

Filtrona plc

Strategy Presentation: Porous Technologies Division

Russ Rogers

15th June 2012

Agenda



- 1. About Porous Technologies**
- 2. Market trends**
- 3. Delivering Vision 2015 objectives**

What we do



- Global leader in the development and production of customised fluid handling components for everyday applications:
 - Point of care diagnostics and advanced wound care
 - Ink-jet printer cartridges
 - Writing instruments
 - Household and personal care
 - Oil filtration for industrial and automotive customers
- 50+ years experience in capillary science
- Manufacture > 1,700 products based on:
 - Bonded fibre
 - Speciality foam
 - Porous plastics
 - Non-wovens
- Key competitive advantages:
 - Reliability
 - Partnership
 - Innovation

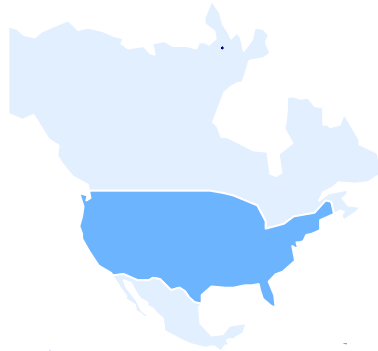


Providing solid solutions for fluid challenges

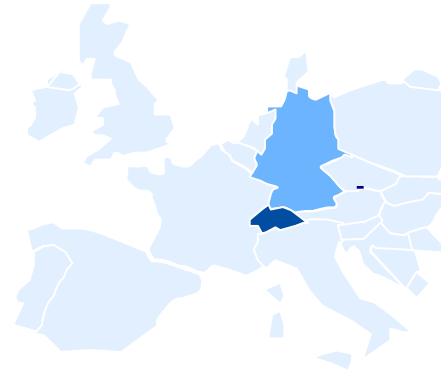
Where we do it & who for



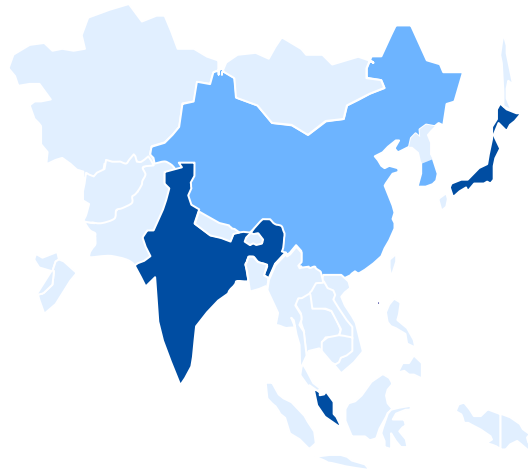
North America



Europe



Asia



Supplier to more than 600 customers in >56 countries

Market trends



Printing systems
Performance improvements



Non-woven products
Sensitive environments



Household & personal care
Emerging market growth



Advanced wound care
Customer / patient need



Writing instruments
Range expansion



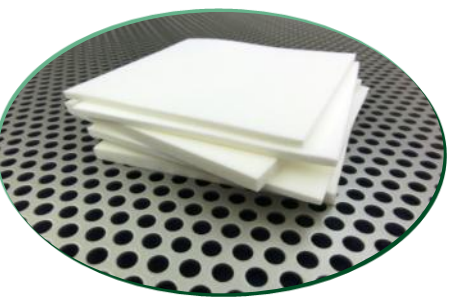
Healthcare
Fluid handling capabilities

Global market: Est. >£1.2bn*

Globalisation & speed to market

*Management estimate of global addressable market value

Identify key new product opportunities



Improved technologies
(super-soft wound care)



Product expansion
(nibs)



Additional technology
platforms
(porous plastics, clean
room wipes)



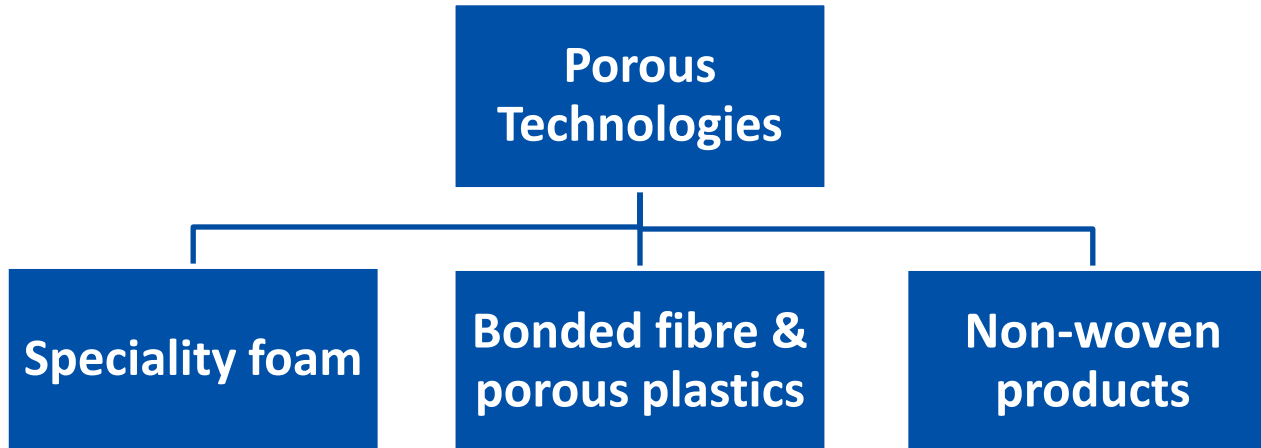
Customer
partnership



Investment in faster-
growing markets

Innovation & partnership drive sustainable, profitable growth

Strengthen organisational structure & talent base



- Structure organisation for success in new markets and emerging geographies
- New hires with international experience
- New commercial corporate office opened in Singapore
- Cross divisional collaboration
- Regional resource allocation to target high growth opportunities

Commercial structure and talent development to support global footprint and expansion goals

Focus on faster growing markets / economies



- Expand customer reach for existing product technologies into new geographies
 - Asia Pacific
 - Brazil
 - Russia
 - Eastern Europe
 - Canada
- Identify, develop, and establish presence in new industries
- Expand technology portfolio to enhance product and system solutions



Accelerate profitable expansion

Identify value-creating, complementary M&A



Filtrona's M&A scorecard ...

... in the context of Porous Technologies

PLACE:

- Globalise acquisitions using divisional regional footprint

PRODUCT & MARKETS:

- Strong and differentiated technology position
- Complementary technologies to extend product reach
- Access to new end-markets
- IP driven
- Broaden Go To Market model

PEOPLE:

- New technology expertise to build on foundational knowledge
-

Recent M&A adds technology capability and access to new markets

Invest in improving operational excellence & execution



Transfer of production capacity and equipment for pregnancy test wicks to China

- Strategic expansion in Asia to support local customer needs
 - Transfer of production capacity to China
- Continuous investment in:
 - R&D - to enhance competitive position by generating value based solutions for customers
 - Production capabilities for key growth technologies
- Regional and flexible manufacturing capabilities
 - Support customer needs and promotes efficiencies
- Ongoing efficiency and cost improvement programmes

Developing our infrastructure to facilitate accelerated growth

Conclusion



Vision 2015 objectives ...

... and some examples of what we're doing

Identify key new product opportunities

- Expanding technology portfolio
- Improved technologies
- Product line extensions

Strengthen organisational structure & talent base

- Commercial structure & talent development supports global footprint and expansion goals

Focus on faster growing markets / economies

- Expanding customer reach in new geographies
- Identifying new industries
- Growing technology portfolio

Identify value-creating M&A opportunities

- Lymtech and Jae Yong acquisitions consistent with Filtrona's "3Ps" criteria

Invest in improving operational excellence & execution

- Strategic expansion in Asia
- Continued investment in R&D and production capabilities

Contributing to balanced, profitable growth



Questions

Appendix

Appendix



Russ Rogers - President, Porous Technologies

Russ Rogers joined Filtrona in 1998 as Director of Manufacturing on the acquisition of American Filtrona Corporation. Before being appointed to his current role in 2003, Russ performed increasingly senior roles in engineering, logistics, purchasing and manufacturing in the Porous Technologies division.

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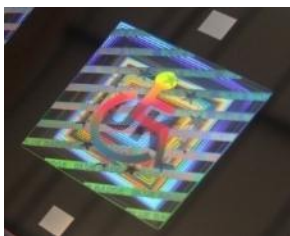
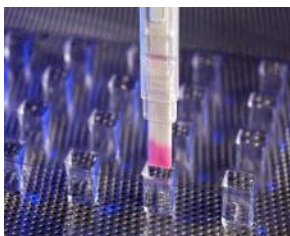
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