

2013/14 Interim Management Statement

Executive Chairman, Michael Bell will today tell the annual shareholders' meeting of MS INTERNATIONAL plc that the Group has made a satisfactory start to the year given market conditions.

“In my last statement, I made reference to ‘Defence’ having a substantial pipeline of un-awarded new business prospects. Since then confirmed orders totalling some £20m have been received for naval gun systems from customers in the Far East, with deliveries phased over an extended period. In addition, the UK MoD has confirmed the extension for a further two years of our existing ‘Contractor Logistic Support’ contract for their in-service MSI-DS 30mm naval gun systems, with a value of £12m.

The international defence sector, however, remains characterised by persisting procurement budget constraints and prevailing uncertainties in many defence equipment markets. Therefore, even though prospects for revenue growth are favourable and quite encouraging within both our ‘Forgings’ and ‘Petrol Station Superstructures’ divisions, the Board believes it appropriate to take a prudent approach to expectations for the current year and expect Group revenue to be no greater than that reported last year.

The balance sheet remains robust with substantial net cash and short term deposits.

Finally, I am pleased to announce that Nicholas Bell will be joining the Board immediately after this AGM as an executive director. Nicholas has been with MS INTERNATIONAL plc for 14 years where he has undertaken a number of roles”.

22 July 2013