

Oxford Instruments PLC

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Oxford Instruments FY profits fall amid tough trading

High-tech group Oxford Instruments (LON:OXIG) reported a tough year and said a slow start to 2015/16 had offset faster cost cuts, hitting its shares.

The group, which provided x-ray technology for Nasa's Mars Curiosity rover, said it had faced weaker demand in Japan and difficult trading in its industrial analysis business.

It also said it had taken a hit from the sudden tightening of Western trade sanctions against Russia.

While orders rose 13% to £386.6m and revenue lifted 7.1% to £385.5m in the year to March 31, adjusted pre-tax profit fell to £35.6m from £47.1m a year ago.

It also said trading in the first two months of the new financial year had been slow, although it expected a return to growth later in the year as new products gain traction.

Chief executive Jonathan Flint said the group was confident that nanotechnology would drive long-term demand for its high-tech equipment.

"This, together with the benefit of announced cost savings, mean our expectations for the current year are unchanged," he said.

Despite that, shares fell 34p or more than 3% to 1032p in early trading in London.

Analysts at Liberum Capital said the stock looked fully valued. "While Oxford Instruments remains an exciting play on scientific markets and self-help should drive the margin, residual lumpiness and tough trading conditions raise questions over the sector premium," they said in a note.

Price: 1568

Market Cap: £899.69 m

1 Year Share Price Graph



Share Information

Code: OXIG

Listing: AIM

52 week High Low
1609.06 813

Sector: Renewable Energy

Website: www.oxford-instruments.com

Company Synopsis:

From its small beginnings as almost the first Oxford University 'spin-out' company, Oxford Instruments is now supplies high technology tools and systems into diverse markets, which include industrial analysis, research, education, space, energy and the life sciences.

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