



## **Ricardo plc**

**15 November 2012**

### **Interim Management Statement**

Ricardo plc ('Ricardo' or 'the Group') – a market leading engineering, automotive and environmental consultancy, is today providing an Interim Management Statement in respect of the period 1 July to the date of this release. Ricardo will announce its results for the six month period ending 31 December 2012 on 28 February 2013.

Order intake in the first four months, was up 6% on the same period last year. Significant orders in the period included automotive content from both the US and UK; defence orders included the second tranche of foxhounds for 100 vehicles and the second phase of work for DARPA in the US; an order for the design and prototyping of a monorail power pack from a Malaysian client; and marine engine development with a key client in Germany.

The order book closed at £108m at the end of October, a similar level to £107m as reported at the end of June, and continues to reflect a diverse mix by sector and client and the pipeline remains strong.

Revenue for the Group is up 8% compared to the first four months of trading last year.

As expected, the Technical Consulting business which has benefited from a strong mix of orders, has delivered similar revenue compared to the same period last year. UK operations have been busy, offsetting a challenging position in Germany where a key client has withdrawn its requirement for testing and retained this activity in house. In the US, recent large defence project wins have continued to improve the order book platform.

Within Performance Products, deliveries of defence vehicles, super car engines and high performance transmissions have been strong.

Cash management has continued to be strong and we maintain a robust balance sheet notwithstanding our recent acquisition.

The recently announced acquisition of AEA Europe has added just under 400 UK based staff and an environmental consulting capability which positions Ricardo to advise on key strategic issues facing industry and governments worldwide. The acquisition further enhances our Technical Consulting expertise sharing common long term strategic drivers such as reducing carbon emissions, improving air quality and managing scarce resources.

Dave Shemmans Chief Executive Officer commented: "As expected, the financial year started slowly impacted by a weak European market and the loss of a core testing programme in Germany. However good levels of order intake, diversified by geography and sector, have resulted in a strong order book for the Group. We are

pleased to see increasing levels of business returning from the automotive sector in the US and Asia, together with continuation orders from our core strategic clients and growth in our newer sectors.

Despite the continuing uncertain economic backdrop, we remain confident of further progress in the full year supported by the strong order book and pipeline. In addition the recent acquisition of AEA Europe is expected to be earnings enhancing in the full year.”

**Further enquiries:**

Ricardo plc  
Dave Shemmans, Chief Executive  
Paula Bell, Group Finance Director

Tel: 01273 455611

Website: [www.ricardo.com](http://www.ricardo.com)

Kreab Gavin Anderson  
Robert Speed  
Madeleine Palmstierna

Tel: 0207 074 1800