

News release

28 July 2011

Invensys plc, the technology company, is today publishing the following Interim Management Statement ahead of its Annual General Meeting which will be held at 11.00am this morning at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE:

INTERIM MANAGEMENT STATEMENT

Q1 2011/12 performance and outlook

Overall the Group made a solid start to the financial year with revenue and operating profit before exceptional items in line with our expectations and, based upon this performance, we continue to expect that on a constant currency basis we will achieve a year of further progress.

Invensys Operations Management

As anticipated, Invensys Operations Management's strong performance in the prior year continued into the first quarter. Excluding a China nuclear order booked in the first quarter last year, order intake was ahead in each major region and across each of our three business sectors, namely control and safety, advanced applications and equipment. Revenue growth was driven in particular by the further ramp-up of work on recently won large greenfield contracts. As expected this change in sales mix has tempered improvements in operating margins.

Invensys Rail

Invensys Rail produced a satisfactory performance in the first quarter of the year with the conversion of its large order book in new markets more than offsetting a slow down in revenue from its traditional markets. Order intake was comparable to the first quarter of last year and it has also recently been awarded a large framework agreement by Network Rail for the Thameslink project in London. The order pipeline remains strong with several large contracts due to be decided during the remainder of the financial year.

Invensys Controls

Invensys Controls experienced lower than expected demand in its core appliance markets in Europe and North America which adversely impacted its first quarter performance. However, based upon customer comments, we expect a recovery in performance during the rest of the financial year, particularly in the second half.

Financial position

At 30 June 2011, the Group had net cash totalling £253 million. The £95 million reduction in the quarter was due mainly to an expected working capital outflow related to large projects in Invensys Operations Management and Invensys Rail, deficit reduction payments into the US and UK pension schemes and a number of other non-operating outflows including for the acquisition of the minority interest in a Chinese subsidiary, Shanghai Foxboro Company Limited.

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Safe harbor

This announcement contains certain statements that are forward-looking. These statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Forward-looking statements are not guarantees of future performance. The Group's actual results of operations, financial condition and liquidity, and the development of the industries in which the Group operates, may differ materially from those made in or suggested by these statements and a number of factors could cause the results and developments to differ materially from those expressed or implied by these forward-looking statements.