

We are

**transforming
tomorrow
together**

Renishaw plc
Interim results
6 February 2024

**A solid performance in
challenging market
conditions with growth
opportunities in H2**



Revenue

Industrial Metrology growth offset by continued weak demand from the semicon equipment sector

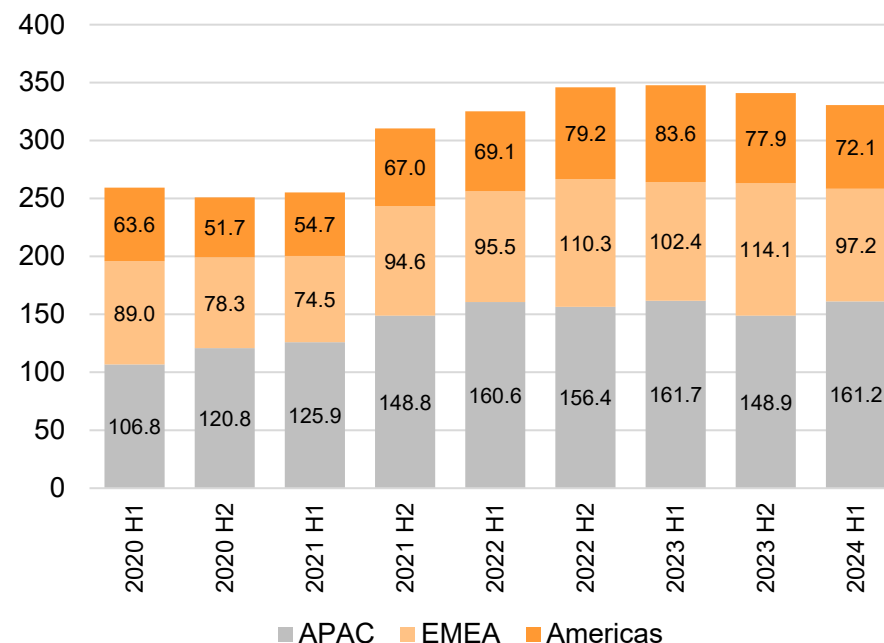
H1 revenue 5% lower at £330.5m

- Revenue down 2% at constant currency
- Manufacturing technologies down 6%, with solid growth in Industrial Metrology offset by continued weak demand for position encoders for semiconductor manufacturing equipment
- Analytical instruments and medical devices up 16%, with strong growth in Spectroscopy

Regional performance

- APAC +6% at constant currency – strong growth in Industrial Metrology, continuing semicon weakness
- EMEA -6% at constant currency – strong Spectroscopy sales, weaker demand for Position Measurement and Additive Manufacturing
- Americas -13% at constant currency – growth in metrology systems offset by weaker sales elsewhere

Half-year revenue £m



H1 revenue	FY 2024 £m	FY 2023 £m	Change %	Const. FX %
APAC	161.2	161.7	(1%)	6%
EMEA	97.2	102.4	(5%)	(6%)
Americas	72.1	83.6	(18%)	(13%)
Group	330.5	347.7	(5%)	(2%)

Profitability

Increasing focus on efficiency, whilst maintaining our commitment to long-term growth

Adjusted profit before tax of £56.5m

- Manufacturing technologies 31% lower, driven by lower revenues
- Analytical instruments & medical devices profitability improved on 16% higher sales
- Continuing control of fixed costs whilst maintaining investment in longer-term growth

Key metrics – 2024 H1 vs 2023 H1

	2024 £m	2023 £m	Change %
Revenue	330.5	347.7	(5%)
Adjusted profit before tax	56.5	73.5	(23%)
Statutory profit before tax	56.5	77.8	(27%)

Manufacturing technologies

	2024 £m	2023 £m	Change %
Revenue	311.1	330.9	(6%)
Adjusted operating profit	46.0	66.8	(31%)

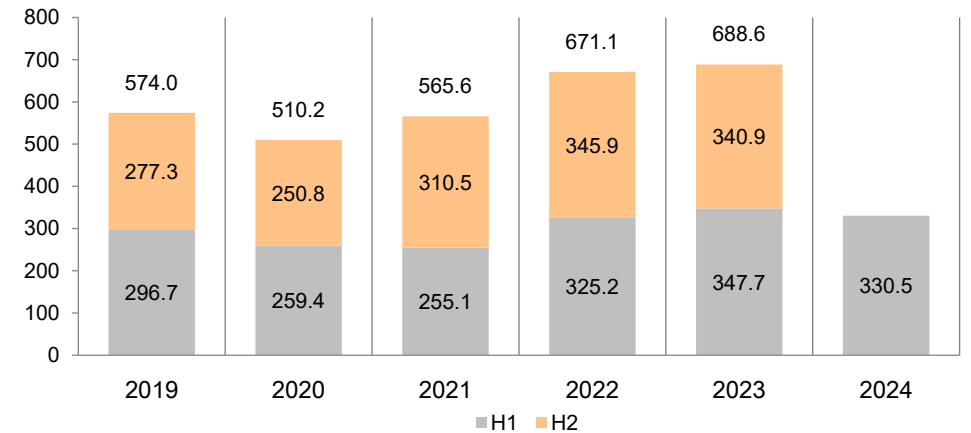
Analytical instruments & medical devices

	2024 £m	2023 £m	Change %
Revenue	19.4	16.8	16%
Adjusted operating profit	1.2	0.1	1100%

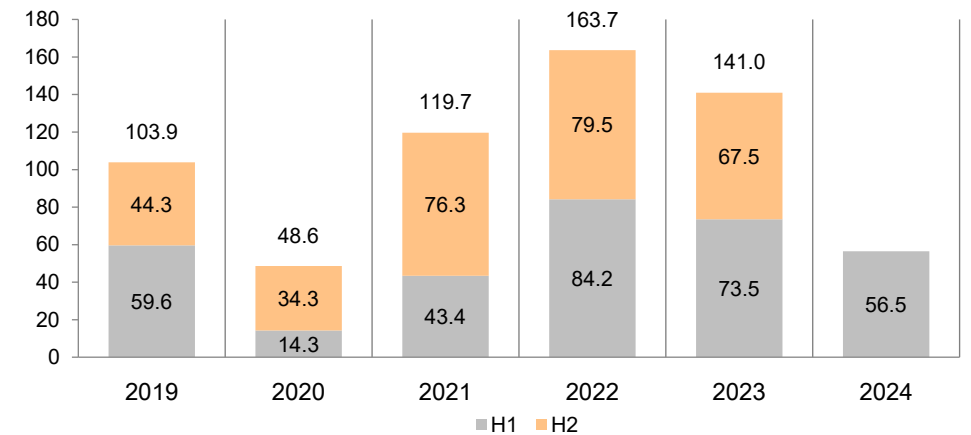
Financial highlights

	2024 £m	2023 £m	Change %
Revenue	330.5	347.7	(5)
Adjusted profit before tax	56.5	73.5	(23)
Fair value gains on ineffective FX cash flow hedging contracts	-	4.3	
Statutory profit before tax	56.5	77.8	(27)
Tax	(11.4)	(13.7)	
ETR %	20.1%	17.7%	
Profit after tax	45.2	64.1	(29)
Adjusted earnings per share	62.1p	83.4p	(26)
Statutory earnings per share	62.1p	88.1p	(30)
Interim dividend per share	16.8p	16.8p	-

Revenue £m



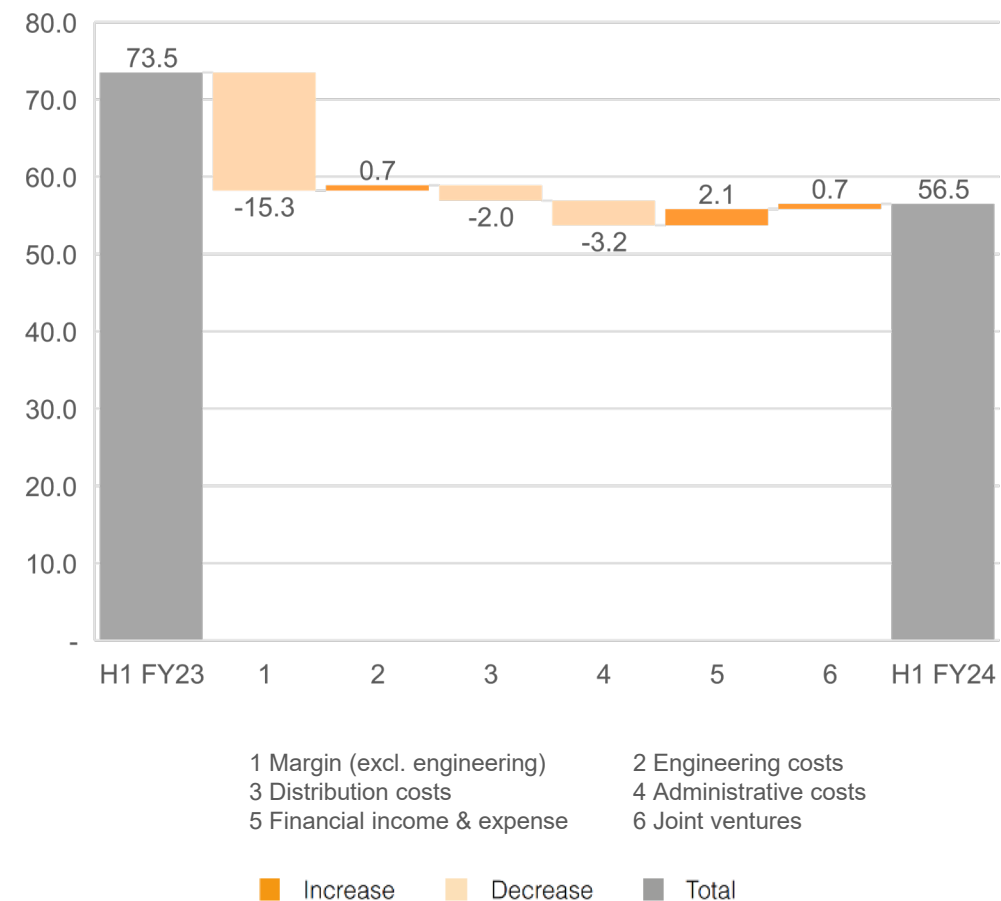
Adjusted profit before tax £m



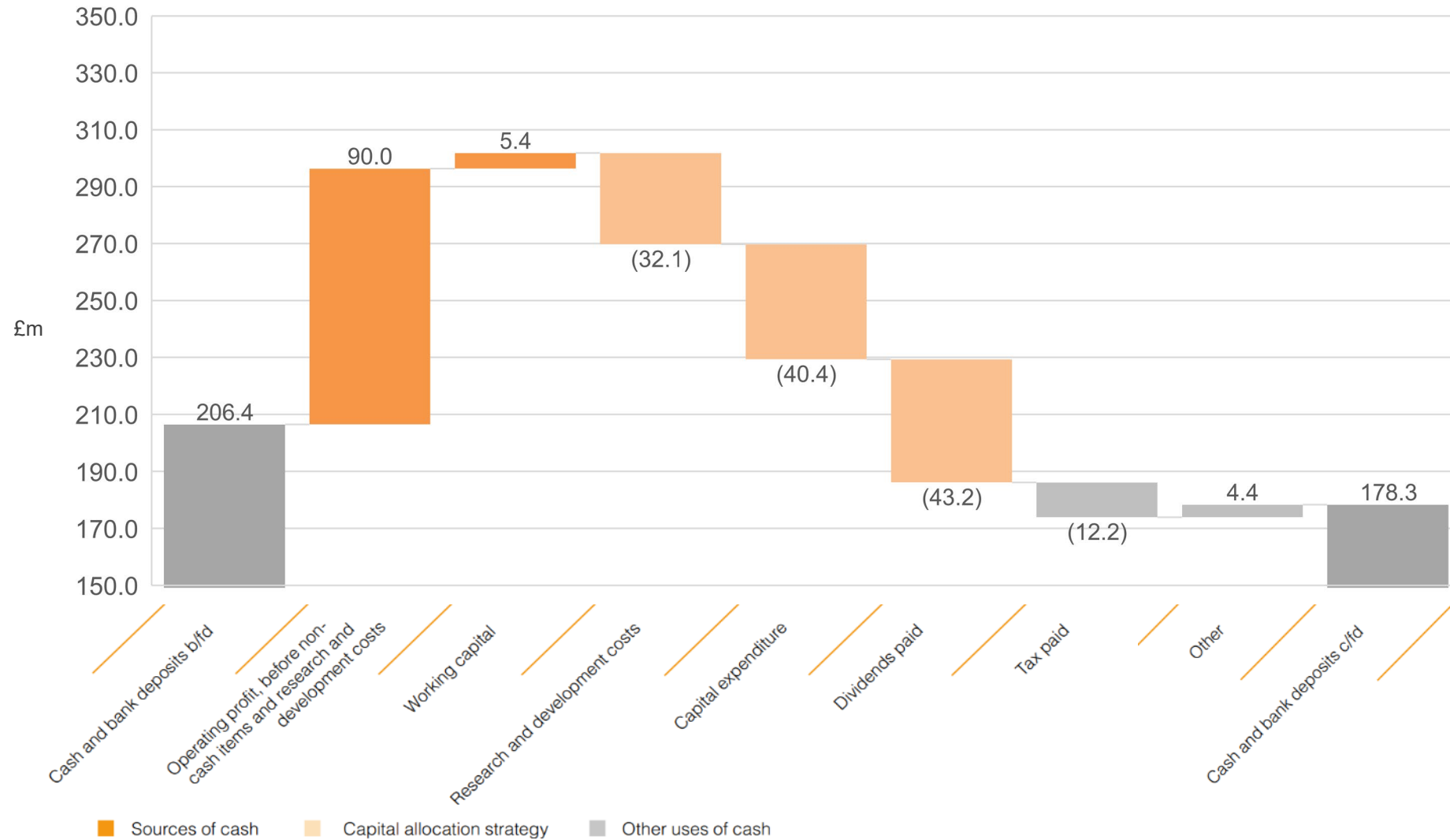
Income statement

	2024 £m	%	2023 £m	%	Change
Revenue	330.5	100	347.7	100	-5%
Cost of sales	(130.5)	(39)	(126.4)	(36)	3%
Engineering (inc. R&D)	(45.4)	(14)	(46.1)	(13)	-1%
Gross profit	154.6	47	175.2	51	-12%
Distribution costs	(68.9)	(21)	(66.8)	(19)	3%
Administrative costs	(38.5)	(12)	(35.3)	(10)	9%
Fair value losses on financial instruments	-		(1.8)		
Net financial income/(expense)	6.8		4.7		
Share of profits of associates and joint ventures	2.5		1.8		
Statutory profit before tax	56.5	17	77.8	22	-27%

Adjusted profit before tax bridge £m



Sources and uses of cash



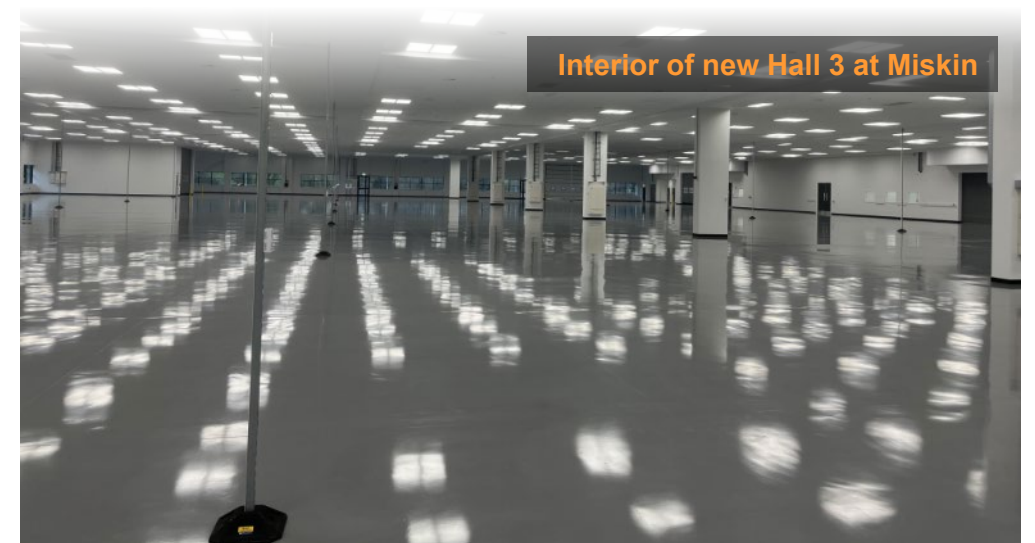
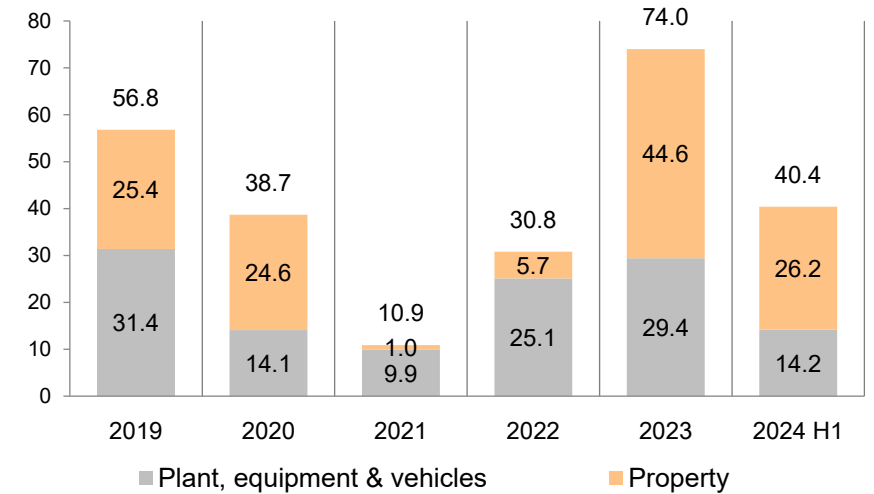
Investment in our future

Capital expenditure

- £40m capex in FY2024 H1, including new production equipment and completion of first phase of 50% manufacturing footprint expansion at Miskin to support planned growth
- FY2024 full-year capex expected to be similar to previous year



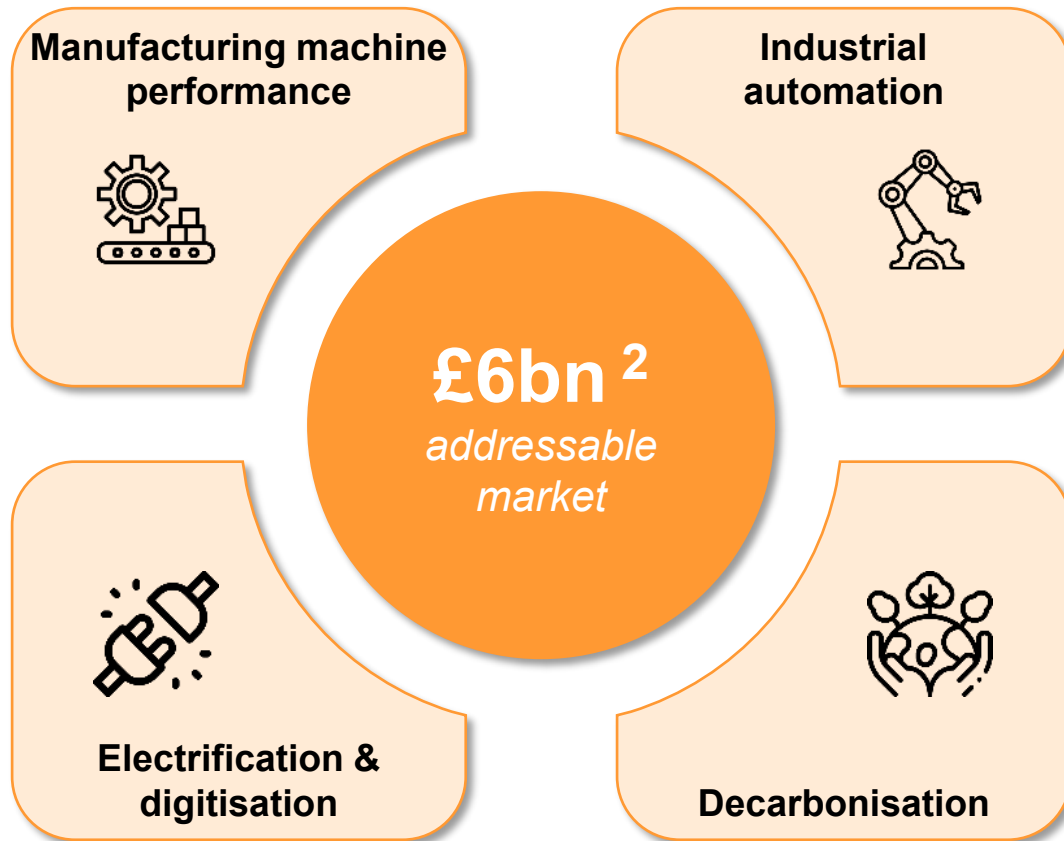
Capital expenditure £m



Long-term value creation model

Targeting high single digit through-cycle organic growth

Well positioned in markets growing at >5%¹ p.a.



Strategy driving consistent outperformance

Growing in existing markets

Fitment levels, cross sales and new customer wins

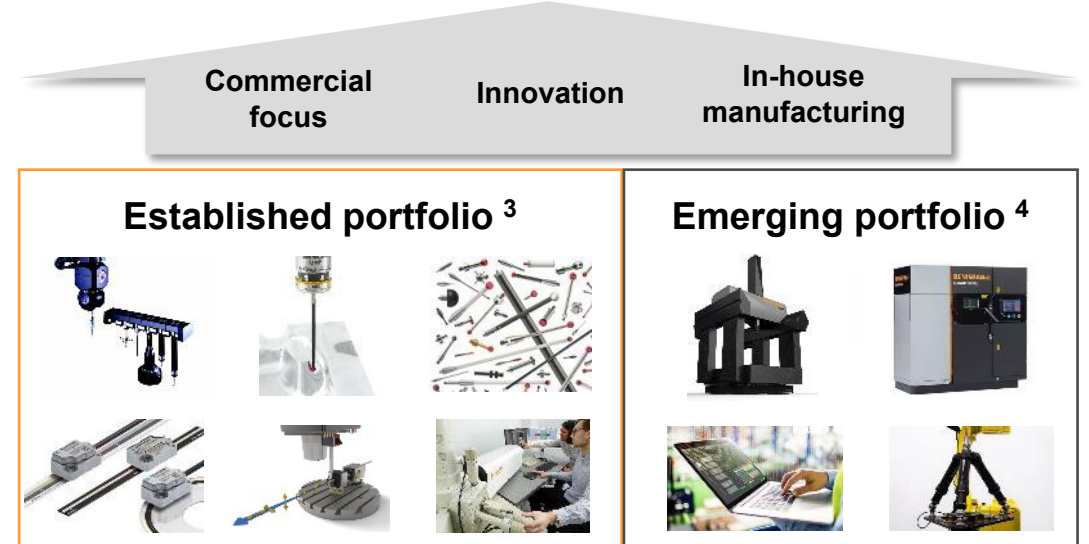
Increasing technology value

Systems, software and data monetisation

Extending into new markets

Robotics and Industrial Automation

Strategic priorities



- Notes:
1. Estimated weighted average through-cycle demand growth of Renishaw's addressable markets
 2. Unaudited management estimates from a combination of external market research and Company market knowledge
 3. Established portfolio products occupy a leading market position (#1 or #2 market share)
 4. Emerging portfolio products operate in more fragmented markets with significant opportunity to gain market share

Growing in existing markets

Increase revenue per machine tool

Increase 'share of wallet' with metrology and position sensors

Recent enhancements to our machine tool probing range

- **QE series** radio transmission - **multi-probe installations** and **extends probe battery life**
- New **RMP24-micro** – miniature wireless machine tool probe
- Continuing to win new customers with **NC4+ Blue** high accuracy laser tool setter

Gaining market share in enclosed optical encoders for machine tools

- **FORTiS™** range of enclosed encoders for linear axis control is now in series production at 80 machine tool builders



QE series radio transmission



RMP24-micro miniature probe



NC4+ Blue laser tool setter



FORTiS encoder

Growing in existing markets

Win new machine builder customers

Enhance our strong position in encoders for motion control

INNOVATORS in position measurement

Magnetic encoders



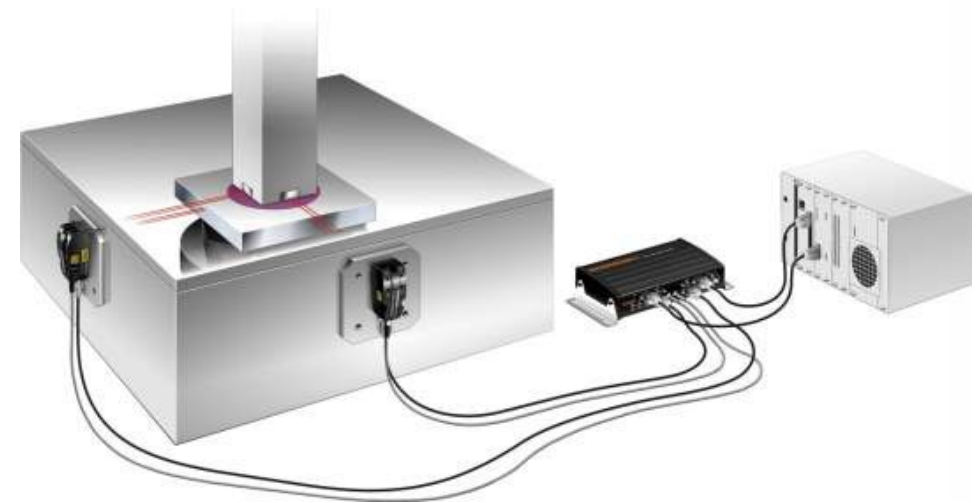
AkSiM-4™ Big Rings for industrial & medical products including robots and rotary tables (launched FY2023)

Optical encoders



CENTRUM™ self-centring disc is easy to fit, reducing installation time by up to 90 % (launched FY2023)

Laser encoders



RLE fibre laser encoder with picometer resolution is regularly upgraded to meet the demanding needs of precision semiconductor manufacturing equipment

Robotics | Precision machinery | Semiconductor manufacturing | Metrology

Increasing
technology value

Build systems sales

Build market-leading positions in metrology & additive manufacturing systems

New RenAM 500 Ultra super-productive additive manufacturing (AM) machines

- Quad-laser RenAM 500Q is already the most productive mid-size metal AM machine
- TEMPUS™ technology reduces build times substantially – driving lower cost per part
- New machines and upgrades from Q1 CY2024



Increasing technology value

Build systems sales

Build market-leading positions in **metrology** & additive manufacturing systems

Easy-to-use software to support our growing metrology systems business

- MODUS™ IM Gauge and Control software enables machine tool users to deploy Intelligent Process Control (IPC)
- Expands market for EQUATOR™ flexible gauge by enabling users to deploy more easily; also distributor-friendly
- First of a new generation of metrology software products



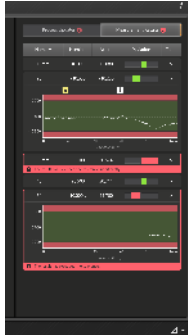
CNC lathe

Components

Process updates

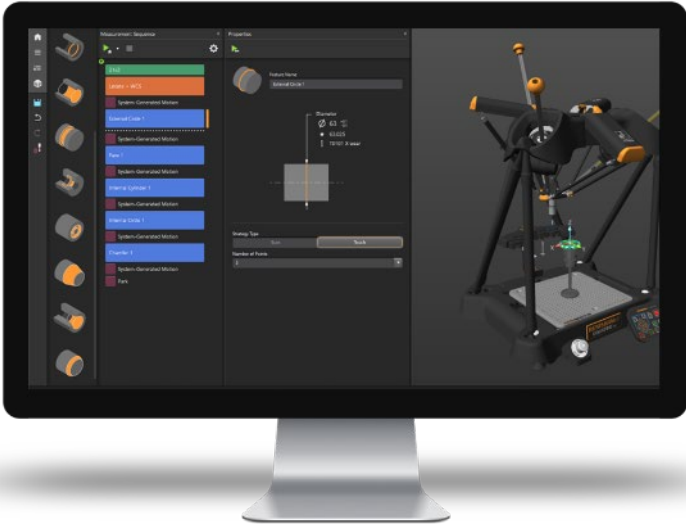


Equator with Gauge and Control



Measurement and calculation

MODUS IM Gauge and Control



Increasing
technology value

Monetise shop floor data

Accurate, **actionable** data across the shop floor

Renishaw **CENTRAL** smart manufacturing data platform

- Connects Renishaw and 3rd party metrology devices
- Identify inefficiencies and reduce waste
- Centre-piece of Renishaw stand at EMO Hannover in September
- Intelligent Process Control module for assisted or autonomous decision-making
 - Currently being trialled by leading aero-engine and defence companies in USA and Europe



Extending into
new markets

Diversify into adjacent markets

New product lines in high-growth manufacturing technology sectors

Apply our proven technology and know-how to the large, high-growth, untapped robotics market

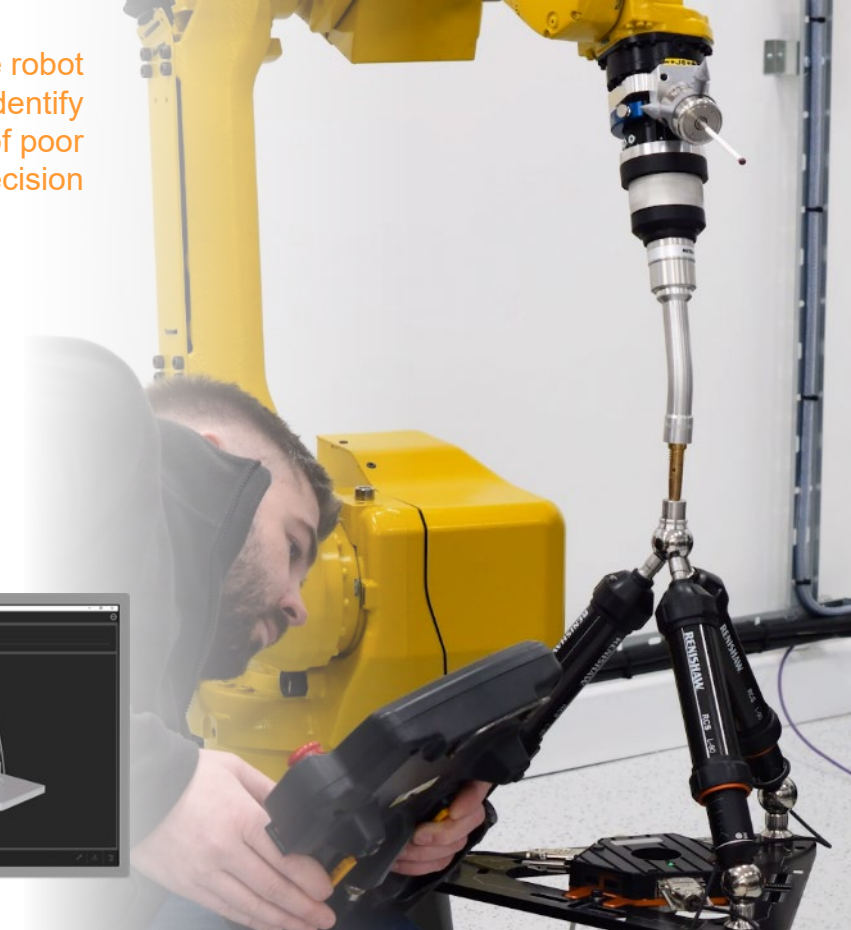
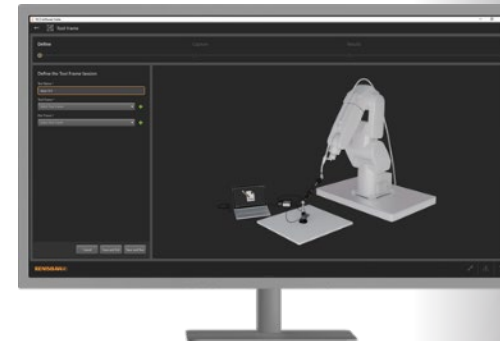
- Introduced our **Industrial Automation** product line in 2023 with calibration and process control tools for industrial robots
- Close adjacent market with >10% underlying growth
- Early successes include a global aerospace company wanting to ensure international consistency in a robotic process

Improve robot
accuracy and identify
root causes of poor
robot precision

In-process metrology for robots



Patented RCS software



People and planet

Attracting and retaining talented employees

- Headcount stable at 5,166
- 100 graduates and 60 apprentices in September
- £4m p.a. savings from UK mutually agreed severance scheme; continuing productivity focus
- Average 6% pay review from January 2024



Supporting the drive to Net Zero

- UK electricity now 100% renewable
- New ESG Steering Committee is developing a comprehensive ESG strategy
- Significant commercial opportunities arising from drive to Net Zero: increasing product performance and reducing manufacturing waste



Outlook

Market growth and outperformance strategy targeting high single digit through-cycle organic growth

- We have achieved a solid performance in challenging market conditions, with growth from Industrial Metrology products in APAC being offset by continued weak demand from some key sectors, most notably semiconductor equipment.
- We expect an improvement in our trading performance in the second half of the financial year as market conditions improve, and as we continue to pursue a range of growth opportunities.
- To support our through-cycle growth strategy, we are continuing to focus on productivity and to make targeted investments in our people, our production facilities, and our new product pipeline.
- At this stage, we expect full year revenue to be in the range of **£675m to £715m**.
- Adjusted profit before tax is expected to be in the range of **£122m to £147m**.

H2 range

		2024 H2 £m	2024 H1 £m	Change %
Revenue	Lower	344	331	+4%
	Upper	384		+16%
Adjusted profit before tax	Lower	65	57	+16%
	Upper	90		+60%

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