

Engineering firm Renishaw reports 'positive year of recovery' as profits soar

Engineering giant Renishaw has reported a “positive year of recovery” as improving economic conditions saw its full-year revenues and profits soar.

The FTSE 250 firm, which is based at Wotton-under-Edge in Gloucestershire, published its results for the year ending July 2021 on Thursday (October 21), with total revenue at £565m – up 11% from £510m 12 months earlier.

Statutory profit was £139m compared with £3.2m last year while adjusted profit before tax increased by 146% to £119m, up from £48m in 2020.

The business said it had seen strong growth, particularly in its Asia-Pacific market, with improving sales in other global markets through the second half of the year for its range of manufacturing technologies (£526m revenue) and analytical instruments and medical devices (£39m revenue).

The company noted record demand for its encoders driven by “booming” semiconductor and electronics sectors, which it said it expected to remain strong, with continued recovery in machine tool markets.

Renishaw’s founders and two majority shareholders Sir David McMurtry and John Deer announced [plans to sell their stakes](#) in the company in March, but the [formal sale process ended in July](#) after the board failed to find the right buyer.

Mr McMurtry, the company’s executive chairman, said: “We have recovered well and our employees have shown great resilience in maintaining supply and excellent levels of support to our

customers around the world.

“I am excited about our new products in development and the opportunities presented by global market trends.”

Renishaw chief executive Will Lee said the company had recruited strongly across its manufacturing operations to increase capacity, and its logistics team had responded “admirably” in the face of global supply chain difficulties.

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Mr Lee said: “During the year we continued to face challenges.

This included the pandemic, tough trading conditions, lower headcount (due to the redundancies and recruitment freeze in 2020) which increased pressures in some areas of the business, and the formal sale process.

“There were also huge demands placed on our manufacturing operations as we saw a strong recovery in demand accompanied by global shortages of key components.

“It is testament to the continuing resilience, skill and dedication of our people that during the year they supplied and supported our customers, introduced innovative new products, progressed key projects that will underpin the future of our business, and supported each other and our local communities.”

Mr Lee added that the firm had started the current financial year with a “strong” first quarter, and that it had a record order book.

The company’s posted balance sheet featured net cash and bank deposits of £215m at 30 June 2021, compared with £120m at 30 June 2020.

Mr Lee added: “The board continues to be confident in our long-term prospects, due to our strong financial position, the high quality of our people, our innovative product pipeline, extensive global sales and marketing presence and relevance to high-value manufacturing.”

Renishaw has a workforce of around 4,600 people.

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