

Spectris PLC

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Spectris delivers in line trading for first part of 2019; Asia offsets North America declines

Spectris PLC (LON:SXS) has performed as expected in the first four months of 2019, with the instrumentation and controls company forecasting £15m of benefits for the full year from its profit improvement plan.

The FTSE 250 group said in a trading update that its performance for the period had been "in line" with expectations, with like-for-like (LFL) sales increasing 3% despite what it said was an anticipated moderation in some of its end markets.

READ: Spectris says 2018 financial results are slightly ahead of expectations. Sales growth was mainly down to strong increases in the company's In-line instrumentation and material analysis arms, which offset declines in test and measurement and industrial controls, with the latter impacted by US-China trade tariffs.

Regionally, the company said LFL sales had increased notably in Asia which had helped offset lower sales in North America, while Europe was flat year-on-year.

Meanwhile, the group's profit improvement programme remained on track and was due to deliver £15m-£20m in benefits over 2019.

Looking ahead, Spectris said its performance had remained "consistent" with its full year expectations, with benefits from its ongoing profit improvement programme increasing its normal weighting toward the second half of the year.

While the company noted some "challenges" from macro-economic and geopolitical uncertainties, it said it would continue focusing on sales growth and delivering on its plan to enhance margins.

In a note to clients, analysts at Peel Hunt commented: "Expectations for the full year remain unchanged with the CMD on June 6 set to be a key catalyst as the new look Spectris is unveiled."

They said "We have an Add which is a slight sit on the fence but increasingly see the balance of risk/reward on the reward side given a PE of just 13.8x."

In late morning trading, Spectris shares were 1.4% higher at 2,526p.

-- Adds analyst comment, share price --

Price: 2264

Market Cap: £2.63 billion

1 Year Share Price Graph



Share Information

Code: SXS

Listing: LSE

52 week	High	Low
	2932	1924.5

Sector: Hardware & electrical equipment

Website: www.spectris.com

Company Synopsis:

Spectris PLC is engaged in the development and marketing of precision instrumentation and controls. It operates in four segments: Materials Analysis; Test and Measurement; In-line Instrumentation and Industrial Controls.

action@proactiveinvestors.com.au

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