



Annual Review 2011
Colt Group Limited

Front Cover:

Colt UK

Royal Shakespeare Company, Stratford

Colt products:

4-sided movable LS-4 glass louvre enclosure

Inner Cover:

Colt Holland

YES, Delft

Colt products:

EuroCO and FCO natural smoke and heat exhaust ventilators





Colt Singapore
Gardens by the Bay, Singapore
Colt products:
Kameleon natural smoke ventilators

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.

Chief Executive's Statement

If I had to describe 2011 with one word, I would say “volatile”. We have operated in a volatile business environment the likes of which I have never seen before. This presents a big challenge for any business, but I am very pleased to say that the Colt Group has done very well and closed the year with positive results.

A positive balance

Our turnover in 2011 has increased to £160 Million from £146 Million in 2010 and we have generated cash again for the fourth consecutive year. In fact our net cash balance has also increased compared to the previous year, going up to £14.7 Million from £13.1 Million in 2010. This is an impressive result in such an unstable economic climate, and it is a performance our competitors haven't been able to match. Most importantly we closed the year organisationally stronger and financially poised to continue on our path of growth.

A difficult economic climate

2011 was a year of two halves, with the first half performing better than 2010 and a marked slowdown in the second half of the year. The uncertain economic climate has led customers to hesitate to invest, in many cases delaying the execution of projects where we had confirmed orders. While the Netherlands and the Republic of Ireland were badly affected other markets such as the United Kingdom and Germany performed well.

A strategy for stability and growth

How did we achieve such a good performance? First of all our strategy of geographic expansion has paid off. By entering new, developing markets we have been able to benefit from new opportunities for growth. We invested in building our presence in Eastern Europe and Australia, where we have done very well. In Brazil we opened a factory and focused on developing our distribution network. In less than a year we have seen such good results that this market has already contributed to the profit of the Group.

Our positive performance in these countries has more than offset the shortfall of performance in our traditional markets that usually do very well. By taking this strategy forward in 2012 we will further strengthen our stability and ensure our continued growth.

A flexible, responsive organisation

The other factor that is helping us succeed in this difficult environment is our extreme flexibility. We have been able to anticipate changes in the markets and react very quickly. We have restructured in order to focus our resources in the markets with the most potential. While we reduced our direct presence in some markets where we anticipated a protracted drop in demand, we invested in others where we saw more opportunities, such as Portugal, where we now fully own the business and Spain, where we have increased our shareholding.

Innovation for a sustainable future

New legislation is being introduced around the world to encourage energy efficient buildings for a sustainable built environment. Anticipating this trend we have maintained a high investment in Research and Development and initiated a 3-year accelerated development programme, which is coming to a close. With our new generation of products we are in a very good position as these new building regulations come into force: Colt is the first to introduce a whole range of products that comply with LEED and EPBD regulations.

This is also helping us expand our client base. Colt has become the supplier of choice not only for our traditional industrial clients but also for a fast growing number of commercial building developers, building owners and occupiers.

Products such as the CoolStream system that we introduced two years ago are examples of Colt innovations that help our customers be energy efficient, benefit from lower operating costs and enjoy a better internal climate in their buildings.

A positive outlook

We started 2012 stronger than we were a year ago and ready to build on these solid foundations. We will continue to watch carefully the markets and be quick in taking the necessary actions to make the most of opportunities where they arise. We will continue with our strategy of geographic expansion to grow our business outside our traditional European markets, where we see the most potential. To do this we also adjusted our organisation, appointing

a new Director who is focusing on these promising markets.

2011 has shown that we are on the right path: we have a strong organisation, our finances are healthy and we have the products and expertise that the industry demands as it strives to create a sustainable built environment. In 2012 we had a very good start to the year with results above budget. With an increased level of activities throughout the world we are on track to continue on our path of sustained growth.

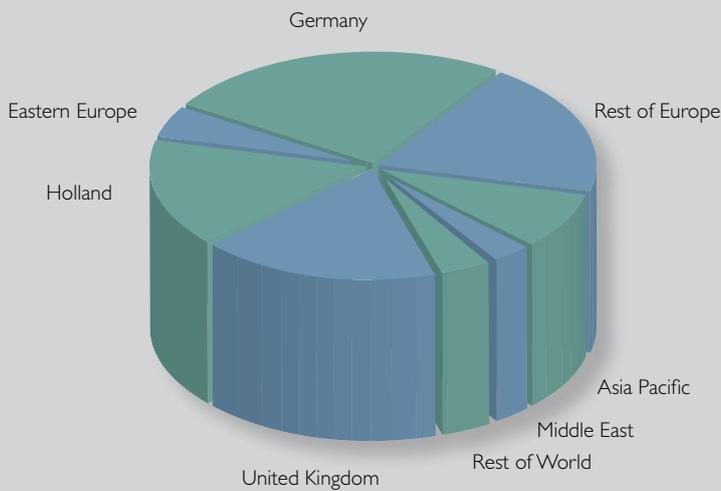


Antoine Ligtoet
Group Chief Executive

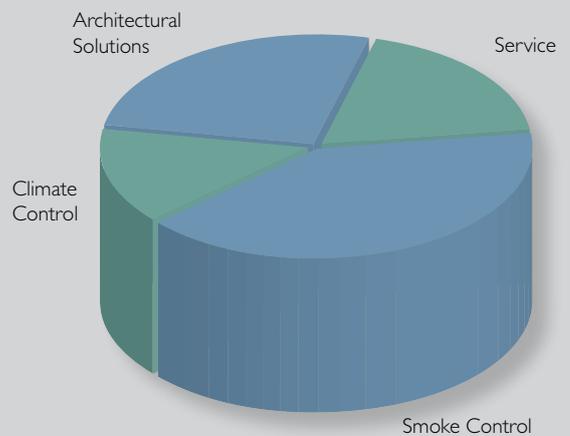


Financial Highlights THE COLT GROUP OF COMPANIES

TURNOVER



TURNOVER BY PRODUCT GROUP



2011 £'000	Sterling 2010 £'000		2011 €'000	Euros 2010 €'000
PROFIT AND LOSS ACCOUNT YEAR TO 31 DECEMBER				
160,384 (154,698)	146,331 (140,282)	Turnover	184,923 (178,367)	168,720 (161,745)
5,686 (1,860)	6,049 (573)	Operating expenses	6,556 (2,145)	6,975 (661)
3,826 (57) (157)	5,476 (176) (230)	Operating profit before restructuring costs	4,411 (66)	6,314 (203)
3,612 (642)	5,070 (2,113)	Restructuring costs	4,164 (740)	5,846 (2,437)
2,970	2,957	Operating profit	3,424	3,409
		Share of losses of associates		
		Net interest payable		
		Profit on ordinary activities before tax		
		Taxation		
		Profit on ordinary activities after tax		
BALANCE SHEET AT 31 DECEMBER				
15,820	17,077	Fixed Assets	18,241	19,690
13,805	13,227	Current Assets		
50,672	44,771	Stocks and Work in Progress	15,917	15,251
196	183	Debtors	58,425	51,621
29,675	28,096	Investments	226	211
110,168	103,354	Cash and deposits	34,215	32,394
		Total Assets	127,024	119,167
		Liabilities		
14,924	14,975	Bank loans and overdrafts	17,207	17,266
44,951	39,852	Creditors	51,829	45,949
11,038	10,644	Provisions	12,727	12,273
70,913	65,471	Total Liabilities	81,763	75,488
39,255	37,883	Net Assets	45,261	43,679
		Financed by:		
4,493	4,493	Share Capital	5,180	5,180
34,644	33,226	Reserves	39,945	38,310
118	164	Minority interests	136	189
39,255	37,883	Equity Shareholders' funds	45,261	43,679

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 2011 and 2010 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 2011 average exchange rate for both periods.

Colt Australia
Burnside Village, Adelaide, SA
Colt products:
Inverted Colt Proteus PR100 for
screening and natural ventilation



Colt UK
Terminal 2, Heathrow Airport
Colt products:
Bespoke solar shading louvres
and Universal Louvre



Colt Poland
Elektrociepłownia Kozienice
Colt products:
Labyrinth and EuroCO natural
ventilators at roof level



Colt Austria
Design Composite, Niedernsill
Colt products:
Apollo and Firelight natural ventilators



Colt Holland
Gilde Opleidingen ROC Venray, Venray
Colt products:
Certified powered smoke and heat exhaust ventilators

Colt Poland
Stolze, Częstochowa
Colt products:
Attenuated Labyrinth natural ventilators
and FCO ventilators



Colt Singapore
Singapore Leprosy Relief Association
(Silra) Home, Singapore
Colt products:
EuroCO natural smoke ventilators





Colt Hong Kong
TM Fish Market, Hong Kong
Colt products:
Meteor smoke ventilators



Colt Australia
Craigieburn Rail Maintenance Depot,
Craigieburn, VIC
Colt products:
Colt lite natural glazed ventilators



Top:
 Colt Poland
 Galeria Echo, Kielce
Colt products:
SmokeMaster SM5 smoke curtains

Middle Left:
 Colt UK
 Bilston Leisure Centre, Bilston
Colt products:
Low level Coltlite natural smoke ventilators both within the façade and at high level within a triangular roof lantern

Middle Right:
 Colt UK
 British Polythene Limited, Stevenston
Colt products:
Wall mounted Seefire natural smoke ventilators

Bottom:
 Colt Australia
 VW Deer Park, Melbourne, VIC
Colt products:
Solarfin solar shading louvres

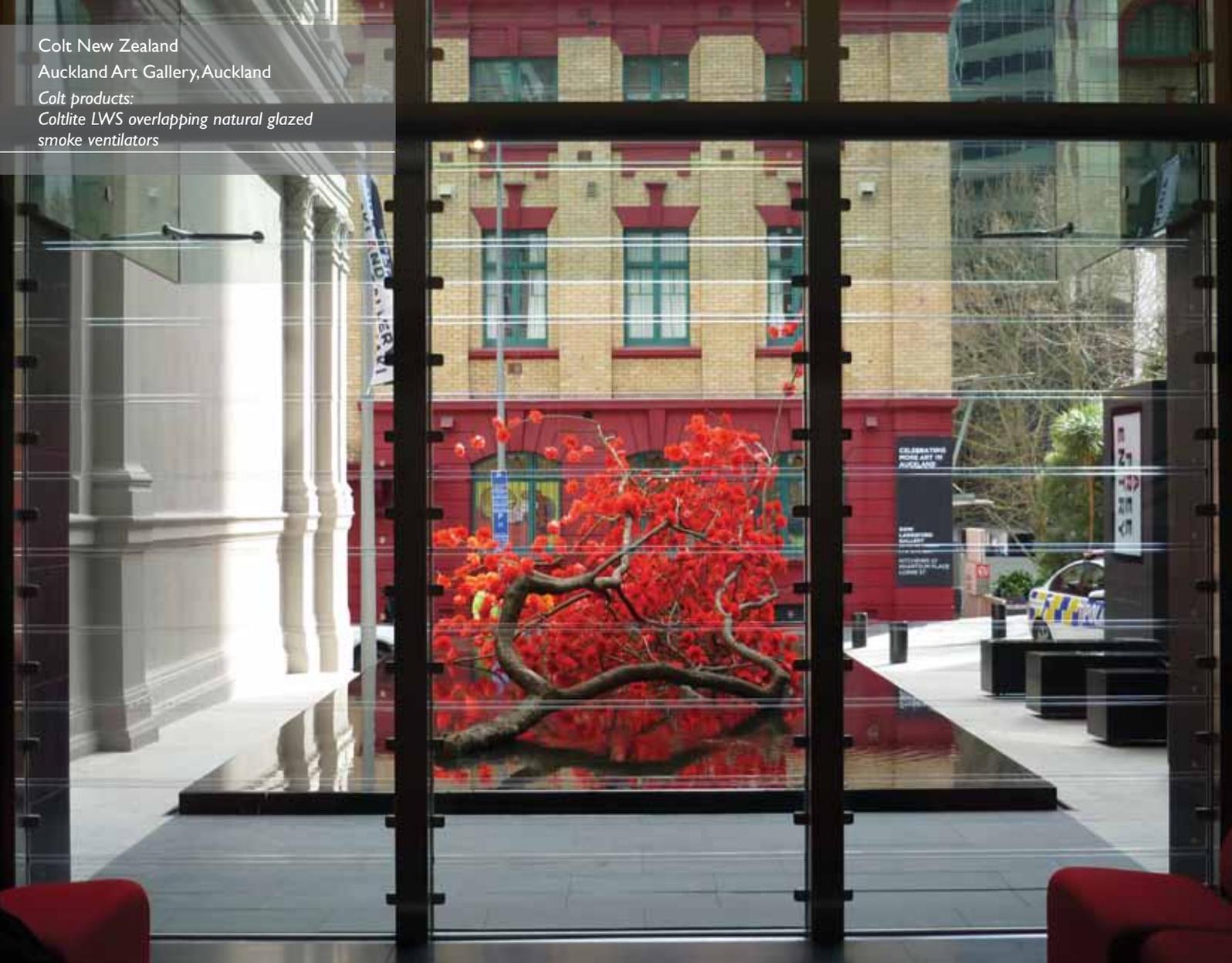




Top:
Colt Bratislava
CROWN Bevcan, Slovakia
Colt products:
Coolstream evaporative cooling system

Bottom:
Colt Australia
Aspect Apartments, Perth, WA
Colt products:
CEL150 Solarfin and IUL/SH screens with perforations





The Colt Foundation

The Colt Foundation was established as a charitable trust by the O’Hea family in 1978 with a donation of part of their ownership of the Colt Group. I J (Jack) O’Hea and the founder Trustees had become concerned about the social responsibility implicit in the ownership of an industrial organisation of the size of Colt, and wished to support and encourage research into social, medical and environmental problems created by commerce and industry

The Foundation currently owns 22% of the Colt company, and the dividends from this holding provide an important part of the income of the Foundation, with the remainder coming from listed investments. We do not need to concern ourselves with fundraising, and do

not seek donations from the public. Grants of just under £550,000 were paid to 12 different projects in 2011, and 20 students were helped in some way with the cost of their studies. The Foundation has now awarded grants totalling more than £13.8 million since 1978, with a particular emphasis on research which will make a difference to working practices and legislation. The Trustees are always looking for good and exciting new projects to support.

Full details on the work of the Foundation are shown on our website, www.coltfoundation.org.uk or contact Jackie Douglas on jackie.douglas@uk.coltgroup.com, or telephone +44 (0)23 9249 1400.

Colt Holland
Weijerstaete, Boxmeer
Colt products:
ColtLite natural glazed smoke ventilators



The logo for Colt Group Limited, featuring the word "COLT" in a stylized, white, sans-serif font. The letter "O" is a circle, and the "L" has a unique shape with a horizontal bar at the top. The logo is positioned in the upper left corner of the page.

COLT



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Colt Germany

Rathausgalerie, Essen

Colt products:

*Perforated Solar C100p and Solar C150
solar shading louvers*