

Contents

- **Business & Market (1)**
- **Financial Strategy (2)**
- **Financial Highlights (3)**
- **Operating Performance (4)**
- **Full P&L Performance (5)**
- **Outlook (6)**
- **Appendices (7)**

Business & Market (1)

- **Consolidator of niche plastics products businesses**
 - Large fragmented industry
 - Niche product areas
 - High ROCE
 - Growth opportunities
 - Owner managers seeking retirement exits
 - Lack of critical mass and professional management
 - Businesses with improvement upside
 - Technical and operational synergies

Business & Market (1)

- Well established “real” businesses in growing niche areas
 - Market leading positions
 - IP in technical and production processes
 - High customer retention
 - Diverse end markets
 - Low competitive pressure
 - High margins, stable pricing
- Highly profitable and cash generative

Financial Strategy (2)

- **Acquire attractive cash generative businesses at low multiples**
 - Use prudent levels of debt to lower the cost of capital
- **Improve these businesses sustainably through**
 - Growth - e.g. new products, new markets
 - New management and techniques
 - Bolt-ons/rationalisation
- **Use cash flows to repay debt as quickly as possible**
- **Achieve higher/more sustainable EBITDA, reducing debt, superior rating**
 - A very significant increase in shareholder value
- **Use surplus cash generated to repeat the cycle**

Financial Highlights (3)

Special factors impacting the year's results were:

- 4 acquisitions carried out during the year
 - Cobb Slater, Sabre Plastics, Channel Matrix, Palagan
 - Successful integration

- IPO in December
 - Vendor debt repaid, including redemption premia

- 3 refinancings in year

- Rationalisation of three factories completed
 - Significant exceptional and discontinued changes

- Currency fluctuations
 - Euro strength in final quarter
 - Dollar weakness in first half

Operating Performance (4)

● Excellent growth has been achieved in FY2008

	FY2008 £' 000	FY2007 £' 000	% Change FY08 vs. FY07	
			Actual	@ Constant FXrate
Sales	20,452	15,407	32.7%	34.8%
EBITDA	3,892	2,560	52.0%	55.9%
EBITA	3,467	2,116	63.8%	67.3%
	%	%		
EBITDA/Sales	19.0%	16.6%	2.4%	2.4%
EBITA/Sales	17.0%	13.7%	3.2%	3.1%

Notes

1. EBITDA and EBITA excludes exceptionals

Operating Performance (4)

- Growth has been driven both through acquisitions and organically

	% Change FY08 vs FY07		
	@ Constant FXrate	Acquisitions	Organic
Sales	34.8%	27.6%	5.6%
EBITDA	55.9%	38.2%	12.8%
EBITA	67.3%	45.9%	14.7%

Notes

1. EBITDA and EBITA exclude exceptionals

Operating Performance (4)

- Annualised contribution from acquisitions completed in FY2008:

£'000	Actual	"Run Rate"
Sales	20,452	30,969
EBITDA	3,892	5,900
EBITA	3,467	5,079

Notes

1. EBITDA and EBITA exclude exceptionals
2. "Run Rate" includes 12 months Channel and Palagan (as per normalised pre-acquisition performance)

P&L - Statutory vs. Underlying (5)

- Adjustments to statutory accounts to highlight underlying financial performance

£'000	Statutory	"Underlying"	Notes
EBITA	3,467	3,467	
Amortisation	839		Not an "economic" cost
EBIT	2,628	3,467	
Exceptionals	2,889		One-offs related to IPO and rationalisation
Interest	900	900	
Fx Translation	1,708		Unrealised loan and derivative losses
PBT	-2,869	2,567	
Tax	552	719	28% applied to Underlying
PAT (continuing)	-2,317	1,848	
Discontinued Ops	-821		Factories closed
PAT	-3,138	1,848	
EPS (p)	-19.6	12.2	16.05m weighted ave shares in issue

Notes

- EBITA excludes exceptionals

Exceptional Items (5)

- Significant exceptional costs associated with the IPO and factory moves

	<u>£'000</u>
Debt premiums on debt repaid at IPO	
- 2010 Loan Notes	965
- Trimplex Vendor Loans	161
- Channel Bridging Loans	600
Factory Set-up Costs	
- BNL Thailand	54
Factory Rationalisation	
- Cobb Slater	814
- Trimplex	88
- C&T Matrix	207
TOTAL	2,889

- Reduced tax charge anticipated in future years

Borrowings (5)

- Debt structure simplified during the year and comfortably within target range

	<u>£'000</u>
RBS Term Loan	16,390
RBS Property Loan	1,100
Palagan Vendor loan	500
Total Debt	17,990
<hr/>	
Cash	1,708
Net Debt	16,282
<hr/>	
Net Debt/EBITDA multiple	2.76

- Current average cost of borrowings is 6.78% and linked to LIBOR and EURIBOR

Underlying Run Rate Profitability (5)

- By using the run rate EBITA (slide 9), the current cost of borrowings, a standard tax rate, and shares in issue, a clear picture of the performance of the group emerges

	£'000	Notes
EBITA	5,079	Run rate operating performance
Interest	1,104	£16.3m net debt at 6.78% cost
PBT	3,975	
Tax	1,113	28% applied
PAT	2,862	
EPS (p)	10.7	26.85m shares in issue

Note that this is not a forecast, but merely a way of viewing the true economic performance of the group after adjusting for this year's special factors

Key Ratios (5)

- Other key ratios we monitor closely include:

	Ratio	Comments
Interest Cover (EBITDA/Interest Paid)	4.3	
Debt/Total Capital	52%	
Debt Service Cover	1.4	
Capex/Sales	5%	excludes purchase of Palagan property
WC/Sales	34%	WC is targeted to reduce to <30% of sales

Outlook (6)

- Economic climate is uncertain
 - Weaker UK and US markets
 - Asia remains strong
 - Rest of Europe - satisfactory

- Diversity of Plastics Capital business (both by geography and application) gives the Group a degree of resilience

- Raw material prices
 - Unaffected in some products
 - Where affected - mitigated by passing on or re-engineering

- Still some synergies to work on at C&T Matrix

- Thailand factory a key development this year
 - Expansion of Thai assembly
 - Additional moulding capacity
 - Lower costs and shorter delivery times

- Acquisitions - many opportunities under offer/discussion
 - Current pipeline focused towards bolt-on acquisitions

Appendices

Plastic bearings



- Injection moulded acetyl raceways
 - Stainless steel balls in between
- Used wherever rotating motion is required
- Advantages over metal bearings
- Tight tolerances required to prevent malfunction
- Special technical capability at BNL
 - Raceways do not need machining after moulding
 - Proven design expertise for OEM' s
 - Customers include Ricoh and other household names

Plastic bearings



- £50 - 100 million market
 - 50/50 split custom designed/standard
- Market leader in custom designed segment
 - 25 - 30% market share
- Design solutions provided for major OEM' s
 - Linked to new product launches or upgrades
 - High levels of repeat business
- Low cost critical components
- Significant new market opportunities

Nylon hose mandrel



- Nylon rods extruded in up to 2km lengths
- Diameters vary from 3-50mm
 - <0.1mm tolerance in diameter
- Forms the critical inside diameter of the rubber hose
 - Absence of voids and ovality is crucial
- Advantages over other materials
 - More flexible than metal and polypropylene
 - More resilient and cost effective than rubber
- Unusual in-house highly automated production lines

Appendix (i) Key Products

Nylon hose mandrel



- Only significant supplier worldwide
- Estimated total market size £20+ million
 - Penetration opportunity for nylon
- ‘Critical consumable’ in the global rubber hose industry
 - Customer’s process arranged to suit mandrel type
- Customers with high switching costs
- Current product developments leading to growth opportunities
 - Key attributes - flexibility, lubricity, size

Creasing Matrix



- Strip assembled from extruded plastic and film
- Consumable used in manufacture of cardboard boxes
 - Matrix channel applied to machine counterplate
 - Enables box to be creased/folded automatically
 - Each production run requires new matrix layout
- Inexpensive and flexible creasing method
- Tight dimensional tolerances are crucial
 - Prevents machine malfunction
- Very large range of sizes and types required ex-stock
 - For different cardboard thicknesses and types

Creasing Matrix



- Strip assembled from extruded plastic and film
- Consumable used in manufacture of cardboard boxes
 - Matrix channel applied to machine counterplate
 - Enables box to be creased/folded automatically
 - Each production run requires new matrix layout
- Inexpensive and flexible creasing method
- Tight dimensional tolerances are crucial
 - Prevents machine malfunction
- Very large range of sizes and types required ex-stock
 - For different cardboard thicknesses and types

Appendix (i) Key Products

Customised Film Packaging



- High strength customised film packaging made by specialist technology
- Unique material recipes to meet customer requirements for lower costs
- In-line automated production including finishing with swift changeovers
- 500 customers, mainly UK
- High customer loyalty and relatively low price sensitivity
- Management team retained and incentivised
- Dunstable factory & warehouse - total 30,000 sq.ft.



Bearings

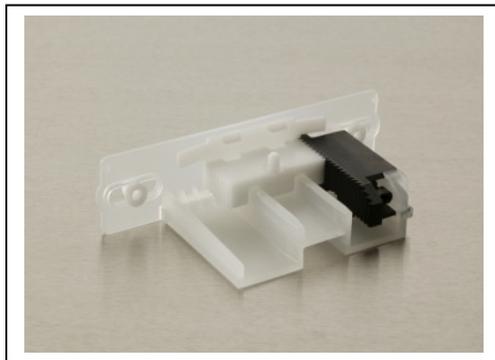


BNL's integration of plastic pan and tilt bearings into a CCTV dome allows time and cost savings whilst maintaining optimum performance.

- The integration of components made possible through BNL plastic bearing technology has been a significant success, vastly reducing the component count and introducing original features
- A significant proportion of the mechanical content arrives pre-assembled at HL, ready for the remaining parts to be easily fitted.
- Importantly, this reduction of component parts dramatically reduced assembly times and parts costs, resulting in the desired cost efficiency for HL and their customers. BNL achieved the minimum number of components for the mechanical assembly. The unit is now made up of only two bearing sub-assemblies, which are then fixed together to complete the unit. The camera is secured to the tilt arm by a single screw.
- The system also establishes innovative integration of features such as that of an optical interrupter flag for the position sensor in the pan and tilt bearings for tracking the camera position, integrated drive pulleys and fastener-free installation of the slip ring and circuit boards.
- HL and BNL also collaborated on the design of the Chassis which supports the camera 'Scan Unit' in the housing. This uses strong but lightweight plastic material to locate the Incoming wiring and various circuit board options. The 'Scan Unit' is an innovative snap fit into the Chassis with a Sliding connector to complete the electrical connection.
- The Chassis is also supplied by BNL as part of the overall assembly and is designed to fit each type of housing, leading to efficiencies and cost reductions across the range.



Bearings



- BNL's in-house design team and the Kohler Daryl Development and Design Team, working in close collaboration, have produced a mechanism (patent pending), which allows glass panels to be inserted directly into the aluminium frame and be locked in place with one turn of a screwdriver. Having already provided Daryl Showers with various ball-bearing assembly solutions for their shower enclosure doors, BNL was chosen to assist in the realisation of the project. "As ever, BNL played a pro-active role in the development process helping to turn the original concept into mass-produced reality", stated Andy Baines, Daryl's Design & Development Manager.
- The design is made up of two parts, both equipped with sliding teeth. One part is embedded in the frame of the shower and the other is attached to the glass panel itself. Once the frame is fixed to the wall, the glass panel can be slotted into the frame, where the teeth slide together to achieve a balanced fit. The mechanism is then locked together with one turn of a spring-loaded cam pin, fixing the glass securely in the frame. The simplicity of the mechanism is evident; "We even left the photography chaps at their studio to install these new units with no help from us and they said that they were the easiest they had ever done", said Jon Sands, Daryl's Design Engineer.
- The key benefits are that the mechanism can be loosened and re-tightened to allow adjustment of the panel in the frame, achieving the ideal positioning and helping to reduce after sales costs. Also, there is no longer any need for drilling through the frame to secure the panels, narrowing the possibility of damage during installation and easing the whole process.
- The mechanism will initially be placed in the Mattia and Lana range of showers intended for the house building, retail and quality builders merchants markets, where the ease of installation will be a key selling point. It is designed to be easily adapted to fit a range of potential glass widths, so can potentially be used in other shower enclosure designs.

