

News Release

London, April 2004

Smiths strengthens Interconnect business with \$111.5 million US acquisition

Smiths Group today announced the acquisition of TRAK Communications Inc., a leader in the design and manufacture of microwave sub-systems, antennas and related components, for \$111.5 million (£63m) from Veritas of New York. TRAK will form part of Smiths Interconnect, a leader in the supply of application specific electronics for military and commercial markets. This acquisition is the fifth Smiths has announced since presenting its interim results on 10 March, bringing total expenditure to \$330.5 million (£187m).

Commenting on this acquisition, Smiths Group chief executive Keith Butler-Wheelhouse said; "Smiths continues to pursue its strategy of profitable growth through investing in new technology and the acquisition of businesses which complement or expand our offering to the customer. This is our fifth purchase announcement in five weeks and underlines our intent to acquire high growth companies."

TRAK, with 425 employees and 2003 turnover of \$71 million (£40m) operates from facilities in Tampa in Florida, Thousand Oaks, California and Dundee, Scotland. Smiths Group is satisfying the acquisition consideration in cash. It is expected to close at the end of May, subject to regulatory approvals.

Einar Lindh, group managing director of Specialty Engineering added; "TRAK brings a portfolio of world-class microwave sub-systems which is complementary to Interconnect's products. It will extend our capability in existing markets, and by packaging together Interconnect and TRAK products, we will enhance our position with customers."

Smiths Group designs and manufactures safety critical systems and products, and has market leading positions in aerospace systems, detection systems, medical devices, mechanical seals, and interconnect products.

Notes to Editors:

About TRAK Communications Inc.

Founded in 1960 as TRAK Microwave, the business developed with the acquisition of TECOM and TRAK Europe, before being acquired by Veritas, a New York private equity company. TRAK has market leading positions in three key technologies: 'sources', devices used to generate highly accurate base frequencies for communication systems; ferrites, magnetic devices used to isolate or combine microwave signals; and rugged antennas for military and airborne applications.

Sales to governments, or to projects whose ultimate customers are government agencies, account for over half of TRAK's business, principally US defence projects, unmanned vehicles and avionics applications. Significant defence customers include Raytheon, BAE Systems, Northrop Grumman, Harris and Boeing. TRAK also enjoys good positions on commercial projects with major customers such as Nokia, Motorola, and Ericsson.

About Smiths Interconnect

Smiths Interconnect offers a broad range of electrical and electronic connectors, low loss coaxial, cable and connector assemblies, microwave components, antennas, lightning strike protectors, electrical surge suppressors, radio-frequency connectors and passive intermodulation analysers. They are supplied to military and commercial customers for integration into systems which require high standards of connectivity, longevity and durability. For details of Smiths Interconnect visit www.smithsinterconnect.com .

Additional Information regarding Smiths Interconnect:

Smiths Interconnect provides unique and specialist component solutions for its customers. The business has been built on a number of factors most notably a strong organic growth strategy and a focused acquisition selection criteria.

Smiths Interconnects' existing microwave technology businesses include Florida RF Labs, EMC Technology, Radio Waves and Times Microwave Systems. These companies offer a comprehensive line of high and low power RF and microwave, resistive products; high quality microwave and broadband wireless antennas; and low loss, phase stable RF and microwave coaxial transmission lines.

With complementary technologies, TRAK Microwave and TECOM serve adjacent markets to Smiths Interconnect and hence the combined strength offers opportunities to create value in the businesses and for customers.

Stephen Phipson, Managing Director of Smiths Interconnect said, "We are very pleased with this acquisition. It fits perfectly into our strategy to expand the Smiths Interconnect product offering in the microwave components and sub-systems technology sector. TRAK and TECOM have excellent reputations and a heritage of innovation and customer service. Looking to the future, we will continue to anticipate the future needs of our customers, developing new niches through organic growth and seeking relevant investment opportunities to enhance our competitive position."