

Charter plc

Results for the year ended 31 December 2005

		2005 £m	2004 £m	
Revenue		1,065.7	870.4	+22%
Adjusted operating profit ₁		97.5	54.9	+78%
Operating profit		101.7	51.9	+96%
Profit before tax		103.5	41.0	+152%
Profit after tax		83.5	36.6	+128%
Profit attributable to equity shareholders		74.0	29.8	+148%
Net debt		6.5	66.3	-90%
		pence	pence	
Earnings per share	Adjusted ₂	43.0	19.8	+117%
	Basic	46.9	20.9	+124%

1 before exceptional items

2 before exceptional items and gains or losses on retranslation of intercompany loan balances

"I am pleased to report that 2005 has been another highly successful year for Charter. The Company has achieved substantially improved results with adjusted operating profits having increased by 78 per cent to £97.5 million, pre tax profits increased by 152 per cent to £103.5 million and adjusted earnings per share by 117 per cent to 43.0 pence per share.

The excellent results achieved in 2005 reflect the strength of the key markets in which ESAB and Howden have traded and the significant benefits that have arisen from the programme of restructurings, plant and business closures and cost reduction and other initiatives implemented in recent years. These two factors have certainly contributed to the substantial improvements in ESAB's and Howden's 2005 adjusted operating margins of 10.3 per cent (2004: 7.9 per cent) and 9.7 per cent (2004: 5.9 per cent), respectively.

ESAB and Howden have started the year strongly and in the first two months of the year are ahead of the Board's previous expectations in both operating profit and cash flow terms; furthermore, since year-end Howden's order book has continued to grow. For these reasons, and given the excellent results achieved in 2005, the Board views the Company's trading prospects for 2006 with confidence."

David Gawler, Chairman and Chief Executive