



**Improving our Corporate Reporting & Information through
investment in Systems and Process**

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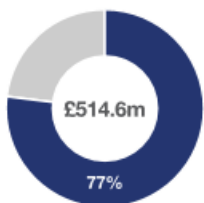
Spirax-Sarco Engineering plc



Spirax Sarco is the global leader in the supply of engineered solutions for the design, maintenance and provision of efficient industrial and commercial steam systems.

The Spirax Sarco offering is very wide, from single products through to complete turnkey bespoke packages that can include design, fabrication, commissioning and maintenance. Our products and services help our customers to improve operational efficiency, maintain product quality, reduce energy and water use, and comply with health, safety and environmental legislation.

Revenue £m



Adjusted operating profit* £m

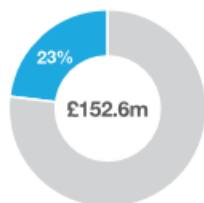
* Before corporate expenses



Watson-Marlow Fluid Technology Group specialises in the design and manufacture of world-leading niche peristaltic pumps and associated fluid path technologies.

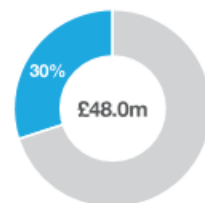
Our pumps are ideally suited for a wide variety of applications from biopharmaceutical processes that demand sterility and precision to highly corrosive slurries typically seen in precious metal processing. The Watson-Marlow group comprises nine established brands, each with its own area of expertise, but together offering our customers an unrivalled breadth of pumping solutions.

Revenue £m



Adjusted operating profit* £m

* Before corporate expenses



77 operating units in 43 countries

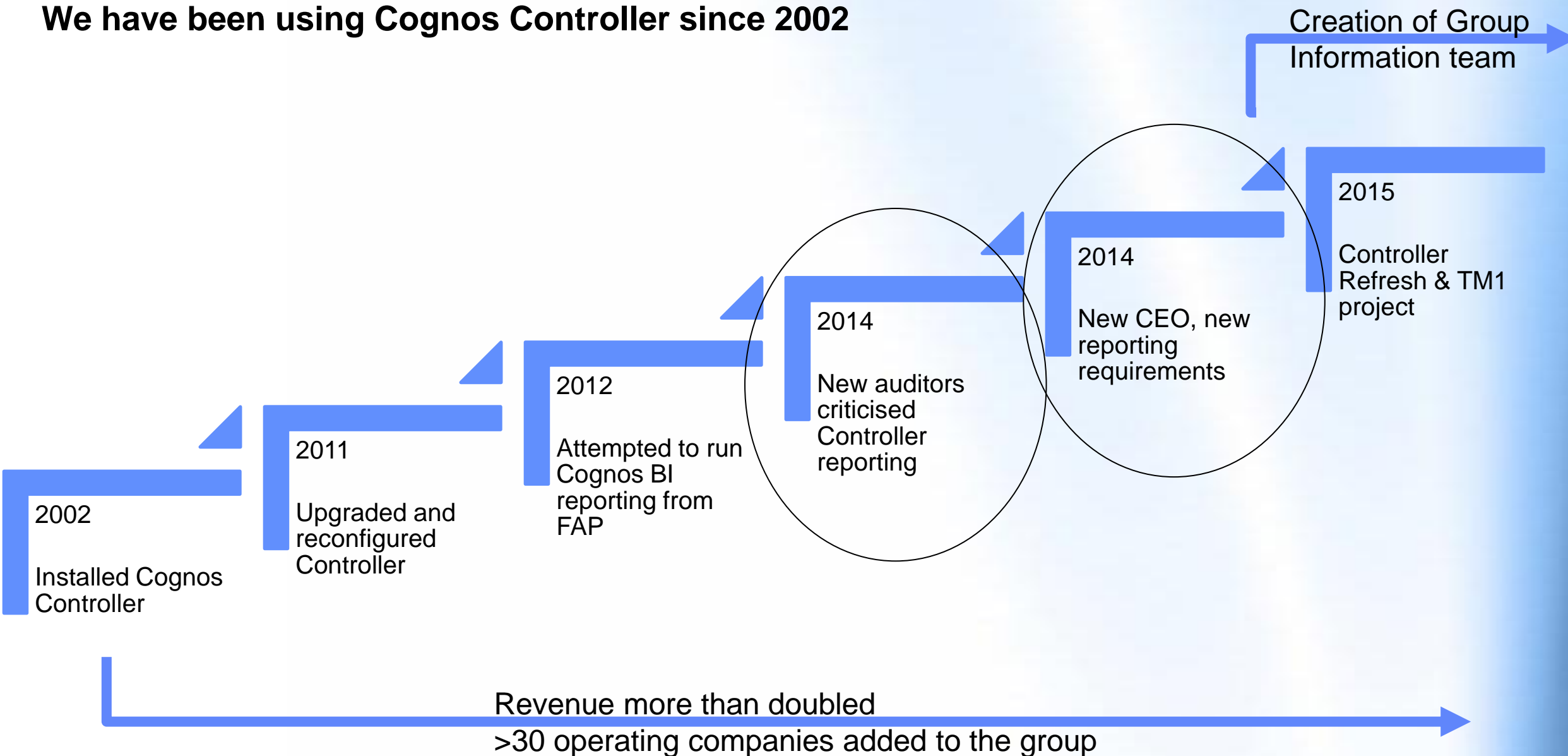
- Direct sales presence in 57 countries and on six continents
- 4800+ employees
- 3500+ product lines
- 100,000+ customers

2015 results snapshot

- Revenue: £667.2m
- Organic sales increased 2%
- Record operating margin of 22.8%
- Dividend increased by 7%

- FTSE 250
- SPX.L 3,598.00 (14th April '16)
- Market Cap 2.64Bn

We have been using Cognos Controller since 2002



Pain points in the current system and what the future will look like

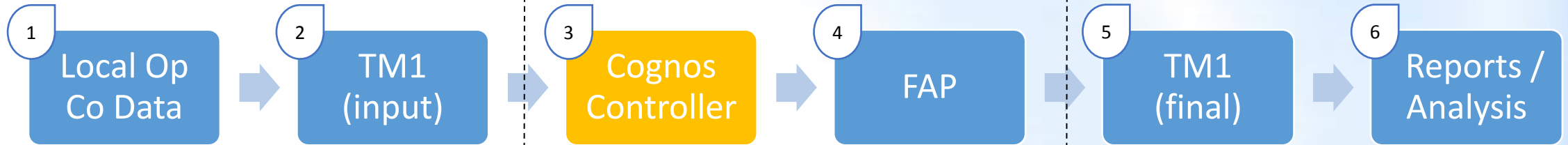
Before

- Slow to produce reports / achieve deadlines
- Data submitted incorrectly and follow up takes time
- Difficult to make changes to the structure
- Labour intensive and reliant on key individuals
- Hard to maintain / make changes to reports
- Difficult to interrogate the information (time and accessibility issues)
- Very manual effort to check numbers

After

- Data available immediately
- Op Co will validate before submission and be prompted to correct
- Changes flow through the structure automatically
- Report production is automatic and reports available instantly
- Changes appear in reports as standard
- Cubes of data can be queried online or exported to excel
- Automatic checks set up to verify consolidations

Controller underpins TM1 to complete our group wide consolidation and reporting package

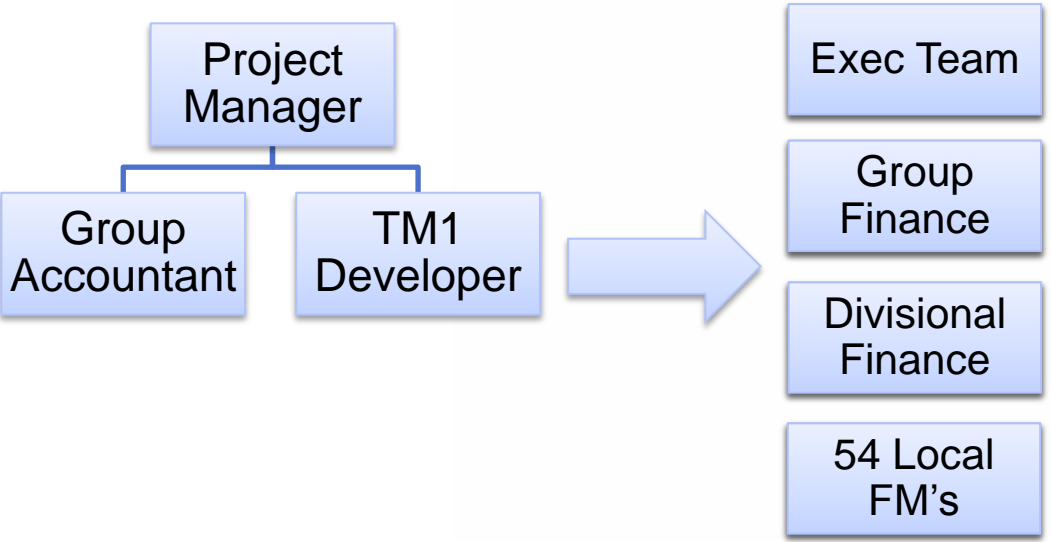
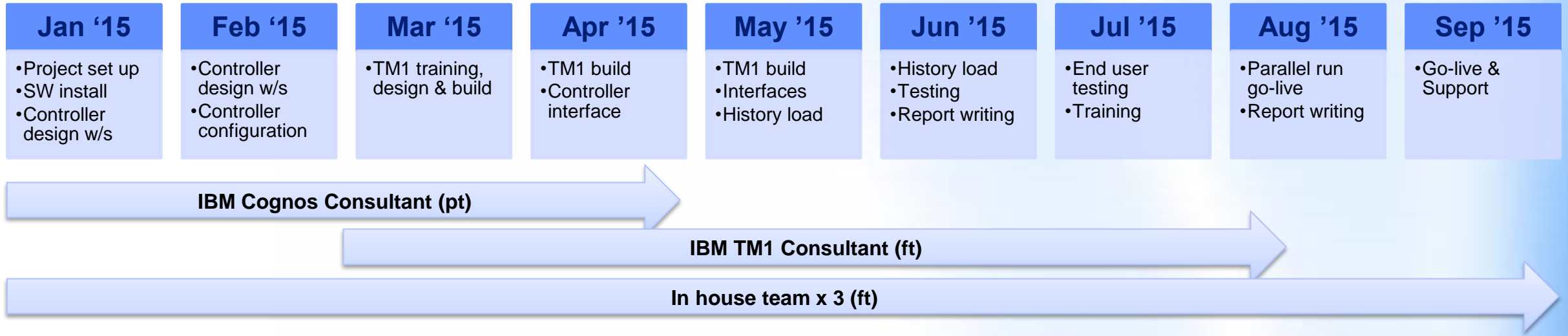


- Easy access for remote users
- Quick to learn and use
- Provides both Data In and Data Out
- Satisfies local and regional reporting needs

- Currency conversion logic Intercompany balances
- Acquisition accounting logic
- Journals
- Core analysis reports (as standard) for consolidation and error checking

- Management Information reporting engine
- Flexibility of data presentation
- Multiple reporting cubes
- Future: Profitability by product and customer analysis

Key activities by month – 9 month project timeline



Managing the following functions/services

- In TM1:
- 125 Companies
 - 73 users
 - 45 GB data
 - 15 years history
 - 60 reports
 - 29 different currency scenarios
- 34 cubes containing:
- 100 Balance Sheet accounts
 - 120 P&L accounts
 - 60 Statistical accounts
 - 180 Interco accounts
 - 350 Statutory accounts

7,900 individual submissions (in our first year)
 Growing to 9,100 submissions in 2016

We used three measures of Speed, Quality and Visibility (or accessibility) of information to check the success of the project

	Speed	Quality	Visibility
Consolidated management results are available straight after the final submission	✓	✓	
Report deadlines are now being hit rather than consistently missed	✓		
Data is now checked before it is reported rather than waiting for issues to be found	✓	✓	
Users are not waiting for reports to be issued, they self serve			✓
Consolidation had to be run to see in a different currency scenario, now, instant to any	✓	✓	✓
Finance partners spend time analysing rather than extracting when preparing their divisional reports	✓	✓	
Self serve analysis through cube views and Café have reduced the demand for ad-hoc support			✓
Local OpCo's getting benefit through consistent reporting and increased visibility		✓	✓

Plus, easy expansion into other areas

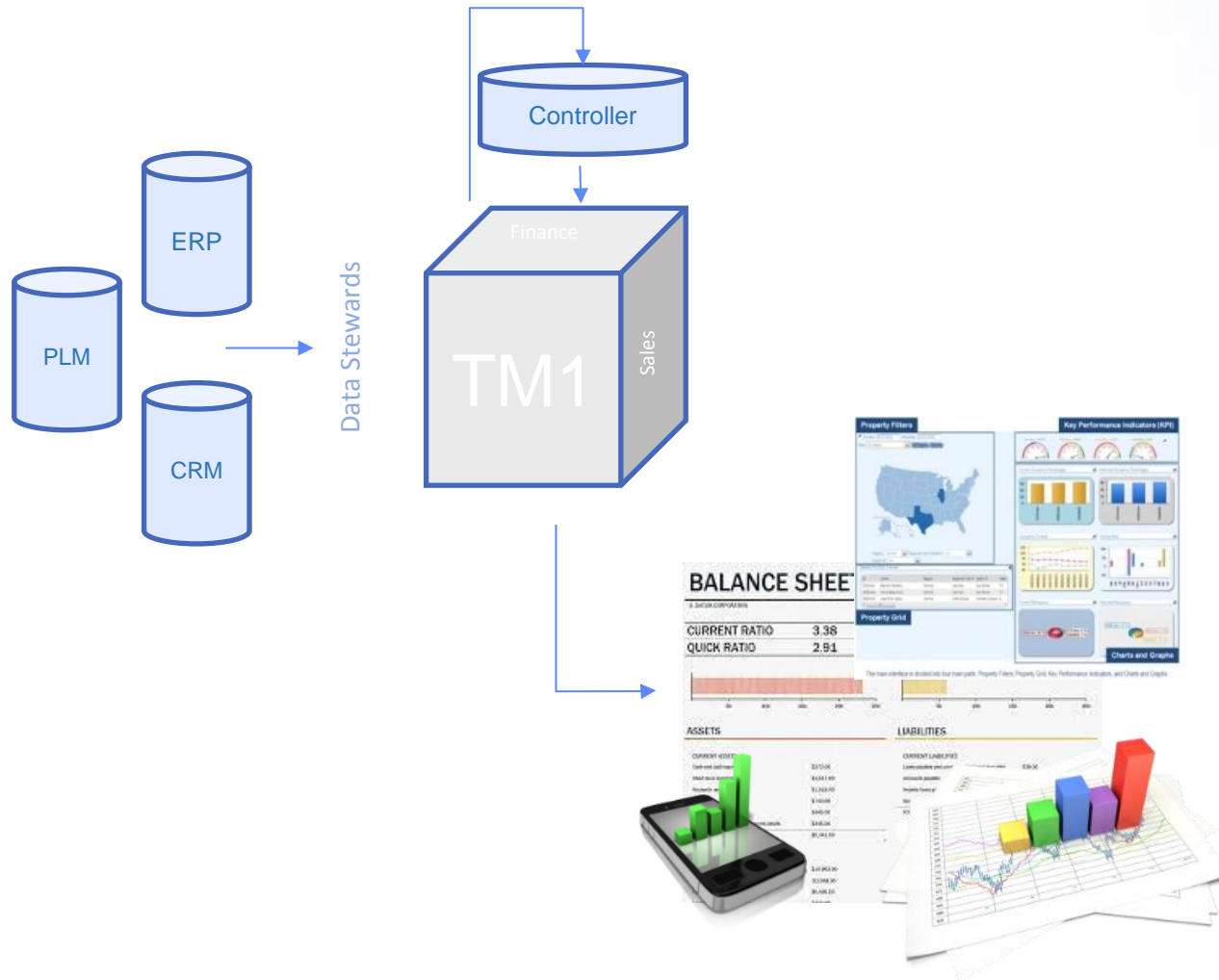


Given the time again, what would we have done differently?

- Remember, the CFO is always right...
- Who knew that 15 years of historical data wasn't perfect?
- "I've got a great idea, let's go live when we need to collect actuals, plan and latest estimate over 3 days"



The next 9 months: Continuous improvement of reports; Linking to ERP; SIS2.0



- Management Accounts
- Statutory reporting
- Customer Industry / Type analysis
- Product Group analysis
- Planning improvements
- Supply Metrics
- HR Metrics

Plus ways to look at the above,
differently