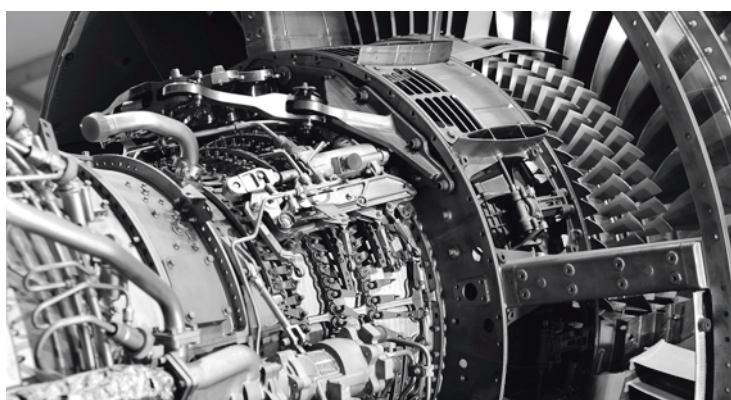


Senior plc Group at a glance

Senior is an international manufacturing group with operations in 11 countries.

Senior designs, manufactures and markets high technology components and systems for the principal original equipment producers in the worldwide aerospace, diesel engine, exhaust system and energy markets.

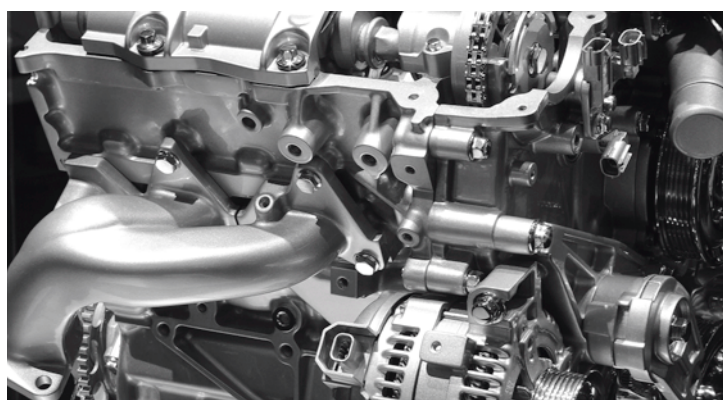


Aerospace

52% of Group revenue

Engine structures and mountings, metallic high-pressure ducting, air-frame and other structural parts, composite low-pressure ducting, and helicopter machined parts.

For many years, Senior Aerospace has provided engineered solutions for the rigorous challenges of bleed air duct systems, precision sheet metal fabrications, bellows, metal hose assemblies, and other pressure carrying components that are flying in virtually all military and commercial aircraft and numerous piston and jet engines. More recently the Division has added, through acquisition, the capabilities of machining air-frame structural parts and precision components for rotary applications.



Flexonics

48% of Group revenue

Flexible exhaust connectors, cooling and emission control components and diesel fuel distribution pipework. Metallic and fabric expansion joints, flexible metallic hoses, and ventilation ducting for industrial applications.

As one of the largest manufacturers of flexible automotive components in the world, with a major focus on diesel engines, Senior Flexonics has extensive global manufacturing and distribution facilities.

Senior's diesel technologies support a growing number of major North American and European automotive and heavy truck manufacturers in meeting stringent emissions standards.

Senior is a leading supplier of expansion joints, control bellows and hoses to the worldwide petrochemical, power generation and chemical processing industries. Increasingly, its products are being used in renewable energy sources such as solar and nuclear.

Financial highlights

Revenue £470.7m

+21%

Basic earnings per share 7.17p

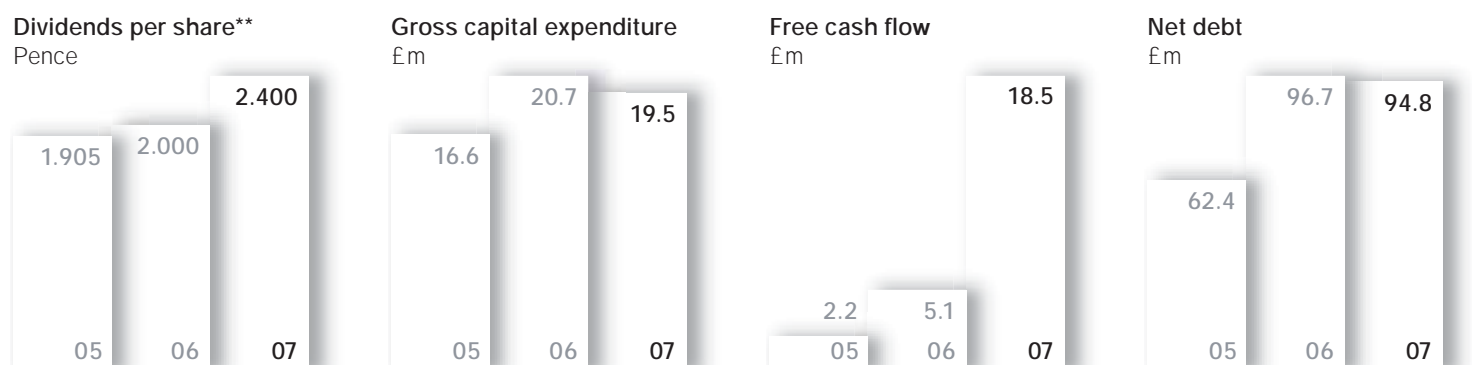
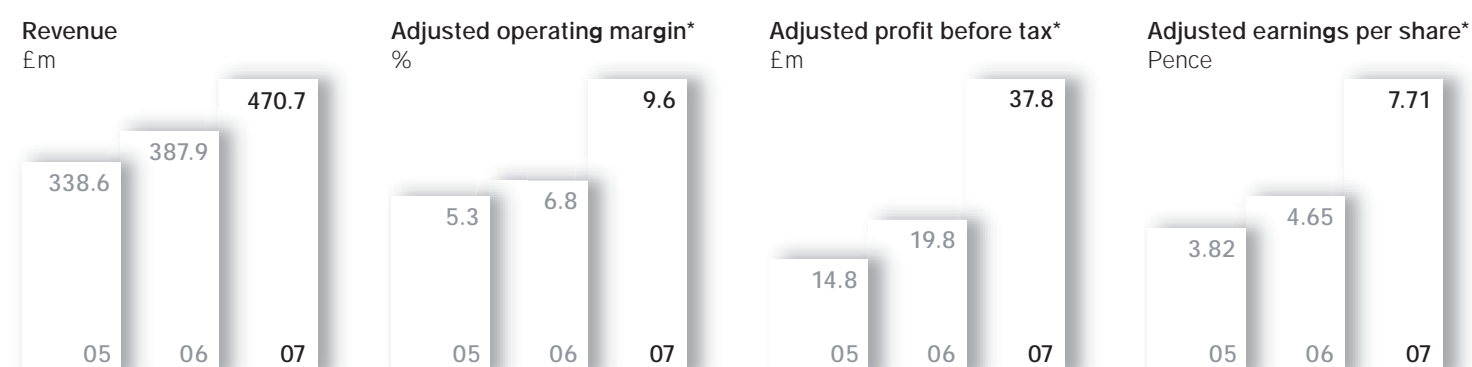
+65%

Operating profit £41.5m

+69%

Dividends per share** 2.4p

+20%



*Adjusted profit before tax and adjusted earnings per share arise before a £0.7m loss on sale of fixed assets (2006 – £0.4m; 2005 – £0.2m), a £3.3m charge for amortisation of intangible assets acquired on acquisitions (2006 – £1.3m; 2005 – £nil) and the release of a provision set up on a previous acquisition of £0.5m (2006 – £nil; 2005 – £nil). Adjusted earnings per share excludes the tax impact of these items.

**Paid and proposed.

Contents

Directors' report

- 2 Chairman's statement
- 4 Board of Directors
- 5 Report of the Directors
- 8 Operating and financial review
- 20 Corporate governance report
- 22 Audit Committee report
- 24 Remuneration report
- 30 Corporate social responsibility report
- 32 Statement of Directors' responsibilities
- 33 Independent auditors' report to the members of Senior plc

Financial information

- 34 Consolidated income statement
- 34 Statements of recognised income and expense
- 35 Balance sheets
- 36 Cash flow statements
- 37 Notes to the financial statements
- 70 Five year summary

Other information

- 71 Principal group undertakings
- 72 Additional shareholder information
- ibc 2008 Financial calendar
- ibc Officers and advisers