

1 August 2025

Continued strategic progress, delivering 5% organic operating profit growth
On track to deliver our fourth consecutive year of mid-single digit organic revenue growth
Full year guidance reconfirmed

Interim results, six months ended 30 June 2025

	Adjusted ¹				Statutory		
	H1 2025	H1 2024	Change	Organic ⁴	H1 2025	H1 2024	Change
Revenue	£1,091m	£1,098m	-1%	+2%	£1,091m	£1,098m	-1%
Operating profit	£198m	£196m	+1%	+5%	£158m	£177m	-10%
Operating margin	18.2%	17.9%	+30bps		14.5%	16.1%	-160bps
Profit before tax	£190m	£187m	+1%		£163m	£163m	+0%
Basic EPS	56.1p	54.7p	+3%		45.7p	48.2p	-5%
Operating cash flow ²	£158m	£130m	+21%		£172m	£170m	+1%
Free cash flow ³	£30m	£65m	-54%		£30m	£65m	-54%
Dividend per share	11.0p	10.0p	+10%		11.0p	10.0p	+10%
Net debt / EBITDA	1.4x	1.2x					

¹ Excluding the effect of adjusting items as reported in the income statement. See Note 2 for definitions of alternative performance measures.

² Adjusted operating cash flow, as described in Note 2 to the financial statements. Statutory measure is Cash generated from operations as shown on the cash flow statement.

³ Free cash flow before corporate activity – dividends, M&A and share buybacks.

⁴ After adjusting for acquisitions, disposals and exchange rates (see Note 3).

Highlights

- One IMI operating model delivering continued growth
 - 2% organic sales growth and 5% organic adjusted operating profit growth
 - Statutory revenue 1% lower, largely due to foreign exchange
- Automation revenue up 3% organically
 - Another excellent performance in Process Automation
 - Industrial Automation rebuilding momentum following cyber incident
- Life Technology revenue down 1% organically
 - Strong demand for energy-saving solutions in Climate Control
 - Life Science & Fluid Control and Transport down, as expected, supportive order books for H2
- Continued margin expansion, with adjusted operating margin 30bps higher than H1 2024
- Commercial excellence and unique market-led approach to innovation driving growth
 - £64m of Growth Hub orders in the first half, up 23%
 - Process Automation aftermarket orders up 10% organically
- Creating value through our disciplined approach to capital allocation
 - Adjusted operating cash flow up 21%
 - Free cash flow lower due to cyber incident and pension loan
 - Proposed 10% increase in interim dividend, £200m share buyback completed
 - Net debt / adjusted EBITDA towards the midpoint of our 1x – 2x target range
- Full year guidance reconfirmed
 - Strong momentum heading into the second half
 - On track to deliver our fourth consecutive year of mid-single digit organic revenue growth
 - Full year adjusted basic EPS is expected to be between 129p – 136p



Roy Twite, Chief Executive Officer, said:

"The growth strategy launched in 2019 has fundamentally transformed IMI, materially strengthening our competitive position, driving a step change in customer satisfaction, market-led innovation and operational efficiency and laying the ground for compounding organic growth.

We made further progress in the first half. As expected, we delivered 2% organic sales growth and 5% organic adjusted operating profit growth. Process Automation delivered another outstanding performance, with the order book now 5% higher than June 2024. We also saw strong demand for our energy efficient solutions in Climate Control.

There is strong momentum in our business heading into the second half, underpinned by a record order book in Process Automation, continued strong demand in Climate Control, improving trends and catch-up shipments in Industrial Automation, and supportive order books in both Transport and Life Science & Fluid Control.

I am therefore very pleased to reconfirm our guidance for 2025. We are on track to deliver our fourth consecutive year of mid-single digit organic revenue growth and continue to expect that full year adjusted basic earnings per share will be between 129p and 136p.

Our One IMI operating model is the foundation of our growth and performance. We are accelerating the pace of innovation, scaling best practices, and unlocking new opportunities for growth. We hold leading positions in long-term growth markets and create significant value for our customers through our mission-critical solutions. Our strategic focus on higher margin aftermarket content, which now represents about 45% of Group sales, continues to underpin our performance.

With a strong balance sheet and highly cash-generative business model, we are well positioned to continue investing in organic growth, pursue value-accretive bolt-on acquisitions, and return excess capital to shareholders."

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A live webcast of the analyst meeting taking place today at 8:00am (BST) will be available on the investor page of the Group's website: www.imiplc.com. The Group plans to release its next Interim Management Statement on 6 November 2025.

Notes

IMI plc is a global leader in fluid and motion control. Its innovative solutions, built around valves and actuators, enable vital sectors to become safer, more productive and more energy efficient. IMI combines world-class applications engineering expertise with a focus on commercial excellence, market-led innovation and continuous improvement to solve its customers most acute engineering problems. IMI employs approximately 10,000 people, has manufacturing facilities in 18 countries and operates a global service network. IMI is a member of the FTSE 100 and is listed on the London Stock Exchange. Further information is available at www.imiplc.com.

References to adjusted figures reflect figures as reported to management and do not include the impact of adjusting items. References to organic changes are on a constant currency basis and exclude disposals and acquisitions.

IMI plc is registered in England No. 714275. Its legal entity identifier ('LEI') number is 2138002W9Q21PF751R30.

Results overview

IMI delivered another good financial performance in the first half. Organic revenue increased by 2% and organic adjusted operating profit increased by 5%. First half adjusted operating margin increased by 30bps to 18.2%. Statutory revenue decreased by 1%, with organic growth principally offset by the impact of foreign exchange movements in the first half. Statutory operating margin decreased by 160bps to 14.5%. Statutory profit before tax was in line with the same period in the prior year.

£m	Adjusted ¹				Statutory		
	H1 2025	H1 2024	Change	Organic ²	H1 2025	H1 2024	Change
Revenue							
Process Automation	446	422	+6%	+8%	446	422	+6%
Industrial Automation	245	262	-6%	-4%	245	262	-6%
Automation	691	684	+1%	+3%	691	684	+1%
Climate Control	204	196	+4%	+5%	204	196	+4%
Life Science & Fluid Control	112	123	-9%	-5%	112	123	-9%
Transport	84	95	-12%	-9%	84	95	-12%
Life Technology	400	414	-3%	-1%	400	414	-3%
Total Revenue	1,091	1,098	-1%	+2%	1,091	1,098	-1%
Operating profit							
Automation	127	126	+1%	+5%	104	113	-7%
Life Technology	71	70	+1%	+4%	54	64	-16%
Total Operating Profit	198	196	+1%	+5%	158	177	-10%
Operating margin	18.2%	17.9%	+30bps		14.5%	16.1%	-160bps

¹ Excluding the effect of adjusting items as reported in the income statement. See Note 2 for definitions of alternative performance measures.

² After adjusting for acquisitions, disposals and exchange rates (see Note 3).

Dividend

The Board is recommending a 2025 interim dividend of 11.0p per share (2024: 10.0p per share). Payment will be made on 22 September 2025 to shareholders on the register at the close of business on 15 August 2025.

The last date to elect for the Dividend Reinvestment Plan ('DRIP') is 1 September 2025. The IMI DRIP is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.

Board changes

As previously announced, Daniel Shook, our Chief Financial Officer, has stepped down from the Board for family reasons. Daniel has made an incredible contribution to IMI over the last decade, and we will miss him greatly. Daniel has been succeeded as Chief Financial Officer by Luke Grant.

Luke has spent over a decade working at IMI, most recently as Vice President of Finance for Industrial Automation. Luke's knowledge of the business, financial expertise and commitment to our culture will provide important continuity and ongoing excellence. His appointment is a reflection of how we identify, develop and promote talent at IMI.

Cyber incident

As announced on 6 February 2025, the Group experienced a cyber-attack during the first quarter which temporarily impacted certain operations. We reacted swiftly to contain the threat, working alongside external cyber security experts to protect our data and infrastructure, and further enhance our security. During the first half we recognised £25m of adjusting items relating to the incident for matters including IT systems recovery, risk management, upgraded IT infrastructure and advisory costs.

Loan to UK pension scheme

There was a £26m cash outflow in the first half relating to a loan made to the IMI 2014 Deferred Fund, the closed UK defined benefit pension scheme. This loan will support the wind-up of the fund whilst the remaining assets within the scheme mature. We expect this to be partially repaid in the second half of the year.

Outlook

We are on track to deliver our fourth consecutive year of mid-single digit organic revenue growth in 2025. We continue to expect that full year adjusted basic earnings per share will be between 129p and 136p.

Our guidance assumes that our full year interest expense will increase to between £19m and £20m as a result of the accelerated share buyback programme. The tax rate is expected to be around 25% and we expect that the weighted average number of shares will reduce to 249m at the year end. The foreign exchange translation impact is now expected to lead to a full year headwind on adjusted operating profit of around 1.5%.

Although we remain mindful of the broader impact of global tariffs on our business, we fully offset the direct impact in the first half and remain well placed to manage future developments.

Strategy update

IMI operates under a One IMI operating model, a proven platform for value creation and sustainable growth. It is designed to deliver our financial framework consistently and effectively across the Group. We hold leading positions in key market sectors, all exposed to attractive long-term growth drivers, where customers pay a premium for our expertise in fluid and motion control. By applying a consistent approach rooted in commercial excellence, market-led innovation and continuous improvement, underpinned by our performance culture, we are growing profits, expanding margins and generating strong cash flows - creating significant value for shareholders.

	Financial framework	Delivered
Organic revenue growth	5%	4.7% Average 2022 - 2024
Adjusted operating margin	20%+	19.7% 2024
Cash conversion	90%+	92% 2024
Return on invested capital	12%+	13.4% 2024

In May 2025 we announced the strategic review of our Transport sector. The sector delivers high value solutions for commercial vehicles and represented 8% of Group sales in 2024. The review is progressing, our sector team is developing a detailed plan to accelerate improved financial returns, and we continue to assess all strategic options.

Commercial excellence

Our fluid and motion control solutions play a vital role in many of the world's most critical processes, and we drive growth by creating ever-more value for our customers – through premium service and products, technical support and disciplined sales execution.

We are delivering excellent customer satisfaction across IMI and leveraging these strong relationships to co-create bespoke, high value-add solutions. Our products typically represent a small part of the total system cost but can have a significant impact on the safety, productivity, and efficiency of end customer outcomes. This drives strong pricing power, customer loyalty and attractive aftermarket revenue streams.

This is supported by the significant investments we have made in our people, processes and operations. We have made great progress equipping our teams with digital and data tools to further accelerate growth. The use of these digital tools has played a key role in our success, including in the high-margin aftermarket.

Market-led innovation

Our unique, market-led approach to innovation is creating real value. Grounded in deep customer insight and executed through our entrepreneurial Growth Hub model, we develop solutions that address industry-wide problems. We play to our strengths, leveraging our strong customer relationships to gain a deep understanding of our customers' unmet and emerging needs. Our teams move at pace using a disciplined 'test and learn' approach to quickly validate issues and market potential. Through this process we minimise up-front investment before rapidly bringing validated solutions to market once

customer endorsement has been secured. We launched Growth Hub across IMI in 2019, and in the first half of 2025 delivered £64m of orders, up 23% on the same period last year.

Continuous improvement

The multi-year restructuring programme launched in 2019 is now complete. This programme has materially strengthened our competitive position and laid the foundation for growth. Since 2019, we have streamlined our global footprint, consolidating or selling 20 sites. Transferring manufacturing into our highest-performing facilities has driven step-change improvements in customer satisfaction and operational efficiency, whilst supporting a 550bps expansion in adjusted operating margin between 2019 and 2024.

With the restructuring programme now complete, our focus shifts to continuous improvement. Whilst IMI now has a leaner, stronger platform that is built for scale, agility and resilience, we continue to identify and execute efficiencies within our operations. Restructuring costs associated with our current business are no longer recorded within adjusting items.

Performance culture

Our people and culture are the foundation of the One IMI operating model; and over the last six years we have been focused on building capabilities, leadership and embedding a performance-driven mindset. We are proud to employ the best people at IMI and want to empower them to deliver growth. We have recently launched a range of new learning and development programmes and ensure that our top talent regularly moves across the Group, enabling us to leverage best practice and develop the next generation of leaders.

We are very pleased to report that this investment is being recognised. Employee engagement remains very high, 79% of employees would recommend IMI as a great place to work (2024: 79%).

Disciplined approach to capital allocation

IMI is a highly cash generative business and expects to deliver free cash flow in excess of £1 billion over the next three years. There is a clear and disciplined approach to capital allocation, prioritising investments that accelerate organic growth.

We will continue to pursue bolt-on acquisitions that enhance our positions in attractive, long-term growth markets, and will deliver returns in line with our strict financial criteria. Between 2019 and 2024 we deployed over £400m in acquisitions whilst increasing our fully burdened return on invested capital by 200bps. The pipeline of M&A opportunities remains strong, particularly in the US and Europe.

We are committed to a progressive dividend and will look to return surplus capital to shareholders should net debt to adjusted EBITDA fall sustainably below our 1.0x–2.0x target range. A £200m share buyback was completed in July, meaning we have now returned over £1 billion to shareholders since the beginning of 2019. Net debt to adjusted EBITDA was 1.4x (2024: 1.2x) at the end of the first half, towards the midpoint of our target range.

By deploying our growing free cash flow into organic growth opportunities, attractive acquisitions and share buybacks, we are confident we can continue our track record of compounding adjusted EPS growth.

Health and safety remains a top priority.

Ensuring everyone who works or visits our sites is safe, remains our number one priority. Total recordable incidents reduced by 44% during the first half and whilst this is excellent progress, we remain committed to the ambition of an accident-free workplace.

Platform results

Automation

£m	Adjusted ¹				Statutory		
	H1 2025	H1 2024	Change	Organic ²	H1 2025	H1 2024	Change
Revenue							
Process Automation	446	422	+6%	+8%	446	422	+6%
Industrial Automation	245	262	-6%	-4%	245	262	-6%
Total Revenue	691	684	+1%	+3%	691	684	+1%
Operating profit	127	126	+1%	+5%	104	113	-7%
Operating margin	18.4%	18.4%	-		15.1%	16.5%	-140bps

¹ Excluding the effect of adjusting items as reported in the income statement. See Note 2 for definitions of alternative performance measures.

² After adjusting for acquisitions, disposals and exchange rates (see Note 3).

Process Automation (£m)	H1 2025	H1 2024	Change	Organic ¹
Closing order book	904	858	+5%	
Order intake:				
Aftermarket	332	308	+8%	+10%
New Construction	198	230	-14%	-13%
Total order intake	530	538	-1%	+0%

¹ After adjusting for acquisitions, disposals and exchange rates (see Note 3).

Automation delivered good organic revenue growth of 3%, with revenue up 1% on a statutory basis.

Process Automation had an excellent first half, with organic revenue 8% higher than the prior period and 6% higher on a statutory basis. Orders were flat organically, despite the one-off £33m Marine order in the prior period. Excluding this large Marine order in the comparator, orders were up 7% organically with particular strength in Power and Nuclear. We also made further progress in the high-margin Aftermarket, where orders increased by 10% organically in the first half. New Construction orders were down 13% organically, reflecting the one-off Marine order in the comparator. The Process Automation order book at the end of June was 5% higher than the same period in the prior year.

Industrial Automation organic revenue was 4% lower than the same period in the prior year, reflecting the one-off impact from the cyber incident in the first quarter and softer industrial activity in Europe and the Americas. Statutory revenue was 6% lower. The sector is rebuilding momentum after the cyber incident and has a good order book heading into the second half.

The Automation adjusted operating margin for the first half was in line with the prior period at 18.4%. Statutory operating profit decreased by 7% to £104m in the period, largely reflecting the one-off impact of the cyber incident.

Life Technology

£m	Adjusted ¹				Statutory		
	H1 2025	H1 2024	Change	Organic ²	H1 2025	H1 2024	Change
Revenue							
Climate Control	204	196	+4%	+5%	204	196	+4%
Life Science & Fluid Control	112	123	-9%	-5%	112	123	-9%
Transport	84	95	-12%	-9%	84	95	-12%
Total Revenue	400	414	-3%	-1%	400	414	-3%
Operating profit	71	70	+1%	+4%	54	64	-16%
Operating margin	17.8%	17.0%	+80bps		13.5%	15.5%	-200bps

¹ Excluding the effect of adjusting items as reported in the income statement. See Note 2 for definitions of alternative performance measures.

² After adjusting for acquisitions, disposals and exchange rates (see Note 3).

Life Technology performed in line with our guidance. Revenue was down 1% organically in the first half, and down 3% on a statutory basis.

Climate Control delivered another strong performance in the first half as we saw continued demand for our products that reduce energy consumption in buildings, including benefiting from our growing portfolio of smart-connected products. Organic revenue was 5% higher than the prior period and 4% higher on a statutory basis.

Life Science & Fluid Control organic revenue was 5% lower than the prior period and 9% lower on a statutory basis. Our Life Science sales were only slightly down in the first half with good order intake and further strategic progress. Our Fluid Control sales were impacted by the cyber incident but are recovering well with strong order book heading into the second half.

Transport organic revenue was 9% lower than the prior period and 12% lower on a statutory basis. This was in line with expectations given the strong comparator, with 13% organic growth delivered in the first half of 2024. The sector has a supportive order book leading into the second half.

Adjusted operating profit for the platform increased by 4% on an organic basis and the adjusted operating margin improved by 80bps to 17.8%. Statutory operating profit decreased by 16% to £54m in the period, largely reflecting the one-off impact of the cyber incident.

Financial review

Good first half performance

The Group delivered another good financial result in the first half, as organic revenue, adjusted operating profit and adjusted operating margin all improved. Revenue decreased by 1% to £1,091m (2024: £1,098m). Organic revenue was 2% higher than the prior year, after adjusting for acquisitions, disposals and exchange rate movements.

Adjusted operating profit of £198m (2024: £196m) was 1% higher than the prior period. On an organic basis, adjusted operating profit increased by 5%. Group adjusted operating margin increased by 30bps to 18.2% (2024: 17.9%). Statutory operating profit decreased by 10% to £158m (2024: £177m).

Adjusted net financing costs on borrowings, including the impact of interest cost on leases, were £7.6m (2024: £7.8m) and were covered 32 times by adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) of £242m (2024: £243m). The IAS19 pension net financial expense was £1.0m (2024: £0.9m). The total adjusted net financial expense was £8.6m (2024: £8.7m).

Profit before tax and adjusting items was £190m, an increase of 1% (2024: £187m).

The adjusted Group effective tax rate on profit for the first half increased to 25.1% (2024: 24.0%), largely reflecting the non-repeat of a one-off deferred tax benefit obtained in 2024.

Statutory profit before tax was £163m (2024: £163m). The total statutory profit for the period after taxation was £116m (2024: £125m).

Adjusting items

As announced on 6 February 2025, the Group experienced a cyber-attack during the first quarter which temporarily impacted certain operations. A £25m adjusting item has been recognised in the first half for matters including IT systems recovery, risk management, upgraded IT infrastructure and advisory costs.

IMI's multi-year restructuring programme has now concluded. Whilst we will continue to identify and execute efficiencies within our operations, restructuring costs within our current business are no longer recorded within adjusting items. During the first half of 2024 restructuring costs of £11m were recognised as an adjusting item associated with the now concluded programme.

The impact of amortisation of acquired intangibles and other acquisition costs was £14m (2024: £14m). The reversal of net economic hedge contract gains and losses resulted in a £13m gain (2024: £6m charge).

The tax effect of the above adjusting items was a credit of £0.3m (2024: £7.8m).

Earnings per share

The average number of shares in issue during the period was 253m (2024: 260m), resulting in adjusted basic earnings per share of 56.1p (2024: 54.7p), an increase of 3%. Statutory basic earnings per share decreased by 5% to 45.7p (2024: 48.2p) and statutory diluted earnings per share decreased by 5% to 45.7p (2024: 48.0p).

£200m share buyback completed

In July 2025 we successfully completed our planned £200m share buyback. We expect that the weighted average number of shares for 2025 will reduce to 249 million.

Foreign exchange

The impacts of translation on the reported growth of first half revenue and adjusted operating profit was a decrease of £24m and decrease of £6m respectively. The most significant foreign currencies for the Group remain the Euro and the US Dollar and the relevant rates of exchange for the period and at the period end are shown in Note 13 to this report. If exchange rates as at 18 July 2025 of US\$1.34 and €1.15 remained constant for the remainder of the year, it would negatively impact revenue by approximately 1% and adjusted operating profit by approximately 1.5% in the year when compared to 2024.

Maintaining cash discipline

Cash generated from operations increased to £172m (2024: £170m). Adjusted operating cash flow (see definition in Note 2) increased to £158m (2024: £130m), reflecting the strong first half performance and good working capital management. Trade and other receivables increased by £32m, inventories increased by £13m and trade and other payables increased by £3m. Capital expenditure amounted to £35m (2024: £41m) and was 1.2 times (2024: 1.3 times) the adjusted depreciation and amortisation charge for the period of £30m (2024: £33m), which excludes depreciation from the IFRS 16 right of use assets of £14m (2024: £14m).

Dividends paid to shareholders totalled £54m (2024: £50m) and there was a cash outflow of £170m (2024: nil) in relation to the share buyback programme. In addition, there was a cash inflow of £1m associated with the issue of share capital for employee share schemes (2024: £2m).

There was a £33m (2024: £17m) outflow for adjusting items, and a £26m (2024: nil) outflow related to a loan made to the IMI 2014 Deferred Fund, the closed UK defined benefit pension scheme, to support its wind-up until its remaining assets within the scheme mature.

Tax paid during the period amounted to £52m (2024: £46m).

The increase in net debt during the period, excluding the impact of foreign exchange and movement of lease liabilities, was £193m, compared to a decrease of £32m in the first half of the prior year.

Definitions of adjusted performance measures are included in Note 2 and a reconciliation of adjusted measures to statutory measures is included in Note 11.

Strong balance sheet offers strategic flexibility

The Group maintains an appropriate mixture of cash and short, medium and long-term debt arrangements which provide sufficient liquidity for both ongoing activities and acquisitions. Total committed bank loan facilities available to the Group at 30 June 2025 were £300m (December 2024: £300m), of which £171m (December 2024: £nil) was drawn.

The ratio of net debt to the last twelve months' EBITDA (before adjusting items) is a funding covenant that is currently limited to 3.0x and was 1.4x at the end of June 2025 (December 2024: 1.0x).

The trade and other receivables asset increased to £581m at 30 June 2025 (December 2024: £540m). This includes the £26m loan made to the closed UK defined benefit pension scheme to support its wind-up.



Inventory increased to £456m at 30 June 2025 (December 2024: £448m), with investments to support the order book growth in Process Automation being partly offset by reductions elsewhere.

The trade and other payables current liability increased to £522m at 30 June 2025 (December 2024: £496m). This includes a £26m liability associated with the conclusion of the share buyback programme, to which the Group was irrevocably committed at the end of the first half.

The net deficit for defined benefit obligations at 30 June 2025 was £44m (December 2024: £47m). The UK deficit was £6m (December 2024: £3m) with the liabilities now fully bought-in. The deficit in the overseas funds as at 30 June 2025 was £38m (December 2024: £44m).

Shareholders' equity at the end of June was £915m, a decrease of £170m since the end of last year. This is largely attributable to the profit for the period of £116m, the after-tax impact of share-based payments of £5m, after-tax actuarial income on the defined benefit pension plans of £4m; offset by unfavourable exchange differences and related tax of £40m, dividends paid of £54m and £201m associated with the share buyback programme.

Other regulatory information

Going concern

After making enquiries, the directors have a reasonable expectation that IMI plc ('the Company') and the Group have adequate resources to continue in operational existence for the foreseeable future and for a period of at least twelve months following the approval of the Interim Financial Report. Accordingly, they continue to adopt the going concern basis. See Note 1 for further information on the directors' considerations in reaching this conclusion.

The directors have considered the current macroeconomic conditions on the Group's financial results and financial position. The directors have assessed the viability of the Group and reviewed detailed cash flow forecast scenarios, including comparing a reverse stress test to those detailed forecasts. The directors have a reasonable expectation that the financial headroom will not be exhausted during the twelve months following the date of approval of the Interim Financial Report.

Principal risks and uncertainties

The Group has a risk management structure and internal controls in place which are designed to identify, manage and mitigate business risk. IMI faces a number of risks and uncertainties which could have a material impact on the Group's long-term performance.

On pages 67 to 71 of its 2024 Annual Report (a copy of which is available on IMI's website: www.imiplc.com), the Company sets out what the directors regarded as being the principal risks and uncertainties facing the Group and which could have a material impact on the Group's long-term performance. These risks include global economic uncertainty and political instability, cyber, failure to manage the supply chain, talent and culture, ethics, compliance and governance, product failure and non-compliance, failure to invest in our digital capabilities and leverage new technologies (including generative artificial intelligence), natural phenomena and climate change, lack of innovation, failure to deliver the acquisition case and failure to deliver major transformational projects on time and within budget. Having considered the current environment, the directors have considered that these risks remain valid and have the potential to impact the Group during the second half of 2025. The impact of the macro-economic and end-market environments in which the Group's businesses operate have been considered in making the comments in the platform review and outlook sections of this Interim Financial Report.

Safe harbour statement

This Interim Financial Report contains forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and the Company undertakes no obligation to update these forward-looking statements. All written or oral forward-looking statements attributable to IMI plc are qualified by this caution. Nothing in this Interim Financial Report should be construed as a profit forecast.

Responsibility statement of the directors in respect of the Interim Financial Report

We confirm that to the best of our knowledge:

- the condensed set of interim financial statements has been prepared in accordance with IAS 34 *'Interim Financial Reporting'* as adopted by the UK
- the Interim Financial Report includes a fair review of the information required by DTR 4.2.7R of the *Disclosure and Transparency Rules*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year, and
- there were no changes in the related party transactions described in the 2024 Annual Report that materially affected the Group's results or financial position during the six months ended 30 June 2025.

The directors of IMI plc are listed on the IMI plc website (www.imiplc.com).

Approved by the Board of IMI plc and signed on its behalf by:

Roy Twite
Chief Executive Officer
31 July 2025

Daniel Shook
Chief Financial Officer
31 July 2025

INDEPENDENT REVIEW REPORT TO IMI PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the consolidated interim income statement, the consolidated interim statement of comprehensive income, consolidated interim balance sheet, the consolidated interim statement of changes in equity, the consolidated interim statement of cash flows and related notes 1 to 15.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London
31 July 2025

CONSOLIDATED INTERIM INCOME STATEMENT

	Note	6 months to 30 June 2025 (unaudited)			6 months to 30 June 2024 (unaudited)			Year to 31 Dec 2024		
		Adjusting items (Note 2)			Adjusting items (Note 2)			Adjusting items (Note 2)		
		Adjusted £m	£m	Statutory £m	Adjusted £m	£m	Statutory £m	Adjusted £m	£m	Statutory £m
Revenue	3	1,091		1,091	1,098		1,098	2,210		2,210
Cost of sales		(579.9)		(579.9)	(581.4)		(581.4)	(1,165.4)		(1,165.4)
Gross profit		511.1		511.1	516.6		516.6	1,044.6		1,044.6
Net operating costs		(313.0)	(39.8)	(352.8)	(320.5)	(19.3)	(339.8)	(609.1)	(79.3)	(688.4)
Operating profit	3	198.1	(39.8)	158.3	196.1	(19.3)	176.8	435.5	(79.3)	356.2
Financial income	5	6.0		6.0	5.2		5.2	9.7		9.7
Financial expense	5	(13.6)		(13.6)	(13.0)		(13.0)	(24.5)		(24.5)
Gains / (losses) on instruments measured at fair value through profit or loss			13.3	13.3		(5.6)	(5.6)		(9.1)	(9.1)
Net financial expense relating to defined benefit pension schemes		(1.0)		(1.0)	(0.9)		(0.9)	(1.9)		(1.9)
Net financial income / (expense)	5	(8.6)	13.3	4.7	(8.7)	(5.6)	(14.3)	(16.7)	(9.1)	(25.8)
Profit before tax		189.5	(26.5)	163.0	187.4	(24.9)	162.5	418.8	(88.4)	330.4
Taxation	6	(47.6)	0.3	(47.3)	(45.0)	7.8	(37.2)	(101.8)	19.9	(81.9)
Profit after tax		141.9	(26.2)	115.7	142.4	(17.1)	125.3	317.0	(68.5)	248.5
Earnings per share	4									
Basic – from profit for the period				45.7p			48.2p			96.0p
Diluted – from profit for the period				45.7p			48.0p			95.6p

All activities relate to continuing operations and are all attributable to the owners of the Company

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	6 months to 30 June 2025 (unaudited)		6 months to 30 June 2024 (unaudited)		Year to 31 Dec 2024	
	£m	£m	£m	£m	£m	£m
Profit for the period		115.7		125.3		248.5
Items that will not subsequently be reclassified to profit and loss						
Re-measurement gain / (loss) on defined benefit plans	4.3		1.8		(1.5)	
Related taxation credit on items that will not subsequently be reclassified to profit and loss	(0.6)		(0.4)		0.2	
		3.7		1.4		(1.3)
Items that may be reclassified to profit and loss						
Gain arising on hedging instruments designated in hedges of the net assets in foreign operation	1.4		9.4		11.1	
Loss on exchange differences on translation of foreign operations net of funding revaluations	(41.2)		(28.0)		(37.9)	
Gain on exchange differences reclassified to income statement on disposal of operations			(0.3)		(0.3)	
Related tax charge on items that may subsequently be reclassified to profit and loss	(0.4)		(1.4)		(2.9)	
		(40.2)		(20.3)		(30.0)
Other comprehensive loss for the period, net of taxation		(36.5)		(18.9)		(31.3)
Total comprehensive income for the period, net of taxation		79.2		106.4		217.2
Attributable to:						
Equity holders of the parent		79.2		106.4		217.2

CONSOLIDATED INTERIM BALANCE SHEET

		30 June 2025 (unaudited) £m	30 June 2024 (unaudited) £m	31 Dec 2024 £m
	Note			
Assets				
Goodwill		656.2	664.0	670.9
Other intangible assets		230.3	261.4	254.0
Property, plant and equipment		307.3	301.1	301.2
Right of use assets		90.6	90.4	87.6
Employee benefit assets	9	5.5	2.9	1.1
Deferred tax assets		22.7	22.2	24.2
Other receivables		3.5	2.0	2.1
Total non-current assets		1,316.1	1,344.0	1,341.1
Inventories		455.9	476.6	447.8
Trade and other receivables		580.6	571.4	540.2
Derivative financial assets		16.2	9.4	6.9
Current tax		4.6	4.5	4.5
Investments		2.4	2.4	2.2
Cash and cash equivalents		121.2	141.8	147.8
Total current assets		1,180.9	1,206.1	1,149.4
Total assets		2,497.0	2,550.1	2,490.5
Liabilities				
Trade and other payables		(521.5)	(504.6)	(495.9)
Bank overdraft		(83.7)	(109.0)	(91.0)
Interest-bearing loans and borrowings		(262.2)	(150.9)	(124.0)
Lease liabilities		(24.4)	(23.5)	(23.2)
Provisions		(25.7)	(21.7)	(34.7)
Current tax		(61.2)	(67.8)	(61.8)
Derivative financial liabilities		(9.0)	(8.4)	(13.3)
Total current liabilities		(987.7)	(885.9)	(843.9)
Interest-bearing loans and borrowings		(422.3)	(396.0)	(391.4)
Lease liabilities		(66.6)	(67.9)	(65.9)
Employee benefit obligations	9	(49.3)	(48.8)	(48.5)
Provisions		(8.3)	(11.7)	(8.5)
Deferred tax liabilities		(27.9)	(30.3)	(33.7)
Other payables		(20.1)	(15.8)	(13.5)
Total non-current liabilities		(594.5)	(570.5)	(561.5)
Total liabilities		(1,582.2)	(1,456.4)	(1,405.4)
Net assets		914.8	1,093.7	1,085.1
Share capital	12	74.6	78.6	77.1
Share premium		19.0	17.0	18.3
Other reserves		122.5	168.3	160.2
Retained earnings		698.7	829.8	829.5
Total equity		914.8	1,093.7	1,085.1

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £m	Share premium account £m	Capital redemption reserve £m	Translation reserve £m	Retained earnings £m	Total equity £m
As at 1 January 2024		78.6	17.0	177.6	11.0	746.0	1,030.2
Profit for the period						125.3	125.3
Other comprehensive expense excluding related taxation effect					(18.9)	1.8	(17.1)
Related taxation effect					(1.4)	(0.4)	(1.8)
Total comprehensive (loss)/income					(20.3)	126.7	106.4
Issue of share capital		-	-				-
Dividends paid	7					(50.0)	(50.0)
Share-based payments (net of tax)						5.1	5.1
Shares acquired for: employee share scheme trust						2.0	2.0
As at 30 June 2024 (unaudited)		78.6	17.0	177.6	(9.3)	829.8	1,093.7
As at 1 January 2024		78.6	17.0	177.6	11.0	746.0	1,030.2
Profit for the year						248.5	248.5
Other comprehensive expense excluding related taxation effect					(27.1)	(1.5)	(28.6)
Related taxation effect					(2.9)	0.2	(2.7)
Total comprehensive (expense) / income					(30.0)	247.2	217.2
Issue of share capital		0.1	1.3				1.4
Dividends paid						(76.0)	(76.0)
Share-based payments (net of tax)						10.7	10.7
Cancellation of Treasury Shares		(1.6)		1.6			-
Proceeds from employee share scheme trust						2.0	2.0
Share buyback programme						(100.4)	(100.4)
As at 31 December 2024		77.1	18.3	179.2	(19.0)	829.5	1,085.1
Changes in equity in 2025							
Profit for the period						115.7	115.7
Other comprehensive (expense) / income excluding related taxation effect					(39.8)	4.3	(35.5)
Related taxation effect					(0.4)	(0.6)	(1.0)
Total comprehensive (loss) / income					(40.2)	119.4	79.2
Issue of share capital		-	0.7				0.7
Dividends paid	7					(53.5)	(53.5)
Share-based payments (net of tax)						4.5	4.5
Cancellation of Treasury Shares		(2.5)		2.5			-
Share buyback programme						(201.2)	(201.2)
As at 30 June 2025 (unaudited)		74.6	19.0	181.7	(59.2)	698.7	914.8

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		6 months to 30 June 2025 (unaudited)	6 months to 30 June 2024 (unaudited)	Year to 31 Dec 2024
	Note	£m	£m	£m
Cash flows from operating activities				
Operating profit for the period		158.3	176.8	356.2
Adjustments for:				
Depreciation and amortisation		56.5	60.7	119.0
Impairment of property, plant, and equipment and intangible assets				2.4
Gain on disposal of subsidiaries			(6.3)	(6.3)
Loss on sale of property, plant and equipment		0.9	1.1	1.7
Equity-settled share-based payment expense		5.3	5.9	10.8
Increase in inventories		(13.1)	(49.8)	(24.1)
Increase in trade and other receivables		(31.6)	(63.5)	(40.5)
Increase in trade and other payables		3.0	50.4	43.1
(Decrease) / increase in provisions		(6.6)	(7.5)	2.7
Increase in employee benefits		0.8	1.2	1.6
Settlement of transactional derivatives		(1.3)	1.0	2.9
Cash generated from operations		172.2	170.0	469.5
Income taxes paid		(52.0)	(45.5)	(97.9)
Net cash from operations		120.2	124.5	371.6
Cash flows from investing activities				
Interest received	5	6.0	5.2	9.7
UK pension loan*		(26.3)		
Proceeds from sale of property, plant and equipment			0.1	15.6
Settlement of effective net investment hedge derivatives		(7.4)	4.6	11.7
Acquisition of property, plant and equipment and non-acquired intangibles		(34.5)	(41.1)	(91.5)
Acquisition of subsidiary net of cash				(17.7)
Purchase of Investments		(0.4)	(1.0)	(1.0)
Proceeds from disposal of subsidiaries net of cash		-	15.2	15.2
Net cash from investing activities		(62.6)	(17.0)	(58.0)
Cash flows from financing activities				
Interest paid	5	(13.6)	(13.0)	(24.5)
Adjustments for employee share scheme trust		-	-	2.0
Proceeds from the issue of share capital for employee share schemes		0.7	2.0	1.3
Share buyback		(170.4)		(100.4)
Drawdown of borrowings		171.0		
Repayment of borrowings			(23.4)	(50.0)
Principal elements of lease payments		(14.1)	(14.4)	(28.6)
Dividends paid to equity shareholders	7	(53.5)	(50.0)	(76.0)
Net cash from financing activities		(79.9)	(98.8)	(276.2)
Net (decrease) / increase in cash and cash equivalents		(22.3)	8.7	37.4
Cash and cash equivalents at the start of the period		56.8	40.2	40.2
Effect of exchange rate fluctuations		3.0	(16.1)	(20.8)
Cash and cash equivalents at the end of the period		37.5	32.8	56.8
Reconciliation of cash and cash equivalents				
Cash and cash equivalents		121.2	141.8	147.8
Bank overdraft		(83.7)	(109.0)	(91.0)
Cash and cash equivalents at the end of the period		37.5	32.8	56.8

* UK pension loan relates to a loan made to the IMI 2014 Deferred Fund, the closed UK defined benefit pension scheme. This loan will support the wind-up of the fund whilst the remaining assets within the scheme mature.
Notes to the cash flow appear in Note 11.

1. Significant accounting policies

Basis of preparation

This condensed set of financial statements has been prepared in accordance with IAS 34 '*Interim Financial Reporting*' as adopted by the UK. The Group's annual financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the UK.

The Interim Financial Statements are unaudited but have been reviewed by the Company's auditor in accordance with the International Standard for Review Engagement (UK) 2410 '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*', issued by the Financial Reporting Council. A copy of their unqualified review report is attached.

The comparative figures for the financial year ended 31 December 2024 are derived from the Group's statutory accounts for that financial year as defined in section 435 of the Companies Act 2006. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The Interim Financial Statements have been prepared for the Group as a whole and therefore give greater emphasis to those matters which are significant to IMI plc and its subsidiaries when viewed as a whole. The Interim Financial Statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and for a period of at least twelve months following the approval of the Interim Financial Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The directors have considered the current macroeconomic conditions. The Group is well diversified and maintains a balanced portfolio operating across a range of markets, sectors and geographies with no single dependency. Performance in each of IMI's two platforms has been good in the first half.

The Group continues to maintain a robust financial position. At 30 June 2025, the Group had cash and cash equivalents of £38m and undrawn committed facilities of £129m in the form of Revolving Credit Facilities (RCF), of which £17m is due for renewal in 2026, £40m in 2027 and £72m in 2028. Forecasts indicate that the Group can operate within the level of facilities in place without the need to obtain any new facilities in the twelve-month period following the approval of the Interim Financial Report.

The directors have assessed the viability of the Group and reviewed detailed cash flow forecasts for a period of at least twelve months following the date of approval of the Interim Financial Report. After applying a reverse stress test on the Group's banking covenants and making comparisons to the detailed forecasts, the directors have a reasonable expectation that the financial headroom will not be exhausted during this period.

Covenant compliance reviews are undertaken to ensure that the Group remains fully within the covenant limits. Funding covenants currently require EBITDA to be no less than 4.0 times interest and net debt to be no more than 3.0 times EBITDA. Those covenant ratios, at 30 June 2025, were 36.0 times and 1.4 times, respectively.

A reverse stress test shows that for there to be a breach of covenants during the twelve-month period following the approval of the Interim Financial Report, forecast revenue would need to fall by 33% and forecast EBITDA by 60% after taking into account the mitigating actions that would be undertaken in these circumstances. The mitigating actions include, but are not limited to, reducing working capital, restricting capital expenditure, reducing overhead spend and employee costs and cutting or suspending dividend payments to shareholders.

Accounting policies

The financial statements are presented in Pounds Sterling (which is the Company's functional currency), rounded to the nearest hundred thousand, except revenues, which are rounded to the nearest whole million. They are prepared on the historical cost basis except for derivative financial instruments; financial assets classified as fair value through profit and loss or other comprehensive income, assets and liabilities acquired through business combinations which are stated at fair value and retirement benefits. Non-current assets and liabilities held for sale are stated at the lower of their carrying amounts and their fair values less costs to sell.

1. Significant accounting policies (continued)

Accounting policies (continued)

As required by the Disclosure and Transparency Rules (DTR) of the Financial Conduct Authority, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's consolidated financial statements for the year ended 31 December 2024 as described in the 2024 Annual Report. Given the reduced complexity in the valuation of the UK defined benefit pension scheme, the assumptions used in the valuation are no longer considered a key source of estimation uncertainty as a reasonable change in sensitivities would not give rise to a material adjustment.

(i) New or amended UK Endorsed Accounting Standards adopted by the Group during 2025

There are no amended or new International Financial Reporting Standards which became effective for the Group as of 1 January 2025.

2. Alternative Performance Measures and Adjusting items

Alternative Performance Measures

The Group's policy is to exclude items from statutory operating profit that are considered to be significant in nature (i.e. outside of the normal course of business) and/or quantum and where treatment as an adjusting item provides stakeholders with additional useful information to assess period-on-period trading performance of the Group.

The Group believes Alternative Performance Measures ('APMs'), which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board and Executive Committee. Some of these measures are also used for the purpose of setting remuneration targets and for banking covenants.

The directors' commentary discusses these APMs to remove the effects of items of both income and expense that are considered different in nature from IML's normal trading and quantum and where treatment as an adjusting item provides stakeholders with additional information to assess period-on-period trading.

Management has applied judgement in the selection of the APMs used in the Interim Financial Report. The APMs presented are used in discussions with the investment analyst community and by the Board and management to monitor the trading performance of the Group.

APM	Definition	Reconciliation to statutory measure
Adjusted profit before tax	Adjusted profit before tax is statutory profit before tax before adjusting items as shown on the income statement.	See income statement.
Adjusted net interest cost	Adjusted net interest cost is statutory net interest costs before adjusting items as shown on the income statement.	See income statement.
Adjusted earnings per share	Adjusted earnings per share is defined within the table in Note 4.	See Note 4.
Adjusted effective tax rate	The adjusted effective tax rate is the tax impact on adjusted profit before tax divided by adjusted profit before tax.	See Note 6.
Adjusted EBITDA	This measure reflects adjusted profit after tax before interest, tax, depreciation, amortisation and impairment.	See Note 11.

2. Alternative Performance Measures and Adjusting items (continued)

Alternative Performance Measures (continued)

Adjusted operating profit	Adjusted operating profit is statutory operating profit before adjusting items as shown on the income statement.	See income statement and segmental reporting in Note 3.
Adjusted operating margin	Adjusted operating margin is adjusted operating profit divided by revenue.	
Adjusted net financing costs	Adjusted net financing costs is interest received, and interest paid including the impact on interest costs on leases before gains on instruments measured at fair value through profit or loss (other economic hedges) and net financial income relating to defined benefit pension schemes.	
Organic revenue growth Organic adjusted operating profit	These two measures remove the impact of adjusting items, acquisitions, disposals and movements in exchange rates.	
Adjusted operating cash flow	This measure reflects cash generated from operations as shown in the statement of cash flows less cash spent acquiring property, plant and equipment, non-acquired intangible assets and investments; plus cash received from the sale of property, plant and equipment, the sale of investments less the repayment of principal amounts of lease payments excluding the cash impact of adjusting items.	See Note 11.
Net debt	Net debt is defined as the cash and cash equivalents, overdrafts, interest-bearing loans and borrowings and lease liabilities.	See Note 11.
Net debt: adjusted EBITDA	Net debt divided by adjusted EBITDA as defined above.	See Note 11.
Free cash flow before corporate activity	This measure is a subtotal in the reconciliation of adjusted EBITDA to Net Debt and is presented to assist the reader to understand the nature of the current year's cash flows excluding dividends, share buybacks and the purchase and issuance of own shares.	

Adjusting items

Outlined below are the adjusting items impacting these Interim Financial Statements:

	Key	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 Dec 2024
Recognised in arriving at operating profit				
Reversal of net economic hedge contract gains	(a)	(0.7)	(0.5)	(2.0)
Restructuring costs	(b)		(11.0)	(54.7)
Acquired intangible amortisation and other acquisition items	(c)	(13.7)	(14.1)	(28.9)
Gain on sale of subsidiary	(d)		6.3	6.3
Cyber incident costs	(e)	(25.4)		
		(39.8)	(19.3)	(79.3)
Recognised in net financial income / expense				
Gains / (losses) on instruments measured at fair value through profit or loss	(a)	13.3	(5.6)	(9.1)
Recognised in taxation				
Tax impact of adjusting items above	(f)	0.3	7.8	23.3
Tax change in connection with transfer of businesses	(f)			(5.0)
Change in uncertain tax positions	(f)			1.6
		0.3	7.8	19.9
Recognised in profit after tax		(26.2)	(17.1)	(68.5)

2. Alternative Performance Measures and Adjusting items (continued)

Adjusting items (continued)

- (a) **Reversal of net economic hedge contract gains** - for segmental reporting purposes, changes in the fair value of economic hedges which are not designated as hedges for accounting purposes, together with the gains and losses on their settlement, are included in the revenues and adjusted operating profit of the relevant business segment. The adjusting items at the operating costs level reverse this treatment. The financing adjusting items reflect the change in value or settlement of these contracts with the financial institutions with whom they were transacted.
- (b) **Restructuring costs** - following the completion of the complexity reduction programme in 2024, restructuring costs are no longer recorded as adjusting items in 2025.
- Restructuring costs of £54.7m were recognised in 2024 (six months to 30 June 2024: £11.0m). The Automation platform incurred costs of £35.5m primarily related to the rationalisation of three facilities and the creation of a COO structure to streamline and share best practice across our sectors. The Life Technology platform incurred costs of £19.2m related to the Customer First reorganisation project, which transformed the structure into customer-led sectors (across a number of businesses), the Focus for Growth project in Climate Control, to improve the team's ability to implement operational strategies, creation of the COO structure and the rationalisation of two facilities.
- (c) **Acquired intangible amortisation and other acquisition items** - the acquired intangible amortisation charge in the six months to 30 June 2025 was £12.8m (six months to 30 June 2024: £14.1m, twelve months to 31 December 2024: £28.2m), which largely relates to the amortisation of the intangible assets recognised on the acquisition of Adaptas Solutions, Heatmiser UK Ltd and Bahr Manufacturing Company. Other acquisition costs of £0.9m for the six months to 30 June 2025 related to the write-off of the inventory fair value uplift adjustment for TWTG. Other acquisition costs of £0.7m for the twelve months to 31 December 2024 related to the professional fees associated with the acquisition of TWTG.
- (d) **Disposal of subsidiary** - the Group disposed of its French subsidiary, Industrie Mecanique Pour Les Fluides SA, on 25 April 2024 resulting in a gain on disposal for the Group of £6.3m for the twelve months to 31 December 2024 (see Note 15 for further details).
- (e) **Cyber incident** - the Group has incurred £25.4m of costs during the first half of the year in relation to the cyber-attack in January 2025, which predominantly related to IT systems recovery, risk management, upgrading infrastructure and advisory costs.
- (f) **Taxation** - the tax effect of the above items has been recognised as an adjusting item and amounts to £0.3m (six months to 30 June 2024: £7.8m; year ended 31 December 2024: £23.3m). During the year ended 31 December 2024, a charge of £5.0m was recorded as an adjusting item, relating to the transfer of businesses in the year. A credit of £1.6m was also recorded as an adjusting item, relating to the release of a prior year restructuring provision which was subsequently resolved.

3. Segmental information

Segmental information is presented in the consolidated Interim Financial Statements for each of the Group's operating segments. The operating segment reporting format reflects the Group's management and internal reporting structures and represents the information that was presented to the chief operating decision-maker, being the Executive Committee.

Automation

The Automation business leverages deep automation technology and applications expertise to improve productivity, safety and sustainability in the Process Automation and Industrial Automation sectors.

Life Technology

The Life Technology business focuses on technologies that enhance and improve everyday life, particularly in the areas of health, sustainability and comfort across the Climate Control, Transport and Life Science & Fluid Control sectors.

Performance is measured by the Executive Committee based on adjusted operating profit and organic revenue growth which are defined in Note 2. These two measures represent the two short-term key performance indicators for the Group.

Businesses enter into forward currency and metal contracts to provide economic hedges against the impact on profitability of swings in rates and values in accordance with the Group's policy to minimise the risk of volatility in revenues, costs and margins. Adjusted operating profits are therefore charged/credited with the impact of these contracts. In accordance with IFRS 9, these contracts do not meet the requirements for hedge accounting and gains and losses are reversed out of operating profit and are recorded in net financial income and expense for the purposes of the consolidated income statement.

The following table shows a reconciliation of platform adjusted operating profit to statutory operating profit.

	Automation			Life Technology			Total		
	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 Dec 2024	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 Dec 2024	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 Dec 2024
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue	691	684	1,414	400	414	796	1,091	1,098	2,210
Adjusted operating profit	127.0	125.9	289.2	71.1	70.2	146.3	198.1	196.1	435.5
Adjusted operating profit margin (%)	18.4%	18.4%	20.5%	17.8%	17.0%	18.4%	18.2%	17.9%	19.7%
Reconciliation to statutory operating profit:									
Reversal of net economic hedge contract (gains) / losses	(0.5)	0.1	(0.2)	(0.2)	(0.6)	(1.8)	(0.7)	(0.5)	(2.0)
Restructuring costs and associated impairment losses		(7.4)	(35.5)		(3.6)	(19.2)		(11.0)	(54.7)
Acquired intangible amortisation and other acquisition items	(6.2)	(6.0)	(13.0)	(7.5)	(8.1)	(15.9)	(13.7)	(14.1)	(28.9)
Disposal of subsidiary					6.3	6.3		6.3	6.3
Cyber incident	(16.1)			(9.3)			(25.4)		-
Statutory operating profit	104.2	112.6	240.5	54.1	64.2	115.7	158.3	176.8	356.2
Statutory operating margin (%)	15.1%	16.5%	17.0%	13.5%	15.5%	14.5%	14.5%	16.1%	16.1%
Net financial income / (expense)							4.7	(14.3)	(25.8)
Statutory profit before tax							163.0	162.5	330.4

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Segmental information (continued)

The following table illustrates how revenue and adjusted operating profit have been impacted by movements in foreign exchange, acquisitions and disposals compared to the first half of 2024.

	6 months to 30 June 2025				6 months to 30 June 2024			
	As adjusted	Organic	Adjusted growth (%)	Organic growth (%)	As adjusted	Disposal	Exchange	Organic
Revenue								
Automation	691	691	1%	3%	684	1	(17)	668
Life Technology	400	400	-3%	-1%	414	(2)	(7)	405
Total	1,091	1,091	-1%	2%	1,098	(1)	(24)	1,073
Adjusted operating profit								
Automation	127.0	127.0	1%	5%	125.9	(0.7)	(4.4)	120.8
Life Technology	71.1	71.1	1%	4%	70.2	(0.6)	(1.4)	68.2
Total	198.1	198.1	1%	5%	196.1	(1.3)	(5.8)	189.0
Adjusted operating profit margin (%)	18.2%	18.2%			17.9%			17.6%

Balance sheet

The following table illustrates how the segmental assets and liabilities reconcile to the overall total assets and liabilities reported in the balance sheet.

	Assets			Liabilities		
	30 June 2025	30 June 2024	31 Dec 2024	30 June 2025	30 June 2024	31 Dec 2024
	£m	£m	£m	£m	£m	£m
Automation	1,412.6	1,469.0	1,392.2	472.0	478.5	468.9
Life Technology	892.5	884.0	898.2	148.8	142.8	155.3
Total segmental assets / liabilities (including lease liabilities)	2,305.1	2,353.0	2,290.4	620.8	621.3	624.2
Corporate items	35.5	23.3	20.3	54.8	32.3	30.8
Employee benefits	5.5	2.9	1.1	49.3	48.8	48.5
Investments	2.4	2.4	2.2			
Net debt items (excluding lease liabilities)	121.2	141.8	147.8	768.2	655.9	606.4
Net taxation	27.3	26.7	28.7	89.1	98.1	95.5
Total assets and liabilities in Group balance sheet	2,497.0	2,550.1	2,490.5	1,582.2	1,456.4	1,405.4

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Segmental information (continued)

The Group's revenue streams are disaggregated by sector in the table below:

	6 months to June 2025 Revenue £m	6 months to June 2024 Revenue £m
Industrial Automation	245	262
Aftermarket	258	257
New Construction	188	165
Process Automation	446	422
Automation	691	684
Climate Control	204	196
Life Science & Fluid Control	112	123
Transport	84	95
Life Technology	400	414
Total revenue	1,091	1,098
Sale of goods	1,066	1,058
Sale of services	25	40
Total revenue	1,091	1,098

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4. Earnings per ordinary share

Basic and diluted earnings per share have been calculated on earnings as set out below. Both of these measures are also presented on an adjusted basis to assist the reader of the Interim Financial Statements and provide further insight into the performance of the Group.

		30 June 2025 million	30 June 2024 million	31 Dec 2024 million
Key				
Weighted average number of shares for the purpose of basic earnings per share	A	252.9	260.2	258.8
Dilutive effect of employee share options		0.3	1.0	1.1
Weighted average number of shares for the purpose of diluted earnings per share	B	253.2	261.2	259.9
		6 months to 30 June 2025 £m	6 months to 30 June 2024 £m	Year to 31 Dec 2024 £m
Statutory profit for the period	C	115.7	125.3	248.5
Total adjusting items charges included in profit for the period, before tax		26.5	24.9	88.4
Total adjusting items credits included in taxation		(0.3)	(7.8)	(19.9)
Earnings for adjusted EPS	D	141.9	142.4	317.0
Statutory EPS measures				
Statutory basic EPS	C/A	45.7p	48.2p	96.0p
Statutory diluted EPS	C/B	45.7p	48.0p	95.6p
Adjusted EPS measures				
Adjusted basic EPS	D/A	56.1p	54.7p	122.5p
Adjusted diluted EPS	D/B	56.0p	54.5p	122.0p

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. Net financing income / expense

	6 months to 30 June 2025			6 months to 30 June 2024			Year to 31 Dec 2024		
	Interest	Financial	Total	Interest	Financial	Total	Interest	Financial	Total
	£m	instruments	£m	£m	instruments	£m	£m	instruments	£m
Recognised in the income statement									
Interest income on bank deposits	6.0		6.0	5.2		5.2	9.7		9.7
Financial income	6.0	-	6.0	5.2	-	5.2	9.7	-	9.7
Interest expense on interest-bearing loans and borrowings	(12.1)		(12.1)	(11.6)		(11.6)	(21.7)		(21.7)
Interest expense on leases	(1.5)		(1.5)	(1.4)		(1.4)	(2.8)		(2.8)
Financial expense	(13.6)		(13.6)	(13.0)	-	(13.0)	(24.5)	-	(24.5)
Gains / (losses) on instruments measured at fair value through profit or loss:									
Other economic hedges		13.3	13.3		(5.6)	(5.6)		(9.1)	(9.1)
Net financial expense relating to defined benefit pension schemes	(1.0)		(1.0)	(0.9)		(0.9)	(1.9)		(1.9)
Net financial income / (expense)	(8.6)	13.3	4.7	(8.7)	(5.6)	(14.3)	(16.7)	(9.1)	(25.8)

Included in financial instruments are current period trading gains and losses on economically effective transactions which for management reporting purposes are included in adjusted revenue and operating profit (see Note 2). For statutory purposes, these are required to be shown within net financial income and expense. Gains or losses on economic hedges for future period transactions are in respect of financial instruments held by the Group to provide stability of future trading cash flows.

6. Taxation

The tax charge before adjusting items is £47.6m (year ended 31 December 2024: £101.8m) which equates to an adjusted effective tax rate of 25.1% compared to 24.0% for the comparative six-month period in the prior year and 24.3% for the year ended 31 December 2024. The normalised rate of 25.1% has been calculated using the full year projections and has been applied to adjusted profit before tax for the period ended 30 June 2025. The normalised rate includes the expected impact of the OECD Inclusive Framework agreement for a global minimum corporate income tax rate of 15%, although the impact on IMI's results is expected to be minimal.

The tax effects of adjusting items have been based on the applicable rates of tax applying to the adjusting items arising in the period ended 30 June 2025.

The statutory tax charge of £47.3m (year ended 31 December 2024: £81.9m) equates to an effective tax rate of 29.0%. This compares to a rate of 22.9% for the six months ended 30 June 2024 and 24.8% for the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Dividends

The final dividend relating to the year ended 31 December 2024 of 21.1p per share (year ended 2023: 19.2p) was paid in May 2025 amounting to £53.5m (2024: £50.0m).

In addition, the directors have declared an interim dividend for the current year of 11.0p per share (2024: 10.0p per share) amounting to £27.2m which will be paid on 22 September 2025 to shareholders on the register on 15 August 2025. In accordance with IAS10 'Events after the Balance Sheet Date' this interim dividend has not been reflected in these Interim Financial Statements.

8. Property, plant and equipment and intangible assets

Capital expenditure on property, plant and equipment in the period was £29.9m (30 June 2024: £35.0m), the majority of which was in respect of plant and equipment.

Capital expenditure on non-acquired intangible assets in the period was £4.6m (30 June 2024: £6.1m).

9. Employee benefits

The net defined benefit pension deficit at 30 June 2025 was £43.8m (31 December 2024: £47.4m); made up of assets of £355.6m (31 December 2024: £362.6m) and liabilities of £399.4m (31 December 2024: £410m). The UK net deficit in the Fund increased to £5.6m (31 December 2024: £3.3m) which is primarily driven by the movement in UK assets, impacted by changes in financial assumptions, specifically the discount rate and inflation assumption.

The net deficit in respect of the total overseas obligations decreased to £38.2m (31 December 2024: £44.1m) due to changes in financial assumptions.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10. Fair value hierarchy

Set out below is an overview of the Group's financial instruments held at fair value.

	30 June 2025				31 Dec 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Financial assets measured at fair value								
Equity instruments*	2.4			2.4	2.2			2.2
Foreign currency forward contracts		16.2		16.2		6.9		6.9
	2.4	16.2	-	18.6	2.2	6.9	-	9.1
Financial liabilities measured at fair value								
Foreign currency forward contracts		(9.0)		(9.0)		(13.3)		(13.3)
	-	(9.0)	-	(9.0)	-	(13.3)	-	(13.3)

*Equity instruments primarily relate to investments in associates and investments in funds in order to satisfy long-term benefit arrangements.

Level 1 – quoted prices in active markets for identical assets and liabilities

Level 2 – significant other observable inputs

Level 3 – unobservable inputs

Valuation techniques for level 2 inputs

Derivative assets and liabilities of £16.2m and £9.0m, respectively, are valued by level 2 techniques. The valuations are derived from discounted contractual cash flows using observable, and directly relevant, market interest rates and foreign exchange rates from market data providers.

The fair values of all financial assets and liabilities in the balance sheet as at 30 June 2025, 31 December 2024 and 30 June 2024 are materially equivalent to their carrying values except for the US private placement fixed rate loans, for which the carrying values are set out below:

	Carrying value	Fair value*
	£m	£m
30 June 2025	513.5	503.3
31 December 2024	531.4	511.7
30 June 2024	523.1	498.7

*The US private placement fixed rate loans are valued by level 2 techniques.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11. Cash flow reconciliation

Reconciliation of net cash to movement in net debt

	6 months to 30 June 2025 £m	6 months to 30 June 2024 £m	Year to 31 Dec 2024 £m
Net (decrease) / increase in cash and cash equivalents*	(22.3)	11.0	37.4
Less: cash (disposed)/acquired		(2.3)	1.8
Net (drawdown) / repayment of borrowings excluding foreign exchange and net debt (disposed)/acquired	(171.0)	23.4	50.0
(Increase) / decrease in net debt*	(193.3)	32.1	89.2
Net cash acquired	-	-	(4.7)
Currency translation differences	4.9	(7.8)	(4.7)
Movement in lease liabilities	(1.9)	8.8	11.1
Movement in net debt in the period	(190.3)	33.1	90.9
Net debt at the start of the period	(547.7)	(638.6)	(638.6)
Net debt at the end of the period**	(738.0)	(605.5)	(547.7)

*Excluding foreign exchange.

**Net debt is defined as cash and cash equivalents, overdrafts, interest-bearing loans and borrowings and lease liabilities.

Reconciliation of net cash flow (excluding debt movements)

	6 months to 30 June 2025 £m	6 months to 30 June 2024 £m	Year to 31 Dec 2024 £m
Adjusted EBITDA*	241.8	242.7	526.3
Working capital movements	(41.7)	(62.9)	(21.5)
Capital and development expenditure	(34.5)	(41.1)	(91.5)
Provisions and employee benefit movements**	1.2	0.1	(1.7)
Principal elements of lease payments	(14.1)	(14.4)	(28.6)
Other***	5.1	5.6	18.8
Adjusted operating cash flow****	157.8	130.0	401.8
Adjusting items	(33.3)	(17.4)	(40.7)
UK pension loan*****	(26.3)		
Tax paid	(52.0)	(45.5)	(97.9)
Interest	(7.6)	(7.8)	(14.8)
Derivatives	(8.7)	5.6	14.6
Free cash flow before corporate activity	29.9	64.9	263.0
Dividends paid to equity shareholders	(53.5)	(50.0)	(76.0)
Acquisition and disposal of subsidiaries		17.5	(0.7)
Net share buyback / issue of own shares	(169.7)	2.0	(97.1)
Net cash flow (excluding debt movements)	(193.3)	34.4	89.2

*Adjusted profit after tax (£141.9m), before interest (£8.6m), tax (£47.6m), depreciation (£34.8m) and amortisation (£8.9m).

**Movement in provisions and employee benefits as per the interim statement of cash flows (£5.8m) adjusted for the movement in restructuring provisions £7.0m.

*** Other is predominately attributable to equity-settled share-based payment expenses 6 months to 30 June 2025 (£5.3m), 6 months to 30 June 2024 (£5.9m). For the year ended 31 December 2024 Other is predominately attributable to equity-settled share-based payments (£10.8m), the profit and loss on disposal of property, plant and equipment (£15.6m) offset by the gain on disposal of the French subsidiary Industrie Mecanique Pour Les Fluides SA (£6.3m).

****Adjusted operating cash flow is the cash generated from operations shown in the statement of cash flows less cash spent acquiring property, plant and equipment, non-acquired intangible assets and investments; plus cash received from the sale of property, plant and equipment and the sale of investments, excluding the cash impact of adjusting items. This measure best reflects the operating cash flows of the Group.

***** UK pension loan relates to a loan made to the IMI 2014 Deferred Fund, the closed UK defined benefit pension scheme. This loan will support the wind-up of the fund whilst the remaining assets within the scheme mature.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11. Cash flow reconciliation (continued)

Reconciliation of adjusted operating cash flow to cash flow statement

	6 months to 30 June 2025 £m	6 months to 30 June 2024 £m	Year to 31 Dec 2024 £m
Cash generated from operations	172.2	170.0	469.5
Principal lease payments	(14.1)	(14.4)	(28.6)
Settlement of transactional derivatives	1.3	(1.0)	(2.9)
Acquisition of property, plant and equipment and non-acquired Intangibles	(34.5)	(41.1)	(91.5)
Adjusting items	33.3	17.4	40.7
Purchase of investments	(0.4)	(1.0)	(1.0)
Proceeds from sale of property, plant and equipment		0.1	15.6
Adjusted operating cash flow	157.8	130.0	401.8

Reconciliation of cash and cash equivalents

	6 months to 30 June 2025 £m	6 months to 30 June 2024 £m	Year to 31 Dec 2024 £m
Cash and cash equivalents in current assets	121.2	141.8	147.8
Bank overdraft in current liabilities	(83.7)	(109.0)	(91.0)
Cash and cash equivalents	37.5	32.8	56.8

12. Share capital

Ordinary shares of 28 4/7 p each (m)

	Employee Benefit Trust	Treasury	Other	Total	Value
In issue at the start of the period	0.8	13.7	255.2	269.7	77.1
New issues to satisfy employee share scheme awards			-	-	-
Share cancellations		(8.9)		(8.9)	(2.5)
Transfer shares from treasury to employee benefit trust	1.0	(1.0)			-
Shares allocated under employee share schemes	(0.6)		0.6		-
In issue at the end of the period	1.2	3.8	255.8	260.8	74.6

Share buyback programme

On 28 February 2025, the Group announced a £200m share buyback programme. As at 30 June, ordinary shares had been purchased for a consideration of £174.9m, including associated fees. The Group was irrevocably committed to making a further £26.3m of share buyback payments, which completed on 29 July 2025, recognising a liability for the remaining cost of the shares at the period ended 30 June 2025.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

13. Exchange rates

The income and cash flow statements of overseas operations are translated into sterling at the average rates of exchange for the period. Balance sheets are translated at period end rates. The most significant currencies for the Group are the Euro and the US dollar for which the relevant rates of exchange were:

	Income statement and cash flow average rates			Balance sheet rates as at		
	6 months to 30 June 2025	6 months to 30 June 2024	Year to 31 Dec 2024	30 June 2025	30 June 2024	31 Dec 2024
Euro	1.19	1.17	1.18	1.17	1.18	1.21
US dollar	1.30	1.26	1.28	1.37	1.26	1.25

14. Acquisitions

Acquisitions in 2024

During the year ended 31 December 2024, the Group acquired, TWTG Group B.V. ("TWTG").

a) TWTG GROUP B.V. (TWTG)

	Fair value at 31 October 2024 £m
Other intangible assets	9.5
Property, plant and equipment	0.1
Right of use assets	0.5
Inventories	2.2
Trade and other receivables	1.9
Cash and cash equivalents	0.5
Trade and other payables	(1.6)
Interest-bearing loans and borrowings	(2.9)
Lease liabilities	(0.5)
Deferred taxation	(2.2)
Total identified net assets at fair value	7.5
Goodwill arising on acquisition	10.7
Purchase consideration	18.2

On 31 October 2024 the Group acquired 100% of the share capital, and associated voting rights, of TWTG Group B.V. (TWTG) for initial purchase consideration of £18.2m. TWTG is a leader in smart connected asset monitoring solutions for process industries based in Rotterdam, the Netherlands.

This acquisition has been accounted for as a business combination and the accounting, including the purchase price allocation, has been finalised during the year. The goodwill recognised above includes certain intangible assets that cannot be separately identified and measured due to their nature. This includes control over the acquired business, the skills and experience of the assembled workforce, the increase in scale, synergies and the future growth opportunities that the business provides to the Group's operations.

Acquisition costs of £0.7m were recognised in the income statement in 2024.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. Disposals

Disposals in 2024

The Group disposed of its French subsidiary, Industrie Mecanique Pour Les Fluides SA, on 25 April 2024 for proceeds of £18.5m, resulting in a gain on disposal for the Group of £6.3m after disposing of £11.5m of net assets and incurring £1.0m of associated disposal costs, partly offset by recycling a foreign exchange gain from reserves of £0.3m.

This disposal is not disclosed as a discontinued item because it did not represent a separate major line of business.