29 May 2013

Scapa Group plc
Preliminary Results

Scapa Group plc, a global manufacturer of bonding materials and solutions, today announces its Preliminary Results for the year ended 31 March 2013.

Financial Highlights

- Revenue grew 6.7% to £208.8m (2012: £195.6m)
- Operating profit increased 13.7% to £13.3m (2012: £11.7m)
- Trading profit* increased 28.0% to £13.7m (2012: £10.7m)
- Profit before tax* improved 33.7% to £12.7m (2012: £9.5m)
- Trading profit* margins continued to improve to 6.6% (2012: 5.5%)
- Net cash** of £7.6m with cash generated from operating activities up 23.2% to £12.2m
- Adjusted earnings per share* increased 33.3% to 5.6p
- Dividend reinstated – final dividend of 0.5p per ordinary share proposed

Operational Highlights

- Self-help and growth agenda continues to deliver improvement in cash and profits
- Healthcare trading margins increased to 14.6% (2012: 13.9%)
- Industrial trading margins increased to 5.1% (2012: 4.9%)
- Long-term agreements signed with key healthcare customers providing improved visibility
- Legacy issues of asbestos disposed and UK pension contribution capped
- Rationalised property for net consideration of £4.3m

Commenting on the results Chief Executive, Heejae Chae said:

"The Group has delivered a record performance this period with another year of improved profit and shareholder value.

We continue to execute our strategy of self-help and improve the balance of our business both geographically and in the markets in which we operate. This was demonstrated this year by the significant improvement in performance of our Healthcare business and the strong contribution made by WEBTEC, the acquisition made in December 2011.

In addition to the improvement in performance, this year has also seen us successfully address our legacy issues, bringing significantly greater clarity to related future funding commitments. Accordingly we remain well placed to make further strategic investments in the future.

While we remain mindful of the uncertainty of the current economic environment, particularly in Europe, the Board is confident that Scapa is well positioned to make further progress in the coming financial year."

* Before exceptional items and amortisation of intangible assets
** Stated before transfer to assets held for sale

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Chairman's Statement

The Group continues to make good progress and has delivered a record year of improved performance against the backdrop of a difficult economic climate in the markets in which it operates. Our progress reflects the resilience of the business and confirms that the strategy of diversifying our business beyond our historic core Industrial markets is delivering results with the first full year performance of WEBTEC, our Healthcare acquisition, performing particularly well.

Overview

We have continued to grow our business and fulfil our strategy against a difficult economic background. In addition we have dealt with the two legacy issues of asbestos and pensions.

In Industrial, our geographic diversification helped us offset challenging market conditions in Europe. We continued to grow our business in North America ahead of the general economic recovery of the region. Also, the investments we made in Brazil and India are beginning to bear fruit as both countries delivered strong growth albeit from a modest base. In Europe, our business reflected difficult markets particularly in relation to the French automotive and infrastructure cables. Consumable markets, however, remained resilient, supported by the strong brand recognition of our products and continued increases in the number of points of sale (POS).

Our Healthcare division made significant progress during the year as it validated our strategy of moving further up the value chain and consolidating our position with key customers. The combined proposition of Scapa's material expertise and WEBTEC's converting capabilities enabled us to become a strategic partner to our key global healthcare customers. During the year, we entered into long term agreements with our key customers to ensure that the partnership and investment continues. The integration of WEBTEC along with further investment in R&D is now complete and we believe we are very well positioned to make further progress in our market.

In Electronics, we continue to develop our product range for the market and to work to establish a sustainable customer base to grow. We have made significant progress since we entered the market in 2010 and have developed a solid foundation. Nevertheless, we will continue to evaluate our progress against the potential that exists in the Electronics market.

Furthermore, we have dealt with legacy issues that consumed a significant amount of management attention and cash. We have divested our asbestos administration burden and capped the cash contributions of our UK legacy pension plans which bring significantly greater clarity to related future cash funding commitments. Post year end we have also sold unutilised property, freeing up cash to reinvest into the business.

Financial Highlights

Revenue increased 6.7% to £208.8m with a strong performance from the Healthcare business. Trading profit is a record performance for the Group since 2001 and increased 28.0% to £13.7m. Operating profit increased 13.7% to £13.3m. Adjusted earnings per share increased 33.3% to 5.6p and basic earnings per share decreased to 2.7p.

Strong cash flow and strong working capital management ensured that we ended the year with net cash of £7.6m (2012: £7.0m) stated before transfer to assets held for sale of £5.4m. Following another year of improved performance and in recognition of the quality and sustainability of earnings, the Board believes it is appropriate to reinstate a dividend payment and is therefore recommending payment of a modest final dividend of 0.5p (2012: Nil) this year. Subject to shareholder approval at the forthcoming Annual General Meeting, the dividend will be paid on 23 August 2013 to all shareholders on the register on 26 July 2013.

People

During the year I was very pleased to welcome Rebecca Smith as our Group General Counsel and Company Secretary to support the Board and the business as a whole. As always on behalf of the Board I would like to thank all of Scapa's employees around the world for their energy, commitment, dedication and hard work over the last financial year. The quality of our employees is an invaluable asset of the Group and is core to our efforts to further improve our performance and strive to meet our goals.

Board and Governance
The Board understands that a commitment to the highest standards of corporate governance is key to managing our business effectively and maintaining investor confidence. The Board has a thorough understanding of the business and knows its senior people; it creates a culture which is conducive to straightforward debate on the right issues, at the right level, at the right time.

Good governance adds value and reduces risk; therefore we look to sustain, develop and improve our governance arrangements continually. As in previous years, the Board carried out a self-assessment of its performance to ensure that our performance continues to meet the needs of the business and corporate governance best practice. The results of this exercise showed that our arrangements are in accordance with best practice in corporate governance and that the Board's mix of skills and experience meet the current needs of our business. In addition, we are mindful of the development of our succession plan needs that will support us in the next phase of our development.

Outlook
The performance this year and the core fundamentals of our business are reflected in the quality of our earnings, and the Board has recommended that a dividend payment be reinstated. We continue to be mindful of challenging macro economic conditions across the world but the Board is confident that we will continue to deliver on the strategy and against expectations. We will continue to invest in the business and people and look to grow the Group both organically and by suitable acquisitions.

J A S Wallace
Chairman

Chief Executive Director’s Report – Business Review

2012/13 has been a significant year for the Group. Further increases in profit and shareholder value demonstrate that we can sustain improved performance year on year, while enhancing the overall structure, composition and market position of the Group. This is primarily a result of Scapa’s successful implementation of our self-help programme which is providing us with strong foundations for future growth.

Of particular note is the accomplishment of our Healthcare business and specifically WEBTEC, which continues to expand and has made a strong contribution to the Group as a whole.

Overview

We continue to execute our strategy of self-help to further improve our profitability and maximise our cash, enabling reinvestment in the business to develop a resilient and sustainable platform for growth.

Our goal is to create a balanced portfolio of business in Industrial, Healthcare and Electronics across North America, Europe and Asia. Scapa continues to look at strategic acquisitions that will complement the portfolio, building on the success of the acquisition and integration of WEBTEC. This was a significant step toward transforming our business into a more balanced model, both geographically and across markets.

There have been ongoing discussions during the year with target businesses that meet the profile of strategic fit, appropriate price and the potential to enhance earnings. The merit of this part of our self-help strategy was evident during the year as we experienced tough economic conditions globally. The WEBTEC acquisition has enabled us to offset the difficult market experienced in Industrial business in the European region, particularly the French automotive and infrastructure cable sectors.

The Group’s global footprint and our expertise in our industry uniquely position us to compete at the highest level in our chosen markets. The prevalence of bonding materials across a broad spectra of markets, coupled with our expertise and capabilities, help deliver solutions that enhance our customers’ products.

The success of the Group will depend on the opportunities we pursue, guided by our focus on cash and payback horizon. Our investments in India and Brazil are examples of selective investments in our Industrial business yielding good results, with further good prospects for the future. The investment in Electronics in Asia provides us with a foothold in the fastest growing and most profitable segment of our industry and we will continue to evaluate the potential of further investment in the sector as opportunities arise.

The first phase of our strategy was to develop a profitable and sustainable platform for future growth. Much of the focus has been to improve our financial position and cash generation, which we are delivering. We continue to invest in people, our most important asset, through supplementing the team with new capabilities as challenges shift and providing tools for people to develop as the Group grows.

Outlook

In the medium term, we are positioned to increase our global presence in our chosen markets and, while mindful of the uncertain economic environment, we will continue to implement and deliver on our strategic goals. We anticipate our performance in the coming year will be more weighted to the second half and we are confident that we will continue to deliver improved performance and sustainable growth.

Industrial

- Market overview

This year the performance of our Industrial business was mixed, reflecting the macro economic conditions of the regions in which we participate. In North America, whilst the core markets of construction, automotive, consumer and cable are reflecting the growth rate of the general economic activities, we are continuing to develop a pipeline of new customers which is driving above market performance. During the year, we have worked on programmes with a tier two automotive supplier and a global cable manufacturer and both have contributed to the performance.

In Europe, the performance again was driven by the economic conditions. Sales in our European business declined 7.4%; when adjusted for exchange rates this falls to 4.2%. This performance reflects not only the economic conditions but our exposure to French automotive and infrastructure cables, which were significantly impacted by the downturn and regional austerity measures. Offsetting the declines, our consumer segment including Barnier continues to grow as we introduce new product extensions, leveraging our strong brand and gaining new points of sale.

During the year, we have added additional retail channels, including Baywa in Germany and Materis in France, a total of approximately 400 additional stores. We recognise that in the current economic climate, we must continue to develop new customers to drive our growth. This includes automotive where we are developing new accounts to offset the challenges in our current customers. We have made significant inroads for new applications for market leaders such as VW, which should help offset the volatility in our automotive business and provide a stronger platform for future growth. In North America, we have regained a major retailer for our hockey business.

The new investments in India and Brazil are showing very good growth albeit from a modest base. Clearly the positive economic environment in the regions supports the performance but we have gained a solid base of new customers that should serve as a platform for future growth. In India, we have opened a converting facility in Chennai so that we can provide greater value add to our customers and improve our service level.

- Strategy

Scapa is positioned as a solution provider with global reach and extensive bonding solution capabilities. We continue to address the market across two broad categories based on the application of our products: OEM and Consumables. OEM products are designed in and specifically called out in the bill of material of the application, typically customer and programme specific, and require significant customer knowledge and interaction. The products are technical and usually developed specifically for the application. Consumables, while manufactured to technical specifications, are not customer or application specific and products are generally used for temporary fixation; they do not require technical sales and are purchased in small quantities by many and differing customers.

- OEM

Our OEM strategy is a customer centric approach leveraging our specific market and product knowledge. We will approach the customer strategically and holistically to gain in-depth knowledge of their business and their expectations. We will strive to service the customer on multiple fronts through strategic account management to ensure that we become their partner. Given the intensive resource requirement of such an approach, the success of our OEM strategy is driven by the quality of our target selection. The prevalence of bonding materials across a broad spectra of markets provides numerous opportunities. These opportunities must provide the potential to meet the financial and strategic targets of the Group.

- Consumables

Within consumables we continue to leverage our existing product range, channels to market and brand. Building on the success of our Barnier brand, we are launching new product ranges to the market. In addition, we are constantly working to add new points of sale to expand our channel network. To cover the growing number of customers, we are leveraging technology to improve our service and meet the customers' expectations. We have successfully launched our ePortal, which provides online access to order status, past activities and records as well as a platform for our customers to access our broad product portfolio and place orders direct rather than through customer service or the sales team. We also launched ScapaOn which guarantees five-day delivery anywhere in Western Europe.

- Looking forward

Whilst the macro economics around the markets we serve are mixed, we believe that the diversity of the geography and markets in which we operate provide us with the opportunity to grow. In particular, we expect that the positive economic environments in North America, India and Brazil will enable us to continue to build on the encouraging result of the past year. Additionally, the pipeline of new strategic accounts is continuing to develop and should begin to yield benefits. The platform for consumables is being put in place to further drive our effort to gain market share.

Healthcare

- Market overview

This year has seen our Healthcare business enhance our position in the Healthcare marketplace by moving further up the value chain and consolidating our position with key customers. The integration of WEBTEC into Scapa Healthcare has been a major focus of the year, and fostered both revenue growth and the expansion of the value proposition of providing skin-friendly turn-key solutions to our client base.

Our focus on four key market sectors (Advanced Wound Care, Medical Device, Consumer Wellness and Transdermal Drug Delivery) continues to dominate our external sales effort and our research and development efforts. We are continuing to provide our customers with customised products tailored to meet their individual needs, pulling from a wide array of global capabilities. The acceptance, understanding and delivery of skin-friendly turn-key solutions is growing and developing within the Healthcare market. The launch of the Soft-Pro™ silicone adhesive line of products fostered further exposure for our unique silicone gel products and capabilities. Additionally, WEBTEC has provided a streamlined, cohesive approach to solving design, development and supply chain challenges for our customers.

The backbone of our business is our account management, operations and quality team, which are further improving our global capabilities, allowing Scapa Healthcare to credibly reach our target customers and markets. It is the relationships with those customers that have driven the growth of the Scapa Healthcare business, and they will continue to be a target for our future expansion.

During the year we continued to invest in people, particularly in R&D. Combined with the WEBTEC team, we have established a strong dedicated team with tremendous experience and reputation in the Healthcare market, which will be the foundation for our future success.

- Strategy

With the Healthcare ‘Skin-Friendly Turn-Key’ growth strategy now in place, we are ideally positioned to offer new technology solutions, combined with service and cost improvements. Our turn-key solutions provide customers with a reliable, trusted, regulated, safe and cost-effective partnership, without sacrificing quality, compliance, intellectual protection or patient satisfaction. These turn-key solutions have allowed Scapa Healthcare to broaden our service platform with existing customers, bringing additional value to our customers' existing offering, and expanding our project reach.

- WEBTEC integration

The integration of WEBTEC into Scapa has progressed very well over the past year. One of the goals of the year, which we have successfully achieved, was to bring WEBTEC seamlessly into Scapa. Over the past year we have implemented SAP into WEBTEC which has balanced and aligned it with Scapa’s other sites. In the midst of the integration, WEBTEC has brought to market a critical product launch for a key OEM, as well as maintained the entrepreneurial spirit that anchors the WEBTEC culture.

- Research & Development

There is a renewed focus on innovative products for Scapa Healthcare. The primary research, which is not part of our manufacturing operation but takes place with our academic university links and supports our ‘next generation’ product pipelines, has been dramatically upgraded over the past year. We have invested in further R&D personnel to aid in the development of the new product innovations, as well as a state of the art laboratory for product testing, meeting the needs of our customers and the markets we serve.

- Recognised quality

As a highly regulated business, we have a very strict approach to the quality and care of our products and processes. We are subject to regular audits from our customers and regulatory authorities, including the MHRA (Medicines and Healthcare products Regulatory Agency) and the FDA (Food and Drug Administration) to ensure that we maintain our high standards and remain fully compliant.

- Customer interaction

Over the past year, Scapa Healthcare has renewed contracts with key customers. Those customers have a further appreciation for the services, technology and delivery that Scapa Healthcare can offer, and have continued to reward Scapa Healthcare with their growing and expanding business. Scapa Healthcare is working with marketing, procurement, and R&D to further enhance our business relationship with our customers.

- Looking forward

Building on the success of the past year, we expect that we will continue to make progress in enhancing our position in the Healthcare marketplace. We will continue to cement our relationship with our existing key customers by moving further up the value chain. The recent agreements with some of the key accounts provide a solid foundation on which to build. Furthermore, the pipeline of new programmes and accounts are continuing to develop and should yield further benefits.

Electronics

- Market Overview

Scapa's product portfolio and global footprint make us an ideal partner to the Electronics industry. Our current engagement with global leaders in mobile technology and electronic consumer equipment will enable us to keep pace with the fast changing market requirements.

Scapa continues to realign its operations in Asia towards electronics and we have made significant progress from a standing start in 2010. This year has seen the launch of a number of new products as we continue to develop our customer base by working in partnership with leading manufacturers to provide innovative solutions that contribute to changing design and shorter product life cycles. This year has seen us gain traction in the home appliances markets, partnering with leading Chinese manufacturers thereby helping the customer improve reliability and reduce the total cost of ownership. Our commitment to developing solutions for the core consumer electronics markets such as home appliances, TV's and PC's is ongoing.

While the market for consumer electronics has slowed over the past year due to subdued consumer spending, there are also significant pockets of growth. Smart phones have been the primary driver closely followed by increased consumer demand for tablets and e-Readers. Scapa is closely involved in the development of bonding solutions for these products and continues to invest and build a product portfolio that meets customer demands.

- Strategy

With both manufacturing and research and development facilities in Asia, Scapa is building on its strong experience with electronics manufacturers and their development processes. We continue to focus on major OEM's driving innovation through early stage development with our customers in the design and production stage, offering solutions specifically developed for the electronics industry's needs. While we will continue to concentrate on the core markets with South Korea and China we are also realigning our resources to extend our reach to the Electronics OEM's in Taiwan and Japan. We continue to build up a network and knowledge database to keep up with the dynamic changes in both channels to market and product innovation.

- Looking forward

The long-term outlook for the consumer electronics market is positive and we continue to develop our footprint, with increased exposure to new customers and markets helping to develop a growing pipeline. Further innovation in smart phones and tablets and the launch of new models are expected to continue to drive growth, underpinning the opportunities for Scapa. Nevertheless, as we develop, we will continue to evaluate our progress against the potential that exists in the sector or elsewhere.

H R Chae
Chief Executive

Finance Director's Review

Group revenue increased by 6.7% to £208.8m (2012: £195.6m). When adjusted for the impact of foreign exchange rate movements the growth is 8.6%. Industrial revenue of £140.7m (2012: £145.9m) was 3.6% behind the prior year; revenues were broadly flat, down 0.9% when compared to prior year revenues adjusted for this year's exchange rates (2012: £142.0m). Healthcare revenue was £57.4m (2012: £39.5m) an increase of 45.3%. WEBTEC, the acquisition made towards the latter part of the prior year, enjoyed strong sales growth and contributed strongly to Group revenue. The Electronics market experienced a 4.9% growth from prior year revenue, which reduces slightly to 3.9% when adjusting for exchange rates.

Trading profit increased by 28.0% to £13.7m (2012: £10.7m) a record performance for the existing Group, with the margin improving to 6.6% (2012: 5.5%). Industrial contributed £7.2m (2012: £7.2m) with an improved margin of 5.1% (2012: 4.9%). Healthcare contributed £8.4m (2012: £5.5m) with a margin of 14.6% (2012: 13.9%). Total Group operating profit of £13.3m (2012: £11.7m) includes a net exceptional credit of £1.1m (2012: £1.4m) and intangible amortisation costs of £1.5m (2012: £0.4m). The exceptional credit relates to pension service credits following the merger of two of the UK defined benefit pension schemes.

- Finance costs

Net finance costs reduced to £1.0m (2012: £1.2m) and comprise net cash interest payable of £0.5m (2012: £0.3m) and notional interest of £0.5m (2012: £0.9m). The net interest payable related to the £20.0m multicurrency facility put in place in December 2011. The Group's interest cost exposure risk is fully mitigated through an interest rate swap entered into in January 2012. The notional interest relates mainly to the defined benefit pension plans and the unwinding of the discount on deferred payments on acquisitions.

- Taxation

The Group's tax charge of £8.4m (2012: £4.0m) includes a £4.5m charge (2012: £3.4m) on operating activities, a £0.3m charge (2012: £0.6m) arising from a change in the UK corporation tax rate and taxation on exceptional items of £3.6m (2012: £Nil). Taxation on exceptional items of £2.2m (2012: £Nil) relates to the subsidiary group held for sale and de-recognition of tax losses of £1.4m (2012: £Nil), where utilisation is no longer foreseeable with certainty.

The headline effective rate of tax for the Group is 68.3% (2012: 38.1%). The effective rate excluding exceptional items and the change in rate of UK corporation tax is 35.4% (2012: 35.8%). This underlying rate is higher than the UK standard rate of 24% due mainly to the Group operating in territories which have a higher statutory tax rate than the UK. Despite the high effective rate, the Group's cash tax payment in the year was £2.6m (2012: £0.9m) as the Group continues to benefit from its brought forward tax losses. As noted in the interim accounts, with continued profitability our cash tax is increasing as our brought forward losses are utilised and we move to payments on account in more jurisdictions.

- Acquisition

In December 2011 the Group acquired the business and assets of WEBTEC for an initial cash consideration of US$28.8m (£18.0m). Based on trading performance to December 2012 US$8.1m of the potential additional payment of US$10.0m was paid in February 2013, with the residue being carried over into the 2013 deferred consideration payment of US$5.0m. The total potential payment to be earned in the period to December 2013 is now US$6.9m and based on current performance we fully expect to pay this amount in early 2014.

- Earnings per share

Adjusted earnings per share was 5.6p (2012: 4.2p) and basic earnings per share was 2.7p (2012: 4.5p).

- Cash flow and net debt

Net cash generated from operating activities of £12.2m (2012: £9.9m) increased significantly due to higher profit and was after absorbing £1.1m (2012: £1.8m cash inflow) of working capital to support the sales increase of 6.7%. Net capital expenditure increased to £3.5m (2012: £2.4m). Cash outflow on tax and interest increased to £3.0m (2012: £1.1m) as historical overseas losses continue to be utilised and additionally we also reflect the full year impact of interest on drawn borrowings. The net cash outflow on acquisitions was £5.1m (2012: £18.0m) relating to the prior year acquisition of WEBTEC.

- Financing

The Group is financed principally by a mix of equity, retained earnings and a committed bank facility. The Group has a committed revolving credit facility of £20.0m (2012: £20.0m) with a club of two UK based banks in addition to smaller local facilities around the Group. The facility expires June 2016. At March 2013 £10.4m (2012: £9.9m) of these facilities were drawn. The financial covenants related to the facility are the ratio of net debt to EBITDA and interest cover to EBITDA. Net debt must be less than three times adjusted EBITDA. Adjusted EBITDA must be at least four times the net interest charges. Throughout the year under review the Group comfortably complied with its loan covenants.

- Financial risk management/treasury/credit management

In the normal course of business the Group is exposed to certain financial risks, principally foreign exchange, interest rate risk, liquidity risk and credit risk. Foreign exchange risk is managed predominantly through forward contracts and central decisions on hedging investments and borrowings. All forward contract movements are recognised in the Income Statement at the Balance Sheet date. In 2012 the Group entered into an interest rate swap transaction to hedge the effects of interest rate movements on its US Dollar borrowings. The Group does not hedge account for the swap and the movements in fair value are taken directly to the Income Statement; the effect in the year under review was a loss of £0.2m. Liquidity risk is centrally managed by the Group in conjunction with risk management policies and procedures that are reviewed and approved by the Board. Subject to certain conditions and policy excesses, the Group manages its credit risk of sales made from North America and Europe through credit insurance. In addition tight credit control and a clear central policy and process mean that the Group has very low overdue trading debts and has an excellent track record of recovery.

- Post-retirement benefits

The Group operates a number of post-retirement benefit schemes for qualifying employees in operations around the world. The majority of these schemes are defined contribution; however some are classed as defined benefit. The Group also carries post retirement benefit liabilities relating to schemes that are now closed to new members and future accrual. These schemes comprise the vast majority of the Group's post-retirement liability. The principal deficits under closed schemes are based in the UK, where the company has two schemes in deficit.

Overall the total IAS 19 pension deficit has increased by £7.3m to £46.2m (2012: £38.9m). Of this amount the UK pension schemes represent £39.5m (2012: £32.4m) and the overseas schemes £6.7m (2012: £6.5m).

During the year the fair value of the scheme assets increased by £10.3m which was lower than the increase in total liabilities of £17.6m, the latter being driven by a decrease in corporate bond yields used to discount the liabilities. The Group continues on its programme to address the UK pension deficit. During the first half of the year two of the UK schemes were merged into one resulting in a number of liabilities being extinguished and a settlement gain of £1.1m being recognised through the Income Statement. In the second half of the year the Group reached agreement with the UK trustees for the implementation of an asset backed funding structure from March 2013. From April 2013, the UK pension funds will be underpinned by an asset backed funding structure which will provide £3.75m cash contributions per annum to the pension fund, index linked to a maximum of 5%. The present value of this funding stream will be fully recognised as a pension fund asset in the 2012 triennial valuation and remove the combined deficit of £54.8m on a funding basis The funding stream is not treated as an asset under IAS19 and so is not reflected in the Balance Sheet at March 2013.

The Group's cash contribution to defined benefit pension schemes in the period was £6.2m (2012: £6.4m). As noted above, the Group continues to recognise the deferred tax asset of £11.2m (2012: £9.8m) in respect of future pension deficit reduction payments which gain tax relief at the time of payment (as opposed to accrual). The pension deficit, net of deferred tax, is therefore £35.0m (2012: £29.1m) which includes a provision in the UK schemes.

- Product liability - asbestos claims

At the Balance Sheet date the Group carried a liability and an equal and opposite insurance asset in relation to asbestos product liability issues in the United States of £20.4m (2012: £20.5m). In addition a litigation provision of £5.3m (2012: £5.5m) was provided for the forecasted share of the Group's defence costs over the lifetime of the product liability issues. These amounts related to pending law suits in the US where plaintiffs are claiming damages arising from alleged exposure to products manufactured which contained asbestos. The liabilities and assets were held in the wholly owned subsidiary of the Group, Scapa Holdings Georgia Inc, and its subsidiary Scapa Waycross Inc (together 'Georgia'). On 25 April 2013, the Group sold Georgia to an unrelated third party. The insurance asset and asbestos liabilities along with the responsibility for managing and handling the asbestos lawsuits have transferred on the disposal of Georgia to the new owner. As a result Georgia and its associated assets and liabilities have been classified as a subsidiary group held for re-sale and transferred out of the individual lines of the Balance Sheet. The net financial impact of the transaction, and a summary of the assets and liabilities affected, are disclosed within note 15.

- Shareholders' funds

Shareholders' funds have decreased £4.3m to £61.8m (2012: £66.1m) reflecting a net pension loss in the period of £10.7m (2012: £7.7m loss), profit after tax of £3.9m (2012: £6.5m), movements in equity relating to share issues and share options adding £0.1m (2012: £0.5m), favourable currency impact on overseas asset values of £2.7m (2012: £1.2m loss) and tax charges of £0.3m (2012: £0.6m).

- Going concern

After making enquiries, the Directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group's budget and cash flow forecasts against undrawn facilities of £10.1m (2012: £11.2m) and the availability of financing in the market. The Directors also reviewed downside sensitivity analysis over the forecast period, thereby taking into account the uncertainties arising from the current economic climate. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Consolidated Income Statement
For the year ended 31 March 2013

All on continuing operations	note	**Year ended 31 March 2013 £m**	Year ended 31 March 2012 £m
Revenue	1	**208.8**	195.6
Operating profit	1, 4	**13.3**	11.7
Trading profit*		**13.7**	10.7
Amortisation of intangible assets		**(1.5)**	(0.4)
Exceptional items	5	**1.1**	1.4
Operating profit		**13.3**	11.7
Interest payable	7	**(0.5)**	(0.3)
		(0.5)	(0.3)
Net discount on provisions	7	**(0.2)**	(0.2)
Other finance charges	7	**(0.2)**	–
IAS 19 finance costs	7	**(0.1)**	(0.7)
Net finance costs		**(1.0)**	(1.2)
Profit on ordinary activities before tax		**12.3**	10.5
Taxation on operating activities		**(4.5)**	(3.4)
Taxation on exceptional items		**(3.6)**	–
Impact of change in tax rate on deferred tax		**(0.3)**	(0.6)
Taxation charge	8	**(8.4)**	(4.0)
Profit for the year		**3.9**	6.5
Weighted average number of shares	9	**146.1**	145.3
Basic earnings per share (p)	9	**2.7**	4.5
Diluted earnings per share (p)	9	**2.6**	4.3

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2013

All on continuing operations	**Year ended 31 March 2013 £m**	Year ended 31 March 2012 £m
Profit for the year	**3.9**	6.5
Exchange differences on translating foreign operations	**2.7**	(1.2)
Actuarial loss	**(13.8)**	(10.9)
Deferred tax on actuarial loss	**3.1**	3.2
Effect of reduction in UK corporation tax on deferred tax	**(0.3)**	(0.6)
Other comprehensive expense for the year	**(8.3)**	(9.5)
Total comprehensive expense for the year	**(4.4)**	(3.0)

* Operating profit before exceptional items and amortisation of intangible assets.

Consolidated Balance Sheet
As at 31 March 2013

	note	**31 March 2013 £m**	31 March 2012 £m
Assets			
Non-current assets			
Goodwill	12	**26.4**	25.1
Intangible assets	13	**5.3**	6.6
Property, plant and equipment	14	**38.4**	40.4
Deferred tax asset	8	**25.6**	28.3
Other receivables		**0.3**	19.6
		96.0	120.0
Current assets			
Assets classified as held for sale	15	**28.4**	0.6
Inventory	17	**23.6**	20.8
Trade and other receivables	18	**40.5**	36.9
Current tax asset		**–**	0.1
Cash and cash equivalents	19	**12.6**	16.9
		105.1	75.3
Liabilities			
Current liabilities			
Financial liabilities:			
– Borrowings and other financial liabilities	21	**(0.3)**	(0.4)
– Derivative financial instruments		**(0.3)**	–
Trade and other payables	20	**(41.3)**	(34.0)
Deferred consideration	11	**(4.6)**	(6.3)
Liabilities directly associated with assets classified as held for sale	15	**(25.7)**	–
Current tax liabilities		**(0.9)**	(1.3)
Provisions	22	**(0.6)**	(2.0)
		(73.7)	(44.0)
Net current assets		**31.4**	31.3
Non-current liabilities			
Financial liabilities:			
– Borrowings and other financial liabilities	21	**(10.1)**	(9.5)
Trade and other payables	20	**(0.3)**	(0.7)
Deferred consideration	12	**–**	(2.9)
Deferred tax liabilities	8	**(5.2)**	(4.8)
Non-current tax liabilities		**(1.5)**	(1.5)
Retirement benefit obligations		**(46.2)**	(38.9)
Provisions	22	**(2.3)**	(26.9)
		(65.6)	(85.2)
Net assets		**61.8**	66.1
Shareholders' equity			
Ordinary shares		**7.3**	7.3
Share premium		**0.2**	0.2
Retained earnings		**34.0**	41.0
Translation reserve		**20.3**	17.6
Total shareholders' equity		**61.8**	66.1

Consolidated Statement of Changes in Equity

For the year ended 31 March 2013

	Share capital £m	Share premium £m	Translation reserves £m	Retained earnings £m	Total equity £m
Balance at 31 March 2011	7.3	0.1	18.8	42.4	68.6
Issue of share capital	–	0.1	–	–	0.1
Employee share option scheme – value of employee services	–	–	–	0.4	0.4
Currency translation differences	–	–	(1.2)	–	(1.2)
Actuarial loss on pension schemes	–	–	–	(10.9)	(10.9)
Deferred tax on actuarial gain	–	–	–	3.2	3.2
Effect of reduction in UK corporation rate on deferred tax	–	–	–	(0.6)	(0.6)
Net expense recognised directly in equity	–	–	(1.2)	(8.3)	(9.5)
Profit for the period	–	–	–	6.5	6.5
Total comprehensive expense	–	–	(1.2)	(1.8)	(3.0)
Balance at 31 March 2012	7.3	0.2	17.6	41.0	66.1
Employee share option scheme – value of employee services	–	–	–	0.1	0.1
Currency translation differences	–	–	2.7	–	2.7
Actuarial loss on pension schemes	–	–	–	(13.8)	(13.8)
Deferred tax on actuarial gain	–	–	–	3.1	3.1
Effect of reduction in UK corporation rate on deferred tax	–	–	–	(0.3)	(0.3)
Net income/(expense) recognised directly in equity	–	–	2.7	(11.0)	(8.3)
Profit for the period	–	–	–	3.9	3.9
Total comprehensive income/(expense)	–	–	2.7	(7.1)	(4.4)
Balance at 31 March 2013	**7.3**	**0.2**	**20.3**	**34.0**	**61.8**

Consolidated Cash Flow Statement

For the year ended 31 March 2013

All on continuing operations	note	**Year ended 31 March 2013 £m**	Year ended 31 March 2012 £m
Cash flows from operating activities			
Net cash flow from operations		**12.2**	9.9
Cash generated from operations before exceptional items		**13.0**	10.7
Cash outflows from exceptional items		**(0.8)**	(0.8)
Net cash flow from operations		**12.2**	9.9
Net interest paid		**(0.4)**	(0.2)
Income tax paid		**(2.6)**	(0.9)
Net cash generated from operating activities		**9.2**	8.8
Cash flows used in investing activities			
Acquisition of subsidiary	11	**(5.1)**	(18.0)
Purchase of property, plant and equipment		**(4.2)**	(2.6)
Proceeds from sale of property, plant and equipment		**0.7**	0.2
Net cash used in investing activities		**(8.6)**	(20.4)
Cash flows from financing activities			
Issue of shares		**–**	0.1
Other non-current investment movement		**–**	6.3
Increase in borrowings		**3.3**	15.4
Repayment of borrowings		**(3.1)**	(6.5)
Net cash from financing activities		**0.2**	15.3
Net increase in cash and cash equivalents		**0.8**	3.7
Cash and cash equivalents at beginning of the year		**16.7**	13.2
Exchange gains/(losses) on cash and cash equivalents		**0.5**	(0.2)
Total cash and cash equivalents at end of the year		**18.0**	16.7
Cash transferred to assets and disposal group held for sale	15	**(5.4)**	–
Cash and cash equivalents at end of the year less amounts held for sale		**12.6**	16.7

Notes on the Accounts

1. Basis of preparation

These consolidated financial statements have been prepared in accordance with the accounting policies set out in the annual report for the year ended 31 March 2013. While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs), as adopted for use in the EU, this announcement does not itself contain sufficient information to comply with IFRSs. The Group expects to publish full financial statements that comply with IFRSs in June 2013.

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 March 2013 or 2012, but is derived from those accounts. Statutory accounts for 2012 have been delivered to the Registrar of Companies and those for 2013 will be delivered following the Company's Annual General Meeting. The auditor has reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) Companies Act 2006.

The financial statements have been prepared on the historical cost basis of accounting except as disclosed in the accounting policies set out in the annual report for the year ended 31 March 2013. The same accounting policies, presentations and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest annual audited financial statements. The annual financial statements of Scapa Group plc are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

2. Segmental reporting

Business unit segments

The Group trades across three business units: Industrial, Healthcare and Electronics, and in three main geographical areas: Europe, North America and Asia. All inter-segment transactions are made on an arm's-length basis. The Group has continued to focus more on business units than geographical areas for strategic planning of the Group. Geographical information is presented to provide supplementary information about the areas in which the Group operates for the benefit of investors.

The chief operating decision maker relies primarily on turnover and trading profit to assess the performance of the Group and make decisions about resources to be allocated to the segment; assets and liabilities are looked at geographically. Trading profit is reconciled to operating profit on the face of the Income Statement.

The Board reviews the performance of the business using information presented at consistent exchange rates. The prior year results have been restated as shown on the following page.

Segment results

The segment results for the year ended 31 March 2013 are as follows:

	Industrial £m	**Healthcare £m**	**Electronics £m**	**Head office £m**	**Group £m**
External revenue	140.7	57.4	10.7	–	208.8
Trading profit/(loss)	7.2	8.4	(0.3)	(1.6)	13.7
Amortisation of intangible assets	–	(1.5)	–	–	(1.5)
Exceptional items	0.6	–	(0.4)	0.9	1.1
Operating profit/(loss)	7.8	6.9	(0.7)	(0.7)	13.3
Net finance costs					(1.0)
Profit on ordinary activities before tax					**12.3**
Tax charge					(8.4)
Profit for the year					**3.9**

	Europe £m	N America £m	Asia £m	Head office £m	Group £m
External revenue	99.9	97.1	11.8	–	208.8
Trading profit/(loss)	4.7	11.0	(0.4)	(1.6)	13.7
Amortisation of intangible assets	–	(1.5)	–	–	(1.5)
Exceptional items	0.6	–	(0.4)	0.9	1.1
Operating profit/(loss)	5.3	9.5	(0.8)	(0.7)	13.3
Net finance costs					(1.0)
Profit on ordinary activities before tax					**12.3**
Tax charge					(8.4)
Profit for the year					**3.9**

Revenue is allocated based on the country in which the order is received. All revenue relates to the sale of goods. The revenue analysis based on the location of the customer is as follows:

	Europe £m	N America £m	Asia £m	Other £m	Group £m
External revenue	90.4	90.8	11.6	16.0	208.8

There are no single customers with greater than 10% share of the total external revenue of the Group.

The segment results for the year ended 31 March 2012 are as follows:

	Industrial £m	Healthcare £m	Electronics £m	Head office £m	Group £m
External revenue	145.9	39.5	10.2	–	195.6
Trading profit/(loss)	7.2	5.5	(0.8)	(1.2)	10.7
Amortisation of intangible assets	–	(0.4)	–	–	(0.4)
Exceptional items	0.9	(0.1)	–	0.6	1.4
Operating profit/(loss)	8.1	5.0	(0.8)	(0.6)	11.7
Net finance costs					(1.2)
Profit on ordinary activities before tax					**10.5**
Tax charge					(4.0)
Profit for the year					**6.5**

	Europe £m	N America £m	Asia £m	Head office £m	Group £m
External revenue	107.9	76.6	11.1	–	195.6
Trading profit/(loss)	5.9	6.8	(0.8)	(1.2)	10.7
Amortisation of intangible assets	–	(0.4)	–	–	(0.4)
Exceptional items	0.4	0.4	–	0.6	1.4
Operating profit/(loss)	6.3	6.8	(0.8)	(0.6)	11.7
Net finance costs					(1.2)
Profit on ordinary activities before tax					**10.5**
Tax charge					(4.0)
Profit for the year					**6.5**

Revenue is allocated based on the country in which the order is received. All revenue relates to the sale of goods. The revenue analysis based on the location of the customer is as follows:

	Europe £m	N America £m	Asia £m	Other £m	Group £m
External revenue	**96.5**	**69.2**	**11.1**	**18.8**	**195.6**

The Board reviews the performance of the business using information presented at consistent exchange rates. The prior year results have been restated using this year's exchange rates as follows:

	Industrial £m	**Healthcare £m**	**Electronics £m**	**Head office £m**	**Group £m**
External revenue	145.9	39.5	10.2	–	195.6
Foreign exchange	(3.9)	0.4	0.1	–	(3.4)
Underlying external revenue	142.0	39.9	10.3	–	192.2
Trading profit/(loss)	7.2	5.5	(0.8)	(1.2)	10.7
Foreign exchange	(0.2)	–	–	–	(0.2)
Underlying trading profit/(loss)	7.0	5.5	(0.8)	(1.2)	10.5

	Europe £m	**N America £m**	**Asia £m**	**Head office £m**	**Group £m**
External revenue	107.9	76.6	11.1	–	195.6
Foreign exchange	(4.2)	0.7	0.1	–	(3.4)
Underlying external revenue	103.7	77.3	11.2	–	192.2
Trading profit/(loss)	5.9	6.8	(0.8)	(1.2)	10.7
Foreign exchange	(0.3)	0.1	–	–	(0.2)
Underlying trading profit/(loss)	5.6	6.9	(0.8)	(1.2)	10.5

Geographical information

The Group's revenue from external customers, based upon the location where the sale occurred, and information about its segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) are detailed below:

	Revenue from external customers 2013 £m	Revenue from external customers 2012 £m	**Non-current assets 2013 £m**	Non-current assets 2012 £m
USA	**76.7**	56.3	**42.3**	42.1
France	**37.3**	40.8	**3.7**	5.3
UK	**30.3**	31.5	**5.1**	5.0
Canada	**20.5**	20.3	**8.5**	8.6
Other countries	**44.0**	46.7	**10.5**	11.1
	208.8	195.6	**70.1**	72.1

Non-current assets exclude those relating to non-current assets held for resale.

3. Segment assets and liabilities

The chief operating decision maker does not review assets and liabilities by business unit but by geographical area. The assets and liabilities at 31 March 2013 and capital expenditure for the year then ended can be analysed into geographical segments as follows:

	Europe £m	**N America £m**	**Asia £m**	**Head office £m**	**Group £m**
Inventory	10.5	11.0	2.1	–	23.6
Trade receivables (net)	20.4	15.2	2.1	–	37.7
Trade payables	(17.6)	(9.2)	(0.6)	(0.8)	(28.2)
Cash	6.3	0.3	1.9	4.1	12.6
Additions of property, plant and equipment	1.8	2.1	0.2	0.4	4.5

The assets and liabilities at 31 March 2012 and capital expenditure for the year then ended were as follows:

	Europe £m	N America £m	Asia £m	Head office £m	Group £m
Inventory	10.3	8.7	1.8	–	20.8
Trade receivables (net)	19.4	12.1	1.8	–	33.3
Trade payables	(15.7)	(5.9)	(0.6)	(0.9)	(23.1)
Cash	8.0	3.1	1.8	4.0	16.9
Additions of property, plant and equipment	1.7	0.9	0.3	0.2	3.1

Unallocated head office items relate to assets and liabilities incurred in the normal course of business for the Parent Company.

4. Operating profit note

The operating profit for the year is stated after:

	2013 Total £m	2012 Total £m
Revenue	**208.8**	195.6
Materials and overheads	**(104.2)**	(96.9)
Factory costs	**(16.6)**	(15.8)
Outward freight costs	**(6.6)**	(6.5)
Directors' and employees' costs	**(53.7)**	(51.1)
Depreciation of tangible fixed assets		
– owned assets	**(5.1)**	(4.5)
– leased assets	**(0.1)**	(0.1)
Operating lease rentals		
– land and buildings	**(1.9)**	(2.0)
– plant, machinery and other	**(1.1)**	(1.1)
Repairs and maintenance costs	**(2.5)**	(2.3)
Research and development costs	**(2.2)**	(2.4)
Amortisation of government grants received	**0.2**	0.3
Movement in fair value of financial instruments	**(0.3)**	0.1
Foreign exchange gains	**0.2**	0.2
Amortisation of intangible assets	**(1.5)**	(0.4)
Profit on disposal of property, plant and equipment and other assets	**0.7**	0.1
Write-down of inventory	**(0.6)**	(0.7)

The analysis of auditor's remuneration is as follows:

	2013 Total £'000	2012 Total £'000
Audit fees parent company	**75.0**	62.0
Audit fees subsidiary undertakings	**219.0**	217.0
Taxation compliance services	**72.0**	47.0
Taxation advisory services	**93.0**	39.0
Internal audit services	**9.0**	10.0
Other assurance services	**5.0**	–
Corporate finance services	**–**	115.0
Other non-audit services	**34.0**	12.0
	507.0	502.0

Total audit fees were £294,000 (2012: £279,000). Total non-audit fees were £179,000 (2012: £213,000).

5. Exceptional items

	2013 £m	2012 £m
Operating income:		
UK pension settlement gain	**1.1**	–
US pension closure curtailment	**–**	1.1
UK pension past service credit	**–**	1.0
Release of asbestos litigation provision	**1.8**	–
Operating expenses:		
Asbestos litigation asset	**(1.8)**	–
WEBTEC acquisition costs	**–**	(0.7)
	1.1	1.4

During the year, there were a number of items of a material and non-recurring nature that give a better indication of trading profitability when treated as exceptional.

In the first half of the year, the Group merged two of its UK pension schemes. As part of the merger, a number of liabilities were extinguished at less than their carrying value and a settlement gain of £1.1m was recognised on these transactions.

The Group reviewed the estimates used to calculate the provisions relating to the asbestos liabilities held in the US. The review used up to date data and recent case history to predict the likely value of costs to defend and costs to settle asbestos cases in the US. The conclusion from the review was that the claims liability provision was overstated by £1.8m (2012: £Nil). The claims provision release causes an equal and opposite reduction in the matching insurance asset £1.8m (2012: £Nil).

The prior year exceptional items relate to the costs of acquiring WEBTEC £0.7m, a curtailment credit arising on the closure of the US final salary pension scheme £1.1m and a past service credit related to a pensions increase exchange offer that was undertaken on the UK schemes £1.0m.

6. Employee benefit expense

	2013 £m	2012 £m
Wages, salaries and other benefits	**44.9**	42.2
Social security costs	**6.6**	6.4
Share options granted to Directors and employees	**0.1**	0.4
Pension costs – defined contribution plans	**1.7**	1.4
Pension costs – defined benefit plans	**0.4**	0.7
	53.7	51.1
Pension curtailments and service costs	**(1.1)**	(2.1)
	52.6	49.0

Average employee numbers	2013	2012
Europe	**609**	640
North America	**491**	414
Asia	**109**	113
	1,209	1,167

7. Net finance costs

	2013 £m	2012 £m
Interest payable on bank loans and overdrafts	**0.5**	0.3
Other finance charges	**0.2**	–
Expected return on pension scheme assets less interest on scheme liabilities	**0.1**	0.7
Discount on assets	**(0.6)**	(0.6)
Discount on provisions	**0.8**	0.8
Net finance costs	**1.0**	1.2

8. Taxation

Income tax charge

	2013 £m	2012 £m
Current tax:		
Tax on ordinary activities – current year	**(2.5)**	(2.2)
Tax on ordinary activities – prior year	**0.1**	0.2
Tax on exceptional items	**–**	–
	(2.4)	(2.0)
Deferred tax:		
Tax on ordinary activities – current year	**(2.2)**	(1.5)
Tax on ordinary activities – prior year	**0.1**	0.1
Effect of reduction in UK corporation tax rate to 23% (2012: 24%)	**(0.3)**	(0.6)
Tax on exceptional items	**(3.6)**	–
	(6.0)	(2.0)
Tax charge for the year	**(8.4)**	(4.0)

The actual tax on the Group's profit before tax differs from the theoretical amount using the UK corporation tax rate as follows:

	2013 £m	2012 £m
Profit on ordinary activities before tax	**12.3**	10.5
Theoretical tax charge at 24% (2012: 26%)	**(3.0)**	(2.7)
Effect of reduction in UK corporation tax rate to 23% (2012: 24%)	**(0.3)**	(0.6)
Tax losses not previously recognised in the year and written off previously recognised losses	**(1.5)**	–
Income not taxable and other deductions	**0.2**	0.8
Items not deductible for tax purposes and other taxable items	**(2.5)**	(0.7)
Effect of overseas tax rates being higher than UK tax rate	**(1.5)**	(1.1)
Adjustments in respect of prior years	**0.2**	0.3
Actual tax charge for the year	**(8.4)**	(4.0)

Items not deductible for tax purposes and other taxable items includes £2.2m relating to the subsidiary group held for re-sale, see note 15.

Deferred income tax

The deferred tax balances included in these accounts are attributable to the following:

	2013 £m	2012 £m
Deferred tax assets:		
– losses	**8.3**	9.9
– accelerated tax depreciation	**0.5**	0.7
– litigation and other provisions	**4.0**	6.5
– tax effect of intangibles	**0.5**	0.2
– retirement benefit liabilities	**11.2**	9.8
	24.5	27.1
Deferred tax liabilities:		
– other short-term timing differences	**(0.4)**	(0.4)
– provision for potential tax liability	**(3.7)**	(3.2)
	(4.1)	(3.6)

Included in the retirement benefit liabilities is £9.1m which relates to the UK pension schemes and the asset backed arrangement entered into during March 2013. As required by IAS 12, deferred tax assets and liabilities may only be offset where they arise in the same jurisdictions and are therefore presented on the Balance Sheet as follows:

	2013 £m	2012 £m
Deferred tax assets as above:	**24.5**	27.1
– other timing differences on assets moved to liabilities	**1.2**	(0.1)
– accelerated tax depreciation liabilities/assets in different countries	**(0.1)**	1.3
Deferred tax asset on the Balance Sheet	**25.6**	28.3
Deferred tax liabilities as above:	**(4.1)**	(3.6)
– other timing differences on liabilities moved to assets	**0.1**	0.1
– accelerated tax depreciation liabilities in different countries	**(1.2)**	(1.3)
Deferred tax liability on the Balance Sheet	**(5.2)**	(4.8)

Tax losses amounting to £1.9m (2012: £0.7m) have not been recognised due to the uncertainty over the utilisation of the underlying tax losses in each jurisdiction.

Included within the recognised deferred tax asset on losses of £8.3m above is £2.6m in relation to Scapa Group plc and £0.1m in relation to Asia entities, both of which made a loss in the current year. The gross non-trading tax losses carried forward for future utilisation against taxable profits in Scapa Group plc is £11.5m and in Asia entities is £0.3m. Based on current forecasts management have a reasonable expectation that these assets will be utilised despite the losses made.

Movement in deferred tax	2013 £m	2012 £m
Beginning of the year	**23.5**	23.0
Income Statement charge	**(5.7)**	(1.4)
Effect of reduction in UK corporation tax rate to 23% (2012: 24%)	**(0.3)**	(0.6)
Exchange differences on translating foreign operations	**0.1**	(0.1)
Deferred tax on actuarial gains	**3.1**	3.2
Other comprehensive income effect of reduction in UK corporation tax rate to 23% (2012: 24%)	**(0.3)**	(0.6)
End of year	**20.4**	23.5

Movement in unrecognised deferred tax	2013 £m	2012 £m
Beginning of the year	**0.7**	1.3
Prior year adjustments	**(0.4)**	(0.3)
Current year movement	**1.5**	(0.3)
Asset held for re-sale	**2.2**	–
End of year	**4.0**	0.7

In addition to the change in rate of corporation tax disclosed above within the note on taxation, a number of further changes were announced in the March 2013 UK Budget statement. Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 is expected to be included in the Finance Act 2013. A further reduction to the main rate is proposed to reduce the rate to 20% by 1 April 2015. These further changes had not been substantively enacted at the Balance Sheet date and therefore are not included in these financial statements.

The effect of the reduction in the rate from 23% to 21% from 1 April 2014 would be to reduce the deferred tax asset provided at the Balance Sheet date by £1.4m. This £1.4m decrease in the deferred tax asset would decrease profit by £0.6m.

The effect of the proposed reduction in the rate of corporation tax to 20% from 1 April 2015 would be to reduce the deferred tax balance at the Balance Sheet date by a further £0.7m.

9. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares (153,411,847). Diluted earnings per share has been calculated on share options in existence at 31 March 2013.

	2013	2012
Profit attributable to equity holders of the Company (£m)	**3.9**	6.5
Weighted average number of ordinary shares in issue (m)	**146.1**	145.3
Basic earnings per share (p)	**2.7**	4.5
Weighted average number of shares in issue, including potentially dilutive shares (m)	**153.4**	150.5
Diluted earnings per share (p)	**2.6**	4.3

10. Dividend per share

A final dividend of 0.5p per share is proposed for the year ended 31 March 2013 (prior year £Nil).

11. Acquisition of subsidiary

There were no acquisitions during the year.

On the 22 December 2011, the Group acquired the assets and liabilities of WEBTEC, a US based leading contract manufacturer and full-service converter, printer and packager of adhesive backed medical devices. Total consideration for the acquisition was £27.2m and the fair value of net assets acquired was £14.2m, resulting in goodwill recognition of £13.0m. Of the consideration of $45.0m, $30.0m was settled in cash with $15.0m of contingent consideration. The contingent consideration had a two year payout maturity, with any shortfall from year one having the potential to be paid in year two, subject to performance.

During the year to March 2013, £5.1m of the contingent consideration was paid to the previous owners, leaving a balance of £4.6m. The remaining deferred consideration will be paid based on the performance of WEBTEC in the period to December 2013. In assessing the reasonableness of the carrying value of the deferred consideration, management have used the board approved forecasts which cover the remainder of the earn-out period. The full deferred consideration amount of £4.6m is being carried at the Balance Sheet date as there is a reasonable expectation in the forecasts that the full performance targets will be met.

12. Goodwill

	2013 £m	2012 £m
Cost		
1 April	**47.2**	34.2
Exchange differences	**2.4**	–
Acquisition of WEBTEC	**–**	13.0
31 March	**49.6**	47.2
Accumulated amortisation and impairment		
1 April	**(22.1)**	(22.1)
Exchange differences	**(1.1)**	–
31 March	**(23.2)**	(22.1)
Net book value at 31 March	**26.4**	25.1

The carrying value of the Group's goodwill is not subject to annual amortisation and was tested for impairment at March 2013. The recoverable amount has been determined on a value-in-use basis on each cash-generating unit using the management approved 12-month forecasts for each cash-generating unit. The base 12-month projection is inflated by 3.0% up to year 5, which management believe does not exceed the long-term average growth rate for the industry, and then kept constant for years 6-10. These cash flows are then discounted at pre-tax discount rate of 9.5% and adjusted for specific risk factors that take into account the sensitivities of the projection. Terminal values are not used in the calculations. The Group has conducted sensitivity analysis on the impairment test. A cut in the growth rate to 0% in years 2-5 would result in headroom on the carrying value of goodwill reducing to nil. An increase in the pre-tax discount rate to 10.8% would equally result in headroom on the carrying value of goodwill reducing to nil.

The pre-tax discount rate used by the Group has increased from 6.2% in the prior year to 9.5% for the year ending 31 March 2013. This increase follows a change in methodology to broaden the Group's comparable bench mark peer group.

Goodwill relates to the Acutek Medical operation (North America) £12.7m (2012: £12.1m) and WEBTEC medical operation (North America) £13.7m (2012: £13.0m).

13. Other intangible assets

	Contracts in progress £m	Customer relationships £m	Customer lists and sales pipeline £m	Technology and know-how £m	Total £m
Cost					
1 April 2011	–	–	–	–	–
Recognised on acquisition of WEBTEC	1.1	3.3	2.2	0.4	7.0
31 March 2012 and 1 April 2012	1.1	3.3	2.2	0.4	7.0
Exchange differences	0.1	0.1	0.1	–	0.3
31 March 2013	**1.2**	**3.4**	**2.3**	**0.4**	**7.3**
Amortisation					
1 April 2011	–	–	–	–	–
Charge for the year	(0.1)	(0.2)	(0.1)	–	(0.4)
31 March 2012 and 1April 2012	(0.1)	(0.2)	(0.1)	–	(0.4)
Exchange differences	–	(0.1)	–	–	(0.1)
Charge for the year	(0.4)	(0.6)	(0.4)	(0.1)	(1.5)
31 March 2013	**(0.5)**	**(0.9)**	**(0.5)**	**(0.1)**	**(2.0)**
Carrying amount					
31 March 2013	**0.7**	**2.5**	**1.8**	**0.3**	**5.3**
31 March 2012	1.0	3.1	2.1	0.4	6.6
Remaining useful economic life	1.5 years	3.5 years	4.75 years	4.75 years	–

The acquisition of WEBTEC in December 2011 brought significant benefit to the Group in terms of customers, relationships and technology 'know-how'. These benefits have been valued under IFRS3 using estimates of useful lives and discounted cash flows of expected income. The values are being amortised over useful economic lives of three to six years. The three year period is being used on the committed contracts and the longer period is being used for the technology and know-how where the benefits are likely to crystallise over a longer period. No value has been assigned to brand names, as WEBTEC is a contract manufacturer and inherent brand value resides with customers not the manufacturer.

14. Property, plant and equipment

	Freehold land and buildings £m	Long leasehold buildings £m	Plant and machinery £m	Furniture, fittings and equipment £m	IT systems £m	Assets under construction £m	Total £m
Cost							
1 April 2011	19.5	7.9	84.5	5.4	18.7	0.7	136.7
Exchange differences	(0.3)	–	(0.8)	(0.1)	(0.1)	–	(1.3)
Additions	–	–	1.6	0.1	0.3	1.1	3.1
Acquisition of subsidiary	–	0.4	4.3	0.1	–	–	4.8
Disposals	–	–	(1.8)	(0.3)	(0.8)	–	(2.9)
Transfers	–	–	1.2	–	–	(1.2)	–
31 March 2012 and 1 April 2012	19.2	8.3	89.0	5.2	18.1	0.6	140.4
Exchange differences	0.5	–	1.6	0.1	0.2	–	2.4
Additions	–	0.1	1.9	0.1	0.8	1.6	4.5
Disposals	–	–	(0.2)	–	(0.5)	–	(0.7)
Transfer to assets and disposal group held for resale	–	(3.1)	(0.3)	–	–	–	(3.4)
Transfers	–	–	1.0	–	–	(1.0)	–
31 March 2013	**19.7**	**5.3**	**93.0**	**5.4**	**18.6**	**1.2**	**143.2**
Accumulated depreciation							
1 April 2011	(9.6)	(4.2)	(65.0)	(4.6)	(15.7)	–	(99.1)
Exchange differences	0.1	–	0.6	0.1	0.1	–	0.9
Depreciation	(0.3)	(0.2)	(3.0)	(0.2)	(0.9)	–	(4.6)
Disposals	–	–	1.7	0.3	0.8	–	2.8
31 March 2012 and 1 April 2012	(9.8)	(4.4)	(65.7)	(4.4)	(15.7)	–	(100.0)
Exchange differences	(0.2)	–	(0.9)	(0.1)	(0.1)	–	(1.3)
Depreciation	(0.5)	(0.3)	(3.3)	(0.2)	(0.9)	–	(5.2)
Impairment of assets	–	–	(0.4)	–	–	–	(0.4)
Transfer to assets and disposal group held for resale	–	1.3	0.1	–	–	–	1.4
Disposals	–	–	0.2	–	0.5	–	0.7
31 March 2013	**(10.5)**	**(3.4)**	**(70.0)**	**(4.7)**	**(16.2)**	**–**	**(104.8)**
Carrying amount							
31 March 2013	**9.2**	**1.9**	**23.0**	**0.7**	**2.4**	**1.2**	**38.4**
31 March 2012	9.4	3.9	23.3	0.8	2.4	0.6	40.4

The Group has not revalued any item of property, plant and equipment. Impairment of property plant and equipment of £0.4m was booked in the year following a review of the projected future cash flows relating to an Asian site.

Assets held under finance leases, capitalised and included in property, plant and equipment are as follows:

	2013 £m	2012 £m
Cost	**0.9**	1.4
Accumulated depreciation	**(0.2)**	(0.3)
Net book amount	**0.7**	1.1

During the year ending March 2013 there were no events or changes in circumstance that would indicate the carrying value of tangible fixed assets may not be recoverable.

15. Assets and directly associated liabilities classified as held for sale

Assets classified as held for sale	**2013 £m**	2012 £m
Carlstadt site	**0.6**	0.6
Branly site – transferred from property, plant and equipment	**2.0**	–
Assets of disposal group held for sale (see below)	**25.8**	–
Carrying value at 31 March	**28.4**	0.6

Liabilities directly associated with assets classified as held for sale		
Liabilities of disposal group held for sale (see below)	**25.7**	–
Carrying value at 31 March	**25.7**	–

A dormant site in Carlstadt USA was moved to assets held for sale in 2011. At March 2013 the site had not been sold, although a sales process was close to completion. On 26 April 2013 the sale of the site closed and the ownership transferred to a third party. The sales proceeds, less direct costs to sell, were £0.9m. The carrying value in the Balance Sheet at March 2013, £0.6m, is the depreciated historic cost.

On 14 March 2013 the Board resolved to dispose of the Branly site in Valence, France. At this time the site was expected to be sold within 12 months and was therefore classified as a non-current asset held for resale and presented separately in the Balance Sheet. At 31 March 2013 the carrying value in the Balance Sheet is £2.0m which is the depreciated historic cost. On 24 April 2013 the Group signed a sales agreement with a third party to sell the site. The terms of the agreement are that the site is sold to the new owners effective immediately. Scapa France then has until December 2015 to find alternative premises and vacate the site. Scapa France will pay a market rental while occupying the premises. The sales proceeds, less direct cost to sell, were £3.4m.

On 15 April 2013 the Board resolved to dispose of two 100% subsidiary undertakings, Scapa Holdings Georgia Inc and Scapa Waycross Inc (together “Georgia”) and negotiation with an unrelated party subsequently took place. The net assets of the disposal group were previously reported within the ‘N America’ geographical segment. Georgia holds the historic asbestos liabilities that relate to pending law suits in the United States; these liabilities along with the responsibility for managing and handling the lawsuits will transfer on disposal of Georgia to the new owner. The proceeds of disposal were expected to be lower than the carrying value of the related net assets and accordingly an impairment loss has been recognised on the classification of the operations as held for sale. The carrying value and fair value of the net assets of the disposal group are detailed in the table below:

Net assets of disposal group held for sale	**Carrying value £m**	Fair value £m
Bank balance and cash	**5.4**	5.4
Insurance receivable	**20.4**	20.4
Deferred tax asset	**2.2**	–
	28.0	25.8
Asbestos litigation claims	**(20.4)**	(20.4)
Asbestos litigation costs	**(5.3)**	(5.3)
	(25.7)	(25.7)
	2.3	0.1

The impairment loss of £2.2m has been debited to the Consolidated Income Statement through the tax charge as it is an impairment of a deferred tax asset.

On 25 April 2013, the Group completed the sale of Georgia for sale proceeds of £0.2m less direct costs of £0.1m.

The results of the disposal group held for sale, which have been included in the Consolidated Income Statement were as follows:

	2013 £m	2012 £m
Release of asbestos litigation costs provision	**0.4**	–
Asbestos litigation claims release	**1.8**	–
Asbestos litigation insurance asset	**(1.8)**	–
Discount on assets	**0.6**	0.6
Discount on provision	**(0.8)**	(0.8)
Net profit attributable to disposal group assets held for sale	**0.2**	(0.2)

There is no tax charge/credit to the Income Statement attributable to the disposal group.

16. Restricted cash

Under the terms of the agreement for the sale of the Papermaking Products and Services business dated 1 July 1999, Scapa Dryer Fabrics Inc. (SDFI), which is party to the asbestos litigation, made certain undertakings to the purchaser, JM Voith AG, regarding the disposition of US$40.0m of the total sale proceeds (of which approximately US$10.0m was in respect of SDFI business and net assets sold). This required that the sum be retained as cash on deposit from the date of the agreement, effectively as security against the cost of any successful asbestos claims made against the purchaser as successor to the business. In 2003 and 2006, amounts were repaid to the Group companies who had loaned the funds for the deposit totalling US$20.0m and US$10.0m respectively. The remaining balance of US$10.0m (£6.3m) became unrestricted on 1 January 2012.

17. Inventory

	2013 £m	2012 £m
Raw materials	**10.3**	7.9
Work in progress	**5.7**	5.1
Finished goods	**7.6**	7.8
	23.6	20.8

The material and overhead element of inventory recognised as an expense and included in the Income Statement amounted to £104.2m (2012: £96.9m). There is no material difference between the Balance Sheet value and the fair value less costs to sell.

18. Trade and other receivables

	2013 £m	2012 £m
Amounts due within one year:		
Trade receivables	**38.5**	34.0
Less: provisions for impairment	**(0.8)**	(0.7)
Trade receivables – net	**37.7**	33.3
Other debtors	**1.3**	2.2
Prepayments and accrued income	**1.5**	1.4
Total amounts due within one year	**40.5**	36.9
Amounts due after more than one year:		
Other debtors	**0.3**	19.6
Total amounts due after more than one year	**0.3**	19.6

An amount of £20.4m (of which £19.3m is due after more than one year), relating to insurance receivable for asbestos claims, has been reclassified as assets and disposal group held for resale due to the disposal of Scapa Holdings Georgia Inc since the year end.

In 2012 £20.5m (of which £19.4m was due after more than one year) was included in other debtors. This had been discounted at a risk free rate of 3.35% due to the long-term nature of the receivable. All other receivables above are stated at fair value.

In addition £0.3m (2012: £0.2m) of other debtors is due after more than one year; this is not discounted since the impact is immaterial.

The carrying amounts of these receivables are denominated in the following currencies:

	2013 £m	2012 £m
Pounds Sterling	**4.7**	4.0
US Dollars	**15.0**	13.0
Euros	**15.7**	15.7
Other	**5.1**	4.2
	40.5	36.9

All amounts due after more than one year are denominated in US Dollars. Management review individual receivables and provide for overdue amounts specifically.

At the year end, the following trade receivables balances were overdue but not impaired:

	2013 £m	2012 £m
Less than one month	**1.9**	1.9
Between 1-3 months	**0.4**	0.2
Greater than 3 months	**–**	–
	2.3	2.1

Overdue analysis includes impact of foreign exchange movements. Historically customer default is low. The ‘credit quality’ of the year end receivables balance is considered high. As such all the above amounts are considered recoverable.

The movement in the impairment provision for trade receivables was as follows:

	2013 £m	2012 £m
Opening provision at 1 April	**0.7**	0.6
Charge for the year	**0.1**	0.2
Receivables written off in the year	**–**	(0.1)
Closing provision at 31 March	**0.8**	0.7

Included in the impairment provision are individually impaired trade receivables with a gross balance of £0.8m (2012: £0.7m). The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected proceeds.

Ageing of impaired trade receivables:

	2013 £m	2012 £m
Greater than 3 months	**0.8**	0.7
	0.8	0.7

19. Cash and cash equivalents

Cash and bank overdrafts include the following for the purposes of the Cash Flow Statement:

	2013 £m	2012 £m
Cash and cash equivalents	**12.6**	16.9
Bank overdrafts – note 21	**–**	(0.2)
	12.6	16.7

Due to the sale of Scapa Holdings Georgia Inc on 23 April 2013, an amount of £5.4m has been transferred to assets and disposal group held for resale.

20. Trade and other payables

	2013 £m	2012 £m
Amounts due within one year:		
Trade payables and trade accruals	**28.2**	23.1
Other taxes and social security	**4.6**	4.3
Other creditors	**8.5**	6.6
	41.3	34.0
Amounts due after more than one year:		
Other creditors	**0.3**	0.7
	0.3	0.7

The carrying amounts of these payables are denominated in the following currencies:

	2013 £m	2012 £m
Pounds Sterling	**9.0**	8.2
US Dollars	**12.4**	7.7
Euros	**15.4**	14.3
Other	**4.5**	3.8
	41.3	34.0

All amounts due after more than one year are denominated in pounds Sterling.

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 85 days (2012: 75 days), stated using the non-labour element of cost of goods sold. The Group has financial risk management policies in place to ensure all payables are paid within the pre-agreed credit terms.

21. Borrowings

	2013 £m	2012 £m
Amounts due within one year:		
Bank overdrafts	**–**	0.2
Bank loan	**0.1**	–
Finance lease creditor	**0.2**	0.2
	0.3	0.4
Amounts due after more than one year:		
Bank loan	**10.0**	9.2
Finance lease creditor	**0.1**	0.3
	10.1	9.5
Total borrowings	**10.4**	9.9

In 2012, the Group entered into a £20.0m multi-currency facility. The principal features of this facility are:

- the Group may borrow up to £20.0m subject to satisfaction of the requirements of the facility
- it is unsecured
- it is repayable in June 2016
- the margin on the loan is based on a sliding scale determined by the Group's leverage; it is currently 1.75% above US Libor
- the Group has in place a cross guarantee between the Parent Company and its main trading subsidiaries in respect of the facility obligations.

The US Dollar interest rate exposure is mitigated via swap contracts entered into in January 2012. The carrying value of borrowings is approximate to their fair value. The effective interest rates at the Balance Sheet date were as follows (these include the swap interest rates):

	Sterling	**Euros**	**US and Canadian Dollars**	**Other currencies**
31 March 2013 – Bank loans and overdrafts	–	–	2.5%	–
31 March 2012 – Bank loans and overdrafts	–	2.8%	2.5%	–

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2013 £m	2012 £m
Pounds Sterling	**0.3**	0.4
Euros	**–**	0.3
US Dollars	**10.1**	9.2
	10.4	9.9

Movements in forward currency contracts used to hedge against the exposure to exchange differences due to the timing of cash flows are taken through the Income Statement as it is not Group policy to hedge account for these instruments. At 31 March 2013 financial liabilities have been recognised in the Balance Sheet relating to the fair values of derivative financial instruments in place and total £0.1m (2012: less than £0.1m).

The Group has the following undrawn borrowing facilities (this includes committed and uncommitted):

	2013 £m	2012 £m
Bank loan	**10.0**	10.6
Overdrafts	**0.1**	0.6

22. Provisions

	Asbestos litigation claims £m	**Asbestos litigation costs £m**	**Reorganisation and leasehold commitments £m**	**Environmental £m**	**Total £m**
At 1 April 2012	20.5	5.5	2.5	0.4	28.9
Exchange differences	1.1	0.3	–	–	1.4
Additions in the year	–	–	0.3	–	0.3
Release in year	(1.8)	(0.4)	–	–	(2.2)
Utilised in the year	–	(0.3)	(0.2)	(0.1)	(0.6)
Unwinding of discount	0.6	0.2	–	–	0.8
Transfer to liabilities and disposal group held for resale	(20.4)	(5.3)	–	–	(25.7)
At 31 March 2013	**–**	**–**	**2.6**	**0.3**	**2.9**
Analysis of provisions:					
Current	–	–	0.5	0.1	0.6
Non-current	–	–	2.1	0.2	2.3
At 31 March 2013	**–**	**–**	**2.6**	**0.3**	**2.9**

	Asbestos litigation claims £m	Asbestos litigation costs £m	Reorganisation and leasehold commitments £m	Environmental £m	Total £m
At 1 April 2011	19.9	5.7	3.0	0.6	29.2
Additions in the year	–	–	0.8	–	0.8
Acquisition of subsidiary	–	–	0.4	–	0.4
Utilised in year	–	(0.4)	(1.2)	(0.2)	(1.8)
Released in the year	–	–	(0.5)	–	(0.5)
Unwinding of discount	0.6	0.2	–	–	0.8
At 31 March 2012	20.5	5.5	2.5	0.4	28.9
Analysis of provisions:					
Current	1.1	0.3	0.4	0.2	2.0
Non-current	19.4	5.2	2.1	0.2	26.9
At 31 March 2012	20.5	5.5	2.5	0.4	28.9

– Asbestos litigation claims

Under both its own name, Scapa Waycross Inc (Waycross) and its previous name Scapa Dryer Fabrics Inc (SDFI), Waycross is one of many co-defendants in law suits pending in the United States in which plaintiffs are claiming damages arising from alleged exposure to products manufactured which contained asbestos. The use of asbestos was discontinued by SDFI in 1979 and the last asbestos containing dryer felt was sold in 1980.

Waycross did not manufacture asbestos, but products it sold used sub-components that did contain asbestos thread. The asbestos components were used in the final product in such a manner that causes the Group to believe, based on tests conducted on its behalf together with expert medical and industrial hygiene opinion, that the products were safe. Scapa is vigorously defending all its cases and intends to resist all asbestos claims. The best estimate of total claims filed, across varying jurisdictions in the United States against Waycross which are still pending is approximately 7,090 (2012: 7,172). Due to the fact that some claims may have been jointly filed in separate jurisdictions, or some claims have yet to be notified, there can be no guarantee that the number of claims filed presented is an absolute position.

23. Reconciliation of operating profit to operating cash flow, and reconciliation of net cash

All on continuing operations	**Year ended 31 March 2013 £m**	Year ended 31 March 2012 £m
Operating profit	**13.3**	11.7
Adjustments for:		
Depreciation and amortisation	**6.7**	5.0
Profit on disposal of fixed assets	**(0.7)**	(0.1)
Impairment of tangible fixed assets	**0.4**	–
Pensions payments in excess of charge	**(5.6)**	(5.4)
Pension curtailments and past service charges	**(1.1)**	(2.1)
Movement in fair value of financial instruments	**0.1**	(0.1)
Share options charge	**0.1**	0.4
Grant income released	**(0.2)**	(0.3)
Changes in working capital:		
– Inventories	**(2.0)**	2.4
– Trade debtors	**(3.5)**	(0.5)
– Trade creditors	**4.4**	(0.1)
Changes in trading working capital	**(1.1)**	1.8
Other debtors	**(0.4)**	0.3
Other creditors	**1.4**	0.2
Net movement in environmental provisions	**(0.1)**	(0.2)
Net movement in reorganisation provisions	**0.1**	(0.9)
Net movement in asbestos litigation cost provisions	**(0.7)**	(0.4)
Net movement in asbestos litigation claims provisions	**(1.8)**	–
Net movement in asbestos insurance receivable	**1.8**	–
Cash generated from operations	**12.2**	9.9

Cash generated from operations before exceptional items	**13.0**	10.7
Cash outflows from exceptional items	**(0.8)**	(0.8)
Cash generated from operations	**12.2**	9.9

Analysis of cash and cash equivalents and borrowings

	At 1 April 2012 £m	Cash flow £m	Transfer to assets and disposal group held for resale £m	Exchange movement £m	**At 31 March 2013 £m**
Cash and cash equivalents	16.9	0.6	(5.4)	0.5	**12.6**
Overdrafts	(0.2)	0.2	–	–	**–**
	16.7	0.8	(5.4)	0.5	**12.6**
Borrowings within one year	(0.2)	(0.1)	–	–	**(0.3)**
Borrowings after more than one year	(9.5)	(0.1)	–	(0.5)	**(10.1)**
	(9.7)	(0.2)	–	(0.5)	**(10.4)**
Total	7.0	0.6	(5.4)	–	**2.2**

24. Post Balance Sheet events

On 24 April 2013, the Group sold the Branly site in Valence, France. The sale proceeds, less direct costs to sell, were £3.4m.

On 25 April 2013, the Group sold Scapa Holdings Georgia Inc. The sale proceeds, less direct costs to sell, were £0.1m.

On 26 April 2013, the Group sold the Carlstadt site in the USA. The sale proceeds, less direct costs to sell, were £1.0m.

Further details relating to these events are shown in note 15.