



COLT

Annual Review 2012
Colt Group Limited

Mission Statement:

Our vision is to make the world a better place in which to live and work by helping to make the environment associated with buildings healthy, safe, productive and comfortable.

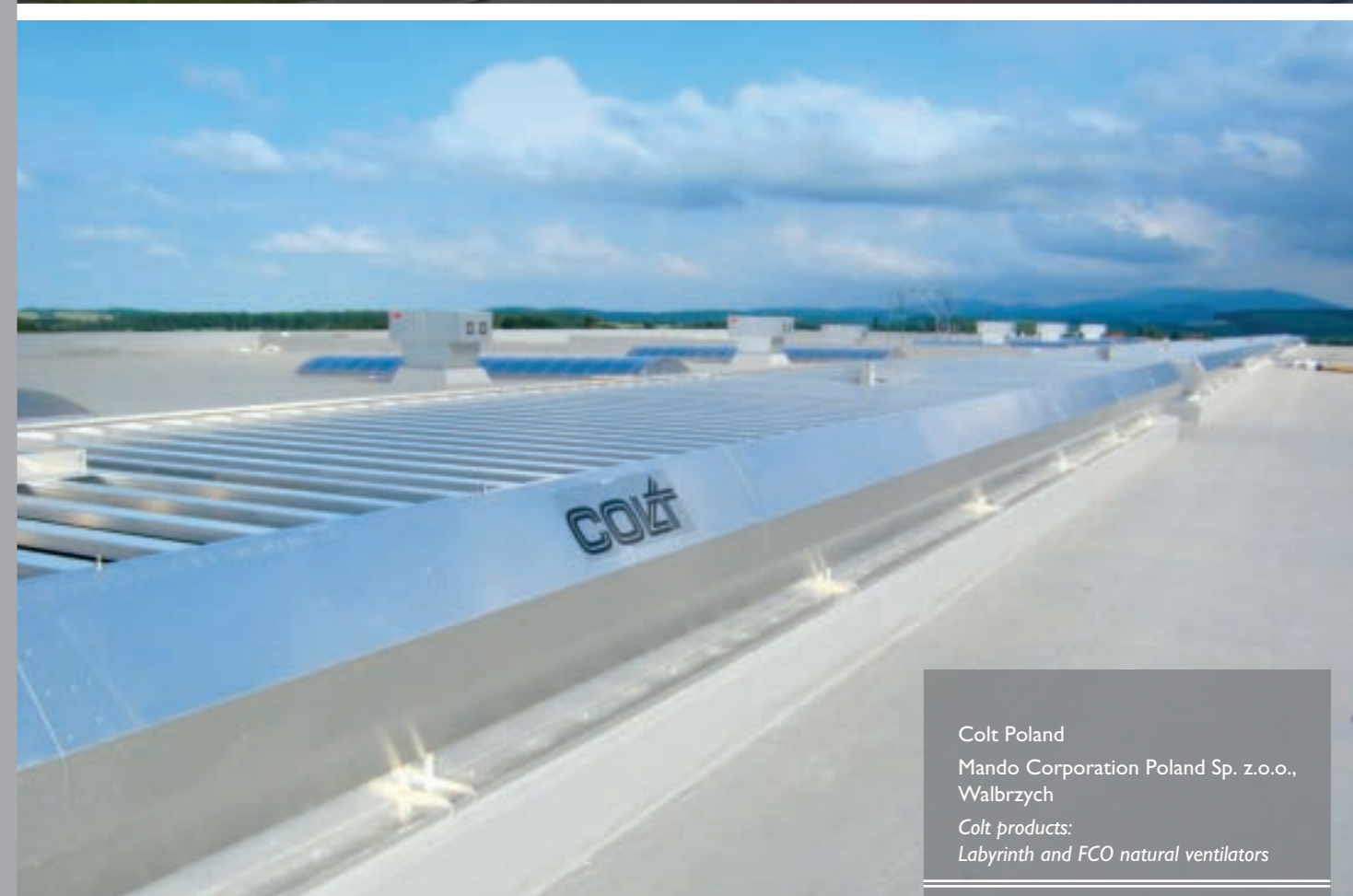


Front Cover:
Colt UK
King's Cross Station, London
Colt products:
Colt Seefire natural ventilators
Photo © Hufon & Crow

Inner Cover:
Colt France
Hopital Robert Schuman, Metz
Colt products:
Coltlite natural ventilators



Colt Germany
HQ2 BFFT GmbH, Gaimersheim
Colt products:
Solarfin CEL 680/80 solar shading louvre
and PIA/ ICS4-Link shading control system



Colt Poland
Mando Corporation Poland Sp. z.o.o.,
Walbrzych
Colt products:
Labyrinth and FCO natural ventilators

Chief Executive's Statement

In 2012 we have continued to build on the strong foundation set by our strategy for stability and growth. While world economy on the whole remains troubled, we have seen signs of stabilisation and I believe that in some cases – for example in several European countries – the market has bottomed out. In this climate of continued uncertainty we have maintained our policy of tight cost control and taken forward the restructuring of our company to make the most of the markets showing growth. Our approach has been successful and resulted in a continued improvement in our results.

A strong performance

I wrote last year that we closed 2011 stronger organisationally and financially, and that we were poised to continue on our path of growth. Now that we are taking stock of where we are a year later, the results clearly show that we have been true to our intentions and our performance has grown significantly. Our operating profit before exceptional items in 2012 was £ 4.7 million [€ 5.7 million] – an increase from £ 3.9 million [€ 4.8 million] in 2011. In addition, for the fifth consecutive year we have achieved a strong cash performance, generating £ 5.5 million [€ 6.7 million], which has left us with £ 20 million [€ 24 million] net cash in hand.

Areas of stability, decline and growth

We are seeing varying trends in different areas of the world. On the one hand, stagnation in most European markets, although this appears to have levelled out, and a decline in the UK and the Netherlands, while the Middle East continues to suffer from a freeze on investments.

On the other hand, North American markets are showing a clear trend for growth, as many companies have started moving production back to the United States. In addition, a boom in the Mexican construction industry has generated a strong demand for materials made in the US. All this is creating interesting opportunities for Colt. In Australia, the continuing boom in the mining industry is having a positive impact on the economy, while Singapore and its neighbouring countries are growing steadily.

Focus on the growing markets

Anticipating these trends, last year we adjusted our organisation and appointed a new director whose task is to focus on the markets promising growth. He has hit the ground running and is already achieving good results in the three key areas of focus: North America (Canada, the United States and Mexico), Saudi Arabia, and Singapore and its neighbouring countries.

A full offering for energy efficient buildings

Our 3-year accelerated development programme is now complete and all our new generation products are in full production. These products provide excellent insulation and, since they support Leadership in Energy and Environmental Design (LEED) and the Directive on the energy performance of buildings (EPBD), meet the exacting requirements of energy efficient buildings.

We have also invested in our manufacturing facilities, upgrading our production equipment and processes to guarantee the high quality levels required by our new product lines.

Ground breaking innovations

At Colt we never stand still, and we are driving forward our research and development programme, investing in developing new technologies that are pushing the boundaries of energy efficient and sustainable buildings. For example, we are looking at a new approach to minimise the use of energy in hotel buildings, with a system that combines water-based cooling, the recycling of energy from wastewater and photovoltaic electricity generation.

We have also participated in the development of a so – called “bioreactor façade”, which comprises bio-reactors filled with live micro-algae to provide solar shading and generate renewable energy. The façade is in place at the BIQ House at the International Building Exhibition (IBA) in Hamburg.

Investing in our people – knowledge transfer

In these past few years we have entered many new markets, strengthened our presence in others, setting up new local teams and expanding others. Also, as a result of our accelerated product development



Board members L to R

Andrew Ross
Group Director of Overseas Operations

Helen Davis
Group Finance Director

Michael Klincke
Non-Executive Director

Ken Miller
Group Chairman

Antoine Ligetvoet
Group Chief Executive

Jo Humphrey
Group Legal & Commercial Director

Simon O'Hea
Director of Training & Information Management

programme, we have introduced many new technologies into our portfolio. We have evolved fast, and we needed to make sure all our teams were with us and up to date with our latest technologies and technical knowhow, to enable them to transfer all the benefits of our advances to our customers.

To do this we have set up the Colt Knowledge Exchange Days, where we bring together our teams from all over the world to share the best knowhow available within the company. Our product specialists present the newest products and technologies and participants share the knowledge developed in the varied projects completed in different parts of the world.

A new approach to communicating with the customer

In recent years, we at Colt have evolved fast, but so have our customers. The way they use the internet has changed. They do much more of their research online and they have much higher expectations from their suppliers' websites: they not only want to find specific information fast; they also want to find ideas, they want to learn and be inspired.

To meet these new expectations, we changed our approach to our company website. We focus on the result the customer may want to achieve, for example energy efficiency or a high architectural impact. We also provide

useful information and advice about Colt systems designed for specific applications or types of buildings, for example power stations. We launched the first two new-style websites in the UK and Germany and will extend the new approach to all Colt websites.

A future of continued growth

Once again, we start the year in a strong position. Our order bank at the beginning of 2013 was at a similar level to a year ago, but our cost base is considerably lower. In addition, we have reduced the risk of our UK pension fund, moving to an award-winning defined contribution pension scheme. The new scheme has been very well accepted by our UK teams and has been recognised as

one of the best in the country by the National Association of Pension Funds. We are building on a strong foundation, and we can focus on developing new markets and new technologies to meet the evolving needs of the building industry.

Antoine Ligetvoet
Group Chief Executive



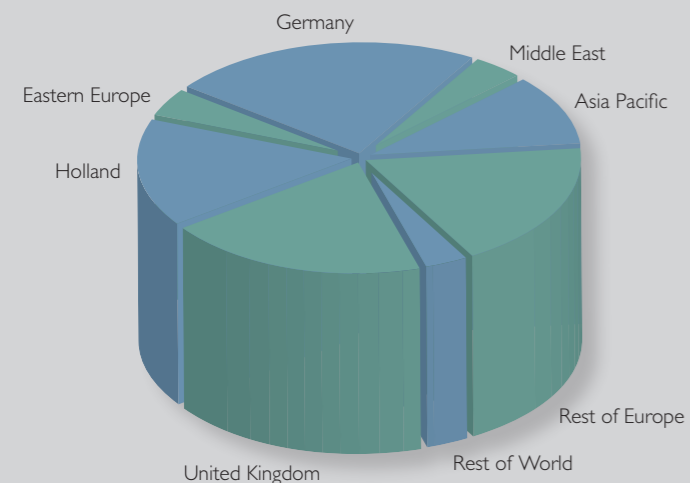
Colt UK
 Southmead Hospital, Bristol
 Colt products:
 Glazed and insulated Coltlite
 natural ventilators



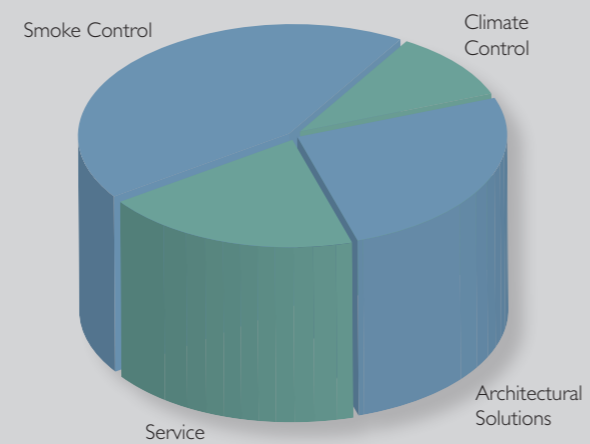
Colt Australia
 St Kevin's College, Victoria
 Colt products:
 Perforated sunscreen panels

Financial Highlights THE COLT GROUP OF COMPANIES

TURNOVER 2012



TURNOVER BY PRODUCT GROUP 2012



2012 Sterling 2011
 £'000 £'000

151,164 (146,507)	160,384 (156,484)
4,657 (1,487)	3,900 (74)
3,170 (1) (134)	3,826 (57) (157)
3,035 (842)	3,612 (642)
2,193	2,970

15,676	15,820
12,414	13,805
43,714	50,672
209	196
32,841	29,675
104,854	110,168

12,983	14,924
42,388	44,951
9,424	11,038
64,795	70,913
40,059	39,255

4,493	4,493
35,244	34,644
322	118
40,059	39,255

PROFIT AND LOSS ACCOUNT YEAR TO 31 DECEMBER

Turnover	186,385	197,753
Operating expenses	(180,643)	(192,944)
Operating profit before UK pension scheme costs	5,742	4,809
UK pension scheme costs	(1,833)	(91)
Operating profit	3,909	4,718
Share of losses of associates	(1)	(70)
Net interest payable	(166)	(194)
Profit on ordinary activities before tax	3,742	4,454
Taxation	(1,038)	(792)
Profit on ordinary activities after tax	2,704	3,662

BALANCE SHEET AT 31 DECEMBER

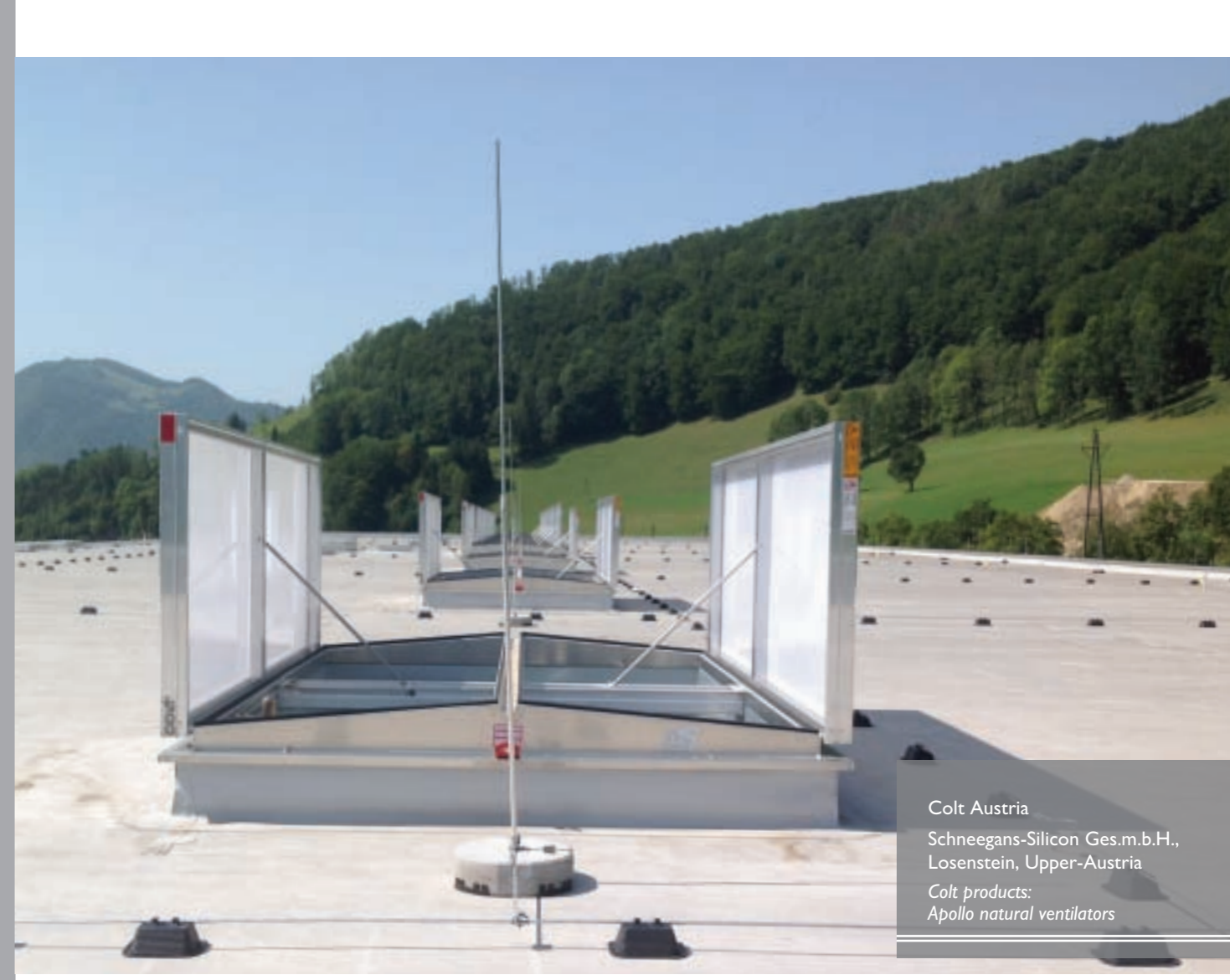
Fixed Assets	19,329	19,505
Current Assets		
Stocks and Work in Progress	15,306	17,022
Debtors	53,899	62,479
Investments	258	242
Cash and deposits	40,493	36,589
Total Assets	129,285	135,837
Liabilities		
Bank loans and overdrafts	16,008	18,401
Creditors	52,264	55,425
Provisions	11,620	13,610
Total Liabilities	79,892	87,346
Net Assets	49,393	48,401
Financed by:		
Share Capital	5,540	5,540
Reserves	43,456	42,716
Minority interests	397	145
Equity Shareholders' funds	49,393	48,401

The sterling financial highlights above, which are not statutory accounts within the meaning of The Companies Act 2006 ("The Act"), have been extracted from the audited consolidated accounts of the Colt Group for the year ended 31 December 2012 and 2011 and adjusted to eliminate the effect of FRS 17. The highlights do not contain sufficient information to give a full understanding of the results and state of affairs of the Colt Group, for which reference should be made to the statutory accounts, together with the Reports of the Directors and the Auditors.

The Euro financial highlights above are provided for illustration only and have been calculated using the 2012 average exchange rate for both periods.



Colt Holland
KMAR, Amsterdam
Colt products:
Shadovoltaic shading louvres,
and special Ellisse shading panels



Colt Austria
Schneegans-Silicon Ges.m.b.H.,
Losenstein, Upper-Austria
Colt products:
Apollo natural ventilators

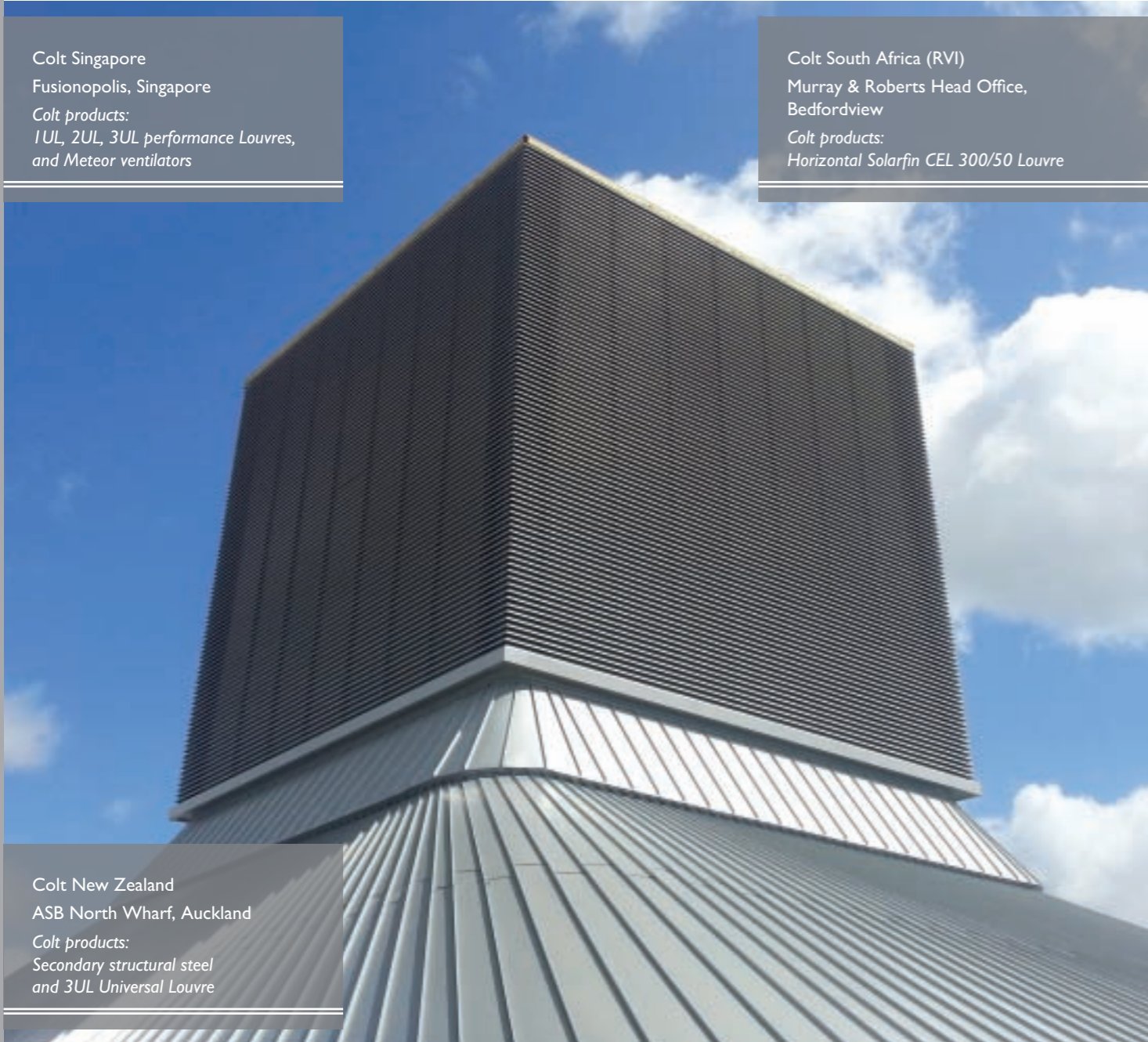


Colt USA
Encore Wire, McKinney, Texas
Colt products:
Labyrinth natural ventilators



Colt Singapore
Fusionopolis, Singapore
Colt products:
1UL, 2UL, 3UL performance Louvres,
and Meteor ventilators

Colt South Africa (RVI)
Murray & Roberts Head Office,
Bedfordview
Colt products:
Horizontal Solarfin CEL 300/50 Louvre

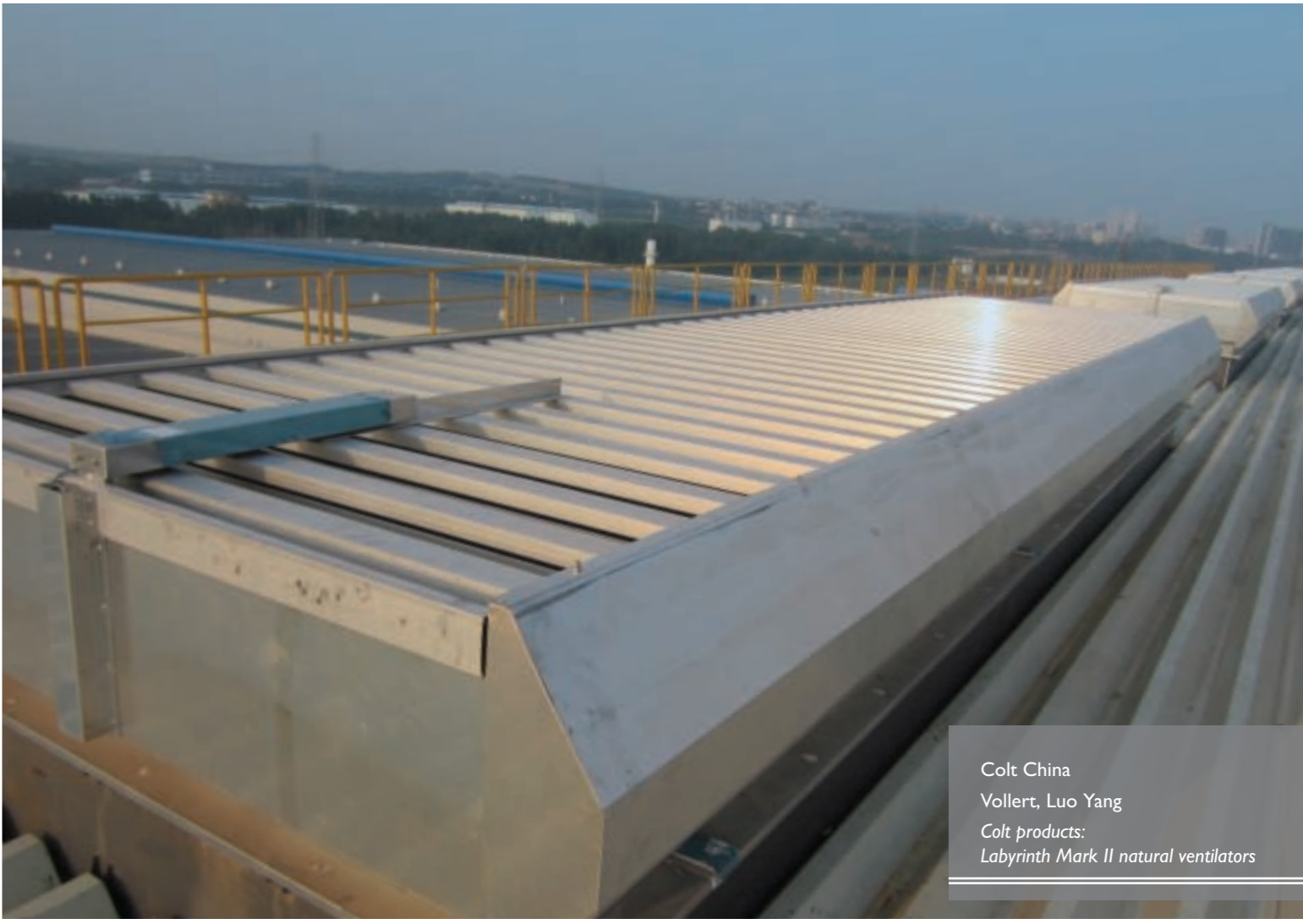


Colt New Zealand
ASB North Wharf, Auckland
Colt products:
Secondary structural steel
and 3UL Universal Louvre

Colt Spain
Shopping Center Puerto
Venecia, Zaragoza
Colt products:
EuroCO natural ventilators,
SmokeMaster-E smoke curtains,
Firelight natural ventilators



Colt Australia
Fiona Stanley Hospital,
Murdoch, Perth
Colt products:
Colt-lite and Meteor natural ventilators
and Universal Louvre



Colt China
Vollert, Luo Yang
Colt products:
Labyrinth Mark II natural ventilators



Colt South Africa (RVI)
Bateman Offices, Greenstone
Colt products:
Horizontal Solarfin
CEL 200/34 Louvre



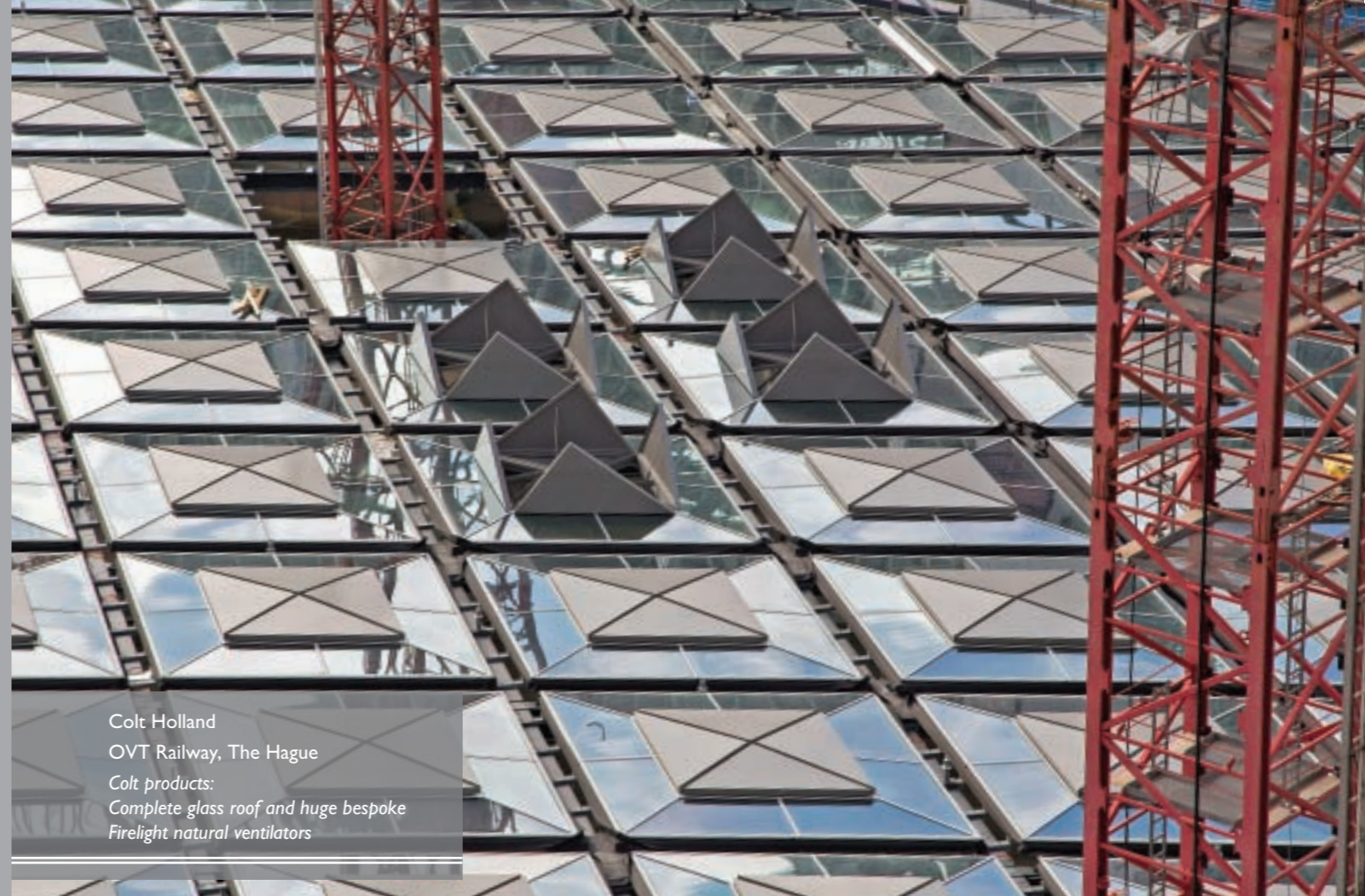
Colt Holland
UPC Leeuwarden, Leeuwarden
Colt products:
Solarfin shading louvre, Braat 2000
glazing system, Colt-lite natural ventilators



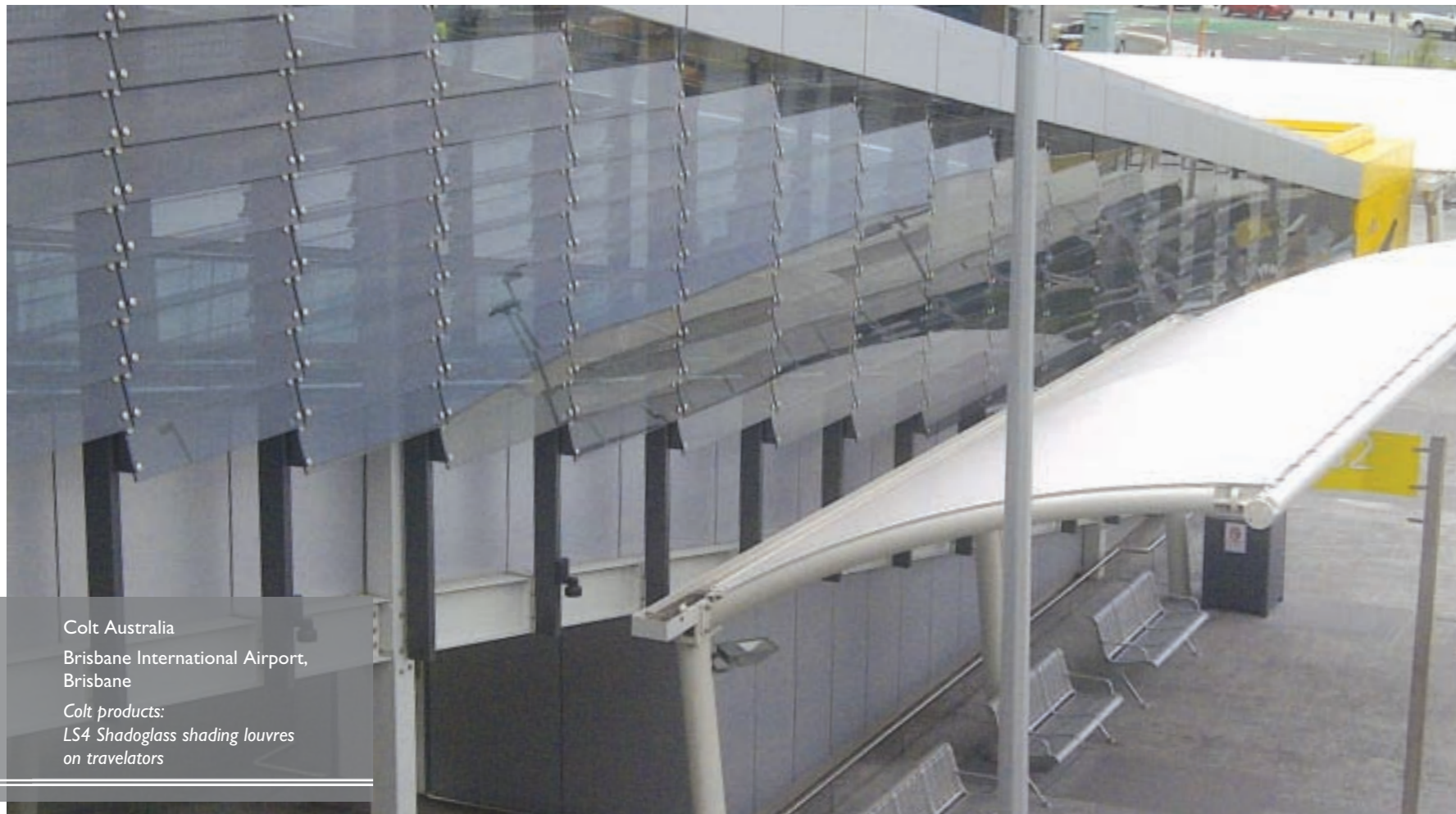
Colt UK
Bosch Rexroth Limited, Glenrothes
Colt products:
Coolstream evaporative cooling system
and Tornado mechanical ventilators



Colt France
Groupe scolaire Aimé Césaire,
Bretigny sur Orge
Colt products:
Coltlite natural ventilators



Colt Holland
OVT Railway, The Hague
Colt products:
Complete glass roof and huge bespoke
Firelight natural ventilators



Colt Australia
Brisbane International Airport,
Brisbane
Colt products:
LS4 Shadoglass shading louvres
on travelators



Colt Brazil
Industrial Building
Colt products:
EuroCO and Labyrinth
natural ventilators





Colt France
XTU, Nanterre, Paris
Colt products:
Shadoglass LS4 movable solar shading



Colt Australia
The Pinnacle Apartments
Colt products:
Sliding Ellisse and bespoke sliding decorative screens, x section fixed shading and combined Grata/Schermo



Colt Germany
KaiSpeicher, Hamburg-Harburg
Colt products:
Bespoke Shadotex textile sliding shutters



Colt UK
Ineos TPS (Therman Power Station), Runcorn
Colt products:
Universal Louvre incorporating acoustic panels, Labyrinth and Seefire natural ventilators, removable roof panels



Colt Holland
Rabobank Bollenstreek
(MG), Hillegom
Colt products:
LS4 Shadoglass shading louvre

The Colt Foundation

The Foundation was established under a Trust Deed in 1978 by the O'Hea family with gifts of shares in Colt International and Associated Companies Limited. This gift is now represented by 22% of the shares in the Colt Group of Companies.

The primary interest of the Colt Foundation is to promote and encourage research into social, medical and environmental problems created by commerce and industry, and the Trustees meet twice each year to consider applications for funding high quality research projects in this field. They are especially keen to fund research that is going to make a difference to government policy or working practices, and the work is monitored by our Scientific Advisers and External Assessors to achieve the maximum impact with available funds. The Foundation has now awarded grants totalling more than £14 million.

Colt Foundation Day 2012 was held in October 2012 at the Royal Society of Medicine in London with over 80 delegates attending. The presenters were all recipients of grants from the Colt Foundation and were asked to talk about how the Foundation funding had helped to address the important health challenges of workplace and environmental health. One delegate commented that it was the best meeting in this particular field to be held in the UK during 2012.

Full details are shown on the website under 'Events' on www.coltfootion.org.uk

For more information, contact Jackie Douglas on jackie.douglas@uk.coltfootion.com or telephone +44 (0)23 9249 1400.



COLT

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Colt Austria

Wiener Linien, Vienna

Colt products:

EuroCO, Coltlite and FCO natural ventilators