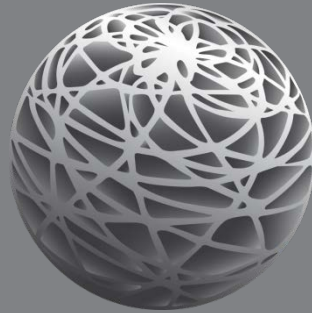


A GLOBAL LEADER IN METAL FLOW ENGINEERING

Investor Pack

March – April 2015

VESUVIUS PLC



A GLOBAL LEADER IN METAL FLOW ENGINEERING

Results for the year ended 31 December 2014

3 March 2015
François Wanecq
Chief Executive

VESUVIUS PLC

Disclaimer

This presentation, which has been prepared by Vesuvius plc (the "Company"), includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations. By their nature, forward looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward looking statements. Any forward looking statements in this presentation reflect the Company's view with respect to future events as at the date of this presentation and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity. The Company undertakes no obligation publicly to release the results of any revisions or updates to any forward looking statements in this presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this presentation.

This presentation comprises information which is already in the public domain, and includes extracts from the Announcement of the Results for the year ended 31 December 2014 (3 Mar 2015). You should read the whole of this Announcement. No reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness. None of the Company, its advisers, or any other party is under any duty to update or inform you of any changes to the information contained in this presentation.



Highlights

- Revenue of £1,444m, down 4.4%; up 3.5% on an underlying basis⁽¹⁾ (2013: £1,511m)
- Trading profit⁽²⁾ of £142.8m, up 2.0% on a reported basis, up 11.6% on an underlying basis⁽¹⁾ (2013: £140.0m)
- Return on sales⁽²⁾ improved by 62 basis points to 9.9%; a 71 basis point improvement on an underlying basis⁽¹⁾
- Year-end net debt⁽²⁾ increased to £268.3m: positive operating cashflow⁽²⁾ of £103.4m, cash conversion rate of 72%
- Headline⁽³⁾ earnings per share of 33.4 pence; up 4.7%; up 15.8% on an underlying basis⁽¹⁾ (2013: 31.9 pence)
- Final dividend of 11.125 pence per share recommended, a full year increase of 7.5%

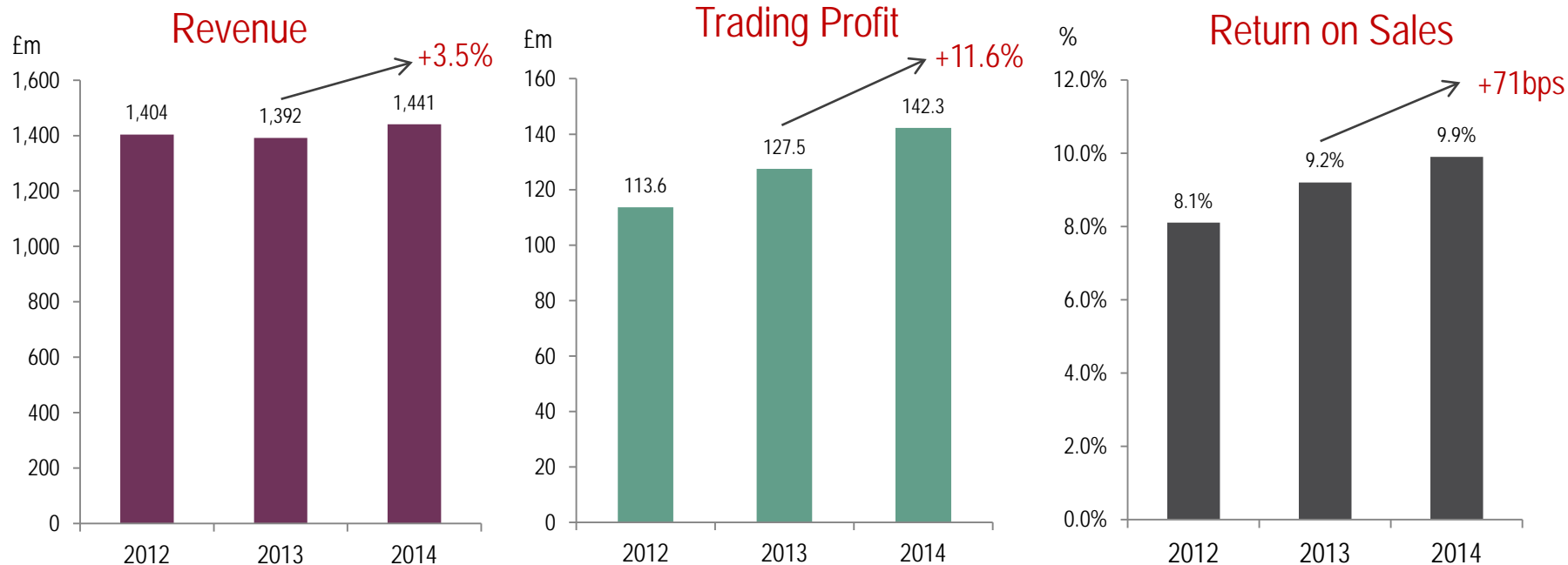
⁽¹⁾ Underlying basis is at constant currency and excludes separately reported items and the impact of acquisitions and disposals

⁽²⁾ For definitions of non-GAAP measures, refer to note 18 of the financial statements

⁽³⁾ Headline results refer to continuing operations and exclude separately reported items



2014 Underlying⁽¹⁾ Trading Performance



- 71 bps improvement delivered
- Positive margin trend due to continued benefits from operating and strategic initiatives

⁽¹⁾ Underlying basis is at constant currency and excludes separately reported items and the impact of acquisitions and disposals
2013 Excludes disposed VGT, Canada and Andresco-Hurl
2014 Excludes ECIL Met Tec and Process Metrix results (Revenue £3.6m, trading profit £0.5m)

Revenue growth returns

Underlying Revenue Movement



Underlying revenue grows in 2014 in both divisions ahead of underlying market growth

Steel revenue +4.4%

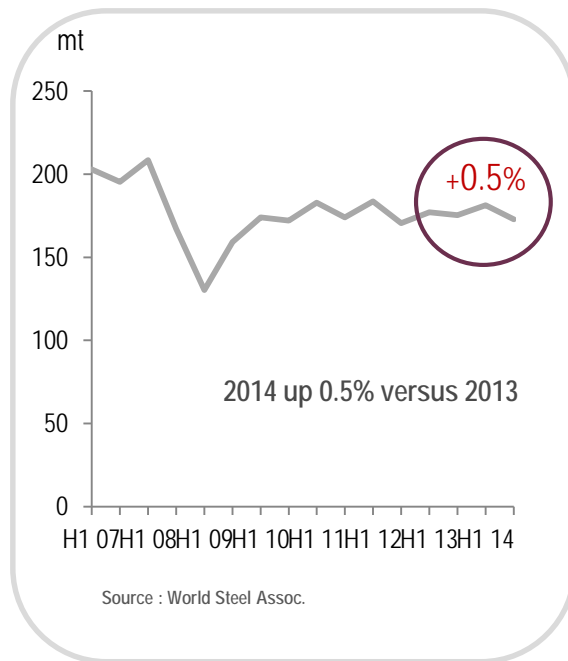
Foundry revenue +1.8%

Refocusing the activities on the products where Vesuvius offers a unique value proposition has increased the efficiency of our sales and marketing forces.

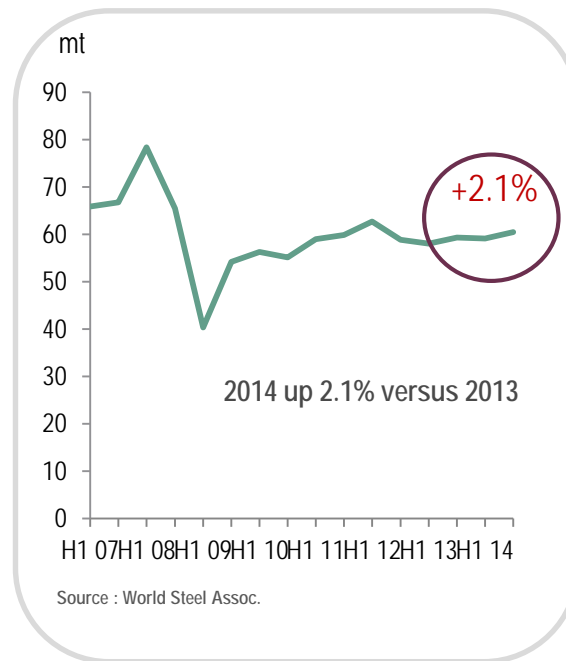
Development of our quality improvement program has helped to restore our pricing ability and to regain market share.

Major steel markets

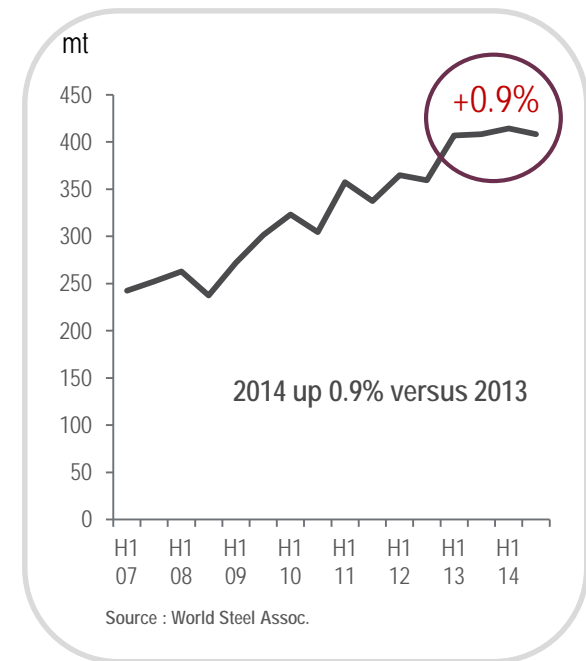
Steel production – EMEA



Steel production – NAFTA



Steel production – China

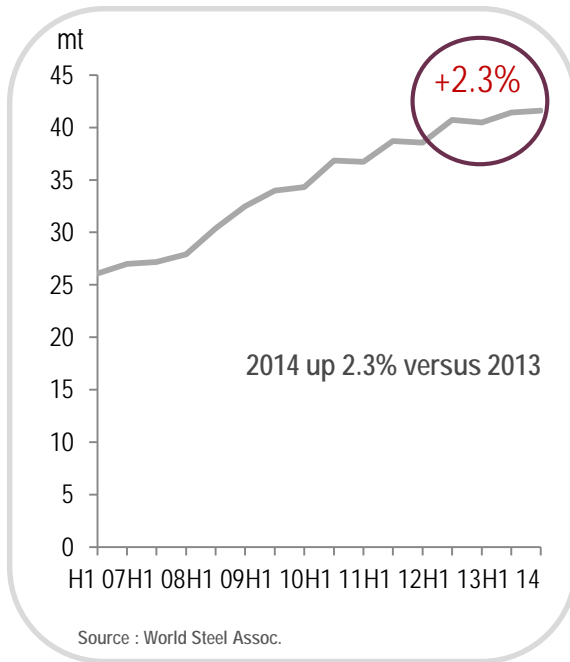


- Steel production up year-on-year in major steel markets

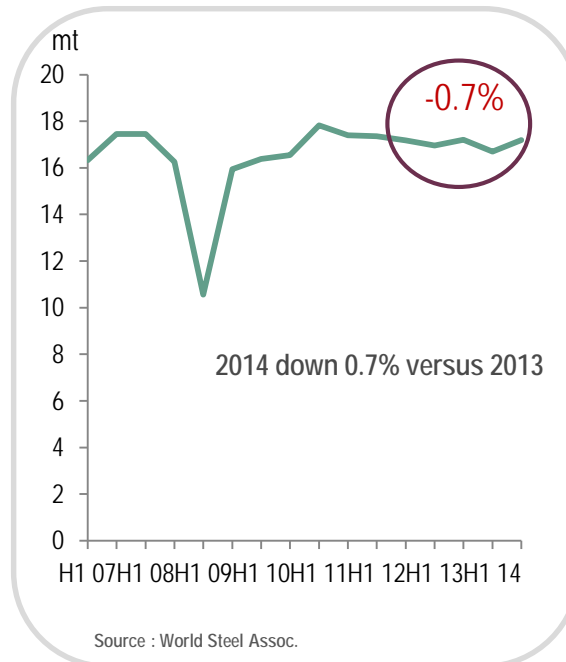
Emerging steel markets



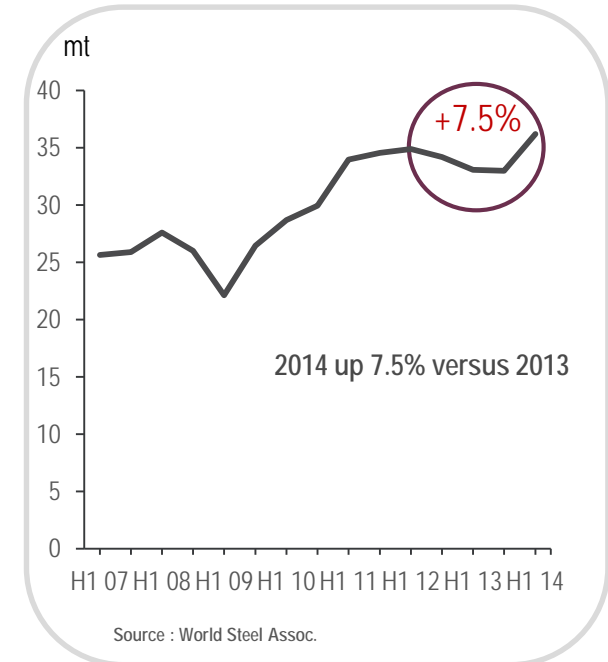
Steel production – India



Steel production – Brazil



Steel production – South Korea

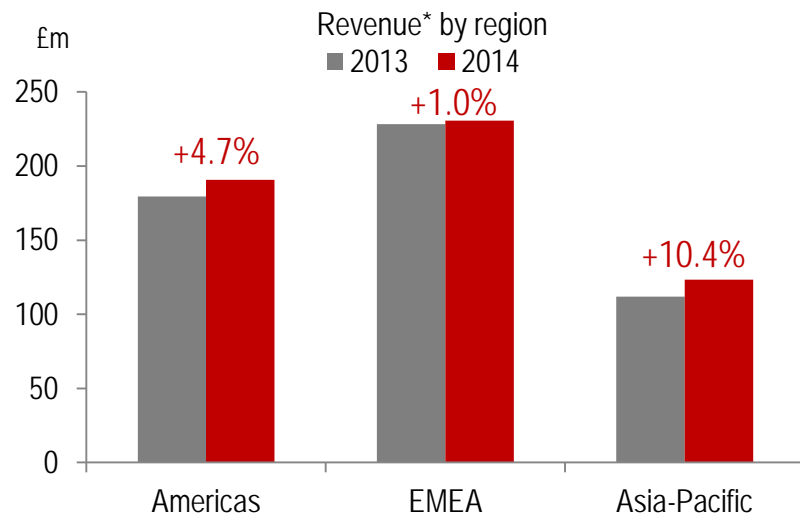


- Recent moderation in growth in some developing markets



Trading review: Steel division revenue

Steel Flow Control



Americas:

- Strong automotive demand
- Installation of new systems and technology with a number of key customers

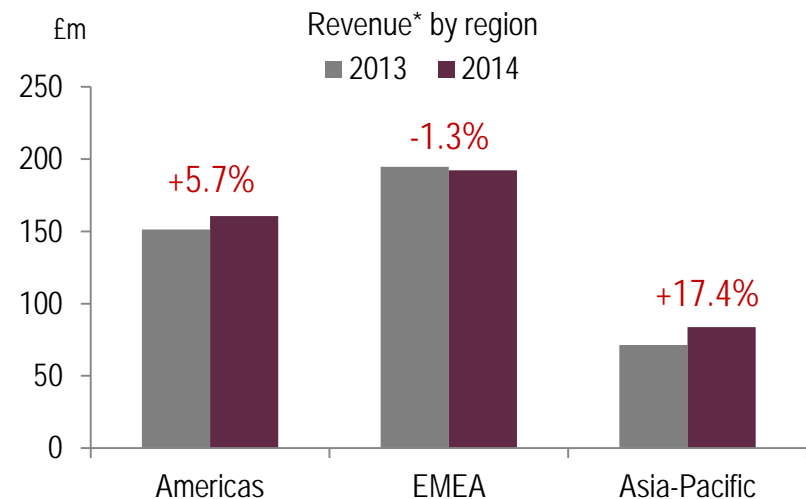
EMEA:

- Strong growth in the Middle East
- Strong sales of fluxes through Metallurgica

Asia-Pacific:

- Strong volume growth at our main customer in South Korea
- Good progression in Thailand and Vietnam

Advanced Refractories



Americas:

- Introduction of new premium product ranges
- Better focus on higher margin segments

EMEA:

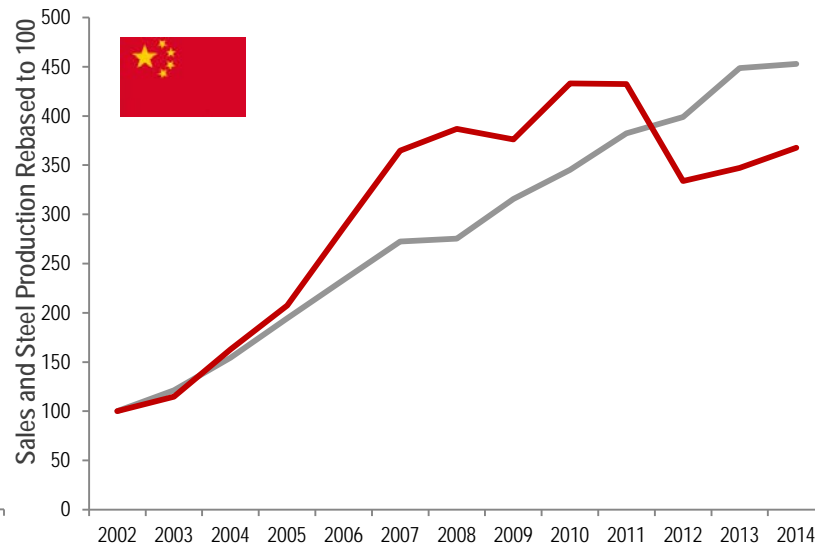
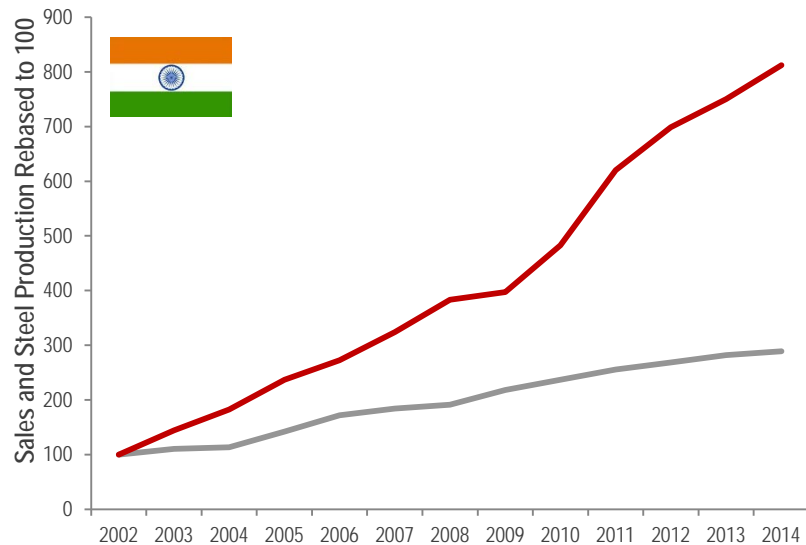
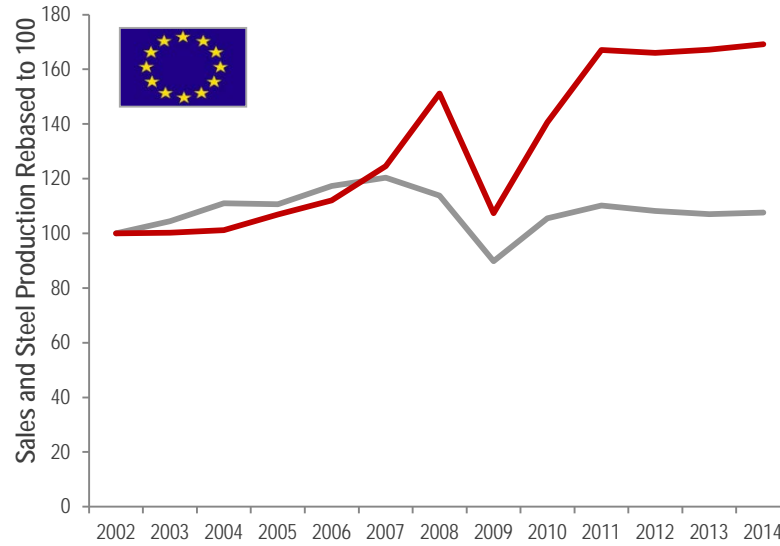
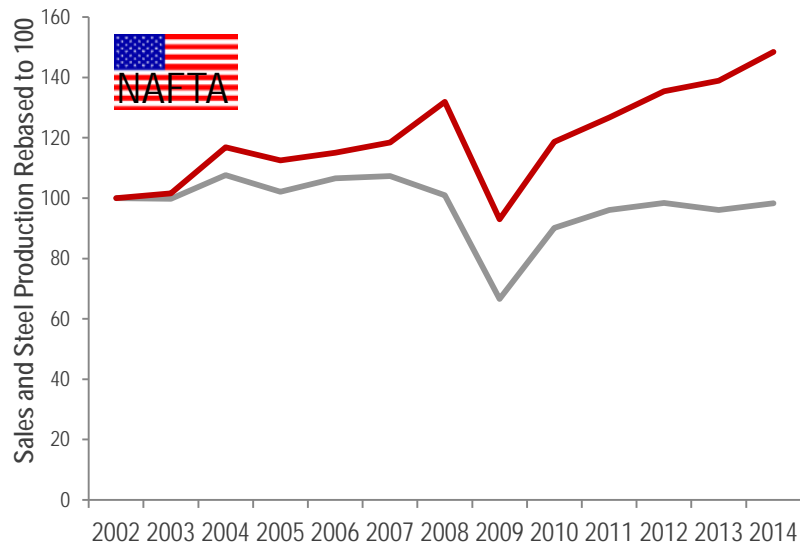
- Lower revenues in Russia and Ukraine partially offset other regions' stronger performances

Asia-Pacific:

- Increased penetration of products and solutions to customers
- Recovery in South East Asia

**On an underlying basis: at constant currency and excluding the impact of acquisitions and disposals*

Steel: Outperforming the underlying markets

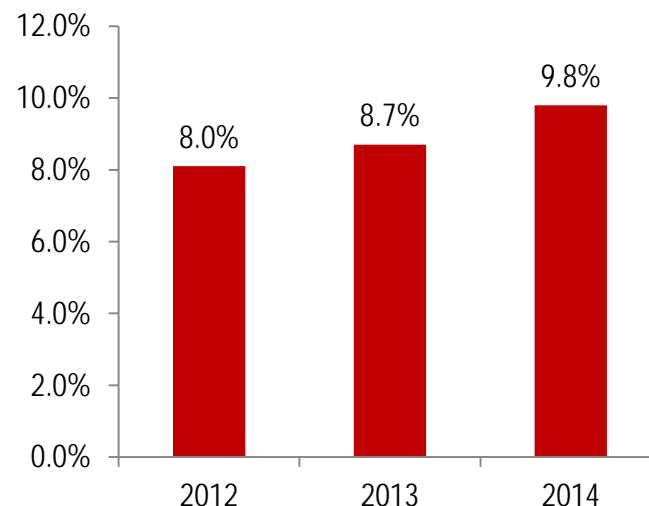


Source WSA for steel production volumes, Vesuvius internal data for Vesuvius sales at constant currency
Note 2002 figures are rebased to 100

Trading review: Steel division margins

£m	2014	2013	Y-o-Y change	Underlying change
Revenue				
Steel Flow Control	544.8	555.7	-2.0%	+4.3%
Advanced Refractories	436.6	461.8	-5.5%	+4.5%
Total Revenue	981.4	1,017.5	-3.5%	+4.4%
Total Trading Profit	96.4	88.7	+8.7%	+17.1%
Trading Margin %	9.8%	8.7%	+109bps	+106bps

Underlying margin improvement

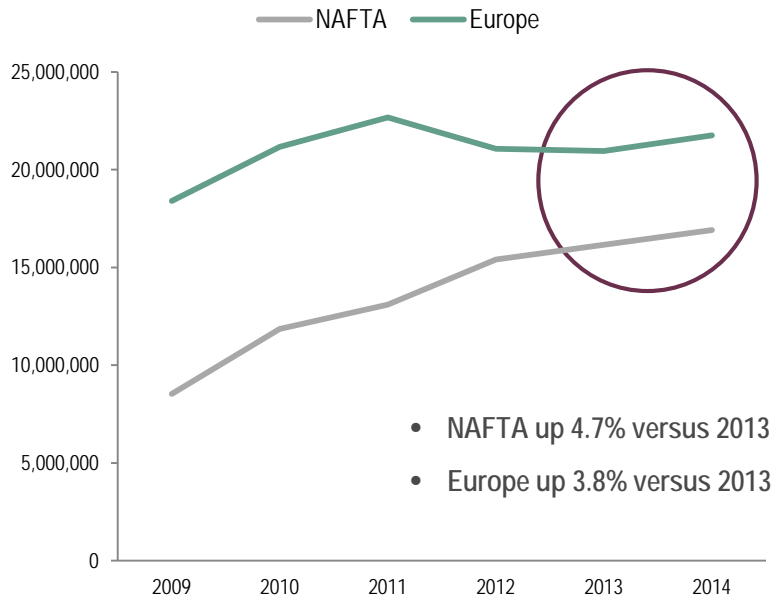


- Underlying trading profit up 17.1% reflecting:
 - Success of self-help actions
 - Improving margins through cost control
 - Increasing penetration of value added products and solutions
- Underlying margin improvement of 106 basis points

Foundry markets

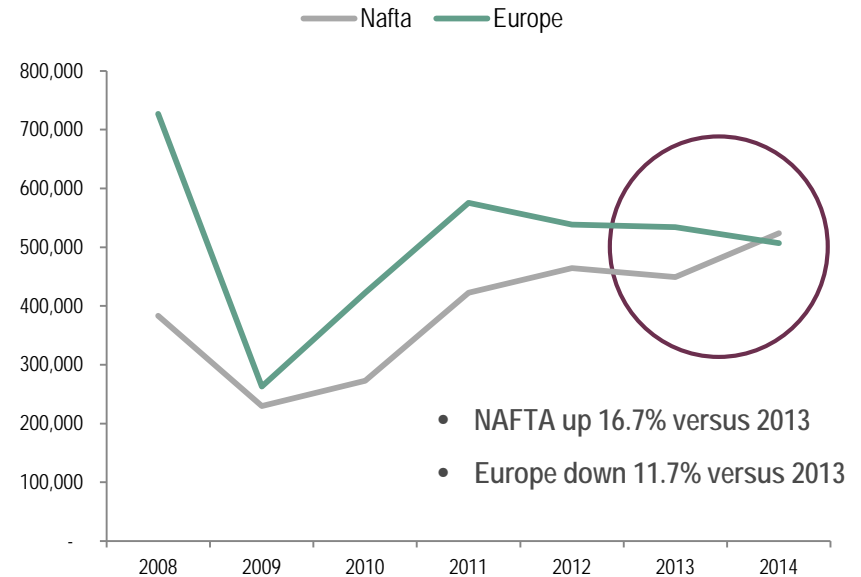
Truck and Light vehicles represent approximately 40% of Foundry product line sales

Light vehicle production



Source : LMC Automotive.

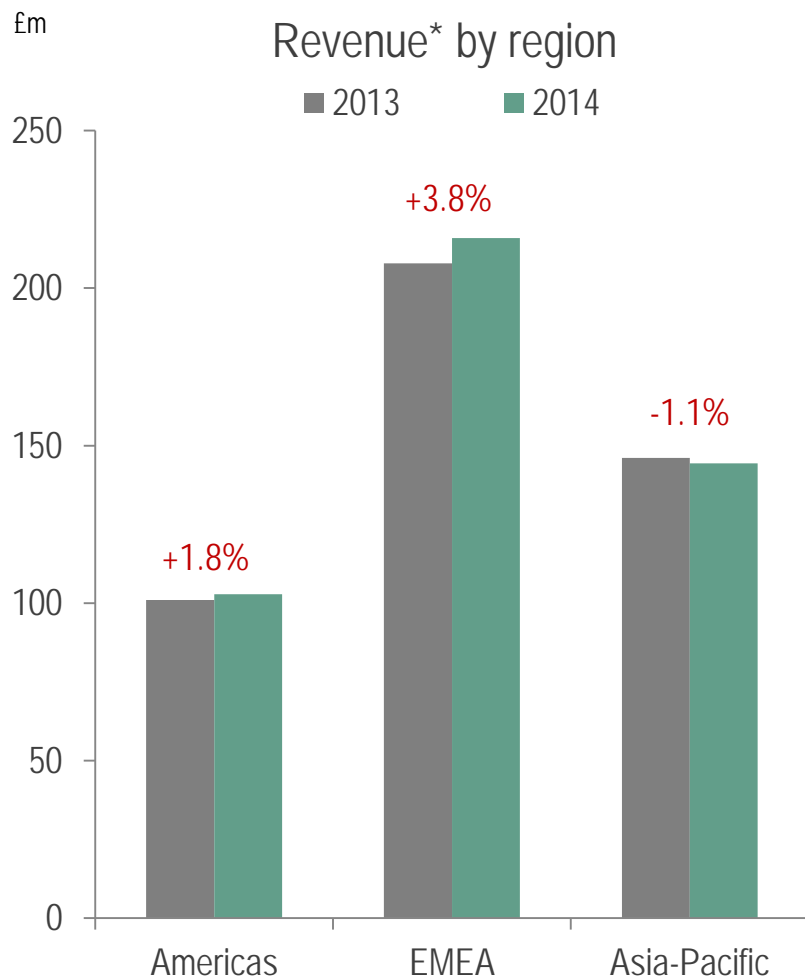
Truck production



Source : LMC Automotive.

- Automotive production grew substantially in both areas
- Truck strong in NAFTA but down in Europe
- Other end-markets include mining, railways, construction and agriculture
- Mining sector (~7% of Foundry revenues) experienced continued significant difficulties in 2014

Trading review: Foundry revenue



Americas:

- Growth in NAFTA light vehicle and truck production offset by:
 - Reduced foundry activity in Brazil
 - Reduced mining activity

EMEA:

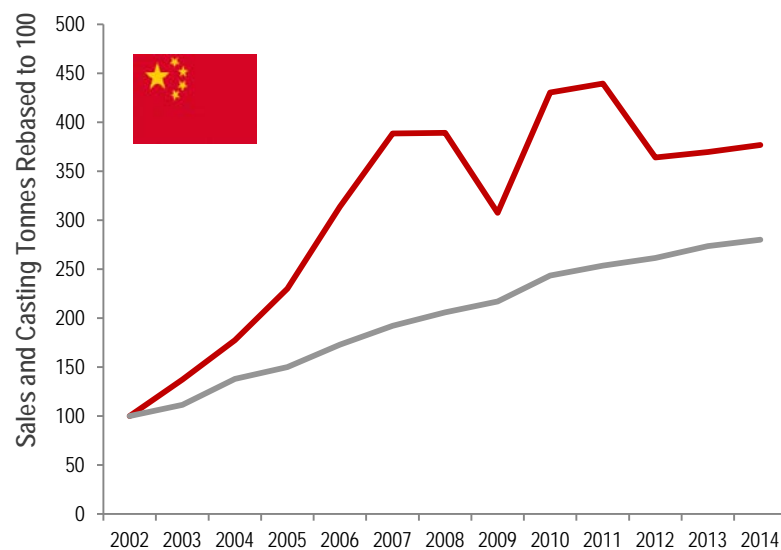
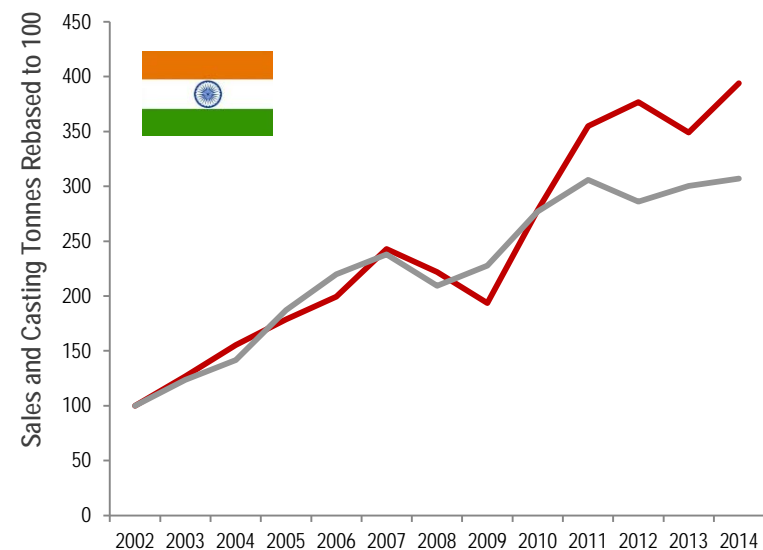
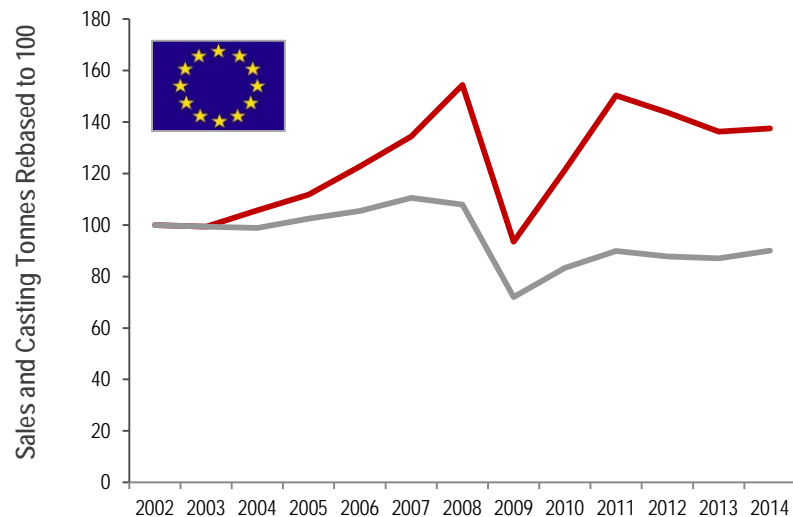
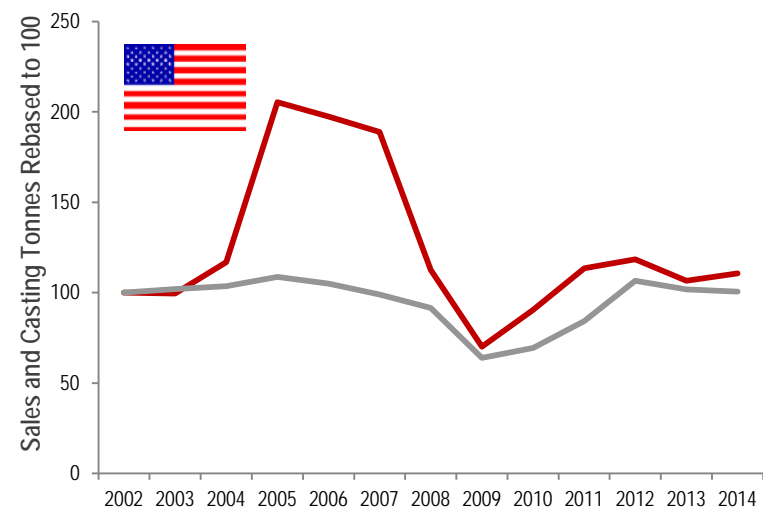
- Increase driven by light vehicle production despite decrease in truck production

Asia-Pacific:

- Growth in Chinese light vehicle output offset by:
 - Reduction in automotive production in Thailand
 - Ban on iron-ore exports in Indonesia
 - Decrease in mining castings produced in Australia

**On an underlying basis: at constant currency and excluding the impact of acquisitions and disposals*

Foundry: Outperforming the underlying markets



— Vesuvius Sales Value
— Casting Tonnes

Source Modern Casting and Vesuvius estimates for casting tonnes, Vesuvius internal data for Vesuvius sales at constant currency
Note 2002 figures are rebased to 100

Trading review: Foundry division margins

£m	2014	2013	Y-o-Y change	Underlying change
Revenue	463.0	493.0	-6.1%	+1.8%
Trading Profit	46.4	51.3	-9.5%	+1.8%
Trading Margin %	10.0%	10.4%	-35bps	+1bps

Underlying margin flat

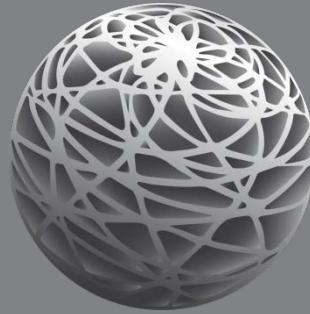


- Underlying trading profit up 1.8%
- Despite self-help actions, profitability remained flat due to:
 - Activity reduction in emerging markets with traditionally higher margins
 - Continued down cycle in mining
 - Political unrest in Ukraine

Foundry – going forward

- Foundry industry supported by industrial and infrastructure spend in China over the past decade
- Foseco grew strongly in this period
- Performance dropped off in 2012
 - No real recovery in 2013/14
- New management appointed to restore Foseco's innovation leadership and reposition the business for growth. Now actively working on:
 - Simplified organisation
 - Cost reduction
 - Capture the potential in China
- Potential for the business is strong but needs to be realised





A GLOBAL LEADER IN METAL FLOW ENGINEERING

Financial Review

Chris O'Shea
Chief Financial Officer

VESUVIUS PLC

Income statement

	2014	2013	Year on Year Change	
	£m	£m	As reported	Underlying ⁽¹⁾
Revenue	1,444	1,511	-4.4%	+3.5%
Trading Profit	142.8	140.0	+2.0%	+11.6%
<i>Trading margin %</i>	<i>9.9%</i>	<i>9.3%</i>	<i>+62bps</i>	<i>+71bps</i>
Net finance costs	(16.4)	(17.3)		
Share of JV	1.4	2.5		
Profit before Tax	127.8	125.2		
Effective tax rate %	26.0%	26.5%		
Tax	(32.9)	(32.5)		
Non-controlling Interest	(4.6)	(5.0)		
Headline Earnings	90.3	87.7	+3.0%	+14.0%
Headline Earnings per share (p)	33.4	31.9	+4.7%	+15.8%

⁽¹⁾ Underlying basis is at constant currency and excludes separately reported items and the impact of acquisitions and disposals



The FX position remains mixed...



	2014 Average Rates	2013 Average Rates	2014 Average Rates v 2013 Average Rates
USD	1.65	1.56	(5.4%)
EUR	1.24	1.18	(5.3%)
BRL	3.87	3.37	(14.6%)
INR	100.49	91.58	(9.7%)
JPY	174.09	152.52	(14.1%)
RMB	10.16	9.61	(5.6%)
ZAR	17.83	15.03	(18.6%)

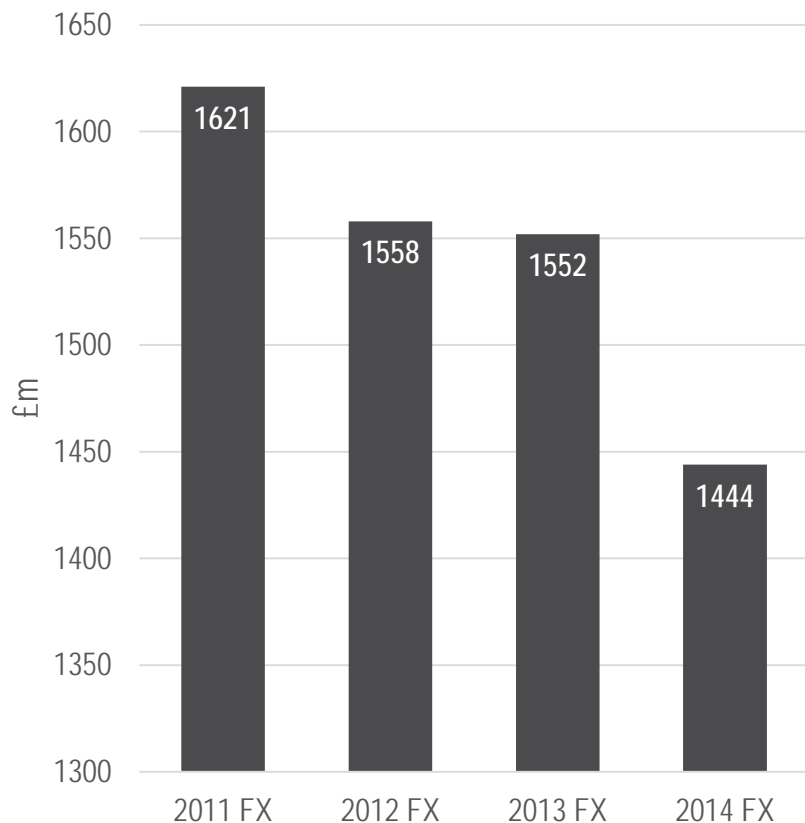
2014 Period End Rates	2014 Period End Rates v 2014 Average Rates
1.56	5.4%
1.29	(4.0%)
4.14	(7.0%)
98.16	2.3%
186.38	(7.1%)
9.66	4.9%
18.01	(1.0%)



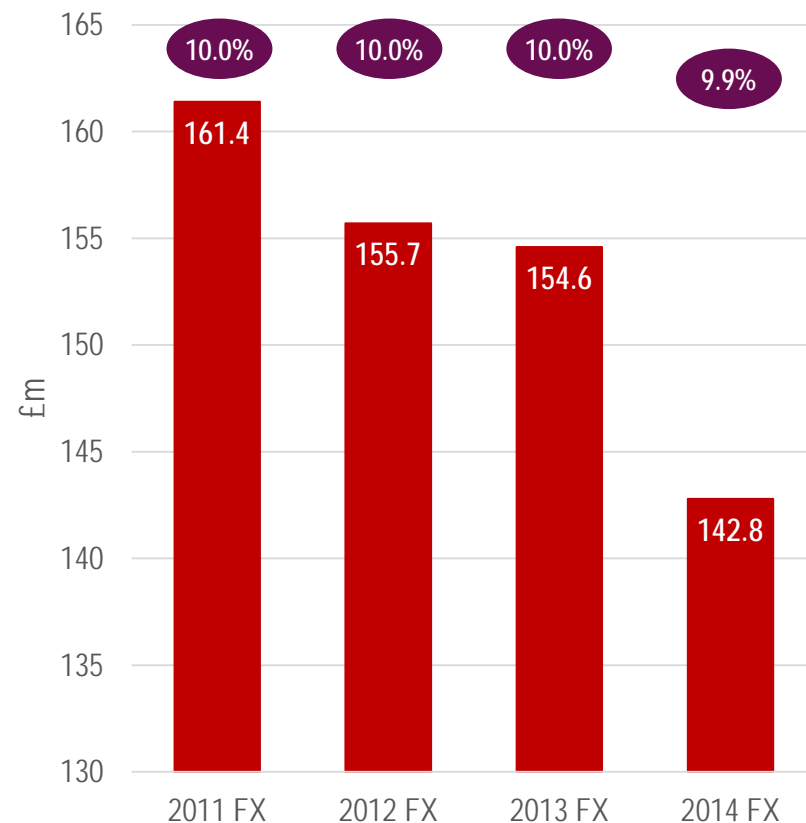
...but the cumulative effect of FX has been significant

2014 Revenue, Trading Profits, and RoS at various historic FX scenarios

2014 Revenue

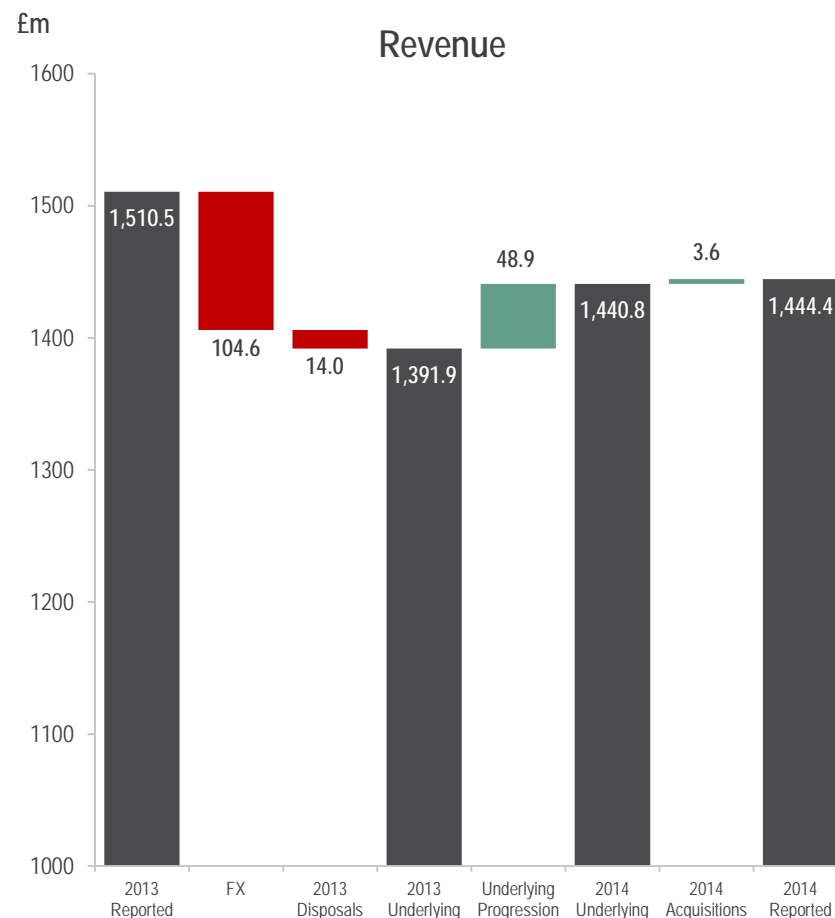


2014 Trading Profit & RoS



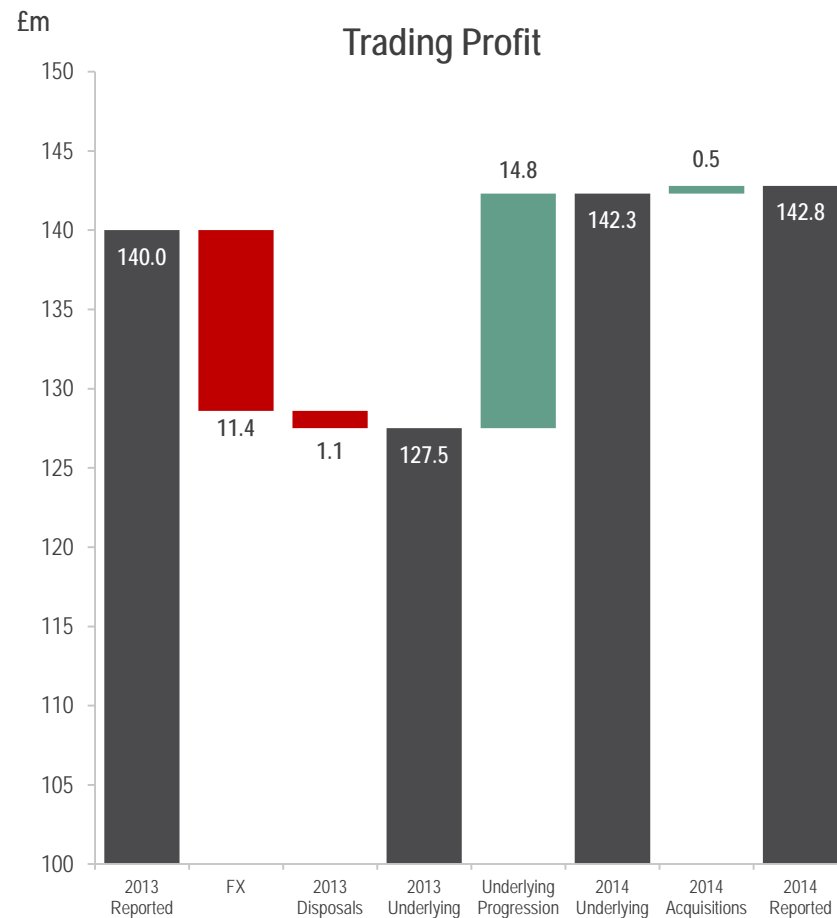
Underlying revenue grew 3.5%...

- Revenue down £66 million on a reported basis
- Revenue grew £49 million on an underlying basis
- Further growth of £4 million from acquisitions
 - Full year 2014 revenue of £19 million from acquisitions
- Underlying revenue growth in all regions
 - EMEA 1.2% £7.7m
 - Americas 4.4% £18.9m
 - Asia 6.8% £22.3m

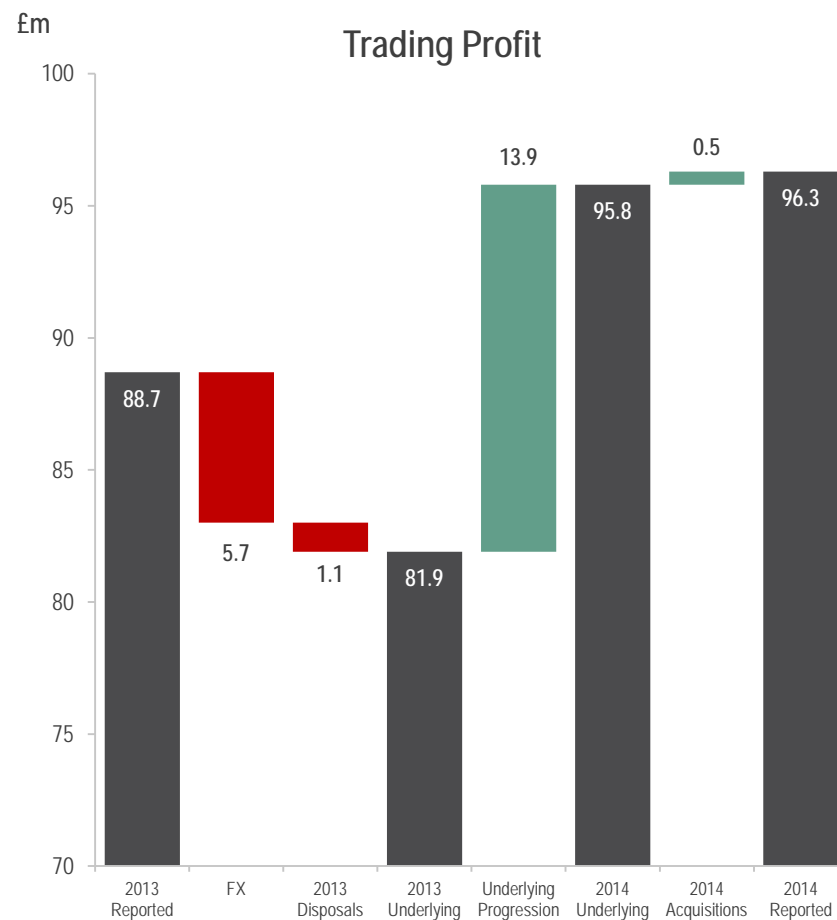
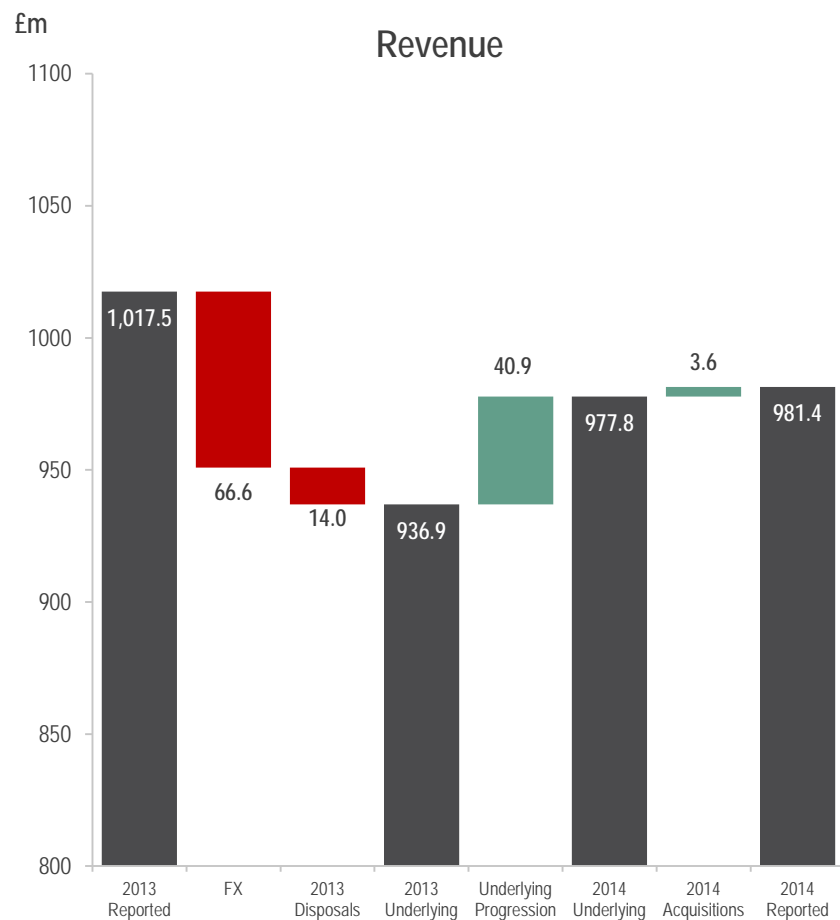


...whilst underlying trading profit grew 11.6%

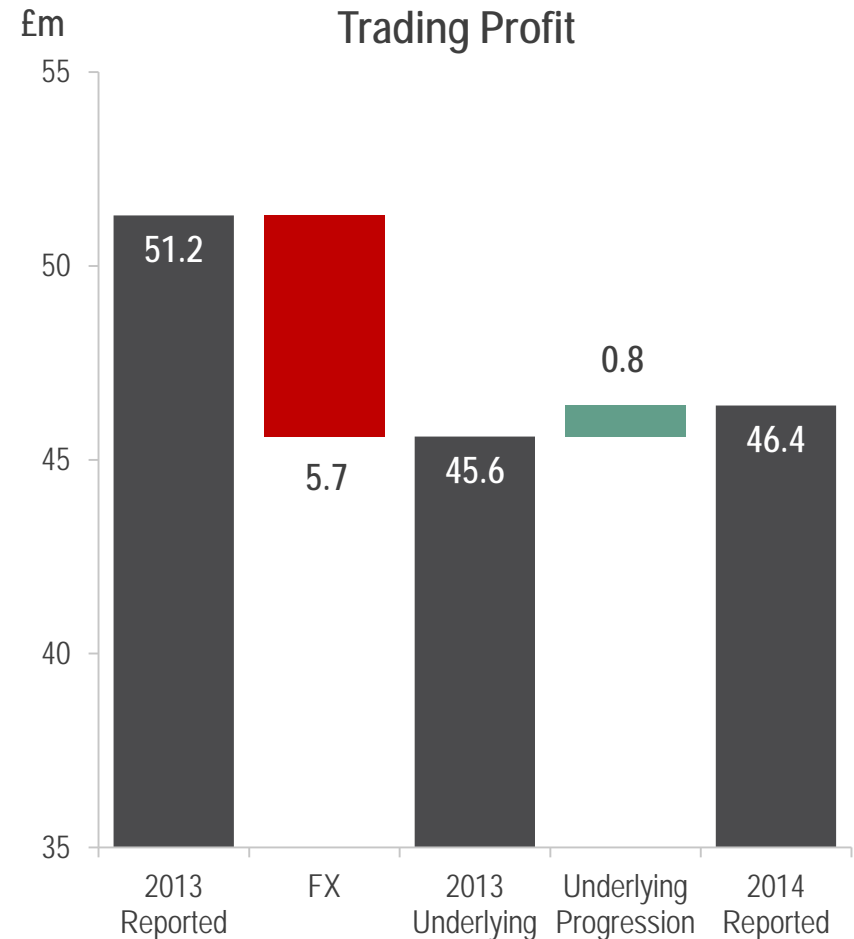
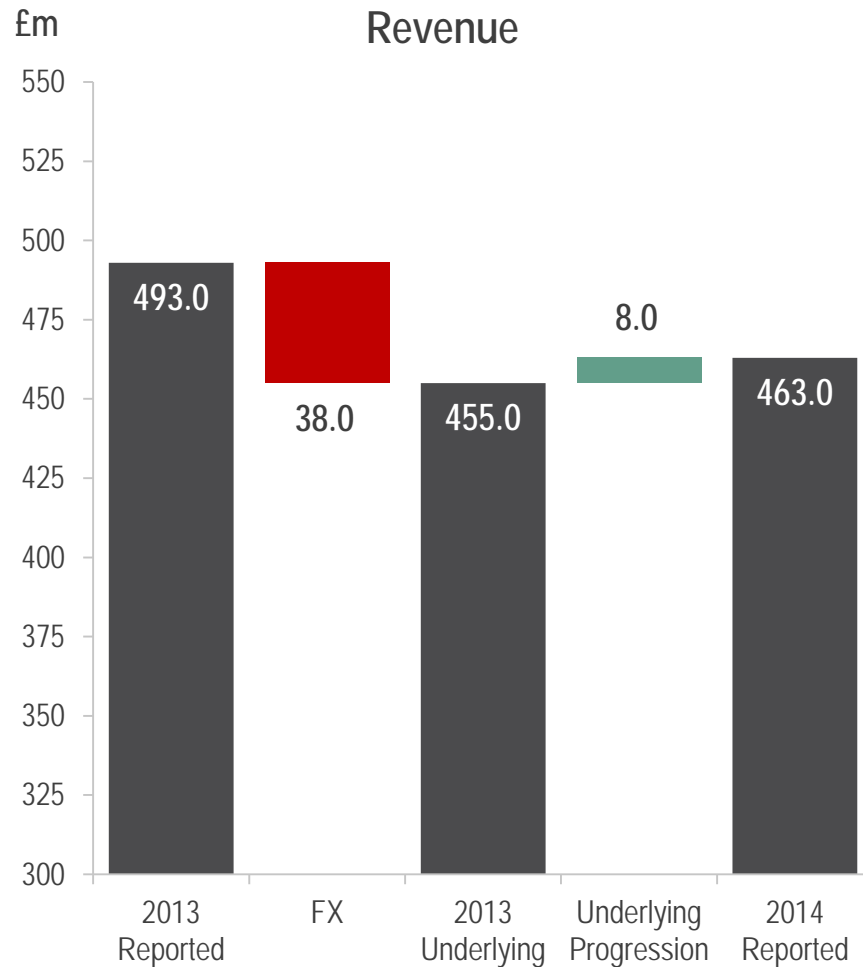
- Trading profit up £2.8 million on a reported basis
- Trading profit grew £14.8 million on an underlying basis
- Further growth of £0.5 million from acquisitions
 - Full year 2014 trading profits of £3.1 million in acquired businesses



Underlying Steel division profitability improved by 106 bps

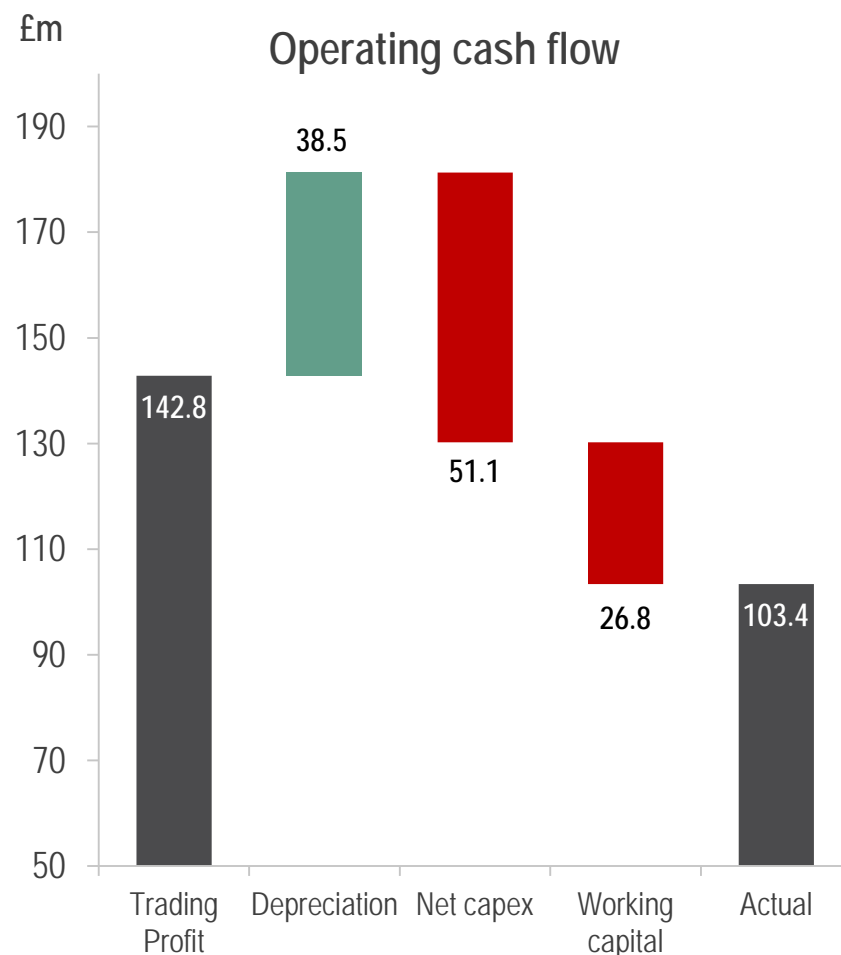


Underlying Foundry division profitability was maintained at 10%



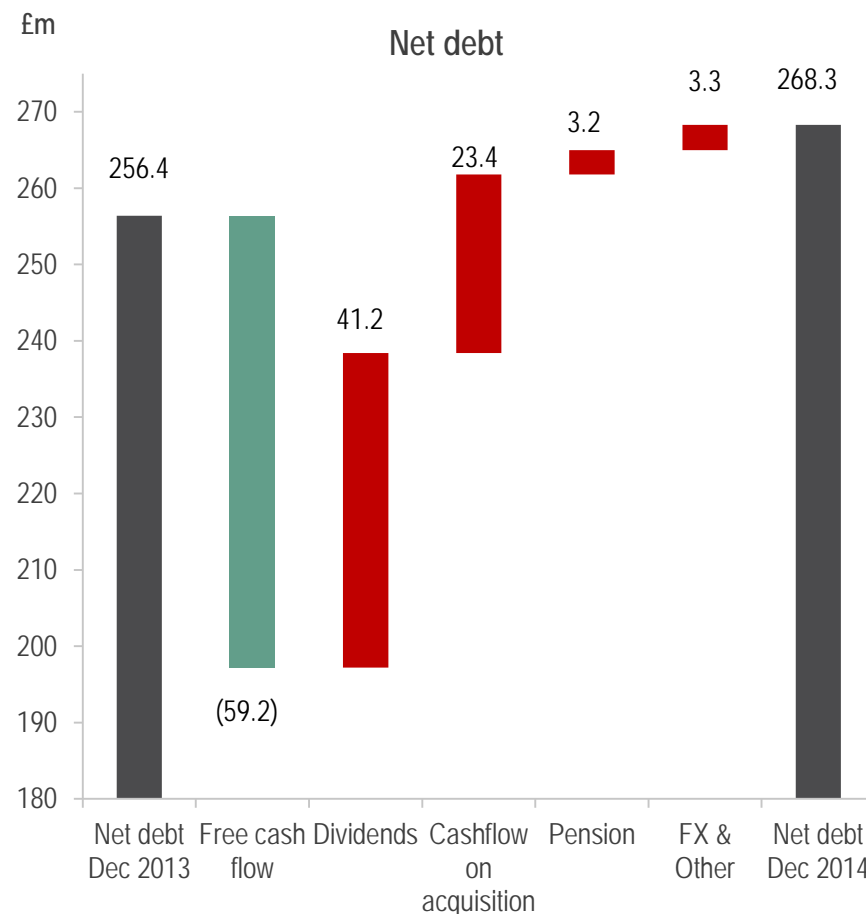
Cash conversion of 72% driven by working capital...

- Capital expenditure 3.5% of revenue
 - Reinvestment rate of 133% recognising increased investment for the future
 - R&D facilities
 - Foundry China
- Working capital outflow includes:
 - £6m retirement of factoring programme
 - £11m underlying growth
 - £5 million inventory
 - £6 million receivables
 - £2m land in China for plant
- Underlying key metrics continue to move in right direction
 - Trade working capital as a percentage of sales flat at 24.8% (2013: 24.7%)



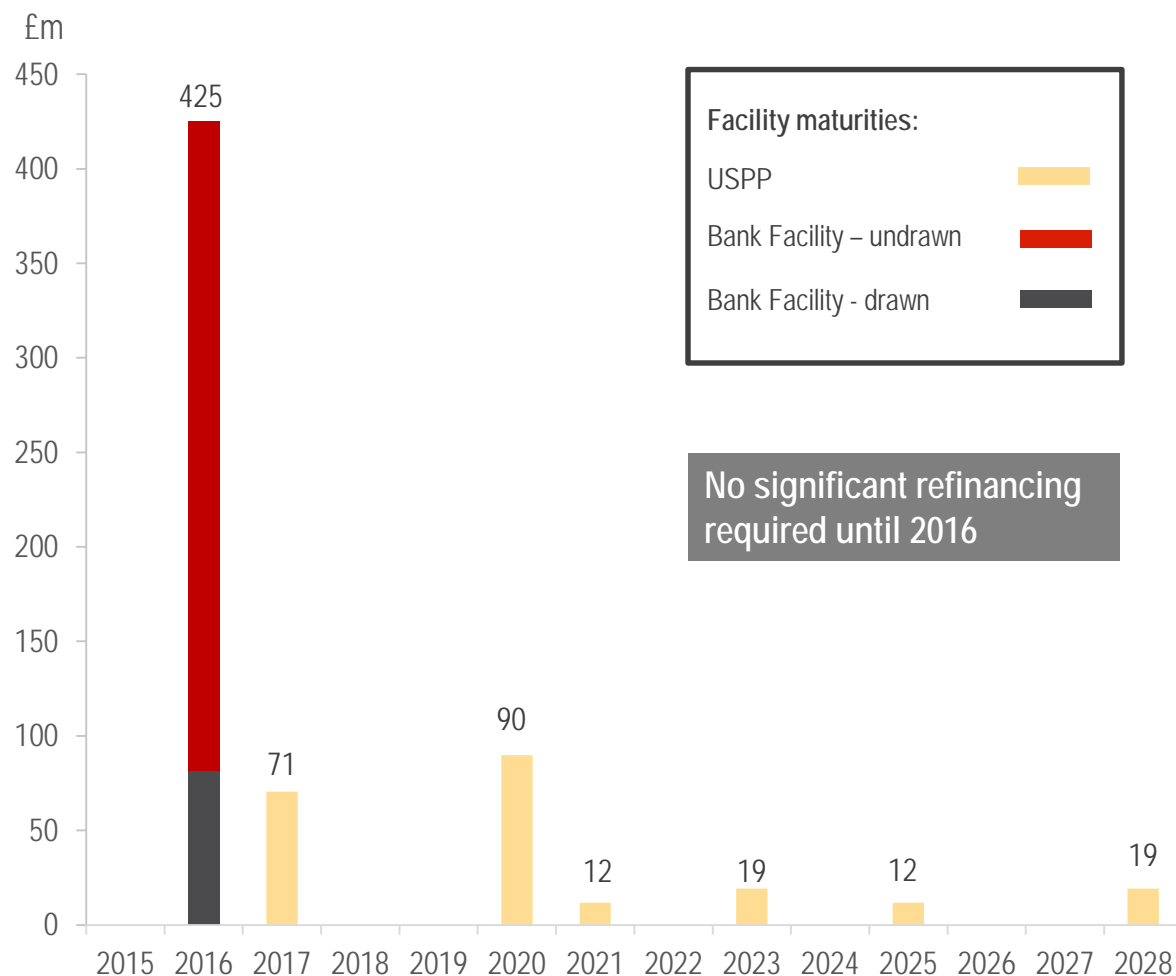
Net debt increased by £11.9m to £268.3 million...

- Acquisition of ECIL Met Tec and Process Metrix
 - Cash outflow of £23.4m in 2014
- Lower free cashflow due to reduced cash conversion
- £41.2m dividend paid in 2014
- Reduced additional payments in pension scheme reflecting UK scheme surplus



...whilst the Group has significant headroom in its debt facilities

- £647 million of committed facilities
 - Further £77 million of uncommitted facilities
- Weighted average maturity of committed facilities
 - 3.0 years
- Undrawn facilities at 31 December 2014
 - Committed £344m
 - Uncommitted £58m



Defined benefit employee benefit schemes

- UK, USA and Germany comprise over 90% of Group's gross pension liabilities

- Increase in net deficit due to reduction in discount rates

- UK 3.50% (down 0.90%)
 - USA 3.70% (down 0.80%)
 - Germany 2.20% (down 1.55%)

- Also due to increased mortality rate assumptions in the US

- Men 86.6 (up 1.5 years)
 - Women 88.8 (up 1.5 years)

£ million	31 Dec 2014	31 Dec 2013
Net Pension Deficits		
Germany	39.9	32.6
USA	35.6	23.3
Rest of World	<u>20.0</u>	<u>12.6</u>
	95.5	68.5
Net Pension Surpluses		
UK	<u>(49.8)</u>	<u>(28.7)</u>
Net Pension Deficit	45.7	39.8
Net Deficit on Other Post Retirement Benefit Schemes		
	<u>5.4</u>	<u>8.1</u>
Net deficit on Employee Benefit Schemes	<u>51.1</u>	<u>47.9</u>

Dividend



- Proposed final dividend of 11.125 pence per share
 - Increase of 8.5% on 2013 final dividend of 10.25 pence
- Full year dividend of 16.125 pence per share
 - Increase of 7.5% on 2013 full year dividend of 15.00 pence
- £43.6 million total cash returned to shareholders for 2014
 - 2014 Interim Dividend £13.5m
 - 2014 Final Dividend £30.1m



Financial strategy remains consistent



- Financial flexibility essential

Committed unutilised facilities of £344.0m

- Conservative balance sheet stewardship

Gearing of 1.48

- Focus on cash generation

2012 – 2014 cash conversion of 93.0%

- Cost control

ROS improved by 179 basis points from 2012

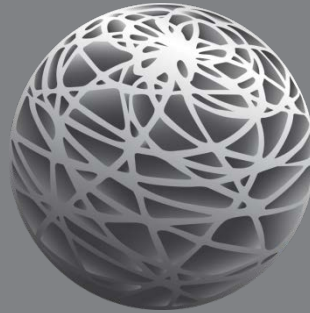
- Efficient working capital management

WC to sales ratio 27.3% in 2012 down to 24.8% in 2014

- Improve returns

RONA up from 18.7% in 2012 to 25.5% in 2014





A GLOBAL LEADER IN METAL FLOW ENGINEERING

Strategy and Outlook

François Wanecq
Chief Executive

VESUVIUS PLC

Delivering on the strategy

- Maintain technology leadership

New R&D facilities opened in Enschede;
New location selected in Pittsburgh
Introduction of a Stage Gate process

- Increase penetration of value creating solutions

Success of robotics handling operations
Numerous installations of the patented new generation tube changer 3085

- Capture growth in developing markets

New Foundry Plant in full production in China –
Second phase being completed
Viso mix plant commissioned in Brazil

- Improve cost leadership

Lean manufacturing programme; Inventory days reduced by 3.8% yoy

- Build technical services offering

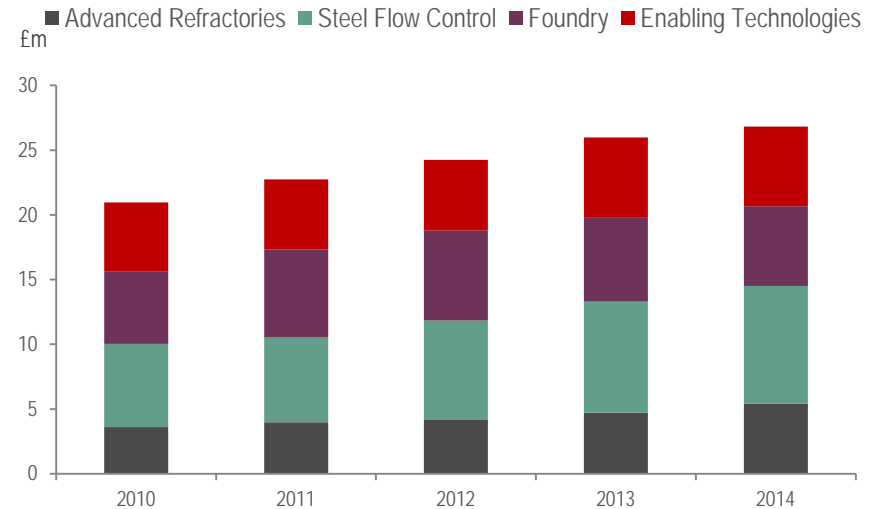
Successful integration of ECIL Met Tec and Process Metrix into Vesuvius;
Success of Accuoptix in various countries

Maintain technology leadership

Progress in 2014:

- Launched rigorous Stage-Gate® process for managing New Product Innovation
- Restructured R&D to enhance collaboration across our business
- Completed construction of new global R&D centre for Foundry in Enschede, Netherlands

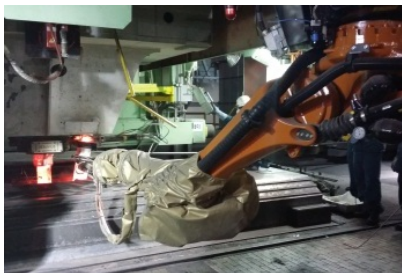
R&D Spend (constant currency)



New Foundry Research and Development facility, Enschede



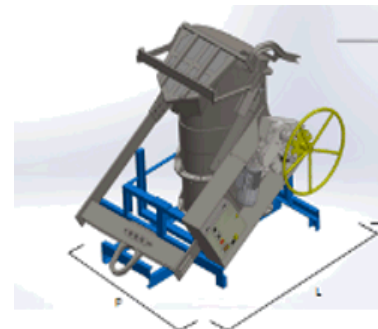
Increase penetration of value creating solutions



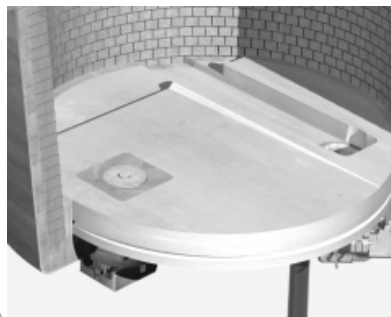
The first robotic handling operation installed in Korea has been running for a year with 2,000 successful tube changes.

We received orders to install robots on the ladle platform in 2015

Increased INITEK customer acceptance and improved design of converters



Progress in 2014



Continued penetration of ELBY™ ladle bottom in NAFTA and Europe based upon prime steel yield improvement

Further penetration of Lavagard trough systems in NAFTA and Europe with increase in life ranging from 30-100% in the main iron runner and tilter



Increase penetration of value creating solutions continued



Introduction of our SMART MOLD FLUX FEEDER (PDM300) in Mexico



Awarded several new tundish management contracts in NAFTA incorporating the latest fully automated smart robotics installation equipment

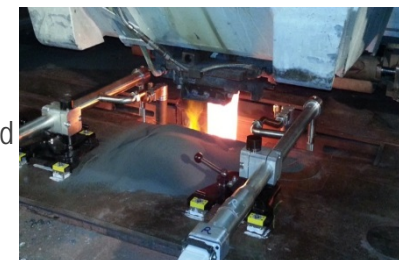


Progress in 2014



Installation of the first fully automated high speed ladle laser refractory monitoring system in a complete Total Refractory Management Solution contract

The XMAT mould audit tool demonstrated promising ways to evaluate our customer mould flow pattern and opportunities to help further improve quality & productivity



Capture growth in developing markets



Conversion of casters with our gate tube changer and automatic mould level control

- Sail Bokaro (India)
- Baotou (China)
- Formosa (Vietnam)

Building of new Foundry plant in Changshu, China, commissioned, replacing two old factories in Liuhe and XianFan

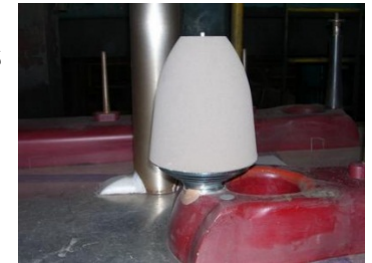


Progress in 2014



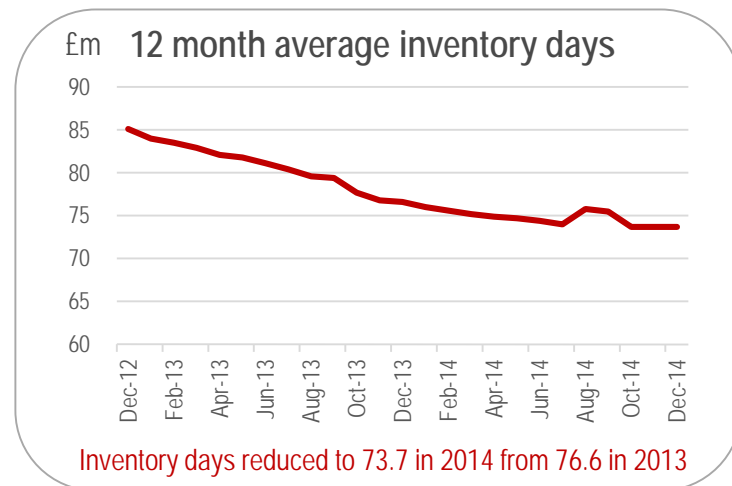
Viso mix plant in Rio de Janeiro, Brazil, to take advantage of local raw materials fully operational

Investment in FEEDEX manufacturing in India as well as capacity expansion for precision slurry sleeves. Sales in Feeding Systems in India exceed GBP 5 million for first time.



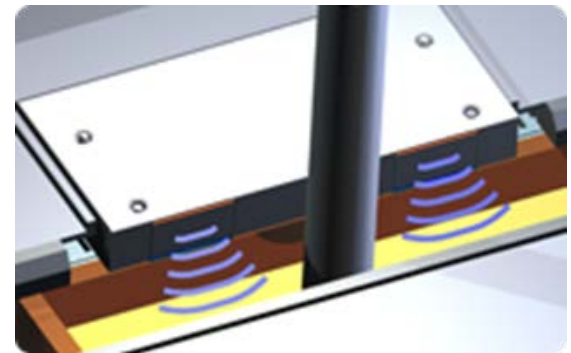
Improve Cost Leadership

- Launch of our group Quality Breakthrough program has allowed us to reduce by 32% number of repeat customer complaints over 3 years
- Extension of Lean Manufacturing throughout the Group
- Inventory reduction from 76.6 to 73.7 days (12 month average) after coming from 85 days in 2012
- Continued transfer of headcount towards low cost countries



Build Technical Services offering

- Successful launch of Accuoptix in Germany with several new customers secured for the coming months
- Acquisition of ECIL Met Tec in Brazil producing data capture devices for temperature, oxygen and hydrogen content data capture
- Acquisition of Process Metrix selling laser detection of refractory wear in steel vessels
- Development of new services with the XMAT (mould instrumentation system) XLEV (Eddy current mould level sensor), XSVC (sub meniscus velocity sensor)



Capital markets day

- A capital markets day will be held on 18 – 19 June 2015
- Located close to Düsseldorf, Germany
- Opportunity to visit GIFA – METEC
- Agenda focused on mid-term:
 - Vesuvius plc 30 months on
 - Market perspectives
 - Technology evolutions
 - China: market opportunities, existing presence, investment priorities
 - Technical Services: strategic rationale, current offering, long-term vision

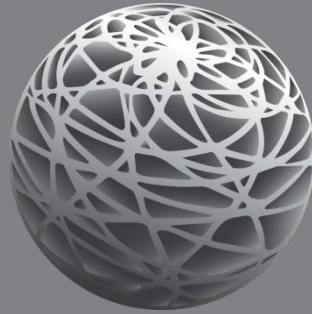


Outlook for 2015



- Trading environment to remain broadly similar to 2014
- Margins to improve further with self help actions and focus on value adding products
- Increase investment in research and development
 - To restore the flow of new products in Foundry
 - To support our initiative towards technical services
- Grow our presence in China further and restore Foundry China profitability
- Retain strong balance sheet to keep financial flexibility
- Progress our overall strategy of providing superior technical products and services for steel and foundry industries

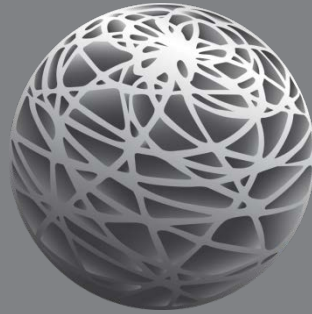




A GLOBAL LEADER IN METAL FLOW ENGINEERING

Q&A

VESUVIUS PLC



A GLOBAL LEADER IN METAL FLOW ENGINEERING



Appendix

VESUVIUS PLC

5 year history at constant currency⁽¹⁾

	2010	2011	2012	2013	2014
Revenue	1,342.2	1,501.5	1435.2	1,405.9	1,444.4
Steel	886.6	968.0	950.8	950.9	981.4
Foundry	455.6	533.5	484.4	455.0	463.0
Trading Profit	147.9	156.8	115.9	128.6	142.8
Steel	90.1	93.0	76.0	83.0	96.4
Foundry	57.8	63.8	39.9	45.6	46.4
Margins	11.0%	10.4%	8.1%	9.1%	9.9%
Steel	10.2%	9.6%	8.0%	8.7%	9.8%
Foundry	12.7%	12.0%	8.2%	10.0%	10.0%

(1) All numbers shown at December 2014 full year average exchange rates



Currency – Ready Reckoner

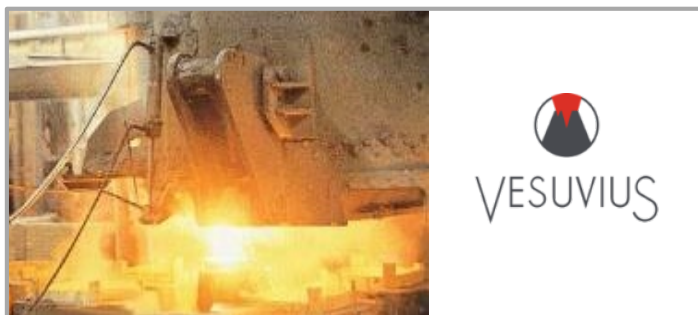
Currencies	Approximate Change in profits
US Dollar	£0.4 million
Euro	£0.3 million
Chinese Renminbi	£0.2 million
Japanese Yen Indian Rupee Brazilian Real	£0.1 million

- Rule of thumb for impact of a 1% movement in currency against sterling
 - Amounts shown are movements for each currency
 - Works both for strengthening and weakening of currencies



Market leading positions across many of our products

Molten metal in steel industry



A world leader in flow control systems (slide gates)

A world leader in isostatically pressed refractories

A world leader in flow control pre-cast solutions

A world leader in mould & tundish fluxes

Steel Flow Control Competitors



Molten metal in foundries



A world leader in filters

A world leader in feeding systems

A world leader in coatings

Foundry Technologies Competitors



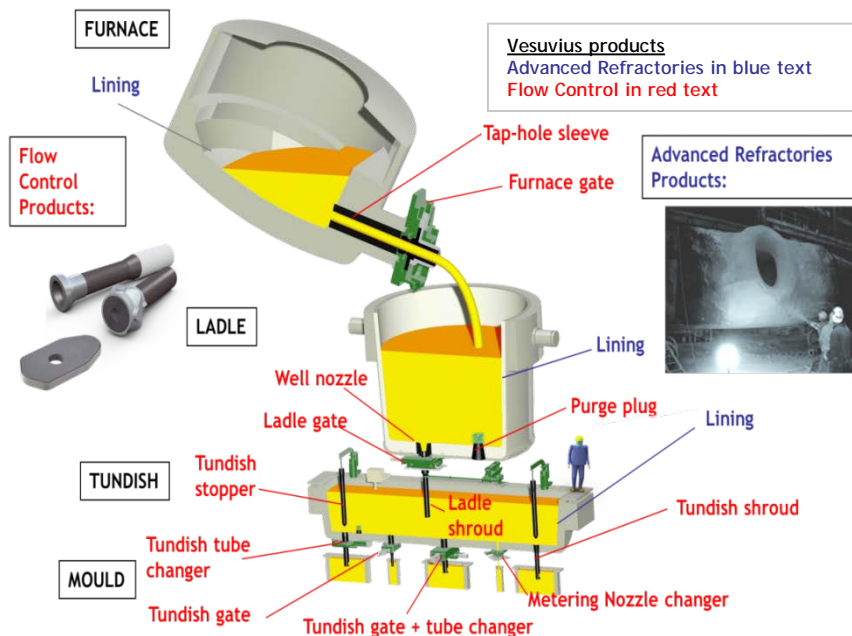
Hamilton



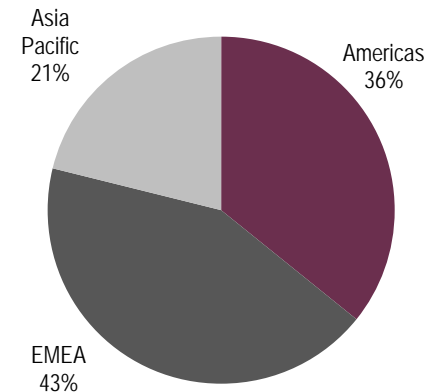
Main products and markets – Steel business segment

Steel business segment overview

- World leader in the supply of consumable **Steel Flow Control** products used in the enclosed continuous casting process and a leading supplier of **Advanced Refractories** used as high temperature linings



Steel business segment revenue by operating location



Source Vesuvius breakdown of 2014 Reported Revenues

Well balanced presence in all major areas

- Vesuvius is the only truly global player in Flow Control
- Asia Pacific major volume growth potential
- Europe and NAFTA as laboratories for innovation

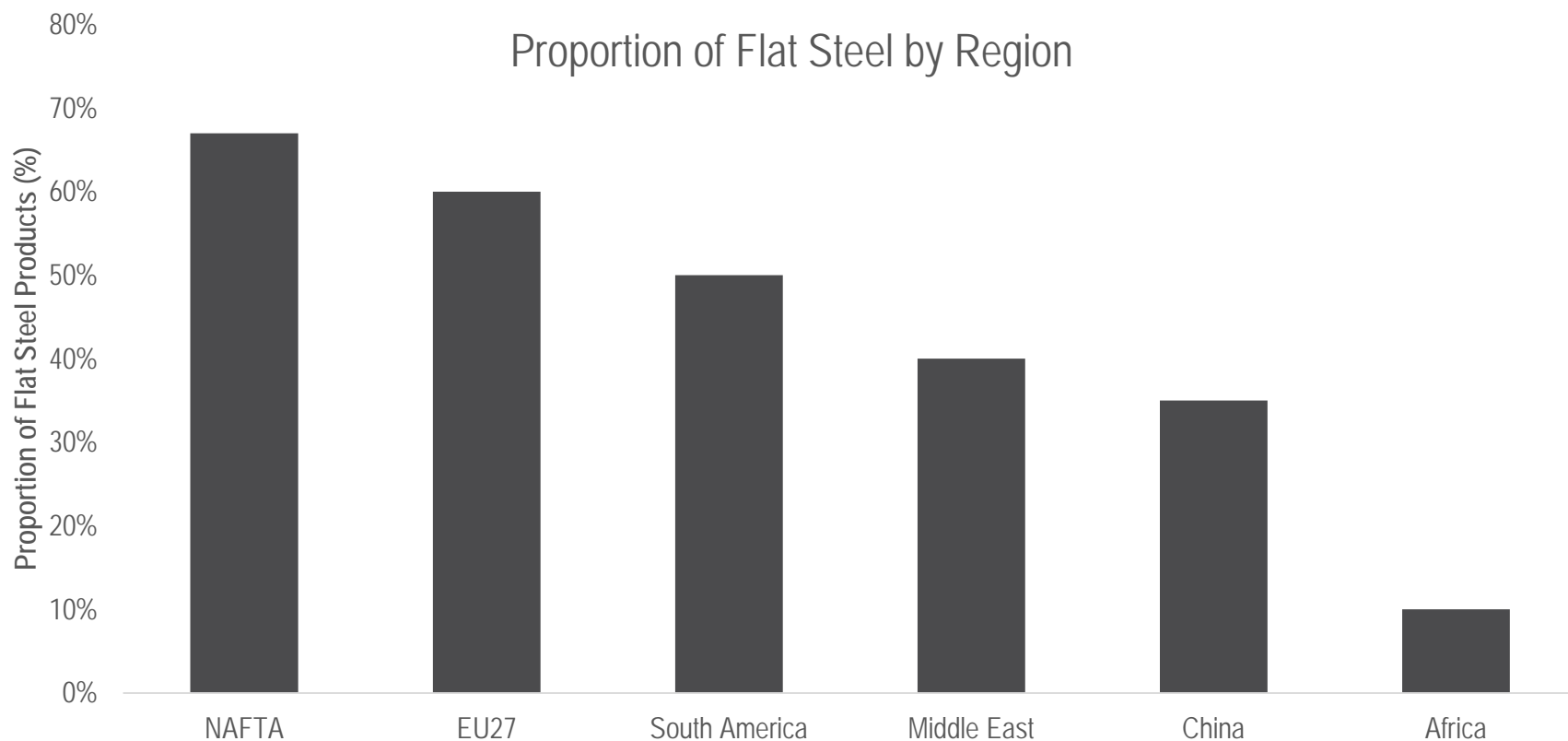


A global leader for steel flow control consumable ceramics

Growth opportunities – Steel

Vesuvius serves mainly the flat products market which will grow at a higher pace than global steel as developing markets evolve towards consumption driven economies

Typical consumption of Flow Control products in flat steel is £1.5 /T of steel vs £0.5/T of steel in long



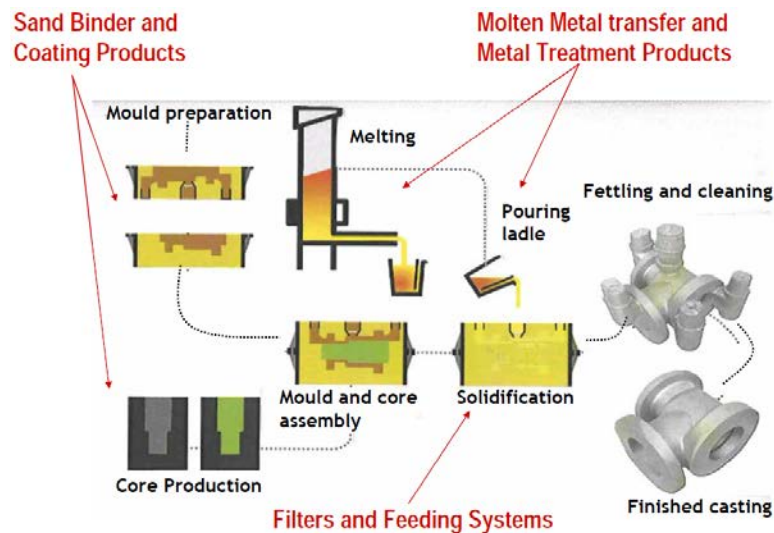
Source Based on data from WSA & SBB, with Vesuvius assumptions used for China



Main products and markets – Foundry business segment

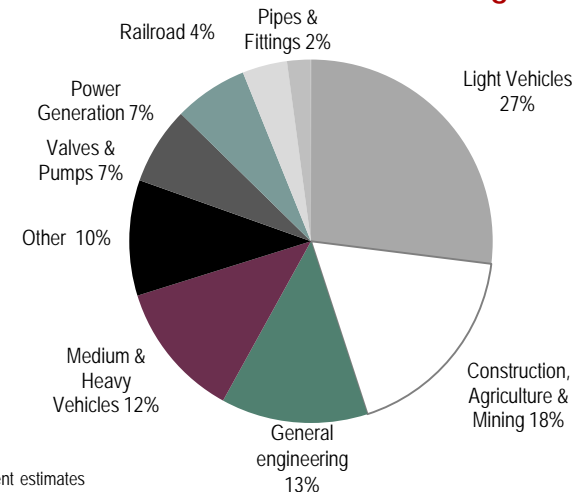
Foundry casting process

- World leader in the supply of consumable products and technical services used in the production of metal castings which themselves have a wide variety of uses in engineered products



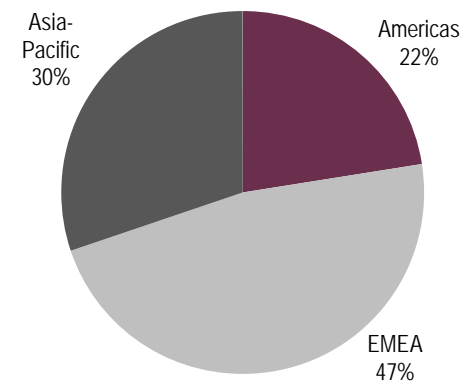
Note Red text denotes Vesuvius products

Ultimate end markets for castings



Source Management estimates

Foundry business segment revenue by operating location



Source Vesuvius breakdown of 2014 Reported Revenues

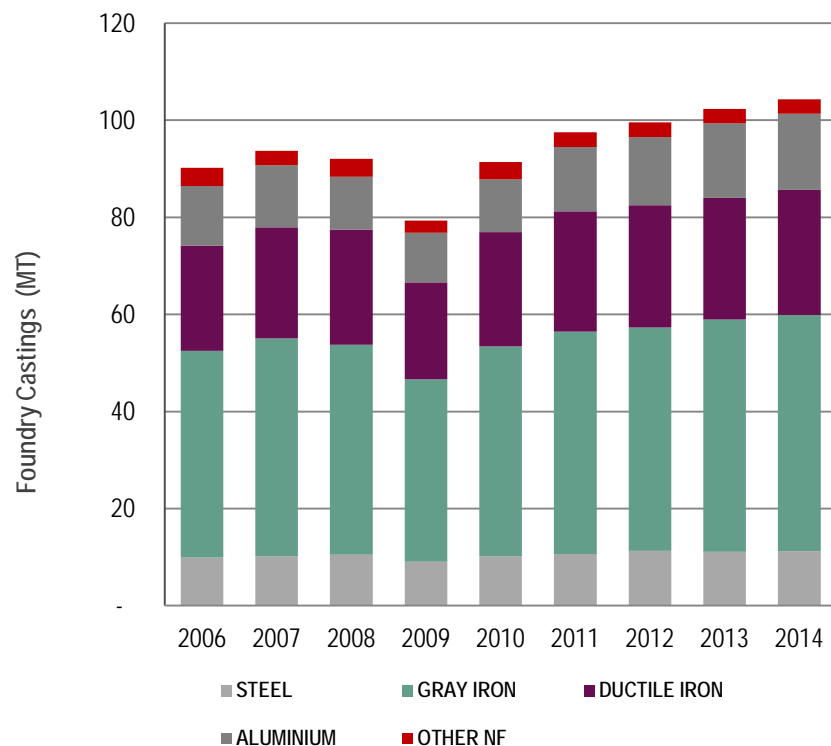


A global leader in consumables for mould & methoding

Growth opportunities – Foundry

Foundry output

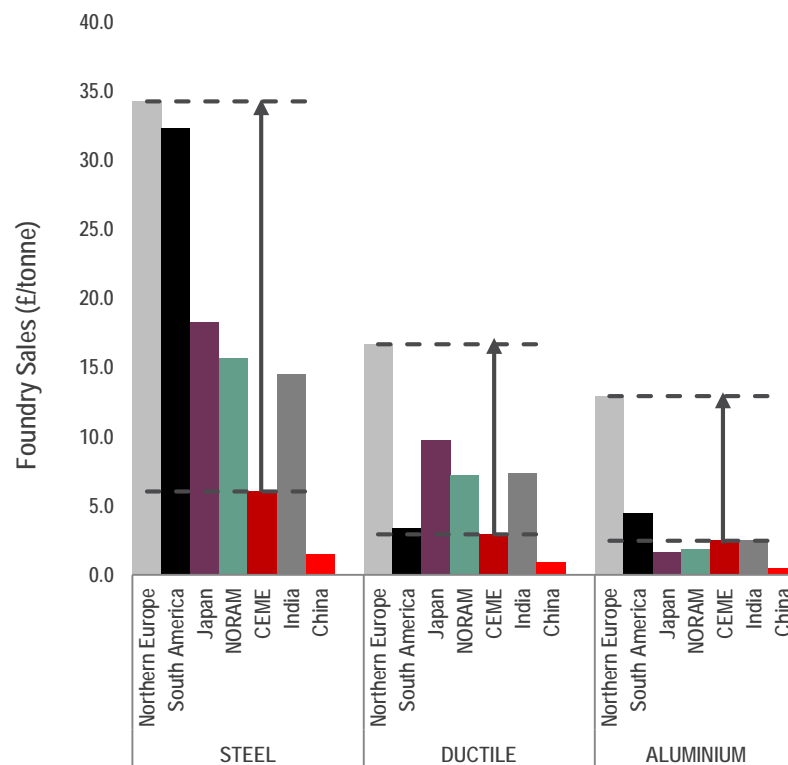
Major segments requiring Vesuvius solutions have the highest growth: Ductile iron, Steel and Aluminium



Source Modern Casting, Vesuvius estimate for 2014

Foundry sales £/T of total market casting (2014)

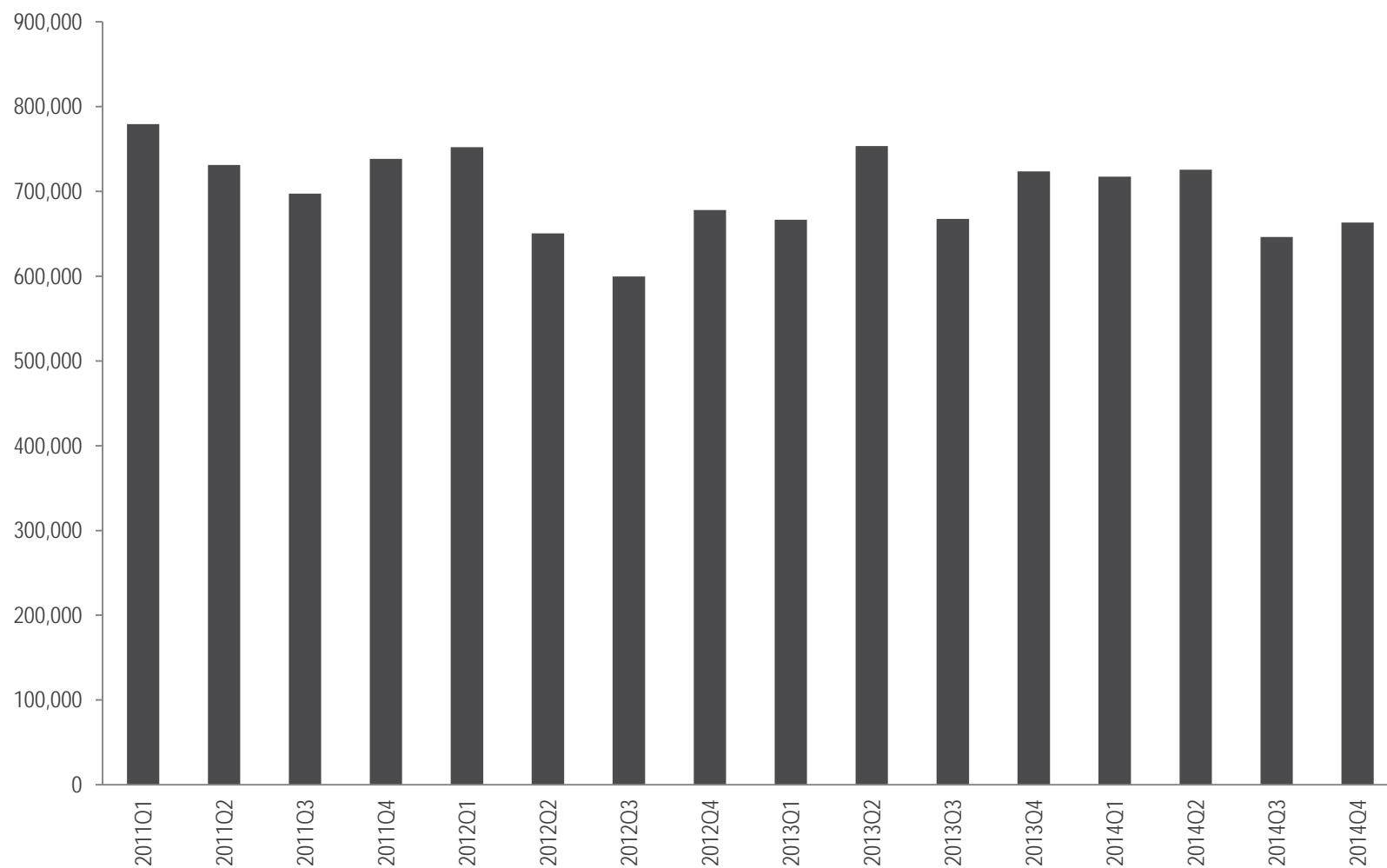
Significant upside potential through continuing market penetration as emerging markets move towards higher quality foundry castings ... and as we improve penetration of our solutions in NAFTA and Japan



World truck market evolution



GLOBAL QUARTERLY TRUCK PRODUCTION TRENDS (GVW > 6 tonnes)
(Source; LMC Automotive May 2014 Forecast Update)



Mining capital expenditure has fallen significantly since 2012

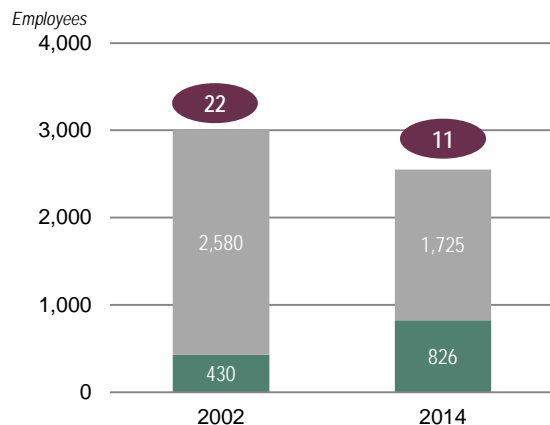


Source: Bloomberg, JPMC Research

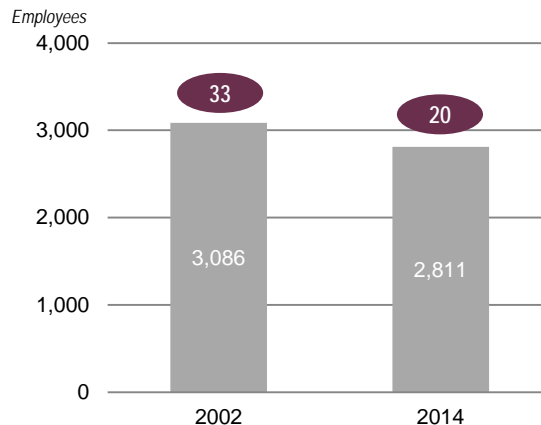


A continued shift of operations to align with customers

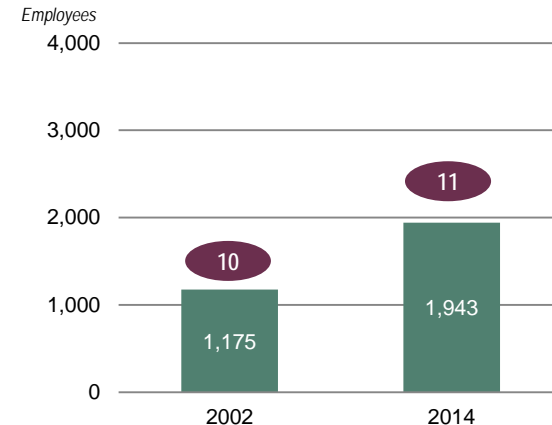
NAFTA facilities and headcount



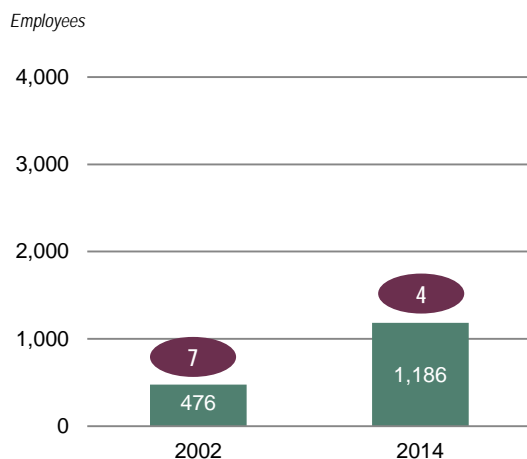
EU 15 facilities and headcount



Other EMEA facilities and headcount

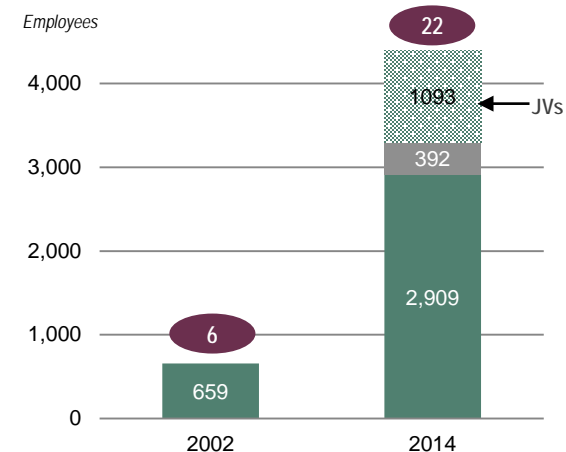


South America facilities and headcount



● Facilities ■ Developed markets ■ Developing markets

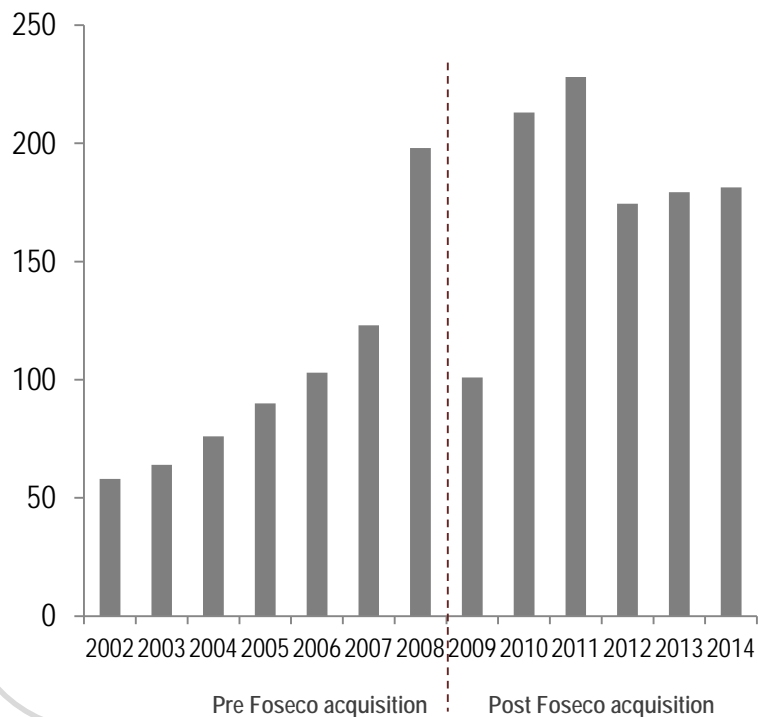
Asia Pacific facilities and headcount



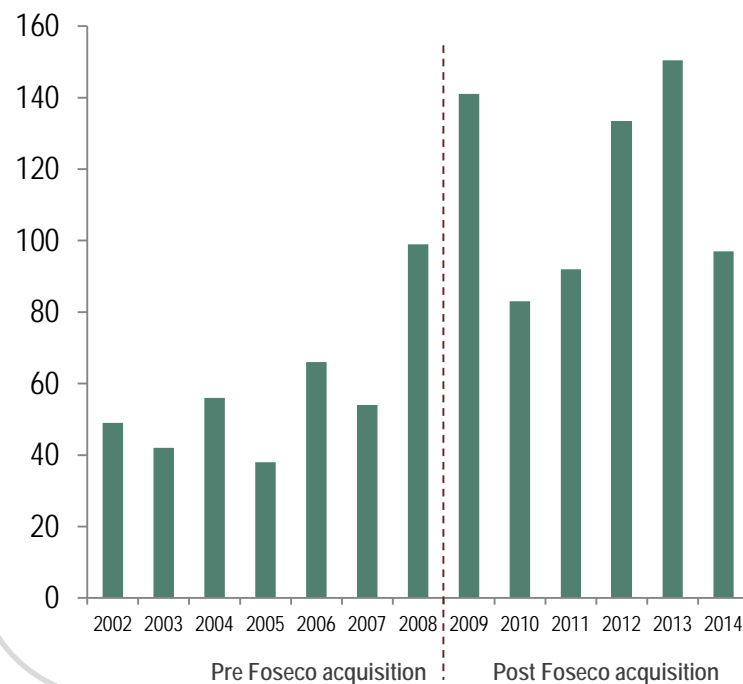
Note 2002 numbers do not include Foseco (acquired by Cookson in 2008) which had 27 sites and 3400 employees at acquisition

Confirmed resilient profit and strong cash flow generation

EBITDA ^(1, 2) £m



Operating cash flow ^(1, 2, 3) £m



- (1) Company data as reported, excluding Precious Metals Processing
- (2) 2012 results have been restated as a result of IAS 19 (Revised) Employee Benefits
- (3) Cash flow from operations before interest and tax and after capital expenditure