

Confidential

# LUXFER GROUP

a global materials technology company

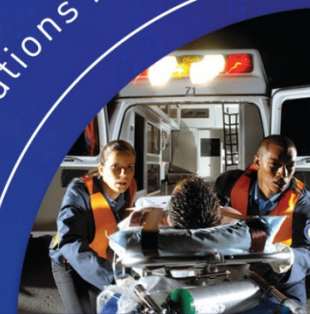
## LUXFER HOLDINGS PLC ANNUAL GENERAL MEETING

29th May 2014

## Review of 2013 Trading



Innovative solutions in material technology



## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. Examples of such forward-looking statements include, but are not limited to: (i) statements regarding the Group's results of operations and financial condition, (ii) statements of plans, objectives or goals of the Group or its management, including those related to financing, products or services, (iii) statements of future economic performance and (iv) statements of assumptions underlying such statements. Words such as "believes", "anticipates", "expects", "intends", "forecasts" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. The Group cautions that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: (i) future revenues being lower than expected; (ii) increasing competitive pressures in the industry; (iii) general economic conditions or conditions affecting demand for the services offered by us in the markets in which we operate, both domestically and internationally, being less favorable than expected; (iv) the significant amount of indebtedness we have incurred and may incur and the obligations to service such indebtedness and to comply with the covenants contained therein; (v) contractual restrictions on the ability of Luxfer Holdings PLC to receive dividends or loans from certain of its subsidiaries; (vi) fluctuations in the price of raw materials and utilities; (vii) currency fluctuations and hedging risks; and (viii) worldwide economic and business conditions and conditions in the industries in which we operate. The Group cautions that the foregoing list of important factors is not exhaustive. These factors are more fully discussed in the sections "Forward-Looking Statements" and "Risk Factors" in our annual report on Form 20-F dated March 31, 2014 filed with the U.S. Securities and Exchange Commission. When relying on forward-looking statements to make decisions with respect to the Group, investors and others should carefully consider the foregoing factors and other uncertainties and events. Such forward-looking statements speak only as of the date on which they are made, and the Group does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

## AGENDA

- **Chairman - Introduction**
  
- **Chief Executive – Brian Purves**
  - Overview
  - Market situation & Divisional performance
  
- **Group Finance Director – Andy Beaden**
  - Quarterly and Full Year earnings review
  - Liquidity and capital resources
  - Financial issues
  
- **Chief Executive – Brian Purves**
  - Summary
  - Trading update
  
- **Questions?**

## CHAIRMAN OVERVIEW

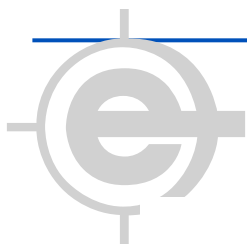
- **STRATEGY** - We are in a period of working on medium term strategic growth projects:
- **Significant progress made in a number of areas:**
  - **AF CYLINDER MARKET** - Major landmark achieved in establishing \$50m of revenue in the Alternative Fuel market from less than \$10m two years ago.
  - **IOS MEDICAL OXYGEN DEVICE** – ISO 13845 certification for Nottingham cylinder plant quality systems.
  - **Magnesium in CIVIL AEROSPACE** - FAA decision to allow the use of qualified Magnesium Alloys in civil aircraft seating & first seating application (low volume) confirmed.
  - **Magnesium in BIOMEDICAL** – State of the art manufacturing facility established for SYNERMAG bio-absorbable alloys.
- **TRADING PROFIT** down at \$59.2m, but investing heavily in future growth projects.
- **LIQUIDITY & CAPITAL** – Maintaining a strong balance sheet and now have up to \$200m of bank funding available for expansion opportunities.
- **PEOPLE** – Directors, Management & Staff working together to deliver long term shareholder value.

CHIEF EXECUTIVE  
**BRIAN PURVES**



## 2013 overview

- **Net revenue (excluding rare earth surcharges) up 0.7% like-for-like.**
  - \$472.9m compared to \$471.1m 2012.
- **Trading profit \$59.2m, down on 2012 of \$68.5m.**
  - All of decline in European operations
  - Impacted by additional costs following listing
- **Adjusted EBITDA down at \$76.6m v 2012 of \$83.5m.**
- **EPS per ADS @ \$1.48 and \$1.42 on adjusted net income (fully diluted).**
- **2012 Acquired Dynetek operations made profitable in first full year of ownership.**
- **First major virtual pipeline contract secured for \$10m to \$15m.**
- **Weakness remains in key European automotive and US defense markets.**
- **Sales of Elektron high-performance alloys remain strong in aerospace and high-end automotive applications.**



	2013 FY \$m
<i>Net revenue</i>	224.8
<i>RE surcharge</i>	40.5
<b>2012 Revenue analysis</b>	265.3
Changes in period:	
FX translation	(1.4)
Rare earth surcharge	(32.1)
Trading movements	(12.1)
<i>Net revenue</i>	211.3
<i>RE surcharge</i>	8.4
<b>2013 Revenue analysis</b>	219.7
Trading variance	-5.4%

- Underlying revenue, excluding surcharge, decreased by \$12.1 million (5.4%) compared to 2012.
  - 2013 cerium surcharge is \$32.1m lower than in 2012.
  - The key markets of European automotive and US defense remained weak.
    - Autocatalysis demand fairly weak.
    - US countermeasures demand down.
  - Strong demand for high-performance alloys for North American aerospace and high-end engineering applications.
  - Mix change - Improved market share and sales in lower margin magnesium recycling business.

	2013 FY \$m
<i>Net revenue</i>	246.3
<i>RE surcharge</i>	
<b>2012 Revenue analysis</b>	246.3
Changes in period:	
FX translation	(0.1)
Rare earth surcharge	
Trading movements	15.4
<i>Net revenue</i>	261.6
<i>RE surcharge</i>	
<b>2013 Revenue analysis</b>	261.6
Trading variance	6.3%

- Underlying revenue up \$15.4 million (6.3%) on 2012.
  - Growth for composite cylinders for compressed natural gas (CNG) with sales of \$50m 2013.
  - In 2013, strong demand for composite life-support cylinders used in self-contained breathing apparatus (SCBA).
  - Weaker demand in both Europe and US markets for aluminum cylinders, with most markets down on 2012.



## Selected strategic growth initiatives - update

- **Alternative fuel containment**

- Work under way to extend range to include Type 4 (polymer-lined) composite cylinders for larger diameters.
- Targeting emerging market for CNG-powered class 8 heavy-duty trucks in North America.
- Manufacturing facilities being expanded / reorganized to facilitate this expansion.

- **Bulk gas transportation**

- First major 'virtual pipeline' order received, sales in 2014.
- North American JV established in year.

- **Magnesium alloys for aircraft seating**

- Increased interest from potential users following publication of FAA minutes confirming that “magnesium can now be used in aircraft seat designs, subject to satisfying ‘special conditions’”.
- First use of Elektron® magnesium alloys in aviation seating announced – albeit in a low-volume non-commercial aviation platform.

GROUP FINANCE DIRECTOR  
**ANDY BEADEN**

## Group revenue

	<b>Elektron FY \$m</b>	<b>Gas Cylinders FY \$m</b>	<b>Group FY \$m</b>
<i>Net revenue</i>	224.8	246.3	471.1
<i>RE surcharge</i>	40.5		40.5
<b>2012 Revenue analysis</b>	265.3	246.3	511.6
Changes in period:			
FX translation	(1.4)	(0.1)	(1.5)
Rare earth surcharge	(32.1)		(32.1)
Trading movements	(12.1)	15.4	3.3
<i>Net revenue</i>	211.3	261.6	472.9
<i>RE surcharge</i>	8.4		8.4
<b>2013 Revenue analysis</b>	219.7	261.6	481.3
Trading variance	-5.4%	6.3%	0.7%

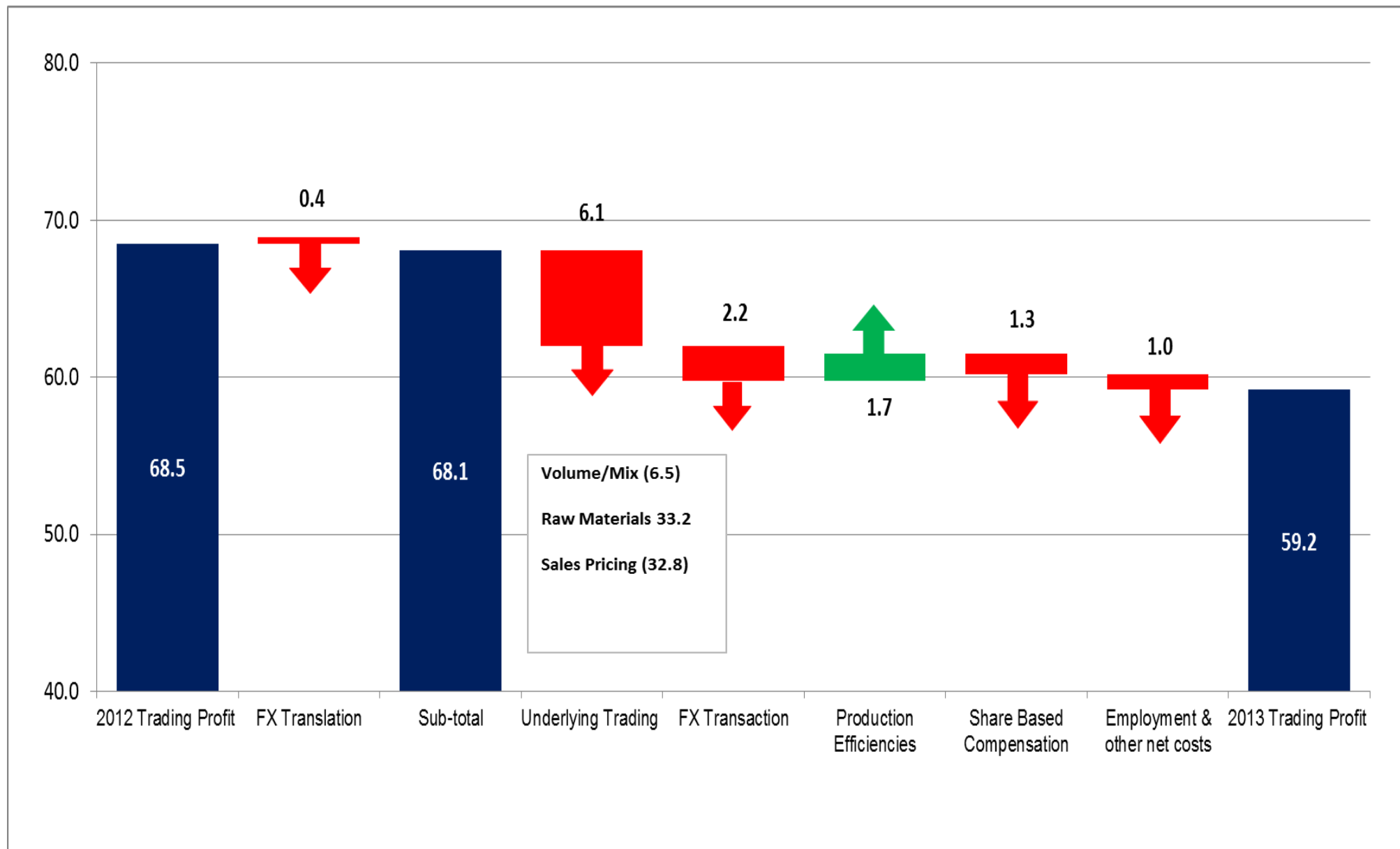
## Trading profit analysis

		2013 FY	2012 FY (restated)
<b>Gas Cylinders</b>	<b>Trading profit \$M</b>	19.0	15.7
	<b>ROS %</b>	7.3%	6.4%
<b>Elektron</b>	<b>Trading profit \$M</b>	40.2	52.8
	<b>ROS %</b>	18.3%	19.9%
<b>GROUP</b>	<b>Trading profit \$M</b>	59.2	68.5
	<b>ROS %</b>	12.3%	13.4%
<i>Changes for 2013 v 2012</i>	<b>Gas Cylinders</b>	21.0%	
	<b>Elektron</b>	-23.9%	
	<b>GROUP</b>	-13.6%	

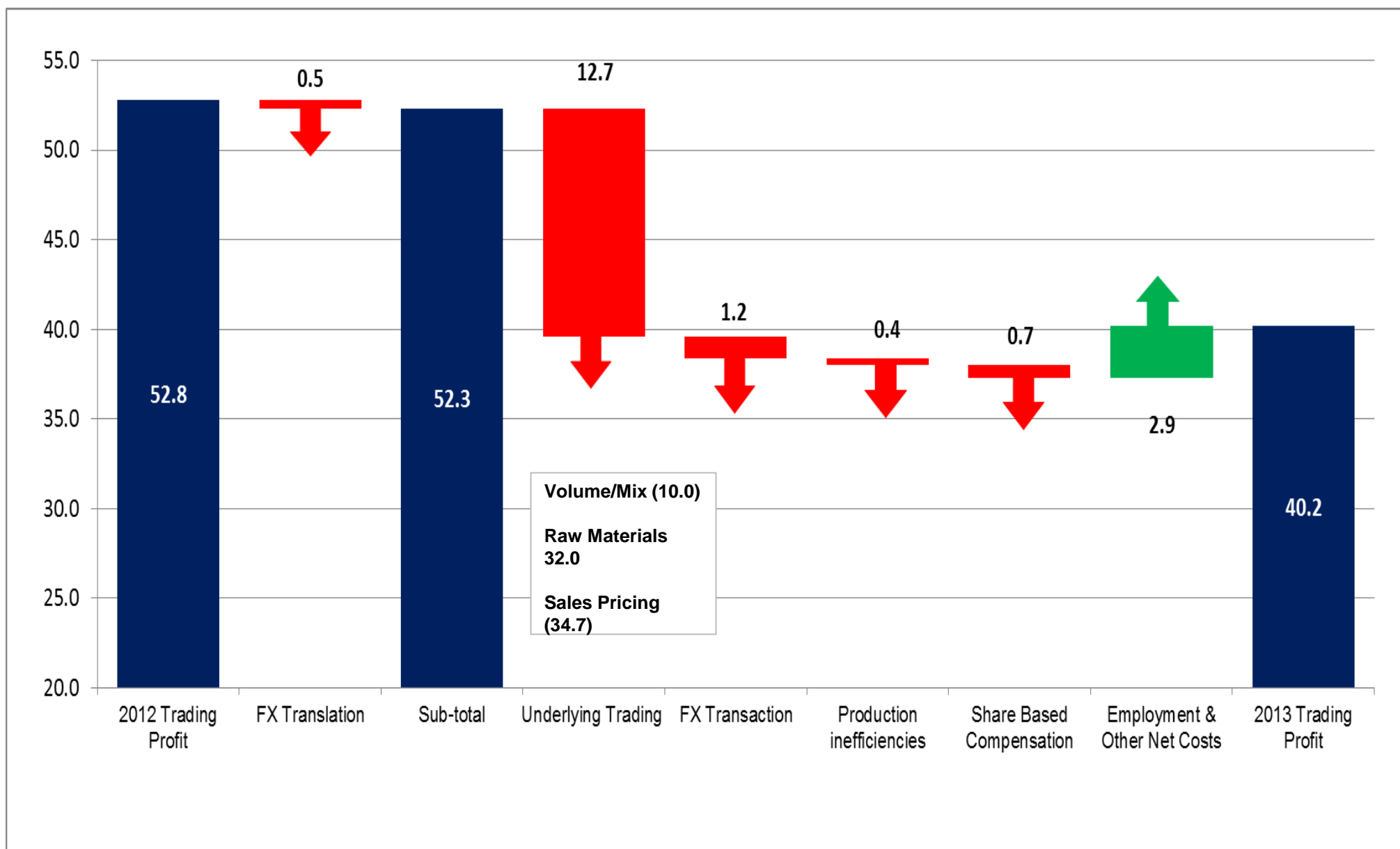
*N.B. Trading profit is Luxfer's IFRS 8 segment profit used by the CEO to measure divisional performance.*

**Note:** See slide IAS 19 Revised with respect to the restatement of 2012.

## Group trading profit 2012 v 2013

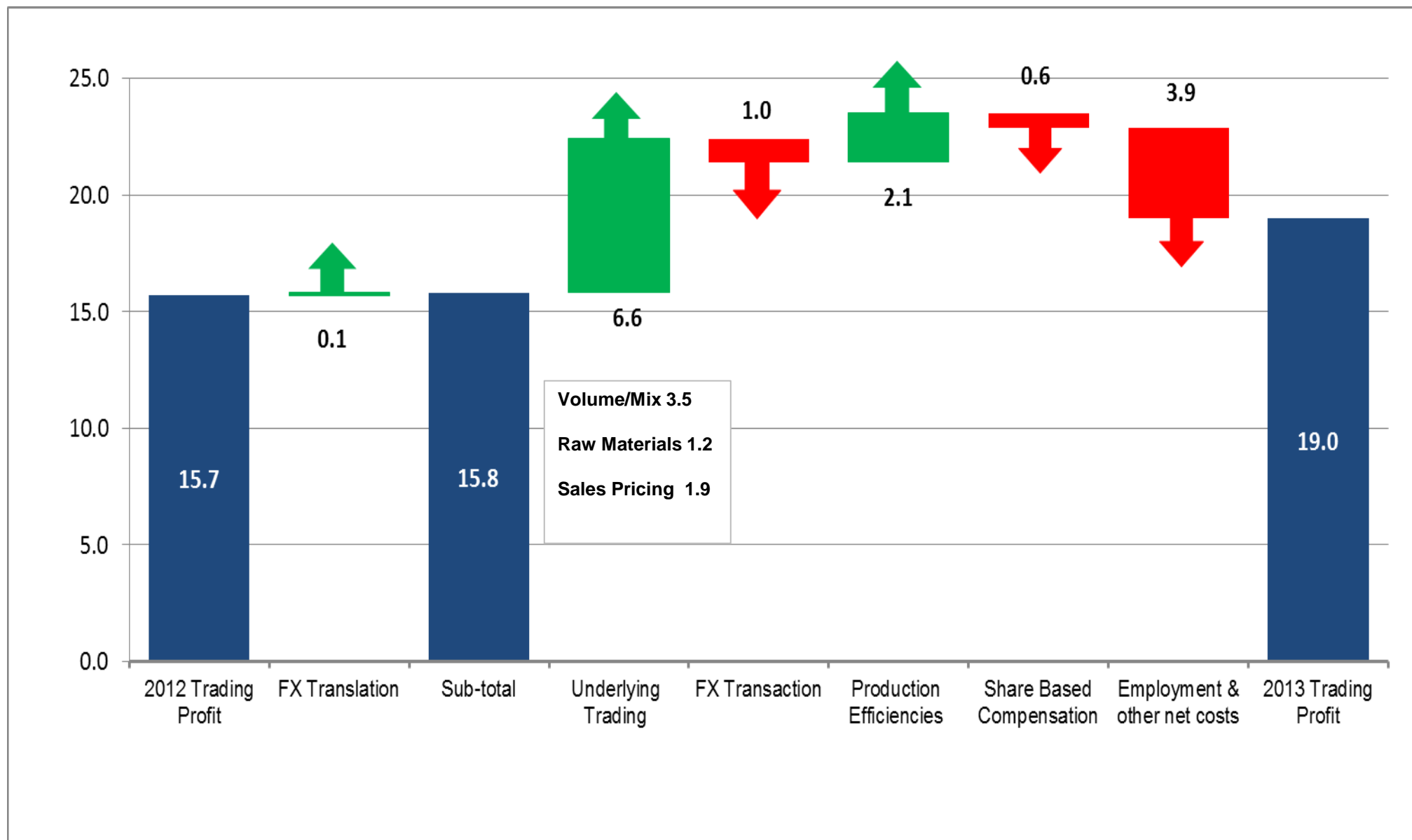


# Elektron trading profit 2012 v 2013





# Gas Cylinders trading profit 2012 v 2013



## Summary income statement

\$m	2013	2012	Variance Q4	
	FY	(restated) FY	\$m	%
<b>Revenue</b>	<b>481.3</b>	<b>511.6</b>	<b>(30.3)</b>	<b>(23.3%)</b>
Costs of sales	(363.5)	(385.7)		
<b>Gross margin</b>	<b>117.8</b>	<b>125.9</b>	<b>(8.1)</b>	<b>(26.0%)</b>
<i>Gross margin %</i>	<i>24.5%</i>	<i>24.6%</i>		
Distribution	(6.5)	(6.9)		
Administrative exp	(52.2)	(50.4)		
Share of results of joint ventures	0.1	(0.1)		
<b>TRADING PROFIT</b>	<b>59.2</b>	<b>68.5</b>	<b>(9.3)</b>	<b>(57.8%)</b>
<i>Group ROS %</i>	<i>12.3%</i>	<i>13.4%</i>		
Restructuring & other	(2.7)	(2.1)		
<b>OPERATING PROFIT</b>	<b>56.5</b>	<b>66.4</b>	<b>(9.9)</b>	<b>(70.7%)</b>
Finance Costs:				
Acquisitions and disposals	(0.1)	(0.8)		
Net interest charges	(5.9)	(6.5)		
IAS 19 finance charge (non-cash)	(3.8)	(3.6)		
<b>PROFIT BEFORE TAX</b>	<b>46.7</b>	<b>55.5</b>	<b>(8.8)</b>	<b>(82.2%)</b>
Taxation	(12.6)	(16.0)		
<b>NET INCOME</b>	<b>34.1</b>	<b>39.5</b>	<b>(5.4)</b>	<b>(58.7%)</b>
<i>EPS £1 Ords (weighted av.)</i>	<i>\$2.54</i>	<i>\$3.68</i>		
<i>Earnings per ADS</i>	<i>\$1.27</i>			
<b>NET INCOME adj</b>	<b>39.8</b>	<b>44.7</b>	<b>(4.9)</b>	<b>(38.9%)</b>
<i>Adj. Earnings per ADS</i>	<i>\$1.48</i>			
Adj EBITDA	76.6	83.2	(6.6)	(33.0%)

**NOTE:** (i) Up to and including Q3 2012 EPS calculations are based on the Pre-IPO capital structure and therefore only 10 million ordinary shares.

(ii) Adj. Earnings per ADS – is Adjusted net income divided by 26.8 million, based on 13.4 ordinary shares outstanding and an ADS being ½ of an ordinary £1 share.

IFRS – GAAP measure for EPS is on the £1 ordinary shares and is a weighted average calculation.

(iii) See Appendix slide on IAS 19 with respect to the restatement of 2012.

# Balance sheet analysis

slide 17

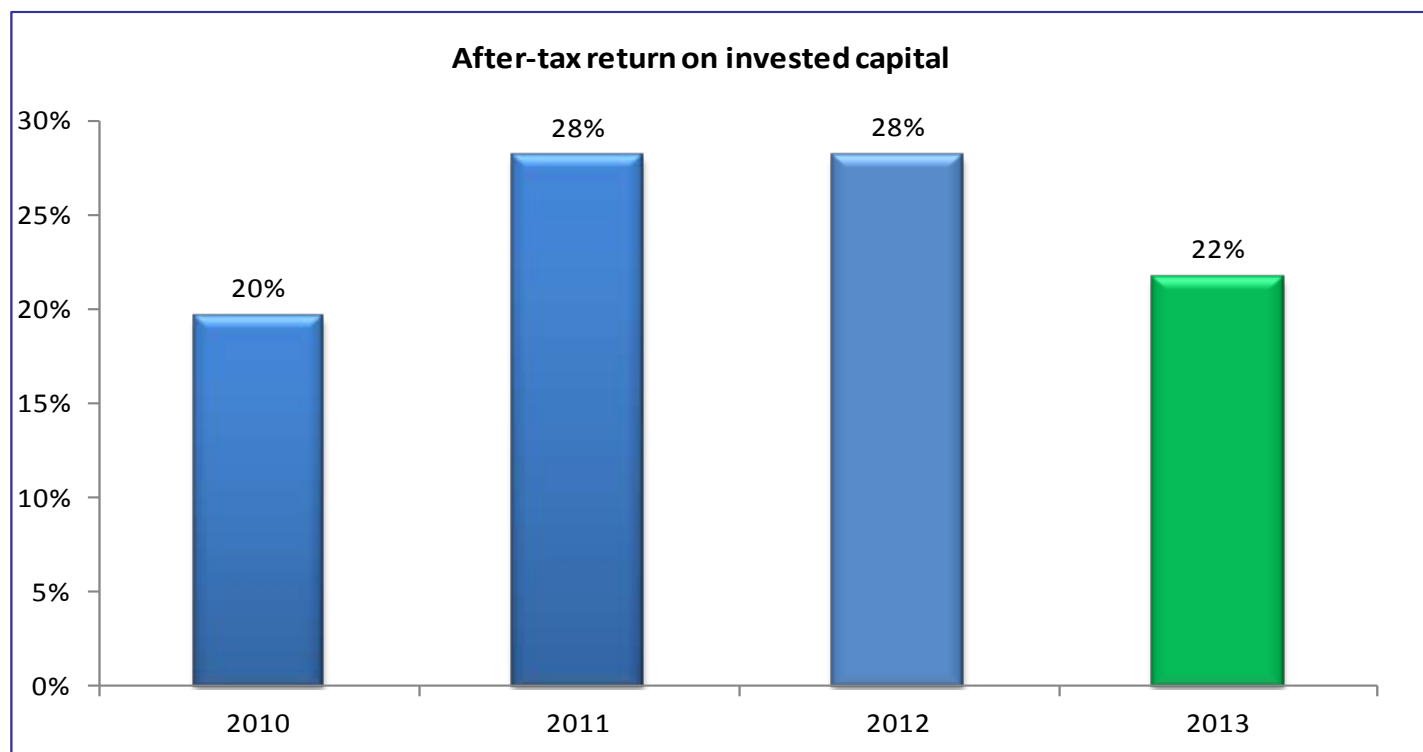
	December 2012 \$M	Trading & exchange \$M	December 2013 \$M
<b>Long term assets</b>	<b>190.4</b>	<b>12.6</b>	<b>203.0</b>
<i>Inventories</i>	83.8	10.3	94.1
<i>Receivables</i>	74.4	(5.8)	68.6
<i>Payables</i>	(73.7)	10.5	(63.2)
<b>Working capital</b>	<b>84.5</b>	<b>15.0</b>	<b>99.5</b>
Income taxes (current and deferred)	(1.4)	(2.4)	(3.8)
Provisions	(4.7)	0.7	(4.0)
<b>Capital employed</b>	<b>268.8</b>	<b>25.9</b>	<b>294.7</b>
Retirement benefit net liabilities	(96.7)	29.1	(67.6)
<b>Invested capital</b>	<b>172.1</b>	<b>55.0</b>	<b>227.1</b>
Net (revolver)/cash position	40.2	(11.8)	28.4
Senior notes 2018 (US Private Placement)	(63.5)	(0.3)	(63.8)
<b>Net assets</b>	<b>148.8</b>	<b>42.9</b>	<b>191.7</b>
<b>Total debt</b>	<b>(63.5)</b>	<b>(0.3)</b>	<b>(63.8)</b>
<b>Net debt</b>	<b>(23.3)</b>	<b>(12.1)</b>	<b>(35.4)</b>
<b>Capital &amp; reserves:</b>			
Ordinary share capital	25.3		25.3
Share premium	55.6		55.6
Deferred equity	150.9		150.9
Retained earnings	278.6	38.7	317.3
Other IFRS reserves & ESOP	(27.8)	4.2	(23.6)
Merger reserve	(333.8)		(333.8)
<b>Equity</b>	<b>148.8</b>	<b>42.9</b>	<b>191.7</b>

## Cash flow

	2013 FY \$m	2012 FY (restated) \$m
Operating profit	56.5	66.4
Depreciation & amortization	15.8	14.7
Share based compensation charges	1.8	0.0
Loss on Disposal of PPE	0.3	0.0
Share of profit of joint venture	(0.1)	0.1
Decrease / (increase) in working capital	(14.6)	7.5
Increase / (decrease) in provisions	(0.7)	(0.6)
Income tax paid	(12.2)	(9.3)
Movement in retirement benefit obligations	(11.4)	(9.8)
Charges on retirement benefit obligations	1.7	0.0
<b>Net cash from operating activities</b>	<b>37.1</b>	<b>69.0</b>
Purchase of PPE	(24.2)	(19.3)
Purchase of intangible assets	(2.3)	0.0
Proceeds from sales of PPE	0.1	0.0
Investment in joint ventures (debt & equity)	(7.0)	(0.4)
Purchase of businesses	0.0	(11.0)
Disposal costs of Intellectual Property	0.0	(0.2)
Proceeds from sale of businesses	0.0	1.5
<b>Net cash flow before financing</b>	<b>3.7</b>	<b>39.6</b>
Net interest paid	(4.6)	(5.5)
Dividends paid	(10.8)	(5.8)
Repayment of bank loans and other facilities	0.0	(73.4)
Proceeds from issue of shares		65.1
IPO share issue costs	(0.3)	(3.4)
<b>Cash flow</b>	<b>(12.0)</b>	<b>16.6</b>

**Note:** See Appendix slide on IAS 19 Revised with respect to the restatement of 2012.

## Return on Invested Capital



**Notes:**

1. Return on Invested Capital (ROIC) is defined as : 
$$\frac{\text{Trading profit} \times (1 - \text{effective tax rate for the period})}{\text{Invested capital}}$$
2. Invested Capital is defined as shareholders' equity plus debt less cash ("Net debt").
3. Invested Capital is seen as a measure of the operating assets employed in the business to generate the trading profit.
4. Please see the appendices for the calculations and reconciliation to the financial statement GAAP figures.

## Group bank facilities – amendments and extensions

- **Extensions:**

- **Maturity date** moved from May 2015 to 30 April 2019.
- **Committed Size** increased from £70m (circa \$115m) to \$150m.
- **Uncommitted Accordion** of \$50m, means the facility could extend further to \$200m.

- **Amendments:**

- Two new banks added: **Santander UK PLC and Royal Bank of Scotland PLC.**
- Existing banks already include: **Lloyds Bank, Clydesdale Yorkshire (part of National Australia Bank) and Bank of America Merrill Lynch.**
- Reduced margin costs of 25 bps below 2x EBITDA leverage.
- Reduced non-utilization margin means the fees on the extended \$150m = the old £70m fees.
- Inter-creditor agreement cancelled, freeing up ability to raise finance via other routes, such as US Private Placement market.
- Relaxation on acquisition approvals below 2.5x EBITDA.
- Total debt cap increased to \$300m, subject to being below 3x EBITDA.
- Facilities denominated in US dollars and not GB pound sterling – though can draw funds in Euro, USD or GBP.
- One-off arrangement fee is \$1.3m payable end of Q1 2014.



CHIEF EXECUTIVE

**BRIAN PURVES**

SUMMARY AND OUTLOOK

- **Gas Cylinders**

- Trading margin improved from 6.4% to 7.3%.
- Ex-Dynetek plants now profitable and not expected to be a drag on margin in 2014.
- AF sales of over \$50m, \$30m up on 2012.
- First major virtual pipeline contract won (although later than forecast).
- Continued weakness in several European markets (principally for aluminum products).
- Underlying SCBA demand strong and growing.
  - Late in year, delay announced to approval of 2013 NIOSH-standard SCBA kits.

- **Elektron**

- Rare earth costs and surcharge no longer a material factor.
- European automotive market weak throughout the year, but the prevailing analyst view is that recovery is in progress.
- Strong sales of high-performance alloys in aerospace and high-end engineering.
  - FAA acceptance of magnesium alloys mid-year.
- Sales of military powders depressed.

- **Summary**

- Trading profit generated from non-US operations well down on prior year.
  - US flat despite lower defense sales and allocation of 'listed company' costs.
- Improvements to Group marginal tax rate.

- **Gas Cylinders**

- Spec. gas demand particularly weak (Gas Companies squeezing capital?).
- AF sales of over \$14m, but dominated by SUB161 virtual pipeline deliveries.
- AF order intake in Q1 was weak in slow US and Turkish markets.
  - Long-term outlook for AF market remains very strong
- SCBA demand held back by delayed approval of 2013 NIOSH-standard SCBA kits.
- Higher-than-normal development costs, on Type 4 cylinders and IOS (medical oxygen delivery system).

- **Elektron**

- European automotive market remains weak, but some potentially leading indicators positive.
- Continuing strong sales of high-performance alloys in aerospace and high-end engineering.
- Sales of military powders depressed, and affected from late February by customer outage.
- Higher than normal level of industrial catalyst sales.

## • Gas Cylinders

- AF sales in Q2 will be weaker because of Q1 order-take, but balance of SUB161 virtual pipeline order will be delivered.
- Other large orders being sought.
- Type 4 sales targeted to commence during Q3.
- Product development costs will continue to be high for bulk of year.
- SCBA demand in Q2 will likely remain affected by regulatory delays, but less than Q1, with recovery of deferred sales likely Q3 onwards.
- Unlikely that Cylinders result can match prior year.

## • Elektron

- Indications that European automotive market may improve in second half.
- Disruption to military powders sales will be worse in Q2 than in Q1, shortfall unlikely to be recovered because of DoD de-stocking programme.
- Industrial catalyst sales unlikely to repeat strong Q1, but opportunities still being explored.
- Overall it is felt that Elektron result can beat prior year, despite military powders shortfall.

- **Central**

- Additional costs as charge for equity awards builds up from zero base.
- Still incurring one-off costs of implementing normal listed company infrastructure e.g. employee share plans

- **Group Summary**

- Near-term impact of external factors
  - Delayed SCBA approvals
  - Reduced defense expenditure (compounded by customer outage)
  - Q2 likely to be weaker than Q1
- Major focus on long-term strategic growth opportunities
  - Major development activity on IOS (medical oxygen delivery system) and Type IV (CNG) cylinders
  - Significant progress on removing hurdles to getting magnesium alloys into civil aircraft
  - Facility for manufacture of bio-absorbable alloys now operational
- Expecting second half to be a significant uplift over HY1 and better than prior year, providing earnings momentum heading into 2015

**QUESTIONS?**



# APPENDICES

## Adjusted net income and EBITDA:

	2013 Q1 \$m	2013 Q2 \$m	2013 Q3 \$m	2013 Q4 \$m	2013 FY \$m	2012 Q1 (restated) \$m	2012 Q2 (restated) \$m	2012 Q3 (restated) \$m	2012 Q4 (restated) \$m	2012 FY (restated) \$m
<b>Net income for the period - as reported</b>	<b>8.3</b>	<b>8.6</b>	<b>8.4</b>	<b>8.8</b>	<b>34.1</b>	<b>10.4</b>	<b>10.2</b>	<b>9.7</b>	<b>9.2</b>	<b>39.5</b>
Restructuring & other (income) / expense	0.4	0.2	0.3	1.8	2.7		0.0	0.0	2.1	2.1
Acquisitions and disposals			0.1		0.1		0.1	(0.3)	1.0	0.8
Amortization of share based compensation charge	0.1	0.6	0.2	0.4	1.3					0.0
IAS 19-retirement benefits finance charge (non-cash)	0.9	0.9	0.9	1.1	3.8	0.9	0.9	0.9	0.9	3.6
Tax thereon	(0.3)	(0.3)	(0.6)	(1.0)	(2.2)	(0.2)	(0.3)	(0.2)	(0.6)	(1.3)
<b>Adjusted net income</b>	<b>9.4</b>	<b>10.0</b>	<b>9.3</b>	<b>11.1</b>	<b>39.8</b>	<b>11.1</b>	<b>10.9</b>	<b>10.1</b>	<b>12.6</b>	<b>44.7</b>
Add back: tax thereon	0.3	0.3	0.6	1.0	2.2	0.2	0.3	0.2	0.6	1.3
Tax expense	3.8	4.2	2.9	1.7	12.6	5.2	4.8	4.5	1.5	16.0
Interest costs	1.5	1.4	1.4	1.6	5.9	1.7	1.9	1.5	1.4	6.5
Loss on Disposal of PPE				0.3	0.3					0.0
Depreciation and amortization	3.7	3.9	4.1	4.1	15.8	3.7	3.5	3.6	3.9	14.7
<b>Adjusted EBITDA</b>	<b>18.7</b>	<b>19.8</b>	<b>18.3</b>	<b>19.8</b>	<b>76.6</b>	<b>21.9</b>	<b>21.4</b>	<b>19.9</b>	<b>20.0</b>	<b>83.2</b>

**Note:** See slide 28 with respect to the restatement of 2012.

## Return on Invested Capital (ROIC):

	2010 (restated)	2011 (restated)	2012 (restated)	Q4 2012 (restated)	2013	Q4 2013
	\$M	\$M	\$M	\$M	\$M	\$M
Trading profit - per income statement	44.7	63.7	68.5	16.1	59.2	15.0
<i>Effective rate tax per income statement</i>	<i>27.8%</i>	<i>23.7%</i>	<i>28.8%</i>	<i>14.0%</i>	<i>27.0%</i>	<i>16.2%</i>
Notional tax	-12.4	-15.1	-19.7	-2.3	-16.0	-2.4
Trading profit after notional tax	32.3	48.6	48.8	13.8	43.2	12.6
<b>Annualised after tax trading profit (A)</b>	<b>32.3</b>	<b>48.6</b>	<b>48.8</b>	<b>55.2</b>	<b>43.2</b>	<b>50.4</b>
Bank and other loans	115.9	132.5	63.5	63.5	63.8	63.8
Cash	-10.3	-22.2	-40.2	-40.2	-28.4	-28.4
Net debt	105.6	110.3	23.3	23.3	35.4	35.4
Total shareholders equity	65.2	64.8	148.8	148.8	191.7	191.7
<b>Invested capital</b>	<b>170.8</b>	<b>175.1</b>	<b>172.1</b>	<b>172.1</b>	<b>227.1</b>	<b>227.1</b>
<b>Average invested capital (B)</b>	<b>164.8</b>	<b>173.0</b>	<b>173.6</b>	<b>176.6</b>	<b>199.6</b>	<b>214.5</b>
<b>Return on invested capital (A) / (B)</b>	<b>20%</b>	<b>28%</b>	<b>28%</b>	<b>31%</b>	<b>22%</b>	<b>24%</b>

# IAS 19 revised – restatement of 2012 results

	AS PREVIOUSLY STATED					REVISED				
	2012 Q1 \$m	2012 Q2 \$m	2012 Q3 \$m	2012 Q4 \$m	2012 FY \$m	2012 Q1 \$m	2012 Q2 \$m	2012 Q3 \$m	2012 Q4 \$m	2012 FY \$m
<b>Net income for the period - as reported</b>	<b>11.1</b>	<b>10.9</b>	<b>10.5</b>	<b>9.9</b>	<b>42.4</b>	<b>10.4</b>	<b>10.2</b>	<b>9.7</b>	<b>9.2</b>	<b>39.5</b>
Acquisition and disposals	0.0	0.1	(0.3)	1.0	0.8	0.0	0.1	(0.3)	1.0	0.8
Restructuring & other income/expense	0.0	0.0	0.0	2.1	2.1	0.0	0.0	0.0	2.1	2.1
<b>IAS 19 revised - changes to finance costs</b>					<b>0.0</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>3.6</b>
<b>Tax thereon</b>				<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.6)</b>	<b>(1.3)</b>
<b>Adjusted net income</b>	<b>11.1</b>	<b>11.0</b>	<b>10.2</b>	<b>12.7</b>	<b>45.0</b>	<b>11.1</b>	<b>10.9</b>	<b>10.1</b>	<b>12.6</b>	<b>44.7</b>
Add back: tax thereon	0.0	0.0	0.0	0.3	0.3	0.2	0.3	0.2	0.6	1.3
Tax expense	5.5	5.1	4.7	1.7	17.0	5.2	4.8	4.5	1.5	16.0
Net finance costs	1.7	1.9	1.5	1.4	6.5	1.7	1.9	1.5	1.4	6.5
<b>Trading profit - as reported</b>	<b>18.3</b>	<b>18.0</b>	<b>16.4</b>	<b>16.1</b>	<b>68.8</b>	<b>18.2</b>	<b>17.9</b>	<b>16.3</b>	<b>16.1</b>	<b>68.5</b>
Depreciation and amortization	3.7	3.5	3.6	3.9	14.7	3.7	3.5	3.6	3.9	14.7
<b>Adjusted EBITDA</b>	<b>22.0</b>	<b>21.5</b>	<b>20.0</b>	<b>20.0</b>	<b>83.5</b>	<b>21.9</b>	<b>21.4</b>	<b>19.9</b>	<b>20.0</b>	<b>83.2</b>
<b>NON GAAP: Net income per ADS - based on POST IPO 31 Dec 2012 outstanding share count:</b>										
Net income divided by 26.8m	\$0.41	\$0.41	\$0.39	\$0.37	\$1.58	\$0.39	\$0.38	\$0.36	\$0.34	\$1.47
<b>Adjusted net income divided by 26.8m</b>	<b>\$0.41</b>	<b>\$0.41</b>	<b>\$0.38</b>	<b>\$0.47</b>	<b>\$1.68</b>	<b>\$0.41</b>	<b>\$0.41</b>	<b>\$0.38</b>	<b>\$0.47</b>	<b>\$1.67</b>
<b>IFRS - EPS based on £1 ordinary shares (weighted average calculation):</b>	<b>\$1.12</b>	<b>\$1.10</b>	<b>\$1.06</b>	<b>\$0.74</b>	<b>\$3.95</b>	<b>\$1.05</b>	<b>\$1.03</b>	<b>\$0.98</b>	<b>\$0.69</b>	<b>\$3.68</b>

**Note:** A change to IAS 19, Employee Benefits Revised, requires the Group to charge (in addition to normal current-year service costs) scheme paid (and self-funded) administration costs to operating profit and to make a notional finance charge, in respect of the level of accounting pension deficit, based upon corporate bond yields. Results for the prior quarters in 2012 have been restated to reflect these changes and make the prior-year figures comparable to the current year.