News Release

16 June 2015

Consort Medical plc

Final results

Consort delivers good financial results with continuing organic growth in a transformational year.

Consort Medical plc (LSE: CSRT) ("Consort", "Consort Medical" or the "Group"), a leading global drug delivery Contract Development and Manufacturing Organisation ("CDMO"), today announces its unaudited results for the year ended 30 April 2015.

Financial Highlights[1]

GBPm *12 months ended*	**FY2014** *30 April 2014*	**FY2015** *30 April 2015*	**Growth**	**FY2015** *@ acquisition fx[2]* *30 April 2015*
Revenue	100.0	184.8	84.8%	189.1
Operating profit (before special items)[3]	18.8	25.1	33.3%	25.7
EBITDA (before special items)[3]	24.4	33.2	36.0%	33.9
Profit before tax and special items[3]	17.5	22.7	29.5%	23.3
Profit after tax (before special items)[3]	13.9	19.4	39.6%	20.0
Adjusted basic EPS[4]	42.3p	47.8p	12.9%	49.1
Final dividend per share	11.68p	11.68p	-	11.68p
Cash generated from operations[5]	19.2	28.4	48%	
Statutory measures				
Profit before tax	16.1	5.5	(65.8%)	
Basic earnings per share[4]	41.5p	15.4p	(62.9%)	

- Continuing revenue and profit growth, with resilient core markets; supplemented by contribution from Aesica following its acquisition on 12th November 2014
- Growth in adjusted EPS of 12.9% to 47.8p per share
- Unchanged final dividend of 11.68p per share; total full year dividend unchanged at 18.11p
- Closing net debt position of £99.2m (FY2014: net cash £25.8m); Gearing of 2.3x Net Debt: EBITDA, comfortably within the banking facility covenant

Operational Highlights

- Acquisition, and successful integration, of Aesica - significantly expands Group's capabilities and opportunities for future growth
    - Positive reception from customers

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- MHRA marketing authorisation for Voke® brings launch closer
- Award of 2 new development contracts for Injectables
- Significant new multi-year supply agreement for proprietary integrated dose counter (IDC) system and pressurised metered dose inhaler (pMDI) valve, representing the first commercial oral variant of the device
- Significant progress in commercial / development opportunities for Syrina® and Lila®
- Commercial unveiling of Lapas®, a new range of innovative bolus injection devices powered by Vapoursoft®
- Further investment in Atlas Genetics - validation processes on the cartridge and manufacturing line at an advanced stage

Jon Glenn, Chief Executive Officer of Consort Medical, commented:

*"*We have delivered good financial results in a transformational year for the Company. The acquisition of Aesica brings significant further know how and process technology to Consort's range of pharma services. Bespak delivered another year of good organic growth and made marked progress with its growing pipeline. We are confident that the integration of Aesica will drive additional growth as the two businesses combine their expertise to provide joined-up development and supply chain solutions to meet customers' needs.

"The Board believes that the enlarged pipeline of opportunities and capabilities underpins its growth ambitions, and is confident of meeting its expectations for the coming financial year.*"*

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Notes:

1. Average exchange rates for 12 months ending 30 April 2015: €1.28971:£1;
2. Average exchange rates for 12 November 2014 to 30 April 2015: €1.32695:£1;
3. Exchange rates assumed in acquisition of Aesica: €1.2:£1;
4. Euro exchange rate plan sensitivity: €0.01 Revenue of £0.7m, EBIT of £0.1m

Consort Medical plc is a leading, global, single source drug and delivery device CDMO through its two operating subsidiaries Bespak and Aesica. Consort Medical is at the leading edge of innovation and is committed to investing in patient, clinician and customer driven innovation to create new treatments, new markets and new opportunities.

Bespak is a global market leader in the manufacture of drug delivery devices for pharmaceutical partner companies, including respiratory, nasal, and injectables products, and the manufacture of devices for the point of care diagnostics market.

Aesica is a leading provider of finished dose and active pharmaceutical ingredient (API) development and manufacturing services to pharmaceutical partners.

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The Group has facilities in King's Lynn, Cambridge, Nelson, Milton Keynes, Cramlington, Nottingham, Queenborough and Hemel Hempstead, UK; in Monheim and Zwickau, Germany; and in Pianezza, Italy. Consort Medical is a public company quoted on the premium list of the London Stock Exchange (LSE: CSRT). The Group's website address is www.consortmedical.com.

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Consort Medical plc

Chairman and Chief Executive's Combined Review

A Transformational Year

This has been a transformational year for Consort Medical, in which we have acquired and successful integrated Aesica, whilst delivering continued organic growth from Bespak. Aesica fulfils a stated strategic aim to diversify horizontally and vertically in drug delivery, and we are excited by the opportunities which this business combination provides, enabling us to offer a much broader service offering to our customers. Our development and innovation activities have continued to progress strongly in the year, delivering key milestones to underpin several potential avenues of growth for Consort.

Summary of Financial Performance[1]

Revenue increased by £84.8m (84.8%) to £184.8m (FY2014: £100.0m): Bespak delivered continuing growth of 5.8% to £105.8m (FY2014: £100.0m), notably from continuing market penetration from the Chiesi NEXThaler and Dr. Reddy's Sumatriptan auto-injector. Aesica contributed £79.0m of revenue, in the 5.5 months since its acquisition in November 2014. Using exchange rates assumed in the acquisition, Aesica's revenues would have been £83.3m and EBIT before special items of £4.7m, reflecting Euro exchange rate headwinds since the acquisition (from €1.2:£1 to €1.33:£1).

Operating profit before special items increased by 33.5% to £25.1m (FY2014: £18.8m): this included 11.3% growth from Bespak to £20.9m (FY2014: £18.8m), which continues to deliver strong operating leverage from higher revenues. The Bespak EBIT includes a reduced central cost allocation of £0.8m, without which its EBIT growth would have been £1.4m or 7.3% to £20.1m. Aesica contributed £4.2m to EBIT in the 5.5 month period since acquisition, after an allocation of central costs of £0.8m. Group operating margin reduced to 13.6% as expected following the acquisition of Aesica: the Bespak operating margin grew to 19.8% (FY2014: 18.8%), and the Aesica operating margin in the period was 5.2%, including the central cost allocation of £0.8m. Using exchange rates assumed in the acquisition, Aesica's revenue would have been £83.3m and EBIT before special items of £4.7m, reflecting Euro exchange rate headwinds since the acquisition (from €1.20:£1 to €1.33:£1).

Special items amount to £17.2m in the year (FY2014: £1.4m). This comprises: Aesica acquisition costs of £5.4m; Aesica integration costs of £1.9m; amortisation of intangible assets of £6.8m (FY2014: £0.8m), being £0.8m relating to the Medical House, and £6.0m relating to Aesica; accelerated amortisation of upfront facility fees of £0.3m and other costs of £2.8m which include the unwinding of the uplift in the book value of inventory held by Aesica on acquisition, as required by accounting standards.

Group profit before tax and special items increased by £5.2m (29.5%) to £22.7m (FY2014: £17.5m). Adjusted EPS increased by 12.9% to 47.8p per share (FY2014: 42.3p[4]). Basic EPS decreased by 62.9% to 15.4p per share (FY2014: 41.5p[4]).

Cash generated from operations increased by £9.2m to £28.4m (FY2014: £19.2m). EBITDA before special items grew £8.8m (36.0%) to £33.2m (FY2014: £24.4m): Bespak EBITDA grew 7.3% to £26.2m, with Aesica adding £7.0m of EBITDA for the 5.5 month period from acquisition. Working capital (excluding the King Systems contingent consideration receivable of £2.5m) increased £19.6m to £32.5m (FY2014: £12.9m), which represents 12.3% of sales (FY2014: 12.9%). Capital expenditure of £20.7m (FY2014: £16.3m) included £16.9m from Bespak as the business continued to make significant planned investments in facilities and production capacity to fulfil its development pipeline contracts.

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The Group balance sheet closed with a net debt position of £99.2m (FY2014: net cash £25.8m), representing gearing of 2.3x Net Debt: EBITDA, comfortably within the banking facility covenant (maximum 3.25x), and in line with our expectations at the time of the Aesica acquisition. Interest cover was 19.8x against a Covenant minimum of 3.0x. The Group has comfortable cash resource availability.

The Board is proposing an unchanged final dividend of 11.68p (FY2014: 11.68p), making a total dividend for the year of 18.11p (FY2014: 18.11p). Before adjusting for the effect of the rights issue made in the year, this equates to a Final dividend of 13.35p (FY2014: 13.35p), and a Full Year dividend of 20.7p (FY2014: 20.7p). Further commentary on the financial results is contained in the Bespak and Aesica business reviews below, and within the Financial Review.

Acquisition of Aesica

Consort Medical acquired Aesica Holdco Limited on 12 November 2014 for a total consideration of £226.6m, following approval at an EGM on 16 October 2014. Aesica is highly complementary to Bespak, and the combination provides clear strategic, competitive and value enhancing benefits as well as a number of opportunities for the enlarged group consistent with Consort's diversification strategy:

- It diversifies the Group into adjacent markets and technologies, to capture additional value in the drug / device supply chain: horizontally into oral delivery, and vertically into drug formulation and manufacturing.
- Strengthens strategic market position: together Bespak and Aesica provide a broader, deeper and more integrated pharma services offering. It optimises drug and delivery devices in a single group to streamline, accelerate and reduce the cost of drug/device development and manufacturing for pharma customers.
- Captures greater value from the supply chain: big pharma are seeking fewer, yet deeper, CDMO partnerships. The acquisition increases the depth of customer relationships by embedding the enlarged group at multiple levels in the drug and delivery device supply chain.
- Geographic expansion: this expands the Group's production facilities into mainland Europe. We envisage establishing Bespak production lines in Aesica's overseas regulated facilities. The combination also increases our sales presence and customer access globally.
- Operational benefits: the acquisition provides development, manufacturing and operational efficiencies.
- Revenue benefits: future revenue synergies are expected from new drug/device combinations, as well as cross selling between Bespak and Aesica's highly complementary pharma customer bases.
- Increases scale and critical mass: the acquisition creates a much larger pharmaceutical services business, in breadth, depth and geographies. This scale will facilitate further growth, both organically, and through additional acquisitions.

Integration and future roadmap

Following completion of the acquisition the Group initiated a rapid (three month) but comprehensive integration programme in order to achieve the following:

- Commercial orientation: bring the commercial teams together to fully understand each other's service offerings, to identify cross selling and integrated commercial offerings opportunities, and to plan their realisation.

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- Reorganisation / Initiatives: Further validate and realise the potential synergies and opportunities identified in due diligence from combining the 2 businesses. Make appropriate reorganisation actions to realise the identified synergies and opportunities, and initiate processes to realise longer term benefits.
- Alignment: Align the Aesica business with the Consort Medical controls and management systems

The following has been implemented as a result of this integration process:

Commercial

A core aspect of the acquisition rationale was to harness cross selling opportunities, and to secure development and manufacturing opportunities for combined formulation and device services.

Following the acquisition, the Bespak and Aesica commercial teams have worked closely together to better understand each other's capabilities and strengths. They now have the joint mission to support their core divisional activities, to facilitate introductions for their sister division's commercial teams to access their core customer relationships, and to work together jointly to secure combined formulation and device contracts.

Since the acquisition, a number of meetings have been held with customers, from senior executive level to collaborative meetings between commercial and technical teams working on specific business opportunities. Customers' reaction to the combination of the businesses has been positive, reinforcing our strong belief of the attractiveness and strategic relevance of the combination to Pharma partners.

Both Bespak and Aesica have gained meaningful access to customers whom they had previously not been acquainted with for their respective discrete service offerings.

A significant number of joint meetings have also been held looking at a joint service offering to customers, with good traction on live opportunities. Whilst it is still early days in a long business development cycle, we are encouraged by the speed of access and progress on live opportunities.

Reorganisation / Initiatives

- Newcastle: this has been changed from a corporate head office to a shared services centre for certain Aesica-wide key business processes and UK financial accounting. The Newcastle office will be closed and the shared services centre migrated to alternative premises locally at a cash cost of c.£1.2m.
- Monheim restructuring: this process was already planned at the time of the acquisition, and is a major restructuring of Operations to improve productivity of the site. This will result in the reconfiguration of the activities, and headcount reductions, at cash cost of c.£3.0m.
- Nottingham site relocation: the Formulation development activities from the Nottingham site are to be moved to existing facilities (that will be refurbished) at the Queenborough site. This progressive move is expected to be completed over the next 6 months, at a cash cost of c.£3.5m.
- Leadership: the leadership of the Aesica business has been reorganised, consolidating a number of duplicate corporate activities, and reconfigured as a divisional structure under the direction of Ian Muir as divisional MD. The majority of the divisional team will be co-located at the existing Consort corporate offices in Hemel Hempstead.
- Procurement: whilst the direct materials of the Bespak and Aesica business are dissimilar, their combined overhead spends provide opportunities to leverage procurement benefits to the enlarged Group, and a Procurement Forum comprising the two businesses' Purchasing teams has been created to realise these benefits.

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Alignment

A number of initiatives have been completed to align the Aesica's Controls, Policies and Reporting with those of the Group. These are described in more detail in the Financial Review.

Strategy Update

The strategy for the Group following the integration of Aesica remains unchanged. Core principles of strategy articulated and executed since 2008 are constant. However we have refreshed our articulation of these strategic priorities for the enlarged Group:

Old	***New***
Operating leverage	Organic growth: leverage core strengths
Organic growth: New product portfolio	Organic growth: broaden services offering
Organic growth: Diversify to adjacent markets	Organic growth: capturing more of the value chain
Organic growth: Higher value models	Operating leverage: margin expansion
Enhancement / Acquisition	Drive Innovation
	Enhancement / Acquisition

Organic growth: leverage core strengths / business with existing and new customers

Both Bespak and Aesica have core strengths, capabilities, and customer relationships in both drug delivery devices and drug formulation development and manufacturing. Our strategy is to leverage these strengths, capabilities and relationships within each of the devices and formulation businesses to win new devices and formulation business from existing and new customers.

Organic growth: broaden Group services offering to capture adjacent markets and territories

The acquisition of Aesica provides a significant broadening of the Group's services offering to customers. The Group will continue to broaden its capabilities in different devices and formulation technologies to capture adjacent markets.

Organic growth: capturing more of the value chain

Bespak's organic move into commercial drug handling already accessed more value in device related services. The acquisition of Aesica allows the Group to extend this to capture more of the value chain in specific customer / drug opportunities, enabling a single integrated supply chain model of drug API, formulation and device development and manufacturing.

Operating leverage: margin expansion from volume growth and on-going cost efficiency

We have strong business infrastructures which provide our competence offerings to customers. We will continue to harness the operating leverage which comes from driving greater volumes through our businesses, whilst continuing to deliver cost efficiencies and continuous improvement.

Innovation: Drive innovation to develop new device and formulation technologies

Bespak has developed a dynamic and successful innovation model, generating new device platforms and capabilities. Aesica has also been successful in developing new formulations, and new formulation process technologies. We will continue to invest to organically develop innovative device and formulation offerings to existing and adjacent markets.

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Enhancement: Selective acquisitions and investments

The core of our strategy continues to be the development and enhancement of organic growth. Our investments in Atlas Genetics, and the acquisitions of The Medical House and Aesica are consistent with this enhancement. With this in mind, we will continue to evaluate suitable opportunities to further enhance our core capabilities with further investments / acquisitions to increase our customer offerings.

Bespak Review[1]

Operations

	FY2015	FY2014 @ cc[2]	Growth %	FY2014
Revenue*	£105.8m	£100.0m	5.8%	£100.0m
EBITDA*	£26.2m	£24.4m	7.3%	£24.4m
EBITDA margin %*	24.8%	24.4%		24.4%
EBIT*	£20.9m	£18.8m	11.3%	£18.8m
EBIT margin %*	19.8%	18.8%		18.8%

*before special items including amortisation of acquisition related intangibles of £0.8m (see note 3).

Sales of the Chiesi NEXThaler continued to grow strongly, with device sales up 26%. Further territory launches took place during the year, further underpinning these sales, and we continue with the extension to the manufacturing capacity at King's Lynn to support the customer's growth ambitions for this product.
Sales of DPI (Dry Powder Inhaler) devices were also lifted by significant sales of pre-production development devices on the DEV610 programme.

The Dr. Reddy's Sumatriptan auto-injector has sold strongly since its launch in February 2014, and during this year, performing ahead of our expectations.

With the Bespak development pipeline now boasting 12 programmes, service revenue has continued to grow, up 19% in the year as we expand our industrialisation activities to progress these opportunities.

Bespak continued to perform strongly in operating margin and EBITDA margin, with the incremental volumes dropping through strongly to the bottom line, improving operating margin from 18.8% to 19.8%. With revenues increasing 5.8%, EBITDA margin grew 7.3% and operating profit increased 11.3% to £20.9m.

Capex continued at higher levels than historic norms, as expected, as investments continued to support the major programmes advancing through the Development pipeline towards launch. Capex was therefore similar to prior year at £16.9m (FY2014: £16.6m).

We have continued to develop our people and working environment on a number of fronts. Growing our skills and management/leadership capabilities are core elements in delivering our planned growth. Training and development has continued in the year with the delivery of a management development programme which is mid-way through its scheduled roll-out, with good results. We have also continued the expansion of our apprenticeship programme, with the recruitment of four additional apprentices, and expect to add further recruits over the next year. We have continued to deliver on initiatives commenced following employee survey feedback, and have continued the Values communication and training programme. These values are Customer Focus, Integrity, Respect, Team Work and Results Driven and will be the focus of how we manage the business.

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Significant investment has continued in development of the facilities at King's Lynn and Milton Keynes, to accommodate our growth in production volumes both for currently launched products and for products currently in development. Most notably the facilities for the expansion of the Chiesi NEXThaler are well advanced, DEV200 (Nicovations) in King's Lynn and Milton Keynes are complete and equipped, and construction of DEV610 was completed in May 2015 and equipping has commenced.

In January 2015, we announced Consort's subscription for a further investment of £2.2m in Atlas Genetics Ltd as part of a £12.7m Series C funding. Consort's subscription was proportionate to its existing 17.3% shareholding in Atlas (15.2% on a fully diluted basis). Consort has invested a total to date of £6.3m in the company which develops ultra-rapid point-of-care diagnostic tests for infectious diseases. Atlas' io® system is at an advanced stage of development and is expected to be launched in Europe with a test for Chlamydia later this year. The Series C investment is being used to accelerate the launch of the io® system, initiate US clinical trials, and expand the menu of tests available initially in the sexually transmitted infections (STI) and hospital acquired infections (HAI) markets. Bespak has a multi-year exclusive development and supply agreement with Atlas for the diagnostic test cartridges, and in June 2014 announced the completion of the manufacturing line for Atlas. Qualification processes on the cartridge and manufacturing line are at an advanced stage.

Product Development

We have a strong and diverse core business of products in volume manufacturing. In line with our strategy we have assembled a full and broad product development pipeline of organic growth opportunities which will add to the strength of this core business going forward. Successful conversion of these opportunities will provide progressive revenue and profit growth, in both contract manufacturing and products with our own proprietary IP and across a range of therapeutic areas including commercial drug handling.

Our published development portfolio provides an update on the key business development projects in the business. We guide that for inclusion in the published portfolio, projects must have a reasonable expectation of success – though timescales are difficult to predict – and be expected to produce peak annual sales of at least £3m per annum.

In the period, we successfully added three new projects to our development pipeline. These include two Injectables projects, and one Respiratory:

- *INJ650* is for our ASI® (Auto Safety Injector) auto-injector technology, and follows the successful launch of this technology into the market of the Dr. Reddy's Sumatriptan auto-injector in February 2014.
- *INJ700* is a project for our Lila Mix™, recently developed by our Innovation Centre in Cambridge. The product enables two drugs to be stored in the same syringe and mixed immediately before injection. It accompanies the Lila Duo™ and Lila Bio™ products unveiled last year.
- *IDC300* is a multi-year development and supply agreement covering supply of both the IDC actuator and the pressurised metered dose inhaler (pMDI) valve. This IDC programme represents the first commercial oral variant of the device, which is already approved and marketed for a nasally delivered product. Dose-counting devices fulfil an important patient and compliance need to let patients know if their device contains sufficient drug and to indicate when they need to seek a further prescription. It provides patients with a reliable, easy to read indication of how many doses are left inside the canister in line with FDA guidance.

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With the addition of the three new programmes, the portfolio has grown to 12 pipeline programmes. The status of the major programmes currently in our development pipeline is listed below:

Project	Description	Customer	Status
VAL310	Easifill primeless valve	US Pharma	Awaiting regulatory approval
INJ570	Auto-injector	Global Pharma	Awaiting regulatory approval
VAL020	MDI valve	Global Pharma	Stability trials complete
DEV200	Nicotine delivery	Nicovations	Marketing authorisation and variation granted. Launch expected 2015
POC010	POC Test Cartridge	Atlas Genetics	Awaiting CE marking
NAS020	Nasal device	Global Generic	Formulation change; brief under review
DEV610	DPI	Global Pharma	Good progress. Launch now expected H2 2016
NAS030	Nasal device	Pharma Co.	Early stage programme
INJ600	PatchPump® infusion system for Treprostinel	SteadyMed Therapeutics Inc.	Good progress made. NDA submission planned H1 2016
INJ650	ASI® Auto-injector	Global Generic	Contract awarded in October 2014
INJ700	Lila Mix® Injector	Pharma Co.	Contract awarded in October 2014
IDC300	Oral IDC	Pharma Co.	Contract awarded February 2015

DPI = Dry Powder Inhaler, MDI = Metered Dose Inhaler, POC = Point of Care, IDC = Integrated Dose Counter

On existing programmes in the pipeline, the following are the most notable updates:

- *DEV200 / 'Voke'*: As previously announced, MHRA granted a Marketing Authorisation for Voke in September 2014. In February 2015 Kind Consumer were granted Marketing Authorisation for the variation to Voke from the MHRA incorporating refinements into the product. BAT have indicated their expectation of product launch later in 2015. Production facilities to support product launch are already in place at the Bespak King's Lynn facility. Production readiness of the expanded facilities in King's Lynn and Milton Keynes to support the full contracted volumes is well advanced.
- *DEV610:* Good progress has been made with the product development and with the building of the new facility. Following changes in the customer's launch strategy, the expected launch date has moved to the second half of 2016.
- *INJ600 / Steadymed:* Good progress has been made on this programme. The customer has filed for orphan drug designation and been granted patents and patent extensions. Steadymed completed an IPO on Nasdaq in March 2015. The programme is aiming for device validation and verification H1 2016.

Innovation

The Innovation team has continued to be highly active on a number of fronts over the past year. The team has now grown to 21 (16 as at 30 June 2014), and in December 2014 moved into its own dedicated facilities in Cambridge. These became operational in January 2015 and provide laboratory and development scale facilities as well as enlarged accommodation for the current research and design / development operations.

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The Innovation pipeline has progressed broadly during the period across a number of therapeutic areas and technologies.

Syrina® and Lila® update

Following the commercial unveiling of Syrina® and Lila® at the PDA exhibition in November 2013, we continue to generate widespread interest from several Pharma companies with injectable drug portfolios. Within this, we are in discussions on a growing number of specific opportunities and product evaluations.

The closure of our first development agreement for the Lila Mix® is the most advanced of these opportunities. On Syrina® we initiated a programme for a major Biotech company to develop a product demonstrator: this was successfully delivered, and we are evaluating next steps with the customer.

Our presence at the PDA exhibition in October 2014 generated further interest in the opportunities available through these innovations.

Lapas® commercial unveiling

In addition to the commercialisation work on Syrina® and Lila®, the Innovation team has developed and unveiled another new significant platform at the PDA exhibition in October 2014. Lapas® is a bolus injector platform which enables large volumes (greater than 2.25ml) of injectable drug to be delivered constantly over an extended period of time (up to several hours).

The target drug market includes biologics, where the viscosity and volume of some drugs means that there is significant benefit from powered injection. The platform incorporates our proprietary Vapoursoft® technology to 'power' the injection for up to several hours. It is noteworthy that a number of chronic conditions include treatment with biologics.

Advantages of Lapas® include the following:

- Self-administration – this reduces the treatment cost to the health system as the patient does not need to attend a clinic;
- Mobility and independence whilst being injected – the patient can continue with relatively normal activities whilst receiving their medication; and
- Simple adaptability of dose size / power source dependent on drug and viscosity providing lower configurability / adaptability risk and a simple delivery mechanism for pharma clients.

Aesica Review[1]

Operations

	FY2015 (5.5 months)	FY2015 @ Acquisition FX[2]
Revenue*	79.0m	83.3m
EBITDA*	7.0m	7.7m
EBITDA margin %*	8.9%	9.2%
EBIT*	4.2m	4.7m
EBIT margin %*	5.3%	5.7%

*before special items including acquisition costs of £5.4m; integration costs of £1.9m; amortisation of intangible assets of £6.0m, accelerated amortisation of upfront facility fees of £0.3m and other costs of £2.8m (see note 3).

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Our semi-continuous manufacturing line was used to bring a manufactured product to market readiness. This is the first semi-continuous processing line and technology installed at a CDMO.

Demand from existing key customers has been stable, and revenues have been lifted by a number of new market launches which have taken place as a result of the cross licensing of products in our current portfolio. In API, Aesica continues its strong position in the global Flurbiprofen market. Additionally a number of API development projects are entering the validation stage which are expected to give rise to future revenues. Capex in the period has been consistent with our expectations at £3.7m.

Following the acquisition of Aesica, a number of alignment, reorganisation and commercial initiatives ensued, as described above. However the focus of the majority of the business remained on ensuring continued reliability, delivery, and quality in spite of the ownership and organisational changes.

Business Development and Innovation

Pipeline

Aesica has broadly two pools of business development: development services and manufacturing services, with some overlap.

- In development services, it applies know-how in API / formulation development to a wide range of project opportunities for a wide range of customers at different stages of the clinical trial cycle.
- The bulk of its revenue today comes from the application of its process technology and know-how to specific drug manufacturing opportunities, many of which may be different from those API / formulation development opportunities.

This business development cycle differs in some respects to that of Bespak; Bespak's offering is a specific device based service offering from innovation / development typically through to volume manufacturing.

The Aesica commercial team is focussed on a growing pipeline of API / formulation development and manufacturing opportunities. In common with Bespak, there is significant contractual and commercial confidentiality as to the identity of specific projects and contracts.

A specific case study which illustrates Aesica's ongoing business development is S+Flurbiprofen:

- Aesica is working with a leading Japanese pharmaceutical company to provide the active ingredient for an anti-inflammatory formulation containing S+flurbiprofen. The patch obtained good results in phase 3 clinical trials and in October 2014 a submission was filed for market approval with the Ministry of Health, Labour and Welfare in Japan for the indication of osteoarthritis.
- Osteoarthritis is a chronic degenerative disease of the joints. The number of patients in Japan is estimated to be 24 million for osteoarthritis of the knee joint and 35 million for lumbar spondylosis, with approximately 30% of these patients showing symptoms of pain. Considering that pain is a major cause of reduced quality of life, there are high hopes for the development of formulations that possess a powerful anti-inflammatory analgesic action.
- Aesica is a leading supplier of the active ingredient flurbiprofen and the modified S+flurbiprofen, and have supplied the product into the Japanese market for many years. Demand for the new formulation is expected to grow steadily from 2016.

In addition to API / formulation development and manufacturing in current areas of know-how and production capabilities, Aesica is actively developing new areas of know-how and process technology. Recently it has

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developed its capability in potent drug manufacture, and in its High Capacity plant. In FY2015, it concluded a process development project in semi-continuous processing:

- In collaboration with a key strategic customer, Aesica has brought to market readiness a product manufactured using the first semi-continuous processing line and technology installed at a CDMO. The line delivers continuous flow from the wet granulation stage through to tablet compression unlike the more traditional batch based methods used for tablet manufacture which take hours with this process, initial blending through to the production of uncoated tablets carried out in 40 minutes.
- Aesica has the potential to offer semi-continuous manufacturing capacity to other customers and provides this service from its Queenborough, UK, finished dose manufacturing facility.
- Continuous manufacturing meets the market demand for shortened drug development times a reduction in the quantity of API required in development and a reduction in clean down and batch transfer loss during the manufacturing process. In addition, it enables process development, clinical scale manufacture and commercial manufacture to be carried out on the same piece of equipment, resulting in rapid collection of data to demonstrate the robustness and quality of the manufacturing process, using Q&D (Quality and Design) principles to reduce lead time for manufacturing allowing Aesica to quickly react to variable product demand.

Financial Review[1]

This year has been significant for the Group from a financial point of view. Bespak continued its consistent and steady growth in revenue and earnings, whilst continuing to invest and prepare for the future growth opportunities afforded by its growing development and innovation pipelines. The acquisition of Aesica has transformed the capabilities of the Group, the breadth of the customer offering, and scale of operations, propelling proforma FY2014 Revenue and EBITDA to £279.0m and £44.4m respectively. To facilitate the acquisition, the balance sheet has been transformed, with an equity raise of £94.3m net of fees and the addition of a new 5 year debt facility of £160.0m.

Bespak and Aesica are well placed to continue to grow individually and in collaboration, and the Group has a well-structured balance sheet to facilitate this.

Income Statement[1]

Group revenue grew by £84.8m (84.8%) to £184.8m (FY2014: £100.0m), from organic growth in Bespak and a 5.5 month contribution from Aesica. Operating profit before special items increased by £6.3m (33.5%) to £25.1m (FY2014: £18.8m). Profit before tax before special items increased by £5.2m (29.7%) to £22.7m (FY2014: £17.5m). Profit before tax after special items decreased by £11.9m (73.8%) to £4.2m (FY2014: £16.1m). Profit after tax before special items increased by £5.5m (39.6%) to £19.4m (FY2014: £13.9m).
Adjusted EPS increased by 12.9% to 47.8p per share (FY2014: 42.3p[4]). Basic EPS reduced by 70.7% to 12.2p per share (FY2014: 41.5p[4]).

Taxation

The tax charge before special items was £3.3m resulting in an effective rate of 14.4% (FY2014: 20.6%). The tax credit on special items was £4.0m (FY2014: tax credit £1.1m). The total tax credit was £0.7m (FY2014: tax charge £2.5m).

Following the introduction in 2013 of the Research and Development Expenditure Credit (RDEC), the Group has realised an R&D tax credit of £0.9m which was recognised through EBIT in the period.

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The Group has completed its evaluation of the provisions of the UK Government's Patent Box regime and its potential applicability to the Bespak business. As a result of this, the Bespak business has been able to benefit from a reduction in its cash tax of £1.1m in FY2015, and £1.3m in relation to FY2013 and FY2014 (the latter being treated as a special item in the financial statements).

The Patent Box benefit has contributed significantly to the reduction in the Group's effective tax rate (ETR) from 20.6% to 14.4%.

Dividend

The Board is proposing an unchanged final dividend of 11.68p (FY2014: 11.68p), making a total dividend for the year of 18.11p (FY2014: 18.11p). Before adjusting for the effect of the rights issue made in the year, this equates to a final dividend of 13.35p (FY2014: 13.35p), and a full year dividend of 20.7p (FY2014: 20.7p). Dividend cover, based on earnings before special items, was 2.67 times (FY2014: 2.35 times).

Special Items from Continuing Operations[3]

Special items amount to £17.2m in the year (FY2014: £1.4m). This comprises: Aesica acquisition costs of £5.4m; Aesica integration costs £1.9m; amortisation of intangible assets of £6.8m (FY2014: £0.8m), being £0.8m relating to the Medical House, and £6.0m relating to Aesica; accelerated amortisation of upfront facility fees of £0.3m and other costs of £2.8m (see note 3).

Discontinued Operations

On 15 February 2013, Consort Medical completed the sale of King Systems to Ambu A/S, the results of which are reported within discontinued operations. At the time of sale, contingent consideration mechanisms were agreed as a central element of the value realisation from the disposal. The first of these was a £5.9m (US$10.0m) lump sum payment upon the launch of the King Vision next generation blade. This was received in May 2014 following successful product launch. A further US$2.3m was received on 4 June 2014 representing the amount due in respect of the FY2014 King Vision sales.

Following the contingent consideration receipts to date, and noting the recent sales trend of the King Vision by King Systems, the fair value of the contingent consideration has been reassessed by £1.3m from £3.8m to £2.5m and the difference has been charged to the income statement though Special items within Discontinued Operations.

Acquisition of Aesica Holdco Ltd.

On 12 November 2014, the Group acquired 100% of the share capital of Aesica Holdco Ltd for £226.6m. The transaction was approved by shareholders on 16 October 2014.

The consideration of £226.6m was satisfied by £10.8m of new Consort Medical ordinary shares and the balance in cash; the cash was raised by means of a rights issue, new debt, and existing cash resources:
The rights issue was structured as 5 for 8 shares, priced at 540p, representing a 34% discount to the Theoretical Ex Rights Price (TERP). The new shares were admitted to the Consort listing on 17 October 2014.

A new £160m multi-currency, revolving facility over 5 years was established with Barclays, Lloyds, RBS and Santander as participants replacing the previous facilities. A further £65m accordion facility was also included.

Transaction costs associated with the acquisition of £5.7m were incurred and these have been charged through Special Items. In addition to this, debt facility fees of £1.9m were also incurred which have been

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capitalised, and will be amortised over the life of the new facility to 2019 and £4.5m of costs associated with the equity raise were incurred recorded in equity.

An exercise to assess the fair value of the acquired assets and liabilities has been conducted, resulting in the identification of Intangible assets (£82.3m), and the determination of Goodwill (£101.1m).

Following the acquisition, an integration programme was initiated. The costs of this programme were £1.9m and include people related costs, consultancy support, project management, tax advice, and marketing costs. These have been charged as Special Items in the year. The anticipated cash costs of c.£7.7m identified above in relation to the Newcastle, Monheim and Nottingham sites relate to actions announced since 30 April 2015, and hence they are not recorded in these financial statements.

A number of initiatives have been completed to align Aesica's Controls, Policies and Reporting with those of the Consort Medical Group.

- Controls: Consort controls have been implemented within the Aesica group, including the management of cash and debt, delegated authority limits, harmonisation of reporting periods to 30 April, HR controls.
- Financial Reporting and business planning: Aesica has been successfully migrated onto Consort's financial reporting systems: this complex workstream was completed efficiently within a short timescale. Quarterly group forecasting and budgeting processes have also been implemented.
- IT infrastructure: a single IT organisation has been created to execute an ongoing programme of integration actions in desktop and ERP systems to support communications and wider integration of business processes across the Group.
- Policies and Branding: policies on a range of matters have been aligned, including Environment Health and Safety, Commercial conduct, and Whistleblowing. A review of the Group's branding has been undertaken to develop future market branding evolution.

Other special costs of £2.8m have been charged in relation to the acquisition. Following the uplift in the book value of inventory held by Aesica on acquisition, as required by accounting standards, this charge represents the unwinding of this increase as inventory has been sold subsequent to the acquisition date.

Corporate Reorganisation

Following the acquisition of Aesica Holdco Ltd., a corporate reorganisation of the Aesica European subsidiaries was conducted for commercial purposes. This was not possible to complete before the acquisition due to the transaction structure proposed by the vendor.

This included the establishment of new Consort holding companies in Italy and Germany which acquired the German and Italian subsidiaries from Aesica Holdco Ltd. These transactions were completed on 30 April 2015: to facilitate the completion of these intercompany transactions, it was necessary to make a short term borrowing of £37.6m on the Group's banking facilities, which was repaid on 5 May 2015. This borrowing has no impact on the Group's Net Debt at the 30 April 2015, as it was represented by cash within Group subsidiaries. This explains the inflated cash position at 30 April 2015.

Investment in Atlas Genetics Ltd

On 29 January 2015, the Group subscribed for a further investment of £2.2m in Atlas Genetics Ltd ("Atlas"). The investment formed part of the total £12.7m Series C funding raised by Atlas. Consort's subscription was proportionate to its existing 17.3% shareholding in Atlas (15.2% on a fully diluted basis). The Group previously invested £1.2m in February 2011, £1.4m in July 2011, £1.1m in July 2013 and £0.4m in July 2014. Following the Series C funding, Consort has invested a total of £6.3m in Atlas. The other equity partners

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include Novartis Venture Funds, Johnson & Johnson Development Corporation, Life Science Partners and BB Biotech Ventures, and new subscriber RMI Partners.

Substantial progress has been made in the last year in the Point-of-Care card development — in conjunction with Bespak — and with the development of the card reader and assay tests.

The Group will continue to account for Atlas as an equity investment.

Balance Sheet

The Group has net debt of £99.2m at the year end (FY2014: net cash £25.8m), and a further £65.0m available under the accordion facility. Gross assets were £471.8m (FY2014: £143.7m). The pension deficit increased to £21.1m (FY2014: £2.1m) and is reviewed separately below. Provisions at 30 April 2015 were £6.0m (30 April 2014: £2.4m): the movement was attributable to provisions acquired with Aesica (£4.2m) partially offset by subsequent utilisation (£0.7m) and foreign exchange (£0.1m).

Cash Flow, Financing and Liquidity

Cash generated from operations increased by £9.2m to £28.4m (FY2014: £19.2m). EBITDA before special items increased by £8.8m (36.0%) to £33.2m (FY2014: £24.4m). Working capital increased by £21.2m to £34.1m (FY2014: £12.9m) following the acquisition of Aesica Holdco Ltd.

Capital expenditure of £20.7m (FY2014: £16.3m) was higher than the previous year as Bespak continued to make significant planned investments in facilities and production capacity to fulfil its development pipeline contracts, and Aesica joined the group from November 2014.

As part of the acquisition of Aesica Holdco Ltd., the Group entered into a new bank facility and cancelled the previous facility with Royal Bank of Scotland (RBS) and HSBC. The new facility is a £160m five year multi-currency revolving credit facility with Barclays, Lloyds, RBS and Santander. The facility expires in September 2019. Margins are between 1.25 and 2.2% over LIBOR depending upon the ratio of net debt to EBITDA prevailing at the time. A non-utilisation fee of 40% of the interest margin on the undrawn balance applies.

The facility has two covenants: Net Debt to EBITDA less than 3.25 times (falling to 3.00 times in April 2016; and Interest Cover over EBITDA being greater than 3 times. The Group remains comfortably within both its headroom and its covenants at 30 April 2015: Net Debt to EBITDA was at 2.3 times, and Interest Cover was at 19.8 times.

Under the terms of the refinancing, the Group also has a £65m “accordion” facility, by which further facilities may be made available by the participating banks under the current terms to support significant investment or acquisition opportunities which may arise.

The Group maintains levels of sterling cash sufficient to meet imminent obligations and to be a reserve in case of an adverse event. These funds are invested with a range of reputable financial institutions approved by the Board.

The debt within this multi-year revolving committed credit facility is disclosed as less than one year, as it is drawn for one month periods, and then redrawn as appropriate to minimise the amount of debt drawn relative to the Group’s needs, and to minimise the LIBOR interest paid.

Foreign Currency Exposure

The Group monitors its foreign currency exposures carefully and seeks to mitigate all material transactional exposures. Bespak currently has low exposure to movements in the Euro and US dollar movements. Aesica

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has wider exposure to the Euro. Where appropriate we buy or sell forward currency to protect transaction margin exposures.

Following the acquisition of Aesica, foreign currency translation sensitivity for the Euro is such that a change in the rate of €0.01: £1 impacts revenue by £0.7m and EBIT by £0.1m.

Pensions

Bespak operates a defined benefit pension scheme in the UK that is closed to new employees, who are eligible to join a defined contribution pension scheme (see note 11). As at 30 April 2015, the IAS19 deficit was £17.8m compared with £2.1m as at 30 April 2014. The movement was primarily as a result of unfavourable movements in discount rates and a review of other actuarial assumptions. The last triennial actuarial valuation of the pension scheme was at 30 April 2014: the company is in discussion with the scheme Trustees to finalise this. Since the last triennial valuation in 2011, prevailing discount rates have worsened, and it is expected that this in particular may have a material effect on the updated valuation.

Aesica operates a number of different pension schemes, including defined benefit schemes in Italy and Germany with a net IAS19 deficit of £3.3m.

Risk Management

The Group considers effective risk management to be a high priority. We are pleased to report that the Group incurred no material financial or business losses.

Board Changes

During the year we made two new appointments to the Consort Medical Board: Andrew Hosty and Charlotta Ginman.

Andrew joins the Nomination, Audit and Remuneration Committees. Andrew is Chief Operating Officer at Morgan Advanced Materials plc, an appointment he has held since February 2013. Andrew is also a non-executive director of British Ceramic Research Limited. Andrew brings significant operations management experience to our Board, and we welcome his contributions to the Board.

Charlotta joins the Nomination and Audit Committees. Charlotta qualified as a Chartered Accountant at Ernst & Young before spending a career in investment banking and commercial organisations, principally in technology-related businesses. We welcome Charlotta's experience and insight.

Outlook

Consort has continued to deliver consistent organic growth from its portfolio of products in volume manufacturing whilst successfully integrating Aesica. At the same time it has continued to progress and add to it its expanding Product development and Innovation pipelines with new projects, know-how and platform development in device development to enable this broad growth to continue.

The acquisition of Aesica brings significant further know how and process technology to Consort's range of pharma services. This will enable further organic growth within both Bespak and Aesica individually, and jointly as the two businesses combine their expertise to provide joined up development and supply chain solutions to satisfy customers' needs.

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The Board is confident that this enlarged pipeline of opportunities and capabilities will underpin its growth ambitions, and is confident of meeting its expectations for the coming financial year.

Jon Glenn
Chief Executive Officer
15 June 2015

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Consolidated Income Statement

For the year ended 30 April 2015

	Notes	2015 Before special items £000	2015 Special items £000 (note 3)	Unaudited 2015 Total £000	2014 Before special Items £000	2014 Special items £000 (note 3)	Audited 2014 Total £000
Revenue		**184,825**	**–**	**184,825**	100,010	–	100,010
Operating expenses		**(159,770)**	**(16,891)**	**(176,661)**	(81,217)	(1,387)	(82,604)
Operating profit		**25,055**	**(16,891)**	**8,164**	18,793	(1,387)	17,406
Finance income	4	**132**	**–**	**132**	201	–	201
Finance costs	4	**(2,072)**	**(288)**	**(2,360)**	(907)	–	(907)
Other finance costs	4	**(424)**	**–**	**(424)**	(560)	–	(560)
Profit before tax		**22,691**	**(17,179)**	**5,512**	17,527	(1,387)	16,140
Taxation	5	**(3,269)**	**4,019**	**750**	(3,611)	1,117	(2,494)
Profit for the financial year from continuing operations		**19,422**	**(13,160)**	**6,262**	13,916	(270)	13,646
Loss for the financial year from discontinued operations		**–**	**(1,314)**	**(1,314)**	–	(678)	(678)
Profit for the financial year		**19,422**	**(14,474)**	**4,948**	13,916	(948)	12,968

Earnings per share, attributable to the owners of the parent (see note 6)

From continuing operations:		
Basic earnings per ordinary share	**15.4p**	41.5p*
Diluted earnings per ordinary share	**15.1p**	40.5p*
From continuing and discontinued operations:		
Basic earnings per ordinary share	**12.2p**	39.4p*
Diluted earnings per ordinary share	**12.0p**	38.5p*

Non-GAAP measures (see notes 3 & 6)

From continuing operations:	**£000**	£000
Profit before tax before special items	**22,691**	17,527
Profit after tax before special items	**19,422**	13,916
Adjusted basic earnings per ordinary share	**47.8p**	42.3p*
Adjusted diluted earnings per ordinary share	**46.9p**	41.4p*

* Restated (see note 6).

Consolidated Statement of Comprehensive Income

For the year ended 30 April 2015

	Unaudited	Audited
	2015	2014
	£000	£000
Profit for the year from continuing operations	**6,262**	13,646
Loss for the year from discontinued operations	**(1,314)**	(678)
Profit for the financial year	**4,948**	12,968
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit and loss:		
Net gain on hedge of a net investment	**2,719**	**–**
Exchange movements on translation of foreign subsidiaries	**(10,938)**	(6)
Current tax on exchange movements	**(166)**	(5)
Items that will not be reclassified subsequently to profit and loss:		
Actuarial (loss)/gain on defined benefit pension scheme	**(15,772)**	10,561
Deferred tax on actuarial (loss)/gain	**3,348**	(2,429)
Impact of change in tax rates	**–**	(334)
Other comprehensive (loss)/income for the year	**(20,809)**	7,787
Total comprehensive (loss)/income for the year	**(15,861)**	20,755
Attributable to the owners of the parent:		
From continuing operations	**(14,547)**	21,433
From discontinued operations	**(1,314)**	(678)

Consolidated Balance Sheet

At 30 April 2015

	Notes	Unaudited 2015 £000	Audited 2014 £000
Assets			
Non-current assets			
Property, plant and equipment		**133,725**	49,955
Goodwill		**112,154**	15,800
Other intangible assets		**76,627**	5,035
Investments		**6,266**	4,068
Trade and other receivables		**1,059**	4,841
		329,831	79,699
Current assets			
Inventories		**31,303**	10,203
Trade and other receivables		**61,459**	27,975
Derivative financial instruments		**–**	7
Current tax asset		**3,975**	–
Cash and cash equivalents	9	**45,201**	25,843
		141,938	64,028
Total assets		**471,769**	143,727
Liabilities			
Current liabilities			
Borrowings	9	**(144,414)**	–
Trade and other payables		**(73,114)**	(15,479)
Derivative financial instruments		**(117)**	**–**
Current tax liabilities		**–**	(1,842)
Provisions and other liabilities		**(4,285)**	(547)
		(221,930)	(17,868)
Net current (liabilities)/assets		**(79,992)**	46,160
Non-current liabilities			
Deferred tax liabilities		**(26,431)**	(3,429)
Defined benefit pension scheme deficit	11	**(21,147)**	(2,076)
Provisions and other liabilities		**(1,768)**	(1,830)
		(49,346)	(7,335)
Total liabilities		**(271,276)**	(25,203)
Net assets		**200,493**	118,524
Shareholders' equity			
Share capital		**4,907**	2,928
Share premium		**137,087**	33,675
Retained earnings		**66,721**	81,758
Other reserves		**(8,222)**	163
Total equity		**200,493**	118,524

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 30 April 2015

	Attributable to owners of the parent					
				Other reserves		
	Share capital £000	Share premium £000	Retained earnings £000	Cash flow hedge reserve £000	Translation reserve £000	Total equity £000
Balance at 1 May 2013 (audited)	**2,921**	**33,406**	**67,254**	**–**	**174**	**103,755**
Profit for the financial year	–	–	12,968	–	–	12,968
Other comprehensive income/(loss):						
Exchange movements on translation of foreign subsidiaries	–	–	–	–	(6)	(6)
Actuarial losses on defined benefit pension scheme	–	–	10,561	–	–	10,561
Tax on amounts taken directly to equity	–	–	(2,763)	–	(5)	(2,768)
Total comprehensive income/(loss)	**–**	**–**	**20,766**	**–**	**(11)**	**20,755**
Transactions with owners:						
Recognition of share-based payments	–	–	1,821	–	–	1,821
Movement on tax arising on share-based payments	–	–	571	–	–	571
Proceeds from exercise of employee options	7	269	–	–	–	276
Consideration paid for purchase of own shares (held in trust)	–	–	(2,874)	–	–	(2,874)
Equity dividends (note 7)	–	–	(5,780)	–	–	(5,780)
	7	269	(6,262)	–	–	(5,986)
Balance at 30 April 2014 (audited)	**2,928**	**33,675**	**81,758**	**–**	**163**	**118,524**
Profit for the financial year	–	–	4,948	–	–	4,948
Other comprehensive (loss)/income:						
Net exchange movements on translation of foreign subsidiaries	–	–	–	–	(8,219)	(8,219)
Actuarial gains on defined benefit pension scheme	–	–	(15,772)	–	–	(15,772)
Tax on amounts taken directly to equity	–	–	3,348	–	(166)	3,182
Total comprehensive loss	**–**	**–**	**(7,476)**	**–**	**(8,385)**	**(15,861)**
Transactions with owners:						
Recognition of share-based payments	–	–	1,557	–	–	1,557
Movement on tax arising on share-based payments	–	–	559	–	–	559
Issue of share capital – Rights issue	1,832	92,541	–	–	–	94,373
Issue of share capital – consideration for acquisition of subsidiary	144	10,659	–	–	–	10,803
Proceeds from exercise of employee options	3	212	–	–	–	215
Consideration paid for purchase of own shares (held in trust)	–	–	(2,666)	–	–	(2,666)
Equity dividends (note 7)	–	–	(7,011)	–	–	(7,011)
	1,979	103,412	(7,561)	–	–	97,830
Balance at 30 April 2015 (unaudited)	**4,907**	**137,087**	**66,721**	**–**	**(8,222)**	**200,493**

Consolidated Cash Flow Statement

For the year ended 30 April 2015

	Notes	Unaudited 2015 £000	Audited 2014 £000
Cash flows from operating activities			
Profit before taxation from continuing operations		**5,512**	16,140
Loss before taxation from discontinued operations		**(1,314)**	(678)
Finance income		**(132)**	(201)
Finance costs		**2,360**	907
Other finance costs		**424**	560
		6,850	16,728
Depreciation		**7,993**	5,501
Amortisation		**6,963**	983
Profit/(loss) on disposal of property, plant and equipment		**16**	(12)
Share-based payments		**1,557**	1,821
Change in value of contingent consideration since disposal		**1,314**	518
Pension charge in excess of cash contributions		**55**	386
Decrease in inventories		**4,989**	1,542
Increase in trade and other receivables		**(4,181)**	(5,744)
Decrease in trade and other payables		**(6,996)**	(3,398)
Decrease in provisions		**(637)**	(285)
Decrease/(increase) in derivative financial instruments		**124**	(62)
Cash generated from operations		**18,047**	17,978
Interest paid		**(1,436)**	(643)
Tax paid		**(4,503)**	(3,564)
Net cash inflow from operating activities		**12,108**	13,771
Cash flows from investing activities			
Purchases of property, plant and equipment		**(20,500)**	(16,134)
Purchases of intangible assets		**(178)**	(158)
Proceeds from sale of property, plant and equipment		**20**	31
Net proceeds on disposal of businesses		**7,321**	–
Interest received		**132**	227
Acquisition of subsidiary (net of cash acquired)	10	**(207,955)**	–
Purchase of equity investment		**(2,198)**	(418)
Net cash outflow from investing activities		**(223,358)**	(16,452)
Cash flows from financing activities			
Proceeds from issues of ordinary share capital		**94,584**	276
Purchase of own shares		**(2,666)**	(2,874)
Equity dividends paid to shareholders	7	**(7,011)**	(5,780)
Proceeds from new bank funding		**163,610**	–
Repayment of amounts borrowed		**(15,000)**	–
Upfront loan facility fees		**(1,913)**	–
Finance lease payments		–	(2)
Net cash generated from/(used in) financing activities		**231,604**	(8,380)
Net increase/(decrease) in cash and cash equivalents		**20,354**	(11,061)
Effects of exchange rate changes		**(996)**	(62)
Cash and cash equivalents at start of year	9	**25,843**	36,966
Cash and cash equivalents at end of year	9	**45,201**	25,843

Notes to the Accounts

1. Basis of preparation

The financial information prepared in accordance with the Group's IFRS accounting policies (consistent with those stated in the financial statements for the year ended 30 April 2014) comprises the consolidated balance sheets as at 30 April 2015 and 2014, consolidated income statements and consolidated statements of comprehensive income for the years ended 30 April 2015 and 2014, and consolidated cash flow statements and consolidated statements of changes in shareholders' equity for the years ended 30 April 2015 and 2014, together with related notes. This condensed set of consolidated financial information for the year ended 30 April 2015 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority. This financial information should be read in conjunction with the annual financial statements for the year ended 30 April 2014 which have been prepared in accordance with IFRSs as adopted by the European Union.

The results shown for FY 2015 are unaudited. The results shown for FY 2014 are audited. The consolidated financial information contained in this announcement does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts of the Company in respect of the financial year ended 30 April 2014 were approved by the Board of directors on 16 June 2014 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain an emphasis of matter paragraph nor any statement under Section 498 of the Companies Act 2006.

New standards, amendments and interpretations

There are no new or amended interpretations or standards effective for the financial year commencing 1 May 2014, that have had a material impact on the Group.

Special items and other non-GAAP performance measures

The directors believe that the "adjusted" profit and earnings per share measures provide additional useful information for shareholders on the underlying performance of the business. These measures are consistent with how business performance is measured internally. The adjusted profit before tax measure is not a recognised profit measure under IFRS and may not be directly comparable with "adjusted" profit measures used by other companies. Further detail on the special items in the period can be found in note 3. The directors also refer to EBITDA (earnings before interest, tax, depreciation and amortisation) as a performance indicator. EBITDA also adds back any profit or loss on disposal of property, plant and equipment.

Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 April 2014, with the exception of the following additional items:

Areas of judgement

Accounting for acquisition related provisions

As part of the identification and measurement of assets and liabilities for the acquisition of Aesica in 2014, the Group has recognised a number of provisions. In determining the fair value of these provisions, assumptions and estimates were made in relation to the expected costs to fulfil customer obligations and other costs. The carrying amount of these provisions on acquisition was £4.4m.

Estimates

Accounting for acquisition related intangibles

The accounting for the identification and valuation of intangibles acquired from Aesica in the year was undertaken by management based on expert advice received from corporate finance specialists. Estimation was applied in identifying and valuing the £82.3m of acquired intangible assets, being the Aesica customer relationships in accordance with the principles in IFRS3 "Business Combinations" and expectations of future economic benefits. There was also estimation applied in determining the most appropriate amortisation method for these intangible assets.

Notes to the Accounts (continued)

2. Segmental Information

The Group's operating segments are determined with reference to the information which is supplied to the Executive Committee in order for it to allocate the Group's resources and to monitor the performance of the Group. Following the acquisition of Aesica Holdco Limited ("Aesica") on 12 November 2014, that information analyses the Group between two divisions, Bespak and Aesica. Prior to this acquisition in the current year and for all the prior year, the Group only had one operating segment. The Executive Committee assesses the performance of the operating segments based on a measure of adjusted operating profit which excludes the impact special items from the operating segments. Special items are analysed in note 3.

Consequently, the segment information provided to the Executive Committee for both of these reportable segments for the year ended 30 April 2015 is as follows:

For the year ended 30 April 2015 (unaudited)	Bespak-Drug Delivery £000	Aesica-Drug manufacturing £000	Un-allocated £000	Total* £000
Revenue from products and services	**105,799**	**79,026**	**–**	**184,825**
Revenue by business segment	**105,799**	**79,026**	**–**	**184,825**
Segment operating profit before special items	**20,912**	**4,143**	**–**	**25,055**
Special items excluding amortisation of acquired intangible assets	**–**	**(10,106)**	**–**	**(10,106)**
Amortisation of acquired intangible assets	**(828)**	**(5,957)**	**–**	**(6,785)**
Segment operating profit/(loss)	**20,084**	**(11,920)**	**–**	**8,164**
Finance Income				**132**
Finance costs				**(2,360)**
Other finance costs				**(424)**
Profit before tax				**5,512**
Taxation				**750**
Profit for year ended 30 April 2015 (unaudited)				**6,262**

***from continuing operations**

Bespak's core business is the manufacture of inhaled drug delivery devices for Life Sciences partners and its operations are based in the United Kingdom. The Aesica business manufactures and sells active pharmaceutical ingredients, formulated pharmaceutical products and packaging services to the pharmaceutical industry and its operations are based in the United Kingdom and Europe.

Notes to the Accounts (continued)

3. Special items

To improve the understanding of the Group's financial performance, items which do not reflect the underlying performance are:

	Unaudited 2015 £000	Audited 2014 £000
Continuing operations		
Integration costs	**(1,876)**	–
Plant restructuring and recall credit	–	39
Acquisition-related expenses	**(5,382)**	(598)
Other acquisition related items	**(2,848)**	–
Amortisation of acquisition-related intangible assets	**(6,785)**	(828)
Special items included within operating profit	**(16,891)**	(1,387)
Accelerated amortisation of upfront facility fees	**(288)**	–
Special items before taxation	**(17,179)**	(1,387)
Special tax item – prior year Patent Box credit	**1,312**	–
Special tax item – deferred tax credit as a result of the UK Corporate rate change	**–**	850
Tax on special items	**2,707**	267
Special items after taxation from continuing operations	**(13,160)**	(270)

- Integration costs are in relation to restructuring activity following the completion of the integration programme at Aesica.
- Acquisition related expenses in the current year are primarily the professional fees associated with the acquisition of Aesica other than those related to the equity raised and the new debt funding arrangement.
- Other acquisition related items includes the uplift in the book value of inventory held by Aesica on acquisition, as required by accounting standards
- Amortisation of acquired intangible assets represents the charge for other intangible assets within Aesica (acquired in 2014) of £6.0m and £0.8m in relation to The Medical House (acquired in 2009).
- Accelerated amortisation of upfront facility fees of £0.3m was incurred in respect of the Group's previous facility which was cancelled on acquisition of Aesica.
- A special tax item of £1.3m arose in respect of the recognition in the current year of Patent Box benefits relating to the prior year.
- In the prior year:
  - acquisition related expenses includes the diligence costs of incurred in investigating potential investment opportunities;
  - the special tax item was in respect of a significant tax credit which arose as the Group's deferred tax assets and liabilities were revalued using the lower rate of UK Corporate Tax of 20% (reduced from 23%).
  - the prior year special items also included costs in relation to plant restructuring and recall credit related to the exit from an onerous property lease.

4. Finance income/(costs)

	Unaudited 2015 £000	Audited 2014 £000
Interest on deposits	**132**	201
Finance income from continuing operations	**132**	201
Accelerated amortisation of upfront loan facility fees	**(288)**	–
Interest on bank overdraft and loans including amortised fees	**(2,072)**	(907)
Finance costs from continuing operations	**(2,360)**	(907)
Net interest cost on defined benefit scheme (note 11)	**(144)**	(485)
Unwinding of discount on provisions	**–**	(33)
Foreign exchange gains and losses	**(280)**	(42)
Other finance costs from continuing operations	**(424)**	(560)

Notes to the Accounts (continued)

5. Taxation

The major components of income tax (credit)/expense are:

	Unaudited 2015 £000	Audited 2014 £000
Current income tax from continuing operations		
UK corporation tax	**48**	4,058
Foreign tax	**983**	–
Deferred tax	**(1,781)**	(1,564)
	(750)	2,494
The tax charge from continuing operations reported is analysed between:		
Tax on profit before special items	**3,269**	3,611
Tax on special items	**(2,707)**	(267)
Special tax item – prior year Patent Box credit	**(1,312)**	–
Special tax item – deferred tax credit as a result of the UK Corporate rate change	–	(850)
	(750)	2,494

6. Earnings per share

Earnings	Unaudited 2015 £000	Audited 2014 £000
Continuing operations		
Basic and diluted:		
Profit for the year – attributable to ordinary shareholders	**6,262**	13,646
Add back: Special items after taxation	**13,160**	270
Adjusted earnings	**19,422**	13,916
Discontinued operations		
Basic and diluted:		
Loss for the year – attributable to ordinary shareholders	**(1,314)**	(678)
Add back: Special items after taxation	**1,314**	678
Adjusted earnings	**–**	–
Total		
Basic and diluted:		
Profit for the year – attributable to ordinary shareholders	**4,948**	12,968
Add back: Special items after taxation	**14,474**	948
Adjusted earnings	**19,422**	13,916

Following the rights issue and issuance of new shares to Aesica management, the number of shares in issue has grown from 29.3m to 49.1m. The effect of the new shares and the bonus shares arising from the discount to the TERP (theoretical ex-rights price) results in an adjustment of the comparative EPS (earnings per share) and DPS (dividends per share) to enable meaningful comparison of the pre and post rights issue / acquisition earnings and distributions.

Notes to the Accounts (continued)

6. Earnings per share (continued)

The effect on the number of shares is as follows:

	Ordinary shares	ESOT
Pre-acquisition at 30 April 2014	29,248,817	464,819
Rights issue adjustment factor	1.14	1.14
Post rights issue at 30 April 2014	**33,439,605**	**531,418**

	Unaudited 2015 Number	Audited 2014* Number
Number of shares		
Weighted average number of ordinary shares in issue	**41,052,774**	33,439,605
Weighted average number of shares owned by Employee Share Ownership Trust	**(400,600)**	(531,418)
Average number of ordinary shares in issue for basic earnings	**40,652,174**	32,908,187
Dilutive impact of share options outstanding	**722,650**	745,627
Diluted weighted average number of ordinary shares in issue	**41,374,824**	33,653,814

	Unaudited 2015 Pence	Audited 2014 * Pence
Earnings per share		
Continuing operations:		
Basic adjusted	**47.8**	42.3
Basic unadjusted	**15.4**	41.5
Diluted adjusted	**46.9**	41.4
Diluted unadjusted	**15.2**	40.5
Discontinued operations:		
Basic adjusted	**–**	–
Basic unadjusted	**(3.2)**	(2.1)
Diluted adjusted	**–**	–
Diluted unadjusted	**(3.2)**	(2.0)
Total:		
Basic adjusted	**47.8**	42.3
Basic unadjusted	**12.2**	39.4
Diluted adjusted	**46.9**	41.4
Diluted unadjusted	**12.0**	38.5

* Restated (see above).

7. Dividends

Dividends declared and paid during the year:

	Unaudited 2015 £000	Audited 2014 £000
Final dividend for 2014 of 13.35p per share (2014: final dividend for 2013 of 12.71p per share)	**3,881**	3,659
Interim dividend paid of 6.34p per share (2014: 7.35p)	**3,130**	2,121
	7,011	5,780

In addition, the directors are proposing a final dividend in respect of the year ended 30 April 2015 of 11.68p per share, which will absorb an estimated £5.7m of shareholders' equity. It will be paid on 23 October 2015 to shareholders who are on the register on 25 September 2015.

Notes to the Accounts (continued)

8. Financial assets and liabilities

The following table sets out the classification of the Group's financial assets and liabilities. Receivables and payables have been included to the extent that they are classified as financial assets and liabilities in accordance with IAS 32 “Financial Instruments: Presentation”. Provisions have been included where there is a contractual obligation to settle in cash.

	Unaudited	Audited
	2015	2014
Financial assets	**£000**	£000
Cash and cash equivalents **	**45,201**	25,483
Trade receivables	**48,255**	13,579
Other receivables	**11,715**	3,574
Total loans and receivables **	**59,970**	17,153
Contingent consideration	**2,547**	11,157
Equity investment in Atlas Genetics Limited ***	**6,266**	4,068
Total available-for-sale financial assets	**8,813**	15,225
Fair value through profit and loss – currency exchange contracts	**–**	7

	Unaudited	Audited
	2015	2014
Financial liabilities	**£000**	£000
Trade payables	**(24,120)**	(6,133)
Other creditors and accruals	**(44,047)**	(10,221)
Total amortised cost **	**(68,167)**	(16,354)
Contingent consideration	(1,650)	–
Total available-for-sale financial liabilities	**(1,650)**	–
Fair value through profit and loss – currency exchange contracts	**(117)**	–

** The directors consider that the carrying value amounts of these financial assets and liabilities recorded at amortised cost in the financial statements are approximately equal to their fair values.

*** The equity investment in Atlas Genetics is an unquoted investment and therefore held at cost, less any provision for impairment as its fair value cannot be measured reliably in the absence of an active market.

All financial liabilities have a contractual maturity date that is less than 6 months from the balance sheet date.

The methods and assumptions used to estimate the fair values of financial assets and liabilities are as follows:

- Forward exchange contracts – based on market prices and exchange rates at the balance sheet date;
- Contingent consideration – the discounted value of anticipated future receipts.

The following tables categorise the Group's financial assets and liabilities held at fair value by the valuation methodology applied in determining fair value. Where possible, quoted prices in active markets are used (Level 1). Where such prices are not available, the asset or liability is classified as Level 2, provided all significant inputs to the valuation model are based on observable market data. In other cases the instrument is classified as Level 3.

Financial assets at fair value	**Level 1 £000**	**Level 2 £000**	**Level 3 £000**	**Total £000**
At 30 April 2015 (unaudited)				
Contingent consideration	**–**	**–**	**2,547**	**2,547**
Total	**–**	**–**	**2,547**	**2,547**
At 30 April 2014 (audited)				
Currency exchange contracts	**–**	**7**	**–**	**7**
Contingent consideration	**–**	**–**	**11,157**	**11,157**
Total	**–**	**7**	**11,157**	**11,164**

8. Financial assets and liabilities (continued)

Financial liabilities at fair value	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
At 30 April 2015 (unaudited)				
Currency exchange contracts	**–**	**(117)**	**–**	**(117)**
Bank borrowings	**–**	**(146,145)**	**–**	**(146,145)**
Total	**–**	**(146,262)**	**–**	**(146,262)**
At 30 April 2014 (audited)				
Currency exchange contracts	**–**	**–**	**–**	**–**
Total	**–**	**–**	**–**	**–**

Under the terms of the disposal of King Systems, completed on 15 February 2013, the purchaser, Ambu A/S, is due to pay amounts of consideration contingent upon the performance of King following disposal. This comprises:

- a milestone payment of US$10million upon completion of the first commercial sale of a video laryngoscope currently under development by King with a reusable display and an adaptor containing reusable optics and a disposable blade;
- payments with a potential maximum value of US$40m related to the sales of King Vision products for the three years ending 30 April 2016.

The fair value of contingent consideration is £2.5m (30 April 2014: £11.2m), with the reduction of £8.7m primarily due to:

- receipt of US$10million (£5.9m) following the first commercial sale of a video laryngoscope in June 2014;
- receipt of US$2.3million (£1.4m) reflecting the first payment relating to the sales of the King Vision products for the year ended 30 April 2014 in May 2014;
- amendment to the sales assumptions reducing the receivable by £2.4m; offset by
- the unwinding of the discount of £0.7m; and
- foreign exchange £0.3m.

A reduction in the forecast sales by 10% would reduce the fair value of the receivable by £0.1m with the opposite assumption generating a matching increase.

9. Net (debt)/cash

	Unaudited 2015 £000	Audited 2014 £000
Cash and cash equivalents	**45,201**	25,843
Group borrowings:		
Interest bearing loans and borrowings	**(146,145)**	–
Unamortised facility fees	**1,731**	–
Net borrowings	**(144,414)**	**–**
Net (debt)/cash	**(99,213)**	25,843

On 26 September 2014, the Group cancelled its $56m multicurrency revolving facility and the £40m multicurrency revolving facility and on 29 September 2014 signed a new £160m multicurrency revolving facility. Under the terms of the refinancing, the Group also has a £65m “accordion” facility (£25m under the previous facility); by which further facilities may be made available by Barclays, Lloyds, RBS and Santander under the current terms to support significant investment or acquisition opportunities which may arise.

The new revolving credit facilities expire in September 2019. The drawdowns on the facility as at 30 April 2015 are included within short term borrowings as they were rolling amounts with a one month interest period.

The undrawn facilities are unsecured. The bank loans and overdrafts are subject to cross-guarantees between Group undertakings. Interest on the multicurrency revolving credit facility is charged at LIBOR plus a margin of between 1.65% and 1.90%, depending upon the ratio of net debt to EBITDA (earnings before interest, tax, depreciation and amortisation), and on UK overdrafts at 1.75% above UK base rate.

Notes to the Accounts (continued)

9. Net (debt)/cash (continued)

As part of a corporate reorganisation, it was necessary to make a short term borrowing of £37.6m on the Group's banking facilities, which was repaid on 5 May 2015. This borrowing has no impact on the Group's net debt at the 30 April 2015, as it was represented by cash within Group subsidiaries. This explains the inflated cash position at 30 April 2015.

Reconciliation of net cash flow to movement in net (debt)/cash:

	Unaudited 2015 £000	Audited 2014 £000
Net cash at the beginning of the year	**25,843**	36,964
Net increase/(decrease) in cash	**20,354**	(11,061)
Proceeds from new bank funding	**(163,610)**	–
Repayment of amounts borrowed	**15,000**	–
Finance lease payments	**–**	2
Effects of exchange rate changes	**1,724**	(62)
Unamortised facility fees	**1,731**	**–**
Other non-cash movements	**(255)**	**–**
Net (debt)/cash at the end of the year	**(99,213)**	25,843

10. Acquisition of subsidiary

On 12 November, 2014, the Group acquired 100 per cent of the issued share capital of Aesica Holdco Limited, obtaining control of Aesica Holdco Limited ("Aesica"). Aesica is one of Europe's leading pharmaceutical Contract Development and Manufacturing Organisations ("CDMO"), providing contract development and manufacturing services for Finished Dose and Active Pharmaceutical Ingredients to the global pharmaceutical industry. Aesica was acquired as it represents a very strong fit with the Group's existing strategy of diversifying into adjacent markets and technologies to capture additional value in the drug/device supply chain. As one of Europe's leading pharmaceutical CDMOs, Aesica is highly complementary to Bespak's existing business and provides a number of clear strategic, competitive and value-enhancing benefits for the enlarged Group.

The fair values of the identifiable assets acquired and liabilities assumed as at the date of acquisition were as set out in the table below:

	Unaudited Fair value recognised on acquisition £000
Assets	
Property, plant and equipment	71,312
Cash and cash equivalents	6,221
Trade receivables	33,307
Inventory	26,930
Identified intangible assets	82,299
Other intangible assets	410
Current tax	1,765
Other receivables	3,550
Total identified assets	225,794
Liabilities	
Trade and other payables	(24,377)
Accruals, provisions and other liabilities	(46,079)
Deferred tax liability	(29,812)
Total identified liabilities	(100,268)
Net identified assets	125,526
Goodwill	101,103
Total consideration	226,629

10. Acquisition of subsidiary (continued)

Satisfied by:	
Cash	214,176
Equity instruments (ordinary shares of parent company)	10,803
Contingent consideration	1,650
Total consideration transferred	226,629
Consideration satisfied by cash	214,176
Less: Cash and cash equivalents acquired	(6,221)
Cash outflow on acquisition of subsidiary	207,955

Intangible assets relating to customer relationships with a value of £82.3m have been separately identified on acquisition of Aesica on which £6.0m of amortisation has been charged in the period from 12 November to 30 April 2015. The goodwill of £101.1m arising from the acquisition has been allocated entirely to the Aesica operating segment and comprises the value of other intangible assets considered but not explicitly recognised such as brand, acquired workforce and buyer specific synergies. These intangibles were not separable and therefore did not meet the criteria for recognition as an intangible asset under IAS 38. None of the goodwill recognised is expected to be deductible for income tax purposes.

The fair value of the 17,428,906 ordinary shares issued as part of the consideration paid for Aesica (£10.8m) was determined on the basis of the share price at the date of completion being 12 November 2014. Aesica entered into an option agreement with a third party to purchase a parcel of land presently owned by Aesica for consideration of £1.9m. In the event of the exercise of this option within 3 years from the acquisition date, the Group is required to pay the proceeds of such disposal as consideration, subject to a cap of £1.65m. This has been recognised as contingent consideration on acquisition.

If the acquisition of Aesica had been completed on the first day of financial year, the Group's revenues for the period would have been £276.0m and the Group's operating profit would have been £28.1m. This operating profit figure has been significantly reduced by the inclusion of a number of non-standard accounting adjustments required as part of the acquisition including but not limited to one off share based payment charges, transaction fees and provisions for liabilities and charges. The performance of Aesica's European operations in that period has been retranslated at monthly average rates under IAS21 "The Effect of Changes in Foreign Exchange Rates" at an average rate of €1.28 : £1. The fair value of the financial assets includes trade receivables with a fair value of £33.3m and a gross contractual value of £33.5m. The best estimate at acquisition date of the contractual cash flows not to be collected is £0.2m. Acquisition related costs of £16.9m have been charged to operating expenses in the consolidated income statement for the year ended 30 April 2015 (see note 3). Costs of £4.5m associated with the equity raise have been accounted for as a deduction from equity.

11. Defined benefit pension scheme

The movement in the defined benefit pension scheme deficit is as follows:

	Present value of obligation £000	Fair value of plan assets £000	Total £000
At 1 May 2014 (audited)	85,606	(83,530)	2,076
Acquisition of subsidiary	4,305	(961)	3,344
Current service cost	1,257	–	1,257
Interest expense / (income)	3,969	(3,825)	144
Amount charged / (credited) to the income statement	5,226	(3,825)	1,401
Return on plan assets (excluding amounts included within interest)	–	(7,081)	(7,081)
Loss from changes in financial assumptions	23,703	–	23,703
Effect of experience adjustments	(850)	–	(850)
Amount credited to equity	22,853	(7,081)	15,772
Employer contributions	(61)	(1,385)	(1,446)
Plan participant contributions	2	(2)	–
Benefit payments	(1,730)	1,730	–
At 30 April 2015 (unaudited)	**116,201**	**(95,054)**	**21,147**

Notes to the Accounts (continued)

11. Defined benefit pension scheme (continued)

Bespak operates a defined benefit pension scheme in the UK that is closed to new employees, who are eligible to join a defined contribution pension scheme. As at 30 April 2015, the IAS19 “Employee benefits” deficit was £17.8m compared with £2.1m as at 30 April 2014. The movement was primarily due to the changes in financial assumptions (£20.1m) as the discount rate reduced by 1% when compared with the prior year and an adjustment of £3.4m reflecting a revised estimate of the costs of equalisation within the scheme.

Aesica operates a number of different pension schemes including defined benefit schemes in Italy and Germany with a net IAS19 deficit of £3.3m.