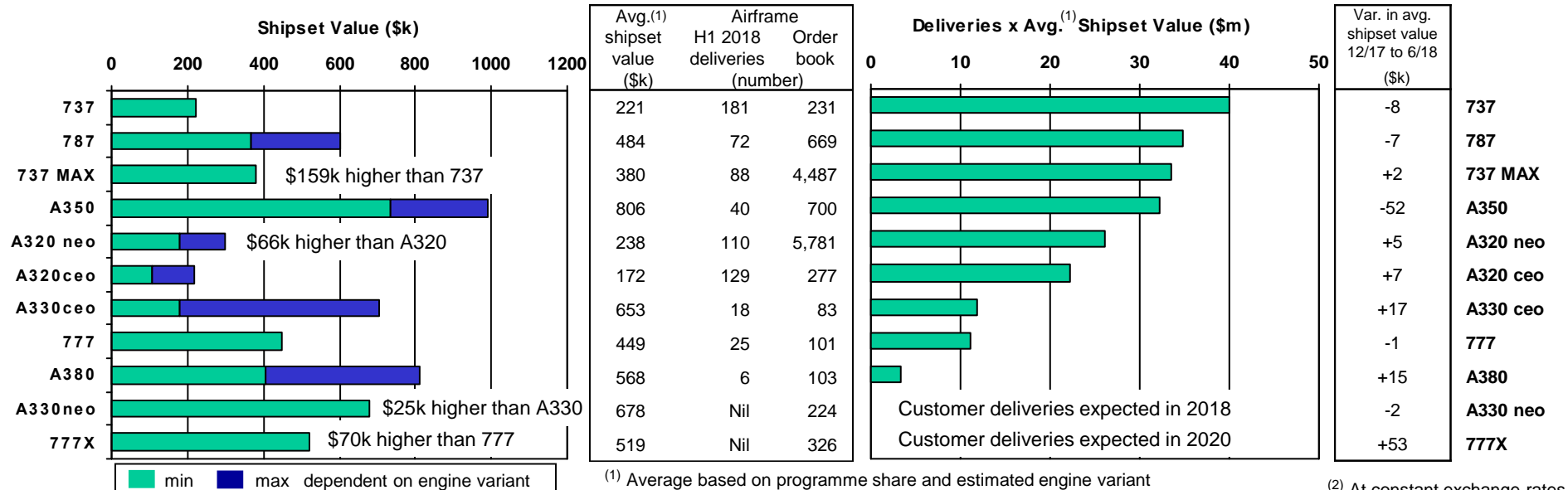
31% Flexonics Division
(29%)

Aerospace Division 69%
(71%)



% in brackets are H1 2017 comparatives

LARGE COMMERCIAL AIRCRAFT (45% of Group)



(1) Average based on programme share and estimated engine variant

(2) At constant exchange rates

	Deliveries (number)		Estimated Production (number)			Growth (%)
	2016	2017	2018	2019	2020	
737	490	455	300	40	20	+28%
737 MAX	-	74	275	590	655	
787	137	136	144	162	166	+22%
A350	49	78	92	110	125	+60%
A320ceo	477	377	220	70	30	+30%
A320neo	68	181	420	650	695	
A330ceo	66	67	36	8	8	-16%
A330neo	-	-	26	40	48	
777 ⁽⁴⁾	99	74	46	54	45	-39%
A380	28	15	7	6	6	-60%

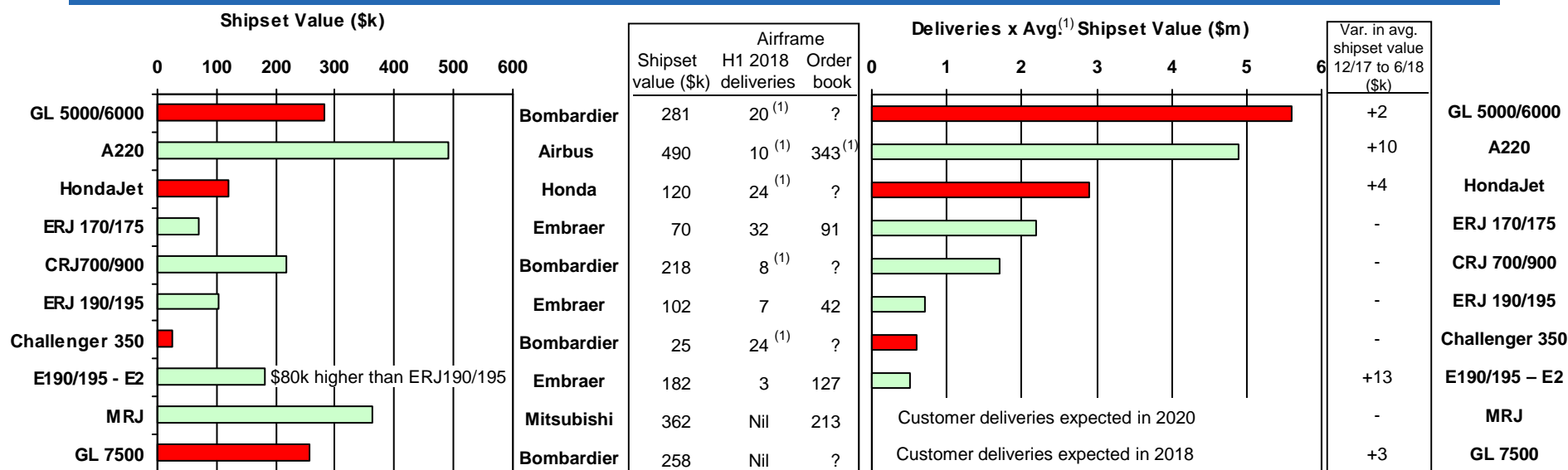
Source: Customers, Teal Group & internal estimates

⁽⁴⁾ Estimates include 777X

Group sales ↑ 6%⁽²⁾ compared to H1 2017

- ⇒ Outlook for large commercial aircraft continues to be strong with good visibility; Boeing and Airbus predicting air traffic growth to double over next 15 years
- ⇒ Senior continues to outgrow the market as new engine versions, with significantly higher content, come into service and production ramps up
- ⇒ Won additional content on key growth platforms: 777X and A320neo
- ⇒ A350 reduction due to successfully reducing material costs; shared benefits with customers
- ⇒ The planned dual sourcing of certain A330neo and A350 engine products to occur in 2019
- ⇒ Good content on MC-21 (\$201k, EIS 2020) and C919 (\$99k, EIS 2021)

REGIONAL AND BUSINESS JETS (6% of Group)



	Deliveries (number)		Estimated Production (number)			Growth (%)
	2016	2017	2018	2019	2020	
GL 5000/6000	51	45	40	34	34	-24%
A220	7	17	35	60	70	+312%
HondaJet	23	48	45	50	55	+15%
ERJ 170/175	90	79	60	40	30	-62%
CRJ700/900	38	19	16	16	10	-47%
ERJ 190/195	18	22	19	11	6	-73%
Challenger 350	62	56	48	48	48	-14%
E190/195 - E2	-	-	10	30	55	na
MRJ	-	-	-	4	8	na
GL 7500	-	-	5	12	20	na

⁽¹⁾ estimated

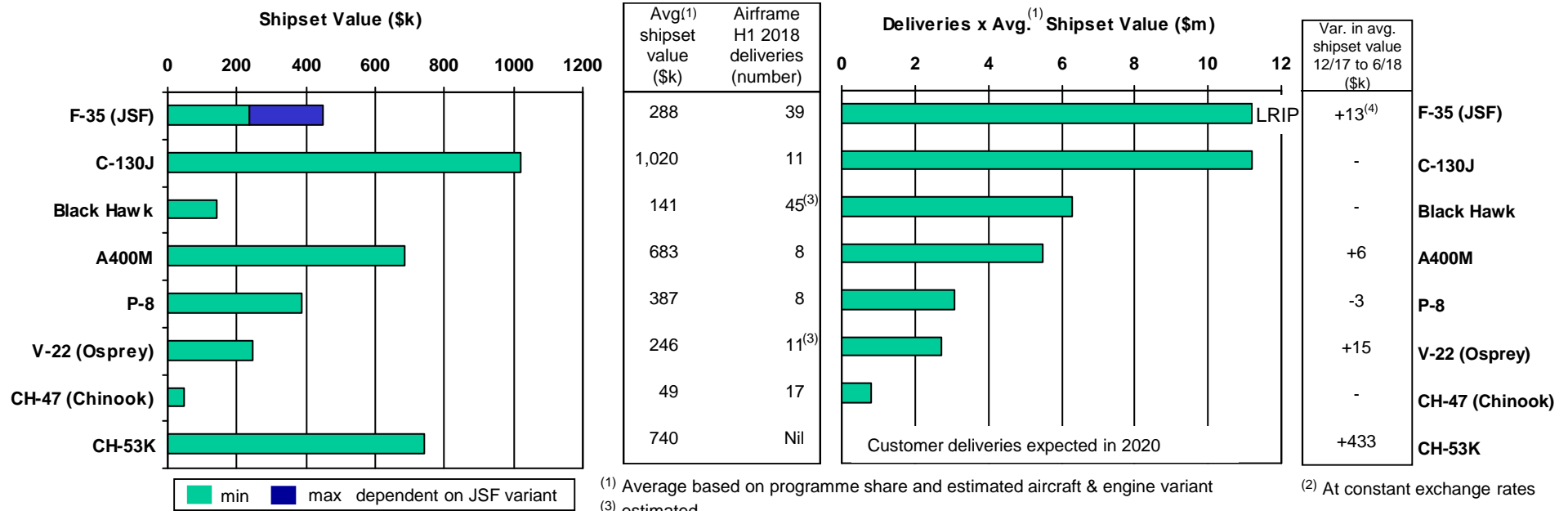
⁽²⁾ At constant exchange rates

Group sales ↓ 1%⁽²⁾ compared to H1 2017

- ⇒ Group sales decreased mainly due to lower production of legacy jets
- ⇒ Senior to outgrow the market as newer programmes come into service and ramp up
- ⇒ Increased shipset value on growth platforms: A220, HondaJet and Embraer E2 Jet

Source: Customers, GAMA, Teal Group & internal estimates

MILITARY AND DEFENCE (11% of Group)



	Deliveries (number)		Estimated Production (number)			Growth (%)
	2016	2017	2018	2019	2020	2017-2020
F-35 (JSF)	46	66	80	110	130	+97%
C-130J	24	26	24	24	24	-8%
Black Hawk	169	155	115	90	85	-45%
A400M	17	19	15	11	8	-58%
P-8	18	19	17	18	18	-5%
V-22 (Osprey)	22	22	22	22	12	-45%
CH-47 (Chinook)	25	44	40	34	20	-55%
CH-53K	-	-	-	-	6	na

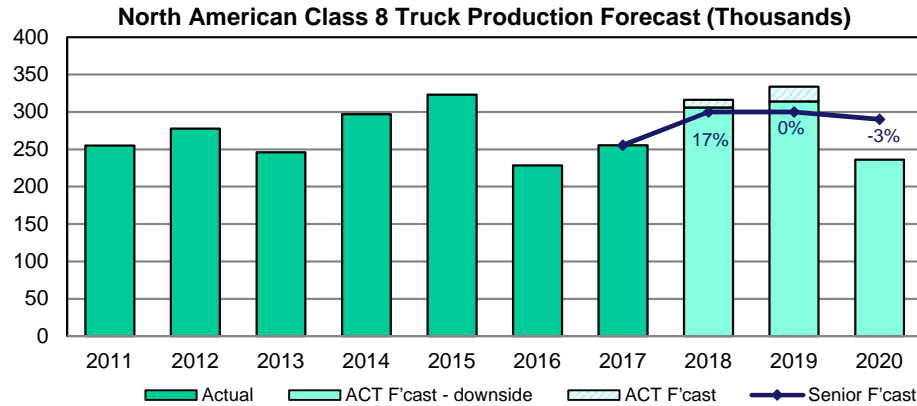
Group sales ↓ 3%⁽²⁾ compared to H1 2017

- ⇒ Group revenue impacted by reduction in revenue from legacy military platforms offset partially by ramp-up of the Joint Strike Fighter
- ⇒ Won additional content on F-35 Joint Strike Fighter and CH-53K
- ⇒ Near term outlook for CH-47 and Black Hawk reaffirmed
- ⇒ Senior remains well positioned to benefit from key growth platforms, particularly the Joint Strike Fighter and CH-53K which are expected to grow significantly over the long term

(4) F-35 shipset value reported at Dec 2017 adjusted for variant split to \$275k

LAND VEHICLES (16% of Group)

North American Truck and Off-Highway (8% of Group)



H1 2018 compared to H1 2017:

- Market - N. Am. Class 8 truck production \uparrow 30%
- N. Am. Class 8 truck sales \uparrow 27%
- Group - N. Am. truck and off-highway sales \uparrow 20%⁽¹⁾

Group benefited from higher sales of EGR coolers for new vehicles as heavy-duty truck and off-highway production increased, partly offset by the expected decrease in sales of service parts for older models

Key Customer: Cummins (4% of Group),
Caterpillar (3% of Group)

Source: ACT Research & internal estimates

EU & ROW Truck and Off-Highway (3% of Group)

Group EU sales \uparrow 44%⁽¹⁾ over H1 2017

Group ROW sales \downarrow 18%⁽¹⁾ over H1 2017

The Group benefited from ramp up of new programmes in Europe. ROW sales decreased by £1.0m as growth from India was offset by lower direct sales to China as some products transitioned to our China joint venture

Passenger Vehicles (5% of Group)

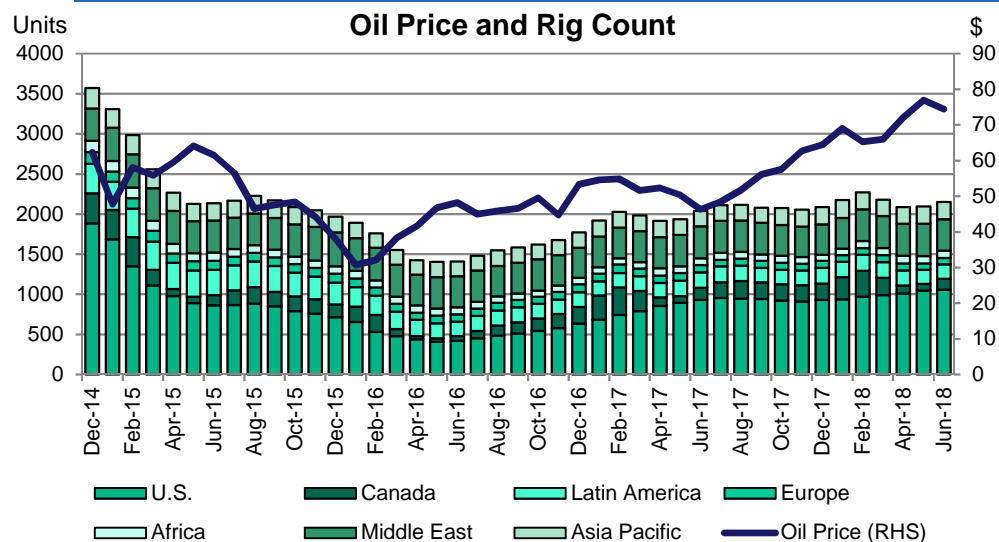
Group sales \downarrow 4%⁽¹⁾ over H1 2017

Group sales decreased as we elected not to add new business at low margins with high capital requirements

Tightening of global environment legislation will increase future demand of electric/hybrid/GDI engines

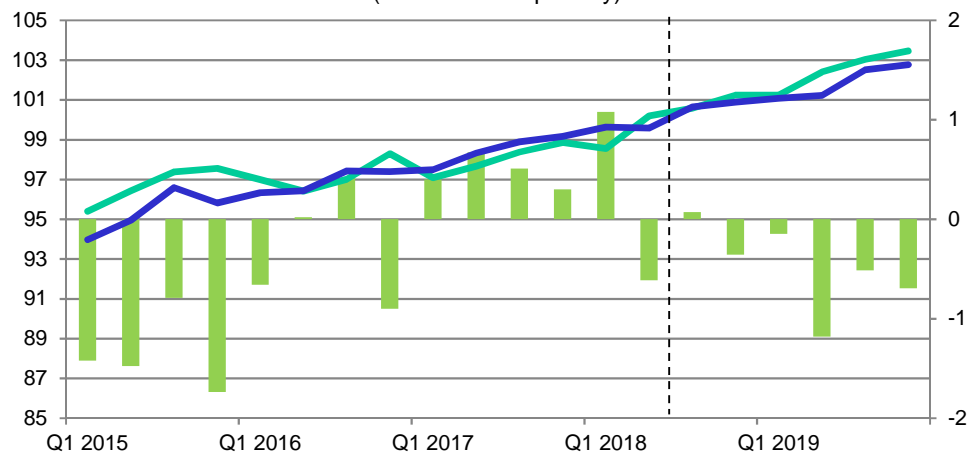
Senior is developing solutions for the next generation of more efficient internal combustion engines, as well as electrified land vehicle applications

INDUSTRIAL (14% of Group)



Source: Rig count data from Baker Hughes, Oil price from EIA

World Liquid Fuels Production and Consumption Balance (million barrels per day)



Source: EIA, short-term energy outlook, Jun 2018

Implied Stock Change and Balance (RHS)
World Production
World Consumption

Group H1 2018 sales compared to H1 2017⁽¹⁾

Oil & Gas (6% of Group):

Sales ↑ 18% (£5.2m)

- **Upstream** benefitted from increased drilling activity in North America
- **Downstream** flat - aftermarket activity steady but few new major project launches

Power & Energy (4% of Group):

Sales ↑ 19% (£3.0m)

Power & energy benefited from higher nuclear aftermarket sales

Other Industrial Markets (4% of Group):

Sales ↑ 6% (£1.2m)

Higher industrial hose and medical sales

GROUP OUTLOOK

H1 2018 trading slightly ahead of expectations

Order book is strong (H1 2018 book-to-bill 1.2x)

- Commercial aerospace and improving flexonics markets primary drivers of growth

Anticipate year on year margin progression in the Group as we continue our focus on cost management and efficiency initiatives

At current exchange rates⁽¹⁾, the Board expectation of making good progress in 2018 is unchanged

- Performance still expected to be slightly weighted to H2
- New product introduction costs will be more evenly spread throughout 2018

Looking further ahead:

- Senior is competitively positioned
- Expects to make continued improvement as more new programmes and products enter production and ramp up
- Benefits of the Senior Operating System and cost saving actions continue to be delivered
- Robust financial position provides solid platform to pursue disciplined acquisition and 'prune to grow' strategy

(1) Currently assuming \$1.35 : £1 average for year
The currency translation impact of 10 cent movement in \$:£ = £4m adjusted operating profit; £8m net debt

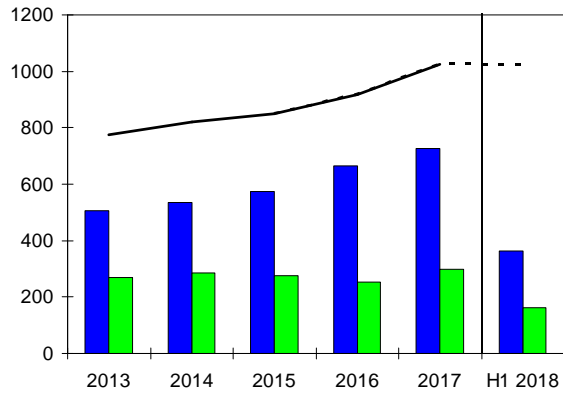


**ANY
QUESTIONS?**

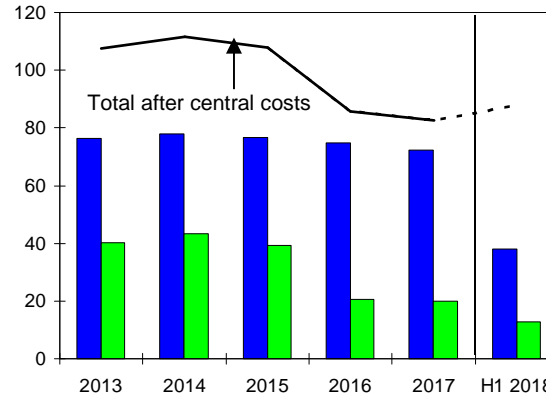
APPENDICES

GROUP EVOLUTION

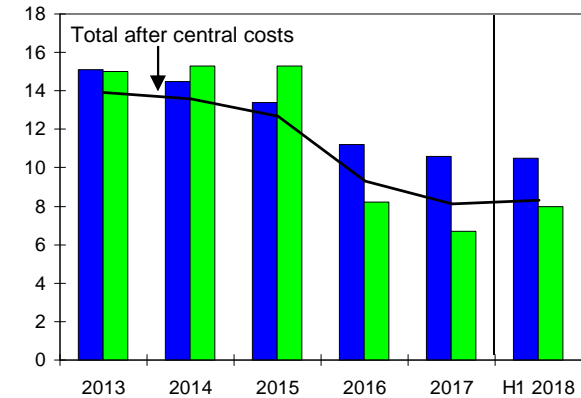
Revenue (£m)



Adjusted Operating Profit (£m)



Adjusted Operating Margin (%)



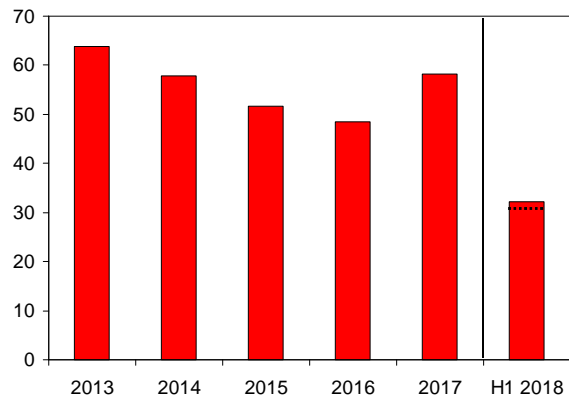
■ Aerospace

■ Flexionics

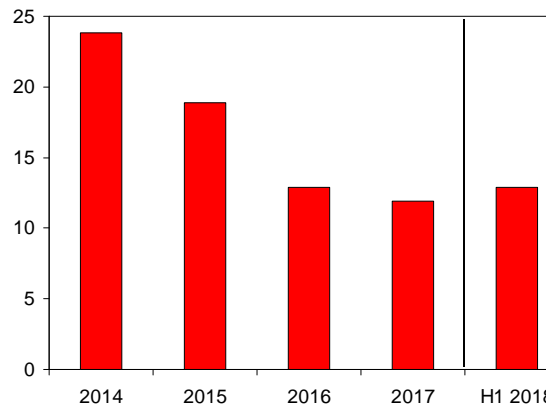
— Group

..... JHG FY Forecast (pre H1 2018 results)

Free Cash Flow (£m)

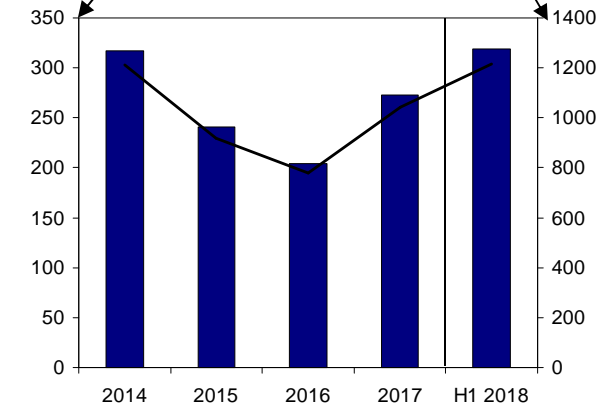


Return on Capital Employed (%)



■ Group

Share Price (p) / Market Capitalisation (£m)

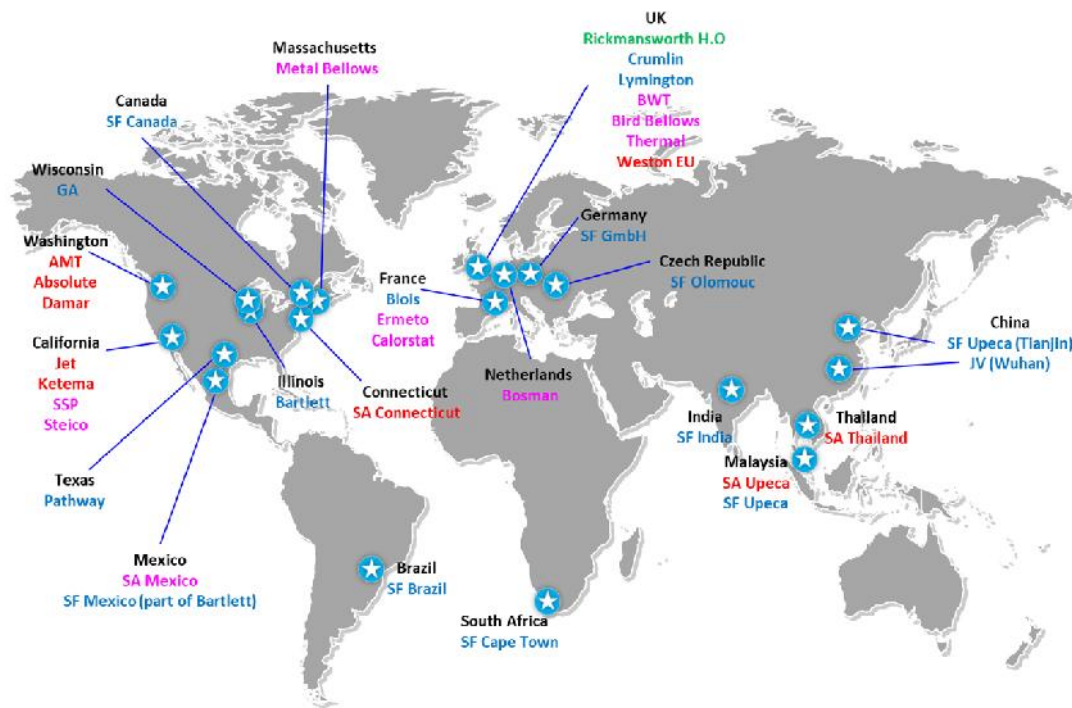


■ Market Capitalisation

— Share Price

EU AND NORTH AMERICA

H1 2018 split	Sales	Adj. OP	Employees
N. America	58%	64%	3,378
UK	16%	5%	1,479
Rest of Europe	13%	13%	1,263
Rest of World	13%	18%	1,994



- ⇒ Senior is an international manufacturing Group with 33 operations in 14 countries
- ⇒ Within Europe, Senior has 12 operations across 5 countries, including the UK
- ⇒ Senior has 14 operations across North America
- ⇒ 84% of Group revenue is generated from operations outside the UK
- ⇒ 58% of Group revenue is generated from operations in North America: US - 55%; Mexico - 2%; Canada - 1%
- ⇒ 10 cents movement in the \$:£ exchange rate is estimated to affect full-year revenue by £45m, adjusted operating profit by £4m and net debt by £8m.
- ⇒ Monitoring ongoing geopolitical developments to assess any impact

CHANGES IN ACCOUNTING STANDARDS IFRS 15 / 9 / 16

IFRS 15 Revenue and IFRS 9 Financial Instruments

- ⇒ IFRS 15 - Requires the recognition of revenue in a manner that depicts the transfer of goods or services to customers
- ⇒ IFRS 9 – Covers classification, measurement and impairment of financial assets and financial liabilities together with a new hedge accounting model
- ⇒ Senior adopted both standards on 1 January 2018 and has not taken the retrospective application option for IFRS 15:
 - No impact on timing of receipt of cash considerations
 - No material impact on revenue and PBT

IFRS 16 Leases

- ⇒ Requires lessees to recognise assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset is low value
- ⇒ Effective from 2019. Senior expects that it will not take the retrospective application option, therefore opening retained earnings will be adjusted on 1 January 2019
- ⇒ Based on initial assessment, if the new requirements had been adopted in 2017:
 - PBT would decrease by an immaterial amount
 - lease liabilities and PPE would increase by an estimated £50m to £70m
 - net debt / EBITDA ratio would increase by estimated 0.2x to 0.5x
- ⇒ These estimated ranges reflect sensitivity of +/- 30bps movement in the discount rate
- ⇒ The actual transitional adjustments may differ from the estimates provided above due to future changes in the lease portfolio, discount rates and exchange rates

CURRENCY EFFECT

HALF YEAR			Translation Impact on H1 2017 ⁽¹⁾ (£m)	
Avg. H1 2017	Exchange Rates to GBP	Avg. H1 2018	Revenue	Adj. PBT ⁽²⁾
1.27	US \$	1.38	(23.9)	(1.6)
1.17	Euro €	1.14	1.4	0.1
16.67	South African Rand	16.94	(0.1)	-
44.09	Thai Baht	43.91	0.1	-
4.06	Brazilian Real	4.72	(0.6)	-
1.69	Canadian \$	1.76	(0.2)	-
31.26	Czech Rep. Koruna	29.11	0.6	0.2
83.55	Indian Rupee	90.62	(0.2)	-
5.56	Malaysian Ringgit	5.43	0.5	0.1
8.73	Chinese Renminbi	8.81	-	-
Net Impact on H1 2017			(22.4)	(1.2)

FULL YEAR			Translation Impact on FY 2017 ⁽³⁾ (£m)	
Avg. FY 2017	Exchange Rates to GBP	Avg. FYF 2018 ⁽³⁾	Revenue	Adj. PBT ⁽²⁾
1.29	US \$	1.35	(26.5)	(1.8)
1.15	Euro €	1.13	1.8	0.1
17.13	South African Rand	17.14	-	-
43.93	Thai Baht	43.88	0.1	-
4.15	Brazilian Real	4.80	(1.0)	-
1.68	Canadian \$	1.74	(0.4)	(0.1)
30.18	Czech Rep. Koruna	29.00	0.6	0.2
84.34	Indian Rupee	90.37	(0.5)	(0.1)
5.56	Malaysian Ringgit	5.38	1.4	0.2
8.74	Chinese Renminbi	8.85	-	-
Net Impact on FY 2017			(24.5)	(1.5)

- (1) The impact on H1 2017 results if exchange rates were at the H1 2018 average rates (translation impact only).
- (2) Adjusted profit before tax (PBT) is as defined on page 6.
- (3) The translation impact on FY 2017 results if exchange rates were at the FY 2018 average – assumes 26th July 2018 spot exchange rates apply for the rest of 2018.

EARNINGS PER SHARE AND DIVIDENDS

	H1 2018	H1 2017	Change
Average number of shares			
Basic	418.6m	418.9m	-0.3m
Fully diluted	424.1m	421.0m	+3.1m
Adjusted earnings per share ⁽¹⁾			
Basic	7.36p	6.23p	+18.1%
Fully diluted	7.26p	6.20p	+17.1%
Dividends (pence per share)			
Interim	2.19p	2.05p	+6.8%
Final		4.90p	
Total		6.95p	
Dividend cost (£m)			
Interim	£9.2m	£8.5m	
Final		£20.5m	
Total		£29.0m	
Dividend cover (12 months to June) ⁽¹⁾	2.2x	1.9x	

(1) Based on adjusted profit for the period as defined on page 6

CHANGE IN NET DEBT

	H1 2018 £m	H1 2017 £m	FY 2017 £m
Free cash flow (page 7)	32.2	29.6	58.3
Dividends	(20.5)	(19.4)	(27.9)
Proceeds on disposal of business	-	-	0.4
Loan repayment by JV	0.2	0.3	0.3
Purchase of shares by employee benefit trust	(3.5)	(0.1)	(0.1)
Net cash inflow	8.4	10.4	31.0
Exchange variations	(1.9)	6.1	11.0
Non-cash items	-	-	0.8
Net debt – opening	(155.3)	(198.1)	(198.1)
Net debt – closing (page 29)	(148.8)	(181.6)	(155.3)
Net debt to EBITDA (page 31)	1.2x⁽¹⁾	1.6x⁽¹⁾	1.3x⁽¹⁾

(1) Based on rolling 12 month EBITDA

GROSS CAPITAL EXPENDITURE

	H1 2018		H1 2017	
	Capex	Depn ⁽¹⁾	Capex	Depn ⁽¹⁾
	£m	£m	£m	£m
Aerospace	16.0	14.2	15.3	13.7
Flexonics	5.9	6.0	5.0	6.2
Holding Companies	0.1	0.1	0.3	0.1
Total	22.0	20.3	20.6	20.0

(1) Depreciation of £19.3m (H1 2017: £19.1m) and amortisation of software of £1.0m (H1 2017: £0.9m).

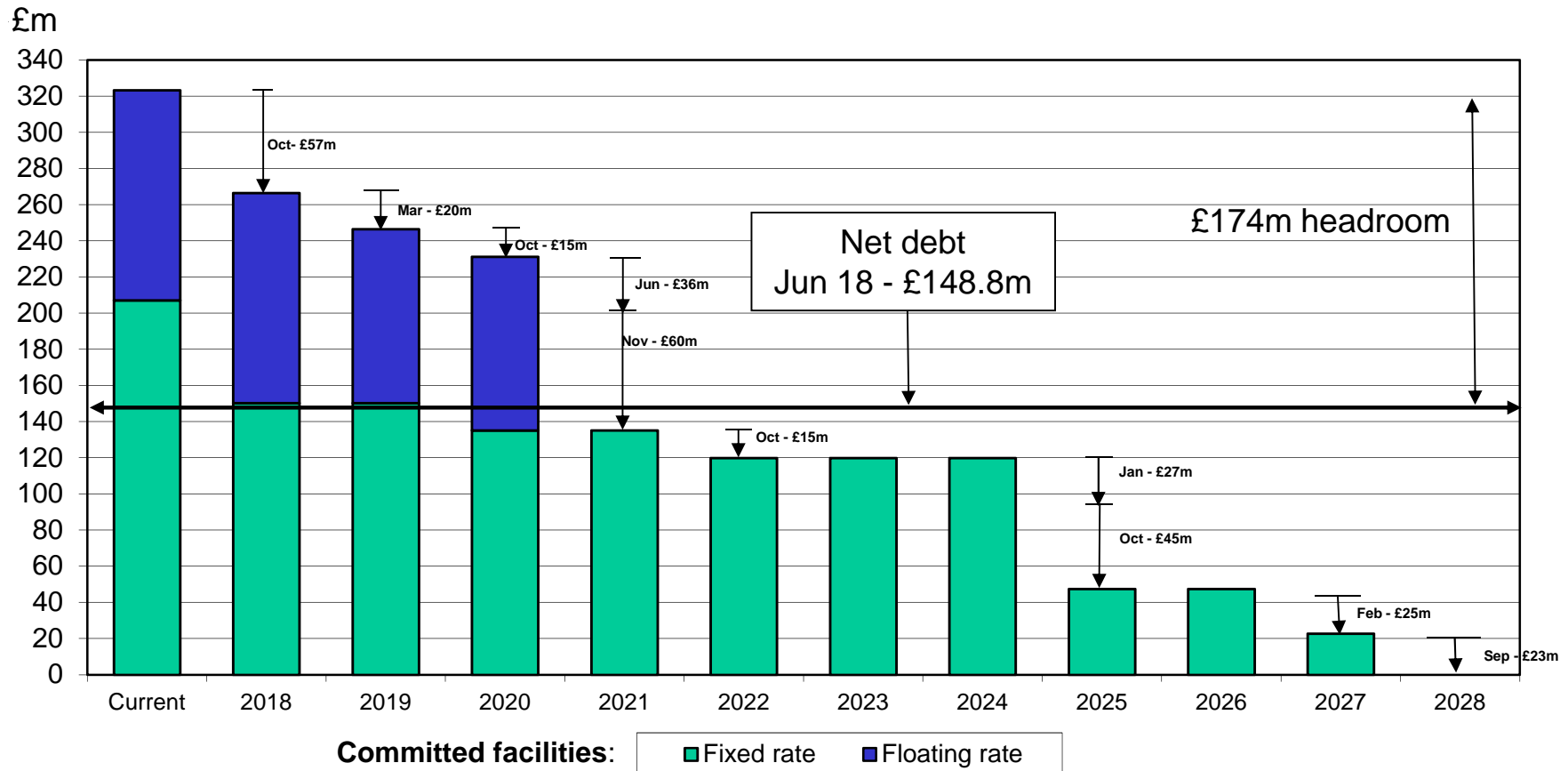
USAGE OF CREDIT FACILITIES – June 2018

	<u>Interest</u> %	<u>Facility</u> £m	<u>Usage</u> £m	<u>Usage by Currency</u>			
				<u>£</u>	<u>\$</u>	<u>€</u>	<u>Other</u>
<u>US Private placements:</u>							
\$30.0m (Sep 2028)	4.18%	22.7	-	-	-	-	-
€28.0m (Feb 2027)	1.51%	24.8	24.8	-	-	24.8	-
\$60.0m (Oct 2025)	3.75%	45.4	45.4	-	45.4	-	-
£27.0m (Jan 2025)	2.35%	27.0	27.0	27.0	-	-	-
\$20.0m (Oct 2022)	3.42%	15.2	15.2	-	15.2	-	-
\$20.0m (Oct 2020)	6.94%	15.2	15.2	-	15.2	-	-
\$75.0m (Oct 2018)	6.84%	56.8	56.8	-	56.8	-	-
	4.43%	207.1	184.4	27.0	132.6	24.8	-
<u>Bank facilities:</u>							
RCF £60.0m (Nov 2021) Libor+85bps	1.35%	60.0	-	-	-	-	-
US RCF \$47.7m (Jun 2021) Libor+95bps	3.05%	36.1	-	-	-	-	-
RCF £20.0m (Mar 2019) Libor+60bps	1.10%	20.0	-	-	-	-	-
Total committed facilities		323.2	184.4	27.0	132.6	24.8	-
Overdrafts and bank loans		62.8	0.1	-	-	-	0.1
Finance leases		0.3	0.3	0.3	-	-	-
Gross debt		386.3	184.8	27.3	132.6	24.8	0.1
Cash and cash pooling		-	(34.9)	(8.0)	(13.6)	(6.3)	(7.0)
Debt transaction costs		(0.8)	(0.8)	(0.8)	-	-	-
Deferred gain on debt hedge		-	(0.3)	(0.3)	-	-	-
Net debt		385.5	148.8	18.2	119.0	18.5	(6.9)

Headroom of £174m on committed facilities

MATURITY PROFILE OF CREDIT FACILITIES

- ⇒ In June 2018 the committed US RCF was rolled-forward to June 2021
- ⇒ A new \$30.0m 10 year private placement agreement was committed in June 2018 with an interest rate of 4.18%
- ⇒ Net debt:EBITDA = 1.2x



COVENANTS

	Jun 2018	Dec 2017	Jun 2017	Dec 2016
Net debt	£148.8m	£155.3m	£181.6m	£198.1m
Net interest - rolling 12 months	£9.0m	£9.3m	£10.1m	£10.1m
EBITDA - rolling 12 months	£127.6m ⁽¹⁾	£123.9m ⁽¹⁾	£114.0m	£119.6m
Interest cover (to exceed 3.5 times)	14.2 x	13.3 x	11.3 x	11.8 x
Net debt to EBITDA (not to exceed 3 times)⁽²⁾	1.2 x	1.3 x	1.6 x	1.7 x

(1) For covenant purposes, for 12 months to June 2018 and December 2017, EBITDA excludes £1.6m profit in H2 2017 and £0.9m loss in FY 2017, respectively, relating to BWT Ilkeston facility's results prior to its disposal.

(2) For some covenants the ratio of net debt to EBITDA at December and June 2017 remain at 1.3x and 1.6x, respectively, with the required restatement of the 31 December and 30 June 2017 net debt at average exchange rates for the 12-month periods ending December and June 2017. The ratio of net debt to EBITDA at 30 June 2018 and December 2016 reduces to 1.1x and 1.5x, respectively, due to the required restatement of the net debt at average 12 months exchange rates.

PENSIONS

	6 Months 2018			2017	
	UK Funded £m	USA Funded £m	Various Unfunded £m	Total £m	Total £m
IAS 19 Retirement Benefit					
Scheme assets	321.2	47.1	0.4	368.7	348.5
Scheme liabilities	(301.8)	(54.3)	(7.9)	(364.0)	(358.9)
Scheme asset/(deficit) at opening	19.4	(7.2)	(7.5)	4.7	(10.4)
Current service cost	-	(0.2)	(0.2)	(0.4)	(0.9)
Running costs	(0.2)	-	-	(0.2)	(0.5)
Total employer cash contributions	4.3	1.1	0.1	5.5	11.1
Net interest charge	0.2	(0.1)	-	0.1	(0.2)
Actuarial variations – assets	(6.4)	(2.8)	-	(9.2)	13.7
- liabilities	16.7	2.8	-	19.5	(8.5)
Pension curtailment gain	-	-	0.4	0.4	-
Foreign exchange impact	-	(0.1)	(0.1)	(0.2)	0.4
Scheme asset/(deficit) at closing	34.0	(6.5)	(7.3)	20.2	4.7
Scheme assets	315.5	46.0	0.5	362.0	368.7
Scheme liabilities	(281.5)	(52.5)	(7.8)	(341.8)	(364.0)
Discount rate	2.8%				2.4%
Price inflation	3.1%				3.1%
Life expectancy of male aged 65 in 20 years	23.3yrs				23.3yrs

UK Scheme Actuarial Valuation

Last valuation: 5 April 2016
 Scheme assets at valuation: £268.1m
 Scheme liabilities at valuation: (£305.5m)
 Funding level: 88%

UK Scheme is closed to future accrual

2.4% }
 3.1% } UK 2017
 23.3yrs }

STRATEGIC PRIORITIES

Autonomous and Collaborative Business Model	Focus on Growth	Talent Development
⇒ Empowerment and accountability	Outgrow our end markets by:	A strong focus on improving organisational capability
⇒ Retain entrepreneurial spirit whilst growing	⇒ Growing market share, particularly with key customers	⇒ Further develop leadership talent
⇒ Strong control framework and disciplined governance	⇒ Focusing on innovation	⇒ Upgrade functional capability across the Group
⇒ Economies of scale whilst maintaining autonomous business structure	⇒ Geographical expansion	⇒ Ensure robust succession plans are in place
	⇒ Seeking out and exploiting adjacent opportunities <ul style="list-style-type: none"> • organically and through acquisition 	⇒ Team with world-class external partners to develop Senior's top talent

STRATEGIC PRIORITIES

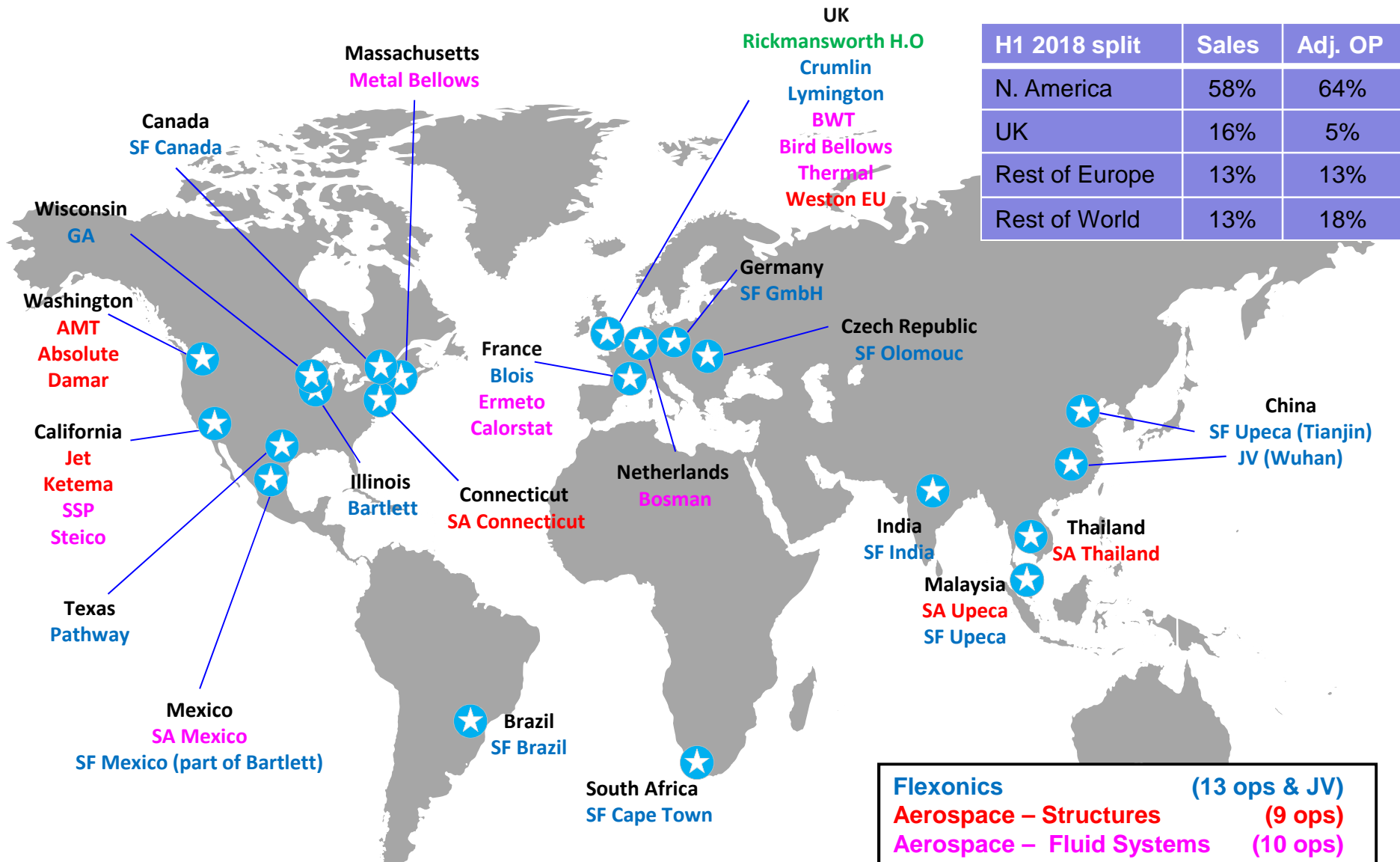
Competitive Cost Country Strategy	Considered and Effective Capital Deployment	High Performance Operating System
<p>Enhance global footprint to ensure businesses stay competitive at a capability and cost level</p> <ul style="list-style-type: none"> ⇒ Meet customers' cost and price challenges ⇒ Protect margins ⇒ Key investments: <ul style="list-style-type: none"> - Thailand - India - Malaysia - Mexico - China - Czech Republic ⇒ Actively move product lines and processes ⇒ Increasingly sophisticated capabilities in competitive cost economies 	<p>The executive team continually reviews investment priorities across the Group to ensure that the best choices are made for the allocation of capital</p> <ul style="list-style-type: none"> ⇒ Rigorous investment appraisal process ⇒ Group objective to maintain an overall return on capital employed in excess of the Group's cost of capital and to target a pre-tax return in excess of 15% 	<p>Implementing a high performance operating system. Key elements include:</p> <ul style="list-style-type: none"> ⇒ An operational toolkit incorporating best practice processes: <ul style="list-style-type: none"> • Lean and continuous improvement techniques • Supplier management and development processes • Engineering, new product introduction (NPI) and project management processes • 5/6S methodology • Factory visual management systems • Risk and financial management ⇒ A strengthened business review process <ul style="list-style-type: none"> • KPI focus on performance, growth, operational excellence and talent development

ACQUISITION FRAMEWORK

More Likely → Less Likely

Division	Fluid Systems	Structures Flexonics	New Markets	
Market	Large Commercial Defence Energy General Industrial	Rotorcraft Truck/ Off Highway	Reg Jet Automotive Medical	Biz Jet Renewables Semi-conductor Equipment VLJ
Product	Aero Ducting High Temp. Composites Heat Exchangers/Coolers	Control Bellows Emission Control Expansion Joints	Precision Machining	Auto Piping Industrial Tube
Nature	Own design / IP Higher Value Assy.	Highly Engineered BTP Components	Commodity BTP	
Geography	North America Asia	UK	Europe South America	Africa Australasia
Ownership	Owner managed	Trade	Private Equity	
Revenue	\$50 to \$100m	\$100m+	\$30 to \$50m	less than \$30m

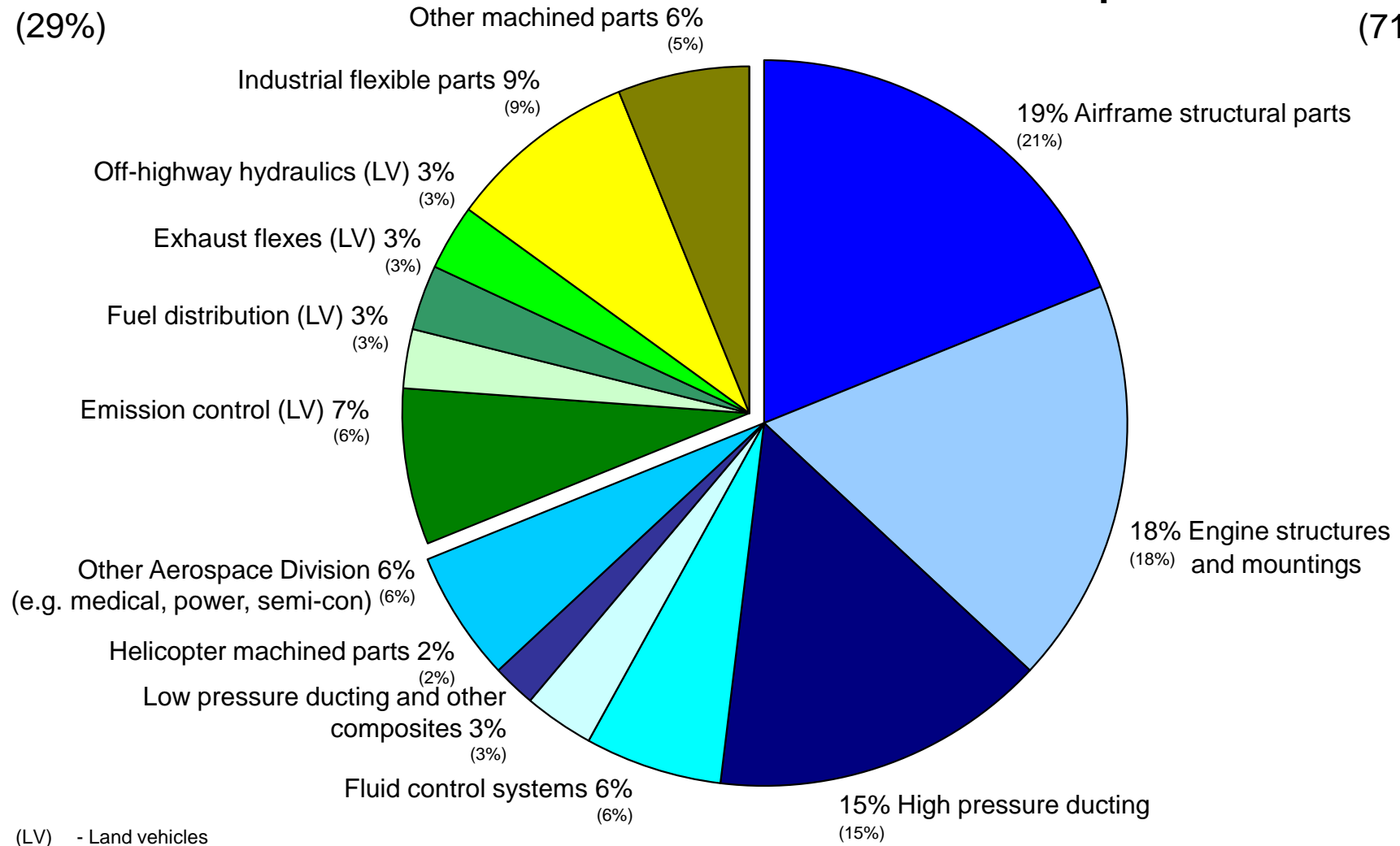
SENIOR'S LOCATIONS



SENIOR'S PRODUCTS – H1 2018

31% Flexonics Division
(29%)

Aerospace Division 69%
(71%)





AEROSPACE DIVISION

AEROSPACE – ORDERS AND DELIVERIES

Large Commercial Aircraft	Deliveries				Net Orders				Order Book			
	H1 2018	2017	2016	2015	H1 2018	2017	2016	2015	June 2018	Dec 2017	Dec 2016	Dec 2015
Boeing	378	763	748	762	460	912	668	768	5,946	5,864	5,715	5,795
Airbus	303	718	688	635	206	1,109	731	1,080	7,168	7,265	6,874	6,831
Total	681	1,481	1,436	1,397	666	2,021	1,399	1,848	13,114	13,129	12,589	12,626

Regional Jets	Deliveries				Net Orders				Order Book			
	H1 2018	2017	2016	2015	H1 2018	2017	2016	2015	June 2018	Dec 2017	Dec 2016	Dec 2015
Bombardier ⁽¹⁾	na	43	53	44	na	28	136	25	na	390	405	322
Embraer	42	101	108	101	(33)	86	45	155	360 ⁽²⁾	435	450	513
Total	na	144	161	145	na	114	181	180	na	825	855	835

Business Jets	Deliveries			
	Q1 2018	2017	2016	2015
Total	132	677	666	718
Q1 2017 - 130				

(1) Bombardier H1 2018 figures not yet available. Q1 2018 figures excluding Q-Series turboprop:

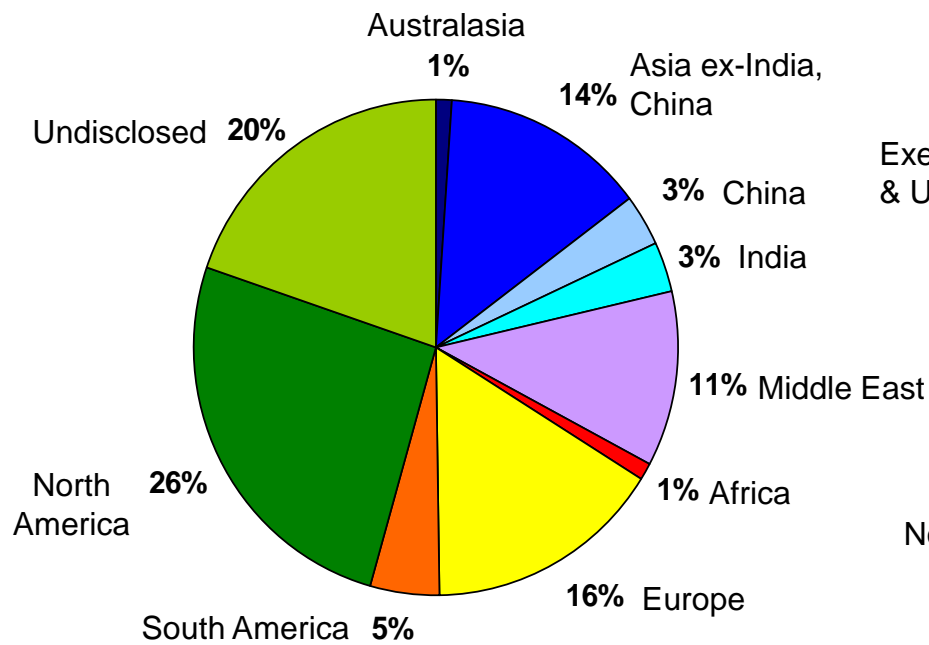
Q1 2018 deliveries: 11 (Q1 2017: 9)

(2) Includes 227 orders for E175/190/195-E2

Source: GAMA and customers

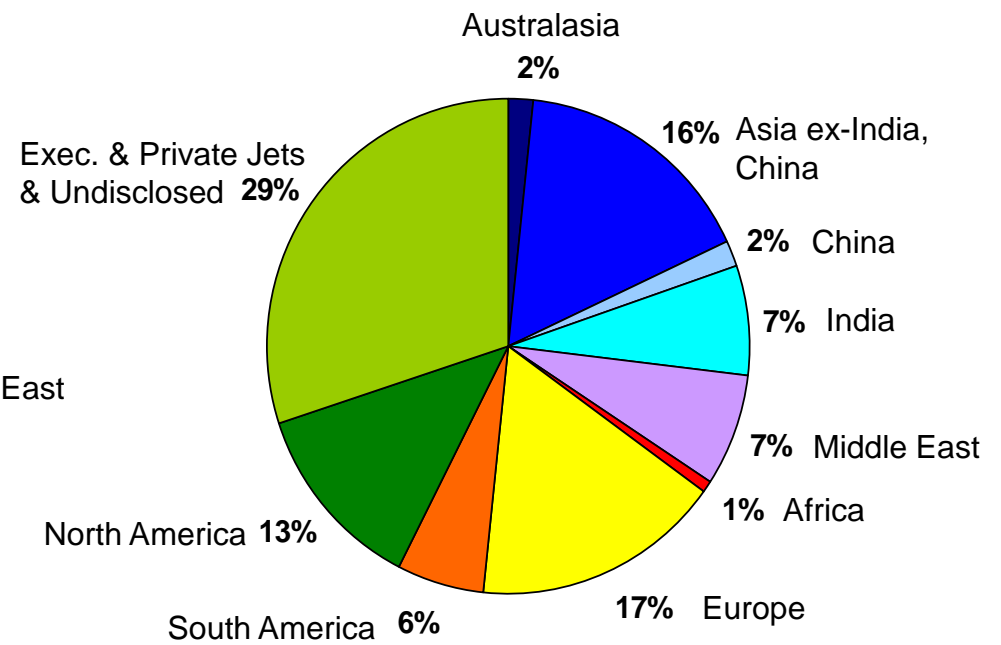
AEROSPACE – LARGE COMMERCIAL AIRCRAFT BACKLOG

Boeing backlog by region: June 2018



5,946 aircraft

Airbus backlog by region: June 2018



7,168 aircraft

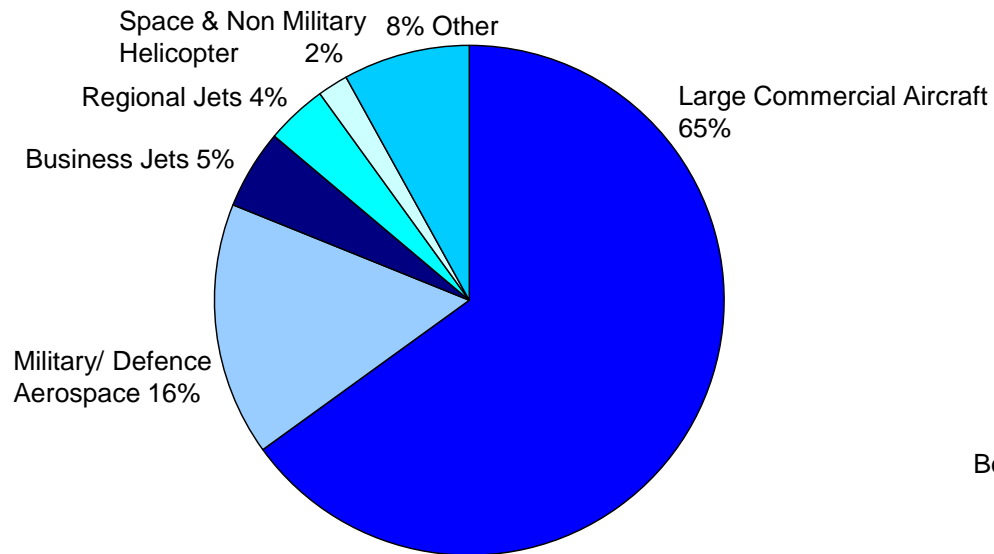
Source: Boeing and Airbus

AEROSPACE DIVISION: A SUMMARY

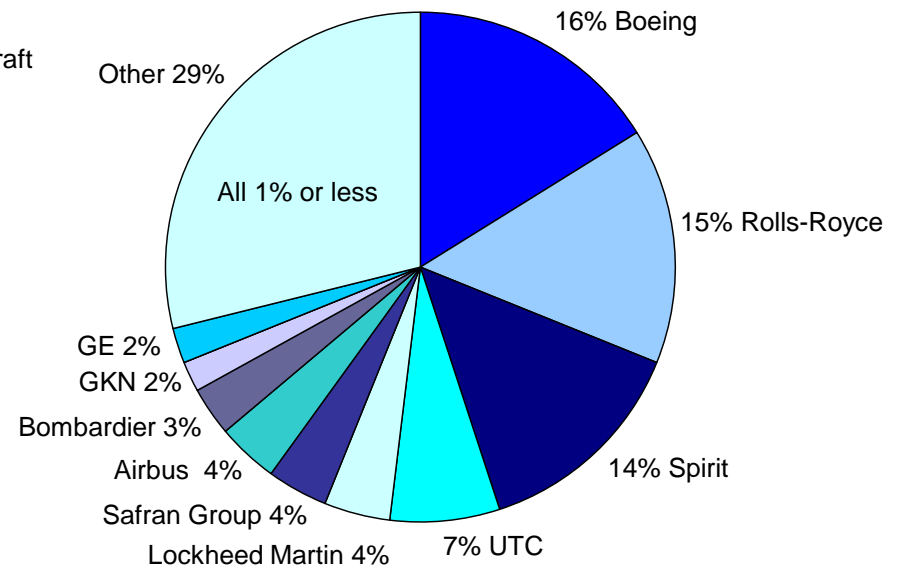
	H1 2018	H1 2017 ⁽¹⁾	Change
Revenue	£363.5m	£345.5m	+5.2%
Adjusted Operating Profit ⁽²⁾	£38.0m	£33.0m	+15.2%
Adjusted Operating Margin ⁽²⁾	10.5%	9.6%	+90bps

19 Operations	
NAFTA	10
Europe	3
UK	4
ROW	2

Markets

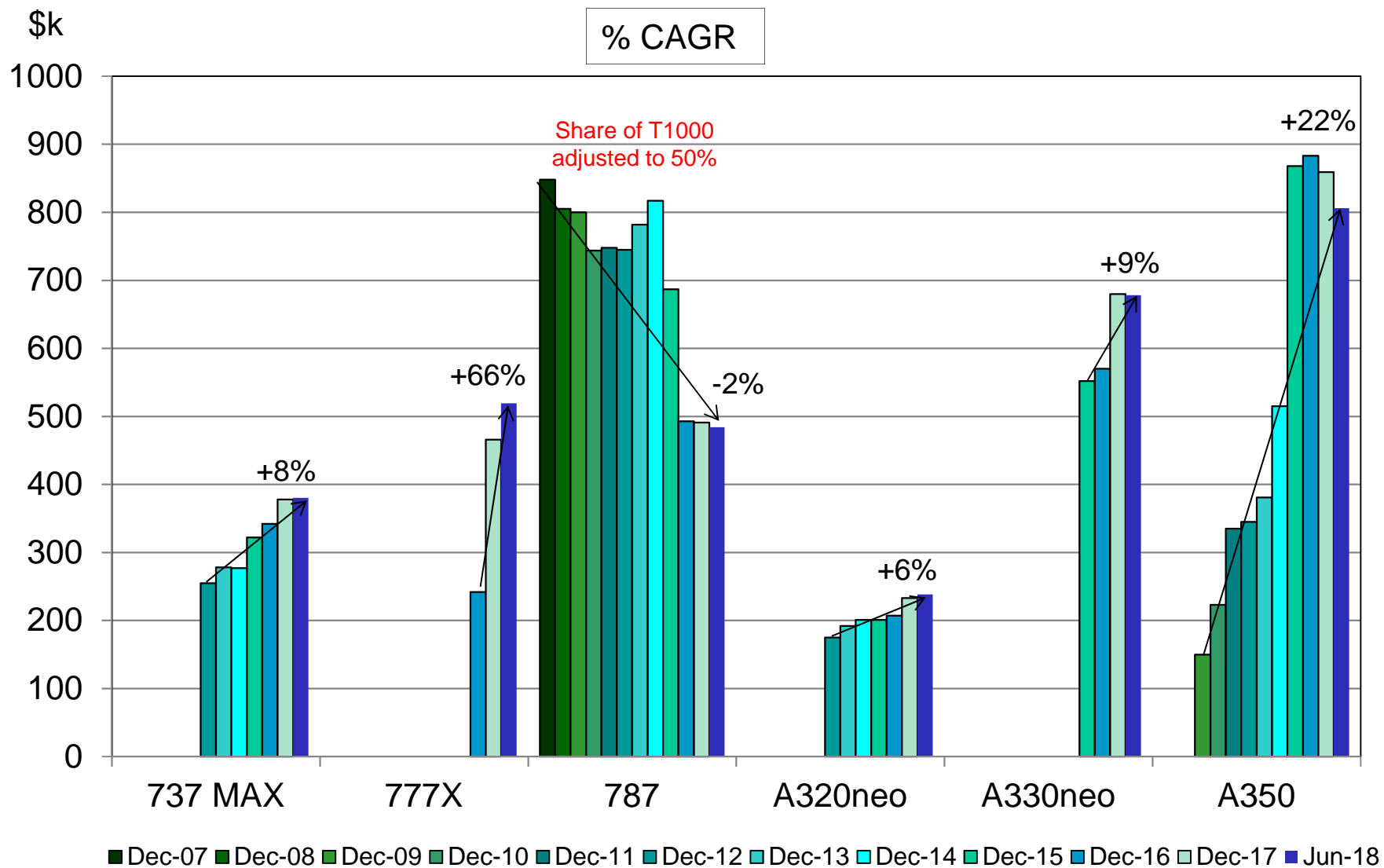


Customers



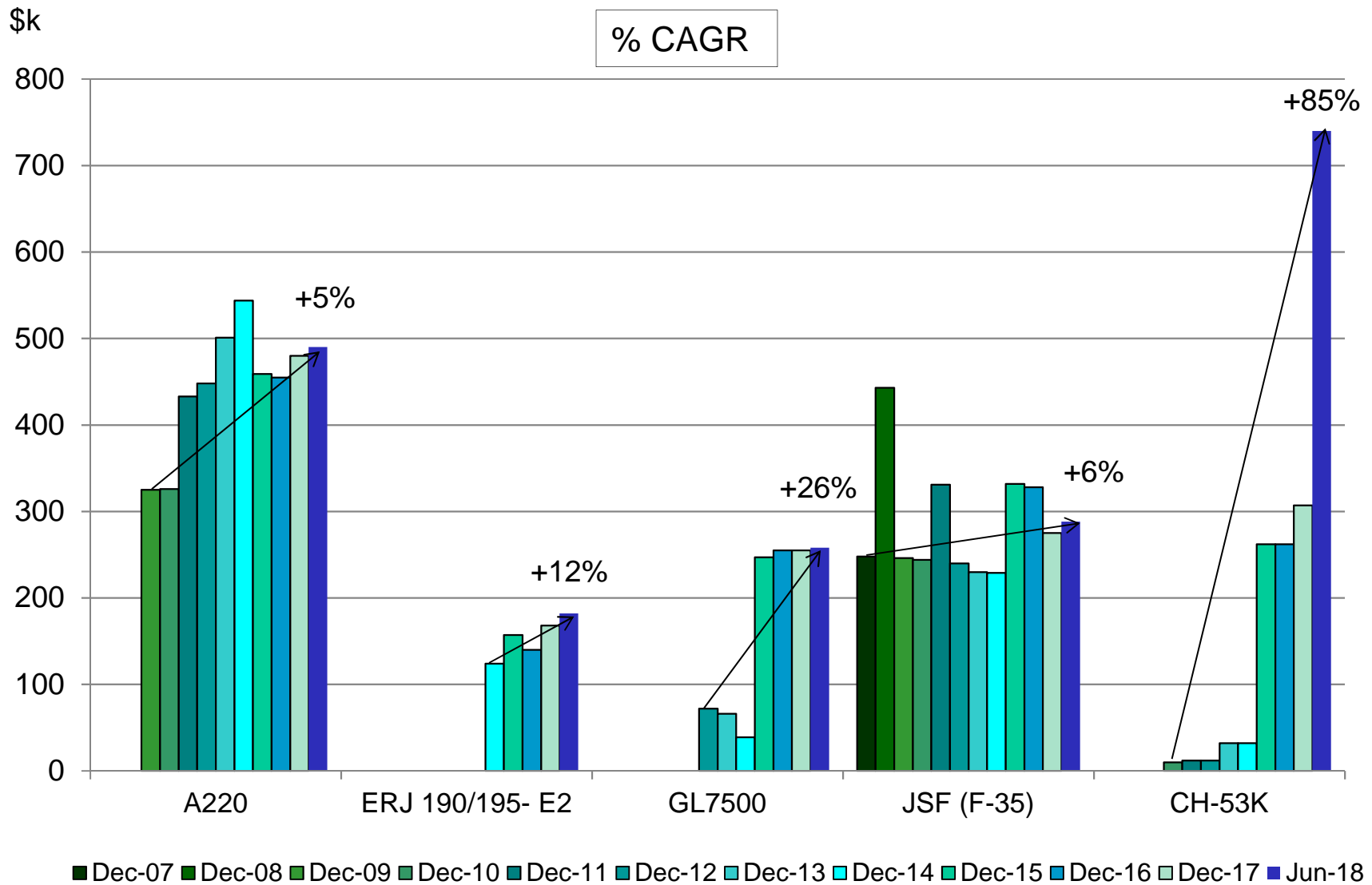
(1) All at H1 2018 exchange rates – translation effect only.
 (2) Before amortisation of intangible assets from acquisitions £4.0m (H1 2017: £4.3m).

SHIPSET VALUE⁽¹⁾ PROGRESSION – Large Commercial Aircraft



⁽¹⁾ Average based on programme share and estimated engine variant

SHIPSET VALUE⁽¹⁾ PROGRESSION – Regional, Business and Military



⁽¹⁾ Average based on programme share and estimated engine variant

FLUID CONVEYANCE

Low Pressure Ducting

Engineered Silencer Duct Assembly

Low Pressure Ducting Assemblies

Low Pressure Ducting Cabin Assembly

Typical Regional Jet Ducting Layout

High Pressure Ducting

Typical Wing Duct Products

Welded Duct Assemblies

HP Bleed Air Duct

Airbus A220 High Pressure Ducting Layout

Main Operations: BWT

Main Customers: Bombardier, Mitsubishi, Embraer

SSP, Steico, Bird Bellows, Calorstat

Airbus, Boeing, Bombardier, Lockheed Martin

FLUID CONVEYANCE

Aerospace Control Products



Welded Bellows
Maintenance Free Accumulators



Control Actuators



Hydraulic System Couplings

Non-Aerospace Control Products



Pin Lift Actuators
(Semi-Conductor)



Drug Pump Implants
(Medical)

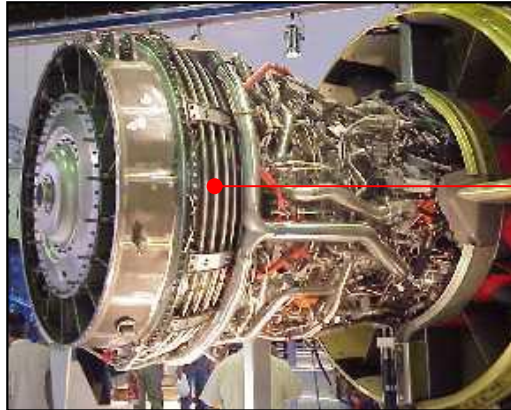


Main Operations: Metal Bellows, Calorstat, Bird Bellows, Ermeto

Main Customers: Airbus, Boeing, Lockheed Martin, Northrop Grumman, Embraer, LAM Industries

GAS TURBINE ENGINES

Fluid Conveyance Systems



Engine Bleed Ducts, Gimbals, Vibreakers, Ball Joints

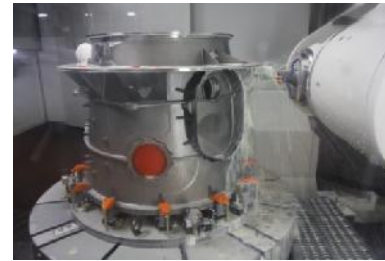


Active Clearance Control System



Hydraulic/Fuel Feed Manifolds

Engine Components



Engine Casing (B787 Trent 1000)



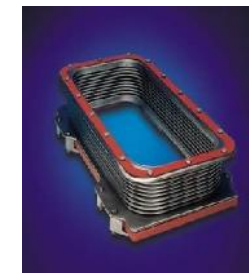
Static Seals



Bent tubes



Aerofoil for gas turbine engines



Bellows Face Seals

Main Operations: Bosman, Ermeto, Metal Bellows, Bird Bellows, SSP, Thermal Engineering

Main Customers: Rolls-Royce, Snecma, MTU, UTC (Pratt & Whitney)

Ketema, Jet, Weston, S A Thailand, Thermal Engineering, Bird Bellows, Metal Bellows, Steico, Ermeto

GE, Rolls-Royce, Honeywell, UTC (P&W), Safran

STRUCTURES

Airframe

737 Boeing Wing Ribs

737 Main Landing Gear Wheel Well

Assemblies

737 Wing to Body Frame (Birdcage)

737 Air Inlet (2ea) Ram Air

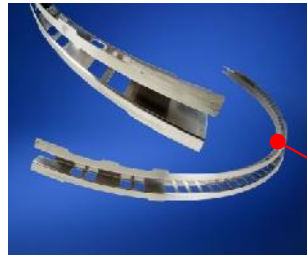
Premium Seat Chassis

Main Operations:	AMT, Absolute, Damar, Mexico, Weston, S A Thailand, S A Upeca	AMT, Weston, S A Thailand
Main Customers:	Boeing, Spirit, UTC (Goodrich)	Boeing, Spirit, Zodiac

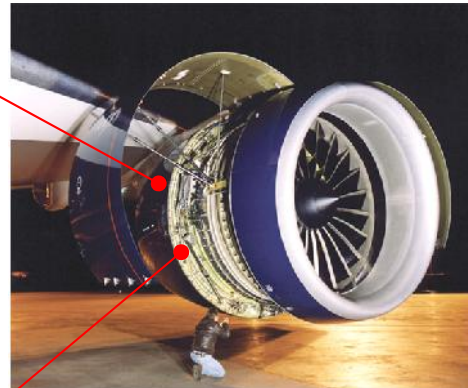
STRUCTURES

Nacelles

Helicopter Transmissions



B777 Engine Nacelle Housing



777 Load Share Ring



CF34-10 Torque Box Ring,
(Embraer 190)



Sikorsky UH60 Blackhawk



Blackhawk Gear Housing Assy.



Blackhawk Spindle

Main Operations: Jet, Ketema, Thermal Engineering

S A Connecticut

Main Customers: Boeing, Goodrich, Spirit, Middle River (GE)

Lockheed Martin (Sikorsky), Rolls-Royce

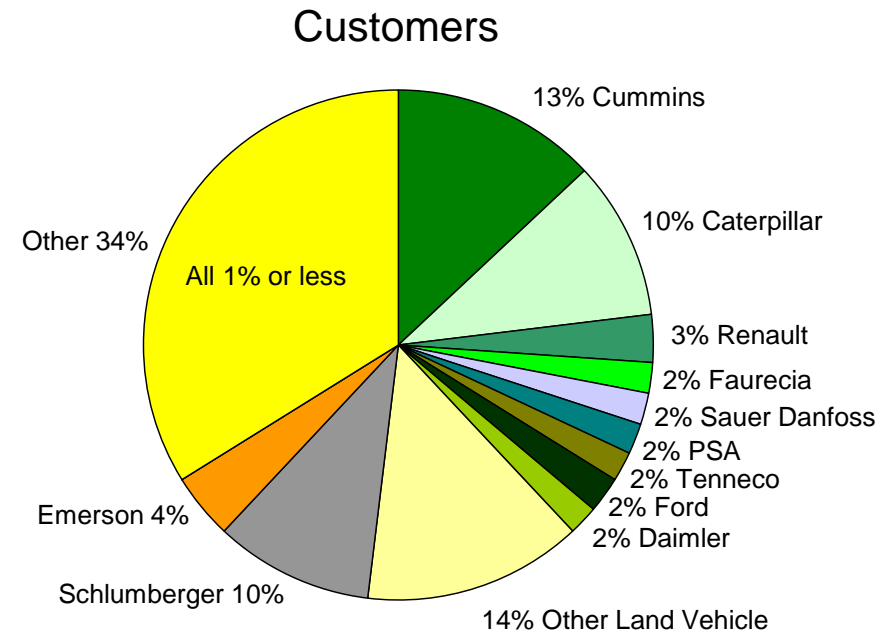
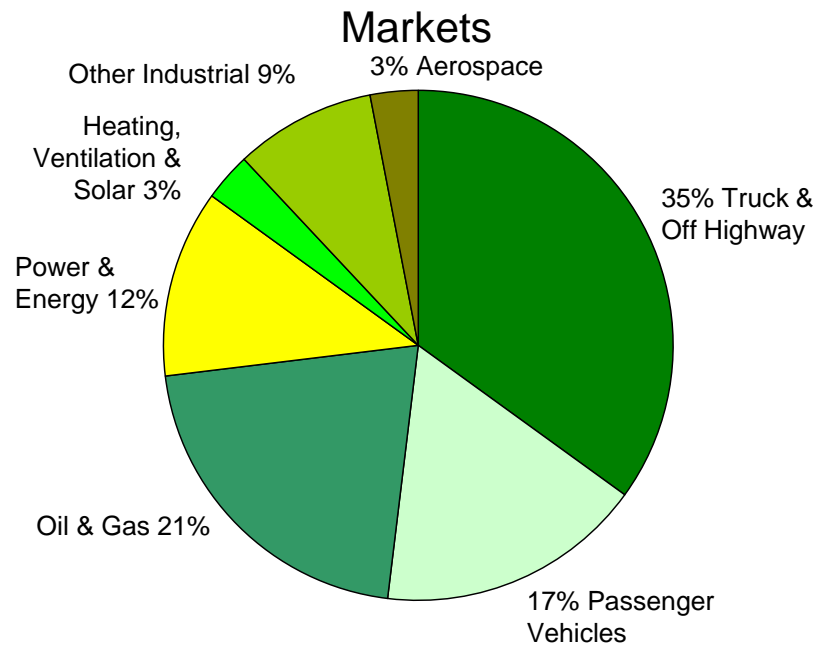


FLEXONICS DIVISION

FLEXONICS DIVISION: A SUMMARY

	H1 2018	H1 2017 ⁽¹⁾	Change
Revenue	£160.6m	£142.6m	+12.6%
Adjusted Operating Profit ⁽²⁾	£12.8m	£9.6m	+33.3%
Adjusted Operating Margin ⁽²⁾	8.0%	6.7%	+130bps

14 Operations Incl JV	
NAFTA	4
Europe	3
UK	2
ROW	4
China JV	1



(1) All at H1 2018 exchange rates – translation effect only.

(2) Before amortisation of intangible assets from acquisitions £3.6m (H1 2017: £4.3m).

LAND VEHICLE EMISSION CONTROL

Tubes

Turbo-oil
feed and
drain



Common Rails



High Pressure
Fuel Lines



Exhaust
Bellows



Diesel fuel injector components



EGR Coolers/Heat
Exchangers

Main Operations: Bartlett, GA, Germany, Blois, Cape Town, Sao Paulo, New Delhi

Main Customers: Cummins, Perkins, CAT, MAN, Scania, JCB, PSA, Ford, Renault, Faurecia

INDUSTRIAL PROCESS CONTROL (1)



Metal Expansion Joints



Fabric Expansion Joints



Petrochemical,
Refineries, &
Steel Mills

Power
Generation



Dampers/Diverter



Oil & Gas Directional Drilling Equipment



Oilfield Services
Packers



Flow Control Valve
Bodies

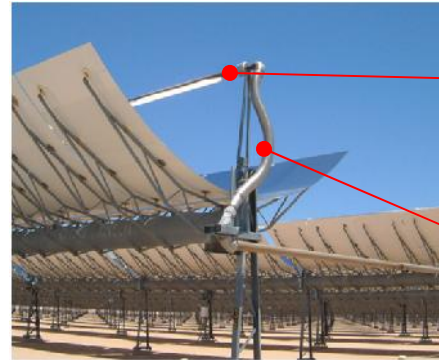
Main Operations: Pathway, S F Upeca, LPE

Main Customers: US domestic operators (400+), Constructors (Global), Emerson, Schlumberger

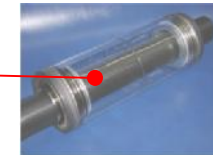
INDUSTRIAL PROCESS CONTROL (2)



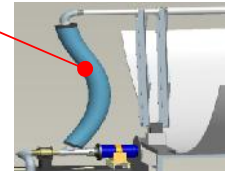
Flexible Tubes & Hoses



CSP - Solar Troughs



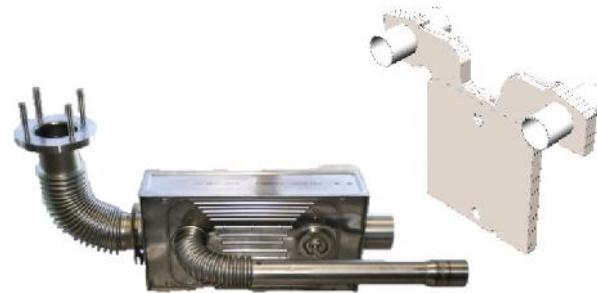
Vacuum Seal Bellows



RotationFlex®



Medical Heat Exchangers



Fuel Cell Components



Instrument Control Bellows

Main Operations: Bartlett, Canada, Germany, Crumlin

Main Customers: Medtronics, Valliant, Rioglass, Bloom Energy

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