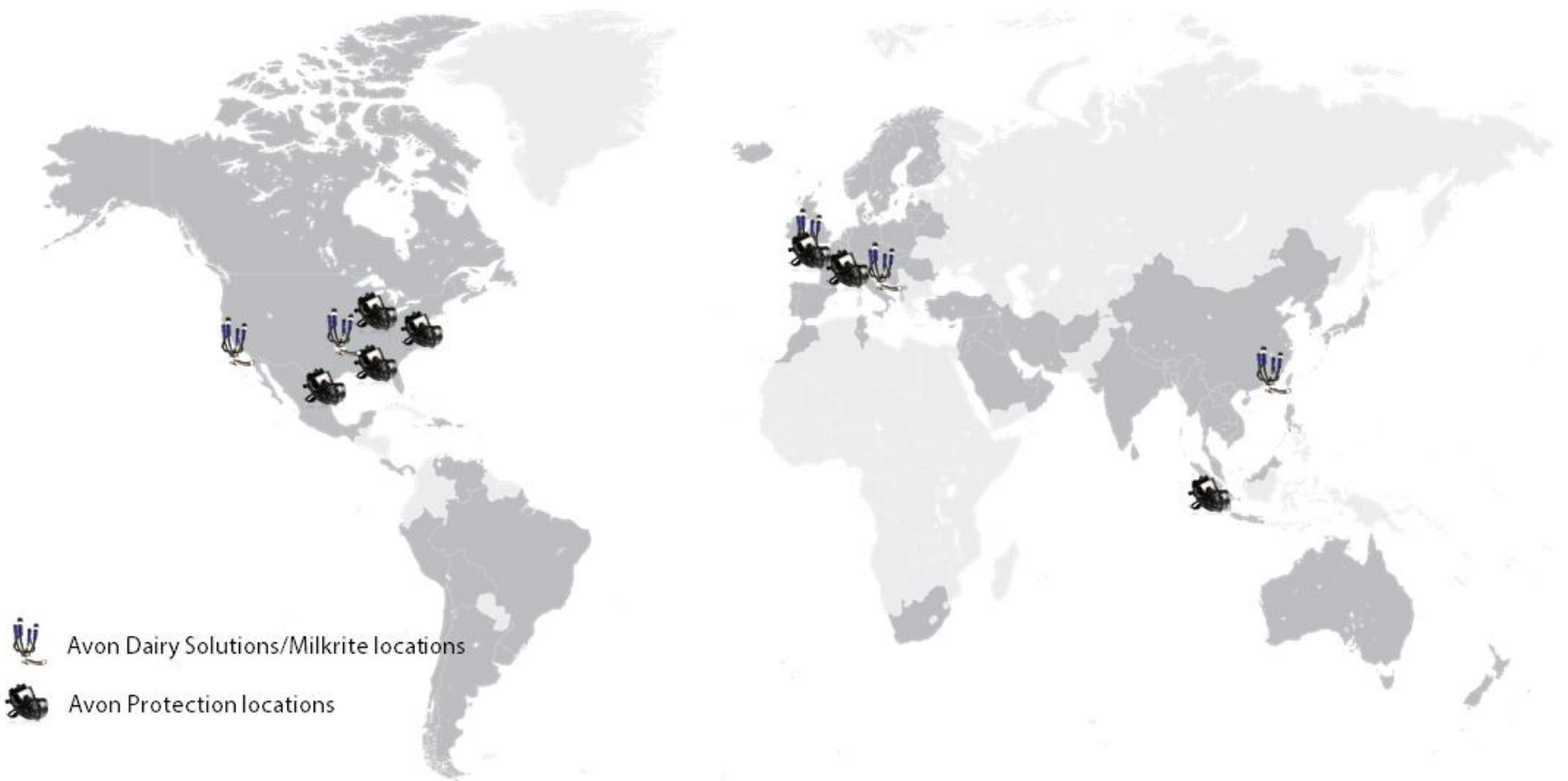




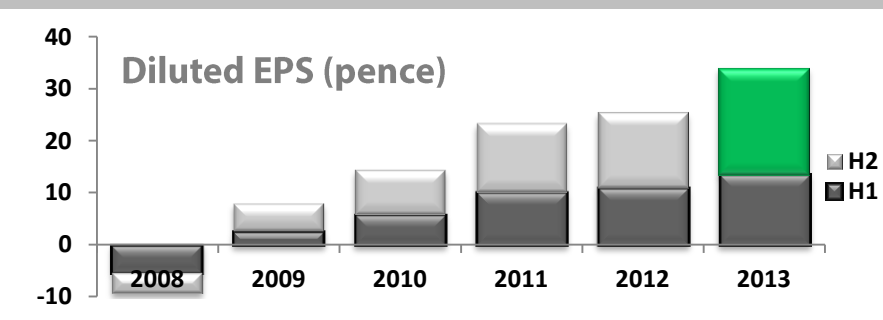
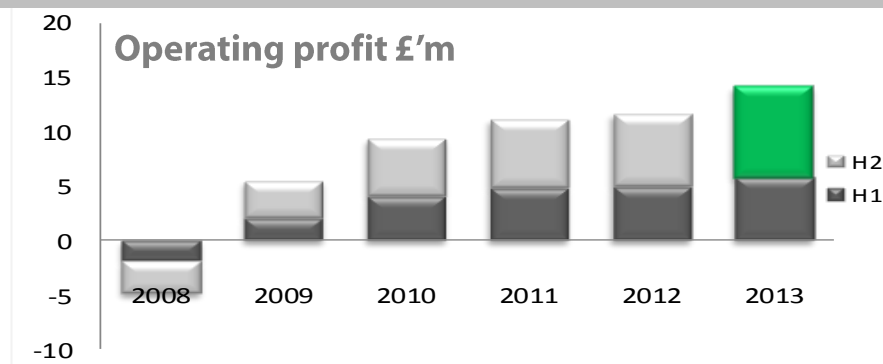
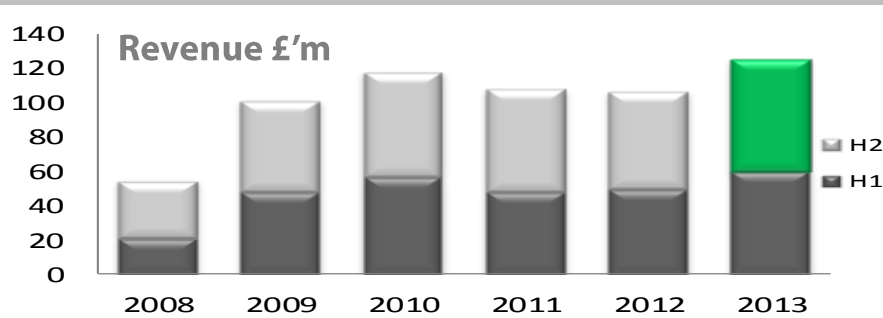
2013

PRELIMINARY
RESULTS

Peter Slabbert Chief Executive



Highlights



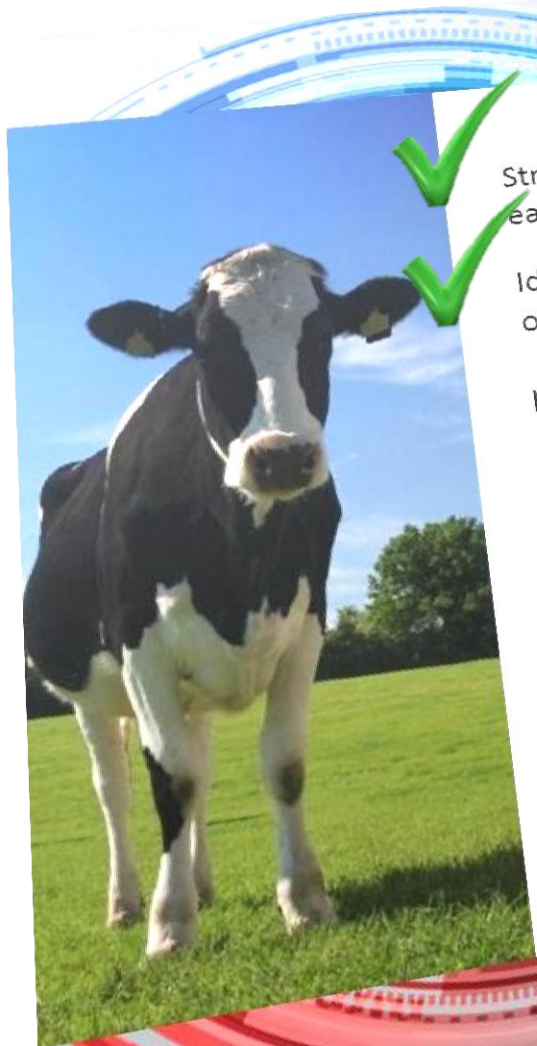
Financial highlights

- EBITDA up 22% to £20m
- Adjusted profit before tax up 27% to £14m
- Lower effective tax rate
- Adjusted diluted earnings per share up 34% to 34p
- Dividend per share of 4.32p up 20%
- 114% conversion of operating profit to operating cash inflow

Operational highlights

- Growth in DOD respirator sales and order book secure for the next three months
- Continued growth in non-DOD Protection & Defence order intake, including a 52,000 respirator order for 2014 delivery to a Middle East customer
- Project Fusion, our product development programme, progressing to schedule
- Further market share gain for the Milkrite ImpulseAir liner in tough Dairy markets in US & EU
- Dairy sales and distribution footprint growing and Cluster Exchange Service launched in California





✓ Strong growth in revenue and earnings in the first half

✓ Identifying and generating more opportunities

H2 2013 focus

✓ Protection & Defence

- JSAM
- Fire – Deltair
- Integrating VR Technology
- Commercial activities
- Fusion delivery

✓ Dairy

- Cluster Exchange
- BRIC expansion

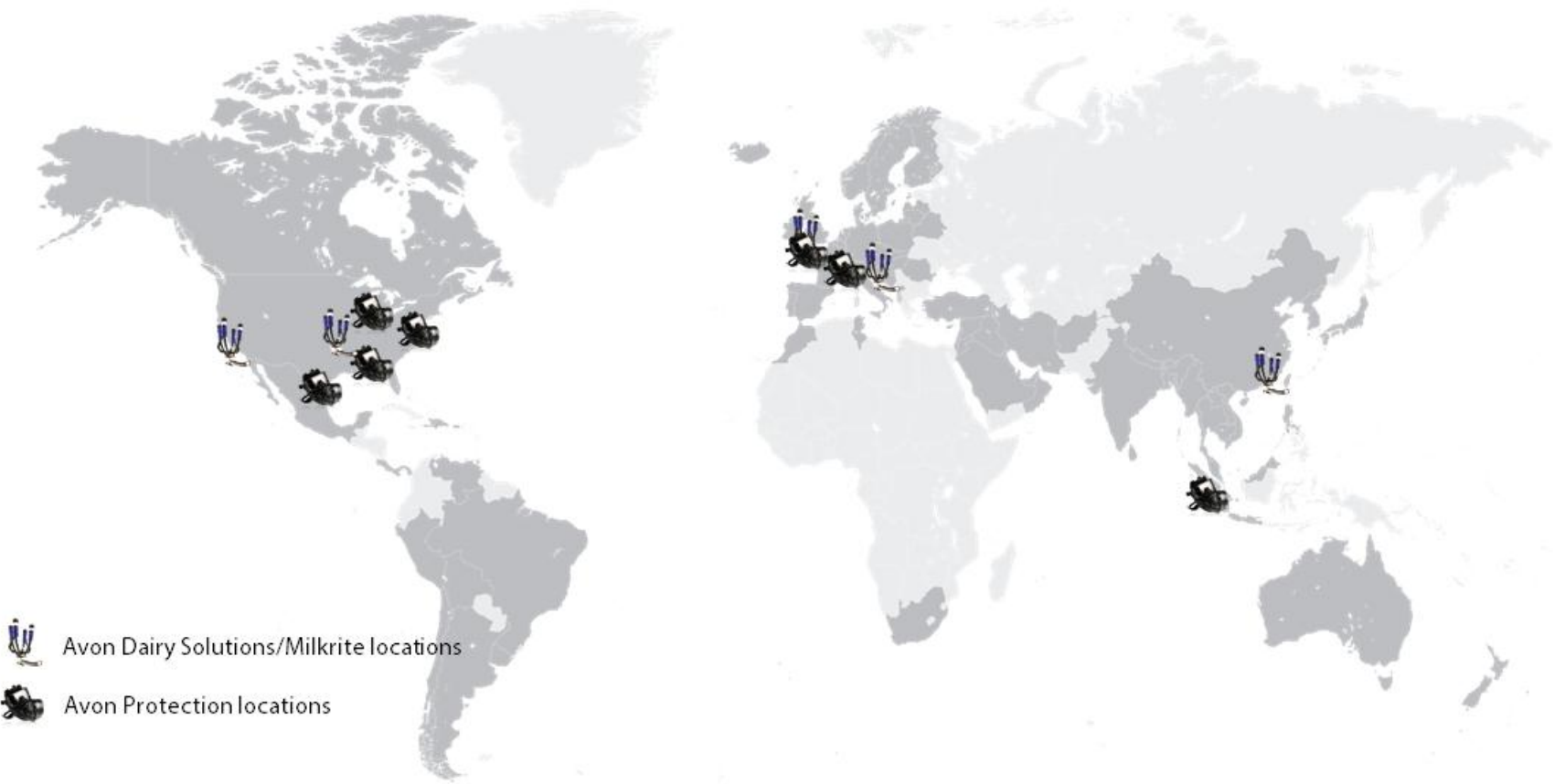




investing in innovation

27



Andrew Lewis
Group Finance Director



-  Avon Dairy Solutions/Milkrite locations
-  Avon Protection locations

Group income statement

		2013 £'m	2012 £'m
Revenue	↑ 17 %	124.9	106.6
EBITDA	↑ 22 %	20.0	16.4
Depreciation and amortisation		(5.8)	(4.8)
Operating profit before amortisation of acquired intangibles and exceptional items	↑ 22 %	14.2	11.6
Amortisation of acquired intangibles and exceptional items		(0.8)	-
Operating Profit		13.4	11.6
Interest expense		(0.3)	(0.2)
Other finance income/(expense)		0.1	(0.4)
Profit before taxation		13.2	11.0
Taxation		(3.6)	(3.2)
Profit for the year		9.6	7.8
Adjusted diluted earnings per share	↑ 34 %	34.0p	25.4p

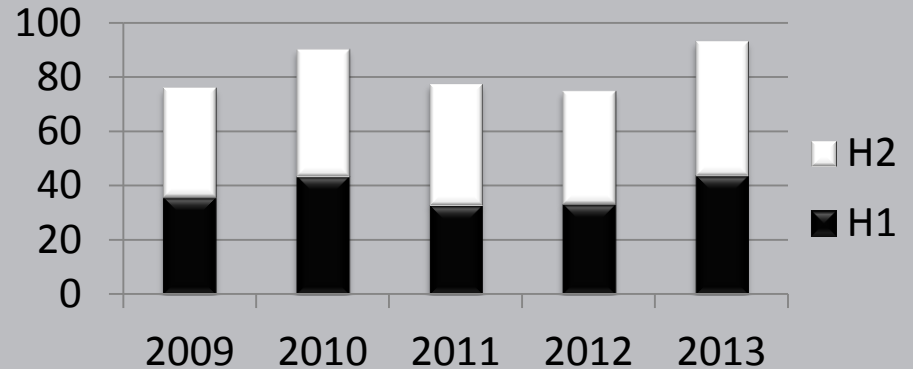


Protection & Defence

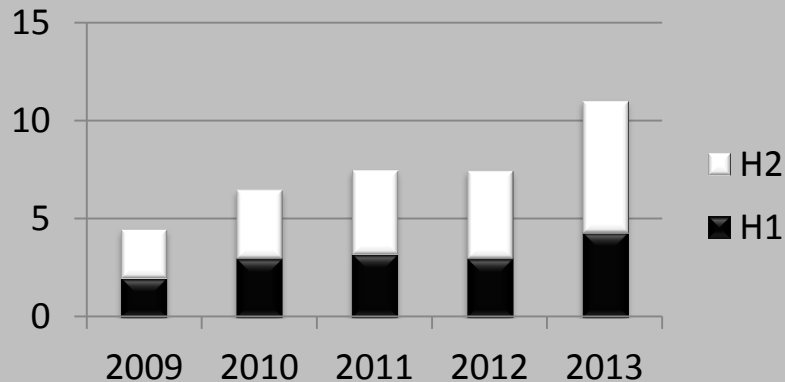
Financial

	2013 £'m	2012 £'m
Revenue	93.2	74.6
EBITDA	16.1	11.6
Adjusted operating profit	11.0	7.5

Revenue £'m



Operating Profit £'m

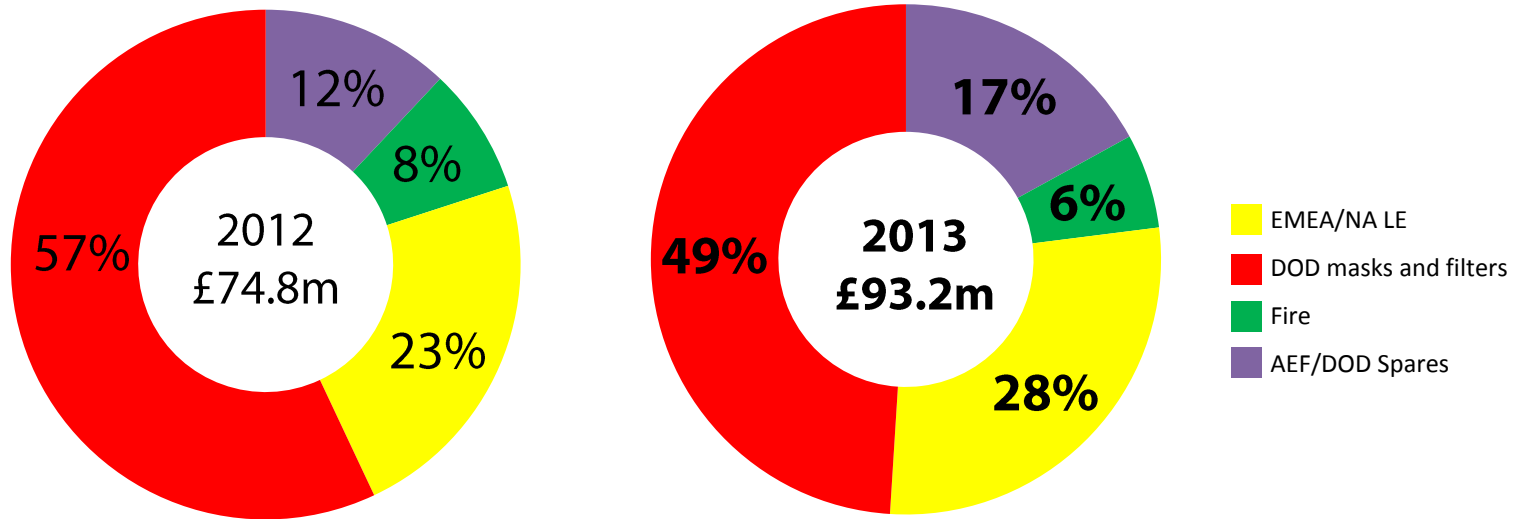


Performance drivers

- Growth in sales of DOD mask systems (223,000) and other spares offset a reduction in filter spares (429,000)
- Growth in non-DOD sales both from strong brought forward order book and strong order intake
- Growth in revenue at AEF
- Closing order book of £31m for delivery in 2014, half of which is non-DOD



Protection & Defence market

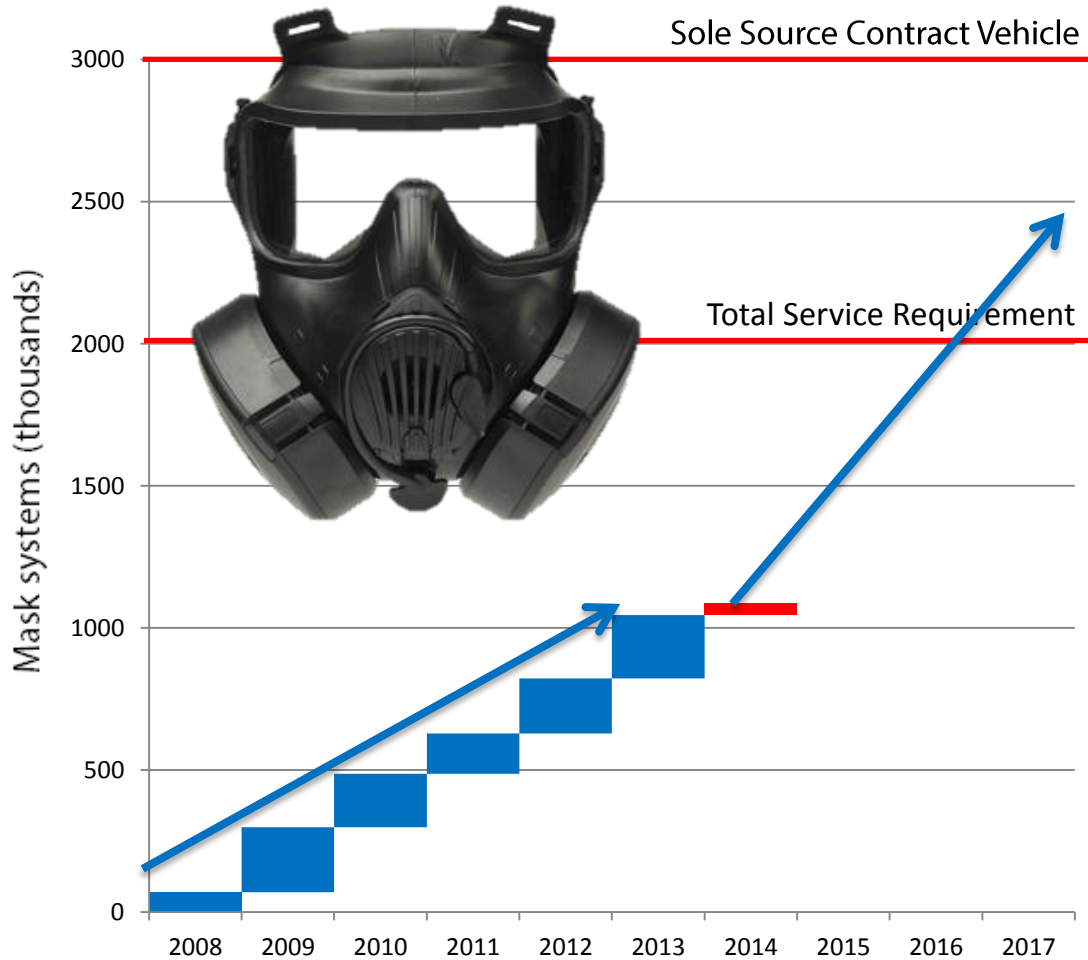


- Sales of mask systems and filter spares to the DOD increased by £2.6m but are a lower % of a larger revenue base
- Growth in non-DOD revenue in line with strategy. Continued shipments against the £15m multi-year order won in 2012. Strong 2013 order intake including the 52,000 C50s order won in 2013 for 2014 delivery
- Good year at AEF and for DOD spares
- Fire revenues flat, new regulatory standard and Avon product launch to drive opportunities in 2014 and beyond

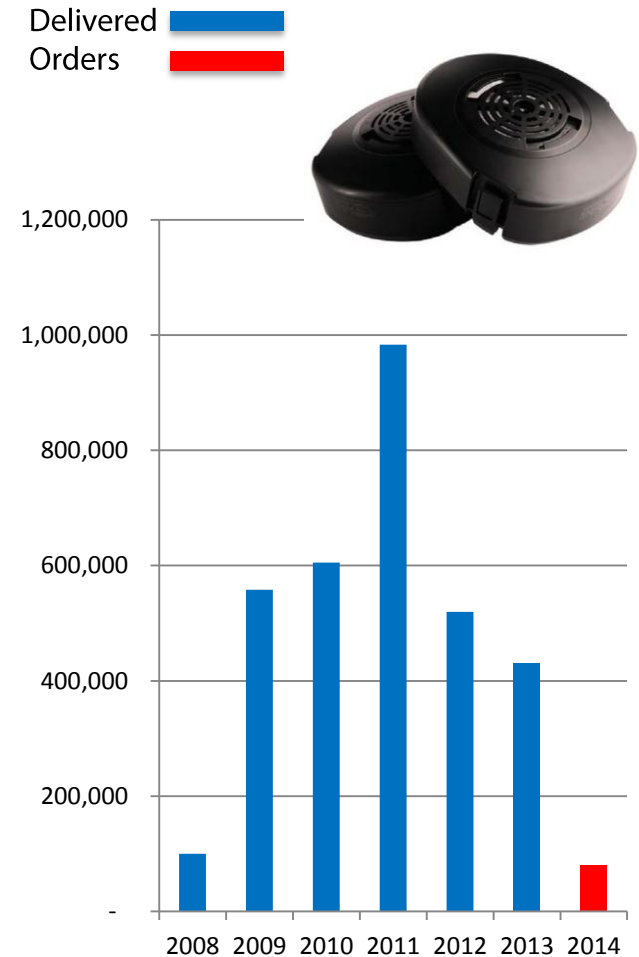


DOD contract summary

Mask systems



Filter spares (pairs)

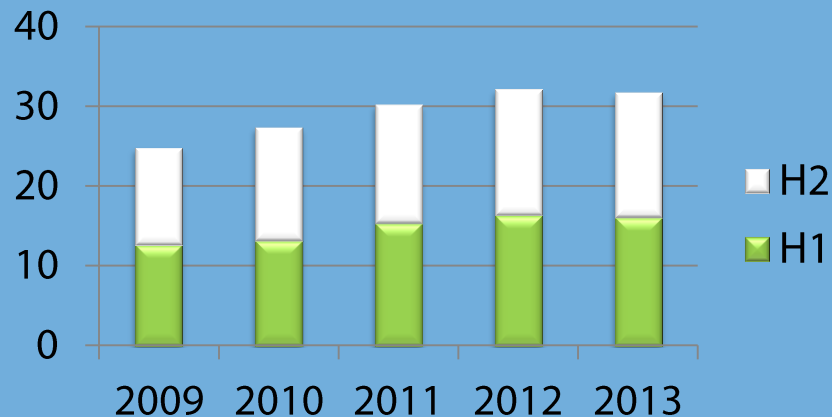


Dairy

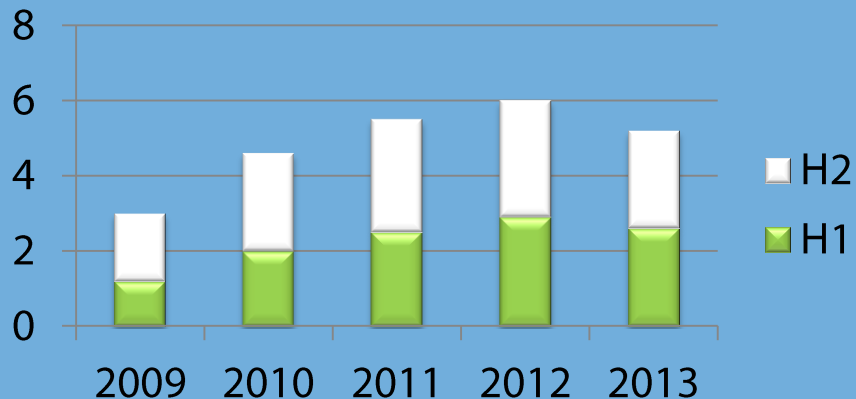
Financials

	2013 £'m	2012 £'m
Revenue	31.7	32.1
EBITDA	5.8	6.5
Operating profit	5.2	6.0

Revenue £'m



Operating profit £'m



Performance drivers

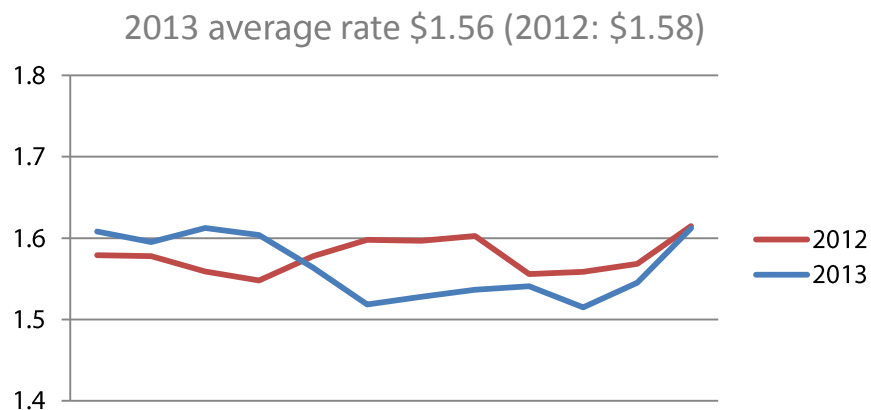
- ImpulseAir liner reached 19% market share in US
- Lower milk prices and higher feed costs led to fluctuating demand for our consumable products
- Impact of increased investment in infrastructure
- Cluster Exchange programme launched in Q4



US\$ TRANSLATION HAS HAD NO SIGNIFICANT IMPACT THIS YEAR

Group	Protection & Defence		
	2013 £'m	2012 restated at 2013 rates £'m	2012 £'m
Revenue	124.9	107.6	106.6
EBITDA	20.0	16.5	16.4
Adjusted operating profit	14.2	11.7	11.6

US dollar rates



Dairy


	2013 £'m	2012 restated at 2013 rates £'m	2012 £'m
Revenue	31.7	32.3	32.1
EBITDA	5.8	6.6	6.5
Operating profit	5.2	6.1	6.0



Cashflow

	2013 £'m	2012 £'m
Cash generated from operations	15.3	14.7
Tax	(2.2)	(0.3)
Interest	(0.4)	(0.3)
Payments to pension scheme	(0.6)	(0.6)
Capital expenditure	(11.1)	(9.5)
Acquisition of VR Technology Holdings	(0.4)	-
Purchase of own shares	(1.8)	(0.3)
Dividends to shareholders	(1.1)	(0.9)
Exchange and other	0.1	0.3
Movement in net debt	(2.2)	3.1
Opening net debt	(8.7)	(11.8)
Closing net debt	(10.9)	(8.7)

114%
OPERATING
PROFIT
CONVERTED
TO CASH




Summary balance sheet

	2013 £'m	2012 £'m
Intangible assets	16.6	13.3
Property, plant and equipment	20.4	17.8
Current assets	34.3	30.2
Current liabilities	(23.4)	(21.5)
Non-current liabilities	(5.0)	(5.0)
	42.9	34.8
Net debt	(10.9)	(8.7)
	32.0	26.1
Retirement benefit scheme	(11.3)	(2.2)
Net assets	20.7	23.9

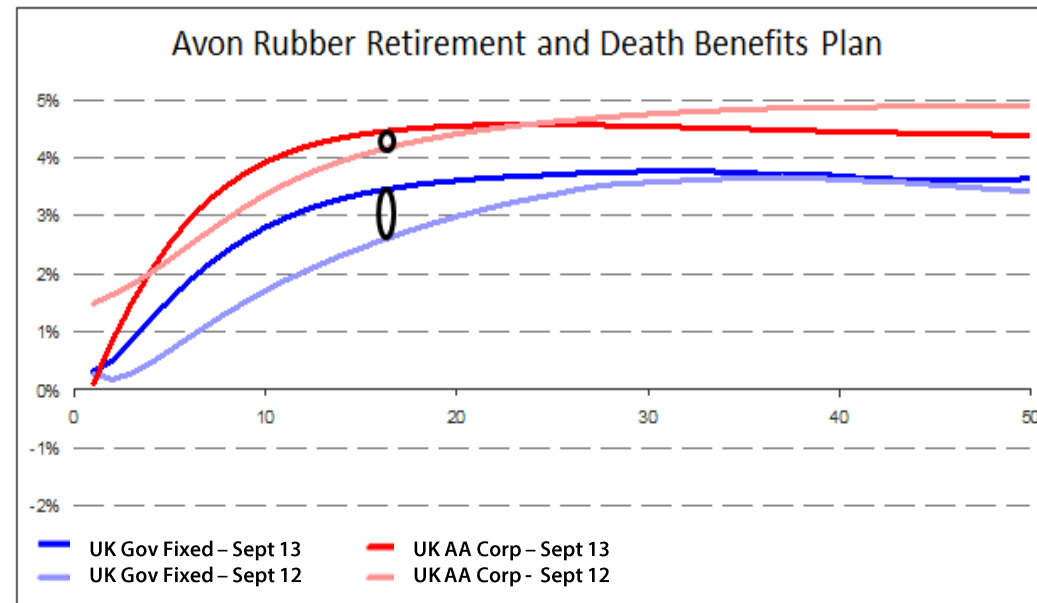


£11m
 INVESTMENT
 IN NEW
 PRODUCTS AND
 INFRASTRUCTURE

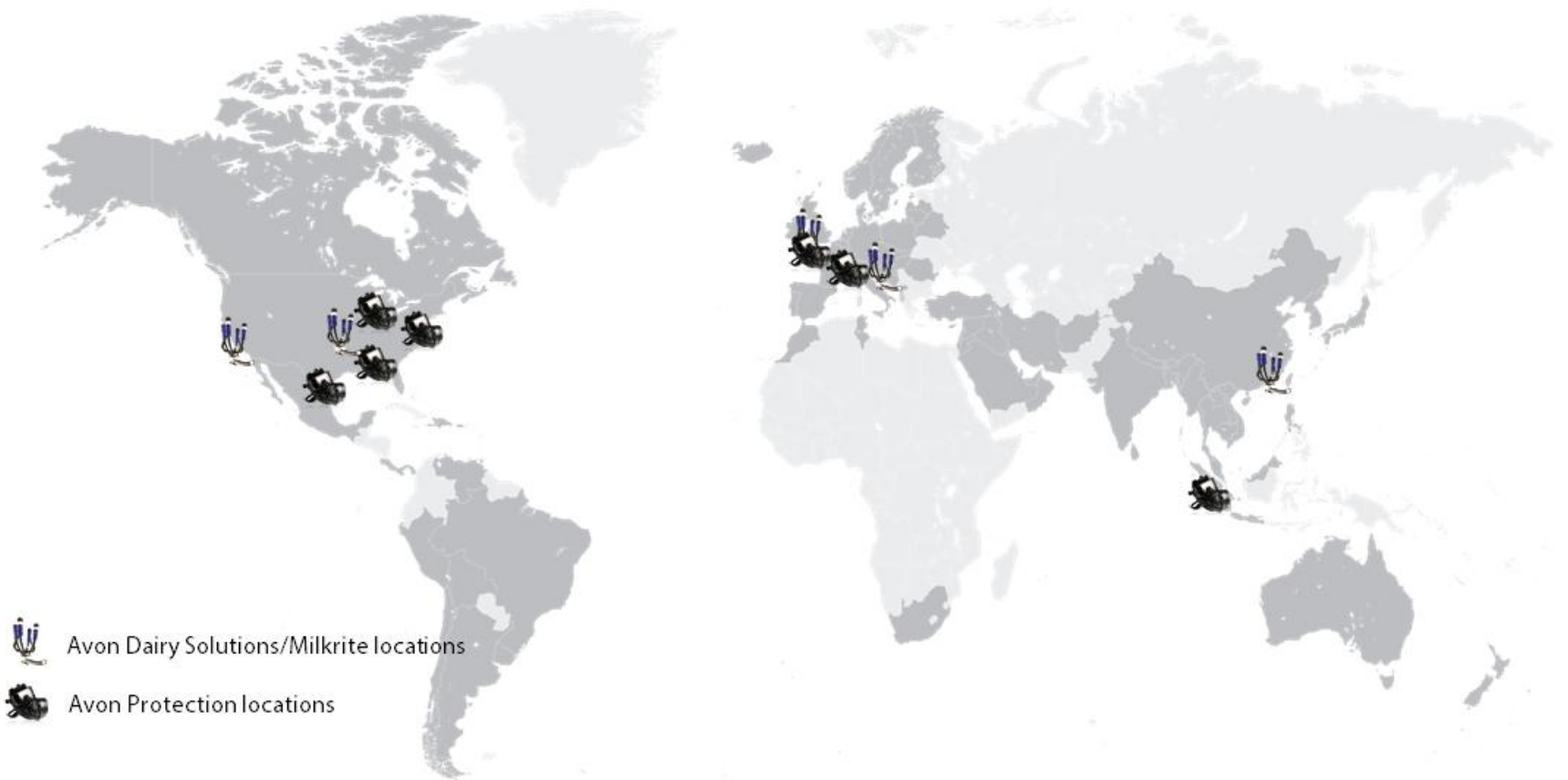



IAS19 2013


- Accounting deficit moved from £2.2m at 30 Sept 2012 to £11.3m at 30 Sept 2013
- Income statement shows a £0.1m credit (2012: £0.2m charge) reflecting the lower AA corporate bond rate at 30 September 2012 compared to 2011
- Strong asset performance in the return seeking asset classes, but the AA corporate bond driven discount rate hasn't moved in line with the liability driven investment (LDI) (which tracks gilts) as the LDI is designed to hedge actuarial not accounting liabilities, see graph
- The revision to IAS 19, effective 1 October 2013, will give rise to a restatement which will negatively impact the 2013 income statement by £0.8m. The effect on 2014 is expected to be similar



Peter Slabbert Chief Executive

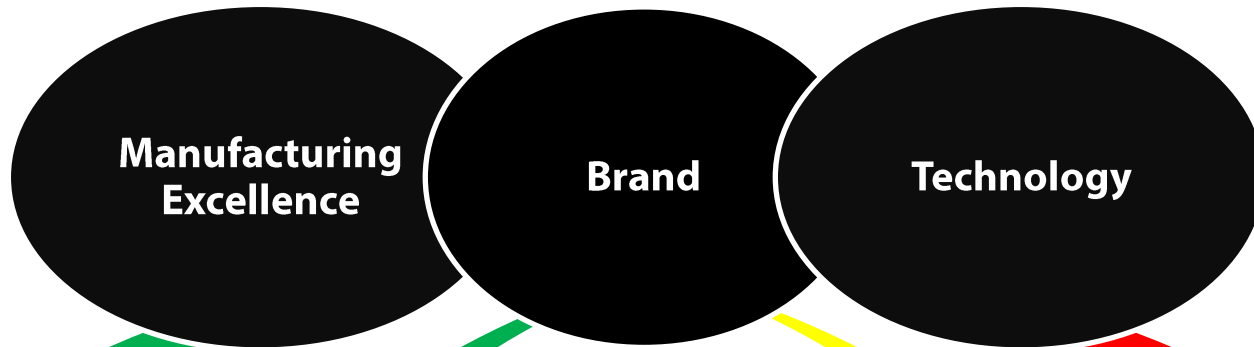


 Avon Dairy Solutions/Milkrite locations

 Avon Protection locations



Protection & Defence roadmap



DOD

- JSGPM M50/M61
- JSAM MM53
- Special forces M53
- EEBD bid
- Development funding

Global military and first responder markets

Aerospace

- JSAM
- Underwater applications
- VR rebreather technology

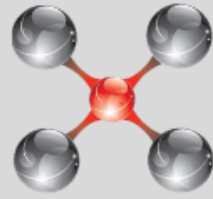
Fire

- Deltair SCBA
- TIC
- Rebreather technology

Industrial (Mining, Oil, Gas, Medical)

- Escape products
- APR
- Supplied air
- Powered air





FUSION

Product Strategy Delivers:
Unique modular approach to respiratory protection
Multi-community interaction through common Avon products
Total market coverage for all Fire, Military and First Responder communities

Filter Products

MilCF50 & CBRNCF50 NIOSH approved and available for sale



FM54 & Law Enforcement SCBA

Development in progress
Expected 2014 launch

Deltair

Undergoing NFPA certification testing
Launched at 2013 FDIC Show
Available for sale in 2014

Avon Air System

PAPR Belt Module & combination hose
EZAir Plus (CBRN hardened)
CE & NIOSH approvals expected in 2015

PC50

NIOSH approved and available for sale

PC50 with EZAir

Development complete
Expected 2014 launch



Protection & Defence outlook

Market environment

DOD

- Budget uncertainty - sequestration

EMEA

- Budget pressures
- Increasing risk recognition/events
- Emerging markets

FIRE

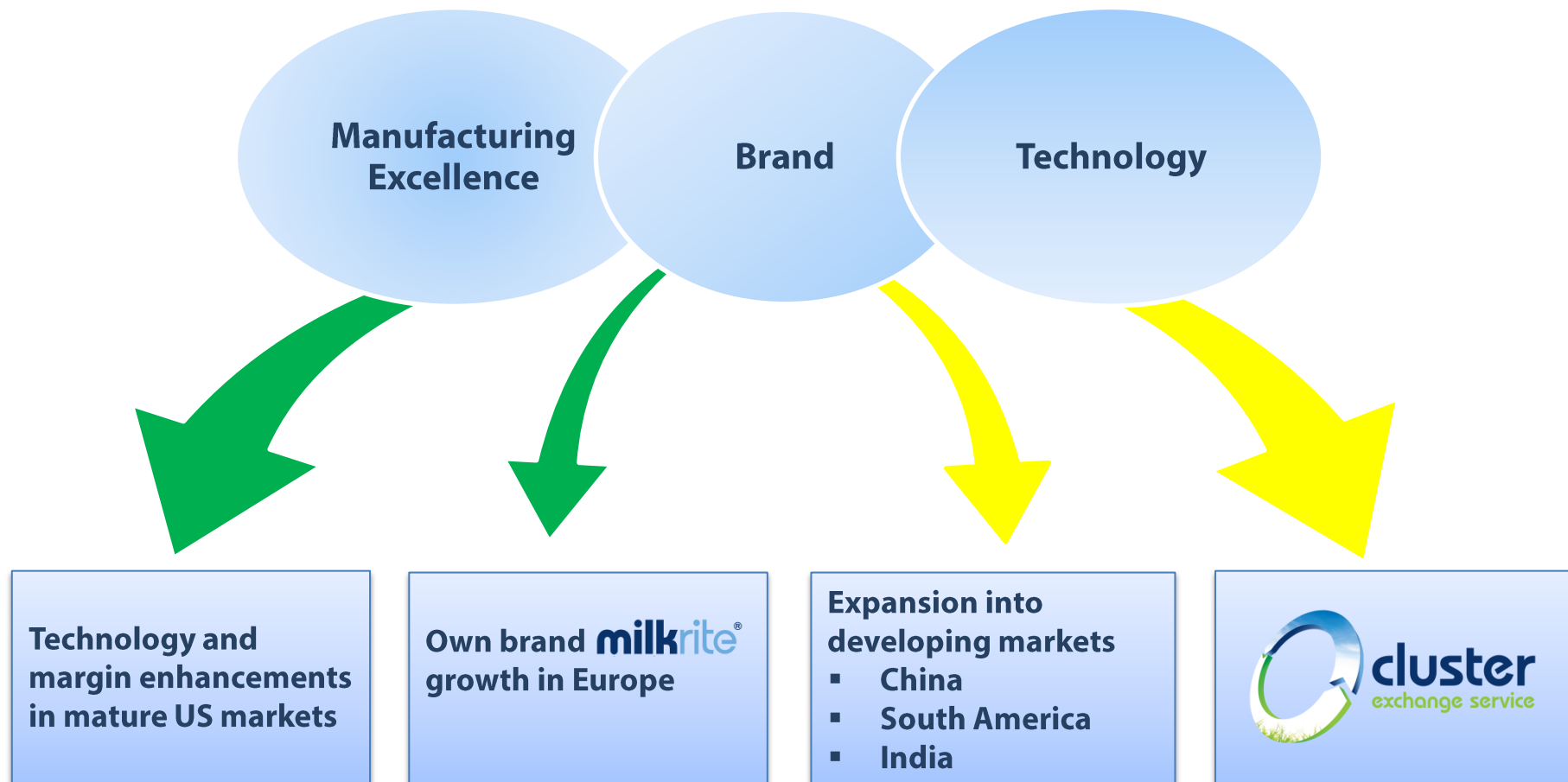
- Reducing US Federal funding
- NFPA standard delayed (Feb 14)

Growth drivers

- Personal protection remains a priority
- Funding line for JSJGM project still increasing
- JSAM new programme start
- EEED and other respiratory protection opportunities
- ME threats leading to significant CBRN spend
- New markets recognising CBRN protection needs
- Events – G20, Olympics etc.
- Likely replacement product of choice in established markets
- \$400m p.a. US market
- Market share growth with new Deltair product



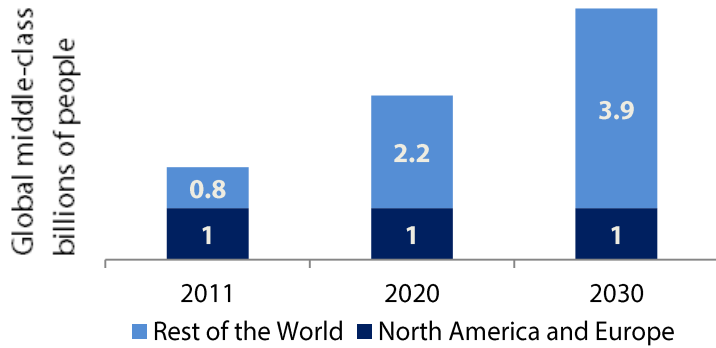
Dairy roadmap



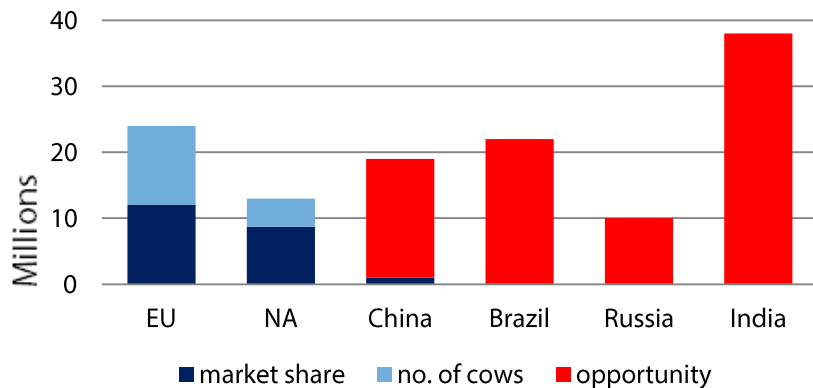
Dairy market

The emergence of 3 billion middle-class consumers

Source: OECD / McKinsey. 2011 datapoint based on UN statistics



Market share and opportunities



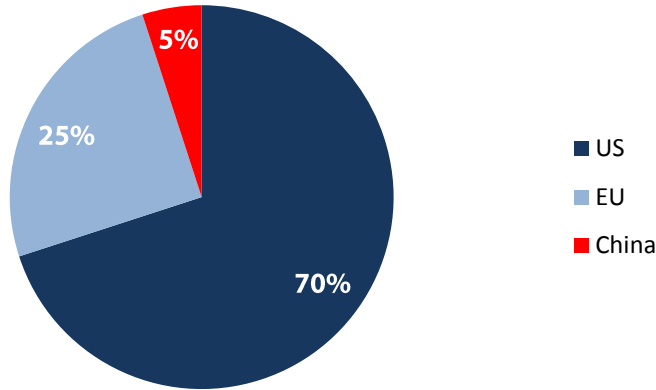
Market environment

- Population growth
- Growing middle-class consumers of dairy products
- Expansion of emerging markets (BRIC)
- Technology growth
- Farm consolidations
- Higher feed costs put farm profits under pressure in 2012/13. Likely to reduce with improved 2013 harvest
- Lower milk prices but outlook improving in 2013/14



Dairy outlook

Our geographical revenue split

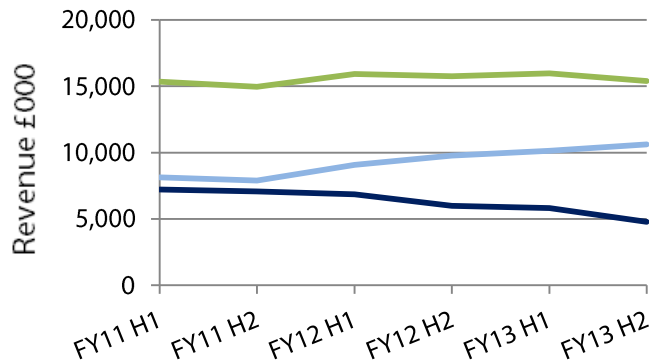


Growth drivers

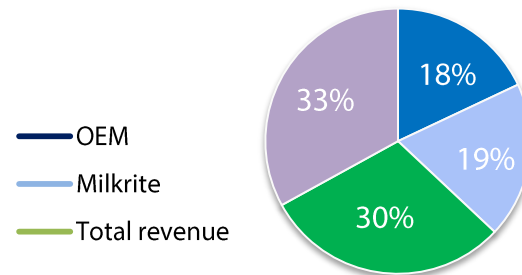
- ImpulseAir
- Cluster Exchange programme
- Direct distribution in BRIC markets
- Global dairy demand
- EU distribution capability and expansion
- Technical product range expansion

Market share

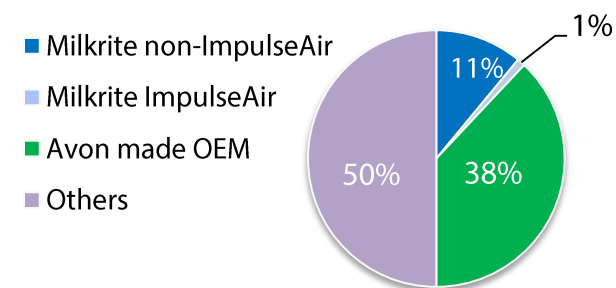
Revenue by product



US



EU



Protection – other technologies / opportunities

Respiratory and PPE markets

Full body protection

Training and through-life maintenance

Communication

Helmet integration

Filtration

Respiratory

“Avon Protection Systems is a customer-driven world leader of advanced CBRN/respiratory protection systems delivering quality, reliability, performance and value to military and first responders”



Detection



Collective Protection



Individual Protection



Decontamination



Dairy - other technologies/opportunities

“ Milkrite is a market-leading brand of innovative high technology consumable products supplying the growing dairy industry around the globe ”



**Sensor technology
and telemetry**

Vacuum pumps

Pulsators

**Cluster Exchange
Service**

Claws

Shell

Tubing

Liners



Brazil

China

EU + US

Russia

India





We expect to make further progress in both our Protection & Defence and Dairy divisions in 2014 as our clear strategic direction takes further effect.

In our global Protection & Defence business, we are the technology leader and we are continuing to invest in people and products to maintain and improve our market leadership. Our lean cost base has helped to deliver substantial profit growth in the weak economic environment that has prevailed since 2008. We will continue to benefit from the security of the long-term DOD contract which is now supported by an increased market share in the US first responder and foreign military and law enforcement markets.

The Dairy business is well positioned in a market with long-term growth potential and improving short-term market conditions. After a year of investment in business development our potential for growth is strong. The cost base of this business is appropriately sized and there will be opportunities to enhance profitability through development of the strong Milkrite brand through our global distribution capability, augmented by new product and service offerings.



We have been successful in 2013, delivering growth in revenue and earnings.

2014 focus:-

Protection & Defence

- Fusion
- JSAM
- Fire
- Commercial activities



Dairy

- Cluster Exchange continued rollout
- Milkrite sales expansion in EU including ImpulseAir penetration
- BRIC market development



Reconciliation to non-adjusted measures

	Non-Adjusted	Adjustments	Adjusted
Group EBITDA (£m)	19.6	0.4	20.0
Group Operating profit (£m)	13.4	0.8	14.2
Group Profit before taxation (£m)	13.2	0.8	14.0
Group Profit for the year (£m)	9.6	0.8	10.4
Basic Earnings per Share (pence)	32.7p	2.7p	35.4p
Diluted Earnings per Share (pence)	31.4p	2.6p	34.0p
Protection & Defence EBITDA (£m)	15.7	0.4	16.1
Protection & Defence Operating profit (£m)	10.2	0.8	11.0
Dairy EBITDA (£m)	5.8	-	5.8
Dairy Operating profit (£m)	5.2	-	5.2

The Directors believe that adjusted measures provide a more useful comparison of business trends and performance. Adjusted results exclude exceptional items and the amortisation of acquired intangibles. The term adjusted is not defined under IFRS and may not be comparable with similarly titled measures used by other companies.

All profit and earnings per share figures in this presentation relate to adjusted business performance (as defined above) unless otherwise stated.

The adjustments, both of which relate to Protection & Defence, comprise:

- amortisation of acquired intangibles of £0.4m
- exceptional items relating to the relocation of the AEF facility of £0.4m



Safe harbour statement

Avon Rubber p.l.c. (the 'Group') is providing the following cautionary statement. This document contains certain statements that are or may be forward-looking with respect to the financial condition, results or operations and business of the Group. These statements are sometimes, but not always, identified by the words 'may', 'anticipates', 'believes', 'expects' or 'estimates'. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. A number of factors exist that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to (i) change to the current outlook for the world market for defence, security and dairy, (ii) changes in tax laws and regulations, (iii) the risks associated with the introduction of new products and services, (iv) significant global disturbances such as terrorism or prolonged healthcare concerns, (v) the termination or delay of key contracts, (vi) long term fluctuations in exchange rates, (vii) regulatory and shareholder approvals, (viii) unanticipated liabilities and (ix) actions of competitors. Subject to the Listing Rules of the UK Listing Authority, Avon Rubber p.l.c. assumes no responsibility to update any of the forward-looking statements herein.





www.avon-rubber.com